INVESTOR PACKAGE

Lexington Investors, LLC

Minimum Offering: \$1,000,000.00 Maximum Offering: \$1,400,000.00

Series A Preferred Units of Membership Interest Purchase Price: \$1.00 per Series A Preferred Unit

DO NOT REPRODUCE

The Date of this Investor Package is July 6, 2018 The Date of Expiration of the Offering is July 6, 2019

Lexington Investors, LLC UP TO \$1,400,000.00 of Series A Preferred Units

Lexington Investors, LLC, a Minnesota Limited Liability Company, is offering a minimum of 1,000,000.00 of its Series A Preferred Units for an aggregate total of \$1,000,000.00 and maximum of 1,400,000.00 of its Series A Preferred Units of Membership Interest for an aggregate total of \$1,400,000.00, at an offering price of \$1.00 per Series A Preferred Units, pursuant to this Investor Package. The minimum required investment is \$25,000, unless waived by the Company, in its sole discretion.

All funds received from investors will be held in an escrow account at Sunrise Banks, NA in until such time as the Company has received subscriptions for 1,000,000.00 Series A Preferred Units (an aggregate amount of \$1,000,000.00) or until the earlier expiration or termination of the Offering, as provided herein. Once we have reached this minimum threshold, we may begin using proceeds received from those investors.

The offering price of the Series A Preferred Units has been arbitrarily determined by the Company. Before this Offering, there was no market for our securities, and it is unlikely that such a market will develop in the future. The Series A Preferred Units will be "restricted securities" under the Securities Act, must be held for investment purposes only and are subject to substantial limitations on resale or other transfer. You must purchase the Series A Preferred Units for your own account and must assume the economic risk of investment for an indefinite period of time.

YOU ARE URGED TO SEEK INDEPENDENT ADVICE FROM YOUR LEGAL AND FINANCIAL ADVISORS RELATING TO THE SUITABILITY OF AN INVESTMENT IN OUR COMPANY AND OUR SECURITIES, IN LIGHT OF YOUR OVERALL FINANCIAL NEEDS AND WITH RESPECT TO THE LEGAL AND TAX IMPLICATIONS OF SUCH AN INVESTMENT.

THIS DISCUSSION IS NOT INTENDED AS A SUBSTITUTE FOR CAREFUL TAX PLANNING AND INDIVIDUAL TAX ADVICE, PARTICULARLY BECAUSE THE INCOME TAX CONSEQUENCES OF AN INVESTMENT IN A CORPORATION OR LIMITED LIABILITY COMPANY SUCH AS OUR COMPANY ARE UNCERTAIN AND COMPLEX AND MANY CONSEQUENCES WILL NOT BE THE SAME FOR ALL TAXPAYERS. ACCORDINGLY, YOU SHOULD SEEK, AND MUST DEPEND UPON, THE ADVICE OF YOUR OWN TAX ADVISOR, TAX COUNSEL OR ACCOUNTANT WITH RESPECT TO YOUR PROSPECTIVE INVESTMENT IN THE COMPANY. NOTHING IN THIS OFFERING DOCUMENT OR THE ACCOMPANYING DOCUMENTS IS OR SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE.

INVESTOR PACKAGE INSTRUCTIONS: THE INSTRUCTIONS LISTED BELOW APPLY IF YOU ARE INVESTING THROUGH HTTPS://LEXINGTON.SPPX.IO

On behalf of Lexington Investors, LLC, a Minnesota Limited Liability Company ("Lexington Investors," "we" or the "Company"), we are pleased that you have expressed an interest in purchasing Series A Preferred Units (the "Series A Preferred Units") in the Company. In order to streamline the subscription process, the Company has created a "Funding Portal" located at https://lexington.sppx.io to coordinate the Company's acceptance of investor subscriptions and issuance of the Series A Preferred Units to purchasers. In order to proceed with your purchase of the Series A Preferred Units, please visit and refer to the instructions found on the Funding Portal.

IMPORTANT NOTICES TO PROSPECTIVE INVESTORS

We have prepared this Investor Package for distribution to prospective investors for their use and information in evaluating an investment in the Series A Preferred Units. You are urged and invited to ask questions of and obtain additional information from us concerning the terms and conditions of this offering (the "Offering"), the Company, our business, and any other relevant matters (including, but not limited to, additional information to verify the accuracy of the information set forth herein). Such information will be provided to the extent that our, Todd Dexheimer, (the "CEO"), possess such information or can acquire it without unreasonable effort or expense. You will be asked to acknowledge in the Subscription Agreement attached hereto as Exhibit E that you were given the opportunity to obtain such additional information and that you either did so or elected to waive such opportunity.

Prospective investors having questions or desiring additional information should contact Todd Dexheimer, at (651) 895-5414.

You should not construe the contents of this Investor Package as legal, tax, or investment advice, and you should consult your own attorney, accountant, and business advisor as to legal, tax, and related matters concerning an investment in the Series A Preferred Units.

THIS INVESTOR PACKAGE DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE SERIES A PREFERRED UNITS. THIS INVESTOR PACKAGE DOES NOT CONSTITUTE AN OFFER TO ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO, OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. ALL INFORMATION CONTAINED HEREIN IS AS OF THE DATE OF THIS INVESTOR PACKAGE, AND NEITHER THE DELIVERY OF THIS INVESTOR PACKAGE NOR ANY SALES MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, IMPLY THAT THERE HAS BEEN NO CHANGE IN OUR AFFAIRS SINCE SUCH DATE.

THE SERIES A PREFERRED UNITS ARE HIGHLY SPECULATIVE, ILLIQUID, INVOLVE A HIGH DEGREE OF RISK AND SHOULD BE PURCHASED ONLY IF YOU CAN AFFORD TO LOSE YOUR ENTIRE INVESTMENT. SEE THE "RISK FACTORS" ATTACHED HERETO AS EXHIBIT C.

IN MAKING AN INVESTMENT DECISION, PURCHASERS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR DIVISION OR OTHER REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED BY SEC RULE 504, AS PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. PURCHASERS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

SALES WILL BE MADE ONLY TO RESIDENTS OF MINNESOTA, UNLESS THIS SECURITY IS EXEMPT OR REGISTERED UNDER OTHER STATE SECURITIES LAWS. OFFERS AND SALES OF THESE SECURITIES ARE MADE UNDER AN EXEMPTION FROM FEDERAL REGISTRATION AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. ANY RESALE OF THESE SECURITIES MUST BE REGISTERED OR EXEMPT PURSUANT TO THIS CHAPTER.

3

Should the Company issue a certificate or other document evidencing the security, the following legend must be displayed conspicuously:

OFFERS AND SALES OF THESE SECURITIES WERE MADE UNDER AN EXEMPTION FROM FEDERAL REGISTRATION AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. ANY RESALE OF THESE SECURITIES MUST BE REGISTERED OR EXEMPT PURSUANT TO THIS CHAPTER.

A PURCHASER IS PERMITTED TO CANCEL THE PURCHASER'S COMMITMENT TO INVEST AT ANY TIME BEFORE FORTY-EIGHT HOURS BEFORE EXPIRATION OF THE OFFERING DEADLINE IF NOTICE OF CANCELLATION IS DELIVERED ELECTRONICALLY OR PHYSICALLY IN WRITING TO THE COMPANY. IF A PURCHASER IS GIVEN NOTICE OF AN EARLY CLOSING, THE PURCHASER MAY CANCEL THE COMMITMENT WITHIN SEVENTY-TWO HOURS OF DELIVERY OF THE NOTICE.

IF WE CLOSE THE OFFERING BEFORE THE OFFERING DEADLINE, WE MUST DELIVER A NOTICE OF THE CLOSING TO EACH PURCHASER AND POTENTIAL PURCHASERS BY POSTING THE NOTICE CONSPICUOUSLY ON OUR WEBSITE, AT LEAST FIVE DAYS BEFORE THE EARLY CLOSING. IF YOU WISH TO CANCEL YOUR SUBSCRIPTION PURSUANT TO EARLY CLOSING, YOU MUST DO SO WITHIN 72 HOURS OF DELIVERY OF NOTICE.

IF WE FAIL TO RAISE THE MINIMUM OFFERING AMOUNT BEFORE THE OFFERING DEADLINE, THIS OFFERING WILL BE VOID AND THE ESCROW AGENT MUST RETURN ALL FUNDS HELD IN ESCROW TO THE PURCHASERS.

INDEX OF EXHIBITS

- Exhibit A of this package includes a copy of the Company's Investor Overview, which includes projected financial statements (the "*Investor Overview*").
- Exhibit B of this package contains a summary of the terms of this Offering (the "Summary of Terms").
- Exhibit C of this package describes key risk factors that may be relevant to an investment in the Series A Preferred Units (the "*Risk Factors*"). Please read them carefully.
- Exhibit D of this package includes a copy of the Company's Articles of Organization ("Articles of Organization") and Operating Agreement ("Operating Agreement").
- Exhibit E of this package contains the subscription agreement to be completed by investors in order to purchase Series A Preferred Units (the "Subscription Agreement").
- Exhibit F of this package contains certain financial statements of the Company (the "Financial Statements").
- Exhibit G of this package contains the agreement with Silicon Prairie Portal & Exchange, LLC to provide portal services to the Company for this Offering (the "Opinion of Counsel").
- Exhibit H of this package contains an example Company advertisement (the "Asset Management Agreement").
- Exhibit I of this package contains the Form U-7 (the "Form U-7").

EXHIBIT A Investor Overview

(See attached)

Cambridge Park Investment Summary

LEXINGTON CAPITAL, LLC PRESENTS:

Cambridge Park – 120 unit complex in Lexington, KY Cardinal Valley Neighborhood (West Lexington)

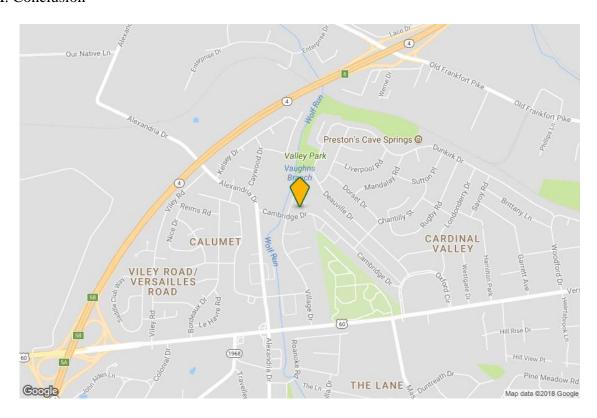


Todd Dexheimer Lexington Capital, LLC 651-895-5414 todd@ventureDproperties.com

Cambridge Park Apartments Investment Summary

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- I. Investment Summary Statement
- II. Name of LLC
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Executive Summary

The investment is a 120 unit apartment building in Lexington, KY. The asset is currently 76% occupied and will undergo a mid-level renovation in order to maximize investor returns.

Purchase Price: \$4,175,000 Renovation Budget: \$724,955

Debt Service Coverage year 2: 1.84

Loan Amount: \$3,850,000

Future Loan: Freddie Mac SBL (proposed)

Target Amortization: 30 yearsTarget interest Rate: 6% or less

• 1 year Interest only

Key Financials based on a 5 year hold:

Total Raise: \$1,400,000 Gross Revenue: \$940,743

Expenses: \$452,019

Net Operating Income: \$455,724





Investor Cash flow average: \$32,592/quarter Investor average cash on cash: 9.31% Investor total profit upon sale: \$1,353,758

Investor ROI: 19.3% Investor IRR: 16.4%



Key Highlights

- **♣***Purchase and renovate non-renovated units to achieve maximum rents and occupancy.*
- **♣**Hold property for 5-7 years
- **♣**Neighboring properties have appraised up to \$57,600/unit, we are purchasing at \$40,833/unit after renovation.
- ♣Ashland apartments an 84 unit community owned by Venture D Properties (Todd Dexheimer, CEO) and partners, will allow for strategic collaboration and efficiencies.

Ownership Structure: Lexington Investors, LLC

General Partner: Lexington Capital, LLC maintains a 30% ownership with a 2% asset management fee on the gross revenue and a 2% acquisition fee

Limited Partners: shall maintain 70% ownership

- ❖ 8% preferred return
- ❖ 70/30 split after the preferred is paid
- ❖ 7% year 1 preferred return
- Payments made quarterly

I. Investment Summary Statement

The purchase and operation of Cambridge Park Apartments will provide safe, clean, modern and affordable housing to our residents and positive stability to the neighborhood. This investment consists of 10 buildings totaling 120 units with a mix of 1 and 2 bedroom units. The buildings where built in 1970 and have since has numerous updates including windows, renovation of 60 units, and most of the exterior, including new roofs, gazebo and renovations to the office/laundry. Many additional updates are needed in order to maximize the value of the property and make it a place that residents can call home.

II. Name of owner and management team

Owner: Lexington Investors, LLC

Todd Dexheimer – Chief Manager and majority owner

Limited Partners: To be named

The Team consists of several key players:

1. General Partner/Sponsor: Lexington Capital, LLC

Todd Dexheimer, CEO

Todd Dexheimer is the founder and Chief Manager of Venture D Properties, LLC and it's affiliated companies started investing in Real Estate in 2008 in mainly single family homes and small multi-family. By 2009 S&D Real Estate was founded and operates as a company that purchases, renovates and rents real estate. In 2016 Venture D was formed in order to syndicate commercial and multi-family properties. Since 2008 Todd Dexheimer has purchased and renovated nearly 500 units. Renovations have ranged from small cosmetic renovations to large condemned buildings with extensive code and structural violations. His companies have worked closely with the cities of



St. Paul/Minneapolis, MN, Milwaukee, WI, Cincinnati, OH and Beaufort, SC in order to bring buildings up to current habitable conditions. Currently Venture D and it's affiliates own and operate approximately 350 units located in the Twin Cities, MN, Milwaukee, WI, Lexington, KY and Cincinnati, OH.

Todd has a strong background in the construction trades and real estate fields. Todd has been a carpenter for 15 years and has completed over 100 large rehabs in that time, along with many smaller rehabs and remodels. Todd has a degree in Technology Education from UW-Stout and a concentration in Architecture and Construction and spent 5 years as a high school and middle school teacher focusing on teaching construction, wood working, Architecture, Engineering and metal working. Todd also owns several real estate holding companies and currently owns and manages numerous rental properties and has rehabbed numerous more throughout the past 10 years. Lastly Todd is a licensed Realtor with Twin Cities Real Estate.

Ken Silvestri – Asset Manager

Ken currently has ownership in 650 multi-family units in the Lexington, KY area. Ken has been Lexington's #1 commercial Realtor according to Lexington Bluegrass Association of Realtors for more than a decade. Ken served as the 2007 President of the LBAR Commercial Investment Council. Mr. Silvestri has been a leader and a top performing real estate professional since 1990, specializing in commercial real estate since 1999. During his career he has been recognized as a member of the Re/Max Hall of Fame and as a CoStar Power Broker. Ken's exemplary track record is rooted in his commitment to being a disciplined finisher.



Brandon Cutwright – Project Manager/Contractor Relations

Brandon is the President of the Silvestri Real Estate Apartment Group and currently owns and manages 62 multi-family units. He is the analytical and due diligence specialist. Brandon graduated from the University of Kentucky in 2010 with a Bachelors in Business Administration (major – finance, minor – international business). Directly after college Brandon spent 5 years working for both private and public property management companies. Brandon currently serves as the President of the Greater Lexington Association Board of Directors.



2. Property Manager: Sundace Property Management

Sundance Property Management, LLC specializes in the acquisition and management of investment properties throughout the Midwest. Founded in 1993, today Sundance owns and/or manages over 50 real estate properties, including over 2,700 apartment units and 950 mobile home pads, in four states.

3. SEC Attorney – Zach Robins, Messerli & Kramer

Zach Robins is an associate in the Corporate & Transactions practice group at Messerli and Kramer. Zach has extensive experience in the areas of business and finance, mergers and acquisitions, strategic partnerships, equity raises and debt financing. Zach works closely with entrepreneurs and small businesses, and is co-founder of MNvest, a group that helped pass the equity crowdfunding legislation that will empower growing Minnesota businesses to raise capital online from any Minnesota resident.

4. Closing Attorney – Dan Rose, Rose Grasch Camenish Mains PLLC

Dan is a founding member of Rose Grasch Camenisch Mains PLLC and has been licensed and actively practicing since 1984. Dan is AV Preeminent® Peer Review RatedTM by Martindale-Hubbell® for 2017 and is listed in The Best Lawyers in America® for 2017 and 2018 in the following practice areas: Corporate Law, Mergers and Acquisitions Law, Real Estate Law, Real Estate Litigation and Securities/Capital Markets Law. Dan was honored as a Kentucky 2016,

2017 and 2018 Super Lawyer and Top Attorneys in Kentucky for 2016 and 2017 by American Registry

- 5. Accountant John Caylor, Caylor, LTD
- 6. Bookkeeper Amy Ludwig

III. Purpose of transaction

The purpose of the transaction is to acquire and improve the property known as Cambridge Park Apartments, through an entity exchange of Cambridge Park Apartments, LLC, for a long - term hold and stabilization(5-7+ years). The ultimate goal is to renovate the property in order to create safe, affordable and updated housing for our residents as well as create positive cash flow and equity through sound renovation and management strategies. We do this not only by offering sound financial investments, but creating an atmosphere of trust, dedication, communication and integrity. Our values drive us to operate our real estate investments with honesty and integrity and to treat our property manager, contractors and tenant clients with the utmost respect. We also value giving back to our neighborhoods and communities by becoming an integral part of their success. It is our belief that by positively stabilizing our buildings we are able to help create safer, cleaner and happier communities.

IV. Description of Property

Cambridge Park is a 120 unit portfolio consisting of 10 three-story apartments and an office/clubhouse building in the west side of Lexington, KY that is currently 76% occupied. The buildings consist of pitched asphalt shingled roofs, brick exterior, with CMU block foundations. The 10 building portfolio was built in 1970

The project has the following unit mix:

72 - 2 bedroom, 1 bath units

48 - 1 bedroom, 1bath units

Amenities:

- 1. Medium traffic street with excellent visibility
- 2. Ample off street parking
- 3. Office building with storage for on-site manager and maintenance
- 4. Office building has a coin operated washer and dryer
- 5. Identical floor plans for the 1 and 2 bedrooms respectively
- 6. Covered Mailbox area
- 7. Gazebo area with grills
- 8. Ample green space for residents
- 9. Large city park with playground next door for residents
- 10. Near shopping and major roads
- 11. Off street and on street parking readily available
- 12 Low maintenance brick exterior with pitched roofs
- 13. Walking distance to public transportation, shopping, restaurants

V. Acquisition of the Property

Lexington Investors, LLC proposes to purchase the subject property for \$4,175,000 and complete moderate unit renovation totaling \$724,955. Details can be read below.

- Acquisition will be made through an entity exchange. Thorough due diligence will have been completed of the existing entity. This allows for us a chance to avoid a property tax increase during the first several years.
- Seller shall provide financing in the amount of \$3,850,000 at 5% interest only for year 1 and 6% interest only in year 2. No pre-payment penalties and loan fees involved. There is a 3rd year option for a 1% fee at 8% interest only
 - o A \$325,000 down payment will be given to the seller at closing
 - \$600,000 will be placed into an escrow account held by Rose Grasch Camenish Mains PLLC
 - The escrow money will be released as construction is completed. The escrow shall also be used as additional security to the seller in case of default, in which case we will forfeit that money.
- Upon Stabilization of the asset, agency debt will be placed on the property at market rates and terms, to be determined.

VII. Due Diligence

The basis for the business plan was derived through the due diligence performed by Todd Dexheimer, along with Sundance Property Management, Derringer Contracting, LLC and Silvestri Real Estate. This analysis included:

Walking all buildings and vacant units – detailing all issues of the interiors and Exteriors

Review of financial statements, tenant information, market reports

Evaluation of resident stability in the submarket

Review of all service contracts as they pertain to the operating statements

Thorough market analysis to establish market rents and vacancy projections

Through this comprehensive analysis we arrived at an acceptable purchase price that will allow for successful operation of the property. In addition, we assembled a detailed business plan for maximizing returns through income growth and operational and capital cost savings, and accelerated depreciation based on a cost segregation analysis as outlined on the next page.

VIII. Business Plan

- There will be lower cash flow in the beginning of year one as we will be establishing new market rents by renovating vacant units. This will in turn create additional short term vacancies and cause temporary break even cash flow. We expect to lose some of our existing tenants due to the physical changes that the buildings will undergo and the increase in rents, however, once renovations are complete, occupancy and gross revenue are expected to increase rapidly.
- Analysis of comparable properties indicates that currently the rents for renovated units are slightly below market rent and below market for the non-renovated units.
- Total renovation and stabilization will take 12-16 months. The renovation phase should be completed in under 16 months leaving the remaining months to lease up.
- We will be improving landscaping, entrances and curb overall appeal along with the common areas and interior units for the property. These improvements will enable us to obtain a positive community for all or our residents.
- Our goal will be to operate the property and maximize the value in the first 3-7 years, after which we will exit the property.
- We currently own Ashland Apartments, which is an 84 unit property within a few blocks that will allow for shared staffing and increase efficiency

Capital Improvements

Our due diligence identified large amounts necessary in capital improvements totaling \$724,955 that will increase the property's competitive advantage in the market. All improvements are slated to be completed in the first 12-16 months of ownership. Our company will be working in collaboration with the city inspectors in order to ensure all safety hazards and code violations have been identified and remedied.

Priority will be given to all exterior items and safety items. Capital items include, but are not limited to:

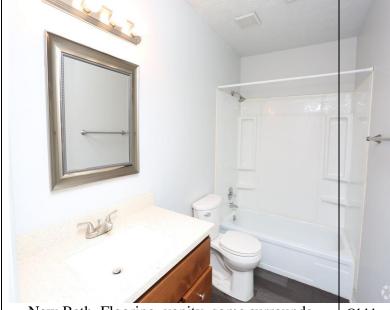
- Landscaping improvements: Adding shrubs and landscaping beds to the front and sides of the property and clearing out the overgrown trees in the rear of the buildings
- Replace Exterior doors and locks, providing self-closing doors and auto locking hardware
- Painting common areas
- Add lighting in common areas
- Replacing common area flooring
- Repairs to all units to varying degree including new Luxury Vinyl flooring, painting, kitchen cabinets and counters, bath repairs, plumbing and electrical fixtures and appliances
- Code and fire safety repairs to the plumbing, electrical, boiler and building systems
- Replacing furnaces and water heaters
- Pest control



Updated cabinets, counter tops, flooring



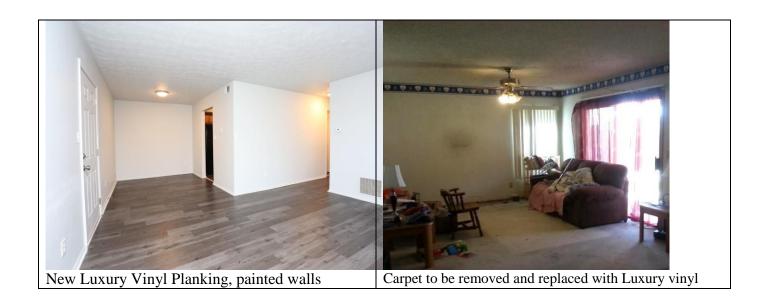
Original cabinets to be replaced, some fixed and painted



New Bath, Flooring, vanity, some surrounds



Old bath (this is one of the worst), some tile will stay



IX. Market Overview

Property Market Data: Rents at the property currently range from \$500/month to \$720/month with current rents renovated units in the area renting for between \$700-\$750/month for a 2 bedroom and \$575-625 for a 1 bedroom. With a sound renovation strategy we should be able to achieve rents near that of Thoroughbred Crossing Apartments of \$750 for a 2 bedroom.

Country Lane Rent Comparable

			Pr	operty Size	Asking Rent Per Month Per Unit				
Property Name/Address	Rati ng	Yr Built	Units	Avg Unit SF	Stu dio	1 Bed	2 Bed	3 Bed	Rent/SF
Carolyn Manor	****	1970	45	600	-	\$596	-	-	\$0.99
2017-2021 Cambridge Dr									
Cambridge Park Apartme	****	1970	400	770		0 575	4700		0004
2045 Cambridge Dr			120	770	-	\$575	\$700	-	\$0.84
Cambridge Apartments	****	1969	70	747	-	\$576	\$678	-	\$0.83
1980-2016 Cambridge Dr									
Bradford Green Apartments	****	1970	50	850	-	-	\$701	-	\$0.82
1270 Village Dr									
Thoroughbred Crossing	****	1968	119	<mark>920</mark>	-	-	<mark>\$747</mark>	-	<mark>\$0.81</mark>
1346 Village Dr									
Crystal Springs Apartments	****	1969	72	754	-	\$557	\$658	\$759	\$0.79
1321-1369 Alexandria Dr									
Garden Brooke Apartments	****	1974	64	850	-	-	\$657	-	\$0.77
1340 Alexandria Dr									
Cross Keys & Woodridge	****	1965	86	702	-	\$487	\$589	-	\$0.77
1553 Alexandria Dr									
Stone Bridge Apartments	****	4074	140	750			0.570		0.70
1261 Village Dr		1974	113	756	-	-	\$573	-	\$0.76



Carolyn Manor

2017-2021 Cambridge Dr 45 Units / 3 Stories Rent/SF \$0.99, Vacancy 11.1% Owner: Arvin Properties



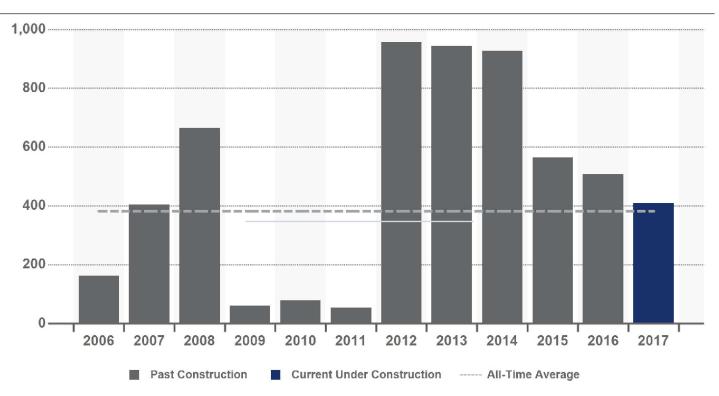
Cambridge Park

2045 Cambridge Dr 120 Units / 2 Stories Rent/SF \$0.84, Vacancy 16.7% Owner: RPM



Thoroughbred Crossing

1346 Village Dr 119 Units / 3 Stories Rent/SF \$0.81, Vacancy 1.7% Owner: DF Investment Group, Inc



Todd Dexheimer and Venture D through 24 months of research has indicated several markets that appear to have solid investment potential. When looking for the best cities, we looked at the cities with the greatest opportunity for immediate returns as well as future returns. The list of important factors included:

• Unemployment rate that is falling

- Job growth and the type of jobs being added
- Current employers strength and overall economic diversity
- Vacancy rates of the current housing stock and the trend
- Number of units being added to the current supply
- Affordability of rent and housing and how they relate to each other
- City's comprehensive plan

Lexington, KY is the 2nd largest city in Kentucky with a metro population of 588,359 and growing. It is located in the middle of horse country within a 4 hour drive of many large cities, including Cincinnati, Indianapolis, Columbus, Louisville, Nashville, Knoxville and Dayton. Lexington ranks tenth among US cities in college education rate, with 39.5% of residents having at least a bachelor's degree. The Kentucky Horse Park, The Red Mile and Keeneland race courses are located in Lexington, along with several colleges are located within Lexington including: the University of Kentucky, BTCT, Eastern Kentucky University, Kentucky State, National College, Transylvania University, and Bluegrass Community & Technical College.

One of the most exciting things about Lexington is that the city has not seen a decade of decline in population. Most decades in fact have seen double digit growth, which is expected to continue as the area is expecting 3.5% job growth/year over the next 10 years.

Table 1: Population Trends, 2000-2015

	2000 Census	2010 Census	2015 ACS	% Growth (2000-2015)
Fayette County	260,512	295,803	314,488	20.7%
7 County Region	479,198	555,015	588,359	22.8%
Commonwealth of Kentucky	4,041,769	4,339,367	4,425,092	9.5%

Source: U.S. Census Bureau

Couple that with the Urban Growth Boundary that Lexington has enacted and there is little doubt that the city will see continued growth. The Urban Growth Boundary stops urban sprawl outside of the Lexington MSA. Currently in order to divide a parcel located outside of the MSA a 40 acre minimum is required. The city and county planning commissions have been very slow to increase the boundary, creating need for infill within the boundary.

The Lexington economy has been extremely stable and growing with a strong presence in manufacturing, technology, health care, education and small businesses, benefiting from a diverse, balanced business base. The Lexington MSA currently has an unemployment rate of 3.7%, which is below the national average and below many of the surrounding cities. In 2011 Lexington was ranked as the 4th-best city for "Businesses and Careers" by Forbes magazine, the 5th-best city for Young Professionals in 2008, and 6th-Best "Value Cities" in 2011 by Kiplinger.

195,000 191,977 190,000 185,000 180,000 174,286 175,000 170,000 164,251 165,000 160,000 155,000 150,000 2008 2014 2002

Figure 5: Jobs Located in Fayette County (2002, 2008, 2014)

Source: U.S. Census Bureau

The city is the home to four Fortune 500 companies: Xerox, Lexmark International, Lockheed-Martin, and IBM, employing 3,000, 2,800, 1,705, and 552, respectively. UPS, Trane, and Amazon.com, Inc. have large operations in the city, along with Toyota Motor Manufacturing and a JIF peanut butter plant. Many other mid-sized companies call Lexington it's home, including: Link-Belt Construction Equipment, A&W Restaurants, Tempur-Sealy International, Florida Tile, Fazoli's Restaurants, Big Ass Solutions, Forcht Group, First Corbin Bancorp, Kentucky National Insurance Company, BSC and First Lab.

Table 8: Employment in Notable Industrial Sectors, 2002-2014

	Jobs in 2002	% of All Jobs 2002	Jobs in 2014	% of All Jobs 2014
Health Care and Social Assistance	23,296	14.2%	32,105	16.7%
Educational Services	16,711	10.2%	25,541	13.3%
Retail Trade	21,120	12.9%	22,177	11.6%
Accommodation and Food Services	15,489	9.4%	18,914	9.9%
Admin/Support, Waste Management & Remediation	8,447	5.1%	13,042	6.8%
Manufacturing	15,183	9.2%	12,527	6.5%
Professional, Scientific, and Technical Services	10,409	6.3%	12,087	6.3%
Construction	8,820	5.4%	7,330	3.8%
All other sectors	44,776	27.3%	48,254	25.1%

Source: U.S. Census Bureau

The city's largest employer, the University of Kentucky employs 14,000. The university ranks as the 9th-largest economic company in the state of Kentucky, with an annual budget of \$1.4 billion, and the College of Medicine within the university is the 21st-largest company in the

state. Along with employment UK currently is seeing a steady growth in school enrollment. Currently, UK's total on-campus dormitory capacity is 7,181 beds, leaving 21,429 students to live off- campus or commute from home/elsewhere in the region. June 2nd 2018, Amazon announced 600 new jobs coming in to Lexington.

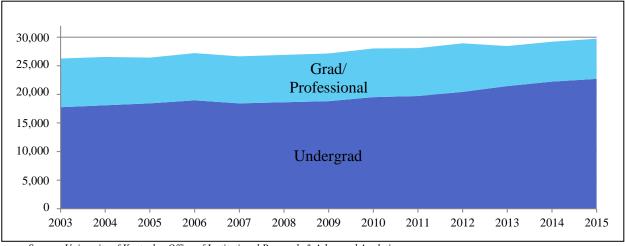


Figure 3: University of Kentucky Enrollment (2003-2015)

Source: University of Kentucky, Office of Institutional Research & Advanced Analytics

Rental occupancy has increased from 92.6% in 2010 to 95.3% in 2016, creating a more stable market, which should allow for continued rent price increases and less concessions. Since 2011 rents have seen a year to year annual increase of approximately 3%.

The number of authorized residential building permits indicate a significant slowdown in residential production in Fayette County. The peak residential production period was in 2004 when permits to build nearly 3,000 units were issued. From the low point of 2011 when permits were issued for just 739 units, residential building has seemed to have rebounded to 1,243 units in 2016 (Figure B-1).

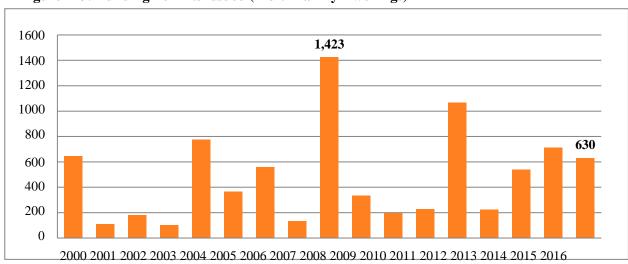


Figure B-3: Building Permits Issued (Multi-Family Dwellings)

Source: U.S. Census Bureau

All of this combined leads us to believe that Lexington, KY is a great market to invest in. Adding everything together we should see property values increase steadily over the next 5 years along with high occupancy and increasing rents.

Where is Lexington on its market cycle? At Venture D we feel that Lexington has a minimum of 5 years of growth remaining and likely much longer. This trend will help push rents, which in turn will increase returns and generate more profitable sales pricing.

When looking at the graph below, it is our belief that then market is in the expansion phase II about 1/3 of the way to the top. In the Mid-West these phases usually last between 112-18 years, putting us somewhere between 2022-2027 before the market reaches it's peak level.

PHASE II — EXPANSION PHASE III — HYPERSUPPLY Increasing vacancy New construction New construction Increasing vacancy New construction Increasing vacancy No new construction Phase I — Recovery Phase IV — Recession

Source: Mueller, Real Estate Finance, 1995.

Many markets around the US, especially the primary markets have been experiencing major cap rate suppression, driving down returns for investors and increasing their exposure. Markets such as New York, San Francisco, Seattle, Denver and even Minneapolis are seen record low capitalization rates and record high purchase prices. As rents in many of those markets continue to climb to unsustainable pricing, renters will be forced to either find roommates, move to a cheaper location or buy a house. This in turn will force rents to drop and concessions to start. Once that happens investors that have purchased apartments with low cap rates will be losing

money daily. In markets like Lexington we are still experiencing cap rates that are near 6% for B class and 7% for C class, along with some value add properties. The slow and steady growth along with current rent being affordable makes for a market that can sustain future growth.

X. Charity

Todd Dexheimer and his companies take great pride in donating to local charities. My commitment is to donate 5% or more of my profits (not yours, unless you ask us to) to local Lexington area or Twin Cities area charities. We strive to provide financial support to charities that focus on housing needs and financial and employment education for teenagers and adults. Providing for others in the communities that we do business in is an important part of our overall business plan.

XI. Highlights

A few notes on the underwriting that we think bodes well for our success.

- 1. Interest rate for a future loan is at 6%, current rates are seeing mortgages at 4.6-5%
- 2. Current capitalization rates are at 7-7.25% we show an exit at 8%
- 3. Rent growth projections are low, showing 0% between year 1 and 2, only 2% from year 2 to 3 and then 2.5% growth thereafter. This is coupled with a 2% expense increase.
- 4. There is a chance to refinance and pull some money out, this would increase returns, but is not modeled.

XI. Conclusion

The Cambridge Park Apartments provide substantial upside potential for our current and future residents, the community and the city of Lexington. Our approach is simple – provide safe, clean, updated housing that can make our residents and community proud and in return create a positive portfolio that creates a valuable business in order to continue success. With our detailed plan put to action along with proper management and continued improvement and maintenance of the buildings we will achieve success for all of the aforementioned.

$\begin{array}{c} \textbf{EXHIBIT B} \\ \textbf{Summary of Terms} \end{array}$

(See attached)

Lexington Investors, LLC CONFIDENTIAL TERM SHEET

The following is a summary of the basic terms and conditions of a proposed \$1,400,000.00 SCOR Offering by Lexington Investors, LLC, a Minnesota Limited Liability Company (the "*Company*"), to certain qualified investors.

THIS TERM SHEET IS FOR DISCUSSION PURPOSES ONLY AND IS NOT BINDING ON THE COMPANY OR THE PROSPECTIVE INVESTORS. NEITHER THE COMPANY NOR ANY PROSPECTIVE INVESTORS SHALL BE OBLIGATED TO CONSUMMATE AN INVESTMENT UNTIL APPROPRIATE DOCUMENTATION HAS BEEN PROVIDED TO PROSPECTIVE INVESTORS.

Securities Offered:	Up to 1,400,000.00 of Series A Preferred Units of Membership Interest (the "Series A Preferred Units") (an aggregate of $\$1,400,000.00$)	
Offering Price:	\$1.00 per Series A Preferred Unit	
Minimum Investment:	\$25,000 for 25,000 Series A Preferred Unit	
Minimum Offering:	\$1,000,000.00 for an aggregate of $1,000,000.00$ Series A Preferred Units	
Use of Proceeds:	The Company intends to use the proceeds to purchase and finance the renovation of a residential multi-family apartment building in Lexington, KY (the " <i>Property</i> ").	
Capital Structure:	The Company will have two classes of Units: Series A Preferred Units and Series B Units. 600,000 Series B Units were previously issued to the Company's Managing Member in consideration for their contributions to the Company.	
Corporate Governance:	The Company will be managed by a Managing Member (the "Managing Member"), and the day-to-day operations of the Company will be performed by the Managing Member and any other officers appointed by the Managing Member. The Managing Member will have broad powers in managing the Company. You should not invest unless you trust the judgement of the Managing Member in managing the affairs of the Company	
Managing Member:	Lexington Capital, LLC, a Minnesota limited liability company. As disclosed, the Managing Member has received Series B Units equating to 30 percent of the Company's LLC Percentage Interests in consideration for its efforts managing the Company.	

Series A Preferred Units:

Capital Interest

Each Member will have an initial capital account balance equal to such Member's initial capital contribution. For example, if a Member makes a \$20,000 investment in the Company, the Member will have an initial capital account balance equal to \$20,000.

Voting Interest

The Members shall have the right to vote on matters that must be submitted to the Members for their approval pursuant to the Minnesota Revised Uniform Limited Liability Company Act, Chapter 322C of the Minnesota Statutes (for example, a merger or conversion of the Company).

Preferred Return:

Each Series A Preferred Unit Member will be entitled to receive an eight percent (8.0%) cumulative, annual return on the amount of their respective unreturned capital contribution, beginning after year one. For year one, the projected Preferred Return is 7.0%.

Distribution Rights:

After the Series A Preferred Unit Members have received their annual preferred return, all issued distributions of the Company shall be distributed as follows: 70% to the Series A Preferred Unit Members and 30% to the Series B Unit Members. Each Series A Preferred Unit pro rata portion of these distributions will be calculated by dividing such Member capital contributions by the total capital contributions of all Members, and then multiplying the resulting percentage by 70%.

Asset Management Fee:

The Managing Member, per the Asset Management Agreement, is entitled to: (i) an acquisition fee equal to two percent (2.0%) of the purchase price of the Property, plus renovation costs; and (ii) the Managing Member shall receive an asset management fee of two percent (2.0%) of total revenues annually.

Operating Agreement:

Prior to the closing of any sale of any Series A Preferred Units, the Company will provide prospective investors with a copy of its Operating Agreement, which will incorporate the terms described herein in all material respects. In order to invest in the Company, you will be required to sign the Operating Agreement.

Restrictions on Transfer:

We will be offering the Series A Preferred Units pursuant to certain exemptions from the registration requirements of the Securities Act and applicable state securities laws. Therefore, the Series A Preferred Units will not be registered with the SEC, and will be deemed "restricted securities" under the Securities Act. You will not be able to re-sell or transfer your Series A Preferred Units except as permitted under the Securities Act and applicable state securities laws, pursuant to registration or exemption therefrom.

In addition, any transfer of Series A Preferred Units will need to comply with the transfer restrictions that will be contained in the Company's Operating Agreement. The Operating Agreement will include additional detail on these transfer restrictions.

Tax Considerations:

The Company will be treated as a partnership for federal income tax purposes. To the extent the Company has net profits for any fiscal year, each member will be taxed on such Member's allocative share of those profits, even though the amount of cash distributed to such member may be less than the resulting tax liability. Company profits and losses will be allocated to the Members as set forth in the Operating Agreement. The Company intends to make annual distributions to the Members to cover their estimated individual tax liability relating to their allocative taxable share of Company profits ("Tax Distributions"). However, the Company will not make Tax Distributions if (a) the majority of the Managing Member determines that doing so would not be commercially reasonable or would render the Company insolvent, (b) the Tax Distributions would otherwise be prohibited by the Company's loan agreements with lenders, or (c) with respect to an individual Member, aggregate Company losses that were previously allocated to that Member exceed aggregate Company profits allocated to that Member. In short, there are several circumstances in which you will not receive a Tax Distribution that covers your individual tax liability; therefore, you may be required to come "out of pocket" to pay taxes on your allocative share of Company profits.

In addition, all Tax Distributions received by Members will count towards the repayment of their capital contributions.

To the extent that the Company has net losses for any fiscal year, a Member may be limited in his, her, or its ability to deduct those losses if the Member has insufficient basis, the Member is limited by the passive loss rules, or if any expenses are "syndication expenses." Furthermore, it is possible that a Member may be subject to alternative minimum tax on the Member's allocative share of Company profits. Distributions, including Tax Distributions, may be taxed as capital gains or ordinary income.

Due to the complexity of an investment in Series A Preferred Units, prospective Members are advised to contact their tax advisors with regard to tax consequences arising from investing in the Company.

EXHIBIT C Risk Factors

(See attached)

RISK FACTORS

Investing in the Company involves a high degree of risk. You should carefully consider the risks described below and all of the other information set forth in the Memorandum and the Exhibits attached hereto, before deciding to invest in our Series A Preferred Units. If any of the events or developments described below occurs, our business, financial condition or results of operations could be negatively affected. In that case, the value of your Series A Preferred Units could decline and you could lose all of your investment.

A. Risks of Real Estate Investing

General real estate risks. The Company will be materially affected by conditions in the mortgage and residential real estate markets, the financial markets and the economy generally. In recent years, concerns about the mortgage market, significant declines in home prices, increases in home foreclosure, high unemployment, the availability and cost of credit have contributed to increase volatility and uncertainty for the economy and financial markets. The mortgage market continues to be adversely affected by the tightening of lending standards and general availability of credit. This has an impact on new demand for homes, which will compress home ownership and weigh heavily on future home price performance. These factors may negatively impact the Company, causing a decline in the market value of the Company's property (the "Property"), once purchased and, in turn, cash available for distribution to members.

The Company does not own the Property. The success of the Company is dependent upon the Company's ability to acquire the membership units in the entity which owns the Property, and there are no assurances that the Company will be able to do so. We will not be able to close on the purchase of the entity which owns the Property until the proceeds of the Offering have been received and closed upon.

Government Regulation. The business of acquiring and reselling residential real estate is subject to a significant degree of government regulation. The regulations include potentially costly matters, such as requiring improvements to meet building codes and standards, and environmental matters. Any new or increased levels of regulation could adversely impact the profitability of the Company and its ability to make distributions to Members.

Lack of Diversification. The Company will acquire, own and operate the Property, and does not intend to engage in any other business, and will therefore not have the benefit of maximum diversity. As a result, any adverse change in the geographic area could have a significant adverse effect on the Property that will not be mitigated or offset by other lines of business or investments.

Competition. The real estate industry is highly competitive, and the Company faces competition from other individual and institutional buyers for investment opportunities. These competitors may be real estate developers, real estate financing entities, real estate investment trusts, mutual funds, hedge funds, investment banking firms, institutional investors and other entities or investors that acquire real estate and may have substantially greater financial resources than those available to the Company. These entities or investors may be able to accept more risk than the Managing Member believes is in the Company's best interest. This competition may limit the investment opportunities presented to the Company. In addition, the Company believes competition from entities organized for purposes similar to the Company may increase in the future. All of these factors may negatively impact the performance of the Company.

The performance and value of the Company are subject to risks associated with its real estate and with the real estate industry. The economic performance of the Company and the value of the Property are subject to the risk that the Property may not generate revenues sufficient to meet its operating expenses

and capital expenditures. Accordingly, the Company's cash flow and ability to pay distributions to its Members may be adversely affected, reducing the potential investment return to Members. The following factors, among others, may adversely affect the income generated by the Company's intended Property:

- (i) downturns in the national, regional and local economies;
- (ii) competition from newly-developed properties;
- (iii) localized real estate conditions, such as oversupply or reduced demand for space;
- (iv) changes in interest rates and/or other financial market volatility, including changes in the availability of capital;
- (v) changes in lending regulations and reserve requirements, as well as changes in tax laws and accounting principles;
- (vi) the potential effect of rent control or rent stabilization laws, or other laws regulating housing, that could prevent the Company from raising rents;
- (vii) vacancies, changes in market rental rates, and the need to periodically repair, renovate, and re-let space;
- (viii) the perceptions of prospective tenants and purchasers regarding the safety, convenience and attractiveness of the Property and the neighborhood in which it is located;
- (ix) increased operating costs, including insurance expense, utility expense, real estate taxes, state and local taxes, and fluctuating security costs;
- (x) significant fixed costs associated with the Property, such as real estate taxes, insurance and maintenance costs, which are generally not reduced when circumstances cause a reduction in revenues from the Property;
- (xi) declines in the financial condition of the Property's tenants and the ability to collect rent from tenants who are impacted by insolvency, inflation, recessions or other economic events;
- (xii) macro-economic events, including fluctuations in energy supplies and changes in the federal government's economic and fiscal policies, that impact the financial condition of current and prospective tenants;
- (xiii) trends in corporate downsizing, job sharing and telecommuting;
- (xiv) casualty and condemnation risks;
- (xv) natural disasters, civil disturbances, terrorism, or acts of war that may result in uninsured or underinsured losses; and
- (xvi) typical financial and operational burdens with respect to the ownership of real estate, which include the payment of expenses and taxes, the cost of property maintenance and improvements, and the transaction costs associated with the ultimate sale of the Property.

B. Risks Related to the Property

The anticipated closing on the Property is contingent. If we are unsuccessful in raising the funds needed to close this Offering, we will not be able to purchase upon the Property. There is no guarantee we may be able to raise the capital necessary to close upon the Property. Additionally, even if we close upon the proceeds of this Offering, there is no guarantee that we will ultimately purchase the Property from the present owner.

C. Risks Related to the Company as a Development-Stage Company

The Company was only recently formed, has not begun operations, and has no operating history. The Company was formed under the laws of the State of Minnesota on June 1, 2018. As such, the Company has no operating history and has no assets. Because of our limited history, you should be especially cautious before drawing conclusions about our future performance. We may not be able to successfully implement or operate our business plan. You should not rely on the past performance of the Managing Member, or the Managing Member's members, to predict our future performance.

Limited Operating History. The Managing Member has limited prior operating histories in other facets of the real estate industry and has not previously formed an entity for the same purpose as the Company. To date, the principal activities of the Company has consisted of organizational matters, performing due diligence on the Property and the preparation of this Offering. Although the Managing Member and affiliates of the Manager have some experience in the ownership, development, leasing, construction and management of real estate, including other investment property, neither the Company, nor the Managing Member have any significant operating history.

Limited Working Capital and Reserves. The Managing Member will budget a limited sum for operating reserves and for start-up expenses and carrying costs associated with the acquisition, development, construction, leasing and operation of the Company's Property, including the costs of management personnel, advertising and marketing and other operational expenses. In the event of delays in acquisition, leasing and operation of the investment property or in achieving targeted occupancy levels or unforeseen contingencies that might arise in connection with the operation of the Property, the Company may require additional funds. There can be no assurance that such additional funds can be obtained by the Company, and failure to obtain such funds could adversely affect the Company's operations.

Limited Net Worth of the Managing Member. The Managing Member has limited net worth, and has no obligation to make capital contributions or loans to the Company. The net worth of the Company will consist of the capital contributions of investors who become Members of the Company and the free and clear property values of the properties owned by the Company. Although the Managing Member will generally not be liable for obligations of the Company during the time that the Company maintains its registration as a limited liability company, lenders and other suppliers or creditors dealing with the Company may be influenced by the limited net worth of the Company and Managing Member in extending credit to the Company, which may have an adverse effect on the Company

Personnel. If we fail to retain our key personnel, we may not be able to achieve our anticipated level of growth and our business could suffer. Our future depends, in part, on our ability to attract and retain key personnel. Our future also depends on the continued contributions of the Managing Member's executive officers and other key technical personnel, each of whom would be difficult to replace. The loss of the services of executive officers or key personnel and the process to replace any of our key personnel would involve significant time and expense and may significantly delay or prevent the achievement of our business objectives.

Our operating expenses and administrative costs may be higher than expected. We expect to incur various operating expenses and administrative costs in connection with this Offering and the initiation,

servicing, and enforcement of the Company's Property (including, but not limited to, legal and accounting fees). If expenses are higher than projected, then the amounts available for distribution to the Members will decrease.

We may need additional capital in the future. We believe the proceeds from the Offering will provide the Company with sufficient capital to acquire at least the Property. However, we may require additional future capital to sustain growth and profitability or to fund losses. Changes in our planned operations may result in a change in the timing and amount of required additional capital. There can be no assurance that additional capital will be available to us when needed or on terms acceptable to us.

Our operations and profitability may be affected by the local economy. Because we will focus our business efforts in the State of Kentucky, our success will depend to an extent upon the strength of the general economy in that area. While we believe that flat or declining market conditions will create positive opportunities for the Company, we may be vulnerable to downturns in the economy. Adverse economic conditions could have a negative effect upon the quality of our investment portfolio, our earnings, and our ability to pay distributions to you.

Indefinite term of Company. The Company has a perpetual duration. Although it is currently anticipated that the investment of the Company will be divested within 5-7 years, there can be no assurances that our operations and activities will proceed as planned. It may be impossible for you to liquidate your investment. The Series A Preferred Units offered in this placement are highly speculative, must be purchased as a long-term investment, and should only be purchased by persons who can readily afford to lose their entire investment.

Third-Party Litigation. The Company's investment activities subject it to the typical risks of becoming involved in litigation by third parties. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Company and would reduce its net assets. The Managing Member of the Company and others are indemnified by the Company in connection with such litigation, subject to certain conditions.

Casualty Losses. Although the Managing Member expects to obtain and keep in force comprehensive liability and casualty insurances on the Company's Property, there are certain types of losses that are either uninsurable or not economically insurable. Such losses, include, but may not be limited to earthquakes, tornadoes, high winds, war and floods. Should any of these or other disasters occur, the Company could suffer material adverse effects. In addition, in the event of significant damage to or destruction of the Property, the Company may elect to accept insurance proceeds and not elect to rebuild the Project subjected to loss. If insurance proceeds are not used to replace the Property, the Company may end up with a property lot not easily saleable. As a result, the Company could suffer reduced revenues and may need to re-adjust its accounting. In addition, new developments in the insurance markets could make coverage for certain risks either unavailable or prohibitively expensive. As a result, the Company may be unable to obtain certain types of coverage, or coverage at acceptable levels of cost, and may be exposed to various risks, which, in the past, have been insurable in the ordinary course of business.

D. Risks Related to the Company's Operations

Risk related to illiquid assets. Liquidity relates to the ability of the owner to dispose of assets readily and the price to be paid for them. The Company's assets are inherently illiquid. Such illiquidity could prevent the sale by the Company of the Property at a time when it otherwise might be desirable to do so. This lack of liquidity may have an adverse impact on the value of the Company. In addition, illiquid assets may be more difficult to value due to the unavailability of reliable market quotations. The sale of less marketable assets may require more time and result in lower prices due to higher brokerage charges

and other selling expenses than the sale of more marketable assets. Although the Managing Member presently anticipates that the Company's Property will be liquidated after 5 to 7 years, the Company may not be able to sell the Property by the end of the 7-year term.

Cash Flow Risk. Any projected cash flows included in this Memorandum should be considered speculative and are qualified in their entirety by the assumptions, information and risks disclosed in this Memorandum. The assumptions and facts upon which such projections are based are subject to variations that may arise as future events actually occur. Investors are advised to consult with their own tax and business advisors concerning the validity and reasonableness of the factual, accounting and tax assumptions. The Company and the Managing Member make no representation or warranty as to the future profitability of an investment in the Company. A decrease in rental revenues of the Company may materially and adversely affect the Company's cash flow. No assurance can be given that future cash flow will be sufficient to cover all operating expenses. If the Company's revenues are insufficient to pay operating costs, the Company may be required to use reserves or seek additional funds. There can be no assurance that additional funds will be available, if needed, or, if such funds are available, that they will be available on terms deemed acceptable to the Managing Member.

Assessment of Investment Yields. No assurances can be given that the Company can make an accurate assessment of the yield to be produced by the Property. Projected operating results will normally be based primarily on the judgment of the Managing Member. In all cases, projections are only estimates of future results based upon assumptions made at the time the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. Many factors beyond the control of the Company are likely to influence the yield on the Property, including, but not limited to, competitive conditions in the local real estate market and local and general economic conditions. However, members may not have the opportunity to personally evaluate the relevant economic, financial and other information necessary to properly select each investment.

E. Risks Related to Conflicts of Interests

Participation of Managing Member in the Organization of the Company. The Managing Member participated in the structuring and organization of the Company. Thus, the selection of the Managing Member and other service providers and the setting of the Managing Member's and other service providers' management fees were not the result of arms-length negotiation. Therefore, such terms may not be as favorable as the terms an investor might be able to procure in a similar investment offered by a person independent of the Managing Member or its affiliates.

The Managing Member interests may conflict with yours. Upon the completion of this Offering, the Managing Member will control day-to-day activities of the Company and certain decisions such as the sale of the Property. The Managing Member thereby will determine all matters of general policy of the Company. We cannot assure you that the interests of the Managing Member will always align precisely with your interests.

The Asset Manager is the Managing Member. The Asset Manager, is an independent contractor in the business of managing real property assets and was engaged by the Company to manage the Company's assets. The Asset Manager was chosen, due in large in part, to its relationship with Managing Member. You should be advised that only under extreme situations may the Asset Manager be removed.

Creation of future funds. The Managing Member will be investing in other real estate and that may impact the duties of the Managing Member with respect to this Offering. The Managing Member cannot assure that it will adequately manage multiple properties with different investment strategies. Negative

performance of a future property may indirectly impact the performance of this Property by drawing the Managing Member's attention towards the poorly performing property.

Lack of Separate Legal Representation. The Company, the Managing Member, and the Asset Manager are represented by the law firm of Messerli and Kramer, P.A., Minneapolis, Minnesota. Potential investors should seek separate legal counsel to review documents related to this offering and advocate for their individual legal needs.

F. Risks Related to the Series A Preferred Units

The Series A Preferred Units are "Restricted Securities." The Series A Preferred Units we are offering in this placement have not been registered under the Securities Act of 1933 (the "1933 Act") or under the securities laws of the states in which they will be offered. You will not be able to resell the Series A Preferred Units unless they are subsequently registered or an exemption from registration is available. We have no obligation to register the Series A Preferred Units under the 1933 Act or any state securities law. We will refuse to transfer your Series A Preferred Units to a potential buyer if such a transfer would violate federal or state securities laws.

No guarantee of any return of your investment. While the Company intends to make distributions to its members from rents collected and the proceeds it receives from the sale of the Company's Property, there is no assurance that we will be able to pay distributions at this or any level. Thus, it is possible you may not receive any distribution on your Series A Preferred Units. In addition, there is no guarantee that, in the event of liquidation, you will receive sufficient funds to provide you with a return on your investment. Furthermore, there is no guarantee that you will be repaid any or all of your investment. There can be no assurance as to whether or when you will get your invested capital returned. The potential will exist for a partial or total loss of your investment. You will not have a secured interest in the Property.

Other limitations on voluntary and involuntary transfers; including one year requirement. In addition to restrictions of the transfer of the Series A Preferred Units that are imposed by law, the Series A Preferred Units are subject to numerous contractual limitations that will substantially limit your ability to transfer your Series A Preferred Units. Each purchaser of Series A Preferred Units offered hereby will, by signing the Subscription Agreement, agree to become a party to the Company's Operating Agreement. Please see Article 8 of the LLC Agreement for further information.

Limited redemption rights. The Company offers no guaranteed rights of redemption. You should be cognizant that you will not be able to demand redemption of your units under any circumstances. Your investment will be "locked up" for at least one year and should therefore be viewed as a long-term and illiquid investment. *Please see Article 8 of the LLC Agreement for further information.*

No voting rights. The Series A Preferred Units we are offering in this placement provide no governance rights and voting rights. You will not have any right to participate in the management of the Company. The Managing Member will own all of the Company's Class B Units, and thereby will control day to day activities of the Company and all decisions You should not invest in the Series A Preferred Units unless you are willing to entrust all decisions to the Managing Member.

Tax on income in excess of cash distributed. You will be taxed on your allocated share of the Company's profits, whether or not the Company distributes cash to you. To the extent your personal tax liability exceeds the cash distributed to you in a particular year, you will be required to pay your tax obligation with personal funds.

The placement price was arbitrarily determined. The price of the Series A Preferred Units in this placement was arbitrarily determined by the Company and should not be considered as an objective indication of the actual value of the Company or the securities being offered and it bears no relationship to the Company's assets, earnings, book value or any other objective value. You must rely on your own business and investment background and your own investigation of the business and affairs of the Company in determining whether to invest in the Series A Preferred Units. We make no representation as to the value of the Series A Preferred Units, and there can be no assurance that you will be able to sell your Series s A Units at any price.

The value of your investment will be immediately diluted. If you purchase Series A Preferred Units in this placement, your investment per Series A Unit will be immediately diluted upon completion of this offering. This dilution is a result of application of certain organizational costs and other expenses incurred prior to completion of this placement.

No registration rights. We do not intend to register the Series A Preferred Units or any of our securities with the Securities and Exchange Commission and you will have no right to require us to do so.

G. Risks Related to Method and Terms of This Offering

The Managing Member will have discretion over the amount and the uses to which we may apply the placement proceeds, which could negatively affect our financial condition. We intend to use the proceeds of this placement to fund the formation and initial capitalization of the Company, pay organizational expenses and to purchase the Property. There is no guarantee that our business decisions regarding the use of the proceeds from this placement will prove to be effective or profitable, and the choices that we make may materially and adversely affect the business of the Company and the value of your investment.

H. Risk Related to Federal and State Taxation

Federal Tax Laws Subject to Change. It is possible that the current federal income tax treatment accorded the Company and its members will be modified by legislative, administrative or judicial action in the future. The nature of additional changes in federal income tax law, if any, cannot be determined prior to the enactment of any new tax legislation, the announcement of any new administrative guidance or a final adjudication in court, as applicable. However, any such changes in current federal income tax law could significantly alter the tax consequences and decrease the after-tax rate of return of an investment in the Company. Potential investors therefore should seek, and must rely on, the advice of their own tax advisors with respect to the possible impact on their investments of recent legislation, as well as any future proposed tax legislation or administrative or judicial action.

State, Local and Foreign Taxes. The Company, as well as the members, may be subject to various state, local and foreign taxes, all of which also are subject to change. Prospective investors are urged to consult their own tax advisors regarding the state, local and foreign tax consequences of investing in the Company.

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EXHIBIT D Articles of Organization Operating Agreement (See attached)

Office of the Minnesota Secretary of State Certificate of Organization

I, Steve Simon, Secretary of State of Minnesota, do certify that: The following business entity has duly complied with the relevant provisions of Minnesota Statutes listed below, and is formed or authorized to do business in Minnesota on and after this date with all the powers, rights and privileges, and subject to the limitations, duties and restrictions, set forth in that chapter.

The business entity is now legally registered under the laws of Minnesota.

Name: Lexington Investors, LLC

File Number: 1019306100023

Minnesota Statutes, Chapter: 322C

This certificate has been issued on: 06/01/2018

Here Pinn Steve Simon

Secretary of State State of Minnesota



Office of the Minnesota Secretary of State

Minnesota Limited Liability Company/Articles of Organization

Minnesota Statutes, Chapter 322C

The individual(s) listed below who is (are each) 18 years of age or older, hereby adopt(s) the following Articles of Organization:



ARTICLE 1 - LIMITED LIABILITY COMPANY NAME:

Lexington Investors, LLC

ARTICLE 2 - REGISTERED OFFICE AND AGENT(S), IF ANY AT THAT OFFICE:

Name Address:

1042 Centerville Circle Vadnais Heights MN 55127 USA

ARTICLE 3 - DURATION: PERPETUAL

ARTICLE 4 - ORGANIZERS:

Name: Address:

Todd Dexheimer 1042 Centerville Circle Vadnais Heights MN

55127 USA

If you submit an attachment, it will be incorporated into this document. If the attachment conflicts with the information specifically set forth in this document, this document supersedes the data referenced in the attachment.

By typing my name, I, the undersigned, certify that I am signing this document as the person whose signature is required, or as agent of the person(s) whose signature would be required who has authorized me to sign this document on his/her behalf, or in both capacities. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

SIGNED BY: Todd Dexheimer

MAILING ADDRESS: None Provided

EMAIL FOR OFFICIAL NOTICES: todd@venturedpropertie.com



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Steve Simon Secretary of State

Oteve Vimm

OPERATING AGREEMENT Lexington Investors, LLC July 6, 2018

THE MEMBERSHIP INTEREST UNITS REPRESENTED BY THIS DOCUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE. THE UNITS HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO DISTRIBUTION OR RESALE. SUCH UNITS MAY NOT BE OFFERED FOR SALE, SOLD, DELIVERED AFTER SALE, TRANSFERRED, PLEDGED, ASSIGNED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT COVERING SUCH SECURITIES UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, UNLESS THE HOLDER SHALL HAVE OBTAINED AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

THE UNITS ARE SUBJECT TO FURTHER RESTRICTION AS TO THEIR SALE, TRANSFER, PLEDGE, HYPOTHECATION, OR ASSIGNMENT AS SET FORTH IN THIS AGREEMENT.

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OPERATING AGREEMENT LEXINGTON INVESTORS, LLC

This Operating Agreement (this "Agreement") is dated July 6, 2018, and is between Lexington Investors, LLC, a Minnesota limited liability company (the "Company"), and the Persons who are identified on attached Exhibit A (as such Exhibit may be amended or supplemented from time to time as provided herein) as the members of the Company (collectively, the "Members").

Background:

- **A.** The Members constitute all of the current members of the Company.
- **B.** The Minnesota Act authorizes the adoption of a written agreement among members concerning the business and affairs of a limited liability company.
- C. The Members and the Company desire to enter into such an agreement.

NOW, THEREFORE, the Members and the Company hereby agree as follows:

ARTICLE 1

DEFINED TERMS

For purposes of this Agreement and all Exhibits and Schedules attached hereto, the capitalized terms shall have the meanings set forth on attached Exhibit B.

ARTICLE 2

FORMATION AND ORGANIZATION

2.1. Name

The Company shall have the name set forth above in the Preamble or such other name or names as the Managing Member may from time to time designate. The Company's activities shall be conducted under the name of the Company.

2.2. Purpose and Powers

The purpose of the Company is to purchase, own and lease the Cambridge Property and to engage in any lawful business permitted by the Minnesota Act.

2.3. No State Law Partnership

No provisions of this Agreement shall be deemed or construed to constitute the Company being a partnership (including, without limitation, a limited partnership or a joint venture) for any purpose other than for federal, state, and local income tax purposes.

ARTICLE 3

MANAGEMENT

3.1. General Management

Except as otherwise provided in Section 3.2, the business and affairs of the Company shall be managed under the direction of the Managing Member in accordance with Section 322C.0407, Subdivision 3 of the Act. The Managing Member, to the extent of its powers set forth in this Agreement and the Act, is an agent of the Company for the purpose of the Company's business, and the actions of the Managing Member taken in accordance with this Agreement shall bind the Company. Except for the obligations contained in this Agreement or as otherwise imposed by law, the Managing Member shall not owe any fiduciary duties to the Company or the other Members.

3.2. Managing Member

- **3.2.1.** Authority Subject to any provisions of this Agreement requiring the prior consent or approval of the Members for certain actions, the Company, the Managing Member, and/or the officers, if any, of the Company, on behalf of the Company, shall have the power and authority to take any and all actions necessary, appropriate, proper, advisable, incidental, or convenient, for the furtherance of the purposes of the Company, including, but not limited to, the power and authority to:
 - (a) perform all actions associated with the day-to-day operations of the Company, including the acquisition of the Property (as defined herein);
- (b) enter into, and perform under contracts, agreements, and other undertakings binding the Company that may be necessary, appropriate, or advisable in furtherance of the purposes of the Company and making all decisions thereunder;
- (c) open and maintain bank and interest-bearing accounts and arrangements, drawing checks and other orders for the payment of money, and designating individuals with authority to sign or give instructions with respect to those accounts and arrangements;
- (d) maintain the assets of the Company and collect sums due the Company;
- (e) to the extent that funds of the Company are available therefor, pay debts and obligations of the Company;

- (f) conduct the Company's business in accordance with the terms of this Agreement and (i) all applicable laws, statutes, ordinances, decrees, codes, rules, regulations, resolutions and other act of any governmental authority, including federal and state labor and tax laws, with respect to the Company's business, and (ii) any other agreement relating to the Company's business;
- (g) obtain all licenses or permits required by it or the Company in connection with the conduct of the Company's business;
- (h) authorized, in its discretion, to cause the Company to acquire policies of liability insurance insuring the Company against liabilities in connection with the business of the Company; and
- (i) take such other actions and carry out such other activities as may be necessary, advisable, or incidental to the carrying out the business of the Company.

3.3. Officers

3.3.1. Responsibilities The day-to-day operations of the Company shall be the responsibility of those officers appointed by the Managing Member. The Managing Member may appoint managers as officers.

3.3.2. Officer Compensation

(a) Initial Compensation. The Officers of the Company, shall receive no initial base compensation ("Officer Compensation").

ARTICLE 4

MEMBERSHIP INTERESTS; UNITS; ADMINISTRATIVE MATTERS2

4.1. General

A Member's membership interest ("Membership Interest") in the Company constitutes a Member's financial and governance rights in the Company, as such terms are defined by the Minnesota Act, in each case subject to the provisions of this Agreement and the Minnesota Act. Membership Interests shall be represented by "Units." The Membership Interests of the Company are divided into three (3) series: (i) Series A Preferred Units, (ii) Series B Founder Units, and (iii) Series C Performance Units. The Company has issued to each Member the number and series of Units set forth opposite the Member's name on attached Exhibit A.

4.2. Terms of Units

The Units shall have the rights and preferences set forth below.

4.2.1. Series A Preferred Units

(a) Governance Rights. The holder of each Series A Preferred Unit shall have no voting or governance rights whatsoever, except as required by the Minnesota Act.

(b) Financial Rights; 8% Cumulative Preferred Return. The holder of each Series A Preferred Unit shall be entitled to allocations and distributions as provided in Articles 6, 7 and 10 hereof. In addition, each Series A Member will be entitled to receive, out of funds legally available therefor, an eight percent (8%) cumulative annual return, on the amount, from time to time, of the Member's Unreturned Capital Contributions. The preferred return shall terminate and expire once the Series A Members have received their Unreturned Capital Contributions and Unpaid Preferred Returns.

4.2.2. Series B Founder Units

- (a) Governance Rights. Except for the voting rights with respect to the election of Series B Managers pursuant to Section 3.2.1, the holder of each Series B Founder Unit shall have no voting or governance rights whatsoever, except as required by the Minnesota Act.
- (b) Financial Rights. The holder of each Series B Founder Unit shall be entitled to allocations and distributions as provided in Articles 6, 7 and 10 hereof.

4.2.3. Series C Performance Units

- (a) Governance Rights. The Series C Performance Units shall have no voting or governance rights whatsoever, except as required by the Minnesota Act.
- (b) Financial Rights. The holder of each Series C Performance Unit shall be entitled to allocations and distributions as provided in Articles 6, 7 and 10 hereof.
- (c) Profits Interest Only. The Series C Members are not making Capital Contributions to the Company. The Series C Performance Units issued on or after the date of this Agreement are intended to be treated as "profits interests" under Rev. Proc. 93-27, 1993-2 C.B. 343, as clarified by Rev. Proc. 2001-43, 2001 2 C.B. 191 and the provisions of this Agreement will be interpreted and applied consistently therewith. The issuance of Series C Performance Units to the Series C Members is intended to be treated as a non-taxable transaction for income tax purposes under Rev. Proc. 93-27, 1993-2 C.B. 343, as clarified by Rev. Proc. 2001-43, 2001 2 C.B. 191.

4.3. Limited Preemptive Rights

The following provisions shall only apply after the purchase of the Cambridge Property:

- **4.3.1.** General Prior to the issuance of any new Series A Preferred Units (the "*New Units*"), each Series A Member shall have the right to purchase its Preemptive Rights Percentage of the New Units being issued or sold, subject to the procedures outlined below.
- 4.3.2. Procedure The Company shall provide written notice (the "New Unit Notice") to each Series A Member before offering to sell any New Units, which notice shall set forth in reasonable detail the proposed terms and conditions of such issuance, and shall offer to each Series A Member the opportunity to purchase his, her, or its Preemptive Rights Percentage of the New Units on the terms specified in the notice. If any Series A Member wishes to exercise his, her, or its preemptive right, the Series A Member may do so by delivering written notice to the Company within thirty (30) days after receiving the New Unit Notice (such 30-day period is referred to as the "Election Period"). The Series A Member's notice shall state the dollar amount of New Units that the Series A Member would like to purchase, which may be equal to or less than its Preemptive Rights Percentage of the New Units. The Company will have the ability to reject any such

purchase by a Series A Member if (a) the Company abandons the proposed offering in its entirety, and (b) the Company does not initiate another Units offering within ninety (90) days of the date the first notice was given.

- **4.3.3.** Issuance of New Units to Existing Series A Members or Third Parties The Company shall have the right to issue and sell all or any of the New Units not subscribed for pursuant to the procedures described in Section 4.3.2 to any Person approved by the Managing Member, so long as (a) such sale is consummated within ninety (90) days following the conclusion of the Election Period, and (b) the terms and conditions of such offering and sale are the same as those provided to the Series A Members under Section 4.3.2.
- 4.3.4. Accelerated Offerings The Series A Members acknowledge that under certain circumstances, the Company may require capital on an accelerated basis such that the full preemptive right process described above cannot be completed in a timely manner. In such case, notwithstanding anything to the contrary in this Section 4.3, the Company may work with some, rather than all, of the Series A Members to raise the required funds in the required timeframe, so long as the Company makes the same investment opportunity available to all other Series A Members who were not offered the opportunity in connection with the closing of the initial offering. The Company may elect to make such same investment opportunity available to such other Series A Members either by requiring the initial subscribers to sell down a portion of their investment, by issuing additional Units, or a combination of the foregoing. If the Company elects to fulfill its obligation under the preceding sentence by issuing additional Units to those Series A Members that were not given the opportunity to participate in the original offering, the Units issued by the Company will not trigger preemptive rights with respect to the issuance thereof so long as the issuance is in satisfaction of the obligations under this Section.
- **4.3.5.** Limitation on Preemptive Rights Notwithstanding anything in this Section 4.3 to the contrary, the Company may issue additional equity interests in the Company (including additional Series B Founder Units and/or Series C Performance Units) without triggering preemptive rights with respect to the issuance thereof so long as such equity interests do not dilute the economic rights of the Series A Members.

4.4. Schedule of Members

The Secretary shall maintain a Schedule of Members, which shall include the names of the Members, their mailing addresses and e-mail addresses and the number and series of Units held by each of them, and their respective Series A Percentage Interests and Series B/C Percentage Interests. A copy of the Schedule of Members as of the date hereof is attached as Exhibit A. Upon any Transfer, issuance, or redemption of any Units made in accordance with this Agreement, the Secretary shall amend Exhibit A to reflect such Transfer, issuance, or redemption of Units and the adjusted Units and Series A Percentage Interests and Series B/C Percentage Interests of the Members.

4.5. Administrative Matters

4.5.1. Availability of Books and Records The Company shall keep or cause to be kept accurate accounts of the transactions of the Company in proper books and records of account which shall set forth all information required by the Minnesota Act. Each Member shall be entitled to inspect or copy the books and records of the Company at any time during normal business hours at the principal place of business of the Company.

- **4.5.2.** Tax Characterization and Tax Returns The Members acknowledge that the Company will be treated as a "partnership" for federal and state income tax purposes. Within ninety (90) days after the end of each Fiscal Year, the Company will deliver to each person who was a Member at any time during such Fiscal Year a Schedule K-1 and such other information, if any, with respect to the Company as may be necessary for the preparation of such Member's federal or state income tax (or information) returns, including a statement showing each Member's share of income, gain or loss and credits for such Fiscal Year for federal or state income tax purposes.
- 4.5.3. Tax Matters Member Lexington Capital, LLC, a Minnesota limited liability company, is hereby designated as the Tax Matters Member for the Company (the "Tax Matters Member") in accordance with the definition of "tax matters partner" set forth in Section 6231 of the Code. The Tax Matters Member shall not be liable to the Company or any Member for any act or omission of the Tax Matters Member that was in good faith and in the belief that such act or omission was in or was not opposed to the best interests of the Company. The Tax Matters Member shall be indemnified by the Company in respect of any claim based upon such act or omission, provided that such act or omission is not in violation of this Agreement and does not constitute gross negligence, fraud, or a willful violation of law. The Tax Matters Member shall inform all other Members of all material tax matters that may come to the attention of the Tax Matters Member by giving the Members notice thereof within thirty (30) days after becoming so informed. All expenses and costs of the Tax Matters Member shall be borne by the Company.
- **4.5.4. Financial Statements** Within ninety (90) days after the end of each Fiscal Year, or such other times as determined by the Managing Member, the Managing Member shall cause to be delivered to all Members internally prepared financial statements (including a balance sheet and income statement) as of the end of such Fiscal Year or other period.

ARTICLE 5

CAPITAL

5.1. Initial Capital Contributions; Issuance of Units

Each Member's initial Capital Contribution is set forth on attached Exhibit A.

5.2. Capital Accounts

A separate Capital Account shall be maintained for each Member in accordance with the Code and the Regulations, including, without limitation, Regulations Section 1.704–1(b)(2)(iv).

5.3. Capital Account Revaluations

Following the acquisition of an additional Membership Interest by any new or existing Member either in exchange for more than a de minimis Capital Contribution or in connection with the grant of more than a de minimis Membership Interest as consideration for the provision of services to or for the benefit of the Company, the Capital Accounts of all the Members shall be restated in accordance with Regulations Section 1.704-1(b)(2)(iv)(f). In addition to the foregoing, the Capital Accounts of all the Members may also

be restated following any of the events described in paragraph (ii) of the definition of Gross Asset Value.

5.4. No Obligation to Restore Capital Account Deficit

After all the allocations and distributions pursuant to Articles 6 and 7 have been made upon liquidation of the Company or liquidation of the Member's Membership Interest, a Member with a deficit balance in such Member's Capital Account shall not be obligated to contribute property or cash to the Company in order to restore such deficit Capital Account balance.

5.5. No Additional Required Capital Contributions

The Members shall not be required to make any additional Capital Contributions.

5.6. Loans

Members may make loans to the Company from time to time, as authorized by the Managing Member. Any payment or transfer accepted by the Company from a Member which is not a Capital Contribution shall be deemed a loan and shall neither be treated as a Capital Contribution, nor entitle such Member to any additional Units. Any such loan shall be repaid at such times and with such interest (at rates not to exceed the maximum permitted by law) as the Managing Member and the lending Member shall reasonably agree.

5.7. Limited Liability

No Member shall be personally liable for any of the debts of the Company unless unanimously agreed upon by all Members or required by law.

5.8. Creditors

A creditor who makes a loan to the Company shall not have or acquire, at any time as a result of making the loan, any direct or indirect interest in the Profits, Losses, capital, or Property of the Company other than as a creditor.

ARTICLE 6

ALLOCATIONS

6.1. Profits and Losses

Except as otherwise provided in Section 6.2 and Section 6.5, any Profits or Losses of the Company for each Fiscal Year shall be allocated to the Members in accordance with the following:

6.1.1. Profits:

- (a) First, Profits shall be allocated to each Member, pro rata in accordance with, as to each Member, the excess, if any, of (x) the cumulative Losses allocated to such Member pursuant to Section 6.1.2 for all prior Fiscal Years, over (y) the cumulative Profits allocated pursuant to this Section 6.1.1 for all prior Fiscal Years; and
- (b) Second, any remaining Profits shall be allocated as follows:
 - (1) Series A Adjusted Percentage Interest to the Series A Members as a class, and in turn to be allocated among them, pro rata, in proportion to their respective Series A Percentage Interests.
 - (2) Series B/C Adjusted Percentage Interest to the Series B Members and the Series C Members together as a class, and in turn to be allocated among them, pro rata, in proportion to their respective Series B/C Percentage Interests.

6.1.2. Losses:

- (a) First, Losses shall be allocated to each Member, pro rata in accordance with, as to each Member, the excess, if any, of (x) the cumulative Profits allocated to such Member pursuant to Section 6.1.1 for all prior Fiscal Years, over (y) the cumulative Losses allocated pursuant to this Section 6.1.2 for all prior Fiscal Years; and
- (b) Second, any remaining Losses shall be allocated as follows:
 - (1) Series A Adjusted Percentage Interest to the Series A Members as a class, and in turn to be allocated among them, pro rata, in proportion to their respective Series A Percentage Interests.
 - (2) Series B/C Adjusted Percentage Interest to the Series B Members and the Series C Members together as a class, and in turn to be allocated among them, pro rata, in proportion to their respective Series B/C Percentage Interests.

6.2. Regulatory Allocations

Prior to making any allocations of Profits and Losses under Section 6.1 for a Fiscal Year, the Company shall make the regulatory allocations (if any) that are required for the Fiscal Year under either Regulations Section 1.704–1(b) or Regulations Section 1.704–2 (the "Regulatory Allocations"), and, by this reference, such Regulations Sections are incorporated fully into this Agreement as if set forth fully in this Agreement, and it shall be understood that this Agreement "provides" or "contains" the provision to which a provision of either such Regulation Section refers. Without limiting the generality of the preceding sentence, "nonrecourse deductions" (as defined in Regulations Section 1.704–2(b)(1)) shall be included in determining Profits or Losses for a Fiscal Year. Notwithstanding any other provisions of this Article 6, the Regulatory Allocations shall be taken into account in allocating Profits, Losses, and the items of Company income, gain, loss, and deduction to the Members so that, to the extent possible, the net amount of such allocations of Profits, Losses, and other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to each such Member if the Regulatory Allocations had not occurred.

6.3. Allocations of Individual Items

All items of Company income, gain, loss, deduction for federal and state income tax purposes, and any other allocations not otherwise provided for, shall be divided among the Members in the same proportions as they share Profits or Losses, as the case may be, for the Fiscal Year. The Managing Member's determination of allocations shall be binding upon all parties.

6.4. Section 704(c) and Capital Account Revaluation Allocations

To the fullest extent possible with respect to the allocation of depreciation and gain for federal income tax purposes, Section 704(c) of the Code and Regulations Section 1.704–3(b) shall apply with respect to any non-cash Capital Contribution by a Member. For purposes hereof, any allocation of any item of Company income, gain, or loss to a Member pursuant to Section 704(c) of the Code shall affect only the Member's tax basis in such Member's Membership Interest and shall not affect the Member's Capital Account. In addition to the foregoing, if Company Property is reflected in the Capital Accounts of the Members at a book value that differs from the adjusted tax basis of such Property (e.g., pursuant to paragraph (ii) of the definition of Gross Asset Value), then allocations of depreciation, amortization, income, gain, or loss with respect to such Property shall be made among the Members in a manner consistent with the principles of Section 704(c) of the Code (subject to Section 6.6.2) and Regulations Section 1.704–3(b).

6.5. Limitation Upon Member's Loss Allocations

Losses allocated pursuant to Section 6.1 shall not exceed the maximum amount of Losses that can be allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Fiscal Year. If some, but not all, of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Losses pursuant to Section 6.1, the limitation set forth in this Section shall be applied on a Member-by-Member basis (and may be applied more than once if required to allocate Losses fully for a Fiscal Year), and Losses not allocable to any Member as a result of such limitation shall be allocated to the other Members (to whom Losses may continue to be allocated) in accordance with their relative ownership of Units, so as to allocate the maximum permissible Losses to each Member under Section 1.704–1(b)(2)(ii)(d) of the Regulations. For purposes of the preceding sentence, the Series C Performance Units of a Series B Member shall not be taken into account. If Losses have been specially allocated to one or more Members pursuant to this Section in a prior Fiscal Year, then Profits for current Fiscal Year shall be specially allocated to each such Member to the extent of the difference between the cumulative Losses allocated to such Member pursuant to this Section for all prior Fiscal Years and in proportion to such differences of all such Members.

6.6. Power of the Managing Member Regarding Tax Matters

- **6.6.1.** It is the intent of the Members that each Member's allocable share of Profits and Losses shall be determined and allocated in accordance with the provisions of this Article 6 to the fullest extent permitted by Section 704(b) of the Code and the Regulations promulgated thereunder. The Managing Member may modify the definition of Capital Account contained in Exhibit B to the extent the Managing Member reasonably determines that such modification is necessary to comply with the Regulations, provided that such modification is not likely to have a material adverse effect on the amounts distributable to a Member under Section 10.3 following the dissolution and liquidation of the Company or the liquidation of the Member's Membership Interest.
- **6.6.2.** The Managing Member shall have the power to (a) make or revoke such elections as may be allowed pursuant to the Code with respect to the Company, including the election referred to in Section 754 of the Code to adjust the basis of the Company's property; (b) determine the method (or methods) adopted by the Company for making any income tax allocations required by Section 704(c) of the Code or the Regulations thereunder, and (c) determine all other tax matters relating to the Company, including accounting procedures, not expressly provided for this Agreement.

6.7. Allocations Following Transfers of Units

If any Units are Transferred during any Fiscal Year of the Company, the Company income or loss attributable to such Units for such Fiscal Year shall be allocated between the transferor and the transferee in any manner permitted by law as they shall agree; provided, however, that if the Company does not receive, within thirty (30) days of the Transfer, written notice stating the manner in which the parties have agreed to allocate such Company income or loss, then the Company may allocate income or loss between the parties based on the percentage of the Fiscal Year each party was, according to the books and records of the Company, the owner of record of the Units transferred.

ARTICLE 7

DISTRIBUTIONS

7.1. Net Cash Flow

In the discretion of the Managing Member, Net Cash Flow shall be distributed annually (or at such other times as determined by the Managing Member) to the Members in accordance with the following:

- **7.1.1.** First, until such time as all Unpaid Preferred Returns of all Series A Members have been reduced to zero, to the Members in accordance with the following:
- (a) 100% to the Series A Members as a class, and in turn to be distributed among them, pro rata, in proportion to their respective Series A Percentage Interests.
- **7.1.2.** Second, at any time after all Unpaid Preferred Returns of the Series A Members have been reduced to zero, to the Members in accordance with the following:
- (a) 70% to the Series A Members as a class, and in turn to be distributed among them, pro rata, in proportion to their respective Series A Percentage Interests.
- (b) 30% to the Series B Members and the Series C Members together as a class, and in turn to be distributed among them, pro rata, in proportion to their respective Series B/C Percentage Interests.

7.2. Tax Distributions

In addition the distributions described under Section 7.1, to the extent that cumulative, allocated Profits exceed cumulative, allocated Losses for the Fiscal Year with respect to which distributions are being made pursuant to this Section 7.2 and all prior Fiscal Years, the Company shall make distributions out of the Net Cash Flow to the Members on a pro rata basis in accordance with each Member's share of the Company's taxable income, at such times and in such amounts as are reasonably estimated by the Managing Member to be at least sufficient to enable each Member to make timely payments of federal, state, and local income and franchise taxes (including estimated taxes) attributable to such cumulative, allocated net Profits of the Company properly allocated to the Members ("Tax Distributions"). Notwithstanding the foregoing, the Company shall not be required to make Tax Distributions to the extent that (a) the Managing Member determines that doing so would not be commercially reasonable or would render the Company insolvent or

(b) the Tax Distributions are prohibited by the Company's loan agreements with third party lenders.

7.3. Distribution Among Members

If any Units are Transferred during any Fiscal Year, all distributions on or before the date of such Transfer will be made to the transferor, and all distributions after such date will be made to the transferee.

7.4. Limitation on Distributions

No distribution shall be made to Members if prohibited by the Minnesota Act.

ARTICLE 8

TRANSFERS OF UNITS

8.1. General Restrictions on Transfers

A Member may only Transfer Units in compliance with this Article 8. Any Transfer or attempted Transfer of all or any portion of a Member's Units that is not in compliance with this Article 8 shall be null and void and of no force or effect, and the parties engaging or attempting to engage in such Transfer shall be liable to indemnify and hold harmless the Company and the other Members from all cost, liability, and damage that the Company and any of such indemnified Members may incur (including, without limitation, incremental tax liabilities, attorneys' fees and expenses) as a result of such Transfer or attempted Transfer and efforts to enforce the indemnity granted hereby.

8.2. Permitted Transfers

- **8.2.1.** Generally The following Transfers (in each case, a "*Permitted Transfer*") shall be permitted and shall not trigger any of the Purchase Options described in Section 8.3:
 - (a) Transfers of Units by any Member to one or more of such Member's Permitted Transferees;
- (b) Transfers of Units by a Member to another Member; or
- (c) Transfers of Units by a Member to the Company.
- **8.2.2.** Restrictions on Future Transfers Following any Permitted Transfer, the rights, restrictions, and obligations contained in this Article 8 shall continue to be applicable to the Units as such restrictions, rights, and obligations were applicable prior to such Permitted Transfer.
- **8.2.3.** Admission of Permitted Transferee Notwithstanding anything to the contrary in this Section 8.2, a Permitted Transferee may only be admitted to the Company as a Substituted Member upon satisfaction of all of the conditions set forth in Section 9.1. A Permitted Transferee who is not admitted to the Company as a Substituted Member shall only have the rights of an Unadmitted Assignee as described in Section 9.2.

8.3. Voluntary Transfers

No Member may make any voluntary Transfer of his, her, or its Units to a third party (other than a Permitted Transfer as set forth in Section 8.2) prior to the fifth (5th) anniversary of this Agreement (the "Restricted Period"). Following the Restricted Period, a Member must comply with the provisions of this Section 8.3 in order to make any voluntary Transfer of his, her, or its Units (other than a Permitted Transfer as set forth in Section 8.2).

8.3.1. First Look Period

- (a) Right of First Offer in Favor of Series B Members. Any Member who desires to exit the Company or sell a portion of his, her, or its Units (a "Transferring Member") must first offer such Member's Units to the Series B Members. Promptly following the Transferring Member's notification to the Series B Members that the Transferring Member desires to make a voluntary Transfer, the parties shall negotiate the purchase price and payment terms for the Offered Units for up to thirty (30) days. Todd Dexheimer shall negotiate the purchase price on behalf of the Series B Members. The Series B Members shall have the option, but not the obligation, during such 30-day period, to purchase all, but not less than all of the Offered Units for the mutually agreed upon purchase price and payments terms. Each Series B Member may purchase up to the amount of Offered Units equal to the product of the number of Offered Units multiplied by such Series B Member's Series B Percentage Interest. To exercise his, her, or its purchase option, a Series B Member shall deliver written notice to the Transferring Member and the Company. If any Series B Member does not purchase the full amount of the Offered Units that such Series B Member is entitled to purchase, then the other Series B Members may purchase the excess; provided, however, that in no event shall the process extend beyond 45 total days from the first offer. For purposes of clarification, if the Transferring Member is a Series B Member, then he, she, or it shall not have any purchase option rights under this Section and the Series B Percentage Interest(s) of the other Series B Members shall be calculated exclusive of the Percentage Interest of the Transferring Member. Upon expiration of the option period described above (or if the parties have not agreed upon the purchase price during the 30-day negotiation period), if enough Series B Members have not exercised their options to purchase all of the Offered Units, then any partial acceptance shall be void and of no effect, and the Transferring Member may then, for a period of ninety (90) days, offer the Offered Units to an independent, third-party purchaser, subject to the conditions of Section 8.3.2.
- **8.3.2.** Third Party Transfer If, during the 90-day period following the conclusion of the procedures set forth in Section 8.3.1(a), the Transferring Member has accepted a bona fide offer to sell some or all of his, her, or its Units to an independent, third-party purchaser (the "Purchaser"), the Transferring Member shall provide written notice to the Series B Members as provided below. The written notice (the "Third-Party Transfer Notice") shall (a) identify the Units proposed to be Transferred; (b) list the name and address of the Purchaser; (c) describe the price and payment terms, and any other terms of the proposed Transfer; and (d) include a representation, covenant and warranty that the Purchaser's offer to purchase the Offered Units is genuine.
- (a) First Purchase Option in Favor of the Series B Members. The Series B Members shall have the option, but not the obligation, for a period of thirty (30) days after delivery of the Third-Party Transfer Notice, to purchase all or any portion of the Offered Units at the per Unit purchase price and on the terms stated in the Third-Party Transfer Notice. Each Series B Member may purchase up to the amount of Offered Units equal to the product of the number Offered Units multiplied by such Series B Member's Series B Percentage Interest. If any Series B Member does not purchase the full amount of the Offered Units that such Series B Member is entitled to purchase, then the other Series B Members may purchase the excess; provided, however, that in no event shall the process extend beyond 45 total

- days from the first offer. To exercise his, her, or its purchase option, a Series B Member shall deliver written notice to the Transferring Member and the Company.
- (b) Second Purchase Option in Favor of the Company. Upon the expiration (or earlier waiver) of the option period provided to the Series B Members under paragraph (a) above, the Company shall have the option, for a period of thirty (30) days thereafter, to purchase all, but not less than all, of the Offered Units not purchased by the Series B Members, for the per Unit purchase price and on the terms stated in the Third-Party Transfer Notice. The Company may exercise the purchase option by delivering written notice to the Transferring Member.
- (c) Failure to Exercise Purchase Options. Upon expiration of the option period provided above to the Company, if the Series B Members and/or the Company have not exercised their respective options to purchase all of the Offered Units, then any partial acceptance shall be void and of no effect, and the Transferring Member may Transfer all of the Offered Units to the Purchaser, provided that (i) such Transfer does not occur on terms more favorable to the Purchaser than the terms upon which the Offered Units were offered to the Series B Members and the Company, (ii) the Transfer is completed within thirty (30) days following the expiration (or earlier waiver) of the option period provided to the Company, and (iii) the Purchaser is admitted to the Company as a Substituted Member.

8.4. Default Events

- **8.4.1. Default Event Notice** Upon the occurrence of an Involuntary Transfer or Change in Control of a Member (each, a "*Default Event*"), the Member whose Units are subject to such Default Event (the "*Defaulting Member*") shall send written notice to the Company describing in reasonable detail such Default Event, including, in the case of an Involuntary Transfer, the identity of the proposed transferee and the circumstances giving rise to the Default Event (the "*Default Event Notice*"). If the Defaulting Member does not give the Default Event Notice as required in the foregoing the sentence, the Company shall nevertheless be deemed to have received the Default Event Notice if it acquires actual notice of the occurrence of the Default Event. The Company shall then promptly notify the Series B Members of the Default Event, and the Series B Members and the Company shall have the option to purchase all or any portion of the Units of the Defaulting Member that are subject to the Default Event, as described below.
- **8.4.2.** Purchase Price The purchase price for the Offered Units shall be equal to the Book Value of the Capital Account associated with the Offered Units, as determined by the accountants regularly servicing the books of the Company through application of generally accepted accounting principles, consistently applied, which determination shall be conclusive, final and binding on all parties, absent fraud or manifest error.
- **8.4.3.** Payment Terms The payment terms for the Offered Units shall be as follows: (i) not less than twenty percent (20%) of the purchase price shall be paid in cash or certified funds at closing, and (ii) the balance of the purchase price will be represented by a five (5) year promissory note bearing an annual rate of interest equal to the Prime Rate, payable in equal annual installments sufficient to amortize all principal and interest thereunder over five (5) years.
- **8.4.4.** First Option in Favor of the Series B Members For a period of thirty (30) days following the determination of the purchase price under Section 8.4.2, the Series B Members shall have the same purchase options described in Section 8.3.2(a); provided, however, that there is no requirement that the Series B Members and the Company must collectively purchase all of the Offered Units.
- **8.4.5.** Second Option in Favor of the Company For a period of thirty (30) days following the expiration (or earlier waiver) of the option period provided to the Series B Members, the Company shall

have the same purchase option described in Section 8.3.2(b); provided, however, that there is no requirement that the Series B Members and the Company must purchase all of the Offered Units.

8.4.6. Failure to Exercise Options Upon the expiration (or earlier waiver) of the option period provided to the Company, if the Series B Members and/or the Company have not exercised their option(s) to collectively purchase all of the Offered Units, then, in the case of an Involuntary Transfer, a Transfer of the Offered Units not purchased by the Series B Members or the Company may occur (or, in the case of a Change in Control, the Member shall retain any Offered Units not purchased by the Series B Members or the Company); provided, however, that in the case of an Involuntary Transfer, the Involuntary Transferee shall automatically become an Unadmitted Assignee of the Offered Units (as described in Section 9.2).

8.5. Death of a Member

Upon the death of a Member, such Member's Successor(s) shall succeed to the financial rights of the Deceased Member. The Successor(s) of all or any portion of the Deceased Member's Units will be admitted to the Company as Substituted Member(s) only if the conditions set forth in Section 9.1 have been satisfied. Successor(s) who are not admitted to the Company as Substituted Member(s) shall only have the rights of Unadmitted Assignees as described in Section 9.2.

8.6. Closing Procedures

The closing of a purchase or sale of Units pursuant to this Agreement shall take place within thirty (30) days following the expiration of the applicable option period. The closing shall take place at any location as is mutually agreed upon by the parties. At the closing, the selling party shall deliver to the purchasing party, in exchange for payment of the purchase price, a full and complete assignment of the Units to be purchased and sold, together with any other documents as may be reasonably required to transfer full and complete title to the Units to the purchasing party, in form reasonably satisfactory to the purchasing party. The selling party shall warrant that the selling party has good title to, the right to possession of and the right to sell the Units and that the Units are transferred to the purchasing party free and clear of all pledges, liens, encumbrances, charges, proxies, restrictions, options, transfers and other adverse claims, except those as have been imposed by this Agreement. Each selling party shall further warrant that the selling party will indemnify and hold harmless the purchasing party for all costs, expenses and fees incurred in defending the title to and/or the right to possession of such Units.

8.7. Additional Transfer Restrictions on Series C Performance Units

The Company plans to adopt an "Equity Incentive Plan" that governs the Series C Performance Units. In addition, all Series C Performance Units will be issued pursuant to individual award agreements, which will contain additional restrictions on transferability of the Series C Performance Units. To the extent that the "Equity Incentive Plan" or any of the individual award agreements conflict with this Agreement, then the "Equity Incentive Plan" and individual award agreements will control.

8.8. Expulsion of a Member

Notwithstanding any other provision in this Section to the contrary, a Member will be immediately expelled from the Company, and will forfeit his, her, or its Units back to the Company for no consideration whatsoever following the occurrence of any Expulsion Event.

ARTICLE 9

ADMISSION OF SUBSTITUTED MEMBERS

9.1. Admission of Substituted Members

A transferee of Units (including a Permitted Transferee) may only be admitted to the Company as a substituted Member (a "Substituted Member") upon satisfaction of all of the conditions set forth below:

- **9.1.1.** The Units with respect to which the transferee is being admitted were acquired by means of a Transfer permitted by Article 8.
- **9.1.2.** The transferee shall, by written instrument in form and substance reasonably satisfactory to the Managing Member:
- (a) accept and adopt the terms of this Agreement, and
- (b) assume the obligations of the transferor Member under this Agreement with respect to the transferred Units, except for (i) those obligations or liabilities of the transferor Member arising out of a breach of this Agreement, and (ii) those obligations or liabilities of the transferor Member based on events occurring, arising, or maturing prior to the date of Transfer.
- **9.1.3.** If requested by the Managing Member, a transferee shall provide the Company with an opinion of counsel, satisfactory in form and substance to the Managing Member, that:
- (a) the Transfer will not impair the Company's ability to be taxed as a partnership; and/or
- (b) the Transfer is exempt from registration under applicable securities laws.
- **9.1.4.** The transferee shall pay or reimburse the Company for all reasonable legal, filing, administrative and other costs that the Company incurs in connection with registering the Transfer on the books of the Company and the admission of the transferee as a Substituted Member.

9.2. Unadmitted Assignees

A Person who acquires Units (including a Permitted Transferee), but is not admitted to the Company as a Substituted Member (an "*Unadmitted Assignee*"), shall only be entitled to allocations and distributions with respect to such Units in accordance with this Agreement, and shall not have any rights of a Member under the Minnesota Act or this Agreement. In addition, the Units held by an Unadmitted Assignee shall continue to be subject to the restrictions on Transfer provided for in Article 8.

ARTICLE 10

DISSOLUTION AND LIQUIDATION

10.1. Events Triggering Dissolution

The Company shall commence dissolution proceedings upon the earliest to occur of the following events:

- **10.1.1.** The Managing Member unanimously agrees that the Company shall be dissolved or votes, at a duly called and held meeting of the Members, in favor of the dissolution of the Company;
- 10.1.2. The Company sells all or substantially all of its assets, except that the Company shall continue in existence following a deferred payment sale of such assets until the last day of the Fiscal Year in which it shall have received the full amount of principal and interest which it is entitled to receive with respect to such deferred payment sale; or
- **10.1.3.** Any event occurs which, under the laws of the State of Minnesota and in spite of the terms of this Agreement, shall cause the dissolution of the Company.

10.2. Winding Up Procedures

The officers of the Company will wind up the Company's affairs in accordance with the Minnesota Act, and will be authorized to take any and all actions contemplated by the Minnesota Act as permissible.

10.3. Liquidating Distribution

Following the completion of the winding up procedures described in Section 10.2, the Company shall make a final liquidating distribution to all Members with positive Capital Account balances (after such balances have been adjusted to reflect the allocation of Company Profits or Losses arising from such event), in proportion to and to the extent of such positive balances.

ARTICLE 11

MISCELLANEOUS

11.1. Equitable Remedies

Each Member acknowledges that because breach by the Member of any of such Member's obligations under this Agreement could cause irreparable harm for which damages would be an inadequate remedy, if any such breach occurs or is threatened, the Company and/or the other Members will be entitled to an injunction, a restraining order, or any other equitable remedy, in each case without posting a bond or other security and without proof of actual damages.

11.2. Recovery of Expenses

In any adversarial proceedings between the Company and a Member arising out of this Agreement where the Company is the prevailing party, the Company will be entitled to recover from the Member, in addition to any other relief awarded, all expenses that the Company incurs in those proceedings, including legal fees and expenses.

11.3. Entire Agreement

This Agreement constitutes the entire understanding between the parties with respect to the subject matter of this Agreement and supersedes all other agreements, whether written or oral, between the parties.

11.4. Severability

If any provision of this Agreement is held to be unenforceable, then that provision is to be construed by modifying it to the minimum extent necessary to make it enforceable, unless such modification is not permitted by law, in which case that provision is to be disregarded. If an unenforceable provision is modified or disregarded in accordance with this Section, the rest of this Agreement is to remain in effect as written, and the unenforceable provision is to remain as written in any circumstances other than those in which the provision is held to be unenforceable.

11.5. Amendments

Except as set forth in Section 2.4, no amendment to or termination of this Agreement will be effective unless it is in writing and signed by (a) Members holding at least two-thirds percent (2/3) of the Series A Preferred Units and (b) Members holding at least two-thirds percent (2/3) of the Series B/C Units.

11.6. Successors and Assigns

Except as otherwise specifically provided herein, this Agreement shall be binding upon and inure to the benefit of the Members and their legal representatives, successors, heirs, and assigns.

11.7. Governing Law

The laws of the state of Minnesota, without giving effect to its principles of conflicts of law, govern all adversarial proceedings arising out of this Agreement.

11.8. Venue

If either party brings against the other party any proceeding arising out of this Agreement or arising out of disclosure or use of Confidential Information, that party may bring that proceeding only in the United States District Court for the District of Minnesota or in any state court of Minnesota sitting in Hennepin County, Minnesota, and each party hereby submits to the exclusive jurisdiction of those courts for purposes of any such proceeding. Each party hereby waives any claim that any proceeding brought in accordance with this Section has been brought in an inconvenient forum or that the venue of that proceeding is improper.

11.9. Waiver of Jury Trial

EACH PARTY HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY PROCEEDINGS ARISING OUT OF THIS AGREEMENT.

11.10. Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be considered an original and together shall constitute a single agreement. Delivery of an executed counterpart of this Agreement by facsimile or email with scan attachment shall be as effective as delivery of a manually executed counterpart of this Agreement.

11.11. Notices

Any notice or other communication required or permitted hereunder shall be in writing and may be delivered by hand, overnight courier service, or United States mail. Notices delivered by hand or overnight courier shall be deemed to have been duly given on the date of delivery. Notices delivered by United States mail shall be deemed to have been duly given four (4) days after the date of mailing, if mailed postage paid by certified first class mail, return receipt requested. All notices to be given under this Agreement shall be addressed to the parties at the following addresses and/or to such other addresses as any party may specify in a notice given in accordance with this section (in such event, the Company shall amend this Agreement (including attached Exhibit A) to reflect the then current addresses of the Members):

- 11.11.1. If to the Company or to the Managing Member, to the attention of the Todd Dexheimer at the address specified on attached Exhibit A.
- 11.11.2. If to any Member, to the attention of such Member at the address specified on attached Exhibit A.

11.12. Interpretation

In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

[Signatures appear on the following page(s).]

10316446v2

The parties are signing this Operating Agreement on the date stated in the Preamble.

COMPANY: LEXINGTON INVESTORS, LLC	SERIES B MEMBERS: Lexington Capital, LLC
By:	By:
Its:	Its:

[Signatures of Series A Members and Series C Members appear on the following pages.]

MESSERLI & KRAMER, P.A. HAS DRAFTED THIS AGREEMENT AT THE REQUEST OF THE COMPANY. BY SIGNING THIS AGREEMENT, THE MEMBERS ACKNOWLEDGE THAT MESSERLI & KRAMER, P.A. IS NOT REPRESENTING THEM INDIVIDUALLY WITH RESPECT TO THIS AGREEMENT AND THAT THEIR INTERESTS UNDER THIS AGREEMENT MAY NOW OR HEREAFTER BE ADVERSE TO OR IN CONFLICT WITH THE INTERESTS OF THE COMPANY AND/OR WITH EACH OTHER. THE MEMBERS FURTHER ACKNOWLEDGE THAT MESSERLI & KRAMER, P.A. HAS ENCOURAGED THEM TO SEEK SEPARATE COUNSEL BECAUSE OF POTENTIAL CONFLICTS OF INTEREST WHICH EXIST, OR WHICH MAY ARISE IN THE FUTURE, AND THAT THE MEMBERS HAVE IN FACT RECEIVED OR HAVE HAD THE OPPORTUNITY TO RECEIVE SEPARATE COUNSEL.

Member Name and Address	Initial Capital Contribution	Series A Preferred Units	Series B Founder Units	Series C Performance Units	Series A Percentage Interest	$egin{array}{c} { m Series} \ { m B/C} \ { m Percentage} \ { m Interest} \end{array}$
	\$0	0		0	0%	0.00%
TOTAL	0	0	0	0	0	0

EXHIBIT B DEFINED TERMS

- "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 Fiscal Year, after giving effect to the following adjustments:
 - (a) Such Capital Account shall be increased to reflect the amounts, if any, which such Member is obligated to restore to the Company or is treated as or deemed to be obligated to restore pursuant to Regulations Sections 1.704–2(g)(1) and 1.704-2(i)(5); and
- (b) Such Capital Account shall be reduced to reflect any items described in Regulations Sections 1.704–1(b)(2)(ii)(d)(4), (5), and (6).

The foregoing definition of Adjusted Capital Account Deficit is intended to company with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

- "Agreement" means this Operating Agreement, as from time to time amended, supplemented, or restated.
- "Cambridge Property" means the property located in Lexington, KY.
- "Capital Account" means with respect to any Member, the capital account maintained for such Member in accordance with following provisions:
 - (i) A Member's Capital Account shall be increased by such Member's Capital Contributions, such Member's distributive share of Profits, any items in the nature of income or gain that are allocated to such Member pursuant to Article 6 hereof, and the amount of any Company liabilities assumed by such Member that are secured by any Property distributed to such Member.
 - (ii) A Member's Capital Account shall be decreased by the amount of cash and the Gross Asset Value of any Property distributed to such Member pursuant to any provision of this Agreement, such Member's distributive share of Losses any items in the nature of expense or losses that are allocated to the Member pursuant to Article 6 hereof, and the amount of any liabilities of such Member assumed by the Company or that are secured by any property contributed by such Member to the Company.
- (iii) In determining the amount of any liability for purposes of clauses (i) and (ii) of this definition, there shall be taken into account Section 752(c) of the Code and any other applicable provisions of the Code and the Regulations.
- (iv) Subject to the provisions of this Agreement, if any Units are Transferred in accordance with Article 8 hereof, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the Units being Transferred.
- "Capital Contribution" means, with respect to any Member, the amount of money, the forgiveness of any debt, the fair market value of any services, and/or the Gross Asset Value of any property (other than money) contributed to the Company in consideration of the Units held by such Member.
- "Change In Control" means that the current ownership group of a Member shall cease to Control the Member.
- "Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any corresponding provision of any succeeding law.

- "Company" has the meaning given in the Preamble to this Agreement.
- "Control" means, with respect to any Person, the power to control, directly or indirectly, the direction of the management and policies of a Person, whether such power is effected through ownership of shares, units or other securities, by contract, by proxy or otherwise; for the avoidance of doubt, the ownership of more than fifty percent (50%) of such Person by another Person, or the ability of another Person to appoint or elect more than fifty percent (50%) of the Board of directors or other equivalent governing body of such Person shall constitute an example of Control of such Person.
- "Deceased Member" means a Member who is deceased.
- "Default Event" means an Involuntary Transfer or Change In Control.
- "Default Event Notice" has the meaning set forth in Section 8.4.
- "Defaulting Member" means a Member whose Units become subject to a Default Event and are therefore offered for sale to the Company and Remaining Members.
- "Depreciation" shall mean, for each Fiscal Year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable for federal income tax purposes with respect to an asset for such Fiscal Year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period, then Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year or other period bears to such beginning adjusted tax basis; provided; however; that if the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Managing Member.
- "Disbursements" means, with respect to the Company for any period, all costs and expenses paid or incurred during such period by the Company (including Officer Compensation).
- "Expulsion Event" means, with respect to any Member, the Member commits an act that brings the Company into substantial public disgrace or disrepute.
- "Fiscal Year" means: (i) the year commencing on the date of this Agreement and ending on December 31, 2018; (ii) any subsequent twelve (12) month period commencing on January 1 and ending on December 31; or (iii) any portion of the period described in clauses (i) or (ii) for which the Company is required to allocate Profits, Losses, and other items of Company income, gain, loss, or deduction pursuant to this Agreement.
- "Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:
 - (i) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the fair market value of such asset, as determined by the contributing Member and the Company;
- (ii) The Gross Asset Value of each item of Property shall be adjusted to equal its gross fair market value, as determined by the Managing Member, as of the following times: (A) the issuance of additional Units to a new or existing Member, as described in Section 5.3, (B) the distribution by the Company to a Member of more than a de minimis amount of Property, and (C) the liquidation of the Company within the meanings of Regulations Section 1.704–1(b)(ii)(g); provided, however, that if Gross Asset Values are adjusted as provided herein, then the Members' Capital Accounts shall be restated in accordance with Regulations Section 1.704-1(b)(2)(iv)(f) and that adjustments pursuant to clause (B) above shall be made only if the Managing Member reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;

- (iii) The Gross Asset Value of any Property distributed to any Member shall be its fair market value, as determined by the Member and the Company, on the date of distribution; and
- (iv) The Gross Asset Value of Property shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such Property pursuant to Section 734(b) of the Code or Section 743(b) of the Code, but only to extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704–1(b)(2)(iv)(m); provided, however, that Gross Asset Values shall not be adjusted pursuant to this clause (iv) to the extent the Managing Member determines that an adjustment pursuant to clause (ii) is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment to this clause (iv).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to clauses (i), (ii), or (iv) of this definition, then such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

- "Gross Receipts" means, with respect to the Company, for any period, all revenues, income, earnings, or cash flow of any kind or description received during such period by or on behalf of the Company.
- "Involuntary Transfer" means any of the following: the filing by or against a Member (where not dismissed within sixty (60) days of the date of filing), of a petition in bankruptcy, a petition in insolvency, or a creditor's arrangement pursuant to the provisions of any state or federal insolvency or bankruptcy law;
 - (i) the appointment of a receiver or trustee of the property of a Member by reason of said Member's insolvency or inability to pay debts as required by law;
- (ii) the assignment for the benefit of creditors of any portion of a Member's Units;
- (iii) the Transfer of all or any portion of a Member's Units pursuant to a divorce decree, divorce settlement agreement, child support decree, child support settlement agreement, or any other marriage dissolution proceeding; or
- (iv) any taking of all or any portion of a Member's Units pursuant to any judgment, order, writ, execution, levy, foreclosure, attachment, garnishment, or any other legal process.
- "Involuntary Transferee" means a Person who acquires or who is poised to acquire Units from a Member as the result of an Involuntary Transfer.
- "Losses" has the meaning set forth below.
- "Managing Member" means Lexington Capital, LLC a Minnesota limited liability company, or its successors selected pursuant to this Agreement, its assigns or any Person who, at the time of reference thereto, serves as the Managing Member of the Company.
- "Member" means a Person holding Units as reflected on Exhibit A, as the same may be amended and supplemented from time to time, including any Substituted Member.
- "Membership Interest" has the meaning set forth in Section 4.1.
- "Minnesota Act" means Minnesota Uniform Revised Limited Liability Company Act, codified as Chapter 322C of the Minnesota Revised Statutes, and any successor to such statute.
- "Net Cash Flow" means, for any period, Gross Receipts for such period minus Disbursements for such period, adjusted for additions to or reductions in Reserves.

- "Offered Units" means (a) in the case of a Voluntary Transfer, the Units which are proposed to be Transferred by the Transferring Member to the Purchaser, as set forth in the Third Party Transfer Notice; (b) in the case of a Default Event that is an Involuntary Transfer, the Units of the Defaulting Member which are subject to the Involuntary Transfer; or (c) in the case of a Default Event that is a Change In Control, all of the Units of the Defaulting Member.
- "Permitted Transfer" has the meaning set forth in Section 8.2.1.
- "Permitted Transferee" means, with respect to a Member:
 - (i) his or her spouse;
- (ii) his or her parents, children, step children, grandchildren, step grandchildren, or siblings;
- (iii) any entity that is under the Control of the Member;
- (iv) if the Member is an entity, the shareholders, members, partners, or other equity owners of the Member;
- (v) if the Member is a joint tenancy with rights of survivorship, the other joint tenant (whether upon the death or prior to the death of the other joint tenant);
- (vi) a trust, if the primary beneficiary(ies) of the trust are any one or more of the Member and the Persons described in clauses (ii) and (iii) above and the trustee of such trust is the Member or a successor trustee upon the death of the Member; or
- (vii) if the Transferring Member is a trust described in clause (vi) above, any one or more "primary beneficiary(ies)" of such trust (determined as if the Person who transferred the Units to such trust was the Transferring Member). As used herein, the term "primary beneficiary(ies)" means the Person or Persons who are eligible at the time of the Transfer to receive distributions of income or principal from that trust on a current basis.
- "Person" means any individual or entity, including a limited liability company, partnership, association, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, government or governmental agency or authority.
- "Preemptive Rights Percentage" means, as to each Series A Member, a percentage equal to such Member's Series A Preferred Units divided by all issued and outstanding Series A Preferred Units, not including any Series A Preferred Units held by Unadmitted Assignees.
- "Preferred Return" means, with respect to each Series A Member, the amount, determined as of the date of any distribution of Preferred Return and when added to all prior distributions of Preferred Return to the Series A Member, that is necessary to give the Series A Member an eight percent (8%) cumulative, non-compounding, annual return on the amount of the Series A Member's Unreturned Capital Contribution.
- "Prime Rate" means the prime rate of interest as published in the "Money Rates" section of the Wall Street Journal, as such rate of interest may change from time to time.
- "Profits" or "Losses" means, for each Fiscal Year, an amount equal to the Company's taxable income or loss for such Fiscal Year or period, as applicable, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:
 - (i) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits and Losses pursuant to this paragraph shall be added to such taxable income or loss;

- (ii) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704–1(b)(2)(iv)(i) and not otherwise taken into account in computing Profits and Losses pursuant to this paragraph shall be subtracted from such taxable income or loss;
- (iii) If the Gross Asset Value of any Company asset is adjusted pursuant to clauses (ii) or (iii) of that definition, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits and Losses;
- (iv) Gain or loss resulting from any disposition of Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to Gross Asset Value of the Property disposed of, notwithstanding that the adjusted tax basis of the Property differs from such value;
- (v) 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 such Fiscal Year, computed in accordance with the definition of Depreciation herein; and
- (vi) Notwithstanding any other provision of this definition, any items that are allocated pursuant to the Regulatory Allocations or any other provision of this Agreement shall not be taken into account in computing Profits and Losses.
- "Property" means all assets owned by the Company, including all real and personal property.
- "Purchaser" has the meaning set forth in Section 8.3.1(b).
- "Regulatory Allocations" has the meaning set forth in Section 6.2.
- "Regulations" means the income tax regulations (including temporary regulations) promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).
- "Remaining Member" means a Member who is not (i) a Transferring Member (in the case of a voluntary Transfer), or (ii) an Defaulting Member (in the case of a Default Event).
- "Reserves" means, with respect to any period, the amount deemed necessary or appropriate by the Managing Member for (i) funding reserves for contingent liabilities, working capital, repairs, replacements, and renewals; (ii) paying taxes, insurance, debt service, or other costs or expenses incident to the ownership or operation of the Company; and (iii) any other purposes deemed necessary or appropriate by the Managing Member to meet the current or anticipated future needs of the Company.
- "Series A Member" means a Member who owns Series A Preferred Units.
- "Series A Preferred Unit" has the meaning set forth in Section 4.2.1.
- "Series A Percentage Interest" means, with respect to each Series A Member, such Series A Member's percentage holding of the total outstanding Series A Preferred Units as set forth on Exhibit A as of the date of determination.
- "Series B Member" means a Member who owns Series B Founder Units.
- "Series B Founder Unit" has the meaning set forth in Section 4.2.2.
- "Series B Percentage Interest" means, with respect to each Series B Member, such Series B Member's percentage holding of the total outstanding Series B Units as set forth on Exhibit B as of the date of determination.

- "Series B/C Percentage Interest" means, with respect to each Series B/C Member, such Series B/C Member's, as the case may be, percentage holding of the total aggregate outstanding Series B Founder Units and Series C Performance Units as set forth on Exhibit A as of the date of determination. For purposes of determining the Series B/C Percentage with respect to the allocation of purchase options, Units held by Unadmitted Assignees and the Units held by the Transferring Member or Defaulting Member shall be excluded.
- "Series C Member" means a Member who owns Series C Performance Units.
- "Series C Performance Unit" has the meaning set forth in Section 4.2.3.
- "Substituted Member" has the meaning set forth in Section 9.1.
- "Successors" means the successors, heirs, legatees, legal representatives, or assigns, as the case may be, of a Deceased Member.
- "Third Party Transfer Notice" has the meaning set forth in Section 8.3.1.
- "Transfer" means, as a noun, any voluntary or involuntary transfer, sale, pledge or hypothecation or other disposition, whether directly or indirectly and whether through one or a series of transactions, and, as a verb, voluntarily or involuntarily to transfer, sell, pledge or hypothecation or otherwise dispose of, whether directly or indirectly and whether through one or a series of transactions.
- "Transferring Member" has the meaning set forth in Section 8.3.1.
- "Unadmitted Assignee" has the meaning set forth in Section 9.2.
- "Units" has the meaning set forth in Section 4.1.
- "Unreturned Capital Contribution" means, with respect to each Series A Member, as of any date, an amount equal to the excess, if any, of (a) such Series A Member's Capital Contributions, less (b) the aggregate amount of all prior distributions made to such Series A Member pursuant to Section 7.1. and Section 7.2 for all previous Fiscal Years.
- "Unpaid Preferred Returns" means, with respect to each Series A Member, all accrued but unpaid Preferred Returns due to such Series A Member for the current Fiscal Year and all previous Fiscal Years.

$\begin{array}{c} \textbf{EXHIBIT E} \\ \textbf{Subscription Agreement} \end{array}$

(See attached)

LEXINGTON INVESTORS, LLC SUBSCRIPTION AGREEMENT

(Including investment representations)

IMPORTANT: This document contains significant representations. Please read carefully before signing.

Lexington Investors, LLC Attn: Todd Dexheimer 1042 Centerville Circle Vadnais Heights, MN 55127

Ladies and Gentlemen:

I desire to purchase the principal amount in "Series A Preferred Units" set forth below in LEXINGTON INVESTORS, LLC, a Minnesota Limited Liability Company (the "Company").

I understand that this Subscription Agreement is conditioned upon Company's acceptance of subscriptions. If this Subscription Agreement has been accepted, the Series A Preferred Units subscribed to hereby shall be issued to me in the form of Series A Preferred Units.

With respect to such purchase, I hereby represent and warrant to you that:

1 Residence.

I am a bona fide resident of (or, if an entity, the entity is domiciled in) the state set forth on my signature page.

2 Subscription.

a.	I hereby subscribe to purchase the number of Series A Preferred Units set forth below, and to make capital contributions to the Company in the amounts set forth below, representing the purchase price for the Series A Preferred Units subscribed.
	Principal Amount of Series A Preferred Units(1)
	(1) A minimum purchase of 25,000, is required for individual investors. Amounts may be subscribed for in increments.
b.	I have funded my purchase via ACH, wire transfer or I am enclosing a check made payable to "LEX-INGTON INVESTORS, LLC" in an amount equal to 100% of my total subscription amount.
	Portal Transaction ID (TXID)

c. I acknowledge that this subscription is contingent upon acceptance by the Company, and that the Company has the right to accept or reject subscriptions in whole or in part.

3 Representations of Investor.

In connection with the sale of the Series A Preferred Units to me, I hereby acknowledge and represent to the Company as follows: I hereby acknowledge receipt of a copy of the Confidential Private Placement Memorandum of the Company, dated on or about July 6, 2018, (the "Memorandum"), relating to the offering of the Series A Preferred Unit.

- a. I have carefully read the Memorandum, including the section entitled "Risks Factors", and have relied solely upon the Memorandum and investigations made by me or my representatives in making the decision to invest in the Company. I have not relied on any other statement or printed material given or made by any person associated with the offering of the Series A Preferred Units.
- b. I have been given access to full and complete information regarding the Company (including the opportunity to meet with the **Chief Executive Officer** of the Company and review all the documents described in the Memorandum and such other documents as I may have requested in writing) and have utilized such access to my satisfaction for the purpose of obtaining information in addition to, or verifying information included in, the Memorandum.
- c. I am experienced and knowledgeable in financial and business matters, capable of evaluating the merits and risks of investing in the Series A Preferred Units, and do not need or desire the assistance of a knowledgeable representative to aid in the evaluation of such risks (or, in the alternative, I have used a knowledgeable representative in connection with my decision to purchase the Series A Preferred Units).
- d. I understand that an investment in the Series A Preferred Units is highly speculative and involves a high degree of risk. I believe the investment is suitable for me based on my investment objectives and financial needs. I have adequate means for providing for my current financial needs and personal contingencies and have no need for liquidity of investment with respect to the Series A Preferred Units. I can bear the economic risk of an investment in the Series A Preferred Units for an indefinite period of time and can afford a complete loss of such investment.
- e. I understand that there may be no market for the Series A Preferred Units, that there are significant restrictions on the transferability of the Series A Preferred Units and that for these and other reasons, I may not be able to liquidate an investment in the Series A Preferred Units for an indefinite period of time.
- f. I have been advised that the Series A Preferred Units have not been registered under the Securities Act of 1933, as amended ("Securities Act"), or under applicable state securities laws ("State Laws"), and are offered pursuant to exemptions from registration under the Securities Act and the State Laws. I understand that the Company's reliance on such exemptions is predicated in part on my representations to the Company contained herein.
- g. I understand that I am not entitled to cancel, terminate or revoke this subscription, my capital commitment or any agreements hereunder and that the subscription and agreements shall survive my death, incapacity, bankruptcy, dissolution or termination.
- h. I understand that capital contributions to the Company will not be returned after they are paid.
- i. I hereby acknowledge that I am not subscribing for the Series A Preferred Units as a result of, subsequent to or pursuant to (i) any advertisement, article, notice or other communications published

in any newspaper, magazine or similar media (including any internet site) or broadcast over television or radio, or (ii) any seminar or meeting whose attendees, including me, had been invited as a result of, subsequent to or pursuant to any of the foregoing.

4 Investment Intent; Restrictions on Transfer of Securities.

- a. I understand that (i) there may be no market for the Series A Preferred Units, (ii) the purchase of the Series A Preferred Units is a long-term investment, (iii) the transferability of the Series A Preferred Units is restricted, (iv) the Series A Preferred Units may be sold by me only pursuant to registration under the Securities Act and State Laws, or an opinion of counsel that such registration is not required, and (v) the Company does not have any obligation to register the Series A Preferred Units.
- b. I represent and warrant that I am purchasing the Series A Preferred Units for my own account, for long term investment, and without the intention of reselling or redistributing the Series A Preferred Units. The Series A Preferred Units are being purchased by me in my name solely for my own beneficial interest and not as nominee for, on behalf of, for the beneficial interest of, or with the intention to transfer to, any other person, trust, or organization, and I have made no agreement with others regarding any of the Series A Preferred Units. My financial condition is such that it is not likely that it will be necessary for me to dispose of any of the Series A Preferred Units in the foreseeable future.
- c. I am aware that, in the view of the Securities and Exchange Commission, a purchase of securities with an intent to resell by reason of any foreseeable specific contingency or anticipated change in market values, or any change in the condition of the Company or its business, or in connection with a contemplated liquidation or settlement of any loan obtained for the acquisition of any of the Series A Preferred Units were or may be pledged as security would represent an intent inconsistent with the investment representations set forth above.
- d. I understand that any sale, transfer, pledge or other disposition of the **Series A Preferred Units** by me (i) may require the consent of the **Chief Executive Officer** of the Company, (ii) will require conformity with the restrictions contained in this Section 4, and (iii) may be further restricted by a legend placed on the instruments or certificate(s) representing the securities containing substantially the following language:

"The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended, or applicable state securities laws and may not be sold, offered for sale, or transferred except pursuant to either an effective registration statement under the Securities Act of 1933, as amended, and under the applicable state securities laws, or an opinion of counsel for the Company that such transaction is exempt from registration under the Securities Act of 1933, as amended, and under the applicable state securities laws. The transfer or encumbrance of the securities represented by this certificate is subject to substantial restrictions."

5 Investor Qualifications.

I represent and warrant as follows (Answer Part a, b or c, as applicable. Please check all applicable items):

a. Accredited Investor – Individuals. I am an INDIVIDUAL and:

- i. I have a net worth, or a joint net worth together with my spouse, in excess of \$1,000,000, excluding the value of my primary residence.
- ii. I had an individual income in excess of \$200,000 in each of the prior two years and reasonably expect an income in excess of \$200,000 in the current year.
- iii. I had joint income with my spouse in excess of \$300,000 in each of the prior two years and reasonably expect joint income in excess of \$300,000 in the current year.
- iv. I am a director or executive officer of LEXINGTON INVESTORS, LLC

b. **Accredited Investor – Entities.** The undersigned is an ENTITY and:

- i. The undersigned hereby certifies that all of the beneficial equity owners of the undersigned qualify as accredited individual investors by meeting one of the tests under items (a)(i) through (a)(iv) above. Please indicate the name of each equity owner and the applicable test:
- ii. The undersigned is a bank or savings and loan association as defined in Sections 3(a)(2) and 3(a)(5)(A), respectively, of the Securities Act either in its individual or fiduciary capacity.
- iii. The undersigned is an insurance company as defined in Section 2(13) of the Securities Act.
- iv. The undersigned is an investment company registered under the Investment Company Act of 1940 or a business development company as defined therein, in Section 2(a)(48).
- v. The undersigned is a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.
- vi. The undersigned is an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974 and one or more of the following is true (check one or more, as applicable):
 - (1) the investment decision is made by a plan fiduciary, as defined therein, in Section 3(21), which is either a bank, savings and loan association, insurance company, or registered investment adviser;
 - (2) the employee benefit plan has total assets in excess of \$5,000,000; or
 - (3) the plan is a self-directed plan with investment decisions made solely by persons who are "accredited investors" as defined under therein.
- vii. The undersigned is a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.
- viii. The undersigned has total assets in excess of \$5,000,000, was not formed for the specific purpose of acquiring Series A Preferred Units and one or more of the following is true (check one or more, as applicable):
 - (1) an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended;

- (2) a corporation;
- (3) a Massachusetts or similar business trust;
- (4) a partnership; or
- (4) a limited liability company.
- ix. The undersigned is a trust with total assets exceeding \$5,000,000, which is not formed for the specific purpose of acquiring Series A Preferred Units and whose purpose is directed by a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the investment in the Series A Preferred Units.

c. Non-Accredited Investors.

The undersigned cannot make any of the foregoing representations and is therefore not an accredited investor.

6 Miscellaneous.

- a. I agree to furnish any additional information that the Company or its counsel deem necessary in order to verify the responses set forth above.
- b. I understand the meaning and legal consequences of the agreements, representations and warranties contained herein. I agree that such agreements, representations and warranties shall survive and remain in full force and effect after the execution hereof and payment for the Series A Preferred Units. I further agree to indemnify and hold harmless the Company, and each current and future member of the Company from and against any and all loss, damage or liability due to, or arising out of, a breach of any of my agreements, representations or warranties contained herein.
- c. This Subscription Agreement shall be construed and interpreted in accordance with Minnesota law without regard to the principles regarding conflicts of law.

SIGNATURE PAGE FOR INDIVIDUALS

Dated:	Dated:
Signature	Signature of Second Individual, if applicable
Name (Typed or Printed)	Name (Typed or Printed)
Social Security Number	Social Security Number
Telephone Number	Telephone Number
Residence Street Address	Residence Street Address
City, State & Zip Code (Must be same state as in Section 1)	City, State & Zip Code (Must be same state as in Section 1)
Mailing Address (Only if different from residence address)	Mailing Address (Only if different from residence address)
City, State & Zip Code	City, State & Zip Code
Email address	Email address
Individual Subscriber Type of Owner The Series A Preferred Units subscribed	ship: for are to be registered in the following form of ownership:
Individual Ownership	
Joint Tenants with Right of Survivorsh between the parties (e.g., married).	nip (both parties must sign). Briefly describe the relationship

Tenants in Common (both parties must sign). Briefly describe the relationship between the parties (e.g.,

married).

SIGNATURE PAGE FOR TRUSTS AND ENTITIES

Dated:	
Name of Entity (Typed or Printed)	Telephone Number
Signature of Authorized Person	Entity's Tax Identification Number
Name & Title (Typed or Printed) of Signatory	Contact Person (if different from Signatory)
Principal Executive Office Address	Mailing Address (If different from principal executive office)
City, State & Zip Code (Must be same state as in Section 1)	City, State & Zip Code
Email address	Email address
Entity Subscriber Type of Ownership: The Series A Preferred Units subscribed fone):	for are to be registered in the following form of ownership (check
Partnership	
Limited Liability Company	
Corporation	
Trust or Estate (Describe, and enclose ev	idence of authority
IRA Trust Account	
Other (Describe)	

ACCEPTANCE

This Subscription Agreement is accepted by LEXINGTON INVESTORS, LLC on

As to: the principal amount in Series A Preferred Units set forth in Item 2.a.; or Series A Preferred Units.

By:.....
Name: Todd Dexheimer
Its: Chief Executive Officer

EXHIBIT F Financial Statements

(actual and projected) (See attached)

EXHIBIT G Opinion of Counsel (See attached)

July 6th, 2018

Mr. Todd Dexheimer Lexington Investors, LLC 1042 Centerville Circle Vadnais Heights, MN 55127

RE: Opinion of Counsel Regarding Legality of Units

Dear Mr. Dexheimer:

In connection with the offer and sale of up to 1,350,000 Series A Units (the "Units") of Lexington Investors, LLC, a Minnesota limited liability company (the "Company"), we have made such legal examination and inquiries as we have deemed advisable or necessary for the purpose of rendering this opinion and have examined originals or copies of the following documents and corporate records:

- 1. The Company's Articles of Organization, dated June 1, 2018;
- 2. The Company's Operating Agreement, dated July 6, 2018;
- 3. The written actions of the Company's Board of Managers, dated July 6, 2018, authorizing the issuance of the Units;
- 4. The Company's "Confidential Investor Package," dated July 6, 2018 (the "Investor Package"), including:
 - (a) the Form U-7 Disclosure Document attached thereto, which will be filed by the Company with the Minnesota Department of Commerce; and
 - (b) the form of Subscription Agreement attached thereto, which will be completed and signed by purchasers of the Units (the "Subscription Agreement").

We understand that the Company intends to register the Units for offer and sale in accordance with Minn. Stat. §80A.50(b) (the "Registration").

Based on our examination and inquiry of the documents described above, we are of the opinion that, upon effectiveness of the Registration, the Units of the Company will be duly authorized, fully paid, and nonassessable.

This opinion speaks only as of the date hereof. Without limiting the generality of the immediately foregoing sentence, and notwithstanding anything to the contrary contained herein, we render no opinion as to what other facts and circumstances might subsequently arise or what other actions or omissions might hereafter be taken by the Company, any purchasers of the Units, or any other third party which, if so arising or so taken, would affect any of the opinions rendered hereby. Furthermore, this opinion is being rendered subject to customary qualifications and limitations.

This opinion is being rendered only to you, and you are the only party entitled to rely on this opinion. This opinion may not be used or relied upon by any other persons or entities or for any other purpose without our prior express written permission. Notwithstanding the foregoing, we consent to the filing of this opinion as an exhibit to the application for registration filed with the Minnesota Department of Commerce.

Very truly yours, /s/Messerli and Kramer, P.A. MESSERLI & KRAMER, P.A.

$\begin{array}{c} \textbf{EXHIBIT H} \\ \textbf{Asset Management Agreement} \end{array}$

(See attached)

ASSET MANAGEMENT AGREEMENT

THIS ASSET MANAGEMENT AGREEMENT (this "Agreement"), dated as of July 6, 2018, is by and between Lexington Investors, LLC (the "Company") a Minnesota limited liability company, and Lexington Capital, LLC ("Asset Manager"), a Minnesota limited liability company. The Company and the Asset Manager may be referred to individually as "Party" or collectively as "Parties."

PRELIMINARY STATEMENT

- (A) The Company intends to acquire the Assets (as defined below).
- (B) The Asset Manager is an independent contractor in the business of managing real property assets similar to the Assets.
- (C) The Company desires to engage the Asset Manager, and the Asset Manager desires to accept the Company's engagement, to assist the Company in managing the Assets in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section I.1. Defined Terms.

Whenever used in this Agreement, the following words and phrases will have the following meanings:

- "Accepted Management Practices": As defined in Section 2.01(b).
- "Asset File": With respect to each Asset, all documents, information and records relating to the Asset that are necessary to enable the Asset Manager to perform its duties in compliance with the terms of this Agreement and any additional documents or information related thereto maintained or created by the Asset Manager.
- "Asset Manager": As defined in the first paragraph of the Agreement, or any successor Asset Manager as herein provided.
- "Assets": Means any and all real properties listed on [Exhibit A] to this Agreement.
- "Business Plans": As defined in Section 3.03 and listed on [Exhibit B] with respect to each asset.
- "Collection Account": As defined in Section 3.02.

"Confidential Information": Means, with respect to a disclosing Party, materials, records, data and other information that is not generally known about or that is personal, sensitive or proprietary to the disclosing Party, its equity holders, partners, managers, directors, obligors, clients, customers, prospective customers, and information that the disclosing Party treats as proprietary or confidential, but excluding information that (a) is or becomes generally available to the public other than as a result of a disclosure in violation of this Agreement, (b) is or becomes available from a source other than the disclosing Party or its affiliates, agents, contractors, employees or other representatives, (c) was known by the other Party to this Agreement on a non-confidential basis prior to the disclosure of the information to such Party, (d) is independently developed by another Party to this Agreement or any of its representatives without use of the Confidential Information, or (e) is required by law to be disclosed.

"Deviation": As defined in Section 2.02(a).

"Disbursement Account": As defined in Section 3.02.

"LLC Agreement": the Limited Liability Company Agreement of the Company, dated as of the date hereof, as the same may be amended from time to time.

"Maintenance Expenses": Expenses to be paid to the Asset Manager by the Company in respect of all maintenance costs associated with the Assets, including, without limitation, utilities, real estate taxes, insurance, and inspection reports fees.

"Management Services": shall mean those services described in Section 3.01.

"Person": Any individual, corporation, limited liability company, partnership, joint venture, estate, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Qualified Emergency": As defined in Section 2.02(c).

"Management Expenses": Certain expenses paid or incurred in connection with the Asset Manager's obligations hereunder, consisting of Third-Party Expenses and Maintenance Expenses reasonably incurred in connection with managing the Assets, in each case, as set forth in the relevant Business Plan.

"Termination Event": Occurs when (i) the Asset Manager or any of its officers, managers, directors, and employees commits an act of fraud, willful misconduct or gross negligence that materially impacts any or all of the Assets or the Company, (ii) when the Asset Manager fails to cure any breach of this Agreement within thirty (30) following receipt of written notice from the Company describing the breach in reasonable detail, or (iii) when the Asset Manager fails to comply with any of the Business Plans required under Section 3.03 in any material respect including, without limitation, the failure to meet any performance deadlines contained therein.

"Third-Party Expenses": All third-party legal fees and disbursements incurred by the Asset Manager in providing services hereunder, all expenses incurred in connection with subcontracting services, and all other third-party professional fees and direct project costs, including, without limitation, engineering, appraisal, property management and property maintenance costs.

ARTICLE II

RETENTION AND AUTHORITY OF ASSET MANAGER

Section II.1. Engagement; Servicing Standard.

- (a) The Company hereby engages the Asset Manager to perform, and the Asset Manager hereby agrees to perform, the Management Services.
- (b) The Asset Manager will diligently provide the Management Services on behalf of and in the best interest of the Company (i) in accordance with the terms of this Agreement and all relevant Business Plans and (ii) with the same care, skill, prudence and diligence used by an asset manager servicing assets for owners of assets similar to the Assets in the market where the Assets are located. The standards described in this Section 2.01(b) are herein referred to as "Accepted Management Practices."

Section II.2. Authority of the Asset Manager; Emergency Decisions; Business Plans.

- (a) The Asset Manager shall take those actions that the Asset Manager deems necessary or appropriate in order to perform the Management Services in accordance with the Business Plans. Any material deviation from any Business Plan (a "Deviation") will require the prior written approval of the Company, which consent may be withheld by the Company in its sole discretion.
- (b) With respect to any proposed Deviation, the Asset Manager will promptly notify the Company that a Deviation is required in connection with its performance of the Management Services. Such notice shall include a summary of the Asset Manager's proposed Deviation as well as any other information the Asset Manager believes will assist the Company in determining whether to approve the Deviation. The Asset Manager will promptly provide the Company with any other information relating to the proposed Deviation reasonably requested by the Company.
- (c) Notwithstanding anything in this Section 2.02 to the contrary, if the Asset Manager determines in good faith that a Deviation is required as a result of an emergency situation in order to prevent property damage, personal injury or the diminution of value of any of the Assets (a "Qualified Emergency"), then it will as soon as reasonably possible contact the Company to inform the Company of the Qualified Emergency. If the Company fails to respond in a timely manner or if, in the reasonable judgment of the Asset Manager, the Qualified Emergency requires more immediate action, the Asset Manager may take any action it deems reasonably necessary to address the Qualified Emergency and will not be liable for actions to the Company in connection therewith except for any losses or damages arising out of the Asset Manager's gross negligence, fraud or willful misconduct.

ARTICLE III

SERVICES TO BE PERFORMED

(i) Services of Asset Manager. The Asset Manager will be responsible for the day-to-day management and operation of the Assets in accordance with the Business Plans and Accepted Management Practices. The Asset Manager will advise the Company with respect to identifying potential real estate assets for acquisition by the Company, arranging financing such acquisitions, managing the closing process of each acquisition. In addition, and without limiting the generality of the foregoing, the Asset Manager

shall be responsible for the following with respect to each Asset that is ultimately acquired by the Company:

- (ii) developing annual budgets for the Asset;
- (iii) implementing the Business Plan for the Asset;
- (iv) making recommendations to the Company in order to maximize the value of the Asset;
- (v) maintaining the Asset File for the benefit of the Company;
- (vi) engaging and managing third-party consultants, legal consultants, subcontractors, vendors and property managers to secure and stabilize the Asset on behalf of the Company; provided, however, that the subcontracting of any of the Asset Manager's obligations will not relieve the Asset Manager of its general obligations to the Company hereunder and the Asset Manager shall be responsible for any noncompliance with this Agreement by any subcontractor;
- (vii) preparing and maintaining accurate financial records relating to the Asset;
- (viii) exercising customary and commercially reasonable efforts to maximize the value of the Asset;
- (ix) maintaining the physical condition and appearance of the Asset;
- (x) overseeing and managing any property manager(s);
- (xi) overseeing and managing any renovations to the Asset;
- (xii) obtaining surveys, subdividing the Asset (if necessary), marketing it for sale and assisting the Company in closing such a sale;
- (xiii) monitoring the status of real estate taxes, assessments and other similar items and verifying payment by the Company of the same for the Asset;
- (xiv) undertaking or overseeing the leasing of the Asset and advising the Company with respect to the review and approval of leases, lease modifications and lease terminations;
- (xv) monitoring any casualty losses or condemnation proceedings and administering any proceeds related to the Asset or portions thereof; and
- (xvi) ensuring that the Company maintains ordinary, customary and adequate insurance coverages for the Asset;

Section III.1. Collection Account.

The Company shall set up (a) a bank account whereby all gross receipts from the Assets are deposited (a "Collection Account") and (b) a disbursement account pursuant to which funds from the Collection Account may deposited for use in connection with the performance of the Management Services by the Asset Manager (a "Disbursement Account"). On or before the 20th day of each calendar month, the Asset Manager may make a request to the Company to disburse funds from the Collection Account to the Disbursement Account. Such request shall detail the gross receipts deposited to the Collection Account since the prior draw request, the monthly operating expenses for the Assets and the amount requested to be transferred to the Disbursement Account. If the Company approves the draw request, the Company will disburse the funds from the Collection Account to the Disbursement Account within five (5) business days. The Asset Manager will have the right to make disbursements out of the Disbursement Account for the Assets consistent with the relevant Business Plans.

Section III.2. Business Plans.

Prior to the Company's acquisition of any Asset, the Company and the Asset Manager shall memorialize a mutually agreed upon Business Plan for the operation and management of that particular Asset (as amended from time to time, the "Business Plan(s)." Each Business Plan required under this section shall be added to and become part of **[Exhibit B]**. Each Business Plan shall include, among other things, the following:

- (i) a plan to maximize value realized by the Company from operation of the Asset;
- (ii) a budget for all costs necessary to acquire, develop, market, finance and sell the Asset; and
- (iii) detail on the timing of projected cash flows as well as performance deadlines for specific tasks relating to the Asset.

Except as otherwise provided for in this Agreement, any amendment, modification or change to any of the Business Plans respecting the Assets or creation of any subsequent Business Plans must be approved in writing by both Parties.

ARTICLE IV

STATEMENTS AND REPORTS; BUDGETS

Section IV.1. Reporting by the Asset Manager.

- (a) Prior to February 15th of each calendar year (or at any time following a written request from the Company), the Asset Manager shall deliver to the Company the following items with respect to each Asset (or with respect to the particular Asset(s) specified in the Company's written request) (collectively, the "Asset Reports"):
 - (i) source and use of funds statements for the previous month or year, as applicable;
 - (ii) income and expense statements for the previous month or year, as applicable;
 - (iii) detailed status reports on the progress of implementing the Business Plans;
 - (iv) A monthly cash flow forecast with projections for the next 90-day period; and
 - (v) such other reports as the Company may reasonably request;

Section IV.2. Budgets.

On or before December 1 of each year, the Asset Manager shall submit to the Company for the next fiscal year the following items for each and all of the Assets:

- (a) An operating budget setting forth in reasonable line-item detail the projected income from and expenses of all aspects of the operations of each of the Assets;
- (b) A capital budget setting forth in reasonable line-item detail proposed capital projects and expenditures for each of the Assets; and
- (c) Such other reports or projections as the Company may reasonably request and to which the Asset Manager agrees in writing.

ARTICLE V

ASSET MANAGER'S COMPENSATION

Section V.1. Compensation.

As consideration for performance of the Management Services, the Asset Manager is entitled to the fees, reimbursements, and other benefits specified on attached [Exhibit C].

ARTICLE VI

INSPECTION AND AUDIT RIGHTS

Section VI.1. Inspection and Audit Rights.

Upon the reasonable request of the Company, the Asset Manager shall permit any agent or representative of the Company to do the following:

- (a) inspect and examine all the books of account, records, reports and other documents of the Asset Manager specifically relating to the Assets and to make copies and extracts therefrom;
- (b) cause the books to be audited by an independent accounting firm selected by the Company; and
- (c) discuss matters relating to the Assets with the Asset Manager's officers, employees and other representatives.

Each audit will be conducted at the sole expense of the Company; provided, however, that if it is determined that the Asset Manager is in material breach of its obligations hereunder as a result of an audit, the Asset Manager shall bear all reasonable expenses associated with the audit in addition to any other liability it may have hereunder.

ARTICLE VII

ASSET MANAGER'S COVENANTS

Section VII.1. Covenants.

The Asset Manager hereby covenants to the Company as follows:

- (a) it will comply with any reasonable directions, orders and instructions which the Company may from time to time give to it in writing pursuant to the provisions of this Agreement;
- (b) it will keep in force all licenses, approvals, authorizations, and consents which may be necessary in connection with the performance of the Asset Manager's duties hereunder;

- (c) it will comply in all respects with all legal or regulatory requirements applicable to the Asset Manager or the Assets;
- (d) it will maintain at all times during the term of this Agreement insurance coverage of the type and in the amounts described on the attached [Exhibit D]; and
- (e) it will timely make any payments required to be made by it pursuant to this Agreement.

ARTICLE VIII

TERMINATION

Section VIII.1. Termination of Agreement.

This Agreement may be terminated pursuant to any of the following provisions:

- (a) Either Party may terminate this Agreement effective immediately upon delivery of written notice to the other Party, if the other Party (i) ceases to actively conduct its business, (ii) files a voluntary petition for bankruptcy or has filed against it an involuntary petition for bankruptcy, (iii) makes a general assignment for the benefit of its creditors, or (iv) applies for the appointment of a receiver or trustee for substantially all of its property or assets or permits the appointment of any such receiver or trustee who is not discharged within thirty (30) days of such appointment.
- (b) By the Company, upon thirty (30) days advance written notice the Asset Manager.
- (c) Automatically, upon the sale or other disposition of all the Assets.
- (d) By the Company, immediately upon the occurrence of a Termination Event.
- (e) By the Asset Manager if, at any time, the Company fails to pay the Servicing Fees within thirty (30) days of the date on which they are due.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section IX.1. Entire Agreement.

This Agreement embodies the entire understanding between the Parties hereto with respect to the subject matter hereof as of the date hereof and supersedes all previous understandings, representations, proposals and discussions, whether oral or written, between the Parties hereto concerning the subject matter hereof.

Section IX.2. Amendment.

This Agreement shall not be varied, altered, modified, changed or amended in any way except by instrument in writing executed by the Parties hereto.

Section IX.3. Governing Law; Venue.

The law of the State of Minnesota shall govern the interpretation and enforcement of this Agreement. With respect to any dispute, controversy or claim arising out of or relating to this Agreement or the relationship between the Parties, the Company and the Asset Manager agree and consent to jurisdiction of and exclusive venue in the United States District Court, District of Minnesota, Fourth Division or in the Minnesota State Court, Hennepin County, Fourth Judicial District.

Section IX.4. Severability of Provisions.

The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining portions thereof. No waiver by the Company of any breach of this Agreement shall be deemed to be a waiver of any other or subsequent breach.

Section IX.5. Independent Contractor.

Nothing contained in this Agreement will be deemed or construed to create a partnership or joint venture between any of the Parties hereto or to cause any Party to be responsible in any way for the debts or obligations of the other. Each of the Parties hereto agrees that Asset Manager is performing the services hereunder as an independent contractor.

Section IX.6. Binding Effect.

The provisions of this Agreement will be binding upon and inure to the benefit of the respective successors and permitted assigns of the Parties hereto.

Section IX.7. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be considered an original and together shall constitute a single agreement. Delivery of an executed counterpart of this Agreement by facsimile or email with scan attachment shall be as effective as delivery of a manually executed counterpart of this Agreement.

Section IX.8. Confidentiality.

The Company, on the one hand, and the Asset Manager on the other hand, each agree to hold all Confidential Information of the other in confidence, not communicate, divulge or disclose any Confidential Information to any Person or organization, not use any Confidential Information, in each case except as authorized by the other Party hereto or expressly contemplated by this Agreement and to treat the Confidential Information with at least the same degree of care in which it treats its own Confidential Information. Each Party may provide Confidential Information to its employees and representatives who have a need to know the Confidential Information for the purpose of performing such Parties obligations under this Agreement. In the event a Party knows that any third party has gained unauthorized access to the Confidential Information of the other Party, it will immediately notify the other Party in writing of the full particulars of the access or disclosure and cooperate to regain possession of the Confidential Information and prevent its further unauthorized access, disclosure or use. Upon termination of this Agreement, each Party agrees to return all material concerning any Confidential Information in the Party's possession or control, including, but not limited to, any records, manuals, books, documents, letters, reports, data, and customer lists, whether prepared by the Party or others, whether originals or copies, whether in hard copy or in electronic form,

including drawings, blueprints and other reproductions.
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned Parties have caused this Agreement to be duly executed by their respective officers thereunto duly authorized as of the date first above written.

THE COMPANY: Lexington Investors, LLC		
Ву:	_	
Name:	_	
Title:		
ASSET MANAGER:		
Lexington Capital, LLC		
By:	_	
Name:	_	
Title		

[Signature Page \tilde{U} Asset Management Agreement]

Exhibit A Assets

Invest in and manage property to be located at 2045 Cambridge Dr, Lexington, KY 40504

Exhibit B Business Plans

see attached

Exhibit C Asset Manager Compensation

As consideration and full compensation for performing the Management Services specified in this Agreement, the Asset Manager is entitled to the following fees:

- (i) an asset management fee equal to two percent (2.0%) of the annual revenues of all Assets purchased by the Company; and
- (ii) An acquisition fee equal to two percent (2.0%) of the property purchase price, plus the renovation costs.

In addition, the Company is responsible, and will reimburse the Asset Manager for, all Third Party Expenses and Maintenance Expenses.

Exhibit D Insurance

The Asset Manager shall maintain Commercial general liability insurance providing coverage in an amount not less than \$1,000,000, naming the Company as an additional insured thereunder.

All insurance policies must provide that the Company will be furnished not less than thirty (30) days prior written notice before any amendment or cancellation of any insurance policy.

EXHIBIT J Form U-7

(See attached)

FORM U-7

DISCLOSURE DOCUMENT

Cover Page-Page 1

Lexington Investors, LLC

(Exact name of Company as set forth in Articles of Incorporation or Organizational Documents)

Street address of principal office: 1042 Centerville Circle / Vadnais Heights, 55127

Company Telephone Number: (651) 895-5414

Person(s) to contact at Company with respect to offering: Todd Dexheimer

Telephone Number (if different from above):

Type of securities offered: Series A Preferred Units of Membership Interest

Price per security: 1.00 Sales commission: N/A

Minimum number of securities offered: 1,000,000.00
Maximum number of securities offered: 1,400,000.00
Total proceeds: If minimum sold: 1,000,000.00

If maximum sold: 1,400,000.00

Investment in a small business is often risky. You should not invest any funds in this offering unless you can afford to lose your entire investment. See Item 1 for a discussion of the risk factors that management believes present the most substantial risks to you.

The date of this Disclosure Document is 07/6/2018.

Executive Summary

The Company

Describe the business of the Company: To acquire and improve the property known as Cambridge Park Apartments. The investment is a 120 unit apartment building in Lexington, KY. The purchase and operation of the buildings will provide safe, clean, modern and affordable housing to residents and promote stability in the neighborhood. See also Exhibit A "business plan".

Describe how the Company plans to carry out its activities: Purchase and renovate apartment buildings in Lexington, KY to maximize investor returns. See Exhibit A ("business plan")

This Company: is in the Development Stage.

Jurisdiction: Minnesota

Date of formation: June 1, 2018 Fiscal year end: December 31

How the Company Will Use Your Money

Describe how the Company intends to use the proceeds of this offering. The subject properties will be purchased for \$4,175,000.00 and a complete renovation totaling \$724,995. Seller shall finance in the amount of \$3,850,000. A \$325,000 down payment will be given to seller at closing. \$600,000 will be placed in escrow account and released when the transaction is finished.

For more information about how the Company will use your money, see Item 30.

The Principal Officers of the Company

The Principal Officers of the Company and their titles are:
Chief Executive Officer: Todd Dexheimer
Chief Operating Officer: Todd Dexheimer
Chief Financial Officer: N/A
For more information about these Officers, see Item 77.
The Offering
Name of Sales Person(s): Todd Dexheimer
${\bf Address:} \ \ {\bf 1042} \ \ {\bf Centerville} \ \ {\bf Circle} \ \ / \ \ {\bf Vadnais} \ \ {\bf Heights}, \ {\bf 55127}$
Telephone Number: (651) 895-5414
Is there an impound of proceeds until the minimum is obtained? ▼ Yes □ No (See Items 73–76)
, and a second of the second o
Is this offering limited to certain purchasers? ✓ Yes □ No (See Item 72)
is this offering infinited to certain parenasers: At 165
I de Colonia de la Particio de Colonia de Co
Is transfer of the securities restricted? 📈 Yes 🗆 No (See Item 53)

This offering is available for sale in the following states: Minnesota and any other states where registered or exempt.

You should consider the terms and risks of this offering before you invest. No government regulator is recommending these securities. No government regulator has verified that this document is accurate or determined that it is adequate. It is a crime for anyone to tell you differently.

The Company has included in this Disclosure Document all of its representations about this offering. If anyone gives you more or different information, you should ignore it. You should rely only on the information in this Disclosure Document.

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1 RISK FACTORS

THERE IS NO GUARANTEED RETURN ON INVESTMENT. Any investment made in this offering may result in a loss of that entire investment. There is no guarantee that the Company will succeed and the investor shall bear the risk that his, her, or its entire investment will be lost.

2 BUSINESS AND PROPERTIES

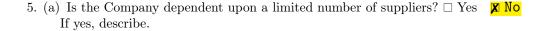
2 1	CENERAL	DESCRIPTION	OF THE	RIIGINEGG
Z. I	CTC/INC/D.AL		VE LEE	- ロいうけいじゅう

2.	Describe the business of the Company, including its products or services. To acquire and improve the
	property known as Cambridge Park Apartments. The investment is a 120 unit apartment build-
	ing in Lexington, KY. The purchase and operation of the buildings will provide safe, clean,
	modern and affordable housing to residents and promote stability in the neighborhood. See
	also Exhibit A "business plan".

3.	Describe how the Company produces or provides these products or services and how and when the
	Company intends to carry out its activities. The property will be acquired and held for a mic
	term. The property will undergo renovations to create safer, more modern, and affordable
	apartments for the citizens of Lexington. See also Exhibit A "business plan".

2.2 SUPPLIERS

4.	Does the Company have	e any major	supply	contracts? \square	Yes 🔀 No
	If yes, describe.				



5. (b	Does the Company expect to be dependent upon a limited number of suppliers? Yes No If yes, describe.
2.3	CUSTOMER SALES AND ORDERS
6.	Does the Company have any major sales contracts? \square Yes $\ \ \ \ \ \ \ \ \ \ $ If yes, describe.
7.	State the total amount of the Company's sales of products or services for the most recent 12 month financial reporting period. ${\tt N/A}$
8.	State the dollar amount of a typical sale. ${\tt N/A}$
9.	Are the Company's sales seasonal or cyclical? \square Yes \blacksquare No If yes, explain.
10.	State the amount of foreign sales as a percent of total sales for last fiscal year. $^{\circ}$ % Explain the nature of these sales, including any anticipated changes.
11.	Name any customers that account for, or based upon existing orders will account for, a major portion $(20\% \text{ or more})$ of the Company's sales. N/A

12.	State the dollar amount of firm orders. N/A
2.4	COMPETITION
13.	(a) Describe the market area in which the business competes or will compete. Class B/C Apartment complexes in Lexington, KY.
13.	(b) Name the Company's principal competitors and indicate their relative size and financial and market strengths. Other property investment and management companies specializing in distressed multi-family properties.
14.	(a) Does the Company compete, or expect to compete, by price? ☐ Yes If yes, describe its competitive strategy.
14.	(b) Does the Company compete, or expect to compete, by service? ▼ Yes □ No If yes, describe its competitive strategy. Provide safe, clean, and updated housing to make residents and community proud.
14.	(c) Does the Company compete, or expect to compete, on some other basis? □ Yes If yes, state the basis and describe the Company's competitive strategy.

2.5 MARKETING

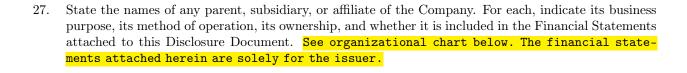
15. (a) Describe how the Company plans to market its products or services during the next 12 months, including who will perform these marketing activities.
Traditional multifamily apartment marketing.
15. (b) State how the Company will fund these marketing activities. Cash flow
2.6 EMPLOYEES
16. (a) State the number of the Company's present employees by type of employee (i.e., clerical, operations, administrative, etc.).
16. (b) State the number of employees the Company anticipates it will have within the next 12 months by type of employee (i.e., clerical, operations, administrative, etc.). The management company anticipates hiring two full-time employees and one part-time employee.
17. Describe the Company's labor relations. The company has not experienced any problems finding suitable employees nor is it subject to any collective bargaining agreements, nor have the Company's employees been on strike in the last 3 years.
18. Indicate any benefits or incentive arrangements the Company provides or will provide to its employees. N/A

2.7 PROPERTIES

19. (a) Describe generally the principal properties that the Company owns or leases. ${\tt N/A}$
19. (b) Indicate what properties the Company intends to acquire or lease. Cambridge Park, a 120 unicomplex in Lexington, KY.
2.8 20.	RESEARCH AND DEVELOPMENT Indicate the amounts that the Company spent for research and development during its last fiscal year N/A
21. (a) Will the Company expend funds on research and development during the current fiscal year? \Box Ye No
21. (b) If yes, how much does the Company plan to spend on research and development during the curren fiscal year?
21. (c) How does the Company intend to fund these research and development costs? ${\tt N/A}$

2.9 GOVERNMENTAL REGULATION

22.	(a) Is the Company's business subject to material regulation by any governmental agency? \square Yes
22.	(b) Are the Company's products or services subject to material regulation by any governmental agency? \square Yes \nearrow No
22.	(c) Are the Company's properties subject to material regulation by any governmental agency? \Box Yes ${\bf \sl No}$
22.	(d) Explain in detail any "yes" answer to Item 22(a), 22(b), or 22(c), including the nature and extent of the regulation and its effect or potential effect upon the Company.
23.	(a) Is the Company required to have a license or permit to conduct business? \square Yes
23.	(b) If yes, does the Company have the required license or permit?
23.	(c) If the answer to Item 23(b) is "yes," describe the effect on the Company and its business if it were to lose the license or permit.
23.	(d) If the Company has not yet acquired a required license or permit, describe the steps the Company needs to take to obtain the license or permit. Estimate the time it will take to complete each step. N/A
2.1	0 COMPANY HISTORY AND ORGANIZATION
24.	Summarize the material events in the development of the Company. The property was identified and negotiated for purchase in Q2 2018.
25.	Describe any recent stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization. ${\tt N/A}$
26.	Discuss any pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization. ${\tt N/A}$



Cambridge Park
Apartments, LLC

Lexington Investors, LLC

Lexington Capital, LLC (Managing Member)

Todd Dexheimer (Majority Owner)

3 MILESTONES

28. Describe in chronological order the steps management intends to take to achieve, maintain, or improve profitability during the 12 months following receipt of the offering proceeds.

If management does not expect the Company to achieve profitability during that time period, describe the business objectives for that period and the steps management intends to take to achieve those objectives.

Indicate the probable timing of each step and the approximate cost to complete it. There will be little to no cash flow in the beginning of year one. Step one is to establish new market rents by renovating vacant units. Total renovation and stabilization will take 9-14 months. The renovation phase should be completed in under 12 months. The remaining months should be used to lease up. We will operate the property and maximize the value in the first 3-7 years, after which we will look for an exit.

29. (a) State the anticipated consequences to the Company if any step is not completed as scheduled. The consequences of missing milestones are a possible loss of profit and a delayed return on investment for investors.

29. (b) Describe how the Company will deal with these consequences. The Company may decide to address the consequences of lost revenue due to the delay by raising more funds up to the maximum amount.

NOTE: After reviewing management's discussion of the steps it intends to take, potential investors should consider whether achievement of each step within the estimated time frame is realistic. Potential investors should also assess the consequences to the Company of any delays in taking these steps and whether the Company will need additional financing to accomplish them.

4 USE OF PROCEEDS

30. Show how the Company intends to use the proceeds of this offering:

Use of Proceeds

	<u>Uses</u>
Down Payment	\$ 325,000.00
Reserve Account	\$ 185,000.00
Repairs	\$ 724,955.00
Closing Costs	\$ 67,046.00
Sponsor Fee	\$ 97,999.00
	\$ 1,400,000.00

31.	(a) Is there a minimum amount of proceeds that must be raised before the Company uses any of the proceeds of this offering? $\[\]$ Yes $\[\]$ No
31.	(b) If yes, describe how the Company will use the minimum Net Proceeds of this offering. The subject properties will be purchased for \$4,175,000.00 and a complete renovation totaling \$724,995. Seller shall finance in the amount of \$3,850,000. A \$325,000 down payment will be given to seller at closing. \$600,000 will be placed in escrow account and released when the transaction is finished.
31.	(c) If the answer to Item 31(a) is "yes," describe how the Company will use the Net Proceeds of this offering that exceed the amount of the minimum offering proceeds. Reserve and prospective redistribution to investors.
31.	(d) If the answer to Item 31(a) is "no," describe how the Company will use the Net Proceeds of this offering. ${\tt N/A}$
32.	(a) Will the Company use other funds, together with the offering proceeds, to fund any project or activity identified in Item 31? ▼ Yes □ No
32.	(b) If yes, state the amounts and sources of the other funds. Seller shall finance the transaction in the amount of \$3,850,000.
32.	(c) Indicate whether the availability of the funds is firm or contingent. If contingent, explain. Yes, the seller funds are contingent on raising the minimum amount pursuant to this offering.

NOTE: See the answer to Item 70 for information about proceeds used to compensate sales agents. See the answer to Items 108 and 109 for information about proceeds used to purchase assets from Officers, Directors, key persons, or principal stockholders or their associates or to reimburse them for services previously provided or moneys borrowed.

5 SELECTED FINANCIAL INFORMATION

NOTE: The Company has adjusted all numbers in this section to reflect any stock splits or recapitalizations.

5.1 GENERAL

33. What were net, after-tax earnings for the last fiscal year? (If losses, show in parenthesis.) Total \$0 Per share \$

34. If the Company had profits, show offering price as a multiple of earnings.

0

5.2 CAPITALIZATION

35. Indicate the capitalization of the Company as of the most recent balance sheet date, and as adjusted to reflect the sale of the minimum and maximum amount of securities in this offering and the use of the net proceeds from this offering.

Proposed Capitalization Table for Lexington Investors, LLC

<u>Unitholder</u> Lexington Capital, LLC Series A PreferredUnits

		_	,		
Preser	nt		Pro F	orma	
<u>Units</u>	<u>%</u>		<u>Units</u>		<u>%</u>
600,000.00	100.00%		600,000.00		30.00%
	0.00%		1,400,000.00		70.00%
	0.00%				0.00%
-	0.00%				0.00%
-	0.00%				0.00%
-	0.00%				0.00%
-	0.00%		-		0.00%
-	0.00%		-		0.00%
600,000.00	100.00%		2,000,000.00		100.00%

Note Assuming all Units are sold in the offering

5.3 DILUTION

36. (a)	The price of the	securities in t	this offering	has been	${\it arbitrarily}$	determined.	🗶 Yes	\square No

- 36. (b) If no, explain the basis on which the price of the securities was determined.
- 37. (a) The net tangible book value per share before offering is: \$0
- 37. (b) For the minimum offering:

The net tangible book value per share after the minimum offering will be: \$0

The amount of increase in net tangible book value per share as a result of receipt of cash from purchasers in this offering will be: \$

The dilution per share to purchasers will be: \$0

37. (c) For the maximum offering:

The net tangible book value per share after the maximum offering will be: \$1

The amount of increase in net tangible book value per share as a result of receipt of cash from purchasers in this offering will be: \$1

The dilution per share to purchasers will be: \$0

38. For each share purchased in this offering a purchaser will pay \$1 but will receive a share representing only \$1 in net tangible book value, if the minimum offering is achieved, or \$1, if the maximum offering is achieved.

The difference between the amount a purchaser pays for a share and the amount of net tangible book value that share represents is the dilution to the purchaser.

39. In a table, compare the existing stockholders' percentage ownership in the Company and the consideration paid for that ownership with that of purchasers in this offering.

	Un	its	Total Cons	ideration	
	<u>Number</u>	Percent	<u>Amoi</u>	<u>unt</u>	Percent
Existing holders					
Minimum offering	600,00	00 38%		0	0%
Maximum offering	600,00	00 30%		0	0%
New Purchasers:					
Minimum offering	1,000,00	00 63%	\$	1,000,000.00	100%
Maximum offering	1,400,00	00 70%	\$	1,400,000.00	100%

Price

Per Unit

\$0

\$0

\$1

\$1

40. Using the offering price of these securities, what value is the Company's management attributing to the entire Company before the offering? \$2,000,000

NOTE: You should consider carefully whether the Company has this value at the present time. Some issues you should think about include: (1) the risks to which the Company is subject before it achieves success (see Item 1, Risk Factors); (2) the exercise prices of outstanding options (see Item 101); and (3) the prices that the Company's Officers, Directors, and principal stockholders paid for their shares (see Items 104 and 105).

6	MANAGEMENT'S DISCUSSION AND ANALYSIS OF CERTAIN RELEVANT FACTORS
41.	Is the Company having or does the Company anticipate having within the next 12 months any cash flow or liquidity problems? If yes, explain. There will be very little to no cash flow in the beginning of year one. Short term vacancies while we establish new rents and renovate vacant units will cause a break in cash flow. Once renovations are complete, occupancy and gross revenue are expected to increase rapidly.
42.	(a) Is the Company in default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the Company to make payments? ☐ Yes ▶ No
42.	(b) If yes, explain. Identify the creditor, state the amount in default or the term that the Company has not complied with, and describe any consequences to the Company resulting from each default.
43.	Are a significant amount of the Company's trade payables more than 90 days old? □ Yes ✓ No
44.	Is the Company subject to any unsatisfied judgments, liens, or settlement obligations? □ Yes If yes, state the amounts. N/A
45.	Describe how the Company will resolve the problems identified in Items 41–44. Based upon our pro-
	forma Profit and Loss projections, the Company intends to raise enough capital to offset
	any losses during initial twelve month period of operations.

46.	(a) Do the Company's financial statements show losses from operations? \square Yes
46.	(b) If yes, explain the causes underlying these losses and what steps the Company has taken or is taking to address these causes. The Company has not effectively begun operations.
47.	(a) Describe any trends in the Company's historical operating results. ${\tt N/A}$
47.	(b) Indicate any changes now occurring in the underlying economics of the Company's business which, in the opinion of Management, will have a significant impact upon the Company's results of operations within the next 12 months. Changes in interest rates, demographics and the housing market will all effect the Company.
47.	(c) Describe the probable impact on the Company. Decrease in revenues.
47.	(d) Describe how the Company will deal with this impact. The Company has already reacted to these potential changes by conducting extensive market research.
48.	(a) Will the proceeds from this offering and any available funds identified in Item 32 satisfy the Company's cash requirements for the 12 month period after it receives the offering proceeds? ✓ Yes □ No
48.	(b) If no, explain how the Company will satisfy its cash requirements. State whether it will be necessary to raise additional funds. State the source of the additional funds, if known.

7 DESCRIPTION OF SECURITIES OFFERED

7.1 GENERAL

49.	The securities being offered are:
	☐ Common Stock ☐ Yes 🔀 No
	\square Preferred or Preference Stock X Yes \square No
	□ Notes, Debentures, or Bonds □ Yes No
	□ Limited Liability Company Membership Interests □ Yes 🔀 No
	\Box Units of two or more types of securities, composed of:
	☐ Other (specify):☐ Yes ▼ No
50.	These securities have:
	Yes No □ Cumulative voting rights □ Yes ⋈ No
	 □ Other special voting rights □ Yes □ Preemptive rights to purchase any new issue of shares □ Yes X No
	□ □ Preference as to dividends or interest ✓ Yes □ No
	□ □ Anti-dilution rights □ Yes 🔀 No
	□ □ Other special rights or preferences (specify): □ Yes 🔀 No
	Explain any yes answer. Each Series A Member will be entitled to receive an eight percent
	(8.0%) cumulative, annual return on the amount of the Series A Member's unreturned capital contributions.
51.	Are there any restrictions on dividends or other distributions? \blacksquare Yes
	If yes, describe. Resale or transfer of units is restricted unless the units are registered or unless the units qualify under an exemption under Federal and State law. Additionally, the
	Company requires notification of intention to sell or transfer units and reserves a first
	right of repurchase.

52.	Are the securities convertible? Yes No If yes, state conversion price or formula. N/A
	Date when conversion becomes effective: ${\tt N/A}$
	Date when conversion expires: N/A
53.	Describe any resale restrictions on the securities and when the restrictions will terminate. ${\tt N/A}$
7.2	PREFERRED STOCK
	PREFERRED STOCK e securities being offered are Preference or Preferred stock:
If the 54.	e securities being offered are Preference or Preferred stock:

7.3 DEBT SECURITIES

If the securities being offered are notes or other types of debt securities:

56.	What is the interest rate on the debt securities? N/A% If the interest rate is variable or there are multiple interest rates, describe.
57.	What is the maturity date? If the securities will have serial maturity dates, describe. N/A
58.	Is there a sinking fund? □ Yes No If yes, describe.
59.	Is there a trust indenture? □ Yes ☒ No If yes, state the name, address, and telephone number of Trustee.
60.	(a) Are the securities callable? □ Yes No If yes, describe.
60.	(b) Are the securities redeemable? □ Yes No If yes, describe, including redemption prices.
61.	Are the securities secured by real or personal property? \Box Yes \blacksquare No If yes, describe. $\blacksquare \ \ \ \ \ \ \ \ \ \ \ \ \ $
62.	 (a) Are the securities subordinate in right of payment of principal or interest? □ Yes If yes, explain the terms of the subordination.

- 62. (b) How much currently outstanding indebtedness of the Company is senior to the securities in right of payment of interest or principal? \$0
- 63. How much currently outstanding indebtedness ranks equally with the securities in right of payment? \$0
- 64. How much currently outstanding indebtedness is junior (subordinated) to the securities? \$0

7.4 RATIO OF EARNINGS TO FIXED CHARGES

65. (a) If the Company had earnings during its last fiscal year, show the ratio of earnings to fixed charges on an actual and pro forma basis for that fiscal year.

		<u>Actual</u>		<u>ProForma</u>	<u>1</u>
	Last Fiscal	Interim		<u>Minimum</u>	<u>Maximum</u>
Earnings Fixed Charges		<u>0</u> 0	<u>0</u> 0	300,000 300,000	300,000 300,000
		0:0	0:0	1:1	1:1

65. (b) If no earnings, show "Fixed Charges" only:

NOTE: See the Financial Statements and especially the Statement of Cash Flows. Exercise care in interpreting the significance of the ratio of earnings to fixed charges as a measure of the "coverage" of debt service. The existence of earnings does not necessarily mean that the Company will have cash available at any given time to pay its obligations. See Items 41–48. Prospective purchasers should not rely on this ratio as a guarantee that they will receive the stated return or the repayment of their principal.

8 HOW THESE SECURITIES WILL BE OFFERED AND SOLD

8.1 Company SalesPersons

- 66. Provide the following information for each Officer, Director, or Company employee who intends to offer or sell the securities:
- 66. (a) Name: Todd Dexheimer

Title:CEO

Address:1042 Centerville Circle / Vadnais Heights, 55127

Telephone Number: (651) 895-5414

67. Describe any compensation that the Company will pay each person in addition to his or her customary salary and compensation. N/A

8.2 OTHER SALESPERSONS AND FINDERS

- 68. Provide the following information for each salesperson who is not an Officer, Director, or employee of the Company:
- 68. (a) Name: N/A

Company: N/A

Address: N/A

Telephone Number: N/A

- 69. Provide the following information for each person who is a finder:
- 69. (a) Name: N/A

Company: N/A

Address: N/A

Telephone Number: N/A

70.	Describe all compensation that the Company will pay to each person identified in Items 68 and 69. $\cnote{N/A}$ $\cnote{N/A}$
71.	Describe any material relationships between these sales persons or finders and the Company or its management. $\tt N/A$
8.3	PURCHASER LIMITATIONS
72. ((a) Is the offering limited to certain purchasers? ▼ Yes □ No
72. ((b) Is the offering subject to any other purchaser limitations? Yes No
72. ((c) If the answer to either $72(a)$ or $72(b)$ is yes, describe the limitation. Only residents of Minnesota may purchase securities, unless the Company registers the securities or meets an exemption for sale in other states.
8.4	IMPOUND OF OFFERING PROCEEDS
73. ((a) Will the Company impound the proceeds of the offering until it raises the minimum offering proceeds? ▼ Yes □ No
73. ((b) If yes, what is the minimum amount of proceeds that the Company must raise and place in an impound account before the Company can receive and use the proceeds? \$1,000,000
73. ((c) If the answer to Item 73(a) is "yes," state the date on which the offering will end if the Company has not raised the minimum offering proceeds July 5, 2019
74. ((a) Does the Company reserve the right to extend the impound period? Yes No

74.	(b) If yes, describe the circumstances under which the Company might extend the impound period. N/
75.	State the name, address, and telephone number of the bank or other similar depository institution acting as impound agent. Sunrise Banks, 200 University Ave W, Suite 200, St. Paul, MN, 55103,
76.	If the offering proceeds are returned to investors at the end of the impound period, will the Compan pay any interest earned during the impound period to investors? Yes No
9	MANAGEMENT
9.1	OFFICERS AND KEY PERSONS OF THE COMPANY
77.	Provide the following information for each Officer and key person. The term "key person" means person, other than the chief executive officer, chief operating officer, and chief financial officer, wh makes a significant contribution to the business of the Company. Identify who performs the function of Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer.
77.	(a) Name: Age: 36 Title: Chief Executive Officer, Chief Operating Officer Office Address: 1042 Centerville Circle, Vadnais Heights, MN Telephone Number: (651) 895-5414 Names of employers, titles, and dates of positions held during past five years, with an indication of joresponsibilities. Owner/Operator Venture D Properties
	Education (degrees, schools, and dates): Bachelor's degree in Technology Education-UW-Stout
	Also a Director of the Company \square Yes \nearrow No Indicate amount of time to be spent on Company matters if less than full time: 25%

9.2 DIRECTORS OF THE COMPANY

78. (a) Number of Directors: 1	
78. (b) Are Directors elected annually? □ Yes No If no, explain.	
78. (c) Are Directors elected under a voting trust or other arrangement? □ Yes If yes, explain.	
79. Provide the following information for each Director not described in Item 77:	
79. (a) Name: N/A Age: N/A Office Street Address: Telephone Number: N/A Names of employers, titles, and dates of positions held during past five years, with a responsibilities. N/A	an indication of job
Education (degrees, schools, and dates): N/A	
9.3 CONSULTANTS	
80. (a) Are all key persons employees of the Company? Z Yes \square No	
80. (b) If no, state the details of each contract or engagement.	

9.4	ARRANGEMENTS	WITH	OFFICERS,	DIRECTORS,	AND	\mathbf{KEY}	PER-
	SONS						

81.	Describe any arrangements to ensure that Officers, Directors, and key persons will remain with the Company and not compete with the Company if they leave. ${\tt N/A}$
82.	(a) Describe the impact on the Company if it loses the services of any Officer, Director, or key person due to death or disability. The Company outsources management to third parties and is expected to be minimally impacted due to any loss of officer services.
	(b) Has the Company purchased key person life insurance on any Officer, Director, or key person? □ Yes ▼ No
82.	(c) Has the Company made any arrangements to replace any Officer, Director, or key person it loses due to death or disability? \square Yes \nearrow No
82.	(d) If the answer to either Item 82(b) or 82(c) is "yes," describe.
9.5	COMPENSATION
83.	List all compensation that the Company paid to its Officers, Directors, and key persons for the last fiscal year:

	Cash	Other
Chief Executive Officer	\$0.00	\$0.00
Chief Operating Officer	\$0.00	\$0.00
Chief Financial Officer	\$0.00	\$0.00
Key Persons:	\$0.00	\$0.00
Total:	\$0.00	\$0.00
Officers as a group	\$0.00	\$0.00
Governors as a group	\$0.00	\$0.00
Key Persons as a group	\$0.00	\$0.00

84.	(a) Has compensation been unpaid in prior years? ☐ Yes 🔀 No
84.	(b) Does the Company owe any Officer, Director, or employee any compensation for prior years? \Box Yes $\slash\hspace{-0.4em}$ No
84.	(c) Explain any "yes" answer to Item 84(a) or 84(b). $\tt N/A$ $\tt N/A$
85.	Is compensation expected to change within the next year? \square Yes \blacksquare No If yes, explain.
86.	(a) Does the Company have any employment agreements with Officers, Directors, or key persons? □ Yes No If yes, describe.
86.	(b) Does the Company plan to enter into any employment agreements with Officers, Directors, or key persons? ☐ Yes ☑ No If yes, describe.
9.6	5 PRIOR EXPERIENCE
87.	Has any Officer or Director worked for or managed a company (including a separate subsidiary or division of a larger enterprise) in the same type of business as the Company? Yes Do If yes, explain in detail, including relevant dates. CEO Todd Dexheimer operates Venture D Properties, a real estate investment company which has invested in over 200 properties ranging from single family homes to raw land and a ski resort.

88. (a) If the Company has never conducted operations or is otherwise in the development stage, has any

Officer or Director managed another company in the start-up or development stage? \blacksquare Yes	No
88. (b) If yes, explain in detail, including relevant dates. CEO founded Venture D Properties.	
9.7 CERTAIN LEGAL PROCEEDINGS	
9.7.1 Insolvency	
89. Has a petition for bankruptcy, receivership, or a similar insolvency proceeding been filed by or agany Officer, Director, or key person within the past five years, or any longer period if material? No	-
90. Was any Officer, Director, or key person an executive officer, a director, or in a similar manage position for any business entity that was the subject of a petition for bankruptcy, receiverships similar insolvency proceeding within the past five years, or any longer period if material? □ Yes	
91. Explain in detail any "yes" answer to Item 89 or 90.;	
9.7.2 Criminal Proceedings	
92. (a) Has any Officer, Director, or key person been convicted in a criminal proceeding, excluding to violations or other minor offenses? Yes No	raffic
92. (b) Is any Officer, Director, or key person named as the subject of a pending criminal proceeding cluding traffic violations or other minor offenses? Yes No	g, ex-
92. (c) Explain in detail any "yes" answer to Item 92(a) or 92(b).;	

9.7.3 Civil Proceedings

activity?

Yes No

93.	(a) Has any Officer, Director, or key person been the subject of a court order, judgment or decree in the last five years related to his or her involvement in any type of business, securities, or banking activity? \Box Yes \nearrow No
93.	(b) Is any Officer, Director, or key person the subject of a pending civil or action related to his or her involvement in any type of business, securities, or banking activity? □ Yes 🔀 No
93.	(c) Has any civil action been threatened against any Officer, Director, or key person related to his or her involvement in any type of business, securities, or banking activity? \square Yes \nearrow No
93.	(d) Explain in detail any "yes" answer to Item 93(a), 93(b), or 93(c).; ;
9.7	7.4 Administrative Proceedings
94.	(a) Has any government agency, administrative agency, or administrative court imposed an administrative finding, order, decree, or sanction against any Officer, Director, or key person in the last five years as a result of his or her involvement in any type of business, securities, or banking activity? \square Yes
94.	(b) Is any Officer, Director, or key person the subject of a pending administrative proceeding related to his or her involvement in any type of business, securities, or banking activity? \Box Yes
94.	(c) Has any administrative proceeding been threatened against any Officer, Director, or key person related to his or her involvement in any type of business, securities, or banking activity? \square Yes
94.	(d) Explain in detail any "yes" answer to Item 94(a), 94(b), or 94(c). ; ;

95. (a) Has a self-regulatory agency imposed a sanction against any Officer, Director, or key person in the last five years as a result of his or her involvement in any type of business, securities, or banking

95. (b) Is any Officer, Director, or key person the subject of a pending self-regulatory organization proceeding related to his or her involvement in any type of business, securities, or banking activity? Yes No
95. (c) Has any self-regulatory organization proceeding been threatened against any Officer, Director, or key person related to his or her involvement in any type of business, securities, or banking activity? YENO
95. (d) Explain in detail any "yes" answer to Item 95(a), 95(b), or 95(c).;;
$egin{array}{c} \mathbf{pote} \ \mathbf{and} \ \mathbf{the} \end{array}$	ΓE: After reviewing the background of the Company's Officers, Directors and key persons ential investors should consider whether or not these persons have adequate background experience to develop and operate this Company and to make it successful. In this regard experience and ability of management are often considered the most significant factors in success of a business.
10	OUTSTANDING SECURITIES
10 10.1	
10.1	I GENERAL

10.2 DIVIDENDS, DISTRIBUTIONS, AND REDEMPTIONS

99. (a) Has the Company paid any dividends on its stock, made any distributions of its stock, or redeemed any securities within the last five years? Yes No If yes, describe each transaction.
99. (b) Does the Company have any plans or commitments to pay dividends on its stock, make distributions of its stock, or redeem its outstanding securities in the future? Yes □ No If yes, explain. The Company intends to pay an 8% preferred return to its Series A members, and additionally a distribution of excess profits (after reserves).
10.3 OPTIONS AND WARRANTS
100. (a) State the number of shares subject to issuance under outstanding stock purchase agreements, stock options, warrants or rights. N/A
100. (b) The shares identified in Item 100(a) are N/A % of the total shares to be outstanding after the minimum offering.
100. (c) The shares identified in Item 100(a) are N/A % of the total shares to be outstanding after the maximum offering.
101. In a table, describe these stock purchase agreements, stock options, warrants, and rights. State the basic terms of these securities, including the expiration dates, the exercise prices, who holds them, whether they are qualified or non qualified for tax purposes, and whether they have been approved by stockholders.
102. State the number of shares reserved for issuance under existing stock purchase or option plans but not yet subject to outstanding purchase agreements, options, or warrants.
103. Does the Company have any plans or commitments to issue or offer options in the future? ☐ Yes If yes, explain. N/A

10.4 SALES OF SECURITIES

- 104. (a) Has the Company sold or issued securities during the last 12 months? ☐ Yes ▶ No
- 104. (b) If yes, in a table, provide the following information for each transaction: the date of the transaction; the amount and type of securities sold or issued; the number of purchasers to whom the securities were sold or issued; any relationship of the purchasers to the Company at the time of sale or issuance; the price at which the securities were sold or issued; and a concise description of any non-cash consideration.

DATE	AMOUNT	TYPE	PURCHASER	RELATIONSHIP	PRICE	CONSIDERATION
7/3/2018	600,000	Series B Units	Lexington Capital, LLC	Managing Member	\$0.00	Founders have expended significant time and energy.

11 PRINCIPAL STOCKHOLDERS

105. In the following table, provide the name and office street address of each person who beneficially owns at least 10% of the common or preferred stock of the Company.

INVESTOR	ADDRESS	UNITS
Todd Dexheimer	1042 Centerville Circle Vadnais Heights, MN 55127	Series B Units

106. Number of shares beneficially owned by all Officers and Directors as a group: 600,000
106. (a) Before offering: 600,000 shares 100% of total outstanding
 106. (b) After offering: Assuming minimum securities sold: 600,000 shares 37.5% of total outstanding
106. (c) After offering: Assuming maximum securities sold: 600,000 shares 30% of total outstanding
NOTE: These calculations assume that all outstanding options have been exercised and all convertible securities have been converted.
12 MANAGEMENT RELATIONSHIPS AND TRANSACTIONS
12.1 FAMILY RELATIONSHIPS
107. Is there a family relationship between any Officer, Director, key person, or principal stockholder? □ Yes No If yes, describe.
12.2 MANAGEMENT TRANSACTIONS
108. (a) Will the Company use any offering proceeds to acquire assets from any Officer, Director, key person, or principal stockholder? □ Yes
108. (b) Will the Company use any offering proceeds to acquire assets from an associate of any Officer, Director, key person, or principal stockholder? □ Yes ☑ No
108. (c) If the answer to Item 108(a) or (b) is "yes," provide detailed information about each transaction. Include the name of the person, the cost to the Company, the method used to determine the cost, and any profit to the seller. ;

109.	(a) Will the Company use any offering proceeds to reimburse any Officer, Director, key person, or principal stockholder for services already rendered, assets previously transferred, or moneys loaned or advanced, or otherwise? Yes No
109.	(b) If yes, provide detailed information about each transaction. Include the name of the person, the cost to the Company, the method used to determine the cost, and any profit to the person.
110.	(a) Has the Company made loans to any Officer, Director, key person, or principal stockholder within the last two years? \square Yes
110.	(b) Does the Company plan to make loans to its Officers, Directors, key persons, or principal stockholders in the future? \square Yes \nearrow No If yes, describe any policies the Company has adopted to deal with the conflicts of interest in these transactions:
111.	(a) Has the Company done business with any Officer, Director, key person, or principal stockholder within the last two years? \square Yes
111.	(b) Is the Company currently doing business with any Officer, Director, key person, or principal stockholder? \square Yes \blacksquare No
111.	(c) Does the Company plan to do business with its Officers, Directors, key persons, or principal stockholders in the future? \square Yes \nearrow No If yes, describe any policies the Company has adopted to deal with the conflicts of interest in these transactions:
112.	Explain any "yes" answers to Items 110(a), 111(a), or 111(b). State the principal terms of any significant loans, agreements, leases, financing, or other arrangements.; ;
113.	(a) Has any Officer, Director, key person, or principal stockholder guaranteed or co-signed the Company's bank debt or other obligations? \square Yes
113.	(b) If yes, explain the terms of each transaction and describe the Company's plans for repayment.

13 LITIGATION

114.	Describe any recent or pending litigation or administrative action which has had or may have a ma-
	terial effect upon the Company's business, financial condition, or operations. State the names of the
	principal parties, the nature and current status of the matters, and the amounts involved. None

115. Describe any threatened litigation or administrative action that may have a material effect upon the Company's business, financial condition, or operations. State the names of the principal parties, and the nature and current status of the matters. None

14 TAX ASPECTS

116. Describe any material tax consequences to investors in this offering. The Company will be treated as a partnership for federal income tax purposes.

15 OTHER MATERIAL FACTORS

117. Describe any other material factors, either adverse or favorable, that will or could affect the Company or its business or which are necessary to make any other information in this Disclosure Document not misleading or incomplete. N/A

16 ADDITIONAL INFORMATION

118.	Qu	Describe the types of information that the Company narterly reports outlining capital and use of fund precasts, capital spending plan, budget, and currently reports of the company of the	ls, cash flow statements, balance sheets
118.	(b)) Describe the schedule for providing this information.	Quarterly
118.	(c)	Attach the Company's financial statements to the Disc	closure Document. <mark>See attached financials</mark>

17 SIGNATURES:

The Company's Chief Executive Officer, Chief Financial Officer, and its Directors must sign this Disclosure Document. When they sign this Disclosure Document, they represent that they have diligently attempted to confirm the accuracy and completeness of the information in the Document.

When the Chief Financial Officer signs this Disclosure Document, he or she represents that the financial statements in the Document have been prepared in accordance with generally accepted accounting principles which have been consistently applied, except where explained in the notes to the financial statements. He or she represents that the financial statements fairly state the Company's financial position and results of operations, or receipts and disbursements, as of the dates and periods indicated. He or she also represents that year-end figures include all adjustments necessary for a fair presentation under the circumstances.

Chief Executive Officer:	Directors:
/s/Todd Dexheimer	<u> </u>
Title	/s/Todd Dexheimer
Title:	/s/lodd Dexhelmer
Chief Financial Officer:	
/s/Todd Dexheimer	
	
Title:	
11010.	

18	LIST OF EXHIBITS		