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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form 8-K**

Current Report  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 27, 2018

**Shepherd's Finance, LLC**

(Exact name of registrant as specified in its charter)

Commission File Number: 333-203707

Delaware  
(State or other jurisdiction of incorporation)

36-4608739  
(IRS Employer Identification No.)

13241 Bartram Park Blvd., Suite 2401, Jacksonville, Florida 32258  
(Address of principal executive offices, including zip code)

(302) 752-2688  
(Registrant's telephone number, including area code)

None.  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act (17 CFR 230.405) or Rule 12b-2 of the Exchange Act (17 CFR 240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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### **Item 1.01. Entry into Material Definitive Agreement.**

As previously reported, on February 19, 2016, Shepherd's Finance, LLC (the "Registrant") entered into a construction loan agreement (the "Vista Loan Agreement") with Lex Partners II, LLC (the "Borrower"), pursuant to which the Registrant extended a construction loan (the "Vista Loan") to the Borrower to be used for the refinance of a parcel of land located at 1333 Vista Drive, Sarasota, Florida 34239 and the construction of a home thereon (the "Vista Property"). On June 30, 2016, the Borrower deeded the Vista Property to 1333 Vista Drive, LLC (the "Property Owner"), an unaffiliated third party, but the Borrower remained the borrower on the Vista Loan. As of April 24, 2018, the principal balance on the Vista Loan was approximately \$3,775,698 and the unpaid interest on the Vista Loan was approximately \$243,125.

In February 2018, the Borrower defaulted under the Vista Loan by failing to make an interest payment that was due. Subsequently, on April 27, 2018, the Registrant and the Property Owner entered into an Agreement (the "Master Agreement"), which requires, among other things, that the Property Owner deed the Vista Property to the Registrant in lieu of foreclosure. When such deed in lieu of foreclosure is effective, the Master Agreement requires that the Registrant pay the sum of \$50,000 to the Property Owner. On April 27, 2018, the Registrant and the Property Owner executed a Deed in Lieu of Foreclosure Agreement (the "Deed Agreement"). As required by the Deed Agreement, on April 27, 2018, the Property Owner also executed a Warranty Deed in Lieu of Foreclosure in favor of the Registrant (the "Deed Agreements"), pursuant to which the Property Owner deeded the Vista Property to the Registrant, and on May 3, 2018, the Registrant made the required payment of \$50,000 to the Property Owner.

Pursuant to the Master Agreement, the Registrant may complete construction of the single family residence being built on the Vista Property, but is not required to do so. When the Registrant sells the Vista Property, the Master Agreement requires that the Registrant pays the first \$250,000 of profit (as defined in the Master Agreement) to the Property Owner, subject to certain limitations contained in the Master Agreement.

The foregoing discussion of the Vista Loan is qualified in its entirety by the Master Agreement, Deed in Lieu of Foreclosure Agreement, and the Warranty Deed in Lieu of Foreclosure, attached hereto as Exhibits 10.1 through 10.3.

### **Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

- 10.1 [Agreement between Shepherd's Finance, LLC and 1333 Vista Drive, LLC, dated April 27, 2018](#)
  - 10.2 [Deed in Lieu of Foreclosure Agreement between Shepherd's Finance, LLC and 1333 Vista Drive, LLC, dated April 27, 2018](#)
  - 10.3 [Warranty Deed in Lieu of Foreclosure from 1333 Vista Drive, LLC in favor of Shepherd's Finance, LLC, dated April 27, 2018](#)
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**Signature(s)**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**SHEPHERD'S FINANCE, LLC**

Date: May 3, 2018

By: */s/ Daniel M. Wallach*

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Daniel M. Wallach  
Chief Executive Officer and Manager

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**AGREEMENT**

**COME NOW**, Shepherd’s Finance, LLC, a Delaware limited liability company registered to do business in the state of Florida (“Lender”), and 1333 Vista Drive LLC, LLC, a Florida limited liability company (“Buyer”), who hereby state and agree as follows:

**WHEREAS**, Lender previously provided a first mortgage construction loan financing to Lex Partners II, LLC, a Florida limited liability company (“Lex”) , the original borrower, for that certain real property located at 1333 Vista Drive, Sarasota FL 34239, legally described per the attached **Exhibit “A”** (the “Vista Property”), as more fully described in the promissory note, construction loan agreement, mortgage, and other loan documents related to this Loan (the “Vista Loan”);

**WHEREAS**, thereafter Buyer purchased the Vista Property from Lex, and in so doing, acquired title to the Vista Property subject to the Vista Loan;

**WHEREAS**, the Vista Loan is in default;

**WHEREAS**, Buyer is desirous of deeding the Vista Property to Lender in lieu of foreclosure;

**NOW, THEREFORE**, the parties do hereby stipulate and agree as follows:

1. The above recitals to this Agreement are fully incorporated herein by this reference thereto with the same force and effect as though restated herein.
2. Buyer shall execute and deliver to Lender various other documents and agreements (the “DIL Documents”) prepared and reasonably required by the Lender to effectuate a deed in lieu of foreclosure of the Vista Property to Lender.
3. Buyer shall execute and deliver to Lender the **attached** general release.
4. Upon execution of this agreement and the DIL Documents by Buyer and delivery of same to Lender, Lender shall pay to Buyer the sum of \$50,000.00.
5. Once Lender acquires title to the Vista Property by virtue of the DIL Documents, Lender may complete construction of the single family residence being built thereon, but shall not be required to do so. Once Lender sells the Vista Property, then Lender shall pay to Buyer the first \$250,000.00 in profit. Any additional profit above \$250,000.00 shall be retained by Lender.
6. Profit for the foregoing paragraph shall be calculated based on the gross sales price, less the following:
  - a. all closing and other costs associated with the deed in lieu transfer as well as any sale of the Vista Property by Lender to a third party, including but not limited to Broker fees, all sums due per the Vista Loan, including all unpaid principal, interest, late fees and all other sums due and owing,
  - b. all costs to complete construction of the single family residence on the Vista Property,
  - c. all real estate taxes for the Vista Property paid by Lender,

- d. insurance costs of the Vista Property,
  - e. maintenance and repair costs of the Vista Property and the residence being built thereon,
  - f. all legal fees and costs associated with the transactions contemplated by this agreement,
  - g. the sum of \$50,000.00 being paid per this agreement to Buyer,
  - h. the sum of \$25,000.00 being paid by Lender to Lex Partners II, LLC and/or Steve Hanson in consideration of their execution and delivery of a general release in favor of Lender.
  - i. all other cost or expenses not itemized above but paid or incurred by Lender that is in any way arising from or related to the transactions contemplated by this agreement, the completion of construction of the home on the Vista Property, all costs associated with ownership of the Vista Property, or the maintenance or repair of the Vista Property.
7. In the event of an insurance claim arising from the Vista Property and payment of said claim by any insurer of the Vista Property, then the amount of any insurance proceeds paid by the insurer, whether to Lender or to any third party, shall not be calculated as part of any gross proceeds or costs for purposes of calculating the gross profit.
8. Notwithstanding the foregoing, if Gary and Lourdes Edelen, or an entity solely owned and controlled by them, close on the purchase of the Vista Property within four months from the date of this agreement, then all profit from that sale shall be paid to Buyer even if in excess of \$250,000.00.
9. Except as provided herein, all parties hereto shall incur their own attorney's fees and costs.
10. This Agreement may be signed in duplicate counterpart. A copy may be relied upon as an original.
11. This Agreement was entered into in Sarasota County, State of Florida. The exclusive jurisdiction and venue for enforcement purposes shall be the appropriate Court of Sarasota, Florida. This Agreement shall be construed under Florida law.
12. This Agreement contains the entire agreement entered into between the parties and is entered into by the parties without reliance upon any oral or written promise, warranty, or representation other than as is expressly described herein.
13. This Agreement may not be altered, amended, modified or otherwise changed in any respect, except in a writing executed by the parties.
14. The failure of the Plaintiff to insist upon strict performance hereunder shall not be deemed a waiver of its rights to thereafter insist upon strict performance, nor a waiver of its right to declare a default based upon a subsequent failure to strictly perform and Plaintiff shall further not be estopped from subsequently declaring a default thereafter arising from the Plaintiff's choice to not insist upon strict performance hereunder.
15. In the event of any dispute arising under this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs.



## DEED IN LIEU OF FORECLOSURE AGREEMENT

**THIS DEED IN LIEU OF FORECLOSURE AGREEMENT** is made as of the 27th day of April, 2018 (this "Agreement") by and between 1333 Vista Drive, LLC, a Florida limited liability company, with a mailing address of 13000 SW 61st Avenue, Miami FL 33156 ("Company") and Shepherd's Finance, LLC, a Delaware limited liability company registered to do business in the state of Florida, with a mailing address of 12627 San Jose Blvd., Suite 201, Jacksonville FL 32223 ("Lender").

### WITNESSETH:

- A. Company owns fee simple title to the real estate and the improvements described as: 1333 Vista Drive, Sarasota FL 34239, and legally described on Exhibit "A" attached hereto.
- B. Lender made a loan (the "Loan") evidenced by a certain Promissory Note dated February 19, 2016 made by Company's predecessor in interest Lex Partners II, LLC ("Lex"), as maker, in favor of Lender, as payee in the face amount of \$3,600,000.00 ("Note"). The Loan is secured by, among other things, a certain Mortgage dated February 19, 2016 made by Lex, as mortgagor, in favor of Lender, as mortgagee, recorded in the Public Records of Sarasota County, Florida as Instrument 2016022157 (the "Mortgage"). The Note and the Mortgage are sometimes herein collectively referred to as the "Loan Documents").
- C. As of this date, the total outstanding principal balance of the Loan is \$3,775,698.45, plus accrued and unpaid interest thereon in the amount of \$243,124.79.
- D. Company is in default under the Loan Documents ("Company's Default"). The Loan has been accelerated and the entire principal amount of Loan together with all accrued interest thereon is now due and owing.
- E. In order to avoid the financial hardship and damage to reputation that would result from the Company's Default, Company has requested that the parties resolve Company's Default by Company's conveyance of the real estate legally described on **Exhibit "A"** and other property to Lender, or to a person or other entity designated by Lender ("Designee"), in lieu of foreclosure in consideration of the premises and other consideration.
- F. The fair market value of the "Property" (as hereinafter defined) does not exceed the total outstanding unpaid principal, interest, accrued and unpaid and other outstanding indebtedness due and owing under the Loan Documents.
- G. Lender wishes to accept the conveyance of the Property pursuant to this Agreement to avoid the necessity of litigation, foreclosure, and the delays associated therewith.

**NOW THEREFORE**, for and in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company and Lender do hereby agree as follows:

**ARTICLE I**  
**Incorporation and Transfer**

1.01 Incorporation. The recitals to this Agreement are fully incorporated herein by this reference thereto with the same force and effect as though restated herein.

1.02 Transfer of Property. Subject to the terms, provisions, conditions, covenants, and agreements herein contained and subject to the matters set forth on **Exhibit "B"** hereto ("Permitted Exceptions") Company agrees to sell, grant, transfer, assign, and convey to Lender (or Designee) and Lender agrees to acquire, or cause Designee to acquire, from Company absolutely and free of any right of redemption or other right or interest of Company or anyone claiming by, through, or under Company, the following real and personal property (collectively, the: (a) good, valid, indefeasible, and marketable fee simple title to the property described on Exhibit A attached hereto ("Real Estate"); (b) all of Company's right, title, and interest as lessor or lessee in all leases, licenses, and other agreements to occupy all or any part of the Real Estate (together "Leases") together with all rents and other sums due, accrued or to become due under each such lease, license, and agreement, all rents that are received and allocable to periods following the "Closing Date" (as hereinafter defined) and (c) all other tangible and intangible personal property, equipment, and supplies located at or used in connection with the Real Estate ( the "Personal Property"). The Real Estate and Leases are sometimes referred to hereinafter as the "Property".

**ARTICLE II**  
**Consideration**

2.01 Release of Personal Liability. In consideration for the transfer by Company of the Property to Lender (or, at Lender's option, Designee), and subject to the terms, provisions, and conditions herein contained, at the "Closing" (as hereinafter defined), Lender shall in the deed in lieu agree to release Company from any personal liability for payment of the Loan.

**ARTICLE III**  
**Title**

3.01 Owners Title Policy. As a condition to Lender's obligation to close, Lender must, at Closing, receive from Chicago Title Insurance Company ("Title Company") an ALTA Form Owner's Title Insurance Policy acceptable to Lender ("Title Policy"), dated as of the Closing Date naming Lender as the insured, which Title Policy shall show fee simple title to the Real Estate vested in Buyer subject only to the Permitted Exceptions. The Title Policy must (a) insure as separate parcels any easements appurtenant to the Real Property, (b) be in the amount of the indebtedness evidenced by the Note which is outstanding on the Closing Date (or such lesser amount as Lender shall accept), (c) delete the standard ALTA exceptions, (d) delete any so-called "creditors" rights exclusion or exceptions.

**ARTICLE IV**  
**Closing**

4.01 Closing. Provided all terms, provisions, and conditions contained in this Agreement to be satisfied on or before Closing have been timely satisfied, Company's warranties and representations are true and correct, so as to provide for the closing of the transaction contemplated hereby, including without limitation, the vesting in Lender of good, valid, indefeasible, and marketable fee simple title to the Real Property, subject only to the Permitted Exceptions, closing of the transaction contemplated hereby ("Closing"), shall take place at the office of Gibson, Kohl, Wolff & Hric, PL, 1800 Second Street, Suite 717, Sarasota FL 34236 at 3:00 P.M on April 29, 2018 or such other date or such other place as may be mutually agreed upon in writing by Company and Lender.

4.02 Closing Deliveries, etc. The following deliveries and/or actions shall constitute the Closing. Such deliveries, showings, and actions shall be deemed to be taken simultaneously and no one of which shall be deemed completed until all of such deliveries, showings, and actions have been completed.

A. Title Documents. The following title, transfer, and original documentation and other matters shall be duly authorized, properly executed, acknowledged (if applicable) and/or delivered:

(a) The Title Policy. The Title Policy (or a "marked-up" title commitment to issue the Title Policy).

(b) Lien and Possession Affidavit. Company shall deliver to Lender a Lien and Possession Affidavit for the Real Property executed and sworn to by him/her in a form attached hereto and made a part hereof as **Exhibit C** in order for the elimination of the issuance of a title policy as to (a) the rights of parties in possessions, and (b) mechanics' liens.

(c) Estoppel Affidavit. Company shall deliver an Estoppel Affidavit regarding the Deed in Lieu of Foreclosure in a form which is attached hereto and made a part hereof as **Exhibit D**.

B. Transfer Documents. The following Property transfer documentation shall be duly authorized, properly executed, acknowledged (if applicable), and delivered to Lender:

(a) Deed. Company's duly executed, acknowledged, and stamped recordable deed in form and substance as set forth on **Exhibit E** attached hereto.

(b) Bill of Sale. Company's duly executed bill of sale in form and substance as set forth on **Exhibit F** attached hereto.

(c) Possession. Company shall deliver possession of the Real Property and the other Personal Property to Lender.

(d) Keys to Premises. Company shall deliver to Lender or Lender's designee, a key code inventory and all keys to the Real Estate or, with Lender's permission, a letter executed by Company and the Company's managing agents addressed to the person(s) or entities possessing the keys directing such persons or entities to deliver the keys to Lender or Lender's designated representative.

(e) Payments to Lender. Company shall pay to Lender an amount equal to \$0.00, representing documentary stamps on the deed and one month's rent.

(f) Release of Lender by Company, et al. Company shall deliver to Lender, a release of Lender and its respective affiliates, successors and assigns and other parties reasonably designated by Lender, in the form of **Exhibit G** attached hereto.

(g) Settlement Statement. Company, Lender and Designee shall jointly execute and deliver a settlement statement to each other.

4.04 Expenses of Closing. At Closing, Company shall pay for the Title Policy and for any and all documentary stamps required on the deed to Lender, and for recording fees of all recorded transactional documents.

**ARTICLE V**  
**Representations, Warranties and Indemnity**

5.01 Representations and Warranties of Company. Company represents and warrants to Lender as follows:

(a) Bankruptcy. Company has not filed a petition in any case, action, or proceeding under the Bankruptcy Code or any similar state law; no petition in any case, action, or proceeding under the Bankruptcy Code or any similar state law has been filed against Company that has not been dismissed or vacated; and Company has not filed an answer or otherwise admitted in writing insolvency or inability to pay their debts or made an assignment for the benefit of creditors or consented to an appointment of a receiver or trustee of all or a material part of their property. The transaction contemplated herein is not a preference, voidable transfer, fraudulent conveyance, or otherwise in violation of the Bankruptcy Code or any other similar state or federal law.

(b) Absence of Litigation. Company has not received any written notice of any, nor is there any, pending or, to the best of Company's knowledge any threatened, litigation or administrative proceeding involving in any manner the Real Property or the ownership thereof.

(c) Arm's-Length Transaction. Company has requested conveyance of title to the Property in lieu of the exercise of Lender's remedies pursuant to the Loan Documents and throughout the negotiation, preparation, and execution of this Agreement has been, and will through the Closing be represented by competent legal counsel of their own choosing. This Agreement was entered into out of the free will of Company and pursuant to arm's-length negotiations and Company believes this Agreement is fair. Lender has not taken advantage of Company by threats, intimidation, overreaching, unconscionable conduct, or otherwise and Company is proceeding in this transaction as a volunteer in what they perceive to be their own best interest.

5.03 Indemnity. Company agrees to defend, indemnify, and hold Lender, and its designees and their respective partners, successors, assigns, members, officers, participants, shareholders, directors, and personal representatives (collectively, the "Lender-Connected Parties") harmless from and against any losses, damages, costs (including, without limitation, attorneys' fees, court costs, and costs of appeal), expenses, judgments, liens, decrees, fines, penalties, liabilities, claims, actions, suits, and causes of action arising, directly or indirectly, from (a) any breach by Company of warranty or representation contained in this Agreement or in the documents executed and delivered by Company pursuant to this Agreement (with this Agreement, sometimes collectively referred to as the "Company Documents"); (b) any breach, default, or violation by Company of any covenant, agreement, or provision of the Company Documents; and (c) any claims or liabilities pertaining to the Property arising prior to the Closing (d) any federal or state income or other tax liability of Company regarding the transactions contemplated by this Agreement, including but not limited to tax liabilities arising out of or in any manner related to withholding requirements under Section 1445 of the Internal Revenue Code of 1986, and any and all obligations of Company for discharge of indebtedness income. The indemnifications set forth in this section 5.03 survive the closing of this transaction and do not merge in the deed or any other document executed in connection herewith.

5.04 Property Condition. Seller warrants that all major appliances and heating, cooling, mechanical, electrical, security, and plumbing systems are and will be maintained in working condition until closing and the structure does not leak.

**ARTICLE VI**  
**No Obligation of Lender to Third Parties**

6.01 No Third-Party Beneficiary. Company acknowledges and agrees that the transfer to Lender of title to the Real Property pursuant to the terms of this Agreement shall not create any obligations on the part of Lender to third parties that have claims of any kind whatsoever against Company with respect to the Property, and Lender does not assume or agree to discharge any liabilities pertaining to the Property except as otherwise expressly provided in this Agreement.

**ARTICLE VII**  
**Absolute Conveyance/No Merger**

7.01 Conveyance/No merger. The conveyance of the Property to Lender according to the terms of this Agreement is an absolute conveyance of all of its right, title, and interest in and to the Property in fact as well as form and was not and is not now intended as a mortgage, trust conveyance, deed of trust, or security instrument of any kind, and that the consideration for such conveyance is exactly as recited herein and Company has no further interest (including rights of redemption) or claims in and to the Property or to the rents, proceeds, and profits that may be derived thereof, of any kind whatsoever. Notwithstanding Lender's acquisition of the Property, the indebtedness evidenced by the Note shall not be cancelled, shall survive the Closing and delivery of any deeds and/or releases and all of the Loan Documents shall remain in full force and effect after the transaction contemplated by this Agreement has been consummated. The parties further agree that the interest of Lender in the Property after Buyer's acquisition of the Property shall not merge with the interest of Lender in the Property under the Loan Documents. It is the express intention of each of the parties hereto (and all of the conveyances provided for in this Agreement shall so recite) that such interests of Lender and Buyer in the Property shall not merge, but be and remain at all times separate and distinct, notwithstanding any union of said interest in Lender at any time by purchase, termination, or otherwise and that the lien of the Mortgage in the Property shall be and remains at all times a valid and continuous lien on the Property until and unless released of record by Lender or its successors and assigns.

**ARTICLE IX**  
**Notices**

9.01 Notice. Any notice pursuant to this Agreement shall be given in writing by (a) personal delivery, or (b) reputable overnight delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (d) legible facsimile transmission sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile transmission, as of the date of the facsimile transmission provided that an original of such facsimile is also sent to the intended addressee by means described in clauses (a), (b), or (c) above. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

To Company: 13000 SW 61st Avenue, Miami FL 33156

To Lender: Shepherds Finance, LLC. with a mailing address of 13241 Bartram Park Blvd., Suite 2401, Jacksonville FL 32258 ("Lender").

All notices shall be deemed effectively given on the date that such notice is received or refused.

**ARTICLE X**  
**Miscellaneous**

10.01 Miscellaneous. This Agreement, and the exhibits attached hereto, and all other instruments and documents executed and delivered at Closing by either party hereto, embody the entire agreement between the parties in connection with the transaction contemplated hereby and there are no oral or parole agreements, representations, or inducements existing between the parties relating to the transaction contemplated hereby that are not expressly set forth herein and covered hereby. This Agreement may not be modified except in writing signed by all of the parties hereto. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, Buyer and the respective heirs, administrators, executors, personal representatives, successors, and assigns of the parties hereto. No written waiver by any party at any time of any breach of any provision of this Agreement shall be deemed a waiver of a breach of any other provision herein or consent to any subsequent breach of the same or any other provision. If any action by any party shall require the consent or approval of another party, such consent or approval of such action on any one occasion shall not be deemed a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. The captions, section numbers, and article numbers appearing in this Agreement are inserted only as a matter of convenience and do not define, limit, construe, or describe the scope or intent of such paragraphs or articles of this Agreement nor in any way affect this Agreement.



EXHIBIT A  
LEGAL DESCRIPTION

EXHIBIT B  
PERMITTED EXCEPTIONS

EXHIBIT C  
LIEN AND POSSESSION AFFIDAVIT

EXHIBIT D  
ESTOPPEL AFFIDAVIT

EXHIBIT E  
FORM OF DEED

EXHIBIT F  
FORM OF BILL OF SALE

EXHIBIT G  
RELEASE

Prepared by without the benefit  
of a title examination and return to:  
James D. Gibson, Esquire  
1800 Second Street, Suite 717  
Sarasota FL 34236

**Warranty**  
**Deed**  
**(In Lieu of Foreclosure)**

This Warranty Deed made this 27th day of April, 2018, between 1333 Vista Drive, LLC, a Florida limited liability company, whose post office address is 13000 SW 61st. Ave, Miami, FL 33156, Grantor, and Shepherd's Finance, LLC, a Delaware limited liability company registered to do business in the state of Florida, whose post office address is 12627 San Jose Blvd., Ste. 203, Jacksonville, FL 32223, Grantee:

(Whenever used herein the terms "Grantor" and "Grantee" include all the parties to this instrument and the heirs, legal representatives, and assigns of individuals, and the successors and assigns of corporations, trusts and trustees)

**WITNESSETH**, that said Grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable considerations to said Grantor in hand paid by said Grantee, the receipt whereof is hereby acknowledged, has granted, bargained, and sold to the said grantee, and Grantee's heirs and assigns forever, the following described land, situate, lying and being in Sarasota County, Florida to-wit:

See attached Exhibit "A" legal description

Subject to taxes for 2018, and subsequent years; covenants, conditions, declarations, restrictions, easements, reservations and limitations of record, if any.

**TOGETHER** with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

**TO HAVE AND TO HOLD**, the same in fee simple forever.

This Indenture is being executed and delivered by Grantor and accepted by Grantee, in lieu of foreclosure of that certain Mortgage dated February 19, 2016, and filed and recorded in Official Records Instrument No. 2016022157, of the Public Records of Sarasota County, Florida (the "Mortgage"). The Mortgage was given by Lex Partners II, LLC ("Lex") to secure a certain Note by Lex in favor of Grantee, dated February 19, 2016, in the original principal amount of \$3,600,000.00 (the "Note"). It is further agreed by the parties (by their delivery and acceptance of this Indenture) that this is an absolute conveyance to Grantee of any and all right, title, and interest in the Property given for full and adequate consideration including specifically, but without limitation, any equity or rights of redemption of Grantor in the Property, and that possession of the Property has been surrendered to Grantee, and this Indenture is not given or intended as security or additional security or collateral of any kind whatsoever for the Note or otherwise.

It is the express intent of both Grantor and Grantee herein (by their delivery and acceptance of this Indenture) that the legal estate acquired by Grantee pursuant to the conveyance by this Indenture shall not be merged with the equitable estate in the Property owned by Grantee herein by virtue of the Mortgage, and that all of the liens and security interests evidencing or securing payment of the Note shall remain valid and in full force and effect unless and until released by Grantee, it being the intention of the parties that there shall be no merger of any of said liens with the title or other interest of Grantee by virtue of this conveyance, and the parties provide that each such interest in the liens on one hand and the title on the other shall be and remain at all times separate and distinct. It is further understood and agreed (by delivery and acceptance of this Indenture) that the conveyance of the Property is an absolute conveyance of title given for full and adequate consideration provided that the acceptance by Grantee of this deed shall constitute Grantee's agreement to the release of Grantor from all personal liability of Grantor for sums owing under the Note and Mortgage.

And the Grantor hereby covenants with said Grantee that the Grantor is lawfully seized of said land in fee simple; that the Grantor has good right and lawful authority to sell and convey said land; that the Grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances, except taxes accruing subsequent to December 31, 2015.

For valuable consideration received Grantor does forever release and discharge Grantee and her successors and assigns, from any and all liabilities, duties, obligations, claims, demands and causes of action whatsoever, now existing or hereafter arising out of, or in any way related to, the Property, the Note or the Mortgage.

**IN WITNESS WHEREOF**, grantor has hereunto set grantor's hand and seal the day and year first above written.

Signed, sealed and delivered in our presence:

1333 Vista Drive, LLC, a Florida limited liability company

/s/ James Phillips

Print Name: James Phillips

By /s/ Dennis J. Nickerson

Print Name: Dennis J. Nickerson

Manager

/s/ Marcelle Pereira Leonardo

Print Name Marcelle Pereira Leonardo

The foregoing instrument was acknowledged before me by as Manager (insert title) of 1333 Vista Drive, LLC, on behalf of said company, this 27th day of April, 2018 who is personally known to me or who has produced Passport/ID as identification.

/s/ Jennifer Denhard

Print Name: Jennifer L. Denhard

Commission Number: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**Exhibit "A"**

Lot 136, HARBOR ACRES, SECTION 2, according to the map or plat thereof as recorded in Plat Book 4, Page 63, Public Records of Sarasota County, Florida.