

THE CLASS UNITS BEING OFFERED BY THE COMPANY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR QUALIFIED UNDER THE CALIFORNIA CORPORATE SECURITIES LAW OF 1968, OR THE SECURITIES LAWS OF ANY OTHER STATE OR JURISDICTION. SUCH UNITS MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED TO ANY PERSON AT ANY TIME WITHOUT SUCH REGISTRATION AND QUALIFICATION OR AN OPINION OF COUNSEL SATISFACTORY TO THE MANAGER TO THE EFFECT THAT SUCH REGISTRATION OR QUALIFICATION IS NOT REQUIRED. THERE ARE OTHER SUBSTANTIAL RESTRICTIONS ON TRANSFER SET FORTH IN THE COMPANY'S LLC AGREEMENT AND DESCRIBED IN THE MEMORANDUM.

SUBSCRIPTION AGREEMENT AND POWER OF ATTORNEY

BLACKBURNE & BROWN EQUITY PRESERVATION FUND, LLC
a Delaware limited liability company

The undersigned investor ("**Investor**") hereby applies to become a member of Class 2019-02-REC (the "**Purchased Class**") of Blackburne & Brown Equity Preservation Fund, LLC, a Delaware limited liability company (the "**Company**"), and subscribes to purchase the amount of membership interest units in the Class ("**Class Units**") indicated below. Class Units are being offered and sold on the terms and conditions described in the Private Placement Memorandum for Class Units dated March 1, 2018, as amended, modified or supplemented from time to time (the "**Memorandum**") and, upon issuance, Class Units will be governed by the Company's Amended and Restated Limited Liability Company Agreement dated May 9, 2017, a copy of which is attached as Exhibit B to the Memorandum (the "**LLC Agreement**"). Any capitalized term used but not otherwise defined herein has the meaning given in the Memorandum.

1. REPRESENTATIONS AND WARRANTIES. Investor represents and warrants to the Company and its manager, Blackburne & Sons Realty Capital Corporation, Inc., a California corporation ("**Manager**"), as follows:

(a) I have received, read and fully understood the Memorandum and the LLC Agreement and in making this investment I am relying only on the information provided in the Memorandum and the LLC Agreement. I have not relied on any statements or representations inconsistent with those contained in the Memorandum.

(b) I understand that the sole asset of the Purchased Class will be the Investment Property identified and described in Exhibit A of the Memorandum and I have carefully reviewed and understand the risks of, and other considerations relating to, a purchase of the Class Units including the information and risks set forth in the Memorandum.

(c) I and my representatives, if any, have been furnished all materials relating to the offering of the Class Units, the Investment Property to be acquired by the Class and the Company's proposed activities, or anything set forth in the Memorandum that I or they have requested, and have been afforded the opportunity to obtain any additional information necessary to verify the accuracy of any representations or information set forth in the Memorandum.

(d) The Manager of the Company has answered all my inquiries concerning the Company, the Class, the Investment Property and all other matters relating to the offering and sale of the Class Units.

(e) I understand that Class Units have not been registered under the Securities Act of 1933, as amended (the "Act"), in reliance upon the exemptions from such registration requirements provided for under Section 4(a)(2) of the Act and Regulation D thereunder. In addition, I understand that Class Units have not been qualified under the California Corporate Securities Law of 1968, or under the applicable securities laws of any other state or foreign nation where purchasers of Class Units may reside, in reliance on exemptions from such registration and qualification. I acknowledge and understand that the availability of these exemptions depends in part upon the accuracy of the representations and warranties contained herein, which I hereby make with the intent that they may be relied upon by the Manager.

(f) If I am executing this Subscription Agreement on behalf of a trust, a business entity or other non-individual subscriber (an "Entity Subscriber"), I represent and warrant that the Entity Subscriber was not formed specifically to purchase Units.

(g) Neither I nor, if applicable, the Entity Subscriber:

(i) have, within ten years before the date hereof, been convicted of any felony or misdemeanor: (1) in connection with the purchase or sale of any security; (2) involving the making of any false filing with the Securities and Exchange Commission ("SEC"); or (3) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.

(ii) are subject to any order, judgment or decree of any court of competent jurisdiction, entered within five years before the date hereof, that, as of the date hereof, restrains or enjoins me or the Entity Subscriber (if applicable) from engaging or continuing to engage in any conduct or practice: (1) in connection with the purchase or sale of any security; (2) involving the making of any false filing with the SEC; or (3) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.

(iii) are subject to any final order of a state securities commission (or an agency or officer of a state performing like functions); a state authority that supervises or examines banks, savings associations, or credit unions; a state insurance commission (or an agency or officer of a state performing like functions); an appropriate federal banking agency; the U.S. Commodity Futures Trading Commission; or the National Credit Union Administration that: (1) as of the date hereof, bars me or Entity Subscriber (if applicable) from: (A) association with an entity regulated by such commission, authority, agency, or officer; (B) engaging in the business of securities, insurance or banking; or (C) engaging in savings association or credit union activities; or (2) constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within ten years before such sale.

(iv) are subject to any order of the SEC entered pursuant to the Securities Exchange Act of 1934 (the "Exchange Act") or the Investment Advisers Act of 1940 (the "IAA") that, as of the date hereof: (1) suspends or revokes my or Equity Subscriber's (if applicable) registration as a broker, dealer, municipal securities dealer or investment adviser; (2) places limitations on my or Equity Subscriber's (if applicable) activities, functions or operations; or (3) bars me or Equity Subscriber (if applicable) from being associated with any entity or from participating in the offering of any penny stock.

(v) are subject to any order of the SEC entered within five years before the date hereof that, as of the date hereof, orders me or Equity Subscriber (if applicable) to cease and desist from committing or causing a violation or future violation of: (1) any scienter-based anti-fraud provision of the federal securities laws, including without limitation any anti-fraud provision set forth in the Securities Act, the Exchange Act, the IAA, or any rule or regulation promulgated thereunder; or (2) Section 5 of the Securities Act.

(vi) are currently suspended or expelled from membership in, or suspended or barred from association with a member of, a registered national securities exchange or a registered national or affiliated securities association for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade.

(vii) have filed (as a registrant or issuer), or was named as an underwriter in, any registration statement or Regulation A offering statement filed with the SEC that, within five years of the date hereof, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is, as of the date hereof, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued.

(viii) are subject to a United States Postal Service false representation order entered within five years of the date hereof, or, as of the date hereof, subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations.

(h) I am able to bear the economic risk of my purchase of the Units, and to hold the Units indefinitely.

(i) I understand that Class Units may not be sold or otherwise disposed of without the prior written consent of the Manager, which consent may be granted or withheld in its sole discretion. I have liquid assets sufficient to assure myself that (i) my investment in Class Units will not cause me undue financial difficulty, and (ii) I can provide for my current and future cash needs, both anticipated and unanticipated. If I am the trustee of a trust, the lack of liquidity of Class Units will not cause any difficulty for the trust in meeting the trust's obligations to make distributions to its beneficiaries in a timely manner.

(j) I am purchasing Class Units solely for my own account and not with a view to or for a sale in connection with any further sale or distribution of Class Units.

(k) I am 18 years of age or older.

2. POWER OF ATTORNEY. I hereby irrevocably constitute and appoint the Manager as my true and lawful attorney-in-fact, with full power of substitution and with full power and authority for me and in my name, place and stead, to execute, acknowledge, publish and file:

(a) The Certificate of Formation and the LLC Agreement of the Company and any amendments thereto or cancellations thereof required under the laws of the State of Delaware;

(b) Any other certificates, instruments and documents as may be required by, or may be appropriate under, the laws of any state or other jurisdiction in which the Company is doing or intends to do business; and

(c) Any documents which may be required to effect the continuation of the Company, the admission of an additional or substituted member, or the dissolution and termination of the Company.

The power of attorney granted above is a special power of attorney coupled with an interest, is irrevocable and shall survive the death of a member or the delivery of an assignment of Units by a member; provided, that where the assignee thereof has been approved by the Manager for admission to the Company as a substituted member, such power of attorney shall survive the delivery of such assignment for the sole purpose of enabling the Manager to execute, acknowledge, file and record any instrument necessary to effect such substitution.

3. UNDERSTANDING OF LEGAL CONSEQUENCES. I acknowledge that by executing and delivering this Subscription Agreement to the Manager I am authorizing the Manager to executed the LLC Agreement on my behalf as my attorney-in-fact and that I am agreeing to be bound by the terms of the LLC Agreement with respect to the Class Units acquired hereby. I further understand the meaning and legal consequences of the representations and warranties made by me in this Subscription Agreement, and that the Manager is relying on such representations and warranties in making its determination to accept or reject this subscription.

4. INDEMNIFICATION. THE UNDERSIGNED AGREES TO INDEMNIFY AND HOLD THE COMPANY AND ITS MANAGER, MEMBERS AND OTHER AGENTS AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LIABILITIES AND DAMAGES (INCLUDING, WITHOUT LIMITATION, ALL ATTORNEYS' FEES WHICH SHALL BE PAID AS INCURRED) WHICH ANY OF THEM MAY INCUR, IN ANY MANNER OR TO ANY PERSON, BY REASON OF THE FALSITY, INCOMPLETENESS OR MISREPRESENTATION OF ANY INFORMATION FURNISHED BY THE UNDERSIGNED HEREIN OR IN ANY DOCUMENT SUBMITTED HEREWITH.

THE EFFECT OF THE FOREGOING PARAGRAPH IS THAT THE UNDERSIGNED WILL BE FINANCIALLY RESPONSIBLE FOR ALL LOSSES, DAMAGES, EXPENSES AND LIABILITIES INCURRED BY THE COMPANY AND/OR ITS MANAGER AS A RESULT OF A BREACH OF ANY OF THE REPRESENTATIONS AND WARRANTIES MADE BY THE UNDERSIGNED.

5. INVESTOR INFORMATION.

(a) Individual Investors. Natural Persons purchasing Class Units must provide the following information and must complete the investor qualification information and deliver the applicable verification documentation required under Section 6, below.

Name: _____	Social Security No: _____
Address: _____	Telephone No: _____
_____	Email: _____
(street)	

(city) (state)	
(zip)	

(b) Entities. Individuals executing this Subscription Agreement on behalf of a business entity, trust or any other investor that is not a natural person must provide the following information and complete Section 7, below.

Print Name of Trustee or Responsible Officer:

Tax Identification No.:

Full Name of Trust or Entity:

Telephone No.:

Address:

Email:

(street)

(city)

(state)

(zip)

6. INVESTOR QUALIFICATION AND VERIFICATION (INDIVIDUALS). All individuals purchasing Class Units must be accredited investors based upon either the net worth or income standards set forth below. Individual investors must also provide documentation reasonably required by the Manager to verify the investor’s accredited status as of the time of subscription. If Investor is an individual he or she must complete either subsection (a) or subsection (b), below. Additionally, each individual Investor must deliver to the Manager either (i) the verification information set forth in the subsection completed by the Investor; or (ii) a written confirmation of the Investor’s accredited status in a form acceptable to the Manager issued by an SEC registered broker-dealer, an SEC registered investment adviser, a licensed attorney or a certified public accountant (a “Third Party Confirmation”). All verification documentation is subject to Manager approval and the Manager may require additional documentation verifying an investor’s accredited status as it deems necessary in its sole judgment. The Manager may reject Investor’s subscription for failure to adequately verify Investor’s accredited status or for any other reason.

(a) Net Worth Standard. I hereby represent and warrant to the Manager and the Company as follows (please initial which of the following, if any, is true and indicate the verification information being provided herewith):

_____ My individual net worth at the time of purchase (exclusive of the net value of my primary residence) currently exceeds \$1,000,000.*

_____ My joint net worth, together with my spouse at the time of purchase (exclusive of the net value of our primary residence), currently exceeds \$1,000,000.*

Verification Documentation.

- I am enclosing the Third Party Confirmation of my accredited status referenced above; or
- verification of my assets and liabilities is set forth in the documents identified below, which I am delivering to the Manager (or authorizing the Manager to obtain) for the purpose of verifying I the net worth representations made herein.

* For the purpose of calculating an investor’s individual or joint net worth, the excluded “net value” of a primary residence is the amount by which the value of the residence exceeds the total debts secured by the residence. If the total secured debts exceed the value of the residence, the excess is a liability that should be deducted from the investor’s overall net worth.

1. Verification of Assets (*check all that apply*):

- Investor's personal bank statements
- Brokerage statements or other statements reflecting securities held by Investor and the value thereof.
- Certificates of deposit held by Investor.
- Tax assessments and/or appraisal reports issued by independent third parties indicating the value of real estate assets held by Investor.
- Other (*please specify*): _____

(Note: all verification documentation is subject to Manager approval)

2. Verification of Liabilities (*check one*):

- A true and correct copy of a consumer report from at least one of the nationwide consumer reporting agencies dated within three months of the date hereof ("**Credit Report**") is enclosed with this Subscription Agreement, together with a written statement of any other of liabilities material to a determination of my net worth for the purposes hereof ("**Liability Statement**"). I hereby represent and warrant to the Manager that the liabilities set forth in the Credit Report and any Liability Statement provided herewith fully disclose all liabilities necessary for the Manager to make a determination of my net worth and may be relied upon in accepting my subscription for Units as set forth in this Subscription Agreement.
- A written statement of all liabilities material to a determination of my net worth for the purposes hereof ("**Liability Statement**") is enclosed herewith and the Manager is authorized to obtain a copy of a consumer report from any nationwide consumer reporting agency to confirm the information indicated in the Liability Statement and verifying the net worth statements provided above. I hereby represent and warrant to the Manager that the liabilities set forth in the Liability Statement provided herewith fully disclose all liabilities necessary for the Manager to make a determination of my net worth and may be relied upon in accepting my subscription for Units as set forth in this Subscription Agreement.

(b) Income Standard. I hereby represent and warrant to the Manager and the Company as follows (please initial which of the following, if any, is true and indicate the verification information being provided herewith):

_____ My individual income exceeded \$200,000 in each of the two most recent years, and I have a reasonable expectation of reaching the same income level in the current year.

_____ My joint income with my spouse exceeded \$300,000 in each of the two most recent calendar years, and we have a reasonable expectation of reaching the same income level in the current year.

Verification Information.

- I am enclosing the Third Party Confirmation of my accredited status referenced above; or
- Verification of my income for the two most recent years is set forth in the documents identified below, which I am delivering to the Manager for the purpose of verifying the income representations made above.
- | | | | |
|--------------------------|---------------|--------------------------|--------------------------------|
| <input type="checkbox"/> | IRS Form W-2 | <input type="checkbox"/> | IRS Schedule K-1 to Form 1065. |
| <input type="checkbox"/> | IRS Form 1099 | <input type="checkbox"/> | IRS Form 1040 |

(Check two only if different forms are being submitted for each prior year)

7. INVESTOR QUALIFICATION AND VERIFICATION (ENTITIES). Please check which of the following (if any) is true of the entity or trust purchasing Units:

- Investor is a trust with (i) at least \$5,000,000 of total assets (regardless of liabilities) and (ii) a trustee that is a bank or registered investment advisor.
- Investor is a corporation, partnership or limited liability company with either (i) at least \$5,000,000 of total assets (regardless of liabilities) or (ii) all the equity owners of which are Accredited Investors (see above).
- Investor is a revocable grantor trust and the grantor meets the standards for being an Accredited Investor as set forth above.
- Investor is a self-directed employee benefit plan whose investment decisions are made by a person who is an individual Accredited investor as described above.

8. SUBSCRIPTION FOR CLASS UNITS. I hereby subscribe to purchase the following amount and number of Class Units in the Company:

Subscription Amount: \$ _____
Number of Units (\$1.00 per Unit): _____

Enclosed is my check payable to “**Blackburne & Brown Equity Preservation Fund, LLC**” which I will return with this Subscription Agreement and any verification information indicated herein to **4811 Chippendale Drive, Suite 101, Sacramento, CA 95841**. (Investors who prefer to remit funds by wire transfer should contact the Manager to obtain wire transfer instructions.)

Once accepted by the Manager, this Subscription Agreement is irrevocable and nonrefundable.

The Manager will return a countersigned copy of this Subscription Agreement, which copy will be the evidence of purchaser's acquisition of Class Units.

IN WITNESS WHEREOF, the undersigned hereby delivers this Subscription Agreement and agrees to become a member in the Purchased Class of Blackburne & Brown Equity Preservation Fund, LLC upon the terms and conditions set forth in the LLC Agreement and described in the Memorandum.

Dated: _____, 2019

(signature of Investor or
Beneficial Owner)

(signature of Trustee, if any)

Print name

Print name

ACCEPTANCE

The foregoing Subscription Agreement is hereby accepted by Blackburne & Brown Equity Preservation Fund, LLC.

Dated: _____, 2019

BLACKBURNE & BROWN EQUITY
PRESERVATION FUND, LLC,
a Delaware limited liability company

By: BLACKBURNE & SONS REALTY CAPITAL
CORPORATION, INC., a California corporation,
its Manager

By: _____
Name: _____
Title: _____