

DO NOT DESTROY THIS NOTE: When paid, the note and the deed of trust must be surrendered to STEWART TITLE OF NEVADA HOLDINGS, INC., with request for reconveyance.

**MULTIFAMILY PROMISSORY NOTE**

**\$4,656,511.00**

September 13, 2011

**FOR VALUE RECEIVED**, at the times hereinafter stated, the undersigned, **NEVADA RURAL HOUSING AUTHORITY**, a local government entity created and organized under Nevada Revised Statutes Chapter 315 ("NRHA"), promises to pay to **EUREKA COUNTY, NEVADA**, a political subdivision of the State of Nevada ("Eureka County"), or order, at such place as Eureka County shall designate from time to time in writing, the principal sum of **FOUR MILLION SIX HUNDRED FIFTY SIX THOUSAND FIVE HUNDRED ELEVEN AND NO/100THS DOLLARS (\$4,656,511.00)**, or so much thereof as may be advanced to NRHA (the "Grant") from time to time pursuant to the terms of that certain Multifamily Grant Agreement between NRHA and Eureka County, with interest from the dates of each advance under the Multifamily Grant Agreement, on the unpaid principal balance from time to time outstanding, at the fixed rate of three percent (3%) per annum ("Interest Rate"). Interest shall be computed on the basis of a 360-day year and actual days elapsed.

From the date of the first advance to **September 16, 2013** (the "Maturity Date"), interest only shall be payable, in arrears, on the first (1st) day of each calendar quarter, commencing on the first (1st) day of the first (1st) calendar quarter following the first advance and continuing on the first (1st) day of each calendar quarter thereafter, to and including the Maturity Date. On the Maturity Date, all accrued unpaid interest and all unpaid principal shall be due and payable in full. Any payment hereunder shall be credited first, on the interest then due, and the remainder on the principal sum, and interest shall thereupon cease upon the amount so credited on the said principal sum. The privilege is reserved to pay more than the sum due at any time prior to the Maturity Date, without penalty.

NRHA shall have one (1) option to extend the Maturity Date for a period of six (6) months, upon the same terms and conditions set forth in this Note provided that each of the following conditions are satisfied: (1) NRHA shall provide Eureka County with written notice of its intent to exercise such option at least thirty (30) days prior to the initial Maturity Date; and (2) no NRHA Event of Default (as defined in the Multifamily Grant Agreement), or any event which, with notice or lapse of time or both would constitute an NRHA Event of Default, has occurred or is continuing. The term "Maturity Date" as used herein shall mean the initial Maturity Date as may be extended pursuant to this paragraph.

This Note is issued pursuant to the Multifamily Grant Agreement and is secured by, among other instruments, a Multifamily Deed of Trust and Security Agreement and Fixture Filing with Assignment of Rents ("Deed of Trust") from NRHA, as Trustor, to STEWART TITLE OF NEVADA HOLDINGS, INC., as Trustee, for the benefit of Eureka County, encumbering certain real property in Eureka County, Nevada, and improvements thereon, as more particularly described in the Multifamily Deed of Trust ("Property").

Eureka County may accelerate this Note, that is, declare the entire unpaid balance due and payable, upon (1) failure to pay when due any payment due hereunder, (2) any NRHA Event of Default under the Multifamily Grant Agreement or the Multifamily Deed of Trust, (3) any default by the obligor under any obligation secured by a deed of trust having priority over the Multifamily Deed of Trust, (4) any default by NRHA under such prior deed of trust, or (5) the insolvency of NRHA. Protest is waived.

All past due principal and past due interest shall, both before and after judgment, bear interest at the per annum rate of six percent (6%).

Any notices required or desired to be given under this Note shall be in writing and shall be validly given or made only if (1) delivered personally by hand-delivery, or (2) deposited in the United States mail, certified or registered, postage prepaid, return receipt requested, or (3) made by Federal Express or other similar delivery service which keeps records of deliveries and attempted deliveries, or (4) made by a confirmed transmission by facsimile machine or telecopy during the intended recipient's normal business hours. Service shall be deemed made on the first (1st) business day of attempted delivery or upon receipt, whichever is sooner, and addressed as follows:

If to NRHA:

For business related matters:

Nevada Rural Housing Authority  
3695 Desatoya Drive  
Carson City, Nevada 89701  
Attn: D. Gary Longaker,  
Executive Director  
Tel: (775) 887-1042  
Fax: (775) 887-1838

For matters relative to financial issues or concerns:

Nevada Rural Housing Authority  
3695 Desatoya Drive  
Carson City, NV 89701  
Attn: C. J. Manthe, COO  
Tel: (775) 887-1794  
Fax: (775) 887-1838

With a copy to:

Jones Vargas  
300 East Second Street, Ste. 1510  
P.O. Box 281  
Reno, Nevada 89504-0281  
Attn: Elizabeth Fielder, Esq.  
Tel: (775) 786-5000  
Fax: (775) 786-1177

If to Eureka County: County of Eureka  
10 South Main Street  
P.O. Box 556  
Eureka, Nevada 89316  
Attn: Michael Rebaleati  
Tel: (775) 237-5263  
Fax: (775) 237-5614

With a copy to: Eureka County District Attorney  
701 S. Main Street  
P.O. Box 190  
Eureka, Nevada 89316  
Attn: Theodore Beutel, Esq.  
Tel: (775) 237-5315  
Fax: (775) 237-6005

Any Party may change its address for the purpose of receiving notices or demands as herein provided by written notice given in the manner specified above to the other Party, which notice of change of address shall not become effective, however, until the actual receipt thereof by the other Party.

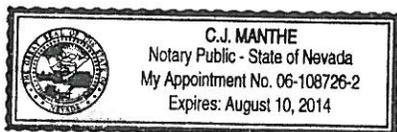
This Note shall be interpreted and enforced in accordance with the laws of the State of Nevada.

**NEVADA RURAL HOUSING  
AUTHORITY, a local government entity  
created and organized under Nevada  
Revised Statutes Chapter 315**

Signed: Tom Cook

By: Tom Cook  
Its: Chairman, Nevada Rural Housing  
Authority Board of Commissioners

Dated: September 13, 2011, 2011.



Subscribed and sworn to before me this  
13 day of September, 2011.

C.J. Manthe  
NOTARY PUBLIC