

CONFIDENTIAL PRIVATE
PLACEMENT MEMORANDUM

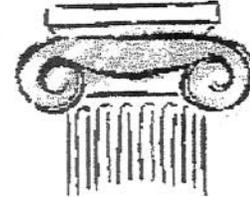
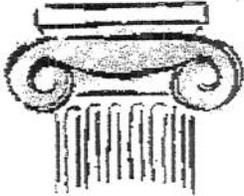
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ESQUIRE MANAGEMENT LLC

(A Wisconsin Limited Liability Company)

STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES



**Limited Liability Company Membership Interests
at \$25,000 per Interest**

Managed by:
Tri-Co of Wisconsin LLC
A Wisconsin Limited Liability Company
220 Saint Lawrence Avenue
Janesville, Wisconsin 53545
Telephone No.: (608) 755-1515

This Memorandum has been submitted confidentially in connection with the private placement of Interests of Esquire Management LLC, and does not constitute an offer to sell or the solicitation of an offer to buy such Interests in any state or jurisdiction where the offer or sale thereof would be prohibited or to any entity or individual who does not possess the qualifications described in this Memorandum.

The date of this Memorandum is March 20, 2004



CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

ESQUIRE MANAGEMENT LLC
(A Wisconsin Limited Liability Company)

Limited Liability Company Membership Interests
at \$25,000 per Interest

Esquire Management LLC, a Wisconsin limited liability company (the "Company"), hereby offers for sale (the "Offering") limited liability company membership interests ("Interests") to certain investors for a purchase price of \$25,000 per Interest (the "Purchase Price"). There is no minimum or maximum number of Interests that may be sold in the Offering and the Offering may be terminated at any time at the sole discretion of the manager of the Company (the "Manager"). The Manager is Tri-Co of Wisconsin LLC, a Wisconsin limited liability company, of which Bradley J. Goodrich is the sole member. The Company has been organized for the purpose of (a) owning, acquiring, constructing and managing residential and commercial real estate; and (b) owning and operating commercial retail operations. Initially, the real estate and retail operations of the Company will all be located in Janesville, Wisconsin. Upon the commencement of this Offering, the Company will receive and own the following real estate:

- One commercial building consisting of 15,000 square feet of commercial/retail space, located at 1310 Plainfield Avenue, Janesville, Wisconsin (the "Plainfield Property");
- One commercial building consisting of 11,150 square feet of commercial/retail space (of which 4780 square feet is currently existing and 6280 square feet is under construction), located at 2508-2510 Mineral Point Avenue, Janesville, Wisconsin (the "Westside Plaza Property"); and
- One all brick duplex containing two, two-bedroom residential rental units, located at 2637-2639 Alexandria Drive, Janesville, Wisconsin (the "Duplex");

(the "Real Estate"). Additionally, upon the commencement of this Offering, the Company will receive, own and operate the following two businesses:

- The "Hollywood Tan" tanning salon, which currently operates in a leased space consisting of 2200 square feet located at the Westside Plaza Property the Westside Plaza Property ("Hollywood Tan"). Hollywood Tan currently owns and operates eight tanning units, and has space available in its current premises for an additional four units; and
- The "Westside Laundromat" laundromat, which currently operates in a leased space consisting of 1400 square feet located at the Westside Plaza Property ("Westside Laundromat"). Westside Laundromat currently owns 22 washers and 14 dryers, and associated laundromat equipment;

(the "Businesses"). Collectively, the Real Estate and the Businesses are referred to herein as the "Portfolio." In addition, the Company anticipates the purchase on or around March 31, 2004 of a fourth property, an office building consisting of approximately 9,190 square feet of leased office space, with forty

parking spaces, situated on an approximately one acre lot located at 222 North Academy Street, Janesville, Wisconsin (the "Social Security Property"). The Social Security Property is currently leased under a twenty year lease (with eighteen years remaining on the lease, but with an option to vacate at the end of ten years) to the Government Services Administration and is occupied by the Social Security Administration. However, the Company will not be able to purchase the Social Security Property unless it can sell Four Hundred Seventy Five Thousand Dollars (\$475,000) of Interests for cash under this Offering by March 31, 2004. See "Possible Acquisition of the Social Security Property" in "Risk Factors" herein.

Purchasers of Interests pursuant to this Offering ("Investors") will become members of the Company ("Members"). The Company is governed by the Articles of Organization attached as Exhibit A (the "Articles of Organization"), the Operating Agreement attached as Exhibit B (the "Operating Agreement"), and the Wisconsin Limited Liability Company Act (the "LLC Act").

The minimum investment required per Investor is one Interest (\$25,000), except that the Manager may, in its sole discretion, sell fractional Interests. Investors may purchase more than one Interest upon the Manager's approval.

Bradley J. Goodrich ("Goodrich") currently owns 100% of the Manager, and 100% of Investors, LLC, a Wisconsin limited liability company. The Manager and Investors, LLC currently own the Real Estate and Businesses that will make up the Portfolio. The Manager currently owns the Westside Plaza Property, the Duplex, Hollywood Tan and Westside Laundromat. Investors, LLC currently owns the Plainfield Property. Upon commencement of this Offering, the Manager and Investors, LLC will transfer ownership of the Real Estate and the Businesses to the Company in exchange for Interests, and the Company will assume the Manager's and Investors, LLC's debt obligation relating to the Portfolio. The current appraised value of the Real Estate and the Businesses is \$2,265,000. The security agreements and mortgages on the Real Estate and the Businesses that secure debt have a current cumulative unpaid balance of \$1,347,285. In return for the Real Estate and Businesses, the Company will issue a total of 36.709 Interests (conveyed total net equity in the Real Estate and Businesses of \$917,715 ÷ \$25,000 per Interest) collectively to Investors, LLC and the Manager. See "Portfolio Acquisition" for details regarding the appraised values, the debt, and the Interests that will be conveyed to Investors, LLC and the Manager.

Additionally, it is anticipated that certain holders of promissory notes (the "Note Holders") of The Ekklasia Foundation, Inc., a Wisconsin non-stock corporation ("Ekklasia") will assign their rights under the promissory notes (the "Notes") to the Company in exchange for Interests. Note Holders who assign their Notes to the Company, will also assign to the Company the security interest recited in the Notes. See "Ekklasia's Ability to Make Payments to the Company on the Notes" in "Risk Factors" and "Acquisition of Promissory Notes" herein. Goodrich is currently the President and Chairman of the Board of Ekklasia. In addition, the Note Holders are clients of the Argurion Group, Inc., a registered investment adviser solely owned by Goodrich. The current cumulative unpaid principal balance of the Notes is \$545,762. If all of the Note Holders assign their rights under the Notes to the Company, the Company expects to issue a total of approximately 21.830 Interests ($\$545,762 \div \$25,000$) to the Note Holders (the exact number will vary depending on the number of Notes that are assigned to the Company, the date the Notes are assigned and the amount of unpaid interest on the Notes when assigned). See "Acquisition of Promissory Notes" for details regarding the Notes and the Interests that are expected to be conveyed to the Note Holders.

In addition to the above conveyances and assignments, the Company is seeking to sell additional Interests in the Offering for cash. Funds raised from the sale of such additional Interests will be

used to pay the expenses of the Offering and either obtain additional real estate (such as the Social Security Building) or businesses, or to pay down debt of the Company.

Each Investor (including the Manager) will be entitled to receive a 5.5% *per annum*, cumulative return on their Capital Contribution. The Manager in its sole discretion will determine when the Company has sufficient cash to make distributions. See "Summary of the Operating Agreement" herein and Exhibit B for complete details.

This Offering is being conducted by the Manager who will receive no special compensation or commission for the offers or sales of the Interests. Expenses of the Offering are estimated to be \$30,000. The Manager will receive a management fee and other fees and will own Interests in the Company. It is also anticipated that the Manager will be hired to act as the General Contractor and receive a fee for any construction projects undertaken by the Company (including the construction currently under way at the Westside Plaza Property).

Under the terms of the Operating Agreement, the Company may call on the Investors voluntarily to contribute additional capital to the Company, and the Interests are subject to certain restrictions on transfer. See Exhibit B.

THE INTERESTS OFFERED HEREBY ARE SPECULATIVE SECURITIES AND AN INVESTMENT THEREIN INVOLVES A HIGH DEGREE OF RISK. (SEE "RISK FACTORS.")

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS PASSED UPON THE MERITS OF OR GIVEN ITS APPROVAL TO ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR HAVE THEY PASSED UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING MEMORANDUM OR OTHER SELLING LITERATURE. THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933 (THE "ACT") AND APPLICABLE STATE SECURITIES LAWS (THE "LAWS"); HOWEVER, NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS MADE AN INDEPENDENT DETERMINATION THAT THE SECURITIES OFFERED HEREUNDER ARE EXEMPT FROM REGISTRATION.

THE INTERESTS OFFERED HEREBY ARE OFFERED TO THOSE PERSONS WHO (I) ARE ABLE TO BEAR THE ECONOMIC RISK OF AN INVESTMENT IN THE INTERESTS, AND (II) HAVE SUFFICIENT KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS TO BE ABLE TO EVALUATE THE MERITS AND RISKS OF AN INVESTMENT IN THE INTERESTS EITHER ALONE OR WITH AN INVESTOR REPRESENTATIVE. (SEE "THE OFFERING.") THE INTERESTS ARE NOT OFFERED AND WILL NOT BE SOLD TO ANY PROSPECTIVE INVESTOR UNLESS SUCH INVESTOR HAS ESTABLISHED, TO THE SATISFACTION OF THE COMPANY, THAT SUCH PERSON MEETS ALL OF THE FOREGOING CRITERIA. EACH INVESTOR WHO ACQUIRES THE INTERESTS OFFERED HEREBY MUST ACQUIRE THE INTERESTS FOR SUCH PERSON'S OWN ACCOUNT FOR INVESTMENT PURPOSES ONLY, AND NOT WITH ANY INTENTION OF DISTRIBUTING OR RESELLING ANY OF THE INTERESTS, EITHER IN WHOLE OR IN PART.

THE INTERESTS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE ACT IN RELIANCE UPON EXEMPTIONS FROM REGISTRATION THEREUNDER AND ARE BEING OFFERED AND SOLD IN THE STATE WHERE THE INVESTORS RESIDE UNDER EXEMPTIONS FROM REGISTRATION AVAILABLE UNDER THE SECURITIES LAWS OF SUCH STATE. THE INTERESTS OFFERED HEREBY MAY NOT BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT IN COMPLIANCE WITH THE ACT AND APPLICABLE LAWS. THERE IS NO PUBLIC MARKET FOR THE INTERESTS AND NO SUCH MARKET IS LIKELY TO DEVELOP. THE INTERESTS ARE SUBJECT TO THE LIMITATIONS, TERMS AND CONDITIONS DESCRIBED HEREIN.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO ANYONE IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORIZED. IN ADDITION, THIS MEMORANDUM CONSTITUTES AN OFFER ONLY TO THE PROSPECTIVE INVESTOR WHOSE NAME APPEARS IN THE APPROPRIATE SPACE PROVIDED ON THE FIRST PAGE HEREOF. THE RIGHT TO PURCHASE THE INTERESTS OFFERED HEREBY AS DESCRIBED HEREIN IS NOT ASSIGNABLE.

THE OBLIGATIONS AND REPRESENTATIONS OF THE PARTIES TO THIS TRANSACTION WILL BE SET FORTH ONLY IN THE DOCUMENTS DESCRIBED HEREIN.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS CONCERNING THE COMPANY OTHER THAN AS

CONTAINED IN THIS MEMORANDUM, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON. THE DELIVERY OF THIS MEMORANDUM DOES NOT IMPLY THAT THE INFORMATION SET FORTH IN IT IS CORRECT ANY TIME SUBSEQUENT TO THE DATE HEREOF.

THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE BENEFIT OF CERTAIN PROSPECTIVE INVESTORS TO WHOM IT HAS BEEN DIRECTED. A PROSPECTIVE INVESTOR, BY ACCEPTING DELIVERY OF THIS MEMORANDUM, AGREES TO RETURN THIS MEMORANDUM AND ALL ENCLOSED DOCUMENTS TO THE COMPANY IF THE PROSPECTIVE INVESTOR DOES NOT UNDERTAKE TO PURCHASE ANY OF THE INTERESTS OFFERED HEREBY.

PRIOR TO THE SALE OF ANY INTERESTS OFFERED HEREBY, THE COMPANY WILL MAKE AVAILABLE TO EACH PROSPECTIVE INVESTOR THE OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS FROM THE MANAGER CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND TO OBTAIN ADDITIONAL INFORMATION NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED HEREIN, TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE.

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 STRICTLY PROHIBITED.

REFERENCE IS MADE TO THE COMPANY'S OPERATING AGREEMENT AND ARTICLES OF ORGANIZATION AND THE FORM OF SUBSCRIPTION AGREEMENT ATTACHED HERETO FOR COMPLETE INFORMATION CONCERNING THE RIGHTS AND OBLIGATIONS OF INVESTORS WHO PURCHASE THE INTERESTS OFFERED HEREBY. CERTAIN PROVISIONS OF AGREEMENTS AND DOCUMENTS ARE SUMMARIZED IN THIS MEMORANDUM, BUT IT SHOULD NOT BE ASSUMED THAT THE SUMMARIES ARE COMPLETE. IN CASE OF A CONFLICT BETWEEN THIS MEMORANDUM AND SUCH AGREEMENTS AND DOCUMENTS, THE AGREEMENT OR DOCUMENT, AS THE CASE MAY BE, SHALL GOVERN. REFERENCE IS HEREBY MADE TO THE COMPLETE TEXT OF ALL DOCUMENTS AND AGREEMENTS DESCRIBED HEREIN. ALL SUMMARIES INCLUDED IN THIS MEMORANDUM ARE QUALIFIED IN THEIR ENTIRETY BY THIS REFERENCE. A COPY OF ALL DOCUMENTS RELATING TO THIS OFFERING THAT ARE DESCRIBED BUT NOT INCLUDED HEREIN WILL BE MADE AVAILABLE TO A PROSPECTIVE INVESTOR AND/OR THE PROSPECTIVE INVESTOR'S ADVISER(S) UPON REQUEST. THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE BENEFIT OF PERSONS INTERESTED IN THE PRIVATE PLACEMENT OF THE INTERESTS DESCRIBED HEREIN.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE COMPANY, THE MANAGER OR THEIR RESPECTIVE AFFILIATES AS LEGAL OR TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT OR HER OWN COUNSEL, ACCOUNTANT AND OTHER ADVISERS AS TO TAX MATTERS AND RELATED MATTERS CONCERNING SUCH PERSON'S INVESTMENT.

THIS MEMORANDUM CONTAINS FORWARD-LOOKING STATEMENTS OF THE MANAGER. FORWARD-LOOKING STATEMENTS ARE STATEMENTS THAT ESTIMATE THE HAPPENING OF FUTURE EVENTS, ARE NOT BASED ON HISTORICAL FACT AND ARE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. FORWARD-LOOKING STATEMENTS MAY BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS "MAY," "WILL," "EXPECT," "SHOULD," "COULD," "ESTIMATE," "ANTICIPATE," "POSSIBLE," "PROBABLE," "CONTINUE," OR SIMILAR TERMS, VARIATIONS OF THOSE TERMS OR THE NEGATIVE OF THOSE TERMS. THE "RISK FACTORS" SET FORTH IN THIS MEMORANDUM CONSTITUTE CAUTIONARY STATEMENTS IDENTIFYING IMPORTANT FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE IN THE FORWARD-LOOKING STATEMENTS. THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS MEMORANDUM HAVE BEEN COMPILED BY THE MANAGER ON THE BASIS OF ASSUMPTIONS MADE BY THE MANAGER AND CONSIDERED BY THE MANAGER TO BE REASONABLE. FUTURE OPERATING RESULTS OF THE COMPANY, HOWEVER, ARE IMPOSSIBLE TO PREDICT AND NO REPRESENTATION, GUARANTY, OR WARRANTY IS TO BE INFERRED FROM THOSE FORWARD-LOOKING STATEMENTS. THEREFORE, PROSPECTIVE PURCHASERS OF THE INTERESTS ARE URGED TO CONSULT WITH THEIR ADVISORS (THE OPINIONS OF WHICH MAY DIFFER FROM THOSE SPECIFIED IN THOSE FORWARD-LOOKING STATEMENTS) WITH RESPECT TO THOSE ASSUMPTIONS OR HYPOTHESES.

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SUMMARY

The following summary is intended to give prospective Investors a brief overview of certain aspects of the Offering and the Company. This summary is qualified in its entirety by the more detailed discussions contained elsewhere in this Memorandum which prospective Investors are urged to review prior to any investment decision.

The Company:

Esquire Management LLC (the "Company") was recently organized as a Wisconsin limited liability company for the purpose of (a) owning, acquiring, constructing and managing residential and commercial real estate; and (b) owning and operating commercial retail operations. The Manager of the Company is Tri-Co of Wisconsin LLC (the "Manager"). (See "THE COMPANY" AND "THE MANAGER.")

The Portfolio

Upon commencement of this Offering, the Company will receive and own the following real estate:

- One commercial building consisting of 15,000 square feet of commercial/retail space, located at 1310 Plainfield Avenue, Janesville, Wisconsin (the "Plainfield Property");
- One commercial building consisting of 11,150 square feet of commercial/retail space (of which 4780 square feet is currently existing and 6280 square feet under construction), located at 2508-2510 Mineral Point Avenue, Janesville, Wisconsin (the "Westside Plaza Property"); and
- One all brick duplex containing two, two-bedroom residential rental units, located at 2637-2639 Alexandria Drive, Janesville, Wisconsin (the "Duplex");

(the "Real Estate"). Additionally, upon the commencement of this Offering, the Company will receive, own and operate the following two businesses:

- The "Hollywood Tan" tanning salon, which currently operates in a leased space consisting of 2200 square feet located at the Westside Plaza Property ("Hollywood Tan"). Hollywood Tan currently owns and operates eight tanning units, and has space available in its current premises for an additional four units; and
- The "Westside Laundromat" laundromat, which currently operates in a leased space consisting of 1400 square feet located at the Westside Plaza Property ("Westside Laundromat"). Westside Laundromat currently owns 22 washers and 14 dryers, and associated laundromat equipment;

(the "Businesses"). Collectively, the Real Estate and the Businesses are referred to herein as "the Portfolio." (See "THE PORTFOLIO.")

Portfolio Acquisition

Prior to the commencement of this Offering, the Real Estate and the Businesses were owned by the Manager and Investors, LLC, a Wisconsin limited liability company. The Manager and Investors, LLC are both owned by Bradley J. Goodrich ("Goodrich"). The Manager currently owns the Westside Plaza Property, the Duplex, Hollywood Tan and Westside Laundromat. Investors, LLC currently owns the Plainfield Property. Upon commencement of this Offering, the Manager and Investors, LLC will transfer ownership of the Real Estate and the Businesses to the Company in exchange for Interests, and the Company will assume the Manager's and Investors, LLC's debt obligation relating to the Portfolio. The current appraised value of the Real Estate and the Businesses is \$2,265,000, and there are security agreements and mortgages on the Real Estate and the Businesses that secure debt with a current cumulative unpaid balance of \$1,347,285. In return, the Company will issue a total of 36.709 Interests (conveyed total net equity in the Real Estate and Businesses of \$917,715 ÷ \$25,000 per Interest) to Investors, LLC and the Manager. (See "PORTFOLIO ACQUISITION.")

Pending Acquisition

In addition to the Portfolio, the Company anticipates the purchase on or around March 31, 2004 of a fourth property, an office building consisting of approximately 9,190 square feet of leased office space, with forty parking spaces, situated on an approximately one acre lot located at 222 North Academy Street, Janesville, Wisconsin (the "Social Security Property"). The Social Security Property is currently leased under a twenty year lease (with eighteen years remaining on the lease, which contains an option to vacate at year ten) to the Government Services Administration, and is occupied by the Social Security Administration. However, the Company will not be able to purchase the Social Security Property unless it is able to sell as a part of this Offering by March 31, 2004 Interests in the collective cash amount of \$475,000.

Acquisition of Promissory Notes

It is anticipated that certain holders of promissory notes (the "Note Holders") of The Ekklasia Foundation, Inc., a Wisconsin non-stock corporation ("Ekklasia") in the Offering will assign their rights under certain promissory notes (the "Notes") to the Company in exchange for Interests. The current cumulative unpaid principal balance of the Notes is \$545,762, and the Notes pay interest at the rate of 5.5% *per annum*. The Notes are secured by certain real estate, under which the Company would be in a junior secured position to Ekklasia's financial institution lender. If all of the Note Holders assign their rights under the Notes to the Company, the Company expects to issue a total of 21.830 Interests (\$545,762 ÷ \$25,000) to the Note Holders (the exact number will vary depending on the number of Notes that are assigned, the date the Notes are assigned and the amount of unpaid interest on the Notes when assigned). (See "ACQUISITION OF PROMISSORY NOTES.")

Management Agreement and Management Compensation:

The Company and the Manager will enter into a management agreement (the "Management Agreement"), pursuant to which the Manager shall be responsible for:

- maintaining the Real Estate;

- leasing the Real Estate and otherwise managing the Company's relations with its tenants;
- managing construction or improvements at the Company's properties;
- operating the Businesses; and
- purchasing and or developing new properties and businesses;

Under the Management Agreement the Manager shall receive a management fee (the "Management Fee") equal to 5% of the Company's gross revenues. (See "MANAGEMENT AGREEMENT AND COMPENSATION.")

***Construction and
Construction
Management:***

Construction of an expansion to the Westside Plaza Property is currently under way. The construction will add 6280 square feet of rentable commercial space to the Westside Plaza Property. The Manager is currently acting as the general contractor of the construction, and construction is expected to be completed by July 1, 2004. The Company will continue to use the Manager to act as the construction manager for the construction project, and the Manager will receive a fee equal to 15% of the cost of the expansion. (See "CONSTRUCTION AND CONSTRUCTION MANAGEMENT.")

The Offering:

The Company is offering (the "Offering") to sell Interests to certain Investors who meet certain suitability standards described herein. The Interests will be sold to not more than thirty-five (35) persons who are not "accredited investors" as that term is defined under Regulation D of the Securities Act of 1933 (the "Act") and to an unlimited number of accredited investors. Each non accredited investor, either alone or with his or her purchaser representative, must demonstrate to the Company such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of an investment in the Interests. The purchase price per Interest is \$25,000 (the "Purchase Price"). The minimum investment is one Interest, except that the Manager may in its sole discretion, sell fractional Interests. Investors may purchase more than one Interest with the Manager's approval. This Offering is not capped at any specific amount, nor is this Offering currently scheduled to end on a particular date. Each Investor's percentage of the total outstanding Interests will change as additional Interests are sold, or as the Company repurchases Interests. (See "THE OFFERING.")

Risk Factors:

An investment in the Interests offered hereby is subject to various risks which an Investor should carefully consider prior to making an investment in such Interests. (See "RISK FACTORS.") In addition, certain conflicts of interest are present with respect to the Company, the Manager and its affiliates and the owner thereof. (See "RISK FACTORS--Conflict of Interest Risks" and "CONFLICTS OF INTEREST.")

Use of Proceeds:

The Company intends to use the proceeds from the Offering to pay the expenses of this Offering, purchase the Social Security Building and possibly other properties, pay down bank debts, and to pay any related costs relating to the Portfolio. (See "USE OF PROCEEDS.")

Financial Forecasts:

The Company has prepared certain forecasts of revenues and expenses, a copy of which are attached hereto as Exhibit C. Forecasts represent current leases, prior leases, and future lease possibilities based on available space. These forecasts were not prepared and have not been reviewed by an independent accounting firm. There can be no assurance that the forecasts are accurate, or complete or that the assumptions upon which they are based are realistic. (See "SUMMARY OF SIGNIFICANT ASSUMPTIONS.")

Investor Rights and Cash Distributions:

The Interests offered hereby represent membership interests in the Company and the right to share in the profits and losses generated by the Company's operations. To the extent the Manager, in its sole discretion, determines that the Company has sufficient funds that cash distributions can be made, the Investors will be entitled to receive a 5.5% *per annum*, cumulative distribution of cash on their Capital Contributions (the "Cumulative Cash Distribution"). (See and "SUMMARY OF THE OPERATING AGREEMENT - Operating Distributions."). The Manager will have exclusive and complete discretion in the management and control of the affairs of the Company and the Portfolio, and will make all decisions affecting the Company's affairs, subject to certain exceptions. Investors will not participate in the management of the Company or have any authority to transact any business on behalf of the Company. There are substantial restrictions on the transfer of Interests pursuant to applicable securities law requirements and the terms of the Operating Agreement. (See "THE OFFERING--Transfer Restrictions," "SUMMARY OF THE OPERATING AGREEMENT--Transferability of Interests" and "RISK FACTORS--Long-Term Investment and Transfer Restrictions.")

THE COMPANY

Esquire Management LLC (the "Company") was organized for the purpose of (a) owning, acquiring, constructing and managing residential and commercial real estate; and (b) owning and operating commercial retail operations. Upon the commencement of this Offering, the Company will receive and own the three properties (two commercial buildings, and one duplex rental property), and two businesses (a tanning salon and a laundromat) all of which are located in the Janesville area. The Company was organized on May 30, 2003. The Company is governed by the Articles of Organization attached as Exhibit A (the "Articles of Organization"), the Operating Agreement attached as Exhibit B (the "Operating Agreement"), and the Wisconsin Limited Liability Company Act (the "LLC Act"). The Company is a manager managed Wisconsin limited liability company. The Company is managed by Tri-Co of Wisconsin LLC, a Wisconsin limited liability company (the "Manager"). The Manager was organized on January 1, 1996. The Manager's sole owner and principal officer is Bradley J. Goodrich ("Goodrich"). Goodrich has owned and managed real estate, a construction company, and an electrical company (see Exhibit F for background information regarding Goodrich). The principal office of the Company and the Manager is located at 220 Saint Lawrence Ave Janesville, Wisconsin 53545; Telephone (608) 755-1515.

RISK FACTORS

The Interests offered hereby are highly speculative in nature and an investment therein involves a high degree of risk. In analyzing the Offering, Investors should carefully consider, among other risk factors, the following:

Economic Risks of the Portfolio

1. Financial Forecasts. The financial forecasts attached hereto as Exhibit C contain illustrations of future results based on information available as of the date of this Memorandum and the assumptions set forth herein. These forecasts provide only one illustration of possible results based upon assumptions which may or may not occur and are not to be relied upon by prospective Investors to indicate the actual results which will be obtained. These forecasts are based upon assumptions containing certain facts over which the Investors, the Manager and the Company may have no control. No independent verification of the information or other review of the forecasts has been made, and no representation is or can be made as to future operations or the amount of any future income or loss of the Company, the timing of favorable operations, if any, or the amount of cash available for distribution. There can be no assurance the Company will ever be profitable, nor are there any guaranteed returns. (See "SUMMARY OF SIGNIFICANT ASSUMPTIONS.")

2. Leverage and Income Stream Risks. Once the Offering has commenced, the Company will exchange Interests for the Portfolio. With the acquisition of the Portfolio, the Company will also assume debt relating to the Portfolio. If the Company purchases the Social Security Building, the Company will also take on debt relating to the Social Security Building. The operating expenses and debt service expense of the Company will be funded solely out of revenues from Portfolio operations. The amount of the revenues from the Company's Real Estate depends on the ability of the Company to (a) keep its current tenants; (b) collect rent from its tenants; and (c) attract new tenants (both for current and future rental space). Cash flows from the Portfolio will be used to pay the usual expenses of maintaining real estate including insurance, taxes, utilities maintenance, management fees and bank indebtedness. The amount of the revenues from the Company's Businesses depend on a variety of factors, including consumer preference, and competition from competing operations. After construction of the addition to the Westside Plaza property has been completed, and leases for available spaces have been secured, the Portfolio

revenues are projected to increase. If Portfolio revenues are insufficient to pay debt service on the Portfolio, foreclosure proceedings could be instituted by the applicable lenders. The Company anticipates it will assume the following debt, when it acquires the Real Estate:

<u>Property</u>	<u>Lender</u>	<u>Loan Amount</u>	<u>Term</u>	<u>Interest Rate</u>
The Plainfield Building	Anchor Bank	\$492,233.03	20 years	7.125%
	Mike Williams	\$ 89,750.73	20 Years	8.000%
Westside Plaza	Anchor Bank	\$ 700,000	25 years	6.250%
Duplex	US Bank	\$147,051.70	30 Years	7.490%
	US Bank	\$ 8,000.00	Credit Line	7.990%

The Manager has the authority under the Operating Agreement to issue a call for additional capital from the Members. The Members are not required to invest additional capital, but a failure to do so will result in the declining Member's pro rata interest in the Company to be diluted to the extent of other Members contributing additional capital. In addition, the Manager, in its sole and absolute discretion, may elect to provide the Company with funds to cover any operating deficits. Such funds shall be treated as a loan to the Company by the Manager, which will bear interest at 10% compounded annually and will be repaid by the Company prior to the determination of cash flow available for distribution to the Investors. (See "SUMMARY OF OPERATING AGREEMENT--Manager Loans.")

3. Real Estate and Construction Risks. The Company will be subject to the risks generally associated with the ownership of real estate and with construction. Such risks include changes in general economic or local conditions, changes in interest rates and availability of refinancing, changes in real estate, building, environmental, zoning, real estate tax and similar laws, labor stoppages, and unanticipated problems arising during construction. These factors, among others, may render the operation, sale or refinancing of the Portfolio (or components thereof) difficult or unattractive. A potential Investor should consider the Interests as unsecured risk capital. Furthermore, there is no assurance that capital appreciation of the Real Estate in the Portfolio will occur.

4. Environmental Risks. Currently the Company is unaware of any environmental problems at any of the Properties or Businesses. Not all environmental problems are apparent, however, without an investigation by environmental professionals. The Company has not caused any such investigations to occur, nor is it aware of any such investigations that have occurred regarding the Real Estate or the Businesses. The Company intends to perform whatever environmental investigations its lenders may require regarding properties that may be added to the Portfolio in the future. (See also "RISK FACTORS--The Company Is Required to Comply with Various Laws and Regulations.")

5. Uninsurable Risks. The Company will acquire and maintain such comprehensive insurance coverage on the Portfolio as is required by its lenders. However, certain types of losses (generally of an unusual or catastrophic nature) are either uninsurable or not economically insurable. Should such a casualty occur, the Company would likely default on its obligations. In such an event, the Investors would suffer a loss of their capital contribution as well as anticipated benefits from the Portfolio. In addition, there is no assurance that claims for any loss due to fire, natural disaster, terrorism or other cause will be completely covered under the comprehensive insurance policies for the Portfolio and any such

deficiency in coverage could result in an economic loss to the Company and the Investors. Also see, "Local Market Risks" within this Risk Factors section.

6. Lack of Geographical Diversification. All of the Real Estate and Businesses that the Company currently anticipates owning are located in Janesville, Wisconsin. As such, the success of the Company at this stage depends on the economic vitality of Janesville not deteriorating, and upon the ability of the Company to be able to keep its current tenants, obtain new tenants, collect rent from its tenants, and operate its Businesses profitably. A potential Investor in the Company should consider whether an investment in the Company fits in to the potential Investor's current investment strategy. Also see, "Local Market Risks" within this Risk Factors section.

7. Acquisition of the Portfolio. The Company is currently in the process of obtaining the approvals necessary from the lenders who hold liens on the assets to be transferred to the Company in exchange for Interests. While the Company does not anticipate that it will encounter difficulty obtaining those approvals, there can be no guaranty such approvals will be forthcoming. The Company's acquisition of the Portfolio is dependant upon the Company obtaining the approval of the current lenders.

8. Possible Acquisition of the Social Security Property. The Company currently has an accepted Offer to Purchase regarding the Social Security Property, and signed loan commitment letter relating to its proposed acquisition of the Social Security Property. The amount of the loan commitment is \$1,450,000, at an interest rate of 6.125%. Under the terms of the Offer to Purchase, the closing for the purchase of the Social Security Property must occur by March 31, 2004. If the Company fails to close on this property by then, the seller has the right to cancel the offer to purchase agreement, and retain the Company's down payment in the amount of \$25,000. If the Company fails to close on the Property, it will absorb other fees relating to the attempted acquisition, which are currently projected to be about \$3800. There can be no assurance that the Company can successfully close on the Social Security Property, or that it will be able to obtain the necessary financing for such purchase.

9. Financing Risk. It is anticipated that the Company's lender(s), as a condition of extending credit to the Company, will impose substantial restrictions or requirements on the Company and its operations, including such requirements as keeping assets insured, maintaining certain operating accounts or replacement reserves at the lender(s), repaying the loan on sale of an asset, and acceleration of payment upon various defined events of default.

10. Local Market Risks. While the Company anticipates that the Janesville market for commercial real estate will remain strong and that demand for commercial retail estate will remain steady or increase, the Company has not conducted any studies to confirm its assumption, and many of the factors that influence the market for commercial real estate in the Janesville area are out of the Company's and the Manager's control. The single greatest risk in the Janesville area is whether the local General Motors assembly plant will continue at its current level of production and employment. Due to the size and scope of General Motor's operations in Janesville, a decrease in production or employment at the General Motors assembly plant could have a significant negative impact on real estate prices and the value of rents in Janesville.

11. Economic Downturn or War. A recession, other economic downturn, serious domestic terrorism attack or new war, may have a negative impact on the financial results of the Company.

Investment Risks

1. Limited Operating History. The Company has no operating history and no employees. While the Manager and its owner have some experience in the real estate industry and in real estate management and development (See "THE MANAGER"), such experience does not assure that the Portfolio or the Company will be successful. The Manager has only a limited staff (consisting of Goodrich, an administrative assistant who works part-time for the Manager and a carpenter/project expeditor).
2. Ekklesia's Ability to Make Payments to the Company on the Notes. The Company will exchange Interests with Note Holders who subscribe for Interests in the Offering and own the promissory notes (the "Notes") issued by Ekklesia. In exchange for those Interests, the Note Holders will assign their Notes to the Company. By assigning their rights in the Notes to the Company, the Note Holders are giving up whatever security interest they may have had under the Notes. The Company will be in a junior secured position compared to the senior secured position held by Ekklesia's financial lending institution, and (depending upon whether all and which Notes are assign) possibly to a senior secured position held by Note Holders who do not assign their rights in the Notes to the Company. The Notes represent an obligation of Ekklesia to pay principal of \$545,762 and interest on the principal at a rate of 5.5% or 6% (depending upon the terms of the particular Note). There can be no assurances that Ekklesia will be able to make those payments of principal and interest on the Notes, when due or at all. Ekklesia has limited funds, and while it receives some income from the property it owns, it largely is dependant of donors. Interest payments were due on some of the Notes on December 31, 2003, and Ekklesia did not make those payments. Accordingly, to the extent Ekklesia defaults on the payments to the Company as a Note Holder, the Company may be forced to take foreclosure action on the property securing the Notes.
3. Limitations on Return on Capital Contributions. The Company will establish a capital account for each Investor on its books and records. No interest will be paid on any capital contribution to the Company. No Investor shall have the right to withdraw the Investor's capital contribution, receive any funds or property of the Company or receive a return of the Investor's capital contribution, except as specifically provided in the Operating Agreement. To the extent operating cash flow distributions are made by the Company in any fiscal year, Investors will be entitled to receive a 5.5% *per annum*, cumulative distribution of cash on their Capital Contributions (the "Cumulative Cash Distribution"). It is the Manager's intention that any operating cash flow available for distribution after payment of the Cumulative Cash Distribution will be used for additional purchases of properties or a pay down on traditional banking debt. There can be no assurance that any Investor will ever recoup the Investor's capital contribution, or will ever receive any return on such capital contribution. (See "SUMMARY OF THE OPERATING AGREEMENT-Operating Distributions.")
4. Long-Term Investment and Transfer Restrictions. Investors should be fully aware of the potentially long-term nature of their investment in the Interests. Federal and state securities laws and the Operating Agreement limit the transferability or the assignability of the Interests. Should a change in circumstances arising from an event not currently contemplated cause an Investor to desire to transfer his or her Interests, or any portion thereof, the Investor may be permitted to do so only upon finding a suitable and qualified buyer and then by complying with certain provisions under the Operating Agreement. (See "THE OFFERING--Transfer Restrictions" and "SUMMARY OF THE OPERATING AGREEMENT--Transferability of Interests.")
5. No Registration Under the Securities Act and State Securities Laws. The Interests are being offered hereby without registration under the Act or under any state securities laws in reliance upon

exemptions from registration available thereunder. Each Investor is required to purchase for his or her own account, for investment, and without a view toward distribution thereof within the meaning of the Act and the applicable state securities laws.

6. Unspecified Fund. The Company has no investment restrictions and may invest in a variety of properties including office, retail, industrial and residential properties. Accordingly, Investors are subject to increased risk and uncertainty. An Investor has no information to assist him in his investment decision as to the identification or location of specific future properties or retail businesses, operating histories or other relevant economic and financial data of the properties or businesses to be purchased by the Company.

7. The Company's Tenants May Not Pay Their Rent or May Declare Bankruptcy. The Company will derive a substantial portion of its revenues from leasing space at the Real Estate. Therefore, the Company's ability to make distributions to Investors may be negatively affected if tenants leasing a significant portion of any of its Real Estate fail to pay their rent or if the Company is unable to profitably lease its space. The Company may experience substantial delays and incur significant expenses enforcing its rights against those tenants who do not pay their rent. A tenant may also seek the protection of the bankruptcy laws and delay making rental payments to the Company or actually reject or terminate its lease under those laws. Even if a tenant does not seek the protection of the bankruptcy laws, the tenant may from time to time experience a downturn in its business which may weaken its financial condition and its ability to make rental payments to the Company when due. Additionally, a tenant's decision to not renew its lease may have an adverse material effect on the Company's results of operations and financial condition. The Company's inability to re-lease any vacated space at comparable terms, if at all, could materially adversely affect the Company's results of operations and financial condition.

8. The Company May Make Capital Improvement. The Company may be required to make certain capital improvements to attract tenants or relet Real Estate leased by a previous tenant. Such expenses could cause the Company's results of operations and financial condition to be adversely affected.

9. The Company Is Required to Comply with Various Laws and Regulations. As an owner of property, the Company is required to comply with a variety of federal, state and local laws. Complying with these laws and regulations may increase the Company's operating expenses and reduce its profits. For example, the Company is required to comply with laws and regulations that impose liability on a property owner for the costs of removing or remediating certain hazardous materials released on a property. The Company is subject to these laws even if it is not aware of, or responsible for, releasing these materials. These laws or regulations may also restrict the way that the Company can use a property or the type of business which may be operated on the property. Further, if the Company fails to comply with these laws or regulations by, for example, failing to properly remediate a hazardous material, the Company may not be able to sell the affected property or borrow money using the property as collateral for a loan. The Company may also be required to pay money to individuals who are injured due to the presence of hazardous materials on its property. The Company is unaware of any environmental hazards at any of its Real Estate, however, hazardous materials could be discovered at Company's properties at some point in the future owned by the Company, in the future, and the cost of removing or remediating any such materials could adversely affect the value of the property affected. If hazardous materials are discovered at any of the Company's properties, the Company will be responsible for remediation of such hazardous materials, the costs of which, if significant, could have an adverse material effect on the Company's results of operations and financial condition.

10. The Partnership Must Comply with the Americans with Disabilities Act. Some of the Real Estate must comply with the federal Americans with Disabilities Act (the "Act"). The Act establishes certain standards related to access and use of properties by disabled persons. The Company may be required, for example, to remove any barriers to access. If the Company fails to comply, the U.S. government may fine the Company or the Company may be required to pay damages to a disabled person. Complying with these requirements may increase the Company's expenses. The Company believes that the Properties are currently in substantial compliance with the regulatory requirements of the Act. There can be no assurance, however, that the requirements may change or that additional requirements will not be imposed which would require significant unanticipated expenditures by the Company that could adversely affect the Company's cash flow, distributions and financial condition.

11. Absence of Public Market. There is no public market for the Interests, and there is no assurance that a market for the Interests will ever develop. The Interests are not being registered under the Act or the securities laws of any state and may not be sold, transferred, pledged or hypothecated except in accordance with the registration requirements of federal and state securities laws and regulations or exemptions from these laws and regulations.

12. Determination of Interest Value and Terms. The purchase price per Interest in this Offering was calculated by the Manager without third party review based on an appraisal by the Manager of the income potential of the Portfolio. No assurance is, or can be, given that any Interest, if transferred, could be sold for the Purchase price or for any amount at all. The Interests are speculative and involve a high degree of risk.

13. The Manager Relies on Services Performed by Bradley J. Goodrich. The Manager is a limited liability company solely owned and controlled by Bradley J. Goodrich. The Manager will perform the vast majority of its services to the Company directly through Goodrich. Although the Company has applied for a key man life insurance policy on the life of Goodrich totaling \$4,000,000, that policy has not been issued, and there is no guaranty that it will be issued. Should Goodrich die, become incapacitated or otherwise cease to perform services for the Company, a substitute Manager would have to be retained to perform the services previously performed by Goodrich. Although the Company believes, under the circumstances, that the Company could be successfully operated without the services of Goodrich, there can be no assurances that this would be the case, or that if substitute personnel were located, that the Company would be able to retain their services at a cost comparable to that paid to Goodrich. The loss of Goodrich's services or inability to find a comparable replacement may have an adverse effect on the Company's results of operations and financial condition.

14. There is No Limit on the Amount of Indebtedness the Company may Incur. The Operating Agreement does not limit the amount or percentage of indebtedness the Company may incur.

15. Non-Escrow of Offering Proceeds. The proceeds from the sale of the Interests will neither be deposited into an escrow account nor is there any requirement that a minimum number of Interests be sold before the proceeds from the sale of the Interests are available for use by the Company. Consequently, each Investor should be aware that his investment could be the only third party funds raised through the Offering.

Federal Income Tax Risks.

There are various risks associated with the federal income tax aspects of an investment in the Company. Among them are:

1. Partnership Status. The tax and economic benefits from an investment in the Company depend, among, other things, on the Company being treated as a partnership for federal income tax purposes. Under existing Treasury Department Regulations, the Company will be treated as a partnership unless the Company elects to be taxed as a corporation. The Operating Agreement prohibits such an election without unanimous consent of all the Investors. (See "SUMMARY OF TAX IMPLICATIONS--Classification of the Company as a Partnership under the Internal Revenue Code.")

2. Tax on Income in Excess of Cash Distributed. Since the Company will be treated as a *partnership* for federal income tax purposes, each Member will be taxed on the Member's allocable share of the Company's taxable income, whether or not distributed to the Member. To the extent a Member's tax liability exceeds the cash distributed to the Member in a particular year, the Member will be required to utilize personal funds to satisfy such liability, unless the Interests constitute a "Qualified Asset" held as part of retirement account. (See "SUMMARY OF TAX IMPLICATIONS--Taxation of Holders of Interests.")

3. Risk of Audit. Information returns filed by the Company are subject to audit by the IRS. An audit of the Company's return could lead to adjustments increasing a Member's income, decreasing the Member's losses or increasing the tax owed. Any such audit could lead to an audit of a Member's individual tax return in which items unrelated to the Company could be challenged. (See "SUMMARY OF TAX IMPLICATIONS--Company Returns and Audits.")

4. Disposition of an Interest in the Portfolio. If the Company sells its interest in the Portfolio, taxable gain or loss will be recognized by the Company which will be taxed to the Members. Any Member who sells the Member's Interest will recognize taxable gain to the extent that cash, the fair market value of any other property received on the sale and the Member's pro rata share of any nonrecourse indebtedness allocable to the Member's Interest exceeds the Member's tax basis for the Interest sold. All or a portion of such gain may be taxed as ordinary income. In the event of foreclosure of nonrecourse indebtedness on the Portfolio, a Member will realize taxable gain if the Member's tax basis in the Company is less than the amount of the Member's share of the nonrecourse debt discharged by the foreclosure. Moreover, it is likely in such an event that the Member would not receive sufficient cash with which to pay any tax liability resulting from such disposition. To the extent a Member's tax liabilities exceed the cash the Member receives, the payment of such taxes will be an out-of-pocket expense to the Member. (See "SUMMARY OF TAX IMPLICATIONS--Sale or Other Disposition of an Interest.").

5. Alternative Minimum Tax. The losses, if any, allocated to the Members and any tax preference items generated in connection with their investment in the Company could subject a Member, depending on the Member's other items of income, deduction and tax preferences, to the alternative minimum tax. If a Member is subject to and owes alternative minimum tax, the Member's yield from an investment in the Company could be substantially reduced. Since the application of the alternative minimum tax to each Member will vary depending on the Member's personal tax situation in any year, each prospective Investor should consult with the Member's personal tax adviser with respect to the possible application of the alternative minimum tax and its consequences.

6. Passive Activity Rules. The deductibility of the losses generated by the Company, if any, will be materially limited by the passive activity rules set out in Code Section 469. In essence, losses generated by the Company will be passive activity losses and as such will be deductible only against passive activity income or gains from sources other than the Company. To the extent a Member's passive activity losses exceed passive activity income or gain, such excess may be carried forward to offset passive activity income or gain in future years. When a Member disposes of the Member's interest in the Company

in a fully taxable transaction, any excess passive activity loss attributable to the Company will be deductible in full (See "SUMMARY OF TAX IMPLICATIONS--Passive Activity Loss Limitation.")

7. Company Allocations. The manner in which the Company's income, gains, losses, deductions and credits are allocated among the Members is set forth in the Operating Agreement and is described generally in this Confidential Memorandum under "SUMMARY OF THE OPERATING AGREEMENT--Profits and Losses" and "Distributions." Such allocations will be recognized for federal income tax purposes if found to have substantial economic effect or if found to be in accordance with the Members' Interests in the Company. If not, such allocation may not be recognized for federal income tax purposes, and the IRS may attempt to reallocate income, gains, losses, deductions and credits among the Members in a manner which could substantially reduce the benefits attributable to an investment in the Company. (See "SUMMARY OF TAX IMPLICATIONS--Allocations of Company Income, Gains and Losses.")

8. Payments to the Manager and Affiliates. The Company has made and will make payments to the Manager and its affiliates for various services and will deduct payments for certain of those services over various periods of time. However, there can be no assurance that any or all of such amounts will not be deemed by the IRS to be includable in the cost of the Company's properties or to be nondeductible items, in which case the deductions available to the Company would be reduced in the early years of its operations and possibly increased through additional amortization and depreciation deductions in later years.

9. Possible Changes in Tax Laws. The tax laws and their interpretation are constantly under review. Proposals are continually made to amend such laws, and such proposals vary widely in their scope and effect. Any future changes could have an adverse effect on an investment in the Company. This is an area of rapid and unpredictable change, and potential Investors are urged to consult their own tax advisers as to current developments. (See "SUMMARY OF TAX IMPLICATIONS.")

IN VIEW OF THE COMPLEXITY OF THE TAX ASPECTS OF THE OFFERING, PARTICULARLY IN LIGHT OF CHANGES IN THE LAW AND THE FACT THAT CERTAIN OF THE TAX ASPECTS OF THE OFFERING WILL NOT BE THE SAME FOR ALL INVESTORS, PROSPECTIVE INVESTORS ARE STRONGLY ADVISED TO CONSULT THEIR TAX ADVISERS WITH SPECIFIC REFERENCE TO THEIR OWN TAX SITUATION PRIOR TO MAKING AN INVESTMENT IN THE COMPANY.

Additional Considerations for Employee Benefit Plan Investors

1. General. The following describes certain consequences under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the Code, that a fiduciary of an "employee benefit plan" (as defined in and subject to ERISA), or of a "plan" (as defined in Section 4975 of the Code), who has investment discretion (a "Plan Fiduciary"), should consider before deciding to invest the plan's assets in an Interest. The provisions of ERISA and the Code are very complex and are subject to extensive and continuing administrative and judicial review and interpretation. The following discussion of certain ERISA and Code provisions is general in nature and could be affected by future administrative rulings and judicial decisions. Before investing in an Interest, each Plan Fiduciary should consult with its legal counsel about the relevant considerations under ERISA and the Code associated with the acquisition and ownership of an Interest.

In general, the terms "employee benefit plan" and "plan") refer to any plan or account of various types (including any related trust) that provides welfare benefits or retirement benefits to an individual or to an employer's employees and their beneficiaries.

2. General Fiduciary Requirements. In considering an investment in an Interest, a Plan Fiduciary should determine whether the investment would be consistent with the employee benefit plan's objectives and would be in accordance with the documents governing the plan and the Plan Fiduciary's duties and responsibilities under ERISA and the Code, such as the requirements that: (i) the investment of the plan assets be made in a prudent manner and exclusively in the interest of plan participants and beneficiaries, (ii) the plan assets be diversified unless it is clearly prudent not to do so, and (iii) the plan be sufficiently liquid to provide benefits for plan participants and beneficiaries. Under ERISA, a Plan Fiduciary will be liable for any loss resulting from a breach of its fiduciary duty and, under certain circumstances, for any loss resulting from a breach by its co-fiduciaries.

3. Prohibited Transaction Rules. Section 406 of ERISA and Section 4975 of the Code (which also applies to individual retirement accounts that are not considered part of an employee benefit plan subject to the fiduciary rules of ERISA) prohibit an employee benefit plan from engaging in certain transactions involving "plan assets" with parties that are "parties in interest" under ERISA or "disqualified persons" under the Code with respect to the plan. In addition to considering whether the purchase and ownership of an Interest would be a non-exempt prohibited transaction (e.g., if a prospective plan Investor currently maintains a fiduciary relationship with the Manager or one of its affiliates), a Plan Fiduciary must consider whether the assets of an investing employee benefit plan include only the Interest or whether a plan investing in an Interest is also deemed to own an undivided interest in the assets of the Company. If the assets of the Company were deemed to be "plan assets," the plan's investment in an Interest might be deemed to constitute an improper delegation under ERISA of the duty to manage "plan assets" by the Plan Fiduciary and certain transactions involved in the operation of the Company might be deemed to constitute direct or indirect prohibited transactions under Section 406 of ERISA and Section 4975 of the Code.

Neither ERISA nor the Code defines "plan assets." However, regulations promulgated by the Department of Labor (the "DOL Regulations") contain rules for determining whether an employee benefit plan's assets would be deemed to include an interest in the underlying assets of an entity, such as the Company, for purposes of the reporting, disclosure and fiduciary provisions of ERISA. In general, under the DOL Regulations, if employee benefit plans (including foreign plans) hold, in the aggregate, 25% or more of any class of equity interests in an entity (disregarding certain interests held by persons with discretion over the "plan assets" and their affiliates), the underlying assets of the entity will be deemed to be "plan assets." This 25%-of-ownership test would be applied whenever an Investor acquires, redeems or transfers all or a portion of its investment in the Company.

Purchases, transfers and ownership of the Interests will be monitored and restricted by the Manager so that less than 25% of the Interests, in the aggregate, are purchased, transferred to or owned by employee benefit plans. If, in the Manager's sole opinion, it appears that the number of Interests owned by employee benefit plans would constitute 25% or more of the Interests, certain ownership and transfer restrictions (including mandatory transfer and calls for redemption of the Interests of employee benefit plans) may be implemented. Although the Manager will make every reasonable effort to avoid material violations of Title I of ERISA and prohibited transactions under ERISA and the Code, based on information provided by Investors in the Interests, there can be no assurance that such violations will not occur.

4. Federal Income Tax Consideration – Unrelated Business Taxable Income. In addition to the “Federal Income Tax Risks” described herein, prospective Investors that are employee benefit plans should consider the following additional federal income tax consideration.

An organization otherwise exempt from federal income taxation, including an individual retirement account qualified under Section 408 of the Code, a trust forming part of a Keogh, profit-sharing or pension plan qualified under Section 401 of the Code, or an organization described in Section 501(c) or Section 501(d) of the Code (an “Exempt Organization”) is not subject to federal income tax except to the extent that the organization has “unrelated business taxable income.” Unrelated business taxable income includes the gross income derived by an Exempt Organization from any unrelated trade or business (e.g., a dealer in securities) regularly carried on by the Exempt Organization or by an LLC of which the Exempt Organization is a member. Interest, dividends, and gains and losses from the sale, exchange or other disposition of property which is neither properly includable in inventory nor held primarily for sale in the ordinary course of a trade or business are excluded from the computation of unrelated business taxable income. In computing the unrelated business taxable income of an Exempt Organization, deductions are allowed for expenses, depreciation and similar items which are directly connected with carrying on the unrelated trade or business. In addition, the Code provides a \$1,000 annual specific deduction except for the purpose of computing a net operating loss.

For purposes of determining the unrelated business taxable income of an Exempt Organization that is a Member, items of income, gain, loss and deduction of the Company will be treated, in general, as being recognized directly by the Exempt Organization. Moreover, under Section 514(a) of the Code, an Exempt Organization will be taxed on its allocable share of any income from the Company to the extent that either the Exempt Organization’s investment in the Company, or the Company’s investment in the asset from which such income is derived, is debt-financed. Such an investment will be debt-financed if the investment is made with the use of borrowed funds, such as the purchase of a security on margin, or if it is reasonably foreseeable that, as a result of such investment, future borrowings would be necessary to meet anticipated cash requirements. The Company will engage in commercial real estate rental. Most of the Company’s operating subsidiaries have incurred debt to acquire their properties and/or finance construction of improvements. Exempt Organizations should assume they will realize unrelated business taxable income from an investment in the Company.

Whether the Company will be considered to be engaged in a trade or business (e.g., as a dealer in securities) is a question of fact. The Manager does not anticipate that the Company will be treated as engaged in a trade or business as a dealer. The Manager does anticipate, however, that due to the debt incurred to date in acquiring and improving upon various Real Estate, Exempt Organizations which become Members may derive unrelated business taxable income from their Interests in the Company. The extent to which an Exempt Organization’s share of Company income will be treated as unrelated business taxable income under the debt-financed property rules will depend upon a variety of factors, including, but not limited to, the degree of leverage utilized by the Company in its investments and the amount of income determined to be attributable to debt-financed property. In addition to other relevant considerations, fiduciaries of employee pension trusts and other prospective tax-exempt Investors should consider the consequences of realizing unrelated business taxable income in making a decision whether to invest in the Company.

ACCEPTANCE OF SUBSCRIPTIONS ON BEHALF OF INDIVIDUAL RETIREMENT ACCOUNTS OR OTHER EMPLOYEE BENEFIT PLANS IS IN NO RESPECT A REPRESENTATION BY THE COMPANY, THE MANAGER, OR ANY OTHER PARTY THAT THIS INVESTMENT MEETS ALL RELEVANT LEGAL REQUIREMENTS WITH RESPECT TO

INVESTMENTS BY ANY PARTICULAR PLAN OR THAT THIS INVESTMENT IS APPROPRIATE FOR ANY PARTICULAR PLAN. THE PERSON WITH INVESTMENT DISCRETION WITH RESPECT TO THE PLAN SHOULD CONSULT WITH THE PLAN'S ATTORNEY AND FINANCIAL ADVISERS AS TO THE PROPRIETY OF SUCH AN INVESTMENT IN LIGHT OF THE CIRCUMSTANCES OF THAT PARTICULAR PLAN AND CURRENT TAX LAW AND THE FACT THAT THE COMPANY'S INVESTMENT ACTIVITIES WILL LIKELY GENERATE UNRELATED BUSINESS TAXABLE INCOME.

Conflict of Interest Risks

1. Dependence Upon Manager. Investors will have no right to participate in the day-to-day management of the Company. Moreover, the Manager will have the sole authority to arrange for, effect, negotiate and execute agreements and other documents necessary for the financing, refinancing or leasing of the Portfolio, and thus the success or failure of the Portfolio will be substantially dependent upon the efforts and abilities of the Manager and its owner. Accordingly, no person should purchase Interests unless such person is willing to entrust the management of the Company to the Manager and any return on an investment in the Interests will depend on the management of the Portfolio by the Manager. The death or resignation of the Manager's owner could have a material adverse effect on the Manager and the Company. There can be no assurance the Manager and/or its owner will achieve similar results with the Portfolio as they have had with past real estate developments and projects. In addition, there is no assurance that obligations of the Manager or its owner undertaken in connection with other existing or future projects will not render the Manager unable to satisfy its obligations with respect to the Portfolio. (See "SUMMARY OF THE OPERATING AGREEMENT" and "THE MANAGER".)

2. Inconsistent Interests. The interests of the Investors and the Company may, under certain circumstances, be inconsistent with the interests of each other, the Manager or its owner. The Manager is performing services for, and receiving fees from, the Company, the type and amount of which were not the result of arms-length negotiations, including without limitation, the Management Fee and the fees relating to construction management. Mr. Goodrich, the Manager's sole principal and owner, is engaged in other entities that will occupy a significant amount of his time, including the Argurion Group, Inc., a registered investment adviser and Ekklasia. Goodrich is the President and Chairman of the Board of Ekklasia and his related entities provide certain services to Ekklasia. In addition, Goodrich and the Argurion Group, Inc. provide investment advisory services to the Note Holders and other perspective purchasers who may become Investors. The Manager will be actively engaged in constructing, renovating, owning, managing and operating other real estate projects besides the Portfolio and such projects will compete for the time and attention which the Manager and its owner devote to the business of the Company. Conflicts may arise in the allocation of the time of such persons among the Company and other entities and projects. Finally, the Purchase Price of the Interests, which was arbitrarily determined by the Manager, is not based upon a valuation of the Portfolio and does not constitute an arms-length price for the Interests or a representation that the Interests could be resold at that price. (See "COMPENSATION OF MANAGER" and "CONFLICTS OF INTEREST".)

3. Indemnification. The Operating Agreement provides limitations on the Manager's liability to Investors and provides for indemnification of the Manager under certain circumstances. Investors may have more limited rights than they would absent such limitations. (See "SUMMARY OF THE OPERATING AGREEMENT--Indemnity to the Manager".)

Legal Matters Involving Goodrich and Affiliates

Goodrich, who is the sole principal and owner of the Manager and sole promoter of the Company, was the subject of a 2001 administrative order issued by the State of Wisconsin, Department of Financial Institutions, Division of Securities (the "WDFI") which censured Goodrich, denied his pending securities agent license and suspended Goodrich's license to act as an investment adviser representative for a period of six months. WDFI issued its order based on allegations that Goodrich was acting as an investment adviser representative for his own firm, the Argurion Group, Inc., for a period of time without an effective license and for violations of unethical business practices. Goodrich, in agreeing to the issuance of the Order did not admit or deny the staff allegations. As part of the settlement, the Argurion Group, Inc. agreed to provide its clients with a 45 day credit on future billing for investment advisory services. Currently, Goodrich has provided the WDFI information in relation to an inquiry recently made by the WDFI with respect to the association of Goodrich with Ekklesia. Additional information about the WDFI order and the present WDFI inquiry, will be made available upon request.

Goodrich is the subject of a civil lawsuit filed in Superior Court of the State of California on March 18, 2003 on behalf of plaintiff, Challenge Realty, Inc. alleging a breach of a written contract and asking for damages in the amount of \$315,000 plus interest. Goodrich, through his counsel, has responded to the complaint and such matter remains pending.

THE OFFERING

Plan of Offering

The Company is offering to sell Interests to certain Investors who meet certain suitability standards described herein (the "Offering"). Purchasers of the Interests may be made by up to thirty-five (35) nonaccredited and to an unlimited number of accredited investors. Each potential nonaccredited investor must be able to demonstrate to the Manager either by himself or herself, or by such person's purchaser representative, that he or she has such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in the Interests. The purchase price per Interest is \$25,000 (the "Purchase Price"). The minimum investment is one Interest, except that the Manager may in its sole discretion, sell fractional Interests. Investors may purchase more than one Interest with the Manager's approval. This Offering is not capped at any specific amount. Each Investor's percentage of the total outstanding Interests will change as new Interests are sold, or as the Company repurchases Interests.

The Offering commences as of the date of this Memorandum. This Offering currently is not scheduled to end on a particular date. (See "SUMMARY OF THE OPERATING AGREEMENT.")

Subscription Procedures

In order to purchase Interests, an Investor must complete and sign the Subscription Agreement and the Investor Suitability Questionnaire accompanying this Memorandum. Nonaccredited subscribers who do not by themselves possess the necessary knowledge and experience in financial and business matters capable of evaluating the risk and merits of an investment in the Interests must also engage an investor representative and have the representative complete the Investor Representative Questionnaire (Exhibit H to this Memorandum). Copies of the Investor Suitability Questionnaire and Subscription Agreement are attached hereto as Exhibits G and I, respectively. Any subscription for Interests must be accompanied by the consideration that is being offered for the Interests. If cash is the

consideration, the subscription must be accompanied by a certified bank or cashier's check, postal or express money order, or personal check drawn to the order of the Company, in the amount of the total number of Interests subscribed for multiplied by the Purchase Price. If other forms of consideration are being offered (such as real estate, promissory notes or other forms of properties or rights), the subscription must be accompanied by those documents as may be specified by the Company to ensure conveyance or transfer of the consideration in question to the Company if and when the Company accepts the subscription. The method of delivery of the Subscription Agreement and payment is at the election and risk of the Investor, but if sent by mail, it is recommended it be sent by registered mail, properly insured, with return receipt requested. If payment made by an Investor is less than the payment required for the number of Interests subscribed for, the request of the Investor will be considered to have been reduced to the number of Interests which correspond to the payment actually made. Once made, subscriptions are irrevocable. Subscriptions will be effective only upon acceptance by the Company, which reserves the right to accept or reject any subscription in whole or in part for any reason.

All questions as to the validity, form, eligibility and acceptance of the Subscription Agreement will be determined by the Company, in its sole discretion, which determination will be final and binding.

Offering Responsibilities of the Company

In light of the long-term nature of an investment in the Interests, their lack of liquidity, the various risk factors involved and in order to ensure compliance with federal and state securities laws, the Company must take certain steps to assure that Investors meet certain standards of suitability. These standards relate to the financial ability of an Investor to bear the economic risk of the investment and the Investor's level of sophistication (either alone or with the Investor's purchaser representative(s)) in analyzing the merits and risks of making an investment in the Interests. These standards represent minimum suitability standards for Investors and the satisfaction of such standards by a prospective Investor does not necessarily mean that the Interests are a suitable investment for such prospective Investor.

Suitability Standards

The Interests are being offered hereby without registration under the Act, in reliance upon exemptions from registration available thereunder, including Section 4(2) and Regulation D. Regulation D sets forth certain restrictions as to the amount of, and the number and nature of the purchasers of, securities offered pursuant thereto. In order for the Offering to qualify for certain exemptions under Regulation D, the Company may sell Interests only to persons who are "Accredited Investors" as that term is defined in Rule 501(a) of Regulation D and up to 35 additional persons who are not Accredited Investors, but who either alone or with his or her purchaser representative(s) has such knowledge and experience in financial and business matters to be capable of evaluating the merits and rider of an investment in the Interests.

An Accredited Investor is an Investor who meets at least one of the following standards:

- (a) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of purchase exceeds \$1,000,000;
- (b) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

- (c) Any corporation, partnership or Section 501(c)(3) organization, or Massachusetts or similar business trust, not formed for the specific purpose of acquiring the Interests, with total assets in excess of \$5,000,000;
- (d) Any trust with total assets in excess of \$5,000,000 not formed for the specific purpose of acquiring the Interests, whose purchase is directed by a sophisticated person as defined by regulation of the Securities and Exchange Commission;
- (e) Banks, savings and loan associations, broker-dealers, insurance companies, investment companies and certain employee benefit plans (if the investment decision is made by a plan fiduciary, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are Accredited Investors); or
- (f) Any entity in which all of the equity owners are Accredited Investors.

Investor's Offering Responsibilities

The Company must have reasonable grounds to believe that an Investor who is not an Accredited Investor either alone or with his or her purchaser representative(s) has such knowledge and experience in financial and business matters that the Member is capable of evaluating the merits and risks of an investment in the Interests before Interests are sold to such Investor hereunder. Therefore, as a condition to subscribing for Interests hereunder, each Investor will be required to make certain representations to the Company as specified herein and which are set forth in the Subscription Agreement, indicating that the Investor satisfies the financial suitability requirements and giving the Company reasonable grounds to believe that such Investor can bear the economic risk of an investment in the Interests. In addition, each Investor must demonstrate, to the satisfaction of the Company, that the Investor will be reviewing this Memorandum in order to evaluate a potential investment for such Investor's own account. Finally, Investors may be questioned to determine whether they are capable of evaluating the merits and risks of a prospective investment in the Company without outside assistance. In the event that outside assistance is required, prior to the acceptance of a subscription for Interests, a potential Investor will be required to use the services of an investor representative. The Subscription Agreement provides that each Investor appoints the Manager as the Investor's attorney-in-fact for purposes of signing the Operating Agreement. Upon acceptance of an Investor's subscription for Interests, the Manager will sign the Operating Agreement on behalf of the Investor.

Access to Information

To ensure prospective Investors have maximum access to information, upon request, the Company will provide access to all relevant information, including, but not limited to, all material contracts, agreements and documents identified herein. It is suggested any request be made to the Company by writing Bradley J. Goodrich, c/o Tri-Co of Wisconsin LLC, 220 Saint Lawrence Avenue, Janesville, Wisconsin 53545, or by calling Mr. Goodrich at (608) 755-1515. Each Investor is encouraged to ask questions and seek additional information about the Offering, the Manager and Goodrich.

Transfer Restrictions

Because the Interests are being offered hereunder without registration in reliance upon exemptions from registration available under Section 4(2) and Regulation D of the Securities Act, the

Company must impose transfer restrictions on the Interests to ensure that future transfers do not jeopardize the Company's reliance on the above-mentioned exemptions. Therefore, to subscribe for the Interests hereunder, each Investor will be required to execute a Subscription Agreement which will restrict the transferability of the Interest(s) purchased. Before the Company permits a transfer of any Interest, the person to whom an Investor proposes to transfer such Interest will be required to provide the Company with written representations similar to those required of Investors as described herein. The transfer of Interests also is restricted under the terms of the Operating Agreement. (See "SUMMARY OF THE OPERATING AGREEMENT--Transferability of Interests.")

THE PORTFOLIO

Upon commencement of this Offering, the Company will receive and own the following real estate:

- One commercial building consisting of 15,000 square feet of commercial/retail space, located at 1310 Plainfield Avenue, Janesville, Wisconsin (the "Plainfield Property");
- One commercial building consisting of 11,150 square feet of commercial/retail space (of which 4780 square feet is currently existing and 6280 square feet is soon to be under construction), located at 2508-2510 Mineral Point Avenue, Janesville, Wisconsin (the "Westside Plaza Property"); and
- One all brick duplex containing two, two-bedroom residential rental units, located at 2637-2639 Alexandria Drive, Janesville, Wisconsin (the "Duplex");

(the "Real Estate"). Additionally, upon the commencement of this Offering, the Company will receive, own and operate the following two businesses:

- The "Hollywood Tan" tanning salon, which currently operates in a leased space consisting of 2200 square feet located at the Westside Plaza Property ("Hollywood Tan"). Hollywood Tan currently owns and operates eight tanning units, and has space available in its current premises for an additional four units; and
- The "Westside Laundromat" laundromat, which currently operates in a leased space consisting of 1400 square feet located at the Westside Plaza Property ("Westside Laundromat"). Westside Laundromat currently owns 22 washers and 14 dryers, and associated laundromat equipment;

(the "Businesses"). Collectively, the Real Estate and the Businesses are referred to herein as "the Portfolio." The Businesses are currently owned by the Manager.

The Plainfield Building is currently owned by Investors, LLC. It has a lime stone front, and a circular drive with 34 parking spaces on two sides of the building. Currently 58% of the building is leased to AutoPoint, pursuant to a 10 year lease which expires on May 30, 2006. The Property is approximately 15,000 square feet of which AutoPoint occupies 6,800 square feet leaving the remainder available. The net income on the Plainfield Property in 2003 was \$66,636. AutoPoint has occupied the Property for nearly 9 years. Charter Communications occupied the Plainfield Property for nearly 6 years before it vacated at the end of 2003. The property is zoned as industrial property and can be used for a number of tenant needs, including for offices, for warehousing and for light manufacturing.

The Westside Plaza Property and the Duplex are currently owned by the Manager. The Westside Plaza Property currently has 3 tenants, and after construction is completed, it will have space for an additional 4 tenants. The Westside Plaza Property is also the location for both of the Businesses (Westside Laundromat and Hollywood Tan). In 2003 the Businesses and the other tenants generated over \$120,000 in gross income for the Manager. The Company has a signed lease with two new tenants (Perfect Fit, a fitness center, and Angelo's, a restaurant), for the 4 new spaces at the Westside Plaza Property. It is anticipated that Perfect Fit will commence paying rent to the Company as of May 1, 2004, and Angelo's as of July 1, 2004. The construction at the Westside Plaza property is scheduled to be completed by July 1, 2004. The Duplex is all brick and is currently leased for 4 additional years. It's two tenants are local families of the community. The Duplex produces \$15,600 of annual income. It sits on a corner lot of approximately .5 acres.

The appraised values of the Real Estate are as follows:

Plainfield Property	\$675,000
Westside Plaza (including addition)	\$1,200,000
Duplex	\$180,000

The appraised values of the Businesses are as follows:

Hollywood Tan (Tanning Salon)	\$135,000
Westside Laundromat	\$75,000

The appraised values of the Real Estate and the Businesses are based upon the Manager's forecasts and assumptions regarding the income that the Manager believes will likely be generated by the Real Estate and the Businesses. See Exhibit C "Financial Forecasts and Assumptions."

PORTFOLIO ACQUISITION

Prior to the commencement of this Offering, the Real Estate and the Businesses were owned by the Manager and Investors, LLC. The Manager and Investors, LLC are both owned by Bradley J. Goodrich ("Goodrich"). The Manager currently owns the Westside Plaza Property, the Duplex, Hollywood Tan and Westside Laundromat. Investors, LLC currently owns the Plainfield Property. Upon commencement of this Offering, the Manager and Investors, LLC will transfer ownership of the Real Estate and the Businesses to the Company in exchange for Interests, and the Company will assume the Manager's and Investors, LLC's debt obligation relating to the Portfolio. The Manager's current appraised value for the Real Estate and the Businesses is \$2,265,000, based on projected income. There are security agreements and mortgages on the Real Estate and the Businesses that secure debt with a current cumulative unpaid balance of \$1,347,285. In return, the Company will issue a total of 36.709 Interests (conveyed total net equity in the Real Estate and Businesses of \$917,715 ÷ \$25,000 per Interest) to Investors, LLC and the Manager.

PENDING ACQUISITION

In addition to the Portfolio, the Company anticipates the purchase on or around March 31, 2004 of a fourth property, an office building consisting of approximately 9,190 square feet of leased office space, with forty parking spaces, situated on an approximately one acre lot located at 222 North Academy

Street, Janesville, Wisconsin (the "Social Security Property"). The Company currently possesses an accepted offer to purchase the Social Security Property from its current owner, and a loan commitment letter in the amount of \$1,450,000 from GE Capital. The loan is a non-recourse loan at an interest rate of 6.125%, with a 25 year term. The Social Security Property building was constructed in 2002. The Social Security Property is currently leased pursuant to 20 year triple net lease (expiration date September 4, 2022) to the General Service Administration, and is used by the Social Security Administration. The lease contains an option provision that would allow the tenant to vacate at the end of ten years into the lease, or to commit to the remainder of the twenty year lease. The Social Security Property is centrally located, and its current owner indicates annual net operating income of \$156,073. However, the Company will not be able to purchase the Social Security Property unless it is able to sell as a part of this Offering for cash in the amount of at least \$475,000 of Interests by March 31, 2004. If the Company is unable to purchase the Social Security Property by March 31, 2004, the Company will lose the earnest money (totaling \$25,000), and the expenses it has invested in attempting to purchase the property (totaling approximately \$3,800).

ACQUISITION OF PROMISSORY NOTES

It is anticipated that all or some of the holders of promissory notes (the "Note Holders") of The Ekklasia Foundation, Inc., a Wisconsin non-stock corporation ("Ekklasia") will assign their rights under certain promissory notes (the "Notes") to the Company in exchange for Interests. Goodrich is the current President and Chairman of the Board of Ekklasia. In addition, Goodrich and related entities thereof provide services to Ekklasia. The current cumulative unpaid principal balance of the Notes is \$545,762, and the Notes pay interest at the rate of 5.5 *per annum*. If all of the Note Holders assign their rights under the Notes to the Company, the Company will issue a total of 21,830 Interests ($\$545,762 \div \$25,000$) to the Note Holders, but this number will vary depending on the number of Note Holders who subscribe for Interests in the Offering and assign their Notes to the Company as payment for the Interests, the date the Notes are assigned and the amount of unpaid interest on the Notes when assigned.

Each Note Holder who agrees to assign the Note Holder's rights under the Notes to the Company, is giving up the rights the Note Holder has under the Notes, in exchange for the Interests that will be issued upon acceptance of the Note Holder's subscription agreement. For instance, the Notes each recite that the Note Holder has certain security interests in a building located at 220 Saint Lawrence Avenue in Janesville, Wisconsin. While the Note Holders who become Members of the Company will no longer possess such a security interest, the Company will possess that security interest. As the owner of any of the Notes assigned to it, the Company will be in a junior secured position to Wells Fargo Bank, which holds a first mortgage on the 220 Saint Lawrence property, pursuant to a loan Wells Fargo Bank made to Ekklasia. The current unpaid balance on the Wells Fargo Bank loan is approximately \$250,000. The 220 Saint Lawrence property houses the office of Ekklasia, the Argurion Group, Inc., the Manager and Investors, LLC. The building was appraised by an independent third party appraiser in 2003 at approximately \$800,000.

USE OF PROCEEDS

The Company intends to use the proceeds from the Offering in the following order of priority to the extent that there are proceeds available:

- to pay the expenses of the Offering (estimated to be \$30,000);
- to purchase the Social Security Property (see "PENDING ACQUISITION") (downpayment of \$363,000);

- to complete construction of the Westside Plaza addition (see “CONSTRUCTION AND CONSTRUCTION MANAGEMENT”) (\$370,000);
- to fund operations, to pay down bank debts, and to pay any related costs relating to the Portfolio; and
- long term, to obtain ownership of additional properties, and additional businesses.

SUMMARY OF THE OPERATING AGREEMENT

The following is a summary of certain provisions of the Operating Agreement to be entered into by and among the persons possessing an equity interest in the Company (the “Members”) and the Manager of the Company, who is also a Member (the “Operating Agreement”).

Management. The Manager of the Company is Tri-Co of Wisconsin LLC. As such the Manager is responsible for purchasing new assets, real estate, or businesses; ensuring maintenance to the real estate properties; leasing spaces, entering into lease arrangements, purchase agreements, contracts; paying vendors, creditors, and other liabilities from the Company’s accounts; collecting revenues, and; reporting financials to and for the Company. The Manager may use other professionals to provide such services such as accountants, attorneys, and other service and maintenance providers for which the Company shall be liable to pay.

Manner of Acting. The Manager will have exclusive and complete discretion in the management and control of the affairs of the Company and the Portfolio, and will make all decisions affecting the Company’s affairs, subject to certain exceptions. Investors will not participate in the management of the Company or have any authority to transact any business on behalf of the Company.

Rights and Liabilities of Members. Generally, no Member will be personally liable for the debts, contracts, liabilities or obligations of the Company. A Member will only be liable to make his or her agreed Capital Contributions to the Company as and when due. See Section 3.8-3.10.

Transferability of Interests. The Operating Agreement restricts the transferability of Interests. A Member may not sell or exchange its Interests without satisfying all of the conditions of transfer set forth in the Operating Agreement. See Article IX. If a Member satisfies all of such conditions, the Member may transfer the Member’s Interests in the Company.

No transferee or assignee of Interests may become a substituted Member without the consent of the Manager which consent may be withheld for any reason. As conditions to an assignee becoming a substitute Member, the assignee must agree to be bound by the provisions of the Agreement and pay all costs in connection with the substitution. See Section 9.3.

Tax Distributions. The Company may (but is not required to) make sufficient cash income tax distributions to the Members to defray income tax liability attributable to the Member’s ownership of its Interests in the Company. However, there is no guarantee that the Company will have sufficient cash available to make the income tax distributions.

Operating Distributions. All distributions of net cash generated by operations, defined as Distribution Cash in the Operating Agreement, will be made as follows: (1) to all the Members in payment of a 5.5% Cumulative Cash Distribution based on each Member’s unreturned Capital Contribution to the

Company (such payment is cumulative in nature so that any shortfall in a payment in any year will be made up in subsequent years to the extent of available Distribution Cash); (2) to all Members in return of their Capital Contributions to the Company (such distributions shall be made proportionate to each Member's unreturned Capital Contributions as compared to the aggregate unreturned Capital Contributions for all Members); (3) to all Members in proportion to the number of Interests owned or held by each Member relative to the total number of outstanding Interests as of the date of the distribution. See Section 7.1(b).

Net Proceeds Distributions. Upon refinancing, sale, or other disposition of properties included in the Portfolio, the Company will distribute the net proceeds to the Investors as follows: (1) to all the Members in satisfaction of any remaining Cumulative Cash Distribution owed to each Member; (2) to all Members in return of their Capital Contributions to the Company; (3) to all Members in proportion to the number of Interests owned or held by each Member relative to the total number of outstanding Interests as of the date of the distribution. See Section 7.1(c).

Liquidation. Upon the liquidation of the Company, the Company will distribute any cash and other property remaining following (1) the payment of all liabilities of the Company and (2) the creation of necessary reserves, to the Members in proportion to and to the extent of their positive Capital Account balances following the allocation of all Net Profit, Net Losses and other tax items through the date of liquidation. See Sections 11.3 and 7.1(d).

Net Profits and Net Losses. Profits and Losses are the tax items generated by the operation of the Company's business and the ultimate sale or refinancing of the Portfolio. Certain provisions of the applicable tax law may require special allocations of Net Profits and Net Losses which may vary from those described below. Net Profits will be allocated, first, to the Members who have been allocated Net Losses to the extent thereof, second to Members that previously received Cumulative Cash Distributions to the extent thereof, and the remainder to the Members in proportion to the number of Interests owned or held by each Member. See Section 6.1(b).

Losses will be allocated, first, to the Members in proportion to and to the extent of their positive Capital Account balances. The remaining Losses, if any will be allocated to the Members in proportion to the number of Interests owned or held by each Member. See Section 6.1(a).

Company Records & Meetings. The Manager may at any time call a meeting of the Members. The Manager must give at least ten days' prior notice of the meeting. See Sections 4.1, 4.2, 4.3 and 4.4.

Indemnity to the Manager. The Operating Agreement generally provides that the Company will indemnify and hold the Manager harmless from all claims made against the Manager in connection with the Company's business, except where the Manager has acted in bad faith has violated criminal law, has derived an improper personal benefit, or has committed an act of willful misconduct. See Section 5.7.

Manager Loans. In the event the Manager, in its sole and absolute discretion, elects to fund (1) construction cost overruns with respect to the Portfolio; (2) operating deficits of the Company; and/or (3) third-party debt of Company, such funds shall be treated as loans to the Company by the Manager which will bear interest at 10% compounded annually and be repaid prior to the determination of Distribution Cash available for distribution to Members. See Section 5.14.

Other Provisions. The Company shall continue in existence until dissolved by operation of law or by the Manager. See Section 11.1. Statements contained in this Memorandum concerning the provisions of the Operating Agreement and of any other documents relating to the Company, and the rights, interests and obligations of the Members and the Manager are merely summaries and do not purport to be complete. They are subject to and qualified in their entirety by reference to the Operating Agreement and other documents, which are available for examination at the office of the Manager, and by reference to Chapter 183 of the Wisconsin Statutes (governing the organization, management and operation of limited liability companies organized in Wisconsin). A copy of the Operating Agreement is attached hereto as Exhibit C, and prospective Investors are urged to study the Agreement with care. References to "Sections" herein are to Sections of the Operating Agreement. All capitalized terms not otherwise defined herein shall have the respective meanings assigned such terms in the Operating Agreement.

THE MANAGER

The Manager is Tri-Co of Wisconsin LLC, a Wisconsin limited liability company. The Manager was organized on January 1, 1996. The Manager's sole owner and principal officer is Bradley J. Goodrich ("Goodrich"). Goodrich, either through his related entities or individually has owned and managed real estate, a construction company, and an electrical company. See Exhibit F for background information regarding Goodrich. The principal office of the Manager and the Company is located at 220 Saint Lawrence Avenue Janesville, Wisconsin 53545; Telephone (608) 755-1515. Since 1996, Goodrich and/or the Manager has engaged in the following activities:

- Construction:

Custom Improvements – the construction division of Tri-Co of Wisconsin LLC that performed both residential and commercial construction. Custom Improvements also employed a number of construction workers from framers to trim carpenters.

- Electrical:

Custom Electric – the electrical contracting division of Tri-Co of Wisconsin LLC that provided union electricians to wire mostly residential homes.

- Management:

The owner of the Manager, Bradley J. Goodrich, has purchased and or developed properties for over ten years. The following are some of those projects which he either directly handled, or handled through companies controlled by him:

- Residential Rental Property: In addition to the Duplex, previously owned an eight-plex residential unit, and a tri-plex residential unit.
- Land: Purchased nine acres of Riverfront property, developed land for executive home site, and sold remainder of the property for residential development. Owned and operated more than 20 other residential units within a consortium of investors.
- Commercial: Consulted on construction of the strip plaza described in this Memorandum, and on office building and auto dealership. Bought and sold land for a YMCA development. Laundromat owner/operator, tanning salon

owner/operator, restaurant (restricted), owned many other commercial units within a consortium.

THE MANAGEMENT AGREEMENT AND COMPENSATION

The Company and the Manager will enter into a management agreement (the "Management Agreement"), pursuant to which the Manager shall be responsible for:

- maintaining the Real Estate;
- leasing the Real Estate and otherwise managing the Company's relations with its tenants;
- managing construction or improvements at the Company's properties;
- operating the Businesses; and
- purchasing and or developing new properties and businesses;

A copy of the Management Agreement will be made available for review upon request. Under the Management Agreement the Manager shall receive a management fee (the "Management Fee") equal to 5% of the Company's gross revenues. Additionally, the Company will reimburse the Manager for all reasonable expenses incurred by the Manager in carrying out its obligations under the Management Agreement, including but not limited to reimbursement for expenses incurred relating to maintenance, landscaping, lawn maintenance, parking lot maintenance and snow removal; except that, the Manager will not be reimbursed for its salaries, fringe benefits, rent, depreciation, utilities, and other administrative expense incurred by the Manager. In the event of a refinancing of the Portfolio, additional purchases of property or businesses, or the sale of property or businesses, the Manager will receive a refinancing fee equal to one percent (1%) of the refinancing amount (the "Refinancing Fee") payable at the closing of such refinancing.

CONSTRUCTION AND CONSTRUCTION MANAGEMENT

The Company expects to complete construction of an expansion to the Westside Plaza Property in order to add 6280 square feet of rentable commercial space by July 1, 2004. The Company has engaged the Manager to act as the construction manager for the construction work, and the Manager will receive a fee equal to 15% of the cost of the expansion. It is also anticipated that on any future construction projects undertaken by the Company, the Manager will act as the construction manager, and will receive a fee equal to 15% of the cost of such construction projects. In no event, however, will the fees received by the Manager exceed those generally charged by those who regularly provide similar services in the area for the same type of services.

CONFLICTS OF INTEREST

The Company will be subject to various conflicts of interest arising out of its relationship with the Manager, its owner and their affiliates. The following describes some of these conflicts of interest:

Competition with Other Investments

The Manager, is in the business, among, other things, of purchasing, designing, developing, constructing, renovating, owning and operating residential and commercial real estate and may purchase, develop, own or participate in the ownership of, operate and have other interests in, such real estate, some of which may be of a similar nature to the Portfolio or compete with the Portfolio.

Receipt of Fees and Commissions

The Manager will receive certain fees and commissions from the Company as described in this Memorandum. (See "MANAGEMENT AGREEMENT AND COMPENSATION.")

Control by Goodrich Owned Companies

The Manager will subscribe to Interests in the Company as described herein and in the Operating Agreement. An affiliated company of the Manager, Investors, LLC, will also subscribe to Interests in the Company as described herein and in the Operating Agreement. (See "SUMMARY OF THE OPERATING AGREEMENT.") As such, at least initially companies controlled by Goodrich will own a majority of the issued Interests.

Legal Representation

The law firm of Foley & Lardner LLP ("Counsel") has been employed as legal counsel for Goodrich to assist in the organization of the Company and to draft the Operating Agreement and this Memorandum. It is expected that Counsel will provide, from time to time, legal services to the Manager and the Company. Investors should not consider Counsel to be their independent attorney with respect to the Company and should consult with their own attorney in all matters concerning the Company, the Manager or Goodrich.

Investment Adviser

Goodrich, through his investment advisory firm, acts as an investment adviser to certain of the Note Holders and certain other persons to whom this Offering is made. In addition, Goodrich is President and Chairman of the Board of Ekklasia, and his related entities provide services to Ekklasia which issued the Notes to the Note Holders. Upon assignment of some or all of the Notes from the Note Holders in exchange for the Interests in this Offering, the Company will also be a creditor of Ekklasia. As a result of these relationships, a conflict of interest exists, and potential Investors should consult with their own legal counsel, or other investment advisers, concerning this Offering.

SUMMARY OF TAX IMPLICATIONS

This discussion outlines some of the most significant aspects of federal income tax law that might affect or result from an investment in the Company. No attempt has been made in the following discussion to comment on all federal income tax consequences affecting prospective Investors, nor does the discussion address the effect of any applicable state, local or foreign tax law, except as expressly stated. (See "State Income and Other Taxes," below.) Thus, the analysis contained herein is not a substitute for careful tax planning, particularly since certain of the income tax consequences of an investment in the Company will not be the same for all Investors. ACCORDINGLY, EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT ITS OWN TAX ADVISER WITH REFERENCE TO SUCH INVESTOR'S OWN TAX SITUATION, INCLUDING THE APPLICATION AND EFFECT OF STATE, LOCAL AND OTHER TAX LAWS AND ANY POSSIBLE CHANGES IN THE TAX LAWS AFTER THE DATE HEREOF.

Much of the following discussion is not applicable to tax-exempt Investors, such as pension plans and Individual Retirement Accounts. Potential Investors should consult their own tax advisers regarding the tax aspects of an investment in the Company.

The statements in this discussion are based upon current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), existing and currently proposed Treasury Regulations thereunder ("Regulations"), existing administrative rulings and judicial decisions, all of which are subject to change. No assurance can be given that legislative, judicial or administrative changes will not be forthcoming which would affect the accuracy of any statements in this discussion. Such changes may cause the tax consequences to vary substantially from the consequences described below. Additionally, any such changes may be retroactive with respect to transactions entered into or contemplated prior to the effective date of such changes.

Counsel for the Company has not rendered any opinion with respect to the tax consequences of an investment in the Company. Prospective Investors should also be aware that, although the Company intends to adopt positions it believes are in accord with current interpretations of the federal income tax law, the IRS may not agree with the tax positions taken by the Company and that, if challenged by the IRS, the Company's tax positions might not be sustained by the courts.

Classification of the Company as a Partnership under the Internal Revenue Code

The Company will be treated as a partnership rather than a corporation for federal income tax purposes under existing Regulations unless it elects to be treated as a corporation. This means that the Company will not be subject to entity-level taxation. Rather the income, gains, losses, deductions and credits of the Company will flow through to, and be reflected on, the individual tax returns of the Investors. The status of the Company as a partnership for federal income tax purposes will depend upon the continued effectiveness of currently applicable law and regulations. There can be no assurance that the applicable law and regulations will not change to result in the taxation of the Company although it is unlikely that such changes would apply to existing entities.

The remaining discussion sets forth certain of the federal income tax consequences of the Company assuming it is treated as a partnership.

Taxation of Holders of Interests

The Company will not itself be liable for any federal income tax. Rather, each Member will be required to take into account in computing its federal income tax liability its allocable share of the Company's capital gains and losses and other income, losses, deductions, credits, and items of tax preference for any taxable year of the Company ending within or with the taxable year of such Member, without regard to whether it has received or will receive any distribution from the Company. As a result of this "pass-through" of tax items and the effect of tax laws affecting the characterization and deductibility of such tax items, it is possible that an Investor may incur a tax liability in a year in excess of distributions received from the Company.

Tax Basis of Investor's Interest

The tax basis of an Investor's interest will be, initially, the amount such Investor paid for the Interest. An Investor's tax basis will be increased by such Investor's (i) additional capital contributions to the Company, (ii) allocable share of any Company taxable income, (iii) allocable share of any Company nonrecourse indebtedness and (iv) allocable share of Company income exempt from tax. An Investor's tax basis will be decreased (but not below zero) by such Investor's (i) distributions from the Company, (ii) allocable share of Company losses and (iii) allocable share of non-deductible expenditures which are not chargeable to capital. To the extent an Investor's share of Company losses exceeds such Investor's tax

basis in the Investor's Interest(s), such excess losses could not be utilized for any purpose in the year in which such losses occur and, under the Operating Agreement, to the extent such losses exceed the Investor's Capital Account, may be allocated to other Investors who could use such losses. To the extent cash distributions to an Investor exceed such Investor's basis in the Interest, the amount of such excess distributions would be recognized by the Investor as gain from the sale or exchange of an Interest in the year received.

Passive Activity Loss Limitation

Under the passive activity loss provisions of the Tax Reform Act of 1986, losses and credits from trade or business activities in which a taxpayer does not materially participate generally will be allowed only against income from such activities. Therefore, such losses cannot be used to offset salary or other earned income, active business income, or "portfolio income" such as dividends, interest royalties, and capital gains other than from passive activities. The passive activity loss limitation applies to individuals, estates, trusts, and most personal service corporations. A modified form of the rule also applies to closely-held corporations.

The Company's activities will entail the conduct of a trade or business and, therefore, the Company's income and loss resulting from such activities generally will be subject to the passive activity loss rules and limitations. Accordingly, an Investor's proportionate share of any losses from the Company generally will be subject to disallowance under the passive activity loss limitation. In addition, an Investor's proportionate share of the Company's portfolio income, if any, from the Company's investment of excess working capital would not be offset by such Member's losses, if any, from the Company or other activities subject to the passive loss limitation rules. To the extent an investment in the Company generates taxable income, other than portfolio income, such income should be passive income which could be offset by passive losses from the Company or any other passive activity in which the Investor has an interest.

Allocation of Company Income, Gains and Losses

For federal income tax purposes, a Member's distributive share of Company income, gain, deduction, loss, or credit generally is determined in accordance with the Operating Agreement. However, under Section 704 of the Code and the Regulations thereunder, the allocation of all such items pursuant to the Operating Agreement must have "substantial economic effect" to be recognized for federal income tax purposes and meet certain other tests. Thus, the following rules will be applicable to the Company and its Members.

Under the Regulations, an allocation of partnership income, gain, loss, or deduction (or item thereof) to a partner will be considered to have "substantial economic effect" if (a) the partnership maintains capital accounts in accordance with specific rules set forth in the Regulations, (b) liquidating distributions are required to be made in accordance with the partners' respective capital account balances, and (c) any partner with a deficit in his or her capital account following the distribution of liquidation proceeds is unconditionally required to restore the amount of such deficit to the partnership. If the first two of these requirements are met, but the partner to whom an allocation is made is not obligated to restore the full amount of any deficit balance in its capital account, the allocation still will be considered to have "economic effect" to the extent the allocation does not cause or increase a deficit balance in the partner's capital account (determined after reducing that account for certain "expected" adjustments, allocations, and distributions specified by the Regulations) if the partnership agreement contains a "qualified income offset."

The Operating Agreement provides that a capital account is to be maintained for each Member, that the capital accounts are to be maintained in accordance with applicable tax accounting principles set forth in the Regulations, and that distributions on liquidation of the Company are to be made in accordance with positive capital account balances. Although the Operating Agreement does not impose any obligation on the part of any Member to restore any deficit in its capital account balance following liquidation, the Operating Agreement does contain a provision incorporating the "qualified income offset" concept contained in the Regulations, as well as other provisions required thereby.

Based upon the Regulations, the Manager believes that the tax allocations of income, gain, loss, deduction, and credit under the Operating Agreement would more likely than not be considered to have "substantial economic effect." If any allocation fails to satisfy the "substantial economic effect" requirement, the allocated items would be reallocated among the Members based on their respective interests in the Company, determined on the basis of all the relevant facts and circumstances. Such a reallocation, however, would not alter the distribution of cash flow under the Operating Agreement, resulting in a possible mismatching of taxable income and cash distributed to the Members.

Company Organization Fees and Syndication Expenses

The Company has paid and will pay certain expenses in connection with its organization and start-up. Any expenses paid by the Company which constitute organizational and start-up expenses must be capitalized, but may be amortized over a period of not less than 60 months if the Company makes proper elections. Examples of organizational expenses of the Company include legal fees for services incident to the Company, such as negotiation and preparation of the Operating Agreement, accounting fees for establishing an accounting system, and necessary filing fees. Examples of start-up expenses include wages, advertising and training expenses prior to commencing commercial operations.

Expenses connected with the sale of Interests (for example, promotional expenses and most of the printing costs and professional fees incurred in connection with preparation of this Memorandum) are treated as syndication expenses and are not deductible by the Company or the Investors. Such costs must be capitalized.

Sale or Other Disposition of an Interest

The amount of gain recognized on the sale by an Investor of its Interest in the Company generally will be the excess of the sales price received over the Investor's adjusted basis in such Interest. The sale by an Investor of an Interest held for more than one year generally will result in the Investor recognizing long-term capital gain or loss. However, to the extent the proceeds of sale are attributable to such Investor's allocable share of Company "unrealized receivables," any gain will be treated as ordinary income. Unrealized receivables include any depreciation recapture which would be generated if the Portfolio were sold. The sale by an Investor of an Interest held for less than one year generally will result in the recognition of short-term capital gain or loss. Currently, the Code generally applies a maximum 15% tax rate (down from the previous rate of 20%) to long-term capital gains. Short-term capital gains, however, are taxed at the same rates as ordinary income. Deductions of net capital losses against ordinary income continue to be limited to \$3,000 (\$1,500 in the case of a married individual filing a separate return) for the taxable year, with the remainder carried forward to be utilized against capital gain income in succeeding taxable years.

In general, a transfer of an Interest in the Company by gift or upon death will not result in recognition of gain or loss. The recipient of an Interest in the Company by gift generally will have a tax

basis in that Interest equal to the transferor's basis increased by the amount of any gift tax paid on the transfer. However, in the event that a gift of an Interest is made at a time when the Investor's allocable share of nonrecourse indebtedness exceeds the Investor's adjusted basis in the Interest, the Investor may realize gain for income tax purposes. The recipient of an Interest resulting from a transfer upon death generally would have a tax basis in such Interest equal to the fair market value of the Interest at the date of death or, where applicable, the estate tax alternate valuation date.

In the event of a sale or other transfer of an Interest at any time other than the end of the Company's taxable year, the share of Company income and losses attributable to the Interest transferred for the year of transfer will be apportioned for federal income tax purposes between the transferor and the transferee on the basis of the respective periods during such year that each owned the Interest. Distributions will be made by the Company, however, only to the Investors of record as of the date of distribution.

Section 754 Election

Section 754 of the Code permits an entity taxed as a partnership, such as the Company, to make an election to adjust the basis of its assets in the event of a distribution of property to a Member or a transfer of an Interest. Any such election for the Company, however, shall be made in the Manager's sole discretion.

Liquidation of the Company Business

The liquidation of the Company usually will involve the distribution to the Members of the assets remaining, if any, after payment of all the Company's debts and liabilities. If an Investor receives cash in excess of the basis of such Investor's Interest, such excess generally will be taxable as a capital gain. However, if the adjusted basis of the Investor's Interest exceeds the amount of cash received, the Investor would recognize a capital loss to the extent of such excess. No gain or loss is recognized if an Investor receives property other than money, unrealized receivables and inventory (as defined in Section 751 of the Code and as described above in "--Sale or Other Disposition of an Interest"). There are a number of exceptions to such general rules, including (but not limited to) the effect of a special basis election for an Investor who may have acquired an Interest within two years prior to the distribution (Code Section 732(d)), and the effects of distributing one kind of property to some Investors and a different kind of property to other Investors (Code Section 751).

Company Returns and Audits

The IRS generally audits the tax treatment of Company income and deductions at the Company level rather than by individual audits of the Members. In general, the law limits the rights of a Member holding a less than one percent interest in the Company to participate in these proceedings. However, the Manager intends to notify all Members of, and to keep them advised with respect to, any IRS audit of the Company.

The Manager, as the "tax matters partner" within the meaning of the applicable Code provisions, will have authority to make certain decisions affecting the federal tax treatment and procedural rights of all of the Members. For example, the Manager will decide how to report items on the Company's tax returns, and all Members will be required to treat the items consistently on their own returns, unless they file a statement with the IRS disclosing the inconsistency. In addition, the Manager will have the right on behalf of all Members to extend the statute of limitations with respect to Company items and to select

the forum for litigating any tax disputes, including a forum that would require the Members to pay an assessed tax deficiency before the litigation is resolved.

If a tax deficiency were determined or agreed to, interest and possibly penalties would have to be paid on the deficiency.

State Income and Other Taxes

The state and local tax consequences to each Investor will vary depending on the Investor's state of residence and the tax laws of the states in which the Company conducts its business operations. Counsel to the Company has not reviewed the state and local tax consequences of an investment in the Company. Each Investor, along with his or her tax advisor, should make an independent determination regarding any such state and local income tax consequences.

Consultation with Tax Adviser

EACH PROSPECTIVE INVESTOR IN THE COMPANY IS ADVISED TO CONSULT WITH INDEPENDENT COUNSEL WITH RESPECT TO ALL OF THE CONSEQUENCES ASSOCIATED WITH AN INVESTMENT IN THE COMPANY.

SUMMARY OF SIGNIFICANT ASSUMPTIONS

The Manager has prepared forecasts of revenues and expenses for the Portfolio, copies of which are attached hereto as Exhibit C. The financial forecasts are the Manager's estimate of the income and expenses of the Portfolio, and have not been prepared or reviewed by an independent accountant. Accordingly, the forecasts reflect the Manager's judgment based on present circumstances of the most likely set of conditions and its most likely course of action. The assumptions disclosed herein are those which the Manager believes are significant to the forecasts or are key factors upon which the financial results of the Company depend. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the date of the forecasts. Therefore, the actual results achieved during the forecast period will vary from the forecast and the variations may be material. No representation can be given as to the accuracy of the figures. The forecasts represent a mere prediction of future events based on assumptions which may or may not occur and may not be relied upon to indicate the actual results which will be obtained.

REPORTS TO INVESTORS

Within a reasonable period of time after the end of each quarter, the Manger will send a quarterly report to each Investor. Within ninety (90) days after the close of each fiscal year, the Manager will provide each Investor with a copy of the Company's unaudited annual financial statements together with all information required for the preparation of tax returns.

EXHIBIT A

ARTICLES OF ORGANIZATION OF THE COMPANY

Sec. 183.0202
Wis. Stats.

State of Wisconsin
Department of Financial Institutions
Articles of Organization – Limited Liability Company
Executed by the undersigned for the purpose of forming a Wisconsin limited liability company under Ch. 183 of the Wisconsin statutes:

- Article 1. **Name of the limited liability company:**
Esquire Management LLC
- Article 2. **the limited liability company is organized under Ch. 183 of the Wisconsin Statutes.**
- Article 3. **Name of the initial registered agent.**
Andrew Wolf
- Article 4. **Street address of the initial registered office.**
2512 Lombard Ave.
Janesville, WI 53545
- Article 5. **Management of the limited liability company shall be vested in:**
Its members
- Article 6. **Name and complete address of each organizer:**

Andrew Wolf
2512 Lombard Ave.
Janesville, WI 53545
- Other
Information: **This document was drafted by:**
Andrew Wolf
- Signature**
Andrew Wolf
- Contact Information:**
Andrew Wolf
2512 Lombard Ave.
Janesville, WI 53545
arguriongroup@sbcglobal.net
608.752.8502

Date & Time of Receipt
5/30/2003 1:59:38 PM

EXHIBIT B
OPERATING AGREEMENT OF THE COMPANY

**OPERATING AGREEMENT
OF
ESQUIRE MANAGEMENT LLC**

EXHIBIT A

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[THE SECURITIES (MEMBERSHIP INTERESTS REPRESENTED BY UNITS) EVIDENCED BY AND/OR ISSUED PURSUANT TO THIS AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR REGISTERED OR QUALIFIED UNDER ANY SECURITIES OR BLUE SKY LAWS OF ANY STATE OR JURISDICTION. THEREFORE, THE SECURITIES MAY NOT BE SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED UNTIL A REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR THE APPLICABLE STATE SECURITIES OR BLUE SKY LAWS SHALL HAVE BECOME EFFECTIVE WITH REGARD TO THE PROPOSED TRANSFER OR, IN THE OPINION OF LEGAL COUNSEL ACCEPTABLE TO THE COMPANY AND ITS MANAGER, REGISTRATION OR QUALIFICATION UNDER THE SECURITIES ACT OR BLUE SKY LAWS IS NOT REQUIRED IN CONNECTION WITH THE PROPOSED TRANSFER.]

OPERATING AGREEMENT

THIS OPERATING AGREEMENT (this "Agreement") is made and entered into effective as of the 20 day of March, 2004, among **Esquire Management LLC**, a Wisconsin limited liability company (the "**Company**"), and the undersigned members of the Company (referred to herein individually as a "**Member**" and collectively as the "**Members**").

RECITALS:

A. The Company was formed, effective as of May 30, 2003, as a result of the filing of its Articles of Organization with the Wisconsin Department of Financial Institutions pursuant to Chapter 183 of the Wisconsin Statutes (the "**Wisconsin Act**").

B. The Members desire to adopt this Agreement as the operating agreement of the Company under the Wisconsin Act to set forth their rights and responsibilities with respect to the Company and its business and affairs.

NOW, THEREFORE, in consideration of the foregoing and the agreements and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

1.1 Certain Definitions. Capitalized words and phrases used herein and in the exhibits and schedules hereto shall have the following meanings, unless the text expressly or by necessary implication requires otherwise:

(a) "**Adjusted Capital Account Deficit**" means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant taxable year, after giving effect to the following adjustments:

(1) Credit to such Capital Account any amounts which such Member is obligated to restore under this Agreement or is deemed obligated to restore pursuant to the provisions of Treasury Regulation Section 1.704-1(b)(2)(ii)(c), as well as any addition thereto pursuant to the next to last sentence of Treasury Regulation Sections 1.704-2(g)(1) and (i)(5), after taking into account thereunder any changes during such year in partnership minimum gain (as determined in accordance with Treasury Regulation Section 1.704-2(d)) and in the minimum

gain attributable to any partner nonrecourse debt (as determined under Treasury Regulation Section 1.704-2(i)(3)); and

(2) Debit to such Capital Account the items described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

This definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulation Sections 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

(b) **"Affiliates"** means, with respect to any Person: (i) any Person directly or indirectly controlling, controlled by, or under common control with, such Person; (ii) any Person owning or controlling ten percent (10%) or more of the outstanding voting securities of such Person; (iii) any officer, director, member, manager, or general partner of such Person; or (iv) any Person who is an officer, director, member, manager, general partner, trustee, or holder of ten percent (10%) or more of the voting securities of any Person described in clauses (i) through (iii) above.

(c) **"Articles of Organization"** means the Articles of Organization of the Company, as filed with the Wisconsin Department of Financial Institutions, as the same have been or may be amended from time to time.

(d) **"Capital Account"** means the separate account maintained for each Member pursuant to Section 8.1.

(e) **"Capital Contribution"** means any cash or non-cash consideration in each case at its value, contributed to the Company by any Member at any time in accordance with the terms of this Agreement.

(f) **"Code"** means the Internal Revenue Code of 1986, as amended, and any successor provisions or codes thereto.

(g) **"Cumulative Cash Distribution"** means the distributions to Members provided for in Section 7.1(b)(3).

(h) **"Depreciation"** means for each Fiscal Period of the Company, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for the Fiscal Period under the Code, except that if the Value of an asset differs from its adjusted basis for federal income tax purposes and such difference is being eliminated in accordance with Treasury Regulation section 1.704-3(a), Depreciation for such Fiscal Period shall be the amount of basis recovered for such Fiscal Period under the rules prescribed by Treasury Regulation section 1.704-3(a) or in any other case in which the Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of the Fiscal Period, Depreciation shall be an amount that bears the same ratio to the beginning Value as the federal income tax depreciation, amortization, or other cost recovery deduction for the Fiscal Period bears to the beginning adjusted tax basis; provided, however, that if the adjusted basis for federal income tax purposes of an asset at the beginning of the Fiscal Period is zero, Depreciation

shall be determined with reference to the beginning Value using any reasonable method selected by the Manager consistent with the purpose and intent of this definition.

(i) **“Distribution Cash”** means all cash, revenues, and funds received by the Company, not including Capital Contributions or Net Proceeds, less the sum of the following to the extent paid or set aside by the Company:

(1) All principal and interest payments on indebtedness of the Company, including amounts due on indebtedness to the Manager, Members or Affiliates of Members;

(2) All cash expenditures incurred incident to the normal operation of the Company, including fees to Members or Affiliates of Members; and

(3) The establishment of Reserves.

(j) **“Entity”** means any general partnership, limited partnership, limited liability partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association, or any foreign trust, or foreign business organization.

(k) **“Fiscal Year”** means the Company’s fiscal year, which shall be the calendar year.

(l) **“Manager”** means the “manager” of the Company, as that term is defined and used in the Wisconsin Act. Tri-Co of Wisconsin, LLC shall be the Manager, effective as of the date of this Agreement.

(m) **“Member”** means each Person who executes a counterpart of this Agreement as a Member or who hereafter becomes a Member of the Company pursuant to the provisions of this Agreement.

(n) **“Membership Interest”** or **“Interest”** shall mean a Member’s entire interest in the Company including the Member’s share of Net Profits, Net Losses, Distribution Cash, Net Proceeds, and other distributions of Company assets, and the right to vote on, consent to, or otherwise participate in any decision or action of or by the Members granted pursuant to this Operating Agreement and/or the Wisconsin Act. Membership Interests in the Company (and its assets, liabilities, Net Profits, Net Losses, Distribution Cash, and Net Proceeds) shall be purchased for the amounts set forth in Exhibit A and shall represent an undivided interest in the Company (and its assets, liabilities, Net Profits, Net Losses, Distribution Cash, and Net Proceeds) as set forth in this Operating Agreement and the Wisconsin Act. Each Member’s interest in the Company shall be represented by the number of Membership Interests owned or held by the Member, which may be evidenced by a certificate of membership interest issued to such Member in accordance with the terms of this Operating Agreement.

(o) **“Net Proceeds”** means the cash proceeds from the sale, exchange, transfer, refinancing or other disposition of the Portfolio, reduced by all costs and expenses reasonably incurred in connection with any such transaction, including

repayments of indebtedness required as a result of the transaction. Net Proceeds shall also include interest and principal payments on installment notes received in a sale transaction.

(p) "Net Profits" and "Net Losses" mean, for each Fiscal Period, amounts equal to the Company's taxable income and loss for the Fiscal Period, determined in accordance with section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to section 703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments:

(1) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Profits or Net Losses pursuant to this definition shall be added to the taxable income or loss.

(2) Any expenditures of the Company described in section 705(a)(2)(B) of the Code or treated as section 705(a)(2)(B) expenditures as described in section 1.704-1(b)(2)(iv)(i) of the Treasury Regulations, and not otherwise taken into account in computing Net Profits or Net Losses pursuant to this definition, shall be subtracted from the taxable income or loss.

(3) In the event the Value of any asset of the Company is adjusted pursuant to the definition of Value below, the amount of the adjustment shall be taken into account as gain or loss from the disposition of the asset for purposes of computing Net Profits and Net Losses.

(4) Gain or loss resulting from the Company's disposition of any property, with respect to which gain or loss is recognized for Federal income tax purposes, shall be computed by reference to the Value of the property disposed of, notwithstanding that the property's adjusted tax basis differs from its Value.

(5) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for the fiscal year or other period.

(6) To the extent that an adjustment to the adjusted tax basis of any Company asset pursuant to section 734(b) or 743(b) of the Code must be taken into account pursuant to section 1.704-1(b)(2)(iv)(m) of the Treasury Regulations in determining Capital Accounts as a result of a distribution other than in complete liquidation of a Member's Interests, the amount of the adjustment shall be treated as an item of gain (if the adjustment increases the asset's basis) or loss (if the adjustment decreases the asset's basis) from the disposition of the asset and shall be taken into account for purposes of computing Net Profits or Net Losses.

(7) Notwithstanding any other provisions of this definition, any items that are specially allocated pursuant to Section 6.2 shall not be taken into account in computing Net Profits or Net Losses.

The amounts of the items of income, gain, loss, and deduction available to be specially allocated pursuant to Section 6.2 shall be determined by applying rules analogous to those set forth in this definition as appropriate.

(q) **“Offering”** means the private offering of Interests pursuant to the terms of the offering memorandum of March, 2004.

(r) **“Person”** means any individual or Entity, and the heirs, personal representatives, successors and assigns of such “Person” where the context so permits.

(s) **“Portfolio”** means the commercial residential and other real estate properties and commercial retail business the Company owns, acquires, constructs, manages and operates from time to time.

(t) **“Reserves”** means, for any fiscal period, funds set aside or amounts allocated during such period to reserves that shall be maintained in amounts required by third parties doing business with the Company or otherwise deemed appropriate by the Manager for working capital and for replacement of capital items and furniture, fixtures and equipment and to pay taxes, insurance, debt service, or other costs or expenses incident to the ownership and operation of the Company’s business.

(u) **“Treasury Regulations”** means the regulations promulgated under the Code, as such regulations may be amended from time to time. All references herein to specific sections of the Treasury Regulations shall be deemed also to refer to any corresponding provisions of succeeding Treasury Regulations, and any references to Temporary Regulations shall be deemed also to refer to any corresponding provisions of final Treasury Regulations.

(v) **“Value”** means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(1) The initial Value of any asset contributed by a Member to the Company shall be the gross fair market value of the asset, as determined by the Manager in good faith, net of any liabilities assumed by the Company from such Member in connection with such contributions and net of any liabilities to which assets contributed by such Members are subject.

(2) The Values of any asset of the Company shall be adjusted to equal their respective gross fair market values, as determined by the Manager in good faith, as of the following times: (a) the acquisition of additional interests by any new or existing Member in exchange for more than a de minimis Capital Contribution, (b) the Company's distribution to a holder of more than a de minimis amount of any asset of the Company as consideration for Interests if the Manager reasonably determines that the adjustment is necessary or appropriate to reflect the Members' relative economic interests in the Company; and (c) the liquidation of the Company within the meaning of section 1.704-1(b)(2)(ii)(g) of the Treasury Regulations.

(3) The Value of any asset of the Company distributed to any Member shall be the gross fair market value of the asset on the date of Distribution, as determined by the Manager in good faith.

(4) The Value of any asset of the Company shall be increased (or decreased) to reflect any adjustments to the assets' adjusted basis pursuant to section 734(b) or 743(b) of the Code, but only to the extent that the adjustments are taken into account in determining Capital Accounts as required by section 1.704-1(b)(2)(iv)(m) of the Treasury Regulations; provided, however, that Values shall not be adjusted pursuant to this Clause 4 to the extent that the Manager determines in its sole discretion that an adjustment pursuant to Clause 2 above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this Clause 4.

If the Value of an asset has been determined or adjusted pursuant to Clause 1, 2, or 4 above, the Value shall thereafter be adjusted by the Depreciation taken into account with respect to the asset for purposes of computing Net Profits and Net Losses.

(w) **"Wisconsin Act"** means Chapter 183 of the Wisconsin Statutes, as it may be amended from time to time.

ARTICLE II ORGANIZATION AND PURPOSE

2.1 Formation. The Company was organized as a Wisconsin limited liability company pursuant to the Wisconsin Act by the filing of the Articles of Organization with the Wisconsin Department of Financial Institutions.

2.2 Name. The name of the Company is Esquire Management LLC. The name of the Company may be changed from time to time in the discretion of the Manager, and the Manager is hereby authorized and empowered to execute and deliver in the name and on behalf of the Company any and all documents necessary or appropriate to effect any such name change, including, without limitation, articles of amendment to the Articles of Organization, provided that the Manager will promptly notify each Member of any such name change. The Company may conduct its business under such other fictitious names as the Manager selects and the law permits, provided that the Manager will promptly notify each Member of any such fictitious names.

2.3 Principal Place of Business. The principal office and place of business of the Company shall be located at 220 Saint Lawrence Avenue, Janesville, Wisconsin 53545. The Company may locate its principal office and places of business at any other place or places as the Manager may from time to time deem advisable.

2.4 Registered Agent and Registered Office. Andrew Wolf shall be the Company's registered agent in the State of Wisconsin. The address of the Company's registered office in the State of Wisconsin shall be 2512 Lombard Avenue, Janesville, Wisconsin 53545. The Company's registered agent and registered office may be changed from time to time by filing the

name of the new registered agent and/or the address of the new registered office with the appropriate authority as required by applicable law.

2.5 Term. The Company shall continue in existence until dissolved and terminated pursuant to the provisions of this Agreement.

2.6 Purpose. The purpose of the Company shall be any and all lawful purposes, including but not limited to the owning, acquiring, constructing and managing residential and commercial real estate and owning and operating commercial retail operations. The Company may exercise all powers reasonably connected with such activities and businesses that may be legally exercised by limited liability companies under the Wisconsin Act, and the Company may engage in all activities necessary, customary, convenient, or incident to any of the foregoing.

2.7 Organization Costs. The Company shall be responsible and shall pay for all fees, expenses and costs incurred in establishing and forming the Company, including, but not limited to, organizational fees, legal fees and accounting fees.

2.8 Partnership for Tax Law Purposes; No State Law Partnership. The Members intend that the Company be operated in a manner consistent with its treatment as a partnership for federal and state income tax purposes, but that the Company not be operated or treated as a "partnership" for any other purpose, including, but not limited to, Section 303 of the Federal Bankruptcy Code. The Members hereby agree that the Company shall not be operated as an "association" taxed as a corporation under the Code and that no election shall be made under the Treasury Regulations by the Members, the Manager or any officer of the Company to treat the Company as an "association" taxable as a corporation without the prior unanimous written consent of all Members.

2.9 Foreign Qualification. Before the Company transacts business in any jurisdiction other than Wisconsin in a manner that would require the Company to qualify or register to do business in the jurisdiction, the Manager shall, to the extent procedures are available and those matters are reasonably within the control of the Manager, take all necessary actions to qualify the Company as a foreign limited liability company authorized to transact business in the jurisdiction. Each Member shall execute, acknowledge, swear to, and deliver all certificates and other instruments conforming with this Agreement requested by the Manager that are necessary or appropriate to qualify, continue, and terminate the Company as a foreign limited liability company authorized to transact business in all jurisdictions in which such authorization is required.

ARTICLE III RIGHTS AND RESPONSIBILITIES OF MEMBERS

3.1 General. The rights and responsibilities of the Members shall be as provided in the Articles of Organization, this Agreement and the Wisconsin Act (except to the extent properly governed by the Articles of Organization and/or this Agreement).

3.2 Members; Capital Contributions; Agreed Values; Number and Classes of Interests. The names and business addresses of the Members upon the execution of this Agreement, the Capital Contributions of each such Member, the agreed value thereof for Capital

Account purposes, and the number and class of Interests to be issued to each such Member are set forth on Exhibit A attached hereto. Exhibit A shall be supplemented as appropriate from time to time to reflect the admission of new Members or the issuance of additional Interests to existing Members.

3.3 Admission of Members; Additional Interests. Notwithstanding any provision contained herein to the contrary, and without limiting any other conditions imposed pursuant to this Agreement, prior to the admission of any new Member to the Company and the issuance of any Interests to any such new Member, the Company must have received a written instrument, in form and substance acceptable to the Company, signed by or on behalf of the new Member containing the new Member's express acceptance of and agreement to be bound by all terms and conditions of this Agreement. The Manager may, at the time that a Member is admitted, close the Company's books (as though the Company's taxable year had ended) or make *pro rata* allocations of Net Profits and Net Losses to a new Member for that portion of the Company's taxable year in which a Member was admitted in accordance with the provisions of Section 706(d) of the Code and the Treasury Regulations promulgated thereunder. Exhibit A shall be supplemented as appropriate from time to time to reflect the admission of new Members or the issuance of additional Interests.

3.4 Certificates Representing Ownership of Interests. Certificates representing ownership of Interests may be executed and delivered by the Manager on behalf of the Company. The form of any such certificates shall be as determined by the Manager. Notwithstanding the foregoing, if certificates are executed and delivered by the Company, such certificates shall be in the name of the Company and shall set forth the name of the Member and the number and class, if any, of Interests owned or held by each such Member. All certificates shall be consecutively numbered or otherwise identified.

3.5 Additional Capital Contributions. Upon notice by the Manager, Members may make additional Capital Contributions in order to pay the costs and expenses incurred in the development, construction and operation of the Portfolio, and any additions of new properties or businesses that made be added to the Portfolio. Members shall have fifteen (15) days from the date of the notice to elect to make an additional Capital Contribution. Members shall make such election by giving the Manager written notice of such election including a statement as to the maximum additional Capital Contribution such electing Members ("**Electing Members**") are willing to make to the Company. Additional Capital Contributions shall be made by all Electing Members *pro rata* based on the number of Interests held by each Electing Member; provided, however, that no Electing Member's additional Capital Contribution shall exceed the maximum additional Capital Contribution specified in such Electing Member's election notice. After applying the proration formula set forth in the prior sentence, the Manager may accept additional Capital Contributions, in its sole and absolute discretion, from any Electing Members who have not yet reached the maximum additional Capital Contribution specified in such Electing Member's election notice. Any Electing Members who make an additional Capital Contribution under the provisions of this section shall be awarded additional Interests based on the Value of their additional Capital Contributions, as determined in the sole and absolute discretion of the Manager.

3.6 Interest on Capital Contributions. Except as otherwise expressly provided in this Agreement, no Member shall be paid interest on such Member's Capital Contributions to the Company.

3.7 Loans by or to Members. No provision of the Agreement shall be construed so as to prohibit the Company from obtaining working capital or investment capital funds through loans from Members or third parties (which loans shall be nonrecourse with respect to the Members, unless otherwise specifically agreed by the Members) or in any other manner, provided that no Member may make a secured or unsecured loan to the Company or guarantee any loan or debt of the Company without the prior approval and consent of the Manager. Any loan hereunder shall be evidenced by a promissory note and shall bear interest at the rate and on such other terms as determined by the Manager.

3.8 Limitation of Liability. Each Member's liability for debts, liabilities, and obligations of the Company shall be limited as set forth in this Agreement and other applicable law. Unless otherwise specifically agreed by a Member in a writing separate from this Agreement, no Member shall be personally liable for any debt, obligation or liability of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or management of its business or affairs under this Agreement or the Wisconsin Act shall not be grounds for imposing personal liability on the Members or the Manager for liabilities of the Company.

3.9 Liability of a Member to the Company. A Member who receives a distribution made by the Company which is either in violation of this Agreement or in violation of Section 183.0607(1) of the Wisconsin Act is liable to the Company for the amount of such distribution if the Company makes a claim for such amount within two (2) years after the distribution date.

3.10 Indemnification. The Company shall indemnify the Members and agents of the Members for all costs, losses, liabilities, and damages paid or accrued by such Member or agent in connection with the business of the Company to the fullest extent provided or allowed by the Wisconsin Act.

3.11 Member Voting Rights. All outstanding Interests, unless otherwise designated as non-voting Interests, shall be entitled to vote upon each matter submitted to a vote at a meeting of the Members. Except as otherwise required by this Agreement, or by applicable law, a matter submitted to a vote of the Members shall be deemed approved if a majority of the Interests outstanding at such time are voted in favor of the matter.

3.12 Securities Law Matters. Each Member hereby agrees, represents and warrants, as applicable, that: (a) the Member is acquiring the Member's interest in the Company for the Member's own account as an investment; (b) the Member acknowledges that the interests have not been registered under the Securities Act of 1933 or any state securities laws, and may not be resold or transferred by the Member without appropriate registration or the availability of an exemption from such requirements; and (c) the Member agrees to the terms of this Agreement and to perform the Member's obligations hereunder.

3.13 Withdrawal. Except as otherwise provided in this Agreement, no Member shall be entitled to: (a) voluntarily withdraw from the Company; (b) withdraw any part of such Member's Capital Contribution from the Company; (c) demand the return of such Member's Capital Contribution; or (d) receive property other than cash in return for such Member's Capital Contribution.

3.14 Related Party Transactions. The Members hereby acknowledge and agree that the Company has contracted and may from time to time contract in the future with Persons who are Members or Affiliates of Members. Any such existing contracts are hereby ratified and confirmed by the Members. By way of example only, the Members agree that the Company may execute a Management Agreement between the Company and the Manager. Furthermore, the Members hereby authorize the Manager to engage in similar transactions in the future; provided, however, that the fees for any such contracted services shall be competitive with fees for similar services provided by third parties in the same general geographical area, as determined in the sole discretion of the Manager.

ARTICLE IV MEETINGS OF MEMBERS

4.1 Annual Meeting. An annual meeting of the Members may be called by the Manager and, if called, shall be held at such time and place as shall be determined by the Manager for the purpose of transacting such business as may properly come before the meeting.

4.2 Special Meetings. Special meetings of the Members may be called for any purpose or purposes by the Manager or by any one or more Members owning or holding at least a majority of the Interests outstanding at the time such meeting is called, unless otherwise prescribed by the Wisconsin Act or other applicable law.

4.3 Place of Meetings. The Manager may designate any place, either within or outside the State of Wisconsin, as the place of meeting for any meeting of the Members. If no designation is made in the notice of meeting, or if a meeting is otherwise called, the place of meeting shall be the principal office of the Company. Meetings of Members may be held in person or by use of any means of communication by which all Members participating in the meeting may simultaneously hear each other.

4.4 Notice of Meetings; Waiver of Notice. Written notice stating the place, day, and hour of the meeting and the purpose or purposes for which the meeting is called shall be delivered no fewer than ten (10) days nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the Manager or the Members calling the meeting, to each Member entitled to vote at the meeting. When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of the notice. If all of the Members shall meet at any time and place, either within or outside of the State of Wisconsin, and consent to the holding of a meeting at that time and place, then the meeting shall be valid without call or notice, and at the meeting any lawful action may be taken.

4.5 Record Date. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment of the meeting, or Members entitled to receive payment of any distribution, or to make a determination of Members for any other purpose, the date on which notice of the meeting is mailed (or otherwise delivered) or the date on which the resolution declaring the distribution is adopted, as the case may be, shall be the record date for the determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Section, the determination shall apply to any adjournment of the meeting.

4.6 Quorum. Members owning or holding at least a majority of the Interests outstanding on the date of a meeting, represented in person or by proxy, shall constitute a quorum at any meeting of Members. In the absence of a quorum at any meeting of Members, Members holding a majority of the Interests so represented may adjourn the meeting from time to time for a period not to exceed sixty (60) days without further notice. However, if adjournment is for more than sixty (60) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At an adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during the meeting of that number of Members whose absence would cause less than a quorum.

4.7 Manner of Acting. The affirmative vote of Members owning or holding at least a majority of the Interests outstanding at such time shall be the act of the Members, unless the vote of a greater or lesser proportion or number is otherwise required by the Wisconsin Act or by this Agreement. Unless otherwise expressly provided in this Agreement or required under applicable law, Members who have an interest (economic or otherwise) in the outcome of any particular matter upon which the Members vote or consent may vote or consent upon any such matter and their Interests, vote or consent, as the case may be, shall be counted in the determination of whether the requisite matter was approved by the Members.

4.8 Proxies. At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. The proxy shall be delivered to the other Members before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

4.9 Action by Members Without a Meeting. Action required or permitted to be taken at a meeting of the Members may be taken without a meeting if: (a) the action is evidenced by a written consent describing the action taken; (b) the written consent is signed by Members owning or holding the number of Interests that would be sufficient to take the action at a meeting of the Members at which all Interests outstanding and entitled to vote on the matter were present and voted; and (c) the written consent is delivered to the Company for inclusion in the records of the Company. Action taken under this Section is effective when the Company receives a copy of the consent signed by the requisite Members, unless the consent specifies a different effective date. The Manager shall promptly send written notice to each Member of any action taken by written consent pursuant to this Section.

ARTICLE V MANAGEMENT

5.1 Management. The business and affairs of the Company shall be managed by the Manager. Except as provided in Section 5.3 of this Agreement or by nonwaivable provisions of applicable law, the Manager shall have 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 the management of the Company's business without obtaining the consent or approval of the Members, including, but not limited to, directing the activities of any officers or employees of the Company, appointing and removing persons from positions as officers of the Company and calling and holding meetings of the Members. The Manager shall also have the power to adjust and set compensation levels for all officers and employees of the Company. Unless authorized to do so by this Agreement or by the Manager, no Member that is not a Manager, attorney-in-fact, employee, or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit, or to render it liable pecuniarily for any purpose.

5.2 Number; Tenure. There shall be one (1) "manager" of the Company, as that term is defined and used in the Wisconsin Act. Tri-Co of Wisconsin, LLC shall be the Manager of the Company, effective as of the date of this Agreement. The Manager shall serve in that capacity until the Manager's removal or resignation in accordance with the terms of this Agreement. The Manager may be, but is not required to be, a Member.

5.3 Limitations on Management Authority. Notwithstanding any other provision of this Agreement, neither the Manager nor any Member, officer, employee, or agent of the Company shall have authority to take any of the following actions on behalf of the Company without obtaining the consent or approval of Members owning or holding at least Seventy-Five percent (75%) of the Interests outstanding at such time:

- (a) Do any act which is in contravention of or inconsistent with this Agreement or any other agreement to which the Company is a party;
 - (b) Do any act which would make it impossible to carry on the ordinary business of the Company;
 - (c) Possess property of the Company or assign rights in specific property of the Company for other than a business purpose of the Company;
 - (d) Materially change the nature of the business or purpose of the Company;
- or
- (e) Confess a judgment against the Company.

5.4 Resignation. The Manager may resign at any time by delivery to the Company of a written notice of resignation. The resignation of the Manager shall take effect upon receipt by the Company of the notice of resignation or at such later time as shall be specified in the notice. If the Manager is also a Member, the Manager's resignation shall not affect the Manager's rights as a Member and shall not constitute the Manager's withdrawal as a Member.

5.5 Removal. At a meeting called expressly for that purpose, the Manager may be removed for cause (as defined below) by the unanimous vote of Members holding Interests on the date of the meeting; provided that any such removal of the Manager is consented to or approved by any then holder of a lien on any of the Company's assets if so required by the terms of the documents relating to the lender's loan. If the Manager is also a Member, then the removal of the Manager shall not affect the Manager's rights as a Member and shall not constitute the Manager's withdrawal as a Member. As used in this Section 5.5, the term "cause" shall mean (a) the material breach of any provision of this Agreement by the Manager which is not timely cured by the Manager, (b) a willful failure to deal fairly with the Company or its Members in connection with a matter in which the Manager has a material conflict of interest (which results in any loss or damage sustained by the Company or a Member), (c) a violation of criminal law, unless the Manager had reasonable cause to believe that its conduct was lawful or had no reason to believe that its conduct was unlawful, (d) engaging in a transaction from which the Manager or an Affiliate of the Manager derived an improper personal benefit, (e) willful misconduct, or (f) the Manager does or is subject to any of the acts or events described in Sections 183.0802(d) or (e) of the Wisconsin Act.

5.6 Vacancies. Any vacancy occurring in the position of Manager may be filled by the affirmative vote of Members owning or holding at least a majority of the Interests outstanding at the time of the vote.

5.7 Liability for Certain Acts. The Manager shall perform the Manager's managerial duties in good faith, in a manner the Manager reasonably believes to be in the best interests of the Company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. If the Manager so performs the duties of Manager, then, except as provided in the Wisconsin Act or this Agreement, the Manager shall not be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage is the result of: (a) a willful failure to deal fairly with the Company or its Members in connection with a matter in which the Manager has a material conflict of interest; (b) a violation of a criminal law (unless the Manager had reasonable cause to believe that the conduct was lawful or no reasonable cause to believe that the conduct was unlawful); (c) a transaction from which the Manager derived an improper personal profit; or (d) willful misconduct.

5.8 No Exclusive Duty to Company. The Manager shall not be required to manage the Company as the Manager's sole and exclusive function, and the Manager may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of the Manager or to the income or proceeds derived therefrom. The Manager shall incur no liability to the Company or to any of the Members as a result of engaging in any other business or venture. A delegation of authority pursuant to this Section, or the assignment of a title pursuant to this Section, shall not, of itself, create any contract rights.

5.9 Delegation of Authority. The Manager may, from time to time, delegate to one or more individuals (who need not be Members of the Company) such authority and duties as the Manager may deem advisable to carry out the day-to-day business of the Company and may

enter into contracts with such individuals for such purpose. In addition, the Manager may, from time to time, assign titles (including, chief executive officer, president, vice president, secretary, and treasurer) to any such individuals selected by the Manager. Unless the Manager specifies otherwise, if the title is one commonly used for officers of a business corporation, then the assignment of such title shall constitute the delegation of the authority and duties that are normally associated with that office, subject to any specific delegation of authority and duties made pursuant to this Section. Any number of titles may be held by the same individual. Any delegation pursuant to this Section may be revoked at any time by the Manager.

5.10 Provisions Governing Officers.

(a) Removal. The Manager may remove any officer and, unless restricted by this Agreement, an officer may remove any officer or assistant officer appointed by that officer, at any time, with or without cause and notwithstanding the contract rights, if any, of the officer removed. The appointment of an officer does not of itself create contract rights.

(b) Resignation. An officer may resign at any time by delivering notice of resignation to the Company. The resignation shall be effective when the notice is delivered, unless the notice specifies a later effective date and the Company accepts the later effective date.

(c) Vacancies. A vacancy in any principal office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Manager for the unexpired portion of the term. If a resignation of an officer is effective at a later date as contemplated by in Subsection (b) of this Section, then the Manager may fill the pending vacancy before the effective date if the Manager provides that the successor may not take office until the effective date.

5.11 Execution of Documents. The Manager or the authorized officers of the Company may execute documents or instruments on behalf of the Company, including but not limited to agreements, contracts, checks, drafts, mortgages, leases, deeds, and bills of sale. This Section relates only to the execution of documents or instruments on behalf of the Company. Any approval required for such documents or instruments, or the transactions contemplated therein, shall be governed by other Sections of this Agreement.

5.12 Reliance. Any person dealing with the Company may rely on the authority of any officer or the Manager in taking any action that is in the name of the Company without inquiry into the provisions of this Agreement or compliance therewith.

5.13 Indemnity of the Manager, Employees, and Other Agents. The Company shall, to the maximum extent permitted or required by law, indemnify, defend, and hold harmless the Manager, its employees and other agents (each, an "Actor"), to the extent of the Company's assets, for, from, and against any liability, damage, cost, expense, loss, claim, or judgment incurred by the Actor arising out of any claim based upon acts performed or omitted to be performed by the Company, its Members, the Manager or any of its or their employees or agents in connection with the business of the Company acting in capacity as the Manager, employees,

or agents of the Company, including without limitation, attorneys' fees and costs incurred by the Actor in settlement or defense of such claims. Notwithstanding the foregoing, no Actor shall be so indemnified, defended, or held harmless for claims based upon its acts or omissions in the breach of this Agreement or which constitute: (a) a willful failure to deal fairly with the Company or its Members in connection with a matter in which the Actor has a material conflict of interest; (b) a violation of a criminal law (unless the Actor had reasonable cause to believe that the person's conduct was lawful or no reasonable cause to believe that the conduct was unlawful); (c) a transaction from which the Actor derived an improper personal profit; or (d) willful misconduct. Amounts incurred by an Actor in connection with any action or suit arising out of or in connection with Company affairs shall be reimbursed by the Company if such action or suit arises in a matter for which indemnification is available under this Section (provided that the Company shall in all events advance expenses of defense, but only if the Actor undertakes in writing to repay the advanced funds to the Company if the Actor is finally determined by a court of competent jurisdiction not to be entitled to indemnification pursuant to the provisions of this Section).

5.14 Manager Loans. In the event the Manager, in its sole and absolute discretion, determines that additional funds are required by the Company to fund (1) future construction cost overruns with respect to the Portfolio, (2) operating deficits of the Company, and/or (3) to repay third-party debt of the Company, the Manager may make loans to the Company ("**Manager Loans**"). Such Manager Loans shall be evidenced by a promissory note, shall bear interest at the rate of ten percent (10.0%) and shall be on such other terms as determined by the Manager, provided that such terms shall be consistent with terms normally applicable to loans in the market.

ARTICLE VI TAX ALLOCATIONS

6.1 Allocations of Net Profits and Net Losses. Except as otherwise expressly provided in this Agreement, the Net Profits and Net Losses of the Company for each Fiscal Year will be allocated as follows:

(a) Net Losses shall be allocated among the Members in proportion to the number of Interests owned or held by each Member relative to the total number of Interests outstanding during such Fiscal Year; provided, however, that to the extent that the allocation of any Net Losses to a Member would cause the Member to have an Adjusted Capital Account Deficit, the Net Losses shall first be allocated to the other Members, each in proportion to the number of Interests owned or held by the Member relative to the total number of Interests outstanding during such Fiscal Year (excluding, for this purpose, Interests owned or held by any Member that would have an Adjusted Capital Account Deficit if any additional Net Losses were allocated to the Member), until each Member has a zero Capital Account balance, after which Net Losses shall again be allocated among the Members in proportion to the number of Interests owned or held by a Member relative to the total number of Interests outstanding during such Fiscal Year.

(b) Net Profits (other than Net Profits allocated under Subsection (c) of this Section) shall be allocated among the Members: (i) first, in proportion to and to the

extent of any Net Losses previously allocated to the Members under Subsection (a) of this Section; (ii) second, in proportion to and to the extent of any Distribution Cash distributed to the Members as a portion of the Cumulative Cash Distribution, and (iii) thereafter, in proportion to the number of Interests owned or held by each Member relative to the total number of Interests outstanding during such fiscal year.

(c) Net Profits recognized upon the refinancing, sale, exchange, transfer, or other disposition of the Portfolio shall be allocated among the Members: (i) first, in proportion to and to the extent of each Member's deficit Capital Account balance until no Member has a deficit Capital Account balance; (ii) second, to the Members until their Capital Account balances equal the amount of Net Proceeds each Member is entitled to receive under Section 7.1(c), with such allocations to be made among the Members in proportion to the total allocations needed to achieve such Capital Account balances; and (iii) thereafter, to the Members in proportion to the number of Interests owned or held by a Member relative to the total number of outstanding Interests.

6.2 Special Allocation of Net Profits and Net Losses and Items Thereof. The special allocations set forth below shall supersede the allocations of Net Profits and Net Losses under Section 6.1 of this Agreement:

(a) The following provisions of the Treasury Regulations promulgated under Section 704 of the Code (the "**Section 704 Regulations**"), as they may be amended from time to time, shall be applied in allocating Net Profits and Net Losses hereunder: (i) Section 1.704-2(f) (minimum gain chargeback); (ii) Section 1.704-2(i)(4) (partner minimum gain chargeback); and (iii) Section 1.704-1(b)(2)(ii)(d) (qualified income offset).

(b) The Members shall, to the extent permissible by the Section 704 Regulations, reallocate Net Profits and Net Losses, or items thereof, if and to the extent necessary to ensure that the Members' Capital Account balances immediately prior to the liquidation of the Company are equal to the net proceeds each Member would be entitled to receive if liquidating distributions were to be made in accordance with the provisions of Section 7.1(c) of this Agreement. Member Nonrecourse Deductions shall be allocated among the Members as required in Section 1.704-2(i)(1) of the Treasury Regulations in accordance with the manner in which the Member or Members bear the burden of an economic loss corresponding to the Member Nonrecourse Deductions.

(c) In accordance with Section 704(c) of the Code and the Treasury Regulations promulgated thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take into account any variation between the adjusted basis of such property to the Company for federal and state income tax purposes and its agreed fair market value at the time of contribution.

(d) In the event that the Company has taxable income that is characterized as ordinary income under the recapture provisions of the Code, each Member's distributive share of taxable gain or loss from the sale of Company assets (to the extent possible) shall

include a proportionate share of this recapture income equal to that Member's share of prior cumulative depreciation deductions with respect to the assets which gave rise to the recapture income.

ARTICLE VII DISTRIBUTIONS

7.1 Distributions. The following provisions shall govern distributions of Company assets:

(a) Tax Distributions. To the extent permitted by Subsection (e) below, within thirty (30) days after the end of each Fiscal Quarter, the Company may make Estimated Tax Distributions (as defined below) relating to the taxable income of the Company. The amount of each such Estimated Tax Distribution made with respect to any given Member shall be the product of: (i) the amount of taxable income that the Company estimates will be allocable to such Member in accordance with the provisions of Article VI for the Fiscal Quarter that includes such date, multiplied by (ii) the highest marginal federal, state, and local income tax rate, taking into account any impact of the deductibility of state and local income taxes for determining federal income taxes (the "**Tax Rate**"), which would be payable by such Member if such Member were taxed for such taxable year (the "**Estimated Tax Distributions**"); provided, however, that such Estimated Tax Distributions may be reduced, in the discretion of the Manager, to account for losses allocated to any given Member in a prior Fiscal Quarter or Fiscal Period. To the extent permitted by Subsection (e) below, on or before April 15 of each year, the Company shall make distributions to each of the Members in an amount equal to the excess, if any, of the product of (i) the total actual taxable income for the immediately preceding Fiscal Year allocable to such Member pursuant to the provisions of Article VI, multiplied by (ii) the Tax Rate less (iii) the aggregate Estimated Tax Distributions made to such Member (if any) for such prior Fiscal Year (the "**Actual Tax Distributions**"); provided, however, that if a Member ceases to be a Member for any reason during a Fiscal Year, such Member shall be entitled to its share of the Estimated Tax Distributions and Actual Tax Distributions allocable on a daily basis to that portion of such Fiscal Year that such Member was a Member of the Company and such amounts shall be treated as actual distributions made to the Member as of the time immediately before the Member ceases to be a Member for all purposes hereof, including for purposes of maintaining Capital Accounts.

(b) Operating Distributions. Distribution Cash, if any, shall be distributed within ninety (90) days after the end of each Fiscal Year (or at such other time as the Manager may determine after taking into consideration the working capital needs of the Company) as follows:

(1) First, 100% to all Members in proportion to their respective Capital Contributions until the cumulative amount distributed equals a return on their unreturned Capital Contributions at the rate of 5.5% per annum from the last day of each month in which each such amount was contributed to the Company (the "**Cumulative Cash Distribution**");

(2) Second, 100% to all Members in proportion to their respective Capital Contributions, until the cumulative amount distributed equals 100% of each Member's aggregate unreturned Capital Contributions; and

(3) Thereafter, to all of the Members in proportion to the number of Interests owned or held by each Member relative to the total number of outstanding Interests as of the date of the distribution.

Notwithstanding the foregoing, no distributions shall be made to the extent that the Manager in his sole discretion determines that funds are not legally available for such distribution.

(c) Net Proceeds Distributions. Net Proceeds shall, following the allocation of all Net Profits and Net Losses hereunder, be distributed to the Members as follows:

(1) First, 100% to all Members in satisfaction of any remaining Cumulative Cash Distributions the Members are entitled to under Section 7.1(b)(1);

(2) Second, 100% to all Members in proportion to their respective Capital Contributions, until the cumulative amount distributed equals 100% of each Member's aggregate unreturned Capital Contributions; and

(3) Thereafter, to all of the Members in proportion to the number of Interests owned or held by each Member relative to the total number of outstanding Interests as of the date of the distribution.

Notwithstanding the foregoing, in the case of a refinancing, the Manager, in its sole discretion, may determine that a portion of the Net Proceeds of the refinancing should be applied to repaying certain indebtedness, retained for reasonable working capital or reserve requirements or used to make capital improvements to Company property.

(d) Final Liquidating Distributions. Distributions upon the final liquidation of the Company (as defined in Treasury Regulation Section 1.704-1(b)(2)(ii)(g)), as determined by the Manager, shall be made to the Members in proportion to and to the extent of their positive Capital Account balances following the allocation of all Net Profits, Net Losses and other tax items under Article VI through the date of liquidation.

(e) Limitation Upon Distributions. Notwithstanding any other provision contained herein to the contrary, no distributions may be declared and made if, after giving effect to such distributions, any of the following would occur: (i) the Company would not be able to pay its debts as they become due in the usual course of business; (ii) the Company's total assets would be less than its total liabilities; or (iii) such distribution would otherwise be in violation of the Wisconsin Act.

ARTICLE VIII ACCOUNTING AND TAX MATTERS

8.1 Capital Accounts. A separate Capital Account will be maintained for each Member as set forth below:

(a) The Capital Account of a Member shall mean the capital account of that Member determined from the inception of the Company strictly in accordance with the rules set forth in Section 1.704-1(b)(2)(iv) of the Treasury Regulations. Subject to the previous sentence, Capital Account shall mean: (i) the amount of money contributed by the Member to the Company, increased by (ii) the fair market value of property contributed by the Member to the Company (net of liabilities secured by the property or to which the property is subject), and (iii) the Member's allocable share of Net Profits pursuant to Section 6.1 and any items in the nature of income or gain that are specifically allocated pursuant to Section 6.2; and decreased by (iv) the amount of money distributed to the Member; (v) the Value of property distributed to the Member by the Company (net of liabilities secured by the property or to which the property is subject); (vi) the Member's allocable share of Net Losses pursuant to Section 6.1 and any items in the nature of deductions or losses specifically allocated pursuant to Section 6.2.

(b) In determining Capital Accounts, an assumption of a Member's unsecured liability by the Company shall be treated as a distribution of cash to the Member. An assumption of the Company's unsecured liability by a Member shall be treated as a cash contribution to the Company. For this purpose, the assumption of a secured liability in excess of the fair market value of the security shall be treated as the assumption of an unsecured liability to the extent of that excess.

(c) In the event that assets of the Company other than cash are distributed to a Member in kind, Capital Accounts shall be adjusted for the hypothetical gain or loss that would have been realized by the Company if the distributed assets had been sold for their fair market values in a cash sale (in order to reflect unrealized gain or loss).

(d) In the case of a transfer of Interests, the transferee shall inherit the Capital Account of the transferor with respect to such Interests, subject to any permitted adjustments under the Treasury Regulations.

(e) In the event of the acquisition of any additional Interests by any new or existing Member in exchange for more than a de minimus Capital Contribution, the assets of the Company shall be revalued and the Members' Capital Accounts adjusted to reflect the gain (or loss) that would have been allocated to each Member if all the assets of the Company had been sold at their fair market value immediately prior to the acquisition of the additional Interests.

(f) Except as otherwise required by the Wisconsin Act, no Member shall have any liability to restore all or any portion of the Member's Adjusted Capital Account Deficit.

8.2 Accounting Period. The Company's "Fiscal Year" shall be the calendar year.

8.3 Books and Records. The Company shall establish such books, records, and accounts for the Company as are customary for businesses similarly situated or as are required

by the Wisconsin Act and as accurately reflect the financial condition and position of the Company in accordance with generally accepted accounting principles consistently applied. The books and records of the Company may be inspected and/or copied by any Member, at the Member's own expense, during ordinary business hours and for proper purposes.

8.4 Reports. The Company shall prepare and provide the Members with unaudited annual financial statements (balance sheet, income statement, and statement of cash flow), together with all information required for the preparation of tax returns, within ninety (90) days after the close of each Fiscal Year.

8.5 Tax Matters Person. The Manager is hereby designated as the tax matters partner of the company, as provided in Treasury Regulations under Code Section 6231 (the "Tax Matters Person"), unless and until removed and replaced by the Members, and as such shall perform the duties as are required or appropriate thereunder. Each Member by the execution of this Agreement consents to such designation of the Tax Matters Person and agrees to execute, certify, acknowledge, delivery, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent. The Company shall indemnify and reimburse the Tax Matters Person for all expenses, including legal and accounting fees, claims, liabilities, losses and damages incurred in connection with the exercise of the duties of the Tax Matters Person. The payment of all such expenses shall be made before any distributions are made of net profits or any discretionary reserves are set aside by the Members. The taking of any action and the incurring of any expense by the Tax Matters Person in connection with any such proceeding, except to the extent required by law, as a matter in the sole discretion of the Tax Matters Person.

ARTICLE IX TRANSFERABILITY

9.1 General Restriction on Transfers. Each Member agrees and covenants that, except as otherwise permitted or required by this Agreement, the Member will not (a) Transfer (as defined below) any Interests the Member owns (or any interest in any Interests the Member owns), or (b) permit any Interests the Member owns (or any interest in any Interests the Member owns) to be the subject of a Transfer. No attempted Transfer in violation of this Agreement shall give the transferee rights to participate in the management of the business and affairs of the Company or to become a substituted Member; any such transferee shall only be entitled to receive the distributions and to share in the allocations of Net Profits and Net Losses to which the transferor would be entitled with respect to the Interests attempted to be transferred. For purposes of this Agreement, "Transfer" means, with respect to a Unit, to sell, pledge, encumber or otherwise transfer or dispose of ownership or control of the Unit, or any interest in the Unit, whether voluntarily or involuntarily (including, without limitation, by operation of law, except as provided in Section 9.5 of this Agreement). Notwithstanding the foregoing, for purposes of this Agreement, a pledge of a Unit to a financial institution solely as security for indebtedness shall not be deemed to be a Transfer, provided that any action (including, without limitation, an action in foreclosure) that is taken by the secured party in order to transfer any interest in the Unit after an event of default under any security agreement shall be deemed to be a Transfer.

9.2 Permitted Transfers; Permitted Transferees. Any Member may Transfer Interests to any Permitted Transferee (as defined below) without the consent of the Manager and the other Members and without triggering an option to purchase under this Agreement. Any Permitted Transferee receiving Interests as permitted under this Section 9.2 shall become a substituted Member as to such Interests; provided, however, that any Permitted Transferee, at the time of receipt of the Interests, shall agree in writing expressly for the benefit of the other Members that he, she or it shall be bound by this Agreement to the same extent as if he, she or it had been an original party hereto and the Interests he, she or it receives shall be held subject to all of the terms and conditions of this Agreement. For purposes of this Agreement, "Permitted Transferee" means: (i) another Member; (ii) the Company; (iii) the spouse or lineal descendants of the transferring Member, (iv) any entity in which all of the beneficial owners are Permitted Transferees, or (v) a trust, limited liability company, limited partnership or limited liability partnership created solely for the benefit of a Member, the Member's spouse and/or lineal descendants, but only if the Member serves as the sole trustee, sole manager or sole general partner, as applicable, thereof. In the event that (i) the Member ceases to be the sole trustee, sole manager or sole general partner, as applicable, of any such trust, limited liability company or limited partnership, whether by death, resignation, removal or otherwise, or (ii) the trust, limited liability company or limited partnership ceases to be solely for the benefit of a Member, the Member's spouse and/or lineal descendants, then all Interests held by the trust, limited liability company or limited partnership that do not then revert to the Member shall be treated for purposes of this Article IX hereof as being a part of a proposed Transfer to a Person other than a Permitted Transferee, and the trust, limited liability company or limited partnership and any beneficiaries thereof shall be under the same obligation to sell or offer to sell such Interests in the same manner and on the same terms and conditions as a Member under Article X of this Agreement.

9.3 Proposed Transfers; Rights of First Refusal; Requirements. If any Member desires to Transfer Interests, other than to a Permitted Transferee, or if by reason of a Member's death or dissolution, as applicable, all or a portion of such Member's Interests may pass to a party that is not a Permitted Transferee, then the Company and the other Members shall have an option to purchase such Interests, as provided in Article X of this Agreement. With regard to Interests subject to the option to purchase, a Member's estate or trust; as the case may be, shall be under the same obligation to sell or to offer to sell such Interests in the same manner and upon the same terms and conditions as a Member under Article X of this Agreement. Except as provided in Section 9.2, a transferee of Interests shall become a substituted Member, with the rights and responsibilities of a Member, only if and when all of the following conditions are satisfied to the satisfaction of the Manager:

(a) The Company has received a written instrument of transfer of such Interests, which instrument shall be signed by the transferor Member and the transferee and shall contain the name and address of the transferee and the transferee's express acceptance of and agreement to be bound by all of the terms and conditions of this Agreement;

(b) All requirements of applicable state and federal securities laws have been met by the transferor and the transferee;

(c) Such transfer will not result in the Company's loss of any exemption (federal or state) from the registration of the sale of securities relied upon in its offering of the Interests;

(d) Such transfer will not result in the Company being classified as an "association" which is taxable as a corporation for federal income tax purposes;

(e) The Company shall have been reimbursed for all reasonable expenses incurred by the Company in connection with such transfer, including but not limited to reasonable attorneys' fees and expenses relating to evaluation of the proposed transfer and preparation, filing, and/or publishing of any and all documents necessary or appropriate to effectuate such transfer; and

(f) Such transfer has been approved and consented to by Members owning or holding at least a majority of the Interests outstanding at such time, which approval and consent may be withheld for any reason or no reason at all.

9.4 Bankruptcy; Certain Involuntary Transfers; Defaults. If any Member at any time during the period of ownership of any Interests becomes bankrupt or insolvent, or files any debtor proceedings, or takes or has taken against such Member any proceeding of any kind under any provisions of any applicable bankruptcy or insolvency law seeking any readjustment, rearrangement, composition, postponement or reduction of debts, liabilities or obligations (in the case of an involuntary proceeding, which is not dismissed or removed within sixty (60) days), or is subject to any Transfer of any interest in Interests by operation of law (subject to Section 9.5 of this Agreement), or commits any breach of the agreements or provisions contained in this Agreement (the occurrence of any such event being referred to as a "Default"), then the Company and the other Members shall have the option to purchase all or any portion of the Interests owned by such Member in Default, as provided in Article X of this Agreement. Such purchase option will be one remedy for such Default, without prejudice to any other right or remedy that the Company or any other Member may have under law or pursuant to this Agreement.

9.5 Marital Property. For purposes of this Agreement, all references to Interests owned or held by a Member shall include, without limitation, all interests in Interests now owned or hereafter acquired by a spouse of such Member (the "Spouse") as marital property or pursuant to the Spouse's elective rights to deferred marital property or to an augmented marital property estate. The creation of an interest in the Interests in the Spouse by operation of marital property or community property laws (e.g., by reason of reclassification by agreement between the Member and the Member's Spouse or because the Member acquires a portion or all of the Member's interest in exchange for property that is classified as marital property or community property) during such Member's lifetime shall not be deemed to be a Transfer of the Interests or any portion thereof for purposes of this Article IX so long as (a) the Interests in which such interest is created continue to be registered in the name of such Member and (b) such Member maintains full management and control rights with respect to such Interests; provided, however, that if either of the foregoing conditions shall cease to be satisfied, then such Member, the Company and the other Members shall have the option to purchase such Spouse's interest in the Interests in the sequence and manner and upon the same terms and conditions as specified in

Section 9.6 of this Agreement as if the marital relationship of such Member and such Member's Spouse had been terminated. During the marriage of a Member and the Member's Spouse, such Member's obligation to sell or offer to sell Interests pursuant to this Agreement shall include an obligation on the part of such Member's Spouse to sell or offer to sell any interest of such Spouse in the Interests in the same manner and upon the same terms and conditions.

9.6 Termination of a Marriage of a Member. Upon the termination of the marriage of a Member, whether by death of such Member's Spouse or by divorce, if such Member does not succeed to the marital property or other interest of such Member's Spouse in the Interests held by such Member, then such Member shall have the right to purchase such interest from such Member's Spouse or the personal representative of such Spouse's estate, as the case may be, on the terms provided in Section 10.3 of this Agreement, or as otherwise agreed by the parties thereto. If such Member desires to exercise this purchase option, then such Member shall give written notice of such exercise to such Member's Spouse or such Member's Spouse's estate, as the case may be. If such Member fails to exercise such right to purchase within thirty (30) days of the date of termination of such Member's marriage, then the Company and the other Members shall have an option to purchase such Spouse's interest in such Interests, as provided in Article X of this Agreement. With regard to Interests subject to the option to purchase, such a Spouse or a Spouse's estate or trust, as the case may be, shall be under the same obligation to sell or to offer to sell such Interests in the same manner and upon the same terms and conditions as a Member under Article X of this Agreement.

9.7 Financial Adjustments. In the event of any Transfer under this Article IX, the Company may, after consultation with the Company's accountants, close the Company books (as though the Company's tax year had ended) or make *pro rata* allocations of Net Profits and Net Losses reflecting the differing Interests of the Members in the Company for the year of transfer in accordance with the provisions of Section 706(d) of the Code and the Treasury Regulations promulgated thereunder. In addition, the Company may file an election under Section 754 of the Code to adjust the tax basis of the Company's assets in the event of a transfer of Interests or a distribution of the Company's property in accordance with the provisions of this Agreement.

ARTICLE X OPTIONS TO PURCHASE

10.1 General. Any purchase option for which provision is made in Article IX of this Agreement shall be governed by the following provisions of this Article X.

10.2 Terms of Purchase (Third Party Offer). If the Member holding Interests subject to a purchase option governed by this Article X has received a Third Party Offer (as defined below) for the Interests that such Member desires to accept, then such Member shall: (a) deliver to the Company and to the other Members a copy of the Third Party Offer and, if not specified in the Third Party Offer, the following information (i) the name and address of the proposed transferee(s), (ii) the number of Interests to be transferred, and (iii) the proposed purchase price and the other terms of the proposed transfer; and (b) offer to sell such Interests to the Company and to the other Members, in accordance with the following provisions of this Article X, at the price and on the terms contained in the Third Party Offer. For purposes of this Agreement, "Third Party Offer" means an arm's length, binding, *bona fide*, written offer to purchase from

an unrelated third party, which describes the terms and conditions of the offer and does not include any term or provide for any consideration which, by reason of the unique or unusual nature of the term or consideration, could not be met or provided for by an ordinary third party.

10.3 Terms of Purchase (No Third Party Offer). If the Member holding Interests subject to a purchase option governed by this Article X has not received a Third Party Offer for the Interests, then such Member shall immediately notify the Company and the other Members of the triggering of the purchase option and shall offer to sell such Interests to the Company and to the other Members, in accordance with the following provisions of this Article X, at the Determined Value (as hereinafter defined) and on such terms and conditions as are mutually agreed upon by such selling Member and the Company, if the Company elects to purchase such Interests, or if not, on such terms and conditions as are mutually agreed upon by such selling Member and the other Members who elect to purchase such Interests. If no mutual agreement can be reached, within sixty (60) days after the purchase option governed by this Article X arises, between the selling Member and the Company or the purchasing Members, as the case may be, as to the terms and conditions of the purchase, then the purchase price shall be paid as follows: one hundred percent (100%) in cash at Closing (payable by check which clears in the ordinary course or other immediately available funds). For purposes of this Section, the **"Determined Value"** shall be the value agreed upon by the selling Member and the Company or the purchasing Members, as the case may be, or if such agreement is not reached within sixty (60) days after the purchase option governed by this Article X arises, the price determined by an appraisal prepared by a qualified appraiser mutually selected by the selling Member and the Company or Members purchasing the Interests. If the parties are unable to agree on an appraiser within five (5) days of beginning to attempt to agree, then each party to the transaction shall choose an appraiser, and appraisers so chosen shall select a different appraiser whose determination of fair market value shall govern and shall be binding and conclusive. Unless otherwise agreed by the parties to the transaction, the appraisal costs shall be borne one-half (1/2) by the selling Member and one-half (1/2) by the Company or Members purchasing the Interests. The parties agree that the valuation method used shall take into account discounts for minority interests and lack of marketability.

10.4 Company's Purchase Option. For a period of thirty (30) days following receipt of the items specified in Section 10.2, or the written notice specified in Section 10.3, as the case may be, the Company shall have the option to purchase the Interests subject to the purchase option on the terms and conditions specified in Section 10.2 or Section 10.3, as applicable. The Company's purchase option under this section may be assigned by the Company to a third-party buyer or a current Member of the Company in the sole and absolute discretion of the Manager. The Company shall give the selling Member written notice if it chooses to exercise its purchase option.

10.5 Other Members' Purchase Option. If, or to the extent that, the Company does not exercise its purchase option under Section 10.4 above within the 30-day period specified therein, then the Members other than the selling Member shall have the option to purchase, as provided under Section 10.2 or 10.3 above, any such Interests not purchased by the Company by the end of its 30-day option period for an additional 30-day period. In the event that one or more other Members exercise their purchase options under this Section 10.5, each exercising Member shall have the option to purchase a proportionate number of the Interests to be purchased under this

Section 10.5 based on a fraction, the numerator of which is the number of Interests owned by such Member and the denominator of which is the total number of Interests owned by all Members exercising the purchase option under this Section 10.5. Should any of the Members other than the selling Member fail to purchase all of the Interests to which that Member is entitled under this Section 10.5, each other such Member shall have the option to purchase a proportionate number of those unpurchased Interests based on a fraction, the numerator of which is the number of Interests owned by such Member and the denominator of which is the total number of Interests owned by all Members still willing to exercise their purchase options under this Section 10.5.

10.6 Closing. The consummation of any purchase and sale contemplated by this Article X is referred to as the “**Closing**.” The Closing shall take place at a place, date and time as the parties shall agree. If the parties cannot so agree, the Closing shall take place at the Company’s principal business office on the thirtieth (30th) day following the expiration of the option period at 10:00 a.m. For this purpose, the expiration of the option period shall be deemed to occur at the end of the 60-day combined option period under Sections 10.4 and 10.5 or on the date written notice is given to the selling Member of exercise of the option to purchase all Interests offered for sale by the selling Member, whichever is earlier. If such day is a Saturday, Sunday or national holiday, then the Closing shall take place on the next succeeding business day.

10.7 Effect of Purchase of Member’s Interests. A Member shall cease to be a Member upon the election by the Company or other Members to purchase all of the Member’s Interests pursuant to Section 10.4 or 10.5, and the former Member shall have no rights as a Member during any period the Company or the other Members are making payments under any promissory note given as part of the purchase price for the former Member’s Interests. Any distributions to be paid after the election to purchase all of a Member’s Interests pursuant to Section 10.4 or 10.5, but before the closing of the purchase, shall be paid: (a) to the purchaser(s), if the closing takes place, or (b) to the selling Member, if the closing does not take place.

10.8 Permitted Transfers After Option Period. If, or to the extent that, the Company and the other Members do not exercise the options to purchase all of the Interests subject to a purchase option governed by this Article X during the 60-day combined option period under Sections 10.4 and 10.5, then the selling Member may Transfer the remaining Interests for a period of thirty (30) days following the end of the 60-day combined option; provided, however, that if the transferring Member received a Third Party Offer for such Interests, then the transferring Member may only Transfer the Interests pursuant to the terms of the Third Party Offer presented to the Company and the other Members under Section 10.2. If, or to the extent that, the selling Member does not Transfer such Interests during such 30-day period, then a new offer shall be made to the Company and the other Members and the provisions of this Article X shall apply again to any such untransferred Interests before any Transfer of such Interests by the selling Member to any third party (other than a Permitted Transferee).

ARTICLE XI
DISSOLUTION AND TERMINATION

11.1 Dissolution. The Company shall be dissolved upon the occurrence of any of the following events:

- (a) Upon the election of the Manager to dissolve the Company; or
- (b) Upon the judicial dissolution of the Company pursuant to Section 183.0902 of the Wisconsin Act.

11.2 Effect of Dissolution. Upon an event of dissolution, the Company shall cease to carry on its business, except insofar as may be necessary for the winding up of its business, but its separate existence shall continue until the activities set forth in Section 11.3 have been completed. As soon as possible following the occurrence of any of the events specified in Section 11.1 effecting the dissolution of the Company, the appropriate representative of the Company shall execute articles of dissolution in such form as shall be prescribed by the Wisconsin Act and file the same with the Wisconsin Department of Financial Institutions.

11.3 Liquidation. Upon dissolution, an accounting shall be made of the accounts of the Company and of the Company's assets, liabilities and operations, from the date of the last previous accounting until the date of dissolution. If the Company is dissolved and its affairs are to be wound up, the Manager shall:

- (a) Sell or otherwise liquidate all of the Company's assets as promptly as is consistent with obtaining fair value for them.
- (b) Allocate any Net Profits or Net Losses resulting from such sales to the Members in accordance with Article VI of this Agreement.
- (c) Discharge all liabilities of the Company, including liabilities to Members who are creditors, to the extent otherwise permitted by law, other than for distributions, and establish such reserves as may be reasonably necessary to provide for contingencies or liabilities of the Company (for purposes of determining the Capital Accounts of the Members, the amounts of such reserves shall be deemed to be an expense of the Company).
- (d) Distribute the remaining assets to the Members, either in cash or in kind, as determined by the Manager, in accordance with the provisions of Section 7.1(d) of this Agreement. If any assets of the Company are to be distributed in kind, the net fair market value of those assets as of the date of dissolution shall be determined by independent appraisal or by agreement of the Members. Those assets shall be deemed to have been sold as of the date of dissolution for their fair market value, and the capital accounts of the Members shall be adjusted pursuant to the provisions of Section 8.1 of this Agreement to reflect such deemed sale.

11.4 Deficit Capital Account Balance. Notwithstanding anything contained in this Agreement to the contrary, upon a liquidation, within the meaning of Section 1.704-1(b)(2)(ii)(g)

of the Treasury Regulations, if any Member has a deficit balance in the Member's capital account (after giving effect to all contributions, distributions, allocations, and other capital account adjustments for all taxable years, including the year during which such liquidation occurs), the Member shall have no obligation to make any capital contribution to reduce or eliminate such deficit balance, and the deficit balance of the Member's capital account shall not be considered a debt owed by the Member to the Company or to any other person for any purpose whatsoever.

11.5 Return of Contribution; Nonrecourse to Other Members. Except as provided by law or as expressly provided in this Agreement, upon dissolution, each Member shall look solely to the assets of the Company for the return of such Member's capital contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the capital contribution of one or more Members, the Members shall have no recourse against any other Member.

11.6 Termination. The Company shall terminate when all assets of the Company have been sold and/or distributed and all affairs of the Company have been wound up.

11.7 Consequences of Termination. Upon the termination of the Company pursuant to Section 11.6, all rights and obligations under this Agreement shall forthwith terminate; provided, however, that all claims of any Member against another Member for damages arising out of acts or omissions of the other Member outside the scope of, or in breach of, this Agreement shall not be affected by termination of the Company.

ARTICLE XII POWER OF ATTORNEY

12.1 Power of Attorney. By his or her execution hereof, each Member irrevocably constitutes and appoints the Manager and any additional or successor Manager, as his or her true and lawful attorneys in his or her name, place and stead, to make any amendment to this Agreement specifically provided for herein, to make, executive, acknowledge and file any certificate or other instrument which may be required to be filed by the Company under the laws of Wisconsin, or any other states and any and all other instruments as may be deemed necessary or desirable by the Manager to carry out fully the provisions of this Agreement in accordance with its terms. Further, this Agreement may be executed by the Manager as the attorney-in-fact pursuant to a power of attorney granted to the Manager by certain Members as a part of the Offering.

12.2 Grant of Authority. It is expressly intended by each of the Members that the foregoing power of attorney is coupled with an interest. The foregoing power of attorney shall survive the delivery of an assignment by any of the Members of the whole or any portion of his or her Interests, except that where an assignee of such Interests has been approved by the Manager as a substituted Member, then the foregoing power of attorney of the assignor Member shall survive the delivery of such assignment for the sole purpose of enabling the Manager to execute, acknowledge and file any and all instruments necessary to effectuate such substitution. A similar power of attorney shall be one of the instruments which the Manager shall require an assignee of a Member to execute as a condition of his admission as a substituted Member.

ARTICLE XIII
MISCELLANEOUS PROVISIONS

13.1 Notices. Any notice, consent, request, authorization or approval (collectively, a "Notice") permitted or required under this Agreement shall make specific reference to the fact that the Notice is pursuant to this Agreement, and shall be in writing, signed and personally delivered or sent by registered or certified mail. The date of personal delivery or the date of mailing by United States Postal Service registered or certified mail shall be considered the date of the Notice. Any Notice to the Company shall be sent to it at 220 Saint Lawrence Ave., Janesville, WI 53545. A copy of any Notice sent to the Company shall also be sent to Attorney Joseph P. Hildebrandt (c/o Foley & Lardner LLP, Post Office Box 1497, Madison, Wisconsin 53701-1497) or any other attorney designated by the Manager.

13.2 Waiver of Partition. The Members hereby agree that no Member, nor any successor in interest to any Member, shall have the right, while this Agreement remains in effect, to have any Company property partitioned, or to file a complaint or institute any proceeding at law or in equity to have such property partitioned, and all Members, on behalf of themselves and their heirs, personal representatives, successors and assigns, hereby waive any such right.

13.3 Choice of Law and Severability. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws and decisions of the State of Wisconsin. If any provision of this Agreement shall be contrary to the laws of Wisconsin or any other applicable law, at the present time or in the future, such provision shall be deemed null and void, but this shall not affect the legality of the remaining provisions of this Agreement. This Agreement shall be deemed to be modified and amended so as to be in compliance with applicable law and this Agreement shall then be construed in such a way as will best serve the intention of the parties at the time of the execution of this Agreement.

13.4 Captions, Gender and Number. The captions in this Agreement are inserted only as a matter of convenience and in no way affect the terms or intent of any provision of this Agreement. All defined phrases, pronouns and other variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the actual identity of the organization, person or persons may require.

13.5 Counterparts. This Agreement may be executed in one or more counterparts, each bearing the signatures of one or more Members. Each such counterpart shall be considered an original and all of such counterparts shall constitute a single agreement binding all the parties as if all had signed a single document.

13.6 Binding Effect. Except as provided to the contrary, the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of all the Members, their heirs, personal representatives, successors and assigns.

13.7 Entire Agreement. This Agreement, including any Schedules and Exhibits, constitutes the entire agreement among the Members regarding the terms and operations of the Company, except as amended in writing pursuant to the requirements hereto, and supersedes all

prior and contemporaneous agreements, statements, understandings and representations of the parties.

13.8 Creditors. The provisions of this Agreement are not for the benefit of and may not be specifically enforced by any creditors of the Company.

13.9 No State Law Partnership. The Members intend that the Company not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member for any purposes other than federal and state tax purposes, and the provisions of this Agreement may not be construed to suggest otherwise.

13.10 Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney, and other instruments necessary to comply with any applicable laws, rules, or regulations.

13.11 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, that would have originally constituted a violation, from having the effect of an original violation.

13.12 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

13.13 Amendments. Except as specifically provided in this Agreement, neither this Agreement nor the Articles of Organization may be amended except by the written agreement of the Manager and Members owning or holding at least seventy-five percent (75%) of the Interests outstanding at such time. Notwithstanding the foregoing, the Manager, without seeking the approval or consent of the Members, may amend this Agreement to make those changes that the Manager determines are necessary, appropriate, or desirable to achieve the intent of this Agreement, including, without limitation, by clarifying ambiguities, correcting inconsistencies, inserting unintentional omissions, attempting to ensure compliance with the Wisconsin Act and applicable tax and securities laws, and making any other changes which do not alter the rights or obligations of the Members in a manner that would materially disadvantage the Members. Such changes may only be made by the Manager after specific consultation with legal counsel on such matters, and the Manager shall give each Member prompt notice of any such changes made.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, or caused it to be duly executed, effective as of the date first set forth above.

COMPANY:

ESQUIRE MANAGEMENT LLC
By Tri-Co of Wisconsin LLC, its manager

By: Bradley J. Goodrich
Bradley J. Goodrich, its sole member

MEMBERS:

By Tri-Co of Wisconsin LLC, pursuant to a power of attorney executed by each Member

By: Bradley J. Goodrich
Bradley J. Goodrich, its sole member

INVESTORS LLC

By: Bradley J. Goodrich
Bradley J. Goodrich, its sole member

TRI-CO OF WISCONSIN LLC

By: Bradley J. Goodrich
Bradley J. Goodrich, its sole member

TABLE 1: FINANCIAL FORECASTS AND ASSUMPTIONS*
(without the Acquisition of the Social Security Property)

Basis of Forecasts:	
☒	Income: from rent, loan payments on tenant loans and income from Hollywood Tan and the Westside Laundromat. Forecasted income assumes 100% occupancy. Assumptions are based on prior year's performance, projected increases in rent as well as lease commitments.
☒	Mortgages: total monthly and yearly payments on the mortgage note on the Real Estate.
☒	Taxes: projected taxes based on the current mil rate. Some assumptions are made based on prior year's performance and new levels of increases.
☒	Utilities, Insurance and Maintenance: these costs are projected based on prior years' costs.

PROJECTED INCOME STATEMENT		MONTHLY	ANNUALLY
INCOME	WESTSIDE PLAZA PROPERTY		
	ANGELO'S RESTAURANT (FROM 7/1/04)	\$3,500.00	\$42,000.00
	MUGSHOTZ	\$1,300.00	\$15,600.00
	PERFECT FIT (FROM 5/1/04)	\$4,150.00	\$49,800.00
	PERFECT FIT NOTE (FROM 5/1/04)	\$650.00	\$7,800.00
	HOLLYWOOD TAN	\$2,200.00	\$26,400.00
	LAUNDROMAT	\$1,500.00	\$18,000.00
	DUPLEX	\$1,300.00	\$15,600.00
	PLAINFIELD BUILDING (AUTOPOINT)	\$2,800.00	\$33,600.00
	PLAINFIELD BUILDING (AVAILABLE)	\$2,753.00	\$33,036.00
	TOTAL INCOME	\$20,153.00	\$241,836.00
EXPENSES	MORTGAGES (THREE PROPERTIES)	\$11,026.00	\$132,312.00
	MANAGEMENT FEE (5% OF GROSS)	\$1,122.65	\$13,471.80
	PROPERTY TAXES	\$1,400.00	\$16,800.00
	INSURANCE	\$300.00	\$3,600.00
	UTILITIES	\$4,000.00	\$48,000.00
	EXTERIOR/GROUNDS MAINTENANCE	\$500.00	\$6,000.00
	TOTAL EXPENSES	\$18,348.65	\$220,183.80
	FORECASTED NET INCOME		\$21,652.20

THE FINANCIAL FORECASTS AND ASSUMPTIONS WERE PREPARED SOLELY BY THE MANAGER WITHOUT ANY INDEPENDENT THIRD PARTY REVIEW. THEY ARE BASED UPON CERTAIN ASSUMPTIONS MADE BY THE MANAGER AND CONSIDERED BY THE MANGER TO BE REASONABLE. FUTURE INCOME AND EXPENSES OF THE COMPANY, HOWEVER, ARE IMPOSSIBLE TO PREDICT AND NO REPRESENTATION, GUARANTY, OR WARRANTY IS TO BE INFERRED FROM THESE FORECASTS AND ASSUMPTIONS.

TABLE 2: FINANCIAL FORECASTS AND ASSUMPTIONS*
(Including the Acquisition of the Social Security Property)

Basis of Forecasts:	
■	Income: from rent, loan payments on tenant loans and income from Hollywood Tan and the Westside Laundromat. Forecasted income assumes 100% occupancy. Assumptions are based on prior year's performance, projected increases in rent as well as lease commitments.
■	Mortgages: total monthly and yearly payments on the mortgage note on the Real Estate.
■	Taxes: projected taxes based on the current mil rate. Some assumptions are made based on prior year's performance and new levels of increases.
■	Utilities, Insurance and Maintenance: these costs are projected based on prior years' costs.

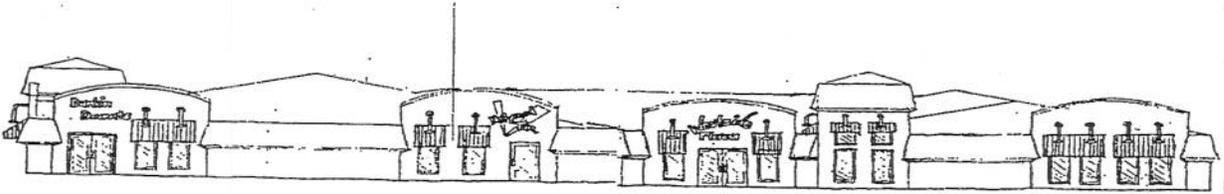
FORECASTED INCOME STATEMENT		MONTHLY	ANNUALLY
INCOME	WESTSIDE PLAZA PROPERTY		
	ANGELO'S RESTAURANT (FROM 7/1/04)	\$3,500.00	\$42,000.00
	MUGSHOTZ	\$1,300.00	\$15,600.00
	PERFECT FIT (FROM 5/1/04)	\$4,150.00	\$49,800.00
	PERFECT FIT NOTE (FROM 5/1/04)	\$650.00	\$7,800.00
	HOLLYWOOD TAN	\$2,200.00	\$26,400.00
	LAUNDROMAT	\$1,500.00	\$18,000.00
	DUPLEX	\$1,300.00	\$15,600.00
	PLAINFIELD BUILDING (AUTOPOINT)	\$2,800.00	\$33,600.00
	PLAINFIELD BUILDING (AVAILABLE)	\$2,753.00	\$33,036.00
	SOCIAL SECURITY PROPERTY	\$18,787.00	\$225,445.00
	TOTAL INCOME	\$38,940.00	\$467,281.00
EXPENSES	MORTGAGES (THREE PROPERTIES)	\$11,026.00	\$132,312.00
	MORTGAGE (SOCIAL SECURITY)	\$9,210.00	\$110,520.00
	OPERATING EXPENSES (SOCIAL SECURITY)	\$5,429.91	\$65,159.00
	MANAGEMENT FEE (5% OF GROSS)	\$2,062.00	\$24,747.05
	PROPERTY TAXES	\$1,400.00	\$16,800.00
	INSURANCE	\$300.00	\$3,600.00
	UTILITIES	\$4,000.00	\$48,000.00
	EXTERIOR/GROUNDS MAINTENANCE	\$500.00	\$6,000.00
	TOTAL EXPENSES	\$33,927.91	\$407,138.05
	FORECASTED NET INCOME		\$60,142.95

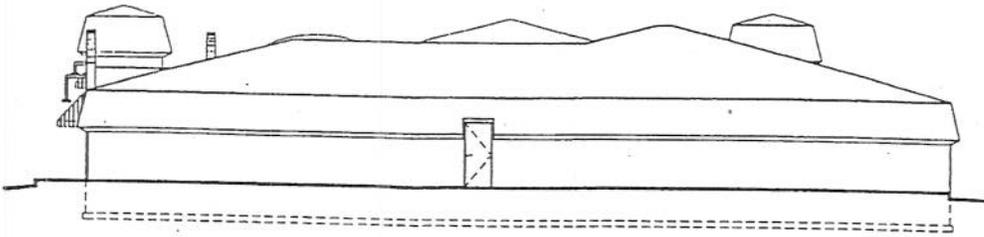
* THE FINANCIAL FORECASTS AND ASSUMPTIONS WERE PREPARED SOLELY BY THE MANAGER WITHOUT ANY INDEPENDENT THIRD PARTY REVIEW. THEY ARE BASED UPON CERTAIN ASSUMPTIONS MADE BY THE MANAGER AND CONSIDERED BY THE MANGER TO BE REASONABLE. FUTURE INCOME AND EXPENSES OF THE COMPANY, HOWEVER, ARE IMPOSSIBLE TO PREDICT AND NO REPRESENTATION, GUARANTY, OR WARRANTY IS TO BE INFERRED FROM THESE FORECASTS AND ASSUMPTIONS.

EXHIBIT D

ADDITIONAL INFORMATION REGARDING THE REAL ESTATE AND THE BUSINESSES

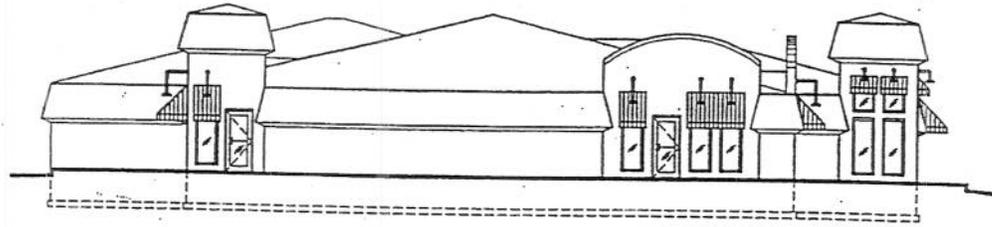
1. Westside Plaza Property: Below are a rendering of the addition that is currently being constructed at the property, and floor plans for the addition.





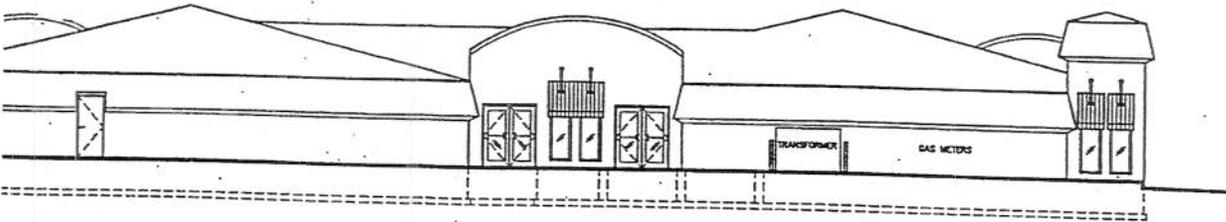
5
A2

EAST ELEVATION
SCALE: 1/8" = 1'
2003\WEST SIDE PLAZA\WP-ELEV.DWG
NOVEMBER 3, 2003



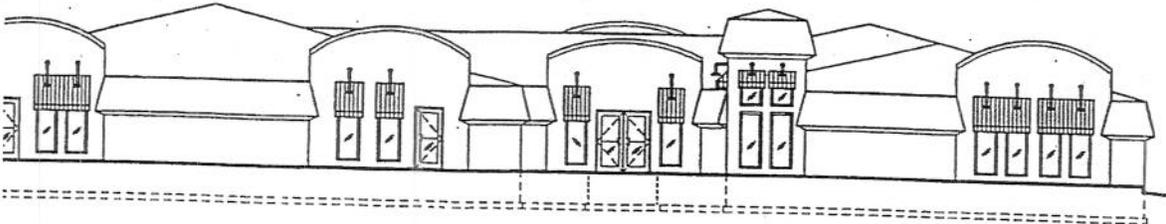
10
A2

WEST ELEVATION
SCALE: 1/8" = 1'
2003\WEST SIDE PLAZA\WP-ELEV.DWG
NOVEMBER 3, 2003



15
A2

NORTH ELEVATION
SCALE: 1/8" = 1'
2003\WEST SIDE PLAZA\WP-ELEV.DWG
NOVEMBER 3, 2003



SHEET TITLE

ELEVATIONS

REVISIONS

2/12/04

PROJECT DATA

DATE: 11/20/2003

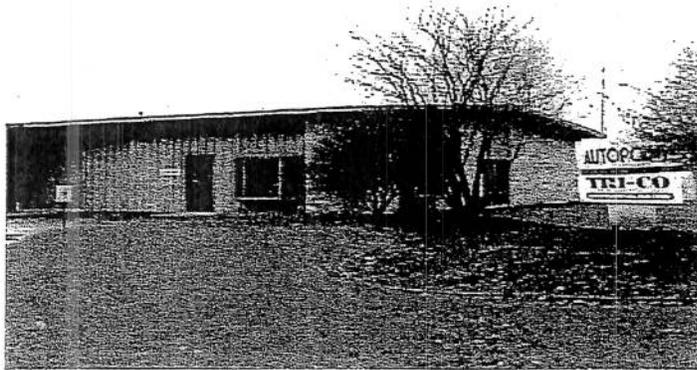
JOB NO.

DRAWN BY: CL

CHECKED BY:

SHEET NO.

2. Plainfield Building: Below is a photo of the Plainfield Building.



3. The Duplex: Below is a photo of the Duplex



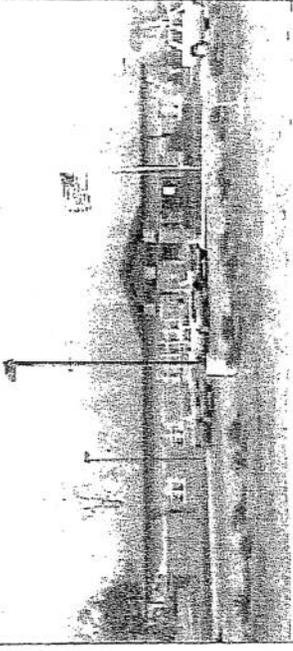
Any potential investor desiring additional information regarding the Real Estate or the Businesses may obtain additional information regarding such properties at the offices of the Company.

THE SOCIAL SECURITY PROPERTY

EXHIBIT E

GSA - Social Security Building

GSA - Social Security Building
222 North Academy Street
Janesville, WI 53548
County: Rock

<p>Photos</p> 	<p>For Sale Active</p> <p>Property Use Type: Investment Primary Type: Office Institutional/Governmental Building Size: 9,198 SF Year Built: 2002 Net Lease Yes Investment Lease Expires: 9/4/2022 (option to non-renew at 9/4/2012)</p>
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Additional Information

EXHIBIT F

BACKGROUND INFORMATION REGARDING BRADLEY J. GOODRICH

Bradley Jay Goodrich

Born in Janesville, Wisconsin 1964

Married to Trudi A. Goodrich in 1984

Husband of four children Nichole (18), Brittney (16), Seth (10), Brianna (8)

Resides at 210 South Garfield Ave. Janesville, WI 53545

Ministry Experience:

Brad has served as a minister for over eighteen years in both the Wesleyan Church and Free Methodist Church in Janesville, Wisconsin. He served in both the assistant and senior minister roles at several churches and presently is providing itinerant services on a part-time basis to churches with an emphasis on revival ministries.

Education Experience:

Asbury College in Wilmore Kentucky, Hyles Anderson College in Hammond Indiana, and graduated in 1986 from Southern University with a Bachelor of Arts degree in Pastoral Studies and Theology. Within the financial industry, Brad successfully passed the series 7,6,63 examinations, and is currently an Investment Adviser Representative of his own registered investment advisory firm.

Board Experience:

Brad has served and is serving on various boards including local church boards and corporate boards. Brad is also the President and Board Chairman of The Ekklasia Foundation, Inc.

Corporate Experience:

Brad serves as Chief Executive Officer and sole owner of the Argurion Group, Inc., a Registered Investment Advisory Firm. The advisory firm presently manages approximately \$5,000,000 in investments varying from stock to fixed investment portfolios. The firm has both institutional and individual clients and has expertise in the area of 403(b) and 403(b)7 plans.

Real Estate:

- Developed a construction company for building new projects as well as extensive remodeling work in the residential and commercial markets.
- Developed an electrical services division, to wire homes for several builders.
- Brad owns and leases commercial facilities to corporations through the Tri-Co of Wisconsin LLC and Investors, LLC.

- (a) The undersigned has received, read and understood and is familiar with the Memorandum (wherein the terms and conditions of the offering of the Interests and the special risks in purchasing them are described) and especially, the Operating Agreement and this Subscription Agreement;
- (b) The Company has made available all additional information which the undersigned has requested in connection with the transactions contemplated by the Memorandum and the undersigned has been afforded an opportunity to ask questions of and receive answers from the Manager concerning the Company, the Manager, the terms and conditions of the Operating Agreement and the purchase of the Interests and the opportunity to obtain any additional information (to the extent the Manager has such information or could acquire it without unreasonable effort or expense) necessary to verify the accuracy of information otherwise furnished by the Manager;
- (c) No representations or warranties have been made to the undersigned by the Company, the Manager or the owner of the Manager, or any person acting on behalf of the Company, the Manager or any member of it, other than as set forth in the Memorandum, the Operating Agreement and this Subscription Agreement;
- (d) The undersigned has investigated the acquisition of the Interests to the extent the undersigned deemed necessary or desirable and the Company and its Manager have provided the undersigned with any assistance requested in connection therewith and has obtained to the extent the undersigned deems necessary, the undersigned's own professional advice with respect to the investment in the Interests and the suitability of the investment in the Interests in light of the undersigned's financial condition and investment needs;
- (e) The undersigned acknowledges and is aware of the following:
- (i) The investment in the Interests is speculative and involves a high degree of risk, including a risk of loss of the entire investment in the Company and the other risks described in the Memorandum under "Risk Factors";
 - (ii) There are substantial restrictions on the transferability of the Interests. The Interests will not be, and Investors in the Company have no rights to require that the Interests be, registered under the Securities Act of 1933, as amended ("Securities Act") or under any state securities laws ("Laws"); there is no public market for the Interests and the Members' exit right is subject to certain limitations and restrictions; the undersigned accordingly may have to hold the Interests indefinitely; it may not be possible for the undersigned to liquidate the investment in the Company; and
 - (iii) No state or federal agency has made any finding or determination as to the fairness of the terms of this Offering, or of the Operating Agreement. No state or federal agency has made any finding or determination as to the accuracy of the information contained in the Memorandum.
- (f) The Interests are being acquired for the undersigned's own account for long-term investment, with no intention of distributing or selling any portion thereof within the meaning of the Securities Act, and will not be transferred by the undersigned in violation

of the Securities Act, the Laws or the then applicable rules or regulations thereunder. No one other than the undersigned has any interest in or any right to acquire the Interests. In the event the undersigned later desires to dispose of or transfer the Interests in any manner, the undersigned shall not do so without first complying with the provisions of the Operating Agreement, the Securities Act and the Laws;

- (g) The undersigned's financial condition is such that the undersigned is able to bear the risk of holding the Interests for an indefinite period of time and the risk of loss of the undersigned's entire investment in the Company;
- (h) The undersigned alone or with the undersigned's purchaser representative(s) has such knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of an acquisition of the Interests and of making an informed investment decision with respect thereto;
- (i) The undersigned acknowledges that neither the Company, the Manager nor any of its officers or any other persons acting on behalf of the Company, offered the Interests by means of any form of general advertising, such as media advertising or general seminars;
- (j) The undersigned hereby agrees that this subscription is irrevocable and that the representations and warranties set forth in this Subscription Agreement shall survive the acceptance hereof by the Company;
- (k) The undersigned acknowledges that by executing this Subscription Agreement the undersigned is appointing the Manager as the undersigned's attorney-in-fact for, among other purposes, execution of the Operating Agreement and amendments thereto and that such execution by the Manager as attorney-in-fact for the undersigned will obligate the undersigned as if the undersigned executed the Operating Agreement and amendments thereto; and
- (l) The undersigned has full power and authority to make the representations referred to herein, and to purchase the Interests pursuant to the Memorandum and the Operating Agreement, and to execute and deliver the Operating Agreement and this Subscription Agreement, and such agreements are legal, valid and binding obligations of the undersigned, enforceable in accordance with their terms.

The foregoing representations and warranties are true and accurate as of the date hereof and shall survive such date. If in any respect such representations and warranties shall not be true and accurate at any time prior to the Company's acceptance or rejection of this Subscription Agreement, the undersigned shall give immediate notice of such fact to the Company by telecopy or other form of written notice, specifying which representations and warranties are not true and accurate and the reasons therefore.

2. **Power of Attorney.**

- (a) The undersigned hereby irrevocably constitutes and appoints the Manager as the undersigned's attorney-in-fact with authority to execute, acknowledge and swear to all instructions and file all documents requisite to carry out the intention and purpose of this Subscription Agreement, including without limitation, the Operating Agreement, all amendments to the Operating Agreement and any Schedules thereto effected in accordance

with the Operating Agreement, the Articles of Organization and all amendments thereto effected in accordance with Chapter 183 of the Wisconsin Statutes (or the comparable laws of any other jurisdiction) and all business certificates and other certificates and amendments thereto to be executed and/or filed from time to time in accordance with applicable laws; and

- (b) The foregoing appointment shall be deemed to be a power coupled with an interest in recognition of the fact that each of the Members will be relying upon the power of the Manager to act as contemplated in the Operating Agreement in such filing and other action by them on behalf of the Company. The foregoing power of attorney shall be irrevocable and shall survive the incapacity, bankruptcy, insolvency, death, dissolution, or termination of the undersigned.

3. **Investor Suitability Questionnaire.** This Subscription Agreement shall be accompanied by an executed Investor Suitability Questionnaire and to the extent necessary, an executed Investor Representative Questionnaire, upon which the Company may rely in determining whether to consent to the purchase by the undersigned of Interests under this Subscription Agreement.

4. **Indemnification.** The undersigned acknowledges that the undersigned understands the meaning and legal consequences of the representations and warranties made by the undersigned herein, and the Company is relying on such representations and warranties in making its determination to accept or reject this subscription. The undersigned hereby agrees to indemnify and hold harmless, the Company, the Manager and its officers and agents from and against any and all loss, damage or liability due to or arising out of a breach of any representation or warranty of the undersigned contained in this Subscription Agreement.

5. **Transferability.** The undersigned agrees not to transfer or assign this Subscription Agreement, or any interest herein, and further agrees that the assignment and transferability of the Interests acquired pursuant hereto shall be made only in accordance with the Operating Agreement.

6. **No Revocation.** The undersigned agrees that this Subscription Agreement and any agreement of the undersigned made hereunder is irrevocable, and this Subscription Agreement shall survive the death, disability, bankruptcy, insolvency, dissolution or termination of the undersigned, except as provided below in Section 7 of this Subscription Agreement.

7. **Termination of Agreement.** If this subscription is rejected by the Company, then this Subscription Agreement shall be null and void and of no further force and effect, and no party shall have any rights against any other party hereunder or under the Operating Agreement.

8. **Notices.** All notices or other communications given or made hereunder shall be in writing and shall be delivered or mailed by registered or certified mail, return receipt requested, postage prepaid, or delivered by telecopy or other form of written notice to the undersigned and to the Company at 220 Saint Lawrence Avenue, Janesville, Wisconsin 53545, (608) 755-1570 (if by telecopy) or at such other place or number as the Company may designate by written notice to the undersigned.

9. **Headings.** The headings in this Subscription Agreement are for convenience of reference, and shall not by themselves determine the meaning of this Subscription Agreement or of any part hereof.

Method of Payment

The undersigned will pay for the Interests subscribed under this Subscription Agreement as follows: (check one):

A. **By Cash** (by check or money order payable to "Esquire Management LLC")

_____ Full amount of purchase of Interests subscribed hereto upon tender of this executed Subscription Agreement; or

B. **By Conveyance of Portions of the Portfolio**

_____ The undersigned agrees to convey the following Real Estate or Businesses _____

C. **By Assignment of One of the Notes**

_____ The undersigned agrees to assign all rights the undersigned has under an Ekklesia promissory note in the principal amount of \$_____, dated _____, which has a current unpaid balance of \$_____.

ACCEPTANCE OF SUBSCRIPTION

The above subscription for _____ Interests for total consideration with a value of \$ _____ is hereby:

- Accepted
- Rejected.

ESQUIRE MANAGEMENT LLC

By: Tri-Co of Wisconsin LLC
Its Manager

By: _____
Bradley J. Goodrich, Sole Member
of Tri-Co of Wisconsin LLC