

Subordination Agreement Page 1 of 7
Russell Shirts Washington County Recorder
08/06/2020 11:52:42 AM Fee \$40.00 By
VANGUARD TITLE INSURANCE AGENCY, LLC -
ST. GEORGE 1

When recorded, return to:
Actium High Yield Loan Fund III LLC
Actium High Yield Loan Fund IV LLC
Actium High Yield Loan Fund V LLC
111 E. Broadway, Suite 390
Salt Lake City, Utah 84111

AMENDMENT TO SUBORDINATION AGREEMENT

This Amendment to Subordination Agreement ("Amendment") is made as of July ____, 2020 (the "Effective Date"), by and among Actium High Yield Loan Fund III LLC, a Utah limited liability company, Actium High Yield Loan Fund IV LLC, a Utah limited liability company, and Actium High Yield Loan Fund V LLC, a Utah limited liability company (collectively, the "Senior Lender"), with its principal place of business at 111 E. Broadway, Suite 390, Salt Lake City, Utah 84111, Santa Clara Hills Holdings, LLC, a Utah limited liability company ("Subordinated Lender"), and Bright Ideas REI, LLC, a Utah limited liability company fka "Bright Ideas REI, LLP" ("Borrower").

RECITALS

A. Borrower previously received certain loans and credit accommodations from Subordinated Lender as evidenced by certain agreements and documents, including, without limitation, that certain promissory note (the "Subordinated Note") which is secured by that certain Deed of Trust dated December 23, 2019 and recorded with in Washington County, Utah on or about December 24, 2019 as Entry No. 20190054203 (the "Subordinated Trust Deed").

B. Senior Lender extended a loan or other credit accommodations to Borrower pursuant to that certain Loan Agreement and Trust Deed Promissory Note, each dated as of December 23, 2019 (together with any other agreements executed in conjunction therewith, the "Senior Loan Agreement"), which loan obligations were secured by that certain Deed of Trust dated December 23, 2019 and recorded in Washington County, Utah on or about December 24, 2019 as Entry No. 20190054202 (the "Senior Trust Deed").

C. Senior Lender, Subordinated Lender and Borrower previously entered into that certain Subordination Agreement recorded February 18, 2020 as Entry no. 20200008124 and re-recorded February 20, 2020 as Entry No. 20200008512 (the "Subordination Agreement").

D. Since the date of the Subordination Agreement, Borrower has petitioned Senior Lender for an additional advance of \$350,000.00 under the Senior Loan Agreement ("Additional Advance") and Lender has agreed to such amended terms and conditions pursuant to the terms of that certain Modification Agreement dated as of the Effective Date (the "Modification Agreement") on the condition that Subordinated Lender and Borrower shall execute and deliver this Amendment.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereby agree as follows:

1. Subordinated Lender hereby confirms and agrees that the terms and conditions of the Modification Agreement, including the Additional Advance evidenced thereby, constitute Senior Debt under the Subordination Agreement and the Senior Trust Deed, and Subordinated Lender hereby confirms its receipt of notice of the Additional Advance and Modification Agreement.

2. This Amendment shall be binding upon and inure to the benefit of the Subordinated Lender and Senior Lender and their respective successors and assigns. This Agreement shall remain effective until the Senior Debt is fully paid. This First Amendment is solely for the benefit of the Subordinated Lender and Senior Lender and not for the benefit of Borrower or any other party.

3. Each party hereby agrees to execute such documents and/or take such further action as the other may at any time or times reasonably request in order to carry out the provisions and intent of this Amendment, including, without limitation, ratifications and confirmations of this Amendment from time to time hereafter, as and when requested by the other party.

4. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. The exchange of a fully executed Amendment by facsimile transmission or electronic transmission in .PDF format shall be sufficient to bind the parties to the terms and conditions of this Amendment and shall be deemed to be duplicate original documents and may be used by all parties for all purposes an original document may be used for and all signatures on such documents shall be deemed and treated for all purposes as original signatures. Execution and delivery of this Amendment by exchange of facsimile or other electronically transmitted counterparts bearing the signature of a party shall be equally as effective as delivery of a manually executed counterpart of such party.

5. This Amendment will be governed by, and construed in accordance with, the internal laws of the State of Utah regardless of the laws that might otherwise govern under applicable principles of conflict of laws. The parties hereby irrevocably agree that any suit, action or other proceeding arising out of or based upon this Amendment brought by any other party or its successors or assigns shall be exclusively venued in the Utah.

6. This Amendment and the agreements and documents referenced herein represent the entire agreement with respect to the subject matter hereof, and this Amendment supersedes all prior negotiations, agreements and commitments. Neither party is relying on any representations by the other party in entering into this Amendment, and each has kept and will continue to keep itself fully apprised of the financial and other condition of Borrower. This Amendment may be amended only by written instrument signed by Subordinated Lender and Senior Lender and Borrower to the extent any such amendment affects Borrower.

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first above written.

“Senior Lender”


Actium High Yield Loan Fund III LLC

By: Actium Loan Management LLC, Manager

By: _____
Name: Paul Christenson
Title: Manager

“Subordinated Lender”

Santa Clara Hills Holdings, LLC

By: 
Name: **NIKI SAMPSON**
Title: **MANAGER**

Actium High Yield Loan Fund IV LLC

By: Actium Loan Management LLC, Manager

By: _____
Name: Paul Christenson
Title: Manager

Actium High Yield Loan Fund V LLC

By: Actium Loan Management LLC, Manager

By: _____
Name: Paul Christenson
Title: Manager

“Borrower”

Bright Ideas REI, LLC fka “Bright Ideas REI, LLP”


By: 
Name: Todd Smith
Title: Manager

IN WITNESS WHEREOF, the undersigned have executed this Amendment as of the date first above written.

“Senior Lender”

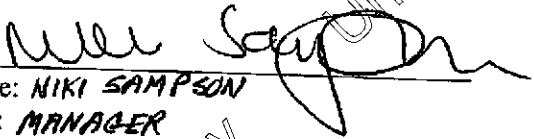
Actium High Yield Loan Fund III LLC

By: Actium Loan Management LLC, Manager

By: 
Name: Paul Christenson
Title: Manager

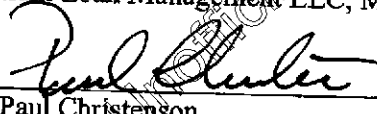
“Subordinated Lender”

Santa Clara Hills Holdings, LLC

By: 
Name: **NIKI SAMPSON**
Title: **MANAGER**

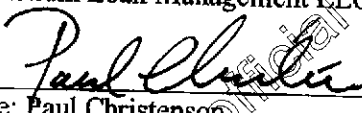
Actium High Yield Loan Fund IV LLC

By: Actium Loan Management LLC, Manager

By: 
Name: Paul Christenson
Title: Manager

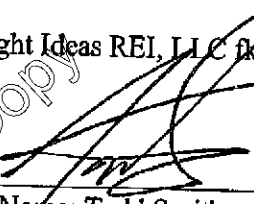
Actium High Yield Loan Fund V LLC

By: Actium Loan Management LLC, Manager

By: 
Name: Paul Christenson
Title: Manager

“Borrower”

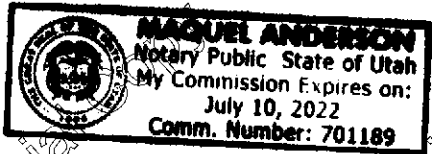
Bright Ideas REI, LLC fka “Bright Ideas REI, LLP”

By: 
Name: Todd Smith
Title: Manager

STATE OF UTAH)
)ss.
Salt Lake County)

On this ____ day of July, 2020, before me, the undersigned, a notary public, in and for said State, personally appeared Paul Christenson, known or identified to me to be the Manager of Actium Loan Management LLC, which is the Manager of Actium High Yield Loan Fund III LLC, Actium High Yield Loan Fund IV LLC, and Actium High Yield Loan Fund V LLC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.



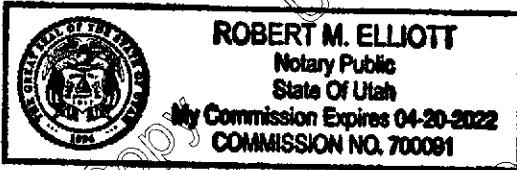
[Handwritten Signature]

Notary Public for Utah
My Commission Expires: _____

STATE OF UTAH)
)ss.
Salt Lake County)

On this 4 day of ~~July~~ ^{AUG}, 2020, before me, the undersigned, a notary public, in and for said State, personally appeared ~~NICK~~ ^{NICK} ~~SAMPSON~~, as MANAGER of Santa Clara Hills Holdings, LLC, and acknowledged to me that he/she executed the same as a MANAGER of such limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.



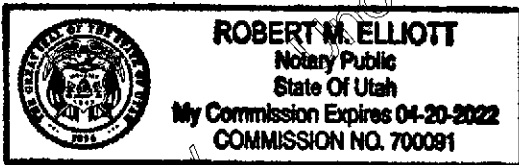
[Handwritten Signature]

Notary Public for Utah
My Commission Expires: 4-20-2022

STATE OF UTAH)
Washington County)

On this 23 day of July, 2020, before me, the undersigned, a notary public, in and for said State, personally appeared Todd Smith, known or identified to me to be the Manager of Bright Ideas REI, LLC, and acknowledged to me that he executed the same on behalf of such entity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.



[Handwritten Signature]

Notary Public for Utah
Residing at: Hurricane, Utah
My Commission Expires: 4-20-2022

EXHIBIT A**Legal Description**

Order No.: 50909-KV

Beginning at the center quarter corner of Section 17, Township 42 South, Range 16 West, Salt Lake Base & Meridian, said point being on the Southerly line of The Hills as Santa Clara Phase 2B, and running;

Thence Easterly the following (2) courses along said The Hills at Santa Clara Phase 2B; thence South 89°15'11" East 19.25 feet; thence North 26°04'19" East 52.22 feet to the Southerly line of The Hills at Santa Clara Phase 1B; thence Easterly the following (8) courses along said Southerly line of The Hills at Santa Clara Phase 1B; thence South 89°48'07" East 12.61 feet; thence North 00°50'19" East 3.62 feet; thence Northeast 21.77 feet along an arc of a 20.00 foot radius curve to the right (center bears South 88°31'09" East, long chord bears North 32°39'46" East 20.71 feet with a central angle of 62°21'51"); thence Northeast 8.85 feet along an arc of a 47.00 foot radius curve to the left (center bears North 26°09'19" West, long chord bears North 58°27'12" East 8.83 feet with a central angle of 10°46'59"); thence East 23.70 feet along an arc of a 25.00 foot radius curve to the right (center bears South 36°56'18" East, long chord bears north 80°13'09" East 22.82 feet with a central angle of 54°18'53"); thence North 13°56'18" East 34.09 feet; thence North 49.00 feet along an arc of a 25.00 foot radius curve to the right (center bears North 17°22'35" East, long chord bears North 16°28'05" West 41.53 feet with a central angle of 112°18'39"); thence Northeast 142.37 feet along an arc of a 161.50 foot radius curve to the right (center bears South 50°18'46" East, long chord bears North 64°56'32" East 137.81 feet with a central angle of 50°30'35") to and along The Hills at Santa Clara Phase 1A;

Thence Easterly the following (2) courses along the Southerly line of Clary Hills Drive; thence South 89°48'17" East 313.23 feet; thence Southeast 178.20 feet along an arc of a 130.00 foot radius curve to the right (center bears South 00°11'49" West, long chord Bears South 50°32'02" East 164.57 feet with a central angle of 78°32'18"); thence South 06°11'06" East 111.26 feet to the center section line; thence North 89°15'11" West 0.63 feet along said center section line; thence South 00°17'35" West 1,328.74 feet to the 1/16th line; thence North 89°21'04" West 666.36 feet along said 1/16th line to the South 1/16th corner of said section 17; thence North 00°11'54" East 1,329.90 feet along the center section line to the point of beginning.

Tax Parcel No.: SC-6-2-17-241-A and SC-220-A-1-A-1