

WHEN RECORDED RETURN TO:
BRMK Lending, LLC
1420 5th Avenue, Suite 2000
Seattle, WA 98101

[SPACE ABOVE FOR RECORDER'S USE]

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (the "**Agreement**") is made and is effective as of April 5, 2022 (the "**Effective Date**"), by and between BRMK LENDING, LLC, a Delaware limited liability company ("**Senior Lender**"), SCARLET RIDGE PARTNERS, LLC, a Utah limited liability company ("**Owner**"), and RESIDENTIAL CONSTRUCTION MANAGEMENT, LLC, a Utah limited liability company ("**Subordinator**").

RECITALS:

A. On or about September 21, 2021, Senior Lender made a loan to Owner in the original principal amount of \$15,486,790.00 (the "**Loan**"), which Loan is evidenced by a Promissory Note dated September 21, 2021, in the principal amount of the Loan, executed by Owner in favor of Senior Lender (said Promissory Note, including all amendments, addenda and modifications thereto, is called the "**Senior Note**").

B. The repayment of the Loan is secured by that certain Deed of Trust, Security Agreement and Fixture Filing With Assignment of Leases and Rents dated September 21, 2021, and recorded on September 21, 2021, with the Utah County, Utah Recorder under Recording Entry No. 163078:2021 (the "**Senior Deed of Trust**").

C. Subordinator is the beneficiary of that certain Deed of Trust dated September 21, 2021, and recorded on September 21, 2021, with the Utah County, Utah Recorder under Recording Entry No. 163079:2021 (the "**Junior Deed of Trust**"), which Junior Deed of Trust secures a loan made by Subordinator to Owner.

D. In order to induce Senior Lender to increase the principal amount of the Senior Note, Subordinator and Owner have agreed to enter into this Agreement.

NOW, THEREFORE, for and in consideration of the recitals, which are incorporated herein, and other good and valuable consideration, the receipt of which is hereby acknowledged,

the parties hereto agree that the Subordination Agreement shall be, and the same is hereby, amended as follows:

1. As an inducement for Senior Lender to increase the principal amount of the Senior Note to Sixteen Million Four Hundred Sixty-Seven Thousand Seven Hundred Thirty-Nine and 00/100 Dollars (\$16,467,739.00) pursuant to a First Amendment to Promissory Note dated on or about the date hereof (the "**First Amendment to Senior Note**"), Subordinator does hereby agree, acknowledge and confirm that the Junior Deed of Trust and the loan evidenced thereby, is, and continues to be, subordinate to the Senior Deed of Trust, including all amendments and modifications now or hereafter existing (including the First Amendment to Senior Deed of Trust defined below), in accordance with the terms of the Subordination Agreement as herein amended.

2. Subordinator hereby consents to the execution by Senior Lender and Owner and recording of a First Amendment to Deed of Trust, Security Agreement and Fixture Filing With Assignment of Leases and Rents dated on or about the date hereof, which increases the amount of the Benefitted Deed of Trust to Sixteen Million Four Hundred Sixty-Seven Thousand Seven Hundred Thirty-Nine and 00/100 Dollars (\$16,467,739.00) (the "**First Amendment to Senior Deed of Trust**").

3. Except as herein amended and modified, the Subordination Agreement shall remain unchanged and in full force and effect as therein stated.

4. This Agreement may be executed in one or more counterparts, and all of the counterparts shall constitute one and the same agreement, notwithstanding that all parties hereto are not signatory to the same or original document.

PURSUANT TO UTAH CODE SECTION 25-5-4, TRUSTOR IS NOTIFIED THAT THESE AGREEMENTS ARE A FINAL EXPRESSION OF THE AGREEMENTS BETWEEN BENEFICIARY AND TRUSTOR AND THESE AGREEMENTS MAY NOT BE CONTRADICTED BY EVIDENCE OF ANY ALLEGED ORAL AGREEMENT.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

"SENIOR LENDER"

BRMK LENDING, LLC,
a Delaware limited liability company

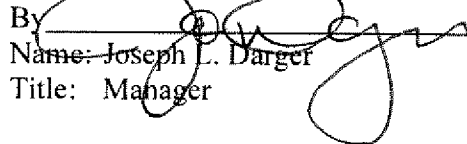
By: Broadmark Realty Capital Inc., a Maryland corporation, its Sole Member

SIGNED IN COUNTERPART

By _____
Name: Daniel Hirsty
Title: Chief Credit Officer

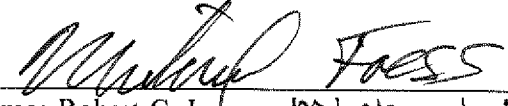
"OWNER"

SCARLET RIDGE PARTNERS, LLC,
a Utah limited liability company

By  _____
Name: Joseph L. Darger
Title: Manager

"SUBORDINATOR"

RESIDENTIAL CONSTRUCTION MANAGEMENT,
LLC, a Utah limited liability company

By  _____
Name: ~~Robert C. Jones~~ Michael Foess
Title: ~~Authorized Agent~~ _____

STATE OF UTAH)
) ss.
COUNTY OF Salt Lake)

I certify that I know or have satisfactory evidence that JOSEPH L. DARGER is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Manager of SCARLET RIDGE PARTNERS, LLC, to be the free and voluntary act and deed of such limited liability company, for the uses and purposes mentioned in the instrument.

WITNESS my hand and official seal hereto affixed this 5 day of April, 2022.

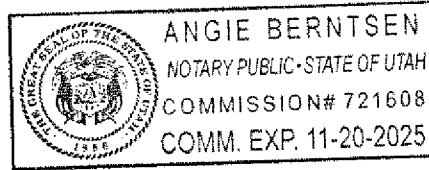
Angie Berntsen
(Signature of Notary)

Angie Berntsen
(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State of

UTAH

My Appointment Expires: 11-20-25.



STATE OF UTAH)
) ss.
COUNTY OF UTAH)

Michael Foess

I certify that I know or have satisfactory evidence that ~~ROBERT C. JONES~~ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Authorized Agent of RESIDENTIAL CONSTRUCTION MANAGEMENT, LLC, to be the free and voluntary act and deed of such limited liability company, for the uses and purposes mentioned in the instrument.

WITNESS my hand and official seal hereto affixed this 5 day of April, 2022.

Angie Berntsen
(Signature of Notary)
Angie Berntsen
(Print or stamp name of Notary)
NOTARY PUBLIC in and for the State of
UTAH
My Appointment Expires: 11-20-2025.

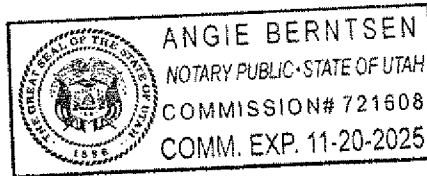


EXHIBIT A

Legal Description

Order No.: M1794-TJR

The East Half of the East Half of Section 19, Township 6 South, Range 1 West, Salt Lake Base and Meridian.

Tax Parcel No.: 59-019-0004 and 59-019-0005

WHEN RECORDED RETURN TO:

BRMK Lending, LLC
1420 5th Avenue, Suite 2000
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B. The repayment of the Loan is secured by that certain Deed of Trust, Security Agreement and Fixture Filing With Assignment of Leases and Rents dated September 21, 2021, and recorded on September 21, 2021, with the Utah County, Utah Recorder under Recording Entry No. 163078:2021 (the "**Senior Deed of Trust**").

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D. In order to induce Senior Lender to increase the principal amount of the Senior Note, Subordinator and Owner have agreed to enter into this Agreement.

NOW, THEREFORE, for and in consideration of the recitals, which are incorporated herein, and other good and valuable consideration, the receipt of which is hereby acknowledged,

the parties hereto agree that the Subordination Agreement shall be, and the same is hereby, amended as follows:

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2. Subordinator hereby consents to the execution by Senior Lender and Owner and recording of a First Amendment to Deed of Trust, Security Agreement and Fixture Filing With Assignment of Leases and Rents dated on or about the date hereof, which increases the amount of the Benefitted Deed of Trust to Sixteen Million Four Hundred Sixty-Seven Thousand Seven Hundred Thirty-Nine and 00/100 Dollars (\$16,467,739.00) (the "**First Amendment to Senior Deed of Trust**").

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"SENIOR LENDER"

BRMK LENDING, LLC,
a Delaware limited liability company

By: Broadmark Realty Capital Inc., a Maryland corporation, its Sole Member

By 
Name: Daniel Hirsty
Title: Chief Credit Officer

"OWNER"

SCARLET RIDGE PARTNERS, LLC,
a Utah limited liability company

SIGNED IN COUNTERPART

By _____
Name: Joseph L. Darger
Title: Manager

"SUBORDINATOR"

RESIDENTIAL CONSTRUCTION MANAGEMENT,
LLC, a Utah limited liability company

SIGNED IN COUNTERPART

By _____
Name: Robert C. Jones
Title: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that DANIEL HIRSTY is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Chief Credit Officer of BROADMARK REALTY CAPITAL INC., the Sole Member of BRMK LENDING, LLC, to be the free and voluntary act and deed of such limited liability company, for the uses and purposes mentioned in the instrument.

WITNESS my hand and official seal hereto affixed this 5 day of April, 2022.

Katherine Benet

(Signature of Notary)

KATHERINE BENET

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State of Washington

My Appointment Expires: 8-13-2023

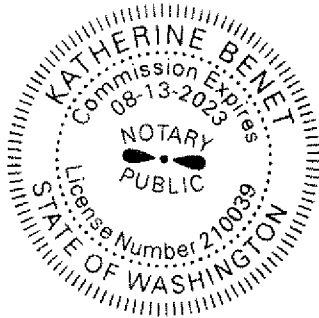


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