

APNs: 1420-05-443-001 through 1420-05-443-010, 1420-05-443-013 through 1420-05-443-022, 1420-05-443-023 and 1420-05-443-024; 1420-05-443-011, 1420-05-443-012, 1420-05-443-025 and 1420-05-443-027; and 1420-05-443-026 (formerly a portion of 1420-05-401-010)

RECORDING REQUESTED BY:  
 First Centennial Title Company of Nevada  
 1450 Ridgeview Dr., Suite 100  
 Reno, NV 89519  
 Escrow: 22027222-COM  
 Alpen Mortgage NV License No. 2121  
 Alpen Mortgage NMLS No. 363496

AFTER RECORDING RETURN TO:  
 Rodney Family Trust  
 c/o Steve Rude  
 PO Box 1911  
 Zephyr Cove, NV 89448

**Affirmation Statement:** I the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording does not contain the personal information of any person or persons. (Per NRS 239B.030)

### SUBORDINATION AND INTERCREDITOR AGREEMENT

THIS SUBORDINATION AND INTERCREDITOR AGREEMENT (as amended, restated or modified from time to time, this "Agreement") is dated as of the 17<sup>th</sup> day of June, 2022, and made by and between CHARLES B. MADDOX, CO-TRUSTEE OF THE C.B. MADDOX FAMILY TRUST ("Maddox"), LEIGH RODNEY and CLARE F. RODNEY, CO-TRUSTEES OF THE RODNEY FAMILY TRUST AGREEMENT (As Restated - 2016) u/t/a dated January 28, 2016 ("RFT") and JC VALLEY KNOLLS, LLC, a Nevada limited liability company ( as "Borrower").

### RECITALS

A. MADDOX, has entered into the "Maddox Loan Documents" (as defined below) with Borrower which provides for a loan of \$4,400,000 to Borrower (the "New Maddox Loan") for purposes of developing the real property more specifically described in Exhibit A, hereto. Pursuant to the Maddox Loan Documents, Borrower has granted to Maddox rights, liens, and

security interests in the Property and the other collateral described in the Maddox Loan Documents (collectively, the "Maddox Liens").

B. Maddox is also the holder, and successor in interest, of that certain Promissory Note dated on or about July 12, 2018, in the original principal amount of \$8,900,000, which is secured by that certain Deed of Trust dated July 9, 2018, recorded on July 12, 2018, in the Official Records, Douglas County, Nevada as document number 2018-916675, in which Borrower is named as Trustor, and Project LM, LLC ("PLM"), is named as Beneficiary (the "PLM Deed of Trust").

C. The PLM Deed of Trust was assigned to Maddox by instrument recorded in the Official Records, Douglas County, Nevada, on October 1, 2020, as document number 2020-953723.

D. RFT previously made a loan of up to \$24,400,000 to Borrower (the "RFT Loan") for the purpose of financing development of several adjacent parcels including the Property. The RFT Loan was, and remains, partially secured by the Property (the "RFT Liens").

E. RFT has agreed to subordinate the RFT Loan to the New Maddox Loan and the PLM Loan on the terms and conditions set forth herein.

F. At the time of the making of the RFT Loan, RFT and PLM entered into that certain Intercreditor Agreement recorded in the Official Records, Douglas County, Nevada, on September 29, 2020 as document number 2020-953508 ("Original Intercreditor Agreement").

G. This Agreement is intended, once recorded, to supersede and replace in its entirety the Original Intercreditor Agreement.

**AGREEMENTS**

In consideration of the foregoing, the covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Maddox and RFT hereby agree as follows:

**ARTICLE 1**

**DEFINITIONS**

Section 1.1 The following terms shall have the meanings indicated below:

**"Business Day"** means any day other than Saturday, Sunday, or a day that is a legal holiday under the laws of the State of Nevada or on which banking institutions in the State of Nevada are required by law or other governmental action to close.

**"Claim"** means a right to payment, including without limitation, indebtedness of Borrower payable directly or indirectly to the holder of such Claim and/or a right to an equitable remedy for breach of performance, in either case, as against Borrower or the Collateral.

**"Collateral"** means, the personal property, real property or assets of Borrower secured by the Maddox Liens and/or the RFT Liens.

**"RFT Claims"** means all rights, remedies, demands, causes of action and Claims of every type and description at any time held or asserted by, or arising in favor of, RFT under the RFT Loan Documents or secured by the RFT Liens.

**"RFT Loan Documents"** means, collectively, the documents (as each may be amended, modified or restated from time to time in accordance with Article 4 hereof) which evidence the RFT Loan.

**"Lien" or "Liens"** means any mortgage, deed of trust, pledge, hypothecation, assignment, deposit arrangement, security interest, encumbrance, lien (statutory or other and including without limitation, any attachment, levy, or judgment lien), preference, priority, or other security agreement or other preferential arrangement whatsoever, including, without limitation, any right of setoff (statutory or otherwise), any conditional sale or other title retention agreement, the interest of a lessor under a lease, any financing lease having substantially the same economic effect as any of the foregoing and the filing of any financing statement (other than a financing statement filed by a "true" lessor pursuant to Section 9-408 of the Uniform Commercial Code) naming the owner of the asset to which such Lien relates as debtor.

**"Maddox Claims"** means all rights, remedies, demands, causes of action, and Claims of every type and description at any time held or asserted by, or arising in favor of, Maddox under the New Maddox Loan Documents or PLM Loan Documents or secured by a Lien in favor of Maddox in any of the Collateral.

**"New Maddox Loan Agreement"** means that certain Promissory Note dated on or about June 20, 2022, executed by Maddox and Borrower.

**"New Maddox Loan Documents"** means, collectively, the documents (as each may be amended, modified or restated from time to time in accordance with Article 4 hereof) which evidence the Maddox Loan.

**"PLM Loan Documents"** means collectively, the documents (as each may be amended, modified or restated from time to time in accordance with Article 4 hereof) which evidence the PLM loan, inclusive of the assignment of the PLM loan and PLM Deed of Trust to Maddox.

**"Person"** means any person, individual, sole proprietorship, partnership, joint venture, corporation, unincorporated organization, association, institution, entity, party, including any government and any political subdivision, agency, or instrumentality thereof.

**"Protective Advances"** means all sums expended as determined by Maddox or RFT, as the case may be, to be necessary or appropriate to: (a) protect the priority, validity and enforceability of the Liens on, and security interests in, any Collateral and the instruments evidencing the indebtedness and obligations of Borrower to Maddox or RFT in respect of the PLM Loan, New Maddox Loan or RFT Loan, as the case may be; or (b) (1) prevent the value of any Collateral from being materially diminished (assuming the lack of such a payment within the necessary time frame could potentially cause such Collateral to lose value), or (2) protect any of the Collateral from being damaged, impaired, mismanaged or taken, or (3) complete the development of the Property in accordance with the PLM Loan Documents, New Maddox Loan Documents or the RFT Loan Documents.

## **ARTICLE 2**

### **SUBORDINATION**

RFT hereby subordinates its lien on, and all other rights and interests in, the title to the Property secured by the RFT Lien and the lien and security interest created thereby to all present, future right, title, claim, lien and interest of Maddox under the PLM Loan Documents and the New Maddox Loan Documents.

## **ARTICLE 3**

### **ENFORCEMENT OF CLAIMS**

Section 3.1 **Maddox Claims**. If an Event of Default (as defined in the New Maddox Loan Documents or PLM Loan Documents) occurs under any PLM Loan Documents or New Maddox Loan Document, then Maddox shall provide RFT with a copy of any written notice thereof (a "**Maddox's Default Notice**") sent to Borrower contemporaneously with the giving of such notice to Borrower and if such Event of Default is curable and has not been cured by Borrower, then Maddox shall permit RFT the option (but not the obligation) to cure the Event of Default within the time period, if any, specified for cure in such PLM Loan Document or New Maddox Loan Document; **provided, however**, RFT shall have fifteen (15) additional days, beyond the time period, if any, specified for cure in such PLM Loan Documents or New Maddox Loan Documents within which to effect a cure of such Event of Default, and if no such time period for cure is specified in the PLM Loan Documents or New Maddox Loan Document, then RFT shall have fifteen (15) days after a copy of Maddox's Default Notice is given to RFT within which to effect a cure of such Event of Default (the "**RFT Additional Cure Period**"). If such Event of Default is not timely cured by RFT, then Maddox may exercise any and all rights and remedies available to it against the Borrower and/or the Maddox Collateral under the PLM Loan Documents or New Maddox Loan Documents and/or applicable law.

Section 3.2 **RFT Claims**. If a default occurs under any RFT Loan Document, then RFT shall provide Maddox with a copy of any written notice thereof sent to Borrower contemporaneously with the service of such notice to Borrower and the option (but not the

obligation) if the default has not been cured by Borrower to cure said default within the time period, if any, specified for cure in the RFT Loan Documents; provided, however, Maddox shall have fifteen (15) additional days beyond the time period, if any, specified for cure in such RFT Loan Documents within which to effect a cure of such default (the "Maddox Additional Cure Period"). If such Event of Default is not timely cured by Maddox, then RFT may exercise any and all rights and remedies available to it against the Borrower and/or the RFT Collateral under the RFT Loan Documents and/or applicable law.

**Section 3.3 Acquisition of Maddox Loan.** Maddox agrees that RFT, in lieu of exercising RFT's right to cure any default under the PLM Loan Documents and/or New Maddox Loan Documents as provided in Section 3.1 (provided that such default, if curable, has not been cured by Borrower within the applicable cure period, if any), may elect to acquire the PLM Loan and/or New Maddox Loan as herein provided. If RFT determines to acquire the PLM Loan and/or New Maddox Loan, it must do so by giving written notice thereof to Maddox before the expiration of RFT's Additional Cure Period. Thereafter, RFT shall purchase and Maddox shall sell (without recourse), the PLM Loan and/or New Maddox Loan and the PLM Loan Documents and/or Maddox Loan Documents to RFT (or its nominee) upon payment by RFT to Maddox of all amounts then outstanding under the PLM Loan and/or New Maddox Loan, including but not limited to all principal, interest, fees and expenses. The documentation conveying and assigning the PLM Loan Documents and/or New Maddox Loan Documents to RFT shall be customary for non-recourse loan sales by institutional lenders, shall be prepared by counsel to RFT and shall be reasonably acceptable to Maddox and its counsel. Such closing shall take place no later than fifteen (15) days following the expiration of RFT's Additional Cure Period. In the event that RFT fails to either (a) give notice to Maddox before the expiration of RFT's Additional Cure Period of its election to purchase the Maddox Loan or (b) close the purchase of the Maddox Loan within fifteen (15) days following the expiration of RFT's Additional Cure Period, then RFT's right to acquire the PLM Loan and/or or New Maddox Loan as provided in this Section 3.3 shall be deemed void and of no further force or effect.

#### **ARTICLE 4**

##### **OTHER AGREEMENTS**

**Section 4.1 Modification of Maddox Loan Documents.** Maddox and Borrower agree that without RFT's prior written consent, Maddox and Borrower shall not amend the PLM Loan Documents and/or New Maddox Loan Documents in any material respect, including, without limitation, any amendments in order to (a) increase the stated principal amount of either the PLM Loan or New Maddox Loan, (b) increase the interest rate, (c) increase the required principal payments under the PLM Loan or New Maddox Loan, (d) impose any prepayment fee or penalty, (e) extend the maturity date of the PLM Loan or New Maddox Loan; or (f) prohibit or interfere with or impede RFT's exercise of its rights under this Agreement, or any RFT Loan Documents. Notwithstanding the foregoing, RFT hereby consents to a modification of the PLM Loan that x) extends the maturity date no more than thirty-six (36) months from the current maturity date; y) increases the applicable interest rate to no more than ten (10%) per annum and z) provides for lot release prices up to one hundred five percent (105%) of the then outstanding

principal PLM Loan amount divided by the total number of lots secured by the PLM Deed of Trust.

Section 4.2 [Reserved]

Section 4.3 Modification of RFT Loan Documents. RFT at any time, without the consent of, or notice to Maddox, may do any one of the following:

(a) change the manner or place of payment of, or change, renew, exchange, amend, surrender, release, compromise or alter, the terms of any of the RFT Claims or any Lien in any of the Collateral securing any RFT Claim or any guaranty of any RFT Claim or any liability of Borrower or any guarantor, or any liability incurred directly or indirectly in respect thereof (including, without limitation, any extension of the RFT Claims), or otherwise amend, renew, exchange, extend, modify, supplement in any manner the RFT Claims or any RFT Loan Documents and generally deal with Borrower and its successors and assigns and any Collateral as RFT in its sole discretion may determine.

(b) settle or compromise any RFT Claim or any security therefor or any liability directly or indirectly incurred in respect thereof after the occurrence of an Event of Default under the RFT Loan Documents which is not cured by Borrower within any applicable grace period and apply any sums by whomsoever paid and however realized to the RFT Claims in accordance with the terms of the RFT Loan Documents.

(c) exercise (subject to Section 3.2 hereof) or refrain from exercising any rights against Borrower and waive any default under the RFT Loan Documents, without limiting or diminishing any rights or interests of RFT under this Agreement.

Section 4.4 [Reserved].

Section 4.5. Maddox Cross-Default. Unless the situation or occurrence otherwise constitutes a default or Event of Default under the PLM Loan Documents or Maddox Loan Documents, Maddox acknowledges that a default or Event of Default under the RFT Loan Documents shall not be a default or Event of Default under the PLM Loan Documents or Maddox Loan Documents, unless the act or omission giving rise to such default or Event of Default under the RFT Loan Documents is expressly provided as an Event of Default under the New Maddox Loan Documents or PLM Loan Documents.

Section 4.6 [Reserved].

Section 4.7 Amendments; Waivers. No amendment, modification, or waiver of any of the provisions of this Agreement by Maddox or RFT shall be deemed to be made unless the same shall be in writing signed on behalf of the party making such waiver and any such waiver shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the party making such waiver or, unless otherwise agreed, the obligations of the other party to such party in any other respect or at any other time.



Section 4.8 Governing Law. This Agreement shall be governed by the laws of the State of Nevada.

Section 4.9 Notices. All notices to Maddox or RFT required under this Agreement shall be sent to Maddox or RFT at the address given beneath its signature to this Agreement. Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given shall be in writing and may be personally served, telecopied, telexed, or sent by recognized commercial overnight courier service or U.S. mail and shall be deemed to have been given when delivered in person, upon receipt of a telecopy or telex or three (3) days after addressed and one (1) Business Day after delivery to such courier service with charges prepaid and properly addressed.

Section 4.10 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which shall together constitute one and the same document.

Section 4.11 Authorization. By his or her signature, each Person executing this Agreement on behalf of a party hereto represents and warrants to the other parties hereto that he or she is duly authorized to do so.

Section 4.12 Successors and Assigns. The terms of this Agreement shall apply to, be binding upon, and inure to the benefit of the parties hereto, their successors, assigns and legal representatives, and all other Persons claiming by, through, and under them.

Section 4.13 Consultation. Maddox and RFT, upon the request of either, agree to reasonably consult with the other concerning the status of either the RFT Loan, the PLM Loan or the New Maddox Loan including but not limited to all matters relating to any workout, forbearance, or enforcement matters and/or the administration of any of the Collateral for either the PLM Loan, New Maddox Loan or the RFT Loan. The foregoing is not intended to supersede or modify the rights and obligations otherwise set forth in this Agreement. By execution hereof, Borrower has specifically consented to the foregoing and waives any and all rights to object to the sharing between Maddox and RFT of information concerning Borrower, the PLM Loan, New Maddox Loan the RFT Loan, the Collateral, and/or any matters relating to the same.

*[Signature pages follow.]*

EXECUTED as of the date first above written.

**MADDOX:**

C.B. Maddox Family Trust Agreement

By:   
Charles B. Maddox, Co-Trustee

Address for Notices:

P.O. Box 70577  
RENO, NV 89570

STATE OF NEVADA )  
COUNTY OF Washoe ) ss.

This instrument was acknowledged before me on June 17, 2022 by  
Charles B. Maddox as Co-Trustee of the C.B. Maddox Family Trust.

Signature  (Seal)





**RFT:**  
**THE RODNEY FAMILY TRUST**

By: [Signature]  
Name: Steve Rude  
Its: Special Signatory Trustee

**Address for Notices:**

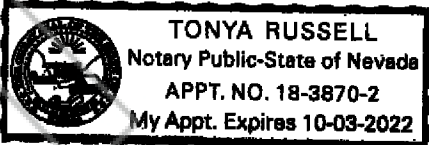
**Attn: Steve Rude**  
PO Box 1911  
Zephyr Cove, NV 89448

STATE OF NEVADA     )  
                                  ) ss.  
COUNTY OF WASHOE )

This instrument was acknowledged before me on June 8, 2022, by Steve Rude as Special Signatory Trustee of The Rodney Family Trust.

WITNESS my hand and official seal.

Signature [Signature] (Seal)





**EXHIBIT A  
LEGAL DESCRIPTION**

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada, more particularly described as follows:

**Parcel No. 1:**

Lots 114 through 123, inclusive, Lots 138 and 139, Lots 145 through 154, inclusive, according to the map thereof, filed in the Office of the County Recorder of Douglas County, Nevada, recorded on December 20, 2021, as Document No. 2021-978635, of Official Records.

Assessor's Parcel Nos.: 1420-05-443-001 through 1420-05-443-010, 1420-05-443-013 through 1420-05-443-022, 1420-05-443-023 and 1420-05-443-024

**Parcel No. 2:**

Common Areas B, C, D and E, according to the map thereof, filed in the Office of the County Recorder of Douglas County, Nevada, recorded on December 20, 2021, as Document No. 2021-978635, of Official Records.

Assessor's Parcel Nos.: 1420-05-443-011, 1420-05-443-012, 1420-05-443-025 and 1420-05-443-027

**Parcel No. 3:**

Parcel A-1, of Valley Knolls Phase 1, according to the map thereof, filed in the Office of the County Recorder of Douglas County, Nevada, recorded on December 20, 2021, as Document No. 2021-978635, of Official Records.

Assessor's Parcel No.: 1420-05-443-026