

Subordination Agreement Page 1 of 10  
Gary Christensen Washington County Recorder  
05/17/2024 02:32:13 PM Fee \$162.00 By  
COTTONWOOD TITLE INSURANCE AGENCY,  
INC.

WHEN RECORDED MAIL TO:

Reef Private Credit, LLC  
2600 North Ashton Blvd., Ste 200  
Lehi, UT 84043

File No.: 177551-DMF

## **Subordination Agreement**

In Reference to Tax ID Number(s):

I-BDVC-1C-F-1150-BD1, I-BDVC-1C-F-1151-BD1, I-BDVC-1C-F-1152-BD1,  
I-BDVC-1C-F-1153-BD1, I-BDVC-1C-F-1154-BD1, I-BDVC-1C-F-1155-BD1,  
I-BDVC-1C-F-1156-BD1, I-BDVC-1C-F-1157-BD1, I-BDVC-1C-F-1158-BD1,  
I-BDVC-1C-F-1159-BD1, I-BDVC-1C-F-1160-BD1, I-BDVC-1C-F-1161-BD1,  
I-BDVC-1C-F-1162-BD1, I-BDVC-1C-F-1163-BD1, I-BDVC-1C-F-1164-BD1,  
I-BDVC-1C-F-1165-BD1, I-BDVC-1C-F-1166-BD1, I-BDVC-1C-F-2150-BD1,  
I-BDVC-1C-F-2151-BD1, I-BDVC-1C-F-2152-BD1, I-BDVC-1C-F-2153-BD1,  
I-BDVC-1C-F-2154-BD1, I-BDVC-1C-F-2155-BD1, I-BDVC-1C-F-2156-BD1,  
I-BDVC-1C-F-2157-BD1, I-BDVC-1C-F-2158-BD1, I-BDVC-1C-F-2159-BD1,  
I-BDVC-1C-F-2160-BD1, I-BDVC-1C-F-2161-BD1, I-BDVC-1C-F-2162-BD1,  
I-BDVC-1C-F-2163-BD1, I-BDVC-1C-F-2164-BD1, I-BDVC-1C-F-2165-BD1,  
I-BDVC-1C-F-2166-BD1, I-BDVC-1C-H-1177-BD1, I-BDVC-1C-H-1178-BD1,  
I-BDVC-1C-H-1180-BD1, I-BDVC-1C-H-1181-BD1, I-BDVC-1C-H-1182-BD1,  
I-BDVC-1C-H-1183-BD1, I-BDVC-1C-H-1184-BD1, I-BDVC-1C-H-1185-BD1,  
I-BDVC-1C-H-1186-BD1, I-BDVC-1C-H-1187-BD1, I-BDVC-1C-H-1188-BD1,  
I-BDVC-1C-H-1189-BD1, I-BDVC-1C-H-1190-BD1, I-BDVC-1C-H-1191-BD1,  
I-BDVC-1C-H-1192-BD1, I-BDVC-1C-H-1193-BD1, I-BDVC-1C-H-1194-BD1,  
I-BDVC-1C-H-2184-BD1, I-BDVC-1C-H-2185-BD1, I-BDVC-1C-H-2186-BD1,  
I-BDVC-1C-H-2187-BD1, I-BDVC-1C-H-2188-BD1, I-BDVC-1C-H-2189-BD1,  
I-BDVC-1C-H-2190-BD1, I-BDVC-1C-H-2191-BD1, I-BDVC-1C-H-2192-BD1,  
I-BDVC-1C-H-2193-BD1, I-BDVC-1C-H-2194-BD1, I-BDVC-1C-G-1169-BD1,  
I-BDVC-1C-G-1171-BD1, I-BDVC-1C-G-1173-BD1, I-BDVC-1C-G-2167-BD1,  
I-BDVC-1C-G-2168-BD1, I-BDVC-1C-G-2169-BD1, I-BDVC-1C-G-2170-BD1,  
I-BDVC-1C-G-2171-BD1, I-BDVC-1C-G-2173-BD1

**SUBORDINATION AGREEMENT***(\$60MM Enlaw to REEF)*

THIS SUBORDINATION AGREEMENT (this “**Agreement**”) is entered into as of May 2, 2024, by and among SDP REIT, LLC, a Delaware limited liability company (“**SDP REIT**”), SDP FINANCIAL 2020, LP, a Delaware limited partnership (“**SDP 2020**,” and together with SDP REIT, “**Senior lender**”), with Reef Private Credit LLC, a Utah limited liability company as Administrative Agent on behalf of certain lenders identified in the Junior Trust Deed as defined below (collectively as “**Junior Lender**,” and together with Senior Lender, the “**Lenders**”).

A. Effective as of December 21, 2022, BD Resort Center LLC, a Delaware limited liability company (“**Borrower**”), made, executed and delivered to Senior Lender a certain Secured Promissory Note payable to Senior Lender in the original principal amount of \$36,999,484.00 (as amended, the “**Senior Note**”).

B. The Senior Note is secured by a Construction Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing dated March 19, 2024, executed by Enlaw LLC, a Delaware limited liability company (“**Enlaw**”) as trustor, for the benefit of Senior Lender, as beneficiary (as amended and modified from time to time, the “**Senior Trust Deed**,” and together with the Senior Note and all other documents entered into in conjunction with the Senior Note, the “**Senior Loan Documents**”). The Senior Trust Deed was recorded on 6.17.24 in the official records of Washington County, Utah as Instrument #20240015475. The Senior Trust Deed encumbers certain real property located in Washington County, Utah, as more particularly described in the Senior Trust Deed and **Exhibit A** hereto (the “**Property**”).

C. Effective as of November 2, 2023, Enlaw made, executed and delivered to Junior Lender one or more certain Secured Line of Credit Promissory Note(s) payable to Junior Lender in the original aggregate principal amount of \$60,000,000.00 (as amended, the “**Junior Note**”).

D. Enlaw’s obligations under the Junior Note are secured by a Deed of Trust dated November 2, 2023, and recorded in the official records of Washington County, Utah on November 8, 2023 as Instrument #20230033623 (the “**Junior Trust Deed**,” and together with the Junior Note and all other documents entered into in conjunction with the Junior Note, the “**Junior Lender Documents**,” and the Junior Lender Documents together with the Senior Loan Documents, the “**Lender Loan Documents**”), executed by Enlaw, as trustor, for the benefit of Junior Lender, as beneficiary, and encumbering the Property and significant other property owned by Enlaw, as more particularly described in the Junior Trust Deed.

E. The Property is only a portion of the property identified as security for the Junior Note in the Junior Trust Deed, accordingly this Agreement only pertains to Junior Lender’s rights and Enlaw’s obligations with respect to the Property and not the remainder of Junior Lender’s rights or Enlaw’s obligations under the Junior Lender Documents and Junior Trust Deed.

F. As a condition to Senior Lender entering into a certain Global Amendment with Borrower to increase the maximum principal balance of the Senior Note, and to

establish priority with respect to the Property, Senior Lender and Junior Lender have agreed to enter into this Agreement whereby Junior Lender and Senior Lender shall establish their respective priorities as to their security interests in the Property.

NOW, THEREFORE, in consideration of the mutual agreements set out herein, the Lenders agree as follows:

1. Subordination. As to the Property, Junior Lender hereby subordinates the full amount of the Junior Trust Deed to the Senior Note and the other Senior Loan Documents, including all extensions, renewals, amendments, modifications and refinancings of any such Senior Loan Document. Moreover, regardless of any priority otherwise available to Junior Lender by law or by agreement, any security interest, lien, claim or right Junior Lender may now hold or hereafter acquire in all or any portion of the Property as well as any other real property or other collateral that is subject to the Senior Trust Deed or otherwise secures the Senior Note (including without limitation all assets of Borrower), shall be and remain fully subordinated and junior for all purposes to the Senior Trust Deed and the other Senior Loan Documents, including without limitation all liens, rights, and obligations created by or arising under the Senior Loan Documents, including all modifications to and extensions thereof. Notwithstanding the foregoing, Junior Lender does not subordinate in any way the obligations owed to Junior Lender under the Junior Lender Documents by Enlaw except with regard to the Property.
2. Junior Debt. Notwithstanding anything to the contrary in any Senior Loan Documents or in any other agreement between Junior Lender and Borrower, including, without limitation, the Junior Note, Junior Lender will not demand, receive or accept any payment of any kind from Borrower related to the sale or disposition of the Property until either (a) the Senior Note has been paid in full, or (b) Senior Lender notifies Junior Lender in writing that it may receive payments from the sale or disposition of the Property.
3. Receipt of Unauthorized Payments. In the event that Junior Lender shall receive any payment pursuant to sale or disposition of the Property which Junior Lender is not entitled to receive under the provisions of the foregoing Section 2, Junior Lender will hold the amount so received in trust for Senior Lender and will forthwith turn over such payment to Senior Lender in the form received (except for the endorsement of Junior Lender where necessary) for application on the then existing Senior Loan (whether due or not due), in such manner of application as Senior Lender may deem appropriate. In the event of the failure of Junior Lender to make any endorsement required under this Agreement, Senior Lender, or any of its officers or employees on behalf of Senior Lender, is hereby irrevocably appointed as attorney-in-fact (which appointment is coupled with an interest) for Junior Lender to make the same in Junior Lender's name.
4. Actions Regarding the Property. Except as expressly authorized by the provisions of this Agreement, Junior Lender will not commence any action or proceeding against Borrower to recover all or any part of any unpaid amount under the Junior Lender Documents, exercise or enforce any right or remedy against Borrower or the Property, or join with any creditor (unless Senior Lender shall so join) in bringing any proceedings against Borrower or the Property under any bankruptcy, reorganization, readjustment of debt, arrangement of debt, receivership, liquidation or insolvency law or statute of the federal or any state government, unless and until the Senior Note has been paid in full.

Moreover, Junior Lender shall not have a right to take any action with respect to the Property, whether by judicial or non-judicial foreclosure, notification to Borrower's account debtors, the seeking of the appointment of a receiver for any portion of Borrower's assets, setoff, or otherwise, unless and until the Senior Note has been fully paid. Finally, Junior Lender agrees to not object to or take any action to delay or hinder in any way any proposed sale of the Property to which Senior Lender has consented, so long as such sale is an arms'-length transaction or for fair market value (if not an arms'-length transaction). If Junior Lender, in contravention of the terms of this Agreement, shall commence, prosecute, or participate in any suit, action, or proceeding against Borrower or initiate any foreclosure sale or proceeding or any other action to enforce its lien on any of the Property, or take any action whatsoever to object to, hinder or delay any sale of the Property approved by Senior Lender (provided such sale is at arms'-length or for fair market value (if not an arms'-length transaction)), then Borrower may interpose as a defense or plead the making of this Agreement, and Senior Lender may intervene and interpose such defense or plea in its name or in the name of Borrower. If Junior Lender, in contravention of the terms of this Agreement, shall attempt to enforce any remedies prohibited by this Agreement, then Senior Lender may, by virtue of this Agreement, restrain the enforcement thereof in the name of Senior Lender or in the name of Borrower. Notwithstanding any of the foregoing, Junior Lender may enforce any and all of the rights it may have against Enlaw, except with respect to the Property, which rights as to the Property shall be governed by the terms set forth in this Agreement.

5. Representations of the Lenders. Each Lender warrants, covenants and represents to the other Lender that: (a) it is the owner of its respective debt made by Borrower or Enlaw, free and clear of the claims of any other party; (b) Borrower does not owe any indebtedness to such Lender except the indebtedness evidenced by such Lender's respective Lender Loan Documents; (c) it is the beneficiary or lender named on all Lender Loan Documents and other documents recorded with the Washington County, Utah Recorder's Office or entered into with Borrower with respect to the Property; and (d) it will not, at any time while this Agreement is in effect, assign any of its liens against the Property to any entity or person which does not agree in a writing, satisfactory in form and substance to the other Lender (the "**Property Transfer Document**"), to become a party hereto and to succeed to the rights and to be bound by all of the obligations of the transferring Lender hereunder (in the case of any such proposed disposition by a Lender, it will notify the other Lender at least ten (10) days prior to the date of any of such intended disposition and include with such notice a copy of the proposed Property Transfer Document).

6. Modifications of Lender Loan Documents. Each Lender agrees that the other Lender may modify any terms of its respective Lender Loan Documents; *provided, however*, that notwithstanding anything to the contrary in this Agreement, Junior Lender may not make any amendment to any of the Junior Lender Documents that would cause Junior Lender's interest in the Property to have priority over Senior Lender's.

7. Remedies. Any breach hereof is likely to cause irreparable damage to the aggrieved party. Therefore, the relief to which such party shall be entitled in such event shall include, but not be limited to: (a) a mandatory injunction for specific performance, (b) judicial relief to prevent a violation of any of the provisions of this Agreement, (c) damages, and (d) any other relief to which it may be entitled at law or in equity.

8. Miscellaneous. If there are any legal proceedings arising out of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and disbursements, in addition to any other relief to which such party may be entitled. This Agreement shall be binding on and inure to the benefit of the respective successors, heirs and assigns of the parties hereto. If any one of the provisions contained in this Agreement, for any reason, shall be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall remain in full force and effect and be construed as if the invalid, illegal or unenforceable provision had never been contained herein. This Agreement is governed by the internal laws of the State of Utah without reference to choice of law rules. Each party hereto agrees to submit to the exclusive jurisdiction of Salt Lake County, Utah in the event of any litigation involving this Agreement. The parties hereto hereby agree to execute any and all other further documents, agreements, or instruments and to take such other steps as from time to time are necessary in order to effectuate the purposes of the foregoing. This Agreement may be signed in counterparts and by signature sent by facsimile, each of which shall be deemed to be an original, and all of which together shall constitute one and the same binding document. This Agreement may not be amended or waived except in a writing executed by the party against which such amendment or waiver is sought to be enforced. No course of dealing between or among any persons having any interest in this Agreement will be deemed effective to modify or amend any part of this Agreement or any rights or obligations of any person under or by reason of this Agreement.

[SIGNATURE PAGE ON NEXT PAGE]

[SIGNATURE PAGE OF SENIOR LENDER]

**SENIOR LENDER:**

SDP REIT, LLC,  
a Delaware limited liability company

By: 

Name: ANDREW PETERSON

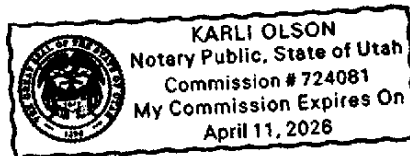
Title: AUTHORIZED SIGNATORY


**ACKNOWLEDGMENT**

STATE OF Utah )

COUNTY OF Salt Lake

The foregoing instrument was acknowledged before me this 11 day of May, 2024, by Andrew Peterson, as Authorized Signer of SDP REIT, LLC, a Delaware limited liability company, on behalf of said company.



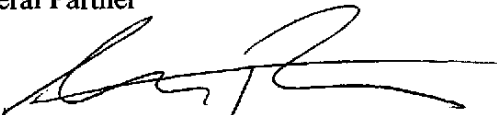
  
Notary Public for State of Utah  
My Commission expires: 4/11/26

[SIGNATURE PAGE OF SENIOR LENDER]

**SENIOR LENDER:**

SDP FINANCIAL 2020, LP,  
a Delaware limited partnership

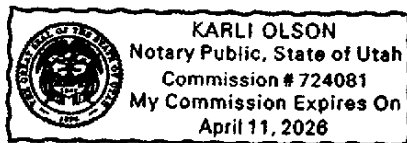
By: Sundance Bay Debt Partners GP, LLC  
a Delaware limited liability company, its  
General Partner

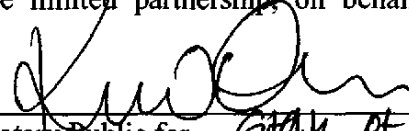
By:   
Name: ANDREW PETERSON  
Title: AUTHORIZED SIGNATORY

**ACKNOWLEDGMENT**

STATE OF UTAH )  
COUNTY OF SALT LAKE )

The foregoing instrument was acknowledged before me this 16 day of MAY, 2024, by Andrew Peterson, as Authorized Signatory of SDP FINANCIAL 2020, LP, a Delaware limited partnership, on behalf of said company.



  
Notary Public for STATE OF UTAH  
My Commission expires: April 11, 2026

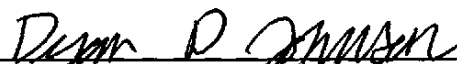
## [SIGNATURE PAGE OF JUNIOR LENDER]

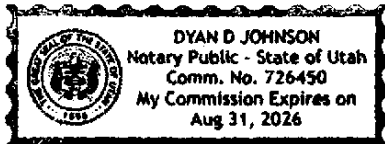
**JUNIOR LENDER:**

REEF PRIVATE CREDIT LLC, a Utah limited liability company,  
as Administrative Agent

By: Name: Benjamin SchrammTitle: Director**ACKNOWLEDGMENT**STATE OF Utah )COUNTY OF Utah )

The foregoing instrument was acknowledged before me this 2nd day of May, 2024, by Benjamin Schramm, as Director of Reef Private Credit, a Limited Liability Company, on behalf of said company.

  
Notary Public for State of Utah  
My Commission expires: Aug. 31, 2026





**ACKNOWLEDGED AND AGREED:**

ENLAW LLC, a Delaware limited liability company

By: RS18 Entrada Manager LLC, a Utah limited liability company, its Manager

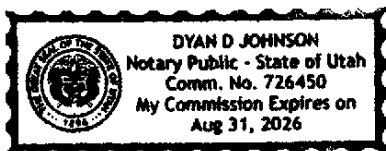
By: Reef Private Equity LLC f/k/a Stillwater Equity Partners LLC, a Utah limited liability company, its Manager

By: [Signature]  
Name: Justin Belliveau  
Title: Manager

**ACKNOWLEDGMENT**

STATE OF Utah )  
COUNTY OF Utah )

The foregoing instrument was acknowledged before me this 2nd day of May, 2024, by Justin Belliveau, as Manager of Reef Private Equity, a limited liability company, on behalf of said company.



[Signature]  
Notary Public for the State of Utah  
My Commission expires: Aug. 31 2026

**EXHIBIT A  
PROPERTY DESCRIPTION**

**PARCEL 1:**

Units 1150 through 1166, inclusive, and Units 2150 through 2166, inclusive, of Building F; Units 1177, 1178, and 1180 through 1194, inclusive, and Units 2184 through 2194, inclusive, of Building H; and Units 1169, 1171, 1173, 2167 through 2171, inclusive, and 2173, of Building G, contained within the BLACK DESERT VILLAGES CONDOMINIUMS PHASE 1C, a mixed-use convertible and expandable Utah condominium project, as the same is identified on the official plat thereof filed in the office of the Washington County Recorder, Utah, on February 28, 2024, as Entry No. 20240005984 (as said plat may have heretofore been amended or supplemented) and in the Declaration of Condominium and Declaration of Covenants, Conditions, and Restrictions for Black Desert Villages Condominium, recorded in said County on February 28, 2024, as Entry No. 20240005987 (as said Declaration may have heretofore been amended or supplemented).

TOGETHER WITH the undivided ownership interest in and to the Common Areas and Facilities appurtenant to said Units as more particularly described in said Declaration and plat (as said Declaration and plat may have been amended or supplemented).

**PARCEL 1A:**

A non-exclusive right-of-way and easement, appurtenant to Parcel 1, for purposes of vehicular and pedestrian ingress and egress, as defined and disclosed in that certain Master Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements for Black Desert Community recorded July 22, 2022 as Entry No. 20220036353, that certain First Amendment to the Master Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements for Black Desert Community recorded December 21, 2022 as Entry No. 20220053886, and that certain Supplemental Declaration to Master Declaration of Covenants, Conditions, Restrictions, and Reservation of Easements for Black Desert Community recorded February 28, 2024 as Entry No. 20240005986 (as said Master Declaration may have been amended or supplemented).