

INTERCREDITOR AGREEMENT

by and among

IOWA FINANCE AUTHORITY,
as Issuer,

BNY TRUST COMPANY OF MISSOURI,
as Trustee,

CEDARWOOD HILLS ACQUISITION, L.P.,
a Missouri limited partnership

and

FEDERAL HOME LOAN MORTGAGE CORPORATION

Relating to a

Bond Mortgage Loan
Securing

\$4,960,000

Iowa Finance Authority
Variable Rate Demand Multifamily Housing Revenue Bonds
(Cedarwood Hills Project)
Series 2001A

\$665,000

Iowa Finance Authority
Subordinate Multifamily Housing Revenue Bonds
(Cedarwood Hills Project)
Series 2001B

Dated as of May 1, 2001

2001 APR 30 PM 3:28
JOHN HOOGALMANT
COUNTY RECORDER
LINN COUNTY, IOWA

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EXHIBIT A — PROJECT DESCRIPTION

INTERCREDITOR AGREEMENT

THIS INTERCREDITOR AGREEMENT (this "*Agreement*") is dated as of May 1, 2001, and is made among IOWA FINANCE AUTHORITY (the "*Issuer*"), BNY TRUST COMPANY OF MISSOURI (the "*Trustee*"), CEDARWOOD HILLS ACQUISITION, L.P. (the "*Developer*") and FEDERAL HOME LOAN MORTGAGE CORPORATION ("*Freddie Mac*").

RECITALS

Pursuant to, and in accordance with, Chapter 16 of the Arizona Code of Iowa, 2001, as amended (the "*Act*"), the Issuer is selling its Variable Rate Demand Multifamily Housing Revenue Bonds (Cedarwood Hills Project) Series 2001A, in the aggregate principal amount of \$4,960,000 (the "*Series A Bonds*") and its Subordinate Multifamily Housing Revenue Bonds (Cedarwood Hills Project) Series 2001B in the aggregate principal amount of \$665,000 (the "*Series B Bonds*" and with the Series A Bonds, the "*Bonds*"). The proceeds of the Bonds will be loaned (the "*Bond Mortgage Loan*") to Cedarwood Hills Acquisition, L.P., a Missouri limited partnership (the "*Developer*") upon the terms and conditions of a Financing Agreement dated as of May 1, 2001 (the "*Financing Agreement*"), for the purpose of financing a certain apartment project known as Cedarwood Hills Apartments within the geographical boundaries of Cedar Rapids, Iowa (the "*Project*").

The Bonds will be issued pursuant to a Trust Indenture, dated as of May 1, 2001 between the Issuer and the Trustee (the "*Indenture*").

The obligations of the Developer will be secured by a Multifamily Mortgage, Assignment of Rents and Security Agreement (the "*Bond Mortgage*") dated as of May 1, 2001.

The Developer has requested that Freddie Mac execute and deliver a Direct Pay Credit Enhancement Agreement (the "*Credit Enhancement Agreement*") to provide payment for and secure the payment of amounts owing under the Financing Agreement sufficient to pay the principal and interest on the Series A Bonds and the purchase price of the Series A Bonds. The Developer or an affiliate of the Developer will purchase and hold the Series B Bonds which are not subject to the Credit Enhancement Agreement.

Freddie Mac is executing and delivering the Credit Enhancement Agreement concurrently with the execution of this Agreement. To evidence the Developer's repayment obligations to Freddie Mac as a result of payments made by Freddie Mac under the Credit Enhancement Agreement, the Developer and Freddie Mac have entered into a Reimbursement and Security Agreement (the "*Reimbursement Agreement*") dated as of the date hereof.

The Developer is contemporaneously herewith executing and delivering for the benefit of Freddie Mac a Multifamily Mortgage, Assignment of Rents and Security Agreement to secure the obligations of Developer to Freddie Mac under the Reimbursement Agreement (the "*Reimbursement Mortgage*"). Freddie Mac, the Issuer, the Developer and the Trustee have agreed to enter into this Agreement in connection with the Credit Enhancement Agreement and the subordination of the Series B Bonds provided by the Indenture.

NOW, THEREFORE, in consideration of the mutual promises contained herein and in order to induce Freddie Mac to execute and deliver the Credit Enhancement Agreement and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Unless otherwise defined herein, or unless the context clearly indicates otherwise, each term used in this Agreement including in the Recitals set forth above, and which is defined in the Indenture, shall have the meaning given to such term by the Indenture.

As used herein, the following terms shall have the meanings set forth below:

"Bond Documents" means the Indenture, the Financing Agreement, the Bond Mortgage Note, the Tax Regulatory Agreement, the Bond Mortgage and this Intercreditor Agreement and any other document evidencing or securing the Bonds.

"Credit Facility Documents" means the Reimbursement Agreement, the Reimbursement Mortgage, the Pledge Agreement, the Cap Assignment and any other document evidencing or securing the obligations of the Developer pursuant to the Reimbursement Agreement.

"Wrongful Dishonor" means the failure of Freddie Mac to honor a draw made in accordance with the terms of the Credit Enhancement Agreement (which draw strictly complies with, and conforms to, the terms and conditions of the Credit Enhancement Agreement).

Section 2. Rules of Construction. (a) The words "hereof," "herein," "hereunder," "hereto," and other words of similar import refer to this Agreement in its entirety.

(b) The terms "agree" and "agreements" contained herein are intended to include and mean "covenant" and "covenants."

(c) References to Articles, Sections and other subdivisions of this Agreement are to the designated Articles, Sections and other subdivisions of this Agreement as originally executed.

(d) The headings of this Agreement are for convenience only and shall not define or limit the provisions hereof.

(e) All references made (i) in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, and (ii) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well.

Section 3. Exercise of Rights and Remedies by Freddie Mac. (a) Until either a Wrongful Dishonor has occurred and is continuing, or the Credit Enhancement Agreement terminates in accordance with its terms:

(i) Except as provided in Sections 3(c) and 3(d), without the prior written consent of Freddie Mac, the Trustee may not exercise any of its rights and remedies under the Bond Mortgage or as a secured party with respect to the liens and security interests created by the Financing Agreement or take any action to declare the outstanding balance of the Bonds or any portion of the Bonds or the Bond Mortgage Note to be due pursuant to the Indenture or the Financing Agreement or to foreclose the lien of the Bond Mortgage, to seek the appointment of a receiver or to collect rents or realize upon any other collateral held as security for the Bonds or file or join in the filing of any judicial proceeding to collect the indebtedness secured by the Bond Mortgage.

(ii) Any and all consents and approvals of the Trustee required under the Bond Mortgage shall be given only with the prior written consent of Freddie Mac, in its sole discretion.

(iii) The application of the proceeds of insurance or condemnation ("*Insurance/Condemnation Proceeds*") shall be solely as directed by Freddie Mac, in accordance with the terms of the Indenture and subject to the requirement that excess proceeds remaining after the use of such Insurance/Condemnation Proceeds for the repair, restoration, rebuilding or alteration of the Project shall be used by the Trustee for the purpose of redeeming first, the Series A Bonds and second, the Series B Bonds in accordance with the terms of the Indenture.

(iv) Except as provided in Sections 3(c) and 3(d), any and all demands permitted to be made by the Trustee under the terms of the Bond Mortgage shall be made only by or at the written direction of Freddie Mac, in its sole discretion, (the Trustee may request, however, that Freddie Mac, in its discretion, provide such direction).

(v) Except as provided in Sections 3(c) and 3(d), Freddie Mac, in its sole discretion, shall have the sole right to direct the Trustee to waive or forebear any term, condition, covenant or agreement of the Bond Mortgage applicable to the Developer as trustor, or any breach thereof, other than a covenant that might adversely impact the tax-exempt status of the Series A Bonds, or the covenants contained in Section 5.8 of the Financing Agreement.

(vi) Except as provided in Sections 3(c) and 3(d), Freddie Mac shall control all of the Mortgage Rights (as such term is defined below) and Freddie Mac shall have the right, power and authority to direct the Trustee with respect to all decisions in connection with the Bond Mortgage, which pursuant to its terms may be made by the Trustee, except that Freddie Mac shall not have the right to direct the Trustee to take or refrain from taking action that would adversely impact the tax-exempt status of the Series A Bonds. The parties hereto agree that although all Bond Mortgage Loan payments are required to be made monthly under the Financing Agreement, the Developer has agreed to make certain monthly Bond Mortgage Loan payments under the Reimbursement Agreement to the Servicer by wiring such funds in immediately available moneys on the third business day prior to the first day of each month. "*Mortgage Rights*" means, with respect to the Bond Mortgage Loan, all rights of the Issuer, the Trustee and/or the Trustee under the Bond Mortgage (other than those rights specifically excluded below) including without limitation, the right to receive any and all of the Bond Mortgage Loan payments

thereunder and all of the rights and interests under the Bond Mortgage, and to vest in its independent contractor, including the Servicer, such rights, powers and authority as may be necessary to implement any of the foregoing; "*Mortgage Rights*" does not mean, and expressly excludes (a) the Issuer's Unassigned Rights; (b) the right to receive payments relating to the redemption premium of a redeemed Bond; (c) the Issuer's and the Trustee's right to require the Developer to pay rebate, meet continuing disclosure requirements and the right to enforce the Tax Regulatory Agreement; and (d) the Trustee's rights to enforce the Developer's obligations to make payments owing to the Trustee pursuant to Sections 4.2(b)(vi) or 6.1 of the Financing Agreement; *provided, however*, that the enforcement of such rights of the Trustee or the Issuer is limited as provided in Sections 3(c) and 3(d).

(vii) Trustee and Issuer covenant and agree neither to file nor join in the filing of any involuntary petition involving the Developer under the federal bankruptcy laws or other federal or state reorganization, receivership, insolvency or similar proceeding without the consent of Freddie Mac.

(viii) Subject to the retained powers set forth in Section 19 below, neither Trustee nor Issuer shall acquire by subrogation, contract or otherwise any lien upon or other estate, right or interest in the Project or any rents or revenues therefrom that are not subject to the terms of this Agreement.

(ix) Upon any liquidation or reorganization of Developer or any of the entities comprising Developer or any of the members of any such entity (Developer and all such entities and partners hereinafter collectively referred to as the "*Developer Parties*") in a bankruptcy, insolvency or receivership proceeding or upon any involuntary liquidation or dissolution of a Developer Party, then, in any such case, any payment or distribution, whether in cash, property or securities, to which Trustee or Issuer would be entitled but for this Agreement (except for all rights of the Issuer and the Trustee to fees, expenses (including, but not limited to, fees and expenses incurred as a result of a Developer Party bankruptcy, liquidation or reorganization), indemnification, payment of rebate and any other amounts due the Issuer or the Trustee), shall instead be paid over to Freddie Mac for application as provided in the Reimbursement Agreement until all amounts due to Freddie Mac under the Reimbursement Agreement have been paid in full.

(x) Trustee, Issuer and Developer irrevocably authorize Freddie Mac (but Freddie Mac has no obligation to take any such action, in which case Trustee or Issuer may proceed), in the event that Trustee and Issuer would be entitled to any payment or distribution, whether in cash or securities, as described in Section (ix) above (except for all rights of the Issuer and the Trustee to fees, expenses (including, but not limited to, fees and expenses incurred as a result of a Developer Party bankruptcy, liquidation or reorganization), indemnification, payment of rebate and any other amounts due the Issuer or the Trustee), to demand, sue for, collect and receive every such payment or distribution described in Section (ix), to file claims and proofs of claims in any statutory or non-statutory proceeding and to take all such other action (including, without limitation, the right to participate in any composition of creditors and the right to vote the amount of the Bond Mortgage Loan at creditors' meetings for the election of trustees, acceptances of plans and otherwise), in the name of Freddie Mac or in the name of

Trustee and Issuer or otherwise, as Freddie Mac may deem necessary or advisable for the enforcement of the provisions of this Agreement. Trustee and Issuer agree, upon any liquidation or reorganization of any Developer Party in a bankruptcy, insolvency or receivership proceeding or upon any involuntary liquidation or dissolution of the Developer, and at the sole expense of the Developer or if the Developer fails to pay, at the expense of Freddie Mac, promptly to take such action as may be requested at any time by Freddie Mac to deliver any instruments required to collect the Bond Mortgage Loan, on demand therefor, and to execute and deliver such powers of attorney, assignments or other instruments as may be requested by Freddie Mac in order to enable Freddie Mac to enforce any and all claims upon or in respect of the Bond Mortgage Loan and to collect and receive any and all payments or distributions which may be payable or deliverable at any time upon or in respect of the Bond Mortgage Loan. Nothing herein contained shall be deemed to preclude Trustee or Issuer from appearing or being heard in any bankruptcy, insolvency, or other similar proceedings affecting the Developer, nor from collecting from the Developer the full Bond Mortgage Loan amount due to Trustee or Issuer (through subrogation to the rights of Freddie Mac or otherwise) after all amounts due to Freddie Mac under the Reimbursement Agreement and the Reimbursement Mortgage shall have been paid in full, nor from collecting the fees and expenses of the Issuer and the Trustee (including but not limited to fees and expenses as a result of a Developer Party bankruptcy, liquidation or reorganization) or for indemnification, payment of rebate or other amounts due the Issuer or the Trustee other than the Bond Mortgage Loan, prior to satisfaction of all amounts owing to Freddie Mac under the Reimbursement Agreement and the Reimbursement Mortgage. For purposes of this Agreement, Freddie Mac's claim or entitlement in any bankruptcy proceeding for post-petition interest shall be senior to the Bond Mortgage Loan and subject to the rights, benefits, terms and provisions of this Agreement as if it were part of the Reimbursement Agreement obligations, notwithstanding the fact that a claim for such post-petition interest may have been disallowed or Freddie Mac may otherwise not be entitled to such post-petition interest in the Developer's or Developer Party's bankruptcy proceeding. Trustee and Issuer hereby agree not to seek adequate protection payments in any Developer bankruptcy proceeding without the prior written consent of Freddie Mac, which may be granted or withheld by Freddie Mac in Freddie Mac's sole discretion; *provided, however*, that in the event Freddie Mac does not either seek to obtain adequate protection payments or to obtain relief from the automatic stay in order to protect its secured creditor position, subject to the terms of this Agreement, Trustee shall have the right to seek adequate protection payments. Further, at the sole expense of the Developer or if the Developer fails to pay, at the expense of Freddie Mac, Trustee and Issuer agree to join, and not object to, or otherwise contest any request for relief from the automatic stay of 11 U.S.C. §362 requested by Freddie Mac in any bankruptcy proceeding of Developer, in order to enable Freddie Mac to foreclose or exercise any of its rights or remedies under the Reimbursement Mortgage to the Project.

(xi) During the continuation of any default under the Reimbursement Agreement, the Reimbursement Agreement provides that any payment or distribution received by the Trustee, whether in cash or other property, which would otherwise be payable or deliverable to the Developer or payable on the Series B Bonds, shall be paid

or delivered directly to Freddie Mac in satisfaction of any amounts payable (including, but not limited to, any payment pursuant to an assignment of rents) under the Reimbursement Mortgage (including any interest thereon accruing after the occurrence of any such default) until all such amounts shall have been paid in full or the default shall have been cured or waived by Freddie Mac.

(xii) If any payment of the rents or other revenues arising from an assignment of rents contained in the Bond Mortgage or distribution of security or the proceeds of any of the foregoing is collected or received by Issuer or Trustee in contravention of any term, condition or provision of this Agreement, Issuer or Trustee, as applicable, immediately will deliver the same to Freddie Mac, in precisely the form received (except for the endorsement or the assignment by Issuer or Trustee, as applicable, where necessary), and, until so delivered, the same shall be held in trust by Issuer or Trustee, as applicable.

(xiii) Trustee or Issuer shall not have any right to contest any of the procedures or actions taken by Freddie Mac to exercise its remedies under the Reimbursement Agreement or the Reimbursement Mortgage so long as Freddie Mac is in compliance with its agreements hereunder unless such procedures or actions will have a material adverse effect on the Series A Bondholders.

(b) Neither Freddie Mac nor the Servicer, nor their respective officers, directors, employees or agents, shall be liable to the Trustee for any action taken or omitted to be taken in good faith by Freddie Mac or the Servicer in connection with the Bond Mortgage Loan by reason of Freddie Mac's control of the Mortgage Rights, the delegation thereof to the Servicer, or the exercise of the Mortgage Rights by Freddie Mac or the Servicer. Freddie Mac shall have the right to delegate to the Servicer any of the Mortgage Rights.

(c) If the Developer defaults in the performance or observance of any covenant, agreement or obligation of Developer set forth in the Tax Regulatory Agreement, and if such default remains uncured for a period of 60 days after Developer and Freddie Mac receive written notice from the Trustee or Issuer stating that a Tax Regulatory Agreement default has occurred and specifying the nature of the default, the Issuer and Trustee shall have the right to seek specific performance of the provisions of the Tax Regulatory Agreement and Section 7.2 of the Financing Agreement or to exercise their other rights or remedies thereunder; *provided, however* that, the Trustee shall not have the right to accelerate the Bond Mortgage Note or the Bonds or to foreclose under the Bond Mortgage. The Trustee and the Issuer agree to refrain from the exercise of such remedies if Freddie Mac cures any such default by the Developer within 60 days after notice, if such default is capable of being cured by the payment of money or, in the event of any other default, Freddie Mac commences to cure such default and thereafter diligently proceeds with such cure.

(d) If the Developer defaults in the performance of its obligations to the Issuer pursuant to Sections 4.2(vii), 4.3, 5.8, 6.1 or 7.4 of the Financing Agreement or the Developer's obligations under the Financing Agreement to make rebate payments or to comply with continuing disclosure requirements or to make payments to the Trustee owed pursuant to

Sections 4.2(b)(vi) or 6.1 of the Financing Agreement for fees, expenses or indemnification, the Issuer or the Trustee shall have the right to exercise all its rights and remedies thereunder; *provided, however* that, the Trustee shall not have the right to accelerate the Bond Mortgage Bond Mortgage Note or the Bonds or to foreclose under the Bond Mortgage. The Trustee and Issuer agree to refrain from the exercise of such remedies if Freddie Mac cures any such default by the Developer within 60 days after notice, if such default is capable of being cured by the payment of money or, in the event of any other default, Freddie Mac commences to cure such default and thereafter diligently proceeds with such cure.

(e) Trustee acknowledges that the Servicer and/or Freddie Mac may hold cash or other collateral and reserves to secure the Reimbursement Agreement, which collateral is not available as security for the Bonds. All cash collateral that is held by the Servicer that is primarily held as security for the payment of principal and interest on the Series A Bonds or to reimburse Freddie Mac for payments made under the Credit Enhancement Agreement shall be invested in obligations the interest on which is excludable from gross income for federal income tax purposes.

(f) Trustee acknowledges that Freddie Mac may make advances to the Developer pursuant to the terms of the Reimbursement Agreement and the Reimbursement Mortgage or any extension, modification, amendment, renewal, consolidation, increase, reinstatement or supplement thereto. Trustee acknowledges that the obligations evidenced by the Reimbursement Agreement and secured by the Reimbursement Mortgage, together with accrued interest thereon, plus fees, advances and expenses due and owing by Developer thereunder may increase in the future and the agreements of Trustee set forth in this Agreement shall extend to such amounts that are currently, and that may become, due and owing under the Reimbursement Mortgage.

(g) If and to the extent that Issuer and/or Trustee take actions or refrain from taking actions at the direction of Freddie Mac, Freddie Mac agrees to pay, and to indemnify Issuer and Trustee against, all costs, fees, expenses and liabilities (including reasonable attorneys' fees and expenses) incurred by Issuer or Trustee in connection with any action taken or not taken by either of them at the request and direction of Freddie Mac, subject to the limitations set forth below:

(h) Freddie Mac shall not be obligated, other than as provided in any assumption agreement executed by Freddie Mac following its acquisition of the Project as provided in Section 8, (i) to pay any costs, fees or expenses which Trustee may suffer or incur by reason of the negligent or willful failure of Trustee to perform the trusts and duties imposed upon it under the Indenture, (ii) to pay any costs, fees or expenses which Trustee is required to incur otherwise in connection with the performance of the trusts and duties imposed upon it under the Indenture and (iii) to pay any costs, fees or expenses which Issuer or Trustee may incur by reason of Issuer's or Trustee's exercise or failure to exercise any power or discretion other than at Freddie Mac's direction.

Section 4. Exercise of Rights and Remedies by Trustee; Transfer of Bond Mortgage Loan. (a) Upon (i) the occurrence and during the continuation of a Wrongful Dishonor, or (ii) upon the termination of the Credit Enhancement Agreement in accordance with its terms,

Freddie Mac shall not exercise the rights and remedies referred to in Section 3 hereof without the prior written consent of the Trustee, and the actions set forth in Section 3 shall be taken by the Trustee in its sole discretion.

(b) Unless a Wrongful Dishonor shall have occurred and be continuing, neither the Trustee nor the Issuer shall, without the prior written consent of Freddie Mac, dispose of the Bond Mortgage Loan, transfer the Financing Agreement, the Bond Mortgage Note, the Bond Mortgage or any other related document or any right or interest in the Financing Agreement, the Bond Mortgage Note, the Bond Mortgage or any other related document other than in the case of the Trustee, to a successor Trustee pursuant to the terms of the Indenture.

Section 5. Application of Moneys Received upon Exercise of Remedies under the Bond Mortgage. Any and all amounts received or collected by the Trustee or Freddie Mac in payment of the Bond Mortgage Loan as a result of the exercise of set-off rights, the liquidation of any security interest created by the Bond Documents or the Credit Facility Documents, the sale (by foreclosure, power of sale or otherwise) of the Project under the Bond Mortgage or the exercise of any remedies under any of the Bond Documents or the Credit Facility Documents against the Developer or the Project (including rents received from the appointment of a receiver) shall be held by the Trustee or Freddie Mac, as the case may be, for the benefit of the Trustee and Freddie Mac and will be applied as follows:

(a) until either (i) a Wrongful Dishonor has occurred and is continuing, or (ii) the Credit Enhancement Agreement expires or is replaced, such moneys held by the Trustee and Freddie Mac shall be applied in such manner and in such order as Freddie Mac, in its sole discretion, determines, subject, however, to the terms of this Agreement, the Reimbursement Mortgage and Reimbursement Agreement and any remaining moneys shall be applied toward payment of the Series B Bonds in accordance with the Indenture;

(b) upon and following the occurrence and continuance of the event described in clause (a)(i) or the occurrence of the events described in clause (a)(ii) above, such moneys held by the Trustee and Freddie Mac shall be applied in such manner and in such order (to the extent permitted by the Bond Documents or the Credit Facility Documents and applicable law) as the Trustee, in its sole discretion, determines as required under the terms of the Indenture.

Section 6. Insurance and Condemnation. (a) Freddie Mac and the Trustee shall each be named as a mortgagee on all fire, extended coverage and other hazard insurance policies required under the Bond Mortgage and all insurers shall be directed to pay all proceeds of such policies directly to the Trustee, which proceeds shall be held and applied by the Trustee at the direction of Freddie Mac in accordance with the terms of the Indenture (in any event, however, subject to the requirement that excess proceeds remaining after the use of Insurance Proceeds for the repair, restoration, rebuilding or alteration of the Project shall be used by the Trustee for the purpose of redeeming the Series A Bonds) and the Developer, as mortgagor, shall deal solely with Freddie Mac or the Servicer, as Freddie Mac shall direct, under the Indenture; Freddie Mac and the Servicer shall have no liability for any such application of insurance proceeds in accordance with the terms of the Indenture. Freddie Mac, the Trustee and the Issuer shall each

be a named insured on all liability insurance policies required under the Bond Mortgage, the Financing Agreement and the Reimbursement Mortgage.

(b) All proceeds of any condemnation award shall be paid to the Trustee, which proceeds shall be applied, as directed by Freddie Mac, in the manner provided by the Indenture (in any event, however, subject to the requirement that excess proceeds remaining after the use of Condemnation Proceeds for the repair, restoration, rebuilding or alteration of the Project shall be used by the Trustee for the purpose of redeeming the Series A Bonds) and the Developer, as mortgagor, shall deal solely with Freddie Mac or the Servicer, as Freddie Mac shall direct, under the Indenture; Freddie Mac and the Servicer shall have no liability for any such application of Condemnation Proceeds pursuant to the terms of the Indenture.

Section 7. Assignment of Rights. The parties hereto each hereby agree that, following a total defeasance of the Bonds, an acceleration of the principal amount of the Bonds or the calling of all Bonds for redemption, when Trustee holds proceeds of a draw under the Credit Enhancement Agreement under the Indenture (whether as a result of the payment by Freddie Mac under the Credit Enhancement Agreement or otherwise) in an amount which shall be sufficient to pay

(a) the principal of all Series A Bonds then Outstanding, and

(b) all accrued and unpaid interest on the Series A Bonds then Outstanding to the date of redemption, acceleration or defeasance, such that the obligation of Freddie Mac under the Credit Enhancement Agreement is deemed to be retired in full in accordance with its terms, and Issuer and Trustee shall promptly do all of the following:

(i) use all funds drawn under the Credit Enhancement Agreement as may be necessary to promptly redeem, retire or defease all Outstanding Series A Bonds at their face amount plus any accrued interest, and, in the event any excess funds were paid to the Trustee pursuant to a drawing under the Credit Enhancement Agreement, return said excess funds to Freddie Mac promptly;

(ii) at the option of Freddie Mac, either reconvey, release and cancel, or assign to Freddie Mac, all of their right, title and interest (other than their rights to be paid for services rendered and to be rendered and for fees and expenses incurred thereunder and to be indemnified pursuant thereto) under the Bond Documents, other than the Tax Regulatory Agreement, and execute, acknowledge and deliver to Freddie Mac such instruments and documents as may be reasonably necessary in connection with such reconveyance, release, cancellation or assignment;

(iii) deliver to Freddie Mac, in such form and to such place, as Freddie Mac shall designate, all property due Freddie Mac pursuant to the provisions of the Indenture; and

(iv) return the Credit Enhancement Agreement to Freddie Mac.

Section 8. Substitution of Obligor. (a) Issuer and Trustee agree that, should Freddie Mac succeed to the interest of Developer in the Project pursuant to a foreclosure sale or otherwise without having implemented the provisions of Section 7 above, then Freddie Mac shall be the successor to Developer for all purposes of the Bond Documents and Freddie Mac acknowledges and agrees to be so treated as successor to Developer.

(b) Following any succession by Freddie Mac to the right, title and interest of Developer in the Project pursuant to Paragraph (a) above, with the prior written consent of the Issuer, Freddie Mac shall have the right to sell, transfer and/or assign its interest in the Project to any person or entity, *provided* that Freddie Mac or such transferee delivers or causes to be delivered to Issuer and Trustee concurrently with such transfer: (i) a letter of credit or other credit enhancement facility that complies with all applicable requirements under the Indenture; (ii) a written instrument assuming and agreeing to perform all obligations of Developer under the Bond Documents to which the Developer is a party accruing from and after the date of such transfer; (iii) an opinion of counsel to the transferee that such transferee has duly assumed the obligations of the Developer under the Bond Documents to which the Developer is a party and that each of the Bond Documents to which the Developer is a party is a binding obligation of the transferee; and (iv) an opinion of Bond Counsel that such transfer or substitution will not cause interest on the Bonds to be included in the gross income of any registered owner thereof for Federal income tax purposes (except for interest on any Bond held by a "substantial user" of the Project or a "related person," within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended). The Issuer shall be deemed to have provided its written consent to a transfer upon the satisfaction of the conditions set forth in Section 8(b)(i) through (iv). Upon completion of any transfer in accordance with this Section 8(b), the liability of Freddie Mac shall be limited to the period it owned the Project and Freddie Mac shall thereafter be relieved of any further liability for Developer's obligations under the Bond Documents accruing from and after the date of such transfer.

(c) Issuer and Trustee agree that a purchaser may succeed to the interest of the Developer in the Project pursuant to a foreclosure sale or otherwise *provided* that such purchaser delivers or causes the delivery of the documents described in Section 8(b)(i) through 8(b)(iv).

Section 9. Bond Mortgage Loan Servicing. The identity of the Servicer being of material importance to Freddie Mac, this Agreement is accepted by Freddie Mac on the basis, and with the understanding, that the Servicer will be determined solely by Freddie Mac. The term "Servicer" as used in this Agreement shall mean a multi-family seller and servicer approved by Freddie Mac, which initially shall be NorthMarq Capital, Inc. and any permitted successor or assign under the Servicing Agreement or any other person designated by Freddie Mac to service the Bond Mortgage Loan. The term "Servicing Agreement" as used in this Agreement means any agreement with respect to the servicing of the Bond Mortgage Loan between Freddie Mac and the entity designated from time to time by Freddie Mac as the Servicer of the Bond Mortgage Loan, as each such agreement may be amended, restated, supplemented or otherwise modified from time to time. Accordingly, so long as the Credit Enhancement Agreement is in effect, the Bond Mortgage Loan is outstanding and no Wrongful Dishonor has occurred and is continuing, the Issuer and the Trustee agree that Freddie Mac shall, in its discretion, have the sole and exclusive (a) right to appoint the Servicer and arrange for the servicing of the Bond

Mortgage Loan and the Bond Mortgage or Financing Agreement, *provided* such servicing shall be performed by a Freddie Mac approved seller-servicer in accordance with the terms and conditions of a Servicing Agreement entered into by Freddie Mac and the Servicer and *further provided* that the Servicing Agreement shall comply with the provisions of the Financing Agreement and the Servicer shall comply fully with the provisions of the Financing Agreement, and (b) right to remove the Servicer (for any reason), terminate its right to service the Bond Mortgage Loan, and appoint a new Servicer. The Issuer and Trustee further acknowledge and agree that the Servicing Agreement between Freddie Mac and the Servicer is subject to amendment or termination without the consent of the Issuer, the Trustee or the Developer (*provided* that no such amendment shall adversely affect the rights of Issuer or Trustee or in any way operate to modify the provisions of the Financing Agreement or the Servicer's compliance with the Financing Agreement or affect the tax status of the Series A Bonds) and that none of the Issuer, the Trustee or the Developer shall have any rights under or be a third party beneficiary of the Servicing Agreement. The Trustee and Issuer acknowledge and agree that any Servicer designated by Freddie Mac shall be paid a fee for its services. None of the Issuer, the Trustee or Freddie Mac shall have the obligation to pay such fees from their own funds. In the event the Developer fails to make any payment relating to fees, expenses or indemnification obligations to the Issuer or Trustee as required under the Financing Agreement, the party which has not received such payment shall immediately notify the Servicer of such failure.

Section 10. Representations, Warranties and Covenants. (a) The Issuer represents, warrants and covenants to the other parties hereto that:

(i) the Issuer has not received a notice in writing from the Internal Revenue Service alleging that any event or act has occurred in the operation and management of the Project which would adversely affect the exclusion of the interest on the Series A Bonds from gross income for federal income tax purposes or a notice in writing from the Trustee concerning any event of default under any Bond Document; and

(ii) the Issuer has all necessary power and authority to execute, deliver and perform its obligations under and has duly authorized the execution, delivery and performance of this Agreement. This Agreement is a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms; subject to (A) applicable limitations of bankruptcy or equitable principles affecting the enforcement of creditors' rights, the effect of general principles of equity, including without limitation, concepts of materiality, reasonableness, good faith or fair dealing, and the possibility of the unavailability of specific performance or injunctive relief, (B) the exercise of judicial discretion and (C) the legal remedies against public entities in the State of Iowa.

(b) The Trustee represents, warrants and covenants to the other parties hereto that:

(i) the Trustee has no knowledge of and has no reason to believe that any event or act has occurred which would adversely affect the exclusion of interest on the Series A Bonds from gross income for federal income tax purposes or of any event of default under any Bond Document; and

(ii) the Trustee has all necessary power and authority to execute, deliver and perform its obligations under and has duly authorized the execution, delivery and performance of this Agreement. This Agreement is a legal, valid and binding obligation of the Trustee enforceable in accordance with its terms; subject to (A) applicable limitations of bankruptcy or equitable principles affecting the enforcement of creditors' rights, the effect of general principles of equity, including without limitation, concepts of materiality, reasonableness, good faith or fair dealing, and the possibility of the unavailability of specific performance or injunctive relief, and (B) the exercise of judicial discretion.

(c) Freddie Mac represents, warrants and covenants to the other parties hereto that:

(i) Freddie Mac has all necessary power and authority to execute, deliver and perform its obligations under and has duly authorized the execution, delivery and performance of this Agreement. This Agreement is a legal, valid and binding obligation of Freddie Mac enforceable in accordance with its terms; and

(ii) Freddie Mac will not knowingly take or permit, or knowingly omit to take or cause to be taken any action within its control that would adversely affect the exclusion of the interest on the Series A Bonds from gross income for Federal income tax purposes.

(D) The Developer represents, warrants and covenants to the other parties hereto that:

(a) The Developer has all necessary power and authority to execute, deliver and perform its obligations under and has duly authorized the execution, delivery and performance of this Agreement. This Agreement is a legal, valid and binding obligation of the Developer enforceable in accordance with its terms; and

(b) The Developer will not knowingly take or permit, or knowingly omit to take or cause to be taken any action within its control that would adversely affect the exclusion of the interest on the Series A Bonds from gross income for Federal income tax purposes.

Section 11. Subrogation. The parties hereto agree that Freddie Mac shall be subrogated to rights and remedies of the Issuer and the Trustee under the Bond Documents (except with respect to any Issuer rights to fees, costs or indemnifications, and other rights reserved to the Issuer and excluded from Mortgage Rights under the sixth paragraph of Section 3 and with respect to any Issuer rights with respect to Section 6.1 of the Financing Agreement) upon and to the extent of Freddie Mac's payment (whether pursuant to the Credit Enhancement Agreement or otherwise) of the principal of or interest on the Bonds or the payment (whether pursuant to the Credit Enhancement Agreement or otherwise) or performance of any obligation under the Bond Documents. Issuer and Trustee agree to cooperate with Freddie Mac at Freddie Mac's sole expense and liability in connection with Freddie Mac's enforcement of any of such rights and remedies and agree not to take any actions that would prejudice the exercise of such rights of subrogation unless in the opinion of Bond Counsel delivered to Issuer, Trustee and Freddie Mac

such action is necessary to preserve the exemption from income taxation of interest on the Bonds.

Section 12. Concerning the Series B Bonds. The parties hereto agree as follows:

(a) The payment of the principal, interest, premium and any other sums payable on the Bond Mortgage Loan for the Series B Bonds is subordinated to the prior payment in full in cash of the principal, interest, premium and other sums payable on the Series A Bonds. Freddie Mac and all persons who become holders of, or continue to hold, Series A Bonds are entitled to rely on this subordination provision, and such provision is made for the benefit of Freddie Mac and the holders of the Series A Bonds.

(b) Unless otherwise agreed by the Credit Facility Provider, until the final payment in full in cash of the Series A Bonds and amounts due Freddie Mac under the Reimbursement Agreement have been paid in full, without the prior written consent of Freddie Mac, no principal payment shall be made for or on account of the Series B Bonds and neither the Trustee nor any holder of the Series B Bonds shall take or receive from the Developer, directly or indirectly, in cash or other property or by set-off or in any other manner (including, without limitation, from or by way of collateral) payment of all or any Bond Mortgage Loan.

(c) So long as no Default or Event of Default has occurred and is continuing, provision may be made for the payment of interest on the Series B only if the debt service coverage ratio for the Series A Bonds (as determined by Freddie Mac in its sole discretion) is equal to or greater than 1.25 in the preceding six month period and in the month preceding the interest payment date. In the event that the coverage ratio is not met, any payments received by the Trustee for deposit in the Series B Account of the Bond Fund shall be held in such account until the next Interest Payment Date for which the coverage ratio is met, pending application as otherwise permitted by the Indenture.

(d) In the event that, notwithstanding the foregoing provisions of Sections (b) or (c), any payment for or on account of the Bond Mortgage Loan shall be made by or on behalf of the Developer and received by the Trustee, by any holder of Series B Bonds or by any paying agent (or, if the Developer is acting as its own paying agent, money for any such payment shall be segregated and held in trust), at a time when such payment was prohibited by the provisions of this Section, then, unless and until such payment is no longer prohibited by this Section, such payment shall be held in trust by the Trustee or such holder or paying agent for the benefit of and shall be immediately paid over to, the Trustee or Freddie Mac, for application to the payment of the Series A Bonds and amounts due Freddie Mac under the Reimbursement Agreement.

(e) The Series A Bonds shall not be deemed to have been paid in full until the holders of the Series A Bonds shall have indefeasibly received payment in full of the Series A Bonds in cash.

(f) Upon any distribution of assets of the Developer or upon any dissolution, winding up, liquidation, reorganization, or marshalling of assets, of the Developer (whether in bankruptcy, insolvency or receivership proceedings or upon any assignment for the benefit of creditors or otherwise):

(A) the holder of the Series A Bonds and Freddie Mac shall first be entitled to receive payment in full, be fully secured by cash collateral, before the holders of the Series B Bonds are entitled to receive any payment on account of the Series B Bonds;

(B) any payment or distribution of assets of the Developer of any kind or character, whether in cash, property or securities, to which the holders of Series B Bonds or the Trustee on behalf of the holders would be entitled except for the provisions of this Section, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of the Developer being subordinated to the payment of the Bond Mortgage Loan, shall be paid by the liquidating trustee or agent or other person making such a payment or distribution, directly to the holders of the Series A Bonds, to the extent necessary to make payment in full of the Series A Bonds remaining unpaid, and, in the case of Freddie Mac in respect of the Credit Enhancement Agreement to the extent it has not been drawn upon, to be fully secured by cash collateral, after giving effect to any concurrent payment or distribution to the holders of the Series A Bonds; and

(C) in the event that, notwithstanding the foregoing, any payment or distribution of assets of the Developer of any kind or character, whether in cash, property or securities, shall be received by the Trustee or the holders of Series B Bonds or any paying agent (or, if the Developer is acting as its own paying agent, money for such payment or distribution shall be segregated or held in trust) for or on account of the Bond Mortgage Loan before the Series A Bonds are paid in full, such payment or distribution shall be received and held in trust for and shall be paid over to the holder of the Series A Bonds remaining unpaid for application to the payment of the Series A Bonds until the Series A Bonds shall have been paid in full, and, to the extent the Credit Enhancement Agreement has not been drawn upon, shall have been fully secured by cash collateral, after giving effect to any concurrent payment or distribution to the holders of the Series A Bonds. The Developer shall give prompt written notice to the Trustee of any dissolution, winding up, liquidation or reorganization of the Developer or general assignment for the benefit of creditors by the Developer.

Section 13. Amendment and Waiver. This Agreement and each provision hereof may be amended to the extent and upon the conditions that the Indenture may be amended by an instrument in writing signed by the parties hereto.

Section 14. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and be governed by the law of the State of Iowa.

Section 15. Notices. All notices, demands, requests, consents, approvals, certificates or other communications ("*Communications*") required under this Agreement shall be in writing, mailed (registered or certified mail, return receipt requested and postage pre-paid), hand-delivered, with signed receipt, or sent by nationally recognized overnight courier and shall be sufficiently given and shall be deemed to have been properly given if given in the manner in which notices are to be given and to the addresses as provided in the Indenture. All communications which the Trustee, Issuer or Developer is required to send to any other person pursuant to the Financing Agreement, Indenture, any other Bond Document or any Credit Facility Documents shall also be sent to the Servicer. All communications required to be sent to Freddie Mac or the Servicer pursuant to the terms of any Bond Document and any Credit Facility Document shall be sent to the following addresses:

To Freddie Mac: Freddie Mac
8100 Jones Branch Drive
McLean, Virginia 22102
Mail Stop B4Q
Attention: Director, Multifamily Management and
Information Control

with a copy to: Freddie Mac
8200 Jones Branch Drive
McLean, Virginia 22102
Attention: Associate General Counsel –
Multifamily Legal Department

To the Servicer: NorthMarq Capital, Inc.
3500 West 80th Street, Suite 500
Bloomington, MN 55431
Attention: Servicing
Telephone: (612) 356-1000
Facsimile: (612) 356-0099

with a copy to: Moss & Barnett
4800 Wells Fargo Center
90 South 7th Street
Minneapolis, MN 55402
Attention: William A. Haug
Telephone: (612) 347-0264
Facsimile: (612) 339-6686

Section 16. Benefit of Agreement. This Agreement shall be binding upon and inure to the benefit of the Issuer, the Trustee, the Servicer (but only to matters set forth herein), and Freddie Mac and their respective successors and assigns. No other party shall be entitled to any

benefits hereunder, whether as a third party beneficiary or otherwise. This Agreement shall be deemed terminated without the necessity for further or confirmatory instruments upon the earlier of (i) the date, if any, upon which a Alternate Credit Facility is delivered to replace the Credit Enhancement Agreement unless the new Credit Facility Provider replaces Freddie Mac hereunder, (ii) the date the Credit Enhancement Agreement terminates in accordance with its terms, or (iii) the date that the Indenture is released and terminated.

Section 17. Counterparts. This Agreement may be executed in any number of counterparts and all of such counterparts shall together constitute one and the same instrument.

Section 18. Acknowledgment and Consent. The Issuer and Trustee acknowledge and consent to the granting by the Developer to Freddie Mac of the Reimbursement Mortgage which shall be a second priority deed of trust. The Issuer and Trustee acknowledge and agree that Freddie Mac is a third-party beneficiary of the Financing Agreement with the right to enforce the provisions of such Financing Agreement subject to the terms of this Agreement. The Issuer and Trustee agree and acknowledge that to the extent the Bond Mortgage grants or reserves to the Developer any rights that are not granted or reserved to the Developer under the Reimbursement Mortgage, the Developer must comply with the terms of the Reimbursement Mortgage and a failure to do so shall be an Event of Default under the Reimbursement Agreement.

Section 19. Retained Powers. Notwithstanding any provision of this Agreement, the Issuer shall retain all police powers, regulatory authority and other rights, powers and authority *provided* the Issuer under law. In addition, nothing in this Agreement shall preclude the Issuer or Trustee from pursuing all rights and remedies under any of the Bond Documents, except as expressly limited herein.

Section 20. Trustee. The Trustee accepts the duties imposed upon it by this Agreement and agrees to perform those duties but only upon and subject to the following express terms and conditions:

(a) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Agreement and no implied covenants or obligations shall be read into this Agreement against the Trustee;

(b) as to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceedings, the Trustee shall be entitled to rely in good faith upon a certificate purportedly signed by an authorized signatory of Freddie Mac as sufficient evidence of the facts contained in such certificate;

(c) the permissive right of the Trustee to do things enumerated in this Agreement shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct;

(d) none of the provisions contained in this Agreement shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers under this

Agreement except for any liability of the Trustee arising from its own negligence or willful misconduct;

(e) the Trustee is entering into this Agreement solely in its capacity as Trustee under the Indenture and not in its individual or corporate capacity; and

(f) all of the provisions of the Indenture related to the duties, obligations, standard of care, protections and immunities from liability afforded the Trustee under the Indenture shall apply to the Trustee under this Agreement.

Section 21. Issuer. The obligations of the Issuer contained herein are subject to the following express terms and conditions:

(a) as to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceedings, the Issuer shall be entitled to rely in good faith upon a certificate purportedly signed by an authorized signatory of Freddie Mac as sufficient evidence of the facts contained in such certificate;

(b) none of the provisions contained in this Agreement shall require the Issuer to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers under this Agreement; and

(c) nothing contained in this Agreement shall be deemed to give rise to a pecuniary liability of the Issuer, nor shall the breach of any agreement contained in this Agreement impose any pecuniary liability on the Issuer. Nothing contained this Agreement shall give rise to any personal or pecuniary liability of any officer, employee or agent of the Issuer. The obligations of the Issuer incurred under this Agreement shall be limited obligations of the Issuer payable solely and only from revenues and other amounts derived by the Issuer from the Developer or the Project and under the other Bond Documents. None of the Bonds are or shall be the general obligation of the Issuer nor shall any of the Bonds, including interest thereon, constitute the multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the Issuer within the meaning of the Constitution or statutes of the State of Iowa.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective duly authorized officers as of the date first above written.

IOWA FINANCE AUTHORITY, as Issuer

By _____
Name: *Michael E. Franke*
Title: _____

BNY TRUST COMPANY OF MISSOURI, as
Trustee

By _____
Name: _____
Title: _____

CEDARWOOD HILLS ACQUISITION, L.P., a
Missouri limited partnership

By KELCOR, INC.,
a Missouri corporation
Its: General Partner

By: _____
David L. Johnson
Vice President

FEDERAL HOME LOAN MORTGAGE
CORPORATION

By _____
Name: _____
Title: _____

[Acknowledgments will be added for recording]

ACKNOWLEDGMENTS

STATE OF IOWA)
) SS.
COUNTY OF POLK)

I, Karen Rasmussen, a Notary Public in and for the above-referenced jurisdiction aforesaid, do hereby certify that Michael L. Tramontina, Executive Director/Secretary personally appeared before me in said jurisdiction, and acknowledged the same to be the act and deed of Michael L. Tramontina.

Given under my hand and official seal this _____ day of April, 2001.

Karen Rasmussen
Notary Public

My Commission expires:

3-30-2003



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective duly authorized officers as of the date first above written.

IOWA FINANCE AUTHORITY, as Issuer

By _____
Name: _____
Title: _____

BNY TRUST COMPANY OF MISSOURI, as
Trustee

By *[Signature]*
Name: NARAY W. HALL JR
Title: VICE PRESIDENT

CEDARWOOD HILLS ACQUISITION, L.P., a
Missouri limited partnership

By KELCOR, INC.,
a Missouri corporation
Its: General Partner

By: _____
David L. Johnson
Vice President

FEDERAL HOME LOAN MORTGAGE
CORPORATION

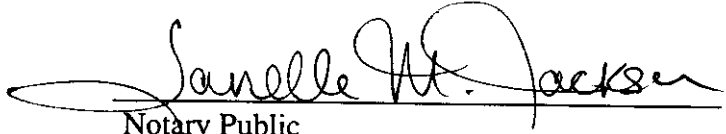
By _____
Name: _____
Title: _____

[Acknowledgments will be added for recording]

STATE OF MISSOURI)
) SS.
COUNTY OF St. Louis)

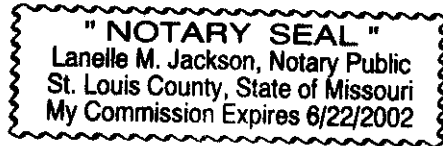
I, LaNelle Jackson, a Notary Public in and for the above-referenced jurisdiction aforesaid, do hereby certify that Harry H. Hall, Jr. personally appeared before me in said jurisdiction, and acknowledged the same to be the act and deed of BNY Trust Company of Missouri.

Given under my hand and official seal this 27th day of April, 2001.


Notary Public

My Commission expires:

6/22/02



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective duly authorized officers as of the date first above written.

IOWA FINANCE AUTHORITY, as Issuer

By _____
Name: _____
Title: _____

BNY TRUST COMPANY OF MISSOURI, as
Trustee

By _____
Name: _____
Title: _____

CEDARWOOD HILLS ACQUISITION, L.P., a
Missouri limited partnership

By KELCOR, INC.,
a Missouri corporation
Its: General Partner

By: David L. Johnson
David L. Johnson
Vice President

FEDERAL HOME LOAN MORTGAGE
CORPORATION

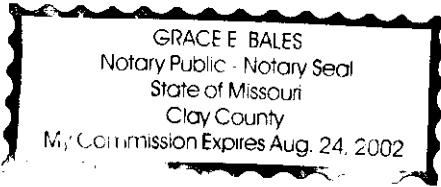
By _____
Name: _____
Title: _____

[Acknowledgments will be added for recording]

STATE OF MISSOURI)
) SS.
COUNTY OF Clay)

I, Grace E. Bales, a Notary Public in and for the above-referenced jurisdiction aforesaid, do hereby certify that David L. Johnson personally appeared before me in said jurisdiction, and acknowledged the same to be the act and deed of _____.

Given under my hand and official seal this 27th day of April, 2001.



Grace E. Bales
Notary Public

My Commission expires:

Aug. 24, 2001

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective duly authorized officers as of the date first above written.

IOWA FINANCE AUTHORITY, as Issuer

By _____
Name: _____
Title: _____

BNY TRUST COMPANY OF MISSOURI, as
Trustee

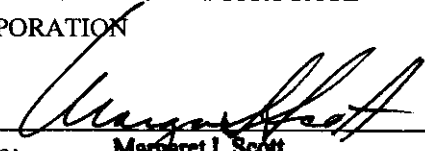
By _____
Name: _____
Title: _____

CEDARWOOD HILLS ACQUISITION, L.P., a
Missouri limited partnership

By KELCOR, INC.,
a Missouri corporation
Its: General Partner

By: _____
David L. Johnson
Vice President

FEDERAL HOME LOAN MORTGAGE
CORPORATION

By  _____
Name: Margaret I. Scott
Title: Director, Production Support

[Acknowledgments will be added for recording]

STATE OF VIRGINIA)
) SS.
COUNTY OF **Fairfax**)

I, **Elizabeth D. Prouty**, a Notary Public in and for the above-referenced jurisdiction aforesaid, do hereby certify that **Margaret I. Scott** personally appeared before me in said jurisdiction, and acknowledged the same to be the act and deed of **Federal Home Loan Mortgage Corporation.**

Given under my hand and official seal this **27** day of April, 2001.

Elizabeth D. Prouty
Notary Public



My Commission expires:

November 30, 2004

EXHIBIT A

DESCRIPTION OF THE LAND

Lot 7, Auditor's Plat No. 104, Linn County, Iowa

EXCEPT therefrom Beatty's First Addition to Cedar Rapids, Linn County, Iowa.

ALSO EXCEPT therefrom any portion of said Lot 7 lying within the following described strip of land. Being a strip of land 60.00 feet wide, measured at right angles, lying 30.00 feet on each side of the following described centerline:

BEGINNING at the Southeasterly corner of said Lot 7; thence northerly along the easterly line of said Lot to a point 170.00 feet southerly from the northeasterly corner of said Lot; thence northwesterly along a tangent curve having a radius of 130.26 feet, concave southwesterly, an arc distance of 95.48 feet; thence northwesterly tangent to said curve, 132.00 feet; thence northerly along a tangent curve having a radius of 130.26 feet, concave northeasterly, an arc distance of 95.48 feet to a point in the centerline of Redbud Road 100.00 feet northerly of the north line of said Lot.

ALSO EXCEPT the Southerly 40.00 feet of said Lot 7, measured at right angles to the Southerly line thereof.

