

UCC SECURED PARTY SALE VIA ONLINE PUBLIC AUCTION

Sale of 51% interest of Strawberry Fields Property Holdings, LTD.

Online Bidding Begins March 17, 2020 - 10:00 a.m. EDT
Online Bidding Concludes April 16, 2020 - 10:00 a.m. EDT

Terms and Conditions of Sale

Subject Asset Description:

Sale of fifty-one percent interest, including general partner's one percent interest in Strawberry Fields Property Holdings, LTD, a Florida limited partnership ("Asset"). The sale to be conducted by US Income Partners LLC ("Seller") in the exercise of its rights under applicable laws to sell interests of limited partnership in Strawberry Fields Property Holdings LTD ("limited partnership") pledged to Seller as security for a loan Seller made to the borrower. Upon information and belief, the limited partnership is the owner of a 47-unit townhouse rental complex located at 810 Tumblin Kling Road, Fort Pierce, Florida 34982. Refer to the Memorandum of Sale of Interest in Limited Partnership ("Memorandum") included in the bidder information package for additional information regarding the Asset being offered at this auction.

This online auction may be accessed from the Auctioneer's website: www.SaBids.com/Ft/Pierce. Approved bidders (each a "Bidder") may login and administer bids on a smartphone or PC.

1. Definitions: SoFlo Associates LLC DBA Strategic Auction Alliance with its principal, Stephen D Paulin licensed Florida auctioneer (license # AU4995) hereinafter is referred to as "Auctioneer". Bidders are those perspective buyers agreeing with the terms of this sale and approved to bid through the registration process specified by these terms of sale. "Buyer" is any successful winning bidder. Sometimes the Seller and Auctioneer are referred to herein as "we" or "us."

2. General Terms: All prospective Bidders must agree to the specific terms of this auction sale and complete the Bidder registration process as set forth by the terms herein. Prospective Bidders will be approved to bid when they complete the registration process and furnish the Auctioneer the required Bidder's deposit within the time specified. (See Clause 4, "Bidder Registration," for specific registration requirements for online bidding participation.) This is an online only timed auction with a specified closing time of April 16, 2020 at 10 a.m. This is a called a "hard ending" meaning the auction will not auto extend if any bid is entered in the final minutes of the event. The Auctioneer reserves the right to extend the auction ending, in Auctioneer's sole discretion, due to any unforeseen circumstances. In the event of extension due to complications, all Bidders will be notified by text message.

3. Due Diligence: Bidders are responsible to perform their own due diligence, as they deem appropriate prior to bidding on the subject Asset. Each Bidder should review the Memorandum outlining details of the Asset being sold including potential risk factors. The Asset is sold as is with any and all faults. Neither Auctioneer nor Seller makes warranties or guarantees whatsoever.

4. Bidder Registration: In all cases, the Auctioneer reserves the right to reject any Bidder registration that does not meet the required qualifying criteria. This is a mobile bidding platform requiring a smartphone cellular telephone number to participate. All Bidders will be required to furnish your name, your entity name, US mail address, best email address and smartphone telephone number that will be used for bidding and receiving text notices and a desired password to used for bid platform login. **Your completed registration must be submitted online to the Auctioneer no later than 3 business days, (April 13, 2020), prior to the scheduled timed auction closing Thursday April 16, 10 a.m.** for approval review. Once approved, the Bidder will receive instructions to wire transfer the specified deposit to the Seller's law firm escrow account no later than Tuesday April 14 2020, 3 p.m. (See clause 5, below, for earnest money deposit—"earnest deposit"—requirements). Early registration and participation is recommended. Once your registration is completed and you have tendered the required earnest deposit you will receive your login credentials via text message and email. We invite any questions that you may have regarding the registration or online bidding process. Please call Auctioneer Stephen Paulin at 508-868-8199 for pre-auction technical support.

5. Earnest Deposit Requirements: A \$5,000 earnest deposit must be sent by wire transfer to the Seller's law firm Boylan Code 145 Culver Road, Suite 100 Rochester, NY 14620 escrow account to complete your registration to qualify to bid at this auction. Contact Mark A. Costello, Esq. Mondays through Fridays between 9 a.m. and 5 p.m. at 585.232.5300 for wiring instructions. All unsuccessful Bidder deposits will be returned to the unsuccessful Bidders within 3 business days of the auction conclusion. The successful Bidder is required to increase their total earnest deposit to 5% of the successful bid price no later than 5:00 p.m. Eastern

Time on April 20, 2020 by certified check, bank check or wire transfer to the Seller's law firm; All earnest monies paid will be held in a non-interest bearing escrow account. Failure by the Buyer to accelerate the earnest deposit will be considered a default.

6. Bidding Methodology: All bids must be administered by the registered Bidders or their elected agents on their devices. All Bidders login credentials are password protected. The Auctioneer assumes that any bid made has been made by an authorized user because only registered Bidders have access to the assigned login credentials. The Auctioneer will not administer any bids on the behalf of any Bidder. All Bidders must check and confirm your bid strategy. If a keystroke error is made, the Bidder must contact the Auctioneer by phone or text message immediately at 508-868-8199 for support. All keystrokes are time stamped and any error not reported within 15 minutes of submitting will be considered to be information properly submitted.

Bids may be made at a set amount or by "maximum bid" strategy. Maximum bid strategy is defined as setting your maximum desired bid to be administered by the platform incrementally by proxy up to your maximum bid amount. To place a bid select either the "Fast Bid" or "Bid Set/Max" button on your device. Your device will report in real time whether you are in a winning or losing position. Whether you select "set amount" or "maximum bidding" each Bidder will also be notified by text message sent to the mobile smartphone specified within the Bidder's registration when that Bidder has been outbid. Maximum bid limits may be increased by a Bidder at any time.

All Bidders must have internet access by wi-fi or cellular data to participate. A smartphone cellular phone with an ability to receive text messages is required as this is an online mobile bidding platform. By registering, all Bidders agree that there will be no recourse as a result of any technical failure or inability to participate in this event and further agree to hold us harmless in the event of any said technical failure.

7. Technical Support: Technical support for this online auction will be provided by the Auctioneer and/or the support staff of the online platform creators. Please bear in mind that this an individual event and although every effort will be made to answer your questions and/or your concerns in a timely fashion there is not a call center assigned to respond instantly to any question. Please become familiar with the process before the final moments of the online auction and allow ample time for a reasonable callback for any question. Please direct all questions/concerns to the Auctioneer, Stephen Paulin at 508-868-8199 or email at Steve@SoldOnTheBlock.com. Questions/concerns at the final moments of this online auction may not be able to be addressed due to time restraints. We are not responsible for any damages caused by a lost opportunity or wasted effort due to an inability to login to the auction or bid in the auction for any reason whatsoever, including but not limited to technical difficulties.

8. Bid Increments: The mobile bidding platform provides for a span of 1000 preset increments currently set at \$3000. These are fixed increments. Bidders must select any pre-set increment desired to execute a set or maximum bid option. As the platform receives bids the platform will refresh and redefine the 1000 increment range. (Example: \$500,000 opening bid, \$3000 increments, 1000 bid range = maximum bid is \$3,500,000, within the active auction. If then the highest recognized bid is \$ 1,500,000 then the maximum bid range will reset to a limit of \$4,500,000 and so on progressively). The Auctioneer reserves the right to change and set the bidding increments upon the mobile bidding platform for this online auction at the Auctioneer's sole discretion at any time. Notifications of any bid increment changes will be sent to active Bidders by text message.

9. Additional Contractual Buyer Requirements: The Buyer must execute the Memorandum by signing the High Bidder's Acknowledgment ("Acknowledgement") at the close of the Memorandum, without edits, within 24 hours of receipt of notice that Buyer is the high Bidder) by returning a signed original of the signature page via overnight mail or an electronic copy of the same via email or text message to the Auctioneer. All terms and information set for in the Memorandum apply to this sale; each Bidder should review the Memorandum and be familiar with it.

10. Auction Confirmation: This is a no reserve auction, but the Seller may credit bid up to the amount of the debt owed to Seller under the Note and Seller shall not be required to pay an earnest deposit. Successful Bidder will be notified promptly following the close of the auction that said Bidder is the High Bidder in this auction.

11. Default: If a Buyer fails to comply with these Terms and Conditions of auction sale or the Memorandum and any other contractual documents required by this auction, or fails to timely close, Buyer shall be deemed to be in default and Bidder's earnest deposit shall be deemed forfeited as liquidated damages, representing the negotiated and fair measure of damages, not to be construed as a penalty and this shall not be Seller's sole and exclusive remedy at law or equity.

12. Buyer's Premium: There is no Buyer's premium associated with this auction. What is bid will be the contract price.

13. Contingencies: This auction is conducted without any Buyer contingencies whatsoever. Any Buyer will be expected to close according to the terms of sale set forth in the Memorandum, in this Terms and Conditions of Sale ("Terms of Sale") and in the Bill of Sale.

14. Closing date / costs: Closing is to occur within thirty(30) days from the date of the auction conclusion (“Closing Date”). The Buyer agrees to pay for all closing costs permitted under state law. This includes but is not limited to Buyer’s attorney’s fees, courier fees and any other lawful fees required by the Buyer to complete this transaction.

15. Representations and Warranties: The Asset is being sold As-Is and With All Faults as of the Closing Date. Neither the Seller, the Auctioneer or their contractors, attorneys, officers or directors makes any representations or warranties with respect to the Asset’s fitness for any particular purpose or use, the Assets merchantability, value or any other warranty, express or implied. The Auctioneer, affiliates, Seller and their attorneys do not warrant or guarantee the accuracy of any information and shall have no liability for errors or omissions or typographical errors, inaccuracies or misprints under any circumstances for advertising, promotional materials and informational documents and shall be held totally harmless from all damages and losses, including attorneys’ fees incurred. Any document and information set forth in the Memorandum or otherwise supplied to the Buyer obtained from third-party sources I provided for convenience only with warranty or representation as to the accuracy of the information or document provided. We specifically disclaim any warranty, guaranty, or representation, oral or written, past or present, express or implied concerning the Asset being offered. Refer to the Memorandum for a detailed description of the Asset being offered at this sale.

16. Indemnity Provisions: The Bidder / Buyer agrees to and does hereby indemnify and hold us, our officers, directors, agents, contractors, representatives, including attorneys, harmless from and against any and all actions, causes of actions, suits, arbitrations, or proceedings of any kind, liabilities, losses, claims, damages, costs, or expenses (including attorneys’ fees and expenses), incurred by a Bidder or Buyer by reason of, arising out of, or relating in any way to this sale or any action taken or inaction by us our officers, directors, agents, contractors, representatives and attorneys. The foregoing remedies are not exclusive.

17. Survival of Terms: All information distributed to a Bidder or a Buyer and all other materials or information (including any oral communication) shall be subject to and superseded by these Terms of Sale, the Memorandum, the Bidder registration documents, other Bidder documents, the Bill of Sale and any other Buyer contract documents, all of which shall constitute the entire agreement between the parties. Each Bidder should download and review copies of the required documents prior to bidding. If any of the terms of these Terms of Sale conflict with any part of the Memorandum the terms of the Memorandum shall prevail.

18. Representation: Auctioneer is a facilitator to administer the online competitive platform only and represents neither the Bidders, nor the Seller.

19. Determination of Disputes: In the case of disputed bids the Auctioneer shall have the right to exercise full discretion in determining the resolution of claims, and such decision shall be final and may not be subject of any post-auction claims. No transfer of position shall be recognized from one Bidder to another Bidder, but a high bidder may assign the high bid prior to closing. In the event a dispute should arise after the auction conclusion, the Auctioneer’s records shall be conclusive.

20. General Provisions: Facsimile and digital signatures shall be considered binding. In case any section, clause, sentence, paragraph or part of these Terms and Conditions is adjudged by any court of competent or final jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of these Terms of Sale, but shall be confined in its operation to the section, clause, sentence, paragraph or part thereof directly involved in the controversy in which said judgment shall have been rendered. Further, these Terms of Sale shall be subject to and interpreted by the laws of the State of New York.

21. Time for Performance: Time is of the essence as to all terms and conditions.

22. Additional Terms: Any addendum to these Terms and Conditions of Sale may be delivered in writing or transmitted electronically to any interested party and shall be deemed to be incorporated into the Terms of Sale and become components of the whole. Any party participating into the bidding process after the delivery of said addendums accepts these additional or prevailing terms or may elect otherwise to retract their bids opting out of the bidding process.

The terms of this auction are a binding legal contract between a Buyer and the Seller, if you do not understand this document, the Bill of Sale, the Memorandum or any documents annexed to the Memorandum please consult an attorney.