

SARA INVESTMENT REAL ESTATE LLC

ESTABLISHED
— 1997 —

Our Value Proposition

We provide advisors and their clients the ability to invest directly in a diverse portfolio of high-quality retail, office and industrial projects to generate monthly income and excellent long-term capital growth.

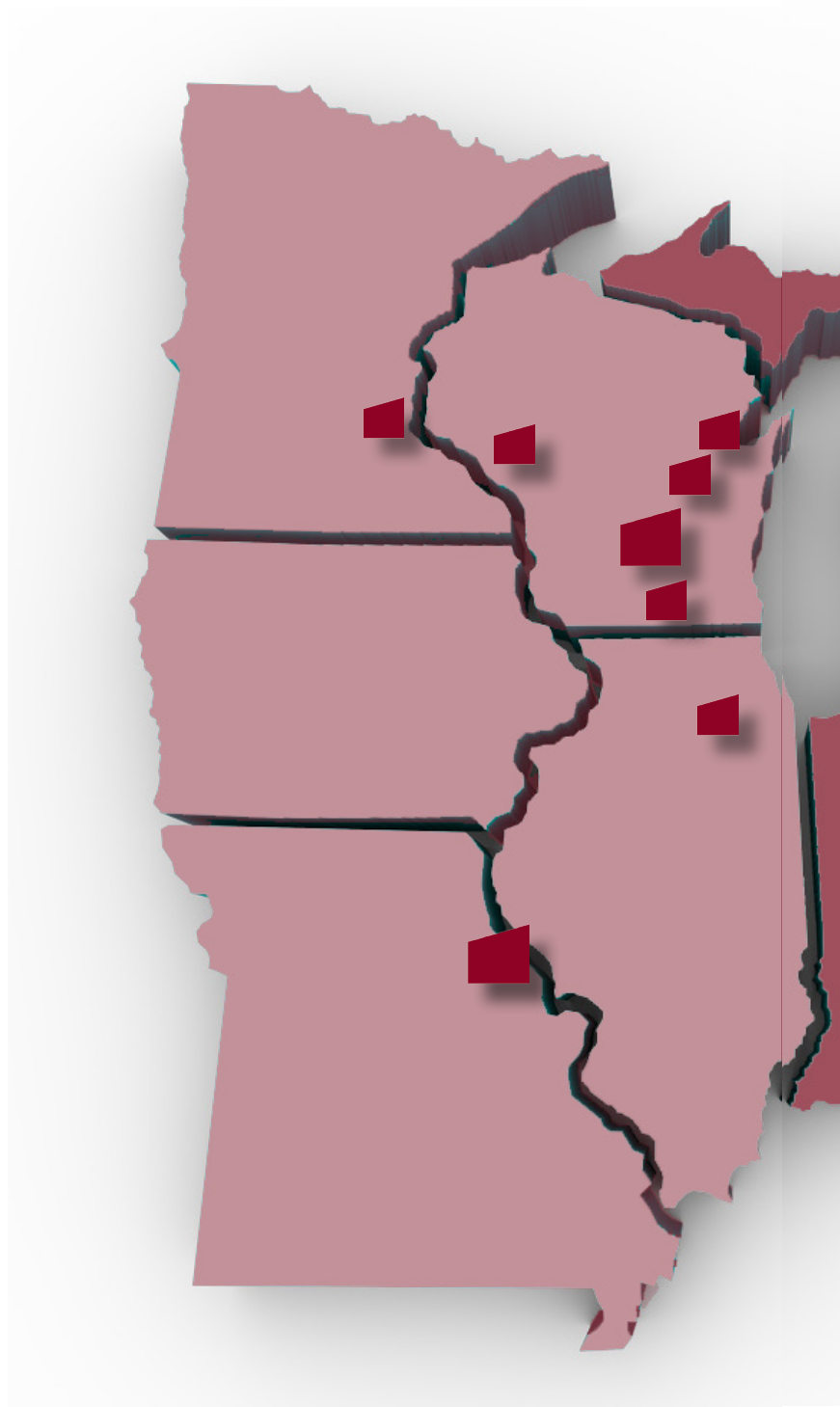
Who We Are

Sara Investment Real Estate, LLC provides commercial real estate investment opportunities to discerning investors through a network of individual and wealth management partners.

With offices in Madison and St. Louis, we develop, lease and manage high-quality properties throughout the upper and lower Midwest.

We build successful partnerships with tenants, investors, financial institutions, other developers and employees to complete and manage quality projects.

Founded in 1997, Sara Investment Real Estate owns and operates properties totaling more than two million square feet in 25 cities, valued at more than \$200 million and growing.



Portfolio Summary

- 75 properties
- 2.3 million square feet
- \$204 million valuation
- Wisconsin, Minnesota, Missouri and Illinois; with additional targeted areas throughout the Midwest

Our Values

Integrity, respect and communication are the core values that continue to guide all of what we do and how we do it. Our commitment to establishing relationships with our tenants, our investors and our vendors is what helps us—and our partners—realize success year after year. By personally managing the properties we own, we thoroughly understand each project, enabling us to make the best decisions to maximize the value of the investment.

What Sets Us Apart: Direct Investment in Real Estate

Our approach offers the opportunity for real estate ownership without the day-to-day demands of property management. An investment in a Sara Investment Real Estate property can be a distinctive, alternative allocation within an investment portfolio.

There are multiple avenues to investing in real estate, ranging from REITs (publicly traded Real Estate Investment Trusts) to individual purchases, and managing and renting a building of your own. An investment with Sara Investment Real Estate gives you the best of both worlds. As with a REIT, investors benefit from the expertise of a professional real estate company and avoid the hassle of day-to-day property management. But unlike a REIT, investors have the opportunity to be more selective about the specific properties in which they invest.

Key Benefits of Real Estate Investments

- Potential immediate income with an attractive total return
- Your cash-on-cash return may be tax-deferred
- Potential to defer taxes by rolling them over to the next real estate project via 1031 exchanges
- Intrinsic value of owning a hard asset in a targeted market maintains a sound value that withstands the years
- Non-correlation with other asset classes, offering diversification to an overall portfolio
- The hard asset, less likely to be impaired by cost-of-living increases, becomes a hedge against inflation

Bringing Properties and Investors Together

Once we understand each investor’s expectation and risk tolerance, we are proficient in positioning our clients with opportunities that match their investment goals.

We administer equity positions as well as fixed-income investment options. Investors may choose an investment in Sara Investment Real Estate or invest directly in a chosen property. The fixed-income path provides investors with a stable rate of return for the duration of their investment.

To confirm the fit between investor and property, Sara’s team of financial and real estate professionals conducts extensive due diligence on all properties under consideration for an acquisition. From environmental studies to traffic counts, each property is thoroughly researched and vetted so the investor receives a complete picture of existing conditions and opportunities that could impact project performance.

Upon acquisition of each property, a new LLC is formed, in which each investor holds an ownership position. The LLC structure is beneficial because risk is confined to the specific project, mitigating liabilities against an investor’s portfolio. Most property opportunities we provide are structured with an immediate cash-on-cash return. While many companies pay quarterly or annually, we pay our investors monthly.

This cash-on-cash return normally begins within two months after the acquisition. Upon disposition, the overall internal rate of return (IRR) is often projected several percentage points higher than the cash-on-cash return.

Acquisitions from 2010-2014

Projects Completed & Average Cash-on-Cash Return:

| | |
|---------------------|--------|
| 30 Total | 8.00% |
| 7 Office | 8.00% |
| 8 Industrial | 8.00% |
| 14 Retail | 8.75% |
| 1 Restaurant* | 10.00% |

* Projects with greater risk pay a higher return. For example, restaurants are more susceptible to economic downturns. As such, investors are compensated for this susceptibility in the form of a larger ROI. Sara Investment Real Estate encourages all investors to evaluate their risk tolerance and create a balanced portfolio accordingly.

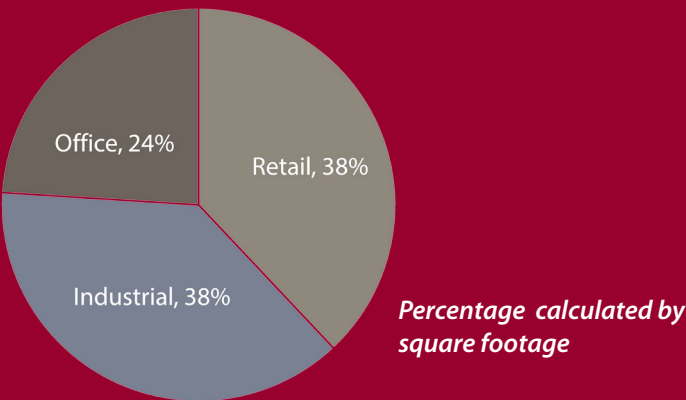
Continued Growth

Since 2010, investment opportunities have increased 53%—from 40 to 75 since 2010. This includes equity and debt positions for investors.

Annualized Returns of Sold Properties 2010-2014

- 12 properties sold
- Average IRR: 14.50% – 23.25%
- Average hold period: 6.6 years

Property Portfolio Information




Our Process

We are very selective. We evaluate 300 to 500 potential projects annually in well-established Midwestern metro areas, and of those, we pursue only 10 to 15. To determine which projects are acceptable, we apply thorough and detailed due diligence. We move forward only if a project meets our rigorous criteria.

Once a project has been identified and evaluated, we present it to potential investors whose desired investment criteria indicate the project is a fit within their own portfolio and overall tactical asset allocation.

The extensive care and effort that goes into our properties is only the first step. The depth and breadth of our projects and our investors is enhanced as we strengthen our long-standing relationships with our real estate partners—vendors, tenants and investors alike. Moreover, as our internal team has grown, we have become well-equipped to navigate the process to completion, calmly and efficiently.



Upon disposition,
we have historically
achieved a 93-94%
success rating.

Project Lifecycle

1. We leverage our resources and relationships in target markets to review and find the best projects for underwriting.
2. We diligently underwrite and stress-test the offerings based on a highly targeted set of market-driven parameters.
3. Next, we determine the optimal acquisition price in order to deliver a reasonable rate of return for our investors.
4. We carry out post-acceptance due diligence on product and leases in order to reconcile the ROI model.
5. Then, we transition the property and its financially-proven tenants from sale to core holding, and hand off to our asset management team.
6. Hold property until market dictates appropriate disposition.

Strategy Overview

Tenants: We have consistently high occupancy rates, long average lease terms and strong renewals. Tenant financials are underwritten to the fullest extent, resulting in our history of collecting more than 98% of the annual rent due.

Properties: We target existing properties that will generate income immediately upon acquisition.

Projects: Our conservative modeling targets a 65% leverage ratio on project costs, with an average projected hold period of five to seven years.

Leases: We seek mid- to long-term leases with annual rent escalations and staggered expirations among multiple tenants.

Our Success Rate

Our income-producing projects are comprised of creditworthy tenants, strong leases and accomplished property managers. This strategy has been key to producing the returns our investors have realized through the years.

Since 1997, Sara Investment Real Estate has successfully participated in a total of 116 projects. Of those projects, 75 are currently held, while 41 have been sold over time.

Of the properties sold, approximately 93% (e.g., 38 properties) achieved or exceeded our projected rate of return at disposition.*

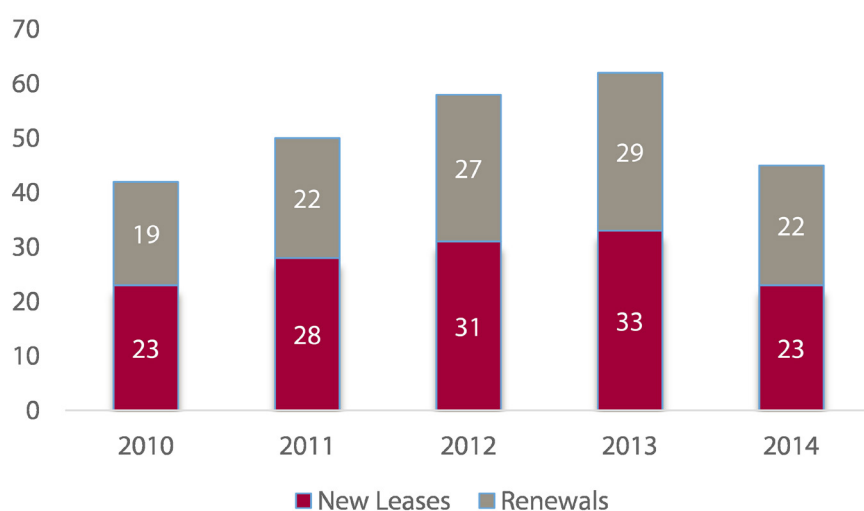
* Historical performance ratings are not indicative of future results.

Opportunity for Growth

- 2014 Annual occupancy rate: 92%
- 2014 Annual renewal rate: 75%
- 2015–Q1 occupancy rate: 90%**
- 2015 Annual renewal rate: TBD

NOTE: Renewal cycle varies with each tenant and lease term.

** The total of annual leases (new and renewed) is contingent to the availability of suitable space for tenants and prospects. This graph indicates an opportunity for growth.



Tenant Stability

- In 2014, Sara collected 98.35% of rent from its tenants
- Since 2010, Sara has collected greater than 97% of rent from its tenants
- Sara continues to add value to our properties through new leases

Data is based on average(s) of Sara-managed properties and does not include lease renewal(s) that lessor terminated.

Sampling of Current Tenants

- | | |
|--------------------------|-------------------|
| • Meriter Health Systems | • Anytime Fitness |
| • Dean Health Systems | • WS Packaging |
| • UW Health Partners | • Oppidan, Inc. |
| • Quaker Steak & Lube | • Rhea + Kaiser |
| • J.D. Byrider | • Rock County |
| • Toppers Pizza | • Settler's Bank |
| • Buffalo Wild Wings | • KL Engineering |
| • Five Guys Burgers | |
| • Baker Tilly | |

Dispositions

Dispositions by Year

| Disposition | Property Name | Purchased | Sold | Total IRR |
|-------------|-------------------|------------------|------------|---------------------|
| 2015 | Beltline Hwy | 6/15/2010 | 3/15/2015 | 14.9% |
| 2014 | Ernie Drive | 9/12/2008 | 4/30/2014 | 9.9% |
| | McKee Road | 3/30/2000 | 4/25/2014 | 9.2% |
| | Junction Road | 11/13/2012 | 8/27/2014 | 20.2% |
| | Riverwood Dr | 10/16/2013 | 12/31/2014 | 18.6% |
| 2013 | N. Pontiac Dr | 6/15/2006 | 9/11/2014 | 8.1% |
| | Highway 12 | 7/7/2011 | 2/15/2013 | 12.2% |
| | Beloit Ave | 4/20/2007 | 6/28/2013 | 51.4% |
| | Keystone Parkway | 9/28/2007 | 11/18/2013 | -8.0% |
| | Highway 14 | 5/4/2004 | 8/31/2013 | -11.3% |
| | Mayfair | Split land - N/A | 12/15/2013 | N/A |
| | Woodman Road | 12/29/2008 | 12/15/2013 | 8.0% |
| 2012 | Ridge Rd | 6/30/2000 | 6/1/2012 | 10% |
| | Grell Lane | 8/26/2002 | 11/28/2012 | -53% |
| | High Point Rd | 11/1/2000 | 12/31/2012 | 10% |
| 2011 | Monroe St | 8/20/2001 | 7/15/2011 | 7% |
| | Barneveld - Jones | | 9/30/2011 | See Ernie Dr (2014) |
| 2010 | Lodge Dr | 6/29/2007 | 4/28/2010 | 43.3% |
| | Racine St | 12/28/2008 | 7/8/2010 | NA |
| | Rapids Dr | 12/7/2009 | 5/20/2010 | NA |
| 2009 | Napa Portfolio | 1/3/2007 | 3/9/2009 | 38.8% |
| | Investment Ct | 12/28/2005 | 4/30/2009 | NA |
| | Commercial Ave | 8/30/1999 | 5/29/2009 | 11.5% |
| 2008 | 210 Henry | 11/1/1998 | 2/6/2008 | 27.2% |
| | 1809 Milton | 11/4/2003 | 3/5/2008 | 12.3% |
| | 6902 Watts | 2/24/2004 | 5/10/2008 | 13.8% |
| | 2802 Index | 1/3/2007 | 7/3/2008 | 33.9% |
| | Nygaard Portfolio | 7/10/2003 | 12/15/2008 | 10.6% |
| 2007 | 2015 McCoy | 9/23/2004 | 1/17/2007 | 24.9% |
| | 2600 Milwaukee | 12/27/2002 | 1/18/2007 | 11.7% |
| | 2721 Industrial | 8/26/2002 | 8/1/2007 | 32.5% |

* Historical performance ratings are not indicative of future results.

Detailed Disposition

| Retail project, sold 2015 | |
|---------------------------------------|------------------|
| Contract Sales Price: | \$7,900,000.00 |
| Liabilities (Paid Upon Sale): | |
| Prepaid Rent | \$81,807.00 |
| Accrued RE Taxes | \$133,320.00 |
| Prepaid Withholding Tax | (\$16,720.00) |
| Bank Loan Pay-off | \$5,062,800.00 |
| Accrued Interest | \$24,277.00 |
| Prepayment penalty estimate | \$2000.00 |
| Disposition fee (1.25%) | \$98,750.00 |
| Brokers sale commission (6.00%) | \$474,000.00 |
| WI Transfer Deed Registration (0.30%) | \$23,700.00 |
| Title & Closing Costs | \$7,185.00 |
| Total of Liabilities: | (\$5,891,119.00) |
| Proceeds from Sale of Property: | \$2,008,881.00 |
| Post-Sale Obligations | |
| Legal, tax and professional fees, | \$21,500.00 |
| AP, operating expenses | \$29,076.00 |
| Cash in LLC | (\$363,487.00) |
| Total Obligations: | (\$312,911.00) |
| Available proceeds from project: | \$2,321,792.00 |
| Preferred Return: | |
| Return of Investor(s) original cash | \$1,600,001.00 |
| Payout accrual on original cash | \$608,088.05 |
| Less previously paid ROI/cash | (\$589,865.12) |
| Split Proceeds: | \$703,568.07 |

Detailed Disposition - Investor Capital & Distributions

| Retail project, sold 2015 | | | | | |
|---------------------------|-------------------------|----------------|----------------|------------------|---------------------|
| | Capital Contribution(s) | 8% Accrued ROI | Payment(s) | Split Proceed(s) | Cash to Investor(s) |
| Investor Group: 75% | \$1,600,000.00 | \$608,087.67 | (\$589,865.12) | \$527,676.05 | \$2,145,898.60 |
| † Schwartz: 25% | \$1.00 | \$0.38 | - | \$175,892.02 | \$175,893.40 |

† Indicates personal risk guarantee on property. Proceed(s) paid only AFTER success of project.

Project Example — The Tannery

700 W. Virginia Street
MILWAUKEE, WI

Tenants: Great Lakes Distillery,
Springfield College, Rising Medical
Services, Lutheran Social Services,
Core Creative



Project Detail

- 243,000 SF multi-tenant campus
- Located in Milwaukee's vibrant and enterprising Walker's Point
- 89% occupancy rate

Timeline

- Acquired in 2014
- ROI paid quarterly beginning first full quarter after acquisition
- Projected 5-7 year hold

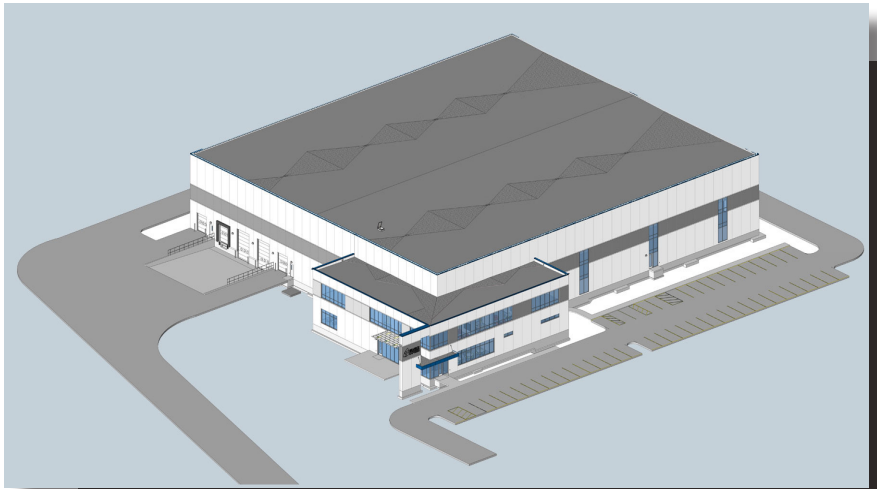
Investment

- \$19.8MM total project cost
- Projected 12% IRR at disposition
- Potential for IRR growth through lease rollover, redevelopment and expense recapture

Project Example — Gearbox Express

Construction began March 2015
MUKWANAGO, WI

Tenant: Gearbox Express



Project Detail

- 82,500 SF single-tenant build-to-suit
- Centrally located in Wisconsin's Gateway District

Timeline

- Construction began March 2015
- ROI paid monthly, beginning first full quarter after completion
- Projected 5-year hold

Investment

- \$8.1MM development cost
- \$9.3MM total project cost
- 7% annual ROI
- 10.1% projected IRR

Project Example — Edina V

5150–5198 WEST 76TH STREET
EDINA, MN

Tenants: Arkray, Inc.,
Barr Engineering



NEWS RELEASE: *FOR IMMEDIATE RELEASE*

Sara Investment Real Estate acquires third Minnesota property

July 1, 2014 (Edina, Minnesota)—On July 1st, Madison-based Sara Investment Real Estate acquired a multi-tenant building located in Edina, MN. The 139,101 square-foot property, located at 5150-5198 West 76th Street, is home to Arkray USA, Inc. and Barr Engineering.

Sara initially took interest in the property due to the location and the strength of the tenants. They believe the acquisition is an ideal investment opportunity as Minnesota is one of the top regions for biotech facilities in the nation.

This is Sara's third acquisition in the Minnesota market. They hope to continue to expand their presence in the state and are actively pursuing other commercial projects.

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Project Detail

- 139,101 SF, multi-tenant flex
- 10 miles from Minneapolis, MN
- 95% occupancy rate

Timeline

- Acquired 2014
- ROI paid monthly, beginning first full month following acquisition
- Projected 6-8 year hold

Investment

- \$7.2MM purchase price (e.g., \$51.47/SF)
- \$9.7MM total acquisition cost
- Structured investments at \$250M, \$100M and \$50M
- 7.0% annual ROI

Project Example — Pewaukee Commons

1273 & 1279 CAPITOL DRIVE
PEWAUKEE, WI

Tenants: AT&T, Office Max, Buffalo Wild Wings, Dickey's, Five Guys Burgers, Subway, Sport Clips



Project Detail

- 19,700 SF multi-tenant retail space
- Located along Pewaukee's retail corridor in the heart of Waukesha County

Timeline

- Acquired 2011
- ROI paid monthly beginning first full month after acquisition
- Projected 3-5 year hold

Investment

- \$3.5MM total project cost
- 10% projected IRR
- Potential IRR growth through new leases and income generation

Executive Leadership Team



Eric Schwartz—CEO and Chairman

Eric brings a holistic, dedicated approach to maintaining a diverse portfolio of commercial real estate properties, in addition to personally nurturing relationships with Sara Investment Real Estate's partners. It is this innovation and a dedication to integrity that guides practical and wise investment and development opportunities. His experience and skill has led to the completion of new office, retail and industrial centers in Madison and throughout the Midwest.

Guided by his entrepreneurial spirit, Eric has comfortably positioned Sara Investment Real Estate, LLC with select contractors, architects and real estate professionals— a trusted, innovative team that provides the best solutions to fit each investor's goals.



Traci Dalsin—President

A dynamic leader with a track record for turning market insights into meaningful and valuable results, Traci stays focused on growing investor partnerships while establishing and expanding our presence in new cities.

Since joining Sara in 2009, Traci has made significant contributions to Sara's growth as she continues to personalize the services and projects of Sara Investment Real Estate. As opportunities develop, Traci will continue to partner with investors, tenants, developers, financial partners and other stakeholders with the same integrity, enthusiasm and commitment that has established Sara Investment Real Estate and yielded success.



Justin Reddemann—CFO

Justin joined Sara Investment Real Estate in August of 2008 as Controller, and was promoted to Chief Financial Officer in May of 2010. He is responsible for securing project financing, managing existing loans and financial analysis of proposed properties, in addition to managing all internal accounting processes and financial statements.

With more than 20 years' progressive accounting experience including financial analysis, budgeting, consolidated reporting and management, Justin brings diversified experience, which also includes his own portfolio of properties.

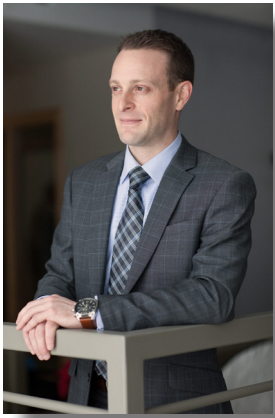
Executive Leadership Team



Christina Podoll—Vice President of Operations, Northern Region

Christina oversees day-to-day operations for the company as part of a new position that supports Sara's plans for growth throughout the Midwest. Her keen sense for quality and innovation assures commitment to Sara Investment Real Estate's core values of service, integrity and excellence in serving our tenants and investors.

Prior to joining Sara Investment Real Estate in 2009, Christina was responsible for executing marketing initiatives at *Holt-Smith Advisors*, and was district manager for *Combined Insurance* (an ACE Group company), where she oversaw sales and training.



Jared Stinehagen—Vice President of Operations, Southern Region

Jared brings a wealth of strategic investment experience to our team. His primary focus is on developing and administering investor opportunities throughout Missouri, Iowa, Kansas and Nebraska.

Prior to joining Sara, Jared successfully led both direct- and distribution-channel sales across North America for *Westfield Corporation* and *CBL & Associates Properties, Inc.*—two international and publically traded real estate investment trusts encompassing markets between Washington D.C. and Chicago.



Ben Adank—Vice President of Development

Ben oversees the strategic direction of development opportunities for commercial properties throughout the Midwest. He brings a wealth of experience developing relationships within the commercial real estate and financial communities.

Prior to joining Sara, Ben served at *RFP Commercial, Inc.*, where he brokered the acquisition and sale of investment property. He also served in the financial services industry for nearly a decade, where he received his certified financial manager license and several awards for client service.



John Van Note—Legal Counsel

John Van Note brings proven experience in real estate, business and contract law. His depth and breadth of understanding has been key to effectively navigating projects from acquisition to disposition.

Since 2009, John has been listed in *Best Lawyers in America* under the specialty of real estate law, and was listed in *Wisconsin Super Lawyers* as a "Wisconsin Rising Star" among top Wisconsin lawyers in 2006 and 2007. Since graduating from Drake University Law School, John became a partner at the law firm *Mohs, MacDonald, Widder, Paradise & Van Note, LLC*.

Professional References and Partners

Sara Investment Real Estate partners with 160 accredited investors across a range of select projects.

Tenants

Tammy Berlin, Administrator
Morrison & Sund, PLLC Attorney at Law | Minnetonka, MN
(952) 975-0050

John M. Fay II, DDS, Owner/CEO
Fay Dental Care | Green Bay, WI
(920) 497-1566

Greg Harwick, Store Manager
Hallman Lindsay Quality Paints | Eau Claire, WI
(715) 855-1100

Margaret Rookey, Executive Director
Relate Counseling Center | Minnetonka, MN
(952) 932-7277

Fabricio Fuscaldo Rubine, Operations Manager
Tigre USA, Inc. | Janesville, WI
(608) 754-4554

Tim Thompson
Catalyst Consulting Group/CPAs | Green Bay, WI
(920) 405-9290

David Wirth, VMD
Veterinary Emergency Services | Madison, WI
(608) 831-1101

Individual Investors

Ken Ballweg, President
Endres Manufacturing, Inc. | Waunakee, WI
(608) 849-4143

Dale Kent, Executive Vice President and CFO
West Bend Insurance | West Bend, WI
(262) 334-5571

Ed Kinney, SVP
Settlers Bank | DeForest, WI
(608) 842-5021

John Stoneman, President & Treasurer
Hartland Properties | Madison, WI
(608) 310-6866

Larry Loizo, SVP
Grainger, Inc. | Janesville, WI
(608) 751-2213

Mike Muranyi, President
The Mike Muranyi Junior Golf Foundation
(608) 325-3159

Dan Rudolph, Partner
Altamont Capital Partners | Palo Alto, CA
(415) 606-1521

Steve Scaccia, President (Retired)
Freedom Plastics
(608) 921-2711



I have had the pleasure of working with Sara Investment Real Estate for twenty years and have especially appreciated the honesty and professionalism that have become a trademark of Sara. These philosophies, instilled by Eric Schwartz, have resulted in long-term relationships that grow in depth over the years. I highly recommend Sara Investment Real Estate to potential clients, investors, financing partners and employees.

Ed Kinney— Investor and Senior Vice President of Settlers Bank

Professional References and Partners

Business & Financial Partners

Mike Resch, Partner
Smith & Gesteland CPAs, LLC | Middleton, WI
(608) 836-7500

Dave Johnson, Principal
Associated Insurance Agencies, LLC | McFarland, WI
(608) 838-8444

Steve Peotter, President
Oregon Community Bank | Oregon, WI
(608) 835-3168

Tom Spitz, CEO
Settlers Bank | DeForest, WI
(608) 842-5011

Jim Tubbs, President
State Bank of Cross Plains | Cross Plains, WI
(608) 798-5213

John Van Note, Partner and Legal Counsel
Mohs, MacDonald, Widder, Paradise & Van Note, LLC
Madison, WI
(608) 577-7936

Wealth Management Companies

Perry Olson, Managing Director
Atherton Lane Advisors, LLC | Menlo Park, CA
(650) 233-1200

Greg Pierce, Principal & Sr. Portfolio Manager
Reinhart Partners, Inc. | Oshkosh, WI
(920) 230-6850

As an investor, I chose Sara because they are a firm with a high level of professionalism; they pay attention to the details, and they keep me informed. I was looking to invest with people I trust, and who have a great track record for demonstrating returns...Sara has exceeded my expectations.

Joanne Kagle— Investor



SARA INVESTMENT REAL ESTATE LLC

BROKERAGE | DEVELOPMENT
PROPERTY MANAGEMENT | INVESTMENT SERVICES

6264 Nesbitt Road | Madison, WI 53719 | T: 608.852.8777 | F: 608.237.7695 | www.sarainvest.com

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No assurance can be given that existing tax laws will not be changed or interpreted adversely, either of which may deny prospective investors all or a portion of any benefits from any investment with Sara Investment Real Estate LLC.

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Past performance and historical returns are not a guarantee of future results.



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