

## Pre-Subscription Letter

### Regarding the Purchase of Limited Partnership Units from REO Capital Partners, L.P

To Our Prospective Investors:

Thank you for your interest in purchasing a Limited Partnership Investment Unit (the “LP Investment Unit”) from REO Capital Partners, L.P (the “Partnership”), a real estate investment fund based in New York, New York and managed by its General Partner Blackbridge Equities, LLC. This pre- subscription letter summarizes the preliminary steps we require in order to facilitate your evaluation of a potential investment in the LP Investment Units being offered by the Partnership. This letter contains the instructions required for you to complete our subscription process.

1. In connection with your interest in purchasing an LP Investment Unit, you agree to provide the following preliminary information (as described in detail in the Subscription Instructions attached hereto as Exhibit C):
  1. a) A completed and signed investor suitability questionnaire (attached as Exhibit D)
  2. b) A duly signed and executed copy of this pre-subscription letter agreement
  3. c) Legible copies of your State issued Driver License or Identification and at least one of the following additional forms of identification: (i) a Credit Card, (ii) a Passport, (iii) a Workplace Identification Card, or (iv) a Non-U.S. Driver’s License
2. Upon our receipt of the preceding items, we will review the preliminary information you have provided to us within a 15-day period following our receipt thereof. As part of our review process, we will use the preliminary information you have provided to perform a search against the Department of Treasury’s Office of Foreign Assets Control sanctions and prohibited persons lists and Specially Designated Nationals list.
3. Based upon our review of the preliminary information that you have provided, if we determine in the exercise of our sole discretion that you appear to meet the Partnership’s investor suitability standards, then the Partnership will issue you a Confidential Offering Memorandum (the “Offering Memorandum”) and other investment materials. Otherwise, we will notify you that our consideration of your subscription has terminated.
4. Upon your receipt of the Offering Memorandum, you may examine it together with your professional advisors. You may also contact Blackbridge Equities, LLC (the general partner of the Partnership) to request additional information regarding the matters described in the Offering Memorandum.

You acknowledge that in executing this pre-subscription letter you are relying upon your own examination of the terms of the offering described in the offering materials, and the advice of your own representatives and professional advisors, including your legal counsel and accountants, as to the regulatory, tax and accounting treatment, investment suitability and other aspects of an investment in the LP Investment Units being offered.

5. If, after your review of the Offering Memorandum and other materials, you decide to proceed with the subscription process, you agree to complete Steps 2 and 3 of the Subscription Instructions (attached hereto as Exhibit C).
6. All Confidential Information communicated to you by us, in connection with this pre-subscription letter and the Offering Memorandum, which may not be accessible to or known by the general public, constitutes Confidential Information of the Partnership and its affiliates, and shall at all times remain the property of the Partnership and its affiliates.

Except as otherwise provided herein, you shall not, without our prior written consent (i) use the Confidential Information for any purpose other than in connection with your evaluation of a potential investment in the LP Investment Units, or (ii) disclose any portion of the Confidential Information to any third parties, except as provided herein above in regard to your professional advisors. Additionally, you will cause each person who has access to this Confidential Information to comply with the terms and provision of this paragraph in the same manner as you are bound hereby, and you remain responsible for the actions and disclosures of any such persons.

7. You acknowledge that this pre-subscription letter does not constitute an offer to sell or the solicitation of an offer to buy any security. You also understand and acknowledge that this pre-subscription letter is the only agreement between us in connection with your interest in the purchase of the LP Investment Units. This Agreement incorporates the entire understanding of the parties regarding the subject matter hereof, and supersedes all previous agreements or understandings regarding the same, whether written or oral. No waiver of any provision herein shall be effective, except in writing signed by the party against whom such waiver is asserted.
8. This Agreement may not be amended, and no portion hereof may be waived, except in a writing duly executed by the parties. This agreement shall be governed by the laws of the state of New York, without regard to such state's rules concerning conflicts of laws.

Please confirm your acceptance of and agreement to all of the foregoing by signing and returning a copy of this pre-subscription letter, which may be executed in any number of counterparts and delivered by facsimile or email, each of which shall be an original and shall together constitute one and the same instrument.

Sincerely,

*Chris Caballero*

Chris Caballero  
Managing Partner  
Blackbridge Equities, LLC

**ACCEPTED AND AGREED AS OF THE DATE SET FORTH IMMEDIATELY BELOW:**

\_\_\_\_\_  
[signature]

\_\_\_\_\_  
[date]

\_\_\_\_\_  
[print or type name]

\_\_\_\_\_  
[address]

\_\_\_\_\_  
[work/home phone number]

\_\_\_\_\_  
[address]

\_\_\_\_\_  
[cellular phone number]

\_\_\_\_\_  
[email address]

# Suitability Questionnaire

## Exhibit D

To: Prospective purchasers of LP Partnership Units offered by REO Capital Partners (the “Partnership”).

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an “Accredited Investor,” as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Partnership for purchasing Units. *This questionnaire is not an offer to sell securities.*

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Partnership deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Units.

*Please answer all questions completely and execute the signature page*

### **A. Personal**

1. Name: \_\_\_\_\_

2. Address of Principal Residence: \_\_\_\_\_

\_\_\_\_\_ County: \_\_\_\_\_

3. Residence Telephone: (\_\_\_\_\_) \_\_\_\_\_

4. Where are you registered to vote? \_\_\_\_\_

5. Your driver’s license is issued by the following state: \_\_\_\_\_

6. Other Residences or Contacts: Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver’s license or have any other contacts, and describe your connection with such state:

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7. Please send all correspondence to:

(1) \_\_\_\_\_ Residence Address (as set forth in item A-2)

(2) \_\_\_\_\_ Business Address (as set forth in item B-1)

8. Date of Birth: \_\_\_\_\_

9. Citizenship: \_\_\_\_\_

10. Social Security or Tax I.D. #: \_\_\_\_\_

**B. Occupations and Income**

1. Occupation: \_\_\_\_\_

(a) Business Address: \_\_\_\_\_

\_\_\_\_\_

(b) Business Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_

2. Gross income during each of the last two years exceeded:

(1) \_\_\_\_\_ \$25,000                      (2) \_\_\_\_\_ \$50,000

(3) \_\_\_\_\_ \$100,000                      (4) \_\_\_\_\_ \$200,000

3. Joint gross income with spouse during each of the last two years exceeded \$300,000

(1)\_\_\_\_ Yes                      (2)\_\_\_\_ No

4. Estimated gross income during current year exceeds:

(1)\_\_\_\_ \$25,000                      (2)\_\_\_\_ \$50,000

(3)\_\_\_\_ \$100,000                      (4)\_\_\_\_ \$200,000

5. Estimated joint gross income with spouse during current year exceeds \$300,000

(1)\_\_\_\_ Yes                      (2)\_\_\_\_ No

**C. Net Worth**

1. Current net worth or joint net worth with spouse (note that “net worth” includes all of the assets owned by you and your spouse in excess of total liabilities, excluding the value of your primary residence.)

(1)\_\_\_\_ \$50,000-\$100,000 (2)\_\_\_\_ \$100,000-\$250,000 (3)\_\_\_\_ \$250,000-\$500,000

(4)\_\_\_\_ \$500,000-\$750,000 (5)\_\_\_\_ \$750,000-\$1,000,000 (6)\_\_\_\_ over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1)\_\_\_\_ Yes                      (2)\_\_\_\_ No

**D. Affiliation with the Partnership**

Are you a director or executive officer of the Partnership?

(1)\_\_\_\_ Yes                      (2)\_\_\_\_ No

**E. Investment Percentage of Net Worth**

If you expect to invest at least \$150,000 in Units, does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse.

(1)\_\_\_\_ Yes                      (2)\_\_\_\_ No

**F. Consistent Investment Strategy**

Is this investment consistent with your overall investment strategy?

(1)\_\_\_\_ Yes                      (2)\_\_\_\_ No

**G. Prospective Investor’s Representations**

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Partnership and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Partnership promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Partnership.

**Prospective Investor:**

\_\_\_\_\_ Date: \_\_\_\_\_, 20\_\_

**Signature**

\_\_\_\_\_  
**Signature (of joint purchase if purchase is to be made as joint tenants or as tenants in common)**

# Subscription Instructions

## Exhibit C

If you are interested in making an investment in the LP Investment Units described in the pre- subscription letter attached hereto, please do all of the following:

### **Step I. Provide Preliminary Information**

- A. Complete and sign the Pre-Subscription Letter and the Investor Suitability Questionnaire (attached hereto as Exhibit D). Deliver one copy of each signed document to the care of Mr. Chris Caballero at Blackbridge Equities by email to: [chris@reoproperties.nyc](mailto:chris@reoproperties.nyc)
- B. Provide legible copies of your Driver License and at least one of the following additional forms of identification: (i) a Credit Card, (ii) a Passport, (iii) a Workplace Identification Card, or (iv) a Non-U.S. Driver's License to the care of Mr. Chris Caballero at Blackbridge Equities via email to: [chris@reoproperties.nyc](mailto:chris@reoproperties.nyc)

### **Step II. Execution of Documents**

After the general partner has confirmed in writing that you may proceed with the investment, then you will receive the Confidential Offering Memorandum and some additional investment materials. Upon your receipt of the investment materials, please do all of the following:

1. Carefully review the Offering Memorandum
2. Carefully review, complete and sign the Subscription Agreement
3. Carefully review, complete and sign the Limited Partnership Agreement

### **Step III. Delivery of Executed Documents and Investment Funds**

After you have signed the preceding documents, please do all of the following:

1. Deliver one copy of each signed document to the attention of Mr. Chris Caballero via email at Blackbridge Equities: [chris@reoproperties.nyc](mailto:chris@reoproperties.nyc); and,
2. Deliver one original of each signed document by mail or courier to REO Properties NYC, 244 Fifth Avenue, Ste. 2973 in New York, NY 10001; and,
3. For each LP Investment Unit to be purchased, wire transfer \$101,000 to the Escrow Agent as payment of (i) the \$100,000 USD subscription price for each LP Investment Unit, and (ii) the \$1,000 USD Administrative & Legal Fees to the bank accounts provided in the escrow instructions that are contained in the Offering Memorandum.