IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: SILVERROCK DEVELOPMENT COMPANY, LLC, *et al.*, Debtors.[1]	Chapter 11 Case No.: 24-11647 (MFW) (Jointly Administered) **Hearing Date: May 20, 2026 at 10:30 a.m. (ET)** **Objection Deadline: April 7, 2026 at 4:00 p.m. (ET)**

DEBTORS' AMENDED MOTION FOR ENTRY OF AN ORDER (I) DETERMINING THE VALUE OF THE SECURED CLAIMS OF CERTAIN CREDITORS PURSUANT TO 11 U.S.C. § 506(a) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3012; (II) ESTABLISHING THE AMOUNT TO BE PAID ON ACCOUNT OF SR LAND'S TIC INTEREST; AND (III) GRANTING RELATED RELIEF

The debtors and debtors in possession (the "Debtors") in the above-captioned chapter 11 cases, by and through their undersigned counsel, hereby submit this motion (this "Motion") for entry of an order (the "Proposed Order"), substantially in the form attached hereto as **Exhibit A**:

i. approving the allocation of the Net Allocable Sale Proceeds (as defined below), as set forth on **Exhibit C** hereto:

ii. determining the value of certain asserted secured claims (the "Asserted Secured Claims") filed by certain creditors of the Debtors, in accordance with this Motion and the Lien Priority Analysis (as defined below) attached as **Exhibit B** hereto, pursuant to section 506(a) of chapter 11 of title 11 of the United States Code, as amended (the "Bankruptcy Code") and rule 3012 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules");

iii. directing that the remainder of the Asserted Secured Claims be treated as General Unsecured Claims for any and all purposes in these chapter 11 cases, including for purposes of voting on, and any distributions under, the Combined Disclosure Statement and Plan;

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: SilverRock Development Company, LLC (5730), RGC PA 789, LLC (5996), SilverRock Lifestyle Residences, LLC (0721), SilverRock Lodging, LLC (4493), SilverRock Luxury Residences, LLC (6598) and SilverRock Phase I, LLC (2247). The location of the Debtors' principal place of business and the Debtors' mailing address is 343 Fourth Avenue, San Diego, CA 92101.

iv. establishing the amount to be paid on account of the SR Land TIC Interest (defined below); and

v. granting such other and further relief as it appropriate under the circumstances.

In support of the Motion, the Debtors respectfully state as follows:

PRELIMINARY STATEMENT[2]

1. The Sale closed on December 9, 2025, resulting in $61,964,897.66 in Net Allocable Sale Proceeds, before repayment of the DIP Facility. Thereafter, in an effort to reach consensus on various issues among the parties, including the appropriate allocation of the Net Allocable Sale Proceeds, the Debtors and the other Mediation Parties participated in voluntary Mediation for several months. The Mediation further crystalized certain intercreditor disputes that will require further intercreditor litigation or other resolution and aided the Debtors in reaching settlements with several creditors. A global settlement was unfortunately not reached, and the Mediator concluded the Mediation on March 13, 2026. Given the unexpected duration of the Mediation and significant discussions with creditors over many months, the Debtors thereafter determined to expeditiously file an amended plan and this motion to move these cases forward as soon as possible and expedite creditor recoveries.

2. As a result, the Debtors filed the Combined Disclosure Statement and Plan on March 17, 2026, which includes the resolutions the Debtors were successful in reaching and proposes a structure for the distribution of the Net Allocable Sale Proceeds and potential additional funds obtained through a Litigation Trust to creditors in accordance with the priority provisions of the Bankruptcy Code. The Combined Disclosure Statement and Plan also includes an anticipated proposal by the City to extend to certain creditors any unused portion of the Poppy Indemnity that

[2] Undefined capitalized terms used in the Preliminary Statement shall have the meanings set forth below or in the Combined Disclosure Statement and Plan.

this Court previously approved.[3] The Debtors believe the Combined Disclosure Statement and Plan is the best path forward for maximizing the value of their estates under the unique facts and circumstances of these cases.

3. Also, in furtherance of the Combined Disclosure Statement and Plan and based on issues raised by creditors in the Mediation, the Debtors have revised their approach to allocation of sale proceeds pursuant to section 506(a) of the Bankruptcy Code, as reflected herein. Under the revised allocation methodology, the Debtors continue to propose a per-acre approach to allocation. The Debtors have also created additional distribution reserves representing distributions related to parcels where certain creditors have disputes regarding the priority or validity of their liens and claims and allocated a general per-acre value to such reserves for the benefit of the creditors who ultimately succeed in litigation. Further, the Debtors have analyzed the extent to which the parcels delineated with Priming Caps were impacted by repayment of the DIP Loans at closing of the Sale. The Debtors initially utilized a *pro rata* application of the DIP Loans; however, to ensure that no parcel was primed by more than the applicable Priming Caps, the allocation of the DIP Loans was adjusted to move any priming that would have exceeded the applicable Priming Caps to parcels with higher Priming Caps. In effect, this adjustment allocated a non-pro rata "extra" amount of $1,417,826.94 to Planning Area 7,8,9 (as defined in the Final DIP Order). Other costs permitted to be paid under the Sale Order were paid or reserved from gross sale proceeds at closing and are reflected in the net allocable proceeds that were then allocated across all creditors.

4. For the reasons set forth more fully below, the Debtors respectfully request that the Court approve the amended Allocation and determine the amount, if any, of the Asserted Secured

[3] The City has not yet formally approved the extension of the Poppy Indemnity to other creditors. The Debtors will file a supplement when a final determination regarding the extension has been made.

Claims, as set forth herein.

JURISDICTION AND VENUE

5. The United States Bankruptcy Court for the District of Delaware (the "Court") has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012.

6. Pursuant to rule 9013-1(f) of the *Local Rules of the United States Bankruptcy Court for the District of Delaware* (the "Local Rules"), the Debtors confirm their consent to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

7. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue of these chapter 11 cases and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

8. The statutory predicates for the relief sought herein are sections 105(a) and 506(a) of the Bankruptcy Code and Bankruptcy Rule 3012.

BACKGROUND

I. General Background

9. On August 5, 2024 (the "Petition Date"), each Debtor filed a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code. The Debtors are managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. These chapter 11 cases are being jointly administered for procedural purposes only pursuant to

Bankruptcy Rule 1015(b). No official committee of unsecured creditors has been appointed in these cases.

10. The factual background regarding the Debtors, including their business operations, capital and debt structure, and the events leading to the filing of these chapter 11 cases, is set forth in more detail in the *Declaration of Robert S. Green, Jr. in Support of the Debtors' Chapter 11 Petitions and First Day Pleadings* [Docket No. 13] (the "First Day Declaration").

11. As set forth in the First Day Declaration, the Debtors' business operations centered around the real estate development of a 525-acre master planned community in the City of La Quinta, California (the "Project"). The Debtors' principal assets were 134+- acres of partially constructed, largely unentitled real property in the desert (the "Real Property Assets"), the full value of which can only be realized through a comprehensive development scheme involving adjacent real property owned by the City of La Quinta, California (the "City").

II. DIP Financing

12. On August 29, 2024, the Debtors filed the *Motion of Debtors Pursuant to Sections 105, 361, 362,363, 364, and 507 of the Bankruptcy Code, Bankruptcy Rule 4001, and Local Rule 4001-2, for Interim and Final Orders (I) Authorizing Debtors to Obtain Postpetition Financing from the City Of La Quinta; (II) Granting Non-Priming DIP Lender Liens and Super-Priority Claims; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief* [Docket No. 125] (the "DIP Motion").

13. On each of October 1, 18, and 31, 2024, and December 6, 2024, the Court granted certain relief sought in the DIP Motion on an interim basis [Docket Nos. 162, 188, 208 & 243, respectively] (collectively, the "Interim DIP Orders"). Through the Interim DIP Orders, the Debtors obtained interim funding in the amount of $2,690,965 (the "Interim Funding") pursuant to a term sheet (the "Interim DIP Term Sheet") between the Debtors and the City. The City

provided the Interim Funding under the Interim Term Sheet without priming any of the Project's existing secured creditors.

14. After a diligent search for available financing, including discussions with existing creditors, the best available alternative for post-petition financing (the "DIP Facility") was that offered by the City. On December 12, 2024, the Debtors filed the *Motion of Debtors Pursuant to Sections 105, 361, 362, 363, 364, and 507 of the Bankruptcy Code, Bankruptcy Rule 4001, and Local Rule 4001-2, for an Order (I) Authorizing Debtors to Obtain Postpetition Financing; (II) Granting DIP Lender Priming Liens and Super-Priority Claims; and (III) Granting Related Relief* [Docket No. 246], which was approved by the Court on January 23, 2025 [Docket No. 330] (as amended, the "Final DIP Order").[4]

15. On January 23, 2025, the Debtors and the City entered into that certain *Debtor-in-Possession Credit Facility Loan and Security Agreement* (the "DIP Credit Agreement") memorializing the terms of the DIP Term Sheet in accordance with the Final DIP Order. As of this filing, the DIP Facility is fully drawn.

16. On August 29, 2025, the Debtors filed a motion [Docket No. 653] (the "DIP Amendment Motion") to approve an amendment (the "DIP Amendment") to the DIP Credit Agreement. As described in more detail in the DIP Amendment Motion, the DIP Amendment provides the Debtors with, among other things, additional liquidity and an agreement by the City to waive or credit a portion of the DIP Facility. The DIP Amendment additionally provides for the establishment of a reserve account (the "Supplemental DOT Collateral Reserve") to hold net sale

[4] On April 25, 2025, the Court entered an amended Final DIP Order [Docket No. 437], which included (i) a statement that the DIP Facility is secured by a deed of trust and similar references; (ii) at the request of Stewart Title, references to an additional parcel number and the Preliminary Title Report filed in the chapter 11 cases [Docket No. 425], prepared by Stewart Title of California, Inc. ("Stewart Title"), which amendment to the Preliminary Title Report was also reflected in Exhibit 3 to the Final DIP Order, as requested by Stewart Title.

proceeds allocable to the "Supplemental DOT Collateral") (defined in the DIP Amendment), which are certain additional parcels of real property, identified after execution of the DIP Credit Agreement, that also secure the DIP Facility. The DIP Amendment provides that such Supplemental DOT Collateral Reserve will be funded in an amount equal to the net sale proceeds allocable to such additional parcels.

17. On October 23, 2025, the Court entered an order approving the DIP Amendment Motion [Docket No. 760].

18. Exhibit 3 to the Final DIP Order memorialized the terms of agreements reached between the City and certain of the Asserted Secured Creditors regarding the extent to which the DIP Facility could prime the collateral encumbered by their liens. Specifically, Exhibit 3 to the Final DIP Order established certain "priming caps" (as amended, the "Priming Caps") that applied to specific parcels of the real property formerly owned by the Debtors. The Priming Caps were amended by the DIP Amendment to reflect the reduced amount of the DIP Facility as set forth in greater detail therein. The Final DIP Order lists the priming caps in terms of assessor parcel numbers or "APNs" associated with the property. The APNs associated with the real property formerly owned by the Debtors changed over time and do not have legal significance as a means of identifying real property. As a result, the Debtors' advisors have analyzed the APNs in the Final DIP Order to determine how they apply to the current listing of the various pieces of the Debtors' real property in the Lien Priority Analysis attached hereto as Exhibit B and listed them therein. A summary of the amounts of the Priming Caps (as revised in amount by the DIP Amendment) and the real property they affect appears below:

a. **$3,250,000 Cap:** Lot B of LLA 2020-0010; Lot C of LLA 2020-0010; Parcel A of LLA 2023-0003; Parcel B of LLA 2023-0003; Parcel C of LLA 2023-0003; Parcel D of LLA 2023-0003; Parcel A of LLA 2020-0007.

b. **$5,687,500 Cap:** Parcel B of LLA 2020-0007; Parcel C of LLA 2020-0007; Parcel 12 of Parcel Map 37207.

c. **$812,500 Cap:** Lots 1-29 of Tract Map 37730.

d. **No Cap:** Lots A-L of Tract No. 37730; Parcels E, F, and G of Parcel Map 37207.

19. Exhibit 3 to the Final DIP Order also memorialized the terms on which non-debtor SilverRock Land II, LLC ("SR Land") and the Traub Family Revocable Trust dated January 22, 2015 (the "Traub Trust") consented to the sale of "Planning Area 9" or Parcel B of LLA 2020-0007 (the "TIC Parcel") which was owned by the Debtors as tenants in common with non-debtor entity SR Land. Specifically, RGC PA 789 owned an undivided 57.2% interest in Planning Area 9 while SR Land owned the remaining 42.8% interest (the "SR Land TIC Interest"). In relevant part, paragraph 3 of Exhibit 3 to the Final DIP Order provides that:

> [I]n consideration of such consent, upon the closing of a sale of the Planning Area 9 pursuant to section 363 or a plan, SR Land shall be paid the sum of $3,816,000 plus 15% interest compounding quarterly beginning on April 14, 2024, less the allocable share of costs and expenses per section 363(j) of the Bankruptcy Code. Absent agreement of the parties, the Court shall determine the allocable share of such costs and expenses. *Such payment shall be made solely from the net proceeds of sale, after deducting payments made to lenders secured by Planning Area 9.*

Docket No. 330, Ex. 3 ¶ 3 (emphasis added).

III. The Marketing and Sale Process

20. As set forth in the *Motion for Entry of Order (I) Authorizing and Approving (A) Bid Procedures and (B) Form and Manner of Notice of Bid Procedures* [Docket No. 358] and the

Debtors' Motion for Entry of an Order (I) Approving the Sale of the Purchased Assets to the Successful Bidder Free and Clear of all Claims, Liens, Interests, and Encumbrances; (II) Approving the Consensual Termination or Rejection of Ground Leases, Effective as of the Closing Date; (III) Approving Form of Grant Deed; and (IV) Granting Related Relief [Docket No. 621] (the "Sale Motion"), the Debtors prosecuted these chapter 11 cases, in part, in pursuit of a sale of substantially all of their tangible assets to a buyer with the financial capability and development competence to finish construction and development of the Project.

21. In furtherance of this objective, the Debtors successfully marketed their assets, appointed a stalking horse bidder, held an auction, and filed the Sale Motion to, among other things, approve the Debtors' entry into a purchase and sale agreement (the "PSA") with TBE RE Acquisition Co II, LLC (the "Buyer").

22. On October 14, 16, 17 and 21, 2025, the Court held a hearing (the "Sale Hearing") to consider the relief requested in the Sale Motion. On October 21, 2025, the Court issued a bench ruling approving the Sale Motion and on October 23, 2025, the Court entered an order [Docket No. 759] (the "Sale Order") approving the sale of substantially all of the Debtors' assets to the Buyer (the "Sale"). The Sale closed on December 9, 2025 (the "Sale Closing"). Upon the Sale Closing, the Debtors' estates received $65 million in gross cash consideration ***plus*** (i) a credit of $2.25 million of the DIP Facility (as defined in the DIP Amendment Motion) and (ii) access to at least $1 million (and up to $2 million) in additional subordinated financing to wind-down the Debtors' estates.

IV. The Appeal

23. On November 3, 2025, Construction Loan Services II, LLC d/b/a Builders Capital ("Builders Capital") appealed (the "Appeal") the Sale Order to the United States District Court for the District of Delaware (the "District Court"). On November 7, 2025, Builders Capital filed an

emergency motion for a stay pending appeal [Docket No. 788] (the "Bankruptcy Stay Motion") in this Court, to which the Debtors, the Buyer and City objected. [Docket Nos. 795, 796 & 797]. On November 13, 2025, the Court held a hearing to consider the Bankruptcy Stay Motion, at the conclusion of which the Court denied the Bankruptcy Stay Motion. On November 14, 2025, the Court entered an order memorializing the same [Docket No. 802].

24. On November 19, 2025, Builders Capital filed an emergency motion for a stay pending appeal in the District Court (the "USDC Stay Motion") [District Court Docket No. 8], to which the Debtors, the City, and the Buyer objected. *See* District Court Docket Nos. 16, 17, 18, 19, 20, 21 & 22. On December 5, 2025, the District Court entered an order denying the USDC Stay Motion. *See* District Court Docket Nos. 25 (Memorandum denying USDC Stay Motion); & 26 (Order denying same). The Sale Closing occurred four days later.

25. Presently (and after a lengthy consensual stay during the Mediation), briefing on the merits and a motion to dismiss is occurring in the Appeal. The Debtors believe the Appeal is meritless and reserve all rights with respect thereto. For the avoidance of doubt, nothing herein shall be construed as an admission or waiver related thereto.

V. The Mediation

26. On December 10, 2025, the Debtors filed the initial Allocation Motion [Docket No. 834], which included requests for relief pertaining to mediation.

27. On December 16, 2025, the Court held a hearing to consider the mediation-related relief in the Allocation Motion. Consistent with the Court's ruling at the hearing, the Debtors revised the proposed form of order to, among other things, make the mediation voluntary and formalize certain other aspects of the mediation. On December 23, 2025, the Court entered the revised order (the "Mediation Order") and appointed James C. Bastian, Jr. as the mediator (the "Mediator"). *See* Docket No. 864.

28. Between late December and March 13, 2026, the Mediator conducted the mediation (the "Mediation") among the Debtors, the City, R.D. Olson Construction, Inc. ("RDO"), Poppy Bank ("Poppy"), Builders Capital, RAF Pacifica Loan Opportunity Fund I and Arnold Fishman, as Trustee of The Arnold Fishman Revocable Trust dated July 15, 1999 (together, "Keillor"), SilverRock Resort Investment LLC and SilverRock Resort Investment M, LLC (together, the "EB-5 Lenders"), non-debtor SilverRock Land II, LLC ("SR Land"), Richard and Lehn Goetz, and Granite Construction Company ("Granite") (collectively, the "Mediation Parties") through a series of individual and group mediation sessions. While the Mediator made every effort, the Mediation did not result in a global settlement and on March 13, 2026, the Mediator determined to conclude the Mediation.

VI. The Plan and Disclosure Statement

29. On December 1, 2025, the Debtors filed the *Joint Chapter 11 Plan of Liquidation of SilverRock Development Company, LLC and its Debtor Affiliates* [Docket No. 823] and the *Disclosure Statement for the Joint Chapter 11 Plan of Liquidation of SilverRock Development Company, LLC and its Debtor Affiliates* [Docket No. 824].

30. Following the conclusion of the Mediation, on March 17, 2026, the Debtors filed the *Combined Disclosure Statement and Joint Chapter 11 Plan of Liquidation of SilverRock Development Company, LLC and its Debtors Affiliates* [Docket No. 904] (as may be amended, modified and supplemented, the "Combined Disclosure Statement and Plan").

31. The Combined Disclosure Statement and Plan incorporates the Debtors' revised Lien Priority Analysis, substantially in the form attached hereto as **Exhibit B**, and the revised Allocation, substantially in the form attached hereto as **Exhibit C**, as the bases for determining the

secured portion, if any, of the Asserted Secured Claims for all purposes in these chapter 11 cases, including voting on, and any distributions under, the Combined Disclosure Statement and Plan.

VII. The Asserted Secured Claims

32. As set forth in greater detail in the First Day Declaration, prior to the Petition Date, the Debtors faced numerous obstacles in developing the Project, including in obtaining traditional financing and performing under their loan documents. The Debtors also sought to obtain equity financing and creative investment vehicles, including forming new entities and collateral bases to fund further development of the Project. As construction and related costs increased, these financing difficulties led to instances where payment was not made to certain contractors providing goods or services to the Project.[5] As a result, many of these entities filed mechanic's liens against the Real Property Assets. Further, certain prepetition lenders and other parties were also granted deeds of trust secured by the Real Property Assets. The net effect of the foregoing was a morass of liens, claims, and encumbrances against the Real Property Assets, the Debtors, and their prior manager.

33. To make matters more complicated, many of these parties were embroiled in prepetition litigation, and in many instances, there are multiple competing layers of claims, liens, and encumbrances on the same real property. The revised Lien Priority Analysis attached hereto as **Exhibit B** demonstrates the complexity of competing claims asserted against the Real Property Assets. The following is a summary of the liens and interests asserted by certain of the allegedly secured creditors (collectively, the "Asserted Secured Creditors"):[6]

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[5] Upon information and belief, certain contractors also did not remit payment due to their own subcontractors for the subcontractors' work on the Project.

[6] The following description of the Asserted Secured Claims (and the Debtors' inclusion of the Asserted Secured Claims in this Motion) is based on the Debtors' understanding of the claim values asserted by each creditor. In this regard, certain of the creditors asserted multiple claims against multiple Debtors, often in the same amount and often on the basis that the work was performed pursuant to a contract with one Debtor on a parcel owned by

Prepetition Lender Claims:

a) **Poppy Bank ("Poppy")** – In 2019, the Debtors obtained a $212.5 million construction loan from Mosaic Real Estate Investors ("Mosaic") to fund infrastructure and commercial components related to the Project, along with a $179 million commitment intended to be used by the Debtors to acquire components needed for the construction and development of "branded" residential units. In early 2020, after advancing only approximately $36 million of the loan proceeds, Mosaic abruptly discontinued all funding to the Debtors. In October 2021, SRDC paid off Mosaic's loan balance and obtained a $40 million loan from Poppy, secured by a first-position deed of trust encumbering several parcels of SRDC's real property. Poppy alleges that $32 million of this loan remained outstanding as of the Petition Date. Poppy filed a proof of claim against SRDC totaling $33,404,484.00. *See* Claim No. 49. Notwithstanding the foregoing, because Poppy's deed of trust was recorded on October 25, 2021, after certain general contractors and subcontractors purport to have commenced work on the Project and such parties were not paid, the pending adversary proceeding captioned *R.D. Olson Construction, Inc. v. Poppy Bank*, Adv. Pro. No. 25-51049 (MFW) (the "Poppy/RDO Dispute") was filed. The Poppy/RDO Dispute seeks a determination, among other things, as to whether the mechanic's liens asserted by RDO, a general contractor to the Project, and certain of its subcontractors, have priority over Poppy's deed of trust under California law.[7]

b) **EB-5 Lenders** – In December 2022, RGC Preferred, LLC ("RGC Preferred"), a non-debtor investment vehicle affiliated with the Debtors' prior manager, Robert Green, entered into two separate loan agreements (together, the "EB-5 Loan") with the EB-5 Lenders. The EB-5 Lenders lent $14.5 million to RGC Preferred. At the same time, the EB-5 Lenders issued

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a different Debtor. Notwithstanding the filing of multiple claims, the Debtors believe that each creditor is entitled to only one total recovery in satisfaction of its claim. Further, the Combined Disclosure Statement and Plan contemplates a substantive consolidation of the Debtors' estates. Therefore, the Asserted Secured Claims presented in this Motion and its exhibits include one claim for each of the creditors asserting such claim in full satisfaction of that creditor's interest. For the avoidance of doubt, the Debtors take no position herein with respect to the validity of such claims, including, without limitation, whether they were timely filed, are in fact liabilities of the applicable Debtor or the estates or may be the subject of subsequent objection on any grounds whatsoever.

[7] Under California law, any mechanic's lien relating to a "work of improvement" relates back to the date that the "work of improvement" first commenced on the same property, regardless of whether that particular contractor was physically on site at that time. *See e.g., Consolidated Lumber Co. v. Bastien*, 118 Cal. App. 267 (Cal. 1931) ("All mechanic's liens, arising out of the same work of improvement, are on a parity with each other, i.e., of equal rank, regardless of the time the respective claimants performed labor or furnished materials."); *see also Walker v. Lytton Sav. & Loan Ass'n*, 2 Cal. 3d 152, 157-158 (Cal. 1970) (holding that priority of a mechanic's lien may date back to the commencement of visible work or delivery of materials, particularly when a senior deed of trust attaches later and construction had begun earlier). Moreover, what constitutes a "work of improvement" is broadly construed under California law in favor of the mechanic's lienor and includes the delivery of construction materials. *In re Showplace Square Loft Co., LLC,* 289 B.R. 403 (Bankr. S.D. Cal. 2003) (internal citations omitted). *See In re Mi Arbolito, LLC*, 2010 Bankr. LEXIS 3382, at *69 (Bankr. S.D. Cal. Sept. 23, 2010). As a result, the Lien Priority Analysis depicts all mechanic's liens that the Debtors believe arguably relate back to the commencement of the "work of improvement" on a given piece of the Debtors' real property as sharing (or potentially sharing) in the highest priority established by any mechanic's lien on that same real property. Relatedly, when calculating the allocation of such claimant's claim amount, where multiple liens share priority on the same real property, the Debtors used a weighted average calculation to ratably allocate that real property's value among the creditors sharing in the higher priority.

separate promissory notes (together, the "Notes") listing RGC Preferred as borrower under the EB-5 Loan. It is believed that RGC Preferred used the proceeds of the EB-5 Loan to purchase preferred membership interests in Silver Rock Phase I, LLC ("SRPI"). In July 2023, SRDC executed guaranty agreements for the EB-5 Loan with both of the EB-5 Lenders (together, the "Guaranties") as contemplated by the loan documents,[8] and two deeds of trust encumbering Planning Areas 7 and 8 were recorded in favor of the EB-5 Lenders. In September and October 2023, RGC formed Debtor RGC PA 789, LLC ("RGC PA 789"). As a condition precedent to the closing of a loan between the Debtors and Keillor, SRDC deeded its entire ownership interest in Planning Areas 7, 8, and 9 to RGC PA 789 by quitclaim deed. The liens granted to the EB-5 Lenders remained on the parcels transferred to RGC PA 789, and the EB-5 Lenders agreed to contractually subordinate their liens in the affected collateral to Keillor. The EB-5 Lenders filed claims against multiple Debtors totaling $17,503,867.04. *See* Claim Nos. 8, 9, 10 & 35.[9] The EB-5 Lenders' claims are contractually subordinated to claims of Keillor pursuant to (i) that certain *First Amendment to Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing and Subordination*, dated as of October 13, 2023, between and among SRDC, as trustor, Fidelity National Title Company ("Fidelity"), as trustee, and SilverRock Resort Investment, LLC, as beneficiary, and (ii) that certain *First Amendment to Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing and Subordination*, dated as of October 13, 2023, between and among SRDC, as trustor, Fidelity, as trustee, and SilverRock Resort Investment M, LLC, as beneficiary. The Debtors have investigated the foregoing transactions with the EB-5 Lenders to the best of their ability, including whether such transactions may be fraudulent transfers. The EB-5 Lenders participated in the Mediation to, among other things, attempt to consensually resolve the dispute with respect to the EB-5 Loan and their claim in the chapter 11 cases with the Debtors and the other Mediation Parties. Following negotiation with the EB-5 Lenders, the Debtors and the EB-5 Lenders determined to resolve their disputes with respect to the potential avoidability of the transactions with the EB-5 Lenders by entering into the EB-5 Settlement, which, among other things, provides for the allowance of the EB-5 Secured Claim, the payment of $1,200,000 to the EB-5 Lenders in Cash on the Effective Date (or as soon as reasonably practicable thereafter), the EB-5 Lenders' agreement to provide the EB-5 Litigation Trust Funding, a mutual release of the Debtors and the EB-5 Lenders, and such other and further benefits to the Estates as described in greater detail in the EB-5 Settlement and the Combined Disclosure Statement and Plan.

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8 Section 1.1 of each of the Notes defines "Loan Documents" as "The Note, the Term B Note, the Loan Agreement, the Guaranty, the Pledge Agreement and any and all other agreements, documents and instruments now or hereafter executed by Borrower, Guarantor, or any other Person or party in connection with the loan evidenced by this Note or in connection with the payment of the Debt and/or the Related Indebtedness or the performance and discharge of the obligations related hereto or thereto, together with any and all renewals, modifications, amendments, restatements, consolidations, substitutions, replacements, extensions and supplements hereof or thereof."

9 Claims 8 and 9 were each asserted by SilverRock Resort Investment, LLC against RGC PA 789 in the amount of $6,238,945.83. Claim 10 was asserted by SilverRock Resort Investment M, LLC against RCG PA 789 in the amount of $11,264,921.21. Claim 34 was asserted by SilverRock Resort Investment, LLC against SRDC in the amount of $6,238,945.83. Claim 35 was asserted by SilverRock Resort Investment M, LLC against SRDC in the amount of $11,264,921.21.

c) **Keillor** – As set forth above, in 2023, Keillor lent money into RGC PA 789 subject to certain conditions precedent, one of which was the contractual subordination of the EB-5 Lenders' liens to its deeds of trust encumbering some of the same of the Real Property Assets. In furtherance of the foregoing, Keillor has asserted a secured claim and lien pursuant to a loan secured by two deeds of trust, such claim is presently asserted to be $16,759,465.65. *See* Claim No. 23.

d) **Builders Capital** – On or about November 22, 2022, as part of the Debtors' efforts to raise additional capital, Debtor Silver Rock Luxury Residences, LLC ("SR Luxury") executed three loan agreements (the "Builders Capital Loans") and related promissory notes (the "Builders Capital Notes") with Builders Capital. Under these agreements, Builders Capital committed to fund up to $48,150,413.60 for the development of the Montage-branded residences located on certain lots of the Debtors' Real Property Assets specifically identified as Lots 1-29 of Tract Map 37730 (the "Numbered Lots") subject to a document denominated a "lease" entered into by SRDC and SR Luxury (the "Financing Vehicle"). On October 25, 2021, the Financing Vehicle was recorded in Riverside County. Builders Capital asserts that the Builders Capital Loans relate back to the recording of the Financing Vehicle notwithstanding the fact that the Builders Capital Loans were recorded and funded in November 2022. In its proof of claim, Builders Capital asserts that the Builders Capital Notes are secured by three deeds of trust, recorded on or about November 28, 2022, in favor of Builders Capital, encumbering both SR Luxury's alleged leasehold interest in the Numbered Lots and SRDC's fee interest in 13 of the 29 Numbered Lots. As of the Petition Date, Builders Capital asserts a secured claim of $43,964,496.33 pursuant to the Builders Capital Notes and asserts liens in connection therewith on all of the Numbered Lots. *See* Claim No. 13.

e) **The Traub Family Revocable Trust dated January 22, 2015 (the "Traub Trust")** - The Traub Trust entered into negotiations with SRDC in July 2024 regarding the TIC Parcel. The membership interests of SR Land are owned by the Traub Trust. Following the conclusion of these negotiations, RGC PA 789 issued to the Traub Trust (a) a promissory Secured Promissory Note payable by RGC PA 789 to the Traub Trust in the amount of $3,816,000 and (b) a second-position deed of trust and fixture filing to secure RGC PA 789's obligations under the note, which was recorded in Riverside County on July 5, 2024.

Contractor Claims:

a) **R.D. Olson Construction, Inc ("RDO")** – RDO contracted with the Debtors for construction work on the Project pursuant to three separate contracts entered into on or around June 25, 2021. Specifically, RDO contracted to build a hotel, spa, golf club house, and conference center for the Montage-branded resort originally contemplated to be constructed at the Project. In December 2022, RDO filed 4 mechanic's lien claims against the certain of the Real Property Assets. In addition, RDO contracted with certain subcontractors for the work on the Project, who have also asserted claims against the Debtors for nonpayment and in some instances filed separate mechanic's liens for such amounts. In furtherance of such work, RDO asserts claims against the Debtors totaling $19,593,304 all of which it contends are secured by properly perfected mechanics' lien filings for work performed at the Project. *See* Claim Nos. 14, 34, 52, 53.

b) **Granite Construction Company ("Granite")** – Granite contracted with the Debtors on or about April 15, 2022, to perform certain dry utility infrastructure work on certain parcels of the Project. On September 29, 2022, Granite filed a mechanic's lien with respect to work it performed in connection with the Project, and on December 21, 2022, Granite filed a lawsuit against the Debtors for nonpayment. On or about September 20, 2023, the Debtors and Granite entered into a settlement agreement resolving the Granite lawsuit whereby the Debtors were required to pay Granite $4,207,319.08 plus interest, and other amounts to Granite's subcontractors. The Debtors did not make this payment prior to the Petition Date. As of the Petition Date, Granite asserts a secured claim of $4,651,719.08, which it contends is secured by a properly perfected mechanics' lien filing for work performed on certain of the Real Property Assets. *See* Claim Nos. 23 & 32.

c) **H&E Equipment Services, Inc. ("H&E")** – H&E was a subcontractor of Robert Green Residential, Inc. ("RGRI"), a general contractor that commenced work on various components of the Project no later than August 2021. H&E performed work at the Project as late as June 2024, and filed its mechanic's lien on August 2, 2024. Because H&E's lien was filed only a few days before the Petition Date, it had not yet foreclosed prior to the commencement of these Chapter 11 cases and the imposition of the automatic stay. After the Petition Date, when H&E was purportedly unaware of the commencement of these cases, it attempted to foreclose its lien but due to the Debtors' Chapter 11 cases, H&E was prevented from pursuing its claim to enforce its mechanic's lien against the Debtors, and instead filed a *Notice of Filing and Perfection of Liens Pursuant to 11 U.S.C. 362(b)(3) and 546(b) of H&E Equipment Company* [Docket No. 197]. The recording of the Financing Vehicle on the Numbered Lots predates the liens filed by H&E thereon but pending the outcome of the Poppy/RDO Dispute, H&E's liens could relate back to the commencement of the "work of improvement" by RDO on the parcels where it has liens. As a result, the Combined Disclosure Statement and Plan provides that the amount of the H&E Secured Claim is subject to the resolution of the Poppy/RDO Dispute and the weighted average of liens asserted by H&E in the context of other liens on the same collateral as set forth in the chart below.

d) **Vermillions Environmental Products & Applications, Inc. ("Vermillions")** – Vermillions has asserted a claim against SRPI for goods and services provided in connection with work on the Project. *See* Claim No. 7. Vermillions filed a mechanic's lien which was recorded on June 12, 2024, in the amount of $23,000. The recording of the Financing Vehicle on the Numbered Lots predates the liens filed by Vermillions thereon but pending the outcome of the Poppy/RDO Dispute, Vermillions' liens could relate back to the commencement of the "work of improvement" by RDO on the parcels where it has liens. As a result, the Combined Disclosure Statement and Plan provides that the amount of the Vermillions Secured Claims is subject to the resolution of the Poppy/RDO Dispute and the weighted average of liens asserted by Vermillions in the context of other liens on the same collateral as set forth in the chart below.

e) Other Alleged Secured Claims:

- **Fully Undersecured Lenders**. As demonstrated by the Lien Priority Analysis, certain creditors are fully undersecured due to the presence of earlier-in-time liens and interests of Keillor, the Traub Trust, or Poppy on the respective real property encumbered by such fully undersecured parties' asserted liens. These parties include:
  - Cypress Point Holdings, LLC ("Cypress"), whose "Second Deed of Trust and Fixture Filing with Assignment of Rents" was recorded November 18, 2022.
  - Axia Talus, LLC, which is one of the "Converted Secured Creditors" identified in the Combined Disclosure Statement and Plan, whose "Third Deed of Trust and Fixture Filing with Assignment of Rents" was recorded July 2, 2024.
  - Richard and Lehn Goetz, also "Converted Secured Creditors," whose "Third Deed of Trust and Fixture Filing with Assignment of Rents" was recorded on July 5, 2024.
  - Green/YH-MCSV Fund I, which is also a "Converted Secured Creditor," whose "Second Deed of Trust and Fixture Filing with Assignment of Rents" was recorded on July 5, 2024.
- **Fully Undersecured Lien Claimants.** Certain mechanics' lien claimants are fully undersecured in their affected parcels due to the presence of earlier-in-time liens and interests. These include:
  - Teserra – filed mechanic's liens on April 18, 2024.
  - RJB Enterprises, Inc. d/b/a Ultimate Communication Systems ("UCS") – filed mechanic's liens on April 30, 2024.
  - 20/20 Plumbing & Heating ("20/20") – filed mechanic's lien on May 31, 2024.
  - California Specialty Insulation, Inc. ("CSI") – filed mechanic's lien on July 6, 2023. CSI also failed to foreclose within ninety (90) days of filing in accordance with Cal. Civil Code § 8460(a) which provides that a claimant must "commence an action to enforce a lien within 90 days after recordation of the claim of lien" and that "[i]f the claimant does not commence an action to enforce the lien within that time, the claim of lien expires and is unenforceable."
  - M. Arthur Gensler Jr. & Associates, Inc. ("Gensler") – filed mechanic's lien on June 26, 2024. The Debtors' books and records also indicate that Gensler ceased performing services for the Debtors before November 2022 and thus that its lien was not timely filed as California law requires a mechanic's lien to be filed no later than ninety days after the cessation of work on the project. Cal. Civil Code § 8414 (providing that a subcontractor's mechanic's lien may not be enforced unless it is filed ninety (90) days after the completion of the work of improvement or 30 days after the owner records a notice of completion or cessation).

- Core & Main LP a/k/a Waterworks/Fire Protection Materials ("Core & Main") – filed mechanic's lien on July 11, 2023. Core & Main also failed to foreclose within ninety (90) days of filing in accordance with Cal. Civil Code § 8460(a).

- MSA Consulting, Inc. ("MSA Consulting") – filed mechanic's lien on July 28, 2023. MSA Consulting also failed to foreclose on such lien in accordance with Cal. Civil Code § 8460(a).

- BAR Architects & Interiors ("BAR Architects") – filed mechanic's lien on February 15, 2024. BAR Architects also failed to foreclose on such lien in accordance with Cal. Civil Code § 8460(a).

- Executive Landscape, Inc. – filed mechanic's liens on March 12, 2024 and June 24, 2024. Executive Landscape, Inc. also failed to foreclose on such liens in accordance with Cal. Civil Code § 8460(a).

- Al Miller & Sons Roofing, Inc. ("Al Miller Roofing") – filed a mechanic's lien on May 24, 2024. The lien filed by Al Miller Roofing also only named RGRI as the owner of the subject property in violation of Cal. Code of Civil Procedure § 8416 which requires the listing of the correct owner or reputed owner of the liened property. *See* Cal. Code Civil Procedure § 8416 (providing list of requirements for valid mechanic's lien including name of the owner or reputed owner, if known, of the property where a "work of improvement" was performed).

- Cockrell Electric Inc. ("Cockrell") – filed a mechanic's lien on July 17, 2024. The Debtors' books and records also indicate that Cockrell ceased performing work for the Debtors before April 18, 2024, and thus that its lien was not timely filed pursuant to Cal. Civil Code § 8414.

- Robert Green Company – filed several mechanic's liens against the Project, including on July 5, 2024.

- Robert Green Residential, Inc. ("RGRI") – filed several mechanic's liens against the Project, including on April 25, 2024 and July 5, 2024. RGRI also failed to foreclose on such liens in accordance with Cal. Civil Code § 8460(a).

- **Void Liens.** Other Asserted Secured Creditors filed liens on certain of the Debtors' real property on various dates after the Petition Date, in violation of the automatic stay imposed by section 362 of the Bankruptcy Code. These liens are void *ab initio*. *See In re Linear Electric Company, Inc.*, 852 F.3d 313 (3d Cir. 2017) (affirming bankruptcy court's determination that construction lien filed in violation of the automatic stay is void *ab initio*). These parties include:
  - FJ Zam Company (liens recorded February 18, 2025 and March 12, 2025)
  - Ashley Jernigan OBO J&B Materials (lien recorded August 8, 2024)
  - McGrath (lien recorded December 5, 2024)

- The Robert Green Company (liens recorded January 31, 2025 and February 3, 2025)
- RGRI (liens recorded January 31, 2025, February 3, 2025)

- **Invalid Individual Liens**. Additionally, certain former employees of one or more of the Robert Green Company or Robert Green Residential, Inc., recorded mechanic's liens against certain parcels on prior to the Petition Date, but the bases for these liens are unpaid salary and wages. These are not proper bases for a mechanic's lien under California law. *See* Cal. Civil Code § 8400 *et seq.* (defining categories of persons entitled to assert mechanic's lien as generally those who have bestowed skill or furnished materials or equipment in connection with the "work of improvement"). In *Sweet v. Fresno Hotel Co.*, 174 Cal. 789, 795 (Cal. 1917), the California Supreme Court explained that a manager or supervisor who provides managerial, superintendent or other supervisory roles on a construction project is generally not entitled to enforce a mechanic's lien because the manager or supervisor did not perform labor at the site and was not in charge of hiring or firing laborers; *see also Primo Team, Inc. v. Blake Constr. Co.*, 3 Cal. App. 4th 801, 807-811 (Cal. Ct. App. 1992) (finding that persons who perform supervisory roles at construction sites are not entitled to enforce mechanic's liens under Cal. Civil Code § 3110, the predecessor to Cal. Civil Code § 8400 *et seq.*); *see also Congrove v. W. Mesquite Mines*, 2008 U.S. Dist. LEXIS 136959 (S.D. Cal. Dec. 10, 2008) (same).These parties include:
  - Joshua Frantz (liens filed June 26, 2024);
  - Jack R. Tracy (liens filed July 17, 2024); and
  - Bruce Maize (liens filed July 29, 2024).

34. The Debtors' Real Property Assets have been the subject of various lot line adjustments, sales, and development schemes and the Debtors and their advisors have expended considerable time and effort to discern the legal boundaries of the various components of the Real Property Assets and to discern (i) which liens and interests apply to which pieces of the Real Property Assets, (ii) what priority (if any) such claims, liens, and interests hold, and (iii) what effect contractual agreements executed pre- and post-petition have on the priming, subordination or other treatment of such claims and liens. The Debtors have distilled the asserted liens against the Real Property Assets into the revised Lien Priority Analysis attached hereto as **Exhibit B.** Utilizing the same and in view of the results of the months-long sale and Mediation processes, the Debtors also developed the Allocation set forth on **Exhibit C** hereto.

35. The Debtors, with the assistance of counsel, prepared the revised Lien Priority Analysis and the updated Allocation by (i) identifying each discrete parcel of their Real Property Assets, (ii) evaluating liens and interests asserted against each parcel to determine which were arguably valid, perfected, and had priority under applicable law, (iii) conducting a review of the Debtors' books and records and research related to the liens and claims, and (iv) determining net sale proceeds after payment of closing costs, repayment of the DIP Facility, fees to the Office of the United States Trustee for the District of Delaware (the "UST Fees"), and payment to the City of the Supplemental DOT Collateral Reserve, *plus* interest accrued on the net sale proceeds of the Sale to then allocate the remaining net sale proceeds among the various parcels comprising the Real Property Assets.

36. The Debtors, having evaluated the circumstances, also reached certain conclusions in formulating the updated Allocation, including that: (i) the only reasonable and effective method of determining the value of any given parcel is by reference to its acreage as a percentage of the whole, given the nature and state of the Real Property Assets, the Debtors' liquidation of such assets in such state as a whole, as well as the inherent limitations on the use or disposition of the Real Property Assets in any manner other than as a collective development in coordination and consultation with the City; (ii) disputed reserves should be created with respect to parcels where multiple creditors have claims of a priority that is potentially secured pursuant to the outcome of certain pending or alleged disputes and the application of California state law; (iii) in instances where a creditor filed a mechanic's lien and a proof of claim in the cases, the proof of claim would supersede the amount of the mechanic's lien; (iv) in instances where a creditors' claim or lien was filed against the Debtors without dividing the claim amount across the discrete parcels of the Real Property Assets purportedly encumbered by the claim or lien, the Debtors applied the entire filed

claim amount on each piece of the Real Property Assets affected by the claim for purposes of calculating priority in the Allocation; and (v) the maximum allocation for any creditor was limited to the amount of its filed proof of claim or mechanic's lien. As also noted above, the Debtors believe thatmany liens and security interests that the Debtors believe are avoidable under applicable law, were not properly asserted or perfected under applicable law, or were filed in violation of the automatic stay are not eligible for allocation.

37. For the reasons set forth herein, the Debtors believe the revised Lien Priority Analysis and updated Allocation establish the value, if any, of the various liens asserted against the Debtors' Real Property Assets.

RELIEF REQUESTED

38. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A**:

i. approving the Allocation;

ii. determining the value of the Asserted Secured Claims pursuant to section 506(a) of the Bankruptcy Code and Bankruptcy Rule 3012;

iii. directing that the remainder of the Asserted Secured Claims be treated as General Unsecured Claims for any and all purposes in the Debtors' chapter 11 cases, including for purposes of voting on, and any distributions under, any Chapter 11 plan;

iv. establishing the amount to be paid on account of the SR Land TIC Interest; and

v. granting such other and further relief as it appropriate under the circumstances.

BASIS FOR RELIEF

I. The Court Should Approve the Allocation and Determine the Secured Amount (if any) of the Asserted Secured Claims Under Section 506(a) of the Bankruptcy Code

39. Section 506(a)(1) of the Bankruptcy Code provides as follows:

> An allowed claim of a creditor secured by a lien on property in which the estate has an interest, or that is subject to setoff under section 553 of this title, is a secured claim to the extent of the value of such creditor's interest in the estate's interest in such property, or to the extent of the amount subject to setoff, as the case may be, and is an unsecured claim to the extent that the value of such creditor's interest or the amount so subject to set off is less than the amount of such allowed claim. Such value shall be determined in light of the purpose of the valuation and of the proposed disposition or use of such property, and in conjunction with any hearing on such disposition or use or on a plan affecting such creditor's interest.

11 U.S.C. § 506(a)(1).

40. Under section 506(a), a claim that is "secured by a lien on a debtor's property is secured 'to the extent of the value of such creditor's interest in the estate's interest in such property.'" *In re Baker,* 300 B.R. 639, 643 (Bankr. W.D.Pa. 2003). "To the extent the claim exceeds that value, it is deemed to be *un*secured." *Id.* (citing *McDonald v. Master Financial, Inc. (In re McDonald),* 205 F.3d 606, 609 (3d. Cir. 2000)); *see also Johns v. Rousseau Mortgage Corp. (In re Johns),* 37 F.3d 1021, 1024 (3d. Cir. 1994) (superseded by statute on other grounds).

41. The Third Circuit has adopted a burden-shifting framework for determining the value of secured claims under section 506(a). *See In re Heritage Highgate,* 679 F.3d 132, 140 (3d Cir. 2012). First, "[t]he initial burden should be on the party challenging a secured claim's value, because 11 U.S.C. § 502(a) and Bankruptcy Rule 3001(f) grant prima facie effect to the validity and amount of a properly filed claim." *Id*. (citations and quotations omitted). Next, "[i]f the movant establishes with sufficient evidence that the proof of claim overvalues a creditor's secured claim because the collateral is of insufficient value, the burden shifts. The creditor thereafter bears

the ultimate burden of persuasion . . . to demonstrate by a preponderance of the evidence both the extent of its lien and the value of the collateral securing its claim." *Id*. (citations omitted).

42. As set forth above, the Sale resulted in cash proceeds to the estates of $65 million. Upon the Sale Closing, the Debtors' estates received $65 million in gross cash consideration ***plus*** (i) a credit of $2.25 million of the DIP Facility (as defined in the DIP Amendment Motion) and (ii) access to at least $1 million (and up to $2 million) in additional subordinated financing to wind down the Debtors' estates. After payment or reserve for costs permitted in the Sale Order and repayment of the then-present (and reduced) obligations under the DIP Facility (i.e., not including the wind down financing), the net proceeds were $52,356,920.79 (the "Net Allocable Sale Proceeds").

43. The Net Allocable Sale Proceeds are indisputably insufficient to cover all of the Asserted Secured Claims against the Real Property Assets, which exceed $240 million in the aggregate. It follows that certain Asserted Secured Claims are only partially secured, while others are wholly unsecured. In view of the foregoing, and in furtherance of the Combined Disclosure Statement and Plan, the Debtors, in consultation with their legal and professional advisors, have undertaken substantial efforts to analyze the liens and claims asserted against the Real Property Assets, as reflected in the Lien Priority Analysis. Further, the Debtors have developed the Allocation to allocate the Net Allocable Sale Proceeds based on the unique facts and circumstances of these cases.

a. *The Proposed Disposition and Use of the Real Property Assets, as Well as Their Value, Was Determined by the Sale*

44. In *Associates Commercial Corp. v. Rash*, the Supreme Court established that section 506(a) does not require that the same valuation procedure be used in every bankruptcy case. 520 U.S. 953, 954, 961 (1997). Instead, as section 506(a) states, value "shall be determined

in light of the purpose of the valuation and of the proposed disposition or use of such property." *Id*. (explaining that "the 'proposed disposition or use' of the collateral is of paramount importance to the valuation question."). Here, the proposed disposition of the Real Property Assets was established by virtue of the Sale. *See In re Aerogroup International Inc.*, 601 B.R. 571, 590–91 (Bankr. D. Del. 2019) ("Here, we do not have to wonder about the proposed disposition of the collateral; it was sold at the § 363 Sale… [t]he auction result set the value of the collateral, and the issue now before me is to determine the appropriate allocation of those Sale Proceeds."). The value of the Real Property Assets was also conclusively determined through the Sale Process. *See id*; *see also In re Samson Resources Corp*. Case No. 15-11934 (BLS), 2023 WL 4003815, at *1 (Bankr. D. Del. Jun. 14, 2023) (explaining that "[i]t is black letter law in this Circuit that the gold standard for determining the value of an asset is to sell it in an open and fair market."); *Bank of Am. Nat'l. Tr. & Sav. Ass'n v. 203 North LaSalle St. P'ship*, 526 U.S. 434, 457-58 (1999) (stating how "the best way to determine value is exposure to a market").

45. As the court stated in *Aerogroup*, with these considerations having been resolved through the Sale, the sole issue is to "determine the appropriate allocation" of the Net Allocable Sale Proceeds. *Aerogroup*, 601 B.R. at 590-91.

b. *The Debtors' Allocation is Appropriate Under the Facts and Circumstances of These Chapter 11 Cases and Should be Approved*

46. Courts have recognized that "in a bankruptcy proceeding … a lien on less than all of several parcels of property sold in one lot may be transferred to the gross proceeds only to the extent as the particular property covered by the lien contributed to the whole fund." *In re Mannington Pottery Co.*, 104 F. Supp. 506, 520 (N.D. W.Va. 1952). In such cases, "the proportion contributed to the whole fund by a particular property must be ascertained through competent evidence." *Id.*; *see also In re LTV Steel Co., Inc.*, 285 B.R. 259, 267 (Bankr. N.D. Ohio 2002).

"The goal [of allocation] is to determine the value of an individual asset as a portion of the whole sale." *Id.* at 266 (Bankr. N.D. Ohio 2002).

47. However, as the court observed in *LTV*, "few cases deal with valuation in the allocation context" and "there is no standard operating procedure." *Id.* at 266. Competent evidence "can be determined through various methods." *Id.* For example, of the "few cases" mentioned in *LTV*, many looked to prior bids made for the individual assets comprising the whole to determine their relative values. *See, e.g.*, *In re Wilkes*, 55 F.2d 224 (2d Cir. 1932) (determining allocation of value among a soda fountain, a lease, and certain fixtures and equipment by reference to prior individual bids); *In re Benz*, 218 F. 50 (3d Cir. 1914) (adopting the same methodology with regards to leasehold interest, certain tangible goods, and certain intangible assets, including a liquor license); *In re Wesley Corp.*, 18 F. Supp. 347, 350 (E.D. Ky. 1937) (adopting same methodology); *In re Bovenzi*, 2 F. Supp. 538, 538 (W.D.N.Y. 1932) (same). While such an allocation methodology may work in other circumstances, it simply does not make sense in these chapter 11 cases where there are not distinct operating business lines or separate bids. Rather, here, the Real Property Assets were marketed as a whole and not on a parcel-by-parcel basis both prepetition and postpetition. As the Court has previously found, a parcel-by-parcel sale would not have made sense or been value maximizing. Accordingly, there are simply no prior individualized bids to look to.

48. Other cases cited in *LTV* considered "appraisement 'and any other competent evidence offered' on the subject of valuation." *LTV*, at 267 (collecting cases). Ultimately, the court in *LTV* concluded that none of the authority it analyzed stood for "use of a particular model or paradigm for allocating in [that] complex setting." *Id.* Rather, the court in *LTV* applied varying approaches to the discrete asset groups that were at issue in that case – considering, for example, prior individualized bids on one of the debtor's plants and a coke battery facility, respectively, a

consensual valuation of the debtor's railroad assets agreed to among the debtor and its non-debtor subsidiaries after each had commissioned separate appraisals, and the prevailing market price for the debtor's natural gas reserves.

49. Similarly, none of the cases examined by *LTV* – nor *LTV* itself – considered the unique facts and circumstances at issue here, nor do they otherwise compel a particular method of allocation. Most glaringly, a consistent theme throughout the sparse caselaw is that the assets sold in a batch bid were independently marketable and/or could be valued on a stand-alone basis separate from the other assets with which they ultimately were sold (as a separate going concern, for instance). That is simply not the case here.

50. As set forth above, the Real Property Assets comprise 134+- acres of largely unentitled real property in the desert, the full value of which can only be realized through a comprehensive development scheme involving adjacent real property owned by the City.[10] As such, consistent with the overarching goal of maximizing value through the Sale Process, the Real Property Asserts were marketed and sold collectively. The Debtors' independent manager testified about this rationale as far back as the hearing to approve the Buyer as the stalking horse bidder and as recently as the Sale Hearing. Hr'g Tr. 6/17/2025, 17:11-25, 18:1-19 9 (explaining that the individual lots and parcel which comprise the Project have little or no value on an individual basis and that maximizing the value of the Project required marketing and selling the Project as a whole, including in connection with land owned by and entitlements offered by the City); Hr'g Tr. 10/16/2025, 170:1-25, 171:1-17 (explaining that the Project was marketed as a whole for several reasons, including that there is "no practical way to divide the big property up, at least [as] its

[10] As of the Sale, partial prior entitlements had lapsed, and partially constructed structures had deteriorated due to lack of protection from the weather over more than three years.

currently laid out," that most of the plots "are landlocked by other plots," and that one would need "to have the support of the City in order to be enabled and allowed to actually develop the property.").

51. Indeed, as set forth in the *Declaration of Michael Gazzano in Support of the Debtors' Sale Motion* (the "Gazzano Sale Declaration") [Docket No. 721], the Buyer's decision to bid on the Real Property Assets hinged on its ability to purchase the collective whole and no special consideration was given to any particular parcels in determining the purchase price:

> Turnbridge would not have been willing to bid on a subset of the Purchased Assets and is unable or unwilling to allocate value between the Purchased Assets for any substantive purpose because all of the Purchased Assets taken together are required to complete Turnbridge's proposed development plans and the independent value to Turnbridge of any particular Purchased Asset is nonexistent. Turnbridge also would not have been willing to buy the Purchased Assets or would have paid significantly less for the Purchased Assets if it had not been able to simultaneously discuss entitlements and related matters with the City. Further, the price to be paid for the Purchased Assets was affected by many factors, including without limitation the projected cost to complete its development plans, the lack of present entitlements, the condition of the property after having been idle for years, and the status of today's general labor and capital markets.

Gazzano Sale Declaration ¶ 9.

52. The use of the various parcels comprising the Project was still to be determined as of October 2026. *See* Gazzano Sale Declaration ¶ 6 ("At this time and at the time of submitting its bid, Turnbridge's exact plans are uncertain given both the lack of a formal inspection of the Purchased Assets and Turnbridge's intent to utilize the Purchased Assets for its own and differentiated development plan in connection with its chosen luxury hotel operator.").

53. The Allocation reflects these facts: (i) the Real Property Assets are, and prior to the sale were, essentially a collection of partially developed but abandoned or undeveloped tracts of land whose ultimate use and utility cannot be known with certainty and are untethered from the

Debtors' long defunct development plan (i.e., a blank slate to be reimagined by the Buyer), (ii) due to the interlocking nature of the parcels which comprise the Project (certain of which are roadways, easements and landscaping integral to the whole), the value of the Real Property Assets must be considered holistically rather than by ascribing an imaginary value to any one parcel over another, and (iii) given, among other things, the City's oversight of any development and ownership of adjacent land necessary to the value proposition of the overall Project, the individual parcels comprising the Project hold little, if any, value independent of the whole. *See* Hr'g Tr. 10/17/2025, 16:12-25; 17-1-2 (describing role of the "option land" owned by the City and the criticality of this land to the development project).

54. For these reasons, the Debtors' updated Allocation continues to ascribe value to the various parcels of the Real Property Assets based on the acreage of each parcel as a percentage of the acreage of the total Project (with various modifications required by prior orders of this Court related to the DIP Facility). By using the acreage of each parcel as a percentage of the total Project, the Court can allocate the Net Allocable Sale Proceeds across the various parcels fairly and uniformly.

55. As discussed herein, in preparing the Allocation and the Lien Priority Analysis, the Debtors analyzed and reviewed the Preliminary Title Reports prepared by Stewart Title (including the underlying lien documents), as well as deeds of trust, liens, contracts, pleadings and other documents filed or recorded in Riverside County, the Debtors' books and records, maps, legal descriptions, and other documents related to the real property to determine the number of discrete pieces of real property that are contained within the Project and the acreage of such segments of the real property. The Debtors then calculated each parcel's acreage as an absolute value and as a percentage of the entirety of the Real Property Assets.

56. The Debtors respectfully submit that the Allocation is appropriate in light of the circumstances because it apportions value in a transparent, measurable, and impartial manner that reflects the rationale of the Sale (maximizing value by selling the Real Property Assets collectively) and the reality of how the Net Allocable Sale Proceeds were derived – with no value being specifically ascribed by the Buyer to any particular parcels or groups of parcels.

57. For the foregoing reasons, the Debtors submit that the updated Allocation, when considered in light of the Project, the actual sale process here, and the purpose of the Allocation in formulating the basis of the Combined Disclosure Statement and Plan, is appropriate under section 506(a) and should be approved.

58. Based on the Allocation and the Lien Priority Analysis, the Asserted Secured Claims should be assigned the following values, with any deficiency claim treated as a General Unsecured Claim for all purposes in the chapter 11 cases, including the Combined Disclosure Statement and Plan, subject to any objections that may be asserted by the Debtors or any successor thereto:[11]

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[11] As set forth throughout the Lien Analysis attached hereto as **<u>Exhibit B</u>**, the Debtors, through the Combined Disclosure Statement and Plan, are proposing to establish certain "Disputed Claim Reserves," including (i) a reserve (the "<u>Poppy/RDO/Granite Reserve</u>") for the value of claims that are attributable to the results of the pending Poppy/RDO Dispute and the Granite/Poppy Dispute, and (ii) the Builders/Poppy Reserve for the value of claims attributable to the dispute between Poppy and Builders regarding the Disputed Residential Collateral. The Poppy/RDO/Granite Reserve Account will contain sufficient funds to pay the Allowed Secured Claims of the creditors with Asserted Secured Claims allegedly secured by liens on the relevant parcels depending on the outcome of the Poppy/RDO Dispute and the Poppy/Granite Dispute. Likewise, the Builders/Poppy Reserve Account will contain sufficient funds to pay the Allowed Secured Claims of creditors with Asserted Secured Claims allegedly secured by liens on the Residential Collateral depending on the outcome of the dispute between Poppy and Builders as to priority in the Residential Collateral.

In addition, a number of the Asserted Secured Claims are asserted by subcontractors of RDO. As described, *supra*, for parcels where RDO and White's Steel, Rowan, J. Ginger Masonry, Trimark Raygal LLC, and/or Gauston also filed liens, the Debtors have noted such liens in footnotes to the Lien Priority Analysis but have not shown standalone liens for these claimants to avoid providing duplicative recovery to RDO and its subcontractors.

CREDITOR	**ASSERTED SECURED CLAIM(S)**	**SECURED CLAIM ALLOCATION**
Poppy	$33,404,484.00	Between $6,028,064.75 and up to $29,154,669 depending on the outcomes of the Poppy/RDO Dispute, the Builders/Poppy Dispute, and the Granite/Poppy Dispute
Keillor	$16,759,465.65	$16,759,465.65[12]
RDO (and its subcontractors)	$19,593,304.00	Up to $18,861,547.12 pending the outcome of the Poppy/RDO Dispute[13]
Granite	$4,651,719.08	Up to $4,651,719.08 pending outcome of the Poppy/RDO Dispute and the Granite/Poppy Dispute
Builders Capital	$43,964,496.33	Between $2,079,292.53 and up to $4,472,894.39 pending the outcome of the Builders/Poppy Dispute
SilverRock Resort Investment, LLC and SilverRock Resort Investment M, LLC (the "EB-5 Lenders")	$17,503,867.04	$3,336,512 as set forth in the EB-5 Settlement and pursuant to the Combined Disclosure Statement and Plan and which reflects value attributable to the applicable parcels after accounting Keillor's impaired Plan distribution
Gauston	$282,346.46	Up to $282,346.46 pending the outcome of the Poppy/RDO Dispute.[14]
H&E	$61,851.68	Up to $61,851.68 pending the outcome of the Poppy/RDO Dispute

[12] Pursuant to the Plan, Keillor has agreed to an impaired distribution of $15.3 million.

[13] This amount assumes RDO prevails in the Poppy/RDO Dispute and then has to share in "first priority" with the other validly asserted mechanic's liens on the same collateral and represents the maximum amount RDO could receive based on the value of that collateral and the amount of other liens asserted therein.

[14] Gauston filed a lien on Parcel B of LLA 2023-0003, which is a parcel that the Debtors do not believe RDO asserted a lien on. Therefore, while Gauston is a subcontractor of RDO and the full amount of their claim is impacted by the outcome of the Poppy/RDO Dispute, even if RDO does not fully succeed against Poppy, Gauston may succeed with respect to this particular parcel as against Poppy and/or other creditors asserting a lien in Parcel B of LLA 2023-0003.

CREDITOR	ASSERTED SECURED CLAIM(S)	SECURED CLAIM ALLOCATION
Vermillions	$23,000.00	Up to $23,000.00 pending the outcome of the Poppy/RDO Dispute
The Traub Trust	$3,816,000.00	$1,190,663.55, which amount reflects value attributable to the applicable parcel after accounting Keillor's impaired Plan distribution
Teserra	$108,234.00	$0.00
UCS	$72,298.25	$0.00
California Specialty Insulation Inc.	$84,059.00	$0.00
20/20 Plumbing	$776,261.00	$0.00
Robert Green Company	$4,973,699.00	$0.00[15]
Robert Green Residential, Inc.	$4,977,987.00	$0.00
Cypress	$31,464,425.00	$0.00
Rowan	$6,240,194.18	$0.00[16]
White's Steel	$360,599.32	$0.00[17]
J. Ginger Masonry	$84,815.00	$0.00[18]
Trimark Raygal LLC	$1,617,475.03	$0.00[19]

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[15] The Asserted Secured Claims of Robert Green Company and Robert Green Residential, Inc. are disputed by the Debtors. The Debtors expect such claims to be objected to and that such claims will be disallowed in full.

[16] As discussed above, the Debtors believe Rowan's Asserted Secured Claim is included within RDO's Asserted Secured Claim and therefore the Debtors have allocated $0 to Rowan's Asserted Secured Claim on a standalone basis.

[17] As discussed above, the Debtors believe White's Steel's Asserted Secured Claim is included within RDO's Asserted Secured Claim and therefore the Debtors have allocated $0 to White's Steel's Asserted Secured Claim on a standalone basis.

[18] As discussed above, the Debtors believe the J. Ginger Masonry Asserted Secured Claim is included within RDO's Asserted Secured Claim and therefore the Debtors have allocated $0 to the J. Ginger Masonry Asserted Secured Claim on a standalone basis.

[19] As discussed above, the Debtors believe the Trimark Raygal LLC Asserted Secured Claim is included within RDO's Asserted Secured Claim and therefore the Debtors have allocated $0 to the Trimark Raygal LLC Asserted Secured Claim on a standalone basis.

CREDITOR	ASSERTED SECURED CLAIM(S)	SECURED CLAIM ALLOCATION
M. Arthur Gensler Jr. & Associates, Inc.	$1,551,584.82	$0.00
BAR Architects & Interiors	$114,448.79	$0.00
Joshua Frantz	$29,048.48	$0.00
Axia Talus, LLC	$20,493,395.00	$0.00
Jack R. Tracy	$14,584.00	$0.00
Bruce Maize	$254,707.02	$0.00
FJ Zam Company	$206,944.18	$0.00
Core & Main LP a/k/a Waterworks and/or Fire Protection Materials	$2,536.97	$0.00
MSA Consulting, Inc.	$62,018.08	$0.00
Green/YH-MCSV Fund I	$7,651,940.00	$0.00
Executive Landscape, Inc.	$47,900.00	$0.00
Al Miller Roofing	$181,593.00	$0.00
Cockrell Electric Inc.	$115,623.00	$0.00
Ashley Jernigan obo J&B Materials	$48,785.29	$0.00
McGrath	$45,000.00	$0.00
Richard & Lehn Goetz	$16,494,517.26	$0.00

59. As reflected in the foregoing chart, based on the updated Allocation and revised Lien Priority Analysis, seven (7) Asserted Secured Creditors hold claims that, subject to (i) resolution of the outcome of the Poppy/RDO Dispute, the Granite/Poppy Dispute, and the Builders/Poppy Dispute, and (ii) any objections that may be asserted by the Debtors or any successor thereto, are fully or partially secured. Additionally, two creditors: the EB-5 Lenders and

the Traub Trust hold claims that are not subject to one of the Disputed Reserves created by the Combined Disclosure Statement and Plan, but which are still only partially secured and for which, other than as set forth above, the remainder of their Asserted Secured Claim shall be treated as a General Unsecured Claim under the Combined Disclosure Statement and Plan. Only Keillor holds a fully secured claim. All of the remaining claimants' Asserted Secured Claims are fully unsecured and should be treated as such for all purposes in these chapter 11 cases.

60. The Debtors respectfully submit that the relief requested herein is consistent with section 506(a) of the Bankruptcy Code and that entry of the Proposed Order will aid in the Debtors' efforts to confirm a liquidating chapter 11 plan that will maximize value for creditors. Accordingly, the Debtors believe the relief request herein is appropriate and in the best interest of their estates and creditors and should be approved.

II. The Court Should Establish the Amount To Be Paid On Account of the SR Land TIC Interest

61. As noted above, SR Land and the Traub Trust consented to the sale of the TIC Parcel by the Debtors provided that the provisions of any order approving the sale in substance implemented the terms of paragraph 3 of Exhibit 3 to the Final DIP Order. At the request of counsel to SR Land, the Sale Order explicitly references paragraph 3 of Exhibit 3 to the Final DIP Order in several places. *See* Docket No. 759 ¶¶ 14, 19.

62. As set forth in the Lien Priority Analysis and the Allocation, the first through third priority lenders secured by Planning Area 9 are, respectively, the DIP Lender, Keillor, and the Traub Trust. As noted above, the Traub Trust filed a secured claim for $3,816,000 against the part-owner of Planning Area 9, RGC PA 789. However, under the Debtors' Allocation Methodology and due to the repayment of the DIP Facility and presence of the earlier-in-time senior lien of Keillor in Planning Area 9, only $1,190,663.55 remains of the parcel's value for distribution to the

Traub Trust. Under the terms of paragraph 3 of Exhibit 3 of the Final DIP Order, SR Land can only be paid the value of the SR Land TIC Interest "after deducting payments made to lenders secured by Planning Area 9."[20] Here, no value remains after payments are made to parties secured by Planning Area 9. Thus, the Debtors request through entry of the Proposed Order that the Court determine that the amount to be paid on account of the SR Land TIC Interest is $0.00.

NOTICE

63. The Debtors will provide notice of this Motion to: (i) the Office of the United States Trustee for the District of Delaware; (ii) the City; (iii) the twenty-three (23) largest unsecured claims against the Debtors on a consolidated basis; (iv) all parties appearing on **Exhibits B** and **C** hereto; and (iv) all parties who have requested service of notice in these cases pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

RESERVATION OF RIGHTS

64. The Debtors reserve the right to amend, supplement, or revise this Motion, including, but not limited to, amending, revising or supplementing the Allocation and Lien Priority Analysis and the secured claim values set forth herein. In addition, other than as expressly set forth herein, nothing set forth herein shall be determined to constitute an allowance of an Asserted Secured Claim or any other claim in these chapter 11 cases or a determination as to the priority, validity, amount, or extent of any Asserted Secured Claim or any other claim or lien in these chapter 11 cases and all of the Debtors' rights with respect to any determinations of the same,

[20] The final sentence of paragraph 3 of Exhibit 3 to the Final DIP Order is consistent with the underlying legal rights of the parties. Paragraph 7 of the Tenants in Common Agreement between SRDC and SR Land expressly authorized SRDC to obtain a loan secured against the TIC Parcel "including the interests of both Owner [sic]."

including the right to object to any and all filed or asserted claims and liens in these cases on any basis whatsoever, are expressly reserved.

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A** (i) determining the value of the Asserted Secured Claims, (ii) directing that the remainder of the Asserted Secured Claims be treated as general unsecured claims for any and all purposes in the Debtors' Chapter 11 cases; (iii) establishing the amount to be paid on account of the SR Land TIC Interest; and (iv) granting such other and further relief as it appropriate under the circumstances.

[Remainder of this page intentionally left blank]

Dated: March 24, 2026
Wilmington, Delaware

WILSON SONSINI GOODRICH & ROSATI, P.C.

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Counsel to the Debtors

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: SILVERROCK DEVELOPMENT COMPANY, LLC, *et al.*, Debtors.[1]	Chapter 11 Case No.: 24-11647 (MFW) (Jointly Administered) **Hearing Date: May 20, 2026 at 10:30 a.m. (ET)** **Objection Deadline: April 7, 2026 at 4:00 p.m. (ET)**

NOTICE OF DEBTORS' AMENDED MOTION FOR ENTRY OF AN ORDER (I) DETERMINING THE VALUE OF THE SECURED CLAIMS OF CERTAIN CREDITORS PURSUANT TO 11 U.S.C. § 506(a) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3012; (II) ESTABLISHING THE AMOUNT TO BE PAID ON ACCOUNT OF SR LAND'S TIC INTEREST; AND (III) GRANTING RELATED RELIEF

PLEASE TAKE NOTICE that, on March 24, 2026, the above-captioned debtors and debtors in possession (each, a "Debtor" and collectively, the "Debtors") filed the *Debtors' Amended Motion for Entry of an Order (I) Determining the Value of the Secured Claims of Certain Creditors Pursuant to 11 U.S.C. § 506(a) of the Bankruptcy Code and Bankruptcy Rule 3012; (II) Establishing the Amount to Be Paid on Account of SR Land's TIC Interest; and (III) Granting Related Relief* (the "Motion") with the United States Bankruptcy Court for the District of Delaware (the "Court").

PLEASE TAKE FURTHER NOTICE that any objections, if any, to the Motion must be filed on or before **April 7, 2026 at 4:00 p.m. (ET)** (the "Objection Deadline") with the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time, you must serve a copy of the objection upon the undersigned counsel to the Debtors so as to be received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE MOTION WILL BE HELD ON **MAY 20, 2026 AT 10:30 A.M. (ET)** BEFORE THE HONORABLE MARY F. WALRATH, UNITED STATES BANKRUPTCY COURT JUDGE FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 5TH FLOOR, COURTROOM NO. 4, WILMINGTON, DELAWARE 19801.

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: SilverRock Development Company, LLC (5730), RGC PA 789, LLC (5996), SilverRock Lifestyle Residences, LLC (0721), SilverRock Lodging, LLC (4493), SilverRock Luxury Residences, LLC (6598) and SilverRock Phase I, LLC (2247). The location of the Debtors' principal place of business and the Debtors' mailing address is 343 Fourth Avenue, San Diego, CA 92101.

PLEASE TAKE FURTHER NOTICE THAT, IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR A HEARING.

Dated: March 24, 2026
Wilmington, Delaware

WILSON SONSINI GOODRICH & ROSATI, P.C.

<u>/s/ Erin R. Fay</u>
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Counsel to the Debtors

<u>EXHIBIT A</u>

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: SILVERROCK DEVELOPMENT COMPANY, LLC, *et al.*, Debtors.[1]	Chapter 11 Case No.: 24-11647 (MFW) (Jointly Administered) **Ref. Docket No. ___**

ORDER (I) DETERMINING THE VALUE OF THE SECURED CLAIMS OF CERTAIN CREDITORS PURSUANT TO 11 U.S.C. § 506(a) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3012; (II) ESTABLISHING THE AMOUNT TO BE PAID ON ACCOUNT OF THE SR LAND TIC INTEREST; AND (III) GRANTING RELATED RELIEF

Upon the motion (the "Motion") of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") for entry of an order (this "Order") (i) determining the value of certain asserted secured claims (the "Asserted Secured Claims") filed by certain creditors of the Debtors, pursuant to section 506(a) of chapter 11 of title 11 of the United States Code, as amended (the "Bankruptcy Code") and rule 3012 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"); (ii) directing that the remainder of the Asserted Secured Claims be treated as general unsecured claims for any and all purposes in the Debtors' chapter 11 cases, including for purposes of voting on, and any distributions under, the Combined Disclosure Statement and Plan; (iii) establishing the value of the SR Land the TIC Interest; and (iv) granting related relief; all as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference from

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[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: SilverRock Development Company, LLC (5730), RGC PA 789, LLC (5996), SilverRock Lifestyle Residences, LLC (0721), SilverRock Lodging, LLC (4493), SilverRock Luxury Residences, LLC (6598) and SilverRock Phase I, LLC (2247). The location of the Debtors' principal place of business and the Debtors' mailing address is 343 Fourth Avenue, San Diego, CA 92101.

the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is hereby GRANTED in its entirety.

2. The value of the secured portion (if any) of the Asserted Secured Claims is as set forth on Exhibit 1 attached hereto.

3. The unsecured portions of the Asserted Secured Claims are as set forth on Exhibit 1 (such unsecured portions, the "Unsecured Claims").

4. The Unsecured Claims shall be treated as unsecured claims for any and all purposes in the Debtors' cases, including, but not limited to, for purposes of voting on, and any distributions under, the Combined Disclosure Statement and Plan.

5. The amount to be paid on account of the SR Land TIC Interest is hereby established at $0.00.

6. Notwithstanding any provision of the Bankruptcy Code, Bankruptcy Rules, or Local Rules to the contrary, this Order shall be immediately enforceable upon its entry.

7. The Court shall retain jurisdiction with respect to all matters related to the implementation, interpretation, or enforcement of this Order.

EXHIBIT 1

Values of Asserted Secured Claims

[Intentionally Omitted]

(To be same as in Motion)

EXHIBIT B

Lien Priority Analysis

Lien Priority Analysis[1]

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority	
Lot B of LLA 2020-0010 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 5*** Acreage: 1.66 % of total = 1.30%	City of La Quinta - $3,250,000 cap per DIP Amendment	**Scenario A:**[2] 1st – City of La Quinta- $3,250,000 2nd – Poppy - $33,404,484 million (claim) 3rd / 4th/ 5th/ 6th[3] – Granite - $4,651,719.08 (claim) / RDO - $19,593,304.00[4] / H&E - $61,851.68 (claim) / Vermillions - $23,000.00 (claim) 7th – Cypress – $49,691,869.00 (claim) 8th – City of La Quinta – Remainder of City DIP Loan	**Scenario B:** 1st – City of La Quinta - $3,250,000 2nd /3rd / 4th/ 5th /6th – RDO - $19,593,304.00 / Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim)/ Vermillions - $23,000.00 (claim) 7th – Poppy - $33,404,484 million (claim) 8th – Cypress – $49,691,869.00 (claim) 9th – City of La Quinta – Remainder of DIP Loan
	1st – Poppy Bank ("Poppy") – DOT – 10/25/21 - $33,404,484 (claim)		
	2nd /3rd/ 4th / 5th / 6th –Granite Construction Company ("Granite") – ML - 9/29/22 – $4,651,719.08 (claim); R.D. Olson Construction, Inc. ("RDO") – ML -12/19/22 – $19,593,304.00 (in aggregate across all properties);[5] H&E Equipment Services, Inc. ("H&E") – ML - 8/2/24 – $61,851.68 (claim); Vermillions Environmental Products & Applications ("Vermillions") – ML – 6/12/24 - $23,000.00 (claim)		
	7th - Cypress Point Holdings, LLC ("Cypress") – DOT - 11/18/22 – $49,691,869.00 (claim)		
	Other liens on this parcel include: (i) California Specialty Insulation, Inc ("CSI"). – ML – 7/6/23 - $84,059.00; (ii) M. Arthur Gensler Jr. & Associates ("Gensler") – ML – 6/26/24 - $1,551,584.82; (iii) Joshua Frantz – ML – 6/26/24 - $29,048.48; (iv) Axia Talus LLC ("Axia") – DOT – 7/2/24 - $20,070,000; (v) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vi) Bruce Maize – ML – 7/29/24 - $254,707.02; (vii) Robert Green Company – ML – 1/13/25 - $2,216,359.00; (viii) Robert Green Residential, Inc. – ML – 1/31/25 - $2,216,359.00; (ix) FJ Zam Company – ML – 2/18/25 - $111,612.00; (x) FJ Zam Company – ML - $62,689.00		
	City of La Quinta - $3,250,000 cap per DIP Amendment	**Scenario A:** 1st – City - $3,250,000	**Scenario B:** 1st – City - $3,250,000

1 The purpose of this Lien Priority Analysis is to demonstrate the framework that the Debtors used to analyze and assess liens that were filed and asserted against the various parcels of the real property (each, a "Parcel" and collectively, the "Parcels"). Nothing in this Lien Priority Analysis or any other exhibits to this Motion shall constitute (i) a chapter 11 plan or disclosure statement or (ii) a solicitation of a chapter 11 plan, although this Lien Priority Analysis may be used in furtherance of any plan related to the same. The liens included in this Lien Priority Analysis are ordered by priority in accordance with applicable law. This Lien Priority Analysis also identifies the acreage of each of the Parcels and represents such acreage both as a standalone number and as a percentage of the entirety of the real estate assets formerly owned by the Debtors.

2 Throughout the Lien Priority Analysis, "Scenario A" depicts a scenario in which a party to a Disputed Reserve set forth in the Combined Disclosure Statement and Plan is implicated on the parcel. Under such scenario, the Debtors have illustrated the consequences of a priority dispute between the creditors, including, for certain parcels and certain mechanic's lien claimants, the consequences of potential "relation back" to an earlier date than the date the particular lienor recorded its lien against the Project.

3 This Lien Priority Analysis also illustrates that, under California law, any mechanic's lien relating to a "work of improvement" relates back to the date that the "work of improvement" first commenced on the property, regardless of whether that particular contractor was physically on site at the time. *See e.g., Consolidated Lumber Co. v. Bastien*, 118 CA 267 (Cal. 1931) ("All mechanic's liens, arising out of the same work of improvement, are on a parity with each other, i.e., of equal rank, regardless of the time the respective claimants performed labor or furnished materials."); *see also Walker v. Lytton Sav. & Loan Ass'n*, 2 Cal. 3d 152, 157-158 (Cal. 1970) (holding that priority of a mechanic's lien may date back to the commencement of visible work or delivery of materials, particularly when a senior deed of trust attaches later and construction had begun earlier). Moreover, what constitutes a "work of improvement" is broadly construed under California law in favor of the mechanic's lienor and includes the delivery of construction materials. *In re Showplace Square Loft Co., LLC*, 289 B.R. 403 (Bankr. S.D. Cal. 2003) (internal citations omitted). *See In re Mi Arbolito, LLC*, 2010 Bankr. LEXIS 3382, at *69 (Bankr. S.D. Cal. Sept. 23, 2010). As a result, this Lien Priority Analysis depicts all mechanic's liens that the Debtors believe arguably relate back to the commencement of the "work of improvement" on a given piece of the real property as sharing (or potentially sharing) in the highest priority established by any mechanic's lien on the same real property.

4 The Debtors believe that RDO's claim as to this property includes amounts separately asserted by RDO's subcontractors, including $112,706.68 in claims by RDO subcontractor, White's Steel, Inc. ("White's Steel"), a $1,270,866.49 claim by RDO subcontractor, Rowan, Inc. d/b/a Rowan Electric ("Rowan"), a $124,965.28 claim by RDO subcontractor, Gauston Corp. ("Gauston"), a $84,815.80 claim by J. Ginger Masonry ("J. Ginger"), another RDO subcontractor, a $1,617,475.03 claim by RDO subcontractor, Trimark Raygal LLC, and may include a claim of unknown amount by RDO subcontractor, The Siess Companies d/b/a Complete Door Systems.

5 For purposes of this Lien Priority Analysis, RDO's claim is shown as this total claim in aggregate across all properties subject to its liens.

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority	
Lot C of LLA 2020-0010 (SilverRock Dev. Co.) *PTR Parcel Reference – **Parcel 4*** Acreage: 17.82 % of total = 13.93%	1st –Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd / 4th /5th/6th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); RDO – ML -12/19/22 - $19,593,304.00 (claim); H&E – ML - 8/2/24 - $61,851.68 (claim); Vermillions – ML – 6/12/24 - $23,000 (claim) 7th -Cypress – DOT - 11/18/22 – $49,691,869.00 (claim) Other liens on this parcel include: (i) CSI – ML – 7/6/23 -$84,059.00; (ii) Core & Main LP – ML – 7/11/23 - $2,536.97; (iii) Gensler – ML – 6/26/24 - $1,551,584.82; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) Axia – DOT – 7/2/24 - $20,070,000; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Bruce Maize – 7/29/24 – ML - $254,707.02; (viii) Ashley Jernigan OBO J&B Materials – ML – 8/8/24 - $48,785.82; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xi) FJ Zam Company – ML – 2/18/25 - $62,689.00	2nd – Poppy - $33,404,484 (claim) 3rd / 4th/ 5th /6th – Granite - $4,651,719.08 (claim) / RDO - $19,593,304.00[6] / H&E - $61,851.68 (claim) / Vermillions - $23,000 (claim); 7th – Cypress – $49,691,869.00 (claim) 8th – City – Remainder of City DIP Loan	2nd / 3rd /4th /5th - RDO - $19,593,304.00 (claim in aggregate across properties) / Granite - $4,651,719.08 (claim); / H&E - $61,851.68 (claim); / Vermillions - $23,000 (claim) 6th – Poppy - $33,404,484 (claim) 7th – Cypress – $49,691,869.00 (claim) 8th – City – Remainder of City DIP Loan
Parcel A of LLA 2023-0003 (SilverRock Dev. Co.) *PTR Parcel Reference – **Parcel 6*** Acreage: 10.16 % of total 7.94%	City of La Quinta - $3,250,000 cap per DIP Amendment 1st –Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd/ 4th /5th - Granite – ML - 9/29/22 – $4,651,719.08 (claim); RDO - ML - $19,593,304.00 (claim); H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML – 6/12/24 - $23,000 (claim) 6th -Cypress – DOT - 11/18/22 – $49,691,869.00 (claim) Other liens on this parcel include: (i) CSI – ML – 7/6/23 - $84,059.00; (ii) Core & Main LP – ML – 7/11/23 - $2,536.97; (iii) RGRI – ML – 4/5/24 - $383,584.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) Gensler – ML – 6/26/24 - $1,551,584.82; (vi) Axia – DOT – 7/2/24 - $20,070,000; (vii) RGRI – 7/5/24 – ML - $1,340,426.00; (viii) Robert Green Company – ML -7/5/24 - $845,810.00; (ix) Robert Green Company – 7/5/24 – ML - $117,577.00; (x) Jack R. Tracy -ML – 7/17/24 - $14,584.00; (xi) Bruce Maize – ML – 7/29/24 - $254,707.02; (xii) McGrath – ML – 12/5/24 - $45,000; (xiii) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (xiv) RGRI – ML – 1/31/25 - $1,427,747.00; (xv) Robert Green Company – ML – 2/3/25 - $995,419.00; (xvi) Robert Green Company – ML – 2/3/25 - $36,716.00; (xvii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xviii) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $3,250,000 2nd – Poppy - $33,404,484 (claim) 3rd / 4th/ 5th /6th – Granite - $4,651,719.08 (claim); RDO - $19,593,304.00 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim); 7th – Cypress – $49,691,869.00 (claim); 8th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $3,250,000 2nd / 3rd / 4th /5th - RDO - $19,593,304.00 (claim in aggregate across properties)[7] / Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim); 6th – Poppy - $33,404, 484 (claim) 7th – Cypress – $49,691,869.00 (claim) 8th – City – Remainder of City DIP Loan
Parcel B of LLA 2023-0003 (SilverRock Dev. Co.)	City of La Quinta - $3,250,000 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim)	**Scenario A:** 1st - City - $3,250,000 2nd – Poppy - $33,404,484 (claim)	**Scenario B:** 1st – City - $3,250,000 2nd / 3rd / 4th /5th - Granite - $4,651,719.08 (claim) /

6 The Debtors believe that RDO's claim as to this property includes amounts separately asserted by RDO's subcontractors, including $112,706.68 in claims by White's Steel, $1,492,667.39 in claims by Rowan, and a $124,965.28 claim by Gauston.

7 The Debtors believe that RDO's claim as to this property includes a $247,892.64 claim made by White's Steel, a $1,443,219.41 claim by Rowan, and a $124,965.28 claim made by Gauston.

PROPERTY	**PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT**	**Proposed Priority**	
PTR Parcel Reference – ***Parcel 7*** Acreage: 13.09 % of total = 10.23%	2nd/ 3rd/ 4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); Gauston– ML - 11/16/22 – $282,346.46 (claim); H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML – 6/12/24 - $23,000 (claim) 6th - Cypress – DOT - 11/18/22 – $49,691,869.00 (claim) Other liens on this parcel include: (i) Gensler – ML – 6/26/24 - $1,551,584.82; (ii) Joshua Frantz – ML – 6/26/24 - $29,048.48; (iii) Axia – DOT – 7/2/24 - $20,070,000.00; (iv) RGRI – ML – 7/5/24 - $1,340,426.00; (v) Robert Green Company – ML – 7/5/24 - $845,810.00; (vi) Robert Green Company – ML – 7/5/24 - $374,244.00; (vii) Robert Green Company – ML – 7/5/24 - $117,577.00; (viii) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (ix) Robert Green Company – ML – 2/3/25 - $995,419.00; (x) Robert Green Company – ML – 2/3/25 - $36,716.00; (xi) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xii) FJ Zam Company – ML - $62,689.00	3rd / 4th / 5th /6th – Granite - $4,651,719.08 (claim) / Gauston - $282,346.46 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – Cypress – $49,691,869.00 (claim); 8th – City – Remainder of City DIP Loan	Gauston - $282,346.46 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim); 6th – Poppy - $33,404,484 (claim) 7th – Cypress – $49,691,869.00 (claim) 8th – City – Remainder of DIP Loan
Parcel C of LLA 2023-0003 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 9A*** Acreage: 2.61 % of total = 2.04%	City of La Quinta - $3,250,000 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd/ 4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); RDO - ML- 12/28/22 – $19,593,304.00 (claim); H&E– ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 – $23,000 (claim) 6th -Cypress – DOT - 11/18/22 – $49,691,869.00 (claim) Other liens on this parcel include: (i) Core & Main LP – ML – 7/11/23 - $2,536.97; (ii) MSA Consulting, Inc. ("MSA Consulting") – ML – 7/28/23 - $62,018.08; (iii) Gensler – ML – 6/26/24 - $1,551,584.82; (iv) Joshua Frantz – ML – 6/26/24 - $29,0484.48; (v) RGRI – ML – 7/25/24 - $1,340,426.00; (vi) Robert Green Company – 7/5/24 - $374,244.00; (vii) Robert Green Company – ML – 7/5/24 - $117,577.00; (viii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (ix) Bruce Maize – ML – 7/29/24 - $254,707.02; (x) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (xi) Robert Green Company – ML – 2/3/25 - $396,631.00; (xii) Robert Green Company – ML – 2/3/25 - $395,511.00; (xiii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiv) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $3,250,000 2nd – Poppy - $33,404,484 (claim) 3rd / 4th/ 5th /6th– Granite - $4,651,719.08 (claim) / RDO - $19,593,304.00 (claim in aggregate across properties)[8] / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim); 7th – Cypress – $49,691,869.00 (claim) 8th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $3,250,000 2nd / 3rd/ 4th /5th - RDO - $19,593,304.00 (claim in aggregate across properties)/ Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 6th – Poppy - $33,404,484 (claim) 7th – Cypress – $49,691,869.00 (claim) 8th - City – Remainder of City DIP Loan

8 The Debtors believe that RDO's claim for this property includes $1,548,030.27 in claims by Rowan and $8,098.90 in claims by White's Steel.

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority	
Parcel D of LLA 2023-0003 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 9B*** Acreage: 4.85 % of total 3.79%	City of La Quinta - $3,250,000 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd/ 3rd / 4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); RDO - ML- 12/28/22 – $19,593,304.00 (claim); H&E– ML 8/2/24 – $61,851.68 (claim); Vermillions – ML – 6/12/24 - $23,000.00 (claim) 6th - Cypress– DOT - 11/18/22 – $49,691,869.00 (claim) Other liens on this parcel include: (i) Core & Main LP – ML – 7/11/23 - $2,536.97; (ii) MSA Consulting – ML – 7/28/23 - $62,018.08; (iii) Gensler – ML – 6/26/24 - $1,551,584.82; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) Robert Green Company – ML – 7/5/24 - $374,244.00; (vi) Robert Green Company – ML – 7/5/24 - $117,577.00; (vii) Jack R. Tracy – ML - $14,584.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) Robert Green Company – ML – 2/3/25 - $395,511.00; (xi) Robert Green Company – ML – 2/3/25 - $396,631.00; (xii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiii) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $3,250,000 2nd – Poppy - $33,404,484 (claim) 3rd / 4th/ 5th /6th - Granite - $4,651,719.08 (claim) / RDO - $19,593,304.00 (claim in aggregate across properties)[9]/ H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – Cypress – $49,691,869.00 (claim); 8th - City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $3,250,000 2nd / 3rd / 4th /5th – RDO - $19,593,304.00 (claim in aggregate across properties) / Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 6th – Poppy - $33,404,484 (claim) 7th – Cypress – $49,691,869.00 (claim) 8th - City – Remainder of City DIP Loan
Parcel A of LLA 2020-0007 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 8*** Acreage: 10.72 % of total = 8.38%	City of La Quinta - $3,250,000 cap per DIP Amendment 1st –Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd / 3rd /4th– Granite – ML -9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 (claim) 5th – Cypress – DOT -11/18/22 – $49,691,869.00 (claim) Other liens on this parcel include: (i) MSA Consulting – ML – 7/28/23 - $62,018.08; (ii) BAR Architects – ML – 2/15/24 - $114,448.79; (iii) Joshua Frantz – ML – 6/26/24 - $29,048.48; (iv) Green/YH-MCSV Fund I – DOT – 7/5/24 - $7,651,940.00; (v) RGRI – ML – 7/5/24 - $1,340,426.00; (vi) Robert Green Company – ML – 7/5/24 - $374,244.00; (vii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (ix) Bruce Maize – ML – 7/29/24 - $254,707.02; (x) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (xi) Robert Green Company – ML – 2/3/25 - $395,511.00; (xii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $3,250,000 2nd – Poppy - $33,404,484 (claim) 3rd / 4th /5th– Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 6th – Cypress – $49,691,869.00 (claim) 7th – City – Remainder of City DIP Loan	
Parcel B of LLA 2020-0007 (SilverRock Land II, LLC as to a 42.8% TIC interest and	City of La Quinta - $5,687,500 cap per DIP Amendment 1st –RAF Pacifica Loan Opp Fund I as to 50% /Arnold Fishman Rev Trust as to 50% (together, "Keillor") – DOT - 10-13-23 - $15,636,136.66 (claim)	1st – City - $5,687,500 2nd – Keillor - $15,636,136.66 3rd– Traub Trust - $3,816,000 (claim) 4th – City – Remainder of City DIP Loan	

9 The Debtors believe that RDO's claim for this property includes $1,548,030.27 in claims by Rowan, a $21,609.10 claim by Gauston, and $8,098.90 in claims by White's Steel.

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority
RGC PA 789 LLC as to 57.2% TIC interest) *PTR Parcel Reference –* ***Parcel 1*** Acreage: 13.36 % of total = 10.45%	2nd – Traub Family Revocable Trust – DOT - 7/3/24 - $3,816,000.00	
	Other liens on this parcel include: (i) RGRI – ML – 4/25/24 - $383,584.50; (ii) Richard and Lehn Goetz – DOT – 7/5/24 - $8,866,321; (iii) RGRI – ML – 7/5/24 - $1,340,426.00; (iv) Jack R. Tracy – 7/17/24 - ML - $14,584.00; (v) Bruce Maize – ML – 7/29/24 - $254,707.02;; (vi) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	
Parcel C of LLA 2020-0007 (RGC PA 789 LLC) *PTR Parcel Reference –* ***Parcel 2*** Acreage: 15.43 % of total = 12.06%	City of La Quinta - $5,687,500 cap per DIP Amendment	1st – City - $5,687,500 2nd – Keillor - $15,636,136.66 (claim) 3rd – EB-5 Lenders - $17,503,867.04 (claim) 4th – City – Remainder of City DIP Loan
	1st – Keillor – DOT - 10/13/23 – $15,636,136.66 (claim)	
	2nd – SilverRock Resort Investment LLC and SilverRock Resort Investment M, LLC (together, the "<u>EB-5 Lenders</u>") – DOT - 10/13/23 – $17,503,867.04[10](claim in aggregate across all parcels)11	
	Other liens on this parcel include: (i) RGRI – ML – 4/25/24 - $383,584.50; (ii) Richard & Lehn Goetz – DOT – 7/5/24 - $8,866,321; (iii) RGRI – ML – 7/5/24 - $1,340,426.00; (iv) Jack R. Tracy – ML - $14,584.00; (v) Bruce Maize – ML – 7/29/24 - $254,707.02;; (vi) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	
Parcel 12 of Parcel Map 37207 (RGC PA 789 LLC) *PTR Parcel Reference –* ***Parcel 3*** Acreage: 22.02 % of total = 17.21%	City of La Quinta - $5,687,500 cap per DIP Amendment	1st – City - $5,687,500 2nd – Keillor - $15,636,136.66 (claim) 3rd – EB-5 Lenders - $17,503,867.04 (claim) 4th – City – Remainder of City DIP Loan
	1st – Keillor – DOT - 10/13/23 – $15,636,136.66 (claim)	
	2nd – EB-5 Lenders – DOT - 10/13/23 – $17,503,867.04	
	Other liens on this parcel include: (i) RGRI – ML – 4/25/24 - $383,584.00; (ii) Joshua Frantz – ML - $29,048.48; (iii) Richard & Lehn Goetz – DOT – 7/5/24 - $8,866,321; (iv) RGRI – ML – 7/5/24 - $1,340,426.00; (v) Jack R. Tracy - ML – 7/17/24 - $14,584.00; (vi) Bruce Maize – ML – 7/29/24 - $254,707.02; .; (vii) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (viii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (ix) FJ Zam Company – ML – 2/18/25 - $62,689.00; (x) FJ Zam Company – ML – 3/12/25 - $32,643.18	
Lot 1 of Tract Map 37730[12] (SilverRock Dev. Co.)	City of La Quinta - $812,500 cap per DIP Amendment	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders - $43,964,496.33 (claim) **Scenario B:** 1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim)
	1st - Poppy – DOT - 10/25/21 – $33,404,484 (claim)	

10 As set forth in greater detail in the Motion, notwithstanding the fact that the EB-5 Lenders' deeds of trust were recorded before Keillor's deed of trust, the Debtors believe Keillor's liens have priority on the parcels due to the execution of a subordination agreement among the parties on October 13, 2023.

11 For purposes of this Lien Priority Analysis, this claim is shown in aggregate across all parcels subject to the EB-5 Lenders' liens.

12 On or about November 22, 2022, as part of the Debtors' efforts to raise additional capital, Debtor Silver Rock Luxury Residences, LLC ("<u>SR Luxury</u>") executed three loan agreements (the "<u>Builders Capital Loans</u>") and related promissory notes (the "<u>Builders Capital Notes</u>") with Construction Loan Services II, LLC d/b/a Builders Capital ("<u>Builders Capital</u>"). Under these agreements, Builders Capital committed to fund up to

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority	
PTR Parcel Reference – ***Parcel 12*** Acreage: 0.33 % of total = 0.2575%	2nd – Builders Capital – DOT - 10/25/21 – $43,964,496.3313 (claim)	3rd / 4th /5th – Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 6th – City – Remainder of City DIP Loan	3rd / 4th /5th – Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 6th – City – Remainder of City DIP Loan
	3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML – 6/12/24 - $23,000 (claim)		
	Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Robert Green Company – ML – 7/5/24 - $168,134.00; (iv) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (v) Bruce Maize – ML – 7/29/24 - $254,707.02; (vi) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vii) Robert Green Company – ML – 1/31/25 - $933,063.00; (viii) RGRI – ML – 2/3/25 - $3,550,240.00; (ix) FJ Zam Company – ML – 2/18/25 - $111,612.00; (x) FJ Zam Company – ML – 2/18/25 - $62,689.00		
Lot 2 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.39 % of total = 0.3010%	City of La Quinta - $812,500 cap per DIP Amendment	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders - $43,964,496.33 (claim) 4th /5th / 6th - Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th /5th / 6th - Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan
	1st – Poppy – DOT - 10/25/21 – $33,404,484 (claim)		
	2nd – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim)		
	3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML- 6/12/24- $23,000 (claim)		
	Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Robert Green Company – ML – 7/5/24 - $168,134.00; (iv) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (v) Bruce Maize – ML – 7/29/24 - $254,707.02; (vi) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vii) Robert Green Company – ML – 1/31/25 - $933,063.00; (viii) RGRI – ML – 2/3/25 - $3,550,240.00; (ix) FJ Zam Company – ML – 2/18/25 - $111,612.00; (x) FJ Zam Company – ML – 2/18/25 - $62,689.00		
Lot 3 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12***	City of La Quinta - $812,500 cap per DIP Amendment	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders - $43,964,496.33 (claim) 4th /5th /6th - Granite - $4,651,719.08 (claim) / H&E -	**Scenario B:** 1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th /5th /6th - Granite - $4,651,719.08 (claim) / H&E -
	1st – Poppy – DOT -10/25/21 – $33,404,484 (claim)		
	2nd – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim)		

$48,150,413.60 for the development of the Montage-branded residences located on certain lots of the Debtors' Real Property Assets specifically identified as Lots 1-29 of Tract Map 37730 (the "Numbered Lots") subject to a document denominated a "lease" entered into by SRDC and SR Luxury (the "Financing Vehicle"). In its proof of claim, Builders Capital asserts that the Builders Capital Notes are secured by three deeds of trust, recorded on or about November 28, 2022, in favor of Builders Capital, encumbering both SR Luxury's leasehold interest in the Numbered Lots and SRDC's fee interest in 13 of the 29 Numbered Lots. On October 25, 2021, the Financing Vehicle and two other ground leases related to the Project were recorded in Riverside County. Builders Capital asserts that the Builders Capital Loans relate back to the recording of the Financing Vehicle notwithstanding the fact that the Builders Capital Loans were recorded and funded in November 2022. As of the Petition Date, Builders Capital asserts a secured claim of $43,964,496.33 pursuant to the Builders Capital Notes and asserts liens in connection therewith on all of the Numbered Lots. *See* Claim No. 13. On October 21, 2025, the Bankruptcy Court found that that the Financing Vehicle, is not a "true lease" but rather a financing device. *See* Hr'g Tr. 10/21/2025, 4:5-7; 4:25, 5:1-6. The Sale Order is currently the subject of an appeal in the United States District Court for the District of Delaware (the "Appeal"), and nothing contained herein shall be construed, interpreted, or understood as an admission with respect to the amount, validity, or allowability of Builders Capital's claims. For the avoidance of doubt, the Debtors reserve all rights with respect to the Appeal and nothing herein shall be construed as an admission or waiver related thereto.

PROPERTY	**PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT**	**Proposed Priority**	
Acreage: 0.39 % of total = 0.3052%	3rd /4th /5th – Granite– ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML – 6/12/24 - $23,000 (claim) Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) RGRI – ML – 7/5/24 - $3,447,487.00; (iv) Robert Green Company – ML – 7/5/24 - $168,134.00; (v) Jack. Tracy – ML – 7/17/24 - $14,584.00; (vi) Bruce Maize – ML – 7/29/24 - $254,707.02; (vii) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (viii) Robert Green Company – ML – 1/31/25 - $933,063.00; (ix) RGRI – ML – 2/3/25 - $3,550,240.00; (x) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xi) FJ Zam Company – ML – 2/18/25 - $62,689.00	$61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan	$61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan
Lot 4 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.33 % of total = 0.2559%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 – $33,404,484 (claim) 2nd – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – 6/12/24 - $23,000 (claim) Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Robert Green Company – ML – 7/5/24 - $168,134.00; (iv) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (v) Bruce Maize – ML – 7/29/24 - $254,707.02; (vi) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vii) Robert Green Company – ML – 1/31/25 - $933,063.00; (viii) RGRI – ML – 2/3/25 - $3,550,240.00; (ix) FJ Zam Company – 2/18/25 - ML - $111,612.00; (x) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders - $43,964,496.33 (claim) 4th /5th /6th - Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd - 2nd – Poppy - $33,404,484 (claim) 4th /5th /6th - Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan
Lot 5 of Tract Map 37730 *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.42 % of total = 0.3322%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 – $33,404,484 (claim) 2nd –Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 3rd /4th /5th –Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24- $23,000 (claim) Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Robert Green Company – ML – 7/5/24 - $168,134.00; (iv) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (v) Bruce Maize – ML – 7/29/24 - $254,707.02; (vi) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vii) Robert Green Company – ML – 1/31/25 - $933,063.00; (viii) RGRI – ML – 2/3/25 - $3,550,240.00; (ix) FJ Zam Company – ML – 2/18/25 - $111,612.00; (x) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders Capital - $43,964,496.33 (claim) 4th /5th /6th - Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th /5th /6th - Granite - $4,651,719.08 (claim) / H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan
	City of La Quinta - $812,500 cap per DIP Amendment	1st – City- $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim)	

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority
Lot 6 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.42 % of total = 0.3275%	1st – Builders Capital – DOT -10/25/21 – $43,964,496.33 (claim) 2nd / 3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); RJB Enterprises d/b/a Ultimate Communication Systems ("UCS") – ML - 4/30/24 - $72,298.25; H&E – ML - 8/2/24 – $61,851.68 (claim); 20/20 Plumbing & Heating ("20/20") – ML – 5/31/24 - $776,261.00; Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900.00; (ii) Al Miller & Sons Roofing, Inc. ("Al Miller Roofing") – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML -7/5/24 - $3,447,487.00; (vi) Robert Green Company – ML – 7/5/24 - $168,134.00; (vii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (viii) Cockrell Electric Inc. ("Cockrell Electric") – ML – 7/17/24 - $115,623.00; (ix) Bruce Maize – ML – 7/29/24 - $254,707.02; (x) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (xi) Robert Green Company – ML – 1/31/25 - $933,063.00; (xii) RGRI – ML – 2/3/25 - $3,550,240.00; (xiii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiv) FJ Zam Company – ML – 2/18/25 - $62,689.00	2nd / 3rd / 4th /5th /6th – Granite - $4,651,718.08 (claim); UCS $72,928.25 / H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan
Lot 7 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.45 % of total = 0.32553%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Builders Capital – DOT – 10/25/21 - $43,964,496.33 (claim) 2nd / 3rd /4th /5th– Granite – ML - 9/29/22 – $4,651,719.08 (claim); UCS – ML - 4/30/24 - $72,298.25; H&E – ML -8/2/24 – $61,851.68 (claim); 20/20 – ML – 5/31/24 - $776,261.00; Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900; (ii) Al Miller Roofing – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900.00; (iv) Joshua Frantz – ML - 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Robert Green Company – ML – 7/5/24 - $168,134.00; (vii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (viii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (ix) Bruce Maize – ML – 7/29/24 - $254,707.02; (x) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (xi) Robert Green Company – ML – 1/31/25 - $933,063.00; (xii) RGRI – ML – 2/3/25 - $3,550,240.00; (xiii) FJ Zam Company – ML – 2/18/25 – $111,612.00; (xiv) FJ Zam Company – ML – 2/3/25 - $62,689.00	1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd / 4th /5th /6th /7th - Granite - $4,651,718.08 (claim) / UCS - $72,298.25/ H&E - $61,851.68 (claim); 20/20 $776,261.00; Vermillions - $23,000 8th – City – Remainder of City DIP Loan
Lot 8 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12***	City of La Quinta - $812,500 cap per DIP Amendment 1st – Builders Capital – DOT – 10/25/21 - $43,964,496.33 (claim) 2nd/ 3rd /4th /5th /6th – Granite – ML - 9/29/22 – 4,651,719.08 (claim); UCS – ML - 4/30/24 - $72,298.25; H&E – ML - 8/2/24 – $61,851.68 (claim); 20/20 – ML – 5/31/24 - $776,261.00; Vermillions – ML - 6/12/24- $23,000	1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd / 4th /5th /6th /7th - Granite - $4,651,718.08 (claim); / UCS - $72,298.25; H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 8th – City – Remainder of City DIP Loan

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority	
Acreage: 0.62 % of total = 0.4861%	Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900.00; (ii) Al Miller Roofing – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Robert Green Company – ML – 7/5/24 - $168,134.00; (v) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vi) Cockrell Electric – ML – 7/17/24 - $115,623.00; (vii) Bruce Maize – ML – 7/29/24 - $254,707.02; (viii) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (ix) Robert Green Company – ML – 1/31/25 - $933,063.00; (x) RGRI – ML – 2/3/25 - $3,550,240.00; (xi) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xii) FJ Zam Company – ML – 2/18/25 -$ 62,689.00		
Lot 9 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.46 % of total = 0.3603%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 3rd /4th / 5th - Granite– ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 - $61,851.68 (claim) / Vermillions – ML - 6/12/24- $23,000 (claim) Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders - $43,964,496.33 (claim) 4th /5th /6th– Granite - $4,651,718.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 7th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th /5th /6th– Granite - $4,651,718.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 7th – City – Remainder of City DIP Loan
Lot 10 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.32 % of total = 0.2480%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Builders Capital – DOT -10/25/21 – $43,964,496.33 (claim) 3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 - $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 (claim) Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Robert Green Company – ML – 7/5/24 - $168,134.00; (iv) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (v) Bruce Maize – ML – 7/29/24 - $254,707.02; (vi) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vii) Robert Green Company – ML – 1/31/25 - $933,063.00; (viii) RGRI – ML – 2/3/25 - $3,550,240.00; (ix) FJ Zam Company – ML – 2/18/25 - $111,612.00; (x) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders - $43,964,496.33 (claim) 4th /5th /6th - Granite - $4,651,719.08 (claim); H&E - $58,687.62 (lien); $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th /5th /6th– Granite - $4,651,718.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 7th – City – Remainder of City DIP Loan
Lot 11 of Tract Map 37730 (SilverRock Dev. Co.)	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim)	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim)	**Scenario B:** 1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim)

PROPERTY	**PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT**	**Proposed Priority**	
*PTR Parcel Reference – **Parcel 12*** Acreage: 0.29 % of total = 0.2270%	2nd –Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 - $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 (claim) Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Robert Green Company – ML – 7/5/24 - $168,134.00; (iv) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (v) Bruce Maize – ML – 7/29/24 - $254,707.02; (vi) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vii) Robert Green Company – ML – 1/31/25 - $933,063.00; (viii) RGRI – ML – 2/3/25 - $3,550,240.00; (ix) FJ Zam Company – ML – 2/18/25 - $111,612.00; (x) FJ Zam Company – ML – 2/18/25 - $62,689.00	3rd – Builders - $43,964,496.33 (claim) 4th /5th /6th – Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan	3rd – Poppy - $33,404,484 (claim) 4th /5th /6th– Granite - $4,651,718.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 7th – City – Remainder of City DIP Loan
Lot 12 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference – **Parcel 12*** Acreage: 0.28 % of total = 0.2176%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 - $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 (claim) Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) Robert Green Company – ML – 1/31/25 - $933,063.00; (vii) RGRI – ML – 2/3/25 - $3,550,240.00; (viii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (ix) FJ Zam Company – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders Capital - $43,964,496.33 (claim) 4th /5th /6th - Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th /5th /6th– Granite - $4,651,718.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 7th – City – Remainder of City DIP Loan
Lot 13 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference – **Parcel 12*** Acreage: 0.32 % of total = 0.2467%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 2nd /3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 - $61,851.68 (claim); 20/20 – ML – 5/31/24 - $776,261.00 (lien); Vermillions – ML - 6/12/24 - $23,000 (claim) Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900; (ii) Al Miller Roofing – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) Robert Green Company – ML – 1/31/25 - $933,063; (xi) RGRI – ML – 2/3/25 - $3,550,240.00; (xii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd/ 4th /5th /6th – Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 7th – City – Remainder of City DIP Loan	
	City of La Quinta - $812,500 cap per DIP Amendment	1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim)	

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority	
Lot 14 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.30 % of total = 0.2347%	1st – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 2nd /3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 - $61,851.68 (claim); 20/20 – ML – 5/31/24 - $776,261.00; Vermillions- ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900; (ii) Al Miller Roofing – ML – 5/24/42 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; (ix) Robert Green Company – 1/31/25 - $2,216,359.00; (x) Robert Green Company – 1/31/25 - $933,063.00; (xi) RGRI – ML – 2/3/25 - $3,550,240.00; (xii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiii) FJ Zam Company – ML – 2/18/25 - $62,689.00	3rd/4th /5th /6th - Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 7th – City – Remainder of City DIP Loan	
Lot 15 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.33 % of total = 0.2597%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 2nd / 3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 - $61,851.68 (claim); Vermillions – ML – 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/12/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) Robert Green Company – ML – 1/31/25 - $933,063.00; (vii) RGRI – ML – 2/3/25 - $3,550,240.00; (viii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (ix) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders Capital - $43,964,496.33 (claim) 4th/ 5th /6th - Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th/ 5th /6th - Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan
Lot 16 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.34 % of total = 0.2687%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 3rd /4th /5th – Granite – ML - 9/29/22 – $4,651,719.08 (claim); H&E – ML - 8/2/24 - $61,851.68 (claim); Vermillions –ML - 6/12/24 - $23,000 (claim) Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) Robert Green Company – ML – 1/31/25 - $933,063.00; (vii) RGRI – ML – 2/3/25 - $3,550,240.00; (viii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (ix) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders - $43,964,496.33 (claim) 4th /5th /6th – Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th /5th /6th – Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 (claim) 7th – City – Remainder of City DIP Loan

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority	
Lot 17 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.29 % of total = 0.2297%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 2nd /3rd /4th – H&E – ML - 8/2/24 – $61,851.68 (claim); 20/20 – ML -5/31/24 - $776,261.00; Vermillions – ML – 6/12/24 - $23,000 (claim) Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900.00; (ii) Al Miller Roofing – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) Robert Green Company – ML – 1/31/25 - $933,063.00; (xi) RGRI – ML – 2/3/25 - $3,550,240.00; (xii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd /4th /5th – H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 6th – City- Remainder of City DIP Loan	
Lot 18 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.31 % of total = 0.2453%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd - Builders Capital – DOT -10/25/21 – $43,964,496.33 (claim) 3rd /4th – H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 (claim) Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) Robert Green Company – ML – 1/31/25 - $933,063.00; (vii) RGRI – ML – 2/3/25 - $3,550,240.00; (viii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (ix) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders Capital - $43,964,496.33 (claim) 4th /5th - H&E - $61,851.68 (claim)/ Vermillions - $23,000 6th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th /5th - H&E - $61,851.68 (claim)/ Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot 19 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12***	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Builders Capital – DOT - 10/25/21– $43,964,496.33 (claim) 3rd /4th – H&E – ML -8/2/24 – $61,851.68 (claim); Vermillions – ML – 6/12/24 - $23,000	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders Capital - $43,964,496.33 (claim) 4th/ 5th – H&E - $61,851.68 (claim)/ Vermillions - $23,000 6th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th/ 5th – H&E - $61,851.68 (claim)/ Vermillions - $23,000 6th – City – Remainder of City DIP Loan

PROPERTY	**PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT**	**Proposed Priority**
Acreage: 0.35 % of total = 0.2750%	Other invalid liens on the parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) Robert Green Company – ML – 1/31/25 - $933,063.00; (vii) RGRI – ML – 2/3/25 – $3,550,240.00; (viii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (ix) FJ Zam Company – ML – 2/18/25 - $62,689.00	
Lot 20 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.37 % of total = 0.2904%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Builders Capital – DOT -10/25/21 – $43,964,496.33 (claim) 2nd /3rd/ 4th – H&E – ML - 8/2/24 – $61,851.68 (claim); 20/20- ML – 5/31/24 - $776.261.00; Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900.00; (ii) Al Miller Roofing – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) Robert Green Company – ML – 1/31/25 - $933,063.00; (xi) RGRI – ML – 2/3/25 - $3,550,240.00; (xii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $812,500.00 2nd – Builders - $43,964,496.33 (claim) 3rd /4th /5th - H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot 21 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.36 % of total = 0.2838%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 2nd / 3rd /4th– H&E – ML -8/2/24 – $61,851.68 (claim); 20/20 – ML – 5/31/24 - $776,261.00; Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900.00; (ii) Al Miller Roofing – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) Robert Green Company – ML – 1/31/25 - $933,063.00; (xi) RGRI – ML – 2/3/25 – $3,550,240.00; (xii) FJ Zam Company – ML – 2/18/25 - $11,612.00; (xiii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd /4th /5th - H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot 22 of Tract Map 37730 (SilverRock Dev. Co.)	City of La Quinta - $812,500 cap per DIP Amendment 1st- Builders Capital – DOT - 10/25/21 - $43,964,496.33 (claim)	1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd / 4th /5th /6th - Teserra - $55,597.50 / UCS - $72,298.25 / H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority
PTR Parcel Reference – ***Parcel 12*** Acreage: 0.36 % of total = 0.2807%	2nd / 3rd /4th /5th /6th – Teserra – ML - 4/18/24 – $55,597.50; UCS - ML - 4/30/24 – $72,298.25; H&E – ML - 8/2/24 – $61,851.68 (claim); 20/20 – ML – 5/31/24 - $776,261.00; Vermillions – ML - 6/12/24 - $23,000 (claim) Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900.00; (ii) Al Miller Roofing – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) Robert Green Company – ML – 1/31/25 - $933,063.00; (xi) RGRI – ML – 2/3/25 - $3,550,240.00; (xii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiii) FJ Zam Company – ML – 2/18/25 - $62,689.00	7th – City – Remainder of City DIP Loan
Lot 23 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.34 % of total = 0.2654%	City of La Quinta - $812,500 cap per DIP Amendment 1st- Builders Capital – DOT - 10/25/21 - $43,964,496.33 (claim) 2nd / 3rd /4th /5th /6th – Teserra – ML - 4/18/24 - $52,636.50; UCS – ML - 4/30/24 – $72,298.25; H&E – ML - 8/2/24 – $61,851.68 (claim); 20/20 – ML – 5/31/24 - $776,261.00; Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900.00; (ii) Al Miller Roofing – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) Robert Green Company – ML – 1/31/25 - $933,063.00; (xi) RGRI – ML – 2/3/25 - $3,550,240.00; (x) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xi) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd / 4th /5th/6th /7th – Teserra - $52,636.50 / UCS - $72,298.25 / H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 8th – City – Remainder of City DIP Loan
Lot 24 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12***	City of La Quinta - $812,500 cap per DIP Amendment 1st- Builders Capital – DOT - 10/25/21 - $43,964,496.33 (claim) 2nd / 3rd /4th /5th /6th – Teserra – ML - 4/18/24 - $52,636.50; UCS – ML - 4/30/24 – $72,298.25;– H&E – ML - 8/2/24 - $61,851.68 (claim); 20/20 – ML – 5/31/24 - $776,261.00; Vermillions – ML - 6/12/24 - $23,000	1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd / 4th /5th /6th /7th - Teserra - $52,636.50 / UCS - $72,298.25 / H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 7th – City – Remainder of City DIP Loan

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority
Acreage: 0.43 % of total = 0.3388%	Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/1/24 -$47,900.00; (ii) Al Miller Roofing – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML – 6/24/24 - $47,900.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) Robert Green Company – ML – 1/31/25 - $933,063.00; (xi) RGRI – ML – 2/3/25 - $3,550,240.00; (x) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xi) FJ Zam Company – ML – 2/18/25 - $62,689.00	
Lot 25 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.34 % of total = 0.2680%	City of La Quinta - $812,500 cap per DIP Amendment 1st- Builders Capital – DOT - 10/25/21 - $43,964,496.33 (claim) 2nd / 3rd /4th– Teserra – ML - 4/18/24- $52,636.50; UCS – ML -4/30/24 – $72,298.25; H&E – ML -8/2/24 –$61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900.00; (ii) Al Miller Roofing – ML – 5/24/24 - $181,593.00; (iii) Executive Landscape, Inc. – ML - $47,900.00; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) Robert Green Company – ML – 1/31/25 - $933,063.00; (xi) RGRI – ML – 2/3/25 - $3,550,240.00; (xii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd / 4th /5th /6th /7th - Teserra - $52,636.50 / UCS - $72,298.25 / H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 8th – City – Remainder of City DIP Loan
Lot 26 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.35 % of total = 0.2756%	City of La Quinta - $812,500 cap per DIP Amendment 1st- Builders Capital – DOT - 10/25/21 - $43,964,496.33 (claim) 2nd / 3rd /4th /5th– Teserra – ML - 4/18/24 - $52,636.50; UCS – ML -4/30/24 – $72,298.25; H&E – ML - 8/2/24 – $61,851.68 (claim); 20/20 - ML – 5/31/24 - $776,261.00; Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Executive Landscape, Inc. – ML – 3/12/24 - $47,900.00; (ii) Al Miller Roofing – ML – 5/24/24/ - $181,593.00; (iii) Executive Landscape, Inc. – ML - $47,900.00; ; (iv) Joshua Frantz – ML – 6/26/24 - $29,048.48; (v) RGRI – ML – 7/5/24 - $3,447,487.00; (vi) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (vii) Cockrell Electric – ML – 7/17/24 - $115,623.00; (viii) Bruce Maize – ML – 7/29/24 - $254,707.02; ; (ix) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (x) Robert Green Company – ML – 1/31/25 - $933,063.00; (xi) RGRI – ML – 2/3/25 - $3,550,240.00; (xii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (xiii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd / 4th /5th /6th /7th - Teserra - $52,636.50 / UCS - $72,298.25 / H&E - $61,851.68 (claim); 20/20 - $776,261.00; Vermillions - $23,000 8th – City – Remainder of City DIP Loan

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority	
Lot 27 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.31 % of total = 0.2397%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Builders Capital – DOT - 10/25/21– $43,964,496.33 (claim) 3rd /4th – H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) Robert Green Company – ML – 1/31/25 - $933,063.00; (vii) RGRI – ML – 2/3/25 - $3,550,240.00; (viii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (ix) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders Capital - $43,964,496.33 (claim) 4th/5th – H&E - $61,851,68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th/5th – H&E - $61,851,68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot 28 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.38 % of total = 0.2939%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 3rd /4th – H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) Robert Green Company – ML – 1/31/25 - $933,063.00; (vii) RGRI – ML – 2/3/25 - $3,550,240.00; (viii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (ix) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders Capital - $43,964,496.33 (claim) 4th/5th – H&E - $61,851,68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th/5th – H&E - $61,851,68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot 29 of Tract Map 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.49 % of total = 0.3829%	City of La Quinta - $812,500 cap per DIP Amendment 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Builders Capital – DOT - 10/25/21 – $43,964,496.33 (claim) 3rd /4th – H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) RGRI – ML – 7/5/24 - $3,447,487.00; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) Robert Green Company – ML – 1/31/25 - $933,063.00; (vii) RGRI – ML – 2/3/25 - $3,550,240.00; (viii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (ix) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City - $812,500.00 2nd – Poppy - $33,404,484 (claim) 3rd – Builders Capital - $43,964,496.33 (claim) 4th/5th – H&E - $61,851,68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan	**Scenario B:** 1st – City - $812,500.00 2nd – Builders Capital - $43,964,496.33 (claim) 3rd – Poppy - $33,404,484 (claim) 4th/5th – H&E - $61,851,68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority
Lot A of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 2.01 % of total = 1.5712%	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd / 3rd /4th – Granite – ML - 9/29/22 – $4,651,719.08; H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd / 4th /5th– Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot B of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.3 % of total = 0.2345%	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd / 3rd /4th – Granite – ML - 9/29/22 – $4,651,719.08; H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd / 4th /5th – Granite - $4,651,719.08 (claim); H&E - $61,851.68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot C of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.03 % of total = 0.0235%	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd- H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd /4th - H&E - $61,851.68 (claim); Vermillions - $23,000 5th – City – Remainder of City DIP Loan
Lot D of Tract No. 37730 (SilverRock Dev. Co.)	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim)	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd /4th - H&E - $61,851.68 (claim); Vermillions - $23,000 5th – City – Remainder of City DIP Loan

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority
*PTR Parcel Reference – **Parcel 12*** Acreage: 0.07 % of total = 0.0547%	2nd /3rd - H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	
Lot E of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference – **Parcel 12*** Acreage: 0.14 % of total = 0.1094%	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd- H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd /4th - H&E - $61,851.68 (claim); Vermillions - $23,000 5th – City – Remainder of City DIP Loan
Lot F of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference – **Parcel 12*** Acreage: 0.01 % of total = 0.0078%	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd/ 4th – Granite – ML - 9/22/22 – $4,651,719.08; H&E – ML -8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 -$23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd /4th /5th– Granite - $4,651,719.08 / H&E - $61,851.68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot G of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference – **Parcel 12***	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd/ 4th – Granite - 9/22/22 – ML - $4,651,719.08; H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd /4th /5th– Granite - $4,651,719.08 / H&E - $61,851.68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority
Acreage: 0.06 % of total = 0.0469%	Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	
Lot H of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.16 % of total = 0.1251%	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd/ 4th – Granite – ML - 9/22/22 – $4,651,719.08; H&E – ML -8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd /4th /5th– Granite - $4,651,719.08 / H&E - $61,851.68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot I of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.13 % of total = 0.1016%	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd/ 4th – Granite – ML - 9/22/22 – $4,651,719.08; H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd /4th /5th– Granite - $4,651,719.08 / H&E - $61,851.68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot J of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference –* ***Parcel 12*** Acreage: 0.08 % of total = 0.0625%	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd/ 4th – Granite – ML - 9/22/22 – $4,651,719.08; H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd /4th /5th – Granite - $4,651,719.08 / H&E - $61,851.68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority
Lot K of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference – **Parcel 12*** Acreage: 0.05 % of total = 0.0391%	City of La Quinta - $ 9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd/ 4th – Granite – ML - 9/22/22 – $4,651,719.08; H&E – ML -8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd /4th /5th– Granite - $4,651,719.08 / H&E - $61,851.68 (claim); Vermillions - $23,000 6th – City – Remainder of City DIP Loan
Lot L of Tract No. 37730 (SilverRock Dev. Co.) *PTR Parcel Reference – **Parcel 12*** Acreage: 0.06 % of total = 0.0469%	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd /3rd - H&E – ML - 8/2/24 – $61,851.68 (claim); Vermillions – ML - 6/12/24 - $23,000 Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iii) Bruce Maize – ML – 7/29/24 - $254,707.02; (iv) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (v) Robert Green Company – ML – 1/31/25 - $933,063.00; (vi) RGRI – ML – 2/3/25 - $3,550,240.00; (vii) FJ Zam Company – ML – 2/18/25 - $111,612.00; (viii) FJ Zam Company – ML – 2/18/25 - $62,689.00	1st – City - $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd /4th - H&E -); $61,851.68 (claim) / Vermillions - $23,000 5th – City – Remainder of City DIP Loan
Parcel E of Parcel Map 37207 (SilverRock Dev. Co.) *PTR Reference – **Parcel 13*** *APN: 777-490-053* Acreage: 1.55 % of total=1.21%	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Cypress – DOT - 11/18/22 – $49,691,869.00 (claim) 3rd /4th– RDO – ML - 12/19/22 – $19,593,304.00 (claim); H&E– ML – 8/2/24 - $61,851.68 (claim) City of La Quinta – Supplemental DIP Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Axia – DOT – 7/2/24 - $20,070,000; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) FJ Zam Company – ML – 2/18/25 - $111,612.00; (vii) FJ Zam Company – ML – 2/18/25 - $62,689.00	**Scenario A:** 1st – City – $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd – Cypress – $49,691,869.00 (claim); 4th / 5th– RDO -$19,593,304.00 (claim)/ H&E - $61,851.68 (claim) 6th – City - Supplemental DIP **Scenario B:** 1st – City – $9,606,976.87 2nd /3rd – RDO – $19,593,304.00 (claim) / H&E $61,851.68 (claim) 4th – Poppy - $33,404,484 (claim) 5th – Cypress – $49,691,869.00 (claim) 6th – City - Supplemental DIP
Parcel F of Parcel Map 37207 (SilverRock Dev. Co.)	City of La Quinta - $9,606,976.87 1st – Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd – Cypress - DOT - 11/18/22 – $49,691,869.00 (claim) 3rd - H&E– ML - 8/2/24 – $61,851.68 (claim) City of La Quinta – Supplemental DIP	1st – City – $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd – Cypress – $49,691,869.00 (claim); 4th - H&E - $61,851.68 (claim) 5th – City – Supplemental DIP

PROPERTY	PRIORITY/DATE/LIENHOLDER/ SECURITY INSTRUMENT/AMOUNT	Proposed Priority
PTR Reference ***– Parcel 13*** *APN: 777-490-054 and 055* Acreage: 0.52 % of total=0.52%	Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Axia – DOT – 7/2/24 - $20,070,000; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) FJ Zam Company – ML – 2/18/25 - $111,612.00; (vii) FJ Zam Company – ML – 2/18/25 - $62,689.00; (viii) FJ Zam Company – ML – 3/12/25 - $32,643.18	
Parcel G of Parcel Map 37207 (SilverRock Dev. Co.) *PTR Reference* ***– Parcel 13*** *APN: 777-490-054 and 055* Acreage: 0.35 % of total=0.27%	City of La Quinta - $9,606,976.87 1st –Poppy – DOT - 10/25/21 - $33,404,484 (claim) 2nd –Cypress - DOT - 11/18/22 – $49,691,869.00 (claim) 3rd - H&E– ML - 8/2/24 – $61,851.68 (claim) City of La Quinta – Supplemental DIP Other liens on this parcel include: (i) Joshua Frantz – ML – 6/26/24 - $29,048.48; (ii) Axia – DOT – 7/2/24 - $20,070,000; (iii) Jack R. Tracy – ML – 7/17/24 - $14,584.00; (iv) Bruce Maize – ML – 7/29/24 - $254,707.02; (v) Robert Green Company – ML – 1/31/25 - $2,216,359.00; (vi) FJ Zam Company – ML – 2/18/25 - $111,612.00; (vii) FJ Zam Company – ML – 2/18/25 - $62,689.00; (viii) FJ Zam Company – ML – 3/12/25 - $32,643.18	1st – City – $9,606,976.87 2nd – Poppy - $33,404,484 (claim) 3rd – Cypress – $49,691,869.00 (claim); 4th - H&E - $61,851.68 (claim); 5th – City – Supplemental DIP

EXHIBIT C

Allocation

Allocation Waterfall

$65 Million Purchase Price					
Closing Costs[a]	($2,070,494.90)				
UST Fees[b]	($399,544.00)				
Supplemental DOT Collateral Reserve[c]	($1,190,400.44)				
Interest accrued in Escrow Account[d]	$625,337.00				
Initial net sale proceeds:	**$61,964,897.66**				
City DIP Loan[e]	$9,606,976.87				
Creditor/Payee	**Percentage of Overall Acreage[f]**	**Amount of Initial Net Sale Proceeds Before DIP Repayment**	**Allocation of DIP Facility on Per Acre Basis**	**Adjusted DIP Priming Amount[g]**	**Proposed Allocation[h]**
RDO/Poppy/Granite Disputed Reserve Creditors[i]	39.232012829665%	$24,778,802.64	$3,841,681.22	$2,677,876.64	$22,100,925.99
Builders/Poppy Disputed Reserve Creditors[j]	4.469623004478%	$2,822,998.32	$437,674.89	$434,797.10	$2,388,201.22
Poppy (Lots A-L)[k]	2.423176723888%	$1,530,469.98	$237,282.56	$237,282.56	$1,293,187.42
Poppy (Lot A of LLA 2020-0007)[l]	8.381846454921%	$5,293,945.02	$820,768.04	$572,123.36	$4,721,821.67
Builders Capital[m]	3.882706618416%	$2,452,303.97	$380,202.80	$377,702.90	$2,074,601.07
Keillor/EB-5 Lenders/Traub Trust[n]	39.718993184176%	$25,086,377.73	$3,889,367.36	$5,307,194.31	$19,779,183.43

FOOTNOTES

[a] This amount is comprised of various costs related to the closing of the Sale. The Debtors were authorized to pay this amount pursuant to paragraph 15 of the *Order (I) Approving the Sale of Assets to the Successful Bidder Free and Clear of All Claims, Liens, Interests, and Encumbrances; (II) Approving the Consensual Termination or Rejection of Ground Leases, Effective as of the Closing Date; (III) Approving Form of Grant Deed; and (IV) Granting Related Relief* [Docket No. 759] (the "Sale Order").

[b] This amount is comprised of fees owed or paid to the Office of the United States Trustee for the District of Delaware for Q4 2025, Q1 2026, Q2 2026, and Q3 2026, which were authorized to be paid from net sale proceeds pursuant to paragraph 15 of the Sale Order.

[c] Pursuant to the *Order (I) Authorizing the Debtors to Amend the DIP Credit Agreement; (II) Authorizing the Debtors to Execute, Deliver, and Record a Supplemental Deed of Trust in Favor of the DIP Lender; and (III) Granting Related Relief* (the "DIP Amendment Order") [Docket No. 760], the Debtors were required to establish an Escrow Account to hold net sale proceeds allocable to the Supplemental DOT Collateral (as defined therein). The amount shown here represents the value of the Supplemental DOT Collateral using the same acreage-based allocation methodology used in the Allocation.

[d] This is the amount estimated to have accrued as of May 31, 2026.

[e] The payment on the DIP Facility reflects the $11 million principal, interest thereon, and contractually capped professional fees for the City, less the $2.25 million credit of the DIP Facility made possible by the DIP Amendment approved by the Court pursuant to the DIP Amendment Order on October 23, 2025. *See* Docket No. 760.

[f] The percentages shown in this column represent the percentage of the entire acreage of the real property formerly owned by the Debtors ascribed to the creditors in such group.

[g] This column represents the adjusted amount of the DIP Facility applied to each line taking into account the Priming Caps.

[h] This column indicates the amount of the payment or reserve indicated by the Allocation Methodology when taking the applicable "Amount of Initial Net Sale Proceeds Before DIP Repayment" and subtracting the "Adjusted DIP Priming Amount."

[i] The RDO/Poppy/Granite Reserve is comprised of the following parcels of the real property formerly owned by the Debtors: (i) Lot B of LLA 2020-0010, (ii) Lot C of LLA 2020-0010, (iii) Parcel A of LLA 2023-0003, (iv) Parcel B of LLA 2023-003, (v) Parcel C of LLA 2023-0003, and (vi) Parcel D of LLA 2023-0003. The Plan provides that pending the outcome of the Poppy/RDO Dispute, the RDO/Poppy/Granite Reserve could be shared among (i) Poppy, (ii) RDO (on behalf of it and its subcontractors), (iii) Granite, (iv) H&E Equipment Services, Inc., (v) Vermillions Environmental Products & Applications, and (vi) Gauston Corp.

[j] The Builders/Poppy Disputed Reserve is comprised of the following parcels of real property formerly owned by the Debtors: Lots 1-5 of Tract Map 37730, Lots 9-12 of Tract Map 37730, Lots 15-16 of Tract Map 37730, Lots 18-19 of Tract Map 37730, and Lots 27-29 of Tract Map 37730. The Plan provides that pending the outcome of the Builders/Poppy Dispute, this amount would be shared among Builders Capital and Poppy.

[k] This amount is comprised of the value of Lots A-L of Tract No. 37730, which are not subject to a Priming Cap.

[l] This amount is comprised of the value of Lot A of LLA 2020-0007.

[m] This amount represents the allocation to Builders Capital of the value of the Residential Lots not encompassed by the Builders/Poppy Disputed Reserve.

[n] This amount represents the allocation of value of the parcels formerly known as "Planning Areas 7, 8, and 9." A further allocation among the Asserted Secured Creditors that are proposed to be allocated a secured claim related to such parcels are as set forth in the Combined Disclosure Statement and Plan and the Motion.