

██████████ Strategic Equity LLC

Investment Fund Offering



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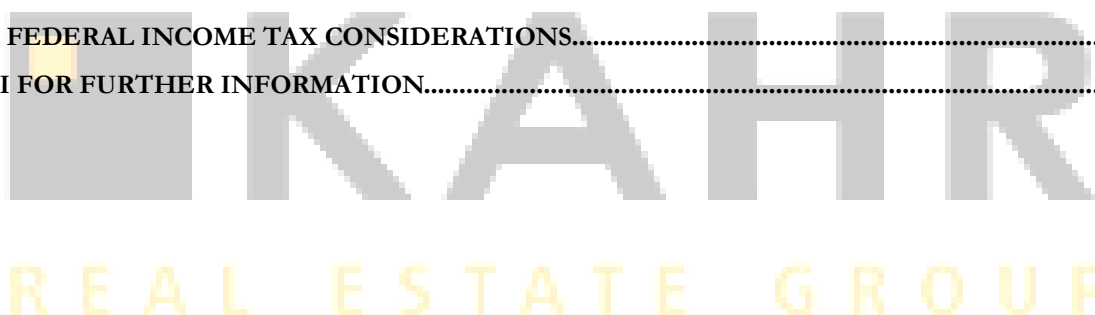
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## I. NOTICE TO PROSPECTIVE INVESTORS

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INVESTMENTS IN THE COMPANY WILL BE ILLIQUID. THE TRANSFERABILITY AND RESALE OF THE UNITS ARE SEVERELY LIMITED BY THE FUND AGREEMENT AS WELL AS FEDERAL AND

STATE SECURITIES LAWS. INVESTORS MAY NOT WITHDRAW THEIR INVESTMENTS. THERE WILL BE NO PUBLIC MARKET FOR THE UNITS AND NONE IS EXPECTED TO DEVELOP. PROSPECTIVE INVESTORS SHOULD BE AWARE THAT THEY MUST BEAR THE FINANCIAL RISK OF THIS INVESTMENT INDEFINITELY AND MAY RISK LOSS OF THEIR ENTIRE INVESTMENT.



## Forward-Looking Statements

This Booklet contains forward-looking statements concerning the plans, intentions, strategies, expectations, predictions and financial forecasts about the future activities and results of operations for the Company, as well as other future events or conditions. For this purpose, any statements contained herein that are not statements of historical fact are deemed forward-looking statements. Without limiting the generality of the foregoing sentence, words such as “believe,” “may,” “will,” “could,” “intends,” “estimate,” “might,” “continue”, their negatives or comparable terminology indicate forward-looking statements.

Forward-looking statements in this Booklet include express or implied statements concerning the Company's ownership and managers and statements regarding the operations or proposed operations of the Fund.

Please understand that the Company's actual results or activities or actual events or conditions could differ materially from those estimated or forecasted in such forward-looking statements due to a variety of factors, some of which may be beyond the control of the Company. For example, the discussion of "Risk Factors", business strategy, plans and objectives for future operations, capital expenditures and illustrations of hypothetical outcomes.

Although the Company believes that the underlying assumptions and the expectations reflected in such forward-looking statements are reasonable, no assurances can be given that such assumptions and expectations are correct because actual results are uncertain and unpredictable. All assumptions and expectations merely represent the Company's considered opinion. To the extent that actual events differ materially from the Company's assumptions and estimates, actual results will vary from the forward-looking statements.

Additional factors could cause actual results to differ materially from the expectations disclosed in this Booklet. See “Risk Factors” for a discussion of some factors that could cause the Company's actual results, actual activities, actual events or actual conditions to differ from those anticipated. Such factors also might cause the investment returns to Investors to differ materially from the forward-looking statements.

This Booklet reflects the Company's knowledge and information on the date of this Booklet. The delivery of this Booklet or the sale of Units shall not imply that the Company's affairs or prospects have not subsequently changed. **All written and oral forward-looking statements attributable to the Company or its agents are expressly qualified in their entirety by this discussion.**

## Who May Invest

This Offering is being made in reliance on exemptions from the registration requirements of federal and state securities laws. The Subscription Documents (Appendix IV) accordingly require each prospective subscriber to represent and warrant that:

1. the subscriber is investing for its own account only and not intending to resell or distribute the Units;

2. the subscriber is an “Accredited Investor” (as defined in SEC Rule 501(a)); Accredited Investors include:
  - a. business entities (corporations, partnerships, trusts) with total assets exceeding \$5 million;
  - b. individuals whose net worth exceeds \$1 million;
  - c. unmarried individuals whose income in 2007 and in 2008 exceeded \$200,000 and who reasonably expect to reach the same income level in 2009;
  - d. married individuals whose joint income with that person's spouse exceeded \$300,000 in 2007 and in 2008 and who reasonably expect to reach that income level in 2009;
  - e. custodial accounts or grantor trusts controlled by an Accredited Investor.
3. the subscriber has adequate means of providing for subscriber's current needs and personal contingencies and has no need for liquidity for this investment;
4. the subscriber can bear the economic risk of losing its entire investment; and
5. the subscriber and its own advisors have substantial experience in making investment decisions of this type.

The Company will reject subscriptions from prospective subscribers that do not meet these suitability standards. The Company reserves the right to reject any subscription in whole or in part.

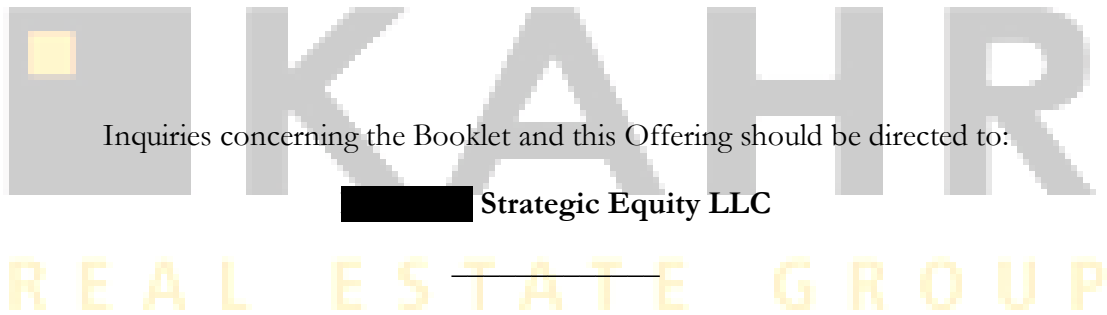
**EACH PROSPECTIVE INVESTOR SHOULD DETERMINE WHETHER THIS INVESTMENT IS APPROPRIATE FOR SUCH INVESTOR. THE COMPANY RECOMMENDS THAT EACH POTENTIAL INVESTOR CONSULT INDEPENDENT LEGAL AND FINANCIAL ADVISORS BEFORE INVESTING.**

REAL ESTATE GROUP

### Conditions to Receiving this Booklet

By accepting delivery of this Booklet, you understand and agree that:

- The information contained herein is confidential.
- You will not make any photocopies of this Booklet or any related documents.
- You will not distribute this Booklet or disclose any of its contents to any persons other than to those persons, if any, that you retain to advise you with respect to its contents.
- You will review this Booklet, including statistical, financial and other numerical data, with your legal, regulatory, tax, accounting, investment or other advisors. The Company does not intend for this Booklet to furnish legal, regulatory, tax, accounting, investment or other advice.
- The Manager may reject any offer to purchase Units, in whole or in part, for any reason.
- If you do not purchase Units or if the Offering is terminated, or when requested by the Company or the Manager, you will return this Booklet and all attached documents to the address set forth below.



Inquiries concerning the Booklet and this Offering should be directed to:

**Strategic Equity LLC**

## II. EXECUTIVE SUMMARY

██████████ Strategic Equity, LLC (the “Fund”) is being formed by ██████████ ██████████ and ██████████ ██████████ to build on a successful record of real estate investment and development over the past 50 years. The primary objective of the fund is twofold:

- a) To purchase real estate assets with high going-in yields, using moderate leverage and to add value through lease-up and/or asset repositioning.
- b) To purchase mortgage notes on specific assets with high interest rates, where the primary purpose of acquiring such mortgage notes is to eventually acquire the property by taking advantage of the increased potential for asset ownership due to borrower default.

### Goal and Strategy

The Fund will focus on distressed retail real estate investment opportunities. The investment period will be for eight years, with two additional one-year options to extend the term of the Fund in order to avoid the necessity to sell in a down market. The geographic focus of the Fund will be centered on three markets: California, Arizona, and Colorado.

The Fund will enhance asset value by:

- a) Implementing asset-level strategies to maximize cash flow or reduce costs given the current market
- b) Positioning or repositioning an asset to improve its appeal and value
- c) Continuously monitoring, managing, and motivating operating partners

Given the current economic climate, and more specifically the climate in commercial real estate, there will be significant opportunities for investors with ample liquidity to achieve high risk-adjusted returns beginning in the next 12-18 months. Capitalizing on its expertise and track record in retail assets in these markets, the Fund will be well positioned through its deep industry network to source and successfully execute its investment strategy.

### Fund Details

██████████ Strategic Equity Fund seeks a minimum of \$5.0 million with a target of \$25.0 million in capital commitment for the Fund, with minimum investments of at least \$100,000 per investor. The fund will target opportunistic equity investments of \$2.0 million to \$10.0 million. Using moderate leverage, and assuming a \$25 million equity raise, the total deal size for the Fund will be in the range of \$50-\$75 million.