

# Integris

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## REAL ESTATE INVESTMENTS

NAME OF OFFEREE:

MEMORANDUM NUMBER:

### **INTEGRIS SECURED CREDIT FUND II, LLC**

**CONFIDENTIAL**

**PRIVATE PLACEMENT MEMORANDUM**

DATED: November 9, 2022

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**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**OFFERING OF UP TO 100% OF LIMITED LIABILITY COMPANY INTERESTS IN**

### **INTEGRIS SECURED CREDIT FUND II, LLC**

**Approximately \$10,000,000 of Limited Liability Company Interests  
at \$1,000 per Limited Liability Company Interest  
Whole or Fractional Limited Liability Company Interests Permitted**

**Minimum Initial Investment: \$100,000\***

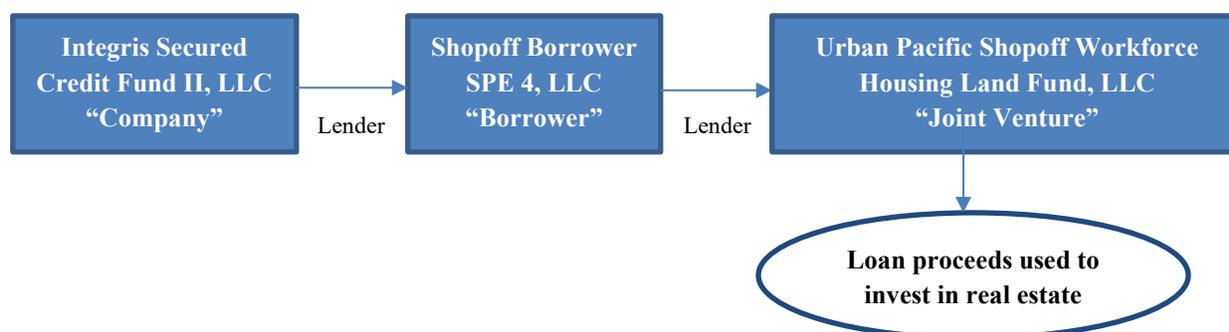
*Interests in the Company are being offered pursuant to section 3(c)(1) of the  
Investment Company Act of 1940 and is limited to 99 investors.*

*\*The Company reserves the right to accept purchases of lesser amounts in its discretion.*

## INTEGRIS SECURED CREDIT FUND II, LLC LIMITED LIABILITY COMPANY INTERESTS

INTEGRIS SECURED CREDIT FUND II, LLC, a Delaware limited liability company (the “**Company**”), an affiliate of Integris Real Estate Investments, LLC, a Delaware limited liability company (the “**Sponsor**”), is hereby offering (the “**Offering**”) to issue to certain accredited investors (the “**Investors**”) pursuant to this Confidential Private Placement Memorandum as amended and supplemented and with all exhibits hereto (the “**Memorandum**”), limited liability company interests (each an “**Interest**” and collectively the “**Interests**”) in the Company in the amount up to \$10,000,000 (the “**Offering Amount**”) at the discretion of Integris Manager 2, LLC, a Delaware limited liability company and an affiliate of the Sponsor (the “**Manager**”).

The Company will use the proceeds of the Offering to make one or more loans on a *pari passu* basis (the “**Company Loans**”) to Shopoff Borrower SPE 4, LLC, a Delaware limited liability company wholly owned by The Shopoff Revocable Trust dated August 12, 2004 and managed by William A. Shopoff (“**Borrower**”). The Company Loans will be evidenced by a note (the “**Note**”) substantially in the form attached hereto as Exhibit B, issued to the Company by Borrower. Borrower will use the proceeds of the Company Loans to (1) provide one or more loans (the “**Borrower Loans**”) to Urban Pacific Shopoff Workforce Housing Land Fund, LLC., a Delaware general partnership (the “**Joint Venture**”), which will use such loan proceeds to provide a capital contribution to one or more wholly owned subsidiaries (each a “**Land Fund Subsidiary**”), which will use such capital contributions to invest in real estate, and (2) fund a reserve for the payment of interest and other expenses related to Borrower’s operations and repayment obligations to the Company. See “**ESTIMATED USE OF PROCEEDS.**” The Borrower Loans are evidenced by a note (the “**Borrower Note**”), the form of which is available upon request. The loan to value (the “**LTV**”) of the Note relative to the Collateral (as defined below) shall not exceed fifty percent (50%).



The Borrower Loans will be secured by a pledge (the “**JV Pledge**”) from the Joint Venture to Borrower of one hundred percent (100%) of the limited liability company interests the Joint Venture owns in any Land Fund Subsidiary in existence as of the date hereof, or hereafter acquired or formed, as well as all options, warrants, and other rights and privileges of any type or nature in respect of such ownership interests or other equity interests of the Joint Venture in any Land Fund Subsidiary (the “**JV Membership Interests**”), and all other assets of the Joint Venture and the proceeds thereof. The Company Loans will be secured by (1) a pledge from SRI - Managing Member 3, LLC, a Delaware limited liability company and an affiliate of the Sponsor (the “**MV Pledgor**”), of one hundred percent (100%) of all amounts payable to MV Pledgor with respect to the “promote” distributions (i.e. distributions in the return of a share of capital and payment of the profits of a company beyond what is a pro rata distribution attributable to the equity contributions to the company) (the “**Promote Distributions**”) (the “**Promote Pledge**”) payable to the MV Pledgor under the limited liability company agreement of SOF – Mesa Verde, LLC, a Delaware limited liability company (the “**Mesa Verde**”), which indirectly owns certain real property in the city of Calimesa, California (the “**MV Property**”); and (2) a pledge from Borrower of all of Borrower’s right, title, and interest to the JV Pledge. The JV Pledge and Promote Pledge are collectively referred to herein as the “**Pledges**,” and all collateral under the Pledges is collectively referred to herein as the “**Collateral.**” The Pledges are set forth in pledge and security agreements, the forms of which are attached hereto as Exhibit C (the “**Pledge and Security Agreements**”). For the avoidance of doubt, the Collateral does not include any ownership interest in Borrower, Sponsor, the Pledgors, Mesa Verde, or any direct ownership of the MV Property. See “**COLLATERAL OVERVIEW.**”

The MV Pledgor has also pledged the Promote Distributions as collateral to Shopoff Secured Credit Fund 2, LLC, a Delaware limited liability company and affiliate of the Borrower (“**SSCF2**”). In connection with the closing of the Company Loans, the Company has entered into an intercreditor agreement with SSCF2 (the “**Intercreditor Agreement**”), which

provides that the Company’s interest in the Promote Distributions is junior to SSCF2. See “**RISK FACTORS**” for additional information. A copy of the Intercreditor Agreement is available upon request.

The Company shall have all enforcement powers provided to it under the Note, the Pledge and Security Agreements, and associated loan documents. The Company will perfect its security interest in the Collateral by filing a UCC financing statement<sup>1</sup> with respect to those interests in the State of Delaware to ensure the priority of the rights of the Company against the Borrower as a creditor with respect to the Note.

The obligations of the Borrower are guaranteed by William A. Shopoff and Cindy Shopoff (the “**Guarantors**”); provided, however, that certain assets of the Guarantors shall be excluded as assets of the Guarantors for purposes of this guaranty (the “**Guaranty**,” together with the Note, the Pledges, and the Pledge and Security Agreements, the “**Loan Documents**”), the form of which is attached hereto as Exhibit E. A statement of financial condition of the Guarantors dated June 30, 2022, is available to prospective Investors subject to signing the Non-Disclosure Agreement (“**NDA**”), the form of which is attached to this Memorandum as Exhibit G.<sup>2</sup> In an Event of Default, the Company shall not look to the Guaranty until they have exhausted all of its remedies under the Collateral. See “**Repayment Strategy**” for additional information. The Guarantor shall receive from the Joint Venture a fee of 2% of all outstanding Company Loan proceeds (the “**Guaranty Fee**”). The Guaranty Fee is subordinate to the repayment of the Company Loans; provided, however, such fee may be paid to the Guarantor so long as there is no continuing event of default under the loan documents.

Table 1 below sets forth a summary of the terms of the Offering. Table 2 below sets forth a summary of the terms of the Note.

<b>Table 1: Summary of Offering</b>	
<b>Offering</b>	The Company is offering to prospective Investors the Interests in the aggregate Offering Amount of \$10,000,000. The minimum purchase amount is \$100,000; however, the Company reserves the right to accept purchases of lesser amounts in its discretion.
<b>Offering Period</b>	The Offering will terminate on or before the earlier of (i) February 28, 2023, which date may be extended for two (2) additional, three (3) month periods in the sole discretion of the Manager (i.e., no later than August 31, 2023), or (ii) the date on which all of the Interests offered hereby have been sold.
<b>Use of Proceeds</b>	Borrower will use the proceeds of the Company Loans to (1) provide the Borrower Loans to the Joint Venture, which will use such loan proceeds to provide a capital contribution to one or more wholly owned subsidiaries, which will use such capital contributions to invest in real estate, and (2) fund a reserve for the payment of interest and other expenses related to Borrower’s operations and repayment obligations to the Company.

<b>Table 2: Summary of Terms of the Loan Documents</b>	
<b>Maturity Date</b>	The term of the Note shall end on February 28, 2025 (the “ <b>Maturity Date</b> ”); provided, however, the Maturity Date may be extended by up to one (1) year (i.e., February 28, 2026) by mutual agreement pursuant to section 7.2(b)(iv) of the Limited Liability Company Agreement of the Company (the “ <b>Operating Agreement</b> ”).
<b>Early Redemption Right of Company</b>	Borrower may redeem the Note (and thus the Company may redeem the Investors) in whole or in part at any time prior to the Maturity Date without penalty; provided, however, that each Member shall receive no less than the

<sup>1</sup> A UCC filing is a legal notice a lender files with the secretary of state when they have a security interest against an asset. It gives legal notice that the lender has an interest, or lien, against the asset being used to secure the financing.

<sup>2</sup> Updated Guarantor Financials will not be available prior to January 31, 2023.

	<p>Minimum Return with respect to any portion of their Membership Interest that may be redeemed prior to the Maturity Date. Any Minimum Return will be paid at the time of any early redemption with respect to all or any portion of the Membership Interests that are redeemed.</p> <p><b>“Minimum Return”</b> means the sum of (a) the unpaid Interest Rate (i.e., a fixed, cumulative, non-compounded fixed return of 12% per annum on the outstanding amount of a Member’s Capital Contribution, accruing for each Member from the date(s) of such Member’s Capital Contribution) owed to the Member calculated through the Offering Termination Date, and (b) the unpaid Interest Rate owed to the Member through February 28, 2024, determined without regard to whether all or any portion of a Member’s Capital Contribution has been repaid to each Member.</p> <p><i>For the avoidance of doubt, only the Company has the right to cause an early redemption of the Members; the Members have no right to receive an early redemption of their capital contribution to the Company. See “Repayment Strategy” below for repayment timing and other information.</i></p>
<b>Interest Rate and Interest Payments</b>	<p>Fixed twelve percent (12%) per annum simple interest on the outstanding principal balance of the Note payable no less frequently than quarterly within twenty (20) business days of the end of the quarter. The first payment shall occur with the quarter ending on March 31, 2023. These payments will be passed through to Investors with respect to their Interests pro rata in proportion to their entitlement to such payments.</p>
<b>Security</b>	<p>The Note is secured by the Collateral pledged pursuant to the Pledges; provided, however, the MV Pledgor has also pledged the Promote Distributions as collateral to SSCF2. The Promote Pledge is subject to an Intercreditor Agreement, which provides that the Company’s interest in the Promote Distributions is junior to SSCF2.</p>
<b>Guaranty</b>	<p>The Guaranty, a copy of which is attached as <u>Exhibit E</u> of this Memorandum, is a personal guaranty made by the Guarantor which is, collectively, William and Cindy Shopoff. The Guaranty states that the Guarantor unconditionally guarantees and promises to pay to or for the benefit of the Lender (the Company) immediately on demand in the Event of Default under the Note or the Pledges: (1) all amounts under the Company Loan and all indebtedness and obligations that may be owed or will be owed by the Borrower to the Lender, including principal, accrued but unpaid interest, any late charges, any prepayment fees, attorneys’ fees, expenses, and court costs, and (2) all amounts payable to the Lender under the Pledges. All of the foregoing, together with any and all obligations under the Guaranty, shall be collectively referred to as the <b>“Guarantor Obligations.”</b></p>
<b>Event of Default</b>	<p>The Company shall have all enforcement powers provided under the Note and associated loan documentation. The Company will perfect its security interest in the Collateral by filing a UCC financing statement with respect to those interests in the State of Delaware to ensure the priority of the rights of the Company against the Borrower as a creditor with respect to the Note.</p> <p>In an Event of Default, the Company shall not look to the Guaranty until they have exhausted all of its remedies under the Collateral.</p>
<b>Sources of Repayment</b>	<p>The Company anticipates that repayment of principal and interest on the Note will be paid from (1) the assets underlying the Collateral (i.e., cash flow from the Land Fund Subsidiaries to the Joint Venture), and/or (2) general cash flows</p>

	received by the Company from proceeds generated by a variety of promote payments anticipated to be received by the Guarantors from multiple entities prior to the Maturity Date. See “ <b>Repayment Strategy</b> ” below for repayment timing and other information.
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This Memorandum sets forth the terms of the Offering and certain other pertinent information regarding a proposed investment in the Interests. **You should read this Memorandum in its entirety, including all exhibits attached to the Offering, before making an investment decision. For the avoidance of doubt, this Memorandum sets forth the terms of an offering for equity in the Company and is not an offer for investment in a debt instrument.** Capitalized terms not defined herein shall have the meaning set forth in the Limited Liability Company Operating Agreement of the Company (the “**Operating Agreement**”).

## Management

Integris Manager 2, LLC, a Delaware limited liability company, an affiliate of the Company, Borrower, and Sponsor, is the manager of the Company and is responsible for the overall management and administration of the operations of the Company. William A. Shopoff is the chief executive officer of the Manager and the chief executive officer of Borrower. Notwithstanding the fact that Mr. Shopoff has these existing relationships, he has a fiduciary obligation to the Company to protect the interests of the Company and its Members, even if such protective actions are adverse to the interests of the Borrower.

## The Offering

The Offering will terminate on or before the earlier of (i) February 28, 2023, which date may be extended for two (2) additional, three (3) month periods in the sole discretion of the Manager (i.e., August 31, 2023), or (ii) the date on which all of the Interests offered hereby have been sold (the “**Offering Termination Date**”). The minimum purchase amount with respect to the Company is \$100,000; however, the Company reserve the right to accept purchases of lesser amounts in its discretion.

The proceeds of the Offering will be loaned by the Company to the Borrower, which will use the proceeds of the Company Loans to (1) provide the Borrower Loans to the Joint Venture, which will use such loan proceeds to provide a capital contribution to one or more wholly owned subsidiaries, which will use such capital contributions to invest in real estate, and (2) fund a reserve for the payment of interest and other expenses related to Borrower’s operations and repayment obligations to the Company.

	Price to Investors	Selling Commissions, Fees and Expenses <sup>(2)</sup>	Net Proceeds to the Company <sup>(3)</sup>
Minimum Purchase <sup>(1)</sup>	\$100,000	\$0	\$100,000
Offering Amount	\$10,000,000	\$0	\$10,000,000

<sup>(1)</sup> The minimum purchase amount is \$100,000; however, the Company reserve the right to accept purchases of lesser amounts in its discretion. See “**TERMS OF THE OFFERING**.”

<sup>(2)</sup> The Company has entered into a managing broker-dealer agreement with Shopoff Securities, Inc. (the “**Dealer Manager**”), an affiliate of Integris and a member of the Financial Industry Regulatory Authority, Inc. (“**FINRA**”). Offers and sales of the Interests will be made on a “best efforts” basis. The Dealer Manager may be entitled to certain compensation from Integris pursuant to an agreement between the Dealer Manager and Integris. Notwithstanding the foregoing, the Company will not pay any selling commissions or fees to the Dealer Manager in connection with this Offering and any such selling commission, fees or other expenses of the Offering will be borne by the Borrower; provided, however, the Joint Venture shall reimburse the Borrower for such selling commissions or fees, if any. In the event an Investor independently uses the services of a registered investment advisor in connection with the purchase of Interests, no selling commissions or fees will be payable to the investment advisor with respect to such Investor’s purchase. The payment of any fees or similar compensation to such investment advisor will be the sole responsibility of the Investor, and the Company will have no liability for that compensation. See “**ESTIMATED USE OF PROCEEDS**” and “**PLAN OF DISTRIBUTION**.”

<sup>(3)</sup>“Net Proceeds to the Company” does not include any reduction for certain offering expenses (the “**Offering Expenses**”), including without limitation certain due diligence expenses, legal and accounting expenses, reproduction costs, and sales and marketing expenses. The Offering Expenses will be paid by the Borrower; provided, however, the Joint Venture shall reimburse the Borrower for such selling commissions or fees, if any.

Dealer Manager:

Shopoff Securities, Inc.  
c/o INTEGRIS SECURED CREDIT FUND II, LLC  
18565 Jamboree Road, Suite 200  
Irvine, California 92612

## A WARNING ABOUT INVESTING IN THE INTERESTS

The acquisition of the Interests is speculative and involves a high degree of risk. An investment in the Interests is suitable only for Investors who have adequate financial means and who will not need immediate liquidity from their investment and can afford to lose their entire investment.

Prospective Investors must read and carefully consider the discussion set forth in this Memorandum in the section captioned “RISK FACTORS.” The risks involved with an investment in the Interests include, but are not limited to:

- The Interests are an illiquid investment;
- The transfer of the Interests is restricted and no public market for the Interests exists or is likely to develop;
- The Interests are not registered with the Securities and Exchange Commission (the “SEC”) or any state securities commissions;
- The Interests are offered on a “best efforts” basis with no minimum raise or related escrow requirements;
- A deterioration in global financial, economic and social conditions could adversely impact the value of the Collateral and Borrower’s ability to repay the Company Loans;
- The Manager and its affiliates are subject to certain conflicts of interest;
- The Company is not substantially capitalized and its sole asset, the Note, is secured only by the Collateral;
- The Note may be prepaid in whole or in part at any time;
- Members will have no right to participate in the management of the Company;
- The ability of Borrower to make the Note payments to the Company, and thus the ability of the Company to make distributions to the Members, will be dependent on the repayment strategy as set forth below in “**Repayment Strategy**,” which relies on Borrower’s ability to generate revenue from promotes from multiple entities and may not be successful; and
- Certain tax risks.

THIS MEMORANDUM IS BEING FURNISHED ON A CONFIDENTIAL BASIS SOLELY TO A LIMITED NUMBER OF PROSPECTIVE INVESTORS CONSIDERING THE PURCHASE OF INTERESTS. THIS MEMORANDUM MAY ONLY BE USED BY INVESTORS (AND THOSE WHO ASSIST IN EACH INVESTOR’S INVESTMENT DECISIONS) SOLELY TO EVALUATE A PURCHASE OF THE INTERESTS AND NOT FOR ANY OTHER PURPOSE. ANY REPRODUCTION OR DISTRIBUTION OF THIS MEMORANDUM, IN WHOLE OR IN PART, OR THE DISCLOSURE OF ITS CONTENTS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY, IS PROHIBITED.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE INTERESTS HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY FEDERAL OR STATE OR FOREIGN SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE INTERESTS HAVE NOT BEEN, AND ARE NOT EXPECTED TO BE, REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS OR THE LAWS OF ANY FOREIGN JURISDICTION. THE INTERESTS WILL BE OFFERED AND SOLD UNDER THE EXEMPTION FROM REGISTRATION PROVIDED BY SECTION

4(A)(2) OF THE SECURITIES ACT AND RULE 506(c) OF REGULATION D PROMULGATED THEREUNDER AND OTHER EXEMPTIONS OF SIMILAR IMPORT PURSUANT TO THE LAWS OF THE STATES AND JURISDICTIONS WHERE THIS OFFERING WILL BE MADE. THE COMPANY WILL NOT BE REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED. THE INTERESTS ARE SUBJECT TO SIGNIFICANT RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE AND FOREIGN SECURITIES LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. IN ADDITION, SUCH INTERESTS MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR HYPOTHECATED, IN WHOLE OR IN PART, EXCEPT AS PROVIDED IN THE OPERATING AGREEMENT REFERRED TO HEREIN. ACCORDINGLY, INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN THE INTERESTS FOR AN INDEFINITE PERIOD OF TIME. THERE WILL BE NO PUBLIC MARKET FOR THE INTERESTS, AND THERE IS NO OBLIGATION ON THE PART OF ANY PERSON TO REGISTER THE INTERESTS UNDER THE SECURITIES ACT OR ANY STATE OR FOREIGN SECURITIES LAWS.

THE INTERESTS ARE OFFERED SUBJECT TO PRIOR SALE, AND SUBJECT TO, AMONG OTHER CONDITIONS DESCRIBED HEREIN, THE RIGHT OF THE MANAGER OF THE COMPANY TO REJECT ANY SUBSCRIPTION IN WHOLE OR IN PART. INVESTMENT IN INTERESTS WILL INVOLVE SIGNIFICANT RISKS DUE TO, AMONG OTHER THINGS, THE NATURE OF THE COMPANY'S INVESTMENTS. PROSPECTIVE INVESTORS SHOULD PAY PARTICULAR ATTENTION TO THE INFORMATION PROVIDED IN THE SECTION OF THIS MEMORANDUM ENTITLED "**RISK FACTORS.**" INVESTORS SHOULD HAVE THE FINANCIAL ABILITY AND WILLINGNESS TO ACCEPT THE RISKS AND LACK OF LIQUIDITY WHICH ARE CHARACTERISTIC OF THE INVESTMENT DESCRIBED HEREIN.

PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, TAX, INVESTMENT, OR OTHER ADVICE. PROSPECTIVE INVESTORS WILL HAVE THE OPPORTUNITY TO ASK QUESTIONS AND RECEIVE ANSWERS AND ADDITIONAL INFORMATION ABOUT THE COMPANY AND THE INTERESTS TO VERIFY THE INFORMATION CONTAINED HEREIN TO THE EXTENT THAT REPRESENTATIVES OF THE COMPANY POSSESS SUCH INFORMATION. EACH PROSPECTIVE INVESTOR SHOULD MAKE ITS OWN INQUIRIES AND CONSULT ITS OWN ADVISORS AS TO THE COMPANY AND THIS OFFERING AND AS TO LEGAL, TAX, AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE INTERESTS.

IN CONSIDERING THE PURCHASE OF AN INTEREST AND REVIEWING ANY PRIOR PERFORMANCE INFORMATION CONTAINED HEREIN, PROSPECTIVE INVESTORS SHOULD BEAR IN MIND THAT PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT THE COMPANY WILL ACHIEVE COMPARABLE RESULTS OR ITS INVESTMENT OBJECTIVES, OR THAT MEMBERS WILL RECEIVE A RETURN OF THEIR CAPITAL. IN ADDITION, ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN ARE SUBJECT TO KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS TO BE MATERIALLY DIFFERENT FROM THOSE CONTEMPLATED BY SUCH STATEMENTS.

THIS MEMORANDUM IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE OPERATING AGREEMENT OF THE COMPANY AND THE SUBSCRIPTION AGREEMENT RELATED THERETO. NO PERSON HAS BEEN AUTHORIZED IN CONNECTION WITH THIS OFFERING TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN AS CONTAINED IN THIS MEMORANDUM AND ANY REPRESENTATIONS AND/OR INFORMATION NOT CONTAINED HEREIN OR OTHERWISE PROVIDED IN A WRITING SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF THE COMPANY MUST NOT BE RELIED UPON OR CONSTRUED AS AUTHORIZED BY THE

COMPANY OR ANY MEMBER OR AFFILIATE THEREOF. STATEMENTS IN THIS MEMORANDUM ARE MADE AS OF THE DATE OF THE INITIAL DISTRIBUTION OF THIS MEMORANDUM UNLESS STATED OTHERWISE HEREIN, AND NEITHER THE DELIVERY OF THIS MEMORANDUM AT ANY TIME NOR ANY SALE HEREUNDER, SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO SUCH DATE. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR OTHER JURISDICTION TO ANY PERSON OR ENTITY TO WHICH IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION IN SUCH STATE OR JURISDICTION. PRIOR TO THE TERMINATION OF THE OFFERING, THE SPONSOR MAY SUPPLEMENT THIS MEMORANDUM TO MODIFY ANY OF THE TERMS OF THE OFFERING AND THE INTERESTS DESCRIBED HEREIN.

## A WARNING ABOUT FORWARD-LOOKING STATEMENTS

This Memorandum contains statements about operating and financial plans, terms, and performance of the Company and Borrower and other targets of future results. Forward-looking statements may be identified by the use of words such as “expects,” “anticipates,” “intends,” “plans,” “will,” “may” and similar expressions. The “forward-looking” statements are based on various assumptions, for example, the growth and expansion of the economy projected financing environment, and real property market value trends, and these assumptions may prove to be incorrect. Accordingly, these forward-looking statements might not accurately predict future events or the actual performance of an investment in the Interests. In addition, Investors must disregard any projections and representations, written or oral, which do not conform to those contained in this Memorandum.

The mailing address of the Company for purposes of this Offering is 18565 Jamboree Road, Suite 200 Irvine, California 92612, and the telephone number is (949) 417-1396.

Questions regarding the Company or the information contained herein should be directed to:

INTEGRIS SECURED CREDIT FUND II, LLC

Attn: Mark Schultz

18565 Jamboree Road, Suite 200

Irvine, California 92612

Tel: (949) 417-1396 — Fax: 949-988-3190

[investmentservices@integrismv.com](mailto:investmentservices@integrismv.com)

## LEGENDS

### NOTICE TO INVESTORS IN ALL U.S. STATES

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE MEMORANDUM AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY UNITED STATES FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

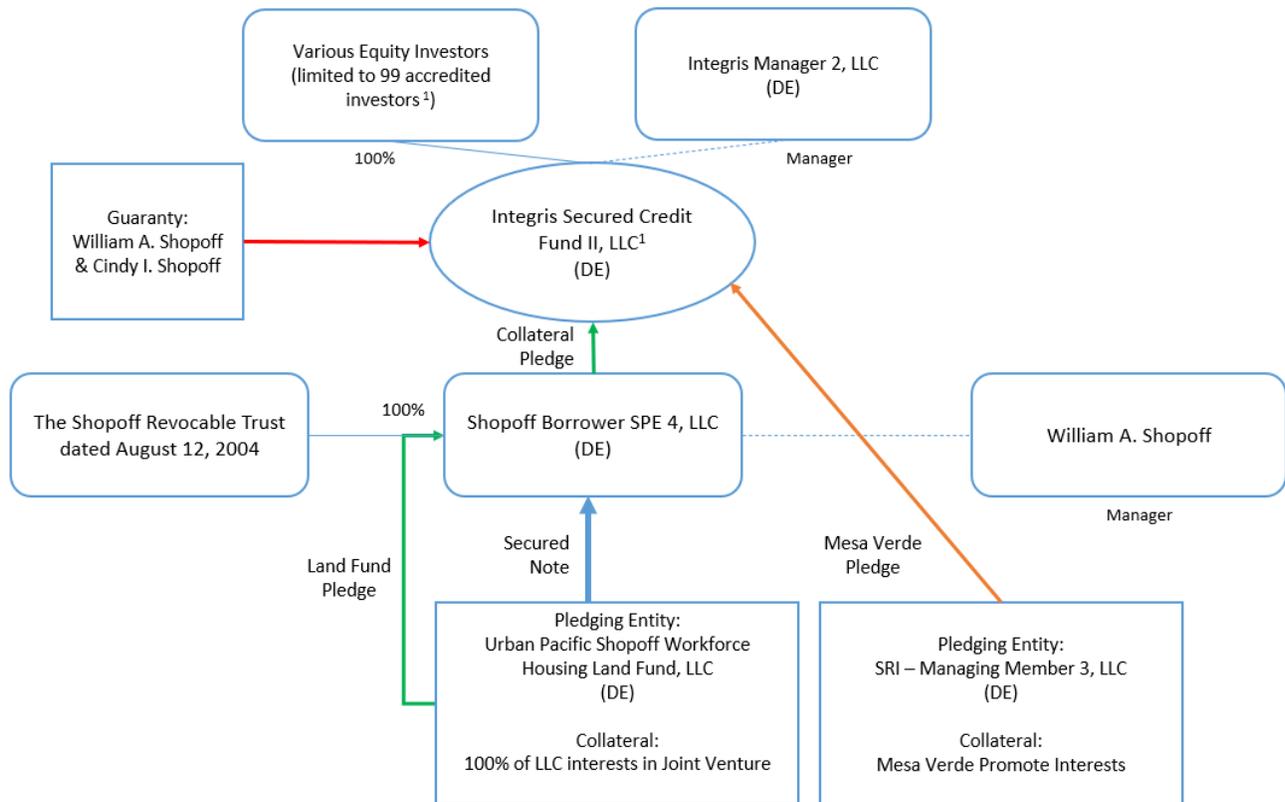
### ADDITIONAL NOTICE TO FLORIDA INVESTORS

IF SALES ARE MADE TO FIVE (5) OR MORE PERSONS IN FLORIDA, AND YOU PURCHASE SECURITIES HEREUNDER, THEN YOU MAY VOID SUCH PURCHASE EITHER WITHIN THREE (3) DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY YOU TO THE ISSUER, AN AGENT OF THE ISSUER, OR AN ESCROW AGENT OR WITHIN THREE (3) DAYS AFTER THE AVAILABILITY OF THIS PRIVILEGE IS COMMUNICATED TO YOU, WHICHEVER OCCURS LATER.

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## ORGANIZATIONAL CHART



<sup>1</sup>Integris Secured Credit Fund II, LLC is offered pursuant to section 3(c)(1) of the Investment Company Act of 1940 and is limited to 99 accredited investors.

## SUMMARY OF PRINCIPAL TERMS

The following summary provides selected information regarding the Company, the Interests, the Note and this Offering and should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Memorandum, including the Exhibits attached to this Offering. This Memorandum should be read in its entirety before any investment decision is made.

**The Offering:** The Company is offering to prospective Investors the Interests in the aggregate Offering Amount of \$10,000,000.

The minimum purchase amount is \$100,000; however, the Company reserve the right to accept purchases of lesser amounts in their discretion.

The Offering will terminate on or before the earlier of (i) February 28, 2023, which date may be extended for two additional three (3) month periods in the sole discretion of the Manager, or (ii) the date on which all of the Interests offered hereby have been sold (the “**Offering Termination Date**”).

Investment in the Interests involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity and who can afford to lose their entire investment. The Company will only accept a purchase from an accredited investor, as defined in Rule 501(a) of Regulation D under the Securities Act, who satisfies the investor suitability requirements set forth herein. See “**WHO MAY INVEST**” for more information.

**How to Purchase:** To purchase an Interest, a prospective Investor must deliver to the Dealer Manager an executed copy of a complete and accurate Subscription Agreement (the “**Subscription Agreement**”), the form of which is attached hereto as Exhibit A.

**Purpose of the Company:** The Company was formed for the purpose of providing one or more loans, secured by the Collateral, to Borrower. Borrower will use the proceeds of the Company Loans to (1) provide the Borrower Loans to the Joint Venture, which will use such loan proceeds to provide a capital contribution to one or more wholly owned subsidiaries, which will use such capital contributions to invest in real estate, and (2) fund a reserve for the payment of interest and other expenses related to Borrower’s operations and repayment obligations to the Company.

**FOR THE AVOIDANCE OF DOUBT, THE COLLATERAL DOES NOT INCLUDE ANY OWNERSHIP INTEREST IN ANY ENTITY, INCLUDING, BUT NOT LIMITED TO, BORROWER, SPONSOR, THE PLEDGORS, MESA VERDE, OR ANY DIRECT OWNERSHIP OF THE MV PROPERTY.**

**Governance; Management:** The terms of the Company are governed by the Operating Agreement. A copy of the Operating Agreement is attached hereto as Exhibit D. Pursuant to the Operating Agreement, Integris Manager 2, LLC, an affiliate of the Sponsor, is the manager (the “**Manager**”) of the Company and is responsible for the overall management and administration of the operations of the Company, including collecting interest and principal on the Note and enforcing the Note in accordance with its terms. See “**MANAGEMENT AND TRACK RECORD**” for additional information regarding the Manager.

The Borrower is governed by its own limited liability company operating agreement (the “**Borrower Operating Agreement**”), which is available on request.

**Note Terms:** The Company shall make the Company Loans as and when the Investor’s purchase of the Interests is accepted by the Manager and received by the Company. The Company Loans will be contemporaneously evidenced by the Note issued by Borrower to the Company. The Maturity Date of the Company Notes is February 28, 2025; provided, however, the Maturity Date may be extended by up to one (1) year (i.e., February 28, 2026) by mutual agreement pursuant to section 7.2(b)(iv) of the Company’s Operating Agreement.

The Note will bear fixed interest of twelve percent (12%) per annum simple interest on the outstanding principal balance of the Note payable no less than quarterly within twenty (20) business days of the end of the quarter. The first payment shall occur with the quarter ending on March 31, 2023.

The Note may be prepaid, in full or in part, at any time without penalty; provided, however, that each Member shall receive no less than the Minimum Return with respect to any portion of their Membership Interest that may be redeemed prior to the Maturity Date. Any Minimum Return will be paid at the time of any early redemption with respect to all or any portion of the Membership Interests that are redeemed. “**Minimum Return**” means the sum of (a) the unpaid Interest Rate (i.e., a cumulative, non-compounded fixed return of 12% per annum on the outstanding amount of a Member’s Capital Contribution, accruing for each Member from the date(s) of such Member’s Capital Contribution) owed to the Member calculated through the Offering Termination Date, and (b) the unpaid Interest Rate owed to the Member through February 28, 2024, determined without regard to whether all or any portion of a Member’s Capital Contribution has been repaid to each Member.

The Note will be secured only by the Collateral, which is backed by the Guaranty. *See* “**SUMMARY OF THE NOTE**” for additional information.

The Company anticipates that repayment of principal and interest on the Note will be paid from (1) the assets underlying the Collateral (i.e., cash flow from the Land Fund Subsidiaries to the Joint Venture), and/or (2) general cash flows received by the Company from proceeds generated by a variety of promote payments anticipated to be received by the Guarantors from multiple entities prior to the Maturity Date. *See* “**Repayment Strategy**” for additional information.

**Use of Proceeds:** The proceeds of the Offering will be loaned by the Company to Borrower. Borrower will use the proceeds of the Company Loans to (1) provide the Borrower Loans to the Joint Venture, which will use such loan proceeds to provide a capital contribution to one or more wholly owned subsidiaries, which will use such capital contributions to invest in real estate, and (2) fund a reserve for the payment of interest and other expenses related to Borrower’s operations and repayment obligations to the Company. *See* “**ESTIMATED USE OF PROCEEDS**” for additional information.

**Side Agreements and Manager Discretion** The Manager may enter into one or more side agreements with certain prospective Investors with respect to inducing them to reinvest proceeds from an affiliated Shopoff offering and make an investment in the Company. The side agreements may provide for separate economic arrangements between the Company and such prospective Investors in connection with an investment in the Company. Such side agreements shall not: (1) alter the terms of the Note; or (2) adversely impact (i) the value of the Collateral; (ii) impact the Company’s financial results; or (iii) impact the Company’s ability to make distributions to the Members or cause any differential distributions among any Members. The Sponsor shall pay all incentives and expenses, if any, incurred to induce such prospective Investors to make an investment in the Companies.

**Risk Factors:** An investment in the Interests involves a number of substantial risks. You should carefully consider these risks before deciding to invest. *See* “**RISK FACTORS**” for additional information.

**Conflicts and Compensation of the Manager and Affiliates:** The Manager, Borrower, the Pledgors, and the Joint Venture are controlled directly and indirectly by William A. Shopoff. Accordingly, there are numerous perceived and potential conflicts of interest between the Company, Borrower, the Manager, and the affiliates of the Manager. *See* “**CONFLICTS OF INTEREST**” for additional information.

**Sale or Transfer of Interests:** The Interests are being offered and sold pursuant to exemptions from the registration provisions of federal and state law. Accordingly, the Interests are subject to restrictions on transfer.

**Track Record of the Sponsor and the Manager:**

The Sponsor is a wholly owned subsidiary of Shopoff Realty Investments L.P. (“**Shopoff**”). The Manager is owned and operated by Shopoff. For more than thirty (30) years, Shopoff has worked with value-add, opportunistic, and distressed real estate assets. This experience includes raw unentitled land, entitled land, partially improved and fully improved developments, non-performing loans, real estate owned, workouts, foreclosures, bankruptcy, equity investments, and other real-estate related investments (secured real estate loans). The history and track record of the Sponsor, Shopoff, and the Manager are discussed in “**MANAGEMENT AND TRACK RECORD**” and presented in Exhibit F of this Memorandum. Prior performance is not indicative of future results, and Investors in the Company should review the relevant risks and consult with their financial, tax, and legal professionals prior to investing.

## COLLATERAL OVERVIEW

The Note is secured by the Collateral, which consists of the Pledges. Borrower’s obligations are fully guaranteed by the Guarantors, William A. Shopoff and Cindy Shopoff; provided, however, that the Guarantors’ interest in Shopoff Securities, Inc. shall be excluded as assets of the Guarantors for purposes of the Guaranty. A statement of the financial condition of the Guarantors dated June 30, 2022, is available to prospective Investors subject to signing the NDA, the form of which is attached to this Offering as Exhibit G.

### **Estimated Value of Collateral**

Table 3 below sets forth the estimated value of the Collateral. Valuations have been generated internally. The Sponsor anticipates that the Promote Distributions will begin in mid-2026 at varying intervals through 2028. *The estimated value of the Collateral is dependent, in part, on the success of the projects generating the Promote Distributions. Notwithstanding the foregoing, the MV Pledge has no present value because the Promote Distributions have not yet been earned and may never be earned. If Mesa Verde does not achieve its investment objectives, the MV Pledge may never achieve its estimated value.* Should this occur, the Manager may need to exercise its rights under the Guaranty, the form of which is attached hereto as Exhibit E.

The Company anticipates that repayment of principal and interest on the Note will be paid from (1) the assets underlying the Collateral (i.e., cash flow from the Land Fund Subsidiaries to the Joint Venture), and/or (2) general cash flows received by the Company from proceeds generated by a variety of promote payments anticipated to be received by the Guarantors from multiple entities prior to the Maturity Date. See “**Repayment Strategy**” below for repayment timing and other information.

*Prospective Investors should review the statement of financial condition of the Guarantors and Guaranty in their entirety and should not purchase the Interests unless the Investor has independently determined that the purchase of Interests is in the best interests of the Investor. See “RISK FACTORS” for additional information.*

<b>Table 3: Estimated Collateral Value</b>	
<b>Collateral:</b>	<b><u>Estimated</u></b>
The loans will be secured by the following Collateral:	<b><u>Net Present</u></b>
a) JV Pledge from the Joint Venture to the Borrower of 100% of its limited liability company interests the Joint Venture owns in any Land Fund Subsidiary as well as any JV Membership Interests;	<b><u>Value</u></b>
b) A pledge consisting of 100% of Promote Distributions (i.e., distributions after return of capital and payment of interest, etc.) earned by Shopoff from the Mesa Verde project.	
<b>Total Collateral Value</b>	<b>\$20,000,000</b>
Company Loan Amount	\$10,000,000
<b>Company Loan To Value</b>	<b>50.00%</b>

As noted in Table 3 above, it is anticipated that the aggregate LTV of the Company Loans will be fifty percent (50%) or less. A copy of the form of Note is attached hereto as Exhibit B. The Pledge of Promote Distributions is subject to an Intercreditor Loan Agreement, a copy of which is available upon request.

### **Description of the Collateral**

#### ***The Promote Pledge***

The Promote Pledge consists of a pledge from the MV Pledgor of the Promote Distributions payable to the MV Pledgor under the limited liability company agreement of Mesa Verde, which indirectly owns the MV Property. A copy of the limited liability company agreement of Mesa Verde is available on request. The MV Property consists of a vacant, 1,463-acre parcel of land located in the City of Calimesa in Riverside County, California. The MV Property is currently entitled for a maximum of 3,650 residential units, 250,000 square feet of commercial space, two elementary schools, and approximately 565 acres of

open space. Mesa Verde intends to amend the entitlement approval for the MV Property to allow for the development of 3,650 detached single-family homes and approximately 3,900,000 square feet of industrial development.

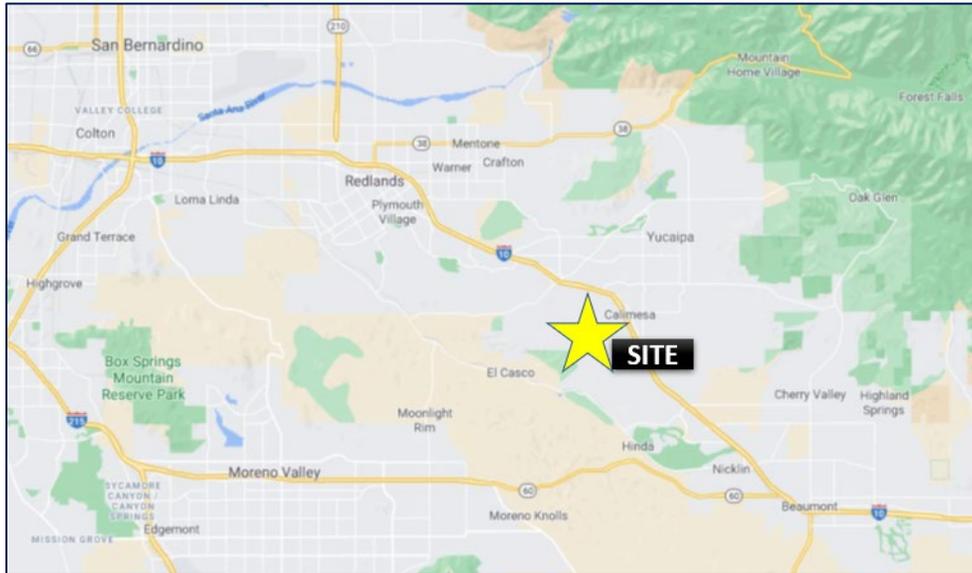


Figure 1: Property Location Map

Mesa Verde intends to pursue the following strategy: (1) reallocate the 3,650 residential currently entitled lots to the north-west side of the MV Property in order to allow for 3.9 million square feet of industrial space to be entitled in the south-east side of the MV Property; (2) complete horizontal development and all grading improvements for the residential land, industrial and commercial components; and (3) sell the residential lots in five (5) phases as grading is completed and sell the 3.9 million square feet of industrial space and 250,000 square feet of commercial space once entitlements are complete. Mesa Verde anticipates that it will execute a final December 2028 exit strategy with liquidating events commencing in mid-2026.



Figure 2: Aerial map of the current site plan shown above

### ***The JV Pledge***

As part of the Collateral, the Borrower will pledge all of Borrower's right, title, and interest to the JV Pledge to the Company. The JV Pledge is a pledge from the Joint Venture to the Borrower of one hundred percent (100%) of the limited liability company interests the Joint Venture owns in any Land Fund Subsidiary in existence as of the date hereof, or hereafter acquired or formed, as well as all options, warrants, and other rights and privileges of any type or nature in respect of such ownership interests or other equity interests of the Joint Venture in any Land Fund Subsidiary, and all other assets of the Joint Venture and the proceeds thereof.

The Joint Venture's investment strategy is summarized below.

### **Investment Strategy of the Joint Venture**

The Joint Venture will participate in acquiring<sup>3</sup> infill sites in the target market areas identified within Southern California, generally 1.5 to 4 acres in size, either through an option or direct purchase. The Sponsor will secure the necessary approvals and permits to construct the Joint Venture's proprietary Urban Town House (UTH) product. The projects will range from 30-60 units. The entitlement timeline for each project is anticipated to take approximately 12-18 months (with an average of 15 months per project). Upon entitlement, the properties are expected to be sold to an affiliated entity, which will then complete the construction of the units.



*Figure 3: Above is an example of the housing types the Joint Venture will be seeking entitlements. Note, this property is not owned by the Fund, nor will it be acquired at any time by the Fund.*

The Joint Venture is pursuing about 25+ potential sites to acquire and/or enter into purchase option contracts as part of the investment strategy summarized above. The sites are in various stages of due diligence, from under contract to in negotiations with the seller. The projects currently under review are within Southern California, across three counties: Los Angeles, San Bernardino, and Riverside.

<sup>3</sup> The Joint Venture may acquire the land or may secure the rights to acquire before disposing of those rights to affiliates.

Below is a representative project in Montebello, California, completed by Urban Pacific prior to the formation of the Joint Venture.



*Figure 4: Above are architectural renderings of the representative project in Montebello, California. Note, this project is not owned by the Fund, nor it is anticipated to be acquired by the Fund at any time.*

### **Repayment Strategy**

The Company anticipates the repayment of principal and interest on the Note will be paid from (1) the assets underlying the Collateral (i.e., cash flow from the Land Fund Subsidiaries to the Joint Venture), and/or (2) general cash flows received by the Company from proceeds generated by a variety of promote payments anticipated to be received by the Guarantors from multiple entities prior to the Maturity Date.

Under the terms of the Borrower Loan documents, the Joint Venture is not permitted to make any distributions of cash or other property of any kind to its members, managers, officers, or other interest holders in the Joint Venture or any affiliate thereof; provided, however, so long as no Event of Default has occurred and is continuing under the Borrower Note, to the extent the Joint Venture has sufficient cash flow available after the payment of all interest and/or principal then due under the Borrower Loan note and all other third-party costs and expenses of the Joint Venture and all Land Fund Subsidiaries, the Joint Venture may pay to its members the fees specified in the limited liability company agreement of the Joint Venture, including, but not limited to, the Guaranty Fee.

## HOW TO PURCHASE

The Company will only accept a subscription from an “accredited investor,” as defined in Rule 501(a) of Regulation D under the Securities Act. Prospective Investors who would like to purchase Interests must carefully read this Memorandum. Prospective Investors must complete, execute, and deliver an Investor Questionnaire (an “**Investor Questionnaire**”) and Subscription Agreement (a “**Subscription Agreement**” and together with the Investor Questionnaire, the “**Subscription Documents**”), the forms of which are included in the Subscription Documents attached as Exhibit A to this Memorandum, and tender a check or wire funds equal to their subscription amount (the “**Subscription Amount**”), payable to the order of “INTEGRIS SECURED CREDIT FUND II, LLC.” Upon receipt of such documents and verification of the prospective Investor’s investment qualifications, the Company will elect whether to accept the prospective Investor’s investment. Upon the Company’s acceptance of a prospective Investor for the purchase of the Interests, the Company will so notify the prospective Investor and will circulate various additional documents for the prospective Investor to sign and return.

Unless otherwise directed by the Company, the documents and a check or wire for the Subscription Amount should be mailed or delivered to the Company at the following address:

INTEGRIS SECURED CREDIT FUND II, LLC  
c/o Shopoff Realty Investments  
Attn: Mark Schultz  
18565 Jamboree Road., Suite 200  
Irvine, California 92612  
Telephone: 84-INTEGRIS or 844-683-4747  
Fax: 949-988-3190  
investmentservices@integrising.com

Any proposed purchase of Interests not accepted within thirty (30) days of receipt will be deemed rejected. Prospective Investors cannot acquire Interests if the Company does not approve such purchase. The Subscription Amount will be fully refunded by the Company if a prospective Investor is not accepted by the Company. Otherwise, the Subscription Amount will be nonrefundable. Closing of the purchase will take place at the above address and the executed documents will be forwarded to the Investor.

## WHO MAY INVEST

The offer and sale of the Interests is being made in reliance on an exemption from the registration requirements of the Securities Act. Accordingly, distribution of this Memorandum has been strictly limited to persons who meet the requirements and make the representations set forth below. The Company reserves the right to declare any prospective Investor ineligible to purchase the Interests based on any information that may become known or available to the Company concerning the suitability of such prospective Investor or for any other reason.

**Investment in the Company is limited to ninety-nine (99) investors, and certain investors that are owned by multiple persons will be looked through for purposes of determining this investor limit in the Company.**

An investment in the Interests involves a high degree of risk and should only be purchased by persons of substantial financial means who have no need for liquidity from this investment. This investment will be sold only to investors who represent in writing that they satisfy the suitability requirements set forth below.

### **Investment in the Company**

The Company is offering the Interests to individuals or entities that meet the definition of an “accredited investor” as set forth in Rule 501(a) of Regulation D under the Securities Act.

In addition to representing that the prospective Investor is accredited, each prospective Investor must also represent in writing that he/she/they meet, among others, ALL of the following requirements:

- (a) The prospective Investor has the requisite knowledge and experience in financial and business matters so as to be capable of evaluating the risks and merits of an investment in the Interests and of protecting the Investor’s interest in connection with this investment, and has received, read, and fully understands this Memorandum and all Exhibits hereto, is basing his, her or its decision to invest in the Interests in reliance thereon, and has not relied upon any representations made by any person, including without limitation affiliates or representatives of the Manager, the Dealer Manager or Shopoff; and
- (b) The prospective Investor understands that an investment in the Interests involves substantial risk and he, she or it is fully cognizant of and understands all of the risk factors relating to a purchase of the Interests, including, without limitation, those risks set forth below in “**RISK FACTORS**”; and
- (c) The prospective Investor’s overall commitment to investments that are not readily marketable is not disproportionate to his, her or its individual net worth, and his, her or its investment in the Interests will not cause such overall commitment to become excessive; and
- (d) The prospective Investor has adequate means of providing for his, her or its financial requirements, both current and anticipated; and has no need for liquidity from this investment; and
- (e) The prospective Investor can bear and is willing to accept the economic risk of losing his, her or its entire investment in the Interests; and
- (f) The prospective Investor is acquiring the Interests for his, her or its own account for investment purposes only and has no present intention, agreement or arrangement for the distribution, transfer, assignment, resale or subdivision of the Interests.

In addition to certain institutional investors, a Person who meets one of the following tests will qualify as an “accredited investor”:

- (A) The prospective Investor is a natural person with an individual net worth or joint net worth, with that person’s spouse or spousal equivalent, at the time of this purchase which exceeds \$1,000,000, provided that for purposes of calculating such net worth: (1) the prospective Investor’s primary residence will not be included as an asset; (2) indebtedness that is secured by the prospective Investor’s primary residence, up to the estimated fair market value of the primary residence at the time of the closing of the prospective Investor’s acquisition of an Interest, will not be included as a liability, provided, however, that if the amount of such indebtedness outstanding at the time of the closing of the prospective Investor’s acquisition of an Interest exceeds the amount of indebtedness outstanding 60 days before such time, other than as a result of the acquisition of the primary residence (such as, for example, if the prospective Investor takes out a home equity loan that is not used to acquire a primary residence during such 60-day time frame), the amount of such new indebtedness will be included as a liability; and (3) indebtedness that is secured by the prospective

Investor's primary residence is in excess of the estimated fair market value of the primary residence will be included as a liability.

- (B) The prospective Investor is a natural person who had an individual income in excess of \$200,000 (or \$300,000 jointly with spouse or spousal equivalent) per year for the two most recent years and reasonably expects to reach the same individual or joint level of income in the current year.
- (C) The prospective Investor is a trust that is revocable by its grantor(s), each of whom is a natural person who satisfies the requirements set forth in items (A) or (B) above.
- (D) The prospective Investor is a trust (other than a revocable trust) with total assets in excess of \$5,000,000 that was not formed for the purpose of purchasing an Interest, whose purchase is directed by a person who either alone or with his or her purchaser representative (as defined in Rule 501(h) of Regulation D), has such knowledge and experience in financial and business matters that he, she or it is capable of evaluating the merits and risks of the prospective investment.
- (E) The prospective Investor is a corporation, limited liability company, partnership, or similar business entity that was not formed for the purpose of purchasing an Interest and has total assets in excess of \$5,000,000.
- (F) The prospective Investor is a bank described in Section 3(a)(2) of the Act, or a savings and loan association or other similar institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; or any insurance company as defined in Section 2(13) of the Exchange Act;
- (G) The prospective Investor is an investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958;
- (H) The prospective Investor is a plan established and maintained by a State, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000;
- (I) The prospective Investor is an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance partnership, or registered investment advisor, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan or a self-directed individual retirement plan ("IRA"), Keogh or similar benefit plan, with investment decisions made solely by persons who are Accredited Investors;
- (J) The prospective Investor is a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934;
- (K) The prospective Investor is a private business development company as defined in Section 202(a)(22) of the federal Investment Advisers Act of 1940;
- (L) The prospective Investor is an entity in which all the equity owners meet the definition of an Accredited Investor under Regulation D.
- (M) The Investor holds a current Series 7, Series 65, or Series 82 FINRA license.
- (N) For securities offered by an issuer that qualifies as a private fund, the Investor is a "knowledgeable employee" of the fund as defined in Rule 3c-5(a)(4) under the Investment Company Act.
- (O) The Investor is an investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state or an investment adviser relying on the exemption from registering with the SEC under section 203(l) or (m) of the Investment Advisers Act of 1940;
- (P) The Investor is a "family office," as defined by the "family office rule" set forth in Rule 202(a)(11)(G)-1 of the Advisers Act that has total assets in excess of \$5,000,000, was not formed for the purpose of purchasing Interests and

whose investments are directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment.

In addition, the SEC has issued certain no-action letters and interpretations in which it deemed certain trusts to be accredited investors, such as trusts where the trustee is a bank as defined in section 3(a)(2) of the Securities Act and revocable grantor trusts established by individuals who meet the requirements of clauses (A) or (B) above. However, these no-action letters and interpretations are very fact specific and should not be relied upon without close consideration of your unique facts.

The Investor suitability requirements stated above represent minimum suitability requirements, as established by the Company from time to time. The satisfaction of such requirements by a prospective Investor will not necessarily mean that the Interests are a suitable investment for such prospective Investor, or that either of the Company will accept the prospective Investor as a subscriber. Furthermore, the Company, as appropriate, may modify such requirements, in its discretion from time to time, and any such modification may increase or supplement the suitability requirements for certain prospective Investors.

Prospective Investors who are unable or unwilling to make the foregoing representations may not purchase the Interests in Company.

## ESTIMATED USE OF PROCEEDS

The figures below are based upon the sale of Interests in an amount equal to 100% of the Offering Amount of \$10,000,000.

	<u>Offering Amount</u>
<b>SOURCES</b>	
Offering Proceeds	\$10,000,000
<b>Total Sources</b>	<b>\$10,000,000</b>

### **Borrower's Uses**

Borrower will use the proceeds of the Company Loans to (1) provide the Borrower Loans to the Joint Venture, which will use such loan proceeds to provide a capital contribution to one or more wholly owned subsidiaries, which will use such capital contributions to invest in real estate, and (2) fund a reserve for the payment of interest and other expenses related to Borrower's operations and repayment obligations to the Company.

<b>Total Uses</b>	<b>\$10,000,000</b>
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## PLAN OF DISTRIBUTION

The Company is offering to prospective Investors the Interests in the aggregate Offering Amount of \$10,000,000. The minimum purchase amount is \$100,000; however, the Company reserves the right to accept purchases of lesser amounts at its sole discretion. The Offering will terminate on or before the earlier of (i) February 28, 2023, which date may be extended for two additional three (3) month periods in the sole discretion of the Manager, or (ii) the date on which all of the Interests offered hereby have been sold.

### Marketing of Interests

The Company has entered into a managing broker-dealer agreement with the Dealer Manager, Shopoff Securities, Inc., an affiliate of the Sponsor and a member of FINRA. Offers and sales of Interests will be made on a “best efforts” basis. The Dealer Manager may be entitled to certain compensation from the Sponsor pursuant to an agreement between the Dealer Manager and the Sponsor. In the event an Investor independently uses the services of a registered investment advisor in connection with the purchase of Interests or invests directly through an online platform that does not charge a selling commission to the Company, no selling commissions or fees will be payable to the investment advisor or platform, as applicable, with respect to such Investor’s purchase. The payment of any fees or similar compensation to such investment advisor will be the sole responsibility of the Investor, and the Company will have no liability for that compensation. The Offering Expenses will be paid by the Sponsor. The Joint Venture shall reimburse the Sponsor for such Offering Expenses.

### Qualifications of Investors

The Interests are being offered only to accredited investors who represent that they meet the investor suitability requirements described in “**WHO MAY INVEST.**” Interests may be purchased only by prospective Investors who satisfy such suitability requirements.

### Sale of Interests

Prospective Investors must adhere to the purchase arrangements summarized in “**PURCHASE PROCEDURES**” in this Memorandum and set forth in full in the Subscription Agreement, the form of which is attached as Exhibit A to this Memorandum. There is no assurance that all of the Interests will be sold, and the Company reserves the right to refuse to sell Interests to any person, in its sole discretion, and may terminate this Offering at any time.

### Sales Material

No person has been authorized by either of the Company to make any representations or furnish any information with respect to the Company or the Interests other than as set forth in this Memorandum or other documents or information furnished by the Company upon request as described herein. However, authorized representatives of the Company shall furnish, upon written request from a prospective Investor, a reasonable time prior to his, her or its purchase, the opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and to obtain any additional information which the Company possess, or can acquire without unreasonable effort or expense, that is necessary to verify the accuracy of information previously furnished to such prospective Investor. Please note that Members wishing to view the unaudited personal financial statements of the Guarantors must sign the NDA, the form of which is attached to this Offering as Exhibit G.

This Memorandum has been prepared solely for the benefit of persons interested in purchasing the Interests offered hereby. Any reproduction or distribution of this Memorandum, in whole or in part, or the disclosure of any of its contents without the prior written consent of the Company is expressly prohibited. The recipient, by accepting delivery of this Memorandum, agrees to return this Memorandum and all documents furnished herewith to the Company or its representatives immediately upon request if the recipient does not purchase any of the Interests, or if the Offering of the Interests is withdrawn or terminated.

### Limitation of Offering

The offer and sale of the Interests is made in reliance upon exemptions from the Securities Act and state securities laws. Accordingly, distribution of this Memorandum has been strictly limited to persons satisfying the investor suitability

requirements described herein, and this Memorandum does not constitute an offer to sell or a solicitation of an offer to buy with respect to any person not satisfying those requirements.

## SUMMARY OF THE OPERATING AGREEMENT

The Operating Agreement, the form of which is attached to this Memorandum as Exhibit D, is the governing instrument establishing the terms and conditions pursuant to which the Company will conduct business and the rights and obligations between and among the Members and the Manager, as well as other important terms and provisions relating to an investment in the Company. A prospective Member is expected to read and fully understand the Operating Agreement in its entirety prior to making a decision to purchase the Interests. The following is a brief and incomplete summary of the terms of the Operating Agreement and is qualified in its entirety by reference to the Operating Agreement. Capitalized terms not defined in this section shall have the meaning set forth in the Operating Agreement.

### Allocations and Distributions

Each holder of the Interests (each a “**Member**”) will be allocated a share of the Company’s net profits and losses in accordance with the terms of the Operating Agreement, pro rata in proportion to their ownership of Interests. Cash Flow is distributed to the Members at such times as the Manager determines appropriate. Each Member shall be entitled to the following distributions:

- i. The Interest Rate shall be payable not less than quarterly as of the last day of each calendar quarter (i.e., March 31, June 30, September 30, and December 31) and shall be paid within twenty (20) Business Days of such dates, provided, however, that the first installment of the Interest Rate shall be payable as of March 31, 2023, and provided that any outstanding Interest Rate must be paid upon the earlier of (A) the Capital Contribution Return Due Date or (B) the date on which all Unreturned Capital Contributions are returned to a Member.
- ii. Unreturned Capital Contributions of a Member, subject to subsection (iv) below, shall be returned to the Member not later than within twenty (20) Business Days of February 28, 2025 (such date, with respect to any Unreturned Capital Contribution, a “**Capital Contribution Return Due Date**”). Upon the payment of all of a Member’s Interest Rate and Unreturned Capital Contributions, the Membership Interest in respect of such Unreturned Capital Contributions shall be deemed liquidated.
- iii. Unreturned Capital Contributions of the Members may be returned at any time prior to the Capital Contribution Return Due Date, provided, however, that each Member shall be entitled to receive not less than the Minimum Return.
- iv. Notwithstanding the foregoing, on or before November 30, 2024, the Manager shall provide written notice to the Members of each such Member’s Unreturned Capital Contributions (including any unpaid Interest Rate) and (at the election of the Manager) offer to each Member the opportunity to extend the Member’s Capital Contribution Return Date by up to one (1) year. The acceptance by a Member of such offer (if made) shall be given or not given in the sole and absolute discretion of the Member and conveyed in writing to the Manager not later than January 15, 2025. A Member’s failure to respond to an offer to extend its Capital Contribution Return Date shall be treated as a non-acceptance of such offer by such Member.

For the avoidance of doubt, the Minimum Return in the event of an early redemption of the Note shall be equal to the sum of (a) the unpaid Interest Rate (i.e., a cumulative, non-compounded fixed return of 12% per annum on the outstanding amount of a Member’s Capital Contribution, accruing for each Member from the date(s) of such Member’s Capital Contribution) owed to the Member calculated through the Offering Termination Date, and (b) the unpaid Interest Rate owed to the Member through February 28, 2024, determined without regard to whether all or any portion of a Member’s Capital Contribution has been repaid to each Member.

### Company Assets

The assets of the Company will consist solely of the Note, which is indebtedness of Borrower, and will be secured by the Collateral, which is backed by the Guaranty.

### Management of the Company

The business and affairs of the Company will be managed by Integris Manager 2, LLC, as Manager of the Company. Except for situations in which the approval of the Members is expressly required by the Operating Agreement or by non-

waivable provisions of the Delaware Limited Liability Company Act, the Manager has full and complete authority, power, and discretion to manage and control the business, affairs, and properties of the Company, to make all decisions regarding those matters and to perform any and all other acts or activities customary or incident to managing the business and affairs of the Company. Any power not explicitly reserved for the Members or contemplated above shall reside at the sole discretion of the Manager.

The Manager may not be removed by the Members. Any vacancy caused by the resignation of the Manager will be filled by the affirmative vote of the Members holding a majority of the Interests.

#### No Manager Compensation

The Manager will receive no compensation in consideration of management and other services provided to the Company.

#### Transfers of Interests

A Member may assign, his, her or its Interests only if certain conditions set forth in the Operating Agreement are satisfied and consented to by the Manager; provided, however, that an Investor, without the consent of the Manager, may pledge and/or assign as collateral his, her or its Interest (and/or the right to receive distributions from the Company), in whole or in part, in connection with any loan or financing received by such Investor or any of its affiliates.

#### Amendment of the Operating Agreement

The Operating Agreement may not be amended without the consent of the Manager and Members holding a majority of the Membership Interests; provided, however, the Manager may, in its sole discretion, adopt any amendment to the Operating Agreement that does not have an adverse economic impact on the Members.

If an amendment requires the approval or consent of the Members, such approval or consent shall, except as expressly provided to the contrary in the Operating Agreement, be given or withheld and conveyed in writing to the Manager not later than twenty (20) Business Days after receipt by the Members (as determined pursuant to Section 11.4) of the request of the Manager seeking such approval or consent; provided, however, that the manager may shorten the period for a response to not less than five (5) Business Days after receipt by the Members (as determined pursuant to Section 11.4) of the request of the Manager seeking such approval or consent, if, in the sole and absolute discretion of the Manager, such shorter period is reasonably necessary to prevent an adverse impact on the Company.

A Member's lack of response to a proposal of the Manager on or before the final day of the applicable time period described above shall constitute a vote by such Member in favor of the Manager's recommendation with respect to the proposal.

Upon receipt by the Manager of the necessary approvals or consents of the Members to such amendment, the Manager shall be authorized and empowered to implement such action without further authorization by the Members.

#### Dissolution of the Company, Liquidation and Distribution of Assets

The Company will be dissolved upon the first to occur of the following events: (a) a determination by the Manager that the business of the Company should be terminated; (b) the date upon which all of the assets of the Company have been sold, and all payments attributable thereto have been received; (c) the date on which the Membership Interests of all members have been liquidated; or (d) the entry of a decree of judicial dissolution.

## SUMMARY OF THE NOTE

EACH PROSPECTIVE INVESTOR SHOULD REVIEW THE ENTIRE FORM OF NOTE, A COPY OF WHICH IS ATTACHED AS EXHIBIT B AND THE PLEDGE AND SECURITY AGREEMENT, A COPY OF WHICH IS ATTACHED AS EXHIBIT C, BEFORE INVESTING. THE NOTE WILL CONSTITUTE THE SOLE ASSETS OF THE COMPANY. THE SUMMARY BELOW IS A SUMMARY OF SOME OF THE SIGNIFICANT PROVISIONS OF THE NOTE. IT IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE FULL TEXT THEREOF.

### SUMMARY OF TERMS

<b>Table 1: Summary of Note Terms</b>	
<b>Maturity Date</b>	The Maturity Date for the Note shall be February 28, 2025; provided, however, the Maturity Date may be extended by up to one (1) year (i.e., February 28, 2026) by mutual agreement pursuant to section 7.2(b)(iv) of the Company’s Operating Agreement.
<b>Early Redemption Right of Company</b>	<p>Borrower may redeem the Note (and thus the Company may redeem the Members) in whole or in part at any time prior to the Maturity Date without penalty; provided however, that each Member shall receive no less than the Minimum Return with respect to any portion of their Membership Interest that may be redeemed prior to the Maturity Date. Any Minimum Return will be paid at the time of any early redemption with respect to all or any portion of the Membership Interests that are redeemed.</p> <p><i>For the avoidance of doubt, only the Company has the right to cause an early redemption of the Members; the Members have no right to receive an early redemption of their capital contribution to the Company.</i></p>
<b>Interest Rate and Interest Payments</b>	Fixed twelve percent (12%) per annum simple interest on the outstanding principal balance of the Note payable no less frequently than quarterly within twenty (20) business days of the end of quarter. The first payment shall occur with the quarter ending on March 31, 2023. These payments will be passed through to Members with respect to their Interests pro rata in proportion to their entitlement to such payments.
<b>Security</b>	The Note is secured by the Collateral, which consists of the Pledges; provided, however, the MV Pledgor has also pledged the Promote Distributions as collateral to SSCF2. The Promote Pledge is subject to an Intercreditor Agreement, which provides that the Company’s interest in the Promote Distributions is junior to SSCF2.
<b>Event of Default</b>	The Company shall have all enforcement powers provided under the Note and associated loan documentation. The Company will perfect their security interest in the Collateral by filing a UCC financing statement with respect to those interests in the State of Delaware to ensure the priority of the rights of the Company against the Borrower as a creditor with respect to the Note. In an Event of Default, the Company shall not look to the Guaranty until they have exhausted all of their remedies under the Collateral.
<b>Sources of Repayment</b>	The Company anticipates that repayment of principal and interest on the Note will be paid from (1) the assets underlying the Collateral (i.e., cash flow from the Land Fund Subsidiaries to the Joint Venture), and/or (2) general cash flows received by the Company from proceeds generated by a variety of promote payments anticipated to be received by the Guarantors from multiple entities prior to the Maturity Date. See “ <b>Repayment Strategy</b> ” above for repayment timing and other information.

### Security

The Company’s rights with respect to the Note will be secured by the Collateral pledged pursuant to the Pledges; provided, however, the MV Pledgor has also pledged the Promote Distributions as collateral to SSCF2. The Promote Pledge is

subject to an Intercreditor Agreement, which provides that the Company's interest in the Promote Distributions is junior to SSCF2. The Collateral is backed by the Guaranty. In an Event of Default, the Company shall not look to the Guaranty until they have exhausted all of its remedies under the Collateral.

### **Further Indebtedness**

Until the payment in full of all amounts outstanding under the Note, Borrower may not incur any other indebtedness except (i) indebtedness up to the amount of the offering (i.e., \$10,000,000); (ii) unsecured trade payables and operational debt not evidenced by a note; (iii) indebtedness that is expressly subordinate to the Note; and (iv) unsecured indebtedness incurred on a *pari passu* basis with the Note, the proceeds of which are applied to the reduction of the Borrower's existing outstanding indebtedness.

### **Events of Default and Remedies**

An "**Event of Default**" under the Note means the occurrence of any of the following: (1) a default by Borrower in the payment of the principal, interest, or any other amount due under the Note, (2) a violation by Borrower of any covenant, agreement or condition of the Note, subject to cure rights as described in the Note, or (3) Borrower experiences certain bankruptcy or insolvency events, as described in the Note. So long as any Event of Default exists under the Note, and at all times after the Maturity Date, simple interest will accrue on the outstanding principal balance of the Note at a rate equal to the lesser of (a) 15% per annum, or (b) the maximum rate of interest which may be collected from Borrower under applicable law, and such default interest will be immediately due and payable. Additionally, if the Note is not paid when due or if any Event of Default occurs under the Note, Borrower will be required to pay all costs of enforcement and collection, including, without limitation, reasonable attorneys' fees, whether or not any action or proceeding is brought to enforce the provisions of the Note.

The Company will perfect its security interest in the Collateral by filing a UCC financing statement with respect to its interest in the State of Delaware to ensure the priority of the rights of the Company against Borrower as creditor with respect to the Note. Upon an Event of Default, the Company shall have all of the rights and remedies with respect to the Collateral of a secured party under the UCC, and such additional rights and remedies provided to it under the Note and the Pledge and Security Agreement, including, but not limited to enforcement of the Guaranty; provided however, that the Company shall not look to the Guaranty until it has exhausted all of its remedies under the Collateral. Any foreclosure action related to the Promote Pledge shall be governed by the Intercreditor Agreement, which is available upon request.

### **Governing Law**

The Note and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating to the Note will be governed by the laws of the State of California.

## RISK FACTORS

THE INTERESTS ARE SPECULATIVE AND INVOLVE A HIGH DEGREE OF RISK. INVESTORS SHOULD CAREFULLY READ THIS MEMORANDUM, INCLUDING ALL DOCUMENTS REFERENCED HEREIN AND ATTACHED HERETO, PRIOR TO MAKING AN INVESTMENT IN THE INTERESTS. INVESTORS SHOULD BE ABLE TO BEAR A COMPLETE LOSS OF THEIR INVESTMENT. THESE RISK FACTORS, OR OTHER EVENTS, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTAINED IN THIS MEMORANDUM. THE FOLLOWING RISKS DO NOT ENCOMPASS EVERY POSSIBLE RISK WITH REGARD TO AN INVESTMENT IN THE INTERESTS. ONLY AFTER A PROSPECTIVE INVESTOR AND THE PROSPECTIVE INVESTOR'S INDEPENDENT ADVISORS HAVE ANALYZED THE UNDERLYING DOCUMENTS CAN THE PROSPECTIVE INVESTOR FULLY UNDERSTAND THE TRANSACTION.

### **Risks Related to the Interests and this Offering**

#### ***The Company has a limited operating history and no assurance of success.***

The Company is a newly formed entity and has no operating history prior to the date of this Memorandum upon which to base the evaluation of an investment in the Interests. The Company is subject to the risks involved with any speculative new or recently created venture. There can be no assurance that the Company will be able to operate profitably in the future or that Borrower will be able to repay the Note to the Company and thus provide distributions to the Investors. If Borrower is unable to successfully execute its repayment strategy, the Company may not receive principal and interest payments on the Note and thus may be unable to make distributions to the Members.

#### ***The Interests are not registered with the SEC or any state securities commission, and a failure by the Company to comply with the applicable securities law exemptions pursuant to which the Interests will be offered could have a material adverse effect on the Company.***

The Interests have not been, and will not be, registered with the SEC or any state securities commission. The Interests are being offered in reliance upon an exemption from the registration requirements of the Securities Act and state securities laws applicable only to offers to a prospective Investor meeting the suitability requirements set forth herein. Since the Offering is a nonpublic offering and, as such, is not registered under federal or state securities laws, a prospective Investor will not have the benefit of review or comment on the adequacy or accuracy of this Memorandum by the SEC or any state securities commission. The terms and conditions of the Offering may not comply with the guidelines and regulations established for real estate offerings that are required to be registered and qualified with those agencies. If the Company should fail to comply with the requirements of any applicable federal or state securities law exemptions, the Investors may have the right, if they so desire, to rescind their purchase of Interests. If such non-compliance were to occur and a number of Investors were successful in seeking rescission, the Company could potentially face significant financial demands that would adversely affect the Company as a whole and, thus, the investment in the Interests by the remaining Investors.

#### ***The Interests may not be suitable for certain investors.***

Prospective Investors are encouraged to meet with and obtain more information regarding the Interests from representatives of the Company, who will make available such information for prospective Investors. In addition, prospective Investors should consult with their own financial, legal and tax advisors prior to investing in the Company. Each Investor will be required to represent, and provide documentation supporting that representation, to the Company as to such Investor's qualifications to invest in the Interests and to acknowledge that such Investor is an "accredited investor" (as such term is defined in the Securities Act) and has had the opportunity to ask questions and receive information sufficient to support its investment decision. Each Investor also will be required to represent that it is able to bear the risk of loss of all or a significant portion of its investment. The Company will rely upon the truth and accuracy of these representations in verifying the Investor's status as an "accredited investor". Failure to truthfully or accurately represent to the Company the Investor's status as an "accredited investor" may result in the Investor being exposed to an investment that carries risks which an Investor may not be able to withstand.

#### ***The Interests will be an illiquid investment and no trading market for the Interests exists or will ever develop.***

Because the Interests are not registered under federal and state securities laws, transferability of the Interests is restricted under such laws. The Interests may not be sold or transferred by an Investor in the absence of an effective registration

statement under the Securities Act and applicable state securities laws or an opinion of counsel acceptable to the Manager, the Company, the Dealer Manager and its counsel that registration is not required. The Company do not intend to file a registration statement under the Securities Act to provide for a public resale of the Interests. There is currently no trading market for the Interests and it is not anticipated that a trading market will ever develop. Accordingly, even in the absence of the foregoing restrictions on transfer, it is unlikely that an Investor will be able to readily dispose of the Interests or pledge the Interests as collateral for a loan. Consequently, the Interests are suitable only for long-term investment by persons with no need for liquidity and who can absorb the loss of their entire investment.

***Projections are speculative and are based upon a number of assumptions.***

Any projected financial results prepared by the Company have not been independently reviewed, analyzed, or otherwise passed upon. Such “forward-looking” statements are based on various assumptions of the Company, which assumptions may prove to be incorrect. In particular, the Note (and thus the Interests) are ultimately supported by the Borrower’s successful execution of its repayment strategy. Accordingly, there can be no assurance that such projections, assumptions and statements will accurately predict future events or actual performance. Any projections of cash flow and all other materials or documents supplied by the Company should be considered speculative and are qualified in their entirety by the assumptions, information and risks disclosed in this Memorandum. Investors are advised to consult with their own independent tax and business advisors concerning the validity and reasonableness of the factual, accounting and tax assumptions. No representations or warranties whatsoever are made by the Company, the Manager or their respective affiliates or any other person or entity as to the future profitability of the Interests or the Note or the results of making an investment in the Interests.

***Shopoff Securities, Inc., the Dealer Manager of this Offering, is not independent.***

Shopoff Securities, Inc., the Dealer Manager of this Offering, is an affiliate of the Company, the Borrower, the Sponsor, and Shopoff and is therefore not independent. Thus, prospective Investors will not have the benefit of an independent due diligence review and investigation of the type normally performed by unaffiliated, independent placement agents in securities offerings.

**Risks Related to the Company and Borrower**

***Global financial, economic and social conditions could deteriorate.***

The Joint Venture’s ability to repay the Borrower Loans, and consequently the ability of the Borrower to repay the Company Loans could be materially affected by conditions in the global financial markets and economic conditions generally. The outbreak of a novel coronavirus, which causes the disease known as COVID-19, was first identified in December 2019 in Wuhan, China, and has since spread globally. Government efforts to contain the spread of COVID-19 through lockdowns of cities, business closures, restrictions on travel and emergency quarantines, among others, and responses by businesses and individuals to reduce the risk of exposure to infection, including social distancing in the form of reduced travel, cancellation of meetings and public and private events, and implementation of work-at-home policies, among others, have caused significant disruptions to the global economy and normal business operations across a growing list of sectors and countries, including in the United States. The spread of the coronavirus, and the continued efforts to contain its spread and reduce the risk of exposure, also may have broader macro-economic implications, including reduced levels of economic growth and possibly a global recession, the effects of which could be felt well beyond the time the pandemic is contained, and which could adversely affect the financial condition and ability of Borrower to successfully execute its repayment strategy and, in turn, the Company.

***Monetary Policy and Governmental Invention in Response to High Inflation may Cause Severe Economic Distress.***

In 2008 and through early 2009, financial markets generally, and real estate in particular, were materially and adversely affected by significant declines in the values of nearly all asset classes due to a global financial crisis that resulted in recession in the United States (the “**Great Recession**”). In response to the Great Recession, the United States Federal Reserve (the “**Federal Reserve**”) instituted certain changes in monetary policy that resulted in historically low interest rates for more than a decade. Additionally, in response to the serious economic disruptions caused by COVID-19, governmental authorities and regulators in the United States and around the world responded with significant fiscal and monetary policy changes, including by providing unprecedented direct capital infusions to individuals and into companies, introducing new monetary programs, and maintaining or lowering historically low interest rates. In the wake of these policies, global economies, including

the United States, began to experience significant inflation not seen in a generation. In response to rapidly increasing inflation that has persisted in the United States throughout 2022 the Federal Reserve has rapidly increased interest rates and is expected to continue to do so as long as rapid inflation continues unabated. Such action by the Federal Reserve has contributed to significant equity and credit market volatility and instability and may contribute to, or even cause, another recession in the United States.

Should rampant inflation continue or monetary policy contribute to, or cause, a recession or prolonged equity and/or credit market volatility, the Land Fund Subsidiaries could see substantial reductions in post-acquisition market valuation for properties they purchase, which could adversely affect the financial condition and operating results of the Joint Venture, which may impact its ability to repay the Borrower Loans, and thus, the ability of the Borrower to repay the Company Loans. All of the foregoing could impact the rate of return to Investors or cause the Investors to lose all or substantially all of their entire investment in the Company.

### **Risks Related to the Collateral and Guaranty**

*The estimated net present value of the Collateral is speculative and based on a number of assumptions.*

The estimated promote values are dependent on the success of the Projects. Although the promotes have an estimated net present value, the Collateral has no present value because it has not yet been earned and it may never be earned. If the Projects do not achieve their investment objectives, the promotes may never achieve their estimated net present value.

*Proceeds from the Pledge will not be available to repay the Note at the Maturity Date.*

The Note will be repaid from general cash flows of the Guarantors, which relies on the Guarantors' ability to successfully generate promotes from multiple related entities. There is no guarantee that any of these entities will achieve their investment objectives or that such promotes will produce revenue sufficient to repay the Note. Should this occur, the Manager may need to exercise its rights under the Guaranty, the form of which is attached hereto as Exhibit E.

*The financial condition of the Guarantors could have changed since the date of the statement of financial condition of the Guarantors.*

The statement of financial condition of the Guarantors is available upon request by prospective Investors subject to signing the NDA, the form of which is attached to this Offering as Exhibit G. Any statement of financial condition is only through a certain period of time, usually updated semiannually and based on information as of the immediately preceding June 30th and December 31st. There is no guaranty that the statement of financial condition reflects the current financial condition of the Guarantors and there can be no guaranty that the financial condition has not changed or will not change since the date on any of statement of financial condition of the Guarantors. Prospective Investors should review the statement of financial condition of the Guarantor and Guaranty in their entirety and should not purchase the Interests unless the Investor has independently determined that the purchase of Interests is in the best interests of the Investor.

*The pledge of the Promote Distributions to the Company is junior to the pledge of the Promote Distributions to SSCF2.*

The MV Pledgor has pledged the Promote Distributions as collateral to both the Company and SSCF2. In connection with the closing of the Company Loans, the Company will enter the Intercreditor Agreement, which provides that the Company's interest in the Promote Distributions is junior to SSCF2. Pursuant to the Intercreditor Agreement, the Company may not exercise any of its rights or remedies with respect to the Promote Distributions so long as such Promote Distributions are pledged as collateral to SSCF2.

### **Risks Related to Conflicts of Interest**

The Company is, and will continue to be, subject to conflicts of interest arising out of relationships among Sponsor, Shopoff, Borrower, William A. Shopoff, the Manager, and their affiliates, including the material conflicts discussed below.

*The Manager and its affiliates are, or will be, subject to various conflicts of interest.*

The Manager and its affiliates are active in real estate programs having investment objectives similar to the Company or to which they have legal and fiduciary obligations similar to those they owe to the Company and its members. Because the Manager and its affiliates have interests in other real estate programs and also engage in other business activities, they may have conflicts of interest in allocating their time and resources between the Company business and these other activities. During times of intense activity in other programs and ventures, they may devote less time and resources to the Company's business than is necessary or appropriate. If the Manager, for any reason, is not able to provide sufficient resources to manage the Company's business due to the other activities of the Manager and his affiliates, the Company's business may suffer as the Company has no other personnel to perform these services. Conflicts with the Company's business and interests are most likely to arise with respect to:

- the allocation of time and resources among the Company, the Manager and his affiliates;
- enforcement of by the Company of the terms of the Note, including enforcement of the Guaranty, if necessary;
- investments with, and/or sales to and acquisitions from, affiliates of the Manager; and
- compensation to the Manager and its affiliates.

Additionally, William A. Shopoff, the beneficiary of the proceeds of the Offering, is the chief executive officer of the Manager, the Company and Borrower, as described in the "**ESTIMATED USE OF PROCEEDS.**" Further, the Company and Borrower each have and may in the future enter into transactions or utilize the services of the Manager or one or more affiliates of the Manager for which it will pay customary commissions, fees and expenses. These relationships represent a potential conflict of interest for the Manager, in particular if it is required to enforce the rights of the Company under the Note. Notwithstanding the fact that the Manager has these existing relationships, the Manager has fiduciary obligations to the Company to protect the interests of the Company and their Members, including if such protective actions are adverse to the interests of the above-described Manager affiliates.

***The Company is not providing independent counsel.***

No independent counsel has been retained by either of the Company to represent the interests of the Members. The interests of a Member may be inconsistent in some respects with the interests of either of the Company and the Manager. Each prospective Member is therefore encouraged and urged to consult his, her or its own counsel as to the terms and provisions of the Note and in all other documents related thereto, which documents have been prepared by separate counsel for William A. Shopoff.

**Risks Related to Employee Benefit Plans and IRAs**

***There are special considerations for pension or profit-sharing or 401(k) plans, health or welfare plans or individual retirement accounts whose assets are being invested in the Interests.***

If you are investing the assets of a pension, profit sharing or 401(k) plan, health or welfare plan, or an IRA in either of the Company, you should consider:

- whether your investment is consistent with the applicable provisions of ERISA and the Internal Revenue Code of 1986, as amended (the "**Internal Revenue Code**"), or any other applicable governing authority in the case of a government plan;
- whether your investment is made in accordance with the documents and instruments governing your plan or IRA, including your plan's investment policy;
- whether your investment satisfies the prudence and diversification requirements of Sections 404(a)(1)(B) and 404(a)(1)(C) of ERISA;
- whether your investment will impair the liquidity of the plan or IRA;
- whether your investment will produce unrelated business taxable income, referred to as UBTI and as defined in Sections 511 through 514 of the Internal Revenue Code, to the plan; and

- your need to value the assets of the plan annually.

You also should consider whether your investment in the Interests will cause some or all of the Company's assets to be considered assets of an employee benefit plan or IRA. The Company do not believe that under ERISA or U.S. Department of Labor regulations currently in effect that the Company's assets would be treated as "plan assets" for purposes of ERISA. However, if the Company's assets were considered to be plan assets, transactions involving the Company's assets would be subject to ERISA and/or Section 4975 of the Internal Revenue Code, and some of the transactions the Company has entered into with the Manager and his affiliates could be considered "prohibited transactions" under ERISA and/or the Internal Revenue Code. If such transactions were considered "prohibited transactions" the Manager and his affiliates could be subject to liabilities and excise taxes or penalties. In addition, the Company, the Manager and their affiliates could be deemed to be fiduciaries under ERISA, subject to other conditions, restrictions and prohibitions under Part 4 of Title I of ERISA, and those serving as fiduciaries of plans investing in the Company may be considered to have improperly delegated fiduciary duties to the Company. Additionally, other transactions with "parties-in-interest" or "disqualified persons" with respect to an investing plan might be prohibited under ERISA, the Internal Revenue Code and/or other governing authority in the case of a government plan. Therefore, the Company would be operating under a burdensome regulatory regime that could limit or restrict investments the Company can make. Even if the Company's assets are not considered to be plan assets, a prohibited transaction could occur if the Company or any of the Company's affiliates is a fiduciary (within the meaning of ERISA) with respect to an employee benefit plan purchasing shares, and, therefore, in the event any such persons are fiduciaries (within the meaning of ERISA) of your plan or IRA, you should not purchase Interests unless an administrative or statutory exemption applies to your purchase.

### **Tax-Related Risks and Consequences of an Investment in the Interests**

**THE DISCUSSION OF TAX-RELATED RISKS AND CONSEQUENCES IN THIS MEMORANDUM IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY ANY PERSON, FOR THE PURPOSE OF AVOIDING U.S. FEDERAL, STATE OR LOCAL TAX PENALTIES, AND WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE INTERESTS. EACH TAXPAYER SHOULD SEEK ADVICE BASED ON SUCH PERSON'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

The following is a general discussion of certain U.S. federal income tax-related risks and consequences relevant to the ownership and disposition of Interests by an Investor that acquires Interests pursuant to this Offering for cash at their initial offering price set forth in this Memorandum and holds the Interests as capital assets, with the Interests consisting of an investment in the Company whose sole assets consist of the Note. This discussion does not purport to discuss all aspects of U.S. federal taxation that may be important to a particular Investor in light of the Investor's particular investment or tax circumstances, or to certain types of holders subject to special tax rules. For purposes of this discussion, a "**U.S. Holder**" means an individual who is a citizen or resident of the United States, a corporation or other entity taxable as a corporation for United States federal income tax purposes, that was created or organized under the laws of the United States or of any state thereof or the District of Columbia, an estate whose income is subject to U.S. federal income taxation regardless of its source, or a trust if either a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or the trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person. We have not sought any ruling from the Internal Revenue Service (the "**IRS**") with respect to the statements made and the conclusions reached in this summary, and we cannot assure you that the IRS will agree with such statements and conclusions.

### ***Tax Considerations of an Investor's Investment in the Company***

#### ***Partnership status of the Company***

The Company will be structured to be treated as a partnership, and not as an association taxable as a corporation, for federal income tax purposes. As such, each Member, in determining its federal income tax liability, will take into account its allocable share of items of income, gain, loss, deduction and credit of the Company, without regard to whether it has received distributions from the Company. As is generally the case for similar private equity investment vehicles, an investment in the Company will give rise to a variety of complex U.S. federal income tax and other tax issues for Members. Certain of those issues may relate to special rules applicable to certain types of investors, such as tax-exempt entities, life insurance Company, banks, individuals, dealers in securities and foreign persons and entities. Prospective investors are urged to consult their own tax advisers with specific reference to their own situations concerning an investment in the Company.

***An audit of the Company may have significant tax impact on the Members, but Members will have no authority to participate in any such audit.***

The Code and Treasury Regulations contain partnership audit procedures that require any proceeding relating to tax items of the Company to be conducted at the entity level in a single partnership proceeding rather than in individual proceedings with each individual Member. Adjustments resulting from any such audit may have a significant tax impact on the Members, including audits of each Member's own tax returns. The Code provides that one person is to serve as the "partnership representative" of the Company for purposes of making decisions for the Company with respect to federal tax audits, judicial review of IRS administrative adjustments and tax settlement proceedings. A principal of the Manager will serve as the partnership representative of the Company and will be empowered to make substantial decisions with significant potential impact on the Members with no right on the part of the Limited Partners to participate in any such decisions. In addition, the Manager (acting as partnership representative), will be empowered to either (a) have the Company be responsible for and pay any underpayment of tax (and to withhold such amount from distributions to the Members), or (b) have the Members be directly liable to the IRS for any such underpayment.

***Future legislative or regulatory action could significantly change the tax aspects of an investment in the Interests.***

The discussion of tax risks and consequences contained in this Memorandum is based on law presently in effect and certain proposed Treasury Regulations. Nonetheless, Investors should be aware that new administrative, legislative or judicial action could significantly change the tax aspects of an investment in an Interest. Any such change may be retroactive with respect to transactions entered into or contemplated before the effective date of such change and could have a material adverse effect on the tax consequences of an investment in an Interest.

***There will be state and (if applicable) local income tax consequences to the Members of an investment in the Interests.***

The foregoing discussion of the tax-related risks and consequences of an investment in the Interests is generally limited to the federal income tax consequences of such an investment. Nevertheless, there will likely be state and (if applicable) local income tax consequences to the Members of owning an Interest in the Company. Prospective investors are urged to consult their own tax advisers with respect to the potential state and local income tax consequences of an investment in the Partnership, including the advisability (if available) of joining any composite tax returns that may be filed by the Partnership on their behalf.

#### ***Medicare Tax.***

A Member that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax on the lesser of (1) such Member's "net investment income" for the relevant taxable year and (2) the excess of the Member's modified gross income for the taxable year over a certain threshold (which in the case of individuals is between \$150,000 and \$250,000, depending on the individual's circumstances). A Member's net investment income generally includes its interest income and its net gains from the disposition of debt securities, unless such interest payments or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). Members that are individuals, estates or trusts are urged to consult their tax advisers regarding the applicability of the Medicare tax to their income and gains in respect of their investment in the Interests.

***Future legislative or regulatory action could significantly change the tax aspects of an investment in the Interests and the Note.***

This discussion is based upon the Internal Revenue Code, U.S. Treasury regulations promulgated thereunder, published rulings and court decisions, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect, or to different interpretations. Prospective Investors are urged to consult their tax advisers regarding the United States federal income tax consequences of acquiring, holding and disposing of the Interests, or of the Company's acquisition, holding and disposition of the Note, as well as any tax consequences that may arise under the laws of any relevant foreign, state or local taxing jurisdiction.

#### ***Payments of Interest to the Company on the Note.***

Interest on the Note will generally be taxable to the Company (and thus to the Members) as ordinary income at the time it is paid or accrued in accordance with the Company's regular method of accounting for U.S. federal income tax purposes. Investors in the Interests are expected to receive an annual Form K-1 reflecting the amount of interest paid each year to the Company, and the distributions by the Company to the Members, as reported to the Internal Revenue Service.

***Sale, Exchange, Redemption and Retirement of the Interests or of the Note.***

Upon the sale, exchange, redemption or retirement of an Interest by a Member, or of the Note by the Company, the seller generally will recognize gain or loss equal to the difference between the amount realized on the sale, exchange, redemption or retirement and the holder's basis in the investment. A Member's initial tax basis in the Interests will be equal to the purchase price thereof. The Member's tax basis will be increased by allocations of income from the Company and reduced by any distributions that it receives from the Company.

**PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE TAX CONSEQUENCES OF THE EXCHANGE, OWNERSHIP AND DISPOSITION OF THE INTERESTS ARISING UNDER UNITED STATES FEDERAL, STATE, LOCAL OR NON-U.S. LAW.**

## MANAGEMENT TEAM

Shopoff Realty Investments, L.P. was founded in 1992 by Mr. William Shopoff. Since its inception, the real estate investments of Shopoff (including its predecessor Asset Recovery Fund) have included the purchase of unentitled and undeveloped land, as well as income producing properties.

As of June 30, 2022, approximately 1,041, or approximately ninety-six percent (96%), of the 1,081 assets of Shopoff from these investment programs have gone full cycle, while the remaining programs are ongoing. The Management Team consists of: William Shopoff, Mark Schultz, Brian Rupp, James O'Malley, Cameron Ghassemi, Torry Lozano, and David Graves.

### Mr. William Shopoff

Bill Shopoff has more than forty (40) years of real estate and investment experience. His expertise includes the acquisition, development, and sale of new and redeveloped residential and commercial properties throughout the United States, as well as partnership structure, debt placement, venture capital and investment underwriting. Mr. Shopoff has acquired over 1,000 properties on behalf of his various entities, including the acquisition of over 6,000 apartment units (fee or mortgage loans), the entitlement of over 18,000 lots/units of land suitable for single-family or multi-family development, as well as millions of square feet of commercial projects. Additionally, the firm has undertaken numerous development projects, with current developments underway including high cube logistics buildings, apartments, luxury condominiums and single-family build to rent product.

For almost 30 years, Mr. Shopoff has led Shopoff Realty Investments and its predecessor firms. Since 1992, he has served as either Principal or as President of the Asset Recovery Fund, and since August 1999, as the President of Eastbridge Partners, L.P. Upon acquiring the assets of Eastbridge Partners, L.P. in April 2004, Mr. Shopoff created the manager, Shopoff Realty Investments, L.P., and has served as its President since that time.

Involved in a number of industry associations, Mr. Shopoff is currently a member of Commercial Investment Real Estate and is a Certified Commercial Investment Member. He is also a member of the Urban Land Institute, the Building Industry Association as well as Lambda Alpha International (LAI), a global land economics society.

Mr. Shopoff is also involved in various collegiate councils, being named to the Executive Council of the Real Estate Center at The University of Texas McCombs School of Business. This Executive Council advises faculty and staff on curriculum matters within the University's real estate department. He is also a member of the University of California Irvine-Chief Executive Roundtable (UCI CERT), which works in concert with local business leaders and university faculty.

In addition to his industry and educational board involvement, Mr. Shopoff is also involved in various nonprofit foundations, including his former roles as President of the Board of Directors for the Central Coast Wine Classic Foundation, and as a board member of Global Energy Network International (GENI), a non-profit organization based in San Diego, California. Furthermore, Mr. Shopoff has also been the top fundraiser for the past 20 years for the AIDS LifeCycle, a 585-mile bicycle ride from San Francisco to Los Angeles, which supports the San Francisco AIDS Foundation and the Los Angeles LGBT Center.

Mr. Shopoff is a frequent speaker on various real estate and investment related topics. He has been invited to participate as a key panelist and a guest speaker on professional panels at real estate conferences and industry events throughout the United States.



Mr. Mark Schultz

Mark Schultz serves as Shopoff Realty Investment's Chief Financial Officer. As a key member of the Management Team, Mr. Schultz is accountable for the administrative, financial, and risk management operations of the company, including the ongoing development and monitoring of control systems designed to preserve company assets and report accurate financial results. Mr. Schultz has closed over \$4 billion in debt and equity throughout his more than 35 years in commercial real estate finance. Previously, Mr. Schultz was CFO of The Picerne Group, Hopkins Real Estate Group in Orange County, as well as The Broe Group in Denver, Colorado. He also acted as COO/CFO for Sower Capital in Omaha, Nebraska. Throughout his career, he has been involved in the discounted note business, real estate syndication and development, and served in leadership roles of accounting, finance, IT and M&A teams. Mr. Schultz's vast experience covers national platforms in multifamily, senior housing, affordable housing, office, retail, and master planned land developments (including construction, management, and operations). Mr. Schultz graduated from the University of Iowa with a Bachelor's degree in Accounting and earned his MBA in Finance from DePaul University. He is also a certified public accountant.



Mr. Brian Rupp

Brian Rupp is a member of the Management Team, Executive Vice President of Real Estate for the Sponsor, and a member of the Investment Committee. Mr. Rupp has been with the firm for sixteen (16) years; he joined The Shopoff Group, the predecessor of Shopoff Realty Investments, in 2005. Mr. Rupp is responsible for management of the real estate department, determining the strategy of both land and commercial real estate acquisitions and dispositions, as well as assessing and directing where the company deploys capital. He leads the real estate investment teams, providing insight, management and direction, in addition to completing all fund transactions and managing the firm's real estate portfolio.



Mr. Rupp has over twenty-five (25) years of experience in acquisition, planning and entitlement, asset management, and disposition of both real estate investments and land development projects. Mr. Rupp's expertise in land use entitlements and development include residential master planned communities, urban infill projects, hotel and resort developments, and industrial developments. He has successfully managed residential, mixed-use, commercial and industrial real estate investment syndications and development projects in Pennsylvania, New Jersey, Southern California, Arizona, and the Island of Hawaii, with over 12,000 residential units and over 2.5 million square feet of commercial and industrial uses entitled under his management. Mr. Rupp earned his Master of Business Administration from California State University, San Marcos and has a Bachelor of Science in engineering and a master's degree in environmental engineering from Penn State University.

Mr. James O'Malley

James O'Malley is a member of the Management Team as the Senior Vice President of Development for the Sponsor's Land Assets Team. Mr. O'Malley has more than twenty-seven (27) years of experience in a variety of capacities, including land acquisition, forward planning and land development. Prior to joining Shopoff Realty Investments, Mr. O'Malley was a Vice President at Meritage Homes and was responsible for regional land acquisitions, forward planning and entitlement efforts throughout Southern California. Mr. O'Malley also previously worked for such notable companies as Trumark Co., Beazer Homes, Inc., and Hon Development Co. Mr. O'Malley has originated and completed numerous land transactions and has also successfully managed entitlement efforts in over twenty cities and counties within California. As Vice President of Development, Mr. O'Malley's role includes overseeing the entitlement efforts required to create the highest value possible for properties under the ownership, control and management of Shopoff Realty Investments. Mr. O'Malley received a Bachelor of Science in City



and Regional Planning from the School of Architecture and Environmental Design at California Polytechnic State University, San Luis Obispo.

Mr. Cameron Ghassemi

Cameron Ghassemi is a member of the Management Team and Senior Vice President of Acquisitions, for the Sponsor’s Land Assets Team. Mr. Ghassemi has more than eighteen (18) years of experience in various real estate and finance roles. As Vice President of Acquisitions, Mr. Ghassemi’s responsibilities include: the sourcing of investment opportunities, market analysis, financial modeling, planning, finance, deal structuring, capital markets, and entitlement risk management. Mr. Ghassemi has successfully contributed in the underwriting, acquisition, entitlement, management, and disposition of numerous asset classes including office, retail, industrial, multifamily, and single family residential with an aggregate value in excess of \$1.2 billion. Prior to joining Shopoff Realty Investments, Mr. Ghassemi has held senior roles with Pelican Realty and Fidelity Capital, where he was charged with deal sourcing, financial analysis, risk management, due diligence management, and/or repositioning of distressed complex assets regionally. Mr. Ghassemi hold a B.A. in Finance from California State University of Fullerton and a Masters of Real Estate Development with academic honors from the University of Southern California.



Mr. Torry Lozano

Torry Lozano is the Director of Construction for Shopoff Realty Investments. Mr. Lozano has over thirty (30) years of experience in construction and development with hands-on expertise throughout the high end residential and commercial construction and real estate industries. He has been directly responsible for, or has led teams through, the process of building, selling, marketing, developing, and managing properties. At Shopoff, Mr. Lozano has direct responsibility during the pre-construction and construction phase of projects, helping identify and assess risk, manage expectations around cost, schedule, quality, and feasibility throughout all the phases of development to ensure the decisions made in concept become reality.



Prior to joining Shopoff, Mr. Lozano held the position of President of Development and Construction at Bacchus Development in Irvine, California, a company headed by Steve Bren. He has worked closely with many of the top architects, engineering firms, and general contractors in Southern California.

Bacchus Development entitled and built numerous office parks throughout Irvine, on parcels that averaged approximately 23 acres and 50 individual offices buildings per site. Mr. Lozano holds a Bachelor of Science in Business Administration from Pepperdine University and is a licensed real estate agent in California.

Mr. David Graves

David Graves is the Director of Development for Shopoff Realty Investments. Mr. Graves has over thirty-five (35) years of experience. Mr. Graves is a seasoned veteran in the California real estate development industry with diversified community development experience gained during his tenure with Civil Engineering and Land Development firms located in Southern California.

Mr. Graves has been in responsible leadership roles on numerous high-profile projects throughout Southern California and is well respected for his high level of integrity and professionalism as well as his understanding of the complexities of planning, entitlements, engineering, and construction associated with complex land development projects. Mr. Graves unique depth and breadth of professional expertise in the acquisition, design, entitlement, and ultimate development of high profile, large-scale real estate development projects provide Shopoff the expertise to take-on unique development opportunities.

Prior to joining Shopoff in 2018, Mr. Graves served as Director of Planning and Development at Pinnacle Residential for 3 years working on various vertical residential developments, including semi-custom homes, townhomes, and single-family homes. Throughout his career Graves has worked on more than 60 development projects, many from acquisition to occupancy, large and small, several projects for TRI Pointe Group, Lennar, Pardee Homes, Irvine Apartment Communities, and Catellus.



Mr. Matthew Lorimer

Matthew Lorimer is the Director of Capital Markets for Shopoff Realty Investments. Mr. Lorimer has over six (6) years of real estate experience and is currently responsible for sourcing, underwriting, diligence, and transaction execution of investment opportunities.

Prior to joining Shopoff, Mr. Lorimer was in Land Acquisition for an Active Adult Multifamily Developer. In addition, he also was with a Hotel Owner/Operator where he was intimately involved in over \$950 million dollars-worth of transactions. Mr. Lorimer attended the Pennsylvania State University, where he graduated with a degree in Economics from the Smeal College of Business.



## TRACK RECORD

### Management

The Manager's chief executive officer, William A. Shopoff, has over 42 years of experience in the real estate industry.

As a principal for the majority of his career, Mr. Shopoff has experience in a wide range of real estate products over multiple real estate cycles. Mr. Shopoff co-founded the predecessor entity to Shopoff, Asset Recovery Fund ("ARF"), in 1992 with the primary purpose of investing in non-performing, delinquent, and foreclosed loans secured by real estate assets. These loans were secured by real estate assets — including multi-family, commercial, office, and industrial properties — and were purchased directly for programs created by ARF and through partnerships/joint ventures with other entities. These entities included the Resolution Trust Corporation (RTC), the Federal Deposit Insurance Corporation (FDIC), and the Federal Housing Administration (FHA). The business model would forecast either a workout of the loans or immediate access to the underlying property secured by these loans. When ARF was able to execute on a program-specific business model, the investment would result in positive earnings for the program and profits/cash distribution to the limited and general partners.

Credit Suisse ventured with ARF and engaged it to act as asset manager for several programs. In this role, ARF and its successor entities, Eastbridge Partners, L.P. and Shopoff, provided loan servicing and asset management services for the assets acquired by the owner. These duties included identifying the target acquisition, negotiating the acquisition for several different owners, managing the loan foreclosure business and assembling the land assets. After the project was assembled, ARF then had the responsibility of obtaining entitlements, regulatory permits and other jurisdictional approvals necessary to complete the sale of the assembled land asset. Shopoff also sponsored joint ventures with other institutional investors including Invesco, DRA Advisors LLC, Karlin Real Estate, The Picerne Group, The Baupost Group, Argosy Real Estate Partners, Ladder Capital, The Wolff Company, Cerberus, Praedium Fund, Borstein Enterprises, Credit Suisse, Goldman Sachs, Resolution Trust Corporation, as well as multiple private landowners, as well as multiple private landowners.

Mr. Shopoff's investment company, Shopoff, has sponsored more than 150 investment programs covering over 530 real estate and related investments that have raised funds from private placement offerings to acquire real estate as long-term investments for eventual sale. Of the full-cycle investments of Shopoff, 281 are land assets and 756 are commercial assets. The real estate investments of Shopoff have included the purchase of unentitled and undeveloped land, as well as income producing properties. As of June 30, 2022, approximately 1,041, or approximately 96.3%, of the 1,081 total current assets of Shopoff from these investment programs have gone full cycle, while the remaining programs are ongoing.

### Track Record

The information in this section and in [Exhibit F](#) attached to this Memorandum represents the historical experience of real estate programs managed by Sponsor and affiliates of Sponsor. Prior performance is not indicative of future results. Investors who purchase Interests will not thereby acquire any ownership interest in any entities to which the following information relates or in any other programs of Sponsor<sup>4</sup> or its affiliates. The purpose of this track record information is to enable you to evaluate the experience of Sponsor and its affiliates.

Data for all private programs (which are generally formed using limited partnerships) are prepared and presented in accordance with the cash basis of accounting for income tax purposes. This is because most, if not all, of the investors in these private programs are individuals required to report to the IRS using the cash basis of accounting for income tax purposes, and the limited partnerships are required to report using such basis when more than 50% of their investors are taxpayers that report using the cash basis of accounting for income tax purposes. The presented data was prepared with the intention of presenting consistent results meaningful to the typical individual investor who invests in limited partnerships.

Sponsor's management team has worked together originating, filing, selling, and operating a non-exchange traded real estate investment trust called Shopoff Properties Trust. This non-exchange traded real estate investment trust is still actively managed by its external advisor Shopoff Advisors, L.P. Each separate platform is outlined in [Exhibit F](#) to this Memorandum. The track record of the listed real estate programs has varying performance levels. These programs reflect the general nature of investing in real estate, the financial results of which can vary widely.

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<sup>4</sup> The Sponsor is a newly formed entity with a limited operating history. All current experience is based the experience of its affiliates.

The total equity, profit/loss, and IRR data listed in Exhibit F are representative of the real estate program in its entirety, including contributions from and profits/losses allocated to Sponsor, or its affiliate, of the real estate program presented, and do not represent contributions from and profits/losses allocated solely to the investors for each such real estate program.

The following tables summarize certain historical and current investment activity of Sponsor as of June 30, 2022:

<b>Total Transactions \$</b>	
On-going programs	\$727,190,310
Closed programs	\$864,176,545
<b>Total Acquisitions</b>	<b>\$1,591,366,855</b>
<b>Total Dispositions</b>	<b>\$1,297,466,639</b>
<b>Total Transactions</b>	<b>\$2,888,833,494</b>

Asset Holding Periods	On-Going		Closed Assets	
	Asset Count	Avg Holding Period	Asset Count	Avg Holding Period
Land Hard Assets	22	4.16	232	4.40
Land Loans	2	7.66	50	2.82
Land Assets (Hard Assets & Loans)	24	4.45	282	4.19
Commercial Hard Assets	15	4.50	94	3.10
Commercial Loans	1	2.21	665	1.65
Commercial Assets (Hard Assets & Loans)	16	4.34	759	1.94
<b>Total &amp; Overall</b>	<b>40</b>	<b>4.41</b>	<b>1041</b>	<b>2.94</b>

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Transaction Count Breakdown		
	Number of Purchase Transactions*	Number of Sale Transactions*
Hard Asset	8	10
Loan	20	25
<b>Apartments</b>	<b>28</b>	<b>35</b>
Hard Asset	2	0
Loan	1	3
<b>Industrial</b>	<b>3</b>	<b>3</b>
Hard Asset	12	4
Loan	2	15
<b>Office</b>	<b>14</b>	<b>19</b>
Hard Asset	10	8
Loan	3	4
<b>Retail</b>	<b>13</b>	<b>12</b>
Hard Asset	1	9
Loan	9	242
<b>SFR</b>	<b>10</b>	<b>251</b>
Hard Asset	4	3
<b>Storage</b>	<b>4</b>	<b>3</b>
Hard Asset	2	0
<b>Ground Lease</b>	<b>2</b>	<b>0</b>
Hard Asset	1	1
<b>Manufactured Housing Community</b>	<b>1</b>	<b>1</b>
<b>Commercial</b>	<b>74</b>	<b>324</b>
Hard Asset	116	69
Loan	6	44
<b>Raw Land</b>	<b>122</b>	<b>113</b>
Hard Asset	24	15
Loan	7	6
<b>Covered Land</b>	<b>31</b>	<b>21</b>
Hard Asset	1	1
<b>Finished Lots</b>	<b>1</b>	<b>1</b>
Land	154	134
<b>Grand Total</b>	<b>228</b>	<b>458</b>

\*Note: The number of Sale Transactions exceeds the Number of Purchase Transactions because certain Purchases were bifurcated into more than one Sale.

Asset Count Breakdown	
	Number of Assets Purchased
Hard Asset	10
Loan	339
<b>Apartments</b>	<b>349</b>
Hard Asset	2
Loan	3
<b>Industrial</b>	<b>5</b>
Hard Asset	14
Loan	15
<b>Office</b>	<b>29</b>
Hard Asset	10
Loan	5
<b>Retail</b>	<b>15</b>
Hard Asset	66
Loan	304
<b>SFR</b>	<b>370</b>
Hard Asset	5
<b>Storage</b>	<b>5</b>
Hard Asset	2
<b>Ground Lease</b>	<b>2</b>
Hard Asset	1
<b>Manufactured Housing Community</b>	<b>1</b>
<b>Commercial</b>	<b>775</b>
Hard Asset	161
Loan	45
<b>Raw Land</b>	<b>206</b>
Hard Asset	28
Loan	7
<b>Covered Land</b>	<b>35</b>
Hard Asset	65
<b>Finished Lots</b>	<b>65</b>
Land	306
<b>Grand Total</b>	<b>1081</b>
<b>Number of Assets Sold</b>	<b>1041</b>
<b>Percentage of Assets Sold</b>	<b>96.3%</b>

**\*Prior performance is not indicative of future results, and there can be no assurances that future projects will achieve comparable results. The Project could perform less favorably than those previously acquired, managed, and sold by affiliates of the Sponsor.**

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**EXHIBIT A**

**FORM OF SUBSCRIPTION AGREEMENT**

[attached]



## **Integrus Secured Credit Fund II, LLC**

### **Subscription Agreement Guidelines**

Please review and complete the subscription documents in its entirety including all Parts and Attachments.

- Subscription Agreement Page 4
- Part A: Subscription Information Page 9
- Part B: General Investor Information Page 11
- Part C: Accredited Investor Status Page 12
- Part D: Representations, Warrants, Covenants & Acknowledgements of Investor Page 14
- Part E: Signature of Acceptance & Limited Partnership Agreement Page 16
- Appendix A-1: Documentary Evidence of Accredited Investor Status Page 20
- Appendix A-2: Certification of Accredited Investor Qualification Page 21
- Attachment A: Consent of Spouse Page 23
- Attachment B: Registered Investment Advisor Information & Signature Page 24
- Attachment C: Corporate/LLC/LP Resolution Page 25
- Attachment D: Trustee Certification of Investment Powers Page 26
- Attachment E: W-9, Request for Taxpayer Identification Number and Certification Page 27

**If you have any questions, please contact Investment Services at (949) 417-1396 or [investmentservices@integrusinv.com](mailto:investmentservices@integrusinv.com)**

## INSTRUCTIONS TO THE INVESTORS

### **SUBSCRIPTION AGREEMENT FOR LIMITED LIABILITY COMPANY INTERESTS IN INTEGRIS SECURED CREDIT FUND II, LLC**

Subscribers should carefully read the Confidential Private Placement Memorandum for Limited Liability Company Interests (“Interests”) in Integris Secured Credit Fund II, LLC, dated November 9, 2022, and all Exhibits and supplements thereto (the “Memorandum”) before deciding to subscribe.

Subscribers should examine the suitability of this type of investment in the context of their own needs, investment objectives, and financial capabilities and should make their own independent investigation and decisions as to the suitability and as to the risk and potential gain involved. Subscribers are encouraged to consult with their own attorney, accountant, financial consultant, or other business or tax advisor regarding the risks and merits of the proposed investment.

This Offering is limited to investors who certify that they meet all of the qualifications set forth in the Memorandum. Upon receipt of the signed Subscription Agreement, verification of investment qualifications, and acceptance of the subscription by Integris Secured Credit Fund II, LLC, a Delaware limited liability company (the “Company”) (which reserves the right to accept or reject a subscription for any reason whatsoever), the Company will counter-execute the Subscription Agreement and notify the Subscriber of the receipt and acceptance of their subscription. The Company, for any reason whatsoever, may accept or reject any subscription in whole or in part for a period of thirty (30) days after receipt of the Subscription Agreement and any other subscription documents requested by the Company and payment in full. Any subscription not accepted within thirty (30) days of receipt will be deemed rejected.

**Important Note:** In all cases, the person or entity actually making the investment decision to purchase Interests should complete and sign the Subscription Agreement. For example, if the Subscriber purchasing Interests is a retirement plan for which investments are directed or made by a third-party trustee, then that third-party trustee must complete the Subscription Agreement rather than the beneficiaries under the retirement plan. This also applies to trusts, custodial accounts, and similar arrangements. Subscribers must list their principal place of residence rather than their office or other address (in the case of an entity, list the principal place of business) on the signature page of the Subscription Agreement so that the Company can confirm compliance with appropriate securities laws. If Subscribers wish correspondence sent to an address other than their principal residence, they must provide a mailing address as indicated in “Part B 1(e) - Mailing Address.”

#### **DELIVERY INSTRUCTIONS**

##### **MAILING ADDRESS - SUBSCRIPTIONS:**

Integris Secured Credit Fund II, LLC  
c/o Phoenix American Financial Services, Inc.  
Attn: The Shopoff Service Team  
2401 Kerner Blvd.  
San Rafael, California 94901  
Telephone: (415) 485-4500  
Facsimile: (415) 485-4553

##### **Bank Drafts should be made payable to:**

“Phoenix American Financial Services, Inc. as Trustee  
for Integris Secured Credit Fund II, LLC”

##### **WIRE INSTRUCTIONS:**

Account Name: “Phoenix American Financial Services, Inc., in Trust for Integris Real Estate Investments, L.P.”

Account Number: 0 3 5 0 6 7 1 6 5

Routing Number: (Domestic Wires): 1 2 1 1 0 0 7 8 2

Bank Name: Bank of the West

Bank Location: Petaluma, CA

**Digital subscriptions can be completed through the AIX Platform at [shopoff.aixplatform.com](http://shopoff.aixplatform.com)  
If investing through an RIA, please use [app.aixplatform.com](http://app.aixplatform.com)**

- For all Custodian Accounts: The completed Subscription Agreement should be sent directly to the Subscriber’s custodian. The custodian will forward the completed Subscription Agreement and fund investment amounts to Phoenix American Financial Services, Inc., as Trustee for Integris Secured Credit Fund II, LLC.

- **To expedite processing, the Subscription Agreements and supporting documents may be sent to fax number 415-485-4553. Subject line should read: Shopoff Service Team.**

Subscriptions will be effective only upon acceptance, and the Manager reserves the right to reject any subscription in whole or in part. Upon the closing of each subscription, the Company's transfer agent will provide a confirmation to the accepted investor. Any subscription not accepted within thirty (30) days of receipt shall be deemed rejected. The Company plans to review and accept or reject subscriptions as they are received. If the Company determines to reject a specific subscription, such prospective investor's subscription documents and subscription funds, without deduction and without interest, shall be immediately returned to such prospective investor.

All questions about the validity, form, eligibility and acceptance of any subscription will be determined by the Company. The Company reserves the absolute right, in its sole and absolute discretion, to reject any subscription and to waive any irregularity or condition of subscription with respect to any particular subscription. The Company will be under no duty to give notification of any such defects in any subscription, nor will the Company incur any liability for failure to give notification. Subscriptions for the Interests will not be deemed to have been made until any irregularities have been cured or waived.

**All subscriptions and all acceptances of subscriptions will be final and irrevocably binding on the subscriber. By executing and delivering a Subscription Agreement, each subscriber agrees to be bound by the terms of the Subscription Agreement.**

**INTEGRIS SECURED CREDIT FUND II, LLC**  
*(A DELAWARE LIMITED LIABILITY COMPANY)*

**SUBSCRIPTION AGREEMENT**

THE LIMITED LIABILITY COMPANY INTERESTS REPRESENTED BY THIS DOCUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR QUALIFIED OR REGISTERED UNDER ANY STATE SECURITIES LAWS IN RELIANCE UPON THE EXCEPTIONS FROM SUCH QUALIFICATION AND REGISTRATION PROVIDED UNDER THE ACT AND UNDER APPLICABLE STATE SECURITIES LAWS. THE TRANSFERABILITY OF SUCH INTERESTS IS RESTRICTED. SUCH INTERESTS MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, PLEDGED, HYPOTHECATED OR ASSIGNED, NOR WILL ANY ASSIGNEE, VENDEE, TRANSFEREE OR ENDORSEE THEREOF BE RECOGNIZED AS HAVING ACQUIRED ANY SUCH INTERESTS BY THE ISSUER FOR ANY PURPOSES, UNLESS (1) A REGISTRATION STATEMENT UNDER THE ACT WITH RESPECT TO SUCH INTERESTS SHALL THEN BE IN EFFECT AND SUCH TRANSFER HAS BEEN QUALIFIED UNDER ALL APPLICABLE STATE SECURITIES LAWS, OR (2) THE AVAILABILITY OF AN EXEMPTION FROM SUCH REGISTRATION AND QUALIFICATION SHALL BE ESTABLISHED TO THE SATISFACTION OF COUNSEL TO THE LIMITED LIABILITY COMPANY. THE LIMITED LIABILITY COMPANY INTERESTS REPRESENTED BY THIS DOCUMENT ARE SUBJECT TO FURTHER RESTRICTIONS AS TO THEIR SALE, ASSIGNMENT OR TRANSFER, AS SET FORTH HEREIN AND AGREED TO BY EACH MEMBER.

**1. Subscription for Limited Liability Company Interests.**

- (a) The undersigned prospective investor (the “Investor”) is hereby subscribing to become a member (a “Member”) in INTEGRIS SECURED CREDIT FUND II, LLC, a Delaware limited liability company (the “Company”), and to purchase the amount of Limited Liability Company interests (“Interests”) indicated below (the “Subscription Amount”), all in accordance with the terms and conditions of this Subscription Agreement and the Confidential Private Placement Memorandum dated November 9, 2022, delivered to the Investor herewith (as amended from time to time, the “Memorandum”). The Interests represent an interest in the Company’s capital, income, gains, losses, deductions and credits, and an interest in the net proceeds of any sale or other disposition of the assets of the Company, subject to the terms and conditions of the Company’s Operating Agreement dated on or about November 9, 2022 (as amended from time to time, the “Operating Agreement”). Capitalized terms not otherwise defined herein shall have the meaning ascribed in the Memorandum or in the Operating Agreement (as appropriate).
- (b) In connection with the Investor’s subscription for Interests, the Investor is making certain representations and warranties and delivering certain documentary evidence and/or a third-party certification with respect to the Investor’s qualifications to purchase Interests and agrees and acknowledges that such information is being furnished to the Manager of the Company, INTEGRIS MANAGER 2, LLC, a Delaware limited liability company (the “Manager”), in order to assist in determining whether the Investor’s subscription for Interests may be accepted pursuant to the Act, and the securities laws of the Investor’s state of residence. The Investor understands that the Manager will rely upon such representations and warranties along with all the information provided in this Subscription Agreement to confirm that the Investor is an “Accredited Investor” as defined in Regulation D under the Act and meet the “Accredited Investor” test as defined herewith and the section of the Memorandum entitled “**WHO MAY INVEST.**”
- (c) Execution and submission of this Subscription Agreement alone does not make the Investor a Member of the Company. This is an agreement to purchase Interests on a when-issued basis; and the Investor will become a Member only when the Manager accepts and executes the Investor’s Subscription Agreement, deposits the Investor’s funds into the Company’s bank account as further described in the Instructions to Investors and the Memorandum.
- (d) Once submitted to the Manager, the Investor’s subscription for Interests cannot be withdrawn, terminated, or revoked. This Subscription Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the Investor, but shall not be transferred or assigned by the Investor. This Subscription Agreement shall be binding upon the Company only when and to the extent it is accepted by the Manager, as evidenced by the signature hereon of a duly authorized officer of the Manager.
- (e) The Investor hereby agrees to pay the full Subscription Amount and tenders herewith a check in an amount equal to the Subscription Amount (the “Subscription Payment”), or has made arrangement for an ACH, wire or other electronic funds transfer of such amount to the Company within twenty-four (24) hours of execution of this Subscription Agreement. This Subscription Agreement will not be considered or reviewed by the Manager until receipt of the Subscription Payment.
- (f) The Manager may elect either to accept or reject this Subscription Agreement in whole or in part in its sole and absolute discretion. If this subscription is rejected, the Investor’s funds shall be returned to the extent of such rejection.
- (g) Pending acceptance by the Manager, the check tendered herewith will be deposited into an account at an insured financial

institution as more fully set forth in the Memorandum.

- (h) The Investor agrees to become a Member of the Company and to be bound by all the terms and conditions of the Memorandum and Operating Agreement immediately upon the Manager's acceptance of the Investor's Subscription Agreement. The Investor hereby adopts, accepts, and agrees to be bound by all terms and provisions of the Memorandum and the Operating Agreement and to perform all obligations therein imposed upon a Member with respect to Interests to be purchased. The Investor's rights and responsibilities will be governed by the terms and conditions of this Subscription Agreement, the Memorandum and the Operating Agreement.

2. **Representations and Warranties.** The Investor hereby makes each of the representations, warranties and covenants as set forth below:

- (a) *Completion and Execution of this Subscription Agreement.* The Investor has personally completed and signed this Subscription Agreement; including IRS Form W-9, Request for Taxpayer Identification Number and Certification, attached as Attachment-F to this Subscription Agreement. All information which the Investor has provided herein is true, complete, correct and current in all respects as of the date hereof.
- (b) *Information Reviewed and Reliance on Advice of Others.* The Investor has received and reviewed the Memorandum, the Operating Agreement, and all exhibits thereto, and all information the Investor considers necessary or appropriate for deciding whether to purchase Interests. The Investor has had an opportunity to ask questions and receive answers from the Manager regarding the terms and conditions of purchase of Interests and regarding the business, financial affairs, and other aspects of the Company and has further had the opportunity to obtain all information (to the extent the Company possesses or can acquire such information without unreasonable effort or expense) which the Investor deems necessary to evaluate the investment and to verify the accuracy of information otherwise provided. The Investor has relied solely upon the Memorandum and independent investigations made by the Investor or the Investor's representative with respect to the investment in Interests. Except as set forth in the Operating Agreement and the Memorandum, copies of which the Investor acknowledges having received and reviewed, no representations, warranties, comparative statements or inducements have been provided or made to the Investor by the Manager, the Dealer Manager or any officer, employee or representative of either the Manager or the Dealer Manager, and in entering into this transaction the Investor is not relying on any representations or warranties other than those contained in the Operating Agreement and the Memorandum. In entering into this transaction, the Investor is relying solely on advice provided to the Investor by such Investor's financial representative (including but not limited to such Investor's broker dealer, registered representative, or registered investment advisor).
- (c) *Investment and Economic Risk.* The Investor understands that the transferability of Interests is restricted and that the Investor cannot expect to be able to liquidate the Investor's investment readily in case of emergency and that the Investor may have to continue to bear the risk of holding the Interests for an indefinite period; the Investor understands that distributions are not guaranteed and may be delayed, reduced, or discontinued altogether; the Investor is financially able to bear the economic risk of an investment in the Interests, including the total loss thereof; the Investor acknowledges that investment in the Company is speculative and involves a substantial degree of risk of loss of the Investor's entire investment in the Company, that the Investor understands and takes full cognizance of the risk factors related to the purchase of Interests as detailed in the Memorandum and Operating Agreement; the Investor is not dependent on the potential income stream from, or return of invested capital in, the Interests, and the Investor acknowledges that the Company is newly organized and has no financial or operating history.
- (d) *Accredited Investor Status.* The Investor is an "Accredited Investor" as defined in Section 1(b) and Part C of this Subscription Agreement. The documentary evidence listed in Appendix A-1 that has been delivered to the Company or the person or entity issuing the certification in the form of Appendix A-2, as applicable, is true, accurate and complete, and the documentary evidence regarding liabilities of the Investor if any, identifies all direct or indirect liabilities of the Investor, and no other liabilities exist as of the date hereof.
- (e) *Investment Experience.* The Investor has the requisite knowledge and experience in financial and business matters so as to be capable of evaluating the risks and merits of an investment in Interests and of protecting the Investor's interest in connection with this investment. The overall commitment to investments that are not readily marketable is not disproportionate to investors overall individual net worth and his or her investment in Interests will not cause such overall commitment to become excessive. The Investor has adequate means of providing for his or her financial requirements, both current and anticipated, and has no need for liquidity in this investment and is willing to accept the economic risk of losing his or her entire investment in the Interests.
- (f) *Investment Intent and Acquisition for Own Account.* The Investor is acquiring Interests for investment purposes for the Investor's own account and not for the account of others and is not entering into this Agreement with the present intention of selling, transferring, or subdividing all or any portion of the Interests acquired and presently intends to hold the same until the

Company is terminated. The Investor has not distributed the Memorandum to anyone other than his or her advisors, if any, and no one other than the Investor and his or her advisors, if any, has used the Memorandum.

- (g) *No Advertising.* The Investor has not seen, received, been presented with, or been solicited by any publicly distributed leaflet, public promotional meeting, newspaper or magazine article or advertisement, radio or television advertisement, or any other form of advertising or other general solicitation with respect to the sale of Interests.
- (h) *Due Incorporation or Formation; Authorization of Agreement.* If the Investor is a corporation, partnership, limited liability partnership, limited liability company, trust or other entity, it is duly organized or duly formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation and has the corporate or partnership power and authority to own its property and carry on its business as owned and carried on at the date hereof and as contemplated hereby. The Investor was not organized for the specific purpose of acquiring Interests. The Investor is duly licensed or qualified to do business and in good standing in each of the jurisdictions in which the failure to be so licensed or qualified would have a material adverse effect on its financial condition or its ability to perform its obligations hereunder. The Investor (and the individual(s) signing on behalf of the Investor) has the individual, corporate, or partnership power and authority to execute and deliver this Subscription Agreement and the Operating Agreement and to perform its obligations hereunder and, if the Investor is a corporation or partnership, the execution, delivery, and performance of this Subscription Agreement and the Operating Agreement has been duly authorized by all necessary corporate or partnership action. This Subscription Agreement and the Operating Agreement constitute the legal, valid, and binding obligations of such Member. This Subscription Agreement constitutes legal, valid, and binding obligations of the Investor. The Operating Agreement, when the Investor's subscription is accepted by the Company, will constitute a legal, valid, and binding obligation of such Member.
- (i) *Governmental Authorizations.* Any registration, declaration or filing with, or consent, approval, license, permit or other authorization or order by, any governmental or regulatory authority, domestic or foreign, that is required in connection with the valid execution, delivery, acceptance and performance by the Investor under this Subscription Agreement and the Operating Agreement or the consummation by the Investor of any transaction contemplated hereby has been completed, made or obtained on or before the date of this Subscription Agreement.
- (j) *Litigation.* There are no actions, suits, proceedings or investigations pending or, to the knowledge of the Investor or any of its Affiliates, threatened against or affecting the Investor or any of its Affiliates or any of their properties, assets or businesses in any court or before or by any governmental department, board, agency or instrumentality, domestic or foreign, or any arbitrator which could, if adversely determined (or, in the case of an investigation could lead to any action, suit, or proceeding, which if adversely determined could) reasonably be expected to materially impair the Investor's ability to perform its obligations under this Subscription Agreement or the Operating Agreement or to have a material adverse effect on the consolidated financial condition of the Investor; and the Investor or any of its Affiliates has not received any currently effective notice of any default, and the Investor or any of its Affiliates is not in default, under any applicable order, writ, injunction, decree, permit, determination, or award of any court, any governmental department, board, agency, or instrumentality, domestic or foreign, or any arbitrator which could reasonably be expected to materially impair the Investor's ability to perform its obligations under this Subscription Agreement or the Operating Agreement or to have a material adverse effect on the consolidated financial condition of the Investor.
- (k) *No Disposition in Violation of Law.* Without limiting the representations set forth above or anything contained in this Subscription Agreement or the Operating Agreement, the Investor will not make any disposition of all or any part of its Interests which will result in the violation of the Act, any applicable state securities laws, or the Operating Agreement.
- (l) *No Assurance of Tax Benefits.* The Investor acknowledges that there can be no assurance that the Internal Revenue Code of 1986, as amended (the "Code"), or the Treasury Regulations will not be amended or interpreted in the future in such a manner so as to deprive the Company and the Members of some or all of the tax benefits they might now receive, nor that some of the deductions claimed by the Company or the allocations of items of income, gain, loss, deduction or credit among the Members may not be challenged by the Internal Revenue Service or the applicable state taxing authority.
- (m) *Tax Consequences.* The Investor acknowledges that the Interests are ownership interests in an entity treated as a partnership for income tax purposes; that the income tax treatment of an investment in a partnership is different than the income tax treatment of an investment in a corporation, real estate investment trust or other type of business entity; that the Company will issue Forms K-1 to its investors for purposes of income tax reporting and compliance, and that it may need to request extensions of time in which to file its annual income tax returns. The Investor acknowledges that the tax consequences to the Investor of investing in the Company will depend on the Investor's particular circumstances, and neither the Company, the Manager, the Members, nor the partners, shareholders, managing member, agents, officers,

directors, employees, Affiliates, or consultants of any of them will be responsible or liable for the tax consequences to the Investor of an investment in the Company. The Investor will look solely to, and rely upon, the Investor's own advisers with respect to the tax consequences of an investment in the Interests.

- (n) *Consultation with Attorney.* The Investor has been advised to consult with independent counsel regarding all legal matters concerning an investment in the Company and the tax consequences of participating in the Company, and has done so, to the extent considered necessary.
- (o) *Notification.* The Investor agrees to immediately notify the Manager if any representation and warranty should be or become untrue or inaccurate.
- (p) *Continuing Representations and Warranties.* The Investor agrees that the representations, warranties, covenants, and agreements made by the Investor in the Operating Agreement are hereby incorporated into this Subscription Agreement by reference and are fully binding on the Investor. All representations, warranties, covenants, acknowledgments and agreements contained herein or in the Operating Agreement, or that have otherwise been made by the Investor are true, correct and complete as of the date hereof and shall be true, correct and complete on the date the Investor becomes a Member, and shall survive such date. The Investor acknowledges and agrees that this Subscription Agreement shall survive changes in the transactions, documents and instruments contemplated by the Operating Agreement which are not material.
- (q) *Cooperation.* Within five (5) days after receipt of a request from the Company, the Investor hereby agrees to provide such information and to execute and deliver such documents as may be reasonably necessary to comply with any and all laws and ordinances to which the Company is subject.
- (r) *Representatives and Fiduciaries.* If the undersigned is purchasing the Interests in a representative or fiduciary capacity, e.g., serving as a qualified intermediary, the representations and warranties contained herein (and in any other written statement or document delivered to the Seller in connection herewith) shall be deemed to have been made on behalf of the person or persons for whom the Interests are being purchased.
- (s) *Non-Bad Actor Certification.* The undersigned hereby represents that neither it nor any of its Rule 506(d) Related Parties is a "bad actor" within the meaning of Rule 506(d) promulgated under the Act. For purposes of this Subscription Agreement, "Rule 506(d) Related Parties" shall mean persons or entities covered by the "Bad Actor disqualification" provision of Rule 506(d) of the Act.

3. **Legal Significance and Indemnification.** The Investor acknowledges and understands the meaning and legal consequences of the information, representations and warranties provided by the Investor herein and/or attached hereto and that the Company, the Manager, the Dealer Manager, the Selling Group Members and their respective shareholders, members, officers, directors, employees and agents, have relied upon such information, representations and warranties in making its determination to accept or reject this subscription for Interests. The Investor hereby agrees to indemnify and hold harmless the Company, the Manager, the Selling Group Members, and their respective shareholders, members, officers, directors, employees and agents, from and against any and all loss, expense, damage or liability (including attorney's fees, judgments, fines and amounts paid in settlement, payable as incurred) due to or arising from any misrepresentation or misstatement of facts or omission to represent or state facts made by the Investor including, without limitation the information in this Subscription Agreement.

4. **Special Power of Attorney.** The Investor does hereby irrevocably constitute and appoint the Manager, with full power of substitution, the true and lawful attorney-in-fact for the Investor with respect to the Company, granting unto such attorney-in-fact full power and authority in such Investor's name, place and stead to execute, acknowledge, and deliver, and to file or record in any appropriate public office: (a) any certificate or other instrument that may be necessary, desirable, or appropriate to qualify the Company as a limited liability company or to transact business as such in any jurisdiction in which the Company conducts business; (b) any certificate or amendment to the Company's articles of organization or to any certificate or other instrument that may be necessary, desirable, or appropriate to reflect an amendment approved in accordance with the provisions of the Operating Agreement; (c) any certificates or instruments that may be necessary, desirable, or appropriate to reflect the dissolution and winding up of the Company; (d) any certificates necessary to comply with the provisions of the Operating Agreement; and (e) any promissory notes, security agreements, UCC-1 financing statements or any other documents required to obtain financing for the Company as further provided in the Operating Agreement or the Memorandum. This power of attorney is a special power of attorney coupled with an interest and is irrevocable and shall survive the death or incapacity of the Investor and/or the transfer of the Investor's Economic Interest. This power of attorney may be exercised by the Manager for the Investor by a facsimile signature of or on behalf of the Manager or by listing the Investor or all Investors or Members and by executing any instrument with a single signature of or on behalf of the Investor, acting as attorney-in-fact for all of them; and shall survive the delivery of an assignment by any Member of the whole or any portion of such Member's Interests; except that where the assignee thereof has been approved by the Manager for admission to the Company as a substituted Member, the special power of attorney shall

survive the delivery of the assignment for the sole purpose of enabling the person to execute, acknowledge, and file any instrument necessary to effect the substitution. Notwithstanding the existence of this power of attorney, the Investor agrees to join in the execution, acknowledgment, and delivery of the instruments referred to above if requested to do so by a Manager.

5. **Privacy Notice.** The Investor has received a notice regarding privacy of financial information under the U.S. Federal Trade Commission privacy rule, 15 C.F.R. Part 313 (the “Privacy Rule”), and agrees that the Interests are a financial product that the Investor has requested and authorized. In accordance with Section 14 of the Privacy Rule, the Investor acknowledges and agrees that the Company may disclose nonpublic personal information of the Investor to the Company’s accountants, attorneys and other service providers as necessary to effect, administer and enforce the Company’s and the Members’ rights and obligations.
6. **Anti-Money Laundering Representations.** The Investor hereby acknowledges that the Company seeks to comply with all applicable laws concerning money laundering and related activities. In furtherance of those efforts, the Investor hereby represents, warrants and agrees that, to the best of the Investor’s knowledge based upon appropriate diligence and investigation: (a) none of the cash or property that the Investor has paid, will pay or will contribute to the Company has been or shall be derived from, or related to, any activity that is deemed criminal under United States law; and (b) no contribution or payment by the Investor to the Company, to the extent that it is within the Investor’s control, shall cause the Company or the Manager to be in violation of the United States Bank Secrecy Act, the United States Money Laundering Control Act of 1986 or the United States International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001. The Investor shall promptly notify the Manager if any of the representations in this section cease to be true and accurate regarding the Investor. The Investor agrees to provide to the Manager any additional information regarding the Investor that the Manager deems necessary or convenient to ensure compliance with all applicable laws concerning money laundering and similar activities.
7. **Governing Law.** As provided in Part D of this Subscription Agreement, any dispute, controversy or other claim arising under, out of or relating to this Subscription Agreement or any of the transactions contemplated thereby, or any amendment thereof, or the breach or interpretation thereof, shall be determined and settled in accordance with the laws of the State of Delaware, pursuant to litigation with venue solely in the City of Irvine, County of Orange, State of California.

**PART A  
SUBSCRIPTION INFORMATION**

**SECTION 1**

**SUBSCRIPTION AMOUNT** \$ \_\_\_\_\_ OR \_\_\_\_\_ Interest(s) of limited liability company interests in Integris Secured Credit Fund II LLC.

- Initial Investment – Minimum Invested Capital of \$100,000 or 100 Interests (unless otherwise approved by the General Partner)
- Additional Investment – Minimum \$0.01 (or 0.00001 Interest)
- Reduced Commission Purchase at \$ \_\_\_\_\_ per Interest

**SECTION 2**

**OWNERSHIP TYPE** (select only one)

- |                          |   |                          |                   |
|--------------------------|---|--------------------------|-------------------|
| <input type="checkbox"/> | Individual Ownership  | <input type="checkbox"/> | Tenants in Common |
| <input type="checkbox"/> | Community Property  | <input type="checkbox"/> | UGMA              |
| <input type="checkbox"/> | Joint Tenants with Right of Survivorship  | <input type="checkbox"/> | UTMA              |
| <input type="checkbox"/> | Legal Entity (select one): <input type="checkbox"/> Corporation <input type="checkbox"/> Company <input type="checkbox"/> Limited Partnership <input type="checkbox"/> LLC                                    |                          |                   |
| <input type="checkbox"/> | Trust (select one): <input type="checkbox"/> Revocable <input type="checkbox"/> Irrevocable   |                          |                   |
| <input type="checkbox"/> | Employee Benefit Plan (select one): <input type="checkbox"/> Profit Sharing <input type="checkbox"/> 401k   |                          |                   |
| <input type="checkbox"/> | Individual Retirement Account (select one): <input type="checkbox"/> Traditional <input type="checkbox"/> Rollover <input type="checkbox"/> Roth <input type="checkbox"/> SEP <input type="checkbox"/> SIMPLE |                          |                   |
| <input type="checkbox"/> | Other (explain): _____  |                          |                   |

**SECTION 3**

**INVESTMENT TITLE** Please indicate how to legally identify your investment

Vesting Name: \_\_\_\_\_

SSN/TIN #: \_\_\_\_\_

Jurisdiction (legal entities): \_\_\_\_\_

**SECTION 4**

**ADDITIONAL DOCUMENTATION.** If you are investing as any of the below, please submit the following documentation or appropriate certification along with your Subscription Agreement.

**Corporation/Company:** Please submit a copy of the Articles of Incorporation and Corporate Resolution or similar documentation stating powers of authority and signature(s), or complete Attachment C.

**Limited Partnership/LLC:** Please submit a copy of the full Partnership/Operating Agreement, including any amendments, or complete Attachment C.

**Trust:** Please submit a copy of the trust agreement pages that state the name, date, trustee(s), power(s) of trustee(s), and signature(s), or complete Attachment D.

**Employee Benefit Plan:** Please submit a copy of the plan document pages that state the name, date, trustee(s)/beneficiary(ies), power(s) of trustee(s)/beneficiary(ies), and signatures. If applicable, please also submit a copy of the adoption agreement.

**IRA:** Please submit your custodian's completed investment authorization forms.

**PART A  
SUBSCRIPTION INFORMATION (CONTINUED)**

**SECTION 5**

**CUSTODIAN INFORMATION** (if applicable) \*

Name of Custodian: \_\_\_\_\_ Tax ID #: \_\_\_\_\_

Custodian Account #: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

**Custodian Authorization**

*\*For all Custodian Accounts – the completed Subscription Agreement should be sent directly to the Investor’s Custodian. The Custodian will forward the Subscription Agreement and fund investment amounts to Phoenix American Financial Services, Inc.*

**SECTION 6**

**TRANSFER OF DEATH BENEFICIARY INFORMATION** (Individual or Joint Tenant Accounts Only)

Name: \_\_\_\_\_ SSN/TIN #: \_\_\_\_\_ Primary: \_\_\_\_\_ %

Name: \_\_\_\_\_ SSN/TIN #: \_\_\_\_\_ Primary: \_\_\_\_\_ %

**SECTION 7**

**DISTRIBUTIONS** (please indicate to whom distributions should be sent. If investing via a custodian account, use the address of the custodian below.)

I hereby authorize **Integrus Secured Credit Fund II LLC** to send distributions to my mailing address in Part B (General Investor Information)

I hereby authorize **Integrus Secured Credit Fund II LLC** to send distributions to the following address:

\_\_\_\_\_

\_\_\_\_\_

I hereby authorize **Integrus Secured Credit Fund II LLC** to make automatic deposits into my account at the financial institution below:

Name of Financial Institution: \_\_\_\_\_

Account Type: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

ABA Routing Number

Account Number

**MUST ENCLOSE A VOIDED CHECK IF IT IS A CHECKING OR SAVINGS ACCOUNT**

**PART B  
GENERAL INVESTOR INFORMATION**

Please provide the following Investor information (for entities, information requested below is pertinent to the entity). If you are acting as a custodian for a minor whose funds will be invested, please so indicate, and complete the information as to both yourself and the minor. If the Interests will be held by more than one person, please provide all information for each joint Investor (including trustees/partners/managing members, etc.).

**INVESTOR ONE**

Mr.  Mrs.  Ms. Other \_\_\_\_\_

Name of Investor: \_\_\_\_\_

SSN/Tax ID: \_\_\_\_\_ Date of Birth/Formation Date: \_\_\_\_\_

Residential Address (No P.O. Boxes) (Principal Business Address for Entity): \_\_\_\_\_

Mailing Address, if different from above: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address (print): \_\_\_\_\_

Marital Status:  Single  Married  Domestic Partner  Divorced  Widowed

(NOTE: If you are married, and your primary state of residence is a community property state, which are currently Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin, and the Interests are to be held as your separate property, then your spouse must sign the Consent of Spouse form, Attachment B hereto.)

**INVESTOR TWO/SPOUSE**

Mr.  Mrs.  Ms. Other \_\_\_\_\_

Name of Investor: \_\_\_\_\_

SSN: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

If Investor Two/Spouse has an identical address and the same  
contact information as Investor One, **check here**

Residential Address (No P.O. Boxes): \_\_\_\_\_

Mailing Address, if different from above: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address (print): \_\_\_\_\_

Marital Status:  Single  Married  Domestic Partner  Divorced  Widowed

**PART C**  
**ACCREDITED INVESTOR STATUS**

To ensure that the offering of interests in the Partnership is exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"), each Investor must be an "Accredited Investor" as such term is defined in Regulation D under the 1933 Act. The categories of accredited investors are listed below.

**Please check all boxes below that describe the Investor.** If the Investor is a custodian acting for one or more minors, responses below should apply to each minor, *not* the custodian.

- A. INDIVIDUAL WITH \$1 MILLION NET WORTH.** The Investor is a natural person (not an entity), whose individual net worth, or joint net worth with his or her spouse or spousal equivalent, as of the date of the Investor's execution of this Subscription Agreement, exceeds \$1 million, provided that for purposes of calculating such net worth: (1) the Investor's primary residence, personal furnishings, automobiles or other personal property will not be included as an asset; (2) indebtedness that is secured by the Investor's primary residence, up to the estimated fair market value of the primary residence at the time of the closing of the Investor's acquisition of an Interest, will not be included as a liability, provided, however, that if the amount of such indebtedness outstanding at the time of the closing of the Investor's acquisition of an Interest exceeds the amount of indebtedness outstanding 60 days before such time, other than as a result of the acquisition of the primary residence (such as, for example, if the Investor takes out a home equity loan that is not used to acquire a primary residence during such 60-day time frame), the amount of such new indebtedness will be included as a liability; and (3) indebtedness that is secured by the Investor's primary residence is in excess of the estimated fair market value of the primary residence will be included as a liability.
- B. INDIVIDUAL WITH \$200,000 INDIVIDUAL ANNUAL INCOME.** The Investor is a natural person (not an entity), who had an individual income in excess of \$200,000 in each of preceding two years and has a reasonable expectation of reaching same income level in current year.
- C. INDIVIDUAL WITH \$300,000 JOINT ANNUAL INCOME.** The Investor is a natural person (not an entity) who had joint income with his or her spouse in excess of \$300,000 in each of preceding two years and has a reasonable expectation of reaching same income level in current year.
- D. REVOCABLE TRUST.** The Investor is a trust that is revocable by its grantors and *each* of whose grantors is a natural person who satisfies at least one of the requirements for Accredited Investor status set forth in items A, B or C above in this Part C.
- E. IRREVOCABLE TRUST.** The Investor is a trust (other than an ERISA employee benefit plan or a revocable trust) that has at least \$5 million of assets, was not formed for the purpose of purchasing Interests, and whose purchase is directed by a person who either alone or with his or her purchaser representative (as defined in Rule 501(h) of Regulation D), has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment in the Interests.
- F. ELIGIBLE EMPLOYEE OF THE MANAGER or THE COMPANY.** The Investor is a natural person (not an entity) who serves the Manager or the Company of Integris Secured Credit Fund II LLC., in the capacity of director, executive officer, manager, or general partner.
- G. ANY ENTITY WITH \$5,000,000 OF INVESTMENTS NOT FORMED FOR THE PURPOSE OF ACQUIRING INTERESTS.** The Investor is any type of entity that legally exists today or a form of entity that may exist or be formed in the future, that was not formed for the purpose of purchasing Interests and has investments in excess of \$5,000,000. For this purpose, "investments" are defined by reference to Rule 2a51-1(b) under the Investment Company Act of 1940, as amended (the "Investment Company Act").
- H. GOVERNMENT BENEFIT PLAN.** The Investor is a plan established and maintained by a state, its political subdivisions (e.g., municipalities), or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets of at least \$5,000,000.
- I. EMPLOYEE BENEFIT PLAN.** The Investor is an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of \$5,000,000;
- J. IRA OR SIMILAR BENEFIT PLAN.** The Investor is an IRA, Keogh, or similar benefit plan, which is directed by and covers only a non-employee natural person who satisfies at least one of the requirements for Accredited Investor status set forth in items A, B or C above in this Part C.

- K. PARTICIPANT-DIRECTED EMPLOYEE BENEFIT PLAN ACCOUNT.** The Investor is a participant-directed employee benefit plan (e.g., many 401(k) plans), investing at the direction of and for the account of a participant who is a natural person who satisfies at least one of the requirements for Accredited Investor status set forth in items A, B or C above in this Part C
- L. PROFESSIONAL DESIGNATIONS.** The Investor holds a current Series 7, Series 65, or Series 82 FINRA license.
- M. KNOWLEDGEABLE EMPLOYEE OF PRIVATE FUND.** For securities offered by an issuer that qualifies as a private fund, the Investor is a “knowledgeable employee” of the fund as defined in Rule 3c-5(a)(4) under the Investment Company Act.
- N. INVESTMENT ADVISERS.** The Investor is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), or an investment adviser registered under the laws of the various states and exempt reporting advisers under Section 203(m) or Section 203(l) of the Advisers Act.
- O. FAMILY OFFICE.** The Investor is a “family office,” as defined by the “family office rule” set forth in Rule 202(a)(11)(G)-1 of the Advisers Act that has total assets in excess of \$5,000,000, was not formed for the purpose of purchasing interests and whose investments are directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment.
- P. OTHER INSTITUTIONAL INVESTOR (check one).**  A bank, as defined in Section 3(a)(2) of the 1933 Act (whether acting for its own account or in a fiduciary capacity);  a “savings and loan association,” “building and loan association,” “cooperative bank,” “homestead association,” or similar institution, as such terms are defined in Section 3(a)(5)(A) of the 1933 Act (whether acting for its own account or in a fiduciary capacity);  a broker-dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended;  an insurance company, as defined in Section 2(13) of the 1933 Act;  an investment company registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”);  a small business investment company licensed under Section 301(c) or (d) of the Small Business Investment Act of 1958, as amended (the “Small Business Investment Act”);  a business development company as defined in Section 2(a)(48) of the Investment Company Act; or  a private business development company, as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended (the “Investment Advisers Act”).
- Q. ENTITY OWNED ENTIRELY BY ACCREDITED INVESTORS.** A corporation, limited liability company, partnership, rural business investment company or similar entity, *each* of whose equity owners’ net worth satisfies at least one of the requirements for Accredited Investor status set forth above in this Part C.

**PART D**  
**REPRESENTATIONS, WARRANTS, COVENANTS & ACKNOWLEDGEMENTS OF INVESTOR**

\_\_\_\_\_      \_\_\_\_\_  
Initials      Initials

I hereby covenant and agree that any dispute, controversy, or other claim arising under, out of or relating to this Agreement or any of the transactions contemplated hereby, or any amendment thereof, or the breach or interpretation hereof or thereof, shall be determined and settled in accordance with the laws of the State of Delaware, pursuant to litigation with venue solely in the City of Irvine, County of Orange, State of California.

THE PARTIES HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVE ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS AGREEMENT OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION HEREWITH.

\_\_\_\_\_      \_\_\_\_\_  
Initials      Initials

Neither I nor any subsidiary, affiliate, owner, shareholder, partner, member, indemnitor, guarantor or related person or entity: (a) is a Sanctioned Person (as defined below); (b) has more than 15% of its assets in Sanctioned Countries (as defined below); or (c) derives more than 15% of its operating income from investments in, or transactions with Sanctioned Persons or Sanctioned Countries. For purposes of the foregoing, a "Sanctioned Person" means: (a) a person named on the list of "specially designated nationals" or "blocked persons" maintained by the U.S. Office of Foreign Assets Control ("OFAC") at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>, or as otherwise published from time to time, or (b) (i) an agency of the government of a Sanctioned Country, (ii) an organization controlled by a Sanctioned Country, or (iii) a person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC. A "Sanctioned Country" shall mean a country subject to a sanctions program identified on the list maintained by OFAC and available at <http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx> or as otherwise published from time to time.

\_\_\_\_\_      \_\_\_\_\_  
Initials      Initials

In lieu of receiving documents by mail, I authorize the Company and Manager to make available through its password protected website portal for Investors at [www.integrisinvc.com](http://www.integrisinvc.com), correspondence, monthly statements, quarterly and annual reports, supplements, announcements or other documents required to be delivered to me, as well as any investment updates, and to notify me via e-mail when such reports or updates are available. In addition, I hereby authorize that any such documents, including documents that may contain my personal or private information, may be e-mailed to the address identified in Part B #1(h), and I hereby consent to delivery of such documents to me at such e-mail address. In addition, I hereby authorize that any such documents, including documents that may contain my personal or private information, may be e-mailed to the address identified in Part B #1(h), and I hereby consent to delivery of such documents to me at such e-mail address.

\_\_\_\_\_      \_\_\_\_\_  
Initials      Initials

I hereby acknowledge, agree and request that if there is a financial advisor, financial representative and/or custodian of record on this investment, that he/she shall be provided with copies of and/or access to all communication and correspondence between me and the Company and its General Partner and/or Manager and/or designated Transfer Agent/Fund Administrator, relating to my investment in the Company, including but not limited to distribution communications, monthly, quarterly and/or annual reports, as may be applicable. I further understand that it is my responsibility to inform the Company and Manager of any changes that occur in the future with respect to contact information for the financial advisor, financial representative or custodian of record.

\_\_\_\_\_      \_\_\_\_\_  
Initials      Initials

I hereby acknowledge that I have received and reviewed the Memorandum, the Operating Agreement, and all exhibits thereto, and all other information I consider necessary or appropriate for deciding whether to purchase Interests. I have had an opportunity to ask questions and receive answers from the Manager regarding the terms and conditions of purchase of Interests and regarding the business, financial affairs, and other aspects of the Company and have further had the opportunity to obtain all information (to the extent the Company possesses or can acquire such information without unreasonable effort or expense) which I deem necessary to evaluate the investment and to verify the accuracy of information otherwise provided. Except as set forth in the documents described in the first sentence of this attestation, no representations, warranties, comparative statements, or inducements have been provided or made to me by the Manager, the Dealer Manager, or any officer, employee or representative of either the Manager or

the Dealer Manager, and I am not relying on any representations or warranties other than those contained in the Operating Agreement and the Memorandum. In deciding to acquire the Interests, I hereby acknowledge that I am relying solely on advice provided to me by my financial representative (broker dealer, registered representative, or registered investment advisor).

I hereby acknowledge that I cannot expect to be able to liquidate my investment readily in case of emergency and that I may have to continue to bear the risk of holding the Interests for an indefinite period of time. I understand that distributions are not guaranteed and may be delayed, reduced, or eliminated altogether, and I also understand that an investment in the Interests is highly speculative and that I may lose all of my investment in the Interests. I am not dependent on the potential income stream from, or return of capital invested in, the Interests.

\_\_\_\_\_  
Initials    Initials

I hereby acknowledge that the Interests are ownership interests in an entity treated as a partnership for income tax purposes, and I understand that the income tax treatment of an investment in a partnership is different than the income tax treatment of an investment in a corporation, real estate investment trust or other type of business entity. **I hereby acknowledge that the Company will issue Forms K-1 to its investors for purposes of income tax reporting and compliance, and that I may need to request extensions of time in which to file its annual income tax returns.** I understand that the tax consequences of investing in the Company will depend on my particular circumstances, and neither the Company, the Manager, the Members, nor the managers, shareholders, general partners, agents, officers, directors, employees, Affiliates, or consultants of any of them, will be responsible or liable for the tax consequences of an investment in the Partnership. I agree that I will look solely to, and rely upon, my own advisers with respect to the tax consequences of an investment in the Interests.

\_\_\_\_\_  
Initials    Initials

**IMPORTANT  
DISCLOSURES**

**THE INTERESTS IN THE COMPANY HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. THE INTERESTS HAVE BEEN OFFERED PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND THE SECURITIES LAWS OF CERTAIN STATES AND MAY NOT BE SOLD, TRANSFERRED, PLEDGED OR OTHERWISE DISPOSED OF UNLESS THE TRANSACTION RELATED THERETO WILL COMPLY WITH OR BE EXEMPT WITHIN THE MEANING OF THE SECURITIES ACT AND THE RULES AND REGULATIONS OF THE SEC AND OF APPROPRIATE STATE AUTHORITIES AND APPLICABLE STATE SECURITIES LAWS. NEITHER THE SEC NOR ANY STATE SECURITIES REGULATORY AUTHORITY HAS MADE AN INDEPENDENT ASSESSMENT OF WHETHER THE INTERESTS OFFERED HEREIN ARE EXEMPT FROM REGISTRATION.**

**THE INTERESTS IN THE COMPANY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES LAWS OF ANY STATE, BUT ARE BEING OFFERED AND SOLD FOR PURPOSES OF INVESTMENT AND IN RELIANCE ON THE STATUTORY EXEMPTIONS CONTAINED IN SECTION 4(2) OF THE SECURITIES ACT AND IN RELIANCE ON APPLICABLE EXEMPTIONS UNDER STATE SECURITIES LAWS. SUCH INTERESTS MAY NOT BE SOLD, PLEDGED, TRANSFERRED OR ASSIGNED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT THEREUNDER OR IN A TRANSACTION OTHERWISE IN COMPLIANCE WITH THE SECURITIES ACT, APPLICABLE STATE SECURITIES LAWS AND THIS AGREEMENT.**

**PART E  
SIGNATURES OF ACCEPTANCE**

**IN WITNESS WHEREOF**, the Investor has executed this Subscription Agreement as of \_\_\_\_\_, 20\_\_\_\_, upon acceptance of the Investor's subscription evidenced by the Manager signature below, hereby agrees to become a Member of the Company and agrees to be bound by all the terms and provisions imposed on a Member set forth in the Limited Liability Company Operating Agreement.

**SIGNATURE FOR INDIVIDUAL INVESTOR**

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name of Joint Investor/Spouse)

\_\_\_\_\_  
(Signature)

**SIGNATURE FOR ENTITY INVESTOR**

\_\_\_\_\_  
(Print Name of Entity Investor)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name of Person Signing)

\_\_\_\_\_  
(Signature)

**\*\*\* Attention All Investors \*\*\***

**Your signature(s) is/are also required on the next page for the Limited Liability Company Operating Agreement.**

**LIMITED LIABILITY COMPANY OPERATING AGREEMENT (INVESTOR) - SIGNATURE PAGE**

IN WITNESS WHEREOF, the undersigned has executed this SIGNATURE PAGE to that certain Limited Liability Company Agreement (the "Operating Agreement") of INTEGRIS SECURED CREDIT FUND II, LLC., as of this\_day of

\_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_, \_\_\_\_\_.  
(City) (State)

X \_\_\_\_\_  
Signature – Member (INVESTOR) Date

X \_\_\_\_\_  
Signature – Member (INVESTOR) Date

## MANAGER ACCEPTANCE

Integrus Manager 2, LLC, a Delaware limited liability company, the Manager of the Company, hereby accepts this Subscription Agreement.

Dated: \_\_\_\_\_, 20\_\_\_\_

Integrus Manager 2, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
William A. Shopoff, President & CEO

**This Offering is limited to investors who the Company can verify meet all of the qualifications set forth in the Memorandum.**

**In order to verify these qualifications, please provide *EITHER*:**

- a) the documentary evidence listed in Appendix A-1 to the Subscription Agreement shown below**
- OR**
- b) a certification in the form of Appendix A-2 to the Subscription Agreement**

### **APPENDIX A-1**

#### **Documentary Evidence of Accredited Investor Status**

A. In regard to whether an Investor is an Accredited Investor on the **basis of income**:

1. Any Internal Revenue Service form that reports the Accredited Investor's income for the two most recent years (including, but not limited to, Form W-2, Form 1099, Schedule K-1 to Form 1065, and Form 1040); and
2. Recent pay stubs or evidence of other cash distributions or payments demonstrating a likelihood of reaching the income level necessary to qualify as an Accredited Investor during the current year.

**OR**

B. In regard to whether an Investor is an Accredited Investor on the **basis of net worth** or total assets, please provide both Assets and Liability information detailed below:

1. Assets: Any of the following documents dated within 90 days of the closing:
  - (i) bank statements;
  - (ii) brokerage statements and other statements of securities holdings;
  - (iii) certificates of deposit, tax assessments, and appraisal reports issued by independent third parties.
2. Liabilities:
  - (i) For individuals, a consumer report issued within 30 days of the closing from at least one of Equifax, Experian or TransUnion.
  - (ii) For an entity, UCC lien search results within 30 days of the closing from the jurisdictions of its principal place of business and state of incorporation.

## APPENDIX A-2

### CERTIFICATION OF ACCREDITED INVESTOR QUALIFICATION

The undersigned understands that this certificate will be relied upon by Integris Secured Credit Fund II, LLC (the “Company”) in determining the status of the person identified below as an “accredited investor.” The undersigned understands that no sale of securities will be made to such person unless such person is an “accredited investor” as that term is defined in Rule 501 under the Securities Act of 1933, as amended (the “Securities Act”). The undersigned understands that the Company intends to rely on Rule 506(c) of the Securities Act as a safe harbor from the registration requirements under the Securities Act.

The undersigned hereby certifies as follows:

1. [The undersigned is authorized to sign this Certificate on behalf of my firm and that] [the undersigned is]/[the undersigned’s firm is] one of the following (please check one):
  - a registered broker-dealer as that term is defined under the Securities Exchange Act of 1934, as amended; or
  - an SEC-registered investment adviser, registered under the Investment Advisers Act of 1940, as amended; or
  - an attorney licensed in the United States; or
  - a certified public accountant.
  
2. The undersigned has taken all reasonable steps necessary to verify that the following investor (the “Investor”) is an “accredited investor” as that term is defined in Rule 501(a) under the Securities Act.

*Investor Name:* \_\_\_\_\_

*Investor Address:* \_\_\_\_\_
  
3. When determining the reasonableness of the steps undertaken to verify that the person identified in paragraph (2) above is an accredited investor, the undersigned considered a number of factors, including: (i) the nature of the person and the type of accredited investor that such person claims to be; (ii) the amount and type of information that the undersigned has about such person; and (iii) the nature of the offering, such as the manner in which such person was solicited to participate in the offering, and the terms of the offering, such as a minimum investment amount.
  
4. The undersigned’s performance of reasonable steps to verify accredited investor status included verification of the following documents (collectively, as applicable, the “Supporting Documents”):
  - For verification based on income: (i) obtaining any IRS form issued to the Investor (an “Income Verification Form”) that reports income, including but not limited to Form W-2 (Wage and Tax Statement), Form 1099 (report of various types of income), Schedule K-1 of Form 1065 (Partner’s Share of Income, Deduction, Credits, etc.) and a copy of a filed Form 1040 (“U.S. Individual Income Tax Return”) for each of the two most recent years, (ii) verifying the authenticity of any Income Verification Form with the issuer thereof, and (iii) receiving a written representation from the Investor in the form of the Back-up Certificate attached hereto as Annex A (the “Back-up Certificate”) that it has a reasonable expectation of reaching the income level necessary to qualify as an accredited investor during the current year and, in the

case of an Investor whose income is based on joint income with that Investor's spouse, obtaining such Income Verification Form for each of the two most recent years in regard to, and obtaining written representations from, both the Investor and the spouse.

- For verification based on the basis of net worth: (i) with respect to assets, obtaining any of the following documentation for each of the prior three months: bank statements, brokerage statements and other statements of securities holdings, certificates of deposit, tax assessments and appraisal reports issued by independent third parties, (ii) with respect to liabilities, obtaining a consumer/credit report from at least one of the nationwide consumer reporting agencies within three business days of the date on which the Investor's accredited investor status is determined (each such document under items (i) and (ii) being a "Net Worth Verification Form"), (iii) verifying the authenticity of any Net Worth Verification Form with the issuer thereof, and (iv) receiving a written representation from the Investor in the form of the Back-up Certificate that all liabilities necessary to make the determination of net worth have been disclosed and, in the case of an Investor whose net worth is based on joint net worth with that Investor's spouse, receiving such written representation from the both the Investor and the spouse.
5. The statements contained in this Certificate are based upon the undersigned's familiarity with the documentation obtained and actions taken by the undersigned to verify accredited investor status. While the undersigned is not aware of any facts that would lead it to believe that either the Supporting Documents or the Back-up Certificate are incomplete or inaccurate, the undersigned makes no affirmative representation as to their completeness or accuracy.
  6. The undersigned will retain adequate records that document the steps taken to verify that the above-identified person is an accredited investor.
  7. The undersigned knows of no facts, circumstances or events that are contrary to or inconsistent with the statements contained in this Certificate.
  8. The undersigned will notify the Company if anything in this Certificate ceases to be true prior to the Company accepting the Investor's investment.
  9. The undersigned agrees to indemnify the Company and its affiliates and hold them harmless from any liability that they may incur as a result of the undersigned's failure to perform reasonable steps as provided above to verify accredited investor status.
  10. The undersigned agrees to indemnify the Company and its affiliates and hold them harmless from any liability that they may incur as a result of this Certificate being untrue in any respect.
  11. The undersigned confirms that (a) a copy of this Certificate has been furnished to the Company; (b) all supporting documentation will be made available to the Company upon written request; and (c) the undersigned will retain the supporting documentation for a period of six (6) years from the date set forth below.
  12. The undersigned acknowledges that this Certificate and any supporting documentation may be furnished to government agencies, offices or bodies upon their request.

By signing this Certificate, the undersigned affirms that the above statements are accurate.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate on the date set forth below.

Dated: \_\_\_\_\_, 20\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

\_\_\_\_\_  
Name of Law Firm, Accounting Firm, Broker Dealer or Investment Adviser (if applicable)



**ATTACHMENT – B**  
**Registered Investment Advisor Information**

Registered Investment Advisor must sign below to complete the Subscription Agreement. Registered Investment Advisor hereby warrants that he/she is duly licensed and may lawfully sell Interests in the State listed in Section 1, Item 2. Registered Investment Advisor further represents and certifies that in connection with this Subscription Agreement for Interests, that he/she has complied with and has followed all applicable policies and procedures under his/her firm's existing Anti-Money Laundering Program and Customer Identification Program.

RIA Firm Name:		Financial Advisor (IAR) Name (Print):	
RIA Firm Address:			
RIA Firm City:	RIA Firm State:	RIA Firm Zip Code:	
IAR (IARD) Number:	Branch Number <i>(if applicable)</i> :	IAR Telephone Number:	
IAR Address:			
IAR City:	IAR State:	IAR Zip Code:	
IAR E-Mail Address:		IAR Fax Number:	

**This Subscription Agreement was made as follows:**

**Through a participating RIA\* unaffiliated with a participating *Broker-Dealer* (\* A participating RIA has entered into an *Introducing Agreement*.)**

**By initialing here, I acknowledge that I WILL NOT RECEIVE A COMMISSION.**

Investment Advisor Representative: \_\_\_\_\_  
(Please Print) (Signature)

**ATTACHMENT – C**  
**Corporate/LLC/LP Resolution**

(To be completed only by Corporate/LLC/LP Subscribers in lieu of Articles of Incorporation and Corporate Resolution or similar documentation)

This form may be used by any new/current investor(s) (an "Investor") to grant designated officer(s), member(s), or partner(s) of an Entity (Corporation/LLC/LP) full authority regarding an investment in **Integrus Secured Credit Fund II LLC**.

DATE: \_\_\_\_\_

I hereby certify that pursuant to:

- A. a valid meeting of the board of directors/members/partners of \_\_\_\_\_ an entity organized and existing under and by virtue of the laws of the State of \_\_\_\_\_ (the "Entity"), on \_\_\_\_\_ (date of incorporation or formation) at which said meeting a quorum was present and acting throughout; or
- B. a valid written consent of such a board of directors/members/partners,

The following resolution was adopted and remains in full force and effect without modification through the date set forth above:

**RESOLVED**, that any officers/members/partners of the Entity listed below are, and any one of them hereby is, fully authorized, empowered, and directed to invest and to make any modifications to investments in **Integrus Secured Credit Fund II LLC**. and that each of such officers/members/partners is hereby authorized empowered, and directed to execute, deliver on behalf of the Entity and cause the Entity to perform, under any and all agreements, instruments and other documents, and to take such actions as such officer may reasonably deem necessary or advisable to carry out such investments or modifications thereto.

I further certify that the authority thereby conferred is not inconsistent with the Charter or By-Laws/Agreements of this Entity, and that the following is a true and correct list of the officers/members/partners of the Entity as of the present date.

**OFFICERS / MEMBERS / PARTNERS:** Please list all officers/members/partners of the Entity so authorized.

Name: _____ Ownership)	Title: _____
---------------------------	--------------

Name: _____ Ownership)	Title: _____
---------------------------	--------------

Name: _____ Ownership)	Title: _____
---------------------------	--------------

*In witness whereof, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.*

Authorized Signatory: \_\_\_\_\_  
Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

**ATTACHMENT – D**  
**Trustee Certification of Investment Powers**

(To be completed only by Trust Subscribers in lieu of trust agreement) This form may be used in connection with investments held by a trust in **Integrus Secured Credit Fund II LLC**.

**I. TRUST INFORMATION:**

Complete Name of Trust:		
Date of Trust:	Date of the Latest Amendment:	Revocable/Living Trust: (Yes or No)
Trust Beneficiary #1:		Trust Beneficiary #2:

**II. AUTHORIZED INDIVIDUALS:**

You are authorized to accept orders and other instructions from those individuals or entities listed below, unless their authority is expressly limited on this certification (attach extra pages, if necessary)

Please select one of the following three options:

- The Trustee(s) listed below may act as a majority as provided in the trust document referenced above.
- The Trustee(s) listed below may act independently as provided in the trust document referenced above.
- The Trustee(s) listed below must act collectively as provided in the trust document referenced above.

**III. INVESTMENT PERMITTED:**

- A. We certify that we have the power under the Trust and applicable law to enter into transactions involving the establishment and modification of subscriptions pertaining to investment in **Integrus Secured Credit Fund II LLC**, in respect of which the Trust has submitted a completed subscription agreement.
- B. We understand you, at your sole discretion and for your sole protection, may require the written consent of any or all of the Trustees prior to acting upon the instructions of any individual Trustee. We, the Trustee(s), jointly and severally shall indemnify you and hold you harmless from any liability for affecting any orders, transaction, and instructions, if you act pursuant to instructions you believe to have been given by any of the authorized individuals listed under Section IV (or Section V, as applicable) below.
- C. We agree to inform you in writing of any amendment to the Trust that affects its interest in **Integrus Secured Credit Fund II LLC**, or its actions in respect thereto, or any change in the composition of the Trustee(s), or any other event that could materially alter the certification made above. You may rely on the continued validity of this certification indefinitely absent actual receipt of such notice.

**CI. TRUSTEE(S) SIGNATURES:**

All Trustees must sign. Should only one person execute this agreement, it shall constitute a representation that the signer is the sole Trustee. Attach extra pages if necessary.

Trustee Name (Print):	Signature:	Date:
Trustee Name (Print):	Signature:	Date:
Trustee Name (Print):	Signature:	Date:

**V. SUCCESSOR TRUSTEE(S): (Please complete this section if applicable)**

Successor Trustee Name (Print):	Signature:	Date:
Successor Trustee Name (Print):	Signature:	Date:

**ATTACHMENT – E**

**W-9, Request for Taxpayer Identification Number and Certification**

**(attached)**

# Request for Taxpayer Identification Number and Certification

**Give Form to the  
requester. Do not  
send to the IRS.**

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
2 Business name/disregarded entity name, if different from above	
<p>3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.</p> <p><input type="checkbox"/> Individual/sole proprietor or single-member LLC      <input type="checkbox"/> C Corporation      <input type="checkbox"/> S Corporation      <input type="checkbox"/> Partnership      <input type="checkbox"/> Trust/estate</p> <p><input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____</p> <p><b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</p> <p>Other (see instructions) ▶ _____</p>	<p>4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) _____</p> <p>Exemption from FATCA reporting code (if any) _____</p> <p><small>(Applies to accounts maintained outside the U.S.)</small></p>
5 Address (number, street, and apt. or suite no.) See instructions. <input type="checkbox"/>	Requester's name and address (optional)
6 City, state, and ZIP code	
7 List account number(s) here (optional)	

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>										
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				-		-				
or										
<b>Employer identification number</b>										
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## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

<b>Sign Here</b>	Signature of U.S. person ▶ _____	Date ▶ _____
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## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions) • Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

**Note:** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
  - An estate (other than a foreign
  - A domestic trust (as defined in Regulations section

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

### Payments you receive will be subject to backup withholding

- if:**
1. You do not furnish your TIN to the requester,
  2. You do not certify your TIN when required (see the instructions for Part II for details),
  3. The IRS tells the requester that you furnished an incorrect TIN,
  4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
  5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

## What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note: ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity." If the owner of the disregarded entity is a foreign person, the name.

owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

### Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n)	THEN check the box for
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

### Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for	THEN the payment is exempt for
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 2
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

## Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

## Line 6

Enter your city, state, and ZIP code.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/Businesses](http://www.irs.gov/Businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.**

You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.**

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLÉ accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
6. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor <sup>*</sup>
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner <sup>2</sup>
9. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

**\*Note:** The grantor also must provide a Form W-9 to trustee of trust.

**Note:** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**Secure Your Tax Records From Identity Theft**

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.**

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov) or report them at [www.ftc.gov/complaint](http://www.ftc.gov/complaint). You can contact the FTC at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see [www.IdentityTheft.gov](http://www.IdentityTheft.gov) and Pub. 5027.

Visit [www.irs.gov/IdentityTheft](http://www.irs.gov/IdentityTheft) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

**EXHIBIT B**

**FORM OF NOTE EVIDENCING COMPANY LOAN**

[attached]

## SECURED PROMISSORY NOTE

**Borrower:** Shopoff Borrower SPE 4, LLC, a Delaware limited liability company (the "Borrower")

**Lender:** Integris Secured Credit Fund II, LLC, a Delaware limited liability company, and its successors and/or assigns (the "Lender")

**Maximum Note Amount:** Ten Million and No/100 Dollars (\$10,000,000.00)

**Date Made:** November 9, 2022

**Scheduled Maturity Date:** February 28, 2025

1. Principal. For value received, the Borrower promises to pay, in lawful money of the United States of America, to the order of the Lender at 18565 Jamboree Rd., Suite 200, Irvine, CA 92612, or at such other place as the Lender may designate in writing from time to time, the principal sum shown above, or so much thereof as may be advanced and outstanding, together with Interest (defined below) from the date of disbursement until repaid, payable at the rates and in the manner provided in this Secured Promissory Note (this "**Note**") below.

2. Disbursements; Maximum Loan to Value. The Lender shall make one or more advances to the Borrower up to the maximum amount of this Note (each, an "**Advance**"), subject in each case to the satisfaction of the following conditions precedent (as determined by the Lender in its reasonable but sole discretion):

- a. No Event of Default has occurred and is continuing;
- b. Immediately after the making of the Advance, the principal balance under this Note shall not exceed the Maximum LTV (as defined in this Section 2 below); and
- c. The Borrower has paid all costs, expenses, and fees, including, without limitation, title fees, recording fees, and reasonable attorneys' fees and costs, incurred by the Lender in connection with the Advance.

Notwithstanding anything herein to the contrary, the outstanding principal balance under this Note at the time any Advance is made shall in no event exceed fifty percent (50%) (the "**Maximum LTV**") of the sum of the value, as reasonably determined in accordance with Schedule "1" hereto, of the collateral under the Mesa Verde Pledge and the pledged collateral under Borrower Pledge. The Borrower acknowledges that it has no right to proceeds of this Note other than to have the same disbursed in accordance with the terms and conditions hereof.

3. Interest Rate. Absent an Event of Default hereunder, interest ("**Interest**") on the outstanding principal amount of this Note shall accrue as of the date of each Advance at an annual rate equal to twelve percent (12%). All accrued and unpaid interest on the disbursed and outstanding principal balance of this Note (from time to time) shall be due and payable within twenty (20) business days following the last day of each calendar quarter (i.e. March 31, June 30, September 30 and December 31), commencing on March 31, 2023, and continuing thereafter until the entire principal balance under this Note has been paid in

accordance with Section 4 below. Interest on this Note is computed on a 360 simple interest basis, *i.e.*, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding.

4. Term and Repayment.

a. The principal balance evidenced by this Note, together with all unpaid interest accrued thereon, shall be due and payable on the earliest to occur of the following (the “**Maturity Date**”): (i) a Transfer (defined below) or other Event of Default under this Note or any of the other Loan Documents; or (ii) February 28, 2025. Time is of the essence. The Lender’s right to receive payment under this Note shall continue in full force and effect until the Borrower has paid all amounts due hereunder in full, including all principal, Interest, Minimum Interest (as defined in Section 5 below), fees, and Default Interest due, if any.

THE BORROWER ACKNOWLEDGES AND UNDERSTANDS THAT THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE, PLUS ALL ACCRUED BUT UNPAID INTEREST THEREON, SHALL BE DUE AND PAYABLE TO THE LENDER ON THE MATURITY DATE. THE BORROWER FURTHER UNDERSTANDS AND ACKNOWLEDGES THAT THIS NOTE DOES NOT PROVIDE FOR FULL AMORTIZATION OF THE BALANCE, AND THEREFORE, UPON THE MATURITY DATE, A BALLOON PAYMENT OF PRINCIPAL AND ACCRUED AND UNPAID INTEREST WILL BE REQUIRED. THE BORROWER ALSO ACKNOWLEDGES THAT UPON AN EVENT OF DEFAULT, UNPAID INTEREST SHALL BE ADDED TO PRINCIPAL.

b. Notwithstanding Section 4(a) above, by written mutual consent of the Lender and the Borrower, the scheduled Maturity Date hereunder may be extended (with respect to all or any part of the principal advanced hereunder) for up to twelve (12) months (the “**Extended Term**”).

c. All payments of principal and interest due hereunder must be made without deduction of any present and future taxes, levies, imposts, deductions, charges or withholdings, which amounts must be paid by the Borrower. The Borrower shall pay the amounts necessary such that the gross amount of the principal and interest received by the Lender is not less than that required by this Note. If the Borrower is required by law to deduct any such amounts from or in respect of any principal or interest payment hereunder, then (i) the sum payable to the Lender shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this provision) the Lender receives an amount equal to the sum it would have received had no deductions been made, (ii) the Borrower shall make such deductions, and (iii) the Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. The Borrower shall pay all stamp and documentary taxes. If, notwithstanding the foregoing, the Lender pays such taxes, the Borrower shall reimburse the Lender for the amount paid. The Borrower shall furnish the Lender with official tax receipts or other evidence of payment of all taxes.

5. Prepayment; Application of Payments. Payments received from the Borrower shall, unless otherwise required by applicable law, be applied as follows: first to unpaid collection costs, then to any accrued unpaid Default Interest, then to any outstanding fees, then to accrued unpaid Interest (including Minimum Interest, if applicable), and any remaining amount to principal. The Borrower may prepay at any time, in full or in part, principal advanced hereunder and all accrued and unpaid Interest thereon, without penalty or fee, provided that, in the event that the Borrower makes a prepayment hereunder at any prior to February 28, 2024, then the Borrower shall be required to pay to the Lender, concurrently with such prepayment, an amount equal to all Interest that would otherwise have accrued on the principal prepaid through and including February 28, 2024 (“**Minimum Interest**”). A prepayment of principal and Interest

shall not affect the Borrower's obligation to pay any accrued Default Interest pursuant to this Note. The Lender shall not be obligated to re-advance to the Borrower any sums prepaid by the Borrower, whether prepaid voluntarily or involuntarily pursuant to the terms of any Loan Documents (as hereinafter defined).

BY INITIALING BELOW, THE BORROWER ACKNOWLEDGES AND AGREES THAT, NOTWITHSTANDING ANY LEGAL REQUIREMENT TO THE CONTRARY, IT HAS NO RIGHT TO PREPAY THIS NOTE WITHOUT THE PAYMENT OF ANY APPLICABLE MINIMUM INTEREST AND THAT IT SHALL BE LIABLE FOR THE PAYMENT OF THE MINIMUM INTEREST (IF APPLICABLE) IN CONNECTION WITH THE PREPAYMENT OF THIS NOTE AFTER THE ACCELERATION OF THIS NOTE IN ACCORDANCE WITH THE TERMS HEREOF. FURTHERMORE, BY INITIALING BELOW, THE BORROWER WAIVES ANY RIGHTS IT MAY HAVE UNDER CALIFORNIA CIVIL CODE SECTION 2954.10 (IF APPLICABLE), OR ANY SUCCESSOR STATUTE, AND ACKNOWLEDGES AND AGREES THAT THE LENDER HAS MADE THE LOAN IN RELIANCE ON THE FOREGOING WAIVER AND AGREEMENTS OF THE BORROWER AND THAT THE LENDER WOULD NOT HAVE MADE THE LOAN WITHOUT SUCH WAIVER AND AGREEMENTS OF THE BORROWER.

INITIAL: \_\_\_\_\_

6. Use of Loan Proceeds. The Borrower agrees that the proceeds of the loan evidenced by this Note shall be used solely to provide one or more loans (collectively, the "**Borrower Loans**") to Urban Pacific Shopoff Workforce Housing Land Fund, LLC, a Delaware limited liability company (the "**Land Fund**"), to pay certain expenses of the Land Fund and to provide capital to its wholly owned subsidiary UPSWH LF I, LLC, and/or any other subsidiary formed with the consent of Borrower (each, a "**Land Fund Subsidiary**", and collectively the "**Land Fund Subsidiaries**"), which Land Fund Subsidiaries shall acquire purchase rights, options, or other such interests in real property to be entitled or otherwise repositioned for development (each, a "**Land Fund Project**"). Notwithstanding the foregoing, the Borrower expressly acknowledges and agrees that the documents evidencing each Borrower Loan shall provide that neither the Land Funds nor any Land Fund Subsidiary shall use or permit the use of the proceeds of any Borrower Loan for the purpose of making an investment or other outlay in any new Land Fund Project (i.e. any Land Fund Project in which the Land Fund or any Land Fund Subsidiary did not hold an existing direct or indirect interest at the time of such investment or outlay) at any time during the Extended Term, if applicable. Each of the Borrower Loans shall be secured by, among other things, one or more pledges by the Land Fund (collectively, the "**Land Fund Pledge**"), substantially in the form attached hereto to the Borrower Pledge as Exhibit "A" (or in such other form as reasonably approved by the Lender), of one hundred percent (100%) of the membership interests of the Land Fund in each Land Fund Subsidiary and any other property or assets owned or held by the Land Fund.

7. Security. This Note is secured by, among other things:

- a. that certain *Pledge and Security Agreement* of even date herewith (the "**Borrower Pledge**") to the Lender by the Borrower pursuant to which the Borrower has pledged and collaterally assigned to the Lender all of its right, title, and interest under any instrument evidencing or securing any Borrower Loan, including all right, title, and interest of Borrower under any Land Fund Pledge; and
- b. that certain *Pledge and Security Agreement* of even date herewith (the "**Mesa Verde Pledge**", and collectively with the Borrower Pledge, the "**Pledge Agreements**") to Lender by SRI - Managing Member 3, LLC ("**SRI**") [being the sole manager of SOF – Mesa Verde, LLC, being the

“Administrative Member” (as defined in the limited partnership agreement of the Mesa Verde JV) of AS Mesa Verde Investments JV, LLC (the “**Mesa Verde JV**”), which is the sole member of Mesa Verde Owner, LLC, which owns certain real property located in the unincorporated area of the in the City of Calimesa, County of Riverside, State of California] of all amounts payable to SRI under the limited liability company agreement of SOF – Mesa Verde, LLC with respect to “promote” (i.e. the sponsor's disproportionate share of company profits above a specified return threshold) payable under the limited liability company agreement of the Mesa Verde JV (the “**Mesa Verde Collateral**”); the Mesa Verde Pledge shall be expressly subordinate to that certain *Pledge and Security Agreement* dated [\_\_\_\_\_], 2022 (the “**Senior Pledge Agreement**”) by SRI to Shopoff Borrower SPE 2, LLC, which Senior Pledge Agreement has been collaterally assigned to Shopoff Secured Credit Fund 2, LLC (“**Senior Lender**”).

The obligations of the Borrower under this Note are also guaranteed by Shopoff pursuant to a *Guaranty* (the “**Guaranty**”) being executed by Shopoff and Cindy I. Shopoff concurrently with the Borrower’s execution and delivery of this Note; provided that, upon an Event of Default hereunder, the Lender shall not look to the Guaranty until it has exhausted all of its remedies under the Pledge Agreements and the underlying collateral, including by foreclosing, or attempting to foreclose, on the Land Fund Pledge through its rights under the Borrower Pledge. This Note, together with the Pledge Agreements and the Guaranty, shall collectively be referred to herein as the “**Loan Documents**”.

8. Event of Default. The occurrence of any of the following will be deemed to be an event of default (“**Event of Default**”) hereunder:

a. the Borrower shall default in any payment of the Principal, Interest, Default Interest, Minimum Interest, or other sums due according to the terms of this Note;

b. the occurrence of any other event of default under this Note or any of the other Loan Documents (including any amendment, modification, or extension thereof) which is not cured within any applicable cure period (if any) set forth therein;

c. the occurrence of any event of default under any instrument evidencing and/or securing the interest of the Borrower in the Borrower Loans which is not cured within any applicable cure period (if any) set forth therein;

d. If (i) the Borrower shall commence any case, proceeding or other action (A) under any creditors rights laws seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or the Borrower shall make a general assignment for the benefit of its creditors; (ii) there shall be commenced against the Borrower any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains un-dismissed, undischarged or un-bonded for a period of sixty (60) days; (iii) there shall be commenced against the Borrower any case, proceeding or other action seeking issuance of a warrant of attachment, execution or similar process against all or any substantial part of its assets which results in the entry of any order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; (iv) the Borrower shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) the Borrower shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due.

9. Due on Transfer. The Borrower understands that in making the loan evidenced by this Note, the Lender is relying to a material extent upon the business expertise of the Borrower and SRI and upon the interest which the Borrower has in the Borrower Loans and which SRI has in the Mesa Verde Collateral.

Accordingly, in the event that the Borrower or SRI, directly or indirectly, voluntarily or involuntarily, sells, assigns, transfers, or disposes of any direct or indirect interest (collectively, a “**Transfer**”) in the Borrower Loans or the Mesa Verde Collateral, whether by outright sale by outright sale, installment sale contract, or by any other method of conveyance of an interest in the Borrower Loans or the Mesa Verde Collateral, then the same shall be deemed to increase the risk of the Lender, and the Lender may then, or at any time thereafter, declare all principal, accrued and unpaid interest and all other charges and fees under this Note immediately due and payable, and may exercise all rights and remedies provided in the Loan Documents. Notwithstanding the foregoing, the Lender agrees that it shall enter into an intercreditor agreement or other similar agreement with Senior Lender with respect to the collateral under the Mesa Verde Pledge, and no exercise of remedies by or at the direction of Senior Lender under the Senior Pledge Agreement shall constitute a transfer in violation of this Section 9.

10. No Further Indebtedness. Until the payment in full of all amounts outstanding hereunder, the Borrower may not incur any other indebtedness except (i) indebtedness in favor of the Lender; (ii) unsecured trade payables and operational debt not evidenced by a note; (iii) indebtedness that is expressly subordinated to this Note; and (iv) unsecured indebtedness incurred on a pari passu basis with this Note, the proceeds of which are applied to the reduction of the Borrower’s existing outstanding indebtedness.

11. Remedies. If there is an Event of Default, then in addition to any other rights or remedies available to the Lender, the Lender may declare the entire principal balance under this Note together with all accrued and unpaid Interest and Default Interest immediately due and payable.

12. Default Interest. If payments of interest, fees, expenses, or principal under this Note shall remain overdue and unpaid after the expiration of any applicable payment period, the Lender shall be entitled to damages for the detriment caused thereby, and interest shall thereafter accrue on the principal amount at a rate equal to the lesser of (a) 15% per annum, simple interest or (b) the maximum rate of interest which may be collected from the Borrower under applicable law (the “**Default Interest**”) until such amounts are paid. On the occurrence of an Event of Default (inclusive of any cure periods with respect thereto), the Lender shall be entitled to damages for the detriment caused thereby and the Borrower, without notice or demand by the Lender, shall thereafter pay Default Interest until the Event of Default is cured. The Borrower recognizes that its default in making payments when due as provided herein, or otherwise causing an Event of Default to occur hereunder, will require the Lender to incur additional expense in servicing this Note and loss to the Lender of the use of the money due and that damages caused thereby would be extremely difficult and impractical to ascertain. The Borrower agrees that the accrual of Default Interest is a reasonable estimate of the damage to the Lender in the event of late payment and that the accrual of Default Interest following any other default is a reasonable estimate of the damage to the Lender in the event of such other default. Nothing in this paragraph shall be construed as an obligation on the part of the Lender to accept, at any time, less than the full amount then due hereunder, or as a waiver or limitation of the Lender’s right to compel prompt performance.

13. Collection Expenses. After an Event of Default, the Borrower shall reimburse the Lender within twenty (20) days of the demand for all reasonable legal fees and other costs and expenses incurred in collecting or enforcing this Note and protecting or realizing upon any collateral, together with Default Interest specified above. Without limitation, such shall include fees, costs and expenses incurred with or without suit and in any appeal, proceeding, bankruptcy action, state receivership, or in any post-judgment collection proceedings.

14. Lender’s Records as to Sums Owed. Absent manifest error, the Lender’s records as to the amounts of principal, Interest, and other sums owing hereunder shall be conclusive and binding.

15. Usury Savings Clause. Notwithstanding any provision herein, the total liability for payments in the nature of interest shall not exceed the applicable limits imposed by any applicable state or federal interest rate laws. If any payments in the nature of interest, additional interest, or other charges made hereunder are held to be in excess of the applicable limits imposed by any applicable state or federal laws, it is agreed that any such amount held to be in excess shall be considered payment of principal and the indebtedness evidenced thereby shall be reduced by such amount, or if such excessive interest exceeds the unpaid principal balance of this Note, such excess shall be refunded to the Borrower. All sums paid pursuant to this Note, to the extent permitted by applicable law, shall be amortized, prorated, allocated, and spread throughout the full term of this Note until payment in full so that the actual rate of interest is uniform throughout the actual term of this Note or does not exceed the maximum lawful rate throughout the entire term of this Note as appropriate.

16. ARBITRATION OF DISPUTES. ANY DISPUTE, CLAIM OR CONTROVERSY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE BREACH, TERMINATION, ENFORCEMENT, INTERPRETATION, OR VALIDITY THEREOF, INCLUDING THE DETERMINATION OF THE SCOPE OR APPLICABILITY OF THIS AGREEMENT TO ARBITRATE, SHALL BE DETERMINED BY ARBITRATION. THE ARBITRATION SHALL BE ADMINISTERED BY *JAMS* PURSUANT TO ITS COMPREHENSIVE ARBITRATION RULES AND PROCEDURES. JUDGMENT ON THE AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. THIS CLAUSE SHALL NOT PRECLUDE PARTIES FROM SEEKING PROVISIONAL REMEDIES IN AID OF ARBITRATION FROM A COURT OF APPROPRIATE JURISDICTION.

\_\_\_\_\_  
Borrower's Initials

17. Borrower's Waivers. The Borrower hereby waives diligence, demand, presentment for payment, notice of non-payment, protest, and notice of protest, and specifically consents to and waives notice of any renewals or extensions of this Note, whether made to or in favor of the Borrower or any person or persons. The Borrower expressly waives all rights to the benefit of any statute of limitations and any moratorium, reinstatement, marshaling, forbearance, or extension now or hereafter provided by the Constitution or the laws of the United States or of any state thereof, as a defense to any demand against the Borrower, to the fullest extent permitted by law.

18. Lender's Rights; No Waiver by Lender. The rights, powers, and remedies of the Lender under this Note shall be in addition to all rights, powers, and remedies given to the Lender under the Loan Documents, and any other agreement or document securing or evidencing the indebtedness evidenced hereby or by virtue of any statute or rule of law, including, without limitation, the California Uniform Commercial Code. All such rights, powers, and remedies shall be cumulative and may be exercised successively or concurrently in the Lender's sole discretion without impairing the Lender's security interest, rights, or available remedies. Any forbearance, failure, or delay by the Lender in exercising any right, power, or remedy shall not preclude further exercise thereof, and every right, power, or remedy of the Lender shall continue in full force and effect until such right, power or remedy is specifically waived in a writing executed by the Lender. The Borrower waives any right to require the Lender to proceed against any person or to pursue any remedy in the Lender's power.

19. Sophisticated Borrower. The Borrower represents to the Lender that the Borrower and its officers, directors, members, managers, and controlling persons have a "preexisting personal or business relationship" (as such term is defined in the California Corporate Code §25118) and that the Borrower, by reason of its own business and financial experience or that of its professional advisers, has the "capacity to protect its own interests in connection with the transactions" (as such term is defined in the California

Corporate Code §25118) contemplated by this Secured Promissory Note, the other Loan Documents and all other documents and agreements executed in connection therewith.

20. Reimbursement of Lender's Expenses. Borrower covenants and agrees to reimburse Lender, upon receipt of notice from Lender, for all costs and expenses (including attorneys' fees and disbursements) incurred by Lender in connection with (i) the preparation, negotiation, execution and delivery of this Note, the other Loan Documents, and the consummation of the transactions contemplated hereby and thereby, or (ii) the formation of and offering of interests in Lender (including without limitation all costs in connection with the preparation of its organizational documents and offering memoranda, and any selling commissions, dealer fees, registration costs, and other such fees and expenses).

21. Miscellaneous. This Note shall be construed, enforced, and otherwise governed by the laws of the State of California, irrespective of the application of any conflicts of laws rules. (Subject to the restrictions on transfer set forth herein, this Note shall bind the successors and assigns of the Borrower and all endorsers hereto and shall inure to the benefit of the Lender, and the Lender's successors and assigns. This Note may not be modified except by a written agreement signed by both the Lender and the Borrower. Time is of the essence with respect to each and every term and provision of this Note.

*[Signature on Following Page]*

IN WITNESS WHEREOF, the Borrower has executed this Note as of the day and year first set forth above.

**BORROWER:**

SHOPOFF BORROWER SPE 4, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Name:  
Title:

## **SCHEDULE "1"**

### **ASSET VALUE TABLE**

- Estimated Net Present Value of the Mesa Verde Collateral: \$ \_\_\_\_\_
- Estimated Net Present Value of collateral under the Borrower Loans: The "Fair Market Value", as determined by the Borrower, of the pledged interests in the Land Fund Subsidiaries. To the extent that the Lender disputes the Borrower's determination of the "Fair Market Value" of such pledged interest, the Lender shall have the right to appoint a qualified independent MAI appraiser to determine the "Fair Market Value" of such interest, and such determination by such appraiser shall be binding for purposes of this Note.

For the purpose hereof, "Fair Market Value" shall mean the average price in terms of money which the interests of the Land Fund in the Land Fund Subsidiaries will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably in an arms' length transaction, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (i) buyer and seller are typically motivated; (ii) each party is well informed or well advised and is acting in what it considers its own best interest; (iii) a reasonable time is allowed for exposure in the open market; (iv) payment is made in cash or its equivalent; (v) financing, if any, is on terms generally available in the community at the specified date and typical for the property type in its locale; and (vi) the price represents a normal consideration for the property sold unaffected by special financing arrangements and/or terms, services, fees, costs, or credits incurred in the transaction.

**EXHIBIT C**

**FORM OF PLEDGE AND SECURITY AGREEMENT**

[attached]

**PLEDGE AND SECURITY AGREEMENT**  
**(Promote Interest – SOF - Mesa Verde, LLC)**

THIS PLEDGE AND SECURITY AGREEMENT (this “**Pledge Agreement**”), is made as of November 9, 2022, by SRI - MANAGING MEMBER 3, LLC, a Delaware limited liability company (“**Pledgor**”), for the benefit of INTEGRIS SECURED CREDIT FUND II, LLC, a Delaware limited liability company, and its successors and/or assigns (“**Secured Party**”).

**RECITALS**

A. SOF – Mesa Verde, LLC, a Delaware limited liability company (“**SOF MV**”), is the “Administrative Member” (as defined in the limited liability company agreement of Mesa Verde JV) of AS Mesa Verde Investments JV, LLC (the “**Mesa Verde JV**”), which is the sole member of Mesa Verde Owner, LLC, which owns certain real property consisting of a 1,463-acre site located in the unincorporated area of the in the City of Calimesa, County of Riverside, State of California.

B. Pledgor is the sole manager of SOF MV.

C. Secured Party has agreed to make a loan to SHOPOFF BORROWER SPE 4, LLC, a Delaware limited liability company (“**Borrower**”), in the maximum principal amount of Ten Million and No/100 Dollars (\$10,000,000.00) (the “**Loan**”), which Loan is evidenced by that certain *Secured Promissory Note* of even date herewith (the “**Note**”). Capitalized terms contained herein that are not otherwise defined shall have the meaning given to such terms in the Note.

D. As a condition to making the Loan, Secured Party has required the execution and delivery of this Pledge Agreement by Pledgor, and Pledgor is willing to enter into this Pledge Agreement and pledge and collaterally assign to Secured Party all of its rights, title, and interest in and to the Collateral (as defined in Section 2(a)) below, all in accordance with the terms and conditions set forth herein.

E. Pledgor and its principals acknowledge that they will receive material benefits from the making of, and performance of the parties under, the Loan and, in turn, from the making of this Pledge Agreement, which is a requirement under the Note.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Pledgor agrees as follows:

1. **Defined Terms.** As used herein, the following terms shall have the following meanings:

(a) “**Charter Documents**” shall mean the agreements and instruments listed on **Exhibit “A”** hereto, which shall not be amended or modified in violation of Section 5(b) below without the prior written consent of Secured Party.

(b) “**Collateral**” shall have the meaning ascribed thereto in Section 2(a) hereof.

(c) “**Default Rate**” shall mean the interest rate set forth in Section 12 of the Note, being the lesser of (a) 15% per annum, simple interest, or (b) the maximum rate of interest which may be collected from Pledgor under applicable law.

**PLEDGE AND SECURITY AGREEMENT**  
**(Shopoff Borrower SPE 4, LLC)**

THIS PLEDGE AND SECURITY AGREEMENT (this “**Pledge Agreement**”) is made as of November 9, 2022, by SHOPOFF BORROWER SPE 4, LLC, a Delaware limited liability company (“**Pledgor**”), for the benefit of INTEGRIS SECURED CREDIT FUND II, LLC, a Delaware limited liability company and its successors and/or assigns (“**Secured Party**”).

**RECITALS**

A. Secured Party has agreed to make a loan to Pledgor, in the maximum principal amount of Ten Million and No/100 Dollars (\$10,000,000.00) (the “**Loan**”), which Loan is evidenced by that certain *Secured Promissory Note* of even date herewith (the “**Note**”). Capitalized terms contained herein that are not otherwise defined shall have the meanings given to such terms in the Note.

B. Pursuant to the Note, Pledgor has agreed that the proceeds of the Loan shall be used by Pledgor solely to provide one or more loans (collectively, the “**Borrower Loans**”) to Urban Pacific Shopoff Workforce Housing Land Fund, LLC, a Delaware limited liability company (the “**Land Fund**”), to pay certain expenses of the Land Fund and to provide capital to its wholly owned subsidiary UPSWH LF I, LLC and/or any other subsidiary formed with the consent of Pledgor (each, a “**Land Fund Subsidiary**”, and collectively the “**Land Fund Subsidiaries**”), which Land Fund Subsidiaries shall acquire purchase rights, options, or other such interests in real property to be entitled or otherwise repositioned for development (each, a “**Land Fund Project**”). Each of the Borrower Loans shall be secured by certain collateral as more particularly described herein.

C. As a condition to making the Loan, Secured Party has required the execution and delivery of this Pledge Agreement by Pledgor, and Pledgor is willing to enter into this Pledge Agreement and pledge and collaterally assign to Secured Party all of its rights, title, and interest in and to the Borrower Loans, including all collateral thereunder, all in accordance with the terms and conditions set forth herein.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Pledgor agrees as follows:

1. **Defined Terms**. As used herein, the following terms shall have the following meanings:

(a) “**Collateral**” shall have the meaning ascribed thereto in Section 2(b) hereof.

(b) “**Default Rate**” shall mean the interest rate set forth in Section 12 of the Note, being the lesser of (a) 15% per annum, simple interest, or (b) the maximum rate of interest which may be collected from Pledgor under applicable law.

(c) “**Governmental Authority**” shall mean (i) any nation or government (whether domestic or foreign), (ii) any federal, state, provincial, regional, municipal, local, territorial, or other political, governmental, or quasi-governmental subdivision thereof, including any central bank thereof and any comparable authority, (iii) any other judicial, public, statutory or administrative agency, authority, board, body, bureau, commission, department, entity or instrumentality (including any zoning authority, FERC, CPUC, CEPA, the Securities Exchange Commission, the California Energy Commission, the Comptroller of the Currency or the Federal Reserve Board) or any subdivision thereof, or (iv) any other entity exercising

executive, legislative, judicial, taxing, regulatory or administrative powers or functions of any of the foregoing.

(d) “**Lien**” means any of the following: a mortgage, deed of trust, lien (statutory or otherwise), pledge, hypothecation, assignment, preference, priority, security interest, encumbrance or charge on or affecting any Collateral (including the filing of any financing statement or similar instrument under the Uniform Commercial Code or comparable law of any other jurisdiction, domestic or foreign).

(e) “**Person**” shall mean a natural person, a partnership, a joint venture, an unincorporated association, a limited liability company, a corporation, a trust, any other legal entity, or any Governmental Authority.

(f) “**Pledged Interests**” shall have the meaning ascribed thereto in Section 2(b)(i) hereof.

(g) “**Proceeds**” shall mean all proceeds (including proceeds of proceeds) of the Pledged Interests including all: (i) rights, benefits, distributions, premiums, profits, dividends, interest, cash, instruments, documents of title, accounts, contract rights, inventory, equipment, general intangibles, payment intangibles, deposit accounts, chattel paper, and other property from time to time received, receivable, or otherwise distributed in respect of or in exchange for, or as a replacement of or a substitution for, any of the Pledged Interests or proceeds thereof (including any cash or securities or instruments issued after any recapitalization, readjustment, reclassification, merger or consolidation with respect to the issuers and any security entitlements, as defined in Section 8-102(a)(17) of the UCC, with respect thereto); (ii) “proceeds,” as such term is defined in Section 9-102(a)(64) of the UCC; (iii) proceeds of any insurance, indemnity, warranty, or guaranty (including guaranties of delivery) payable from time to time with respect to any of the Pledged Interests or proceeds thereof; (iv) payments (in any form whatsoever) made or due and payable to Pledgor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Pledged Interests or proceeds thereof; and (v) other amounts from time to time paid or payable under or in connection with any of the Pledged Interests or proceeds thereof and all cash or non-cash proceeds of any of the foregoing.

(h) “**Uniform Commercial Code**” and “**UCC**” mean the Uniform Commercial Code in the State of California, as from time to time amended and in effect.

## **2. Pledge and Delivery of Collateral.**

(a) Borrower Loan Collateral. Pledgor hereby agrees that, as a condition to the making of any Borrower Loan to the Pledgor, Pledgor shall cause each Borrower Loan to be secured by, among other things (collectively, the “**Borrower Loan Collateral**”), one or more pledges, substantially in the form attached hereto as Exhibit “A”, or in such other form as reasonably approved by the Lender, by the Land Fund, of one hundred percent (100%) of the membership interests of the Land Fund in each Land Fund Subsidiary and any other monies or property owned or held by the Land Fund.

(b) Pledge by Pledgor. As collateral security for the prompt payment and performance by Pledgor of its obligations under the Note (collectively, the “**Obligations**”), Pledgor hereby irrevocably pledges, assigns, and grants to Secured Party a security interest in all of Pledgor’s right, title, interest, claim and estate in and to each and all of the following property (all being collectively referred to herein as “**Collateral**”):

(i) All right, title, and interest of Pledgor under any instrument evidencing or securing any Borrower Loan, including all right, title, and interest of Pledgor in and to any Borrower Loan Collateral now held by Pledgor or hereafter acquired by Pledgor and whether now existing or

hereafter coming into existence, including all remedies available to Pledgor thereunder (collectively, the “**Pledged Interests**”);

(ii) all agreement, instruments, or other writings representing or evidencing the Pledged Interests;

(iii) any and all moneys, accounts, payment intangibles, general intangibles, or property due and to become due to Pledgor now or in the future in respect of the Pledged Interests or the Borrower Loans;

(iv) all other claims, causes of action, and other property of any type or nature which Pledgor now has or may in the future acquire with respect to the Pledged Interests, including general intangibles relating thereto in any manner or any respect;

(v) to the extent not otherwise included in clauses (i) through (iv), (A) all Proceeds and products of any and all of the property of Pledgor described in clauses (i) through (iv) above, whether now owned and existing or hereafter acquired or arising, including, without limitation, (1) all payments, issues, royalties, distributions, revenues and profits of or from any of the foregoing, (2) whatever is now or hereafter received by Pledgor upon the collection or sale, exchange, transfer or other disposition (whether voluntary or involuntary) of, or otherwise with respect to the Pledged Interests, whether constituting accounts, general intangibles, money, deposit accounts, payment intangibles, goods, chattel paper, documents, instruments, insurance proceeds, securities, and any other tangible or intangible personal property, (3) any such items that are now or hereafter acquired by Pledgor with any Proceeds or products of Collateral, (4) any amounts now or hereafter payable under any insurance policy by reason of any loss or damage to any Collateral or any Proceeds or products thereof, and (5) the right to further transfer, including to pledge, mortgage, license, assign or sell, any of the Collateral or any interest therein, and (B) to the extent related to any property described in said clauses or such Proceeds, all present and future books and records, files, invoices, papers and correspondence relating thereto, including, without limitation, books of account and ledgers of every kind and nature, and all electronically recorded data relating any or all of the Collateral.

(c) Obligations Unconditional. The obligations of Pledgor hereunder are absolute and unconditional, irrespective of the value, genuineness, validity, regularity, or enforceability of the Obligations or any substitution, release, or exchange of any guarantee of or security for any of the Obligations, and, to the fullest extent permitted by applicable law, irrespective of any other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety, it being the intent of this Section 2(c) that the obligations of Pledgor hereunder shall be absolute and unconditional under any and all circumstances.

(d) Financing Statements. Pledgor hereby authorizes Secured Party to file at any time or times, one or more UCC financing statements covering and/or describing the Collateral and UCC assignment financing statements assigning the UCC financing statements which constitute part of the Collateral. Such financing statements may describe as the collateral covered thereby “all assets of the debtor, whether now owned or hereafter acquired” or words to that effect, notwithstanding that such collateral description may be broader in scope than the Collateral described herein. Notwithstanding the preceding sentence, in no event shall any collateral description which is broader in scope than the Collateral described herein result in an increase of the collateral securing the Obligations beyond the Collateral as described herein.

**3. Reinstatement**. The obligations of Pledgor under this Pledge Agreement shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of Pledgor in respect of the

Obligations is rescinded or must be otherwise restored by any holder of any of the Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and Pledgor agrees that it will indemnify Secured Party on demand for all reasonable, actual costs and expenses (including, without limitation, reasonable fees of counsel) incurred by Secured Party in connection with such rescission or restoration.

**4. Representations, Warranties of Pledgor.** Pledgor represents and warrants as of the date hereof that:

(a) Existence; Capacity. Pledgor (i) is a limited liability company duly organized and validly existing under the laws of the State of Delaware; (ii) has all requisite power, and has all governmental licenses, authorizations, consents, and approvals required to own its assets and carry on its business as now being or as proposed to be conducted; and (iii) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary under applicable law.

(b) Litigation. There are no legal or arbitral proceedings or any proceedings by or before any Governmental Authority or other agency, now pending or (to the knowledge of Pledgor) threatened against Pledgor and/or the Collateral.

(c) No Breach. None of the execution and delivery of this Pledge Agreement by Pledgor, the consummation of the transactions herein contemplated and compliance with the terms and provisions hereof or thereof will conflict with or result in a breach of, or require any consent under (except such consents that have been obtained on or prior to the date hereof), any organizational documents of Pledgor, any applicable law or regulation, or any order, writ, injunction or decree of any court or Governmental Authority, or any material agreement or material instrument to which Pledgor is a party or by which it is bound or to which it is subject or constitute a default under any such agreement or instrument, or (except for the security interest granted pursuant to this Pledge Agreement) result in the creation or imposition of any Lien upon any assets or revenues of Pledgor.

(d) Necessary Action. Pledgor has all requisite power and authority to execute, deliver and perform its obligations under this Pledge Agreement; the execution, delivery, and performance by Pledgor of this Pledge Agreement has been duly authorized by all necessary action; and this Pledge Agreement has been duly and validly executed and delivered by Pledgor and constitutes its legal, valid and binding obligation, enforceable against Pledgor in accordance with its terms, subject to bankruptcy, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights in general and to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(e) Approvals. No authorizations, approvals and consents of, and no filings and registrations with, any Governmental Authority or under the organizational documents of Pledgor or any other Person are necessary (except such approvals that have been obtained on or prior to the date hereof) for (i) the execution, delivery or performance by Pledgor of this Pledge Agreement or for the validity or enforceability thereof, (ii) the grant by Pledgor of the security interests granted hereby, or the pledge by Pledgor of the Collateral pursuant hereto, (iii) the perfection or maintenance of the pledge and security interest created hereby (including, without limitation, the first priority nature of such pledge and security interest) except for the filing of financing statements under the Uniform Commercial Code or (iv) the exercise by Secured Party of all or any of the rights and remedies in respect of the Collateral pursuant to this Pledge Agreement.

(f) Ownership. Pledgor owns one hundred percent (100%) of the Pledged Interests. The Pledged Interests are not and will not be subject to any contractual restriction upon the transfer of Pledgor's right, title, and interest therein. Pledgor has good title to the Collateral, free and clear of all Liens whatsoever, except the lien and the security interest created by this Pledge Agreement.

(g) Principal Place of Business. Pledgor's principal place of business is 18565 Jamboree Rd., Suite 200, Irvine, CA 92612. Pledgor will not change Pledgor's principal place of business or state of organization/formation unless Pledgor has previously notified Secured Party thereof and taken such action as may be requested by Secured Party in its reasonable discretion to cause the security interest of Secured Party in the Collateral to be continuously perfected.

(h) Valid Security Interest. This Pledge Agreement creates a valid security interest in the Collateral, securing the Obligations, and upon the filing in the appropriate filing offices of the UCC financing statements to be filed in accordance with this Pledge Agreement, such security interests will be perfected, first priority security interests, and all filings and other actions necessary to perfect such security interests will have been taken.

**5. Covenants of Pledgor.** Pledgor covenants that:

(a) No Transfer. Pledgor has not and will not (i) sell, assign, transfer, exchange, or otherwise dispose of, or grant any option with respect to, the Collateral or any interest therein, (ii) create, incur or permit to exist any Lien with respect to any Collateral, or any interest therein, or any Proceeds thereof, except for the security interest provided for by this Pledge Agreement.

(b) Preservation of Collateral. Pledgor hereunder or as reasonably requested by Secured Party shall preserve, protect, maintain or enforce the Collateral and the security interests granted herein. If Pledgor shall fail to take the necessary action to preserve the Collateral within ten (10) days after written demand or request by Secured Party, Secured Party may, in its discretion, for the account and expense of Pledgor pay any amount or do any act required of Pledgor. Any such payment shall be deemed an advance by Secured Party to Pledgor and shall be payable by Pledgor within ten (10) days after receipt of any such written demand or request, together with interest thereon which shall accrue at the Default Rate from the date that is ten (10) days after the date on which Pledgor receives written demand or request thereof from Secured Party until the date Secured Party is paid.

(c) Warranty of Title. Pledgor shall warrant and defend the right, title, and interest of Secured Party in and to the Collateral and the Proceeds thereof against the claims and demands of all Persons whomsoever other than Secured Party pursuant to this Pledge Agreement. Any interest, securities, Lien or option with respect to the Pledged Interests issued in violation of this Pledge Agreement shall be void *ab initio*.

(d) Files and Records. Pledgor shall maintain, at their principal office, and, upon reasonable request (including advance notice and during normal business hours), make available to Secured Party the originals, or copies in any case where the originals have been delivered to Secured Party of the instruments, documents, policies, and agreements constituting the Collateral (to the extent not held by Secured Party) and related documents and instruments, and all files, surveys, certificates, correspondence, appraisals, accounting records and other information and data relating to the Collateral.

(e) Litigation. Pledgor shall promptly give to Secured Party notice of all pending legal or arbitration proceedings against Pledgor arising after the date hereof, and of all proceedings pending by or before any Governmental Authority against Pledgor arising after the date hereof or, if Pledgor obtains actual knowledge of such threat, threatened in writing, which relates to the Collateral which, if adversely determined, would be reasonably likely to materially adversely affect the Collateral.

(f) Loans. Except with respect to the Borrower Loans, Pledgor has not and will not make any loans to any Person, including any partners or affiliates of any partners of Pledgor.

(g) Existence, Etc. Pledgor shall comply in all material respects with the requirements of all applicable laws, rules, regulations and orders of Governmental Authorities; and pay and discharge all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of their property prior to the date on which penalties attach thereto, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings.

(h) No Impairment of Collateral. Pledgor will not take, or permit any action to be taken, to impair, diminish the value of, or subordinate the Collateral, or to impair, terminate or otherwise affect Secured Party's security interest in the Collateral, or otherwise make the Collateral unavailable to Secured Party.

**6. Further Assurances; Remedies.** In furtherance of the grant of the pledge and security interest pursuant to Section 2 hereof, Pledgor hereby agrees with Secured Party as follows:

(a) Delivery and Other Perfection. Pledgor shall:

(i) if any of the above-described Collateral required to be pledged by Pledgor under Section 2(b) hereof is received by Pledgor, forthwith either (x) transfer and deliver to Secured Party such Collateral so received by Pledgor, all of which thereafter shall be held by Secured Party, pursuant to the terms of this Pledge Agreement, as part of the Collateral or (y) take such other action as Secured Party shall deem reasonably necessary or appropriate to duly file on record the security interest created hereunder in such Collateral referred to in said Section 2(b);

(ii) give, execute, deliver, file, and/or record any financing statement, notice, instrument, document, agreement, or other papers that may be necessary or desirable (in the reasonable judgment of Secured Party) to create, preserve, perfect or validate the security interest granted pursuant hereto or to enable Secured Party to exercise and enforce its rights hereunder with respect to such pledge and security interest; provided, however, that the amount of the Obligations shall not be increased thereby, nor any other terms or provisions of the Note materially altered; and

(iii) permit representatives of Secured Party, upon reasonable advance notice, at any time during normal business hours to inspect and make abstracts from its books and records pertaining to the Collateral, and permit representatives of Secured Party to be present at Pledgor's place of business to receive copies of all communications and remittances relating to the Collateral, and forward copies of any notices or communications received by Pledgor with respect to the Collateral, all in such manner as Secured Party may reasonably require.

(b) Preservation of Rights. Except in accordance with applicable law, Secured Party shall not be required to take steps necessary to preserve any rights against prior parties to any of the Collateral.

(c) Pledged Interests.

(i) Pledgor shall not and shall not have the right to directly or indirectly, without the prior written consent of Secured Party, attempt to waive, alter, amend, modify, supplement or change the Collateral, Secured Party's rights therein, or release, subordinate, terminate or cancel in whole or in part, or give any consent under, any of the instruments, documents, policies or agreements constituting the Collateral or exercise any of the rights, options or interests of Pledgor as a party, holder, mortgagee or beneficiary thereunder except as otherwise expressly permitted hereunder. Pledgor agrees that all rights to do any and all of the foregoing have been collaterally assigned to, and may be exercised by, Secured Party in accordance with the terms hereof, but Pledgor agrees that, upon reasonable request from Secured Party from time to time, Pledgor shall

do any of the foregoing or shall join Secured Party in doing so or shall confirm the right of Secured Party to do so and shall execute such instruments and undertake such actions as Secured Party may reasonably request in connection therewith. Notwithstanding anything herein to the contrary, so long as no Event of Default shall have occurred and be continuing, Pledgor shall be permitted to exercise all remedies, administrative and approval rights under the Pledged Interests, provided that no action shall be taken that would, in Secured Party reasonable judgment, impair or reduce the value of the Pledged Interests or would result in an Event of Default or be inconsistent with or result in any violation of any provision of the Note or this Pledge Agreement.

(ii) Anything to the contrary notwithstanding, (i) Pledgor shall remain liable under all the instruments, documents, policies, or agreements constituting the Collateral to perform all of its duties and obligations thereunder to the same extent as if this Pledge Agreement had not been executed, (ii) Secured Party shall have no obligation or liability for Pledgor's actions or omissions with respect to the Collateral by reason of this Pledge Agreement, nor shall Secured Party be obligated to perform any of the obligations or duties of Pledgor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

(d) Events of Default. The occurrence of any one or more of the following, after the expiration of any applicable notice and cure period, shall constitute an **"Event of Default"** under this Pledge Agreement:

(i) Failure by Pledgor to pay any monetary amount due under the Note and the continuation of such failure beyond any applicable grace or cure period expressly set forth therein;

(ii) Failure Pledgor to perform any material obligation not involving the payment of money, or to comply with any other material term or condition under the Note, and the continuation of such failure beyond any applicable grace or cure period expressly set forth therein;

(iii) Failure by Pledgor to pay any monetary amount due under this Pledge Agreement and the continuation of such failure beyond any applicable grace or cure period expressly set forth herein;

(iv) Failure by Pledgor to perform any material obligation not involving the payment of money, or to comply with any other term or condition under this Pledge Agreement and the continuation of such failure for the shorter of (A) any applicable notice and grace period(s) expressly set forth in this Pledge Agreement with respect to such obligations, or (B) thirty (30) days after written notice of such failure by Secured Party to Pledgor;

(v) Any representation or warranty by Pledgor in this Pledge Agreement or the Note is false, incorrect, or misleading in any material respect as of the date made;

(vi) If (i) Pledgor shall commence any case, proceeding or other action (A) under any creditors rights laws seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or Pledgor shall make a general assignment for the benefit of its creditors; (ii) there shall be commenced against Pledgor any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or un-bonded for a period of sixty (60) days; (iii) there shall be commenced against Pledgor any case, proceeding or other action seeking issuance of a warrant of attachment, execution or similar process against all or any substantial part of its assets which results in the entry of any order for any such relief which shall not have been vacated, discharged, or stayed or bonded

pending appeal within sixty (60) days from the entry thereof; (iv) Pledgor shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) Pledgor shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

(vii) Any litigation or proceeding is commenced before any Governmental Authority against or affecting Pledgor and such litigation or proceeding is not defended diligently and in good faith by Pledgor and such litigation or proceeding is not covered by insurance and would, if determined adversely to Pledgor, have a material adverse effect on Pledgor's ability to perform its obligations hereunder or under the Note;

(viii) Pledgor conceals, removes, or permits to be concealed or removed, any part of its property, with intent to hinder, delay or defraud its creditors, or makes or suffers a transfer of any of its property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law; or makes any transfer of its property to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid; or suffers or permits while insolvent, any creditor to obtain a lien upon any of its property through legal proceedings which is not vacated within sixty (60) days from the date thereof;

(ix) The lien or security interest of this Pledge Agreement shall lose validity or first priority, or any liens not approved by Secured Party in writing are imposed upon the Collateral or foreclosure is instituted on any liens against the Collateral;

(x) A final judgment or decree for monetary damages or a monetary fine or penalty (not subject to an appeal or as to which the time for appeal has expired) is entered against Pledgor by any Governmental Authority, which together with the aggregate amount of all other such judgments, decrees, fines and penalties against Pledgor that remain unpaid or that have not been discharged or stayed within thirty (30) days after the entry of such judgment or decrees, shall materially adversely effect the business, operations, assets or condition (financial or otherwise) of Pledgor;

(xi) All or a substantial part of the property of Pledgor is attached, levied upon or otherwise seized by legal process in a sum that would affect the ability of Pledgor to perform the monetary or material non-monetary Obligations and/or obligations under this Pledge Agreement, and such attachment, levy or seizure is not quashed, stayed or released within sixty (60) days of the date thereof; or

(xii) The occurrence of an "Event of Default" (beyond any applicable cure period) under any other agreement securing all or any portion of the Obligations (as such term is defined in such other agreement).

(e) Remedies. During any period in which an Event of Default has occurred and is continuing:

(i) Secured Party shall have all of the rights and remedies with respect to the Collateral of a secured party under the Uniform Commercial Code (whether or not said Uniform Commercial Code is in effect in the jurisdiction where the rights and remedies are asserted) and such additional rights and remedies to which a secured party is entitled under the laws in effect in any jurisdiction where any rights and remedies hereunder may be asserted, including, without limitation, the right, to the maximum extent permitted by law, to exercise all voting, consensual and other powers of ownership pertaining to the Collateral as if Secured Party was the sole and absolute owner thereof (and Pledgor agrees to take all such action as may be appropriate to give effect to such right);

(ii) Secured Party in its discretion may, in its name or in the name of Pledgor or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for any of the Collateral, but shall be under no obligation to do so;

(iii) Secured Party may, at its option, apply all or any part of the Collateral in accordance with Section 6(f) hereof;

(iv) Secured Party may with respect to the Collateral or any part thereof which shall then be or shall thereafter come into the possession, custody or control of Secured Party or any of its agents, sell, assign or otherwise dispose of all or any part of such Collateral, at such place or places as Secured Party deems best, and for cash or on credit or for future delivery (without thereby assuming any credit risk), at public or private sale, without demand of performance or notice of intention to effect any such disposition or of time or place thereof (except such notice as is required above or by applicable statute and cannot be waived) and Secured Party or anyone else may be the purchaser, assignee or recipient of any or all of the Collateral so disposed of at any public sale (or, to the extent permitted by law, at any private sale), and thereafter hold the same absolutely, free from any claim or right of whatsoever kind, including any right or equity of redemption (statutory or otherwise), of Pledgor, any such demand, notice or right and equity being hereby expressly waived and released. Unless prohibited by applicable law, Secured Party may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned;

(v) Secured Party may exercise all rights, powers and privileges with respect to the Collateral to the same extent as Pledgor are entitled to exercise such rights, powers and privileges;

(vi) Secured Party may exercise any and all other rights and remedies of Pledgor under or in connection with the Collateral, including, without limitation, any and all rights of Pledgor to demand or otherwise require payment of any amount under, or performance of any provisions of, the Collateral documents.

(f) Application of Proceeds. Except as otherwise herein expressly provided, the Proceeds of any collection, sale, or other realization of all or any part of the Collateral pursuant hereto, and any other cash at the time held by Secured Party under this Section 6, shall be applied by Secured Party:

First, to the payment of the costs and expenses of such collection, sale, or other realization, including reasonable, actual out-of-pocket costs and expenses of Secured Party (including the reasonable fees and expenses of its counsel), and all reasonable, actual third-party costs and expenses made or incurred by Secured Party in connection therewith;

Next, to the payment in full of the Obligations; and

Finally, to the payment to Pledgor, or its successors or assigns, or as a court of competent jurisdiction may direct, of any surplus then remaining.

(g) Attorney-in-Fact. Without limiting any rights or powers granted by this Pledge Agreement to Secured Party, Secured Party is hereby appointed the attorney-in-fact of Pledgor for the purpose of, upon the occurrence and during the continuance of an Event of Default, carrying out the provisions of this Section 6 and taking any action and executing any instruments which Secured Party may deem necessary

or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, so long as Secured Party shall be entitled under this Section 6 to make collections in respect of the Collateral, Secured Party shall have the right and power to receive, endorse and collect all checks made payable to the order of Pledgor representing any payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same.

7. **Termination.** This Pledge Agreement shall survive the exercise of remedies following a default under the Note and shall remain in full force and effect until all Obligations have been indefeasibly paid in full to Secured Party. Upon the indefeasible payment in full of the Obligations, this Pledge Agreement shall terminate automatically, and Secured Party shall forthwith cause to be assigned, transferred, and delivered, against receipt but without any recourse, warranty, or representation whatsoever, any remaining Collateral and money received in respect thereof, to or on the order of Pledgor. Secured Party's obligation to so assign, transfer and deliver shall survive the termination of this Pledge Agreement. Additionally, upon Pledgor's written request for the same, after the repayment in full of the Obligations, Secured Party shall (i) execute and deliver to Pledgor UCC termination statements or similar documents to release Secured Party's lien on the Collateral granted under this Pledge Agreement, and (ii) return to Pledgor any and all certificates, documents or other instruments representing the Pledged Interests that were delivered to Secured Party in accordance with the terms hereof.

8. **Miscellaneous.**

(a) **No Waiver.** No failure on the part of Secured Party or any of its agents to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by Secured Party or any of its agents of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies provided herein are cumulative and are not exclusive of any remedies provided by law.

(b) **Governing Law.** **THIS PLEDGE AGREEMENT WAS NEGOTIATED IN THE STATE OF CALIFORNIA AND MADE BY PLEDGOR AND ACCEPTED BY SECURED PARTY IN THE STATE OF CALIFORNIA, WHICH STATE THE PARTIES AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND TO THE UNDERLYING TRANSACTION EMBODIED HEREIN. IN ALL RESPECTS, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, MATTERS OF CONSTRUCTION, VALIDITY, AND PERFORMANCE, THIS PLEDGE AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA.**

**TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF PLEDGOR AND SECURED PARTY (BY ITS ACCEPTANCE OF THIS PLEDGE AGREEMENT) HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS PLEDGE AGREEMENT AND THIS PLEDGE AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.**

**ANY LEGAL SUIT, ACTION, OR PROCEEDING AGAINST PLEDGOR OR SECURED PARTY ARISING OUT OF OR RELATING TO THIS PLEDGE AGREEMENT MAY AT SECURED PARTY'S OPTION BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE COUNTY**



(g) Expenses, Indemnification.

(i) Pledgor agrees to pay or reimburse Secured Party, or cause Secured Party to be paid or reimbursed, for paying: (A) all reasonable, actual out of pocket expenses of Secured Party (including, without limitation, the reasonable fees and expenses of counsel to Secured Party), in connection with any amendment, modification or waiver of any of the terms of this Pledge Agreement requested or initiated by Pledgor following the date hereof; (B) all reasonable, actual costs and expenses of Secured Party (including reasonable counsel's fees) in connection with any enforcement or collection proceedings resulting from an Event of Default; and (C) all transfer, stamp, documentary or other similar taxes, assessments or charges levied by any Governmental Authority in respect of this Pledge Agreement, or any other document referred to herein and all reasonable costs, expenses, taxes, assessments and other charges incurred in connection with any filing, registration, recording or perfection of any security interest contemplated by this Pledge Agreement or any document referred to herein.

(ii) Pledgor hereby agrees to indemnify Secured Party and its directors, officers, employees and agents from, and hold each of them harmless against, any and all losses, liabilities, claims, damages or expenses incurred by any of them arising out of or by reason of any claim of any Person (A) relating to or arising out of the acts or omissions of Pledgor under this Pledge Agreement either before or after Secured Party has exercised any rights in accordance herewith and the Note (to the extent first arising or accruing prior to Secured Party taking control or possession of the Collateral and for any affirmative action taken by Pledgor relating to the Collateral after Secured Party takes control or possession of the same, but excluding any such losses, liabilities, claims, damages or expenses incurred by reason of the gross negligence, fraud or willful misconduct of Secured Party or the Person to be indemnified), or (B) resulting from the ownership of or security interests in any Collateral, including, without limitation, the reasonable, actual fees and disbursements of counsel incurred in connection with any such investigation or litigation or other proceedings (but excluding any such losses, liabilities, claims, damages or expenses incurred by reason of the gross negligence, fraud or willful misconduct of Secured Party or the Person to be indemnified).

(h) Delay Not a Waiver. Neither any failure nor any delay on the part of Secured Party in insisting upon strict performance of any term, condition, covenant, or agreement, or exercising any right, power, remedy, or privilege hereunder, shall operate as or constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other future exercise, or the exercise of any other right, power, remedy or privilege.

(i) Counterparts. This Pledge Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Pledge Agreement by signing any such counterpart. Each party hereto, and their respective successors and assigns shall be authorized to rely upon the signatures of all of the parties hereto on this Pledge Agreement which is delivered by facsimile, telecopier, or electronic mail transmission (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, [www.docusign.com](http://www.docusign.com)) as constituting a duly authorized, irrevocable, actual, current delivery of this Pledge Agreement with original ink signatures of each person and entity.

(j) Severability. If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of Secured Party in order to carry out the intentions of the parties hereto as nearly as may be possible and (ii) the invalidity or unenforceability of any provision

hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

(k) Recitals. The recitals and introductory paragraphs hereof are a part hereof, form a basis for this Pledge Agreement, and shall be considered prima facie evidence of the facts and documents referred to therein.

(l) Gender; Number. As used in this Pledge Agreement, the masculine, feminine or neuter gender shall be deemed to include the others, and the singular shall include the plural (and vice versa), wherever the context so requires.

(m) Enforcement. If any party hereto fails to perform any of its obligations under this Pledge Agreement or if a dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Pledge Agreement, then the defaulting party or the party not prevailing in such dispute shall pay any and all costs and expenses incurred by the other party on account of such default and/or in enforcing or establishing (by judicial action or otherwise, but expressly excluding any costs incurred by Secured Party prior to the date hereof) his rights hereunder, including, without limitation, court costs and attorneys' fees and disbursements. Any such attorneys' fees and other expenses incurred by either party in enforcing a judgment in its favor under this Pledge Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Pledge Agreement and to survive and not be merged into any such judgment.

(n) Limitation on Secured Party's Liability. Notwithstanding anything in this Pledge Agreement to the contrary, in no event shall any of the members, partners, employees, representatives, officers, directors, agents, attorneys, affiliates or related entities of each Secured Party have any personal liability under this Pledge Agreement nor shall any of the same be responsible for any consequential, punitive, special or speculative damages, Pledgor's rights to which are hereby waived.

(o) Pledgor's Waivers. Pledgor waives:

(i) Any right it may have to require Secured Party to proceed against Pledgor or any other Person, proceed against or exhaust any security held from Pledgor or any Person, or pursue any other remedy in Secured Party's power to pursue until the repayment of the Obligations in full;

(ii) Any defense based on any claim that Pledgor's obligations exceed or are more burdensome than those of any other Person;

(iii) Any defense: (A) based on any legal disability of any other Person, (B) based on any release, discharge, modification, impairment or limitation of the liability of any other Person to Secured Party from any cause, whether consented to by Secured Party or arising by operation of law, (C) arising out of or able to be asserted as a result of any case, action or proceeding before any governmental authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of any other Person or any of their affiliates, or any general assignment for the benefit of creditors, composition, marshaling of assets for creditors or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors; in each case as undertaken under any U.S. Federal or State law (each of the foregoing described in this clause (C) being referred to herein as an "**Insolvency Proceeding**"); or (D) arising from any rejection or disaffirmance of the Obligations, or any part thereof, or any security held therefor, in any such Insolvency Proceeding;

(iv) Any defense based on any action taken or omitted by Secured Party in any Insolvency Proceeding involving any other Person, including any election to have Secured Party's claim allowed as being secured, partially secured or unsecured, any extension of credit by Secured Party to any other Person in any Insolvency Proceeding, and the taking and holding by Secured Party of any security for any such extension of credit;

(v) Except as otherwise provided herein, all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of intention to accelerate, notices of acceleration, notices of acceptance of this Pledge Agreement or the Obligations and of the existence, creation, or incurring of new or additional indebtedness, and demands and notices of every kind;

(vi) Any defense based on or arising out of any defense that Pledgor or any of its affiliates may have to the payment or performance of the Obligations, other than the defense of payment of the Obligations;

(vii) Any defense based upon an election of remedies by Secured Party;

(viii) Any duty on the part of Secured Party to disclose to Pledgor any facts Secured Party may now or hereafter know about Pledgor or the Collateral, regardless of whether Secured Party has reason to believe that any such facts materially increase the risk beyond that which Pledgor intends to assume or has reason to believe that such facts are unknown to Pledgor or has a reasonable opportunity to communicate such facts to Pledgor, it being understood and agreed that Pledgor is fully responsible for being and keeping informed of the financial condition of Pledgor, of the condition of the Collateral, and of any and all circumstances bearing on the risk that liability may be incurred by Pledgor hereunder;

(ix) Any defense based upon the inaccuracy of any representation or other provision contained in the Note or this Pledge Agreement;

(x) Any right or claim of right to cause a marshaling of the assets of Pledgor;

(xi) Any and all benefits under California Civil Code Sections 2787-2855, 2899, and 3433; and

(xii) Any and all other suretyship defenses of any kind or nature, whether pursuant to statute or otherwise.

(p) Waiver of Subrogation and Other Rights. Upon the occurrence and during the continuance of any Event of Default, in its sole discretion, without prior notice to or consent of Pledgor, Secured Party may elect to: (A) foreclose against any collateral for the Obligations, (B) accept a transfer of any such collateral for the Obligations in lieu of foreclosure, (C) compromise or adjust the Obligations or any part thereof or make any other accommodation with Pledgor or any other Person, or (D) exercise any other remedy against Pledgor or any other Person or any collateral for the Obligations. No such action by Secured Party shall release or limit Secured Party's rights hereunder or under the Note, even if the effect of the action is to deprive Pledgor of any subrogation rights, rights of indemnity, or other rights to collect reimbursement from any other Person for any sums paid to Secured Party, whether contractual or arising by operation of law or otherwise. Pledgor expressly agrees that under no circumstances shall Pledgor be deemed to have any right, title, interest, or claim in or to any Collateral to be held by Secured Party or any third party after any foreclosure or transfer in lieu of foreclosure of the Collateral.

(q) Other Waivers. Regardless of whether Pledgor may have made any payments to Secured Party, until repayment in full of all of the Obligations, Pledgor waives: (1) upon the occurrence and during the continuance of an Event of Default all rights of subrogation, all rights of indemnity, and any other rights to collect reimbursement from any other Person on account of the Collateral encumbered by this Pledge Agreement, whether contractual or arising by operation of law (including the United States Bankruptcy Code or any successor or similar statute) or otherwise; (2) all rights to enforce any remedy that Secured Party may have against any Person granting collateral for the Obligations; and (3) upon the occurrence and during the continuance of an Event of Default, all rights to participate in any Collateral now or later to be held by Secured Party.

*[Signature on Following Page]*

IN WITNESS WHEREOF, Pledgor has executed this Pledge Agreement as of the day and year first above written.

PLEDGOR:

SHOPOFF BORROWER SPE 4, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Name:  
Its:

**EXHIBIT “A”**

**FORM OF LAND FUND PLEDGE**

*[See Attached]*

(d) **“Governmental Authority”** shall mean (i) any nation or government (whether domestic or foreign), (ii) any federal, state, provincial, regional, municipal, local, territorial, or other political, governmental, or quasi-governmental subdivision thereof, including any central bank thereof and any comparable authority, (iii) any other judicial, public, statutory or administrative agency, authority, board, body, bureau, commission, department, entity or instrumentality (including any zoning authority, FERC, CPUC, CEPA, the Securities Exchange Commission, the California Energy Commission, the Comptroller of the Currency or the Federal Reserve Board) or any subdivision thereof, or (iv) any other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of any of the foregoing.

(e) **“Lien”** means any of the following: a mortgage, deed of trust, lien (statutory or otherwise), pledge, hypothecation, assignment, preference, priority, security interest, encumbrance or charge on or affecting any Collateral (including the filing of any financing statement or similar instrument under the Uniform Commercial Code or comparable law of any other jurisdiction, domestic or foreign).

(f) **“Person”** shall mean a natural person, a partnership, a joint venture, an unincorporated association, a limited liability company, a corporation, a trust, any other legal entity, or any Governmental Authority.

(g) **“Pledged Distribution Rights”** means one hundred percent (100%) of all amounts payable to Pledgor under the limited liability company agreement of SOF MV with respect to “promote” (i.e. the sponsor's disproportionate share of company profits above a specified return threshold) payable under the limited liability company agreement of Mesa Verde JV.

(h) **“Proceeds”** shall mean all proceeds (including proceeds of proceeds) of the Pledged Distribution Rights including all: (i) rights, benefits, distributions, premiums, profits, dividends, interest, cash, instruments, documents of title, accounts, contract rights, inventory, equipment, general intangibles, payment intangibles, deposit accounts, chattel paper, and other property from time to time received, receivable, or otherwise distributed in respect of or in exchange for, or as a replacement of or a substitution for, any of the Pledged Distribution Rights or proceeds thereof; (ii) “proceeds,” as such term is defined in Section 9-102(a)(64) of the UCC; (iii) proceeds of any insurance, indemnity, warranty, or guaranty (including guaranties of delivery) payable from time to time with respect to any of the Pledged Distribution Rights or proceeds thereof; and (iv) other amounts from time to time paid or payable under or in connection with any of the Pledged Distribution Rights or proceeds thereof and all cash or non-cash proceeds of any of the foregoing.

(i) **“Uniform Commercial Code”** and **“UCC”** mean the Uniform Commercial Code in the State of California, as from time to time amended and in effect.

## **2. Pledge and Delivery of Collateral.**

(a) As collateral security for the prompt payment and performance by Borrower of the obligations of Borrower under the Note (collectively, the **“Obligations”**), effective as of the date hereof, Pledgor hereby irrevocably pledges, assigns and grants to Secured Party a security interest in all of Pledgor’s right, title, interest, claim and estate in and to each and all of the following property (all being collectively referred to herein as **“Collateral”**):

(i) all Pledged Distribution Rights;

(ii) all right, title and interest of Pledgor relating to the Pledged Distribution Rights in, to and under the Charter Documents or any other agreement or instrument, including, without

limitation, (a) all rights of Pledgor to receive moneys or distributions with respect to the Pledged Distribution Rights due and to become due under or pursuant to the Charter Documents, (b) all rights of Pledgor to receive proceeds of any insurance, indemnity, warranty or guaranty with respect to the Pledged Distribution Rights, (c) all claims of Pledgor for damages arising out of or for breach of or default under the Charter Documents in respect of the Pledged Distribution Rights, and (d) any right of Pledgor to compel performance and otherwise exercise all rights and remedies thereunder with respect to the Pledged Distribution Rights; and

(iii) to the extent not otherwise included in clauses (i) through (ii), all Proceeds and products of any and all of the property of Pledgor described in clauses (i) through (ii) above.

(b) Subordination. Notwithstanding anything herein to the contrary, by acceptance hereof, Secured Party acknowledges and agrees that this Pledge Agreement and all rights and remedies of Secured Party hereunder are subordinate and subject to that certain *Pledge and Security Agreement* dated [\_\_\_\_], 2022 (the “**Senior Pledge Agreement**”) by Pledgor to Shopoff Borrower SPE 2, LLC, which Senior Pledge Agreement has been collaterally assigned to Shopoff Secured Credit Fund 2, LLC (“**Senior Lender**”).

(c) Financing Statements. Pledgor hereby authorizes Secured Party to file at any time or times, one or more UCC financing statements covering and/or describing the Collateral and UCC assignment financing statements assigning the UCC financing statements which constitute part of the Collateral. Such financing statements may describe as the collateral covered thereby “all economic interest of the debtor in and to distributions from SOF - Mesa Verde, LLC, whether now owned or hereafter acquired” or words to that effect, notwithstanding that such collateral description may be broader in scope than the Collateral described herein. Notwithstanding the preceding sentence, in no event shall any collateral description which is broader in scope than the Collateral described herein result in an increase of the collateral securing the Obligations beyond the Collateral as described herein.

**3. Reinstatement**. The obligations of Pledgor under this Pledge Agreement shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of Pledgor in respect of the Obligations is rescinded or must be otherwise restored by any holder of any of the Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and Pledgor agrees that it will indemnify Secured Party on demand for all reasonable, actual costs and expenses (including, without limitation, reasonable fees of counsel) incurred by Secured Party in connection with such rescission or restoration.

**4. Representations, Warranties of Pledgor**. Pledgor represents and warrants as of the date hereof that:

(a) Existence; Capacity. (1) Pledgor (i) is a limited liability company duly organized and validly existing under the laws of the State of Delaware; (ii) has all requisite power, and has all governmental licenses, authorizations, consents, and approvals required to own its assets and carry on its business as now being or as proposed to be conducted; and (iii) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary under applicable law and (2) SOF MV (i) is a limited liability company duly organized and validly existing under the laws of the State of Delaware; (ii) has all requisite power, and has all governmental licenses, authorizations, consents, and approvals required to own its assets and carry on its business as now being or as proposed to be conducted; and (iii) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary under applicable law.

(b) Litigation. There are no legal or arbitral proceedings or any proceedings by or before any Governmental Authority or other agency, now pending or (to the knowledge of Pledgor) threatened against Pledgor, the Collateral, SOF MV, and/or Mesa Verde JV.

(c) No Breach. None of the execution and delivery of this Pledge Agreement by Pledgor, the consummation of the transactions herein contemplated, and compliance with the terms and provisions hereof or thereof will conflict with or result in a breach of, or require any consent under (except such consents that have been obtained on or prior to the date hereof), any organizational documents of Pledgor, SOF MV, or Mesa Verde JV, any applicable law or regulation, or any order, writ, injunction or decree of any court or Governmental Authority, or any material agreement or material instrument to which Pledgor is a party or by which it is bound or to which it is subject or constitute a default under any such agreement or instrument, or (except for the security interest granted pursuant to this Pledge Agreement) result in the creation or imposition of any Lien upon any assets or revenues of Pledgor.

(d) Necessary Action. Pledgor has all requisite power and authority to execute, deliver and perform its obligations under this Pledge Agreement; the execution, delivery, and performance by Pledgor of this Pledge Agreement has been duly authorized by all necessary action; and this Pledge Agreement has been duly and validly executed and delivered by Pledgor and constitutes its legal, valid and binding obligation, enforceable against Pledgor in accordance with its terms, subject to bankruptcy, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights in general and to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(e) Approvals. No authorizations, approvals and consents of, and no filings and registrations with, any Governmental Authority or under the organizational documents of Pledgor, SOF MV, Mesa Verde JV, or any other Person are necessary (except such approvals that have been obtained on or prior to the date hereof) for (i) the execution, delivery or performance by Pledgor of this Pledge Agreement or for the validity or enforceability thereof, (ii) the grant by Pledgor of the security interests granted hereby, or the pledge by Pledgor of the Collateral pursuant hereto, (iii) the perfection or maintenance of the pledge and security interest created hereby (including, without limitation, the second priority nature of such pledge and security interest) except for the filing of financing statements under the Uniform Commercial Code or (iv) the exercise by Secured Party of all or any of the rights and remedies in respect of the Collateral pursuant to this Pledge Agreement.

(f) Ownership. Pledgor has good title to the Collateral, free and clear of all Liens whatsoever, except the lien and the security interest created by this Pledge Agreement.

(g) Principal Place of Business. Pledgor's principal place of business is 18565 Jamboree Rd., Suite 200, Irvine, CA 92612. Pledgor will not change Pledgor's principal place of business or state of organization/formation unless Pledgor has previously notified Secured Party thereof and taken such action as may be requested by Secured Party in its reasonable discretion to cause the security interest of Secured Party in the Collateral to be continuously perfected.

(h) Valid Security Interest. This Pledge Agreement creates a valid security interest in the Collateral subject to the terms hereof, securing the Obligations, and upon the filing in the appropriate filing offices of the UCC financing statements to be filed in accordance with this Pledge Agreement, such security interests will be perfected, second priority security interests, and all filings and other actions necessary to perfect such security interests will have been taken.

(i) Delivery. Pledgor has delivered to Secured Party a true, correct and complete copy of SOF MV's Charter Documents, as in effect on the date hereof. There are no amendments, modifications or

assignments (other than with respect to assignments of the Collateral pursuant to this Pledge Agreement) to the Charter Documents other than as listed on Exhibit "A" hereof.

**5. Covenants of Pledgor.** Pledgor covenants that:

(a) No Transfer. Except with respect to the Senior Pledge Agreement, Pledgor has not and will not (i) sell, assign, transfer, exchange, or otherwise dispose of, or grant any option with respect to, the Collateral or any interest therein, or (ii) create, incur or permit to exist any Lien with respect to any Collateral, or any interest therein, or any Proceeds thereof, except for the security interest provided for by this Pledge Agreement.

(b) No Waiver, Amendment, Etc. No Pledgor shall directly or indirectly, without the prior written consent of Secured Party, attempt to waive, alter, amend, modify or supplement any provision of the Charter Documents in any manner that would reasonably be expected to result in a material adverse effect on the Collateral.

(c) Settlement and Release. Pledgor shall not make any election, compromise, adjustment or settlement in respect of any of the Collateral.

(d) Preservation of Collateral. Pledgor hereunder or as reasonably requested by Secured Party shall preserve, protect, maintain or enforce the Collateral and the security interests granted herein. If Pledgor shall fail to take the necessary action to preserve the Collateral within ten (10) business days after written demand or request by Secured Party, Secured Party may, in its discretion, for the account and expense of Pledgor pay any amount or do any act required of Pledgor. Any such payment shall be deemed an advance by Secured Party to Pledgor and shall be payable by Pledgor within ten (10) days after receipt of any such written demand or request, together with interest thereon which shall accrue at the Default Rate from the date that is ten (10) days after the date on which Pledgor receives written demand or request thereof from Secured Party until the date Secured Party is paid.

(e) Warranty of Title. Pledgor shall warrant and defend the right, title, and interest of Secured Party in and to the Collateral and the Proceeds thereof against the claims and demands of all Persons whomsoever other than Secured Party pursuant to this Pledge Agreement and Senior Lender pursuant to the Senior Pledge Agreement. Any interest, securities, Lien or option with respect to the Pledged Distribution Rights issued in violation of this Pledge Agreement shall be void *ab initio*.

(f) Files and Records. Pledgor shall maintain, at their principal office, and, upon reasonable request (including advance notice and during normal business hours), make available to Secured Party the originals, or copies in any case where the originals have been delivered to Secured Party of the instruments, documents, policies, and agreements constituting the Collateral (to the extent not held by Secured Party) and related documents and instruments, and all files, surveys, certificates, correspondence, appraisals, accounting records and other information and data relating to the Collateral.

(g) Litigation. Pledgor shall promptly give to Secured Party notice of all pending legal or arbitration proceedings against Pledgor arising after the date hereof, and of all proceedings pending by or before any Governmental Authority against Pledgor arising after the date hereof or, if Pledgor obtains actual knowledge of such threat, threatened in writing, which relates to the Collateral which, if adversely determined, would be reasonably likely to materially adversely affect Pledgor's, SOF MV's, or Mesa Verde JV's condition (financial or otherwise) or business or the Collateral.

(h) Reorganization. Except following the disposition of all or substantially all of the assets of SOF MV in accordance with the terms hereof, Pledgor shall not permit or allow any merger, reorganization, consolidation, liquidation, dissolution or winding-up of SOF MV, or Mesa Verde JV.

(i) Existence, Etc. Pledgor shall cause each of SOF MV and Mesa Verde JV to preserve and maintain its existence and all of its material rights, privileges and franchises. Pledgor shall comply in all material respects with the requirements of all applicable laws, rules, regulations and orders of Governmental Authorities; and pay and discharge all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of their property prior to the date on which penalties attach thereto, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings.

(j) Charter Documents. Pledgor shall, at its expense:

(i) perform and observe in all material respects all the terms and provisions of the Charter Documents to be performed or observed by Pledgor, maintain or cause to be maintained the Charter Documents in full force and effect, enforce the Charter Documents in accordance with their respective terms, and take all such action to such end relating to the Charter Documents as may be from time to time reasonably requested by Secured Party; and

(ii) furnish to Secured Party reasonably upon receipt thereof copies of all notices, requests and other documents received by Pledgor under or pursuant to the Charter Documents, and from time to time furnish to Secured Party such information and reports regarding the Collateral as Secured Party may reasonably request and that can reasonably be provided by Pledgor.

(k) No Impairment of Collateral. Pledgor will not take, or permit any action to be taken, to impair, diminish the value of, or subordinate the Collateral, or to impair, terminate or otherwise affect Secured Party's security interest in the Collateral, or otherwise make the Collateral unavailable to Secured Party.

(l) Distributions. Pledgor shall pay to the Secured Party all monies or other payments owed, directly or indirectly, to Pledgor under or in connection with the Charter Documents or otherwise in respect of the Collateral, including, without limitation, any distributions on account of the Collateral (collectively the "**Collateral Distributions**"). If Pledgor receives, directly or indirectly, any Collateral Distributions, such Collateral Distributions shall, without any requirement of notice, be received in trust for the benefit of Secured Party, be segregated from other funds of Pledgor, and shall be immediately paid over to Secured Party in the same form as so received (with any necessary endorsement). The Secured Party shall apply any and all such Collateral Distributions actually received by Secured Party to the Obligations. Financial Records. Pledgor shall, from time to time, provide Secured Party with copies of any and all purchase agreements, escrow agreements, and draft and final settlement statements in connection with the sale of the Collateral and/or any assets owned by SOF MV.

**6. Certain Understandings of Parties; Registration of Pledge; Control of Collateral, Etc.** The parties acknowledge and agree that the terms of the Charter Documents do not provide that such documents constitute a "security" within the meaning of Article 8 of the Uniform Commercial Code (including Section 8-102(a)(15) thereof) as in effect from time to time in the State of California, and Article 8 of the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to Article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995. Pledgor covenants and agrees that Pledgor shall not, directly or indirectly, without the prior written

consent of Secured Party, alter, amend, modify, supplement or change the Charter Documents in any way constituting a violation of Section 5(b) above.

7. **Further Assurances; Remedies.** In furtherance of the grant of the pledge and security interest pursuant to Section 2 hereof, Pledgor hereby agrees with Secured Party as follows:

(a) **Delivery and Other Perfection.** Pledgor shall:

(i) if any of the above-described Collateral required to be paid to Secured Party by Pledgor under Section 5(l) hereof is received by Pledgor, forthwith either (x) transfer and deliver to Secured Party such Collateral so received by Pledgor, all of which thereafter shall be held by Secured Party, pursuant to the terms of this Pledge Agreement, as part of the Collateral or (y) take such other action as Secured Party shall deem reasonably necessary or appropriate to duly file on record the security interest created hereunder in such Collateral referred to in said Section 2(a);

(ii) give, execute, deliver, file, and/or record any financing statement, notice, instrument, document, agreement, or other papers that may be necessary or desirable (in the reasonable judgment of Secured Party) to create, preserve, perfect or validate the security interest granted pursuant hereto or to enable Secured Party to exercise and enforce its rights hereunder with respect to such pledge and security interest; provided, however, that the amount of the Obligations shall not be increased thereby, nor any other terms or provisions of the Note materially altered; and

(iii) permit representatives of Secured Party, upon reasonable advance notice, at any time during normal business hours to inspect and make abstracts from its books and records pertaining to the Collateral, and permit representatives of Secured Party to be present at Pledgor's place of business to receive copies of all communications and remittances relating to the Collateral, and forward copies of any notices or communications received by Pledgor with respect to the Collateral, all in such manner as Secured Party may reasonably require.

(b) **Preservation of Rights.** Except in accordance with applicable law, Secured Party shall not be required to take steps necessary to preserve any rights against prior parties to any of the Collateral.

(c) **Pledged Interests.**

(i) Pledgor shall not and shall not have the right to directly or indirectly, without the prior written consent of Secured Party, attempt to waive, alter, amend, modify, supplement or change the Collateral, Secured Party's rights therein, or release, subordinate, terminate or cancel in whole or in part, or give any consent under, any of the instruments, documents, policies or agreements constituting the Collateral or exercise any of the rights, options or interests of Pledgor as a party, holder, mortgagee or beneficiary thereunder except as otherwise expressly permitted hereunder. Pledgor agrees that all rights to do any and all of the foregoing have been collaterally assigned to, and may be exercised by, Secured Party in accordance with the terms hereof, but Pledgor agrees that, upon reasonable request from Secured Party from time to time, Pledgor shall do any of the foregoing or shall join Secured Party in doing so or shall confirm the right of Secured Party to do so and shall execute such instruments and undertake such actions as Secured Party may reasonably request in connection therewith. Notwithstanding anything herein to the contrary, so long as no Event of Default shall have occurred and be continuing, Pledgor shall be permitted to exercise all voting and limited liability company and partnership interests and shares of stock with respect to the Pledged Distribution Rights, provided that no vote shall be cast or right exercised or other action taken that would, in Secured Party reasonable judgment, impair the Pledged

Distribution Rights or would result in an Event of Default or be inconsistent with or result in any violation of any provision of the Note or this Pledge Agreement.

(ii) Anything to the contrary notwithstanding, (i) Pledgor shall remain liable under the Charter Documents to perform all of its duties and obligations thereunder to the same extent as if this Pledge Agreement had not been executed, (ii) the exercise by Secured Party of any of the rights hereunder shall not release Pledgor from any of its duties or obligations under the Charter Documents, and (iii) Secured Party shall have no obligation or liability for Pledgor's actions or omissions under the Charter Documents by reason of this Pledge Agreement, nor shall Secured Party be obligated to perform any of the obligations or duties of Pledgor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

(d) Events of Default. The occurrence of any one or more of the following, after the expiration of any applicable notice and cure period, shall constitute an “**Event of Default**” under this Pledge Agreement:

(i) Failure by Borrower to pay any monetary amount due under the Note and the continuation of such failure beyond any applicable grace or cure period expressly set forth therein;

(ii) Failure by Borrower to perform any material obligation not involving the payment of money or to comply with any other material term or condition under the Note, and the continuation of such failure beyond any applicable grace or cure period expressly set forth therein;

(iii) Failure by Pledgor to pay any monetary amount due under this Pledge Agreement and the continuation of such failure beyond any applicable grace or cure period expressly set forth herein;

(iv) Failure by Pledgor to perform any material obligation not involving the payment of money or to comply with any other term or condition under this Pledge Agreement and the continuation of such failure for the shorter of (A) any applicable notice and grace period(s) expressly set forth in this Pledge Agreement with respect to such obligations, or (B) thirty (30) days after written notice of a such failure by Secured Party to Pledgor;

(v) Any representation or warranty by Pledgor in this Pledge Agreement or any representation or warranty by Borrower in the Note is false, incorrect, or misleading in any material respect as of the date made;

(vi) If (i) Pledgor, SOF MV, or Mesa Verde JV shall commence any case, proceeding or other action (A) under any creditors rights laws seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or Pledgor shall make a general assignment for the benefit of its creditors; (ii) there shall be commenced against Pledgor or SOF MV any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains un-dismissed, undischarged or un-bonded for a period of sixty (60) days; (iii) there shall be commenced against Pledgor any case, proceeding or other action seeking issuance of a warrant of attachment, execution or similar process against all or any substantial part of its assets which results in the entry of any order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; (iv) Pledgor, SOF MV, or Mesa Verde JV shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i),

(ii), or (iii) above; or (v) or Pledgor, SOF MV, or Mesa Verde JV shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

(vii) Any litigation or proceeding is commenced before any Governmental Authority against or affecting Pledgor, SOF MV, or Mesa Verde JV and such litigation or proceeding is not defended diligently and in good faith by Pledgor, SOF MV, or Mesa Verde JV and such litigation or proceeding is not covered by insurance and would, if determined adversely to Pledgor, have a material adverse effect on Pledgor's ability to perform its obligations hereunder or on Borrower's Obligations under the Note;

(viii) Pledgor, SOF MV, or Mesa Verde JV conceals, removes, or permits to be concealed or removed, any part of its property, with intent to hinder, delay or defraud its creditors, or makes or suffers a transfer of any of its property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law; or makes any transfer of its property to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid; or suffers or permits while insolvent, any creditor to obtain a lien upon any of its property through legal proceedings which is not vacated within sixty (60) days from the date thereof;

(ix) Pledgor, SOF MV, or Mesa Verde JV terminates its business, or otherwise disposes of a substantial part of its assets unless all Collateral payable to Pledgor in connection therewith is applied in accordance with Section 7(f) hereof;

(x) The lien or security interest of this Pledge Agreement shall lose validity or second priority, or any liens not approved by Secured Party in writing are imposed upon the Collateral or foreclosure is instituted on any liens against the Collateral;

(xi) A final judgment or decree for monetary damages or a monetary fine or penalty (not subject to an appeal or as to which the time for appeal has expired) is entered against Pledgor by any Governmental Authority, which together with the aggregate amount of all other such judgments, decrees, fines and penalties against Pledgor that remain unpaid or that have not been discharged or stayed within thirty (30) days after the entry of such judgment or decrees, shall materially adversely affect the business, operations, assets or condition (financial or otherwise) of Pledgor;

(xii) All or a substantial part of the property of Pledgor, SOF MV, or Mesa Verde JV is attached, levied upon or otherwise seized by legal process in a sum that would affect the ability of Pledgor, SOF MV, or Mesa Verde JV, as applicable, to perform the monetary or material non-monetary Obligations and/or obligations under this Pledge Agreement, and such attachment, levy or seizure is not quashed, stayed or released within sixty (60) days of the date thereof;

(xiii) Any of the Charter Documents shall be terminated or modified in violation of Section 5(b) above, or Pledgor shall grant any consents or waivers thereunder except in accordance with the terms hereof, without the prior written consent of Secured Party or there is a default by Pledgor under any of the Charter Documents which is not cured within any applicable cure period; or

(xiv) The occurrence of an "Event of Default" (beyond any applicable cure period) under any other agreement securing all or any portion of the Obligations (as such term is defined in such other agreement).

(e) Remedies. During any period in which an Event of Default has occurred and is continuing:

(i) Secured Party shall have all of the rights and remedies with respect to the Collateral of a secured party under the Uniform Commercial Code (whether or not said Uniform Commercial Code is in effect in the jurisdiction where the rights and remedies are asserted) and such additional rights and remedies to which a secured party is entitled under the laws in effect in any jurisdiction where any rights and remedies hereunder may be asserted, including, without limitation, the right, to the maximum extent permitted by law, to exercise all voting, consensual and other powers of ownership pertaining to the Collateral as if Secured Party was the sole and absolute owner thereof (and Pledgor agrees to take all such action as may be appropriate to give effect to such right);

(ii) Secured Party in its discretion may, in its name or in the name of Pledgor or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for any of the Collateral, but shall be under no obligation to do so;

(iii) Secured Party may, at its option, apply all or any part of the Collateral in accordance with Section 7(f) hereof; and

(iv) Secured Party may exercise any and all other rights and remedies of Pledgor under or in connection with the Charter Documents or otherwise in respect of with the Collateral, including, without limitation, any and all rights of Pledgor to demand or otherwise require payment of any amount under, or performance of any provisions of, the Charter Documents.

The proceeds of any collection, sale, or other disposition under this Section 7(e) shall be applied by Secured Party pursuant to Section 7(f) hereof.

(f) Application of Proceeds. Except as otherwise herein expressly provided, the Proceeds of any collection, sale, or other realization of all or any part of the Collateral pursuant hereto, and any other cash at the time held by Secured Party under this Section 7, shall be applied by Secured Party:

First, to the payment of the costs and expenses of such collection, sale, or other realization, including reasonable, actual out-of-pocket costs and expenses of Secured Party (including the reasonable fees and expenses of its counsel), and all reasonable, actual third-party costs and expenses made or incurred by Secured Party in connection therewith;

Next, to the payment in full of the Obligations; and

Finally, to the payment to Pledgor, or its successors or assigns, or as a court of competent jurisdiction may direct, of any surplus then remaining.

(g) Attorney-in-Fact. Without limiting any rights or powers granted by this Pledge Agreement to Secured Party, Secured Party is hereby appointed the attorney-in-fact of Pledgor for the purpose of, upon the occurrence and during the continuance of an Event of Default, carrying out the provisions of this Section 7 and taking any action and executing any instruments which Secured Party may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, so long as Secured Party shall be entitled under this Section 7 to make collections in respect of the Collateral, Secured Party shall have the right and power to receive, endorse and collect all checks made payable to the order of Pledgor representing any payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same.

8. **Termination.** This Pledge Agreement shall survive the exercise of remedies following a default under the Note and shall remain in full force and effect until all Obligations have been indefeasibly paid in full to Secured Party. Upon the indefeasible payment in full of the Obligations, this Pledge Agreement shall terminate automatically, and Secured Party shall forthwith cause to be assigned, transferred, and delivered, against receipt but without any recourse, warranty, or representation whatsoever, any remaining Collateral and money received in respect thereof, to or on the order of Pledgor. Secured Party's obligation to so assign, transfer and deliver shall survive the termination of this Pledge Agreement. Additionally, upon Pledgor's written request for the same, after the repayment in full of the Obligations, Secured Party shall execute and deliver to Pledgor UCC termination statements or similar documents to release Secured Party's lien on the Collateral granted under this Pledge Agreement.

9. **Miscellaneous.**

(a) **No Waiver.** No failure on the part of Secured Party or any of its agents to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by Secured Party or any of its agents of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies provided herein are cumulative and are not exclusive of any remedies provided by law.

(b) **Governing Law.** **THIS PLEDGE AGREEMENT WAS NEGOTIATED IN THE STATE OF CALIFORNIA AND MADE BY PLEDGOR AND ACCEPTED BY SECURED PARTY IN THE STATE OF CALIFORNIA, WHICH STATE THE PARTIES AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND TO THE UNDERLYING TRANSACTION EMBODIED HEREIN. IN ALL RESPECTS, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, MATTERS OF CONSTRUCTION, VALIDITY, AND PERFORMANCE, THIS PLEDGE AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA.**

**TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF PLEDGOR AND SECURED PARTY (BY ITS ACCEPTANCE OF THIS PLEDGE AGREEMENT) HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS PLEDGE AGREEMENT AND THIS PLEDGE AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.**

**ANY LEGAL SUIT, ACTION, OR PROCEEDING AGAINST PLEDGOR OR SECURED PARTY ARISING OUT OF OR RELATING TO THIS PLEDGE AGREEMENT MAY AT SECURED PARTY'S OPTION BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE COUNTY OF ORANGE, AND EACH OF PLEDGOR AND SECURED PARTY (BY ITS ACCEPTANCE OF THIS PLEDGE AGREEMENT) WAIVES ANY OBJECTIONS WHICH IT MAY NOW OR HEREAFTER HAVE BASED ON VENUE AND/OR FORUM NON CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND EACH OF PLEDGOR AND SECURED PARTY (BY ITS ACCEPTANCE OF THIS PLEDGE AGREEMENT) HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING.**

(c) **Notices.** All notices, requests, demands, and consents to be made hereunder to the parties hereto shall be in writing and shall be (i) delivered by hand or overnight courier service, (ii) sent by

registered mail or certified mail, postage prepaid, return receipt requested, through the United States Postal Service, or (iii) sent by electronic mail (provided that any communication sent via electronic mail shall concurrently be delivered or sent by one of the means described in (i) or (ii) above) to the addresses shown below or such other address which the parties may provide to one another in accordance herewith. Such notices, requests, demands, and consents, if delivered by hand, shall be deemed given when delivered, if delivered by overnight courier service, shall be deemed one (1) business day after deposit with the overnight courier service and, if given sent by mail, shall be deemed given two (2) Business Days after deposit in the United States mail.

To Secured Party:                      Integris Secured Credit Fund II, LLC  
  18565 Jamboree Rd., Suite 200  
  Irvine, CA 92612

To Pledgor:                               SRI - Managing Member 3, LLC  
  18565 Jamboree Rd., Suite 200  
  Irvine, CA 92612

(d) Waivers, etc. The terms of this Pledge Agreement may be waived, altered, or amended only by an instrument in writing duly executed by Pledgor and Secured Party. Any such amendment or waiver shall be binding upon Pledgor and Secured Party.

(e) Successors and Assigns. This Pledge Agreement shall be binding upon the successors and assigns of Pledgor and inure to the benefit of the successors and assigns of Secured Party (provided, however, that no Pledgor shall assign or transfer its rights hereunder without the prior written consent of Secured Party). In connection with any assignment of the Obligations, Secured Party may assign or otherwise transfer all of its rights and remedies under this Pledge Agreement to the assignee and such assignee shall thereupon become vested with all of the rights and obligations in respect thereof granted to Secured Party herein or otherwise. Each representation and agreement made by Pledgor in this Pledge Agreement shall be deemed to run to, and each reference in this Pledge Agreement to Secured Party shall be deemed to refer to, Secured Party and each of its successors and assigns.

(f) No Liability on Part of Secured Party. Secured Party, by acceptance of this Pledge Agreement, the Collateral and any payments on account thereof, shall not be deemed to have assumed or to have become liable for any of the obligations or liabilities of Pledgor. Secured Party shall not have any duty to collect any sums due in respect of any of the Collateral in its possession or control, or to enforce, protect or preserve any rights pertaining thereto, and Secured Party shall not be liable for failure to collect or realize upon the Collateral, or any part thereof, or for any delay in so doing, nor shall Secured Party be under any obligation to take any action whatsoever with regard thereto. Secured Party shall, if requested by the payor of any revenue payment, give receipts for any payments received by Secured Party on account of the Collateral.

(g) Expenses, Indemnification.

(i) Pledgor agrees to pay or reimburse Secured Party, or cause Secured Party to be paid or reimbursed, for paying: (A) all reasonable, actual out of pocket expenses of Secured Party (including, without limitation, the reasonable fees and expenses of counsel to Secured Party), in connection with any amendment, modification or waiver of any of the terms of this Pledge Agreement requested or initiated by Pledgor following the date hereof; (B) all reasonable, actual costs and expenses of Secured Party (including reasonable counsel's fees) in connection with any enforcement or collection proceedings resulting from an Event of Default; and (C) all transfer, stamp, documentary or other similar taxes, assessments or charges levied by any Governmental

Authority in respect of this Pledge Agreement, or any other document referred to herein and all reasonable costs, expenses, taxes, assessments and other charges incurred in connection with any filing, registration, recording or perfection of any security interest contemplated by this Pledge Agreement or any document referred to herein.

(ii) Pledgor hereby agrees to indemnify Secured Party and its directors, officers, employees and agents from, and hold each of them harmless against, any and all losses, liabilities, claims, damages or expenses incurred by any of them arising out of or by reason of any claim of any Person (A) relating to or arising out of the acts or omissions of Pledgor under this Pledge Agreement either before or after Secured Party has exercised any rights in accordance herewith and the Charter Documents (to the extent first arising or accruing prior to Secured Party taking control or possession of the Collateral and for any affirmative action taken by Pledgor relating to the Collateral after Secured Party takes control or possession of the same, but excluding any such losses, liabilities, claims, damages or expenses incurred by reason of the gross negligence, fraud or willful misconduct of Secured Party or the Person to be indemnified), or (B) resulting from the ownership of or security interests in any Collateral, including, without limitation, the reasonable, actual fees and disbursements of counsel incurred in connection with any such investigation or litigation or other proceedings (but excluding any such losses, liabilities, claims, damages or expenses incurred by reason of the gross negligence, fraud or willful misconduct of Secured Party or the Person to be indemnified).

(h) Delay Not a Waiver. Neither any failure nor any delay on the part of Secured Party in insisting upon strict performance of any term, condition, covenant, or agreement, or exercising any right, power, remedy, or privilege hereunder, shall operate as or constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other future exercise, or the exercise of any other right, power, remedy or privilege.

(i) Counterparts. This Pledge Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Pledge Agreement by signing any such counterpart. Each party hereto, and their respective successors and assigns shall be authorized to rely upon the signatures of all of the parties hereto on this Pledge Agreement which is delivered by facsimile, telecopier, or electronic mail transmission (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, [www.docusign.com](http://www.docusign.com)) as constituting a duly authorized, irrevocable, actual, current delivery of this Pledge Agreement with original ink signatures of each person and entity.

(j) Severability. If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of Secured Party in order to carry out the intentions of the parties hereto as nearly as may be possible and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

(k) Recitals. The recitals and introductory paragraphs hereof are a part hereof, form a basis for this Pledge Agreement, and shall be considered prima facie evidence of the facts and documents referred to therein.

(l) Gender; Number. As used in this Pledge Agreement, the masculine, feminine or neuter gender shall be deemed to include the others, and the singular shall include the plural (and vice versa), wherever the context so requires.

(m) Enforcement. If any party hereto fails to perform any of its obligations under this Pledge Agreement or if a dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Pledge Agreement, then the defaulting party or the party not prevailing in such dispute shall pay any and all costs and expenses incurred by the other party on account of such default and/or in enforcing or establishing (by judicial action or otherwise, but expressly excluding any costs incurred by Secured Party prior to the date hereof) his rights hereunder, including, without limitation, court costs and attorneys' fees and disbursements. Any such attorneys' fees and other expenses incurred by either party in enforcing a judgment in its favor under this Pledge Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Pledge Agreement and to survive and not be merged into any such judgment.

(n) Limitation on Secured Party's Liability. Notwithstanding anything in this Pledge Agreement to the contrary, in no event shall any of the members, partners, employees, representatives, officers, directors, agents, attorneys, affiliates or related entities of each Secured Party have any personal liability under this Pledge Agreement nor shall any of the same be responsible for any consequential, punitive, special or speculative damages, Pledgor's rights to which are hereby waived.

#### **10. Third Party Waivers.**

(a) Rights of Secured Party. Pledgor authorizes the Secured Party to perform any or all of the following acts at any time in its sole discretion, all without notice to Pledgor, without affecting Pledgor's obligations under this Pledge Agreement or the Note and without affecting the liens and encumbrances against the Collateral in favor of Secured Party:

(i) Secured Party may take and hold other security for the Obligations, accept additional or substituted security, and subordinate, exchange, enforce, waive, release, compromise, fail to perfect and sell or otherwise dispose of any such security;

(ii) Upon the occurrence and during the continuance of an Event of Default, Secured Party may apply any payments or recoveries from Pledgor, Pledgor affiliate, or any other source, and any Proceeds of any security, to the Obligations in such manner, order and priority as Secured Party may elect;

(iii) Secured Party may release Pledgor or any other Person from its liability for the Obligations or any part thereof;

(iv) Secured Party may substitute, add or release any one or more guarantors, pledgors or endorsers; and

(v) In addition to the Obligations, Secured Party may extend other credit to Pledgor or any Pledgor affiliate and may take and hold security for the credit so extended, all without affecting Pledgor's liability hereunder or under the Note and without affecting the liens and encumbrances against the Collateral hereunder or under the Note.

(b) Absolute Obligations. Pledgor expressly agrees that until the Obligations are repaid and satisfied in full, Pledgor shall not be released of its obligations, waivers and agreements set forth herein, nor shall the validity, enforceability or priority of the liens and encumbrances against the Collateral in favor of Secured Party be affected in any manner by or because of:

(i) Any act or event which might otherwise discharge, reduce, limit or modify the Obligations, any of Pledgor's obligations hereunder or the liens and encumbrances against the Collateral in favor of Secured Party, other than payment in full of the Obligations;

(ii) Any waiver, extension, modification, forbearance, delay or other act or omission of Secured Party or any failure to proceed promptly or otherwise as against Pledgor or any other Person or any security;

(iii) Any acceleration of the maturity of any of the Obligations, or any other modification, supplement, or amendment of the Obligations or the Note in any respect;

(iv) Any failure to perfect or any release or reconveyance of any lien or security interest granted to, or in favor of, Secured Party;

(v) Any other action, omission or circumstance which might increase the likelihood that Secured Party might enforce the rights granted under this Pledge Agreement or the Note or which might affect the rights or remedies of Pledgor as against any other Person; or

(vi) Any dealings occurring at any time between Pledgor or any of its affiliates and Secured Party, whether relating to the Obligations or otherwise.

Pledgor hereby expressly waives and surrenders any defense to the performance of the obligations under this Pledge Agreement and under the Note or to the enforcement of the liens and encumbrances against the Collateral in favor of Secured Party based upon any of the foregoing acts, omissions, agreements, waivers or matters described in this subsection (other than the defense that payment has been made). It is the purpose and intent of this Pledge Agreement that the obligations of Pledgor under this Pledge Agreement and Obligations shall be absolute and unconditional under any and all circumstances.

(c) Pledgor's Waivers. Pledgor waives:

(i) Any right it may have to require Secured Party to proceed against Pledgor or any other Person, proceed against or exhaust any security held from Pledgor or any Person, or pursue any other remedy in Secured Party's power to pursue until the repayment of the Obligations in full;

(ii) Any defense based on any claim that Pledgor's obligations exceed or are more burdensome than those of any other Person;

(iii) Any defense: (A) based on any legal disability of any other Person, (B) based on any release, discharge, modification, impairment or limitation of the liability of any other Person to Secured Party from any cause, whether consented to by Secured Party or arising by operation of law, (C) arising out of or able to be asserted as a result of any case, action or proceeding before any governmental authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of any other Person or any of their affiliates, or any general assignment for the benefit of creditors, composition, marshaling of assets for creditors or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors; in each case as undertaken under any U.S. Federal or State law (each of the foregoing described in this clause (C) being referred to herein as an "**Insolvency Proceeding**"); or (D) arising from any rejection or disaffirmance of the Obligations, or any part thereof, or any security held therefor, in any such Insolvency Proceeding;

(iv) Any defense based on any action taken or omitted by Secured Party in any Insolvency Proceeding involving any other Person, including any election to have Secured Party's claim allowed as being secured, partially secured or unsecured, any extension of credit by Secured Party to any other Person in any Insolvency Proceeding, and the taking and holding by Secured Party of any security for any such extension of credit;

(v) Except as otherwise provided herein, all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of intention to accelerate, notices of acceleration, notices of acceptance of this Pledge Agreement or the Obligations and of the existence, creation, or incurring of new or additional indebtedness, and demands and notices of every kind;

(vi) Any defense based on or arising out of any defense that Pledgor or any of its affiliates may have to the payment or performance of the Obligations, other than the defense of payment of the Obligations;

(vii) Any defense based upon an election of remedies by Secured Party;

(viii) Any duty on the part of Secured Party to disclose to Pledgor any facts Secured Party may now or hereafter know about Borrower or the Collateral, regardless of whether Secured Party has reason to believe that any such facts materially increase the risk beyond that which Pledgor intends to assume or has reason to believe that such facts are unknown to Pledgor or has a reasonable opportunity to communicate such facts to Pledgor, it being understood and agreed that Pledgor is fully responsible for being and keeping informed of the financial condition of Borrower, of the condition of the Collateral, and of any and all circumstances bearing on the risk that liability may be incurred by Pledgor hereunder;

(ix) Any defense based upon the inaccuracy of any representation or other provision contained in the Note or this Pledge Agreement;

(x) Any right or claim of right to cause a marshaling of the assets of Pledgor;

(xi) Any and all benefits under California Civil Code Sections 2787-2855, 2899, and 3433; and

(xii) Any and all other suretyship defenses of any kind or nature, whether pursuant to statute or otherwise.

(d) Waiver of Subrogation and Other Rights. Upon the occurrence and during the continuance of any Event of Default, in its sole discretion, without prior notice to or consent of Pledgor, Secured Party may elect to: (A) foreclose against any collateral for the Obligations, (B) accept a transfer of any such collateral for the Obligations in lieu of foreclosure, (C) compromise or adjust the Obligations or any part thereof or make any other accommodation with Pledgor or any other Person, or (D) exercise any other remedy against Pledgor or any other Person or any collateral for the Obligations. No such action by Secured Party shall release or limit Secured Party's rights hereunder or under the Note, even if the effect of the action is to deprive Pledgor of any subrogation rights, rights of indemnity, or other rights to collect reimbursement from any other Person for any sums paid to Secured Party, whether contractual or arising by operation of law or otherwise. Pledgor expressly agrees that under no circumstances shall Pledgor be deemed to have any right, title, interest, or claim in or to any Collateral to be held by Secured Party or any third party after any foreclosure or transfer in lieu of foreclosure of the Collateral.

(e) Other Waivers. Regardless of whether Pledgor may have made any payments to Secured Party, until repayment in full of all of the Obligations, Pledgor waives: (1) upon the occurrence and during the continuance of an Event of Default all rights of subrogation, all rights of indemnity, and any other rights to collect reimbursement from any other Person on account of the Collateral encumbered by this Pledge Agreement, whether contractual or arising by operation of law (including the United States Bankruptcy Code or any successor or similar statute) or otherwise; (2) all rights to enforce any remedy that Secured Party may have against any Person granting collateral for the Obligations; and (3) upon the occurrence and during the continuance of an Event of Default, all rights to participate in any Collateral now or later to be held by Secured Party.

*[Signature on Following Page]*

IN WITNESS WHEREOF, Pledgor has executed this Pledge Agreement as of the day and year first above written.

PLEDGOR:

SRI - MANAGING MEMBER 3, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Name:  
Its:

## EXHIBIT “A”

### CHARTER DOCUMENTS

1. That certain *Limited Liability Company Agreement of AS Mesa Verde Investments JV, LLC* dated as of November 23, 2021 (as may be amended from time to time); and
2. That certain *Limited Liability Company Agreement of SOF – Mesa Verde, LLC* dated as of November [ ], 2021 (as may be amended from time to time).

**EXHIBIT D**

**FORM OF OPERATING AGREEMENT FOR THE COMPANY**

[attached]

**LIMITED LIABILITY COMPANY OPERATING AGREEMENT**

**OF**

**INTEGRIS SECURED CREDIT FUND II, LLC**

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THE MEMBERSHIP INTERESTS REPRESENTED BY THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT HAVE NOT BEEN REGISTERED UNDER ANY SECURITIES LAWS AND THE TRANSFERABILITY OF SUCH INTERESTS IS RESTRICTED. SUCH INTERESTS MAY NOT BE SOLD, ASSIGNED, OR TRANSFERRED, NOR WILL ANY ASSIGNEE, VENDEE, TRANSFEREE, OR ENDORSEE THEREOF BE RECOGNIZED AS HAVING ACQUIRED ANY SUCH INTERESTS BY THE ISSUER FOR ANY PURPOSES, UNLESS (1) A REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, WITH RESPECT TO SUCH INTERESTS SHALL THEN BE IN EFFECT AND SUCH TRANSFER HAS BEEN QUALIFIED UNDER ALL APPLICABLE STATE SECURITIES LAWS, OR (2) THE AVAILABILITY OF AN EXEMPTION FROM SUCH REGISTRATION AND QUALIFICATION SHALL BE ESTABLISHED TO THE SATISFACTION OF COUNSEL TO THE COMPANY.

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS LIMITED LIABILITY COMPANY AGREEMENT ARE SUBJECT TO FURTHER RESTRICTION AS TO THEIR TRANSFER, AS SET FORTH HEREIN.

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**LIMITED LIABILITY COMPANY OPERATING AGREEMENT  
OF  
INTEGRIS SECURED CREDIT FUND II, LLC**

This Limited Liability Company Operating Agreement (this “*Agreement*”) of INTEGRIS SECURED CREDIT FUND II, LLC, a Delaware limited liability company (the “*Company*”), is entered into effective as of November 9, 2022 (the “*Effective Date*”), by and between the Persons named on Exhibit A attached hereto (each, an “*Investor*” and collectively, the “*Investors*”). The Manager and the Investors are referred to herein as the “*Members*” and each as a “*Member*.”

**RECITALS**

WHEREAS, the Company was formed pursuant to a Certificate of Formation filed with the Secretary of State of the State of Delaware on September 20, 2022 (the “*Certificate*”); and

WHEREAS, The Manager desires to admit the Investors as Members of the Company, and the Manager and the Investors desire to enter into this Agreement to provide for the respective rights, obligations, and interests of the Manager and the Members with respect to each other and to the Company and the terms and conditions on which the Company will conduct its business and affairs, and this Agreement shall govern, regulate and manage the affairs of the Company from the date hereof and shall bind each and every present and future Member of the Company.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Members agree that the Investors are hereby admitted as Members of the Company and agree as follows:

**AGREEMENT**

**ARTICLE I**

**DEFINITIONS**

**Section 1.1 Terms Defined.** When used in this Agreement, the following terms shall have the meanings set forth below:

“*Act*” shall mean the Delaware Limited Liability Company Act, as amended from time to time.

“*Adjusted Capital Account Deficit*” shall mean with respect to any Member, the deficit balance, if any, in the Capital Account of that Member as of the end of the relevant fiscal year, or other relevant period, giving effect to all adjustments previously made thereto pursuant to Section 3.2 and further adjusted as follows: (i) credit to such Capital Account, any amounts which that Member is obligated or deemed obligated to restore pursuant to any provision of this Agreement or pursuant to Treasury Regulation Section 1.704-1(b)(2)(ii)(c); (ii) debit to such Capital Account, the items described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5), and (6); and (iii) to the extent required under the Treasury Regulations, credit to such Capital Account (A) that

Member's share of "minimum gain" and (B) that Member's share of "member nonrecourse debt minimum gain." (Each Member's share of the minimum gain and member nonrecourse debt minimum gain shall be determined under Treasury Regulations Sections 1.704-2(g) and 1.704-2(i)(5), respectively).

**"Affiliate"** shall mean a Person (i) which is directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with the Person in question, or (ii) in which the Person in question is a manager, officer, director or, directly or indirectly, has a financial interest. The term "control", as used in the immediately preceding sentence, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person.

**"Agreement"** shall mean this Limited Liability Company Operating Agreement of the Integris Secured Credit Fund II, LLC, as may subsequently be amended.

**"Borrower"** shall mean Shopoff Borrower SPE 4, LLC, a Delaware limited liability company.

**"Business Day"** shall mean any day except any Saturday, any Sunday, or any day which is a federal legal holiday or any day on which banking institutions in the State of Delaware are authorized or required by law or other governmental action to close.

**"Capital Account"** shall have the meaning set forth in Section 3.2.

**"Capital Contribution"** shall mean the cash and the fair market value of property other than cash (net of liabilities which the Company assumes or takes the property subject to) contributed to the capital of the Company by a Member. For the avoidance of doubt, a capital contribution shall reflect a contribution in respect of equity ownership in the Company by a Member, and not a loan to the Company by a Member.

**"Cash Flow"** shall mean, for the period in question, the amount by which (i) the aggregate cash receipts of the Company from any source (including, without limitation, loans, Capital Contributions, and interest from the Note) exceed (ii) the sum of the cash expenditures and obligations of the Company (including, without limitation, the payment of all debt and obligations of the Company).

**"Certificate"** shall mean the Certificate of Formation filed on behalf of the Company with the Secretary of State of the State of Delaware in accordance with all applicable statutes, as may be subsequently amended.

**"Code"** shall mean the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations thereunder.

**"Company"** shall have the meaning set forth in the preamble hereto.

**"Exhibit"** shall mean an exhibit attached to this Agreement.

**"Effective Date"** shall have the meaning set forth in the preamble hereto.

“**Gross Asset Value**” shall mean, with respect to any asset, the tax basis of that asset, except as follows:

(i) The initial Gross Asset Value of any asset contributed (or deemed contributed under Code Sections 704(b) and 752 and the Treasury Regulations promulgated thereunder) by a Member to the Company shall be the fair market value of the asset on the date of the contribution, as determined by the Manager;

(ii) The Gross Asset Values of all Company assets shall be adjusted to equal their respective fair market values, as determined by the Manager, as of the following times: (A) the acquisition of an additional interest in the Company by any Member in exchange for more than a *de minimis* Capital Contribution; (B) the distribution by the Company to a Member of more than a *de minimis* amount of property as consideration for an interest in the Company; and (C) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); *provided, however*, that adjustments pursuant to clauses (A) and (B) above shall be made only if the Members reasonably determine that the adjustments are necessary or appropriate to reflect the relative economic interests of the Members;

(iii) The Gross Asset Value of any Company asset distributed to any Member shall be the fair market value of the asset on the date of distribution, as determined by the Manager; and

(iv) The Gross Asset Values of Company assets shall be increased (or decreased) to reflect any adjustments to the tax basis of the assets pursuant to Code Sections 734(b) or 743(b), but only to the extent that the adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m); *provided, however*, that Gross Asset Values shall not be adjusted pursuant to this paragraph (iv), to the extent the Members determine that an adjustment pursuant to paragraph (ii) above is necessary or appropriate in connection with a transaction that would otherwise result in adjustment pursuant to this paragraph (iv).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to paragraphs (i), (ii) or (iv) above, that Gross Asset Value shall thereafter be adjusted by the depreciation taken into account with respect to the asset for purposes of computing profits and losses.

“**Initial Member**” shall mean Integris Manager 2, LLC, a Delaware limited liability company.

“**Interest Rate**” shall mean a cumulative, non-compounded return of 12% per annum on the outstanding amount of a Member’s Unreturned Capital Contribution, accruing for each Member from the date(s) of such Member’s Capital Contribution and through the date of repayment of such Member’s Capital Contribution.

“**Investor**” and “**Investors**” shall have the meaning set forth in the preamble hereto.

“**Investors’ Capital Contribution**” shall mean Investors’ Initial Capital Contribution pursuant to Section 3.1(a).

“**Key Principals**” shall mean William A. Shopoff and Brian Rupp, the key principals of the Manager.

“**Loans**” shall mean those loans, evidenced by the Note issued to the Company by the Borrower, and described in **Exhibit B**.

“**Manager**” shall mean Integris Manager 2, LLC, a Delaware limited liability company, so long as such Person shall continue as the Manager hereunder, and any other Person who has been appointed as, and continues to be, the Manager of the Company pursuant to the terms hereof.

“**Maturity Date**” shall mean February 28, 2025; provided, however, the maturity date may be extended by up to one additional year (i.e., February 28, 2026) by mutual agreement of each Member and the Manager.

“**Members**” shall mean the Manager and the Investors, so long as each such Person shall continue as a member hereunder, and any other Person who has been admitted as, and continues to be, a member of the Company pursuant to the terms hereof.

“**Membership Interest**” shall mean a Member’s interest, expressed as a percentage on **Exhibit A**, in the income, gains, losses, deductions, tax credits, voting rights and distributions of the Company as may be affected by the provisions of this Agreement and as may hereafter be adjusted.

“**Minimum Return**” shall mean the amount of interest that the Member would have received if the Note was redeemed on February 28, 2024. Such Minimum Return shall be calculated based on the date such Investor was admitted as a Member of the Company.

“**Note**” shall mean the note described on **Exhibit B** issued by the Borrower to the Company in respect of the Loans.

“**Offering**” shall mean the private placement offering of Membership Interests in the Company to Investors, as may be supplemented and amended from time to time.

“**Offering Memorandum**” shall mean the documentation evidencing the Offering, as may be supplemented and amended from time to time.

“**Offering Termination Date**” shall mean the specific date on which the Offering is closed to new Investors.

“**Partially Adjusted Capital Accounts**” shall mean, with respect to any Member for any fiscal year, the Capital Account of such Member at the beginning of such year, adjusted for all Capital Contributions and distributions during such year and all special allocations pursuant to Section 7.3 with respect to such year before giving effect to any allocations of net income or loss pursuant to Section 7.1.

“**Partnership Representative**” shall have the meaning set forth in Section 5.7.

“**Person**” shall mean an individual, partnership, joint venture, limited liability company, corporation, trust, estate or other entity or organization.

“**Proceeding**” shall mean any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitral, or investigative, any appeal in such an action,

suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding.

“**Section**” shall mean any section or subsection in this Agreement.

“**Targeted Accounts**” shall mean, with respect to any Member for any fiscal year, an amount (either positive or negative) equal to the hypothetical distribution such Member would receive, or hypothetical contribution, if any, such Member would be required to make, as the case may be, if: (i) all Company assets, including cash, were sold for cash at an aggregate price equal to their Gross Asset Value (taking into account any adjustments to Gross Asset Value for such fiscal year); (ii) all liabilities allocable to such assets were then satisfied according to their terms (limited, with respect to each nonrecourse liability, to the Gross Asset Value of the assets securing such liability); and (iii) all such proceeds from the disposition were distributed pursuant to Section 7.4, reduced by such Member’s share of Member nonrecourse debt minimum gain and Company minimum gain immediately prior to such sale (as such terms are described in Treasury Regulation Section 1.704-2).

“**Transfer**” shall mean the sale, transfer, gift, conveyance, assignment, pledge, hypothecation, mortgage or other encumbrance or disposition of all or any part of a Membership Interest.

“**Unreturned Capital Contributions**” shall mean, as to each Member, the Capital Contributions made by such Member that have not been returned to such Member whether pursuant to Article VII or otherwise.

**Section 1.2 Number and Gender.** Whenever the context requires, references in this Agreement to the singular number shall include the plural, and the plural number shall include the singular, and words denoting gender shall include the masculine, the feminine, and the neuter.

**Section 1.3 Application of Treasury Regulations.** Pursuant to Section 2.6, the Company shall be characterized as a partnership for federal and state (as applicable) income tax purposes. Consequently, for purposes of this Agreement, where the term “partner” or “partnership” is used in the Treasury Regulations, this Agreement uses the terms “member” or “company”, respectively, in lieu of but with the same meaning as such terms.

## ARTICLE II

### GENERAL

**Section 2.1 Formation.** The Certificate of the Company has been filed with the Secretary of State of the State of Delaware as required by the Act. The Manager shall do all other things requisite to the organization and operation of the Company as a limited liability company pursuant to the Act.

**Section 2.2 Purpose.** The purpose of the Company shall be:

(a) to issue the Loans to the Borrower in an amount not less than the aggregate Capital Contributions received by the Company, and to make such Loans as and when such Capital Contributions are received by the Company, which Loans will be contemporaneously evidenced

by a Note issued by the Borrower to the Company which shall have an interest rate of not less than 12% per annum, and to collect payments of principal and interest therefrom; and

(b) to do and perform any other acts and things necessary, incidental or convenient to carry on the Company business as contemplated under this Agreement.

**Section 2.3 Name.** The business of the Company shall be conducted under the name “Integris Secured Credit Fund II, LLC”.

**Section 2.4 Principal Office; Registered Office; Registered Agent.** The principal office of the Company shall be at 18565 Jamboree Road, Suite 200, Irvine, California 92612. The Manager may change the principal office of the Company to any other place within Orange County, California upon thirty (30) days prior written notice to the Members. The registered agent and registered office of the Company in the State of Delaware for service of process shall be The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801.

**Section 2.5 Term.** The Company shall continue until terminated pursuant to Section 10.1.

**Section 2.6 Characterization.** For federal and state (as applicable) income tax purposes, the Company shall be characterized as a partnership. The Manager shall operate the Company in a manner consistent with such characterization and no Member shall take any act, or fail to take any act, which is not consistent with such characterization.

## ARTICLE III

### CAPITAL CONTRIBUTIONS; MEMBER LOANS; CAPITAL ACCOUNTS

#### **Section 3.1 Investors’ Capital Contributions.**

(a) Investors’ Capital Contributions. In connection with each Member’s subscription for and acquisition of Membership Interests in the Company pursuant to the Offering, each member shall contribute cash to the Company in the amount set forth for such Member on Exhibit A attached hereto as its capital contribution on the date of such acquisition of Membership Interests (in the aggregate, the “*Investors’ Capital Contribution*”). Said amount shall be credited to such Investor’s Capital Account on the date of each such contribution.

(b) Initial Capital Accounts. Each Member’s Capital Account balance after Investors’ Capital Contribution under Section 3.1(a) above shall be as set forth in Exhibit A.

**Section 3.2 Capital Accounts.** The Company shall establish and maintain a capital account (“*Capital Account*”) for each Member in accordance with Section 704(b) of the Code and Treasury Regulations Section 1.704-1(b)(2)(iv). Except as otherwise provided in this Agreement, (A) the Capital Account balance of each Member shall be credited (increased) by (i) the amount of cash contributed by such Member to the capital of the Company, (ii) the fair market value of property contributed by such Member to the capital of the Company (net of liabilities secured by such property that the Company assumes or takes subject to under Code Section 752), and (iii) such Member’s allocable share of Company income and gain (or items thereof) including income and gain exempt from federal taxation and income and gain attributable to adjustments to reflect book

value pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(g), but excluding income and gain attributable to tax items which differ as a result of the revaluation of Company property as described in Treasury Regulations Section 1.704-1(b)(4), and (B) the Capital Account balance of each Member shall be debited (decreased) by (i) the amount of cash distributed to such Member, (ii) the fair market value of property distributed to such Member (net of liabilities secured by such property which the Member assumes or takes subject to under Code Section 752), (iii) such Member's allocable share of expenditures of the Company described in Code Section 705(a)(2)(B), and (iv) such Member's allocable share of Company losses, depreciation and other deductions (or items thereof) including loss and deduction attributable to adjustments to reflect book value pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(g) but excluding expenditures described in clause (iii) above and loss or deduction attributable to tax items which differ as a result of the revaluation of Company property or excess percentage depletion as described in Treasury Regulations Section 1.704-1(b)(4)(i) and (ii). Notwithstanding the foregoing, a Member's Capital Account shall not be adjusted to reflect gain or loss attributable to the disposition of property contributed by such Member to the extent such Member's Capital Account reflected such inherent gain or loss in the property on the date of its contribution to the Company.

**Section 3.3 Other Matters Relating to Capital Contributions.**

- (a) No Member shall be required to make a Capital Contribution except to the extent expressly provided in this Article III.
- (b) No Member shall be entitled to withdraw, or to obtain a return of, any part of its Capital Contributions, or to receive property or assets other than cash in return thereof, and no Member shall be liable to any other Member for a return of its Capital Contributions, except as provided in this Agreement.
- (c) No Member shall be entitled to priority over any other Member, either with respect to a return of its Capital Contributions, or to allocations of taxable income, gains, losses, or credits, or to distributions, except as provided in this Agreement.
- (d) No interest shall be paid on any Member's Capital Contributions.

**Section 3.4 Deficit Capital Account Balances.** Upon liquidation of the Company, no Member with a deficit balance in its Capital Account shall have any obligation to restore such deficit balance or to make any Capital Contribution.

**ARTICLE IV**

**MEMBERS**

**Section 4.1 Members.** The names and addresses of the Members of the Company as of the Effective Date are as set forth on Exhibit A. As of the date hereof, no other Person has the right to take part in the ownership or management of the Company.

**Section 4.2 Liability.** No Member shall be bound by, or personally liable for, obligations or liabilities of the Company beyond the amount of its required contributions to the capital of the

Company, and no Member shall be required to contribute any capital to the Company except as provided in Article III.

**Section 4.3 Management by Manager.** The Company is manager-managed. The right to manage, control and conduct the business affairs of the Company is solely vested in the Manager.

**Section 4.4 Timely Decisions of Members.** In any circumstances requiring the approval or consent of the Members as specified in this Agreement, such approval or consent shall, except as expressly provided to the contrary in this Agreement, be given or withheld and conveyed in writing to the Manager not later than twenty (20) days after receipt by the Members (as determined pursuant to Section 11.4) of the request of the Manager seeking such approval or consent; provided, however, that the manager may shorten the period for a response to not less than five (5) days after receipt by the Members (as determined pursuant to Section 11.4) of the request of the Manager seeking such approval or consent, if, in the sole and absolute discretion of the Manager, such shorter period is reasonably necessary to prevent an adverse impact on the Company.

## ARTICLE V

### MANAGEMENT

**Section 5.1 Management.** The business and affairs of the Company shall be managed by the Manager. Any decisions or actions with respect to the Company's business not specifically enumerated in this Agreement as reserved for the Members shall be left to the sole discretion of the Manager, so long as such action is not materially adverse to the economic interests of the Members. Hence the Manager shall have the sole power and authority to operate and manage the business of the Company on behalf of the Company. For the sake of clarity, the Manager shall have, amongst other unenumerated authority, the right and power to do the following:

- (a) to perform any and all acts necessary or appropriate in connection with the business of the Company as contemplated herein, including, but not limited to, enforcing the rights of the Company with respect to the Note;
- (b) to amend this Agreement as provided in Section 11.1;
- (c) to hold all property and assets of the Company, real, personal and mixed, in the name of the Company;
- (d) to negotiate, execute and deliver contracts, deeds, notes, and any and all other instruments necessary or incidental to the conduct of the business of the Company, and to amend or modify any such instruments;
- (e) to make, incur, pay, or contract for any cost, expenditure, fee, commission, or other item, on behalf of the Company;
- (f) to coordinate all accounting and clerical functions of the Company and to employ such accountants, lawyers, managers, agents, and other management or service personnel as may from time to time be required to carry on the business of the Company; and

(g) if a Transfer has occurred in compliance with this Agreement, to admit such transferee to the Company and amend this Agreement to reflect such admission.

**Section 5.2 Payment of Costs and Expenses.**

(a) The Company shall be responsible for paying all costs and expenses of forming and continuing the Company and conducting the business of the Company, including, without limitation, costs of utilities, insurance premiums, taxes, accounting costs, legal expenses, and consultants' fees. If any such costs or expenses are or have been paid by the Manager, any Investor, or any of their respective Affiliates, on behalf of the Company, then the Manager, such Investor, or such Affiliate shall be entitled to be reimbursed by the Company for such payment. Notwithstanding anything herein to the contrary, the Manager and its Affiliates and the Investors and their Affiliates shall be responsible for and shall not be reimbursed for any of their overhead (including, without limitation, any salaries, wages, benefits, insurance, payroll, or other compensation with respect to any officers or employees of the Manager or its Affiliates or the Investors or their Affiliates, as applicable, any office space/rent or supplies, or any other overhead expenses of the Manager or its Affiliates or the Investors or their Affiliates).

(b) Notwithstanding the foregoing, Capital Contributions made to the Company by the Members shall be used solely for making the Loans to the Borrower as provided herein and in the Offering Memorandum.

**Section 5.3 Liability.** The Manager shall perform its duties under this Agreement in good faith, with ordinary prudence, and in a manner reasonable under the circumstances, and the Manager acknowledges and agrees that it has a fiduciary duty to the Company and to the Members to act in the best interests of the Company, including, but not limited to, enforcing the rights of the Company with respect to the Note. The Manager shall not be liable to the Company or the Members for any loss or liability caused by any act, or by the failure to do any act, unless such loss or liability arises from the Manager's intentional misconduct, gross negligence, fraud, bad faith, breach of fiduciary duty, or breach of its covenants or obligations under this Agreement, or as may otherwise be provided in this Agreement.

**Section 5.4 Resignation and Removal of Manager.** The Manager may not be removed by the Members. Any vacancy caused by the resignation of the Manager will be filled by the affirmative vote of the Members holding a majority of the Interests.

**Section 5.5 Indemnification and Advancement of Expenses.**

(a) Except with respect to the liability of the Manager under Section 5.3, the Company shall indemnify and/or advance expenses to a Person who was, is, or is threatened to be made a named defendant or respondent in a Proceeding because the Person is or was a Manager, Member or officer of the Company, to the fullest extent provided by, and in accordance with the procedures set forth in, the Act and any other applicable laws.

(b) The Company may purchase and maintain insurance or other arrangements (in form, substance, and in such amounts approved or required by the Manager and the Investors) on behalf of any Person who is or was a Manager, Member, or officer of the Company against any liability asserted against it or incurred by it in such a capacity or arising out of its status as such a Person,

whether or not the Company would have the power to indemnify it against that liability under Section 5.5(a) or otherwise.

(c) The indemnification set forth in this Section 5.5 shall not cause the Manager, any Member, any officers of the Company, or the Company to incur any personal liability of the Manager, a Member, an officer of the Company, or the Company, to any third party.

#### **Section 5.6 Partnership Representative.**

(a) The Manager is designated as, and shall serve as, the Company's "partnership representative" (the "***Partnership Representative***"), as defined in Code Section 6223 and the Company and the Members shall complete any necessary actions (including executing any required certificates or other documents) to effect such designation. The Partnership Representative shall keep the Members (including Persons who were Members in the "reviewed year," as defined in Code Section 6225(d)) informed of all administrative and judicial proceedings relating to the Company. The Partnership Representative may make any elections available to be made as Partnership Representative, including, without limitation, the election described in Code Section 6226(a)(1) and the election described in Code Section 6221(b) (the "***Pass-Through Election***"). In the event a Pass-Through Election is made, the Partnership Representative, on behalf of the Company, shall determine each current and former Member's share of adjustments (as contemplated by Section 6226(a)(2)) in a manner consistent with the standard set forth in this Article V, based on the allocations that would have been made to each such Person in the reviewed year (and any subsequent year) if the adjustments were taken into account by the Company in such year(s), subject to any future guidance promulgated under the Code.

(b) In the event the Company is liable for any imputed underpayment (within the meaning of Code Section 6225) paid (or payable) by the Company as a result of an adjustment with respect to any Company item, including any interest or penalties with respect to any such adjustment (collectively, an "***Imputed Underpayment Amount***") with respect to items of Company income, gain, loss, deduction or credit that should have been allocated to a Member for the applicable year, such Member shall promptly reimburse the Company for such amount and such reimbursement shall not be considered a capital contribution to the Company by such Member. The foregoing sentence shall apply even if the applicable Member is no longer a member of the Company at the time the Company becomes liable for such imputed underpayment. Each Member shall indemnify the Company for any amount of Imputed Underpayment Amount attributed to such Member, and such indemnification shall survive any such Member's cessation of membership in the Company. In addition, at the option of the Manager, the Company may treat any such Imputed Underpayment Amount attributed to any Member as an amount of Taxes required to be withheld or deducted from any amount distributed or allocated by the Company to such Member in accordance with Article VII of this Agreement. Imputed Underpayment Amounts subject to the provisions of this Section also shall include any imputed underpayment within the meaning of Code Section 6225 paid (or payable) by any entity treated as a partnership for U.S. federal income tax purposes in which the Company holds (or has held) a direct or indirect interest, other than through entities treated as corporations for U.S. federal income tax purposes, to the extent that the Company bears the economic burden of such amounts, whether by law or agreement.

## **Section 5.7 Other Activities of Manager.**

(a) The Manager will cause its employees, officers, and agents, if any, and the employees, officers, and agents of its Affiliates, to devote so much of their time and attention to the affairs of the Company as reasonably necessary, to enable the Manager to perform its responsibilities in respect of the business of the Company and carry out its obligations under this Agreement. Subject to the immediately preceding sentence, the Manager, the members and managers of the Manager, and their respective Affiliates, and the officers, directors, agents, employees, or direct or indirect shareholders, partners, or members of any of them may perform services for Persons other than the Company.

(b) Subject to Section 5.7(a), the Manager, the partners of the Manager, and their respective Affiliates, and the officers, directors, agents, employees, or direct or indirect shareholders, partners, or members of any of them, may engage, directly or indirectly, in any other business and possess interests in any other business venture or ventures, including, the acquisition, development, ownership, management, leasing, and sale of real estate or interests therein, even if the same competes with the business of the Company. No Member shall, by reason of being a Member of the Company, have any right to participate in any manner in any profits or income earned or derived by the Manager, the members of the Manager or any of their respective Affiliates, or the officers, directors, agents, employees, or direct or indirect shareholders, partners, or members of any of them from the conduct of any such business or the possession of any such interests.

## **ARTICLE VI**

### **OFFICERS**

**Section 6.1 Officers.** If the Manager determines the Company should have officers, the officers of the Company shall be appointed by the Manager in its sole discretion. No officer need be a Member. Any officer designated shall have such title and authority, and perform such duties, as the Manager may, from time to time, designate and delegate to him or her. Each officer shall hold office until his or her successor shall be duly designated and shall qualify or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided in Section 6.2. Any number of offices may be held by the same Person. No officer of the Company shall be entitled to receive any salary or other compensation from the Company.

**Section 6.2 Removal and Vacancies.** Any officer may resign as such at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if later, at the time of its receipt by the Manager. The acceptance of a resignation shall not be necessary to make it effective, unless expressly provided in the resignation. Any officer may be removed as such, either with or without cause, by the Manager whenever in its judgment the best interests of the Company will be served thereby; provided, however, such removal shall be without prejudice to the contract rights, if any, of the Person so removed and that designation of an officer shall not of itself create contract rights. Any vacancy occurring in any office of the Company may be filled by the Manager.

## ARTICLE VII

### ALLOCATIONS AND DISTRIBUTIONS

**Section 7.1 Allocation of Net Income and Loss.** Net income and loss for each fiscal year shall be determined for financial accounting purposes in accordance with the method of accounting used for federal income tax purposes and the books and records of the Company. After taking into account the special allocations set forth in this Article VII, net income and loss for each calendar year (or portion thereof), shall be allocated, proportionately, among the Members in the manner that will cause their Partially Adjusted Capital Accounts to equal, as soon as possible, their Targeted Accounts. No portion of the net income for any fiscal year shall be allocated to a Member whose Partially Adjusted Capital Account is greater than or equal to its Target Account for that fiscal year. No portion of the losses for any fiscal year shall be allocated to a Member whose Target Account is greater than or equal to its Partially Adjusted Capital Account for that fiscal year.

**Section 7.2 Distributions of Cash Flow.**

(a) Subject in all events to this Section 7.2, the Manager shall distribute Cash Flow to the Members at such times as the Manager determines appropriate.

(b) Each Member shall be entitled to the following distributions:

(i) The Interest Rate shall be payable not less than quarterly as of the last day of each calendar quarter (*i.e.*, March 31, June 30, September 30, and December 31) and shall be paid within twenty (20) Business Days of such dates, provided, however, that the first installment of the Interest Rate shall be payable as of March 31, 2023, and provided that any outstanding Interest Rate must be paid upon the earlier of (A) the Capital Contribution Return Due Date or (B) the date on which all Unreturned Capital Contributions are returned to a Member.

(ii) Unreturned Capital Contributions of a Member, subject to subsection (iv) below, shall be returned to the Member not later than within twenty (20) Business Days of the February 28, 2025 (such date, with respect to any Unreturned Capital Contribution, a “***Capital Contribution Return Due Date***”). Upon the payment of all of a Member’s Interest Rate and Unreturned Capital Contributions, the Membership Interest in respect of such Unreturned Capital Contributions shall be deemed liquidated.

(iii) Unreturned Capital Contributions of the Members may be returned at any time prior to the Capital Contribution Return Due Date, provided, however, that each Member shall be entitled to receive not less than the Minimum Return.

(iv) Notwithstanding the foregoing, on or before November 30, 2024, the Manager shall provide written notice to the Members of each such Member’s Unreturned Capital Contributions (including any unpaid Interest Rate) and (at the election of the Manager) offer to each Member the opportunity to extend the Member’s Capital Contribution Return Date by up to one (1) year. The acceptance by a Member of such offer (if made) shall be given or not given in the sole and absolute discretion of the Member and conveyed in writing to the Manager not later than January 15, 2025.

A Member's failure to respond to an offer to extend its Capital Contribution Return Date shall be treated as a non-acceptance of such offer by such Member.

### **Section 7.3 Limitations on Allocations.**

(a) Minimum Gain Chargeback. Notwithstanding any provision of this Article VII, if there is a net decrease in Company minimum gain during any fiscal year or other period, prior to any other allocation pursuant hereto, each Member shall be specially allocated items of income and gain for such year (and, if necessary, subsequent years) in an amount and manner required by Treasury Regulation Section 1.704-2. Notwithstanding any provision of this Article VII, if there is a net decrease in nonrecourse debt minimum gain, any Member with a share of that nonrecourse debt minimum gain as of the beginning of such year shall be allocated items of income and gain for the year (and, if necessary, for succeeding years) equal to that Member's share of the net decrease in the nonrecourse debt minimum gain, as provided in Treasury Regulation Section 1.704-2(i)(4).

(b) Qualified Income Offset. Any Member who unexpectedly receives an adjustment, allocation or distribution described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) that causes or increases a negative balance in its Capital Account beyond the sum of the amount of such Member's obligation to restore its deficit Capital Account plus its share of minimum gain shall be allocated items of income and gain sufficient to eliminate such increase or negative balance caused thereby, as quickly as possible, to the extent required by such Treasury Regulation.

(c) Gross Income Allocation. If any Member has a deficit Capital Account at the end of any fiscal year which is in excess of the sum of (i) the amount such Member is obligated to restore pursuant to any provision of this Agreement and (ii) the amount such Member is deemed to be obligated to restore pursuant to Treasury Regulation Section 1.704-2, each such Member shall be specially allocated items of income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 7.3(c) shall be made only if and to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article VII have been made as if this Section 7.3(c) were not in this Agreement.

(d) Section 704(b) Limitation. Notwithstanding any other provision to the contrary, no allocation of any item of income or loss shall be made to a Member if such allocation would not have "economic effect" pursuant to Treasury Regulation Section 1.704-1(b)(2)(ii) or otherwise be in accordance with its interest in the Company within the meaning of Treasury Regulation Sections 1.704-1(b)(3) and 1.704-2. To the extent an allocation cannot be made to a Member due to the application of this Section 7.3(d), such allocation shall be made to the other Member(s) entitled or required to receive such allocation hereunder.

(e) Curative Allocations. Any allocations of items of income, gain, or loss pursuant to Sections 7.3(a)-(d) shall be taken into account in computing subsequent allocations pursuant to this Article VII, so that the net amount of any items so allocated and the income, losses and other items allocated to each Member pursuant to this Article VII shall, to the extent possible, be equal to the net amount that would have been allocated to each Member had no allocations ever been made pursuant to Sections 7.3(a)-(d).

(f) Regulatory Requirements. Notwithstanding the provisions contained in this Article VII, should any allocation of income, gain, loss or deduction conflict with the requirements contained in Treasury Regulations Section 1.704-1(b), the requirements of said Treasury Regulations shall apply to the extent necessary to cause such allocation to comply with such Treasury Regulations.

#### **Section 7.4 Distributions Upon Liquidation of Company.**

(a) Upon liquidation of the Company, the assets of the Company shall be distributed no later than the later of ninety (90) days after the date of such liquidation or the end of the Company's taxable year in which the liquidation occurs and shall be applied in the following order of priority:

(i) To the payment of debts and liabilities of the Company (including amounts owed to Members or former Members);

(ii) Unless inconsistent with Treasury Regulation Section 1.704-1(b)(2)(ii)(b), or any successor provision, to set up any reserves which the Manager deems reasonably necessary for contingent or unforeseen liabilities or obligations of the Company arising out of or in connection with the business of the Company; and

(iii) After all Capital Account adjustments for the Company's taxable year in which the liquidation occurs (including without limitation adjustments required under Treasury Regulation Section 1.704-1(b)(2)(iv)(e), relating to distributions in kind), to the Members in accordance with Section 7.2.

(b) If a transfer of an interest results in a termination of the Company for federal income tax purposes under Section 708(b)(1)(B) of the Code (or any successor provision thereto or any similar state or local law provision), Section 7.4(a) shall not apply and a Member's portion of the constructive distribution of an interest in the "new partnership" that is deemed to occur under Treasury Regulation Section 1.708-1(b)(4) (or any similar or successor provision) shall be determined in accordance with the Capital Accounts of the Members as determined after taking into account all Capital Account adjustments for the Company's taxable year ending on the date of such termination.

#### **Section 7.5 Additional Tax Allocation Provisions.**

(a) For income tax purposes, allocations of income and loss (and items thereof) shall be made in accordance with the foregoing allocations of income, gain and loss for financial purposes.

(b) Notwithstanding anything to the contrary contained herein, items of income, gain, loss and deduction with respect to assets of the Company, other than cash, contributed to the Company by a Member or with respect to an adjustment to the Members' Capital Accounts to reflect a revaluation of the assets of the Company, shall be allocated among the Members so as to take into account the variation between the basis of the property to the Company and its fair market value at the time of contribution or, in the case of a revaluation of the assets of the Company, the variation between the basis of the assets to the Company and their fair market value as of the date of revaluation, as provided in Section 704(c) of the Code and Regulations thereunder and Treasury Regulations Section 1.704-1(b)(2)(iv)(g).

(c) As between a Member who has transferred all or part of its Membership Interest and its transferee, all items of income, gain, deduction and loss, for any year shall be apportioned on the basis of the number of days in each such year that each was the holder of such Membership Interest (making any adjustments necessary to comply with the provisions of Section 706(d)(2) of the Code), without regard to the results of the Company's operations during the period before and after the date of such transfer, provided that if both the transferor and transferee consent thereto a special closing of the books shall be had as of the effective date of such transfer and the apportionment of items of income and gain, and deduction and loss, shall be made on the basis of actual operating results.

## ARTICLE VIII

### FISCAL MATTERS

**Section 8.1 Fiscal Year.** The fiscal year of the Company shall be the calendar year as required under Section 706 of the Code.

**Section 8.2 Books and Records.** The Manager, on behalf of the Company, shall keep full and accurate books and records of all Company transactions on the accrual method in accordance with generally accepted accounting principles, consistently applied. Without limiting the generality of the foregoing, the Manager, on behalf of the Company, shall keep:

- (a) A current list of the following items:
  - (i) the name and mailing address of each Member;
  - (ii) the last known street address of the business or residence of the Manager; and
  - (iii) the Membership Interest of each Member;
- (b) Copies of the Company's federal, state and local tax returns and financial statements, if any, for each of the Company's six (6) most recent tax years; and
- (c) A copy of this Agreement, the Certificate, all amendments and restatements, and executed copies of any powers of attorney under which this Agreement, the Certificate and any and all amendments or restatements thereto have been executed.

All of such books and records shall, at all times, be maintained by the Manager at the principal place of business of the Company and the Members shall have the right to inspect and copy any of them, at their own expense, during normal business hours.

**Section 8.3 Reports and Statements.**

- (a) Within forty-five (45) days after the end of each fiscal quarter of the Company, the Manager shall cause to be prepared, in accordance with U.S. generally accepted accounting principles, and delivered to each Member, an unaudited quarterly financial report for such fiscal quarter for the Company, and such other financial statements and such other information as

necessary or appropriate for the Members to be advised of the financial status and results of operations of the Company.

(b) The Manager shall promptly report to the Members any actual or threatened matter, event, or circumstance which could adversely affect the Company, its business, property or assets.

(c) The Manager shall (i) keep each Member apprised and informed of its investment in the Note on a periodic basis and (ii) provide to each Member, as and when requested by a Member from time to time, any materials and information concerning the Company as may be so requested.

**Section 8.4 Audit.** Any Member may require an audit of the books and records of the Company to be conducted at any time (but not more frequently than once each calendar year, unless otherwise required by any Investor's investors); provided, however, no Member shall require the Company to provide to such Member audited financial statements of the Company, except within the sole and absolute discretion of the Manager. Any such audit so required shall be conducted at the expense of the Company. In the event of an audit of the Company's books and records, the Company shall retain accountants and other professionals selected by the Manager in its discretion to participate in such audit.

**Section 8.5 Tax Returns.** The Manager, on behalf of the Company, shall cause to be prepared and delivered to the Members on or before March 31 following the end of each calendar year all federal and any required state and local income tax returns for the Company for the preceding calendar year. In the event of an audit of the Company's income tax returns, the Company shall retain accountants and other professionals selected and approved by the Manager to participate in such audit in order to contest assertions by the auditing agent that may be materially adverse to the Members.

**Section 8.6 Bank Accounts.** The Manager, in the name of the Company, shall open and maintain a special bank account or accounts in a bank or savings and loan association selected by the Manager in its discretion, the deposits of which are insured by an agency of the United States government, in which shall be deposited all funds of the Company. There shall be no commingling of the property and assets of the Company with the property and assets of any other Person.

## ARTICLE IX

### TRANSFERS

**Section 9.1 Restriction on Transfers.** No Member may Transfer all or any portion of its Membership Interest without the written consent of the Manager; provided, however, that any Investor, without the consent of the Manager, may pledge and/or assign as collateral its Membership Interest (and/or its right to receive distributions from the Company), in whole or in part, in connection with any loan or financing received by such Investor or any of its Affiliates (or any other entity which directly or indirectly owns or controls an interest in such Investor or any of its Affiliates).

**Section 9.2 Assumption by Transferee.** Any transferee to whom any Membership Interest may be Transferred pursuant to this Agreement shall take such Membership Interest subject to all of the terms and conditions of this Agreement and shall not be considered to have title thereto until

said transferee shall have accepted and assumed the terms and conditions of this Agreement by a written agreement to that effect delivered to all Members, at which time such transferee shall be admitted as a substitute Member and shall succeed to all rights of its transferor except as such rights may be otherwise limited by other provisions of this Agreement.

**Section 9.3 Cost of Transfers.** The transferor and, if it fails or refuses to do so, then the transferee, of any Membership Interest shall reimburse the Company for all costs incurred by the Company in connection with or resulting from any Transfer.

**Section 9.4 Effect of Attempted Transfer in Violation of this Agreement.** Any attempted Transfer of any Membership Interest in breach of this Agreement shall be null and void and of no effect whatsoever.

## ARTICLE X

### DISSOLUTION

**Section 10.1 Dissolution.** It is the intention of the Members that the business of the Company be continued by the Members, or those remaining, pursuant to the provisions of this Agreement, notwithstanding the occurrence of any event which would result in a statutory dissolution of the Company pursuant to the laws of the State of Delaware, and no Member shall be released or relieved of any duty or obligation hereunder by reason thereof; provided, however, that the business of the Company shall be terminated, its affairs wound-up and its property and assets distributed in liquidation on the earliest to occur of:

- (a) a determination by the Manager that the business of the Company should be terminated;
- (b) the date upon which all of the assets of the Company have been sold, and all payments attributable thereto have been received;
- (c) the date upon which the Membership Interests of all Members have been liquidated pursuant to Section 7.2; or
- (d) entry of a decree of judicial dissolution.

**Section 10.2 Wind-Up of Affairs.** As expeditiously as possible following the occurrence of an event giving rise to a termination of the business of the Company, the Manager shall wind-up the affairs of the Company, sell its property and assets for cash at the highest price reasonably obtainable, distribute the proceeds in accordance with Section 7.4 in liquidation of the Company and file a certificate of cancellation with the Secretary of State of the State of Delaware. In no event shall there be a distribution of the property and assets of the Company in kind, unless the Investors approve such distribution.

## ARTICLE XI

### MISCELLANEOUS

**Section 11.1 Amendments.**

(a) This Agreement may not be amended without the consent of the Manager and Members holding a majority of the Membership Interests; provided, however, the Manager may, in its sole discretion, adopt any amendment to this Agreement that does not have an adverse economic impact on the Members.

(b) In any circumstances requiring the approval or consent of the Members as specified in this Agreement, such approval or consent shall, except as expressly provided to the contrary in this Agreement, be given or withheld and conveyed in writing to the Manager not later than twenty (20) days after receipt by the Members (as determined pursuant to Section 11.4) of the request of the Manager seeking such approval or consent; provided, however, that the Manager may shorten the period for a response to not less than five (5) days after receipt by the Members (as determined pursuant to Section 11.4) of the request of the Manager seeking such approval or consent, if, in the sole and absolute discretion of the Manager, such shorter period is reasonably necessary to prevent an adverse impact on the Company.

(c) A Member's lack of response to a proposal of the Manager on or before the final Business Day of the applicable time period described above shall constitute a vote by such Member in favor of the Manager's recommendation with respect to the proposal.

(d) Upon receipt by the Manager of the necessary approvals or consents of the Members to such action (including for the avoidance of doubt pursuant to the preceding sentence of this Section 11.1(b)), the Manager shall be authorized and empowered to implement such action without further authorization by the Members.

**Section 11.2 Initial Member's Membership Interests.** Notwithstanding anything to the contrary contained in this Agreement, the Membership Interests of the Initial Member may be redeemed and its Membership Interest reduced upon the admission of additional Members pursuant to the Offering.

**Section 11.3 Partition.** No Member shall be entitled to a partition of any property or assets of the Company, notwithstanding any provision of law to the contrary. A Membership Interest is personal property.

**Section 11.4 Notices.** All notices, demands, requests or other communications that may be or are required to be given, served or sent by any party to another party pursuant to this Agreement shall be in writing and shall be (i) mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, (ii) delivered by hand delivery, (iii) delivered by reputable overnight courier (such as Federal Express or UPS), or (iv) transmitted by electronic or facsimile transmission addressed as set forth below, and shall be deemed to have been given, served, sent and received for all purposes (i) two (2) days after the date a first-class, registered or certified mailing, return receipt requested, containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail, (ii) on the date of hand delivery to the office of the recipient, (iii) one (1) day after such notice is deposited with a reputable overnight courier (such as Federal Express or UPS) for next day delivery, or (iv) if transmitted by electronic or facsimile transmission, when receipt of such transmission by the intended recipient has been confirmed by the sender's equipment or otherwise reasonably ascertained by the sender. The addresses of the parties to which any notice, demand, request, or communication is to be sent are as follows:



**Section 11.11 ARBITRATION OF DISPUTES.**

(a) ANY DISPUTES REGARDING ANY MATTERS PERTAINING TO THIS AGREEMENT SHALL BE RESOLVED BY NEUTRAL, BINDING ARBITRATION AND NOT BY ANY COURT ACTION EXCEPT AS MAY BE PROVIDED FOR JUDICIAL REVIEW OF ARBITRATION PROCEEDINGS BY DELAWARE LAW. ARBITRATION SHALL BE HELD THROUGH JAMS, INC. (FORMERLY JUDICIAL ARBITRATION AND MEDIATION SERVICES) (“*JAMS*”).

(b) EXCEPT AS OTHERWISE SET FORTH HEREIN, THE ARBITRATION PROCEEDINGS SHALL BE CONDUCTED BY AND IN ACCORDANCE WITH THE RULES OF JAMS AND, EXCEPT FOR PROCEDURAL ISSUES, THE ARBITRATION PROCEEDINGS, THE ULTIMATE DECISIONS OF THE ARBITRATOR, AND THE ARBITRATOR SHALL BE SUBJECT TO AND BOUND BY DELAWARE LAW (CASE AND STATUTORY).

(c) THE MATTER SHALL BE HEARD BY ONE ARBITRATOR WHO IS A RETIRED JUDGE WITH AT LEAST FIVE (5) YEARS EXPERIENCE AS A JUDGE. WITHIN FIVE (5) DAYS OF RECEIPT OF A WRITTEN REQUEST FROM ONE OF THE PARTIES TO ARBITRATE A CLAIM, JAMS SHALL PROVIDE A LIST OF FIVE (5) NAMES TO BOTH PARTIES. IF THE PARTIES CANNOT MUTUALLY AGREE ON THE SELECTION OF THE ARBITRATOR FROM SUCH LIST, THEN EACH SIDE WILL SUCCESSIVELY STRIKE ONE NAME (FOR ANY REASON AT ALL) UNTIL ONE IS LEFT (WHICH SHALL BE THE APPOINTED ARBITRATOR), WITH THE INITIATING PARTY BEING THE FIRST PARTY TO STRIKE A NAME AND SUBMIT IT TO THE OTHER PARTY. IN NO EVENT SHALL A NOTICE TO ARBITRATE SERVE TO EXTEND, SUSPEND OR DELAY THE PERFORMANCE OF A PARTY TO THIS AGREEMENT. THE PARTIES SHALL HAVE NO MORE THAN TWO (2) DAYS FOR THE STRIKING OF EACH NAME. THE ARBITRATION HEARING SHALL BE HELD IN ORANGE COUNTY, CALIFORNIA, COMMENCING NO LATER THAN THIRTY (30) CALENDAR DAYS FOLLOWING A PARTY’S NOTIFICATION TO THE OTHER PARTY OF SUCH PARTY’S DESIRE TO ARBITRATE A DISPUTE. THE ARBITRATION SHALL BE CONDUCTED AS INFORMALLY AS POSSIBLE AND NEITHER THE RULES OF ADMISSIBILITY OF EVIDENCE NOR THE EVIDENCE CODE OF THE STATE OF DELAWARE SHALL BE APPLICABLE. THE ARBITRATOR SHALL BE THE SOLE JUDGE OF THE ADMISSIBILITY OF AND THE PROBATIVE VALUE OF ALL EVIDENCE OFFERED.

(d) THE DECISION OF THE ARBITRATOR SHALL BE BINDING ON THE PARTIES AND MAY BE ENTERED AS A JUDGMENT IN ANY COURT THAT HAS JURISDICTION AND VENUE, INCLUDING ANY COURT OF THE STATE OF DELAWARE. THE INITIATING PARTY SHALL ADVANCE ANY FEE REQUIRED BY JAMS TO INITIATE THE ARBITRATION PROCEEDINGS. THE PREVAILING PARTY SHALL HAVE THE RIGHT TO SEEK REIMBURSEMENT OF ITS ATTORNEY’S FEES AND COSTS IN THE ARBITRATION, AS AWARDED BY THE ARBITRATOR.

(e) NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE “ARBITRATION

OF DISPUTES” PROVISION DECIDED BY NEUTRAL ARBITRATION AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE “ARBITRATION OF DISPUTES” PROVISION. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

(f) THE UNDERSIGNED HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE “ARBITRATION OF DISPUTES” PROVISION TO NEUTRAL ARBITRATION.

\_\_\_\_\_  
Manager’s Initials

***[Signature on next page]***

**IN WITNESS WHEREOF**, the parties have executed this Agreement effective as of the Effective Date first above written.

**MANAGER:**

**INTEGRIS MANAGER 2, LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: William A. Shopoff  
Title: President and CEO

**EXHIBIT A**

Members; Membership Interests; Capital Accounts as of the Effective Date

<u>Member</u>	<u>Address</u>	<u>Membership Interest</u>	<u>Capital Contribution*</u> <u>(including date thereof)</u>
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TOTALS

100%

## **EXHIBIT B**

### **Description of the Loans and Note\***

The Company will issue one or more loans to the Borrower in the aggregate maximum amount of \$10,000,000. The loans shall be evidenced by a Note issued by the Borrower to the Company, and shall have a maturity date of February 28, 2025 (the “**Maturity Date**”) and bear non-compounded interest at twelve percent (12%) per annum payable not less than quarterly as of the last day of each calendar quarter (i.e., March 31, June 30, September 30 and December 31) and shall be paid within twenty (20) business days of such dates; provided, however, that the first interest payment shall be payable as of March 31, 2023. The Maturity Date may be extended by up to one additional year (i.e., February 28, 2026) by mutual agreement of each Member and the Manager.

The Note shall be issued by the Borrower to the Company and shall be secured by a (1) a pledge from SRI - Managing Member 3, LLC, a Delaware limited liability company and an affiliate of the Sponsor (the “**MV Pledgor**”), of one hundred percent (100%) of all amounts payable to MV Pledgor with respect to the “promote” distributions (i.e. distributions in the return of a share of capital and payment of the profits of a company beyond what is a pro rata distribution attributable to the equity contributions to the company) (the “**Promote Distributions**”) (the “**Promote Pledge**”) payable to the MV Pledgor under the limited liability company agreement of SOF – Mesa Verde, LLC, a Delaware limited liability company (the “**Mesa Verde**”), which indirectly owns certain real property in the city of Calimesa, California (the “**MV Property**”); and (2) a pledge from Borrower of all of Borrower’s right, title, and interest to the JV Pledge. The JV Pledge and Promote Pledge are collectively referred to herein as the “**Pledges**,” and all collateral under the Pledges is collectively referred to herein as the “**Collateral**.”

The obligations of the Borrower are guaranteed by William A. Shopoff and Cindy Shopoff (the “**Guarantors**”); provided however, that certain assets of the Guarantors shall be excluded as assets of the Guarantors for purposes of this guaranty. For the avoidance of doubt, the Collateral does not include any ownership interest in Borrower, Sponsor, the Pledgors, Mesa Verde, or any direct ownership of the MV Property.

Table 1 below sets forth a summary of the terms of the Note.

<b>Table 1: Summary of Note Terms</b>	
<b>Maturity Date</b>	The Maturity Date for the Note shall be February 28, 2025; provided, however, the Maturity Date may be extended by up to one (1) year (i.e., February 28, 2026) by mutual agreement pursuant to section 7.2(b)(iv) of the Company’s Operating Agreement.
<b>Early Redemption Right of Company</b>	Borrower may redeem the Note (and thus the Company may redeem the Members) in whole or in part at any time prior to the Maturity Date without penalty; provided however, that each Member shall receive no less than the Minimum Return with respect to any portion of their Membership Interest that may be redeemed prior to the Maturity Date. Any Minimum Return will be paid at the time of any early redemption with respect to all or any portion of the Membership Interests that are redeemed. <i>For the avoidance of doubt, only the Company has the right to cause an early redemption of the Members; the Members have no right to receive an early redemption of their capital contribution to the Company.</i>
<b>Interest Rate and Interest Payments</b>	Fixed twelve percent (12%) per annum simple interest on the outstanding principal balance of the Note payable no less frequently than quarterly within twenty (20) business days of the end of quarter. The first payment shall occur with the quarter ending on March 31, 2023. These payments will be passed through to Members

	with respect to their Interests pro rata in proportion to their entitlement to such payments.
<b>Security</b>	The Note is secured by the Collateral, which consists of the Pledges; provided, however, the MV Pledgor has also pledged the Promote Distributions as collateral to SSCF2. The Promote Pledge is subject to an Intercreditor Agreement, which provides that the Company's interest in the Promote Distributions is junior to SSCF2.
<b>Event of Default</b>	The Company shall have all enforcement powers provided under the Note and associated loan documentation. The Company will perfect their security interest in the Collateral by filing a UCC financing statement with respect to those interests in the State of Delaware to ensure the priority of the rights of the Company against the Borrower as a creditor with respect to the Note. In an Event of Default, the Company shall not look to the Guaranty until they have exhausted all of their remedies under the Collateral.
<b>Sources of Repayment</b>	The Company anticipates that repayment of principal and interest on the Note will be paid from (1) the assets underlying the Collateral (i.e., cash flow from the Land Fund Subsidiaries to the Joint Venture), and/or (2) general cash flows received by the Company from proceeds generated by a variety of promote payments anticipated to be received by the Guarantors from multiple entities prior to the Maturity Date. See " <b>Repayment Strategy</b> " above for repayment timing and other information.

\*Any capitalized terms not defined in this Agreement shall have the meaning set forth in the Note or the Offering documents. Capitalized terms used herein and not defined shall have the meaning ascribed to them in the Offering documents. This Exhibit B, *Description of the Loans and Note*, is intended to summarize the Loans and the Note and is qualified in its entirety by reference to the Loan, the Note, and the Offering documents. In the event of any conflict, discrepancy, or inconsistency between the foregoing summary and the Loan, the Note, or the Offering documents, the terms of the Loan, the Note, or the Offering will control.

**EXHIBIT E**  
**FORM OF GUARANTY**  
[attached]

## **GUARANTY**

THIS GUARANTY (this “**Guaranty**”) is made as of November 9, 2022, by WILLIAM A. SHOPOFF and CINDY I. SHOPOFF (collectively, the “**Guarantor**”), having an address of 150 Mountain Road, Laguna Beach, California 92651, in favor of INTEGRIS SECURED CREDIT FUND II, LLC, a Delaware limited liability company, and its successors and/or assigns (the “**Lender**”).

### **RECITALS**

A. The Lender has agreed to make a loan to Shopoff Borrower SPE 4, LLC, a Delaware limited liability company (the “**Borrower**”), in the maximum principal amount of Ten Million and No/100 Dollars (\$10,000,000.00) (the “**Loan**”), which Loan is evidenced by that certain *Secured Promissory Note* of even date herewith (the “**Note**”) by the Borrower in favor of the Lender.

B. As additional consideration for the Lender’s agreement to make the Loan to the Borrower, and as a condition precedent thereto, concurrently herewith the Borrower is executing and delivering to the Lender that certain *Pledge and Security Agreement* of even date herewith (the “**Borrower Pledge**”), pursuant to which the Borrower has pledged and collaterally assigned to the Lender any instrument evidencing or securing any Borrower Loan (as defined in the Borrower Pledge), including all right, title, and interest of Pledgor in and to any Borrower Loan Collateral (as defined in the Borrower Pledge).

C. The Guarantor holds direct and/or indirect interests in the Borrower and accordingly will derive substantial direct and indirect benefits from the obtaining of the Loan by the Borrower.

D. The Lender is willing to make the Loan if, among other conditions, it receives this Guaranty from the Guarantor. Accordingly, the Guarantor desires to enter into this Guaranty to induce the Lender to make the Loan.

### **AGREEMENT**

In consideration of the foregoing recitals and of other valuable consideration, the receipt and sufficiency of which are acknowledged, each Guarantor hereby certifies, represents, and warrants to the Lender, and agrees as follows:

1. **GUARANTEED OBLIGATIONS.** The Guarantor hereby unconditionally and independently of any liability of the Borrower guarantees and agrees as follows:

**1.1 Payment Guaranty.** The Guarantor hereby jointly, severally, irrevocably, absolutely and unconditionally guarantees and promises to pay to or for the benefit of the Lender, its successors and assigns, immediately on demand, which demand may be made at any time an Event of Default (as defined in the Note) has occurred and is continuing under the Note or the Borrower Pledge: (a) all amounts under the Loan and all indebtedness and obligations that may now or hereafter be owing from the Borrower to the Lender thereunder, including principal, accrued but unpaid interest (including Default Interest if and when applicable), any late charges, any prepayment fees, attorneys’ fees, expenses and court costs (whether incurred in connection with any enforcement activities by the Lender or otherwise, in any appeal proceedings or in any bankruptcy proceedings involving the Borrower or the Guarantor), and (b) all amounts payable to the Lender under the Borrower Pledge, including any attorneys’ fees, expenses and court costs (whether incurred in connection with any enforcement activities by the Lender or otherwise, in any appeal proceedings or in any bankruptcy proceedings involving the Borrower or the Guarantor) (all of the foregoing shall be collectively referred to as the “**Guaranteed Obligations**” and, together with any and all obligations under this Guaranty, shall be collectively referred to as the “**Guarantor Obligations**”). All

payments shall be by immediately available funds in lawful money of the United States of America at the address of the Lender as set forth in the Note or such other location as the Lender may designate in writing. Any amounts payable under this Guaranty not paid within five (5) days of written demand therefore shall bear interest at the Default Rate (as set forth in the Note) from the due date until such time as paid in full, whether pursuant to settlement, judgment or any other exercise of the Lender's rights and remedies. The Guarantor shall pay and perform all of the Guarantor Obligations without counterclaim, deduction, defense, deferment, reduction, or setoff. The Guarantor further agrees that all payments to be made hereunder shall be made free and clear of, and without deduction for, any taxes. If any taxes are required to be withheld from any amounts payable to the Lender hereunder, the amounts so payable to the Lender shall be increased to the extent necessary to yield to the Lender (after payment of all taxes) the amounts payable hereunder in the full amounts so to be paid. Whenever any tax is paid by the Guarantor, as promptly as possible thereafter, the Guarantor shall send the Lender an official receipt showing payment thereof, together with such additional documentary evidence as may be required from time to time by the Lender.

**1.2 Excluded Assets.** This Guaranty shall be fully recourse as against the Guarantor, except that, notwithstanding anything herein to the contrary, those certain assets of the Guarantor described in **Schedule "1"** hereto, and all proceeds, profits, and related rights and interest with respect thereto (collectively, the "**Excluded Assets**"), are expressly excluded from this Guaranty, and in no event shall Lender have any rights, remedies or recourse with respect to such Excluded Assets.

**1.3 Conditions Precedent.** Notwithstanding anything herein to the contrary, upon an Event of Default under the Note or Borrower Pledge, the Lender shall not exercise any rights or remedies under this Guaranty until it has exhausted all of its remedies under the Borrower Pledge and the underlying Borrower Loan Collateral, including by foreclosing, or attempting to foreclose, on the Borrower Loan Collateral through its rights under the Borrower Pledge.

**1.4 No Waivers.** Nothing contained in this Section 1 shall be deemed to be a waiver of any right which the Lender may have under provisions of the U.S. Bankruptcy Code, or any other provision of applicable law, to file a claim in any United States Bankruptcy Court the full amount of the Guarantor Obligations.

## **2. IRREVOCABLE, INDEPENDENT, AND ABSOLUTE NATURE OF GUARANTY**

**2.1 Absolute and Independent Nature of Guaranty.** The liability of the Guarantor under this Guaranty is irrevocable, absolute, unconditional, and continuing and is distinct, independent, and separate from the liability of the Borrower, any other guarantor, any other person, or any of their respective assets, including any collateral (collectively, "**Third Parties**" and "**Third Party Assets**" respectively) arising out of or otherwise with respect to the Loan, all Loan documents relating thereto (the "**Loan Documents**"), and the Guaranteed Obligations (collectively, "**Third Party Liability**"). No action, failure to act (whether by the Lender or otherwise), circumstance, event, or condition by, to, or with respect to any Third Party, any Third Party Liabilities, or any Third Party Assets (collectively, "**Third Party Events**"), shall adversely affect, impair, invalidate, prevent enforcement of, or delay the enforcement of, any of the Guarantor Obligations or any liens and encumbrances granted by the Guarantor to the Lender, regardless of the impact of such Third Party Events on any of the rights, claims, title or interests that the Guarantor has or may have, whether as against any Third Party or any Third Party Assets, including any of the Guarantor's Borrower Claims (as defined in Section 6) or otherwise, it being understood that the risk of Third Party Events occurring being a risk assumed by the Guarantor. Third Party Events include: (a) any increase to or decrease in, or any amendment or other modification with respect to, any of the Third Party Liabilities, including the Guaranteed Obligations; (b) any compromise, settlement, release, forbearance or delay, enforcement or failure to act, defend or enforce, or any waiver of any rights and remedies of the Lender as to any Third Party, any Third Party Liability or any Third Party Assets, including any substitution, exchange, sale,

liquidation, disposition, release or transfer of any collateral or any portion thereof, regardless of the manner, priority or order thereof and regardless of the nature, character or value (or lack of value) of the consideration received with respect thereto; (c) any dispute, claim or defense by any Third Party related to any Third Party, any Third Party Assets or any Third Party Liabilities, including the validity, priority or enforceability of the Lender's rights and remedies with respect thereto; (d) any cessation, discharge, modification, reduction, stay or release of any Third Parties, Third Party Liability or Third Party Assets, including as to any liens and encumbrances with respect thereto, whether through bankruptcy, insolvency, reorganization, or otherwise, whether pursuant to contract, at law, in equity or otherwise; and (e) any bankruptcy, death, disability, dissolution, incompetence, insolvency, liquidation, or reorganization of any Third Party.

**2.2 Cumulative.** This Guaranty is in addition to, independent of, and not limited by any other guaranties or agreements which have or may be executed by the Guarantor in favor of the Lender, whether with respect to the Guaranteed Obligations or otherwise.

**3. CERTAIN RIGHTS OF LENDER.** The Lender may, without the consent of the Guarantor, at any time and from time to time, either before or after the maturity of the Note:

**3.1** amend any provision of the Note, including any change in the interest rate therein or any change in the time or manner of payment thereunder,

**3.2** amend any provision of the Borrower Pledge, including any change in the time or manner of payment thereunder,

**3.3** make any agreement with the Borrower for the extension, payment, compounding, compromise, discharge, or release of any provision of the Note or Borrower Pledge, without notice to or the consent of the Guarantor, and

**3.4** without limiting the generality of the foregoing, the Lender is expressly authorized to surrender to the Borrower or to deal with or modify the form of, any security which the Lender may at any time hold to secure the performance of any obligation hereby guaranteed, and the guaranties herein made by the Guarantor shall not be impaired or affected by any of the foregoing.

**4. GUARANTOR REPRESENTATIONS AND WARRANTIES.** The Guarantor represents and warrants to the Lender as follows: (a) the Guarantor has read this Guaranty, each of the Loan Documents, has reviewed each of them with its counsel (or has had the opportunity to do so and has voluntarily elected not to do so) and fully and completely understands the terms and conditions set forth therein and herein, the legal effects of each of them, of this Guaranty and of the Guarantor's execution hereof; (b) each of the representations and warranties contained in the Loan Documents are true and correct; (c) this Guaranty has been duly and validly executed and delivered to the Lender by the Guarantor and no approval, authorization, bond, consent, certificate, franchise, license, permit, registration, qualification, or other action or grant by or filing with any person is required in connection with the execution, delivery, or performance by the Guarantor of this Guaranty; (d) the execution, delivery, and performance by the Guarantor of this Guaranty will not conflict with, result in a violation of or result in a default with respect to (i) any Applicable Law or (ii) any agreement, document, or instrument to which the Guarantor is a party or by which the Guarantor or any of the assets or property of the Guarantor is bound; (e) this Guaranty constitutes the legal, valid, and binding obligations of the Guarantor, enforceable in accordance with their terms against the Guarantor, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization, or similar laws and by equitable principles of general application; (f) the Guarantor has a material and substantial relationship with and interest in the Borrower and will receive a material and substantial benefit by the Borrower entering into the Loan; (g) the Guarantor is providing this Guaranty at the request of the

Borrower in order to induce the Lender to extend financial and other accommodations to the Borrower; (h) the Guarantor has had, and will continue to have at all times, full and complete access to the Borrower, the Property and all information of the Borrower related to the Property, the Borrower's books and records, and the financial affairs and condition of the Borrower; (i) the Guarantor has not relied on the Lender or any information received from the Lender, and the Guarantor has made its own independent investigation as to the financial condition of the Borrower and the Borrower's ability to perform the Obligations as and when required and has satisfied itself that the Borrower can perform those Obligations as and when required; (j) the Guarantor has been afforded the necessary time and opportunity to carefully read, and has carefully read, this Guaranty, the Note, the Borrower Pledge and any other documents and certificates related to the Loan and to review each of them with counsel of the Guarantor's choice and has either done so or has elected not to do so, and prior to the Guarantor's execution thereof, fully understood the nature and legal effect of this Guaranty, the Note, the Borrower Pledge and any other documents and certificates related to the Loan, as well as the Guarantor Obligations hereunder; and (k) the Guarantor is solvent (i.e., the aggregate value of its assets exceed the aggregate amount of its liabilities and the Guarantor can and does pay its obligations as and when they become due) as of the date of this Guaranty, and the Guarantor will not be rendered insolvent as a result of this Guaranty and, as of the date hereof, the Guarantor has no reason to believe that it would become insolvent during the term of the Loan.

## **5. DEFAULT; REMEDIES.**

**5.1 Default.** The Guarantor shall be deemed in default hereunder, which default shall constitute an "**Event of Default**" under the Note, upon (a) the failure to pay and perform any of the Guarantor Obligations, including any payment obligations as and when required hereunder; (b) the Guarantor breaches any other nonmonetary covenant or condition hereunder and such breach is not cured within ten (10) days of written demand therefor by the Lender to the Guarantor; (c) any representation or warranty contained or in any other certificate or other document executed by the Guarantor and delivered to the Lender pursuant to or in connection with this Guaranty, fails to be true and correct in all material respects, or fails to include a material fact necessary to make such representation not misleading, in each case, as of the date made or deemed made; (d) either the Guarantor or the Borrower shall commence any case, proceeding or other action (A) under any creditors rights laws seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or it shall make a general assignment for the benefit of its creditors; (e) there shall be commenced against it any case, proceeding or other action of a nature referred to in clause (d) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains un-dismissed, undischarged or un-bonded for a period of sixty (60) days; (f) there shall be commenced against it any case, proceeding or other action seeking issuance of a warrant of attachment, execution or similar process against all or any substantial part of its assets which results in the entry of any order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; (g) it shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (d), (e), or (f) above; or (h) any of them shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; (i) any dissolution, liquidation, suspension or termination of any of the Companies, the Borrower's or any the Guarantor's business, trust or corporate existence or the commencement of any action or proceeding which seeks as one of its remedies the termination, liquidation or dissolution of thereof and such action or proceeding is not defended diligently and in good faith, or a final judgment is entered decreeing the termination, liquidation or dissolution of any of the Companies, the Guarantor or the Borrower; (j) (A) the occurrence of any claim or assertion, including by way of claim, counterclaim, affirmative defense or otherwise, that this Guaranty or any of the other loan documents, or any other guaranty, are not legal, valid and binding agreements enforceable in accordance with their respective terms without defense, offset or reduction thereto, (B) any of such documents shall in any way be terminated (except in accordance with

their terms) or become or be judicially declared ineffective or inoperative in any material respect or shall in any way fail to give or provide the respective liens, security interests, rights, titles, interests, remedies, powers or privileges intended to be created thereby or (C) any person shall seek or obtain an order or decree in any court of competent jurisdiction enjoining or prohibiting the Lender, the Borrower, the Guarantor or any other loan party from carrying out the terms and conditions of this Guaranty, the Note, the Borrower Pledge or any of the loan documents; or (k) the determination by the Lender that there has been a material adverse change as to the Borrower, the Guarantor or any of the Companies, which material adverse change is reasonably likely to materially impair the Borrower's ability to repay the Note as and when required or impairs any the Guarantor's ability to timely and fully perform any of the Guarantor Obligations if and when required to do so pursuant hereto.

**5.2 Remedies.** Upon the occurrence of a default hereunder, subject to Section 1.3 above, the Lender shall be entitled to make a demand on this Guaranty and have all rights and remedies contained in this Guaranty and otherwise at law or in equity. Further, notwithstanding anything to the contrary set forth elsewhere herein, in the event a bankruptcy or other insolvency proceeding is commenced by or against the Guarantor (other than by the Lender), any event or circumstance which would constitute a default hereunder but for notice and the passage of time thereafter without cure, shall be deemed to constitute a default hereunder without any requirement of the Lender to provide notice and the opportunity to cure, with any such notice and cure period being hereby expressly and irrevocably waived. The rights and remedies of the Lender under this Guaranty shall be deemed in addition to, and without limitation to, any other rights and remedies of the Lender under the Loan Documents, at law or in equity, and shall be deemed cumulative and non-exclusive. Delay, discontinuance, or failure to exercise any right or remedy of the Lender shall not be a waiver thereof, any obligations of the Guarantor hereunder, or of any other right or remedy of the Lender. Exercise of any right or remedy of the Lender shall not cure or waive any default hereunder or invalidate any act done in response to any such default.

## **6. SUBORDINATION; SUBROGATION.**

**6.1 Subordination.** Without limiting the Lender's rights under any other agreement, any and all payment and performance obligations and liabilities owed by the Borrower to the Guarantor, including those arising out of any extension of credit, financial accommodation by the Guarantor to or for the account of the Borrower, distributions to be paid to the Guarantor as an interest holder in the Borrower (whether direct or indirect) or otherwise, together with any rights and benefit of the Guarantor with respect thereto, whether pursuant to contract, at law or in equity (collectively, "**Guarantor's Borrower Claims**") are hereby fully, finally and unconditionally subordinated to the liens, claims, rights and remedies of, and payments owed to the Lender with respect to the Guaranteed Obligations, whether such rights are pursuant to contract, at law or in equity. The Guarantor agrees and covenants that at any time an Event of Default exists, including a default hereunder pursuant to Section 5.1 above, the Guarantor shall not be entitled to, demand, or otherwise seek to enforce, any of the Guarantor's Borrower Claims unless directed to do so in writing by the Lender, in which case, the Guarantor shall diligently pursue enforcement and collection of same, with any and all payments received by the Guarantor with respect to the Guarantor's Borrower Claims being paid directly to the Lender; provided that, if any such payment is paid to the Guarantor, it shall be held in trust by the Guarantor for the benefit of the Lender and turned over to the Lender, within three (3) days of the Guarantor's receipt thereof. The Guarantor further assigns to and grants to the Lender a security interest in and to any and all of the Guarantor's Borrower Claims.

**6.2 Subrogation.** The Guarantor shall not exercise any rights which it may acquire by way of subrogation, by any payment or performance made under this Guaranty or otherwise, until the termination of this Guaranty pursuant hereto. If any amount is paid to the Guarantor on account of subrogation rights under this Guaranty at any time before the termination of this Guaranty, the amount shall be held in trust

for the benefit of the Lender, to be credited and applied to the Guarantor Obligations, whether matured or unmatured or absolute or contingent.

**7. GUARANTOR ACKNOWLEDGEMENTS AND WAIVERS.** The Guarantor hereby irrevocably and unconditionally agrees to the waivers and releases set forth below for the benefit of the Lender, with each such waiver and release being in addition to and without limitation of the other waivers and releases contained herein:

**7.1 Waiver of Suretyship Defenses.** The Guarantor further agrees that nothing contained herein shall prevent the Lender from suing on the Note or the Borrower Pledge or from exercising any rights available under any other loan documents and that the exercise of any of such rights shall not constitute a legal or equitable discharge of the Guarantor. Without limiting the foregoing, the Guarantor hereby expressly waives any and all rights, benefits, and defenses that a surety or guarantor may have under law or at equity, including those referred to under California Civil Code (“CC”), Sections 2787-2855, inclusive, 2899, 2953 and 3433, including the right to require the Lender to (a) proceed against the Borrower, (b) proceed against or exhaust any security or collateral the Lender may hold, (c) otherwise exercise the Lender’s rights and remedies in any priority or order, or (c) pursue any other right or remedy for the benefit of the Guarantor. All remedies afforded to the Lender by reason of this Guaranty are separate and cumulative remedies and none of such remedies, whether exercised by the Lender or not, shall be deemed to be in exclusion of any one of the other remedies available to the Lender, and shall not in any way limit or prejudice any other legal or equitable remedy available to the Lender. Upon the occurrence of a default under Section 6 hereof, the Lender may maintain an action upon this Guaranty whether or not action is brought against the Borrower and whether or not the Borrower is joined in any such action. The Lender may maintain successive actions for other defaults, and the Lender’s rights hereunder shall not be exhausted or waived, and the Lender shall not be estopped to proceed against the Guarantor pursuant to this Guaranty, by the exercise of any of the Lender’s rights or remedies or by any such action or by any number of successive actions, until and unless the Guarantor Obligations have been fully satisfied and each of the Guarantor’s obligations hereunder has been fully performed or otherwise satisfied.

**7.2 Waiver of “Sham Guaranty” Defense.** The Guarantor acknowledges, agrees, and represents and warrants to the Lender, that (i) the Lender was not involved with, did not participate in, and did not advise the Borrower or the Guarantor with respect to the ownership and/or management structure of the Borrower and that such structure was previously and independently created by the Borrower and/or the Guarantor based upon their own decisions and otherwise based on independent advice obtained by them from their own counsel and consultants, which reasons included separating the Guarantor from any liability that may be incurred by the Borrower in the general conduct and operations of the Borrower’s business, (ii) the Guarantor is not, has not, nor has ever been, intended to be primarily obligated with the Borrower with respect to the Loan or any of the other obligations of the Borrower, whether at law, contract or equity, and the obligations and liabilities of the Guarantor under this Guaranty are, and are intended to be, by the Guarantor, separate, distinct and independent of the Borrower, and (iii) the Guarantor hereby irrevocably waives any right to claim to the contrary, including any right to claim as a defense to the validity, enforceability or collectability of this Guaranty as against the Guarantor that (A) the Guarantor is or otherwise should be considered primarily obligated on the Guaranteed Obligations with the Borrower, whether pursuant to contract, in law or at equity, (B) that this Guaranty and the Guarantor Obligations hereunder are not separate, independent obligations of the Guarantor, or (C) that this Guaranty is otherwise a “sham guaranty”.

**7.3 Waiver of Setoff and Counterclaim.** The Guarantor waives all rights to interpose any setoffs or counterclaims of any nature in any action or proceeding instituted by the Lender with respect to this Guaranty, any collateral therefor, or any matter arising therefrom or relating thereto and the posting of

any bond which may otherwise be required and waives any and all benefits of cross-demands pursuant to Section 431.70 of the CCP.

**7.3.1 Notice Waivers.** The Guarantor waives, to the fullest extent permitted by law, presentment, any notice of dishonor, any protest, any notice of protest, any notice of intent to accelerate, any notice of acceleration, and all other notices or demands of any kind (including notice of the acceptance by the Lender of this Guaranty, notice of the existence, creation, non-payment, or non-performance of any or all Guaranteed Obligations), excepting only notices specifically provided for in this Guaranty.

**7.3.2 Waiver of Any Obligation of the Lender to Inform Guarantor.** The Guarantor waives any right to require the Lender, to provide to the Guarantor any information concerning (a) any performance or non-performance of the Guaranteed Obligations, (b) the ability or inability of the Borrower to perform the Guaranteed Obligations, (c) any Third-Party Event or (d) any other matter, regardless of what information the Lender may have from time to time.

**7.3.3 Waiver of Other Rights and Claims.**

(a) The Guarantor waives any and all present and future rights (i) to participate in the rights and remedies of the Lender against the Borrower or any other Third Party, any collateral, or any other Third Party Assets, (ii) to require marshaling of assets or to require realization on any collateral or any portion thereof, or in any particular order, priority or timing and (iii) any right to designate the portion of the Guaranteed Obligations that are to be satisfied as a result of a partial payment thereof, whether by Guarantor pursuant to this Guaranty, or otherwise by any Third Party, including any right to do so under CC Section 2822.

(b) The Guarantor waives (a) any right to notice of disposition of any of the Borrower Loan Collateral by the Lender in the exercise of its rights and remedies, including any right to notice pursuant to California Commercial Code 9611, (b) any defense to enforcement of the Guarantor Obligations or any liens and encumbrances granted by the Guarantor based on acts and omissions of the Lender, (c) any right to revoke this Guaranty, including any right to do so under CCP 2815, (d) the benefit of any security for the performance of the Guaranteed Obligations which is held by the Lender or any other person, including any such right under CC Section 2849 and (e) any and all provisions of law and equitable principles that conflict with this Guaranty.

(c) The Guarantor hereby expressly acknowledges that, notwithstanding anything to the contrary set forth elsewhere herein, the Note or any other document, the obligations of the Guarantor under this Guaranty are NOT secured by any lien of any deed of trust or otherwise by any real property collateral and the Guarantor hereby irrevocably waives any right to assert or otherwise claim to the contrary.

**8. SURVIVAL, TERMINATION, AND REINSTATEMENT.**

**8.1 Survival of Continuing Representations.** The representations, warranties, and covenants of Guarantor in this Guaranty shall survive the execution and delivery of this Guaranty and shall constitute continuing representations and warranties, the truth and accuracy of which shall be required throughout the term of this Guaranty.

**8.2 Termination.** This Guaranty is a continuing guaranty of the payment and performance of the Guaranteed Obligations guaranteed hereby, whether now or hereafter existing and shall remain in full force and effect until payment in full. Notwithstanding such termination, however, the foregoing obligations shall survive any such termination: (a) all Guarantor Obligations arising and

otherwise related to any reinstatement pursuant to Section 8.3 below; (b) the continuing indemnification of the Lender under Section 9.12 below; (c) any and all obligations to pay the Lender's fees and costs pursuant to this Guaranty; and (d) any other obligations of the Guarantor which, by their express terms, under this Guaranty survive the repayment of the Obligations.

**8.3 Reinstatement.** If at any time, or from time to time, whether before or after termination pursuant to Section 8.2 above, all or any part of any amount received by the Lender in payment of, or on account of, any Guarantor Obligation is or must be, or is claimed to be, avoided, rescinded, or returned by the Lender to the Guarantor or any other person for any reason whatsoever (including bankruptcy, insolvency, or reorganization of Guarantor or any other person), such Guarantor Obligation and any liens that secured such Guarantor Obligations at the time such avoided, rescinded, or returned payment was received by the Lender shall be deemed to have continued in existence or shall be reinstated, as the case may be, all as though such payment had not been received.

## **9. GENERAL PROVISIONS.**

**9.1 Notices and Demands.** Notices to the Guarantor shall be provided at the address set forth on the first page of this Guaranty, and to the Lender at the address(es) set forth in the Note, in each case subject to changes thereto as provided in the Note and hereinabove; with all such notices being delivered in accordance with the notice provisions contained in the Note.

**9.2 Headings, Numbers, and Inclusion.** The headings at the beginning of each section of this Guaranty are solely for convenience and are not part of this Guaranty. References to the plural include the singular, the plural, the part, and the whole; "or" has the inclusive meaning represented by the phrase "and/or"; and "including" has the meaning represented by the phrase "including without limitation". Each gender shall include the other genders.

**9.3 Integration, Entire Agreement.** This Guaranty contains the complete understanding and agreement between the Guarantor and the Lender with respect to the subject matter hereof and supersedes all prior representations, warranties, agreements, arrangements, understandings, and negotiations.

**9.4 Severability.** If any provision or any part of any provision of this Guaranty is unenforceable, the enforceability of the other provisions or the other provisions and the remainder of the subject provision, respectively, shall not be affected and they shall remain in full force and effect.

**9.5 Amendment.** This Guaranty may be amended or modified in whole or in part only by an agreement in writing that is signed by both the Lender and the Guarantor.

**9.6 Inspection Rights.** Upon the reasonable request of the Lender from reasonable time to time and at reasonable times, the Guarantor shall promptly provide to the Lender upon the Lender's request therefore, such information, documents, and reports as the Lender may reasonably request to confirm, verify, and otherwise determine the financial condition of the Borrower, including any and all assets, liabilities, rights, title and interests of the Guarantor, the Borrower and the Companies. In addition, the Guarantor shall maintain adequate books and records and shall make such books and records available to the Lender upon reasonable request therefore and shall permit, and the Lender will have the right, at any reasonable time and from reasonable time to time to enter the Guarantor offices in order to inspect, audit, verify, examine and, as applicable, copy such books and records. At the request of the Lender, the Guarantors shall also make themselves available to the Lender at reasonable times and upon reasonable notice to discuss any of the foregoing.

**9.7 Cooperation.** The Guarantor agrees to reasonably cooperate with the Lender and to execute further documents as required by the Lender to further the objectives of this Guaranty or otherwise correct any defect hereunder.

**9.8 Counterparts.** This Guaranty may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Guaranty shall become effective when this Guaranty shall have been executed by the Guarantor and when the Lender shall have received the fully executed counterparts hereof, and thereafter shall be binding upon Guarantor and inure to the benefit of the Lender. Delivery of an executed counterpart of a signature page of this Guaranty by facsimile, email, or other electronic transmission shall be effective as an original; provided that the Lender may require receipt of original signatures with respect to this Guaranty. The signature page of any counterpart may be detached therefrom by the Lender or its counsel and attached to a document that is identical thereto (except for any de minimis changes, including non-substantive typographical and formatting corrections) without impairing the legal and binding effect of the signature(s) thereto.

**9.9 Binding Effect.** This Guaranty shall be binding upon the Guarantor and shall inure to the benefit of the Lender, and its respective successors and assigns and assigns of the Guarantor, provided, however, that the Guarantor may not delegate any of their obligations under this Guaranty and any purported delegation shall be void *ab initio*. The Lender may from time to time assign its rights and delegate its obligations under the Loan Documents and this Guaranty, in whole or in part. In addition to any greater or lesser limitation provided by law, the Guarantor shall not assert against any assignee of any Lender any claims or defenses such Guarantor may have against the Lender, except claims and defenses, if any, arising under this Guaranty.

**9.10 Joint and Several.** In the event there is more than one guarantor of the Obligations or any portion thereof, whether pursuant to this Guaranty or pursuant to a separate agreement, by any other person, each and every provision in this Guaranty shall be binding on the Guarantor and the Guarantor shall be jointly and severally liable with such other guarantors. The Lender shall have the right to join any or all guarantors, including the Guarantor, in any proceeding or to proceed against such guarantors (including the Guarantor) in any order. The Guarantor agrees that it shall have no right of the contribution of or subrogation against any other guarantor unless and until all obligations of such Guarantor have been fully and finally satisfied and only to the extent that any such right would not affect the rights of the Lender. The Guarantor further agrees that, to the extent that the waiver of its rights of subrogation and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation or contribution The Guarantor may have shall be junior and subordinate to the rights of the Lender against the Guarantor hereunder, with the Guarantor assigning to and granting to the Lender, a security interest therein. The Guarantor agrees that unless and until all Obligations have been paid and performed in full, that at any time during the existence of an Event of Default, any payments received by the Guarantor from any other guarantor of the Obligations shall be held in trust for the benefit of the Lender and turned over to the Lender, within three (3) days of such Guarantor's receipt thereof.

**9.11 Married Person.** Any married person who signs this Guaranty expressly acknowledges, represents, and warrants that (a) his or her spouse is aware of and has consented to the Guarantor executing this Guaranty, (b) that both the Guarantor and his or her spouse understand, agree, and have otherwise acknowledged that recourse may be had against all community property, (c) that all property and assets held by the Guarantor and his or her spouse are held as community property and that, unless expressly identified on the Guarantor's financial statements delivered to the Lender, neither the Guarantor nor his or her spouse has any separate property, and (d) that the Guarantor has the power and authority to bind and otherwise obligate the community under this Guaranty. The Guarantor further agrees that recourse may be had by the Lender in such order and priority as the Lender may elect as against his/her separate property as

well as all community property over which that person has a power of management and control, for all of his/her obligations hereunder.

**9.12 Indemnification.** The Guarantor shall, at no cost to the Lender, (a) appear in and defend (with counsel reasonably acceptable to the Lender) any action or proceeding arising under, growing out of, or in any manner connected with this Guaranty, the Guarantor Obligations or the actions of or losses suffered by the Lender with respect thereto, including the exercise of its rights and remedies under this Guaranty, and (b) shall pay all costs and expenses of the Lender, including the Lender's attorneys' fees and costs incurred by the Lender with respect to such indemnified matters; provided that indemnification shall exclude any claims of the Lender which are directly and solely the result of the gross negligence or willful misconduct of the party seeking indemnification hereunder, all as determined by a final, non-appealable order or judgment.

**9.13 Costs, Expenses, and Fees.** Upon the occurrence of an Event of Default, and as a part of any reinstatement pursuant to Section 8.3, the Guarantor agrees to pay, on demand, all reasonable costs, expenses, and fees (including as applicable, attorneys' fees and costs) of the Lender (a) in the enforcement of this Guaranty and exercise of the rights and remedies of the Lender hereunder, (b) in defense of the legality, validity, binding nature of this Guaranty, (c) otherwise in relation to this Guaranty, or the rights and remedies of the Lender under this Guaranty, and (d) in preparing for the foregoing, whether or not any legal proceeding is brought or other action is taken. Such costs, expenses, and fees shall include all such costs, expenses, and fees incurred in connection with any bankruptcy, receivership, replevin, or other court proceedings (whether at the trial or appellate level) of the Guarantor. The Guarantor further agrees to pay interest on such costs, expenses, and fees at the Default Rate from the date incurred by the Lender until paid in full.

**9.14 Nonliability of Lender.** The relationship between the Guarantor and the Lender shall be solely that of a creditor/debtor relationship. The Lender may take or refrain from taking any action provided for under this Guaranty, the Note, the Borrower Pledge, or any other loan document in a manner contrary to the interests of the Guarantor without regard to the interests of the Guarantor, the Lender does not have, nor shall it have at any time, any fiduciary relationship with, or fiduciary duty to, the Guarantor in connection with, related to or arising out of this Guaranty, the Note, the Borrower Pledge or any other loan documents or the Lender's exercise of its rights and remedies with respect thereto and the Guarantor hereby expressly, unconditionally and irrevocably waives any right to claim to the contrary and any further waives any and all claims that the Guarantor has or may have as against the Lender, its officers, directors, employees, and representatives that may exist or otherwise be based on or arising out of the foregoing facts, circumstances and actions, or failure to act as or on behalf of Lender as provided herein. The Guarantor agrees that the Lender shall not have any liability to the Guarantor (whether sounding in tort, contract, or otherwise) for losses suffered by the Guarantor in connection with, arising out of, or in any way related to, the transactions contemplated and the relationship established by this Guaranty, or any act, omission or event occurring in connection therewith, unless it is determined in a final non-appealable judgment by a court of competent jurisdiction that such losses resulted from the gross negligence or willful misconduct of the Lender. IN NO EVENT SHALL THE LENDER HAVE ANY LIABILITY WITH RESPECT TO, AND THE GUARANTOR HEREBY WAIVES, RELEASES, AND AGREES NOT TO SUE FOR, ANY SPECIAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES SUFFERED BY THE GUARANTOR IN CONNECTION WITH, ARISING OUT OF, OR IN ANY WAY RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

**10. CHOICE OF LAW.** THIS AGREEMENT AND THE TRANSACTION CONTEMPLATED HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES.

**11. CONSENT TO JURISDICTION.** GUARANTOR AND LENDER (THE “**PARTIES**”) HEREBY IRREVOCABLY SUBMIT TO THE EXCLUSIVE SUBJECT MATTER AND PERSONAL JURISDICTION OF ANY UNITED STATES FEDERAL OR STATE COURT IN THE COUNTY OF ORANGE COUNTY, STATE OF CALIFORNIA (THE “**COURT**”) IN ANY SUIT, CLAIM, ACTION OR PROCEEDING ARISING OUT OF OR RELATING, WHETHER DIRECTLY OR INDIRECTLY, TO THIS GUARANTY OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY) (EACH, AN “**ACTION**”) AND THE PARTIES IRREVOCABLY AGREE THAT ALL CLAIMS IN RESPECT OF SUCH ACTION MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH ACTION BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM.

**12. WAIVER OF JURY TRIAL; JUDICIAL REFERENCE.**

12.1 THE PARTIES HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY ACTION. EACH PARTY HERETO (I) CERTIFIES THAT NO REPRESENTATIVE, AGENT, OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

12.2 ANY PARTY MAY FILE A COMPLAINT WITH THE COURT. HOWEVER, UPON THE FILING OF THE COMPLAINT, THE FILING PARTY SHALL THEREAFTER FILE AN APPLICATION FOR AN ORDER FOR GENERAL JUDICIAL REFERENCE PURSUANT TO THE CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 638, ET SEQ. THE PARTIES SHALL COOPERATE IN STIPULATING TO THE GRANTING OF THE APPLICATION. THE APPLICATION SHALL REQUEST A REFERRAL TO A RETIRED JUDGE OR JUSTICE FROM THE ORANGE COUNTY PANEL MEMBERS OF *JAMS*. THE PARTIES SHALL STIPULATE AS TO THE SPECIFIC JUDGE OR JUSTICE WITHIN FIVE (5) BUSINESS DAYS OF SERVICE OF APPLICATION, AND THE FILING PARTY SHALL THEREAFTER AMEND THE APPLICATION TO INCLUDE SAID REFEREE. IF EITHER PARTY REFUSES TO SO STIPULATE TO JUDICIAL REFERENCE OR A TO SPECIFIC REFEREE, THE OTHER PARTY MAY MOVE FOR SAID ORDER AND APPOINTMENT BY THE COURT. THE REFEREE SHALL TRY ALL OF THE ISSUES INCLUDING ALL PRE-TRIAL AND POST-TRIAL HEARINGS, MOTIONS, AND MATTERS OF ANY KIND WHETHER OF FACT OR OF LAW AND REPORT A STATEMENT OF DECISION THEREON WHICH SHALL STAND AS A DECISION OF THE COURT. THE REFEREE SHALL HAVE ALL THE POWERS OF A REGULAR SITTING SUPERIOR COURT JUDGE INCLUDING WITHOUT LIMITATION THE POWER TO IMPOSE SANCTIONS AND TO HOLD IN CONTEMPT, AND TO HEAR POSTHEARING MOTIONS. DISCOVERY SHALL BE PERMITTED IN ACCORDANCE WITH LAW AND MUST BE COMPLETED NO LATER THAN THE EARLIER OF THAT DATE SET BY THE JUDICIAL REFEREE OR TEN (10) CALENDAR DAYS PRIOR TO THE DATE FIRST SET FOR TRIAL. A COURT REPORTER AT THE TRIAL MAY BE REQUESTED BY ANY PARTY, PROVIDED THAT THE RECORD SHALL REMAIN CONFIDENTIAL EXCEPT AS MAY BE NECESSARY FOR POSTHEARING MOTIONS AND ANY APPEALS. THE TRIAL MUST COMMENCE WITHIN ONE HUNDRED TWENTY (120) CALENDAR DAYS OF THE DATE OF APPOINTMENT OF THE REFEREE. SHOULD *JAMS*, OR A SUCCESSOR OF *JAMS*, NOT BE IN EXISTENCE AT THE TIME

AN ACTION ARISES, THE PARTIES AGREE TO JOINTLY SELECT IN GOOD FAITH AN ALTERNATE ORGANIZATION OFFERING AT THAT TIME SERVICES SUBSTANTIALLY SIMILAR TO THOSE NOW OFFERED BY *JAMS* AND WHEN SO SELECTED, SUCH ALTERNATE ORGANIZATION SHALL BE SUBSTITUTED FOR *JAMS* WHEREVER *JAMS* IS REFERRED TO HEREIN. EACH PARTY SHALL INITIALLY SHARE EQUALLY IN THE FEES AND COSTS OF *JAMS* AND THE REFEREE.

12.3 THE PARTIES RECOGNIZE AND AGREE THAT ALL ACTIONS RESOLVED UNDER THIS ORDER OF REFERENCE PROVISION WILL BE DECIDED BY A REFEREE AND NOT BY A JURY AND THAT THEY HAVE AGREED TO THIS REFERENCE PROVISION AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR OWN CHOICE, EACH PARTY KNOWINGLY AND VOLUNTARILY AND TO THEIR MUTUAL BENEFIT AGREES THAT THIS REFERENCE PROVISION WILL APPLY TO ANY AND ALL ACTIONS.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

**GUARANTOR:**

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WILLIAM A. SHOPOFF

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CINDY I. SHOPOFF

**SCHEDULE "1"**

**EXCLUDED ASSETS**

- All direct and indirect interests of Guarantor in and to Shopoff Securities, Inc., a Delaware corporation.

**EXHIBIT F**  
**TRACK RECORD**  
[attached]

## **Shopoff Realty Investments - Historical Performance, as of:**

**6/30/2022**

**NO OFFER OR SOLICITATION:** *The material herein does not constitute an offer to sell nor is it a solicitation of an offer to purchase any security. Offers will only be made through a private placement memorandum to accredited investors and where permitted by law. Alternative investment performance can be volatile and value-added real estate investments may involve additional risks. An investor could lose all or a substantial amount of their investment. There is no assurance that Partnership objectives will be achieved. Prior Performance is not indicative of future results.*

### **DEFINITIONS**

**Program:** A Program is the entity that purchases one or more assets. A Program can purchase multiple Sub-Program assets or one Program can be subdivided. E.g. "TSG Platinum LP" is the entity that has been formed to purchase two assets in the City of Anaheim to entitle and develop apartments.

**Sub-Projects:** A Sub-Program asset is an asset that is purchased within the program. Throughout the life of a Program, one or more assets may be purchased and sold. E.g. "TSG Platinum LP" has two Sub-Programs assets called "TSG Platinum LP - Platinum Vista" and "TSG Platinum LP - Platinum Gateway".

**Asset:** A loan or property such as an apartment complex, office, retail center, land, industrial building.

**Number of Purchases:** This figure represents how many purchase transactions occurred. Each transaction has its own closing statement and separate purchase & sale agreement. e.g. If one purchase and sale transaction occurred to purchase 125 separate loans or parcels of land, the number of purchases would reflect a count of "1".

**Number of Assets:** This figure represents how many assets were in the transaction. e.g. If one purchase and sale transaction occurred to purchase 125 separate loans or parcels of land, # of assets would reflect a count of "125"

**Number of Sales:** This figure represents how many sale transactions occurred. Each transaction has its own closing statement and separate purchase & sale agreement. e.g. If one purchase and sale transaction occurred to acquire 125 separate loans or parcels of land, and the assets were subsequently sold to 10 buyers in separate and distinct transactions, the number of sales would reflect a count of "10". Number of sales can be more than number of purchases in the case given or can be less than the number of purchases if multiple purchases were transacted to assemble and sell to one or more buyers.

**General Partner:** This is a Shopoff Entity that acts as the General Partner or Managing partner for the program.

**Institutional Equity/Family Equity:** Institutional equity/family equity is defined as equity provided by institutions or family offices. If not listed, the equity provided is from a Shopoff Fund.

**Acquisition Price:** Defined as the price that the Program or sub- Program acquired the asset for. Purchase prices are based on the closing statements and purchase and sales agreements in which the Program or Sub-Program is the buyer.

**Sales Prices:** Defined as the prices the Program or sub-Program was sold for. Sales prices are based on the closing statements and purchase and sales agreements in which the Program or Sub-Program is the seller.

**IRR:** The internal rate of return or IRR is the annualized return rate, that sets the net present value of all cash flows from the investment equal to zero.

**Average IRR:** The Average IRR is a weighted average of the IRR of all full-cycle assets in the track record at the asset level, exclusive of Tax Credit Programs, based on the Total Equity Invested.

**Tax Credit Program:** "Tax Credit" and "Positive Gain/Tax Loss" entries indicate investments where tax returns show a tax loss, but investors had a positive gain that was provided to the investors pursuant to the strategy of the investment. In the case of "Tax Credit and Positive Gain/Tax Loss" investment results vary based on each investor's individual tax circumstance.

#### **Investment Strategy Definitions**

**Commercial:** All programs that have an improved real estate, which may or may not have a current income, acquired with the strategy of increasing the value of the existing improvements through various methods, which may include repositioning, recapitalization, and rehabilitation, with the intent, upon the achievement of the strategy, to sell the asset to a buyer of stabilized real estate.

**Land:** Improved or unimproved real estate, which may or may not have current income, acquired with the strategy of increasing the value of the underlying land through entitlement or reentitlement, with the intent, upon achievement of the strategy, to sell the asset to a developer or a homebuilder.

**Shopoff Realty Investments - Historical Performance, as of:**

**6/30/2022**

***NO OFFER OR SOLICITATION: The material herein does not constitute an offer to sell nor is it a solicitation of an offer to purchase any security. Offers will only be made through a private placement memorandum to accredited investors and where permitted by law. Alternative investment performance can be volatile and value-added real estate investments may involve additional risks. An investor could lose all or a substantial amount of their investment. There is no assurance that Partnership objectives will be achieved. Prior Performance is not indicative of future results.***

**DEFINITIONS**

**Asset Class Definitions**

Retail: Classified as real estate that is used for retail purposes, which includes superstores, markets, shopping centers, and restaurants.

Industrial: Classified as real estate that is used for industrial purposes. This includes warehouses, manufacturing, distribution, refrigeration buildings, data housing centers, research and development and showrooms.

Raw Land: Classified as real estate that has no improvements on land.

Covered Land: Classified as real estate that has improvements on the land and may or may not have current income.

Apartment: Classified as real estate that is used for residential rental purposes. Includes 5+ units.

Single Family Residential: Classified as real estate that is used as a residential building. Includes 1-4 units.

Storage: Classified as real estate that is used as storage.

Manufactured Housing Community (MHC): Classified as real estate that is used for installing and occupying numerous manufactured homes, operated collectively as a community, similar to multifamily.

Hard Asset: Hard asset is defined as a direct investment into a real estate asset where the investment entity has a ownership stake of the asset.

Loan Asset: Loan asset is defined as an investment on the note of the asset where the investment entity is lending money to a borrower.

**Asset Holding Periods**

Acquisition Date: This date represents when the purchase transaction occurred and when the asset(s) was/were purchased. Acquisition dates are based on closing statements.

Disposition Date: This date represents when the sale transaction occurred and when the asset(s) was/were sold. Disposition dates are based on closing statements.

Prior Assets Average Holding Period: This is an average holding period for programs that have been closed.

On-Going Assets Average Holding Period: This is an average holding period for programs that are on-going. The holding period will be based on the acquisition date and the date that the log was updated.

**Total Transactions**

On-going Programs: This value represents the Acquisition price of all on-going programs.

Closed Programs: This value represents the Acquisition price of all closed programs.

Total Dispositions: This value represents the Disposition price of all closed programs.

Total Transactions: This value is the sum of all the acquisition and disposition transactions. The transaction numbers are based on acquisition price and disposition price.

**Shofoff Realty Investments - Performance Summary, as of: 6/30/2022**

**NO OFFER OR SOLICITATION:** The material herein does not constitute an offer to sell nor is it a solicitation of an offer to purchase any security. Offers will only be made through a private placement memorandum to accredited investors and where permitted by law. Alternative investment performance can be volatile and value-added real estate investments may involve additional risks. An investor could lose all or a substantial amount of their investment. There is no assurance that Partnership objectives will be achieved. Prior Performance is not indicative of future results.

Transaction Count Breakdown		
	Number of Purchase Transactions*	Number of Sale Transactions*
Hard Asset	8	10
Loan	20	25
<b>Apartments</b>	<b>28</b>	<b>35</b>
Hard Asset	2	0
Loan	1	3
<b>Industrial</b>	<b>3</b>	<b>3</b>
Hard Asset	12	4
Loan	2	15
<b>Office</b>	<b>14</b>	<b>19</b>
Hard Asset	10	8
Loan	3	4
<b>Retail</b>	<b>13</b>	<b>12</b>
Hard Asset	1	9
Loan	9	242
<b>SFR</b>	<b>10</b>	<b>251</b>
Hard Asset	4	3
<b>Storage</b>	<b>4</b>	<b>3</b>
Hard Asset	2	0
<b>Ground Lease</b>	<b>2</b>	<b>0</b>
Hard Asset	1	1
<b>Manufactured Housing Community</b>	<b>1</b>	<b>1</b>
<b>Commercial</b>	<b>74</b>	<b>324</b>
Hard Asset	116	69
Loan	6	44
<b>Raw Land</b>	<b>122</b>	<b>113</b>
Hard Asset	24	15
Loan	7	6
<b>Covered Land</b>	<b>31</b>	<b>21</b>
Hard Asset	1	1
<b>Finished Lots</b>	<b>1</b>	<b>1</b>
Land	154	134
<b>Grand Total</b>	<b>228</b>	<b>458</b>

Asset Count Breakdown	
	Number of Assets Purchased
Hard Asset	10
Loan	339
<b>Apartments</b>	<b>349</b>
Hard Asset	2
Loan	3
<b>Industrial</b>	<b>5</b>
Hard Asset	14
Loan	15
<b>Office</b>	<b>29</b>
Hard Asset	10
Loan	5
<b>Retail</b>	<b>15</b>
Hard Asset	66
Loan	304
<b>SFR</b>	<b>370</b>
Hard Asset	5
<b>Storage</b>	<b>5</b>
Hard Asset	2
<b>Ground Lease</b>	<b>2</b>
Hard Asset	1
<b>Manufactured Housing Community</b>	<b>1</b>
<b>Commercial</b>	<b>775</b>
Hard Asset	161
Loan	45
<b>Raw Land</b>	<b>206</b>
Hard Asset	28
Loan	7
<b>Covered Land</b>	<b>35</b>
Hard Asset	65
<b>Finished Lots</b>	<b>65</b>
Land	306
<b>Grand Total</b>	<b>1081</b>
<b>Number of Assets Sold</b>	<b>1041</b>
<b>Percentage of Assets Sold</b>	<b>96.3%</b>

Asset Holding Periods	On-Going		Closed Assets	
	Asset Count	Avg Holding Period	Asset Count	Avg Holding Period
Land Hard Assets	22	4.16	232	4.40
Land Loans	2	7.66	50	2.82
<b>Land Assets (Hard Assets &amp; Loans)</b>	<b>24</b>	<b>4.45</b>	<b>282</b>	<b>4.19</b>
Commercial Hard Assets	15	4.50	94	3.10
Commercial Loans	1	2.21	665	1.65
<b>Commercial Assets (Hard Assets &amp; Loans)</b>	<b>16</b>	<b>4.34</b>	<b>759</b>	<b>1.94</b>
<b>Total &amp; Overall</b>	<b>40</b>	<b>4.41</b>	<b>1041</b>	<b>2.94</b>

Total Transactions \$	
On-going programs	\$727,190,310
Closed programs	\$864,176,545
<b>Total Acquisitions</b>	<b>\$1,591,366,855</b>
<b>Total Dispositions</b>	<b>\$1,297,466,639</b>
<b>Total Transactions</b>	<b>\$2,888,833,494</b>

Tax Credit Programs	
Number of Purchases	5
Number of Assets	5
Number of Sale Transactions	5
Average Holding Period	9.70

\*Note: Number of Sale Transactions exceeds the Number of Purchase Transactions as a result of certain Purchases that were bifurcated into more than one Sale.

**Fund Investment Summary  
(as of 6/30/2022)**

Fund Name	Option <sup>3</sup>	Loan/ Hard Asset	Date Acquired/Executed PSA <sup>1</sup>	Equity Invested from Fund (as of 6/30/2022) <sup>2</sup>	Ownership %	Active/Inactive/ Sold/Paid
<b>Shopoff Land Fund I, LP</b>						
Uptown Newport Jamboree LLC	No	Hard Asset	12/22/2010	\$2,097,900	7.5%	Sold
TSG Platinum LP (Platinum Gateway)	Yes**	Hard Asset	2/28/2013	\$2,508,612	75.5%	Sold
TSG Platinum LP (Platinum Vista)	Yes**	Hard Asset	12/21/2012	\$2,508,612	75.5%	Sold
Morse Oceanside	No	Hard Asset	9/29/2011	\$3,693,322	100.0%	Sold
SLFI - Delpy's Corner LLC	Yes**	Hard Asset	5/8/2012	\$5,620,367	100.0%	Sold
SLF - Park Villas, LLC	Yes**	Hard Asset	6/3/2012	\$3,424,032	71.1%	Sold
SPT - Vantage Point	No	Hard Asset	11/18/2011	\$3,492,278	63.9%	Sold
<b>Shopoff Land Fund II, LP</b>						
TSG - 333 North Prairie LP	No	Hard Asset	12/27/2013	\$4,207,546	30.1%	Sold
SLF II - Ponto LP	Yes*	Hard Asset	8/27/2013	\$2,691,073	24.8%	Inactive
El Campo Real Estate, L.P.	No	Loan	10/2/2014	\$200,000	N/A	Paid
SLF - KC Towers LLC	Yes**	Hard Asset	11/21/2014	\$3,220,454	22.0%	Sold
TSG - Cherry Valley	No	Loan	3/23/2015	\$1,000,000	N/A	Paid
Bayside Investors LP	No	Hard Asset	11/12/2015	\$423,103	4.0%	Sold
SLF - Quarry Redeveloper, LLC	Yes*	Hard Asset	3/11/2016	\$1,382,710	40.0%	Sold
<b>Shopoff Land Fund III, LP</b>						
TSG - Cherry Valley	No	Loan	3/23/2015	\$1,000,000	N/A	Paid
SLF II - Ponto LP	Yes*	Hard Asset	8/27/2013	\$3,229,287	29.7%	Inactive
Bayside Investors LP	No	Hard Asset	11/12/2015	\$475,990	4.5%	Sold
The Resort at Taos Ski Valley LLC	No	Hard Asset	9/29/2015	\$804,266	10.0%	Sold
Parcel 1 Venture Member LLC	No	Hard Asset	7/15/2015	\$1,000,000	N/A	Active
SLF - KC Towers LLC	Yes**	Hard Asset	11/21/2014	\$3,623,011	24.8%	Sold
SLF - Quarry Redeveloper, LLC	Yes*	Hard Asset	3/11/2016	\$1,555,548	45.0%	Sold
SLF HB Magnolia, LLC <sup>4</sup>	No	Hard Asset	8/15/2016	\$2,323,913	24.6%	Active
SLF - Adams Street La Quinta, LLC	No	Hard Asset	6/24/2016	\$2,428,313	22.5%	Active
SLF - South Street, LLC	No	Hard Asset	1/31/2017	\$2,097,669	13.5%	Sold
SLF - MHP El Monte, LLC	No	Hard Asset	4/13/2017	\$1,100,493	6.0%	Sold

1. Dates listed for option deals are based on the execution of the Purchase & Sales Agreement.

2. Equity invested from Fund is the amount of capital invested into an asset in a fund as of the date noted, and does not include reserves, costs, fees, affiliate loans, or uninvested capital from a fund, and therefore the total of Equity Invested from Fund may not match the total capital raised by the fund. Additionally, fund contributions can include capital that was recycled from prior sales and reinvested into the portfolio.

3. Indicates option as of initial investment. As of the date of this document, those options noted with Yes\* have not been exercised and those options noted with Yes\*\* have been exercised.

4. The original total contributed capital for the program was approximately \$30M but has reduced since then due to return of capital distributions from refinancing activity.

**Fund Investment Summary  
(as of 6/30/2022)**

Fund Name	Option <sup>3</sup>	Loan/ Hard Asset	Date Acquired/Executed PSA <sup>1</sup>	Equity Invested from Fund (as of 6/30/2022) <sup>2</sup>	Ownership %	Active/Inactive/ Sold/Paid
<b>SRI-SLF III, LP</b>						
Bayside Investors LP	No	Hard Asset	11/12/2015	\$158,663	1.5%	Sold
SLF II - Ponto LP	Yes*	Hard Asset	8/27/2013	\$1,076,429	9.9%	Inactive
SLF - KC Towers LLC	Yes**	Hard Asset	11/21/2014	\$1,207,670	8.3%	Sold
SLF - Quarry Redeveloper, LLC	Yes*	Hard Asset	3/11/2016	\$518,516	15.0%	Sold
SLF HB Magnolia, LLC <sup>6</sup>	No	Hard Asset	8/15/2016	\$774,638	8.2%	Active
SLF - Adams Street La Quinta, LLC	No	Hard Asset	6/24/2016	\$809,438	7.5%	Active
SLF - South Street, LLC	No	Hard Asset	1/31/2017	\$699,223	4.5%	Sold
SLF - MHP El Monte, LLC	No	Hard Asset	4/13/2017	\$366,464	2.0%	Sold
<b>Shopoff Land Fund IV, LP</b>						
TSG - Cherry Valley	No	Loan	12/29/2015	\$2,401,422	N/A	Paid
SLF II - Ponto LP	Yes*	Hard Asset	8/27/2013	\$3,767,502	34.7%	Inactive
SLF HB Magnolia, LLC <sup>6</sup>	No	Hard Asset	8/15/2016	\$4,647,766	49.2%	Active
SLF - Adams Street La Quinta, LLC	No	Hard Asset	6/24/2016	\$7,554,751	70.0%	Active
SLF - South Street, LLC	No	Hard Asset	1/31/2017	\$1,816,440	11.7%	Sold
SLF - Victoria, LLC	No	Hard Asset	3/10/2017	\$8,578,348	12.5%	Active
SLF - MHP El Monte, LLC	No	Hard Asset	4/13/2017	\$4,035,507	22.0%	Sold
SLF - Five Points, LLC	No	Hard Asset	4/4/2017	\$3,777,960	50.0%	Sold
The Resort at Taos Ski Valley LLC	No	Hard Asset	3/20/2017	\$1,312,567	16.4%	Sold
TSG Venture 1	Yes*	Hard Asset	4/14/2017	\$2,629,730	N/A	Active
Grace Park Acquisitions, L.P.	No	Hard Asset	5/8/2017	\$2,800,000	8.8%	Sold
Falcon Quarry	No	Hard Asset	8/31/2017	\$4,833,145	50.0%	Sold
Westkin Acquisitions Co., LLC <sup>5</sup>	No	Hard Asset	11/15/2017	\$321,355	8.7%	Active
Rancho Village Partners, LLC	No	Loan <sup>4</sup>	6/21/2018	\$2,108,045	50.0%	Paid
SLF - Moss Street, LLC	Yes**	Hard Asset	10/3/2018	\$261,975	10.1%	Active
SLF - West Lincoln, LLC	Yes*	Hard Asset	12/20/2018	\$493,051	11.6%	Sold
HRP SM Campus Bay Property, LLC	No	Hard Asset	12/23/2019	\$2,013,562	2.7%	Active
Whittier Apartment Homes, LLC	No	Hard Asset	12/11/2020	\$4,238,500	21.5%	Active

1. Dates listed for option deals are based on the execution of the Purchase & Sales Agreement.

2. Equity invested from Fund is the amount of capital invested into an asset in a fund as of the date noted, and does not include reserves, costs, fees, affiliate loans, or uninvested capital from a fund, and therefore the total of Equity Invested from Fund may not match the total capital raised by the fund. Additionally, fund contributions can include capital that was recycled from prior sales and reinvested into the portfolio.

3. Indicates option as of initial investment. As of the date of this document, those options noted with Yes\* have not been exercised and those options noted with Yes\*\* have been exercised.

4. This loan has an additional common and preferred equity component.

5. The original total contributed capital for the program was approximately \$11.5M but has reduced since then due to return of capital distributions from refinancing activity.

6. The original total contributed capital for the program was approximately \$30M but has reduced since then due to return of capital distributions from refinancing activity.

**Fund Investment Summary  
(as of 6/30/2022)**

Fund Name	Option <sup>3</sup>	Loan/ Hard Asset	Date Acquired/Executed PSA <sup>1</sup>	Equity Invested from Fund (as of 6/30/2022) <sup>2</sup>	Ownership %	Active/Inactive/ Sold/Paid
<b>Shopoff Land Fund V, LP</b>						
SLF - Victoria, LLC	No	Hard Asset	3/10/2017	\$8,578,348	12.5%	Active
The Resort at Taos Ski Valley LLC	No	Hard Asset	3/20/2017	\$3,546,455	44.2%	Sold
SLF - Five Points, LLC	No	Hard Asset	4/4/2017	\$3,777,960	50.0%	Sold
Grace Park Acquisitions, L.P.	No	Hard Asset	5/8/2017	\$400,100	1.3%	Sold
Done Deal investments, LLC	No	Loan	8/7/2017	\$1,750,000	N/A	Paid
Falcon Quarry	No	Hard Asset	8/31/2017	\$4,833,145	50.0%	Sold
El Campo Real Estate, LP	No	Loan	10/4/2017	\$200,000	N/A	Paid
Westkin Acquisitions Co., LLC <sup>5</sup>	No	Hard Asset	11/15/2017	\$1,328,446	36.0%	Active
Parcel 1 Venture Member LLC	No	Hard Asset	3/27/2018	\$6,063,756	N/A	Active
SLF HB Magnolia, LLC <sup>6</sup>	No	Hard Asset	6/29/2018	\$1,700,410	18.0%	Active
SLF - KC Towers LLC	Yes**	Hard Asset	7/3/2018	\$6,587,292	45.0%	Sold
TSG - Cherry Valley	No	Loan	1/29/2018	\$7,852,592	N/A	Paid
Rancho Village Partners, LLC	No	Loan <sup>4</sup>	6/21/2018	\$2,108,045	50.0%	Paid
1875 N. Palm Canyon Partners II, LLC	No	Loan	7/17/2018	\$750,000	N/A	Paid
Clear Oak, LLC	No	Loan	11/7/2018	\$100,000	N/A	Paid
SLF - Moss Street, LLC	Yes**	Hard Asset	10/3/2018	\$261,975	10.1%	Active
SLF - West Lincoln, LLC	Yes*	Hard Asset	12/20/2018	\$493,051	11.6%	Sold
HRP SM Campus Bay Property, LLC	No	Hard Asset	12/23/2019	\$2,013,562	2.7%	Active
One Newport Development, LLC	No	Hard Asset	10/30/2020	\$12,027,226	25.0%	Active
Whittier Apartment Homes, LLC	No	Hard Asset	12/11/2020	\$4,238,500	21.5%	Active
<b>Shopoff Opportunity Fund VI, LP</b>						
SLF - Victoria, LLC	No	Hard Asset	8/23/2019	\$17,156,696	25.0%	Active
HRP SM Campus Bay Property, LLC	No	Hard Asset	12/23/2019	\$2,684,747	3.6%	Active
5051 SLV, LLC	No	Hard Asset	2/14/2020	\$1,831,308	19.0%	Active
Castilian Holding Co., LLC	No	Hard Asset	12/31/2020	\$1,005,000	6.7%	Active
Stephen D. Jacobsen Note	No	Loan	1/6/2021	\$250,000	N/A	Active
Sunrise Village Owner, LLC	No	Hard Asset	4/5/2021	\$4,059,063	20.0%	Active
Illinois MHC Partners, LLC	No	Hard Asset	4/16/2021	\$9,018,500	97.2%	Sold
DSP Santa Barbara, LLC	No	Hard Asset	10/29/2021	\$1,290,418	8.0%	Active

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3. Indicates option as of initial investment. As of the date of this document, those options noted with Yes\* have not been exercised and those options noted with Yes\*\* have been exercised.

4. This loan has an additional common and preferred equity component.

5. The original total contributed capital for the program was approximately \$11.5M but has reduced since then due to return of capital distributions from refinancing activity.

6. The original total contributed capital for the program was approximately \$30M but has reduced since then due to return of capital distributions from refinancing activity.

**Fund Investment Summary  
(as of 6/30/2022)**

Fund Name	Option <sup>3</sup>	Loan/ Hard Asset	Date Acquired/Executed PSA <sup>1</sup>	Equity Invested from Fund (as of 6/30/2022) <sup>2</sup>	Ownership %	Active/Inactive/ Sold/Paid
<b>Shopoff Opportunity Fund VI, LP</b>						
Mesa Verde Owner, LLC	No	Hard Asset	11/23/2021	\$5,546,728	5.0%	Active
Euclid & Heil FV Owner, LLC	No	Hard Asset	12/9/2021	\$311,317	12.5%	Active
SC - Firestone Retail, LLC	No	Hard Asset	4/7/2022	\$1,527,324	17.5%	Active
Westminster Village Owner, LLC	No	Hard Asset	6/30/2022	\$4,107,484	10.0%	Active
<b>Shopoff Fund VII, LP</b>						
Buckeye 54, LLC	No	Hard Asset	11/24/2021	\$1,820,334	85.0%	Active
SHPR SRE Three Resource Owner, LLC	No	Hard Asset	3/8/2022	\$627,224	6.9%	Active
<b>Shopoff Properties Trust</b>						
SPT Chino Hills	No	Hard Asset	11/5/2009	\$3,915,200	100.0%	Sold
SPT AZ Land Holdings - Desert Moon	No	Hard Asset	7/31/2009	\$8,002,159	100.0%	Sold
SPT Lake Elsinore Holdings - Wasson	No	Hard Asset	4/17/2009	\$1,311,000	100.0%	Sold
SPT Lake Elsinore Holdings - Underwood	No	Hard Asset	5/14/2009	\$1,954,000	100.0%	Sold
SPT Lake Elsinore Holdings - Tuscany West	No	Hard Asset	11/5/2009	\$2,102,401	100.0%	Sold
SPT Lake Elsinore Holdings - Coffman	No	Hard Asset	11/5/2009	\$499,115	100.0%	Sold
SPT-SWRC - Winchester Ranch	No	Hard Asset	12/31/2008	\$2,749,331	100.0%	Sold
SPT Lake Elsinore Holdings - Meadowbrook	No	Hard Asset	9/4/2009	\$3,293,285	100.0%	Sold
SPT Lake Elsinore Holdings - SR 74 Commercial	No	Hard Asset	9/4/2009	\$310,146	100.0%	Sold
SPT-AREP III Acquisitions, LLC	No	Hard Asset	11/5/2009	\$2,096,214	20.0%	Active
Mesquite Ventures I, LLC	No	Loan	9/1/2008	\$600,000	N/A	Active
SPT - Vantage Point	No	Hard Asset	11/18/2011	\$1,974,372	36.1%	Sold
<b>Shopoff Strategic Income Fund, LP</b>						
SSIF - Apple Valley, LLC	No	Hard Asset	4/10/2015	\$1,366,645	50.0%	Active
SSIF - Camino LP	No	Hard Asset	11/24/2014	\$978,828	20.0%	Sold
SCF - Coon Rapids, LLC	No	Hard Asset	10/1/2015	\$932,493	15.0%	Active
SCF - Los Alisos, LLC	No	Hard Asset	10/2/2015	\$858,637	20.0%	Sold
SSIF - Augusta Ranch, LLC	See Footnote 4	Hard Asset	4/9/2013	\$321,000	20.0%	Sold
<b>Shopoff Commercial Growth &amp; Income Fund II, LP</b>						
SCF - Coon Rapids, LLC	No	Hard Asset	10/1/2015	\$932,493	15.0%	Active

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3. Indicates option as of initial investment. As of the date of this document, those options noted with Yes\* have not been exercised and those options noted with Yes\*\* have been exercised.

4. Plot purchased through the partial exercise of option related to TSG-Augusta Ranch, LLC. Sold in a combined transaction where third party purchased the assignment rights for the TSG-Augusta Ranch, LLC option under the terms of a separate Assignment of Purchase and Sale Agreement contract.

**Fund Investment Summary  
(as of 6/30/2022)**

Fund Name	Option <sup>3</sup>	Loan/ Hard Asset	Date Acquired/Executed PSA <sup>1</sup>	Equity Invested from Fund (as of 6/30/2022) <sup>2</sup>	Ownership %	Active/Inactive/ Sold/Paid
<b>Shopoff Commercial Growth &amp; Income Fund II, LP</b>						
SCF - Los Alisos, LLC	No	Hard Asset	10/2/2015	\$2,361,251	55.0%	Sold
SCGIF - Iron Horse, LLC	No	Hard Asset	2/19/2016	\$1,334,476	20.5%	Active
SCGIF - Skypointe, LLC	No	Hard Asset	9/29/2016	\$3,651,991	21.2%	Sold
SCGIF - Firecreek Owner, LLC	No	Hard Asset	3/8/2016	\$4,966,548	25.7%	Active
SCGIF II - Desplaines, LLC	No	Hard Asset	9/23/2016	\$3,868,993	54.2%	Active
SCGIF II - Franklin, LLC	No	Hard Asset	9/23/2016	\$5,124,378	68.8%	Active
SCGIF II - Hebron, LLC	No	Hard Asset	10/21/2016	\$135,309	7.3%	Sold
SCF - 4440 VKA, LC	No	Hard Asset	12/20/2016	\$1,092,895	13.8%	Active
Sacramento Bee	No	Hard Asset	9/6/2017	\$1,627,178	9.6%	Active
Westkin Acquisitions Co., LLC <sup>4</sup>	No	Hard Asset	11/15/2017	\$698,946	18.9%	Active
SCGIF II - Firecreek Lender, LLC	No	Loan	4/14/2020	\$325,422	10.7%	Active
<b>Shopoff Commercial Growth &amp; Income Fund III, LP</b>						
SCGIF II - Hebron, LLC	No	Hard Asset	10/21/2016	\$1,107,200	62.8%	Sold
SCF - 4440 VKA, LC	No	Hard Asset	12/20/2016	\$2,347,696	29.6%	Active
SCGIF II - Skypointe LLC	No	Hard Asset	9/29/2016	\$1,220,000	7.1%	Sold
Sacramento Bee	No	Hard Asset	9/6/2017	\$3,081,910	18.1%	Active
Westkin Acquisitions Co., LLC <sup>4</sup>	No	Hard Asset	11/15/2017	\$953,075	25.8%	Active
4100 South Stream	No	Hard Asset	3/12/2019	\$4,662,001	74.0%	Active
<b>Shopoff California Commercial Fund, LP</b>						
SCF - Los Alisos, LLC	No	Hard Asset	10/2/2015	\$1,073,296	25.0%	Sold
SCGIF II - Desplaines, LLC	No	Hard Asset	9/23/2016	\$63,775	0.9%	Active
SCGIF II - Franklin, LLC	No	Hard Asset	9/23/2016	\$80,760	1.1%	Active
SCGIF II - Skypointe LLC	No	Hard Asset	9/29/2016	\$300,000	1.7%	Sold
SCF - 4440 VKA, LC	No	Hard Asset	12/20/2016	\$607,157	7.6%	Active
SLF - Park Villas, LLC	Yes**	Hard Asset	5/25/2017	\$1,394,184	28.9%	Sold
Sacramento Bee	No	Hard Asset	9/6/2017	\$2,888,753	17.0%	Active
Westkin Acquisitions Co., LLC <sup>4</sup>	No	Hard Asset	11/15/2017	\$391,662	10.6%	Active

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3. Indicates option as of initial investment. As of the date of this document, those options noted with Yes\* have not been exercised and those options noted with Yes\*\* have been exercised.

4. The original total contributed capital for the program was approximately \$11.5M but has reduced since then due to return of capital distributions from refinancing activity.

**Shopoff Realty Investments - On-Going Programs, as of:**

**6/30/2022**

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Program/ Sub Program	Program Name	General Partner	Shopoff Limited Partners	# of Purchase Transactions	# of Assets	Investment Strategy	Asset Class	Loan/Hard Asset	City	State	Zip	Acq. Date	Acquisition Price	Total Equity Invested	Status
Program	Westminster Village Owner, LLC	Shopoff Investors XIV	SOF VI	1.00	1.00	Land	Covered Land	Hard Asset	Westminster	CA	92683	6/30/22	\$ 46,300,000	\$ 4,107,484	Open
Program	SC - Firestone Retail, LLC	Shopoff Investors XIV	SOF VI	1.00	1.00	Commercial	Ground Lease	Hard Asset	La Mirada	CA	90638	4/7/22	N/A	\$ 1,527,324	Open
Program	SHPR SRE Three Resource Owner, LLC	Shopoff Investors XVII	SF7	1.00	1.00	Commercial	Office	Hard Asset	Charlotte	NC	28262	3/8/22	\$ 21,000,000	\$ 9,110,000	Open
Program	47260 Adams Owner, LP	SRI Managing Member 2	Shopoff SolTerra BTR Development, LLC	1.00	1.00	Land	Raw Land	Hard Asset	La Quinta	CA	92253	12/23/21	\$ 6,500,000	\$ 17,189,694	Open
Program	Euclid & Heil FV Owner, LLC	Shopoff Investors XIV SRI Managing Member 2	SOF VI Shopoff Fountain Valley Fund, LLC	1.00	1.00	Land	Covered Land	Hard Asset	Fountain Valley	CA	92708	12/9/21	\$ 65,000,000	\$ 19,791,446	Open
Program	Buckeye 54, LLC	Shopoff Investors XVII	SF7	1.00	1.00	Land	Raw Land	Hard Asset	Buckeye	AZ	85326	11/24/21	\$ 6,525,000	\$ 2,141,453	Open
Program	Mesa Verde Owner, LLC	Shopoff Investors XIV SRI Managing Member 3	SOF VI Shopoff Mesa Verde Fund, LLC	1.00	1.00	Land	Covered Land	Hard Asset	Calimesa	CA	N/A	11/23/21	\$ 45,250,000	\$ 47,992,887	Open
Program	DSP Santa Barbara, LLC	Shopoff Investors XIV	SOF VI	1.00	1.00	Land	Covered Land	Hard Asset	Santa Barbara	CA	93101	10/29/21	\$ 17,250,000	\$ 10,093,036	Open
Program	Sunrise Village Owner, LLC	Shopoff Investors XIV	SOF VI	1.00	1.00	Land	Covered Land	Hard Asset	Fullerton	CA	92833	4/5/21	\$ 27,500,000	\$ 16,926,274	Open
Program	Stephen D. Jacobsen Note	Shopoff Investors XIV	SOF VI	1.00	1.00	Land	Covered Land	Loan	Commerce City	CO	80022	1/6/21	\$ 750,000	\$ 250,000	Open
Program	Castilian Holding Co., LLC	Shopoff Investors XIV	SOF VI	1.00	1.00	Commercial	Office	Hard Asset	Goleta	CA	93117	12/31/20	\$ 61,000,000	\$ 15,075,000	Open
Program	Uptown Newport Development Co, LLC	Shopoff Investors XVI		1.00	1.00	Land	Covered Land	Hard Asset	Newport Beach	CA	95660	12/30/20	\$ 24,000,000	\$ 17,689,625	Open
Program	I-10 Logistics Owner, LLC	SRI I-10 LDC, LLC		1.00	1.00	Land	Raw Land	Hard Asset	Cherry Valley	CA	92223	12/29/20	\$ 38,737,186	\$ 88,532,714	Open
Program	Whittier Apartment Homes, LLC	Shopoff Investors X Shopoff Investors XII	SLF IV SLF V	1.00	1.00	Land	Covered Land	Hard Asset	Whittier	CA	90606	12/11/20	\$ 7,200,000	\$ 12,968,908	Open
Program	One Newport Development, LLC	Shopoff Investors XII	SLF V	1.00	1.00	Land	Covered Land	Hard Asset	Newport Beach	CA	95660	10/30/20	\$ 26,260,000	\$ 15,527,226	Open

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**6/30/2022**

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Program/ Sub Program	Program Name	General Partner	Shopoff Limited Partners	# of Purchase Transactions	# of Assets	Investment Strategy	Asset Class	Loan/Hard Asset	City	State	Zip	Acq. Date	Acquisition Price	Total Equity Invested	Status
Program	SCGIF II - Firecreek Lender, LLC	Shopoff Investors VIII	SCGIF II	1.00	1.00	Commercial	Retail	Loan	Reno	NV	89502	4/14/20	\$ 7,668,750	\$ 7,668,750	Open
Program	5051 SLV, LLC	Shopoff Investors XIV	SOF VI	1.00	1.00	Land	Raw Land	Hard Asset	Las Vegas	NV	89119	2/14/20	\$ 21,000,000	\$ 12,549,776	Open
Program	HRP SM Campus Bay Property, LLC	Shopoff Investors X Shopoff Investors XII Shopoff Investors XIV	SLF IV SLF V SOF VI	1.00	1.00	Land	Raw Land	Hard Asset	Richmond	CA	94804	12/23/19	\$ 36,500,000	\$ 64,383,611	Open
Program	4100 South Stream	Shopoff Investors XIII	SCGIF III	1.00	1.00	Commercial	Office	Hard Asset	Charlotte	NC	28217	3/12/19	\$ 17,000,000	\$ 6,300,001	Open
Program	SLF - Moss Street, LLC (Initial Option)	Shopoff Investors X Shopoff Investors XII	SLF IV SLF V	1.00	1.00	Land	Covered Land	Hard Asset	Chula Vista	CA	91911	10/3/18	\$ 10,200,000	\$ 2,603,500	Open
Program	Westkin Acquisitions Co., LLC	Shopoff Investors II Shopoff Investors VIII Shopoff Investors XIII Shopoff Investors X Shopoff Investors XII	SCCF SCGIF II SCGIF III SLF IV SLF V	Listed Below	Listed Below	Commercial	Listed Below	Hard Asset	Cathedral City	CA	92234	11/15/17	\$ 23,000,000	\$ 3,693,483	Open
Sub Program	Westkin Acquisitions Co., LLC (Ground Lease)	Shopoff Investors II Shopoff Investors VIII Shopoff Investors XIII Shopoff Investors X Shopoff Investors XII	SCCF SCGIF II SCGIF III SLF IV SLF V	0.90	0.90	Commercial	Ground Lease	Hard Asset	Cathedral City	CA	92234	11/15/17	See Westkin Acquisitions Co., LLC	See Westkin Acquisitions Co., LLC	See Westkin Acquisitions Co., LLC
Sub Program	Westkin Acquisitions Co., LLC (Office)	Shopoff Investors II Shopoff Investors VIII Shopoff Investors XIII Shopoff Investors X Shopoff Investors XII	SCCF SCGIF II SCGIF III SLF IV SLF V	0.05	0.05	Commercial	Office	Hard Asset	Cathedral City	CA	92234	11/15/17	See Westkin Acquisitions Co., LLC	See Westkin Acquisitions Co., LLC	See Westkin Acquisitions Co., LLC
Sub Program	Westkin Acquisitions Co., LLC (Industrial)	Shopoff Investors II Shopoff Investors VIII Shopoff Investors XIII Shopoff Investors X Shopoff Investors XII	SCCF SCGIF II SCGIF III SLF IV SLF V	0.05	0.05	Commercial	Industrial	Hard Asset	Cathedral City	CA	92234	11/15/17	See Westkin Acquisitions Co., LLC	See Westkin Acquisitions Co., LLC	See Westkin Acquisitions Co., LLC
Program	Sacramento Bee	Shopoff Investors II Shopoff Investors VIII Shopoff Investors XIII	SCCF SCGIF II SCGIF III	Listed Below	Listed Below	Commercial	Listed Below	Hard Asset	Sacramento	CA	95816	9/6/17	\$ 44,750,000	\$ 17,000,395	Open
Sub Program	Sacramento Bee (Office)	Shopoff Investors II Shopoff Investors VIII Shopoff Investors XIII	SCCF SCGIF II SCGIF III	0.50	0.50	Commercial	Office	Hard Asset	Sacramento	CA	95816	9/6/17	See Sacramento Bee	See Sacramento Bee	See Sacramento Bee
Sub Program	Sacramento Bee (Industrial)	Shopoff Investors II Shopoff Investors VIII Shopoff Investors XIII	SCCF SCGIF II SCGIF III	0.50	0.50	Commercial	Industrial	Hard Asset	Sacramento	CA	95816	9/6/17	See Sacramento Bee	See Sacramento Bee	See Sacramento Bee
Program	SLF - Victoria, LLC	Shopoff Investors X Shopoff Investors XII Shopoff Investors XIV	SLF IV SLF V SOF VI	1.00	1.00	Land	Covered Land	Hard Asset	Carson	CA	90746	3/10/17	\$ 3,362,104	\$ 37,343,703	Open

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**6/30/2022**

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Program/ Sub Program	Program Name	General Partner	Shopoff Limited Partners	# of Purchase Transactions	# of Assets	Investment Strategy	Asset Class	Loan/Hard Asset	City	State	Zip	Acq. Date	Acquisition Price	Total Equity Invested	Status
Program	SCF - 4440 VKA, LC	Shopoff Investors II Shopoff Investors VIII Shopoff Investors XIII	SCCF SCGIF II SCGIF III	1.00	1.00	Commercial	Office	Hard Asset	Newport Beach	CA	92660	12/20/16	\$ 15,360,000	\$ 7,944,515	Open
Program	SCGIF II - Desplaines, LLC	Shopoff Investors VIII Shopoff Investors II	SCGIF II SCCF	1.00	1.00	Commercial	Office	Hard Asset	Chicago	IL	60661	9/23/16	\$ 18,787,500	\$ 7,136,881	Open
Program	SCGIF II - Franklin, LLC	Shopoff Investors VIII Shopoff Investors II	SCGIF II SCCF	1.00	1.00	Commercial	Office	Hard Asset	Chicago	IL	60610	9/23/16	\$ 18,787,500	\$ 7,443,356	Open
Program	SCGIF II - Iron Horse	Shopoff Investors VIII	SCGIF II	1.00	1.00	Commercial	Retail	Hard Asset	Sparks	NV	89431	2/19/16	\$ 11,750,000	\$ 6,518,197	Open
Program	SLF - HB Magnolia, LLC	Shopoff Investors VII Shopoff Investors IX Shopoff Investors X Shopoff Investors XII	SLF III SRI-SLF III SLF IV SLF V	1.00	1.00	Land	Covered Land	Hard Asset	Huntington Beach	CA	92646	8/15/16	\$ 26,500,000	\$ 9,446,728	Open
Program	SCGIF II - Firecreek Owner, LLC	Shopoff Investors VIII	SCGIF II	1.00	1.00	Commercial	Retail	Hard Asset	Reno	NV	89502	3/8/16	\$ 48,290,000	\$ 19,297,067	Open
Program	SLF - Adams Street La Quinta, LLC (Part 3)	Shopoff Investors VII Shopoff Investors IX Shopoff Investors X	SLF III SRI-SLF III SLF IV	0.39	0.39	Land	Raw land	Hard Asset	La Quinta	CA	92253	6/24/16	\$ 2,844,900	\$ 5,049,986	Open
Program	SCF - Coon Rapids, LLC	Shopoff Investors V Shopoff Investors VIII	SSIF SCGIF II	1.00	1.00	Commercial	Industrial	Hard Asset	Coon Rapids	MN	55433	10/1/15	\$ 13,500,000	\$ 6,216,191	Open
Program	SSIF - Apple Valley, LLC	Shopoff Investors V	SSIF	1.00	3.00	Commercial	Office	Hard Asset	Beavercreek	OH	45430	4/10/15	\$ 7,150,000	\$ 2,733,290	Open
Program	SPT - AREP III Acquisitions, LLC (JV Owner of Tuscany Crest/Tuscany Valley With Argosy and SPT - Lake Elsinore Holdings LLC)	Shopoff General Partner	SPT	1.00	1.00	Land	Raw land	Hard Asset	Perris	CA	92570	11/5/09	\$ 6,117,370	\$ 10,137,417	Open
Program	Mesquite Ventures I, LLC	Shopoff General Partner	SPT	1.00	1.00	Land	Raw land	Loan	Mesquite	NV	89024	9/1/08	\$ 600,000	\$ 600,000	Open

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**6/30/2022**

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Program/ Sub Program	Program Name	General Partner	Shopoff Limited Partners	# of Purchase Transactions	# of Assets	Investment Strategy	Asset Class	Loan/Hard Asset	City	State	Zip	Acq. Date	Acquisition Price	Total Equity Invested	Status
Program	TSG - Parcel 1, LLC (Part 2) - consists of a 30 unit condominium project, a 66 unit for sale project and a one acre park parcel. The details of this asset provided in this track record reflect only information related to when this asset was acquired as raw land, as well as any additional equity invested, but does not reflect the current value of the asset. Due to regulatory limitations regarding unrealized gains, we are unable to provide actual valuation information.	Shopoff Investors VII Shopoff Investors XII	SLF III SLF V	0.07	0.27	Land	Covered Land	Hard Asset	Newport Beach	CA	95660	2/14/14	NA	\$ 7,063,756	Open
Program	TPG/TSG Venture I Acquisition, LLC - a joint venture which constructed and owns a 468 unit apartment complex. The details of this asset provided in this track record reflect only information related to when this asset was acquired as raw land, as well as any additional equity invested, but does not reflect the current value of the asset. The project is currently a fully completed 468-unit multifamily community. Due to regulatory limitations regarding unrealized gains, we are unable to provide actual valuation information.		SLF IV	0.25	1.00	Land	Covered Land	Hard Asset	Newport Beach	CA	95660	2/14/14	NA	\$ 35,884,117	Open
Program	Uptown Newport Jamboree, LLC (Parcels 2 and 4) - At present the three-story 323,357square foot building is 100% leased to Tower Jazz semi-conductor. Entitlements have been approved for the proposed construction of for-sale townhomes and condominiums. Development of the property is not anticipated to occur until after the Tower Jazz lease has expired. This program also include a development parcel for 11,500 square feet of retail space. The details of this asset provided in this track record reflect only information related to when this asset was acquired as raw land, as well as any additional equity invested, but does not reflect the current value of the asset. Due to regulatory limitations regarding unrealized gains, we are unable to provide actual valuation information.			0.50	2.00	Land	Covered Land	Hard Asset	Newport Beach	CA	59660	2/14/14	NA	\$ 21,365,283	Open
Program	MRF Groves - Box Springs	ARF Partners Development		1.00	1.00	Land	Raw land	Hard Asset	Highgrove	CA	94556	12/3/04	\$ 750,000	\$ 2,385,995	Open

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Program/ Sub Program	Program Name	General Partner	# of Purchase Transactions	# of Assets	Investment Strategy	Asset Class	Loan/Hard Asset	City	State	Acq. Date	Years Held	Acquisition Price	Total Equity Invested	Total Equity Returned	Program Realized Earnings	Program IRR/ Annual ROI	Program Multiple	Status
Program	SSIF - Camino, L.P.	Shopoff Investors V	1.00	1.00	Commercial	Office	Hard Asset	San Diego	CA	11/24/14	7.56	\$ 11,165,000	\$ 4,894,139	\$ 3,527,637	\$ (1,366,502)	-4.51%	0.72x	Closed
Program	SCGIF II - Hebron, LLC	Shopoff Investors VIII Shopoff Investors XIII	1.00	1.00	Commercial	Retail	Hard Asset	Carrollton	TX	10/21/16	5.54	\$ 8,138,000	\$ 3,578,439	\$ 2,675,774	\$ (902,664)	-5.34%	0.75x	Closed
Program	SCF - Los Alisos, LLC	Shopoff Investors V Shopoff Investors VIII	1.00	1.00	Commercial	Retail	Hard Asset	Mission Viejo	CA	10/2/15	6.55	\$ 9,925,650	\$ 4,293,184	\$ 4,516,173	\$ 222,989	0.89%	1.05x	Closed
Program	VD Pacific Terrace, LLC	Van Daele Homes, Inc	1.00	1.00	Land	Raw Land	Hard Asset	Oceanside	CA	11/18/16	5.38	\$ 2,000,000	\$ 2,000,000	\$ 3,407,466	\$ 1,407,466	23.67%	1.70x	Closed
Program	SLF - Adams Street La Quinta, LLC (Part 1 & 2)	Shopoff Investors VII Shopoff Investors IX	0.61	0.61	Land	Raw land	Hard Asset	La Quinta	CA	6/24/16	5.70	\$ 4,405,100	\$ 6,557,943	\$ 4,945,671	\$ (1,612,272)	-1.50%	0.75x	Closed
Program	Illinois MHC Partners, LLC	Shopoff Investors XIV	1.00	1.00	Commercial	MHC	Hard Asset	Bourbonnais Lincoln	IL	4/16/21	0.79	\$ 26,500,000	\$ 9,018,500	\$ 10,601,943	\$ 1,583,443	22.93%	1.18x	Closed
Program	SLF - KC Tower, LLC (Initial Option)	Shopoff Investors VII Shopoff Investors IX	1.00	1.00	Land	Covered Land	Hard Asset	Newport Beach	CA	11/21/14	6.94	\$ 9,750,000	\$ 14,638,427	\$ 10,196,853	\$ (4,441,574)	-9.23%	0.70x	Closed
Program	SPT Lake Elsinore Holdings - Meadowbrook	Shopoff General Partner	1.00	1.00	Land	Raw land	Hard Asset	Meadowbrook	CA	9/4/09	12.16	\$ 2,744,868	\$ 3,293,285	\$ 1,135,070	\$ (2,158,215)	-12.62%	0.34x	Closed
Program	Ventana Village Commercial		1.00	1.00	Commercial	Retail	Hard Asset	Oceanside	CA	5/7/21	0.40	\$ 500,000	\$ 39,393	\$ 356,707	\$ 317,314	35332.03%	9.06x	Closed
Program	Falcon Quarry	Shopoff Investors X Shopoff Investors XII	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	8/31/17	3.82	\$ 4,000,000	\$ 9,666,291	\$ 17,771,401	\$ 8,105,110	29.74%	1.84x	Closed
Program	TSG - Parcel 1, LLC (Part 1)	Shopoff Investors VII Shopoff Investors XII	0.18	0.73	Land	Covered Land	Hard Asset	Newport Beach	CA	2/14/14	6.88	NA	\$ 17,146,473	\$ 25,059,767	\$ 7,913,294	15.80%	1.46x	Closed
Program	TSG -Cherry Valley, LP	TSG GP	1.00	1.00	Land	Raw land	Hard Asset	Cherry Valley	CA	9/7/04	16.32	\$ 5,000,000	\$ 9,790,023	\$ 12,096,350	\$ 2,306,327	1.63%	1.24x	Closed
Program	SLF - Five Points, LLC	Shopoff Investors X Shopoff Investors XII	1.00	1.00	Land	Covered Land	Hard Asset	Whittier	CA	4/4/17	3.69	\$ 5,500,000	\$ 7,555,920	\$ 7,280,767	\$ (275,153)	-1.83%	0.96x	Closed
Program	The Resort at Taos Ski Valley, LLC	Shopoff Investors VII Shopoff Investors X	1.00	1.00	Land	Raw land	Hard Asset	Taos	NM	9/29/15	5.20	\$ -	\$ 8,071,875	\$ 7,000,826	\$ (1,071,049)	-4.00%	0.87x	Closed
Program	SLF - West Lincoln, LLC (Initial Option)	Shopoff Investors X Shopoff Investors XII	1.00	1.00	Land	Covered Land	Hard Asset	Anaheim	CA	12/20/18	1.90	\$ 9,250,000	\$ 4,243,051	\$ 6,372,952	\$ 2,129,900	35.57%	1.50x	Closed
Program	SPT Chino Hills	Shopoff General Partner	Listed Below	Listed Below	Land	Listed Below	Listed Below	Chino Hills	CA	11/5/09	11.65	\$ 4,004,180	\$ 3,915,200	\$ 1,891,245	\$ (2,023,955)	-7.27%	0.48x	Closed
Sub Program	SPT Chino Hills (Phase I)	Shopoff General Partner	0.80	0.80	Land	Raw land	Hard Asset	Chino Hills	CA	11/5/09	10.74	See SPT Chino Hills	See SPT Chino Hills	See SPT Chino Hills	See SPT Chino Hills	See SPT Chino Hills	See SPT Chino Hills	Closed
Sub Program	SPT Chino Hills (Phase II)	Shopoff General Partner	0.20	0.20	Land	Raw land	Hard Asset	Chino Hills	CA	11/5/09	11.65	See SPT Chino Hills	See SPT Chino Hills	See SPT Chino Hills	See SPT Chino Hills	See SPT Chino Hills	See SPT Chino Hills	Closed
Program	SR 74 Commercial	Shopoff General Partner	1.00	2.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	9/4/09	10.66	\$ 272,679	\$ 310,146	\$ 322,743	\$ 12,597	0.43%	1.04x	Closed
Program	Rancho Village Partners, LLC	Shopoff Investors X Shopoff Investors XII	1.00	1.00	Land	Covered Land	Loan	Las Vegas	NV	6/21/18	1.67	\$ 3,500,000	\$ 4,216,090	\$ 7,815,261	\$ 3,599,170	51.79%	1.85x	Closed
Program	Done Deal investments, LLC	Shopoff Investors XII	1.00	1.00	Land	Covered Land	Loan	Phoenix	AZ	8/7/17	2.52	\$ 1,750,000	\$ 1,750,000	\$ 2,015,350	\$ 265,350	16.96%	1.15x	Closed
Program	SLF II - Ponto, L.P. (Initial Option)	Shopoff Investors VII Shopoff Investors IX Shopoff Investors IV Shopoff Investors X	0.00	0.00	Land	Raw land	Hard Asset	Carlsbad	CA	8/27/13	5.35	\$ 40,000,000	\$ 10,873,021	\$ -	\$ (10,873,021)	-100.00%	0.00x	Closed
Program	SPT AZ Land Holdings - Desert Moon (Phase I & II)	Shopoff General Partner	Listed Below	Listed Below	Land	Listed Below	Listed Below	Buckeye	AZ	7/31/09	12.00	\$ 6,765,094	\$ 8,002,159	\$ 6,519,048	\$ (1,483,111)	-3.08%	0.81x	Closed

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Sub Program	SPT AZ Land Holdings - Desert Moon (Phase I)	Shopoff General Partner	0.34	0.34	Land	Raw Land	Hard Asset	Buckeye	AZ	7/31/09	10.16	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	Closed
Sub Program	SPT AZ Land Holdings - Desert Moon (Phase II)	Shopoff General Partner	0.35	0.35	Land	Raw Land	Hard Asset	Buckeye	AZ	7/31/09	11.17	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	Closed
Sub Program	SPT AZ Land Holdings - Desert Moon (Phase III)	Shopoff General Partner	0.30	0.30	Land	Raw Land	Hard Asset	Buckeye	AZ	7/31/09	12.00	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	See SPT - Desert Moon (Phase I & II)	Closed
Program	SLF - South Street, LLC	Shopoff Investors VII Shopoff Investors IX Shopoff Investors X	Listed Below	Listed Below	Land	Listed Below	Listed Below	Anaheim	CA	1/31/17	2.42	\$ 38,000,000	\$ 15,413,880	\$ 40,052,728	\$ 24,638,848	71.5%	2.60x	Closed
Sub Program	SLF - South Street, LLC (Part 1)	Shopoff Investors VII Shopoff Investors IX Shopoff Investors X	0.66	0.66	Land	Covered Land	Hard Asset	Anaheim	CA	01/31/17	1.42	See SLF - South Street, LLC	Closed					
Sub Program	SLF - South Street, LLC (Part 2)	Shopoff Investors VII Shopoff Investors IX Shopoff Investors X	0.34	0.34	Land	Covered Land	Hard Asset	Anaheim	CA	01/31/17	2.42	See SLF - South Street, LLC	Closed					
Program	1875 N. Palm Canyon Partners II, LLC	Shopoff Investors XII	1.00	1.00	Land	Covered Land	Loan	Riverside	CA	7/17/18	0.75	\$ 750,000	\$ 750,000	\$ 941,788	\$ 191,788	35.44%	1.26x	Closed
Program	SCGIF II Skypointe LLC	Shopoff Investors VIII Shopoff Investors XIII	1.00	1.00	Commercial	Apartments	Hard Asset	Las Vegas	NV	9/29/16	2.42	\$ 72,600,000	\$ 23,543,486	\$ 31,073,222	\$ 7,529,736	14.90%	1.32x	Closed
Program	Clear Oak, LLC	Shopoff Investors XII	1.00	1.00	Land	Covered Land	Loan	N/A	N/A	11/7/18	0.07	\$ 100,000	\$ 100,000	\$ 101,767	\$ 1,767	26.72%	1.02x	Closed
Program	Bayside Investors LP	Shopoff Investors IV Shopoff Investors VII	1.00	1.00	Land	Covered Land	Hard Asset	Newport Beach	CA	11/12/15	2.93	\$ 22,000,000	\$ 12,270,198	\$ 10,729,766	\$ (1,540,432)	-4.71%	0.87x	Closed
Program	El Campo Real Estate, LP	Shopoff Investors XII	1.00	1.00	Land	Covered Land	Loan	N/A	N/A	10/4/17	0.83	\$ 200,000	\$ 200,000	\$ 226,227	\$ 26,227	17.04%	1.13x	Closed
Program	Spring Mountain Investments, LLC	Portfolio Partners	1.00	1.00	Land	Raw land	Hard Asset	Riverside	CA	4/1/16	2.26	\$ 3,000,000	\$ 1,626,348	\$ 1,215,000	\$ (411,348)	-6.05%	0.75x	Closed
Program	SLF - MHP El Monte, LLC	Shopoff Investors X Shopoff Investors XII Shopoff Investors IX	1.00	1.00	Land	Covered Land	Hard Asset	El Monte	CA	4/12/17	0.88	\$ 52,675,000	\$ 18,341,550	\$ 32,242,517	\$ 13,900,967	89.54%	1.76x	Closed
Program	SLF - Quarry Redeveloper, LLC (Initial Option)	Shopoff Investors VII Shopoff Investors IX	1.00	6.00	Land	Raw land	Hard Asset	Bernards Township, Basking Ridge	NJ	3/11/16	1.53	\$ 3,410,523	\$ 3,456,774	\$ 5,444,615	\$ 1,987,841	41.98%	1.58x	Closed
Program	SLF I - Delpy's Corner, LLC (Initial Option)	Shopoff Investors III	1.00	1.00	Land	Raw land	Hard Asset	Vista	CA	5/8/12	5.26	\$ 3,250,000	\$ 5,620,367	\$ 1,494,234	\$ (4,126,133)	-46.78%	0.27x	Closed
Program	SLF - Park Villas, LLC (Initial Option)	Shopoff Investors III Shopoff Investors II	1.00	1.00	Land	Raw land	Hard Asset	Oceanside	CA	6/3/12	5.11	\$ 6,500,000	\$ 4,828,157	\$ 2,216,930	\$ (2,611,227)	-57.04%	0.46x	Closed
Program	SLFII - 333 North Prairie, L.P.	Shopoff Investors IV	1.00	1.00	Land	Covered Land	Hard Asset	Inglewood	CA	12/27/13	3.36	\$ 20,000,000	\$ 14,219,577	\$ 14,816,220	\$ 596,643	1.70%	1.04x	Closed
Program	Grace Park Acquisitions, LP	SRI Managing Member, LLC	1.00	1.00	Land	Covered Land	Hard Asset	Inglewood	CA	5/8/17	0.00	\$ 33,750,000	\$ 3,200,100	\$ 6,380,637	\$ 3,180,537	NA	1.99x	Closed
Program	TSG-Morse Oceanside, LLC	Shopoff Investors III	1.00	1.00	Land	Raw land	Hard Asset	Oceanside	CA	9/29/11	5.14	\$ 2,600,000	\$ 3,693,322	\$ 3,192,399	\$ (500,923)	-7.60%	0.86x	Closed
Program	SPT - Vantage Point, LLC	SPT/SLF I	1.00	1.00	Land	Raw land	Hard Asset	Parker	CO	11/18/11	4.12	\$ 3,250,000	\$ 5,466,649	\$ 5,769,466	\$ 302,817	1.88%	1.06x	Closed
Program	El Campo Real Estate, L.P.	Shopoff Investors IV, LP	1.00	1.00	Land	Covered Land	Loan	Austin	TX	10/2/14	0.79	\$ 200,000	\$ 200,000	\$ 228,307	\$ 28,307	18.33%	1.14x	Closed

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Program	TSG - Augusta Ranch, LP (Initial Option)		0.50	0.50	Commercial	Retail	Hard Asset	Mesa	AZ	04/09/13	1.89	\$ 9,630,360	\$ 1,385,000	\$ 2,042,000	\$ 657,000	35.0%	1.47x	Closed
Program	SSIF - Augusta Ranch, LLC (Initial Option)	Shopoff Investors V, LP	0.50	0.50	Commercial	Retail	Hard Asset	Mesa	AZ	04/09/13	1.89	\$ 2,407,590	\$ 321,000	\$ 521,000	\$ 200,000	37.0%	1.62x	Closed
Program	Uptown Newport, LP	TSG Newport Class A (Individuals) TSG Newport Class B (SLF I)	1.00	1.00	Land	Covered Land	Hard Asset	Newport Beach	CA	12/22/10	3.15	\$ 23,500,000	\$ 28,000,000	\$ 64,722,057	\$ 36,722,057	33.8%	2.31x	Closed
Program	SPT Lake Elsinore Holding Co. LLC - Coffman	SPT Lake Elsinore Holding Co. LLC	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	11/05/09	5.43	\$ 590,785	\$ 499,115	\$ 840,978	\$ 341,863	9.3%	1.68x	Closed
Program	SPT Lake Elsinore Holding Co. LLC - Wasson	SPT Lake Elsinore Holding Co. LLC	1.00	65.00	Land	Finished Lots	Hard Asset	Lake Elsinore	CA	04/17/09	0.80	\$ 650,000	\$ 1,311,000	\$ 2,035,000	\$ 724,000	109.0%	1.55x	Closed
Program	SPT Lake Elsinore Holding Co. LLC - Underwood	SPT Lake Elsinore Holding Co. LLC	1.00	1.00	Land	Raw Land	Hard Asset	Menifee	CA	05/14/09	1.99	\$ 2,370,760	\$ 1,954,000	\$ 4,083,000	\$ 2,129,000	54.0%	2.09x	Closed
Program	SPT Lake Elsinore Holding Co. LLC - Tuscany West	SPT Lake Elsinore Holding Co. LLC	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	11/05/09	1.52	\$ 1,900,000	\$ 2,102,401	\$ 1,685,890	\$ (416,511)	-14.2%	0.80x	Closed
Program	SPT-SWRC - Winchester Ranch	SPT - SWRC	1.00	1.00	Land	Raw Land	Hard Asset	Winchester	CA	12/31/08	0.22	\$ 2,000,000	\$ 2,749,331	\$ 4,793,331	\$ 2,044,000	924.0%	1.74x	Closed
Program	TSG Platinum LP (Initial Option)	Shopoff Land Fund I	Listed Below	Listed Below	Land	Listed Below	Listed Below	Anaheim	CA	12/21/12	1.09	\$ 33,650,000	\$ 6,642,340	\$ 7,775,250	\$ 1,132,910	19.5%	1.17x	Closed
Sub Program	TSG Platinum LP - Platinum Vista	Shopoff Land Fund I	1.50	2.00	Land	Covered Land	Hard Asset	Anaheim	CA	12/21/12	1.09	See TSG Platinum LP	See TSG Platinum LP	See TSG Platinum LP	See TSG Platinum LP	See TSG Platinum LP	See TSG Platinum LP	Closed
Sub Program	TSG Platinum LP - Platinum Gateway	Shopoff Land Fund I	1.50	2.00	Land	Covered Land	Hard Asset	Anaheim	CA	02/28/13	0.00	See TSG Platinum LP	See TSG Platinum LP	See TSG Platinum LP	See TSG Platinum LP	See TSG Platinum LP	See TSG Platinum LP	Closed
Program	TSG Canyon Vista LP	TSG GP	2.00	2.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	6/23/05	10.01	\$ 3,480,000	\$ 4,837,242	\$ 450,810	\$ (4,386,432)	-21.1%	0.09x	Closed
Program	Wasson Canyon Investments, LP	Wasson GP, LLC	Listed Below	Listed Below	Land	Listed Below	Listed Below	Listed Below	Listed Below	07/25/03	1.93	\$ 12,755,850	\$ 8,380,177	\$ 19,305,238	\$ 10,925,061	31.9%	2.30x	Closed
Sub Program	Wasson Canyon Investments, LP - Chang/Wang/Chen	Wasson GP, LLC	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	05/12/05	0.13	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon Investments LP	See Wasson Canyon	See Wasson Canyon	Closed
Sub Program	Wasson Canyon Investments, LP - Henry	Wasson GP, LLC	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	03/30/05	0.25	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon Investments LP	See Wasson Canyon	See Wasson Canyon	Closed
Sub Program	Wasson Canyon Investments, LP - Matte	Wasson GP, LLC	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	06/04/04	1.07	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon Investments LP	See Wasson Canyon	See Wasson Canyon	Closed
Sub Program	Wasson Canyon Investments, LP - Tayir	Wasson GP, LLC	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	01/03/05	0.48	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon Investments LP	See Wasson Canyon	See Wasson Canyon	Closed
Sub Program	Wasson Canyon Investments, LP - TMP Inland Empire	Wasson GP, LLC	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	12/05/03	1.56	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon Investments LP	See Wasson Canyon	See Wasson Canyon	Closed
Sub Program	Wasson Canyon Investments, LP - TMP Tuscany	Wasson GP, LLC	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	12/05/03	1.56	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon Investments LP	See Wasson Canyon	See Wasson Canyon	Closed
Sub Program	Wasson Canyon Investments, LP - TMP Mortgage	Wasson GP, LLC	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	12/05/03	1.56	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon Investments LP	See Wasson Canyon	See Wasson Canyon	Closed
Sub Program	Wasson Canyon Investments, LP - Ziad	Wasson GP, LLC	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	02/27/04	1.33	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon	See Wasson Canyon Investments LP	See Wasson Canyon	See Wasson Canyon	Closed
Program	Wasson Canyon Investments II, LP	TSG Investors, LLC	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	06/30/05	9.09	\$ 300,000	\$ 1,315,046	\$ 4,869,968	\$ 3,554,922	316.4%	3.70x	Closed
Program	Wasson West LP	Wasson GP, LLC	Listed Below	Listed Below	Land	Listed Below	Listed Below	Listed Below	Listed Below	04/09/04	10.32	\$ 1,925,000	\$ 3,246,670	\$ 824,384	\$ (2,422,286)	-98.0%	0.25x	Closed
Sub Program	Wasson West LP - Bartollioti	Wasson West LP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	12/22/06	7.61	See Wasson West	See Wasson West	See Wasson West	See Wasson West	See Wasson West	See Wasson West	Closed
Sub Program	Wasson West LP - Henderson	Wasson West LP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	04/09/04	10.32	See Wasson West	See Wasson West	See Wasson West	See Wasson West	See Wasson West	See Wasson West	Closed

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Sub Program	Wasson West LP - Hernandez	Wasson West LP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	10/26/05	8.77	See Wasson West	See Wasson West	See Wasson West	See Wasson West	See Wasson West	See Wasson West	Closed
Sub Program	Wasson West LP - Newhouse	Wasson West LP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	08/31/05	8.92	See Wasson West	See Wasson West	See Wasson West	See Wasson West	See Wasson West	See Wasson West	Closed
Sub Program	Wasson West LP - Pabon	Wasson West LP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	05/31/06	8.18	See Wasson West	See Wasson West	See Wasson West	See Wasson West	See Wasson West	See Wasson West	Closed
Program	TSG Fund III, L.P.	TSG GP	1.00	1.00	Land	Raw Land	Loan	Lake Elsinore	CA	4/19/06	8.29	N/A	\$ 2,011,082	\$ 2,495,212	\$ 484,130	6.0%	1.24x	Closed
Program	TSG Kona Kahua, L.P.	TSG Kona GP	2.00	2.00	Land	Raw Land	Hard Asset	Kailua Kona	HI	10/02/06	4.38	\$ 5,086,358	\$ 3,500,000	\$ 399,768	\$ (3,100,232)	-72.7%	0.11x	Closed
Program	Abusamra-Peloton Partners, LP	Peloton Partners, LP	1.00	10.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	04/01/05	5.63	\$ 3,000,000	\$ 3,279,281	\$ 2,846,107	\$ (433,174)	-1.9%	0.87x	Closed
Program	WR - Ramsgate	ARF	Listed Below	Listed Below	Land	Listed Below	Listed Below	Listed Below	Listed Below	1/28/98	11.78	\$ 8,390,000	\$ 13,251,771	\$ 47,037,720	\$ 33,785,949	22.7%	3.55x	Closed
Sub Program	WR - Ramsgate - Stonebridge Centex Sale	ARF	0.167	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	1/28/98	5.77	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	Closed
Sub Program	WR - Ramsgate - Mitigation Land to County	ARF	0.167	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	1/28/98	5.04	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	Closed
Sub Program	WR - Ramsgate - Fairfield Sale	ARF	0.167	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	1/28/98	6.65	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	Closed
Sub Program	WR - Ramsgate - MBK Sale	ARF	0.167	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	1/28/98	8.80	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	Closed
Sub Program	WR - Ramsgate - Tuscany-West & Crest & Little Valley	ARF	0.167	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	1/28/98	11.78	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	Closed
Sub Program	WR - Ramsgate	ARF	0.167	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	06/01/04	0.14	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	See WR Ramsgate	Closed
Program	TSG Little Valley, LP	TSG GP	Listed Below	Listed Below	Land	Listed Below	Listed Below	Listed Below	Listed Below	09/30/04	5.10	\$ 3,581,000	\$ 2,815,000	\$ 2,777,924	\$ (37,076)	-1.0%	0.99x	Closed
Sub Program	TSG Little Valley, LP - James Hayes	TSG GP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	09/30/04	5.10	See TSG Little Valley, LP	See TSG Little Valley, LP	See TSG Little Valley, LP	Closed			
Sub Program	TSG Little Valley, LP - Jose Cortes	TSG GP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	08/09/05	4.24	See TSG Little Valley, LP	See TSG Little Valley, LP	See TSG Little Valley, LP	Closed			
Sub Program	TSG Little Valley, LP - David Garber	TSG GP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	02/09/05	4.74	See TSG Little Valley, LP	See TSG Little Valley, LP	See TSG Little Valley, LP	Closed			
Sub Program	TSG Little Valley, LP - Mike Rulifson	TSG GP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	02/28/05	4.69	See TSG Little Valley, LP	See TSG Little Valley, LP	See TSG Little Valley, LP	Closed			
Sub Program	TSG Little Valley, LP - Judy Weston	TSG GP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	12/02/04	4.93	See TSG Little Valley, LP	See TSG Little Valley, LP	See TSG Little Valley, LP	Closed			
Sub Program	TSG Little Valley, LP - Calvin Mank	TSG GP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	12/02/04	4.93	See TSG Little Valley, LP	See TSG Little Valley, LP	See TSG Little Valley, LP	Closed			
Sub Program	TSG Little Valley, LP - Kirby Humble	TSG GP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	12/02/04	4.93	See TSG Little Valley, LP	See TSG Little Valley, LP	See TSG Little Valley, LP	Closed			
Sub Program	TSG Little Valley, LP - Thomas Blake	TSG GP	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	02/28/05	4.69	See TSG Little Valley, LP	See TSG Little Valley, LP	See TSG Little Valley, LP	Closed			
Program	TSG Waterview	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	03/30/07	0.92	\$ 2,500,000	\$ 1,772,000	\$ 2,539,000	\$ 767,000	44.0%	1.43x	Closed
Program	TSG El Toro, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	01/16/07	0.67	\$ 2,200,000	\$ 1,859,000	\$ -	\$ (1,859,000)	-100.0%	0.00x	Closed
Program	Two Tanglewood, Ltd	Tanglewood GP, LLC	1.00	1.00	Commercial	Storage	Hard Asset	Austin	TX	10/06/99	8.03	\$ 150,000	\$ 296,131	\$ 1,715,860	\$ 1,419,729	25.1%	5.79x	Closed

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**6/30/2022**

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Program	Tanglewood Self Storage, Ltd	Shopoff Enterprises Inc.	1.00	1.00	Commercial	Storage	Hard Asset	Austin	TX	6/6/96	11.36	See Two Tanglewood, LTD	\$ 577,682	\$ 897,722	\$ 320,040	12.1%	1.55x	Closed
Program	MRF Carbon Canyon, LP		Listed Below	Listed Below	Land	Listed Below	Listed Below	Listed Below	Listed Below	11/10/98	11.15	\$ 10,124,584	\$ 15,493,152	\$ 3,981,944	\$ (11,511,208)	-74.3%	0.26x	Closed
Sub Program	MRF Carbon Canyon, LP - Kamps Trust/Chandler Trust		1.00	1.00	Land	Raw Land	Hard Asset	Brea	CA	11/10/98	11.15	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	Closed
Sub Program	MRF Carbon Canyon, LP - Ruth Trust		1.00	1.00	Land	Raw Land	Hard Asset	Brea	CA	12/23/98	11.03	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	Closed
Sub Program	MRF Carbon Canyon, LP - Warwick		1.00	1.00	Land	Raw Land	Hard Asset	Brea	CA	8/27/99	10.36	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	Closed
Sub Program	MRF Carbon Canyon, LP - Hayashi		1.00	1.00	Land	Raw Land	Hard Asset	Brea	CA	11/4/02	7.16	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	Closed
Sub Program	MRF Carbon Canyon, LP - Hayashi - AY United		1.00	1.00	Land	Raw Land	Hard Asset	Brea	CA	11/4/02	7.16	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	Closed
Sub Program	MRF Carbon Canyon, LP - Hayashi - Ishikawa		1.00	1.00	Land	Raw Land	Hard Asset	Brea	CA	11/4/02	7.16	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	See MRF Carbon Canyon, LP	Closed
Program	MRF Carbon Canyon II, LP	TSG Investors, LLC	2.00	2.00	Land	Raw Land	Hard Asset	Brea	CA	10/04/05	4.25	\$ 240,000	\$ 3,568,801	\$ -	\$ (3,568,801)	-100.0%	0.00x	Closed
Program	SEI Multi-Family Fund 2003, LP	NES Investments Inc.	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	01/22/03	3.43	\$ 14,150,000	\$ 751,000	\$ 1,008,015	\$ 257,015	10.3%	1.34x	Closed
Sub Program	SEI Multi-Family Fund 2003, LP - Sky Harbor Apartments	NES Investments Inc.	0.33	1.00	Commercial	Apartments	Hard Asset	Detroit	MI	01/22/03	3.43	See SEI Multi-Family Fund	See SEI Multi-Family Fund	See SEI Multi-Family Fund	See SEI Multi-Family Fund 2003, LP	See SEI Multi-Family Fund	See SEI Multi-Family Fund	Closed
Sub Program	SEI Multi-Family Fund 2003, LP - Oasis West Apartments	NES Investments Inc.	0.33	1.00	Commercial	Apartments	Hard Asset	Phoenix	AZ	01/22/03	3.43	See SEI Multi-Family Fund	See SEI Multi-Family Fund	See SEI Multi-Family Fund	See SEI Multi-Family Fund 2003, LP	See SEI Multi-Family Fund	See SEI Multi-Family Fund	Closed
Sub Program	SEI Multi-Family Fund 2003, LP - Scottsdale New Ventura	NES Investments Inc.	0.33	1.00	Commercial	Apartments	Hard Asset	Scottsdale	AZ	01/22/03	3.43	See SEI Multi-Family Fund	See SEI Multi-Family Fund	See SEI Multi-Family Fund	See SEI Multi-Family Fund 2003, LP	See SEI Multi-Family Fund	See SEI Multi-Family Fund	Closed
Program	Springbrook Investments, LP	Highgrove Inc.	Listed Below	Listed Below	Land	Listed Below	Listed Below	Listed Below	Listed Below	03/01/02	8.75	\$ 18,226,519	\$ 12,432,983	\$ 52,414,463	\$ 39,981,480	84.6%	4.22x	Closed
Sub Program	Springbrook Investments, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Highgrove	CA	09/03/02	4.09	\$ 300,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Highgrove	CA	09/06/02	4.08	\$ 330,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Highgrove	CA	08/15/03	3.14	\$ 25,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Highgrove	CA	02/13/04	2.64	\$ 507,569	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Highgrove	CA	12/02/04	1.84	\$ 900,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Highgrove	CA	12/02/04	1.84	\$ 1,250,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Highgrove	CA	09/17/04	2.05	\$ 2,062,650	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Highgrove	CA	02/13/04	2.64	\$ 455,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Highgrove	CA	12/03/04	1.84	\$ 400,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, LP	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	09/03/02	4.07	\$ 6,230,219	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Program	Springbrook Investments II, LP	TSG Investors, LLC	1.00	1.00	Land	Raw Land	Hard Asset	Highgrove	CA	05/11/05	1.40	\$ -	\$ 704,500	\$ 5,287,402	\$ 4,582,902	713.0%	7.51x	Closed

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**6/30/2022**

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Program/ Sub Program	Program Name	General Partner	# of Purchase Transactions	# of Assets	Investment Strategy	Asset Class	Loan/Hard Asset	City	State	Acq. Date	Years Held	Acquisition Price	Total Equity Invested	Total Equity Returned	Program Realized Earnings	Program IRR/ Annual ROI	Program Multiple	Status
Program	Springbrook South, LP	Highgrove Inc.	2.00	2.00	Land	Raw Land	Hard Asset	Highgrove	CA	08/04/06	0.00	\$ 644,358	\$ 186,829	\$ 1,850,852	\$ 1,664,023	477.9%	9.91x	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	Listed Below	Listed Below	Land	Listed Below	Listed Below	Listed Below	Listed Below	03/31/06	3.43	\$ 7,346,300	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Perris	CA	05/26/06	3.28	\$ 650,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Perris	CA	09/26/06	2.94	\$ 1,497,300	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Perris	CA	06/02/06	3.26	\$ 23,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Perris	CA	06/02/06	3.26	\$ 100,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Perris	CA	03/31/06	3.43	\$ 1,000,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Perris	CA	06/02/06	3.26	\$ 211,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Perris	CA	06/02/06	3.26	\$ 223,500	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Perris	CA	03/31/06	3.43	\$ 108,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Perris	CA	03/31/06	3.43	\$ 200,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	03/31/06	3.43	\$ 235,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	03/31/06	3.43	\$ 255,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	03/31/06	3.43	\$ 631,500	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	03/31/06	3.43	\$ 689,500	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	03/31/06	3.43	\$ 250,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	03/31/06	3.43	\$ 261,500	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Meadowbrook Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	03/31/06	3.43	\$ 461,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Coffman Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Lake Elsinore	CA	01/31/06	3.59	\$ 1,650,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Kula Nei Project)	Highgrove Inc.	Listed Below	Listed Below	Land	Listed Below	Listed Below	Listed Below	Listed Below	05/17/06	3.30	\$ 3,000,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Kula Nei Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Kona	HI	08/31/05	5.25	\$ 3,000,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Kula Nei Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Kona	HI	02/16/05	5.79	\$ 2,750,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Sub Program	Springbrook Investments, L.P. (Kula Nei Project)	Highgrove Inc.	1.00	1.00	Land	Raw Land	Hard Asset	Kona	HI	05/17/06	4.54	\$ 3,000,000	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	See Springbrook Investments, LP	Closed
Program	MRF - Groves Development LP (Spring Mountain Ranch)	ARF Partners Development Inc	Listed Below	Listed Below	Land	Listed Below	Listed Below	Listed Below	Listed Below	03/28/98	7.70	\$ 15,083,500	\$ 9,827,899	\$ 32,220,010	\$ 22,392,111	28.5%	3.28x	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Stevning	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	03/28/98	5.79	\$ 1,376,079	See MRF - Groves (Spring	See MRF - Groves (Spring	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain	See MRF - Groves (Spring Mountain	Closed

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Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Lyon Trust	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	05/20/98	5.64	\$ 4,500,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Bee Ten	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	03/28/98	5.79	\$ 123,921	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Latimier	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	11/08/02	1.17	\$ 3,350,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Tsai	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	11/08/02	1.17	\$ 450,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Cardy	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	11/08/02	1.17	\$ 300,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Drummond	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	12/03/04	1.01	\$ 450,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Martin	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	12/03/04	1.01	\$ 450,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Dunham	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	01/08/04	0.00	\$ 200,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Kiid Spring Street	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	12/02/04	1.02	\$ 500,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Kidd Center Street	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	12/02/04	1.02	\$ 1,917,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Kidd Springbrook Wash	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	12/02/04	1.02	\$ 575,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - County Waste Management	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	12/03/04	1.01	\$ 441,500	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Sub Program	MRF - Groves Development LP (Spring Mountain Ranch) - Washburn	ARF Partners Development Inc	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	12/02/04	1.02	\$ 450,000	See MRF - Groves (Spring)	See MRF - Groves (Spring)	See MRF - Groves (Spring Mountain Ranch)	See MRF - Groves (Spring Mountain)	See MRF - Groves (Spring Mountain)	Closed
Program	MRF Groves II, L.P.	Eastbridge GP LLC	1.00	1.00	Land	Raw Land	Hard Asset	Riverside	CA	11/08/02	1.17	\$ 3,800,000	\$ 2,242,458	\$ 6,985,599	\$ 4,743,141	39.3%	3.12x	Closed
Program	MRF Rockport	Asset Recovery Fund, Inc	1.00	1.00	Land	Raw Land	Hard Asset	N/A	TX	8/24/93	11.84	\$ 335,000	\$ 620,816	\$ 487,941	\$ (132,875)	-6.0%	0.79x	Closed
Program	MRF-North Central, L.P.	Mortgage Recovery Fund Inc.	1.00	3.00	Commercial	Apartments	Loan	San Antonio	TX	09/04/96	6.28	\$ 4,032,579	\$ 1,725,001	\$ 2,574,336	\$ 849,335	49.2%	1.49x	Closed
Program	Mortgage Recovery Fund - Cedar Run, Ltd.	Asset Recovery Fund, Inc	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	01/31/95	7.83	\$ 775,000	\$ 844,380	\$ 954,754	\$ 110,374	3.8%	1.13x	Closed
Sub Program	Mortgage Recovery Fund - Cedar Run LTD - Cedar Run	Mortgage Recovery Fund - Cedar Run LTD	0.50	1.00	Commercial	Apartments	Hard Asset	Odessa	TX	01/31/95	1.58	See Mortgage Recovery Fund - Cedar Run, Ltd.	See Mortgage Recovery Fund -	See Mortgage Recovery Fund -	Closed			
Sub Program	Mortgage Recovery Fund - Cedar Run LTD - AA American Storage	Mortgage Recovery Fund - Cedar Run LTD	0.50	1.00	Commercial	Storage	Hard Asset	Odessa	TX	01/31/95	7.83	See Mortgage Recovery Fund - Cedar Run, Ltd.	See Mortgage Recovery Fund -	See Mortgage Recovery Fund -	Closed			
Program	ST Fund, LP		0.50	1.00	Land	Raw Land	Loan	Orange County	CA	03/31/99	2.76	\$ 686,000	\$ 701,000	\$ 500,000	\$ (201,000)	-28.7%	0.71x	Closed
Program	Santiago Land Holdings, LP	ST Development	0.50	1.00	Land	Raw Land	Hard Asset	Orange County	CA	03/31/99	2.40	\$ 12,888,300	\$ 1,739,709	\$ 1,545,699	\$ (194,010)	-11.2%	0.89x	Closed
Program	MRF Hollywood News, LP	MRF	1.00	1.00	Commercial	Office	Hard Asset	Los Angeles	CA	12/30/97	3.73	\$ 2,779,000	\$ 1,025,500	\$ 3,338,272	\$ 2,312,772	37.5%	3.26x	Closed
Program	MAP AZ-7706, L.P. (Palo Verde Apts.)	ARF Map AZ 7706 Inc.	1.00	1.00	Commercial	Apartments	Hard Asset	Phoenix	AZ	05/15/98	3.60	\$ 4,100,000	\$ 344,325	\$ 51,027	\$ (293,298)	-85.2%	0.15x	Closed
Program	Texas Land Company Bedford Center, Ltd	Brown Trail Center	1.00	1.00	Commercial	Retail	Hard Asset	Austin	TX	6/2/98	3.09	\$ 5,350,000	\$ 1,475,101	\$ 2,665,899	\$ 1,190,798	26.4%	1.81x	Closed
Program	L&A Michigan Partners, LTD	Loan Star Retail Recovery, Inc	1.00	1.00	Commercial	Retail	Hard Asset	San Antonio	TX	7/16/98	3.06	\$ 10,200,000	\$ 1,760,118	\$ 875,234	\$ (884,884)	-50.3%	0.50x	Closed

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Program	1994 S Dallas Associates, L.P.	1994-S Dallas GP Corp	1.00	125.00	Commercial	SFR	Loan	N/A	NA	09/28/94	5.26	\$ 46,000,000	\$ 12,603,952	\$ 17,680,752	\$ 5,076,800	19.5%	1.40x	Closed
Program	1994 Land Fund II-Dallas 1, LP (Project)	Mortgage Recovery Fund - Land Fund Dallas LP	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	11/10/94	10.15	\$ 18,826,372	\$ 4,706,593	\$ 16,870,663	\$ 12,164,070	28.5%	3.58x	Closed
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	Georgetown	TX	11/10/94	2.01	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	Georgetown	TX	11/10/94	4.97	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Land	Raw Land	Loan	Caldwell	TX	11/10/94	4.88	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Land	Raw Land	Loan	Royce City	TX	11/10/94	1.67	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	Georgetown	TX	11/10/94	5.39	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	Carrollton	TX	11/10/94	0.78	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Land	Raw Land	Loan	Georgetown	TX	11/10/94	0.75	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Land	Raw Land	Loan	Denton	TX	11/10/94	1.53	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Land	Raw Land	Loan	Forth Worth	TX	11/10/94	1.12	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Land	Raw Land	Loan	San Antonio	TX	11/10/94	5.96	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	Wylie	TX	11/10/94	5.75	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	Georgetown	TX	11/10/94	5.75	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	Wylie	TX	11/10/94	5.73	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	Wylie	TX	11/10/94	5.45	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	San Antonio	TX	11/10/94	5.06	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	San Antonio	TX	11/10/94	4.78	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	San Antonio	TX	11/10/94	2.12	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	2.07	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	1.73	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	1.82	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	1.38	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	1.64	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	Wylie	TX	11/10/94	4.41	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			

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Program/ Sub Program	Program Name	General Partner	# of Purchase Transactions	# of Assets	Investment Strategy	Asset Class	Loan/Hard Asset	City	State	Acq. Date	Years Held	Acquisition Price	Total Equity Invested	Total Equity Returned	Program Realized Earnings	Program IRR/ Annual ROI	Program Multiple	Status
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	1.25	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	Office	Loan	Carrollton	TX	11/10/94	1.11	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	El Paso	TX	11/10/94	0.18	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	1.09	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	0.98	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	0.96	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	0.92	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	0.90	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	0.88	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	0.86	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	0.81	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	0.77	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Commercial	SFR	Loan	Grand Prairie	TX	11/10/94	0.77	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Land	Raw Land	Loan	Harris County	TX	11/10/94	3.32	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Land	Raw Land	Loan	Jefferson Parish	LA	11/10/94	2.14	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Sub Program	1994 Land Fund II-Dallas 1, LP	Mortgage Recovery Fund - Land Fund Dallas LP	0.03	1.00	Land	Raw Land	Loan	N/A	NA	11/10/94	1.59	See 1994 Land Fund II-Dallas 1, LP (Project)	See 1994 Land Fund II-Dallas 1,	See 1994 Land Fund II-Dallas 1,	Closed			
Program	MRF Way Forest	Asset Recovery Fund Joint Venture	1.00	1.00	Commercial	Apartments	Hard Asset	Houston	TX	05/27/93	1.41	\$ 2,764,288	\$ 2,525,939	\$ 3,334,238	\$ 808,299	28.0%	1.32x	Closed
Program	WR Santa Fe Railroad	White Rock Acquisition Co. LP	Listed Below	Listed Below	Land	Listed Below	Listed Below	Listed Below	Listed Below	12/03/97	6.04	\$ 2,253,000	\$ 3,452,706	\$ 3,847,219	\$ 394,513	11.0%	1.11x	Closed
Sub Program	WR Santa Fe Railroad - Parcel 1	White Rock Acquisition Co. LP	0.25	1.00	Land	Raw Land	Hard Asset	San Bernardino	CA	12/19/97	5.99	See WR Santa Fe Railroad	See WR Santa Fe Railroad	See WR Santa Fe Railroad	Closed			
Sub Program	WR Santa Fe Railroad - Parcel 2	White Rock Acquisition Co. LP	0.25	1.00	Land	Raw Land	Hard Asset	San Bernardino	CA	12/19/97	5.99	See WR Santa Fe Railroad	See WR Santa Fe Railroad	See WR Santa Fe Railroad	Closed			
Sub Program	WR Santa Fe Railroad - Parcel 3	White Rock Acquisition Co. LP	0.25	1.00	Land	Raw Land	Hard Asset	San Bernardino	CA	12/19/97	5.99	See WR Santa Fe Railroad	See WR Santa Fe Railroad	See WR Santa Fe Railroad	Closed			
Sub Program	WR Santa Fe Railroad - Parcel 4	White Rock Acquisition Co. LP	0.25	1.00	Land	Raw Land	Hard Asset	San Bernardino	CA	02/25/98	5.81	See WR Santa Fe Railroad	See WR Santa Fe Railroad	See WR Santa Fe Railroad	Closed			
Program	MRF-Atlanta Pools, LP	Asset Recovery Fund, Inc	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	03/08/95	6.57	\$ 5,164,702	\$ 4,603,000	\$ 4,445,501	\$ (157,499)	-3.4%	0.97x	Closed
Sub Program	MRF - Atlanta Pools, LP - 3240 Douglas Road	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Miami	FL	08/26/96	5.04	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 2030 N Carpenter Road	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Titusville	FL	08/25/95	4.04	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			

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Sub Program	MRF - Atlanta Pools, LP - Oakvale Heights Subdivision (14 lots & 34 acres)	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	08/01/95	0.45	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1022	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.41	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1030	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.20	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1047	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.75	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1075	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.79	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1069	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.33	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1100	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.39	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1070	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.39	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1071	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.39	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1093	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.45	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1006	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.56	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1014	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.18	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1055	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.71	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1028/1029	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	1.34	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1011	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	1.04	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1027	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	1.10	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Sub Program	MRF - Atlanta Pools, LP - 1062	Asset Recovery Fund, Inc	0.05	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	1.46	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	See MRF-Atlanta Pools, LP	Closed			
Program	MRF Atlanta 20, L.P.	Asset Recovery Fund, Inc	1.00	1.00	Commercial	SFR	Loan	Decatur	GA	03/13/95	0.33	N/A	\$ 948	\$ -	\$ (948)	-100.0%	0.00x	Closed
Program	MRF Atlanta 5, LTD	Asset Recovery Fund, Inc	1.00	1.00	Commercial	Apartments	Loan	Orlando	FL	12/1/95	0.55	\$ 1,501,944	\$ 1,502,705	\$ 1,748,717	\$ 246,012	16.3%	1.16x	Closed
Program	MRF Atlanta 1, LTD	Asset Recovery Fund, Inc	1.00	2.00	Land	Raw Land	Loan	Lake Ridge	VA	01/01/96	3.61	\$ 2,050,851	\$ 1,397,840	\$ 180,119	\$ (1,217,721)	-87.1%	0.13x	Closed
Program	MRF - 1995 NP2C, LP	Mortgage Recovery Fund - Land Fund Inc.	1.00	30.00	Land	Raw Land	Loan	VAR	TX	09/29/95	6.09	N/A	\$ 2,250,070	\$ 5,631,449	\$ 3,381,379	75.9%	2.50x	Closed
Program	MRF Pool 73A and B	Asset Recovery Fund, Inc	Listed Below	Listed Below	Commercial	SFR	Listed Below	Lewisville/Dallas	TX	Listed Below	Listed Below	\$ 2,300,000	\$ 1,793	\$ 420,832	\$ 419,039	37479.0%	234.71x	Closed
Sub Program	MRF Pool 73A	Asset Recovery Fund, Inc	0.59	34.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.28	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed			
Sub Program	MRF Pool 73B - 1566	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	1.24	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed			
Sub Program	MRF Pool 73B - 3683	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.75	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed			

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Sub Program	MRF Pool 73B - 4923	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.52	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 6681	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	1.10	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 6838	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.88	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 7664	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.64	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 7721	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.72	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 7783	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.64	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 5270	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.64	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 9033	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	1.44	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 1639	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	3.05	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 5292	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.71	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 5338	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	2.12	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 6677	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	1.10	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 6703	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.64	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 6728	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.64	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 6730	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.64	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 6731	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.30	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 6732	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.64	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 6745	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.64	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 6783	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	1.29	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 1204	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.56	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 1571	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	1.59	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Sub Program	MRF Pool 73B - 3943	Asset Recovery Fund, Inc	0.02	1.00	Commercial	SFR	Loan	Lewisville/Dallas	TX	12/13/95	0.64	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	See MRF Pool 73 A and B	Closed
Program	MRF Eastchase, LP	Asset Recovery Fund, Inc	1.00	1.00	Commercial	Apartments	Hard Asset	Fort Worth	TX	5/15/97	2.81	\$ 750,000	\$ 884,284	\$ 545,728	\$ (338,556)	-38.3%	0.62x	Closed
Program	MRF Denver	Asset Recovery Fund, Inc	1.00	1.00	Commercial	Office	Hard Asset	Aurora	CO	7/6/93	2.92	\$ 120,000	\$ 208,000	\$ 266,130	\$ 58,130	8.8%	1.28x	Closed
Program	WR - Post Oak Place	Asset Recovery Fund, Inc	1.00	1.00	Commercial	Office	Hard Asset	Houston	TX	04/09/98	2.15	\$ 5,351,000	\$ 5,415,539	\$ 5,428,515	\$ 12,976	0.2%	1.00x	Closed

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Program/ Sub Program	Program Name	General Partner	# of Purchase Transactions	# of Assets	Investment Strategy	Asset Class	Loan/Hard Asset	City	State	Acq. Date	Years Held	Acquisition Price	Total Equity Invested	Total Equity Returned	Program Realized Earnings	Program IRR/ Annual ROI	Program Multiple	Status
Program	WR -Chino Hills	White Rock Acquisition Co. LP	1.00	1.00	Land	Raw Land	Loan	San Bernardino	CA	06/28/99	5.99	\$ 2,238,000	\$ 3,405,426	\$ 1,669,751	\$ (1,735,675)	-50.0%	0.49x	Closed
Program	WR - Casa Feliz	White Rock Acquisition Co. LP	1.00	1.00	Commercial	Apartments	Hard Asset	Tucson	AZ	01/29/98	1.56	\$ 4,000,000	\$ 4,225,000	\$ 5,030,322	\$ 805,322	19.0%	1.19x	Closed
Program	MRF - Lanai, LP	Mortgage Recovery Fund - Land Fund, Inc	1.00	1.00	Land	Raw Land	Hard Asset	Lanai	HI	2/11/98	2.49	\$ 2,695,000	\$ 1,401,000	\$ 1,017,000	\$ (384,000)	-27.4%	0.73x	Closed
Program	MRF-Catalina West, Ltd.	Asset Recovery Fund Joint Venture	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	05/16/94	3.13	\$ 3,047,000	\$ 1,343,573	\$ 1,782,268	\$ 438,695	11.2%	1.33x	Closed
Sub Program	MRF-Catalina West, Ltd.	Asset Recovery Fund Joint Venture	0.02	1.00	Commercial	SFR	Hard Asset	Houston	TX	05/16/94	1.58	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	Closed
Sub Program	MRF-Catalina West, Ltd.	Asset Recovery Fund Joint Venture	0.03	2.00	Commercial	SFR	Hard Asset	Houston	TX	05/16/94	1.66	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	Closed
Sub Program	MRF-Catalina West, Ltd.	Asset Recovery Fund Joint Venture	0.02	1.00	Commercial	SFR	Hard Asset	Houston	TX	05/16/94	1.71	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	Closed
Sub Program	MRF-Catalina West, Ltd.	Asset Recovery Fund Joint Venture	0.27	18.00	Commercial	SFR	Hard Asset	Houston	TX	05/16/94	1.83	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	Closed
Sub Program	MRF-Catalina West, Ltd.	Asset Recovery Fund Joint Venture	0.20	13.00	Commercial	SFR	Hard Asset	Houston	TX	05/16/94	1.84	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	Closed
Sub Program	MRF-Catalina West, Ltd.	Asset Recovery Fund Joint Venture	0.03	2.00	Commercial	SFR	Hard Asset	Houston	TX	05/16/94	2.02	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	Closed
Sub Program	MRF-Catalina West, Ltd.	Asset Recovery Fund Joint Venture	0.02	1.00	Commercial	SFR	Hard Asset	Houston	TX	05/16/94	2.19	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	Closed
Sub Program	MRF-Catalina West, Ltd.	Asset Recovery Fund Joint Venture	0.02	1.00	Commercial	SFR	Hard Asset	Houston	TX	05/16/94	1.79	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	Closed
Sub Program	MRF-Catalina West, Ltd.	Asset Recovery Fund Joint Venture	0.41	27.00	Commercial	SFR	Hard Asset	Houston	TX	05/16/94	2.08	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West,	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	See MRF-Catalina West, LTD	Closed
Program	MRF-Fort Knox, LTD	Mortgage Recovery Fund Inc.	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	6/1/94	1.77	\$ 475,000	\$ 222,162	\$ 429,740	\$ 207,578	41.7%	1.93x	Closed
Sub Program	MRF-Fort Knox, LTD - Military Parkway	Mortgage Recovery Fund Inc.	0.50	1.00	Commercial	Storage	Hard Asset	Dallas	TX	6/1/94	1.77	See MRF-Fort Knox, LTD	See MRF-Fort Knox, LTD	See MRF-Fort Knox, LTD	See MRF-Fort Knox, LTD	See MRF-Fort Knox, LTD	See MRF-Fort Knox, LTD	Closed
Sub Program	MRF-Fort Knox, LTD - Maddox Avenue	Mortgage Recovery Fund Inc.	0.50	1.00	Commercial	Storage	Hard Asset	Dallas	TX	6/1/94	1.77	See MRF-Fort Knox, LTD	See MRF-Fort Knox, LTD	See MRF-Fort Knox, LTD	See MRF-Fort Knox, LTD	See MRF-Fort Knox, LTD	See MRF-Fort Knox, LTD	Closed
Program	MRF-Sunrise, Ltd.	Asset Recovery Fund, Inc	1.00	22.00	Land	Raw Land	Hard Asset	Round Rock	TX	03/10/95	3.38	\$ 142,576	\$ 400,000	\$ 502,850	\$ 102,850	12.5%	1.26x	Closed
Program	MRF 3939, LTD	Retail Asset Investment Fund, Inc	1.00	1.00	Commercial	Retail	Hard Asset	Houston	TX	4/5/95	2.40	\$ 1,500,000	\$ 1,721,000	\$ 2,458,246	\$ 737,246	26.8%	1.43x	Closed
Program	MRF-Spring Village, L.P	Mortgage Recovery Fund Inc.	1.00	1.00	Commercial	Apartments	Hard Asset	San Bernardino	CA	3/7/97	2.68	\$ 4,000,000	\$ 2,529,929	\$ 1,540,800	\$ (989,129)	-39.1%	0.61x	Closed
Program	MRF - KWS, L.P.	Asset Recovery Fund, Inc	1.00	3.00	Commercial	Retail	Loan	VAR	VAR	10/08/97	0.69	\$ 1,684,605	\$ 351,000	\$ 550,650	\$ 199,650	56.9%	1.57x	Closed
Program	MRF Pool 208, LTD	Asset Recovery Fund Joint Venture	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	09/01/93	4.89	\$ 535,000	\$ 580,223	\$ 897,287	\$ 317,064	14.6%	1.55x	Closed
Sub Program	MRF Pool 208, LTD - 4300 Frederickburg	Asset Recovery Fund Joint Venture	0.50	1.00	Commercial	Apartments	Loan	San Antonio	TX	09/01/93	2.99	\$ 317,379	See MRF Pool 208, LTD	See MRF Pool 208, LTD	See MRF Pool 208, LTD	See MRF Pool 208, LTD	See MRF Pool 208, LTD	Closed
Sub Program	MRF Pool 208, LTD - 5519 East Helene Street	Asset Recovery Fund Joint Venture	0.50	1.00	Commercial	Apartments	Loan	Tucson	AZ	09/01/93	4.89	\$ 255,170	See MRF Pool 208, LTD	See MRF Pool 208, LTD	See MRF Pool 208, LTD	See MRF Pool 208, LTD	See MRF Pool 208, LTD	Closed
Program	MRF Malibu		1.00	1.00	Commercial	Apartments	Loan	Malibu	CA	12/21/95	0.17	\$ 2,306,047	\$ 100,000	\$ 800,000	\$ 700,000	283.0%	8.00x	Closed
Program	MRF WFBB, LP	Mortgage Recovery Fund, Inc	1.00	1.00	Commercial	Retail	Hard Asset	Missouri City	TX	12/02/97	2.03	\$ 1,650,000	\$ 1,177,690	\$ 1,124,555	\$ (53,135)	-4.6%	0.95x	Closed

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Program	MRF I, LTD	Asset Recovery Fund Joint Venture	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	7/7/92	4.07	\$ 301,844	\$ 409,668	\$ 484,169	\$ 74,501	9.1%	1.18x	Closed
Sub Program	MRF I, LTD - 121 Saddle Club	Asset Recovery Fund Joint Venture	0.10	1.00	Commercial	SFR	Loan	Boerne	TX	7/7/92	4.07	See MRF I, LTD	See MRF I, LTD	See MRF I, LTD	Closed			
Sub Program	MRF I, LTD - Lot 4, Westwood Drive	Asset Recovery Fund Joint Venture	0.10	1.00	Commercial	SFR	Loan	Comfort	TX	7/7/92	4.07	See MRF I, LTD	See MRF I, LTD	See MRF I, LTD	Closed			
Sub Program	MRF I, LTD - 5306 Vista Court (Lot 40, Block 3, Vista Subdivision, Unit 4)	Asset Recovery Fund Joint Venture	0.10	1.00	Commercial	SFR	Loan	San Antonio	TX	7/7/92	4.07	See MRF I, LTD	See MRF I, LTD	See MRF I, LTD	Closed			
Sub Program	MRF I, LTD - 7880 Micron, Unit 3250	Asset Recovery Fund Joint Venture	0.10	1.00	Commercial	SFR	Loan	San Antonio	TX	7/7/92	4.07	See MRF I, LTD	See MRF I, LTD	See MRF I, LTD	Closed			
Sub Program	MRF I, LTD - 223 Tampico Street	Asset Recovery Fund Joint Venture	0.10	1.00	Commercial	SFR	Loan	San Marcos	TX	7/7/92	4.07	See MRF I, LTD	See MRF I, LTD	See MRF I, LTD	Closed			
Sub Program	MRF I, LTD - 3711 Spring Ranch	Asset Recovery Fund Joint Venture	0.10	1.00	Commercial	SFR	Loan	Round Rock	TX	7/7/92	4.07	See MRF I, LTD	See MRF I, LTD	See MRF I, LTD	Closed			
Sub Program	MRF I, LTD - 7400 Crystalbrook Drive	Asset Recovery Fund Joint Venture	0.10	1.00	Commercial	SFR	Loan	Austin	TX	7/7/92	4.07	See MRF I, LTD	See MRF I, LTD	See MRF I, LTD	Closed			
Sub Program	MRF I, LTD - 210 Woodmont	Asset Recovery Fund Joint Venture	0.10	1.00	Commercial	SFR	Loan	Georgetown	TX	7/7/92	4.07	See MRF I, LTD	See MRF I, LTD	See MRF I, LTD	Closed			
Sub Program	MRF I, LTD - 614 Frey Rd	Asset Recovery Fund Joint Venture	0.10	1.00	Commercial	SFR	Loan	Boerne	TX	7/7/92	4.07	See MRF I, LTD	See MRF I, LTD	See MRF I, LTD	Closed			
Sub Program	MRF I, LTD - Lot 2 4th St.	Asset Recovery Fund Joint Venture	0.10	1.00	Commercial	SFR	Loan	Johnson City	TX	7/7/92	4.07	See MRF I, LTD	See MRF I, LTD	See MRF I, LTD	Closed			
Program	ARF I JV		1.00	1.00	Commercial	Apartments	Loan	Tucson	AZ	10/28/92	1.34	\$ 85,000	\$ 90,000	\$ 350,000	\$ 260,000	6.0%	3.89x	Closed
Program	Walburg (No Verifiable information)		1.00	21.00	Commercial	SFR	Loan	Georgetown	TX	01/26/96	0.00	\$ 1,911,187	\$ 1,911,187	\$ 1,968,523	\$ 57,336	3.0%	1.03x	Closed
Program	Elbo Properties (No Verifiable Info)		1.00	12.00	Commercial	SFR	Loan	Austin/San Antonio	TX	01/01/92	3.00	\$ -	\$ 340,000	\$ 650,000	\$ 310,000	91.0%	1.91x	Closed
Program	Fabur (No verifiable Info)		1.00	10.00	Commercial	SFR	Loan	Austin/San Antonio	TX	01/01/92	3.00	\$ -	\$ 375,000	\$ 547,500	\$ 172,500	46.0%	1.46x	Closed
Program	MRF - Alameda, L.P.	Mortgage Recovery Fund, Inc	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	03/26/97	0.35	\$ 4,000,000	\$ 1,755,985	\$ 2,838,516	\$ 1,082,531	321.5%	1.62x	Closed
Sub Program	MRF - Alameda, L.P. - 1050 Stanford	Mortgage Recovery Fund, Inc	0.50	1.50	Commercial	Industrial	Loan	Los Angeles	CA	03/26/97	0.35	See MRF - Alameda, L.P.	See MRF - Alameda, L.P.	See MRF - Alameda, L.P.	See MRF - Alameda, L.P.	See MRF - Alameda, L.P.	See MRF - Alameda, L.P.	Closed
Sub Program	MRF - Alameda, L.P. - 4444 Pacific Blvd	Mortgage Recovery Fund, Inc	0.50	1.50	Commercial	Industrial	Loan	Los Angeles	CA	03/26/97	0.31	See MRF - Alameda, L.P.	See MRF - Alameda, L.P.	See MRF - Alameda, L.P.	See MRF - Alameda, L.P.	See MRF - Alameda, L.P.	See MRF - Alameda, L.P.	Closed
Program	MRF-Highland, Ltd. (Project)	Mortgage Recovery Fund, Inc	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	08/26/93	1.01	\$ 2,150,000	\$ 2,250,000	\$ 3,042,566	\$ 792,566	35.0%	1.35x	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.30	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF- Highland, Ltd	See MRF- Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.23	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF- Highland, Ltd	See MRF- Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.28	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF- Highland, Ltd	See MRF- Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.30	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF- Highland, Ltd	See MRF- Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.42	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF- Highland, Ltd	See MRF- Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.03	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF- Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF- Highland, Ltd	See MRF- Highland, Ltd	Closed

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Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.30	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.32	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.55	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.41	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.44	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.54	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.39	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.28	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	1.00	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.90	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.27	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.47	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.57	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.60	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.82	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.35	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.75	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	1.01	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.64	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.96	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.55	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.80	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.54	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.59	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed
Sub Program	MRF-Highland, Ltd.	Mortgage Recovery Fund, Inc	0.03	1.00	Commercial	SFR	Loan	Austin	TX	08/26/93	0.34	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd	See MRF-Highland, Ltd (Project)	See MRF-Highland, Ltd	See MRF-Highland, Ltd	Closed

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Program	MRF Pool 196, LTD	Asset Recovery Fund Joint Venture	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	9/2/93	3.10	\$ 6,450,000	\$ 782,799	\$ 1,387,669	\$ 604,870	50.6%	1.77x	Closed
Sub Program	MRF Pool 196, LTD - 1900 Estrada Parkway	Asset Recovery Fund Joint Venture	0.33	1.00	Commercial	Apartments	Loan	Irving	TX	12/09/93	2.83	See MRF Pool 196, Ltd	See MRF Pool 196, Ltd	See MRF Pool 196, Ltd	Closed			
Sub Program	MRF Pool 196, LTD - 305 S. San Patricio Avenue	Asset Recovery Fund Joint Venture	0.33	1.00	Commercial	Apartments	Loan	Sinton	TX	2/01/94	1.75	See MRF Pool 196, Ltd	See MRF Pool 196, Ltd	See MRF Pool 196, Ltd	Closed			
Sub Program	MRF Pool 196, LTD - 1950 Oak Creek Ln	Asset Recovery Fund Joint Venture	0.33	1.00	Commercial	Apartments	Loan	Bedford	TX	9/3/93	0.28	See MRF Pool 196, Ltd	See MRF Pool 196, Ltd	See MRF Pool 196, Ltd	Closed			
Program	MRF-Riverbend, Ltd	Asset Recovery Fund Joint Venture	1.00	1.00	Commercial	Apartments	Loan	West Columbia	SC	10/13/93	2.28	\$ 2,400,800	\$ 2,965,864	\$ 6,437,295	\$ 3,471,431	33.8%	2.17x	Closed
Program	MRF Timberline	Asset Recovery Fund Joint Venture	1.00	1.00	Commercial	Office	Loan	Wallingwood	TX	01/29/93	1.62	\$ 1,600,000	\$ 2,600,000	\$ 4,464,000	\$ 1,864,000	72.0%	1.72x	Closed
Program	MRF-Summertree, Ltd.	Asset Recovery Fund Joint Venture	1.00	1.00	Commercial	Apartments	Loan	Odessa	TX	03/01/94	2.58	\$ 325,000	\$ 469,172	\$ 887,661	\$ 418,489	43.0%	1.89x	Closed
Program	MRF-Cedar Cove, Ltd.	Asset Recovery Fund Joint Venture	1.00	1.00	Commercial	Apartments	Loan	Houston	TX	03/03/94	1.82	\$ 875,000	\$ 1,320,504	\$ 1,369,627	\$ 49,123	2.0%	1.04x	Closed
Program	MRF-Rushcreek, Ltd.	Asset Recovery Fund Joint Venture	1.00	1.00	Commercial	Apartments	Loan	Houston	TX	05/31/94	0.01	\$ 1,251,000	\$ 2,000,000	\$ 3,014,120	\$ 1,014,120	81.1%	1.51x	Closed
Program	MRF-Mesa, LTD	Asset Recovery Fund Joint Venture	1.00	1.00	Commercial	Office	Loan	Mesa	AZ	06/24/94	1.87	\$ 467,837	\$ 450,000	\$ 810,439	\$ 360,439	22.3%	1.80x	Closed
Program	MRF Clear Lake, LTD	RAIF Partners, Inc	1.00	1.00	Commercial	Retail	Loan	Houston	TX	04/04/95	4.02	\$ 1,952,000	\$ 1,535,000	\$ 1,507,867	\$ (27,133)	-1.8%	0.98x	Closed
Program	MRF-Village Glen, Ltd.	Asset Recovery Fund, Inc	1.00	1.00	Commercial	Apartments	Loan	Austin	TX	05/02/95	0.66	\$ 4,178,518	\$ 1,501,015	\$ 1,960,810	\$ 459,795	85.0%	1.31x	Closed
Program	Praedium Odessa L.P.	Asset Recovery Fund, Inc	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	11/14/95	0.79	\$ 2,275,000	\$ 2,275,000	\$ 3,008,460	\$ 733,460	28.0%	1.32x	Closed
Sub Program	Mortgage Recovery - Cedar Run LTD - Cedar Run	Asset Recovery Fund, Inc	0.25	1.00	Commercial	Apartments	Loan	Odessa	TX	11/14/95	0.79	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	Closed
Sub Program	Praedium Odessa L.P. - Hyde Park	Asset Recovery Fund, Inc	0.25	1.00	Commercial	Apartments	Loan	Midland	TX	11/14/95	0.79	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	Closed
Sub Program	Praedium Odessa L.P. - Villa East	Asset Recovery Fund, Inc	0.25	1.00	Commercial	Apartments	Loan	Odessa	TX	11/14/95	0.79	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	Closed
Sub Program	Praedium Odessa L.P. - Winwood	Asset Recovery Fund, Inc	0.25	1.00	Commercial	Apartments	Loan	Odessa	TX	11/14/95	0.79	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	See Praedium Odessa LP	Closed
Program	Playa Pacifica	Credit Suisse First Boston Mortgage Capital Corp	1.00	1.00	Commercial	Apartments	Loan	Hermosa Beach	CA	08/22/96	1.20	\$ -	\$ 16,000,000	\$ 19,026,333	\$ 3,026,333	16.4%	1.19x	Closed
Program	Flatiron Corporation (Franklin Village)	Credit Suisse First Boston Mortgage Capital Corp	4.00	308.00	Commercial	Apartments	Loan	Alta Loma	CA	03/03/94	3.58	\$ 11,993,100	\$ 15,413,801	\$ 17,025,991	\$ 1,612,190	10.5%	1.10x	Closed
Program	Maxxam (Credit Suisse)	Credit Suisse First Boston Mortgage Capital Corp	1.00	4.00	Commercial	Apartments	Loan	No property associated - loans	NA	08/21/96	1.52	\$ 13,000,000	\$ 12,995,521	\$ 15,870,902	\$ 2,875,381	22.0%	1.22x	Closed
Program	MRF Paradise (Paradise Apartments)	Asset Recovery Fund Joint Venture	1.00	1.00	Commercial	Apartments	Loan	Phoenix	AZ	10/22/92	0.35	\$ 117,150	\$ 117,150	\$ 154,150	\$ 37,000	26.0%	1.32x	Closed
Program	MRF Chimayo (Project)	Asset Recovery Fund Joint Venture	Listed Below	Listed Below	Commercial	Listed Below	Listed Below	Listed Below	Listed Below	07/22/93	4.21	\$ 440,000	\$ 425,000	\$ 525,000	\$ 100,000	24.0%	1.24x	Closed
Sub Program	MRF Chimayo - 7804 Chimayo	Asset Recovery Fund Joint Venture	0.20	1.00	Commercial	Apartments	Loan	Austin	TX	07/22/93	4.21	See MRF Chimayo	See MRF Chimayo	See MRF Chimayo	See MRF Chimayo (Project)	See MRF Chimayo	See MRF Chimayo	Closed
Sub Program	MRF Chimayo - 7805 Chimayo	Asset Recovery Fund Joint Venture	0.20	1.00	Commercial	Apartments	Loan	Austin	TX	07/22/93	4.21	See MRF Chimayo	See MRF Chimayo	See MRF Chimayo	See MRF Chimayo (Project)	See MRF Chimayo	See MRF Chimayo	Closed
Sub Program	MRF Chimayo - 7806 Chimayo	Asset Recovery Fund Joint Venture	0.20	1.00	Commercial	Apartments	Loan	Austin	TX	07/22/93	4.21	See MRF Chimayo	See MRF Chimayo	See MRF Chimayo	See MRF Chimayo (Project)	See MRF Chimayo	See MRF Chimayo	Closed

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Program/ Sub Program	Program Name	General Partner	# of Purchase Transactions	# of Assets	Investment Strategy	Asset Class	Loan/Hard Asset	City	State	Acq. Date	Years Held	Acquisition Price	Total Equity Invested	Total Equity Returned	Program Realized Earnings	Program IRR/ Annual ROI	Program Multiple	Status
Sub Program	MRF Chimayo - 7807 Chimayo	Asset Recovery Fund Joint Venture	0.20	1.00	Commercial	Apartments	Loan	Austin	TX	07/22/93	4.21	See MRF Chimayo	See MRF Chimayo	See MRF Chimayo	See MRF Chimayo (Project)	See MRF Chimayo	See MRF Chimayo	Closed
Sub Program	MRF Chimayo - 7808 Chimayo	Asset Recovery Fund Joint Venture	0.20	1.00	Commercial	Apartments	Loan	Austin	TX	07/22/93	4.21	See MRF Chimayo	See MRF Chimayo	See MRF Chimayo	See MRF Chimayo (Project)	See MRF Chimayo	See MRF Chimayo	Closed

**TAX CREDIT PROGRAMS**

The Low Income Housing Tax Credit (LIHTC or Tax Credit) program was created by the Tax Reform Act of 1986 as an alternate method of funding housing for low- and moderate-income households, and has been in operation since 1987. Until 2000, each state received a tax credit of \$1.25 per person that it can allocate towards funding housing that meets program guidelines (currently, legislation is pending to increase this per capita allocation). This per capita allocation was raised to \$1.50 in 2001, to \$1.75 in 2002, and adjusted for inflation beginning in 2003. These tax credits are then used to leverage private capital into new construction or acquisition and rehabilitation of affordable housing. The tax credits are determined by the development costs, and are used by the owner. However, often, because of IRS regulations and program restrictions, the owner of the property will not be able to use all of the tax credits, and therefore, many LIHTC properties are owned by limited partnership groups that are put together by syndicators. In this manner, a variety of companies and private investors participate within the LIHTC program, investing in housing development and receiving credit against their federal tax liability in return.

**Tax Credits must be used for new construction, rehabilitation, or acquisition and rehabilitation and projects must also meet the following requirements:**

20 percent or more of the residential units in the project are both rent restricted and occupied by individuals whose income is 50 percent or less of area median gross income or 40 percent or more of the residential units in the project are both rent restricted and occupied by individuals whose income is 60 percent or less of area median gross income.

When the LIHTC program began in 1987, properties receiving tax credits were required to stay eligible for 15 years. This eligibility time period has since been increased to 30 years.

As detailed below by asset, each LIHTC program has produced aggregate losses which are a combination of operational deficits and depreciation. However, our limited partners have received 100% of the projected tax credits as underwritten despite the ongoing operating deficits at each entity. Through 2005, \$7,736,247 in tax credits have been delivered by the sponsor to the program members. In addition, the operating deficits have continued to be funded by our sponsor under the guarantee imbedded in the limited partnership agreement. ROI on this type of program is not the measure of success, as the partnerships are designed to create tax losses as well as to provide tax credits to the limited partners.

Program/ Sub Program	Program Name	General Partner	# of Purchases	# of Assets	Investment Strategy	Asset Class	Loan/Hard Asset	City	State	Acq. Date	Years Held	Acquisition Price	Total Equity Invested	Total Equity Returned	Program Realized Earnings	Program IRR/ Annual ROI	Program Multiple	Status
Program	Arbor Apartments Lp	Asset Recovery Fund Joint Venture	1.00	1.00	Tax Credit	Apartments	Hard Asset	Little Rock	AR	2/28/98	10.85	NA	\$ 1,965,168	NA	\$ (2,799,153)	NA	NA	Closed
Program	Arbor Place II, Lp	Asset Recovery Fund Joint Venture	1.00	1.00	Tax Credit	Apartments	Hard Asset	Little Rock	AR	12/30/98	10.01	\$ 75,000	\$ 1,399,729	NA	\$ (2,616,761)	NA	NA	Closed
Program	MAP AZ-980, L.P. (Scottsdale Apts.)	Asset Recovery Fund Joint Venture	1.00	1.00	Tax Credit	Apartments	Hard Asset	Scottsdale	AZ	5/1/98	8.67	\$ 4,000,000	\$ 1,458,240	NA	\$ (1,176,761)	NA	NA	Closed
Program	MRF Map 15001	Asset Recovery Fund Joint Venture	1.00	1.00	Tax Credit	Apartments	Hard Asset	Romules	MI	9/22/99	10.28	\$ 8,150,000	\$ 10,729,227	NA	\$ (10,729,227)	NA	NA	Closed
Program	MAP AZ-5235, L.P. (Camelback Apts.)	Asset Recovery Fund Joint Venture	1.00	1.00	Tax Credit	Apartments	Hard Asset	Phoenix	AZ	5/1/98	8.67	\$ 2,000,000	\$ 766,952	NA	\$ (2,478,468)	NA	NA	Closed

**Shopoff Realty Investments - On-Going Affiliate Notes, as of:**

**6/30/2022**

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Program/ Sub Program	Program Name	General Partner	Shopoff Limited Partners	Investment Strategy	Asset Class	Loan/Hard Asset	Acq. Date	Total Equity Invested	Status
Program	SCGIF II - Franklin, LLC Note	Shopoff Investors XIII	SCGIF III	Commercial	Note	Loan	5/5/20	\$ 614,839	Open
Program	SLF - Moss Street, LLC Note	Shopoff Investors XII	SLF V	Land	Note	Loan	2/28/20	\$ 6,985,970	Open
Program	SCGIF II - Franklin, LLC	Shopoff Investors VIII	SCGIF II	Commercial	Note	Loan	6/1/19	\$ 3,329,710	Open
Program	SCGIF II - Desplaines, LLC Note	Shopoff Investors VIII	SCGIF II	Commercial	Note	Loan	4/30/18	\$ 3,516,265	Open
Program	SCGIF II - Iron Horse Owner, LLC Note	Shopoff Investors XIII	SCGIF III	Commercial	Note	Loan	1/22/18	\$ 3,144,000	Open
Program	2100 Q Street TIC 1 Owner, LLC Note	Shopoff Investors XIII	SCGIF III	Commercial	Note	Loan	8/31/17	\$ 675,000	Open
Program	SCF - 4440 Von Karman, LLC Note	Shopoff Investors XIII	SCGIF III	Commercial	Note	Loan	8/3/17	\$ 2,802,149	Open
Program	SCF - Coon Rapids, LLC Note	Shopoff Investors VIII	SCGIF II	Commercial	Note	Loan	4/21/17	\$ 2,560,000	Open

**Shopoff Realty Investments - Historical Performance of Affiliate Note 6/30/2022**

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Program/ Sub Program	Program Name	General Partner	Investment Strategy	Asset Class	Loan/Hard Asset	Acq. Date	Years Held	Total Equity Invested	Total Equity Returned	Program Realized Earnings	Program IRR/ Annual ROI	Program Multiple	Status
Program	SSIF - Camino LP, Note	Shopoff Investors XIII	Commercial	Note	Loan	4/21/17	5.16	\$ 1,055,700	\$ 1,335,272	\$ 279,572	9.21%	1.26x	Closed
Program	SCGIF II - Hebron, LLC Note	Shopoff Investors XIII	Commercial	Note	Loan	9/25/18	3.64	\$ 879,316	\$ 1,326,072	\$ 446,756	11.62%	1.51x	Closed
Program	SCGIF II - Iron Horse Owner, LLC Note	Shopoff Investors VIII	Commercial	Note	Loan	3/8/19	3.16	\$ 2,330,000	\$ 3,165,993	\$ 835,993	11.57%	1.36x	Closed
Program	SCF - Coon Rapids, LLC Note	Shopoff Investors VIII	Commercial	Note	Loan	3/4/20	1.64	\$ 367,550	\$ 432,143	\$ 64,593	12.73%	1.18x	Closed
Program	SCF - Coon Rapids, LLC Note	Shopoff Investors XIII	Commercial	Note	Loan	9/19/19	2.09	\$ 255,000	\$ 319,582	\$ 64,582	12.29%	1.25x	Closed
Program	MRF Groves Development, L.P. Note	Shopoff Investors XII	Land	Note	Loan	1/24/20	1.09	\$ 998,400	\$ 1,066,808	\$ 68,408	14.34%	1.07x	Closed
Program	TSG - Cherry Valley. LP Note	Shopoff Investors IV	Land	Participating Note	Loan	5/29/14	6.60	\$ 1,000,000	\$ 2,260,775	\$ 1,260,775	13.80%	2.26x	Closed
Program	TSG - Cherry Valley. LP Note	Shopoff Investors VII	Land	Participating Note	Loan	3/23/15	5.78	\$ 1,000,000	\$ 2,101,185	\$ 1,101,185	14.43%	2.10x	Closed
Program	TSG - Cherry Valley. LP Note	Shopoff Investors X	Land	Participating Note	Loan	12/29/15	5.01	\$ 2,401,422	\$ 4,262,311	\$ 1,860,889	15.84%	1.77x	Closed
Program	TSG - Cherry Valley. LP Note	Shopoff Investors XII	Land	Participating Note	Loan	1/29/18	2.92	\$ 7,852,592	\$ 10,807,772	\$ 2,955,181	17.90%	1.38x	Closed
Program	SCF - Los Alisos. LLC Note	Shopoff Investors XIII	Commercial	Note	Loan	6/30/18	2.50	\$ 534,347	\$ 634,092	\$ 99,745	10.06%	1.19x	Closed
Program	SCF - Los Alisos. LLC Note	Shopoff Investors VIII	Commercial	Note	Loan	6/20/18	2.53	\$ 993,030	\$ 1,219,640	\$ 226,610	9.81%	1.23x	Closed
Program	TSG Venture 1	Shopoff Investors XII	Land	Note	Loan	3/20/19	1.48	\$ 4,693,354	\$ 4,957,486	\$ 264,132	15.14%	1.06x	Closed
Program	SPT - Lake Elsinore Holding Co., LLC Note	Shopoff Investors VII	Land	Note	Loan	9/28/15	3.99	\$ 637,500	\$ 898,351	\$ 260,851	8.97%	1.41x	Closed
Program	MRF Groves Development, L.P. Note	Shopoff Investors X	Land	Note	Loan	07/11/16	2.62	\$ 1,593,907	\$ 1,852,418	\$ 258,511	12.12%	1.16x	Closed
Program	SCGIF II - Skypointe Note	Shopoff Investors XIII	Commercial	Note	Loan	09/25/18	0.34	\$ 358,019	\$ 399,512	\$ 41,492	41.17%	1.12x	Closed
Program	SSIF Apple Valley Note	Shopoff Investors XIII	Commercial	Note	Loan	03/21/18	0.16	\$ 55,000	\$ 56,617	\$ 1,617	20.00%	1.03x	Closed
Program	Spring Mountain Investments, LLC Note	Shopoff Investors X	Land	Note	Loan	1/31/18	0.43	\$ 1,444,771	\$ 1,549,244	\$ 104,473	18.29%	1.07x	Closed

**Shopoff Realty Investments - Historical Performance of Affiliate Note 6/30/2022**

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Program/ Sub Program	Program Name	General Partner	Investment Strategy	Asset Class	Loan/Hard Asset	Acq. Date	Years Held	Total Equity Invested	Total Equity Returned	Program Realized Earnings	Program IRR/ Annual ROI	Program Multiple	Status
Program	SLF-KC Towers LLC Note	Shopoff Investors XII	Land	Note	Loan	01/31/18	0.42	\$ 7,529,602	\$ 8,061,419	\$ 531,817	17.68%	1.07x	Closed
Program	Spring Mountain Investments, LLC Note	Shopoff Investors X	Land	Note	Loan	05/30/17	1.10	\$ 349,000	\$ 383,267	\$ 34,267	11.16%	1.10x	Closed
Program	SLF-Park Villas, LLC Note	Shopoff Investors X Shopoff Investors XII	Land	Note	Loan	05/24/17	0.13	\$ 4,844,374	\$ 4,956,525	\$ 112,151	19.01%	1.02x	Closed
Program	Plenitude Holdings, LLC Note	Shopoff Investors X	Land	Note	Loan	12/12/16	0.24	\$ 316,665	\$ 320,238	\$ 3,573	5.22%	1.01x	Closed
Program	SCGIF II Hebron Heights Note	Shopoff Investors X	Land	Note	Loan	10/21/16	1.93	\$ 1,725,293	\$ 1,935,905	\$ 210,612	10.73%	1.12x	Closed
Program	SCGIF II Skypointe, LLC Note	Shopoff Investors X	Land	Note	Loan	09/29/16	1.99	\$ 2,000,000	\$ 2,204,316	\$ 204,316	13.57%	1.10x	Closed
Program	SPT - Lake Elsinore Holding Co., LLC Note	Shopoff Investors IX	Land	Note	Loan	9/28/15	2.55	\$ 212,500	\$ 268,827	\$ 56,327	9.66%	1.27x	Closed
Program	SLF - HB Magnolia, LLC Note	Shopoff Investors IV Shopoff Investors IX Shopoff Investors VII Shopoff Investors X	Land	Note	Loan	8/15/16	0.04	\$ 7,997,599	\$ 8,100,937	\$ 103,338	41.51%	1.01x	Closed
Program	SLF - HB Magnolia, LLC Note	Shopoff Investors VIII	Commercial	Note	Loan	08/15/16	0.04	\$ 8,934,547	\$ 9,062,951	\$ 128,404	41.51%	1.01x	Closed
Program	SCGIFII - Firecreek, LLC Note	Shopoff Investors X	Land	Note	Loan	07/12/16	0.78	\$ 8,000,000	\$ 8,566,356	\$ 566,356	10.31%	1.07x	Closed
Program	SCGIF II - Iron Horse, LLC Note	Shopoff Investors X	Land	Note	Loan	02/19/16	0.21	\$ 6,140,000	\$ 6,280,988	\$ 140,988	13.64%	1.02x	Closed
Program	SCF - Coon Rapids Note	Shopoff Investors VII	Land	Note	Loan	10/1/15	1.56	\$ 2,560,000	\$ 2,838,209	\$ 278,209	7.23%	1.11x	Closed
Program	SPT - Vantage Point, LLC Note	Shopoff Investors VII	Land	Note	Loan	5/14/15	0.63	\$ 1,100,000	\$ 1,187,578	\$ 87,578	12.87%	1.08x	Closed
Program	TSG Canyon Vista, L.P. Note	Shopoff Investors VII	Land	Note	Loan	4/24/15	0.17	\$ 550,000	\$ 566,892	\$ 16,892	19.16%	1.03x	Closed
Program	Magnolia Special Care Center, LLC Note	Shopoff Investors VII	Land	Note	Loan	4/10/15	0.21	\$ 392,403	\$ 402,079	\$ 9,676	12.59%	1.02x	Closed
Program	SPT - Lake Elsinore Holding Co., LLC	Shopoff Investors IV	Land	Note	Loan	2/13/15	0.16	\$ 800,000	\$ 834,811	\$ 34,811	30.15%	1.04x	Closed
Program	SSIF - Augusta Ranch Note	Shopoff Investors V	Commercial	Note	Loan	01/16/15	0.12	\$ 1,530,833	\$ 1,567,783	\$ 36,950	22.44%	1.02x	Closed
Program	SPT AZ Land Holdings, LLC	Shopoff Investors IV	Land	Note	Loan	7/8/14	0.60	\$ 1,180,000	\$ 1,298,000	\$ 118,000	17.22%	1.10x	Closed
Program	SPT Vantage Point Note	Shopoff Investors III	Land	Note	Loan	10/2/12	0.49	\$ 1,593,120	\$ 1,713,519	\$ 120,398	18.94%	1.08x	Closed

**EXHIBIT G**  
**FORM OF NDA**  
[attached]

## NON-DISCLOSURE AGREEMENT

THIS NON-DISCLOSURE AGREEMENT (this “*Agreement*”) is made as of \_\_\_\_\_, 2022 (the “*Effective Date*”), by \_\_\_\_\_ (“*Receiving Party*”), in favor of WILLIAM A. SHOPOFF and CINDY I. SHOPOFF (collectively, “*Shopoff*”).

### RECITALS

**WHEREAS**, Integris Secured Credit Fund II, LLC, a Delaware limited liability company (the “**Fund**”), is offering to issue limited liability company interests in the Fund to certain accredited investors (the “**Offering**”); the Fund will use the proceeds of the Offering to make one or more loans to Shopoff Borrower SPE 4, LLC, a Delaware limited liability company, which loans will be backed by a guaranty from Shopoff.

**WHEREAS**, in connection with Receiving Party’s review and evaluation of the Offering, Receiving Party has requested certain financial statements and other information with respect to the financial condition of Shopoff (collectively, the “**Confidential Information**”).

**WHEREAS**, Shopoff is not willing to disclose the Confidential Information to Receiving Party without the prior execution and delivery of this Agreement;

**WHEREAS**, in consideration for Shopoff’s provision of the Confidential Information to Receiving Party in connection with the Offering, which Receiving Party acknowledges constitutes good and valuable consideration, Receiving Party hereby agrees as follows:

1. **Confidentiality.** Except as expressly permitted below, Receiving Party agrees to hold and treat all of the Confidential Information on a strictly confidential basis and agrees to not disclose or permit the disclosure of the Confidential Information to any person or entity. Without limiting the above, Receiving Party agrees to take reasonable security precautions with respect to the Confidential Information, at least as great as those Receiving Party takes with respect to its own highly confidential information of a similar nature.

2. **Use of Confidential Information.** Receiving Party further agrees that: (i) only Receiving Party’s agents, employees, consultants, attorneys, accountants, and/or advisors with a clear and defined need to know shall be granted access to Confidential Information; (ii) Receiving Party may only use Confidential Information for the limited purposes of evaluating the Offering, and Receiving Party may not use Confidential Information for any other purpose; (iii) Confidential Information shall not be disclosed to any third parties without the prior written approval of Shopoff, except as otherwise expressly provided herein; (iv) permitted disclosures to third parties shall be subject to all of the provisions of this Agreement; (v) no copies shall be made of the Confidential Information (whether oral, written, graphic, electronic, or electromagnetic) without the prior written approval of Shopoff; (vi) all approved copies shall bear appropriate legends indicating that such information is Confidential Information; and (vii) Receiving Party shall not make use of any of the Confidential Information for any purpose except that which is expressly contemplated by this Agreement.

3. **Limited Authorized Disclosure.** The obligations imposed upon Receiving Party hereunder shall not apply to information which (i) is generally available to the public, through no fault of Receiving Party or its employees and without breach of this Agreement, (ii) is already in the possession of Receiving Party without restriction and prior to any disclosure hereunder, or (iii) is required to be disclosed pursuant to the order of a governmental agency or a court or law, rule, regulation or legal process, so long as Receiving Party, to the extent legally permissible, provides to Shopoff prompt notice of such required disclosure so that Shopoff may take steps to obtain a protective order or limit the disclosure.

4. **Ownership of Confidential Information.** The Confidential Information disclosed by Shopoff or its agents shall at all times remain the property of Shopoff. This Agreement shall not be construed as granting or conferring any rights, by license or otherwise, in or to any Confidential Information. The original and all copies (including electronic copies) of all Confidential Information received (or any part thereof) by Receiving Party shall

be returned to Shopoff or destroyed promptly by Receiving Party upon written request by Shopoff, and Receiving Party will provide notice to Shopoff when all copies have been retrieved and returned or destroyed.

5. **Event of Disclosure or Unauthorized Use.** Receiving Party shall notify Shopoff in writing promptly upon any unauthorized or prohibited disclosure or use of any Confidential Information and shall cooperate with and assist Shopoff in every reasonable way to help Shopoff regain possession of the disclosed Confidential Information and prevent its further unauthorized disclosure and use.

6. **Indemnification.** Receiving Party agrees to fully indemnify, defend and hold harmless Shopoff against any and all claims arising out of breach of this Agreement by such Receiving Party, including without limitation any losses, damages, fines or liabilities to the proportionate extent of any negligent act or willful misconduct by Receiving Party with respect to the Confidential Information.

7. **Remedies.** Receiving Party agrees that, upon any violation of this Agreement, the harm suffered by Shopoff may not be adequately compensated by monetary damages alone and, in addition to all other rights and remedies available, Shopoff shall be entitled to seek an injunction to stop any continued or further violation. Receiving Party agrees not to raise as a defense or objection to the request or granting of such relief that any breach of this Agreement is or would be compensable by an award of money damages.

8. **Attorneys' Fees.** In the event that any action arises in connection with this Agreement, the non-prevailing party, as determined in a judgment of a court of competent jurisdiction, shall be responsible for reimbursing to the prevailing party all reasonable costs and expenses incurred (including, but not limited to, all attorneys' fees and court costs) in addition to any other relief to which the prevailing party may be entitled.

9. **Severability; Waiver.** If any provision hereof or the application thereof to any circumstance is found to be unenforceable, invalid, or illegal, such provision shall be deemed deleted from this Agreement or not applicable to such circumstance, as the case may be, and the remainder of this Agreement shall not be affected or impaired thereby. No waiver of any provision hereof shall be effective unless made in writing and signed by Shopoff.

10. **Governing Law.** This Agreement shall be governed by the laws of the State of California.

11. **Authority.** Receiving Party represents and warrants that the individual signing on its behalf has full authority to sign this Agreement on behalf of Receiving Party.

12. **Entire Agreement.** This Agreement constitutes the entire understanding and supersedes any other agreement (whether oral or written) between the parties regarding the subject matter herein, and this Agreement may not be amended or modified except by a writing executed by both Receiving Party and Shopoff.

13. **Counterparts; Facsimile/Electronic Delivery.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute one and the same instrument. This Agreement may be delivered electronically by facsimile or by email of an executed counterpart, and delivery shall be deemed complete upon receipt of such electronic communication.

IN WITNESS WHEREOF, Receiving Party has caused this Agreement to be duly executed and delivered as of the Effective Date.

“RECEIVING PARTY”

\_\_\_\_\_, a  
\_\_\_\_\_

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT H**

**SUMMARY OF THE OFFERING**

[attached]