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Docket #(s): S-20867A-12-0459

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Exhibit #: S-163 through S-167, S-170 - S-172, S-176  
S-179, S-182 through S-187

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Part 16 of 19  
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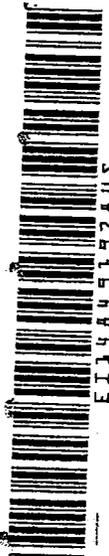
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Arizona Corp. Securities Division

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**EXHIBIT**  
**S-163**  
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Received  
 MAY 1 2013  
 Arizona Corp. Securities Division



Date: May 1, 2013

To: Annalisa Weiss, Special Investigator

From: Richard J. & Shawna V. DiBiaso

Re: Tri-Core

Dear Ms. Weiss

This letter is in response to your April 30th, 2013 email. Enclosed please find the following:

1. Tri-Core Confidential Private Placement Memorandum, Executed 4-14-2010
2. Copy of 4-5-2010 letter from Brian Buckley
3. Copy of our \$150,000 check, #4303, dated 4-14-2010, to Tri-Core
4. Copy of our Umpqua Bank statement indicating that the check was cashed by Tri-Core, 4-15-2010

Regarding the two questions that you asked in your email:

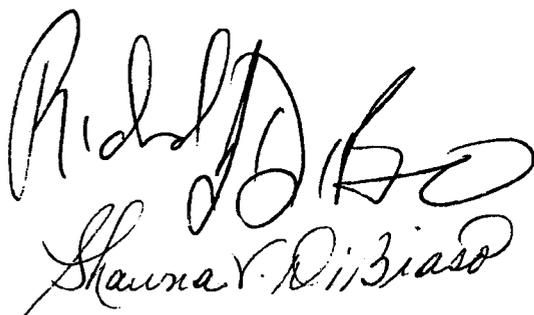
1. We first heard about Tri-Core thru Casimer Polanchek. He was attending a conference in Northern California. Our son, who was living at the time in Las Vegas, was working at the conference as a staff member. That is where our son met Casimer. At the conclusion of the conference Casimer, who had flown to Sacramento to attend the conference, elected to drive back to Las Vegas with our son. They stopped at our home for a visit and it was during this visit that Casimer told us about Tri-Core and Relaxante. We indicated our interest as investors and Casimer told us that when he got back to Las Vegas he would call Tri-Core and arrange a conference call.
2. On May 2nd, 2010 we had a conference call with Tri-Core. The call was initiated by Tri-Core and included Brian Buckley and Casimer. See confirmation letter attached.

We believe we have answered your questions and provided you with the requested information. We would appreciate an email response when you receive this package. We would also appreciate any additional information regarding our investment and being on the restitution list.

There is no need to send any of the enclosures back to us.

Richard J. DiBiaso

Shawna V. DiBiaso

Handwritten signatures of Richard J. DiBiaso and Shawna V. DiBiaso. The signature of Richard J. DiBiaso is written in black ink and is highly stylized, appearing as a series of loops and curves. The signature of Shawna V. DiBiaso is written in black ink and is more legible, showing the first letters of each name clearly.



**UMPQUA**  
B·A·N·K

000 00011 01  
ACCOUNT:

PAGE: 2  
04/21/2010

4659

RICHARD J DIBIASO

CRUISE CHECKING ACCOUNT 4659

CHECKS					
CHECK #	DATE	AMOUNT	CHECK #	DATE	AMOUNT
4298	04/16	✓ 54.13	4302	04/16	✓ 27.93
4299	04/15	✓ 35.20	4303	04/16	✓ 50,000.00
4300*	04/15	✓ 56.86	4304	04/19	✓ 36.00
			4305*	04/20	✓ 28.79
			4308	04/20	✓ 27.79

(\* ) INDICATES A GAP IN CHECK NUMBER SEQUENCE

OTHER DEBITS		
DESCRIPTION	DATE	AMOUNT
Purchase 03/18 MERCHANT PAYMENT BEL AIR #517 2222 GRASS VALLEY AUBURN CA 1483	03/18	36.73 ✓
Purchase 03/25 MERCHANT PAYMENT CVS 09150 09150--388 Elm Aven Auburn CA 1483	03/25	67.05 ✓
INCOMING WIRE FEE DDA8-201008500107	03/26	15.00 ✓
MISCELLANEOUS DEBIT	04/01	9,000.00 ✓
Purchase 04/05 MERCHANT PAYMENT SOU THE HOME DEP 11755 WILLOW CREEK AUBURN CA 14	04/05	12.60 ✓
ATM Withdrawal 04/08 CASH WITHDRAWAL 500 AUBURN FOLSOM RD AUBURN CA 1484	04/08	200.00 ✓
INCOMING WIRE FEE DDA8-201010300118	04/18	15.00 ✓

RICHARD J. DIBIASO  
SHAWNA V. DIBIASO

4303  
04-14-2010

Pay to the Order of Tri-Core Companies, LLC \$ 150,000  
One Hundred Fifty Thousand and 00/100

UMPQUA B·A·N·K  
1-866-486-7782  
Club Card # 88 Member

For 15 units  
Shawna V. Dibiase

C121141819C 4659463

303 \$150,000.00 04/16/2010



**TRI-CORE**  
COMPANIES LLC

# **CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

PLEASE RETURN ONE COPY OF THIS  
DOCUMENT TO US IN THE PROVIDED  
RETURN PACKAGING.

PLEASE KEEP ONE COPY OF THIS  
DOCUMENT FOR YOUR PERSONAL  
RECORDS.



Memorandum#: Richard J. & Shawna V. DiBiaso

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**Tri-Core Companies, LLC**  
**An Arizona Limited Liability Company**

**\$4,500,000**

**\$10,000 per Promissory Note (Unit)**  
**MINIMUM PURCHASE - 1 Promissory Note**  
**60% Rate of Return, Compounded Annually; Paid At Maturity**  
**Maturity Date: 24 months**  
**Redemption at Maturity - \$25,600 per Unit**

Tri-Core Companies, LLC, an Arizona Limited Liability Company (hereinafter referred to as the "COMPANY"), is offering by means of this Confidential Private Placement Memorandum a maximum of Four Hundred and Fifty (450) Secured Promissory Notes ("Notes") at an offering price of Ten Thousand (\$10,000) Dollars per Note, for a maximum total of Four Million Five Hundred Thousand Dollars (\$4,500,000), to qualified investors who meet the Investor Suitability Requirements set forth herein (see "INVESTOR SUITABILITY REQUIREMENTS"). Each investor must agree to purchase the Notes, as a lender to the Company, for investment purposes only, and execute a Subscription Agreement in the form contained in the accompanying Subscription Booklet (see "TERMS OF THE OFFERING").

**THESE SECURITIES ARE SPECULATIVE AND INVESTMENT  
IN THE NOTES INVOLVES A HIGH DEGREE OF RISK  
(SEE "RISK FACTORS")**

	<b>Offering Price</b>	<b>Selling Commissions</b>	<b>Proceeds to Company</b>
<b>Per Unit</b>	\$10,000	\$1,000	\$9,000
<b>Maximum Units</b>	\$4,500,000	\$450,000	\$4,050,000

**Tri-Core Companies, LLC**  
8800 E. Chaparral Road, Suite 270  
Scottsdale, AZ 85250  
Telephone: (480) 278-7031  
Facsimile: (480) 278-8979

The date of this Private Placement Memorandum is March 1, 2008

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**IMPORTANT NOTICES**

This Confidential Private Placement Offering Memorandum (“Memorandum”) is submitted to you on a confidential basis solely for the purpose of evaluating the specific transaction described herein. This information shall not be photocopied, reproduced, or distributed to others without the prior written consent of Tri-Core Companies, LLC (“Company”). If the recipient determines not to purchase any of the Notes offered hereby, it will promptly return all material received in connection herewith without retaining any copies.

## DISCLAIMERS

THE NOTES OFFERED HEREBY IN THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH, OR APPROVED, BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR HAVE SUCH NOTES OR THIS MEMORANDUM BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF ANY STATE OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. THIS OFFERING IS BASED ON THE EXEMPTION FROM SUCH REGISTRATION AS SET FORTH IN §4(2) AND RULE 506 OF REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED.

THE INVESTMENT DESCRIBED IN THIS MEMORANDUM INVOLVES RISKS, AND IS OFFERED ONLY TO INDIVIDUALS WHO CAN AFFORD TO ASSUME SUCH RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO AGREE TO PURCHASE THE NOTES ONLY FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD THE TRANSFER, RESALE, EXCHANGE OR FURTHER DISTRIBUTION THEREOF. THERE WILL BE NO PUBLIC MARKET FOR THE NOTES ISSUED PURSUANT TO THIS OFFERING MEMORANDUM. THE RESALE OF THE NOTES IS LIMITED BY FEDERAL AND STATE SECURITIES LAWS AND IT IS THEREFORE RECOMMENDED THAT EACH POTENTIAL INVESTOR SEEK COUNSEL SHOULD THEY DESIRE MORE INFORMATION.

THE PRICE OF THE NOTES AS DESCRIBED IN THIS OFFERING MEMORANDUM HAS BEEN ARBITRARILY DETERMINED BY THE SPONSORS OF THIS INVESTMENT AND EACH PROSPECTIVE INVESTOR SHOULD MAKE AN INDEPENDENT EVALUATION OF THE FAIRNESS OF SUCH PRICE UNDER ALL THE CIRCUMSTANCES AS DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION IN CONNECTION WITH THIS MEMORANDUM, EXCEPT SUCH INFORMATION AS IS CONTAINED OR REFERENCED IN THIS MEMORANDUM. ONLY INFORMATION OR REPRESENTATIONS CONTAINED OR REFERENCED HEREIN MAY BE RELIED UPON AS HAVING BEEN MADE BY THE COMPANY. PROSPECTIVE INVESTORS WHO HAVE QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THIS PRIVATE OFFERING MEMORANDUM OR WHO DESIRE ADDITIONAL INFORMATION OR DOCUMENTATION TO VERIFY THE INFORMATION CONTAINED HEREIN SHOULD CONTACT THE COMPANY. PROJECTIONS OR FORECASTS CONTAINED IN THIS PRIVATE OFFERING MEMORANDUM, OR OTHER MATERIALS, MUST BE VIEWED ONLY AS ESTIMATES. ALTHOUGH ANY PROJECTIONS CONTAINED IN THIS MEMORANDUM ARE BASED UPON ASSUMPTIONS WHICH THE COMPANY BELIEVES TO BE REASONABLE, THE ACTUAL PERFORMANCE OF THE COMPANY MAY DEPEND UPON FACTORS BEYOND THE CONTROL OF THE COMPANY. NO ASSURANCE CAN BE GIVEN THAT THE COMPANY'S ACTUAL PERFORMANCE WILL MATCH ITS INTENDED RESULTS.

## 1. SUMMARY OF THE OFFERING

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY MORE DETAILED INFORMATION THAT MAY APPEAR ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM. EACH PROSPECTIVE INVESTOR IS URGED TO READ THIS PRIVATE OFFERING MEMORANDUM IN ITS ENTIRETY.

Tri-Core Companies, LLC (the "Company") was formed on August 29, 2007 as an Arizona Limited Liability Company. The Company is in the business of Land Acquisition and Development.

The Securities offered are Four Hundred and Fifty (450) Notes issued by the Company at Ten Thousand (\$10,000) Dollars per Note, payable in cash at the time of subscription (see "Exhibit "B" for copy of Promissory Note). The minimum purchase is one (1) Note. The Notes have an annual rate of return of sixty (60%) percent interest, compounded annually. The return will be paid at maturity, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date.

None of the Notes are convertible to Membership Units, or other type of equity, in the Company. This offering will commence on March 1, 2008, and will terminate no later than June 30, 2010, unless extended by the Company (see "TERMS OF THE OFFERING").

The gross proceeds of the offering will be a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars. The use of the proceeds is to purchase and develop a water front parcel in San Luis Rio Colorado, Sonora, Mexico as described herein (see "USE OF PROCEEDS").

## 2. THE COMPANY

Tri-Core Companies, LLC (the "Company") was formed on August 29, 2007, as an Arizona Limited Liability Company. At the date of this offering, One Thousand (1,000) of the Company's Membership Units were authorized and Nine Hundred (900) Membership Units are issued, and outstanding. The Company is in the business of construction management, land acquisition, and development.

### 2.1 OPERATIONS

The Company is in the business of construction management, land acquisition, and development, specializing in beach front properties along the coast of the

upper Sonoran coastline in Sonora, Mexico. SEE "EXHIBIT D - BUSINESS PLAN."

## **2.2 BUSINESS PLAN**

Tri-Core Companies' Business Plan, included as Exhibit D of this Memorandum, and was prepared by the Company using assumptions set forth in the Business Plan, including several forward looking statements. Each prospective investor should carefully review the Business Plan before purchasing Notes. Management makes no representations as to the accuracy or achievability of the underlying assumptions and projected results contained herein.

## **3. MANAGEMENT**

### **3.1 LLC MANAGERS**

The success of the company is dependent upon the services and expertise of existing management. At the present time, three individuals are actively involved in the management of the Company.

#### **Jason Todd Mogler - President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

#### **Vince Gibbons - Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review,

inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club - Mohave County, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.
- **Eagle View Subdivision - Kingman, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.
- **Villages at Loreto Bay, Master Planned Development - Loreto, Mexico.**  
Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.
- **Colonias de Cardenas, Master Planned Community - Panama City, Panama.**  
Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.
- **Punta Delfin, Enchantment of Mexico - Sea of Cortez, Sonora, Mexico.**  
Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

**Jim Hinkeldey - Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

Mr. Hinkeldey's educational background consists of a degree in Banking and Money Management from Adelphi University, Long Island, New York. He also holds a three year specialized degree in real estate finance from the Mortgage Bankers of America which he received at Northwestern University. He attended numerous programs for finance, real estate, and management at New York University and Wharton Business School.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **4. TERMS OF THE OFFERING**

##### **4.1 GENERAL TERMS OF THE OFFERING**

This Private Offering Memorandum is offering a maximum of Four Hundred and Fifty (450) Notes at Ten Thousand (\$10,000) Dollars per Note, for a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars to a select group of Investors who satisfy the Investor Suitability Requirements (see "**INVESTOR SUITABILITY REQUIREMENTS**"). The Company has the authority to sell fractional Notes at its sole discretion.

##### **4.2 MINIMUM OFFERING AMOUNT - HOLDING ACCOUNT**

The Company has established an Investment Holding Account with Wells Fargo Bank into which the offering proceeds will be placed. No minimum offering amount has been established before proceeds can be released from the holding account and utilized by the Company.

##### **4.3 NONTRANSFERABILITY OF NOTES**

The Notes have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered in reliance upon an exemption under §4(2) and Rule 506 of Regulation D of the Securities Act, as amended, and rules and regulations hereunder. The Notes have not been registered under the securities laws of any state and will be offered pursuant to an exemption from registration in each state. A purchaser may transfer or dispose of the Note only if such

Notes are subsequently registered under the Securities Act, or if an exemption from registration is available, and pursuant to an opinion of counsel acceptable to the Company and its counsel to the effect that the Notes may be transferred without violation of the registration requirements of the Securities Act or any other securities laws.

#### **4.4 CLOSING OF THE OFFERING**

The Notes are offered and closed only when a properly completed Subscription Agreement (**Exhibit A**); Note (**Exhibit B**), and Investor Questionnaire (**Exhibit C**) are submitted by the investing Subscriber or his/her Investor Representatives and are received and accepted by the Company. The Subscription Agreement as submitted by an investing Subscriber or his/her Investor Representatives shall be binding once the Company signs the Subscription Agreement, Note and the funds delivered by the potential Investor to the Company with the Subscription Agreement has been cleared by the financial institution in which they are deposited by the Company. The Notes will be delivered to qualified Investors upon acceptance of their subscriptions. All funds collected from investing Subscribers will be deposited in a designated account under the control of the Company. Investors subscribing to the Notes may not withdraw or revoke their subscriptions at any time prior to acceptance by the Company, except as provided by certain state laws, or if more than thirty (30) days have passed after receipt of the Subscription Agreement by the Company without the Company accepting the Investor's funds and delivering all applicable documents to such Investor. The proceeds of this Offering will be used only for the purpose set forth in this Private Offering Memorandum (see "**USE OF PROCEEDS**").

The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Four Million Five Hundred Thousand (\$4,500,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

### **5. PLAN OF DISTRIBUTION**

#### **5.1 OFFERING OF NOTES**

The Notes will be offered to prospective lenders by Officers and Directors of the Company and qualified licensed personnel, pursuant to State and Federal security rules and regulations. This Offering is made solely through this Private Placement Memorandum and without any form of general solicitation or advertising. The Company and its Officers and Directors or other authorized

personnel will use their best efforts during the Offering period to find eligible Investors who desire to subscribe to the Notes in the Company. These Notes are offered on a "best efforts" basis, and there is no assurance that any or all of the Notes will be closed. The Company has the authorization to offer fractional Notes at its sole discretion. The Offering period will begin as of the date of this private Offering Memorandum and will close upon the happening of such occurrences as defined herein (see "**TERMS OF THE OFFERING**").

## **5.2 PAYMENTS TO BROKER DEALERS OR INVESTMENT ADVISORS**

The Company has the power to pay fees or commissions to qualified Broker Dealers, Registered Investment Advisors or any other person qualified under other applicable federal and state security laws.

## **6. DESCRIPTION OF NOTES**

### **6.1 NOTES**

The Company is offering Four Hundred and Fifty (450) Notes of the Company to potential investors at Ten Thousand (\$10,000) Dollars per Note, payable in cash at the time of the subscription. The minimum purchase is one (1) note. The Notes will have an annual rate of return of sixty (60%) percent interest, compounded annually, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. All principal shall be paid at maturity (24 months). Interest shall be paid at maturity (24 months). The principal and any interest due on said principal may be prepaid, at the sole discretion of the Company, without a prepayment penalty at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date. The Notes offered pursuant to this Private Placement Memorandum will be secured by the property.

The Notes will be issued in the form attached hereto and incorporated herein by reference as though set forth in full herein as **Exhibit B**.

### **6.2 SECURITY FOR PAYMENT OF THE NOTES**

The Notes being offered by the Company in this Private Placement Offering are secured by the land Tri-Core Companies LLC purchases. Tri-Core Companies LLC will establish an administration account which will hold the title to the property until all note holders will be paid in full.

### 6.3 REPORTS TO NOTEHOLDERS

The Company will furnish annual un-audited reports to its Note holders ninety (90) days after its fiscal year. The Company may issue other interim reports to its Note holders as it deems appropriate. The Company's fiscal year ends on December 31<sup>st</sup> of each year.

### 7. USE OF PROCEEDS

The gross proceeds of the Offering will be a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars. The table below sets forth the use of proceeds for both the maximum and minimum offering amounts.

#### Sources

	Maximum Amount	Percent of Proceeds
<b>Proceeds From the Sale of Notes</b>	\$4,500,000	100.00%

#### Application of Proceeds

Offering Expenses <sup>(1)</sup>	\$ 100,000	2.22%
Commissions <sup>(2)</sup>	\$ 450,000	10.00%
<b>Total Offering Expenses &amp; Fees</b>	<b>\$ 550,000</b>	<b>12.22%</b>
Land Purchase <sup>(3)</sup>	\$1,500,000	33.34%
General Project Expenses	\$ 280,000	6.22%
On-Site Work	\$ 325,000	7.22%
Soft Cost	\$ 350,000	7.78%
Marketing	\$ 480,000	10.67%
Administration <sup>(4)</sup>	\$ 615,000	13.67%
Contingency	\$ 400,000	8.89%
<b>Net Offering Proceeds</b>	<b>\$3,950,000</b>	<b>87.78%</b>
<b>Total Application of Proceeds</b>	<b>\$4,500,000</b>	<b>100.00%</b>

#### Footnotes:

- (1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.
- (2) This Offering is being sold by the officers and directors of the Company, who will not receive any compensation for their efforts. No sales fees or commissions will be paid to such officers or directors. Notes may be sold by registered brokers or dealers who are members of the NASD and who enter into a Participating Dealer Agreement with the Company. Such brokers or dealers may receive commissions up to ten percent (10%) of the price of the Notes sold.
- (3) Includes Scottsdale and Mexico offices; legal and accounting fees.
- (4) No minimum has been set for this offering.
- (5) Amount due to Tri-Core Business Development, LLC for inter-company transfer of title to Tri-Core Companies, LLC.

## 8. CAPITALIZATION STATEMENT

### 8.1 CAPITALIZATION PRIOR TO AND AFTER THE OFFERING

The following table summarizes the capitalization of the Company prior to, and as adjusted to reflect, the issuance and sale of the maximum of Four Hundred and Fifty (450) Notes or Four Million Five Hundred Thousand (\$4,500,000) Dollars.

	AS ADJUSTED 08/29/07	AFTER THE OFFERING
Notes	<u>-0-</u>	<u>\$4,500,000</u>
Membership Units \$.01 par value, 1,000 Units authorized, 1000 Units issued and outstanding	\$100	\$100
Net Shareholders' Equity	\$100	\$100
<b>TOTAL CAPITALIZATION</b>	<u>\$100</u>	<u>\$4,500,100</u>

## 9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### 9.1 RESULTS OF OPERATIONS

The Company is a development stage company and has not yet commenced its principal operations.

### 9.2 LIQUIDITY AND CAPITAL RESOURCES

The Company's liquidity and capital resources are dependent on its ability to raise sufficient capital to pay for the purchase price of the Promissory Notes.

## 10. CERTAIN TRANSACTIONS

### 10.1 ARIZONA LIMITED LIABILITY COMPANY

Tri-Core Companies, LLC is a privately held Arizona Limited Liability Company, incorporated on August 29, 2007.

## **10.2 PRIVATE OFFERING OF NOTES**

The Company is authorized to offer in this private offering, up to Four Million Five Hundred Thousand (\$4,500,000) Dollars of Notes to selected investors, effective on March 1, 2008.

## **11. FIDUCIARY RESPONSIBILITIES OF THE DIRECTORS AND OFFICERS OF THE COMPANY**

### **11.1 GENERAL**

The Principals, Officers, and Directors of the Company are accountable to the Company as fiduciaries and such Principals, Officers and Directors are required to exercise good faith and integrity in managing the Company's affairs and policies. Each Note Holder of the Company, or their duly authorized representative, may inspect the books and records of the Company at any time during normal business hours. A Note Holder may be able to bring an action on behalf of himself in the event the Note Holder has suffered losses in connection with the purchase or sale of the Note(s) in the Company, due to a breach of fiduciary duty by an Officer or Director of the Company, in connection with such sale or purchase, including the misrepresentation or misapplication by any such Officer or Director of the proceeds from the sale of these Notes, and may be able to recover such losses from the Company.

### **11.2 INDEMNIFICATION**

Indemnification is permitted by the Company to directors, officers, or controlling persons pursuant to Arizona law. Indemnification includes expenses, such as attorneys' fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person and arising from their relationship with the Company, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

## **12. RISK FACTORS**

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

## **12.1 FORMATION OF THE COMPANY**

The Company was formed on August 29, 2007. It is therefore subject to all the risks inherent in the creation of a new Company. Unforeseen expenses, complications, and delays may occur with a new Company.

## **12.2 CONTROL BY COMPANY**

After completion of this offering, the Company will own one hundred percent (100%) of the issued and outstanding Membership Units. Such ownership will enable the Company to continue to elect all the Managers and to control the Company's policies and affairs. The Note Holders will not have any voting rights in the Company.

## **12.3 RELIANCE ON THE COMPANY FOR MANAGEMENT**

All decisions with respect to the management of the Company will be made exclusively by the Principal Managers of the LLC. The Note Holders do not have the right or power to take part in the management of the Company. Accordingly, no person should purchase a Note unless he is willing to entrust all aspects of the management of the Company to existing Management.

## **12.4 LIMITED TRANSFERABILITY OF THE NOTES**

The transferability of the Notes in this offering is limited, and potential investors should recognize the nature of their investment in the offering. It is not expected that there will be a public market for the Notes because there will be only a limited number of investors and restrictions of the transferability of Notes. The Notes have not been registered under the Securities Act of 1933, as amended, or qualified or registered under the securities laws of any state and, therefore, the Notes cannot be resold unless they are subsequently so registered or qualified or an exemption from such registration is available. The offering also contains restrictions on the transferability of the Notes. Accordingly, purchasers of Notes will be required to hold such Notes to maturity unless otherwise approved by the Company. The Company does not intend to register the Notes under the Securities Act of 1933.

## **12.5 CAPITALIZATION OF THE COMPANY**

Prior to this offering, the Company was funded by cash. Independent of the amounts raised in this offering the Company does not have any other assets available to use to pay principal or interest on the Notes.

## **12.6 REGULATIONS**

The Company is subject to usual federal and state laws, rules and regulations. The Company believes it is in full compliance with any and all applicable laws, rules and regulations both domestically and in Mexico.

## 12.7 GENERAL ECONOMY

The Company is subject to the Mexican and U.S. Economy and its effect on consumer confidence and spending.

## 12.8 DEPENDANCY ON SUPPLIERS AND BUILDING TRADES

Since the Company is dependent on building materials and the general building trades, any shortage or slowdown could affect timetables.

## 13. PRINCIPAL SHAREHOLDERS

As of the date of this Offering, the Company has Nine Hundred (900) Membership Units issued and outstanding to Jason Todd Mogler (30%), Jim Hinkeldey (30%), and Vince Gibbons (30%).

## 14. HOW TO INVEST

An Investor who meets the qualifications as set forth in this Private Offering Memorandum may subscribe for at least the minimum purchase herein of One (1) Note (Ten Thousand (\$10,000) Dollars) by carefully reading this entire Private Offering Memorandum and by then completing and signing a separately bound booklet. This booklet contains identical copies of the following exhibits contained in the Private Offering Memorandum, including:

- Exhibit A INSTRUCTIONS TO SUBSCRIBERS and SUBSCRIPTION AGREEMENT: This contains complete instructions to Subscribers and should be read in its entirety by the prospective investor prior to investing. The Subscription Agreement must be signed by the Investor.
- Exhibit B PROMISSORY NOTE: This Note will be signed by Tri-Core Companies, LLC.
- Exhibit C INVESTOR QUESTIONNAIRE: This questionnaire requires a Subscriber to complete a financial history in order to aid the Company in the determination of the suitability of the Subscriber as a potential Investor. This questionnaire must be signed by the Investor.

Exhibit D Tri-Core Companies, LLC Business Plan

Copies of all the above referenced documents are included with this Private Placement Memorandum. For discussion of the actions of the Company upon receipt of a properly completed request to invest by a Subscriber, please see "**TERMS OF THE OFFERING.**" Such Investor should include his check made payable Tri-Core Companies, LLC, along with the SUBSCRIPTION AGREEMENT, NOTE, AND

INVESTOR QUESTIONNAIRE. Delivery of the documents referred to above, together with a check to the Company should be addressed to the Company as follows: **Tri-Core Companies, LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250.**

## **15. INVESTOR SUITABILITY REQUIREMENTS**

### **15.1 INTRODUCTION**

Potential Investors should have experience in making investment decisions or such Investors should rely on their own tax consultants or other qualified investment advisors in making this investment decision.

### **15.2 GENERAL SUITABILITY**

Each potential Investor will be required to represent the following by execution of a Subscription Agreement:

1. The Investor has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in this Offering.
2. The Investor has the ability to bear the economic risk of this investment, has adequate means to provide for his, her, or its current needs and personal contingencies, has no need for liquidity in this investment and could afford the complete loss of the investment.
3. The Investor is acquiring the Note(s) for his, her or its own account for investment purposes only and not with a view toward subdivision, resale, distribution or fractionalization thereof, or for the account of others, and has no present intention of selling or granting any participation in, or otherwise distributing, the Note(s).
4. The Investor's overall commitment to invest in the Note(s) is not disproportionate to his, her, or its net worth and the investment in these Note(s) will not cause such overall commitment to become excessive.
5. The Investor has read and understands this Private Placement Memorandum and all its exhibits.

### **15.3 NONACCREDITED INVESTORS**

Up to and including thirty-five (35) investing Subscribers may be accepted by the Company as suitable Investors if each such Subscriber has a net worth sufficient to bear the risk of losing his entire investment and meets the above "General Suitability Standards."

#### 15.4 ACCREDITED INVESTORS

In addition to satisfying the "General Standards" as defined above, all but thirty-five (35) Subscribers for Shares must each satisfy one of the "Accredited Investors" economic suitability standards as defined below:

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;
2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;
3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);
5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.

#### **15.5 ACCEPTANCE OF SUBSCRIPTION AGREEMENT BY THE COMPANY**

The Investor Suitability Requirements referred to in this section represent minimum requirements for potential investors. Satisfaction of these standards does not necessarily mean that participation in this Offering constitutes a suitable investment for such a potential investor or that the potential investors' Subscription will be accepted by the Company. The Company may, in fact, modify such requirements as circumstances dictate. All Subscription Agreements submitted by potential investors will be carefully reviewed by the Company to determine the suitability of the potential investor in this Offering. The Company may, in its sole discretion, refuse a Subscription in this Offering to any potential investor who does not meet the applicable Investor Suitability Requirements or who otherwise appears to be an unsuitable investor in this Offering. The Company will not necessarily review or accept a Subscription Agreement in the sequential order in which it is received. The Company also has the discretion to maximize the number of Accredited Investors in this Offering and, as a result, may accept less than thirty-five (35) Non-accredited Investors in this Offering.

#### **16. LITIGATION**

The Company and its Principals have no lawsuits pending, no legal actions pending or judgments entered against the Company or its Principals and, to the best knowledge of the Company, no legal actions are contemplated against the Company and/or its Principals.

## 17. ADDITIONAL INFORMATION

Reference materials described in this Private Offering Memorandum are available for inspection at the office of the company during normal business hours. It is the intention of the Company that all potential Investors are given full access to such information for their consideration in determining whether to purchase the Notes being offered. Prospective Investors should contact the Company for access to information regarding the matters set forth or other information concerning the Company. Representatives of the Company will also answer all inquiries from potential Investors concerning the Company and any matters relating to its proposed operations or present activities. The Company will afford potential Investors and their representatives the opportunity to obtain any additional information reasonably necessary to verify the accuracy or the source of any representations of information contained in this Private Offering Memorandum. All contracts entered into by the Company are subject to modifications and the Company may make any changes in any such contracts as deemed appropriate in its best discretion. Such recent amendments may not be circulated to Subscribers prior to the time of closing this Offering. However, potential Investors and their representatives may review such material or make inquiry of the Company concerning any of these and any other matters of interest.

## 18. FORECASTS OF FUTURE OPERATING RESULTS

Any forecasts and proforma financial information which may be furnished by the Company to prospective Investors or which are part of the Company's business plan, are for illustrative purposes only and are based upon assumptions made by Management regarding hypothetical future events. There is no assurance that actual events will correspond with the assumptions or that factors beyond the control of the Company will not affect the assumptions and adversely affect the illustrative value and conclusions of any forecasts.

## 19. GLOSSARY OF TERMS

The following terms used in this Memorandum shall (unless the context otherwise requires) have the following respective meanings:

**ACCEPTANCE.** The acceptance by the Company of a prospective investor's subscription.

**ACCREDITED INVESTORS.** Those investors who meet the criteria set forth in "INVESTOR SUITABILITY REQUIREMENTS."

**BROKER-DEALER.** A person or firm licensed with the NASD, the SEC and with the securities or corporate commissions department of the state in which it sells investment securities and who may employ licensed agents for that purpose.

**COMPANY.** Refers to **TRI-CORE COMPANIES, LLC**, an Arizona Limited Liability Company.

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. (NASD).** A self-regulating body which licenses brokers and dealers handling securities offerings, reviews the terms of an offering's underwriting arrangements and advertising literature and, while not a governmental agency, acts as a review service watchdog to make sure that its regulations and those of the SEC are followed for the Investor's protection in offerings of securities.

**NOTES.** A Ten Thousand (\$10,000) Dollar investment consisting of one (1) Promissory Note issued by **TRI-CORE COMPANIES, LLC**, an Arizona Limited Liability Company.

**SECURITIES ACT OF 1933.** A federal act regulated and enforced by the SEC that requires, among other things, the registration and use of a prospectus whenever a security is sold (unless the security or the manner of the Offering is expressly exempt from such registration process).

**SECURITIES EXCHANGE ACT OF 1934.** A federal act regulated and enforced by the SEC which supplements the Securities Act of 1933 and contains requirements which were designed to protect investors and to regulate the trading (secondary market) of securities. Such regulations require, among other things, the use of prescribed proxy statements when investors' votes are solicited; the disclosure of management and large shareholders' holding of securities; controls on the resale of such securities; and periodic (monthly, quarterly, annually) filing with the SEC of financial and disclosure reports of the Issuer.

**SECURITIES AND EXCHANGE COMMISSION (SEC).** An independent United States government regulatory and enforcement agency which supervises investment trading activities and registers companies and those securities which fall under its jurisdiction. The SEC also administers statutes to enforce disclosure requirements that were designed to protect investors in securities offerings.

**SUBSCRIPTION DOCUMENTS.** Consists of the Note, Subscription Agreement, Investor Questionnaire, and a check as payment for the Note(s) to be purchased submitted by each prospective Investor to the Company.

**TERMINATION DATE.** The earlier to occur of the date on which all Notes are sold or June 30, 2010.

**20. ACKNOWLEDGMENT**

By signing below, the undersigned acknowledges that he/she has read and understood this entire Private Placement Memorandum.

Richard J. DiBiao  
Signature

4-14-10  
Date

Richard J. DiBiao  
Print Name

Shawna V. DiBiao  
Signature

4-14-2010  
Date

Shawna V. DiBiao  
Print Name

CONFIDENTIAL

CONFIDENTIAL

**EXHIBIT A**  
**SUBSCRIPTION AGREEMENT**

**Print Name of Subscriber:** Richard J. & Shawna V. DiBiaso

**Amount Loaned:** \$150,000.00

**Number of Notes:** Fifteen (15)

**Tri-Core Companies, LLC**

**SUBSCRIPTION DOCUMENTS**

**OFFERING OF A MAXIMUM OF FOUR HUNDRED AND FIFTY  
(450) SECURED PROMISSORY NOTES**

**TEN THOUSAND (\$10,000) DOLLARS PER NOTE**

**MARCH 1, 2008**

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**SUBSCRIPTION INSTRUCTIONS  
(Please read carefully)**

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Each subscriber for the Secured Promissory Notes, Ten Thousand (\$10,000) Dollars per Note (the "Notes") of Tri-Core Companies, LLC, an Arizona Limited Liability Company ("the Company"), must complete and execute the Subscription Documents in accordance with the instructions set forth below. The completed documents should be sent to Tri-Core Companies, LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250.

**Payment for the Securities should be made by check payable to the Tri-Core Companies LLC and enclosed with the documents as directed in Section III below.**

- I. These Subscription Documents contain all of the materials necessary for you to purchase the Notes. This material is arranged in the following order:
  - Subscription Agreement
  - Promissory Note
  - Confidential Prospective Purchaser's Questionnaire
- II. All investors must complete in detail, date, initial, and sign the Subscription Documents where appropriate. All applicable sections must be filled in.
- III. Payment for the Notes must be made by check as provided below:

Please make your check payable, in the appropriate amount, for the number of Notes purchased (at Ten Thousand (\$10,000) per Note), to **Tri-Core Companies, LLC**. Your check should be enclosed with your signed subscription documents.

All funds received from subscribers will be placed in a segregated Holding Account of the Company. Once the minimum offering amount has been reached the funds will be transferred to the Company's operating account and will be available for use.

#### IV **SPECIAL INSTRUCTIONS**

**FOR CORPORATIONS.** Include copy of Board resolution designating the corporate officer authorized to sign on behalf of the corporation, a Board resolution authorizing the investment, and financial statements.

**FOR PARTNERSHIPS.** Provide a complete copy of the partnership agreement, questionnaire, and financial statements for each General Partner.

**FOR TRUSTS.** Provide a complete copy of the instruments or agreements creating the trust, as amended to date.

**Print Name of Subscriber:** Richard J. & Shawna V. DiBiaso

**Amount Loaned:** \$150,000.00

**Number of Notes:** Fifteen (15)

### **Subscription Agreement**

To: Tri-Core Companies, LLC  
8800 E. Chaparral Road – Suite 270  
Scottsdale, AZ 85250

Gentlemen:

(f) **Subscription.** The undersigned hereby subscribes for **15** Notes of Tri-Core Companies, LLC (the “Company”), an Arizona Limited Liability Company, and agrees to loan to the Company Ten Thousand (\$10,000) Dollars per Note for an aggregate loan of **\$150,000.00** (the “Loan Amount”) upon the terms and subject to the conditions (a) set forth herein, and (b) described in the Confidential Private Placement Memorandum (“Private Placement Memorandum”) dated March 1, 2008, together with all exhibits thereto and materials included therewith, and all supplements, if any, related to this offering. The minimum loan is Ten Thousand (\$10,000) Dollars, but the Company has the discretion to offer fractional Notes for loans less than the minimum.

**2. Note Offering.** The Company is offering a maximum of Four Hundred and Fifty (450) Notes at Ten Thousand (\$10,000) Dollars per Note, with no minimum subscription (the “Offering”). The maximum aggregate loan to the Company from this Offering will be Four Million Five Hundred Thousand (\$4,500,000) Dollars. The Offering is being made to a limited number of investors pursuant to an exemption available under the Securities Act of 1933 (the “Act”), specifically Rule 506 promulgated under Regulation D, and under certain other laws, including the securities law of certain states.

**3. Documents to Be Delivered.** The undersigned is delivering to the Company executed copies of this Subscription Agreement (the “Agreement”), the Note(s), Offeree Questionnaire, and all other applicable exhibits and documents (the “Subscription Documents”). The Subscription Documents should be delivered to Tri-Core Companies, LLC, at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. The undersigned understands and agrees that he or it will not become a “Holder” of the Note(s) and the Company shall not become a “Maker” of the Note(s) unless and until the Agreement and Note(s) are executed by the Company.

**4. Making of Loan Amount.** The undersigned, simultaneously with the delivery of the Subscription Documents to the Company, hereby tenders to the

Company the Loan Amount by **check made payable to the order of Tri-Core Companies, LLC** in the amount indicated above.

**5. Acceptance or Rejection of Subscription.** The undersigned understands and agrees that the Company reserves the right, exercisable in its sole discretion, to accept or reject any subscription, in whole or in part, for any reason and that the undersigned will be notified by the Company as promptly as practicable as to whether his or its subscription has been accepted or rejected. If the undersigned's subscription is accepted, in whole or in part, by the Company, the Company will execute this Agreement and the Note(s) and return them to the undersigned. If this subscription is rejected by the Company, either in whole or in part, all funds, in the case of a rejection of the subscription in whole, or those funds representing the amount of the subscription not accepted by the Company, in the case of a rejection of the subscription in part, will be returned to the undersigned as promptly as practicable. If this subscription is rejected in whole by the Company this Agreement shall be null, void and of no effect. The undersigned does not have the right to withdraw or revoke his or its subscription during the Offering period, except as provided by certain state laws, except that if more than thirty (30) days shall have passed from the date the Company received completed and executed Subscription Documents and the Loan Amount from the undersigned (the "Acceptance Period"), and the Company has not accepted the subscription during the Acceptance Period, the undersigned may withdraw his or its subscription at any time after the Acceptance Period up until such time that the Company subsequently decides, in its sole discretion, to accept the subscription in whole or in part.

**6. Offering Period.** The Company may close in whole or in part or terminate this Offering under any of the following conditions:

(f) Upon receipt of the maximum offering subscription amount of Four Million Five Hundred Thousand (\$4,500,000) Dollars

2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

**7. Closing of the Loan.** The Note(s) subscribed for herein shall not be deemed made by the Company or held by the undersigned until this Agreement and the Note(s) have been countersigned by the Company, and until the funds delivered by the undersigned to the Company with the Subscription Documents have been deposited in the Holding Account and have been cleared by the applicable bank of the Company (the "Effective Date"). Upon the Effective Date, (a) the undersigned shall have loaned to the Company the Loan Amount, (b) the undersigned shall become the Holder and the Company shall become the Maker of the Note(s) subscribed for by the undersigned, and (c) both the undersigned and the Company shall be bound by the terms of the Private Placement Memorandum and the Subscription Documents and any other undertakings described herein.

**8. Representations and Warranties.**

(f) The Company hereby represents and warrants as follows:

(f) The Company is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Arizona and has the requisite company power and authority to own, lease and operate its properties and to carry on its business as now being conducted;

(ii) This Agreement constitutes the valid and binding obligation of the Company enforceable against the Company in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws from time to time in effect which affect creditor's rights generally and by legal and equitable limitations on the availability of specific performance and other equitable remedies under or by virtue of this Agreement). The Company has all requisite power and authority, corporate and other, to execute and deliver this Agreement and the Note(s) and to consummate the transactions contemplated hereby. All persons who have executed this Agreement and the Note(s) on behalf of the Company have been duly authorized to do so by all necessary corporate action. Neither the execution and delivery of this Agreement and the Note(s) nor the consummation of the transactions contemplated hereby will (A) violate any provision of the Certificate of Incorporation or Operating Agreement of the Company, as currently in effect, (B) violate any judgment, order, injunction, decree or award against, or binding upon, the Company or the securities, assets, properties, operations or business of the Company, or (C) violate any law or regulation applicable to the Company or to the securities, assets, properties, operations or business of the Company.

(b) In order to induce the Company to accept the subscription made hereby, the undersigned hereby represents and warrants to the Company as follows:

(f) The undersigned has received the Private Placement Memorandum and the Subscription Documents. The undersigned has read and understands the Private Placement Memorandum and Subscription Documents and the information contained in those documents concerning the Company and this Offering or has caused his or its representative to read and examine the Private Placement Memorandum and Subscription Documents. The undersigned has relied only on the information about the Company contained in these documents and his or its own independent investigation in making his or its subscription. The undersigned understands that the Notes will be issued with the

rights and subject to the conditions described in the Private Placement Memorandum and Subscription Documents;

(ii) The undersigned is familiar with the terms and conditions of the Offering and is aware that his or its investment involves a degree of risk and the undersigned has read the section in the Private Placement Memorandum titled "Risk Factors."

(iii) The undersigned hereby specifically accepts and adopts each and every provision of this Agreement and acknowledges and agrees with each and every provision of this Agreement and, upon acceptance by the Company of the subscription made hereby, agrees to be bound by such provisions.

(iv) The undersigned acknowledges and is aware that there is no assurance as to the future performance of the Company.

(v) The undersigned, if an individual (A) has reached the age of majority in the state in which he resides and (B) is a bona fide resident and domiciliary (not a temporary or transient resident) of the state set forth below his signature on the signature page hereof and has no present intention of becoming a resident of any other state or jurisdiction. The undersigned, if a partnership, corporation, limited liability company, trust or other entity, was organized or incorporated under the laws of the jurisdiction set forth below the signature made on its behalf on the signature page hereof and has no present intention of altering the jurisdiction of its organization, formation or incorporation.

(vi) The undersigned has the financial ability to bear the economic risk of an investment in the Offering, has adequate means of providing for his or its current needs and personal contingencies, has no need for liquidity in the Note(s) and could afford a complete loss of his or its investment in the Offering.

(vii) The undersigned represents and warrants to the Company that he or it comes within one of the categories of investors as defined in Exhibit 1 hereto (*please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity*).

(viii) The undersigned has been given the opportunity to review the merits of an investment in the Offering with tax and legal counsel or with an investment advisor to the extent the undersigned deemed advisable.

(ix) The undersigned's overall commitment to invest in the Note(s), which are not readily marketable, is not disproportionate

to his or its net worth and his or its investment in the Offering will not cause such overall commitment to become excessive.

(x) The undersigned has such knowledge and experience in financial and business matters that he or it is capable of evaluating the merits and risks of an investment in the Offering.

(xi) The undersigned has been given a full opportunity to ask questions of and to receive (A) answers from the Company and its Managers concerning the terms and conditions of this Offering and the business of the Company and (B) such other information as he or it desired in order to evaluate an investment in the Offering, and all such questions have been answered to the full satisfaction of the undersigned. No oral or written representations have been made or oral or written information furnished to the undersigned or the undersigned's advisors in connection with the Offering or interests that were in any way inconsistent with this Subscription Agreement. The undersigned is not participating in the Offering as a result of or subsequent to: (1) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or (2) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(xii) If the undersigned is a corporation, limited liability company, partnership, trust or other entity, it is authorized and qualified to make this loan to the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so.

(xiii) If the undersigned is a corporation, limited liability company or partnership, the person signing this Agreement on its behalf hereby represents and warrants that the information contained in this Agreement completed by any shareholders of such corporation, members of such limited liability company or partners of such partnership is true and correct with respect to such shareholder, member or partner (and if any such shareholder is itself a corporation, limited liability company or partnership, with respect to all persons having an equity interest in such corporation, limited liability company or partnership, whether directly or indirectly) and that the person signing this Agreement has made due inquiry to determine the truthfulness and accuracy of the information contained in this Agreement.

(xiv) The purchase of the Note(s) by the undersigned has been duly authorized, and the execution, delivery and performance of this Agreement does not conflict with the undersigned's partnership agreement, certificate of incorporation, by-laws, articles of organization, operating agreement or any agreement to

which the undersigned is a party and this Agreement is a valid and binding agreement enforceable against the undersigned in accordance with its terms.

(xv) The undersigned hereby represents that he or it is subscribing for the Notes as principal or as trustee, solely for the account of the undersigned, for investment purposes only and not with a view to, or for, subdivision, resale, distribution, or fractionalization thereof, in whole or in part, or for the account, in whole or in part, of others, and, except as disclosed herein, no other person has a direct or indirect beneficial interest in the Note(s). The undersigned will hold the Note(s) as an investment and has no reason to anticipate any change in circumstances or other particular occasion or event, which would cause the undersigned to attempt to sell any of the Note(s).

(xvi) The undersigned acknowledges his or its understanding that (A) the Offering of the Note(s) by the Company has not been registered under the Act, as amended, or the securities laws of certain states in reliance on specific exemptions from registration, (B) the Confidential Memorandum and Subscription Documents have not been filed with or reviewed by the Securities and Exchange Commission or the securities department of any state and no securities administrator of any state or the federal government has recommended or endorsed this Offering or made any finding or determination relating to the fairness of an investment in the Company, and (C) the Offering of the Note(s) by the Company is intended to be exempt from registration pursuant to Section 4(2) of the Act and the rules promulgated there under by the Securities and Exchange Commission, and that the undersigned's Note(s) cannot be sold, pledged, assigned or otherwise disposed of unless they are registered under the Act or an exemption from such registration is available.

(xvii) The undersigned represents and warrants that he or it will not transfer or convey all or part of his or its financial interest in the Note(s) unless such Note(s) are subsequently registered under the Act, or an exemption from such registration is available and without (A) the prior written consent of the Company and (B) an opinion of counsel acceptable to the Company and its counsel to the effect that the Note(s) may be transferred without violation of the registration requirements of the Act or any applicable state securities laws, as may be amended from time to time. The undersigned further acknowledges that there can be no assurance that the Company will file any registration statement for the Note(s) for which the undersigned is subscribing, that such registration statement, if filed, will be declared effective or, if declared effective, that the Company will be able to keep it effective until the undersigned sells the Note(s) registered thereon.

(xviii) The undersigned understands that this Agreement is subject to the Company's acceptance and may be rejected by the Company at any time in its sole discretion in whole or any part prior to issuance of the Note(s) with respect to the undersigned's subscription, notwithstanding prior receipt by the undersigned of notice of acceptance of the undersigned's subscription. The Company reserves the right to withdraw the Offering at any time.

(xix) The undersigned acknowledges that this Agreement shall become binding upon the undersigned when it is countersigned by the Company and the undersigned is not entitled to cancel, terminate, or revoke this subscription before or after acceptance by the Company, except as otherwise provided in this Agreement.

(xx) All information provided by the undersigned in the Investor Questionnaire and Investor Representative Questionnaire (if applicable) which accompanies this Agreement is true and accurate in all respects, and the undersigned acknowledges that the Company will be relying on such information to its possible detriment in deciding whether the Company can make these Note(s) to the undersigned without giving rise to the loss of an exemption from registration under the applicable securities laws.

**9. Foreign Person.** If the undersigned has indicated on the signature page of this Agreement that he, she or it is a foreign person, he, she, or it agrees to notify the Company in writing within sixty (60) days of becoming a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign entity, as the case may be.

**10. Indemnity.** The undersigned agrees to indemnify and hold harmless the Company, its managers, members, agents, attorneys and affiliates and each other person, if any, who controls any thereof, within the meaning of Section 15 of the Act, against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in this Agreement or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

**11. Notice.** All notices in connection with this Agreement shall be in writing and personally delivered or delivered via overnight mail, with written receipt therefore, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 11) with a copy, in the case of notice to the Company, to Tri-Core Companies, LLC, at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

**12. Miscellaneous.**

(f) This Agreement is not assignable by the undersigned. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) This Agreement shall be deemed to have been made in the State of Arizona and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Agreement.

© This Agreement contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied, except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties to this Agreement.

(d) No waiver of any breach of any terms of this Agreement shall be effective unless made in writing signed by the party against whom enforcement of the waiver is sought, and no such waiver shall be construed as a waiver of any subsequent breach of that term or of any other term of the same or different nature.

(e) If any provision or portion of this Agreement or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Agreement.

(f) Each of the parties hereto shall cooperate and take such actions, and execute such other documents, at the execution hereof or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.

IN WITNESS WHEREOF, the undersigned, by his, her, or its execution hereof, has read and approved this Subscription Agreement and agrees to be bound by this Agreement.

Executed this 14<sup>th</sup> day of April, 2010, at Auburn  
(City), CALIFORNIA (State).

If the Investor is an INDIVIDUAL, complete the following:

The undersigned (circle one): (is) ~~(is not)~~ a citizen or resident of the United States.

Richard J. DiBiaso  
Print Name of Individual

Shawna V. DiBiaso  
Print Name of Spouse / Co-Investor  
(if Funds are to be invested in Joint Name  
or are Community Property)

[REDACTED]  
Print Social Security Number of Individual

[REDACTED]  
Print Social Security Number of Spouse  
or Co-Investor  
(if Funds are to be Invested in Joint Name  
or are Community Property)

Richard J. DiBiaso  
Signature of Individual

Shawna V. DiBiaso  
Signature of Spouse / Co-Investor  
(if Funds are to be Invested in Joint Name  
or are Community Property)

Print Residential Address:

Print Residential Telephone Number:

[REDACTED]  
[REDACTED] CA [REDACTED]

[REDACTED]

If the investor is PARTNERSHIP, CORPORATION, TRUST OR OTHER ENTITY, complete the following:

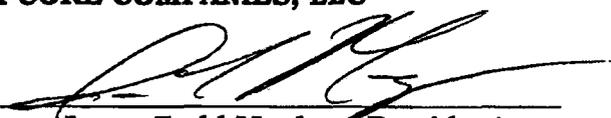
The undersigned (circle one) [is] [is not] a foreign partnership, foreign corporation, trust or foreign estate (as defined in the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated there under).

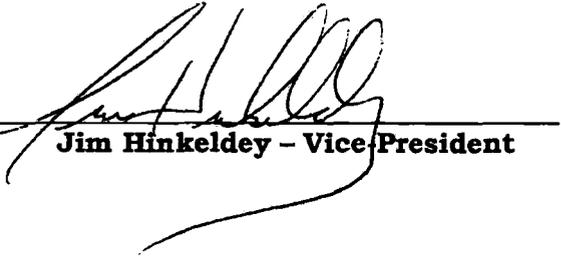
_____ <b>Print Name of Partnership, Corporation, Trust, or Other Business Entity</b>	_____ <b>Print Federal Tax Identification Number</b>
_____ <b>Signature of Authorized Representative</b>	_____ <b>Print Jurisdiction of Entity</b>
_____ <b>Print Name of Authorized Representative</b>	_____ <b>Print Title of Authorized Representative</b>
_____ <b>Print Residential Address of Investor</b>	_____ <b>Print Residential Telephone Number:</b>
_____	_____
_____	_____

**ACCEPTANCE**

The terms of the foregoing, including the subscription described therein, are agreed to and accepted on this 14th day of APRIL, 2010.

**TRI-CORE COMPANIES, LLC**

By:   
**Jason Todd Mogler - President**

By:   
**Jim Hinkeldey - Vice President**

**EXHIBIT 1  
INVESTOR STATUS**

(Please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity).

\_\_\_\_\_ *initials*

A. **“Nonaccredited Investor”**. The undersigned does not meet the definition of an “Accredited Investor” as defined herein below;

AS  
\_\_\_\_\_ *initials*

S.D.

B. **“Accredited Investor”**. The undersigned is an Accredited Investor as defined below (check applicable box):

1. Any natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;

2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person’s spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;

3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8.\* Any entity in which all of the equity owners are Accredited Investors.

**NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.**

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\* If this box is checked, please indicate on a separate schedule to be attached hereto, the category of Accredited Investor in which each equity owner of such entity is included.

**CONFIDENTIAL**

**EXHIBIT B  
PROMISSORY NOTE**

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**EXHIBIT B**

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**PROMISSORY NOTE**

**THIS NOTE HAS BEEN MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH THE DISTRIBUTION THEREOF AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS NOTE MAY NOT BE SOLD, TRANSFERRED, OR ASSIGNED ("TRANSFER") UNLESS IT IS SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE MAKER CONSENTS IN WRITING TO SUCH TRANSFER.**

**Tri-Core Companies, LLC**, an Arizona Limited Liability Company, with offices at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250 (the "Maker"), for value received, promises to pay to the Individual and/or legal entity designated in this Note as the "HOLDER," the principal sum of **One Hundred and Fifty Thousand Dollars** with a rate of return of sixty percent (60%) compounded annually. Interest shall be due and payable at maturity and based on the commencement date of the Note. The entire Principal shall be due and payable to the Holder no later than twenty-four (24) months from the Commencement Date. The principal and any interest due on said principal may be prepaid at the sole discretion of the Company, without a prepayment penalty or premium at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date.

**1. NOTES**

This Note in the principal amount of Ten Thousand (\$10,000) Dollars per Note, or any fractional amounts, is offered for sale by the Maker, pursuant to that certain "Private Placement Memorandum" dated March 1, 2008. The Note shall be senior debt of the Maker and secured by the property.

**2. EVENTS OF DEFAULT**

A default shall be defined as one or more of the following events ("Event of Default") occurring and continuing:

- (a) The Maker shall fail to pay any interest payment on this Note when due for a period of thirty (30) days after notice of such default has been sent by the Holder to the Maker.
- (b) The Maker shall dissolve or terminate the existence of the Maker.

(c) The Maker shall file a petition in bankruptcy, make an assignment for the benefit of its creditors, or consent to or acquiesce in the appointment of a receiver for all or substantially all of its property, or a petition for the appointment of a receiver shall be filed against the Maker and remain unstayed for at least ninety (90) days.

Upon the occurrence of an Event of Default, the Holder of this Note may, by written notice to the Maker, declare the unpaid principal amount and all accrued interest of the Note immediately due and payable.

### **3. SECURITY FOR PAYMENT OF THE NOTE(S)**

The Note(s) offered by the MAKER are secured by future land purchase.

### **4. COMMENCEMENT DATE OF THE NOTE**

The Commencement Date of the Note shall be the "Effective Date," as defined in that certain "Subscription Agreement" attached as Exhibit A to the Private Placement Memorandum.

### **5. STATUS OF HOLDER**

The Maker may treat the Holder of this Note as the absolute owner of this Note for the purpose of making payments of principal or interest and for all other purposes, and shall not be affected by any notice to the contrary, unless the Maker so consents in writing.

### **6. SECURITIES ACT RESTRICTIONS**

This Note has not been registered for sale under the Act. This Note may not be sold, offered for sale, pledged, assigned or otherwise disposed of, unless certain conditions are satisfied, as more fully set forth in the Subscription Agreement.

### **7. ATTORNEYS' FEES**

The prevailing party in an action to enforce this Note shall be entitled to reasonable attorneys' fees, costs, and collection expense.

### **8. MISCELLANEOUS.**

(a) **Successors and Assigns.** The Holder may not assign, transfer, or sell this Note to any party without the express written consent of the Maker. This Note shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) **Entire Agreement.** This Note contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied,

except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Note shall be effective unless in writing and signed by both parties to this Note.

(c) **Notices.** All notices in connection with this Note shall be in writing and personally delivered or delivered via overnight mail, with written receipt thereof, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 8) with a copy to Tri-Core Companies, LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

(d) **Section Headings.** The headings of the various sections of the Note have been inserted as a matter of convenience for reference only and shall be of no legal effect.

(e) **Severability.** If any provision or portion of this Note or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Note.

(f) **Applicable Law.** This Note shall be deemed to have been made in the State of Arizona, and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in the State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Note.

(g) **Approval.** By signing below, each party respectively acknowledges that they have read and approved this promissory note.

**Maker:**

**Tri-Core Companies, LLC,**  
An Arizona Company  
8800 E. Chaparral Road - Suite 270  
Scottsdale, AZ 85250

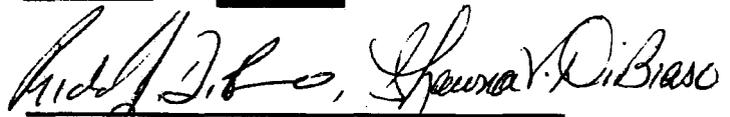
  
\_\_\_\_\_  
Print Name

  
\_\_\_\_\_  
Signature & Date

**Holder:**

**Richard J. & Shawna V.  
DiBiaso**

\_\_\_\_\_  
\_\_\_\_\_  
CA \_\_\_\_\_

  
\_\_\_\_\_  
Print Name  
Richard J. DiBiaso, Shawna V. DiBiaso

4 - 14 - 2010  
\_\_\_\_\_  
Signature & Date

EXHIBIT C

Tri-Core Companies, LLC

Investor Suitability Questionnaire

To: Prospective purchasers of Promissory Notes (the "Notes") offered by Tri-Core Companies, LLC (the "Company").

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an "Accredited Investor," as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Company for purchasing Notes. ***This questionnaire is not an offer to sell securities.***

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Company deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Notes.

***Please answer all questions completely and execute the signature page***

A. Personal

1. Full Name: Richard J. DiBiaso

2. Address of Principal Residence: [REDACTED] CA.

County: [REDACTED]

3. Residential Telephone Number: [REDACTED]

4. Where are you registered to vote (County & State)? [REDACTED], CA.

5. Your driver's license is issued by the following state: CALIFORNIA

6. Other Residences or Contacts: *Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license, or have any other contacts, and describe your connection with such state:*

[REDACTED]

7. Please send all correspondence to:

(1)  Residential Address [as set forth in item A-2]

(2)  Business Address [as set forth in item B-1(a)]

8. Date of Birth: [REDACTED]
9. Country of Citizenship: USA
10. Social Security Number or Tax I.D. Number: [REDACTED]
11. E-Mail Address: Dibo1@[REDACTED]

**B. Occupations and Income**

1. Occupation: Retired
- (a) Business Address: \_\_\_\_\_
- (b) Business Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_
2. Gross income during each of the last two years exceeded: N.A.
- (1) \_\_\_\_\_ \$25,000                      (3) \_\_\_\_\_ \$50,000
- (2) \_\_\_\_\_ \$100,000                      (4) \_\_\_\_\_ \$200,000
3. Joint gross income with spouse during each of the last two years exceeded \$300,000. NA.
- (1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No                      (3) \_\_\_\_\_ Not Applicable
4. Estimated gross income during current year exceeds: NA.
- (1) \_\_\_\_\_ \$25,000                      (3) \_\_\_\_\_ \$50,000
- (2) \_\_\_\_\_ \$100,000                      (4) \_\_\_\_\_ \$200,000
5. Estimated joint gross income with spouse during current year exceeds \$300,000. NA.
- (1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No                      (3) \_\_\_\_\_ Not Applicable

**C. Net Worth**

1. Current net worth or joint net worth with spouse (note that "net worth" includes all of the assets owned by you and your spouse in excess of total liabilities, including the fair market value, less any mortgage, of your principal residence.)

- (1) \_\_\_\_\_ \$50,000-\$100,000                      (2) \_\_\_\_\_ \$100,000-\$250,000                      (3) \_\_\_\_\_ \$250,000-\$500,000
- (4) \_\_\_\_\_ \$500,000-\$750,000                      (5) \_\_\_\_\_ \$750,000-\$1,000,000                      (6)  over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1)  Yes (2)  No

**D. Affiliation with the Company**

Are you a director or executive officer of the Company?

(1)  Yes (2)  No *NA.*

**E. Investment Percentage of Net Worth**

If you expect to invest at least \$100,000 in Notes, does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse?

(1)  Yes (2)  No (3)  Not Applicable

**F. Consistent Investment Strategy**

Is this investment consistent with your overall investment strategy?

(1)  Yes (2)  No

**G. Prospective Investor's Representations**

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

Prospective investor(s):

*Ricardo Dibe*  
\_\_\_\_\_  
Signature

Date: 4-14-2010

*Shauna V. DiBened*  
\_\_\_\_\_  
Signature  
*(of spouse or co-investor, if purchase is to be made as joint tenants or as tenants in common)*

Date: 4-14-2010

## **EXHIBIT D**

### **TRI-CORE COMPANIES, LLC BUSINESS PLAN**

#### **Mission Statement**

The mission of Tri-Core Companies, LLC (the Company) is to purchase virgin beachfront land on the Gulf of California (Sea of Cortez), Sonora, Mexico for either resale or for development.

The specific location the Company has concentrated on is between El Golfo de Santa Clara on the north and Puerto Peñasco (Rocky Point) on the south. This is a distance of about 80 miles and was chosen because of the access the new Coastal Highway has afforded this area. Prior to the new highway, this area was inaccessible except by rugged four-wheel-drive vehicles. The highway will make this area accessible by automobile for millions of visitors and buyers from the United States.

The Company believes that there will be a major increase in demand for property in this area with the completion of the highway. The highway is currently over three quarters complete and only a 15-mile portion of the center section remains to be completed. This section is scheduled for completion by the end of Fall 2009.

#### **Business Operations**

##### **Ownership and Employees:**

The Company is intended to be a very competitive, highly motivated company with a small number of select key employees. The majority of the day to day responsibilities, planning and development tasks will be performed by the principal/managing partners. All other tasks that cannot be performed on behalf of the company by principals or employees will be done by hired contract services. An example of a hired contract service would be accounting.

##### **Jason Todd Mogler – President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

#### **Vince Gibbons – Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for “going the extra mile” to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club – Mohave County, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.

- **Eagle View Subdivision – Kingman, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.

- **Villages at Loreto Bay, Master Planned Development – Loreto, Mexico.**

Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.

- **Colonias de Cardenas, Master Planned Community – Panama City, Panama.**

Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.

- **Punta Delfin, Enchantment of México – Sea of Cortez, Sonora, México.**

Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey – Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

Mr. Hinkeldey's educational background consists of a degree in Banking and Money Management from Adelphi University, Long Island, New York. He also holds a three year specialized degree in real estate finance from the Mortgage Bankers of America which he received at Northwestern University. He attended numerous programs for finance, real estate, and management at New York University and Wharton Business School.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

### **Market Knowledge and the Property**

#### **Knowledge of the Marketplace:**

The Principals of the Company have been active in real estate and Mexico for several years and consider the El Golfo/Rocky Point market one of the (if not the most) active markets in all of Mexico for development and potential upside investment.

The El Golfo area was chosen for the Company's purchases due to its potential appreciation. Some of the driving factors that influenced this decision were:

- The new Coastal Highway;
- Its close proximity to the United States markets (one hour drive from the Border of US/Mexico);
- Its location on a beautiful, pristine, major body of water;
- The quality of the sand beaches ;
- The scenic mountain views of the Baja Peninsula;
- The opening of the area by the construction of the Coastal Highway from the US/Mexico border 300 miles to the south along the coast of the Sea of Cortez to Guaymas, Mexico, a major seaport;
- The \$50 million dollar international airport under construction at Rocky Point that will accommodate all types of passenger planes. The first runway is completed and the balance is to be completed by early 2010.

- Two state-of-the-art hospitals, Hospital of Peñasco and the IMMS Hospital, are currently under construction and will serve the El Golfo/Rocky Point areas.

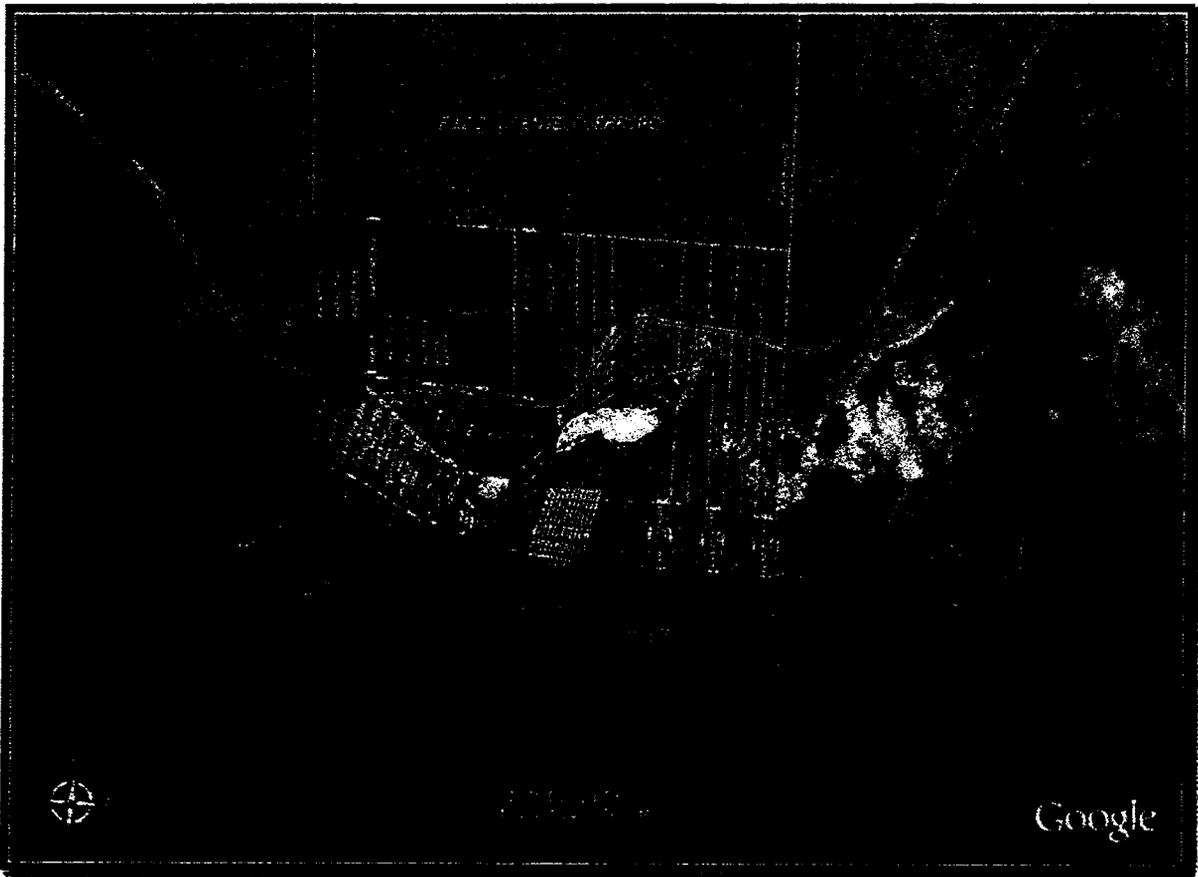
The Mexican and Sonoran Governments are dedicated to promoting the area as a major destination for both Americans and Canadians. This is evidenced by the millions of dollars of infrastructure being put in place by the United States and Mexican Governments. A prime example of this dedication is the Coastal Highway. This three hundred mile highway is being built at a cost in excess of \$200 million dollars and will connect the port city of Guaymas in Mexico with the US/Mexico border at San Luis Rio Colorado, south of Yuma, Arizona. This will make this whole area much more accessible for millions of Americans in Southern California, Arizona, and Nevada for weekends and vacations, as well as for longer stays by visitors from all across the United States and Canada.

**The Property**

Parcel 47 – Relaxante is at the southeastern edge of the town of El Golfo on the Sea of Cortez. It is approximately one hour drive time south of the U.S. /Mexico border at San Luis.



This parcel has approximately 26.75 acres of land with over 640 feet of beautiful sandy beach frontage. There are rolling dunes and wonderful views of the Sea of Cortez and the mountains of the Baja Peninsula. The site is well-adapted for the launching of small boats.



**The Proposed Development for Lot 47:**

This project is a proposed gated luxury development fronting on and viewing the Sea of Cortez in the rapidly developing area of San Luis Rio Colorado, Sonora, Mexico. The property consists of 10.83+/- hectares (26.8+/- acres) of land on a site overlooking the scenic waterways of the Sea of Cortez and the mountains of the Baja Peninsula to the west. The property has over 200 meters (640+/- feet) of sandy beach frontage. There are beautiful scenic views up and down the sandy beaches of the Sea of Cortez (a.k.a. the Gulf of California).

This project is a proposed mixed-use development, including a gated single-family development of 40+/- villa lots, a 140-unit condominium development, and some commercial facilities.

Due to topography, the northerly portion of the site contains a mid-rise condominium building. The center portion of the site is gently sloping and will contain the staggered water view lots. The southern beachfront portion of the site contains six beachfront lots, along with a beachfront pool and beach club. Due to the carefully chosen staggered lot placement, all villas and condominium units will enjoy beautiful views of the Sea of Cortez and the mountains of the Baja Peninsula.

Villa lots will be approximately 6,500 square feet in size and the Villas will range in size from 2,400 to 2,600 square feet. The condominium units will be approximately 1,500 square feet with larger units located on the top floors. The six prime waterfront lots will be on the beach – affording wonderful views for miles in each direction and easy water and beach access. The development will provide all the amenities associated with a destination development.

### **Business Goals**

In early 2008, we will be contracting for the necessary survey, topographical map, and environmental studies required for the permitting stage. In addition, we will proceed with the concession for the “Federal Zone” so that we may have exclusive use of the 20 meters adjacent to the “high water mark” that is currently controlled by the Mexican Government. This is an important concession and we are proceeding forward.

After preliminary discussions with utility suppliers, it is the Company’s belief that the use of self-contained utilities are in the best interest of the development. Permits for these utilities will be sought from the municipality of San Luis (the governing entity), in conjunction with our partners.

During the early part of 2008, the Company’s primary focus will be on the preparation of the site plan, all required studies, and the gathering of bids for utilities. It is anticipated that by mid-2008, we will be finalizing the preliminary plans in accordance with site reports.

Once the final layout has been concluded, talks with local developers, investors, and realtors in Mexico and the United States will commence. It is the intention that the Company will be in a position to move quickly and efficiently to either sell individual lots or sell the development. The Company foresees the actual sale of the parcels occurring in mid-year 2009.

To ensure further success, the Company will continue to focus on the development of strong relationships with key property professionals (realtors, agents, financial institutions, law firms, building contractors and suppliers, etc.). While we presently enjoy a good working relationship with several governmental agencies, we will also be working quite diligently throughout the entire developmental process to further strengthen and expand our relationships with governmental agencies and political entities. Since we also understand and respect the Mexican culture, we foresee no obstacle in achieving a strong and favorable relationship with the governing authorities.

**El Golfo / Rocky Point – General Economic and Area Information:**

The Colorado River forms the state line between Arizona, California, and Nevada, and continues southerly to the Sea of Cortez. Along its entire length, it is a major recreation / boating area for Arizona, Nevada, and Southern California in the spring and summer, as well as a perfect destination for “Snowbirds” in the winter – creating a year-round demand for the entire area.

Historically, neighboring Rocky Point has been a major recreational area for Phoenix and Tucson, Arizona. The drive time to Rocky Point has been about four-plus hours from Phoenix, making it a very easy weekend vacation spot. There have been many new high and mid-rise condominium units built in the Sandy Beach neighborhood of Rocky Point within the past few years. These are well-designed and constructed developments with many beachfront amenities. These units have generally sold for \$300,000 to over \$1,500,000, primarily to U.S. residents.

El Golfo is about 25 miles east of Rocky Point. The El Golfo area is near the northern end of the Sea of Cortez and is well protected from adverse weather. Consequently, the waters are generally calm. El Golfo is a picturesque fishing village with long, wide, sandy beaches. The fishermen launch their boats from the sandy beaches directly to the water. There is at present one paved road that ends at El Golfo.

The new Coastal Highway will make the drive between El Golfo and Rocky Point less than 30 minutes. Accordingly, this whole area between Rocky Point and El Golfo is poised to undergo extensive real estate development. In anticipation of this future growth, a new major border crossing facility is planned for San Luis to help relieve congestion at the present in-town facility. The number of inspection lanes will increase from five to sixteen, and will consequently decrease the time for crossing the border.

For the first time, large U.S. markets from California, Nevada, and Western Arizona will be within a reasonable driving distance. As an example, the Southern California market will have its driving time reduced from approximately eight hours to just around four hours. There are many resort areas of Mexico with extensive development taking place, however, there are only limited areas on the calm waters of the Sea of Cortez that have good driving access from the United States.

The new highway is the driving force that has dramatically changed access to this area. It is the Company's belief that since prime oceanfront land in this area's acreage is limited, the demand for this property will be strong. This belief is further strengthened by its aggressive promotion of Relaxante to the new markets of California, Nevada, and Western Arizona.

**Proforma**

Parcel 47  
 Pro Forma - 26.75 acre (10.84 Ha.)  
 Sale Project to a Developer  
 March 2008

**TOTALS**

**REVENUE**

Sales Price Developer		\$14,200,000
<b>Total Revenue</b>		<b>\$14,200,000</b>
Finder's Fee	4%	\$568,000
<b>Total Net Revenue</b>		<b>\$13,632,000</b>

**EXPENSES**

**ON-SITE WORK**

Mass Excavation / Fill & Grading	\$200,000
Gated Entryway	\$25,000
Perimeter Wall	\$100,000
<b>Total Onsite Work</b>	<b>\$325,000</b>

**SOFT COSTS - GENERAL,  
 ADMINISTRATIVE & LEGAL**

Administrative (Taxes, Permits & Licensing)	\$50,000
NATAWA Bond	\$200,000
Legal	\$100,000
<b>Total General Expenses</b>	<b>\$350,000</b>

**GENERAL PROJECT EXPENSES**

Project Master Plan	\$80,000
Engineering	\$50,000
Boundary and Topographic Survey	\$20,000
Concept Approval, Zoning, Environmental	\$130,000
<b>Total General Project Expenses</b>	<b>\$280,000</b>

**TOTAL EXPENSES**

Project Contingency	\$95,500
Principal and Interest	\$11,520,000
<b>Total Expenses, Contingency, and Interest</b>	<b>\$12,570,500</b>

<b>Net Income</b>	<b>\$1,061,500</b>
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Parcel 47  
 Pro Forma - 26.75 acre (10.84 Ha.)  
 Vertical on Condos, Vertical on Villas  
 March 2008

TOTALS					
	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
<b>UNITS</b>					
Condo Tower Units	140				
Ocean View Villas	38				178
<b>REVENUE</b>					
Condo Tower Units		1,500		\$300,000	\$42,000,000
Ocean View Villas		2,500		\$1,300,000	\$49,400,000
<b>Total Revenue</b>					<b>\$91,400,000</b>
<b>INFRASTRUCTURE TAKE-OUTS</b>					
NATAWA (\$30k x 178 Units)					<b>\$5,340,000</b>
<b>SALES COMMISSIONS</b>					
Sales Commissions					6% \$5,484,000
<b>Total Sales Commissions</b>					<b>\$5,484,000</b>
<b>Total Net Revenue</b>					<b>\$80,576,000</b>
<b>EXPENSES</b>					
<b>PROJECT ACQUISITION</b>					
					<b>\$14,200,000</b>
<b>AMENITIES CONSTRUCTION</b>					
Landscape and Irrigation System					\$80,000
Grading					\$95,000
Beach Club					\$1,000,000
18- Hole Putting Course					\$500,000
Construction Office					\$215,000
<b>Total Amenities</b>					<b>\$1,890,000</b>

Vertical (Continued)	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
<b>Condo Tower Units</b>					
Construction	140	1,500	110		\$23,100,000
Architectural (4% of construction costs)			4.0%		\$924,000
<b>Total Condominiums</b>					<b>\$24,024,000</b>
<b>Ocean View Villas</b>					
Construction	38	2,500	125		\$11,875,000
Architectural (4% of construction costs)			4.0%		\$475,000
<b>Total Ocean View Villas</b>					<b>\$12,350,000</b>
<b>SOFT COSTS - GENERAL, ADMINISTRATIVE &amp; LEGAL</b>					
Administrative (Taxes, Permits & Licensing)					\$550,000
Accounting					\$80,000
Legal					\$322,500
<b>Total General Expenses</b>					<b>\$952,500</b>
<b>MARKETING</b>					
Initial Launch					\$860,000
Marketing (% of gross sales)			5%		4,570,000
<b>Total Marketing</b>					<b>\$5,430,000</b>
<b>GENERAL PROJECT EXPENSES</b>					
Construction Camp					
Temporary Utilities (Power, Sewer, Water)					\$107,500
Bunk House (4 people per room)	50	200	\$40		\$400,000
Mess Hall					\$43,000
Medical Operating Cost (\$5,000 per month)					\$240,000
Security (Temporary)					\$150,000
Gatehouse					\$30,000
Employee Housing					\$800,000
Offsite (Scottsdale 3,000sf, @ \$3 sf 4 yrs)					\$423,000
Offsite (San Diego 2,000sf, @ \$3 sf 4yrs)					\$288,000
Offsite (Rocky Point 2,000sf, @ \$3 sf 4 yrs)					\$288,000
Temporary Sales Office					\$12,900
Sales Office					\$43,000
Job Supervision & Coordination					\$100,000
<b>Total General Project Expenses</b>					<b>\$2,925,400</b>
<b>TOTAL EXPENSES</b>					<b>\$61,771,900</b>

Vertical (Continued)	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
Project Contingency	5%				3,088,595
Interest (Debt Service)					1,440,000
<b>Total Expenses, Contingency and Interest</b>					<b>\$66,300,495</b>
<b>Net Income</b>					<b>\$14,275,505</b>
<b>Cumulative</b>					<b>15.6%</b>

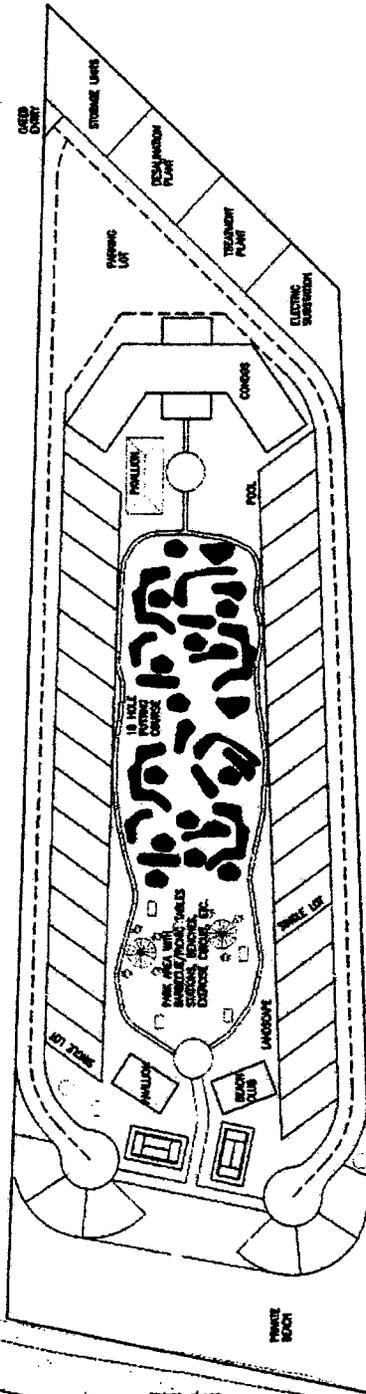
CONFIDENTIAL



**TRI-CORE**  
COMPANIES LLC



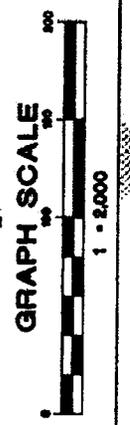
DATE: 07/11/2011  
 DRAWN BY: J. L. P.  
 CHECKED BY: J. L. P.  
 PROJECT: RELAYANTE  
 SHEET: 1 OF 1



**SUMMARY AREA**

PRODUCT / SITE	FOOTAGE
SINGLE LOTS	6,450 SF
CONDOS	6.68 AC
STORAGE UNITS	2.86 AC
UTILITY FACILITIES	0.73 AC
LANDSCAPE	1.33 AC
GOLF COURSE	1.75 AC
PRIVATE BEACH	3.67 AC
PARKING LOT	2.84 AC
PARK AREA	1.35 AC
<b>TOTAL:</b>	<b>26.03 AC</b>

*Relayante*  
 PUERTO RICO  
 RELAYANTE DEVELOPMENT, INC.  
 1000 N. RIVER ST.  
 SUITE 100  
 SAN JUAN, P.R. 00907



## Articles of Interest

### Plans To Designate 400M Pesos To Roads, Electricity, and Water During 2008

*Funding expands to support three main infrastructure projects*

(<http://defrente.puerto-penasco.com/editions/452/003.html>)

Press Bulletin

Issue #452

With a projected investment of 400 million pesos (~\$36.8M USD) the Director of Public Works is planning to continue during 2008 the integral project of city paving and electrification and water supply to the new neighborhoods - as well as enlarge the city's drainage network to improve the city's image.

Marco David Rangel Lopez, director of the afore mentioned office, said that it cannot be doubted that among the priorities of Mayor Heriberto Renteria Sanchez is the unprecedented Paving Works Project, for which he is obtaining a package of Federal Government resources around 100 million pesos (~\$9.2M USD).

Rangel Lopez said that they want to continue with the pavement work on another 20 avenues and boulevards, covering a surface of more than 700 thousand square meters, in addition to the package of streets repaired during this past year. If this project is accomplished in full, the percentage of paved streets in our city will rise from 18% to 40%.

Moreover within the projects for 2008, the Director of Public Works mentioned that they will include the installation of the drainage network for the northwest sector of the city with an investment close to 60 million pesos (~\$5.5M USD).



At the same time they will work on the construction and maintenance of sidewalks at the main boulevards and avenues, not forgetting the purpose of improving the image of the old harbor sector where financial resources are designated for around 90 million pesos of improvements (~\$8.3M USD) according with the executive plan approved by the city council.

To continue with the electrification in the New Peñasco and San Rafael neighborhoods, it is an investment of at least 15 million pesos (~\$1.38M USD) is designated for 2008, and it is also planned to attend to the delayed work on the water supply and they will also program to provide basic services.

He added that among the plans and projects for this year are actions for benefit of schools with the construction of classrooms, fences, tile roofs and to attend several requests channeled through the Sonorenses Program of Social Participation (PASOS) and the Direction of Social Development.

He also added that currently they have a work plan with more than 200 projects of pavement works, urban improvement, basic services, schools and religious centers, that will be accomplished according with the flow of the municipal resources as well as with the resources assigned from the state and federal governments - and in some cases with assistance from credit entities.

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### **CANACO Reports A Good 2007, Optimistic Forecast For 2008**

#### ***Border Governor's Conference, Tourism, Development All Bode Well For Peñasco In 2008, Says CANACO***

*(<http://defrente.puerto-penasco.com/editions/451/002.html>)*

By Ivan Bravo Lopez

Issue #451

Even though the last month of the year suffered a significant decrease in many commercial areas, CANACO (Camara Nacional de Comercio de la Ciudad de Mexico - Mexico's System of Local Chambers of Commerce and Development) managed to close out a good year according to its director Arturo Rodriguez Rico. CANACO met their goals and more, as evidenced by the meeting of the border state governors, which was seen as a huge success.

Arturo Rodriguez Rico, President of the National Chamber of Commerce (CANACO) said that despite the economic recession suffered by the US, many associates of CANACO with business interests are closing out the year very well. That is due the fact that December is the month with the biggest increase in sales.

"It was a positive year for the growth and development of the economy of Puerto Peñasco; we were the hosts of the most important event in the history of this port, the meeting of the border state governors. It was a huge success and received publicity worldwide, publicity that would have cost the Chamber of Commerce millions of pesos but was completely free. Its results will hopefully be noticeable in 2008 and 2009," he said.

The president of CANACO said that many State Programs came to Puerto Peñasco and accomplished important improvements. Authorities from SEDESOL (Mexico's Secretariat of Social Development) and PASOS have constantly visited our port to support and encourage the associated merchants of CANACO.

"Guatimoc Iberri Gonzalez and 'Chito' Celaya have repeatedly visited us and they have brought important projects to Puerto Peñasco that are already underway, which shows that the State Authorities care about those who live and own businesses here," he said.

"There are many projects in Puerto Peñasco that were already in place as well as new ones. Although some have not yet started, we are taking full advantage of those already here which will help the chance of further improvements next year," said Arturo Rodriguez Rico.

He also pointed out that cross-border traffic is expected to only will rise in the upcoming years and that that will bring other economic benefits, as the economic structure in the port depends mostly on tourism.

"Puerto Peñasco depends on tourism, and with the opening of the new international airport and with the improvements at the border crossings, CANACO is expecting an economic boom to take place. In past years and in 2007 we expected tourism mainly from Arizona. But with the new infrastructure next year we expect tourists from California and Colorado, as well as people that will come by air on new commercial flights. So we are expecting a sudden increase to the economy since Puerto Peñasco is an excellent destination," said the president of CANACO.

He also added that due to the stop of the developers, the last months of the year were economically weak, but that the economy typically comes back to normality beginning with the first trimester of the year. A few U.S. holidays are coming up that brings surges of tourists who prefer to come to Puerto Peñasco for their vacations. He also commented that the 'snowbirds' – the seasonal visitors from outside the Southwest regions – are starting to arrive to this port early this year, and with them the associates of CANACO will benefit.

To finalize, Arturo Rodriguez Rico said that there are more than 300 members associated with CANACO, and that next year they will look for more members to join the Chamber to help strengthen and create newer and better programs.

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## **Peñasco Maintains Strong Flow Of Tourism**

### ***Real Estate Crisis Believed to Have Already Hit Bottom***

*(<http://www.visitrockypoint.com/?p=2900>)*

Despite the undeniable negative effects of the economic downturn in the United States, which has already hit bottom, throughout 2007 Puerto Peñasco maintained a high rate of tourism and sustains a clear upward tendency, revealed Epifanio Salido Pavlovich, head of the Sonora Commission on the Promotion of Tourism.

Salido Pavlovich detailed that by the end of the year, foreign tourism had increased by nearly 11%, topping out at 1,700,000 visitors, 80% of these from Arizona. Likewise, national tourism increased by 14% totaling more than 400,000 visitors. Therefore, reports for 2007 registered a grand total of 2.1 million tourists to the area.

The tourism official remarked that although there remain many challenges to address, the city's potential continues to be positive and the area is still the star destination in Sonora. He added that the state and municipal governments are jointly working on efforts to focus on areas that are lacking.

Salido Pavlovich stated that in 2008 they will have to generate concrete solutions in the areas of housing, potable water and others of basic infrastructures brought on by the same "boom" in tourism.

He stated that the 2007 economic downturn and real estate crisis in the United States had a strong impact on Peñasco. However, he stated, this is something that has already hit bottom and now phase of recuperation can be expected.

He believes that by mid-2008 the economic crisis will have passed, and added that till now this has not caused the withdrawal of investments from the port.

The coordinator for the Sonora Commission on the Promotion of Tourism remarked that, despite everything, the annual average for Puerto Peñasco has been favorable. He added that though there was a slowdown in investment, the flow of tourism did not drop; to the contrary, this remained at high levels.

He reiterated that the crisis has already hit bottom and period of recuperation has begun. He expects that this will positively impact the city as the shining northwestern part of the country in the area of tourism.

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## **OWNING REAL ESTATE IN ROCKY POINT**

*From the "Real Estate Guide Rocky Point", January 2008*

*([http://www.atrockypoint.com/article\\_owning\\_real\\_estate\\_in\\_rocky\\_point](http://www.atrockypoint.com/article_owning_real_estate_in_rocky_point))*

**"Real estate in Rocky Point has been a flourishing business for the past ten years..."**

Imagine the joys of a winter home that makes you money whenever you are not staying in it. This kind of place would be beautiful to visit, comfortable and easy to live in, and ready for you whenever you want because it would be yours. A timeshare cannot offer you all of that no matter how desirable the location, since it can be difficult to get the time slots that you want and even harder during peak vacation time. A timeshare cannot give you everything you need to have the perfect getaway whenever you want, but a condo in a place like Rocky Point, Mexico can.

Rocky Point, also known as Puerto Peñasco, is one of the most incredible real estate locations in Mexico. Invest in Mexico and you can retire to your beachfront condo whenever you wish to enjoy days filled with sun, sand, golfing, fishing, and anything else you could desire from an ocean side paradise. Your

oceanfront/ Ocean view home or condo will be waiting for your return whenever you are away, and you will surely wish to retire to Rocky Point's idyllic setting after spending vacation after vacation in sunny bliss. Owning Real Estate in this growing market can also be a greatly profitable adventure. The typical American has only two to four weeks of vacation time per year, and for the other forty eight weeks, your vacation property would normally sit empty, awaiting you. To keep your property on the Sea of Cortez working for you, hire a local property management company like Oceano Rentals or Sea Side Reservations, to keep your place looking fresh and lovely and rent your condo out as a vacation rental to others looking to enjoy the wonders of Rocky Point.

Real estate in Rocky Point has been a flourishing business for the past ten years because of the high profitability and constantly increasing prices of the local properties. Even just a couple of years of property ownership could translate into big money for interested investors, and getting a great vacation home that pays for itself is no small benefit either. You may become so enamored with your property in Rocky Point that you will not be willing to sell it! Current market conditions are definitely in favor of those who want to purchase, so do your research, hire a certified agent to guide you through the process and start looking at potential ocean side properties.

Owning real estate in this lovely tourist destination means living in the lap of luxury. The beautiful and luxurious condominium projects and other properties in this city are made for the comfort and delight of their residents, even short term residents like yourself. Glance out the window of your condo and watch the dolphins and play in the tranquil waters of the sea of Cortez. Enjoy sunshine on the beach or adventures beneath the waves, and fall in love with this incredible location. Your investment property may be just waiting for you in sunny Mexico and now is the time to make the smart move that you have been dreaming of. Take advantage of current market conditions, and invest now!

Investing in a condominium in Rocky Point could be a smart investment choice for those who are looking to invest in Mexico. You will have a vacation home to enjoy only 60 miles south of the US border, and be able to enjoy the beautiful Sea of Cortez on your future vacations. Potentially you could be able to resell the condo for a great profit in a few years, if you don't decide to retire to Mexico entirely. With all of these incredible benefits, what could be better?



04/05/2010

Dear Mr. and Mrs. Dibiosa,

Thank you for your time last Friday. I enjoyed speaking with everyone and hope you had a nice Easter.

I have enclosed the Private Placement Memorandum for "Relaxante " and Phoenix Premium Properties. Phoenix Premium Properties is our domestic property company. I also have a marketing DVD that we have produced for the Relaxante area.

Happy reading and I look forward to your comments and questions.

Thank you again and have a nice week.

Sincerely,

Brian Buckley  
Investor Relations  
Tri- Core Companies  
[brian@tricoreworld.com](mailto:brian@tricoreworld.com)

480-278-7031  
480-278-8979 Fax  
[Redacted] Cell

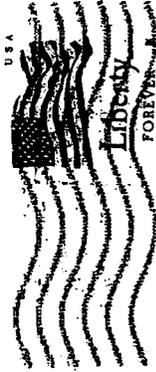
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SACRAMENTO CA 957

15 MAY 2013 PM 8:1



Ms. Stacy Luedtke  
ARIZ. Corp. Commission  
Securities Division  
1300 W. Washington St.  
3rd Floor  
Phoenix, Arizona

Received  
MAY 20 2013  
Arizona Corp. Commission  
Securities Division



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# **CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

PLEASE RETURN ONE COPY OF THIS  
DOCUMENT TO US IN THE PROVIDED  
RETURN PACKAGING.

PLEASE KEEP ONE COPY OF THIS  
DOCUMENT FOR YOUR PERSONAL  
RECORDS.





Barmis Premier Capital, LLC

Memorandum#: \_\_\_\_\_

Referral: Jim Chen

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**Tri-Core Companies, LLC**  
**An Arizona Limited Liability Company**

**\$4,500,000**

**\$10,000 per Promissory Note (Unit)**  
**MINIMUM PURCHASE - 1 Promissory Note**  
**60% Rate of Return, Compounded Annually; Paid At Maturity**  
**Maturity Date: 24 months**  
**Redemption at Maturity - \$25,600 per Unit**

Tri-Core Companies, LLC, an Arizona Limited Liability Company (hereinafter referred to as the "COMPANY"), is offering by means of this Confidential Private Placement Memorandum a maximum of Four Hundred and Fifty (450) Secured Promissory Notes ("Notes") at an offering price of Ten Thousand (\$10,000) Dollars per Note, for a maximum total of Four Million Five Hundred Thousand Dollars (\$4,500,000), to qualified investors who meet the Investor Suitability Requirements set forth herein (see "INVESTOR SUITABILITY REQUIREMENTS"). Each investor must agree to purchase the Notes, as a lender to the Company, for investment purposes only, and execute a Subscription Agreement in the form contained in the accompanying Subscription Booklet (see "TERMS OF THE OFFERING").

**THESE SECURITIES ARE SPECULATIVE AND INVESTMENT  
 IN THE NOTES INVOLVES A HIGH DEGREE OF RISK  
 (SEE "RISK FACTORS")**

	Offering Price	Selling Commissions	Proceeds to Company
Per Unit	\$10,000	\$1,000	\$9,000
Maximum Units	\$4,500,000	\$450,000	\$4,050,000

**Tri-Core Companies, LLC**  
 8840 E. Chaparral Road, Suite 150  
 Scottsdale, AZ 85250  
 Telephone: (480) 356-3200  
 Facsimile: (480) 346-3201

The date of this Private Placement Memorandum is March 1, 2008

Tri-Core Companies LLC

(877) 527-6698

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**IMPORTANT NOTICES**

This Confidential Private Placement Offering Memorandum (“Memorandum”) is submitted to you on a confidential basis solely for the purpose of evaluating the specific transaction described herein. This information shall not be photocopied, reproduced, or distributed to others without the prior written consent of Tri-Core Companies, LLC (“Company”). If the recipient determines not to purchase any of the Notes offered hereby, it will promptly return all material received in connection herewith without retaining any copies.

## DISCLAIMERS

THE NOTES OFFERED HEREBY IN THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH, OR APPROVED, BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR HAVE SUCH NOTES OR THIS MEMORANDUM BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF ANY STATE OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. THIS OFFERING IS BASED ON THE EXEMPTION FROM SUCH REGISTRATION AS SET FORTH IN §4(2) AND RULE 506 OF REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED.

THE INVESTMENT DESCRIBED IN THIS MEMORANDUM INVOLVES RISKS, AND IS OFFERED ONLY TO INDIVIDUALS WHO CAN AFFORD TO ASSUME SUCH RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO AGREE TO PURCHASE THE NOTES ONLY FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD THE TRANSFER, RESALE, EXCHANGE OR FURTHER DISTRIBUTION THEREOF. THERE WILL BE NO PUBLIC MARKET FOR THE NOTES ISSUED PURSUANT TO THIS OFFERING MEMORANDUM. THE RESALE OF THE NOTES IS LIMITED BY FEDERAL AND STATE SECURITIES LAWS AND IT IS THEREFORE RECOMMENDED THAT EACH POTENTIAL INVESTOR SEEK COUNSEL SHOULD THEY DESIRE MORE INFORMATION.

THE PRICE OF THE NOTES AS DESCRIBED IN THIS OFFERING MEMORANDUM HAS BEEN ARBITRARILY DETERMINED BY THE SPONSORS OF THIS INVESTMENT AND EACH PROSPECTIVE INVESTOR SHOULD MAKE AN INDEPENDENT EVALUATION OF THE FAIRNESS OF SUCH PRICE UNDER ALL THE CIRCUMSTANCES AS DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION IN CONNECTION WITH THIS MEMORANDUM, EXCEPT SUCH INFORMATION AS IS CONTAINED OR REFERENCED IN THIS MEMORANDUM. ONLY INFORMATION OR REPRESENTATIONS CONTAINED OR REFERENCED HEREIN MAY BE RELIED UPON AS HAVING BEEN MADE BY THE COMPANY. PROSPECTIVE INVESTORS WHO HAVE QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THIS PRIVATE OFFERING MEMORANDUM OR WHO DESIRE ADDITIONAL INFORMATION OR DOCUMENTATION TO VERIFY THE INFORMATION CONTAINED HEREIN SHOULD CONTACT THE COMPANY. PROJECTIONS OR FORECASTS CONTAINED IN THIS PRIVATE OFFERING MEMORANDUM, OR OTHER MATERIALS, MUST BE VIEWED ONLY AS ESTIMATES. ALTHOUGH ANY PROJECTIONS CONTAINED IN THIS MEMORANDUM ARE BASED UPON ASSUMPTIONS WHICH THE COMPANY BELIEVES TO BE REASONABLE, THE ACTUAL PERFORMANCE OF THE COMPANY MAY DEPEND UPON FACTORS BEYOND THE CONTROL OF THE COMPANY. NO ASSURANCE CAN BE GIVEN THAT THE COMPANY'S ACTUAL PERFORMANCE WILL MATCH ITS INTENDED RESULTS.

## **1. SUMMARY OF THE OFFERING**

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY MORE DETAILED INFORMATION THAT MAY APPEAR ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM. EACH PROSPECTIVE INVESTOR IS URGED TO READ THIS PRIVATE OFFERING MEMORANDUM IN ITS ENTIRETY.

Tri-Core Companies, LLC (the "Company") was formed on August 29, 2007 as an Arizona Limited Liability Company. The Company is in the business of Land Acquisition and Development.

The Securities offered are Four Hundred and Fifty (450) Notes issued by the Company at Ten Thousand (\$10,000) Dollars per Note, payable in cash at the time of subscription (see "Exhibit "B" for copy of Promissory Note). The minimum purchase is one (1) Note. The Notes have an annual rate of return of sixty (60%) percent interest, compounded annually. The return will be paid at maturity, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date.

None of the Notes are convertible to Membership Units, or other type of equity, in the Company. This offering will commence on March 1, 2008, and will terminate no later than February 28, 2009, unless extended by the Company (see "TERMS OF THE OFFERING").

The gross proceeds of the offering will be a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars. The use of the proceeds is to purchase and develop a water front parcel in San Luis Rio Colorado, Sonora, Mexico as described herein (see "USE OF PROCEEDS").

## **2. THE COMPANY**

Tri-Core Companies, LLC (the "Company") was formed on August 29, 2007, as an Arizona Limited Liability Company. At the date of this offering, One Thousand (1,000) of the Company's Membership Units were authorized and Nine Hundred (900) Membership Units are issued, and outstanding. The Company is in the business of construction management, land acquisition, and development.

### **2.1 OPERATIONS**

The Company is in the business of construction management, land acquisition, and development, specializing in beach front properties along the coast of the

inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club - Mohave County, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.
- **Eagle View Subdivision - Kingman, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.
- **Villages at Loreto Bay, Master Planned Development - Loreto, Mexico.**  
Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.
- **Colonias de Cardenas, Master Planned Community - Panama City, Panama.**  
Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.
- **Punta Delfin, Enchantment of México - Sea of Cortez, Sonora, México.**  
Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

**Jim Hinkeldey - Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

Mr. Hinkeldey's educational background consists of a degree in Banking and Money Management from Adelphi University, Long Island, New York. He also holds a three year specialized degree in real estate finance from the Mortgage Bankers of America which he received at Northwestern University. He attended numerous programs for finance, real estate, and management at New York University and Wharton Business School.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **4. TERMS OF THE OFFERING**

##### **4.1 GENERAL TERMS OF THE OFFERING**

This Private Offering Memorandum is offering a maximum of Four Hundred and Fifty (450) Notes at Ten Thousand (\$10,000) Dollars per Note, for a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars to a select group of Investors who satisfy the Investor Suitability Requirements (see "**INVESTOR SUITABILITY REQUIREMENTS**"). The Company has the authority to sell fractional Notes at its sole discretion.

##### **4.2 MINIMUM OFFERING AMOUNT - HOLDING ACCOUNT**

The Company has established an Investment Holding Account with Wells Fargo Bank into which the offering proceeds will be placed. No minimum offering amount has been established before proceeds can be released from the holding account and utilized by the Company.

##### **4.3 NONTRANSFERABILITY OF NOTES**

The Notes have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered in reliance upon an exemption under §4(2) and Rule 506 of Regulation D of the Securities Act, as amended, and rules and regulations hereunder. The Notes have not been registered under the securities laws of any state and will be offered pursuant to an exemption from registration in each state. A purchaser may transfer or dispose of the Note only if such

Notes are subsequently registered under the Securities Act, or if an exemption from registration is available, and pursuant to an opinion of counsel acceptable to the Company and its counsel to the effect that the Notes may be transferred without violation of the registration requirements of the Securities Act or any other securities laws.

#### **4.4 CLOSING OF THE OFFERING**

The Notes are offered and closed only when a properly completed Subscription Agreement (**Exhibit A**); Note (**Exhibit B**), and Investor Questionnaire (**Exhibit C**) are submitted by the investing Subscriber or his/her Investor Representatives and are received and accepted by the Company. The Subscription Agreement as submitted by an investing Subscriber or his/her Investor Representatives shall be binding once the Company signs the Subscription Agreement, Note and the funds delivered by the potential Investor to the Company with the Subscription Agreement has been cleared by the financial institution in which they are deposited by the Company. The Notes will be delivered to qualified Investors upon acceptance of their subscriptions. All funds collected from investing Subscribers will be deposited in a designated account under the control of the Company. Investors subscribing to the Notes may not withdraw or revoke their subscriptions at any time prior to acceptance by the Company, except as provided by certain state laws, or if more than thirty (30) days have passed after receipt of the Subscription Agreement by the Company without the Company accepting the Investor's funds and delivering all applicable documents to such Investor. The proceeds of this Offering will be used only for the purpose set forth in this Private Offering Memorandum (see "**USE OF PROCEEDS**").

The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Four Million Five Hundred Thousand (\$4,500,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

#### **5. PLAN OF DISTRIBUTION**

##### **5.1 OFFERING OF NOTES**

The Notes will be offered to prospective lenders by Officers and Directors of the Company and qualified licensed personnel, pursuant to State and Federal security rules and regulations. This Offering is made solely through this Private Placement Memorandum and without any form of general solicitation or advertising. The Company and its Officers and Directors or other authorized

personnel will use their best efforts during the Offering period to find eligible Investors who desire to subscribe to the Notes in the Company. These Notes are offered on a "best efforts" basis, and there is no assurance that any or all of the Notes will be closed. The Company has the authorization to offer fractional Notes at its sole discretion. The Offering period will begin as of the date of this private Offering Memorandum and will close upon the happening of such occurrences as defined herein (see "**TERMS OF THE OFFERING**").

## **5.2 PAYMENTS TO BROKER DEALERS OR INVESTMENT ADVISORS**

The Company has the power to pay fees or commissions to qualified Broker Dealers, Registered Investment Advisors or any other person qualified under other applicable federal and state security laws.

## **6. DESCRIPTION OF NOTES**

### **6.1 NOTES**

The Company is offering Four Hundred and Fifty (450) Notes of the Company to potential investors at Ten Thousand (\$10,000) Dollars per Note, payable in cash at the time of the subscription. The minimum purchase is one (1) note. The Notes will have an annual rate of return of sixty (60%) percent interest, compounded annually, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. All principal shall be paid at maturity (24 months). Interest shall be paid at maturity (24 months). The principal and any interest due on said principal may be prepaid, at the sole discretion of the Company, without a prepayment penalty at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date can not be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date. The Notes offered pursuant to this Private Placement Memorandum will be secured by the property.

The Notes will be issued in the form attached hereto and incorporated herein by reference as though set forth in full herein as **Exhibit B**.

### **6.2 SECURITY FOR PAYMENT OF THE NOTES**

The Notes being offered by the Company in this Private Placement Offering are secured by the land Tri-Core Companies LLC purchases. Tri-Core Companies LLC will establish an administration account which will hold the title to the property until all note holders will be paid in full.

### 6.3 REPORTS TO NOTEHOLDERS

The Company will furnish annual un-audited reports to its Note holders ninety (90) days after its fiscal year. The Company may issue other interim reports to its Note holders as it deems appropriate. The Company's fiscal year ends on December 31<sup>st</sup> of each year.

### 7. USE OF PROCEEDS

The gross proceeds of the Offering will be a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars. The table below sets forth the use of proceeds for both the maximum and minimum offering amounts.

#### Sources

	Maximum Amount	Percent of Proceeds
<b>Proceeds From the Sale of Notes</b>	\$4,500,000	100.00%

#### Application of Proceeds

Offering Expenses <sup>(1)</sup>	\$ 100,000	2.22%
Commissions <sup>(2)</sup>	\$ 450,000	10.00%
<b>Total Offering Expenses &amp; Fees</b>	<b>\$ 550,000</b>	<b>12.22%</b>
Land Purchase <sup>(5)</sup>	\$1,500,000	33.34%
General Project Expenses	\$ 280,000	6.22%
On-Site Work	\$ 325,000	7.22%
Soft Cost	\$ 350,000	7.78%
Marketing	\$ 480,000	10.67%
Administration <sup>(3)</sup>	\$ 615,000	13.67%
Contingency	\$ 400,000	8.89%
<b>Net Offering Proceeds</b>	<b>\$3,950,000</b>	<b>87.78%</b>
<b>Total Application of Proceeds</b>	<b>\$4,500,000</b>	<b>100.00%</b>

#### Footnotes:

- (1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.
- (2) This Offering is being sold by the officers and directors of the Company, who will not receive any compensation for their efforts. No sales fees or commissions will be paid to such officers or directors. Notes may be sold by registered brokers or dealers who are members of the NASD and who enter into a Participating Dealer Agreement with the Company. Such brokers or dealers may receive commissions up to ten percent (10%) of the price of the Notes sold.
- (3) Includes Scottsdale and Mexico offices; legal and accounting fees.
- (4) No minimum has been set for this offering.
- (5) Amount due to Tri-Core Business Development, LLC for inter-company transfer of title to Tri-Core Companies, LLC.

**8. CAPITALIZATION STATEMENT**

**8.1 CAPITALIZATION PRIOR TO AND AFTER THE OFFERING**

The following table summarizes the capitalization of the Company prior to, and as adjusted to reflect, the issuance and sale of the maximum of Four Hundred and Fifty (450) Notes or Four Million Five Hundred Thousand (\$4,500,000) Dollars.

	AS ADJUSTED 08/29/07	AFTER THE OFFERING
Notes	<u>-0-</u>	<u>\$4,500,000</u>
Membership Units \$.01 par value, 1,000 Units authorized, 1000 Units issued and outstanding	\$100	\$100
Net Shareholders' Equity	\$100	\$100
<b>TOTAL CAPITALIZATION</b>	<u>\$100</u>	<u>\$4,500,100</u>

**9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

**9.1 RESULTS OF OPERATIONS**

The Company is a development stage company and has not yet commenced its principal operations.

**9.2 LIQUIDITY AND CAPITAL RESOURCES**

The Company's liquidity and capital resources are dependent on its ability to raise sufficient capital to pay for the purchase price of the Promissory Notes.

**10. CERTAIN TRANSACTIONS**

**10.1 ARIZONA LIMITED LIABILITY COMPANY**

**Tri-Core Companies, LLC** is a privately held Arizona Limited Liability Company, incorporated on August 29, 2007.

## **10.2 PRIVATE OFFERING OF NOTES**

The Company is authorized to offer in this private offering, up to Four Million Five Hundred Thousand (\$4,500,000) Dollars of Notes to selected investors, effective on March 1, 2008.

## **11. FIDUCIARY RESPONSIBILITIES OF THE DIRECTORS AND OFFICERS OF THE COMPANY**

### **11.1 GENERAL**

The Principals, Officers, and Directors of the Company are accountable to the Company as fiduciaries and such Principals, Officers and Directors are required to exercise good faith and integrity in managing the Company's affairs and policies. Each Note Holder of the Company, or their duly authorized representative, may inspect the books and records of the Company at any time during normal business hours. A Note Holder may be able to bring an action on behalf of himself in the event the Note Holder has suffered losses in connection with the purchase or sale of the Note(s) in the Company, due to a breach of fiduciary duty by an Officer or Director of the Company, in connection with such sale or purchase, including the misrepresentation or misapplication by any such Officer or Director of the proceeds from the sale of these Notes, and may be able to recover such losses from the Company.

### **11.2 INDEMNIFICATION**

Indemnification is permitted by the Company to directors, officers, or controlling persons pursuant to Arizona law. Indemnification includes expenses, such as attorneys' fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person and arising from their relationship with the Company, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

## **12. RISK FACTORS**

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

## **12.1 FORMATION OF THE COMPANY**

The Company was formed on August 29, 2007. It is therefore subject to all the risks inherent in the creation of a new Company. Unforeseen expenses, complications, and delays may occur with a new Company.

## **12.2 CONTROL BY COMPANY**

After completion of this offering, the Company will own one hundred percent (100%) of the issued and outstanding Membership Units. Such ownership will enable the Company to continue to elect all the Managers and to control the Company's policies and affairs. The Note Holders will not have any voting rights in the Company.

## **12.3 RELIANCE ON THE COMPANY FOR MANAGEMENT**

All decisions with respect to the management of the Company will be made exclusively by the Principal Managers of the LLC. The Note Holders do not have the right or power to take part in the management of the Company. Accordingly, no person should purchase a Note unless he is willing to entrust all aspects of the management of the Company to existing Management.

## **12.4 LIMITED TRANSFERABILITY OF THE NOTES**

The transferability of the Notes in this offering is limited, and potential investors should recognize the nature of their investment in the offering. It is not expected that there will be a public market for the Notes because there will be only a limited number of investors and restrictions of the transferability of Notes. The Notes have not been registered under the Securities Act of 1933, as amended, or qualified or registered under the securities laws of any state and, therefore, the Notes cannot be resold unless they are subsequently so registered or qualified or an exemption from such registration is available. The offering also contains restrictions on the transferability of the Notes. Accordingly, purchasers of Notes will be required to hold such Notes to maturity unless otherwise approved by the Company. The Company does not intend to register the Notes under the Securities Act of 1933.

## **12.5 CAPITALIZATION OF THE COMPANY**

Prior to this offering, the Company was funded by cash. Independent of the amounts raised in this offering the Company does not have any other assets available to use to pay principal or interest on the Notes.

## **12.6 REGULATIONS**

The Company is subject to usual federal and state laws, rules and regulations. The Company believes it is in full compliance with any and all applicable laws, rules and regulations both domestically and in Mexico.

## 12.7 GENERAL ECONOMY

The Company is subject to the Mexican and U.S. Economy and its effect on consumer confidence and spending.

## 12.8 DEPENDANCY ON SUPPLIERS AND BUILDING TRADES

Since the Company is dependent on building materials and the general building trades, any shortage or slowdown could affect timetables.

## 13. PRINCIPAL SHAREHOLDERS

As of the date of this Offering, the Company has Nine Hundred (900) Membership Units issued and outstanding to Jason Todd Mogler (30%), Jim Hinkeldey (30%), and Vince Gibbons (30%).

## 14. HOW TO INVEST

An Investor who meets the qualifications as set forth in this Private Offering Memorandum may subscribe for at least the minimum purchase herein of One (1) Note (Ten Thousand (\$10,000) Dollars) by carefully reading this entire Private Offering Memorandum and by then completing and signing a separately bound booklet. This booklet contains identical copies of the following exhibits contained in the Private Offering Memorandum, including:

Exhibit A INSTRUCTIONS TO SUBSCRIBERS and SUBSCRIPTION AGREEMENT: This contains complete instructions to Subscribers and should be read in its entirety by the prospective investor prior to investing. The Subscription Agreement must be signed by the Investor.

Exhibit B PROMISSORY NOTE: This Note will be signed by Tri-Core Companies, LLC.

Exhibit C INVESTOR QUESTIONNAIRE: This questionnaire requires a Subscriber to complete a financial history in order to aid the Company in the determination of the suitability of the Subscriber as a potential Investor. This questionnaire must be signed by the Investor.

Exhibit D Tri-Core Companies, LLC Business Plan

Copies of all the above referenced documents are included with this Private Placement Memorandum. For discussion of the actions of the Company upon receipt of a properly completed request to invest by a Subscriber, please see "**TERMS OF THE OFFERING.**" Such Investor should include his check made payable Tri-Core Companies, LLC, along with the SUBSCRIPTION AGREEMENT, NOTE, AND

INVESTOR QUESTIONNAIRE. Delivery of the documents referred to above, together with a check to the Company should be addressed to the Company as follows: **Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250.**

## **15. INVESTOR SUITABILITY REQUIREMENTS**

### **15.1 INTRODUCTION**

Potential Investors should have experience in making investment decisions or such Investors should rely on their own tax consultants or other qualified investment advisors in making this investment decision.

### **15.2 GENERAL SUITABILITY**

Each potential Investor will be required to represent the following by execution of a Subscription Agreement:

1. The Investor has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in this Offering.
2. The Investor has the ability to bear the economic risk of this investment, has adequate means to provide for his, her, or its current needs and personal contingencies, has no need for liquidity in this investment and could afford the complete loss of the investment.
3. The Investor is acquiring the Note(s) for his, her or its own account for investment purposes only and not with a view toward subdivision, resale, distribution or fractionalization thereof, or for the account of others, and has no present intention of selling or granting any participation in, or otherwise distributing, the Note(s).
4. The Investor's overall commitment to invest in the Note(s) is not disproportionate to his, her, or its net worth and the investment in these Note(s) will not cause such overall commitment to become excessive.
5. The Investor has read and understands this Private Placement Memorandum and all its exhibits.

### **15.3 NONACCREDITED INVESTORS**

Up to and including thirty-five (35) investing Subscribers may be accepted by the Company as suitable Investors if each such Subscriber has a net worth sufficient to bear the risk of losing his entire investment and meets the above "General Suitability Standards."

#### **15.4 ACCREDITED INVESTORS**

In addition to satisfying the "General Standards" as defined above, all but thirty-five (35) Subscribers for Shares must each satisfy one of the "Accredited Investors" economic suitability standards as defined below:

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;
2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;
3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);
5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.

#### **15.5 ACCEPTANCE OF SUBSCRIPTION AGREEMENT BY THE COMPANY**

The Investor Suitability Requirements referred to in this section represent minimum requirements for potential Investors. Satisfaction of these standards does not necessarily mean that participation in this Offering constitutes a suitable investment for such a potential Investor or that the potential Investors' Subscription will be accepted by the Company. The Company may, in fact, modify such requirements as circumstances dictate. All Subscription Agreements submitted by potential Investors will be carefully reviewed by the Company to determine the suitability of the potential Investor in this Offering. The Company may, in its sole discretion, refuse a Subscription in this Offering to any potential Investor who does not meet the applicable Investor Suitability Requirements or who otherwise appears to be an unsuitable Investor in this Offering. The Company will not necessarily review or accept a Subscription Agreement in the sequential order in which it is received. The Company also has the discretion to maximize the number of Accredited Investors in this Offering and, as a result, may accept less than thirty-five (35) Non-accredited Investors in this Offering.

#### **16. LITIGATION**

The Company and its Principals have no lawsuits pending, no legal actions pending or judgments entered against the Company or its Principals and, to the best knowledge of the Company, no legal actions are contemplated against the Company and/or its Principals.

## 17. ADDITIONAL INFORMATION

Reference materials described in this Private Offering Memorandum are available for inspection at the office of the company during normal business hours. It is the intention of the Company that all potential Investors are given full access to such information for their consideration in determining whether to purchase the Notes being offered. Prospective Investors should contact the Company for access to information regarding the matters set forth or other information concerning the Company. Representatives of the Company will also answer all inquiries from potential Investors concerning the Company and any matters relating to its proposed operations or present activities. The Company will afford potential Investors and their representatives the opportunity to obtain any additional information reasonably necessary to verify the accuracy or the source of any representations or information contained in this Private Offering Memorandum. All contracts entered into by the Company are subject to modifications and the Company may make any changes in any such contracts as deemed appropriate in its best discretion. Such recent amendments may not be circulated to Subscribers prior to the time of closing this Offering. However, potential Investors and their representatives may review such material or make inquiry of the Company concerning any of these and any other matters of interest.

## 18. FORECASTS OF FUTURE OPERATING RESULTS

Any forecasts and proforma financial information which may be furnished by the Company to prospective Investors or which are part of the Company's business plan, are for illustrative purposes only and are based upon assumptions made by Management regarding hypothetical future events. There is no assurance that actual events will correspond with the assumptions or that factors beyond the control of the Company will not affect the assumptions and adversely affect the illustrative value and conclusions of any forecasts.

## 19. GLOSSARY OF TERMS

The following terms used in this Memorandum shall (unless the context otherwise requires) have the following respective meanings:

**ACCEPTANCE.** The acceptance by the Company of a prospective investor's subscription.

**ACCREDITED INVESTORS.** Those investors who meet the criteria set forth in "**INVESTOR SUITABILITY REQUIREMENTS.**"

**BROKER-DEALER.** A person or firm licensed with the NASD, the SEC and with the securities or corporate commissions department of the state in which it sells investment securities and who may employ licensed agents for that purpose.

**COMPANY.** Refers to **TRI-CORE COMPANIES, LLC**, an Arizona Limited Liability Company.

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. (NASD).** A self-regulating body which licenses brokers and dealers handling securities offerings, reviews the terms of an offering's underwriting arrangements and advertising literature and, while not a governmental agency, acts as a review service watchdog to make sure that its regulations and those of the SEC are followed for the Investor's protection in offerings of securities.

**NOTES.** A Ten Thousand (\$10,000) Dollar investment consisting of one (1) Promissory Note issued by **TRI-CORE COMPANIES, LLC**, an Arizona Limited Liability Company.

**SECURITIES ACT OF 1933.** A federal act regulated and enforced by the SEC that requires, among other things, the registration and use of a prospectus whenever a security is sold (unless the security or the manner of the Offering is expressly exempt from such registration process).

**SECURITIES EXCHANGE ACT OF 1934.** A federal act regulated and enforced by the SEC which supplements the Securities Act of 1933 and contains requirements which were designed to protect investors and to regulate the trading (secondary market) of securities. Such regulations require, among other things, the use of prescribed proxy statements when investors' votes are solicited; the disclosure of management and large shareholders' holding of securities; controls on the resale of such securities; and periodic (monthly, quarterly, annually) filing with the SEC of financial and disclosure reports of the Issuer.

**SECURITIES AND EXCHANGE COMMISSION (SEC).** An independent United States government regulatory and enforcement agency which supervises investment trading activities and registers companies and those securities which fall under its jurisdiction. The SEC also administers statutes to enforce disclosure requirements that were designed to protect investors in securities offerings.

**SUBSCRIPTION DOCUMENTS.** Consists of the Note, Subscription Agreement, Investor Questionnaire, and a check as payment for the Note(s) to be purchased submitted by each prospective Investor to the Company.

**TERMINATION DATE.** The earlier to occur of the date on which all Notes are sold or February 28, 2009.

**20. ACKNOWLEDGMENT**

By signing below, the undersigned acknowledges that he/she has read and understood this entire Private Placement Memorandum.

Paul Sydell  
Signature

11-01-08  
Date

Paul Sydell for Barmis Premier Capital, LLC  
Print Name

CONFIDENTIAL

CONFIDENTIAL

**EXHIBIT A**  
**SUBSCRIPTION AGREEMENT**

**Print Name of Subscriber:** Barmis Premier Capital, LLC

**Amount Loaned:** \$ 100,000

**Number of Notes:** 10

**Tri-Core Companies, LLC**

**SUBSCRIPTION DOCUMENTS**

**OFFERING OF A MAXIMUM OF FOUR HUNDRED AND FIFTY  
(450) SECURED PROMISSORY NOTES**

**TEN THOUSAND (\$10,000) DOLLARS PER NOTE**

**MARCH 1, 2008**

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**SUBSCRIPTION INSTRUCTIONS**  
**(Please read carefully)**

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Each subscriber for the Secured Promissory Notes, Ten Thousand (\$10,000) Dollars per Note (the "Notes") of Tri-Core Companies, LLC, an Arizona Limited Liability Company ("the Company"), must complete and execute the Subscription Documents in accordance with the instructions set forth below. The completed documents should be sent to Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250.

**Payment for the Securities should be made by check payable to the Tri-Core Companies LLC and enclosed with the documents as directed in Section III below.**

- I. These Subscription Documents contain all of the materials necessary for you to purchase the Notes. This material is arranged in the following order:
  - Subscription Agreement
  - Promissory Note
  - Confidential Prospective Purchaser's Questionnaire
- II. All investors must complete in detail, date, initial, and sign the Subscription Documents where appropriate. All applicable sections must be filled in.
- III. Payment for the Notes must be made by check as provided below:

Please make your check payable, in the appropriate amount, for the number of Notes purchased (at Ten Thousand (\$10,000) per Note), to **Tri-Core Companies, LLC**. Your check should be enclosed with your signed subscription documents.

All funds received from subscribers will be placed in a segregated Holding Account of the Company. Once the minimum offering amount has been reached the funds will be transferred to the Company's operating account and will be available for use.

IV **SPECIAL INSTRUCTIONS**

**FOR CORPORATIONS.** Include copy of Board resolution designating the corporate officer authorized to sign on behalf of the corporation, a Board resolution authorizing the investment, and financial statements.

**FOR PARTNERSHIPS.** Provide a complete copy of the partnership agreement, questionnaire, and financial statements for each General Partner.

**FOR TRUSTS.** Provide a complete copy of the instruments or agreements creating the trust, as amended to date.

**Print Name of Subscriber: Barmis Premier Capital, LLC**

**Amount Loaned: \$ 100,000**

**Number of Notes: 10**

**Subscription Agreement**

To: Tri-Core Companies, LLC  
8840 E. Chaparral Road - Suite 150  
Scottsdale, AZ 85250

Gentlemen:

**1. Subscription.** The undersigned hereby subscribes for 10 Notes of Tri-Core Companies, LLC (the "Company"), an Arizona Limited Liability Company, and agrees to loan to the Company Ten Thousand (\$10,000) Dollars per Note for an aggregate loan of **\$100,000** (the "Loan Amount") upon the terms and subject to the conditions (a) set forth herein, and (b) described in the Confidential Private Placement Memorandum ("Private Placement Memorandum") dated March 1, 2008, together with all exhibits thereto and materials included therewith, and all supplements, if any, related to this offering. The minimum loan is Ten Thousand (\$10,000) Dollars, but the Company has the discretion to offer fractional Notes for loans less than the minimum.

**2. Note Offering.** The Company is offering a maximum of Four Hundred and Fifty (450) Notes at Ten Thousand (\$10,000) Dollars per Note, with no minimum subscription (the "Offering"). The maximum aggregate loan to the Company from this Offering will be Four Million Five Hundred Thousand (\$4,500,000) Dollars. The Offering is being made to a limited number of investors pursuant to an exemption available under the Securities Act of 1933 (the "Act"), specifically Rule 506 promulgated under Regulation D, and under certain other laws, including the securities law of certain states.

**3. Documents to Be Delivered.** The undersigned is delivering to the Company executed copies of this Subscription Agreement (the "Agreement"), the Note(s), Offeree Questionnaire, and all other applicable exhibits and documents (the "Subscription Documents"). The Subscription Documents should be delivered to Tri-Core Companies, LLC, at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. The undersigned understands and agrees that he or it will not become a "Holder" of the Note(s) and the Company shall not become a "Maker" of the Note(s) unless and until the Agreement and Note(s) are executed by the Company.

**4. Making of Loan Amount.** The undersigned, simultaneously with the delivery of the Subscription Documents to the Company, hereby tenders to the Company the Loan Amount by **check made payable to the order of Tri-Core Companies, LLC** in the amount indicated above.

**5. Acceptance or Rejection of Subscription.** The undersigned understands and agrees that the Company reserves the right, exercisable in its sole discretion, to accept or reject any subscription, in whole or in part, for any reason and that the undersigned will be notified by the Company as promptly as practicable as to whether his or its subscription has been accepted or rejected. If the undersigned's subscription is accepted, in whole or in part, by the Company, the Company will execute this Agreement and the Note(s) and return them to the undersigned. If this subscription is rejected by the Company, either in whole or in part, all funds, in the case of a rejection of the subscription in whole, or those funds representing the amount of the subscription not accepted by the Company, in the case of a rejection of the subscription in part, will be returned to the undersigned as promptly as practicable. If this subscription is rejected in whole by the Company, this Agreement shall be null, void and of no effect. The undersigned does not have the right to withdraw or revoke his or its subscription during the Offering period, except as provided by certain state laws, except that if more than thirty (30) days shall have passed from the date the Company received completed and executed Subscription Documents and the Loan Amount from the undersigned (the "Acceptance Period"), and the Company has not accepted the subscription during the Acceptance Period, the undersigned may withdraw his or its subscription at any time after the Acceptance Period up until such time that the Company subsequently decides, in its sole discretion, to accept the subscription in whole or in part.

**6. Offering Period.** The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Four Million Five Hundred Thousand (\$4,500,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

**7. Closing of the Loan.** The Note(s) subscribed for herein shall not be deemed made by the Company or held by the undersigned until this Agreement and the Note(s) have been countersigned by the Company, and until the funds delivered by the undersigned to the Company with the Subscription Documents have been deposited in the Holding Account and have been cleared by the applicable bank of the Company (the "Effective Date"). Upon the Effective Date, (a) the undersigned shall have loaned to the Company the Loan Amount, (b) the undersigned shall become the Holder and the Company shall become the Maker of the Note(s) subscribed for by the undersigned, and (c) both the undersigned and the Company shall be bound by the terms of the Private Placement Memorandum and the Subscription Documents and any other undertakings described herein.

**8. Representations and Warranties.**

- (a) The Company hereby represents and warrants as follows:

(i) The Company is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Arizona and has the requisite company power and authority to own, lease and operate its properties and to carry on its business as now being conducted;

(ii) This Agreement constitutes the valid and binding obligation of the Company enforceable against the Company in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws from time to time in effect which affect creditor's rights generally and by legal and equitable limitations on the availability of specific performance and other equitable remedies under or by virtue of this Agreement). The Company has all requisite power and authority, corporate and other, to execute and deliver this Agreement and the Note(s) and to consummate the transactions contemplated hereby. All persons who have executed this Agreement and the Note(s) on behalf of the Company have been duly authorized to do so by all necessary corporate action. Neither the execution and delivery of this Agreement and the Note(s) nor the consummation of the transactions contemplated hereby will (A) violate any provision of the Certificate of Incorporation or Operating Agreement of the Company, as currently in effect; (B) violate any judgment, order, injunction, decree or award against, or binding upon, the Company or the securities, assets, properties, operations or business of the Company; or (C) violate any law or regulation applicable to the Company or to the securities, assets, properties, operations or business of the Company.

(b) In order to induce the Company to accept the subscription made hereby, the undersigned hereby represents and warrants to the Company as follows:

(i) The undersigned has received the Private Placement Memorandum and the Subscription Documents. The undersigned has read and understands the Private Placement Memorandum and Subscription Documents and the information contained in those documents concerning the Company and this Offering or has caused his or its representative to read and examine the Private Placement Memorandum and Subscription Documents. The undersigned has relied only on the information about the Company contained in these documents and his or its own independent investigation in making his or its subscription. The undersigned understands that the Notes will be issued with the rights and subject to the conditions described in the Private Placement Memorandum and Subscription Documents;

(ii) The undersigned is familiar with the terms and conditions of the Offering and is aware that his or its investment involves a

degree of risk and the undersigned has read the section in the Private Placement Memorandum titled "Risk Factors."

(iii) The undersigned hereby specifically accepts and adopts each and every provision of this Agreement and acknowledges and agrees with each and every provision of this Agreement and, upon acceptance by the Company of the subscription made hereby, agrees to be bound by such provisions.

(iv) The undersigned acknowledges and is aware that there is no assurance as to the future performance of the Company.

(v) The undersigned, if an individual (A) has reached the age of majority in the state in which he resides and (B) is a bona fide resident and domiciliary (not a temporary or transient resident) of the state set forth below his signature on the signature page hereof and has no present intention of becoming a resident of any other state or jurisdiction. The undersigned, if a partnership, corporation, limited liability company, trust or other entity, was organized or incorporated under the laws of the jurisdiction set forth below the signature made on its behalf on the signature page hereof and has no present intention of altering the jurisdiction of its organization, formation or incorporation.

(vi) The undersigned has the financial ability to bear the economic risk of an investment in the Offering, has adequate means of providing for his or its current needs and personal contingencies, has no need for liquidity in the Note(s) and could afford a complete loss of his or its investment in the Offering.

(vii) The undersigned represents and warrants to the Company that he or it comes within one of the categories of investors as defined in Exhibit 1 hereto (*please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity*).

(viii) The undersigned has been given the opportunity to review the merits of an investment in the Offering with tax and legal counsel or with an investment advisor to the extent the undersigned deemed advisable.

(ix) The undersigned's overall commitment to invest in the Note(s), which are not readily marketable, is not disproportionate to his or its net worth and his or its investment in the Offering will not cause such overall commitment to become excessive.

(x) The undersigned has such knowledge and experience in financial and business matters that he or it is capable of evaluating the merits and risks of an investment in the Offering.

(xi) The undersigned has been given a full opportunity to ask questions of and to receive (A) answers from the Company and its Managers concerning the terms and conditions of this Offering and the business of the Company and (B) such other information as he or it desired in order to evaluate an investment in the Offering, and all such questions have been answered to the full satisfaction of the undersigned. No oral or written representations have been made or oral or written information furnished to the undersigned or the undersigned's advisors in connection with the Offering or interests that were in any way inconsistent with this Subscription Agreement. The undersigned is not participating in the Offering as a result of or subsequent to: (1) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or (2) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(xii) If the undersigned is a corporation, limited liability company, partnership, trust or other entity, it is authorized and qualified to make this loan to the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so.

(xiii) If the undersigned is a corporation, limited liability company or partnership, the person signing this Agreement on its behalf hereby represents and warrants that the information contained in this Agreement completed by any shareholders of such corporation, members of such limited liability company or partners of such partnership is true and correct with respect to such shareholder, member or partner (and if any such shareholder is itself a corporation, limited liability company or partnership, with respect to all persons having an equity interest in such corporation, limited liability company or partnership, whether directly or indirectly) and that the person signing this Agreement has made due inquiry to determine the truthfulness and accuracy of the information contained in this Agreement.

(xiv) The purchase of the Note(s) by the undersigned has been duly authorized, and the execution, delivery and performance of this Agreement does not conflict with the undersigned's partnership agreement, certificate of incorporation, by-laws, articles of organization, operating agreement or any agreement to which the undersigned is a party and this Agreement is a valid and binding agreement enforceable against the undersigned in accordance with its terms.

(xv) The undersigned hereby represents that he or it is subscribing for the Notes as principal or as trustee, solely for the account of the undersigned, for investment purposes only and not with a view to, or for, subdivision, resale, distribution, or fractionalization thereof, in whole or in part, or for the account, in whole or in part, of others, and, except as disclosed herein, no other person has a direct or indirect beneficial interest in the Note(s). The undersigned will hold the Note(s) as an investment and has no reason to anticipate any change in circumstances or other particular occasion or event, which would cause the undersigned to attempt to sell any of the Note(s).

(xvi) The undersigned acknowledges his or its understanding that (A) the Offering of the Note(s) by the Company has not been registered under the Act, as amended, or the securities laws of certain states in reliance on specific exemptions from registration, (B) the Confidential Memorandum and Subscription Documents have not been filed with or reviewed by the Securities and Exchange Commission or the securities department of any state and no securities administrator of any state or the federal government has recommended or endorsed this Offering or made any finding or determination relating to the fairness of an investment in the Company, and (C) the Offering of the Note(s) by the Company is intended to be exempt from registration pursuant to Section 4 (2) of the Act and the rules promulgated there under by the Securities and Exchange Commission, and that the undersigned's Note(s) cannot be sold, pledged, assigned or otherwise disposed of unless they are registered under the Act or an exemption from such registration is available.

(xvii) The undersigned represents and warrants that he or it will not transfer or convey all or part of his or its financial interest in the Note(s) unless such Note(s) are subsequently registered under the Act, or an exemption from such registration is available and without (A) the prior written consent of the Company and (B) an opinion of counsel acceptable to the Company and its counsel to the effect that the Note(s) may be transferred without violation of the registration requirements of the Act or any applicable state securities laws, as may be amended from time to time. The undersigned further acknowledges that there can be no assurance that the Company will file any registration statement for the Note(s) for which the undersigned is subscribing, that such registration statement, if filed, will be declared effective or, if declared effective, that the Company will be able to keep it effective until the undersigned sells the Note(s) registered thereon.

(xviii) The undersigned understands that this Agreement is subject to the Company's acceptance and may be rejected by the Company at any time in its sole discretion in whole or any part

prior to issuance of the Note(s) with respect to the undersigned's subscription, notwithstanding prior receipt by the undersigned of notice of acceptance of the undersigned's subscription. The Company reserves the right to withdraw the Offering at any time.

(xix) The undersigned acknowledges that this Agreement shall become binding upon the undersigned when it is countersigned by the Company and the undersigned is not entitled to cancel, terminate, or revoke this subscription before or after acceptance by the Company, except as otherwise provided in this Agreement.

(xx) All information provided by the undersigned in the Investor Questionnaire and Investor Representative Questionnaire (if applicable) which accompanies this Agreement is true and accurate in all respects, and the undersigned acknowledges that the Company will be relying on such information to its possible detriment in deciding whether the Company can make these Note(s) to the undersigned without giving rise to the loss of an exemption from registration under the applicable securities laws.

**9. Foreign Person.** If the undersigned has indicated on the signature page of this Agreement that he, she or it is a foreign person, he, she, or it agrees to notify the Company in writing within sixty (60) days of becoming a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign entity, as the case may be.

**10. Indemnity.** The undersigned agrees to indemnify and hold harmless the Company, its managers, members, agents, attorneys and affiliates and each other person, if any, who controls any thereof, within the meaning of Section 15 of the Act, against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in this Agreement or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

**11. Notice.** All notices in connection with this Agreement shall be in writing and personally delivered or delivered via overnight mail, with written receipt therefore, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 11) with a copy, in the case of notice to the Company, to Tri-Core Companies, LLC, at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

**12. Miscellaneous.**

(a) This Agreement is not assignable by the undersigned. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) This Agreement shall be deemed to have been made in the State of Arizona and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Agreement.

(c) This Agreement contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied, except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties to this Agreement.

(d) No waiver of any breach of any terms of this Agreement shall be effective unless made in writing signed by the party against whom enforcement of the waiver is sought, and no such waiver shall be construed as a waiver of any subsequent breach of that term or of any other term of the same or different nature.

(e) If any provision or portion of this Agreement or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Agreement.

(f) Each of the parties hereto shall cooperate and take such actions, and execute such other documents, at the execution hereof or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.

IN WITNESS WHEREOF, the undersigned, by his, her, or its execution hereof, has read and approved this Subscription Agreement and agrees to be bound by this Agreement.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2008, at \_\_\_\_\_  
(City), \_\_\_\_\_ (State).

**If the Investor is an INDIVIDUAL, complete the following:**

The undersigned (circle one): **[is]** **[is not]** a citizen or resident of the United States.

\_\_\_\_\_  
**Print Name of Individual**

\_\_\_\_\_  
**Print Name of Spouse / Co-Investor**  
*(if Funds are to be invested in Joint Name  
or are Community Property)*

\_\_\_\_\_  
**Print Social Security Number of Individual**

\_\_\_\_\_  
**Print Social Security Number of Spouse  
or Co-Investor**  
*(if Funds are to be Invested in Joint Name  
or are Community Property)*

\_\_\_\_\_  
**Signature of Individual**

\_\_\_\_\_  
**Signature of Spouse / Co-Investor**  
*(if Funds are to be Invested in Joint Name  
or are Community Property)*

**Print Residential Address:**

**Print Residential Telephone Number:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

If the investor is PARTNERSHIP, CORPORATION, TRUST OR OTHER ENTITY, complete the following:

The undersigned (circle one) [is] (is not) a foreign partnership, foreign corporation, trust or foreign estate (as defined in the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated there under).

Barmis Premier Capital, LLC  
Print Name of Partnership, Corporation,  
Trust, or Other Business Entity

[REDACTED]  
Print Federal Tax Identification Number

Paul Sydell  
Signature of Authorized Representative

California, Marin County  
Print Jurisdiction of Entity

Paul Sydell  
Print Name of Authorized Representative

Member  
Print Title of Authorized Representative

Print Residential Address of Investor:  
[REDACTED]  
[REDACTED]  
[REDACTED]  
Ca

Print Residential Telephone Number:  
[REDACTED]

**ACCEPTANCE**

The terms of the foregoing, including the subscription described therein, are agreed to and accepted on this 29th day of October, 2008.

**TRI-CORE COMPANIES, LLC**

By: [Signature]  
Jason Todd Mogler - President

By: [Signature]  
Jim Hinkeldey - Vice-President

**EXHIBIT 1  
INVESTOR STATUS**

*(Please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity).*

\_\_\_\_\_  
initials

A. **“Nonaccredited Investor”**. The undersigned does not meet the definition of an “Accredited Investor” as defined herein below;

\_\_\_\_\_  
initials

B. **“Accredited Investor”**. The undersigned is an Accredited Investor as defined below *(check applicable box)*:

1. Any natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;

2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person’s spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;

3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8.\* Any entity in which all of the equity owners are Accredited Investors.

**NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.**

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\* If this box is checked, please indicate on a separate schedule to be attached hereto, the category of Accredited Investor in which each equity owner of such entity is included.

CONFIDENTIAL

**EXHIBIT B**  
**PROMISSORY NOTE**

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**EXHIBIT B**

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**PROMISSORY NOTE**

**THIS NOTE HAS BEEN MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH THE DISTRIBUTION THEREOF AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS NOTE MAY NOT BE SOLD, TRANSFERRED, OR ASSIGNED ("TRANSFER") UNLESS IT IS SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE MAKER CONSENTS IN WRITING TO SUCH TRANSFER.**

**Tri-Core Companies, LLC**, an Arizona Limited Liability Company, with offices at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250 (the "Maker"), for value received, promises to pay to the Individual and/or legal entity designated in this Note as the "HOLDER," the principal sum of **\$100,000 Dollars** with a rate of return of sixty percent (60%) compounded annually. Interest shall be due and payable at maturity and based on the commencement date of the Note. The entire Principal shall be due and payable to the Holder no later than twenty-four (24) months from the Commencement Date. The principal and any interest due on said principal may be prepaid at the sole discretion of the Company, without a prepayment penalty or premium at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date.

**1. NOTES**

This Note in the principal amount of Ten Thousand (\$10,000) Dollars per Note, or any fractional amounts, is offered for sale by the Maker, pursuant to that certain "Private Placement Memorandum" dated March 1, 2008. The Note shall be senior debt of the Maker and secured by the property.

**2. EVENTS OF DEFAULT**

A default shall be defined as one or more of the following events ("Event of Default") occurring and continuing:

- (a) The Maker shall fail to pay any interest payment on this Note when due for a period of thirty (30) days after notice of such default has been sent by the Holder to the Maker.
- (b) The Maker shall dissolve or terminate the existence of the Maker.

(c) The Maker shall file a petition in bankruptcy, make an assignment for the benefit of its creditors, or consent to or acquiesce in the appointment of a receiver for all or substantially all of its property, or a petition for the appointment of a receiver shall be filed against the Maker and remain unstayed for at least ninety (90) days.

Upon the occurrence of an Event of Default, the Holder of this Note may, by written notice to the Maker, declare the unpaid principal amount and all accrued interest of the Note immediately due and payable.

### **3. SECURITY FOR PAYMENT OF THE NOTE(S)**

The Note(s) offered by the MAKER are secured by future land purchase.

### **4. COMMENCEMENT DATE OF THE NOTE**

The Commencement Date of the Note shall be the "Effective Date," as defined in that certain "Subscription Agreement" attached as Exhibit A to the Private Placement Memorandum.

### **5. STATUS OF HOLDER**

The Maker may treat the Holder of this Note as the absolute owner of this Note for the purpose of making payments of principal or interest and for all other purposes, and shall not be affected by any notice to the contrary, unless the Maker so consents in writing.

### **6. SECURITIES ACT RESTRICTIONS**

This Note has not been registered for sale under the Act. This Note may not be sold, offered for sale, pledged, assigned or otherwise disposed of, unless certain conditions are satisfied, as more fully set forth in the Subscription Agreement.

### **7. ATTORNEYS' FEES**

The prevailing party in an action to enforce this Note shall be entitled to reasonable attorneys' fees, costs, and collection expense.

### **8. MISCELLANEOUS.**

(a) **Successors and Assigns.** The Holder may not assign, transfer, or sell this Note to any party without the express written consent of the Maker. This Note shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) **Entire Agreement.** This Note contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied,

except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Note shall be effective unless in writing and signed by both parties to this Note.

(c) **Notices.** All notices in connection with this Note shall be in writing and personally delivered or delivered via overnight mail, with written receipt thereof, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 8) with a copy to Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

(d) **Section Headings.** The headings of the various sections of the Note have been inserted as a matter of convenience for reference only and shall be of no legal effect.

(e) **Severability.** If any provision or portion of this Note or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Note.

(f) **Applicable Law.** This Note shall be deemed to have been made in the State of Arizona, and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in the State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Note.

(g) **Approval.** By signing below, each party respectively acknowledges that they have read and approved this promissory note.

**Maker:**

**Tri-Core Companies, LLC,**  
An Arizona Company  
8840 E. Chaparral Road - Suite 150  
Scottsdale, AZ 85250

**Holder:**

**Barmis Premier Capital, LLC**  
A California Company  
[REDACTED]  
[REDACTED] CA [REDACTED]

Jason Todd Mogler- President

Print Name

  
Signature & Date

Paul Sydell- Member

Print Name

 11-01-08  
Signature & Date

**EXHIBIT C**

**Tri-Core Companies, LLC**

**Investor Suitability Questionnaire**

To: Prospective purchasers of Promissory Notes (the "Notes") offered by Tri-Core Companies, LLC (the "Company").

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an "Accredited Investor," as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Company for purchasing Notes. ***This questionnaire is not an offer to sell securities.***

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Company deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Notes.

***Please answer all questions completely and execute the signature page***

**A. Personal**

1. Full Name: \_\_\_\_\_

2. Address of Principal Residence: \_\_\_\_\_  
\_\_\_\_\_

County: \_\_\_\_\_

3. Residential Telephone Number: (\_\_\_\_) \_\_\_\_\_

4. Where are you registered to vote (County & State)? \_\_\_\_\_

5. Your driver's license is issued by the following state: \_\_\_\_\_

6. Other Residences or Contacts: *Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license, or have any other contacts, and describe your connection with such state:*  
\_\_\_\_\_  
\_\_\_\_\_

7. Please send all correspondence to:

(1) \_\_\_\_\_ Residential Address [as set forth in item A-2]

(2) \_\_\_\_\_ Business Address [as set forth in item B-1(a)]

8. Date of Birth: \_\_\_\_\_

9. Country of Citizenship: \_\_\_\_\_

10. Social Security Number or Tax I.D. Number: \_\_\_\_\_

11. E-Mail Address: \_\_\_\_\_

**B. Occupations and Income**

1. Occupation: \_\_\_\_\_

(a) Business Address: \_\_\_\_\_  
\_\_\_\_\_

(b) Business Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_

2. Gross income during each of the last two years exceeded:

(1) \_\_\_\_\_ \$25,000                      (3) \_\_\_\_\_ \$50,000

(2) \_\_\_\_\_ \$100,000                      (4) \_\_\_\_\_ \$200,000

3. Joint gross income with spouse during each of the last two years exceeded \$300,000.

(1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No                      (3) \_\_\_\_\_ Not Applicable

4. Estimated gross income during current year exceeds:

(1) \_\_\_\_\_ \$25,000                      (3) \_\_\_\_\_ \$50,000

(2) \_\_\_\_\_ \$100,000                      (4) \_\_\_\_\_ \$200,000

5. Estimated joint gross income with spouse during current year exceeds \$300,000.

(1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No                      (3) \_\_\_\_\_ Not Applicable

**C. Net Worth**

1. Current net worth or joint net worth with spouse (note that "net worth" includes all of the assets owned by you and your spouse in excess of total liabilities, including the fair market value, less any mortgage, of your principal residence.)

(1) \_\_\_\_\_ \$50,000-\$100,000                      (2) \_\_\_\_\_ \$100,000-\$250,000                      (3) \_\_\_\_\_ \$250,000-\$500,000

(4) \_\_\_\_\_ \$500,000-\$750,000                      (5) \_\_\_\_\_ \$750,000-\$1,000,000                      (6) \_\_\_\_\_ over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1)\_\_\_\_Yes (2)\_\_\_\_No

**D. Affiliation with the Company**

Are you a director or executive officer of the Company?

(1)\_\_\_\_Yes (2)\_\_\_\_No

**E. Investment Percentage of Net Worth**

If you expect to invest at least \$100,000 in Notes, does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse?

(1)\_\_\_\_Yes (2)\_\_\_\_No (3)\_\_\_\_Not Applicable

**F. Consistent Investment Strategy**

Is this investment consistent with your overall investment strategy?

(1)\_\_\_\_Yes (2)\_\_\_\_No

**G. Prospective Investor's Representations**

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

**Prospective Investor(s):**

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature

*(of spouse or co-investor, if purchase is to be made as joint tenants or as tenants in common)*

Date: \_\_\_\_\_

## **EXHIBIT D**

### **TRI-CORE COMPANIES, LLC BUSINESS PLAN**

#### **Mission Statement**

The mission of Tri-Core Companies, LLC (the Company) is to purchase virgin beachfront land on the Gulf of California (Sea of Cortez), Sonora, Mexico for either resale or for development.

The specific location the Company has concentrated on is between El Golfo de Santa Clara on the north and Puerto Peñasco (Rocky Point) on the south. This is a distance of about 80 miles and was chosen because of the access the new Coastal Highway has afforded this area. Prior to the new highway, this area was inaccessible except by rugged four-wheel-drive vehicles. The highway will make this area accessible by automobile for millions of visitors and buyers from the United States.

The Company believes that there will be a major increase in demand for property in this area with the completion of the highway. The highway is currently over three-quarters complete and only a 15-mile portion of the center section remains to be completed. This section is scheduled for completion by the end of Spring 2008.

#### **Business Operations**

##### **Ownership and Employees:**

The Company is intended to be a very competitive, highly motivated company with a small number of select key employees. The majority of the day to day responsibilities, planning and development tasks will be performed by the principal/managing partners. All other tasks that cannot be performed on behalf of the company by principals or employees will be done by hired contract services. An example of a hired contract service would be accounting.

##### **Jason Todd Mogler – President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

#### **Vince Gibbons – Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club – Mohave County, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.

- **Eagle View Subdivision – Kingman, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.

- **Villages at Loreto Bay, Master Planned Development – Loreto, Mexico.**

Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.

- **Colonias de Cardenas, Master Planned Community – Panama City, Panama.**

Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.

- **Punta Delfin, Enchantment of México – Sea of Cortez, Sonora, México.**

Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey – Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

Mr. Hinkeldey's educational background consists of a degree in Banking and Money Management from Adelphi University, Long Island, New York. He also holds a three year specialized degree in real estate finance from the Mortgage Bankers of America which he received at Northwestern University. He attended numerous programs for finance, real estate, and management at New York University and Wharton Business School.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

### **Market Knowledge and the Property**

#### **Knowledge of the Marketplace:**

The Principals of the Company have been active in real estate and Mexico for several years and consider the El Golfo/Rocky Point market one of the (if not the most) active markets in all of Mexico for development and potential upside investment.

The El Golfo area was chosen for the Company's purchases due to its potential appreciation. Some of the driving factors that influenced this decision were:

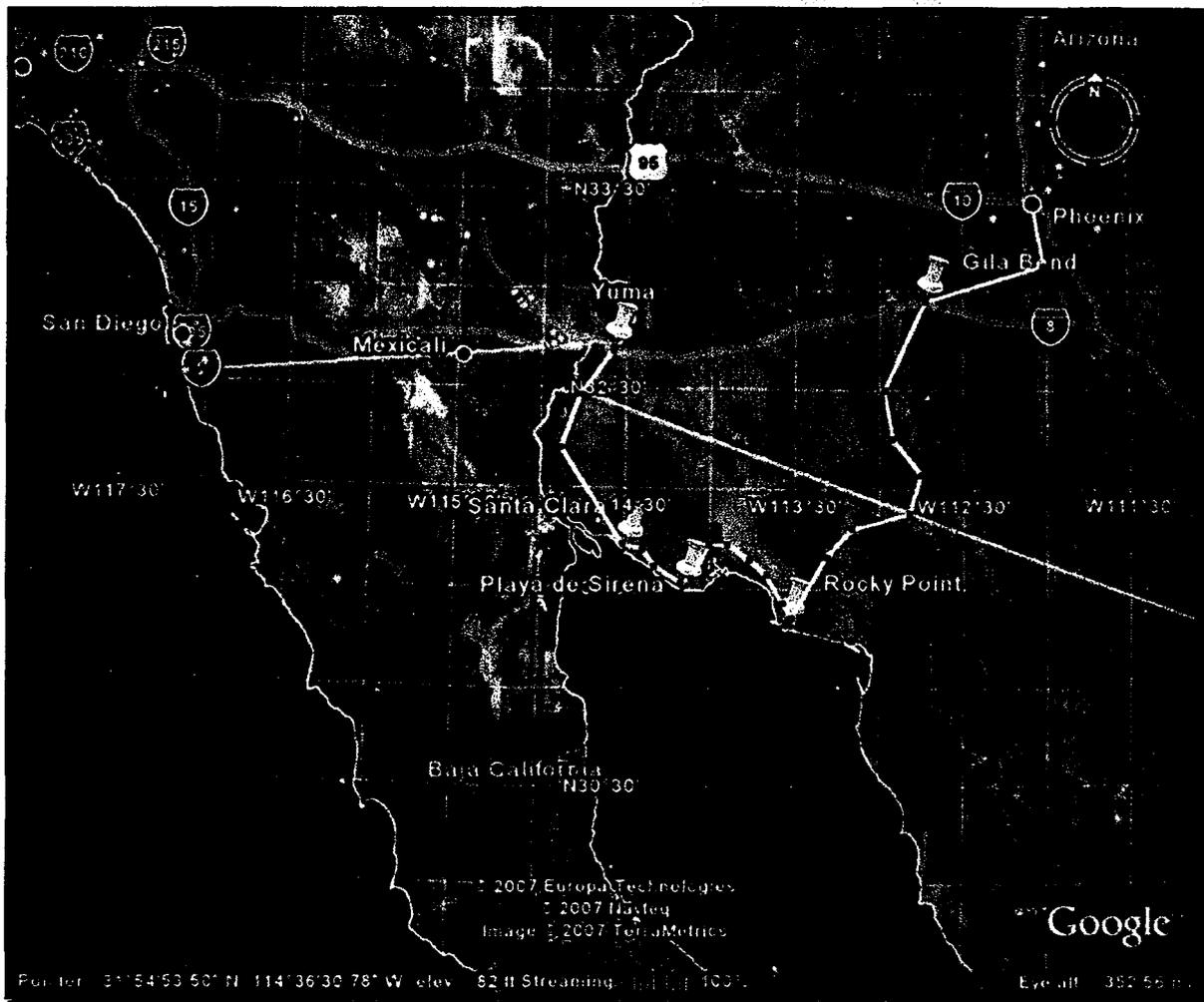
- The new Coastal Highway;
- Its close proximity to the United States markets (one hour drive from the Border of US/Mexico);
- Its location on a beautiful, pristine, major body of water;
- The quality of the sand beaches ;
- The scenic mountain views of the Baja Peninsula;
- The opening of the area by the construction of the Coastal Highway from the US/Mexico border 300 miles to the south along the coast of the Sea of Cortez to Guaymas, Mexico, a major seaport;
- The \$50 million dollar international airport under construction at Rocky Point that will accommodate all types of passenger planes. The first runway is completed and the balance is to be completed by 2008.

- Two state-of-the-art hospitals, Hospital of Peñasco and the IMMS Hospital, are currently under construction and will serve the El Golfo/Rocky Point areas.

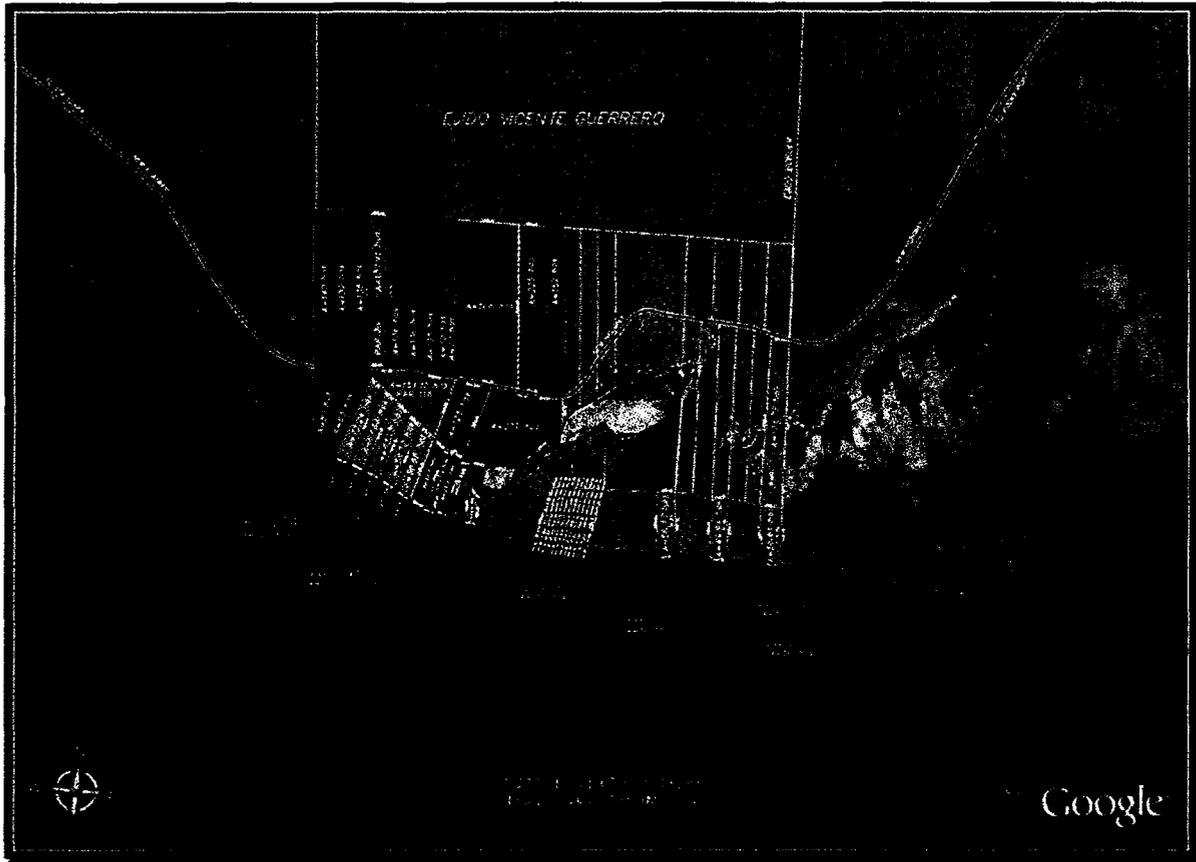
The Mexican and Sonoran Governments are dedicated to promoting the area as a major destination for both Americans and Canadians. This is evidenced by the millions of dollars of infrastructure being put in place by the United States and Mexican Governments. A prime example of this dedication is the Coastal Highway. This three hundred mile highway is being built at a cost in excess of \$200 million dollars and will connect the port city of Guaymas in Mexico with the US/Mexico border at San Luis Rio Colorado, south of Yuma, Arizona. This will make this whole area much more accessible for millions of Americans in Southern California, Arizona, and Nevada for weekends and vacations, as well as for longer stays by visitors from all across the United States and Canada.

### The Property

Parcel 47 – Relaxante is at the southeastern edge of the town of El Golfo on the Sea of Cortez. It is approximately one hour drive time south of the U.S. /Mexico border at San Luis.



This parcel has approximately 26.75 acres of land with over 640 feet of beautiful sandy beach frontage. There are rolling dunes and wonderful views of the Sea of Cortez and the mountains of the Baja Peninsula. The site is well-adapted for the launching of small boats.



**The Proposed Development for Lot 47:**

This project is a proposed gated luxury development fronting on and viewing the Sea of Cortez in the rapidly developing area of San Luis Rio Colorado, Sonora, Mexico. The property consists of 10.83+/- hectares (26.8+/- acres) of land on a site overlooking the scenic waterways of the Sea of Cortez and the mountains of the Baja Peninsula to the west. The property has over 200 meters (640+/- feet) of sandy beach frontage. There are beautiful scenic views up and down the sandy beaches of the Sea of Cortez (a.k.a. the Gulf of California).

This project is a proposed mixed-use development, including a gated single-family development of 40+/- villa lots, a 140-unit condominium development, and some commercial facilities.

Due to topography, the northerly portion of the site contains a mid-rise condominium building. The center portion of the site is gently sloping and will contain the staggered water view lots. The southern beachfront portion of the site contains six beachfront lots, along with a beachfront pool and beach club. Due to the carefully chosen staggered lot placement, all villas and condominium units will enjoy beautiful views of the Sea of Cortez and the mountains of the Baja Peninsula.

Villa lots will be approximately 6,500 square feet in size and the Villas will range in size from 2,400 to 2,600 square feet. The condominium units will be approximately 1,500 square feet with larger units located on the top floors. The six prime waterfront lots will be on the beach – affording wonderful views for miles in each direction and easy water and beach access. The development will provide all the amenities associated with a destination development.

### **Business Goals**

In early 2008, we will be contracting for the necessary survey, topographical map, and environmental studies required for the permitting stage. In addition, we will proceed with the concession for the “Federal Zone” so that we may have exclusive use of the 20 meters adjacent to the “high water mark” that is currently controlled by the Mexican Government. This is an important concession and we are proceeding forward.

After preliminary discussions with utility suppliers, it is the Company’s belief that the use of self-contained utilities are in the best interest of the development. Permits for these utilities will be sought from the municipality of San Luis (the governing entity), in conjunction with our partners.

During the early part of 2008, the Company’s primary focus will be on the preparation of the site plan, all required studies, and the gathering of bids for utilities. It is anticipated that by mid-2008, we will be finalizing the preliminary plans in accordance with site reports.

Once the final layout has been concluded, talks with local developers, investors, and realtors in Mexico and the United States will commence. It is the intention that the Company will be in a position to move quickly and efficiently to either sell individual lots or sell the development. The Company foresees the actual sale of the parcels occurring in mid-year 2009.

To ensure further success, the Company will continue to focus on the development of strong relationships with key property professionals (realtors, agents, financial institutions, law firms, building contractors and suppliers, etc.). While we presently enjoy a good working relationship with several governmental agencies, we will also be working quite diligently throughout the entire developmental process to further strengthen and expand our relationships with governmental agencies and political entities. Since we also understand and respect the Mexican culture, we foresee no obstacle in achieving a strong and favorable relationship with the governing authorities.

**El Golfo / Rocky Point – General Economic and Area Information:**

The Colorado River forms the state line between Arizona, California, and Nevada, and continues southerly to the Sea of Cortez. Along its entire length, it is a major recreation / boating area for Arizona, Nevada, and Southern California in the spring and summer, as well as a perfect destination for "Snowbirds" in the winter – creating a year-round demand for the entire area.

Historically, neighboring Rocky Point has been a major recreational area for Phoenix and Tucson, Arizona. The drive time to Rocky Point has been about four-plus hours from Phoenix, making it a very easy weekend vacation spot. There have been many new high and mid-rise condominium units built in the Sandy Beach neighborhood of Rocky Point within the past few years. These are well-designed and constructed developments with many beachfront amenities. These units have generally sold for \$300,000 to over \$1,500,000, primarily to U.S. residents.

El Golfo is about 25 miles east of Rocky Point. The El Golfo area is near the northern end of the Sea of Cortez and is well protected from adverse weather. Consequently, the waters are generally calm. El Golfo is a picturesque fishing village with long, wide, sandy beaches. The fishermen launch their boats from the sandy beaches directly to the water. There is at present one paved road that ends at El Golfo.

The new Coastal Highway will make the drive between El Golfo and Rocky Point less than 30 minutes. Accordingly, this whole area between Rocky Point and El Golfo is poised to undergo extensive real estate development. In anticipation of this future growth, a new major border crossing facility is planned for San Luis to help relieve congestion at the present in-town facility. The number of inspection lanes will increase from five to sixteen, and will consequently decrease the time for crossing the border.

For the first time, large U.S. markets from California, Nevada, and Western Arizona will be within a reasonable driving distance. As an example, the Southern California market will have its driving time reduced from approximately eight hours to just around four hours. There are many resort areas of Mexico with extensive development taking place, however, there are only limited areas on the calm waters of the Sea of Cortez that have good driving access from the United States.

The new highway is the driving force that has dramatically changed access to this area. It is the Company's belief that since prime oceanfront land in this area's acreage is limited, the demand for this property will be strong. This belief is further strengthened by its aggressive promotion of Relaxante to the new markets of California, Nevada, and Western Arizona.

**Proforma**

Parcel 47		
Pro Forma - 26.75 acre (10.84 Ha.)		
Sale Project to a Developer		
March 2008		<b>TOTALS</b>
<b>REVENUE</b>		
Sales Price Developer		\$14,200,000
<b>Total Revenue</b>		<b>\$14,200,000</b>
Finder's Fee	4%	<b>\$568,000</b>
<b>Total Net Revenue</b>		<b>\$13,632,000</b>
<b>EXPENSES</b>		
<b>ON-SITE WORK</b>		
Mass Excavation / Fill & Grading		\$200,000
Gated Entryway		\$25,000
Perimeter Wall		\$100,000
<b>Total Onsite Work</b>		<b>\$325,000</b>
<b>SOFT COSTS - GENERAL, ADMINISTRATIVE &amp; LEGAL</b>		
Administrative (Taxes, Permits & Licensing)		\$50,000
NATAWA Bond		\$200,000
Legal		\$100,000
<b>Total General Expenses</b>		<b>\$350,000</b>
<b>GENERAL PROJECT EXPENSES</b>		
Project Master Plan		\$80,000
Engineering		\$50,000
Boundary and Topographic Survey		\$20,000
Concept Approval, Zoning, Environmental		\$130,000
<b>Total General Project Expenses</b>		<b>\$280,000</b>
<b>TOTAL EXPENSES</b>		
Project Contingency		\$95,500
Principal and Interest		\$11,520,000
<b>Total Expenses, Contingency, and Interest</b>		<b>\$12,570,500</b>
<b>Net Income</b>		<b>\$1,061,500</b>

<b>Parcel 47</b> <b>Pro Forma - 26.75 acre (10.84 Ha.)</b> <b>Vertical on Condos , Vertical on Villas</b> <b>March 2008</b>		<b>TOTALS</b>			
	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
<b>UNITS</b>					
Condo Tower Units	140				
Ocean View Villas	38				178
<b>REVENUE</b>					
Condo Tower Units		1,500		\$300,000	\$42,000,000
Ocean View Villas		2,500		\$1,300,000	\$49,400,000
<b>Total Revenue</b>					<b>\$91,400,000</b>
<b>INFRASTRUCTURE TAKE-OUTS</b>					
NATAWA (\$30k x 178 Units)					<b>\$5,340,000</b>
<b>SALES COMMISSIONS</b>					
Sales Commissions	6%				\$5,484,000
<b>Total Sales Commissions</b>					<b>\$5,484,000</b>
<b>Total Net Revenue</b>					<b>\$80,576,000</b>
<b>EXPENSES</b>					
<b>PROJECT ACQUISITION</b>					
					<b>\$14,200,000</b>
<b>AMENITIES CONSTRUCTION</b>					
Landscape and Irrigation System					\$80,000
Grading					\$95,000
Beach Club					\$1,000,000
18- Hole Putting Course					\$500,000
Construction Office					\$215,000
<b>Total Amenities</b>					<b>\$1,890,000</b>

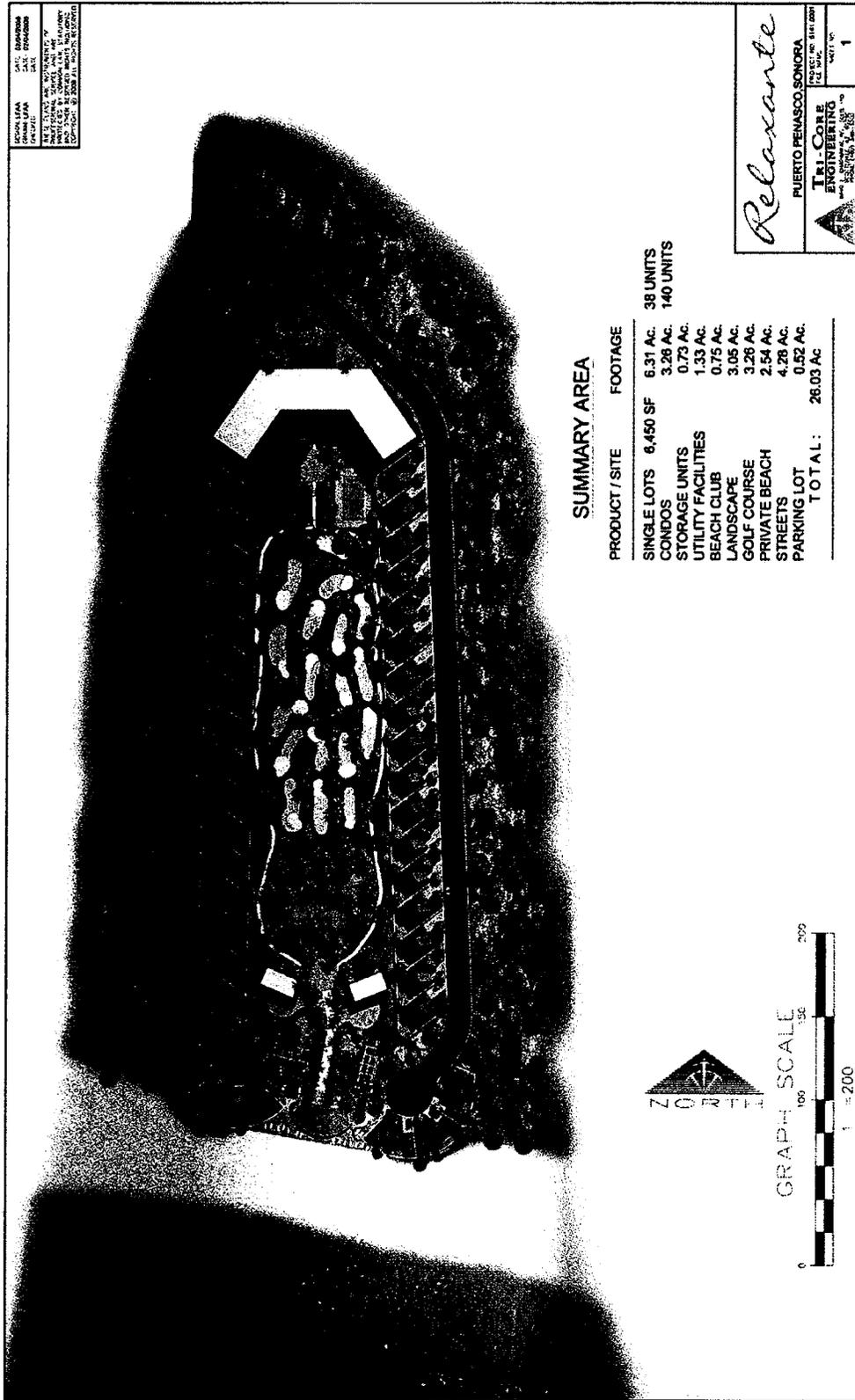
Vertical (Continued)	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
<b>Condo Tower Units</b>					
Construction	140	1,500	110		\$23,100,000
Architectural (4% of construction costs)			4.0%		\$924,000
<b>Total Condominiums</b>					<b>\$24,024,000</b>
<b>Ocean View Villas</b>					
Construction	38	2,500	125		\$11,875,000
Architectural (4% of construction costs)			4.0%		\$475,000
<b>Total Ocean View Villas</b>					<b>\$12,350,000</b>
<b>SOFT COSTS - GENERAL, ADMINISTRATIVE &amp; LEGAL</b>					
Administrative (Taxes, Permits & Licensing)					\$550,000
Accounting					\$80,000
Legal					\$322,500
<b>Total General Expenses</b>					<b>\$952,500</b>
<b>MARKETING</b>					
Initial Launch					\$860,000
Marketing (% of gross sales)			5%		4,570,000
<b>Total Marketing</b>					<b>\$5,430,000</b>
<b>GENERAL PROJECT EXPENSES</b>					
Construction Camp					
Temporary Utilities (Power, Sewer, Water)					\$107,500
Bunk House (4 people per room)	50	200	\$40		\$400,000
Mess Hall					\$43,000
Medical Operating Cost (\$5,000 per month)					\$240,000
Security (Temporary)					\$150,000
Gatehouse					\$30,000
Employee Housing					\$800,000
Offsite (Scottsdale 3,000sf, @ \$3 sf 4 yrs)					\$423,000
Offsite (San Diego 2,000sf, @ \$3 sf 4yrs)					\$288,000
Offsite (Rocky Point 2,000sf, @ \$3 sf 4 yrs)					\$288,000
Temporary Sales Office					\$12,900
Sales Office					\$43,000
Job Supervision & Coordination					\$100,000
<b>Total General Project Expenses</b>					<b>\$2,925,400</b>
<b>TOTAL EXPENSES</b>					<b>\$61,771,900</b>

Vertical (Continued)	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
Project Contingency	5%				3,088,595
Interest (Debt Service)					1,440,000
<b>Total Expenses, Contingency and Interest</b>					<b>\$66,300,495</b>
<b>Net Income</b>					<b>\$14,275,505</b>
<b>Cumulative</b>					<b>15.6%</b>

CONFIDENTIAL

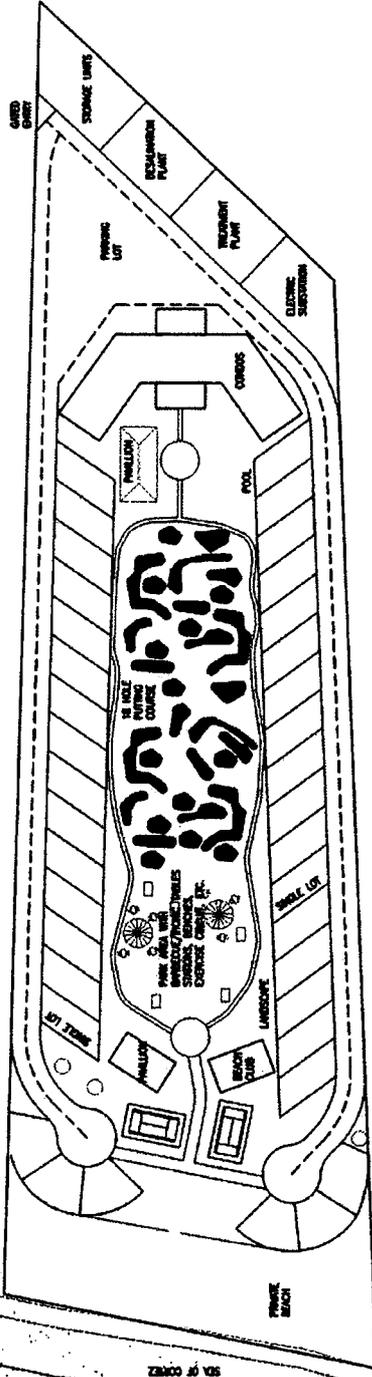


Site Plan



D13

SHEET NO. 1  
 PROJECT NO. 100-100-100-100  
 DATE: 10/10/2010  
 DRAWN BY: J. J. J.  
 CHECKED BY: J. J. J.  
 APPROVED BY: J. J. J.



**SUMMARY AREA**

PRODUCT / SITE	FOOTAGE
SINGLE LOTS	6,450 SF
CONDO	5.68 AC
STORAGE UNITS	2.58 AC
UTILITY FACILITIES	0.73 AC
LANDSCAPE	1.33 AC
GOLF COURSE	1.75 AC
PRIVATE BEACH	3.87 AC
STREETS	2.54 AC
PARKING LOT	3.95 AC
PARK AREA	1.35 AC
<b>TOTAL:</b>	<b>26.03 AC</b>



*Relaxante*

PUERTO RENASCENCIA, SONORA

**THE CORNER**  
 ARCHITECTS & PLANNERS  
 1000 N. GAVELIN  
 SUITE 100  
 PHOENIX, AZ 85004

## Articles of Interest

### Plans To Designate 400M Pesos To Roads, Electricity, and Water During 2008

#### *Funding expands to support three main infrastructure projects*

(<http://defrente.puerto-penasco.com/editions/452/003.html>)

Press Bulletin

Issue #452

With a projected investment of 400 million pesos (~\$36.8M USD) the Director of Public Works is planning to continue during 2008 the integral project of city paving and electrification and water supply to the new neighborhoods - as well as enlarge the city's drainage network to improve the city's image.

Marco David Rangel Lopez, director of the afore mentioned office, said that it cannot be doubted that among the priorities of Mayor Heriberto Renteria Sanchez is the unprecedented Paving Works Project, for which he is obtaining a package of Federal Government resources around 100 million pesos (~\$9.2M USD).

Rangel Lopez said that they want to continue with the pavement work on another 20 avenues and boulevards, covering a surface of more than 700 thousand square meters, in addition to the package of streets repaired during this past year. If this project is accomplished in full, the percentage of paved streets in our city will rise from 18% to 40%.

Moreover within the projects for 2008, the Director of Public Works mentioned that they will include the installation of the drainage network for the northwest sector of the city with an investment close to 60 million pesos (~\$5.5M USD).



At the same time they will work on the construction and maintenance of sidewalks at the main boulevards and avenues, not forgetting the purpose of improving the image of the old harbor sector where financial resources are designated for around 90 million pesos of improvements (~\$8.3M USD) according with the executive plan approved by the city council.

To continue with the electrification in the New Peñasco and San Rafael neighborhoods, it is an investment of at least 15 million pesos (~\$1.38M USD) is designated for 2008, and it is also planned to attend to the delayed work on the water supply and they will also program to provide basic services.

He added that among the plans and projects for this year are actions for benefit of schools with the construction of classrooms, fences, tile roofs and to attend several requests channeled through the Sonorenses Program of Social Participation (PASOS) and the Direction of Social Development.

He also added that currently they have a work plan with more than 200 projects of pavement works, urban improvement, basic services, schools and religious centers, that will be accomplished according with the flow of the municipal resources as well as with the resources assigned from the state and federal governments - and in some cases with assistance from credit entities.

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### **CANACO Reports A Good 2007, Optimistic Forecast For 2008**

#### ***Border Governor's Conference, Tourism, Development All Bode Well For Peñasco In 2008, Says CANACO***

*(<http://defrente.puerto-penasco.com/editions/451/002.html>)*

By Ivan Bravo Lopez  
Issue #451

Even though the last month of the year suffered a significant decrease in many commercial areas, CANACO (Camara Nacional de Comercio de la Ciudad de Mexico - Mexico's System of Local Chambers of Commerce and Development) managed to close out a good year according to its director Arturo Rodriguez Rico. CANACO met their goals and more, as evidenced by the meeting of the border state governors, which was seen as a huge success.

Arturo Rodriguez Rico, President of the National Chamber of Commerce (CANACO) said that despite the economic recession suffered by the US, many associates of CANACO with business interests are closing out the year very well. That is due the fact that December is the month with the biggest increase in sales.

"It was a positive year for the growth and development of the economy of Puerto Peñasco; we were the hosts of the most important event in the history of this port, the meeting of the border state governors. It was a huge success and received publicity worldwide, publicity that would have cost the Chamber of Commerce millions of pesos but was completely free. Its results will hopefully be noticeable in 2008 and 2009," he said.

The president of CANACO said that many State Programs came to Puerto Peñasco and accomplished important improvements. Authorities from SEDESOL (Mexico's Secretariat of Social Development) and PASOS have constantly visited our port to support and encourage the associated merchants of CANACO.

"Guatimoc Iberri Gonzalez and 'Chito' Celaya have repeatedly visited us and they have brought important projects to Puerto Peñasco that are already underway, which shows that the State Authorities care about those who live and own businesses here," he said.

"There are many projects in Puerto Peñasco that were already in place as well as new ones. Although some have not yet started, we are taking full advantage of those already here which will help the chance of further improvements next year," said Arturo Rodriguez Rico.

He also pointed out that cross-border traffic is expected to only will rise in the upcoming years and that that will bring other economic benefits, as the economic structure in the port depends mostly on tourism.

"Puerto Peñasco depends on tourism, and with the opening of the new international airport and with the improvements at the border crossings, CANACO is expecting an economic boom to take place. In past years and in 2007 we expected tourism mainly from Arizona. But with the new infrastructure next year we expect tourists from California and Colorado, as well as people that will come by air on new commercial flights. So we are expecting a sudden increase to the economy since Puerto Peñasco is an excellent destination," said the president of CANACO.

He also added that due to the stop of the developers, the last months of the year were economically weak, but that the economy typically comes back to normality beginning with the first trimester of the year. A few U.S. holidays are coming up that brings surges of tourists who prefer to come to Puerto Peñasco for their vacations. He also commented that the 'snowbirds' – the seasonal visitors from outside the Southwest regions – are starting to arrive to this port early this year, and with them the associates of CANACO will benefit.

To finalize, Arturo Rodriguez Rico said that there are more than 300 members associated with CANACO, and that next year they will look for more members to join the Chamber to help strengthen and create newer and better programs.

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### **Peñasco Maintains Strong Flow Of Tourism**

#### ***Real Estate Crisis Believed to Have Already Hit Bottom***

*(<http://www.visitrockypoint.com/?p=2900>)*

Despite the undeniable negative effects of the economic downturn in the United States, which has already hit bottom, throughout 2007 Puerto Peñasco maintained a high rate of tourism and sustains a clear upward tendency, revealed Epifanio Salido Pavlovich, head of the Sonora Commission on the Promotion of Tourism.

Salido Pavlovich detailed that by the end of the year, foreign tourism had increased by nearly 11%, topping out at 1,700,000 visitors, 80% of these from Arizona. Likewise, national tourism increased by 14% totaling more than 400,000 visitors. Therefore, reports for 2007 registered a grand total of 2.1 million tourists to the area.

The tourism official remarked that although there remain many challenges to address, the city's potential continues to be positive and the area is still the star destination in Sonora. He added that the state and municipal governments are jointly working on efforts to focus on areas that are lacking.

Salido Pavlovich stated that in 2008 they will have to generate concrete solutions in the areas of housing, potable water and others of basic infrastructures brought on by the same "boom" in tourism.

He stated that the 2007 economic downturn and real estate crisis in the United States had a strong impact on Peñasco. However, he stated, this is something that has already hit bottom and now phase of recuperation can be expected.

He believes that by mid-2008 the economic crisis will have passed, and added that till now this has not caused the withdrawal of investments from the port.

The coordinator for the Sonora Commission on the Promotion of Tourism remarked that, despite everything, the annual average for Puerto Peñasco has been favorable. He added that though there was a slowdown in investment, the flow of tourism did not drop; to the contrary, this remained at high levels.

He reiterated that the crisis has already hit bottom and period of recuperation has begun. He expects that this will positively impact the city as the shining northwestern part of the country in the area of tourism.

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## **OWNING REAL ESTATE IN ROCKY POINT**

*From the "Real Estate Guide Rocky Point", January 2008*

*([http://www.atrockypoint.com/article\\_owning\\_real\\_estate\\_in\\_rocky\\_point](http://www.atrockypoint.com/article_owning_real_estate_in_rocky_point))*

"Real estate in Rocky Point has been a flourishing business for the past ten years..."

Imagine the joys of a winter home that makes you money whenever you are not staying in it. This kind of place would be beautiful to visit, comfortable and easy to live in, and ready for you whenever you want because it would be yours. A timeshare cannot offer you all of that no matter how desirable the location, since it can be difficult to get the time slots that you want and even harder during peak vacation time. A timeshare cannot give you everything you need to have the perfect getaway whenever you want, but a condo in a place like Rocky Point, Mexico can.

Rocky Point, also known as Puerto Peñasco, is one of the most incredible real estate locations in Mexico. Invest in Mexico and you can retire to your beachfront condo whenever you wish to enjoy days filled with sun, sand, golfing, fishing, and anything else you could desire from an ocean side paradise. Your

oceanfront/ Ocean view home or condo will be waiting for your return whenever you are away, and you will surely wish to retire to Rocky Point's idyllic setting after spending vacation after vacation in sunny bliss. Owning Real Estate in this growing market can also be a greatly profitable adventure. The typical American has only two to four weeks of vacation time per year, and for the other forty eight weeks, your vacation property would normally sit empty, awaiting you. To keep your property on the Sea of Cortez working for you, hire a local property management company like Oceano Rentals or Sea Side Reservations, to keep your place looking fresh and lovely and rent your condo out as a vacation rental to others looking to enjoy the wonders of Rocky Point.

Real estate in Rocky Point has been a flourishing business for the past ten years because of the high profitability and constantly increasing prices of the local properties. Even just a couple of years of property ownership could translate into big money for interested investors, and getting a great vacation home that pays for itself is no small benefit either. You may become so enamored with your property in Rocky Point that you will not be willing to sell it! Current market conditions are definitely in favor of those who want to purchase, so do your research, hire a certified agent to guide you through the process and start looking at potential ocean side properties.

Owning real estate in this lovely tourist destination means living in the lap of luxury. The beautiful and luxurious condominium projects and other properties in this city are made for the comfort and delight of their residents, even short term residents like yourself. Glance out the window of your condo and watch the dolphins and play in the tranquil waters of the Sea of Cortez. Enjoy sunshine on the beach or adventures beneath the waves, and fall in love with this incredible location. Your investment property may be just waiting for you in sunny Mexico and now is the time to make the smart move that you have been dreaming of. Take advantage of current market conditions, and invest now!

Investing in a condominium in Rocky Point could be a smart investment choice for those who are looking to invest in Mexico. You will have a vacation home to enjoy only 60 miles south of the US border, and be able to enjoy the beautiful Sea of Cortez on your future vacations. Potentially you could be able to resell the condo for a great profit in a few years, if you don't decide to retire to Mexico entirely. With all of these incredible benefits, what could be better?

## Tri-Core Companies Investor Information Sheet

Please fill out the appropriate information so that we may complete your investment paperwork.

1. If you will be investing as an individual (or with a spouse or co-investor), please provide the following:

Full Name: \_\_\_\_\_

Spouse/Co-Investor Full Name: \_\_\_\_\_

Social Security Number: \_\_\_\_\_

\_\_\_\_\_  
*(If applicable, e.g. filing jointly or for community property)*

Residential Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Spouse/Co-Investor SSN: \_\_\_\_\_

Co-Investor's Home Address *(if different from primary)*: \_\_\_\_\_  
\_\_\_\_\_

Residential Phone: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_  
\_\_\_\_\_

Co-Investor Home Phone: \_\_\_\_\_

*(If different from primary investor)*

Co-Investor E-mail Address: \_\_\_\_\_  
\_\_\_\_\_

Number of units requested: \_\_\_\_\_

2. If you will be investing via a trust, partnership, corporation, or other business entity, please provide the following:

Full legal name of the entity: Barmis Premier Capital, LLC

Name & Title of an authorized representative: Paul Sydell, member

Federal tax ID number of the entity (if applicable): ██████████

Account Number (if applicable; i.e. for a self-directed IRA): \_\_\_\_\_

Jurisdiction (state & county) of the entity: California, Marin county

Investor's E-mail Address: p\_sydell@██████████

Investor's Residential Address: ██████████ CA ██████████

Investor's Residential Phone: (██████████) ██████████

Referral Source: Jim Chen



11/05/2008

Paul Sydell-member  
Barmis Premier Capital, LLC

[REDACTED]  
[REDACTED] CA [REDACTED]

Dear Paul and group,

Thank you and all the members for your investment in Relaxante and Tri-Core Companies. We appreciate your participation and look forward to working with you on this project and many more.

This letter also serves as a receipt for your investment of \$100,000 in project Relaxante.

The funds were cleared into our account on November the 4<sup>th</sup>.

The Private Placement Memorandum has also been received.

Please contact us with any needs and we will talk to you very soon.

Sincerely,

Jason T. Mogler  
President  
Tri- Core Companies

ACC011664  
FILE #8337



# CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

PLEASE RETURN ONE COPY OF THIS  
DOCUMENT TO US IN THE PROVIDED  
RETURN PACKAGING.

PLEASE KEEP ONE COPY OF THIS  
DOCUMENT FOR YOUR PERSONAL  
RECORDS.

Memo: James C. Chen





Memorandum#: Chen

Referral: B. Buckley

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**Tri-Core Companies, LLC**  
An Arizona Limited Liability Company

---

**\$4,500,000**

**\$10,000 per Promissory Note (Unit)**  
**MINIMUM PURCHASE - 1 Promissory Note**  
**60% Rate of Return, Compounded Annually; Paid At Maturity**  
**Maturity Date: 24 months**  
**Redemption at Maturity - \$25,600 per Unit**

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Tri-Core Companies, LLC, an Arizona Limited Liability Company (hereinafter referred to as the "COMPANY"), is offering by means of this Confidential Private Placement Memorandum a maximum of Four Hundred and Fifty (450) Secured Promissory Notes ("Notes") at an offering price of Ten Thousand (\$10,000) Dollars per Note, for a maximum total of Four Million Five Hundred Thousand Dollars (\$4,500,000), to qualified investors who meet the Investor Suitability Requirements set forth herein (see "INVESTOR SUITABILITY REQUIREMENTS"). Each investor must agree to purchase the Notes, as a lender to the Company, for investment purposes only, and execute a Subscription Agreement in the form contained in the accompanying Subscription Booklet (see "TERMS OF THE OFFERING").

**THESE SECURITIES ARE SPECULATIVE AND INVESTMENT  
IN THE NOTES INVOLVES A HIGH DEGREE OF RISK  
(SEE "RISK FACTORS")**

	<b>Offering Price</b>	<b>Selling Commissions</b>	<b>Proceeds to Company</b>
<b>Per Unit</b>	\$10,000	\$1,000	\$9,000
<b>Maximum Units</b>	\$4,500,000	\$450,000	\$4,050,000

**Tri-Core Companies, LLC**  
8840 E. Chaparral Road, Suite 150  
Scottsdale, AZ 85250  
Telephone: (480) 356-3200  
Facsimile: (480) 346-3201

The date of this Private Placement Memorandum is March 1, 2008

---

Tri-Core Companies LLC

(877) 527-6698

ACC011718  
FILE #8337

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### **IMPORTANT NOTICES**

This Confidential Private Placement Offering Memorandum (“Memorandum”) is submitted to you on a confidential basis solely for the purpose of evaluating the specific transaction described herein. This information shall not be photocopied, reproduced, or distributed to others without the prior written consent of Tri-Core Companies, LLC (“Company”). If the recipient determines not to purchase any of the Notes offered hereby, it will promptly return all material received in connection herewith without retaining any copies.

## DISCLAIMERS

THE NOTES OFFERED HEREBY IN THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH, OR APPROVED, BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR HAVE SUCH NOTES OR THIS MEMORANDUM BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF ANY STATE OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. THIS OFFERING IS BASED ON THE EXEMPTION FROM SUCH REGISTRATION AS SET FORTH IN §4(2) AND RULE 506 OF REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED.

THE INVESTMENT DESCRIBED IN THIS MEMORANDUM INVOLVES RISKS, AND IS OFFERED ONLY TO INDIVIDUALS WHO CAN AFFORD TO ASSUME SUCH RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO AGREE TO PURCHASE THE NOTES ONLY FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD THE TRANSFER, RESALE, EXCHANGE OR FURTHER DISTRIBUTION THEREOF. THERE WILL BE NO PUBLIC MARKET FOR THE NOTES ISSUED PURSUANT TO THIS OFFERING MEMORANDUM. THE RESALE OF THE NOTES IS LIMITED BY FEDERAL AND STATE SECURITIES LAWS AND IT IS THEREFORE RECOMMENDED THAT EACH POTENTIAL INVESTOR SEEK COUNSEL SHOULD THEY DESIRE MORE INFORMATION.

THE PRICE OF THE NOTES AS DESCRIBED IN THIS OFFERING MEMORANDUM HAS BEEN ARBITRARILY DETERMINED BY THE SPONSORS OF THIS INVESTMENT, AND EACH PROSPECTIVE INVESTOR SHOULD MAKE AN INDEPENDENT EVALUATION OF THE FAIRNESS OF SUCH PRICE UNDER ALL THE CIRCUMSTANCES AS DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION IN CONNECTION WITH THIS MEMORANDUM, EXCEPT SUCH INFORMATION AS IS CONTAINED OR REFERENCED IN THIS MEMORANDUM. ONLY INFORMATION OR REPRESENTATIONS CONTAINED OR REFERENCED HEREIN MAY BE RELIED UPON AS HAVING BEEN MADE BY THE COMPANY. PROSPECTIVE INVESTORS WHO HAVE QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THIS PRIVATE OFFERING MEMORANDUM OR WHO DESIRE ADDITIONAL INFORMATION OR DOCUMENTATION TO VERIFY THE INFORMATION CONTAINED HEREIN SHOULD CONTACT THE COMPANY. PROJECTIONS OR FORECASTS CONTAINED IN THIS PRIVATE OFFERING MEMORANDUM, OR OTHER MATERIALS, MUST BE VIEWED ONLY AS ESTIMATES. ALTHOUGH ANY PROJECTIONS CONTAINED IN THIS MEMORANDUM ARE BASED UPON ASSUMPTIONS WHICH THE COMPANY BELIEVES TO BE REASONABLE, THE ACTUAL PERFORMANCE OF THE COMPANY MAY DEPEND UPON FACTORS BEYOND THE CONTROL OF THE COMPANY. NO ASSURANCE CAN BE GIVEN THAT THE COMPANY'S ACTUAL PERFORMANCE WILL MATCH ITS INTENDED RESULTS.

## **1. SUMMARY OF THE OFFERING**

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY MORE DETAILED INFORMATION THAT MAY APPEAR ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM. EACH PROSPECTIVE INVESTOR IS URGED TO READ THIS PRIVATE OFFERING MEMORANDUM IN ITS ENTIRETY.

Tri-Core Companies, LLC (the "Company") was formed on August 29, 2007 as an Arizona Limited Liability Company. The Company is in the business of Land Acquisition and Development.

The Securities offered are Four Hundred and Fifty (450) Notes issued by the Company at Ten Thousand (\$10,000) Dollars per Note, payable in cash at the time of subscription (see "Exhibit "B" for copy of Promissory Note). The minimum purchase is one (1) Note. The Notes have an annual rate of return of sixty (60%) percent interest, compounded annually. The return will be paid at maturity, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date.

None of the Notes are convertible to Membership Units, or other type of equity, in the Company. This offering will commence on March 1, 2008, and will terminate no later than February 28, 2009, unless extended by the Company (see "TERMS OF THE OFFERING").

The gross proceeds of the offering will be a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars. The use of the proceeds is to purchase and develop a water front parcel in San Luis Rio Colorado, Sonora, Mexico as described herein (see "USE OF PROCEEDS").

## **2. THE COMPANY**

Tri-Core Companies, LLC (the "Company") was formed on August 29, 2007, as an Arizona Limited Liability Company. At the date of this offering, One Thousand (1,000) of the Company's Membership Units were authorized and Nine Hundred (900) Membership Units are issued, and outstanding. The Company is in the business of construction management, land acquisition, and development.

### **2.1 OPERATIONS**

The Company is in the business of construction management, land acquisition, and development, specializing in beach front properties along the coast of the

upper Sonoran coastline in Sonora, Mexico. SEE "EXHIBIT D - BUSINESS PLAN."

## **2.2 BUSINESS PLAN**

Tri-Core Companies' Business Plan, included as Exhibit D of this Memorandum, and was prepared by the Company using assumptions set forth in the Business Plan, including several forward looking statements. Each prospective investor should carefully review the Business Plan before purchasing Notes. Management makes no representations as to the accuracy or achievability of the underlying assumptions and projected results contained herein.

## **3. MANAGEMENT**

### **3.1 LLC MANAGERS**

The success of the company is dependent upon the services and expertise of existing management. At the present time, three individuals are actively involved in the management of the Company:

#### **Jason Todd Mogler - President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

#### **Vince Gibbons - Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review,

inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club - Mohave County, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.
- **Eagle View Subdivision - Kingman, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.
- **Villages at Loreto Bay, Master Planned Development - Loreto, Mexico.**  
Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.
- **Colonias de Cardenas, Master Planned Community - Panama City, Panama.**  
Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.
- **Punta Delfin, Enchantment of México - Sea of Cortez, Sonora, México.**  
Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey - Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

Mr. Hinkeldey's educational background consists of a degree in Banking and Money Management from Adelphi University, Long Island, New York. He also holds a three year specialized degree in real estate finance from the Mortgage Bankers of America which he received at Northwestern University. He attended numerous programs for finance, real estate, and management at New York University and Wharton Business School.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **4. TERMS OF THE OFFERING**

##### **4.1 GENERAL TERMS OF THE OFFERING**

This Private Offering Memorandum is offering a maximum of Four Hundred and Fifty (450) Notes at Ten Thousand (\$10,000) Dollars per Note, for a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars to a select group of Investors who satisfy the Investor Suitability Requirements (see "**INVESTOR SUITABILITY REQUIREMENTS**"). The Company has the authority to sell fractional Notes at its sole discretion.

##### **4.2 MINIMUM OFFERING AMOUNT - HOLDING ACCOUNT**

The Company has established an Investment Holding Account with Wells Fargo Bank into which the offering proceeds will be placed. No minimum offering amount has been established before proceeds can be released from the holding account and utilized by the Company.

##### **4.3 NONTRANSFERABILITY OF NOTES**

The Notes have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered in reliance upon an exemption under §4(2) and Rule 506 of Regulation D of the Securities Act, as amended, and rules and regulations hereunder. The Notes have not been registered under the securities laws of any state and will be offered pursuant to an exemption from registration in each state. A purchaser may transfer or dispose of the Note only if such

Notes are subsequently registered under the Securities Act, or if an exemption from registration is available, and pursuant to an opinion of counsel acceptable to the Company and its counsel to the effect that the Notes may be transferred without violation of the registration requirements of the Securities Act or any other securities laws.

#### **4.4 CLOSING OF THE OFFERING**

The Notes are offered and closed only when a properly completed Subscription Agreement (**Exhibit A**); Note (**Exhibit B**), and Investor Questionnaire (**Exhibit C**) are submitted by the investing Subscriber or his/her Investor Representatives and are received and accepted by the Company. The Subscription Agreement as submitted by an investing Subscriber or his/her Investor Representatives shall be binding once the Company signs the Subscription Agreement, Note and the funds delivered by the potential Investor to the Company with the Subscription Agreement has been cleared by the financial institution in which they are deposited by the Company. The Notes will be delivered to qualified Investors upon acceptance of their subscriptions. All funds collected from investing Subscribers will be deposited in a designated account under the control of the Company. Investors subscribing to the Notes may not withdraw or revoke their subscriptions at any time prior to acceptance by the Company, except as provided by certain state laws, or if more than thirty (30) days have passed after receipt of the Subscription Agreement by the Company without the Company accepting the Investor's funds and delivering all applicable documents to such Investor. The proceeds of this Offering will be used only for the purpose set forth in this Private Offering Memorandum (see "**USE OF PROCEEDS**").

The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Four Million Five Hundred Thousand (\$4,500,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

#### **5. PLAN OF DISTRIBUTION**

##### **5.1 OFFERING OF NOTES**

The Notes will be offered to prospective lenders by Officers and Directors of the Company and qualified licensed personnel, pursuant to State and Federal security rules and regulations. This Offering is made solely through this Private Placement Memorandum and without any form of general solicitation or advertising. The Company and its Officers and Directors or other authorized

personnel will use their best efforts during the Offering period to find eligible Investors who desire to subscribe to the Notes in the Company. These Notes are offered on a "best efforts" basis, and there is no assurance that any or all of the Notes will be closed. The Company has the authorization to offer fractional Notes at its sole discretion. The Offering period will begin as of the date of this private Offering Memorandum and will close upon the happening of such occurrences as defined herein (see "**TERMS OF THE OFFERING**").

## **5.2 PAYMENTS TO BROKER DEALERS OR INVESTMENT ADVISORS**

The Company has the power to pay fees or commissions to qualified Broker Dealers, Registered Investment Advisors or any other person qualified under other applicable federal and state security laws.

## **6. DESCRIPTION OF NOTES**

### **6.1 NOTES**

The Company is offering Four Hundred and Fifty (450) Notes of the Company to potential investors at Ten Thousand (\$10,000) Dollars per Note, payable in cash at the time of the subscription. The minimum purchase is one (1) note. The Notes will have an annual rate of return of sixty (60%) percent interest, compounded annually, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. All principal shall be paid at maturity (24 months). Interest shall be paid at maturity (24 months). The principal and any interest due on said principal may be prepaid, at the sole discretion of the Company, without a prepayment penalty at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date can not be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date. The Notes offered pursuant to this Private Placement Memorandum will be secured by the property.

The Notes will be issued in the form attached hereto and incorporated herein by reference as though set forth in full herein as **Exhibit B**.

### **6.2 SECURITY FOR PAYMENT OF THE NOTES**

The Notes being offered by the Company in this Private Placement Offering are secured by the land Tri-Core Companies LLC purchases. Tri-Core Companies LLC will establish an administration account which will hold the title to the property until all note holders will be paid in full.

### 6.3 REPORTS TO NOTEHOLDERS

The Company will furnish annual un-audited reports to its Note holders ninety (90) days after its fiscal year. The Company may issue other interim reports to its Note holders as it deems appropriate. The Company's fiscal year ends on December 31<sup>st</sup> of each year.

### 7. USE OF PROCEEDS

The gross proceeds of the Offering will be a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars. The table below sets forth the use of proceeds for both the maximum and minimum offering amounts.

#### Sources

	Maximum Amount	Percent of Proceeds
<b>Proceeds From the Sale of Notes</b>	\$4,500,000	100.00%

#### Application of Proceeds

Offering Expenses <sup>(1)</sup>	\$ 100,000	2.22%
Commissions <sup>(2)</sup>	\$ 450,000	10.00%
<b>Total Offering Expenses &amp; Fees</b>	<b>\$ 550,000</b>	<b>12.22%</b>
Land Purchase <sup>(5)</sup>	\$1,500,000	33.34%
General Project Expenses	\$ 280,000	6.22%
On-Site Work	\$ 325,000	7.22%
Soft Cost	\$ 350,000	7.78%
Marketing	\$ 480,000	10.67%
Administration <sup>(3)</sup>	\$ 615,000	13.67%
Contingency	\$ 400,000	8.89%
<b>Net Offering Proceeds</b>	<b>\$3,950,000</b>	<b>87.78%</b>
<b>Total Application of Proceeds</b>	<b>\$4,500,000</b>	<b>100.00%</b>

#### Footnotes:

- (1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.
- (2) This Offering is being sold by the officers and directors of the Company, who will not receive any compensation for their efforts. No sales fees or commissions will be paid to such officers or directors. Notes may be sold by registered brokers or dealers who are members of the NASD and who enter into a Participating Dealer Agreement with the Company. Such brokers or dealers may receive commissions up to ten percent (10%) of the price of the Notes sold.
- (3) Includes Scottsdale and Mexico offices; legal and accounting fees.
- (4) No minimum has been set for this offering.
- (5) Amount due to Tri-Core Business Development, LLC for inter-company transfer of title to Tri-Core Companies, LLC.

## 8. CAPITALIZATION STATEMENT

### 8.1 CAPITALIZATION PRIOR TO AND AFTER THE OFFERING

The following table summarizes the capitalization of the Company prior to, and as adjusted to reflect, the issuance and sale of the maximum of Four Hundred and Fifty (450) Notes or Four Million Five Hundred Thousand (\$4,500,000) Dollars.

	AS ADJUSTED 08/29/07	AFTER THE OFFERING
Notes	-0-	<u>\$4,500,000</u>
Membership Units \$.01 par value, 1,000 Units authorized, 1000 Units issued and outstanding	\$100	\$100
Net Shareholders' Equity	\$100	\$100
TOTAL CAPITALIZATION	<u>\$100</u>	<u>\$4,500,100</u>

## 9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### 9.1 RESULTS OF OPERATIONS

The Company is a development stage company and has not yet commenced its principal operations.

### 9.2 LIQUIDITY AND CAPITAL RESOURCES

The Company's liquidity and capital resources are dependent on its ability to raise sufficient capital to pay for the purchase price of the Promissory Notes.

## 10. CERTAIN TRANSACTIONS

### 10.1 ARIZONA LIMITED LIABILITY COMPANY

**Tri-Core Companies, LLC** is a privately held Arizona Limited Liability Company, incorporated on August 29, 2007.

## **10.2 PRIVATE OFFERING OF NOTES**

The Company is authorized to offer in this private offering, up to Four Million Five Hundred Thousand (\$4,500,000) Dollars of Notes to selected investors, effective on March 1, 2008.

## **11. FIDUCIARY RESPONSIBILITIES OF THE DIRECTORS AND OFFICERS OF THE COMPANY**

### **11.1 GENERAL**

The Principals, Officers, and Directors of the Company are accountable to the Company as fiduciaries and such Principals, Officers and Directors are required to exercise good faith and integrity in managing the Company's affairs and policies. Each Note Holder of the Company, or their duly authorized representative, may inspect the books and records of the Company at any time during normal business hours. A Note Holder may be able to bring an action on behalf of himself in the event the Note Holder has suffered losses in connection with the purchase or sale of the Note(s) in the Company, due to a breach of fiduciary duty by an Officer or Director of the Company, in connection with such sale or purchase, including the misrepresentation or misapplication by any such Officer or Director of the proceeds from the sale of these Notes, and may be able to recover such losses from the Company.

### **11.2 INDEMNIFICATION**

Indemnification is permitted by the Company to directors, officers, or controlling persons pursuant to Arizona law. Indemnification includes expenses, such as attorneys' fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person and arising from their relationship with the Company, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

## **12. RISK FACTORS**

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

## **12.1 FORMATION OF THE COMPANY**

The Company was formed on August 29, 2007. It is therefore subject to all the risks inherent in the creation of a new Company. Unforeseen expenses, complications, and delays may occur with a new Company.

## **12.2 CONTROL BY COMPANY**

After completion of this offering, the Company will own one hundred percent (100%) of the issued and outstanding Membership Units. Such ownership will enable the Company to continue to elect all the Managers and to control the Company's policies and affairs. The Note Holders will not have any voting rights in the Company.

## **12.3 RELIANCE ON THE COMPANY FOR MANAGEMENT**

All decisions with respect to the management of the Company will be made exclusively by the Principal Managers of the LLC. The Note Holders do not have the right or power to take part in the management of the Company. Accordingly, no person should purchase a Note unless he is willing to entrust all aspects of the management of the Company to existing Management.

## **12.4 LIMITED TRANSFERABILITY OF THE NOTES**

The transferability of the Notes in this offering is limited, and potential investors should recognize the nature of their investment in the offering. It is not expected that there will be a public market for the Notes because there will be only a limited number of investors and restrictions of the transferability of Notes. The Notes have not been registered under the Securities Act of 1933, as amended, or qualified or registered under the securities laws of any state and, therefore, the Notes cannot be resold unless they are subsequently so registered or qualified or an exemption from such registration is available. The offering also contains restrictions on the transferability of the Notes. Accordingly, purchasers of Notes will be required to hold such Notes to maturity unless otherwise approved by the Company. The Company does not intend to register the Notes under the Securities Act of 1933.

## **12.5 CAPITALIZATION OF THE COMPANY**

Prior to this offering, the Company was funded by cash. Independent of the amounts raised in this offering the Company does not have any other assets available to use to pay principal or interest on the Notes.

## **12.6 REGULATIONS**

The Company is subject to usual federal and state laws, rules and regulations. The Company believes it is in full compliance with any and all applicable laws, rules and regulations both domestically and in Mexico.

## 12.7 GENERAL ECONOMY

The Company is subject to the Mexican and U.S. Economy and its effect on consumer confidence and spending.

## 12.8 DEPENDANCY ON SUPPLIERS AND BUILDING TRADES

Since the Company is dependent on building materials and the general building trades, any shortage or slowdown could affect timetables.

## 13. PRINCIPAL SHAREHOLDERS

As of the date of this Offering, the Company has Nine Hundred (900) Membership Units issued and outstanding to Jason Todd Mogler (30%), Jim Hinkeldey (30%), and Vince Gibbons (30%).

## 14. HOW TO INVEST

An Investor who meets the qualifications as set forth in this Private Offering Memorandum may subscribe for at least the minimum purchase herein of One (1) Note (Ten Thousand (\$10,000) Dollars) by carefully reading this entire Private Offering Memorandum and by then completing and signing a separately bound booklet. This booklet contains identical copies of the following exhibits contained in the Private Offering Memorandum, including:

- Exhibit A INSTRUCTIONS TO SUBSCRIBERS and SUBSCRIPTION AGREEMENT: This contains complete instructions to Subscribers and should be read in its entirety by the prospective investor prior to investing. The Subscription Agreement must be signed by the Investor.
- Exhibit B PROMISSORY NOTE: This Note will be signed by Tri-Core Companies, LLC.
- Exhibit C INVESTOR QUESTIONNAIRE: This questionnaire requires a Subscriber to complete a financial history in order to aid the Company in the determination of the suitability of the Subscriber as a potential Investor. This questionnaire must be signed by the Investor.
- Exhibit D Tri-Core Companies, LLC Business Plan

Copies of all the above referenced documents are included with this Private Placement Memorandum. For discussion of the actions of the Company upon receipt of a properly completed request to invest by a Subscriber, please see "**TERMS OF THE OFFERING.**" Such Investor should include his check made payable Tri-Core Companies, LLC, along with the SUBSCRIPTION AGREEMENT, NOTE, AND

INVESTOR QUESTIONNAIRE. Delivery of the documents referred to above, together with a check to the Company should be addressed to the Company as follows: **Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250.**

## **15. INVESTOR SUITABILITY REQUIREMENTS**

### **15.1 INTRODUCTION**

Potential Investors should have experience in making investment decisions or such Investors should rely on their own tax consultants or other qualified investment advisors in making this investment decision.

### **15.2 GENERAL SUITABILITY**

Each potential Investor will be required to represent the following by execution of a Subscription Agreement:

1. The Investor has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in this Offering.
2. The Investor has the ability to bear the economic risk of this investment, has adequate means to provide for his, her, or its current needs and personal contingencies, has no need for liquidity in this investment and could afford the complete loss of the investment.
3. The Investor is acquiring the Note(s) for his, her or its own account for investment purposes only and not with a view toward subdivision, resale, distribution or fractionalization thereof, or for the account of others, and has no present intention of selling or granting any participation in, or otherwise distributing, the Note(s).
4. The Investor's overall commitment to invest in the Note(s) is not disproportionate to his, her, or its net worth and the investment in these Note(s) will not cause such overall commitment to become excessive.
5. The Investor has read and understands this Private Placement Memorandum and all its exhibits.

### **15.3 NONACCREDITED INVESTORS**

Up to and including thirty-five (35) investing Subscribers may be accepted by the Company as suitable Investors if each such Subscriber has a net worth sufficient to bear the risk of losing his entire investment and meets the above "General Suitability Standards."

## 15.4 ACCREDITED INVESTORS

In addition to satisfying the "General Standards" as defined above, all but thirty-five (35) Subscribers for Shares must each satisfy one of the "Accredited Investors" economic suitability standards as defined below:

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;
2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;
3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);
5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.

#### **15.5 ACCEPTANCE OF SUBSCRIPTION AGREEMENT BY THE COMPANY**

The Investor Suitability Requirements referred to in this section represent minimum requirements for potential Investors. Satisfaction of these standards does not necessarily mean that participation in this Offering constitutes a suitable investment for such a potential Investor or that the potential Investors' Subscription will be accepted by the Company. The Company may, in fact, modify such requirements as circumstances dictate. All Subscription Agreements submitted by potential Investors will be carefully reviewed by the Company to determine the suitability of the potential Investor in this Offering. The Company may, in its sole discretion, refuse a Subscription in this Offering to any potential Investor who does not meet the applicable Investor Suitability Requirements or who otherwise appears to be an unsuitable Investor in this Offering. The Company will not necessarily review or accept a Subscription Agreement in the sequential order in which it is received. The Company also has the discretion to maximize the number of Accredited Investors in this Offering and, as a result, may accept less than thirty-five (35) Non-accredited Investors in this Offering.

#### **16. LITIGATION**

The Company and its Principals have no lawsuits pending, no legal actions pending or judgments entered against the Company or its Principals and, to the best knowledge of the Company, no legal actions are contemplated against the Company and/or its Principals.

## 17. ADDITIONAL INFORMATION

Reference materials described in this Private Offering Memorandum are available for inspection at the office of the company during normal business hours. It is the intention of the Company that all potential Investors are given full access to such information for their consideration in determining whether to purchase the Notes being offered. Prospective Investors should contact the Company for access to information regarding the matters set forth or other information concerning the Company. Representatives of the Company will also answer all inquiries from potential Investors concerning the Company and any matters relating to its proposed operations or present activities. The Company will afford potential Investors and their representatives the opportunity to obtain any additional information reasonably necessary to verify the accuracy or the source of any representations or information contained in this Private Offering Memorandum. All contracts entered into by the Company are subject to modifications and the Company may make any changes in any such contracts as deemed appropriate in its best discretion. Such recent amendments may not be circulated to Subscribers prior to the time of closing this Offering. However, potential Investors and their representatives may review such material or make inquiry of the Company concerning any of these and any other matters of interest.

## 18. FORECASTS OF FUTURE OPERATING RESULTS

Any forecasts and proforma financial information which may be furnished by the Company to prospective Investors or which are part of the Company's business plan, are for illustrative purposes only and are based upon assumptions made by Management regarding hypothetical future events. There is no assurance that actual events will correspond with the assumptions or that factors beyond the control of the Company will not affect the assumptions and adversely affect the illustrative value and conclusions of any forecasts.

## 19. GLOSSARY OF TERMS

The following terms used in this Memorandum shall (unless the context otherwise requires) have the following respective meanings:

**ACCEPTANCE.** The acceptance by the Company of a prospective investor's subscription.

**ACCREDITED INVESTORS.** Those investors who meet the criteria set forth in "INVESTOR SUITABILITY REQUIREMENTS."

**BROKER-DEALER.** A person or firm licensed with the NASD, the SEC and with the securities or corporate commissions department of the state in which it sells investment securities and who may employ licensed agents for that purpose.

**COMPANY.** Refers to **TRI-CORE COMPANIES, LLC**, an Arizona Limited Liability Company.

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. (NASD).** A self-regulating body which licenses brokers and dealers handling securities offerings, reviews the terms of an offering's underwriting arrangements and advertising literature and, while not a governmental agency, acts as a review service watchdog to make sure that its regulations and those of the SEC are followed for the Investor's protection in offerings of securities.

**NOTES.** A Ten Thousand (\$10,000) Dollar investment consisting of one (1) Promissory Note issued by **TRI-CORE COMPANIES, LLC**, an Arizona Limited Liability Company.

**SECURITIES ACT OF 1933.** A federal act regulated and enforced by the SEC that requires, among other things, the registration and use of a prospectus whenever a security is sold (unless the security or the manner of the Offering is expressly exempt from such registration process).

**SECURITIES EXCHANGE ACT OF 1934.** A federal act regulated and enforced by the SEC which supplements the Securities Act of 1933 and contains requirements which were designed to protect investors and to regulate the trading (secondary market) of securities. Such regulations require, among other things, the use of prescribed proxy statements when investors' votes are solicited; the disclosure of management and large shareholders' holding of securities; controls on the resale of such securities; and periodic (monthly, quarterly, annually) filing with the SEC of financial and disclosure reports of the Issuer.

**SECURITIES AND EXCHANGE COMMISSION (SEC).** An independent United States government regulatory and enforcement agency which supervises investment trading activities and registers companies and those securities which fall under its jurisdiction. The SEC also administers statutes to enforce disclosure requirements that were designed to protect investors in securities offerings.

**SUBSCRIPTION DOCUMENTS.** Consists of the Note, Subscription Agreement, Investor Questionnaire, and a check as payment for the Note(s) to be purchased submitted by each prospective Investor to the Company.

**TERMINATION DATE.** The earlier to occur of the date on which all Notes are sold or February 28, 2009.

**20. ACKNOWLEDGMENT**

By signing below, the undersigned acknowledges that he/she has read and understood this entire Private Placement Memorandum.

  
\_\_\_\_\_  
Signature

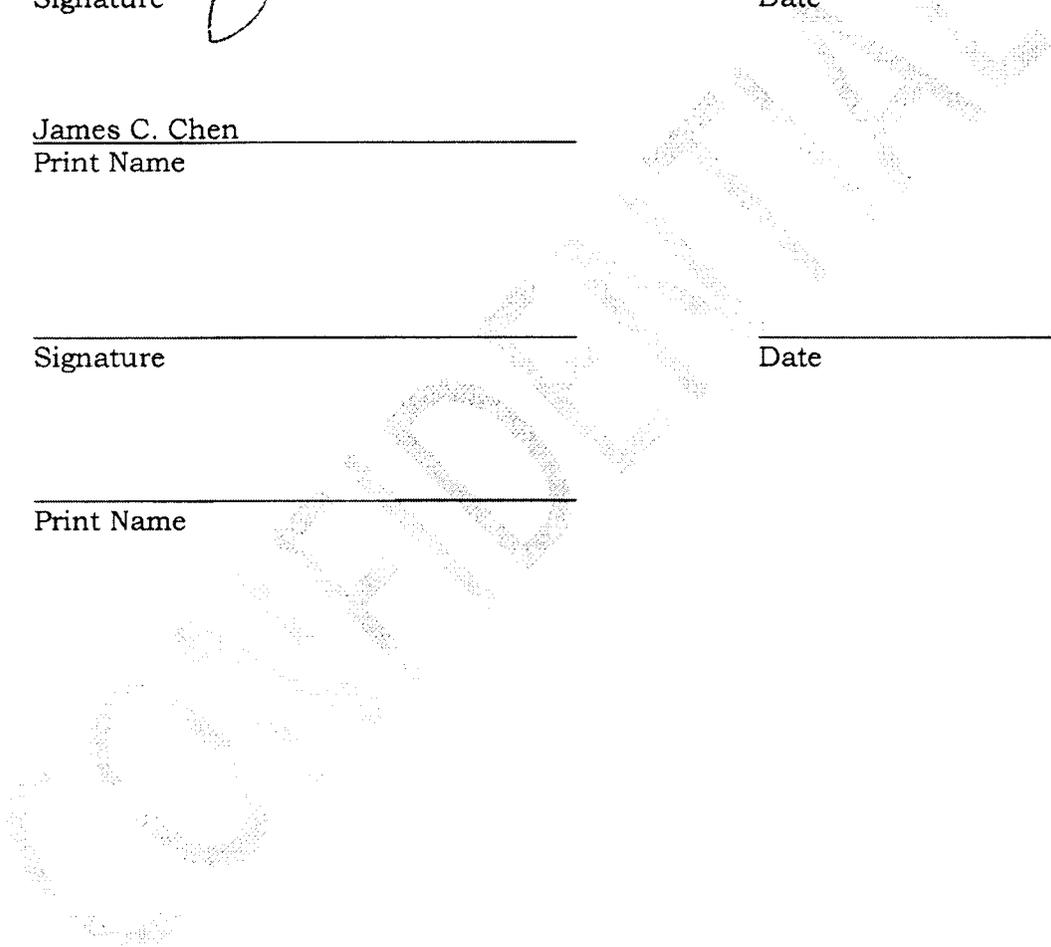
11/20/2008  
\_\_\_\_\_  
Date

James C. Chen  
\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name



CONFIDENTIAL

**EXHIBIT A**  
**SUBSCRIPTION AGREEMENT**

**Print Name of Subscriber:** James C. Chen

**Amount Loaned:** \$100,000

**Number of Notes:** Ten (10)

**Tri-Core Companies, LLC**

**SUBSCRIPTION DOCUMENTS**

**OFFERING OF A MAXIMUM OF FOUR HUNDRED AND FIFTY  
(450) SECURED PROMISSORY NOTES**

**TEN THOUSAND (\$10,000) DOLLARS PER NOTE**

**MARCH 1, 2008**

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**SUBSCRIPTION INSTRUCTIONS**  
**(Please read carefully)**

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Each subscriber for the Secured Promissory Notes, Ten Thousand (\$10,000) Dollars per Note (the "Notes") of Tri-Core Companies, LLC, an Arizona Limited Liability Company ("the Company"), must complete and execute the Subscription Documents in accordance with the instructions set forth below. The completed documents should be sent to Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250.

**Payment for the Securities should be made by check payable to the Tri-Core Companies LLC and enclosed with the documents as directed in Section III below.**

- I. These Subscription Documents contain all of the materials necessary for you to purchase the Notes. This material is arranged in the following order:
  - Subscription Agreement
  - Promissory Note
  - Confidential Prospective Purchaser's Questionnaire
- II. All investors must complete in detail, date, initial, and sign the Subscription Documents where appropriate. All applicable sections must be filled in.
- III. Payment for the Notes must be made by check as provided below:

Please make your check payable, in the appropriate amount, for the number of Notes purchased (at Ten Thousand (\$10,000) per Note), to **Tri-Core Companies, LLC**. Your check should be enclosed with your signed subscription documents.

All funds received from subscribers will be placed in a segregated Holding Account of the Company. Once the minimum offering amount has been reached the funds will be transferred to the Company's operating account and will be available for use.

IV **SPECIAL INSTRUCTIONS**

**FOR CORPORATIONS.** Include copy of Board resolution designating the corporate officer authorized to sign on behalf of the corporation, a Board resolution authorizing the investment, and financial statements.

**FOR PARTNERSHIPS.** Provide a complete copy of the partnership agreement, questionnaire, and financial statements for each General Partner.

**FOR TRUSTS.** Provide a complete copy of the instruments or agreements creating the trust, as amended to date.

**Print Name of Subscriber:** James C. Chen

**Amount Loaned:** \$100,000.00

**Number of Notes:** Ten (10)

**Subscription Agreement**

To: Tri-Core Companies, LLC  
8840 E. Chaparral Road – Suite 150  
Scottsdale, AZ 85250

Gentlemen:

**1. Subscription.** The undersigned hereby subscribes for **Ten (10)** Notes of Tri-Core Companies, LLC (the “Company”), an Arizona Limited Liability Company, and agrees to loan to the Company Ten Thousand (\$10,000) Dollars per Note for an aggregate loan of **\$100,000.00** (the “Loan Amount”) upon the terms and subject to the conditions (a) set forth herein, and (b) described in the Confidential Private Placement Memorandum (“Private Placement Memorandum”) dated March 1, 2008, together with all exhibits thereto and materials included therewith, and all supplements, if any, related to this offering. The minimum loan is Ten Thousand (\$10,000) Dollars, but the Company has the discretion to offer fractional Notes for loans less than the minimum.

**2. Note Offering.** The Company is offering a maximum of Four Hundred and Fifty (450) Notes at Ten Thousand (\$10,000) Dollars per Note, with no minimum subscription (the “Offering”). The maximum aggregate loan to the Company from this Offering will be Four Million Five Hundred Thousand (\$4,500,000) Dollars. The Offering is being made to a limited number of investors pursuant to an exemption available under the Securities Act of 1933 (the “Act”), specifically Rule 506 promulgated under Regulation D, and under certain other laws, including the securities law of certain states.

**3. Documents to Be Delivered.** The undersigned is delivering to the Company executed copies of this Subscription Agreement (the “Agreement”), the Note(s), Offeree Questionnaire, and all other applicable exhibits and documents (the “Subscription Documents”). The Subscription Documents should be delivered to Tri-Core Companies, LLC, at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. The undersigned understands and agrees that he or it will not become a “Holder” of the Note(s) and the Company shall not become a “Maker” of the Note(s) unless and until the Agreement and Note(s) are executed by the Company.

**4. Making of Loan Amount.** The undersigned, simultaneously with the delivery of the Subscription Documents to the Company, hereby tenders to the Company the Loan Amount by **check made payable to the order of Tri-Core Companies, LLC** in the amount indicated above.

**5. Acceptance or Rejection of Subscription.** The undersigned understands and agrees that the Company reserves the right, exercisable in its sole discretion, to accept or reject any subscription, in whole or in part, for any reason and that the undersigned will be notified by the Company as promptly as practicable as to whether his or its subscription has been accepted or rejected. If the undersigned's subscription is accepted, in whole or in part, by the Company, the Company will execute this Agreement and the Note(s) and return them to the undersigned. If this subscription is rejected by the Company, either in whole or in part, all funds, in the case of a rejection of the subscription in whole, or those funds representing the amount of the subscription not accepted by the Company, in the case of a rejection of the subscription in part, will be returned to the undersigned as promptly as practicable. If this subscription is rejected in whole by the Company, this Agreement shall be null, void and of no effect. The undersigned does not have the right to withdraw or revoke his or its subscription during the Offering period, except as provided by certain state laws, except that if more than thirty (30) days shall have passed from the date the Company received completed and executed Subscription Documents and the Loan Amount from the undersigned (the "Acceptance Period"), and the Company has not accepted the subscription during the Acceptance Period, the undersigned may withdraw his or its subscription at any time after the Acceptance Period up until such time that the Company subsequently decides, in its sole discretion, to accept the subscription in whole or in part.

**6. Offering Period.** The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Four Million Five Hundred Thousand (\$4,500,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

**7. Closing of the Loan.** The Note(s) subscribed for herein shall not be deemed made by the Company or held by the undersigned until this Agreement and the Note(s) have been countersigned by the Company, and until the funds delivered by the undersigned to the Company with the Subscription Documents have been deposited in the Holding Account and have been cleared by the applicable bank of the Company (the "Effective Date"). Upon the Effective Date, (a) the undersigned shall have loaned to the Company the Loan Amount, (b) the undersigned shall become the Holder and the Company shall become the Maker of the Note(s) subscribed for by the undersigned, and (c) both the undersigned and the Company shall be bound by the terms of the Private Placement Memorandum and the Subscription Documents and any other undertakings described herein.

**8. Representations and Warranties.**

- (a) The Company hereby represents and warrants as follows:

(i) The Company is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Arizona and has the requisite company power and authority to own, lease and operate its properties and to carry on its business as now being conducted;

(ii) This Agreement constitutes the valid and binding obligation of the Company enforceable against the Company in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws from time to time in effect which affect creditor's rights generally and by legal and equitable limitations on the availability of specific performance and other equitable remedies under or by virtue of this Agreement). The Company has all requisite power and authority, corporate and other, to execute and deliver this Agreement and the Note(s) and to consummate the transactions contemplated hereby. All persons who have executed this Agreement and the Note(s) on behalf of the Company have been duly authorized to do so by all necessary corporate action. Neither the execution and delivery of this Agreement and the Note(s) nor the consummation of the transactions contemplated hereby will (A) violate any provision of the Certificate of Incorporation or Operating Agreement of the Company, as currently in effect; (B) violate any judgment, order, injunction, decree or award against, or binding upon, the Company or the securities, assets, properties, operations or business of the Company; or (C) violate any law or regulation applicable to the Company or to the securities, assets, properties, operations or business of the Company.

(b) In order to induce the Company to accept the subscription made hereby, the undersigned hereby represents and warrants to the Company as follows:

(i) The undersigned has received the Private Placement Memorandum and the Subscription Documents. The undersigned has read and understands the Private Placement Memorandum and Subscription Documents and the information contained in those documents concerning the Company and this Offering or has caused his or its representative to read and examine the Private Placement Memorandum and Subscription Documents. The undersigned has relied only on the information about the Company contained in these documents and his or its own independent investigation in making his or its subscription. The undersigned understands that the Notes will be issued with the rights and subject to the conditions described in the Private Placement Memorandum and Subscription Documents;

(ii) The undersigned is familiar with the terms and conditions of the Offering and is aware that his or its investment involves a

degree of risk and the undersigned has read the section in the Private Placement Memorandum titled "Risk Factors."

(iii) The undersigned hereby specifically accepts and adopts each and every provision of this Agreement and acknowledges and agrees with each and every provision of this Agreement and, upon acceptance by the Company of the subscription made hereby, agrees to be bound by such provisions.

(iv) The undersigned acknowledges and is aware that there is no assurance as to the future performance of the Company.

(v) The undersigned, if an individual (A) has reached the age of majority in the state in which he resides and (B) is a bona fide resident and domiciliary (not a temporary or transient resident) of the state set forth below his signature on the signature page hereof and has no present intention of becoming a resident of any other state or jurisdiction. The undersigned, if a partnership, corporation, limited liability company, trust or other entity, was organized or incorporated under the laws of the jurisdiction set forth below the signature made on its behalf on the signature page hereof and has no present intention of altering the jurisdiction of its organization, formation or incorporation.

(vi) The undersigned has the financial ability to bear the economic risk of an investment in the Offering, has adequate means of providing for his or its current needs and personal contingencies, has no need for liquidity in the Note(s) and could afford a complete loss of his or its investment in the Offering.

(vii) The undersigned represents and warrants to the Company that he or it comes within one of the categories of investors as defined in Exhibit 1 hereto (*please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity*).

(viii) The undersigned has been given the opportunity to review the merits of an investment in the Offering with tax and legal counsel or with an investment advisor to the extent the undersigned deemed advisable.

(ix) The undersigned's overall commitment to invest in the Note(s), which are not readily marketable, is not disproportionate to his or its net worth and his or its investment in the Offering will not cause such overall commitment to become excessive.

(x) The undersigned has such knowledge and experience in financial and business matters that he or it is capable of evaluating the merits and risks of an investment in the Offering.

(xi) The undersigned has been given a full opportunity to ask questions of and to receive (A) answers from the Company and its Managers concerning the terms and conditions of this Offering and the business of the Company and (B) such other information as he or it desired in order to evaluate an investment in the Offering, and all such questions have been answered to the full satisfaction of the undersigned. No oral or written representations have been made or oral or written information furnished to the undersigned or the undersigned's advisors in connection with the Offering or interests that were in any way inconsistent with this Subscription Agreement. The undersigned is not participating in the Offering as a result of or subsequent to: (1) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or (2) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(xii) If the undersigned is a corporation, limited liability company, partnership, trust or other entity, it is authorized and qualified to make this loan to the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so.

(xiii) If the undersigned is a corporation, limited liability company or partnership, the person signing this Agreement on its behalf hereby represents and warrants that the information contained in this Agreement completed by any shareholders of such corporation, members of such limited liability company or partners of such partnership is true and correct with respect to such shareholder, member or partner (and if any such shareholder is itself a corporation, limited liability company or partnership, with respect to all persons having an equity interest in such corporation, limited liability company or partnership, whether directly or indirectly) and that the person signing this Agreement has made due inquiry to determine the truthfulness and accuracy of the information contained in this Agreement.

(xiv) The purchase of the Note(s) by the undersigned has been duly authorized, and the execution, delivery and performance of this Agreement does not conflict with the undersigned's partnership agreement, certificate of incorporation, by-laws, articles of organization, operating agreement or any agreement to which the undersigned is a party and this Agreement is a valid and binding agreement enforceable against the undersigned in accordance with its terms.

(xv) The undersigned hereby represents that he or it is subscribing for the Notes as principal or as trustee, solely for the account of the undersigned, for investment purposes only and not with a view to, or for, subdivision, resale, distribution, or fractionalization thereof, in whole or in part, or for the account, in whole or in part, of others, and, except as disclosed herein, no other person has a direct or indirect beneficial interest in the Note(s). The undersigned will hold the Note(s) as an investment and has no reason to anticipate any change in circumstances or other particular occasion or event, which would cause the undersigned to attempt to sell any of the Note(s).

(xvi) The undersigned acknowledges his or its understanding that (A) the Offering of the Note(s) by the Company has not been registered under the Act, as amended, or the securities laws of certain states in reliance on specific exemptions from registration, (B) the Confidential Memorandum and Subscription Documents have not been filed with or reviewed by the Securities and Exchange Commission or the securities department of any state and no securities administrator of any state or the federal government has recommended or endorsed this Offering or made any finding or determination relating to the fairness of an investment in the Company, and (C) the Offering of the Note(s) by the Company is intended to be exempt from registration pursuant to Section 4 (2) of the Act and the rules promulgated there under by the Securities and Exchange Commission, and that the undersigned's Note(s) cannot be sold, pledged, assigned or otherwise disposed of unless they are registered under the Act or an exemption from such registration is available.

(xvii) The undersigned represents and warrants that he or it will not transfer or convey all or part of his or its financial interest in the Note(s) unless such Note(s) are subsequently registered under the Act, or an exemption from such registration is available and without (A) the prior written consent of the Company and (B) an opinion of counsel acceptable to the Company and its counsel to the effect that the Note(s) may be transferred without violation of the registration requirements of the Act or any applicable state securities laws, as may be amended from time to time. The undersigned further acknowledges that there can be no assurance that the Company will file any registration statement for the Note(s) for which the undersigned is subscribing, that such registration statement, if filed, will be declared effective or, if declared effective, that the Company will be able to keep it effective until the undersigned sells the Note(s) registered thereon.

(xviii) The undersigned understands that this Agreement is subject to the Company's acceptance and may be rejected by the Company at any time in its sole discretion in whole or any part

prior to issuance of the Note(s) with respect to the undersigned's subscription, notwithstanding prior receipt by the undersigned of notice of acceptance of the undersigned's subscription. The Company reserves the right to withdraw the Offering at any time.

(xix) The undersigned acknowledges that this Agreement shall become binding upon the undersigned when it is countersigned by the Company and the undersigned is not entitled to cancel, terminate, or revoke this subscription before or after acceptance by the Company, except as otherwise provided in this Agreement.

(xx) All information provided by the undersigned in the Investor Questionnaire and Investor Representative Questionnaire (if applicable) which accompanies this Agreement is true and accurate in all respects, and the undersigned acknowledges that the Company will be relying on such information to its possible detriment in deciding whether the Company can make these Note(s) to the undersigned without giving rise to the loss of an exemption from registration under the applicable securities laws.

**9. Foreign Person.** If the undersigned has indicated on the signature page of this Agreement that he, she or it is a foreign person, he, she, or it agrees to notify the Company in writing within sixty (60) days of becoming a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign entity, as the case may be.

**10. Indemnity.** The undersigned agrees to indemnify and hold harmless the Company, its managers, members, agents, attorneys and affiliates and each other person, if any, who controls any thereof, within the meaning of Section 15 of the Act, against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in this Agreement or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

**11. Notice.** All notices in connection with this Agreement shall be in writing and personally delivered or delivered via overnight mail, with written receipt therefore, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 11) with a copy, in the case of notice to the Company, to Tri-Core Companies, LLC, at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

**12. Miscellaneous.**

(a) This Agreement is not assignable by the undersigned. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) This Agreement shall be deemed to have been made in the State of Arizona and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Agreement.

(c) This Agreement contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied, except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties to this Agreement.

(d) No waiver of any breach of any terms of this Agreement shall be effective unless made in writing signed by the party against whom enforcement of the waiver is sought, and no such waiver shall be construed as a waiver of any subsequent breach of that term or of any other term of the same or different nature.

(e) If any provision or portion of this Agreement or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Agreement.

(f) Each of the parties hereto shall cooperate and take such actions, and execute such other documents, at the execution hereof or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.

IN WITNESS WHEREOF, the undersigned, by his, her, or its execution hereof, has read and approved this Subscription Agreement and agrees to be bound by this Agreement.

Executed this 12<sup>TH</sup> day of NOVEMBER, 2008, at SUNNYVALE  
(City), CALIFORNIA (State).

**If the Investor is an INDIVIDUAL, complete the following:**

The undersigned (circle one): (is) [is not] a citizen or resident of the United States.

JAMES C. CHEN

Print Name of Individual

Print Name of Spouse / Co-Investor  
*(if Funds are to be invested in Joint Name  
or are Community Property)*

Print Social Security Number of Individual

Print Social Security Number of Spouse  
or Co-Investor  
*(if Funds are to be Invested in Joint Name  
or are Community Property)*

Signature of Individual

Signature of Spouse / Co-Investor  
*(if Funds are to be Invested in Joint Name  
or are Community Property)*

Print Residential Address:

Print Residential Telephone Number:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

If the investor is PARTNERSHIP, CORPORATION, TRUST OR OTHER ENTITY, complete the following:

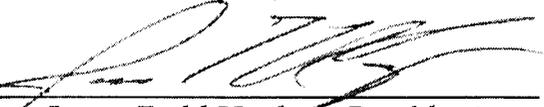
The undersigned (circle one) [is] (is not) a foreign partnership, foreign corporation, trust or foreign estate (as defined in the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated there under).

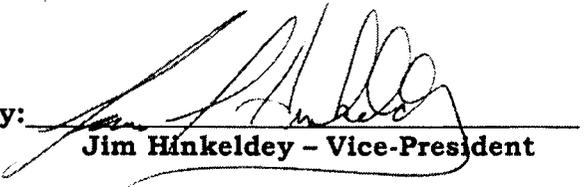
<u>1996 James C. Chen Trust</u> Print Name of Partnership, Corporation, Trust, or Other Business Entity	<u>[REDACTED]</u> Print Federal Tax Identification Number
<u></u> Signature of Authorized Representative	<u>California, Santa Clara County</u> Print Jurisdiction of Entity
<u>James C. Chen</u> Print Name of Authorized Representative	<u>Trustee</u> Print Title of Authorized Representative
<u>Print Residential Address of Investor:</u> <u>[REDACTED]</u> <u>[REDACTED] CA [REDACTED]</u>	<u>Print Residential Telephone Number:</u> <u>[REDACTED]</u>

**ACCEPTANCE**

The terms of the foregoing, including the subscription described therein, are agreed to and accepted on this 12th day of NOVEMBER, 2008.

**TRI-CORE COMPANIES, LLC**

By:   
Jason Todd Mogler - President

By:   
Jim Hinkeldey - Vice-President

**EXHIBIT 1  
INVESTOR STATUS**

(Please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity).

\_\_\_\_\_  
initials

A. **“Nonaccredited Investor”**. The undersigned does not meet the definition of an “Accredited Investor” as defined herein below;

    *De*      
initials

B. **“Accredited Investor”**. The undersigned is an Accredited Investor as defined below (*check applicable box*):

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;

2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;

3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8.\* Any entity in which all of the equity owners are Accredited Investors.

**NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.**

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\* If this box is checked, please indicate on a separate schedule to be attached hereto, the category of Accredited Investor in which each equity owner of such entity is included.

**EXHIBIT B**  
**PROMISSORY NOTE**

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**EXHIBIT B**

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**PROMISSORY NOTE**

**THIS NOTE HAS BEEN MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH THE DISTRIBUTION THEREOF AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS NOTE MAY NOT BE SOLD, TRANSFERRED, OR ASSIGNED ("TRANSFER") UNLESS IT IS SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE MAKER CONSENTS IN WRITING TO SUCH TRANSFER.**

**Tri-Core Companies, LLC**, an Arizona Limited Liability Company, with offices at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250 (the "Maker"), for value received, promises to pay to the Individual and/or legal entity designated in this Note as the "HOLDER," the principal sum of **Two Hundred Thousand Dollars** with a rate of return of sixty percent (60%) compounded annually. Interest shall be due and payable at maturity and based on the commencement date of the Note. The entire Principal shall be due and payable to the Holder no later than twenty-four (24) months from the Commencement Date. The principal and any interest due on said principal may be prepaid at the sole discretion of the Company, without a prepayment penalty or premium at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date.

**1. NOTES**

This Note in the principal amount of Ten Thousand (\$10,000) Dollars per Note, or any fractional amounts, is offered for sale by the Maker, pursuant to that certain "Private Placement Memorandum" dated March 1, 2008. The Note shall be senior debt of the Maker and secured by the property.

**2. EVENTS OF DEFAULT**

A default shall be defined as one or more of the following events ("Event of Default") occurring and continuing:

- (a) The Maker shall fail to pay any interest payment on this Note when due for a period of thirty (30) days after notice of such default has been sent by the Holder to the Maker.
- (b) The Maker shall dissolve or terminate the existence of the Maker.

(c) The Maker shall file a petition in bankruptcy, make an assignment for the benefit of its creditors, or consent to or acquiesce in the appointment of a receiver for all or substantially all of its property, or a petition for the appointment of a receiver shall be filed against the Maker and remain unstayed for at least ninety (90) days.

Upon the occurrence of an Event of Default, the Holder of this Note may, by written notice to the Maker, declare the unpaid principal amount and all accrued interest of the Note immediately due and payable.

### **3. SECURITY FOR PAYMENT OF THE NOTE(S)**

The Note(s) offered by the MAKER are secured by future land purchase.

### **4. COMMENCEMENT DATE OF THE NOTE**

The Commencement Date of the Note shall be the "Effective Date," as defined in that certain "Subscription Agreement" attached as Exhibit A to the Private Placement Memorandum.

### **5. STATUS OF HOLDER**

The Maker may treat the Holder of this Note as the absolute owner of this Note for the purpose of making payments of principal or interest and for all other purposes, and shall not be affected by any notice to the contrary, unless the Maker so consents in writing.

### **6. SECURITIES ACT RESTRICTIONS**

This Note has not been registered for sale under the Act. This Note may not be sold, offered for sale, pledged, assigned or otherwise disposed of, unless certain conditions are satisfied, as more fully set forth in the Subscription Agreement.

### **7. ATTORNEYS' FEES**

The prevailing party in an action to enforce this Note shall be entitled to reasonable attorneys' fees, costs, and collection expense.

### **8. MISCELLANEOUS.**

(a) **Successors and Assigns.** The Holder may not assign, transfer, or sell this Note to any party without the express written consent of the Maker. This Note shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) **Entire Agreement.** This Note contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied,

except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Note shall be effective unless in writing and signed by both parties to this Note.

(c) **Notices.** All notices in connection with this Note shall be in writing and personally delivered or delivered via overnight mail, with written receipt thereof, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 8) with a copy to Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

(d) **Section Headings.** The headings of the various sections of the Note have been inserted as a matter of convenience for reference only and shall be of no legal effect.

(e) **Severability.** If any provision or portion of this Note or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Note.

(f) **Applicable Law.** This Note shall be deemed to have been made in the State of Arizona, and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in the State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Note.

(g) **Approval.** By signing below, each party respectively acknowledges that they have read and approved this promissory note.

**Maker:**  
**Tri-Core Companies, LLC,**  
An Arizona Company  
8840 E. Chaparral Road - Suite 150  
Scottsdale, AZ 85250

**Holder:**  
1996 James C. Chen Trust

[REDACTED]  
[REDACTED] CA [REDACTED]

Jason Todd Mogler - President

Print Name

  
Signature & Date

James C. Chen

Print Name

 11/10/2008  
Signature & Date

**EXHIBIT C**

**Tri-Core Companies, LLC**

**Investor Suitability Questionnaire**

To: Prospective purchasers of Promissory Notes (the "Notes") offered by Tri-Core Companies, LLC (the "Company").

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an "Accredited Investor," as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Company for purchasing Notes. ***This questionnaire is not an offer to sell securities.***

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Company deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Notes.

***Please answer all questions completely and execute the signature page***

**A. Personal**

1. Full Name: JAMES C. CHEN, TRUSTEE
2. Address of Principal Residence: 1996 JAMES C. CHEN TRUST DATED 3/7/1996  
[REDACTED] CA [REDACTED]  
County: [REDACTED]
3. Residential Telephone Number: [REDACTED]
4. Where are you registered to vote (County & State)? [REDACTED], CA.
5. Your driver's license is issued by the following state: CALIFORNIA
6. Other Residences or Contacts: *Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license, or have any other contacts, and describe your connection with such state:*  
\_\_\_\_\_  
\_\_\_\_\_

7. Please send all correspondence to:
  - (1)  Residential Address [as set forth in item A-2]
  - (2)  Business Address [as set forth in item B-1(a)]

8. Date of Birth: \_\_\_\_\_
9. Country of Citizenship: USA
10. Social Security Number or Tax I.D. Number: \_\_\_\_\_
11. E-Mail Address: JCRE04@yahoo.com

**B. Occupations and Income**

1. Occupation: RETIRED
- (a) Business Address: \_\_\_\_\_
- (b) Business Telephone Number: ( \_\_\_\_\_ )
2. Gross income during each of the last two years exceeded:
- (1) \_\_\_\_\_ \$25,000                      (3) \_\_\_\_\_ \$50,000
- (2) \_\_\_\_\_ \$100,000                      (4) \_\_\_\_\_ \$200,000
3. Joint gross income with spouse during each of the last two years exceeded \$300,000.
- (1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No                      (3) \_\_\_\_\_ Not Applicable
4. Estimated gross income during current year exceeds:
- (1) \_\_\_\_\_ \$25,000                      (3) \_\_\_\_\_ \$50,000
- (2) \_\_\_\_\_ \$100,000                      (4) \_\_\_\_\_ \$200,000
5. Estimated joint gross income with spouse during current year exceeds \$300,000.
- (1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No                      (3) \_\_\_\_\_ Not Applicable

**C. Net Worth**

1. Current net worth or joint net worth with spouse (note that "net worth" includes all of the assets owned by you and your spouse in excess of total liabilities, including the fair market value, less any mortgage, of your principal residence.)

- (1) \_\_\_\_\_ \$50,000-\$100,000                      (2) \_\_\_\_\_ \$100,000-\$250,000                      (3) \_\_\_\_\_ \$250,000-\$500,000
- (4) \_\_\_\_\_ \$500,000-\$750,000                      (5) \_\_\_\_\_ \$750,000-\$1,000,000                      (6)  over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1)  Yes (2)  No

**D. Affiliation with the Company**

Are you a director or executive officer of the Company?

(1)  Yes (2)  No

**E. Investment Percentage of Net Worth**

If you expect to invest at least \$100,000 in Notes, does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse?

(1)  Yes (2)  No (3)  Not Applicable

**F. Consistent Investment Strategy**

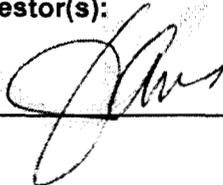
Is this investment consistent with your overall investment strategy?

(1)  Yes (2)  No

**G. Prospective Investor's Representations**

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

**Prospective Investor(s):**



Signature

Date: 11/10/2008

Signature *(of spouse or co-investor, if purchase is to be made as joint tenants or as tenants in common)*

Date: \_\_\_\_\_

## **EXHIBIT D**

### **TRI-CORE COMPANIES, LLC BUSINESS PLAN**

#### **Mission Statement**

The mission of Tri-Core Companies, LLC (the Company) is to purchase virgin beachfront land on the Gulf of California (Sea of Cortez), Sonora, Mexico for either resale or for development.

The specific location the Company has concentrated on is between El Golfo de Santa Clara on the north and Puerto Peñasco (Rocky Point) on the south. This is a distance of about 80 miles and was chosen because of the access the new Coastal Highway has afforded this area. Prior to the new highway, this area was inaccessible except by rugged four-wheel-drive vehicles. The highway will make this area accessible by automobile for millions of visitors and buyers from the United States.

The Company believes that there will be a major increase in demand for property in this area with the completion of the highway. The highway is currently over three-quarters complete and only a 15-mile portion of the center section remains to be completed. This section is scheduled for completion by the end of Spring 2008.

#### **Business Operations**

##### **Ownership and Employees:**

The Company is intended to be a very competitive, highly motivated company with a small number of select key employees. The majority of the day to day responsibilities, planning and development tasks will be performed by the principal/managing partners. All other tasks that cannot be performed on behalf of the company by principals or employees will be done by hired contract services. An example of a hired contract service would be accounting.

##### **Jason Todd Mogler – President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

**Vince Gibbons – Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for “going the extra mile” to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering’s expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club – Mohave County, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.

- **Eagle View Subdivision – Kingman, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.

- **Villages at Loreto Bay, Master Planned Development – Loreto, Mexico.**

Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.

- **Colonias de Cardenas, Master Planned Community – Panama City, Panama.**

Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.

- **Punta Delfin, Enchantment of México – Sea of Cortez, Sonora, México.**

Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey – Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

Mr. Hinkeldey's educational background consists of a degree in Banking and Money Management from Adelphi University, Long Island, New York. He also holds a three year specialized degree in real estate finance from the Mortgage Bankers of America which he received at Northwestern University. He attended numerous programs for finance, real estate, and management at New York University and Wharton Business School.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

## **Market Knowledge and the Property**

### **Knowledge of the Marketplace:**

The Principals of the Company have been active in real estate and Mexico for several years and consider the El Golfo/Rocky Point market one of the (if not the most) active markets in all of Mexico for development and potential upside investment.

The El Golfo area was chosen for the Company's purchases due to its potential appreciation. Some of the driving factors that influenced this decision were:

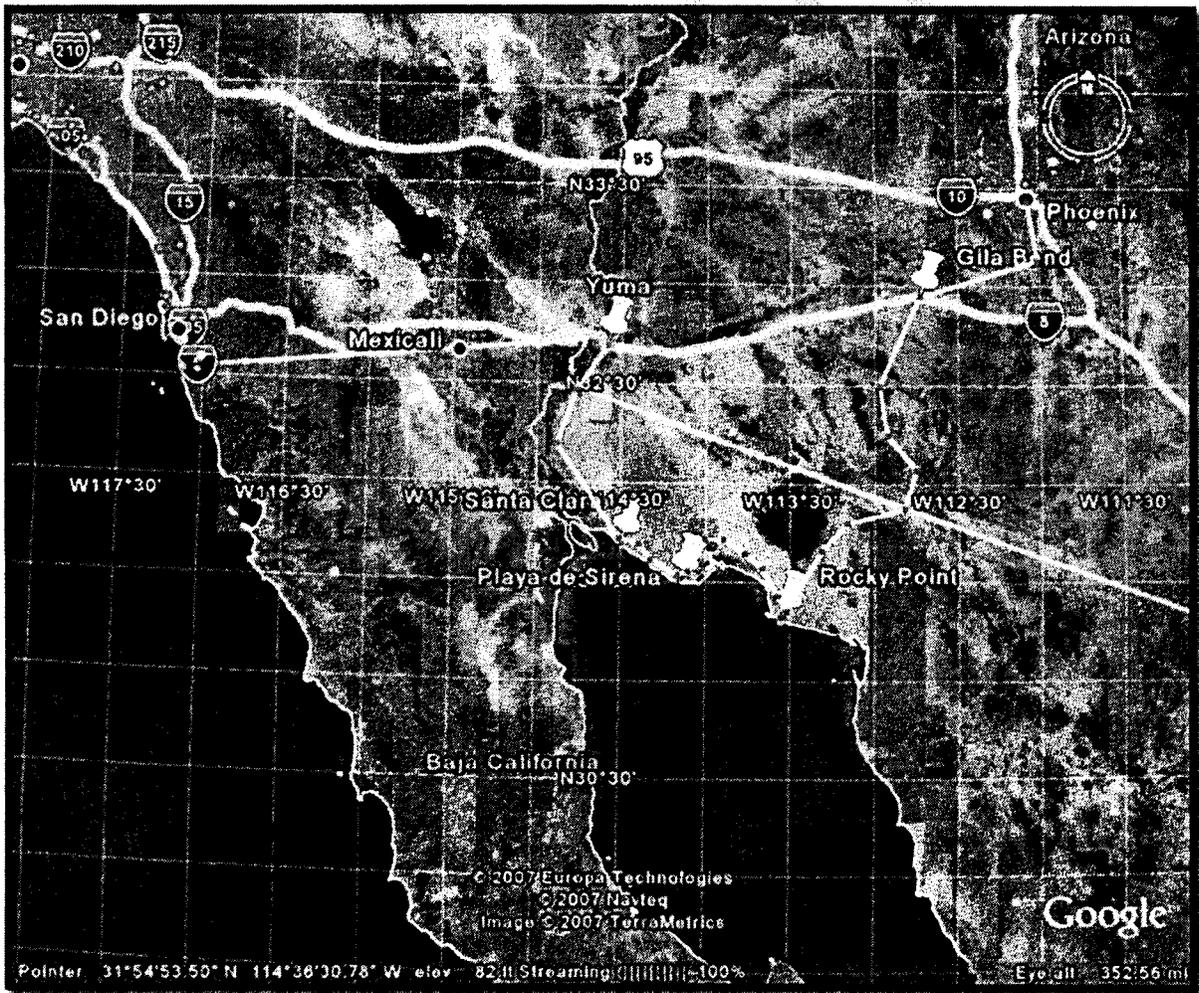
- The new Coastal Highway;
- Its close proximity to the United States markets (one hour drive from the Border of US/Mexico);
- Its location on a beautiful, pristine, major body of water;
- The quality of the sand beaches ;
- The scenic mountain views of the Baja Peninsula;
- The opening of the area by the construction of the Coastal Highway from the US/Mexico border 300 miles to the south along the coast of the Sea of Cortez to Guaymas, Mexico, a major seaport;
- The \$50 million dollar international airport under construction at Rocky Point that will accommodate all types of passenger planes. The first runway is completed and the balance is to be completed by 2008.

- Two state-of-the-art hospitals, Hospital of Peñasco and the IMMS Hospital, are currently under construction and will serve the El Golfo/Rocky Point areas.

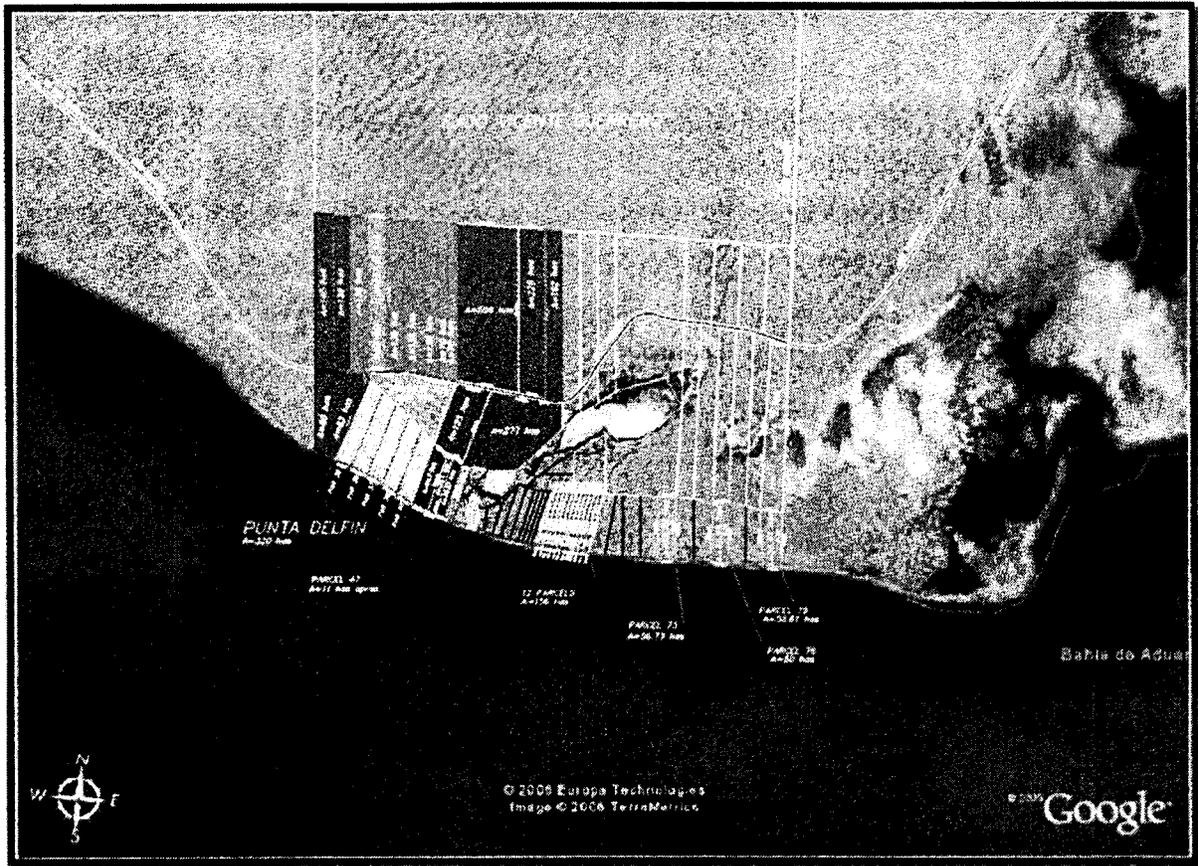
The Mexican and Sonoran Governments are dedicated to promoting the area as a major destination for both Americans and Canadians. This is evidenced by the millions of dollars of infrastructure being put in place by the United States and Mexican Governments. A prime example of this dedication is the Coastal Highway. This three hundred mile highway is being built at a cost in excess of \$200 million dollars and will connect the port city of Guaymas in Mexico with the US/Mexico border at San Luis Rio Colorado, south of Yuma, Arizona. This will make this whole area much more accessible for millions of Americans in Southern California, Arizona, and Nevada for weekends and vacations, as well as for longer stays by visitors from all across the United States and Canada.

### The Property

Parcel 47 – Relaxante is at the southeastern edge of the town of El Golfo on the Sea of Cortez. It is approximately one hour drive time south of the U.S. /Mexico border at San Luis.



This parcel has approximately 26.75 acres of land with over 640 feet of beautiful sandy beach frontage. There are rolling dunes and wonderful views of the Sea of Cortez and the mountains of the Baja Peninsula. The site is well-adapted for the launching of small boats.



#### **The Proposed Development for Lot 47:**

This project is a proposed gated luxury development fronting on and viewing the Sea of Cortez in the rapidly developing area of San Luis Rio Colorado, Sonora, Mexico. The property consists of 10.83+/- hectares (26.8+/- acres) of land on a site overlooking the scenic waterways of the Sea of Cortez and the mountains of the Baja Peninsula to the west. The property has over 200 meters (640+/- feet) of sandy beach frontage. There are beautiful scenic views up and down the sandy beaches of the Sea of Cortez (a.k.a. the Gulf of California).

This project is a proposed mixed-use development, including a gated single-family development of 40+/- villa lots, a 140-unit condominium development, and some commercial facilities.

Due to topography, the northerly portion of the site contains a mid-rise condominium building. The center portion of the site is gently sloping and will contain the staggered water view lots. The southern beachfront portion of the site contains six beachfront lots, along with a beachfront pool and beach club. Due to the carefully chosen staggered lot placement, all villas and condominium units will enjoy beautiful views of the Sea of Cortez and the mountains of the Baja Peninsula.

Villa lots will be approximately 6,500 square feet in size and the Villas will range in size from 2,400 to 2,600 square feet. The condominium units will be approximately 1,500 square feet with larger units located on the top floors. The six prime waterfront lots will be on the beach – affording wonderful views for miles in each direction and easy water and beach access. The development will provide all the amenities associated with a destination development.

### **Business Goals**

In early 2008, we will be contracting for the necessary survey, topographical map, and environmental studies required for the permitting stage. In addition, we will proceed with the concession for the “Federal Zone” so that we may have exclusive use of the 20 meters adjacent to the “high water mark” that is currently controlled by the Mexican Government. This is an important concession and we are proceeding forward.

After preliminary discussions with utility suppliers, it is the Company’s belief that the use of self-contained utilities are in the best interest of the development. Permits for these utilities will be sought from the municipality of San Luis (the governing entity), in conjunction with our partners.

During the early part of 2008, the Company’s primary focus will be on the preparation of the site plan, all required studies, and the gathering of bids for utilities. It is anticipated that by mid-2008, we will be finalizing the preliminary plans in accordance with site reports.

Once the final layout has been concluded, talks with local developers, investors, and realtors in Mexico and the United States will commence. It is the intention that the Company will be in a position to move quickly and efficiently to either sell individual lots or sell the development. The Company foresees the actual sale of the parcels occurring in mid-year 2009.

To ensure further success, the Company will continue to focus on the development of strong relationships with key property professionals (realtors, agents, financial institutions, law firms, building contractors and suppliers, etc.). While we presently enjoy a good working relationship with several governmental agencies, we will also be working quite diligently throughout the entire developmental process to further strengthen and expand our relationships with governmental agencies and political entities. Since we also understand and respect the Mexican culture, we foresee no obstacle in achieving a strong and favorable relationship with the governing authorities.

**El Golfo / Rocky Point – General Economic and Area Information:**

The Colorado River forms the state line between Arizona, California, and Nevada, and continues southerly to the Sea of Cortez. Along its entire length, it is a major recreation / boating area for Arizona, Nevada, and Southern California in the spring and summer, as well as a perfect destination for “Snowbirds” in the winter – creating a year-round demand for the entire area.

Historically, neighboring Rocky Point has been a major recreational area for Phoenix and Tucson, Arizona. The drive time to Rocky Point has been about four-plus hours from Phoenix, making it a very easy weekend vacation spot. There have been many new high and mid-rise condominium units built in the Sandy Beach neighborhood of Rocky Point within the past few years. These are well-designed and constructed developments with many beachfront amenities. These units have generally sold for \$300,000 to over \$1,500,000, primarily to U.S. residents.

El Golfo is about 25 miles east of Rocky Point. The El Golfo area is near the northern end of the Sea of Cortez and is well protected from adverse weather. Consequently, the waters are generally calm. El Golfo is a picturesque fishing village with long, wide, sandy beaches. The fishermen launch their boats from the sandy beaches directly to the water. There is at present one paved road that ends at El Golfo.

The new Coastal Highway will make the drive between El Golfo and Rocky Point less than 30 minutes. Accordingly, this whole area between Rocky Point and El Golfo is poised to undergo extensive real estate development. In anticipation of this future growth, a new major border crossing facility is planned for San Luis to help relieve congestion at the present in-town facility. The number of inspection lanes will increase from five to sixteen, and will consequently decrease the time for crossing the border.

For the first time, large U.S. markets from California, Nevada, and Western Arizona will be within a reasonable driving distance. As an example, the Southern California market will have its driving time reduced from approximately eight hours to just around four hours. There are many resort areas of Mexico with extensive development taking place, however, there are only limited areas on the calm waters of the Sea of Cortez that have good driving access from the United States.

The new highway is the driving force that has dramatically changed access to this area. It is the Company’s belief that since prime oceanfront land in this area’s acreage is limited, the demand for this property will be strong. This belief is further strengthened by its aggressive promotion of Relaxante to the new markets of California, Nevada, and Western Arizona.

**Proforma**

Parcel 47		
Pro Forma - 26.75 acre (10.84 Ha.)		
Sale Project to a Developer		
March 2008		<b>TOTALS</b>
<b>REVENUE</b>		
Sales Price Developer		\$14,200,000
<b>Total Revenue</b>		<b>\$14,200,000</b>
Finder's Fee	4%	\$568,000
<b>Total Net Revenue</b>		<b>\$13,632,000</b>
<b>EXPENSES</b>		
<b>ON-SITE WORK</b>		
Mass Excavation / Fill & Grading		\$200,000
Gated Entryway		\$25,000
Perimeter Wall		\$100,000
<b>Total Onsite Work</b>		<b>\$325,000</b>
<b>SOFT COSTS - GENERAL, ADMINISTRATIVE &amp; LEGAL</b>		
Administrative (Taxes, Permits & Licensing)		\$50,000
NATAWA Bond		\$200,000
Legal		\$100,000
<b>Total General Expenses</b>		<b>\$350,000</b>
<b>GENERAL PROJECT EXPENSES</b>		
Project Master Plan		\$80,000
Engineering		\$50,000
Boundary and Topographic Survey		\$20,000
Concept Approval, Zoning, Environmental		\$130,000
<b>Total General Project Expenses</b>		<b>\$280,000</b>
<b>TOTAL EXPENSES</b>		
Project Contingency		\$95,500
Principal and Interest		\$11,520,000
<b>Total Expenses, Contingency, and Interest</b>		<b>\$12,570,500</b>
<b>Net Income</b>		<b>\$1,061,500</b>

<b>Parcel 47</b> <b>Pro Forma - 26.75 acre (10.84 Ha.)</b> <b>Vertical on Condos , Vertical on Villas</b> <b>March 2008</b>		<b>TOTALS</b>			
	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
<b>UNITS</b>					
Condo Tower Units	140				
Ocean View Villas	38				178
<b>REVENUE</b>					
Condo Tower Units		1,500		\$300,000	\$42,000,000
Ocean View Villas		2,500		\$1,300,000	\$49,400,000
<b>Total Revenue</b>					<b>\$91,400,000</b>
<b>INFRASTRUCTURE TAKE-OUTS</b>					
NATAWA (\$30k x 178 Units)					<b>\$5,340,000</b>
<b>SALES COMMISSIONS</b>					
Sales Commissions	6%				\$5,484,000
<b>Total Sales Commissions</b>					<b>\$5,484,000</b>
<b>Total Net Revenue</b>					<b>\$80,576,000</b>
<b>EXPENSES</b>					
<b>PROJECT ACQUISITION</b>					<b>\$14,200,000</b>
<b>AMENITIES CONSTRUCTION</b>					
Landscape and Irrigation System					\$80,000
Grading					\$95,000
Beach Club					\$1,000,000
18- Hole Putting Course					\$500,000
Construction Office					\$215,000
<b>Total Amenities</b>					<b>\$1,890,000</b>

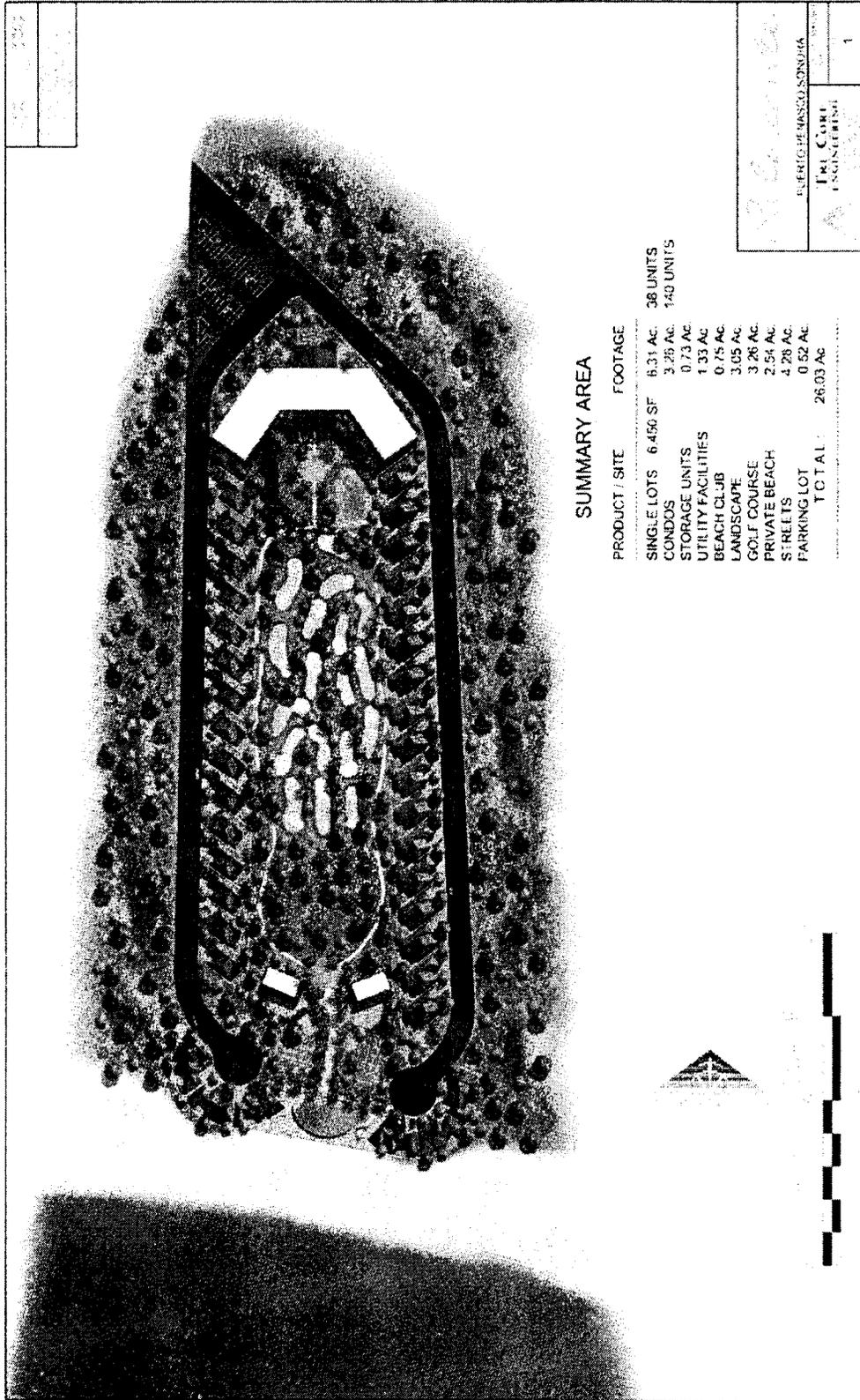
Vertical (Continued)	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
<b>Condo Tower Units</b>					
Construction	140	1,500	110		\$23,100,000
Architectural (4% of construction costs)			4.0%		\$924,000
<b>Total Condominiums</b>					<b>\$24,024,000</b>
<b>Ocean View Villas</b>					
Construction	38	2,500	125		\$11,875,000
Architectural (4% of construction costs)			4.0%		\$475,000
<b>Total Ocean View Villas</b>					<b>\$12,350,000</b>
<b>SOFT COSTS - GENERAL, ADMINISTRATIVE &amp; LEGAL</b>					
Administrative (Taxes, Permits & Licensing)					\$550,000
Accounting					\$80,000
Legal					\$322,500
<b>Total General Expenses</b>					<b>\$952,500</b>
<b>MARKETING</b>					
Initial Launch					\$860,000
Marketing (% of gross sales)			5%		4,570,000
<b>Total Marketing</b>					<b>\$5,430,000</b>
<b>GENERAL PROJECT EXPENSES</b>					
Construction Camp					
Temporary Utilities (Power, Sewer Water)					\$107,500
Bunk House (4 people per room)	50	200	\$40		\$400,000
Mess Hall					\$43,000
Medical Operating Cost (\$5,000 per month)					\$240,000
Security (Temporary)					\$150,000
Gatehouse					\$30,000
Employee Housing					\$800,000
Offsite (Scottsdale 3,000sf, @ \$3 sf 4 yrs)					\$423,000
Offsite (San Diego 2,000sf, @ \$3 sf 4yrs)					\$288,000
Offsite (Rocky Point 2,000sf, @ \$3 sf 4 yrs)					\$288,000
Temporary Sales Office					\$12,900
Sales Office					\$43,000
Job Supervision & Coordination					\$100,000
<b>Total General Project Expenses</b>					<b>\$2,925,400</b>
<b>TOTAL EXPENSES</b>					<b>\$61,771,900</b>

Vertical (Continued)	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
Project Contingency	5%				3,088,595
Interest (Debt Service)					1,440,000
<b>Total Expenses, Contingency and Interest</b>					<b>\$66,300,495</b>
<b>Net Income</b>					<b>\$14,275,505</b>
<b>Cumulative</b>					<b>15.6%</b>

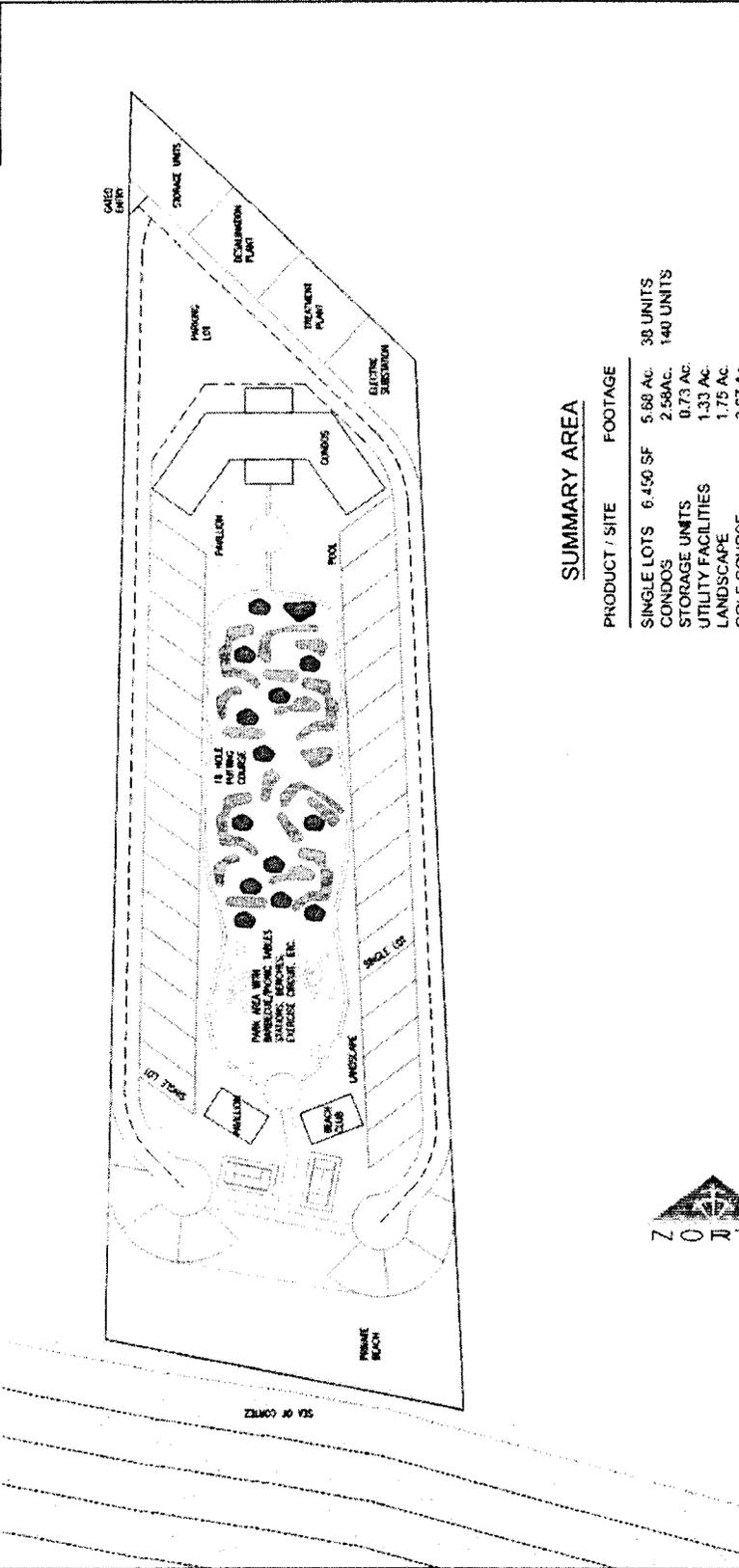
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Site Plan



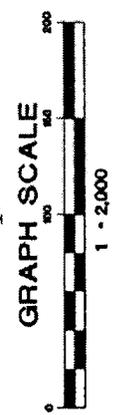
DATE: 12/14/11  
 SHEET NO: 22/24  
 PROJECT: [illegible]  
 DRAWN BY: [illegible]  
 CHECKED BY: [illegible]  
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 WWW.PR-ENGINEERING.COM

**SUMMARY AREA**

PRODUCT / SITE	FOOTAGE	
SINGLE LOTS	6,450 SF	38 UNITS
CONDOMS	2,584 AC.	140 UNITS
STORAGE UNITS	0.73 AC.	
UTILITY FACILITIES	1.33 AC.	
LANDSCAPE	1.75 AC.	
GOLF COURSE	3.67 AC.	
PRIVATE BEACH	2.54 AC.	
STREETS	3.95 AC.	
PARKING LOT	1.35 AC.	
PARK AREA	2.45 AC.	
<b>TOTAL:</b>	<b>20.03 AC.</b>	



## Articles of Interest

### Plans To Designate 400M Pesos To Roads, Electricity, and Water During 2008

#### *Funding expands to support three main infrastructure projects*

(<http://defrente.puerto-penasco.com/editions/452/003.html>)

Press Bulletin

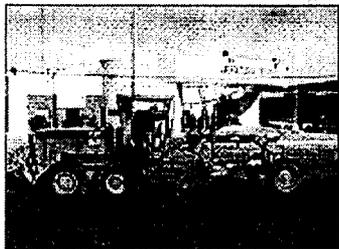
Issue #452

With a projected investment of 400 million pesos (~\$36.8M USD) the Director of Public Works is planning to continue during 2008 the integral project of city paving and electrification and water supply to the new neighborhoods - as well as enlarge the city's drainage network to improve the city's image.

Marco David Rangel Lopez, director of the afore mentioned office, said that it cannot be doubted that among the priorities of Mayor Heriberto Renteria Sanchez is the unprecedented Paving Works Project, for which he is obtaining a package of Federal Government resources around 100 million pesos (~\$9.2M USD).

Rangel Lopez said that they want to continue with the pavement work on another 20 avenues and boulevards, covering a surface of more than 700 thousand square meters, in addition to the package of streets repaired during this past year. If this project is accomplished in full, the percentage of paved streets in our city will rise from 18% to 40%.

Moreover within the projects for 2008, the Director of Public Works mentioned that they will include the installation of the drainage network for the northwest sector of the city with an investment close to 60 million pesos (~\$5.5M USD).



At the same time they will work on the construction and maintenance of sidewalks at the main boulevards and avenues, not forgetting the purpose of improving the image of the old harbor sector where financial resources are designated for around 90 million pesos of improvements (~\$8.3M USD) according with the executive plan approved by the city council.

To continue with the electrification in the New Peñasco and San Rafael neighborhoods, it is an investment of at least 15 million pesos (~\$1.38M USD) is designated for 2008, and it is also planned to attend to the delayed work on the water supply and they will also program to provide basic services.

He added that among the plans and projects for this year are actions for benefit of schools with the construction of classrooms, fences, tile roofs and to attend several requests channeled through the Sonorenses Program of Social Participation (PASOS) and the Direction of Social Development.

He also added that currently they have a work plan with more than 200 projects of pavement works, urban improvement, basic services, schools and religious centers, that will be accomplished according with the flow of the municipal resources as well as with the resources assigned from the state and federal governments - and in some cases with assistance from credit entities.

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## **CANACO Reports A Good 2007, Optimistic Forecast For 2008**

***Border Governor's Conference, Tourism, Development All Bode Well For Peñasco In 2008, Says CANACO***

*(<http://defrente.puerto-penasco.com/editions/451/002.html>)*

By Ivan Bravo Lopez  
Issue #451

Even though the last month of the year suffered a significant decrease in many commercial areas, CANACO (Camara Nacional de Comercio de la Ciudad de Mexico - Mexico's System of Local Chambers of Commerce and Development) managed to close out a good year according to its director Arturo Rodriguez Rico. CANACO met their goals and more, as evidenced by the meeting of the border state governors, which was seen as a huge success.

Arturo Rodriguez Rico, President of the National Chamber of Commerce (CANACO) said that despite the economic recession suffered by the US, many associates of CANACO with business interests are closing out the year very well. That is due the fact that December is the month with the biggest increase in sales.

"It was a positive year for the growth and development of the economy of Puerto Peñasco; we were the hosts of the most important event in the history of this port, the meeting of the border state governors. It was a huge success and received publicity worldwide, publicity that would have cost the Chamber of Commerce millions of pesos but was completely free. Its results will hopefully be noticeable in 2008 and 2009," he said.

The president of CANACO said that many State Programs came to Puerto Peñasco and accomplished important improvements. Authorities from SEDESOL (Mexico's Secretariat of Social Development) and PASOS have constantly visited our port to support and encourage the associated merchants of CANACO.

"Guatimoc Iberri Gonzalez and 'Chito' Celaya have repeatedly visited us and they have brought important projects to Puerto Peñasco that are already underway, which shows that the State Authorities care about those who live and own businesses here," he said.

"There are many projects in Puerto Peñasco that were already in place as well as new ones. Although some have not yet started, we are taking full advantage of those already here which will help the chance of further improvements next year," said Arturo Rodriguez Rico.

He also pointed out that cross-border traffic is expected to only will rise in the upcoming years and that that will bring other economic benefits, as the economic structure in the port depends mostly on tourism.

"Puerto Peñasco depends on tourism, and with the opening of the new international airport and with the improvements at the border crossings, CANACO is expecting an economic boom to take place. In past years and in 2007 we expected tourism mainly from Arizona. But with the new infrastructure next year we expect tourists from California and Colorado, as well as people that will come by air on new commercial flights. So we are expecting a sudden increase to the economy since Puerto Peñasco is an excellent destination," said the president of CANACO.

He also added that due to the stop of the developers, the last months of the year were economically weak, but that the economy typically comes back to normality beginning with the first trimester of the year. A few U.S. holidays are coming up that brings surges of tourists who prefer to come to Puerto Peñasco for their vacations. He also commented that the 'snowbirds' – the seasonal visitors from outside the Southwest regions – are starting to arrive to this port early this year, and with them the associates of CANACO will benefit.

To finalize, Arturo Rodriguez Rico said that there are more than 300 members associated with CANACO, and that next year they will look for more members to join the Chamber to help strengthen and create newer and better programs.

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## **Peñasco Maintains Strong Flow Of Tourism**

### ***Real Estate Crisis Believed to Have Already Hit Bottom***

*(<http://www.visitrockypoint.com/?p=2900>)*

Despite the undeniable a negative effects of the economic downturn in the United States, Which has already hit bottom, throughout 2007 Puerto Peñasco maintained a high rate of tourism and sustains a clear upward tendency, revealed Epifanio Salido Pavlovich, head of the Sonora Commission on the Promotion of Tourism.

Salido Pavlovich detailed that by the end of the year, foreign tourism had increased by nearly 11%, topping out at 1,700,000 visitors, 80% of these from Arizona. Likewise, national tourism increased by 14% totaling more than 400,000 visitors. Therefore, reports for 2007 registered a grand total of 2.1 million tourists to the area.

The tourism official remarked that although there remain many challenges to address, the city's potential continues to be positive and the area is still the star destination in Sonora. He added that the state and municipal governments are jointly working on efforts to focus on areas that are lacking.

Salido Pavlovich stated that in 2008 they will have to generate concrete solutions in the areas of housing, potable water and others of basic infrastructures brought on by the same "boom" in tourism.

He stated that the 2007 economic downturn and real estate crisis in the United States had a strong impact on Peñasco. However, he stated, this is something that has already hit bottom and now phase of recuperation can be expected.

He believes that by mid-2008 the economic crisis will have passed, and added that till now this has not caused the withdrawal of investments from the port.

The coordinator for the Sonora Commission on the Promotion of Tourism remarked that, despite everything, the annual average for Puerto Peñasco has been favorable. He added that though there was a slowdown in investment, the flow of tourism did not drop; to the contrary, this remained at high levels.

He reiterated that the crisis has already hit bottom and period of recuperation has begun. He expects that this will positively impact the city as the shining northwestern part of the country in the area of tourism.

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## **OWNING REAL ESTATE IN ROCKY POINT**

*From the "Real Estate Guide Rocky Point", January 2008*

*([http://www.atrockypoint.com/article\\_owning\\_real\\_estate\\_in\\_rocky\\_point](http://www.atrockypoint.com/article_owning_real_estate_in_rocky_point))*

"Real estate in Rocky Point has been a flourishing business for the past ten years..."

Imagine the joys of a winter home that makes you money whenever you are not staying in it. This kind of place would be beautiful to visit, comfortable and easy to live in, and ready for you whenever you want because it would be yours. A timeshare cannot offer you all of that no matter how desirable the location, since it can be difficult to get the time slots that you want and even harder during peak vacation time. A timeshare cannot give you everything you need to have the perfect getaway whenever you want, but a condo in a place like Rocky Point, Mexico can.

Rocky Point, also known as Puerto Peñasco, is one of the most incredible real estate locations in Mexico. Invest in Mexico and you can retire to your beachfront condo whenever you wish to enjoy days filled with sun, sand, golfing, fishing, and anything else you could desire from an ocean side paradise. Your

oceanfront/ Ocean view home or condo will be waiting for your return whenever you are away, and you will surely wish to retire to Rocky Point's idyllic setting after spending vacation after vacation in sunny bliss. Owning Real Estate in this growing market can also be a greatly profitable adventure. The typical American has only two to four weeks of vacation time per year, and for the other forty eight weeks, your vacation property would normally sit empty, awaiting you. To keep your property on the Sea of Cortez working for you, hire a local property management company like Oceano Rentals or Sea Side Reservations, to keep your place looking fresh and lovely and rent your condo out as a vacation rental to others looking to enjoy the wonders of Rocky Point.

Real estate in Rocky Point has been a flourishing business for the past ten years because of the high profitability and constantly increasing prices of the local properties. Even just a couple of years of property ownership could translate into big money for interested investors, and getting a great vacation home that pays for itself is no small benefit either. You may become so enamored with your property in Rocky Point that you will not be willing to sell it! Current market conditions are definitely in favor of those who want to purchase, so do your research, hire a certified agent to guide you through the process and start looking at potential ocean side properties.

Owning real estate in this lovely tourist destination means living in the lap of luxury. The beautiful and luxurious condominium projects and other properties in this city are made for the comfort and delight of their residents, even short term residents like yourself. Glance out the window of your condo and watch the dolphins and play in the tranquil waters of the Sea of Cortez. Enjoy sunshine on the beach or adventures beneath the waves, and fall in love with this incredible location. Your investment property may be just waiting for you in sunny Mexico and now is the time to make the smart move that you have been dreaming of. Take advantage of current market conditions, and invest now!

Investing in a condominium in Rocky Point could be a smart investment choice for those who are looking to invest in Mexico. You will have a vacation home to enjoy only 60 miles south of the US border, and be able to enjoy the beautiful Sea of Cortez on your future vacations. Potentially you could be able to resell the condo for a great profit in a few years, if you don't decide to retire to Mexico entirely. With all of these incredible benefits, what could be better?



Memorandum#: Chen

Referral: B. Buckley

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**Tri-Core Companies, LLC**  
An Arizona Limited Liability Company

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**\$4,500,000**

**\$10,000 per Promissory Note (Unit)**  
**MINIMUM PURCHASE - 1 Promissory Note**  
**60% Rate of Return, Compounded Annually; Paid At Maturity**  
**Maturity Date: 24 months**  
**Redemption at Maturity - \$25,600 per Unit**

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Tri-Core Companies, LLC, an Arizona Limited Liability Company (hereinafter referred to as the "COMPANY"), is offering by means of this Confidential Private Placement Memorandum a maximum of Four Hundred and Fifty (450) Secured Promissory Notes ("Notes") at an offering price of Ten Thousand (\$10,000) Dollars per Note, for a maximum total of Four Million Five Hundred Thousand Dollars (\$4,500,000), to qualified investors who meet the Investor Suitability Requirements set forth herein (see "INVESTOR SUITABILITY REQUIREMENTS"). Each Investor must agree to purchase the Notes, as a lender to the Company, for investment purposes only, and execute a Subscription Agreement in the form contained in the accompanying Subscription Booklet (see "TERMS OF THE OFFERING").

**THESE SECURITIES ARE SPECULATIVE AND INVESTMENT  
IN THE NOTES INVOLVES A HIGH DEGREE OF RISK  
(SEE "RISK FACTORS")**

	<b>Offering Price</b>	<b>Selling Commissions</b>	<b>Proceeds to Company</b>
<b>Per Unit</b>	\$10,000	\$1,000	\$9,000
<b>Maximum Units</b>	\$4,500,000	\$450,000	\$4,050,000

**Tri-Core Companies, LLC**  
8840 E. Chaparral Road, Suite 150  
Scottsdale, AZ 85250  
Telephone: (480) 346-3200  
Facsimile: (480) 346-3201

The date of this Private Placement Memorandum is March 1<sup>st</sup>, 2008

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Tri-Core Companies LLC

(877) 527-6698

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FILE #8337

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**IMPORTANT NOTICES**

This Confidential Private Placement Offering Memorandum (“Memorandum”) is submitted to you on a confidential basis solely for the purpose of evaluating the specific transaction described herein. This information shall not be photocopied, reproduced, or distributed to others without the prior written consent of Tri-Core Companies, LLC (“Company”). If the recipient determines not to purchase any of the Notes offered hereby, it will promptly return all material received in connection herewith without retaining any copies.

## DISCLAIMERS

THE NOTES OFFERED HEREBY IN THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH, OR APPROVED, BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR HAVE SUCH NOTES OR THIS MEMORANDUM BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF ANY STATE OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. THIS OFFERING IS BASED ON THE EXEMPTION FROM SUCH REGISTRATION AS SET FORTH IN §4(2) AND RULE 506 OF REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED.

THE INVESTMENT DESCRIBED IN THIS MEMORANDUM INVOLVES RISKS, AND IS OFFERED ONLY TO INDIVIDUALS WHO CAN AFFORD TO ASSUME SUCH RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO AGREE TO PURCHASE THE NOTES ONLY FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD THE TRANSFER, RESALE, EXCHANGE OR FURTHER DISTRIBUTION THEREOF. THERE WILL BE NO PUBLIC MARKET FOR THE NOTES ISSUED PURSUANT TO THIS OFFERING MEMORANDUM. THE RESALE OF THE NOTES IS LIMITED BY FEDERAL AND STATE SECURITIES LAWS AND IT IS THEREFORE RECOMMENDED THAT EACH POTENTIAL INVESTOR SEEK COUNSEL SHOULD THEY DESIRE MORE INFORMATION.

THE PRICE OF THE NOTES AS DESCRIBED IN THIS OFFERING MEMORANDUM HAS BEEN ARBITRARILY DETERMINED BY THE SPONSORS OF THIS INVESTMENT, AND EACH PROSPECTIVE INVESTOR SHOULD MAKE AN INDEPENDENT EVALUATION OF THE FAIRNESS OF SUCH PRICE UNDER ALL THE CIRCUMSTANCES AS DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION IN CONNECTION WITH THIS MEMORANDUM, EXCEPT SUCH INFORMATION AS IS CONTAINED OR REFERENCED IN THIS MEMORANDUM. ONLY INFORMATION OR REPRESENTATIONS CONTAINED OR REFERENCED HEREIN MAY BE RELIED UPON AS HAVING BEEN MADE BY THE COMPANY. PROSPECTIVE INVESTORS WHO HAVE QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THIS PRIVATE OFFERING MEMORANDUM OR WHO DESIRE ADDITIONAL INFORMATION OR DOCUMENTATION TO VERIFY THE INFORMATION CONTAINED HEREIN SHOULD CONTACT THE COMPANY. PROJECTIONS OR FORECASTS CONTAINED IN THIS PRIVATE OFFERING MEMORANDUM, OR OTHER MATERIALS, MUST BE VIEWED ONLY AS ESTIMATES. ALTHOUGH ANY PROJECTIONS CONTAINED IN THIS MEMORANDUM ARE BASED UPON ASSUMPTIONS WHICH THE COMPANY BELIEVES TO BE REASONABLE, THE ACTUAL PERFORMANCE OF THE COMPANY MAY DEPEND UPON FACTORS BEYOND THE CONTROL OF THE COMPANY. NO ASSURANCE CAN BE GIVEN THAT THE COMPANY'S ACTUAL PERFORMANCE WILL MATCH ITS INTENDED RESULTS.

## **1. SUMMARY OF THE OFFERING**

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY MORE DETAILED INFORMATION THAT MAY APPEAR ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM. EACH PROSPECTIVE INVESTOR IS URGED TO READ THIS PRIVATE OFFERING MEMORANDUM IN ITS ENTIRETY.

Tri-Core Companies, LLC (the "Company") was formed on August 29, 2007 as an Arizona Limited Liability Company. The Company is in the business of Land Acquisition and Development.

The Securities offered are Four Hundred and Fifty (450) Notes issued by the Company at Ten Thousand (\$10,000) Dollars per Note, payable in cash at the time of subscription (see "Exhibit "B" for copy of Promissory Note). The minimum purchase is one (1) Note. The Notes have an annual rate of return of sixty (60%) percent interest, compounded annually. The return will be paid at maturity, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date.

None of the Notes are convertible to Membership Units, or other type of equity, in the Company. This offering will commence on March 1<sup>st</sup>, 2008, and will terminate no later than February 28, 2009, unless extended by the Company (see "TERMS OF THE OFFERING").

The gross proceeds of the offering will be a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars. The use of the proceeds is to purchase and develop a water front parcel in San Luis Rio Colorado, Sonora, Mexico as described herein (see "USE OF PROCEEDS").

## **2. THE COMPANY**

Tri-Core Companies, LLC (the "Company") was formed on August 29, 2007, as an Arizona Limited Liability Company. At the date of this offering, One Thousand (1,000) of the Company's Membership Units were authorized and Nine Hundred (900) Membership Units are issued, and outstanding. The Company is in the business of construction management, land acquisition, and development.

### **2.1 OPERATIONS**

The Company is in the business of construction management, land acquisition, and development, specializing in beach front properties along the coast of the

upper Sonoran coastline in Sonora, Mexico. SEE "EXHIBIT D - BUSINESS PLAN."

## **2.2 BUSINESS PLAN**

Tri-Core Companies' Business Plan, included as Exhibit D of this Memorandum, and was prepared by the Company using assumptions set forth in the Business Plan, including several forward looking statements. Each prospective investor should carefully review the Business Plan before purchasing Notes. Management makes no representations as to the accuracy or achievability of the underlying assumptions and projected results contained herein.

## **3. MANAGEMENT**

### **3.1 LLC MANAGERS**

The success of the company is dependent upon the services and expertise of existing management. At the present time, three individuals are actively involved in the management of the Company:

#### **Jason Todd Mogler - President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

#### **Vince Gibbons - Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review,

inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club – Mohave County, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.
- **Eagle View Subdivision – Kingman, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.
- **Villages at Loreto Bay, Master Planned Development – Loreto, Mexico.**  
Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.
- **Colonias de Cardenas, Master Planned Community – Panama City, Panama.**  
Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.
- **Punta Delfin, Enchantment of México – Sea of Cortez, Sonora, México.**  
Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey – Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

Mr. Hinkeldey's educational background consists of a degree in Banking and Money Management from Adelphi University, Long Island, New York. He also holds a three year specialized degree in real estate finance from the Mortgage Bankers of America which he received at Northwestern University. He attended numerous programs for finance, real estate, and management at New York University and Wharton Business School.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **4. TERMS OF THE OFFERING**

##### **4.1 GENERAL TERMS OF THE OFFERING**

This Private Offering Memorandum is offering a maximum of Four Hundred and Fifty (450) Notes at Ten Thousand (\$10,000) Dollars per Note, for a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars to a select group of Investors who satisfy the Investor Suitability Requirements (see "**INVESTOR SUITABILITY REQUIREMENTS**"). The Company has the authority to sell fractional Notes at its sole discretion.

##### **4.2 MINIMUM OFFERING AMOUNT - HOLDING ACCOUNT**

The Company has established an Investment Holding Account with Wells Fargo Bank into which the offering proceeds will be placed. No minimum offering amount has been established before proceeds can be released from the holding account and utilized by the Company.

##### **4.3 NONTRANSFERABILITY OF NOTES**

The Notes have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered in reliance upon an exemption under §4(2) and Rule 506 of Regulation D of the Securities Act, as amended, and rules and regulations hereunder. The Notes have not been registered under the securities laws of any state and will be offered pursuant to an exemption from registration in each state. A purchaser may transfer or dispose of the Note only if such

Notes are subsequently registered under the Securities Act, or if an exemption from registration is available, and pursuant to an opinion of counsel acceptable to the Company and its counsel to the effect that the Notes may be transferred without violation of the registration requirements of the Securities Act or any other securities laws.

#### **4.4 CLOSING OF THE OFFERING**

The Notes are offered and closed only when a properly completed Subscription Agreement (**Exhibit A**); Note (**Exhibit B**), and Investor Questionnaire (**Exhibit C**) are submitted by the investing Subscriber or his/her Investor Representatives and are received and accepted by the Company. The Subscription Agreement as submitted by an investing Subscriber or his/her Investor Representatives shall be binding once the Company signs the Subscription Agreement, Note and the funds delivered by the potential Investor to the Company with the Subscription Agreement has been cleared by the financial institution in which they are deposited by the Company. The Notes will be delivered to qualified Investors upon acceptance of their subscriptions. All funds collected from investing Subscribers will be deposited in a designated account under the control of the Company. Investors subscribing to the Notes may not withdraw or revoke their subscriptions at any time prior to acceptance by the Company, except as provided by certain state laws, or if more than thirty (30) days have passed after receipt of the Subscription Agreement by the Company without the Company accepting the Investor's funds and delivering all applicable documents to such Investor. The proceeds of this Offering will be used only for the purpose set forth in this Private Offering Memorandum (see "**USE OF PROCEEDS**").

The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Four Million Five Hundred Thousand (\$4,500,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

## **5. PLAN OF DISTRIBUTION**

### **5.1 OFFERING OF NOTES**

The Notes will be offered to prospective lenders by Officers and Directors of the Company and qualified licensed personnel, pursuant to State and Federal security rules and regulations. This Offering is made solely through this Private Placement Memorandum and without any form of general solicitation or advertising. The Company and its Officers and Directors or other authorized

personnel will use their best efforts during the Offering period to find eligible Investors who desire to subscribe to the Notes in the Company. These Notes are offered on a "best efforts" basis, and there is no assurance that any or all of the Notes will be closed. The Company has the authorization to offer fractional Notes at its sole discretion. The Offering period will begin as of the date of this private Offering Memorandum and will close upon the happening of such occurrences as defined herein (see "**TERMS OF THE OFFERING**").

## **5.2 PAYMENTS TO BROKER DEALERS OR INVESTMENT ADVISORS**

The Company has the power to pay fees or commissions to qualified Broker Dealers, Registered Investment Advisors or any other person qualified under other applicable federal and state security laws.

## **6. DESCRIPTION OF NOTES**

### **6.1 NOTES**

The Company is offering Four Hundred and Fifty (450) Notes of the Company to potential investors at Ten Thousand (\$10,000) Dollars per Note, payable in cash at the time of the subscription. The minimum purchase is one (1) note. The Notes will have an annual rate of return of sixty (60%) percent interest, compounded annually, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. All principal shall be paid at maturity (24 months). Interest shall be paid at maturity (24 months). The principal and any interest due on said principal may be prepaid, at the sole discretion of the Company, without a prepayment penalty at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date can not be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date. The Notes offered pursuant to this Private Placement Memorandum will be secured by the property.

The Notes will be issued in the form attached hereto and incorporated herein by reference as though set forth in full herein as **Exhibit B**.

### **6.2 SECURITY FOR PAYMENT OF THE NOTES**

The Notes being offered by the Company in this Private Placement Offering are secured by the land Tri-Core Companies LLC purchases. Tri-Core Companies LLC will establish an administration account which will hold the title to the property until all note holders will be paid in full.

### 6.3 REPORTS TO NOTEHOLDERS

The Company will furnish annual un-audited reports to its Note holders ninety (90) days after its fiscal year. The Company may issue other interim reports to its Note holders as it deems appropriate. The Company's fiscal year ends on December 31<sup>st</sup> of each year.

### 7. USE OF PROCEEDS

The gross proceeds of the Offering will be a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars. The table below sets forth the use of proceeds for both the maximum and minimum offering amounts.

#### Sources

	Maximum Amount	Percent of Proceeds
<b>Proceeds From the Sale of Notes</b>	\$4,500,000	100.00%

#### Application of Proceeds

Offering Expenses <sup>(1)</sup>	\$ 100,000	2.22%
Commissions <sup>(2)</sup>	\$ 450,000	10.00%
<b>Total Offering Expenses &amp; Fees</b>	<b>\$ 550,000</b>	<b>12.22%</b>
Land Purchase <sup>(5)</sup>	\$1,500,000	33.34%
General Project Expenses	\$ 280,000	6.22%
On-Site Work	\$ 325,000	7.22%
Soft Cost	\$ 350,000	7.78%
Marketing	\$ 480,000	10.67%
Administration <sup>(3)</sup>	\$ 615,000	13.67%
Contingency	\$ 400,000	8.89%
<b>Net Offering Proceeds</b>	<b>\$3,950,000</b>	<b>87.78%</b>
<b>Total Application of Proceeds</b>	<b>\$4,500,000</b>	<b>100.00%</b>

*Footnotes:*

- (1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.
- (2) This Offering is being sold by the officers and directors of the Company, who will not receive any compensation for their efforts. No sales fees or commissions will be paid to such officers or directors. Notes may be sold by registered brokers or dealers who are members of the NASD and who enter into a Participating Dealer Agreement with the Company. Such brokers or dealers may receive commissions up to ten percent (10%) of the price of the Notes sold.
- (3) Includes Scottsdale and Mexico offices; legal and accounting fees.
- (4) No minimum has been set for this offering.
- (5) Amount due to Tri-Core Business Development, LLC for inter-company transfer of title to Tri-Core Companies, LLC.

## 8. CAPITALIZATION STATEMENT

### 8.1 CAPITALIZATION PRIOR TO AND AFTER THE OFFERING

The following table summarizes the capitalization of the Company prior to, and as adjusted to reflect, the issuance and sale of the maximum of Four Hundred and Fifty (450) Notes or Four Million Five Hundred Thousand (\$4,500,000) Dollars.

	AS ADJUSTED 08/29/07	AFTER THE OFFERING
Notes	<u>-0-</u>	<u>\$4,500,000</u>
Membership Units \$.01 par value, 1,000 Units authorized, 1000 Units issued and outstanding	\$100	\$100
Net Shareholders' Equity	\$100	\$100
TOTAL CAPITALIZATION	<u>\$100</u>	<u>\$4,500,100</u>

## 9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### 9.1 RESULTS OF OPERATIONS

The Company is a development stage company and has not yet commenced its principal operations.

### 9.2 LIQUIDITY AND CAPITAL RESOURCES

The Company's liquidity and capital resources are dependent on its ability to raise sufficient capital to pay for the purchase price of the Promissory Notes.

## 10. CERTAIN TRANSACTIONS

### 10.1 ARIZONA LIMITED LIABILITY COMPANY

**Tri-Core Companies, LLC** is a privately held Arizona Limited Liability Company, incorporated on August 29, 2007.

## **10.2 PRIVATE OFFERING OF NOTES**

The Company is authorized to offer in this private offering, up to Four Million Five Hundred Thousand (\$4,500,000) Dollars of Notes to selected investors, effective on March 1, 2008.

## **11. FIDUCIARY RESPONSIBILITIES OF THE DIRECTORS AND OFFICERS OF THE COMPANY**

### **11.1 GENERAL**

The Principals, Officers, and Directors of the Company are accountable to the Company as fiduciaries and such Principals, Officers and Directors are required to exercise good faith and integrity in managing the Company's affairs and policies. Each Note Holder of the Company, or their duly authorized representative, may inspect the books and records of the Company at any time during normal business hours. A Note Holder may be able to bring an action on behalf of himself in the event the Note Holder has suffered losses in connection with the purchase or sale of the Note(s) in the Company, due to a breach of fiduciary duty by an Officer or Director of the Company, in connection with such sale or purchase, including the misrepresentation or misapplication by any such Officer or Director of the proceeds from the sale of these Notes, and may be able to recover such losses from the Company.

### **11.2 INDEMNIFICATION**

Indemnification is permitted by the Company to directors, officers, or controlling persons pursuant to Arizona law. Indemnification includes expenses, such as attorneys' fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person and arising from their relationship with the Company, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

## **12. RISK FACTORS**

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

## **12.1 FORMATION OF THE COMPANY**

The Company was formed on August 29, 2007. It is therefore subject to all the risks inherent in the creation of a new Company. Unforeseen expenses, complications, and delays may occur with a new Company.

## **12.2 CONTROL BY COMPANY**

After completion of this offering, the Company will own one hundred percent (100%) of the issued and outstanding Membership Units. Such ownership will enable the Company to continue to elect all the Managers and to control the Company's policies and affairs. The Note Holders will not have any voting rights in the Company.

## **12.3 RELIANCE ON THE COMPANY FOR MANAGEMENT**

All decisions with respect to the management of the Company will be made exclusively by the Principal Managers of the LLC. The Note Holders do not have the right or power to take part in the management of the Company. Accordingly, no person should purchase a Note unless he is willing to entrust all aspects of the management of the Company to existing Management.

## **12.4 LIMITED TRANSFERABILITY OF THE NOTES**

The transferability of the Notes in this offering is limited, and potential investors should recognize the nature of their investment in the offering. It is not expected that there will be a public market for the Notes because there will be only a limited number of investors and restrictions of the transferability of Notes. The Notes have not been registered under the Securities Act of 1933, as amended, or qualified or registered under the securities laws of any state and, therefore, the Notes cannot be resold unless they are subsequently so registered or qualified or an exemption from such registration is available. The offering also contains restrictions on the transferability of the Notes. Accordingly, purchasers of Notes will be required to hold such Notes to maturity unless otherwise approved by the Company. The Company does not intend to register the Notes under the Securities Act of 1933.

## **12.5 CAPITALIZATION OF THE COMPANY**

Prior to this offering, the Company was funded by cash. Independent of the amounts raised in this offering the Company does not have any other assets available to use to pay principal or interest on the Notes.

## **12.6 REGULATIONS**

The Company is subject to usual federal and state laws, rules and regulations. The Company believes it is in full compliance with any and all applicable laws, rules and regulations both domestically and in Mexico.

## **12.7 GENERAL ECONOMY**

The Company is subject to the Mexican and U.S. Economy and its effect on consumer confidence and spending.

## **12.8 DEPENDANCY ON SUPPLIERS AND BUILDING TRADES**

Since the Company is dependent on building materials and the general building trades, any shortage or slowdown could affect timetables.

## **13. PRINCIPAL SHAREHOLDERS**

As of the date of this Offering, the Company has Nine Hundred (900) Membership Units issued and outstanding to Jason Todd Mogler (30%), Jim Hinkeldey (30%), and Vince Gibbons (30%).

## **14. HOW TO INVEST**

An Investor who meets the qualifications as set forth in this Private Offering Memorandum may subscribe for at least the minimum purchase herein of One (1) Note (Ten Thousand (\$10,000) Dollars) by carefully reading this entire Private Offering Memorandum and by then completing and signing a separately bound booklet. This booklet contains identical copies of the following exhibits contained in the Private Offering Memorandum, including:

Exhibit A INSTRUCTIONS TO SUBSCRIBERS and SUBSCRIPTION AGREEMENT: This contains complete instructions to Subscribers and should be read in its entirety by the prospective investor prior to investing. The Subscription Agreement must be signed by the Investor.

Exhibit B PROMISSORY NOTE: This Note will be signed by Tri-Core Companies, LLC.

Exhibit C INVESTOR QUESTIONNAIRE: This questionnaire requires a Subscriber to complete a financial history in order to aid the Company in the determination of the suitability of the Subscriber as a potential Investor. This questionnaire must be signed by the Investor.

Exhibit D Tri-Core Companies, LLC Business Plan

Copies of all the above referenced documents are included with this Private Placement Memorandum. For discussion of the actions of the Company upon receipt of a properly completed request to invest by a Subscriber, please see "**TERMS OF THE OFFERING.**" Such Investor should include his check made payable Tri-Core Companies, LLC, along with the SUBSCRIPTION AGREEMENT, NOTE, AND

INVESTOR QUESTIONNAIRE. Delivery of the documents referred to above, together with a check to the Company should be addressed to the Company as follows: **Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250.**

## **15. INVESTOR SUITABILITY REQUIREMENTS**

### **15.1 INTRODUCTION**

Potential Investors should have experience in making investment decisions or such Investors should rely on their own tax consultants or other qualified investment advisors in making this investment decision.

### **15.2 GENERAL SUITABILITY**

Each potential Investor will be required to represent the following by execution of a Subscription Agreement:

1. The Investor has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in this Offering.
2. The Investor has the ability to bear the economic risk of this investment, has adequate means to provide for his, her, or its current needs and personal contingencies, has no need for liquidity in this investment and could afford the complete loss of the investment.
3. The Investor is acquiring the Note(s) for his, her or its own account for investment purposes only and not with a view toward subdivision, resale, distribution or fractionalization thereof, or for the account of others, and has no present intention of selling or granting any participation in, or otherwise distributing, the Note(s).
4. The Investor's overall commitment to invest in the Note(s) is not disproportionate to his, her, or its net worth and the investment in these Note(s) will not cause such overall commitment to become excessive.
5. The Investor has read and understands this Private Placement Memorandum and all its exhibits.

### **15.3 NONACCREDITED INVESTORS**

Up to and including thirty-five (35) investing Subscribers may be accepted by the Company as suitable Investors if each such Subscriber has a net worth sufficient to bear the risk of losing his entire investment and meets the above "General Suitability Standards."

#### 15.4 ACCREDITED INVESTORS

In addition to satisfying the "General Standards" as defined above, all but thirty-five (35) Subscribers for Shares must each satisfy one of the "Accredited Investors" economic suitability standards as defined below:

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;
2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;
3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);
5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.

#### **15.5 ACCEPTANCE OF SUBSCRIPTION AGREEMENT BY THE COMPANY**

The Investor Suitability Requirements referred to in this section represent minimum requirements for potential Investors. Satisfaction of these standards does not necessarily mean that participation in this Offering constitutes a suitable investment for such a potential Investor or that the potential Investors' Subscription will be accepted by the Company. The Company may, in fact, modify such requirements as circumstances dictate. All Subscription Agreements submitted by potential Investors will be carefully reviewed by the Company to determine the suitability of the potential Investor in this Offering. The Company may, in its sole discretion, refuse a Subscription in this Offering to any potential Investor who does not meet the applicable Investor Suitability Requirements or who otherwise appears to be an unsuitable Investor in this Offering. The Company will not necessarily review or accept a Subscription Agreement in the sequential order in which it is received. The Company also has the discretion to maximize the number of Accredited Investors in this Offering and, as a result, may accept less than thirty-five (35) Non-accredited Investors in this Offering.

#### **16. LITIGATION**

The Company and its Principals have no lawsuits pending, no legal actions pending or judgments entered against the Company or its Principals and, to the best knowledge of the Company, no legal actions are contemplated against the Company and/or its Principals.

## **17. ADDITIONAL INFORMATION**

Reference materials described in this Private Offering Memorandum are available for inspection at the office of the company during normal business hours. It is the intention of the Company that all potential Investors are given full access to such information for their consideration in determining whether to purchase the Notes being offered. Prospective Investors should contact the Company for access to information regarding the matters set forth or other information concerning the Company. Representatives of the Company will also answer all inquiries from potential Investors concerning the Company and any matters relating to its proposed operations or present activities. The Company will afford potential Investors and their representatives the opportunity to obtain any additional information reasonably necessary to verify the accuracy or the source of any representations or information contained in this Private Offering Memorandum. All contracts entered into by the Company are subject to modifications and the Company may make any changes in any such contracts as deemed appropriate in its best discretion. Such recent amendments may not be circulated to Subscribers prior to the time of closing this Offering. However, potential Investors and their representatives may review such material or make inquiry of the Company concerning any of these and any other matters of interest.

## **18. FORECASTS OF FUTURE OPERATING RESULTS**

Any forecasts and proforma financial information which may be furnished by the Company to prospective Investors or which are part of the Company's business plan, are for illustrative purposes only and are based upon assumptions made by Management regarding hypothetical future events. There is no assurance that actual events will correspond with the assumptions or that factors beyond the control of the Company will not affect the assumptions and adversely affect the illustrative value and conclusions of any forecasts.

## **19. GLOSSARY OF TERMS**

The following terms used in this Memorandum shall (unless the context otherwise requires) have the following respective meanings:

**ACCEPTANCE.** The acceptance by the Company of a prospective investor's subscription.

**ACCREDITED INVESTORS.** Those investors who meet the criteria set forth in "INVESTOR SUITABILITY REQUIREMENTS."

**BROKER-DEALER.** A person or firm licensed with the NASD, the SEC and with the securities or corporate commissions department of the state in which it sells investment securities and who may employ licensed agents for that purpose.

**COMPANY.** Refers to **TRI-CORE COMPANIES, LLC**, an Arizona Limited Liability Company.

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. (NASD).** A self-regulating body which licenses brokers and dealers handling securities offerings, reviews the terms of an offering's underwriting arrangements and advertising literature and, while not a governmental agency, acts as a review service watchdog to make sure that its regulations and those of the SEC are followed for the Investor's protection in offerings of securities.

**NOTES.** A Ten Thousand (\$10,000) Dollar investment consisting of one (1) Promissory Note issued by **TRI-CORE COMPANIES, LLC**, an Arizona Limited Liability Company.

**SECURITIES ACT OF 1933.** A federal act regulated and enforced by the SEC that requires, among other things, the registration and use of a prospectus whenever a security is sold (unless the security or the manner of the Offering is expressly exempt from such registration process).

**SECURITIES EXCHANGE ACT OF 1934.** A federal act regulated and enforced by the SEC which supplements the Securities Act of 1933 and contains requirements which were designed to protect investors and to regulate the trading (secondary market) of securities. Such regulations require, among other things, the use of prescribed proxy statements when investors' votes are solicited; the disclosure of management and large shareholders' holding of securities; controls on the resale of such securities; and periodic (monthly, quarterly, annually) filing with the SEC of financial and disclosure reports of the Issuer.

**SECURITIES AND EXCHANGE COMMISSION (SEC).** An independent United States government regulatory and enforcement agency which supervises investment trading activities and registers companies and those securities which fall under its jurisdiction. The SEC also administers statutes to enforce disclosure requirements that were designed to protect investors in securities offerings.

**SUBSCRIPTION DOCUMENTS.** Consists of the Note, Subscription Agreement, Investor Questionnaire, and a check as payment for the Note(s) to be purchased submitted by each prospective Investor to the Company.

**TERMINATION DATE.** The earlier to occur of the date on which all Notes are sold or February 28, 2009.

**20. ACKNOWLEDGMENT**

By signing below, the undersigned acknowledges that he/she has read and understood this entire Private Placement Memorandum.

  
\_\_\_\_\_  
Signature

02/05/2009  
\_\_\_\_\_  
Date

James C. Chen  
\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

**EXHIBIT A**  
**SUBSCRIPTION AGREEMENT**

**Print Name of Subscriber:** James C. Chen

**Amount Loaned:** \$50,000

**Number of Notes:** Five (5)

**Tri-Core Companies, LLC**

**SUBSCRIPTION DOCUMENTS**

**OFFERING OF A MAXIMUM OF FOUR HUNDRED AND FIFTY  
(450) SECURED PROMISSORY NOTES**

**TEN THOUSAND (\$10,000) DOLLARS PER NOTE**

**MARCH 1, 2008**

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**SUBSCRIPTION INSTRUCTIONS**  
**(Please read carefully)**

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Each subscriber for the Secured Promissory Notes, Ten Thousand (\$10,000) Dollars per Note (the "Notes") of Tri-Core Companies, LLC, an Arizona Limited Liability Company ("the Company"), must complete and execute the Subscription Documents in accordance with the instructions set forth below. The completed documents should be sent to Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250.

**Payment for the Securities should be made by check payable to the Tri-Core Companies LLC and enclosed with the documents as directed in Section III below.**

- I. These Subscription Documents contain all of the materials necessary for you to purchase the Notes. This material is arranged in the following order:
  - Subscription Agreement
  - Promissory Note
  - Confidential Prospective Purchaser's Questionnaire
- II. All investors must complete in detail, date, initial, and sign the Subscription Documents where appropriate. All applicable sections must be filled in.
- III. Payment for the Notes must be made by check as provided below:

Please make your check payable, in the appropriate amount, for the number of Notes purchased (at Ten Thousand (\$10,000) per Note), to **Tri-Core Companies, LLC**. Your check should be enclosed with your signed subscription documents.

All funds received from subscribers will be placed in a segregated Holding Account of the Company. Once the minimum offering amount has been reached the funds will be transferred to the Company's operating account and will be available for use.

#### IV **SPECIAL INSTRUCTIONS**

**FOR CORPORATIONS.** Include copy of Board resolution designating the corporate officer authorized to sign on behalf of the corporation, a Board resolution authorizing the investment, and financial statements.

**FOR PARTNERSHIPS.** Provide a complete copy of the partnership agreement, questionnaire, and financial statements for each General Partner.

**FOR TRUSTS.** Provide a complete copy of the instruments or agreements creating the trust, as amended to date.

**Print Name of Subscriber:** James C. Chen

**Amount Loaned:** \$50,000.00

**Number of Notes:** Five (5)

### **Subscription Agreement**

To: Tri-Core Companies, LLC  
8840 E. Chaparral Road – Suite 150  
Scottsdale, AZ 85250

Gentlemen:

**1. Subscription.** The undersigned hereby subscribes for **Five (5)** Notes of Tri-Core Companies, LLC (the “Company”), an Arizona Limited Liability Company, and agrees to loan to the Company Ten Thousand (\$10,000) Dollars per Note for an aggregate loan of **\$50,000.00** (the “Loan Amount”) upon the terms and subject to the conditions (a) set forth herein, and (b) described in the Confidential Private Placement Memorandum (“Private Placement Memorandum”) dated March 1, 2008, together with all exhibits thereto and materials included therewith, and all supplements, if any, related to this offering. The minimum loan is Ten Thousand (\$10,000) Dollars, but the Company has the discretion to offer fractional Notes for loans less than the minimum.

**2. Note Offering.** The Company is offering a maximum of Four Hundred and Fifty (450) Notes at Ten Thousand (\$10,000) Dollars per Note, with no minimum subscription (the “Offering”). The maximum aggregate loan to the Company from this Offering will be Four Million Five Hundred Thousand (\$4,500,000) Dollars. The Offering is being made to a limited number of investors pursuant to an exemption available under the Securities Act of 1933 (the “Act”), specifically Rule 506 promulgated under Regulation D, and under certain other laws, including the securities law of certain states.

**3. Documents to Be Delivered.** The undersigned is delivering to the Company executed copies of this Subscription Agreement (the “Agreement”), the Note(s), Offeree Questionnaire, and all other applicable exhibits and documents (the “Subscription Documents”). The Subscription Documents should be delivered to Tri-Core Companies, LLC, at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. The undersigned understands and agrees that he or it will not become a “Holder” of the Note(s) and the Company shall not become a “Maker” of the Note(s) unless and until the Agreement and Note(s) are executed by the Company.

**4. Making of Loan Amount.** The undersigned, simultaneously with the delivery of the Subscription Documents to the Company, hereby tenders to the Company the Loan Amount by **check made payable to the order of Tri-Core Companies, LLC** in the amount indicated above.

**5. Acceptance or Rejection of Subscription.** The undersigned understands and agrees that the Company reserves the right, exercisable in its sole discretion, to accept or reject any subscription, in whole or in part, for any reason and that the undersigned will be notified by the Company as promptly as practicable as to whether his or its subscription has been accepted or rejected. If the undersigned's subscription is accepted, in whole or in part, by the Company, the Company will execute this Agreement and the Note(s) and return them to the undersigned. If this subscription is rejected by the Company, either in whole or in part, all funds, in the case of a rejection of the subscription in whole, or those funds representing the amount of the subscription not accepted by the Company, in the case of a rejection of the subscription in part, will be returned to the undersigned as promptly as practicable. If this subscription is rejected in whole by the Company, this Agreement shall be null, void and of no effect. The undersigned does not have the right to withdraw or revoke his or its subscription during the Offering period, except as provided by certain state laws, except that if more than thirty (30) days shall have passed from the date the Company received completed and executed Subscription Documents and the Loan Amount from the undersigned (the "Acceptance Period"), and the Company has not accepted the subscription during the Acceptance Period, the undersigned may withdraw his or its subscription at any time after the Acceptance Period up until such time that the Company subsequently decides, in its sole discretion, to accept the subscription in whole or in part.

**6. Offering Period.** The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Four Million Five Hundred Thousand (\$4,500,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

**7. Closing of the Loan.** The Note(s) subscribed for herein shall not be deemed made by the Company or held by the undersigned until this Agreement and the Note(s) have been countersigned by the Company, and until the funds delivered by the undersigned to the Company with the Subscription Documents have been deposited in the Holding Account and have been cleared by the applicable bank of the Company (the "Effective Date"). Upon the Effective Date, (a) the undersigned shall have loaned to the Company the Loan Amount, (b) the undersigned shall become the Holder and the Company shall become the Maker of the Note(s) subscribed for by the undersigned, and (c) both the undersigned and the Company shall be bound by the terms of the Private Placement Memorandum and the Subscription Documents and any other undertakings described herein.

**8. Representations and Warranties.**

- (a) The Company hereby represents and warrants as follows:

(i) The Company is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Arizona and has the requisite company power and authority to own, lease and operate its properties and to carry on its business as now being conducted;

(ii) This Agreement constitutes the valid and binding obligation of the Company enforceable against the Company in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws from time to time in effect which affect creditor's rights generally and by legal and equitable limitations on the availability of specific performance and other equitable remedies under or by virtue of this Agreement). The Company has all requisite power and authority, corporate and other, to execute and deliver this Agreement and the Note(s) and to consummate the transactions contemplated hereby. All persons who have executed this Agreement and the Note(s) on behalf of the Company have been duly authorized to do so by all necessary corporate action. Neither the execution and delivery of this Agreement and the Note(s) nor the consummation of the transactions contemplated hereby will (A) violate any provision of the Certificate of Incorporation or Operating Agreement of the Company, as currently in effect; (B) violate any judgment, order, injunction, decree or award against, or binding upon, the Company or the securities, assets, properties, operations or business of the Company; or (C) violate any law or regulation applicable to the Company or to the securities, assets, properties, operations or business of the Company.

(b) In order to induce the Company to accept the subscription made hereby, the undersigned hereby represents and warrants to the Company as follows:

(i) The undersigned has received the Private Placement Memorandum and the Subscription Documents. The undersigned has read and understands the Private Placement Memorandum and Subscription Documents and the information contained in those documents concerning the Company and this Offering or has caused his or its representative to read and examine the Private Placement Memorandum and Subscription Documents. The undersigned has relied only on the information about the Company contained in these documents and his or its own independent investigation in making his or its subscription. The undersigned understands that the Notes will be issued with the rights and subject to the conditions described in the Private Placement Memorandum and Subscription Documents;

(ii) The undersigned is familiar with the terms and conditions of the Offering and is aware that his or its investment involves a

degree of risk and the undersigned has read the section in the Private Placement Memorandum titled "Risk Factors."

(iii) The undersigned hereby specifically accepts and adopts each and every provision of this Agreement and acknowledges and agrees with each and every provision of this Agreement and, upon acceptance by the Company of the subscription made hereby, agrees to be bound by such provisions.

(iv) The undersigned acknowledges and is aware that there is no assurance as to the future performance of the Company.

(v) The undersigned, if an individual (A) has reached the age of majority in the state in which he resides and (B) is a bona fide resident and domiciliary (not a temporary or transient resident) of the state set forth below his signature on the signature page hereof and has no present intention of becoming a resident of any other state or jurisdiction. The undersigned, if a partnership, corporation, limited liability company, trust or other entity, was organized or incorporated under the laws of the jurisdiction set forth below the signature made on its behalf on the signature page hereof and has no present intention of altering the jurisdiction of its organization, formation or incorporation.

(vi) The undersigned has the financial ability to bear the economic risk of an investment in the Offering, has adequate means of providing for his or its current needs and personal contingencies, has no need for liquidity in the Note(s) and could afford a complete loss of his or its investment in the Offering.

(vii) The undersigned represents and warrants to the Company that he or it comes within one of the categories of investors as defined in Exhibit 1 hereto *(please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity)*.

(viii) The undersigned has been given the opportunity to review the merits of an investment in the Offering with tax and legal counsel or with an investment advisor to the extent the undersigned deemed advisable.

(ix) The undersigned's overall commitment to invest in the Note(s), which are not readily marketable, is not disproportionate to his or its net worth and his or its investment in the Offering will not cause such overall commitment to become excessive.

(x) The undersigned has such knowledge and experience in financial and business matters that he or it is capable of evaluating the merits and risks of an investment in the Offering.

(xi) The undersigned has been given a full opportunity to ask questions of and to receive (A) answers from the Company and its Managers concerning the terms and conditions of this Offering and the business of the Company and (B) such other information as he or it desired in order to evaluate an investment in the Offering, and all such questions have been answered to the full satisfaction of the undersigned. No oral or written representations have been made or oral or written information furnished to the undersigned or the undersigned's advisors in connection with the Offering or interests that were in any way inconsistent with this Subscription Agreement. The undersigned is not participating in the Offering as a result of or subsequent to: (1) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or (2) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(xii) If the undersigned is a corporation, limited liability company, partnership, trust or other entity, it is authorized and qualified to make this loan to the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so.

(xiii) If the undersigned is a corporation, limited liability company or partnership, the person signing this Agreement on its behalf hereby represents and warrants that the information contained in this Agreement completed by any shareholders of such corporation, members of such limited liability company or partners of such partnership is true and correct with respect to such shareholder, member or partner (and if any such shareholder is itself a corporation, limited liability company or partnership, with respect to all persons having an equity interest in such corporation, limited liability company or partnership, whether directly or indirectly) and that the person signing this Agreement has made due inquiry to determine the truthfulness and accuracy of the information contained in this Agreement.

(xiv) The purchase of the Note(s) by the undersigned has been duly authorized, and the execution, delivery and performance of this Agreement does not conflict with the undersigned's partnership agreement, certificate of incorporation, by-laws, articles of organization, operating agreement or any agreement to which the undersigned is a party and this Agreement is a valid and binding agreement enforceable against the undersigned in accordance with its terms.

(xv) The undersigned hereby represents that he or it is subscribing for the Notes as principal or as trustee, solely for the account of the undersigned, for investment purposes only and not with a view to, or for, subdivision, resale, distribution, or fractionalization thereof, in whole or in part, or for the account, in whole or in part, of others, and, except as disclosed herein, no other person has a direct or indirect beneficial interest in the Note(s). The undersigned will hold the Note(s) as an investment and has no reason to anticipate any change in circumstances or other particular occasion or event, which would cause the undersigned to attempt to sell any of the Note(s).

(xvi) The undersigned acknowledges his or its understanding that (A) the Offering of the Note(s) by the Company has not been registered under the Act, as amended, or the securities laws of certain states in reliance on specific exemptions from registration, (B) the Confidential Memorandum and Subscription Documents have not been filed with or reviewed by the Securities and Exchange Commission or the securities department of any state and no securities administrator of any state or the federal government has recommended or endorsed this Offering or made any finding or determination relating to the fairness of an investment in the Company, and (C) the Offering of the Note(s) by the Company is intended to be exempt from registration pursuant to Section 4 (2) of the Act and the rules promulgated there under by the Securities and Exchange Commission, and that the undersigned's Note(s) cannot be sold, pledged, assigned or otherwise disposed of unless they are registered under the Act or an exemption from such registration is available.

(xvii) The undersigned represents and warrants that he or it will not transfer or convey all or part of his or its financial interest in the Note(s) unless such Note(s) are subsequently registered under the Act, or an exemption from such registration is available and without (A) the prior written consent of the Company and (B) an opinion of counsel acceptable to the Company and its counsel to the effect that the Note(s) may be transferred without violation of the registration requirements of the Act or any applicable state securities laws, as may be amended from time to time. The undersigned further acknowledges that there can be no assurance that the Company will file any registration statement for the Note(s) for which the undersigned is subscribing, that such registration statement, if filed, will be declared effective or, if declared effective, that the Company will be able to keep it effective until the undersigned sells the Note(s) registered thereon.

(xviii) The undersigned understands that this Agreement is subject to the Company's acceptance and may be rejected by the Company at any time in its sole discretion in whole or any part

prior to issuance of the Note(s) with respect to the undersigned's subscription, notwithstanding prior receipt by the undersigned of notice of acceptance of the undersigned's subscription. The Company reserves the right to withdraw the Offering at any time.

(xix) The undersigned acknowledges that this Agreement shall become binding upon the undersigned when it is countersigned by the Company and the undersigned is not entitled to cancel, terminate, or revoke this subscription before or after acceptance by the Company, except as otherwise provided in this Agreement.

(xx) All information provided by the undersigned in the Investor Questionnaire and Investor Representative Questionnaire (if applicable) which accompanies this Agreement is true and accurate in all respects, and the undersigned acknowledges that the Company will be relying on such information to its possible detriment in deciding whether the Company can make these Note(s) to the undersigned without giving rise to the loss of an exemption from registration under the applicable securities laws.

**9. Foreign Person.** If the undersigned has indicated on the signature page of this Agreement that he, she or it is a foreign person, he, she, or it agrees to notify the Company in writing within sixty (60) days of becoming a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign entity, as the case may be.

**10. Indemnity.** The undersigned agrees to indemnify and hold harmless the Company, its managers, members, agents, attorneys and affiliates and each other person, if any, who controls any thereof, within the meaning of Section 15 of the Act, against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in this Agreement or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

**11. Notice.** All notices in connection with this Agreement shall be in writing and personally delivered or delivered via overnight mail, with written receipt therefore, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 11) with a copy, in the case of notice to the Company, to Tri-Core Companies, LLC, at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

**12. Miscellaneous.**

(a) This Agreement is not assignable by the undersigned. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) This Agreement shall be deemed to have been made in the State of Arizona and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Agreement.

(c) This Agreement contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied, except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties to this Agreement.

(d) No waiver of any breach of any terms of this Agreement shall be effective unless made in writing signed by the party against whom enforcement of the waiver is sought, and no such waiver shall be construed as a waiver of any subsequent breach of that term or of any other term of the same or different nature.

(e) If any provision or portion of this Agreement or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Agreement.

(f) Each of the parties hereto shall cooperate and take such actions, and execute such other documents, at the execution hereof or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.

IN WITNESS WHEREOF, the undersigned, by his, her, or its execution hereof, has read and approved this Subscription Agreement and agrees to be bound by this Agreement.

Executed this 05TH day of FEBRUARY, 2009, at SUNNYVALE  
(City), CALIFORNIA (State).

**If the Investor is an INDIVIDUAL, complete the following:**

The undersigned (circle one): (is) [is not] a citizen or resident of the United States.

JAMES C. CHEN

Print Name of Individual

Print Name of Spouse / Co-Investor  
(if Funds are to be invested in Joint Name  
or are Community Property)

[REDACTED]

Print Social Security Number of Individual

Print Social Security Number of Spouse  
or Co-Investor  
(if Funds are to be Invested in Joint Name  
or are Community Property)

[Signature]

Signature of Individual

Signature of Spouse / Co-Investor  
(if Funds are to be Invested in Joint Name  
or are Community Property)

Print Residential Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Print Residential Telephone Number:

[REDACTED]



**EXHIBIT 1  
INVESTOR STATUS**

(Please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity).

\_\_\_\_\_  
initials

A. **"Nonaccredited Investor"**. The undersigned does not meet the definition of an "Accredited Investor" as defined herein below;

    *Jce*      
initials

B. **"Accredited Investor"**. The undersigned is an Accredited Investor as defined below (*check applicable box*):

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;

2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;

3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8.\* Any entity in which all of the equity owners are Accredited Investors.

**NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.**

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\* If this box is checked, please indicate on a separate schedule to be attached hereto, the category of Accredited Investor in which each equity owner of such entity is included.

**EXHIBIT B**  
**PROMISSORY NOTE**

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**EXHIBIT B**

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**PROMISSORY NOTE**

**THIS NOTE HAS BEEN MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH THE DISTRIBUTION THEREOF AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS NOTE MAY NOT BE SOLD, TRANSFERRED, OR ASSIGNED ("TRANSFER") UNLESS IT IS SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE MAKER CONSENTS IN WRITING TO SUCH TRANSFER.**

**Tri-Core Companies, LLC**, an Arizona Limited Liability Company, with offices at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250 (the "Maker"), for value received, promises to pay to the Individual and/or legal entity designated in this Note as the "HOLDER," the principal sum of **Fifty thousand dollars** with a rate of return of sixty percent (60%) compounded annually. Interest shall be due and payable at maturity and based on the commencement date of the Note. The entire Principal shall be due and payable to the Holder no later than twenty-four (24) months from the Commencement Date. The principal and any interest due on said principal may be prepaid at the sole discretion of the Company, without a prepayment penalty or premium at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date.

**1. NOTES**

This Note in the principal amount of Ten Thousand (\$10,000) Dollars per Note, or any fractional amounts, is offered for sale by the Maker, pursuant to that certain "Private Placement Memorandum" dated March 1, 2008. The Note shall be senior debt of the Maker and secured by the property.

**2. EVENTS OF DEFAULT**

A default shall be defined as one or more of the following events ("Event of Default") occurring and continuing:

- (a) The Maker shall fail to pay any interest payment on this Note when due for a period of thirty (30) days after notice of such default has been sent by the Holder to the Maker.
- (b) The Maker shall dissolve or terminate the existence of the Maker.

(c) The Maker shall file a petition in bankruptcy, make an assignment for the benefit of its creditors, or consent to or acquiesce in the appointment of a receiver for all or substantially all of its property, or a petition for the appointment of a receiver shall be filed against the Maker and remain unstayed for at least ninety (90) days.

Upon the occurrence of an Event of Default, the Holder of this Note may, by written notice to the Maker, declare the unpaid principal amount and all accrued interest of the Note immediately due and payable.

**3. SECURITY FOR PAYMENT OF THE NOTE(S)**

The Note(s) offered by the MAKER are secured by future land purchase.

**4. COMMENCEMENT DATE OF THE NOTE**

The Commencement Date of the Note shall be the "Effective Date," as defined in that certain "Subscription Agreement" attached as Exhibit A to the Private Placement Memorandum.

**5. STATUS OF HOLDER**

The Maker may treat the Holder of this Note as the absolute owner of this Note for the purpose of making payments of principal or interest and for all other purposes, and shall not be affected by any notice to the contrary, unless the Maker so consents in writing.

**6. SECURITIES ACT RESTRICTIONS**

This Note has not been registered for sale under the Act. This Note may not be sold, offered for sale, pledged, assigned or otherwise disposed of, unless certain conditions are satisfied, as more fully set forth in the Subscription Agreement.

**7. ATTORNEYS' FEES**

The prevailing party in an action to enforce this Note shall be entitled to reasonable attorneys' fees, costs, and collection expense.

**8. MISCELLANEOUS.**

(a) **Successors and Assigns.** The Holder may not assign, transfer, or sell this Note to any party without the express written consent of the Maker. This Note shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) **Entire Agreement.** This Note contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied,

except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Note shall be effective unless in writing and signed by both parties to this Note.

(c) **Notices.** All notices in connection with this Note shall be in writing and personally delivered or delivered via overnight mail, with written receipt thereof, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 8) with a copy to Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

(d) **Section Headings.** The headings of the various sections of the Note have been inserted as a matter of convenience for reference only and shall be of no legal effect.

(e) **Severability.** If any provision or portion of this Note or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Note.

(f) **Applicable Law.** This Note shall be deemed to have been made in the State of Arizona, and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in the State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Note.

(g) **Approval.** By signing below, each party respectively acknowledges that they have read and approved this promissory note.

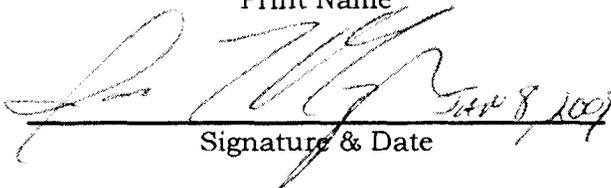
**Maker:**  
**Tri-Core Companies, LLC,**  
An Arizona Company  
8840 E. Chaparral Road - Suite 150  
Scottsdale, AZ 85250

**Holder:**  
1996 James C. Chen Trust

████████████████████  
██████████ CA ██████████

Jason Todd Mogler - President

Print Name

  
Signature & Date

James C. Chen

Print Name

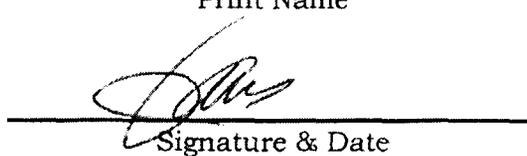
  
Signature & Date

EXHIBIT C

Tri-Core Companies, LLC

Investor Suitability Questionnaire

To: Prospective purchasers of Promissory Notes (the "Notes") offered by Tri-Core Companies, LLC (the "Company").

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an "Accredited Investor," as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Company for purchasing Notes. **This questionnaire is not an offer to sell securities.**

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Company deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Notes.

**Please answer all questions completely and execute the signature page**

A. Personal

1. Full Name: JAMES C. CHEN, TRUSTEE
2. Address of Principal Residence: 1996 JAMES C. CHEN TRUST DATED 3/7/1996  
[REDACTED] CA [REDACTED]  
County: [REDACTED]
3. Residential Telephone Number: [REDACTED]
4. Where are you registered to vote (County & State)? [REDACTED] CA.
5. Your driver's license is issued by the following state: CALIFORNIA
6. Other Residences or Contacts: *Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license, or have any other contacts, and describe your connection with such state:*  
\_\_\_\_\_  
\_\_\_\_\_

7. Please send all correspondence to:
  - (1)  Residential Address [as set forth in item A-2]
  - (2)  Business Address [as set forth in item B-1(a)]

8. Date of Birth: \_\_\_\_\_  
9. Country of Citizenship: USA  
10. Social Security Number or Tax I.D. Number: \_\_\_\_\_  
11. E-Mail Address: JCRE04@yahoo.com

### B. Occupations and Income

1. Occupation: RETIRED  
(a) Business Address: \_\_\_\_\_  
(b) Business Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_
2. Gross income during each of the last two years exceeded:  
(1) \_\_\_\_\_ \$25,000                      (3) \_\_\_\_\_ \$50,000  
(2) \_\_\_\_\_ \$100,000                    (4) \_\_\_\_\_ \$200,000
3. Joint gross income with spouse during each of the last two years exceeded \$300,000.  
(1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No                      (3) \_\_\_\_\_ Not Applicable
4. Estimated gross income during current year exceeds:  
(1) \_\_\_\_\_ \$25,000                      (3) \_\_\_\_\_ \$50,000  
(2) \_\_\_\_\_ \$100,000                    (4) \_\_\_\_\_ \$200,000
5. Estimated joint gross income with spouse during current year exceeds \$300,000.  
(1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No                      (3) \_\_\_\_\_ Not Applicable

### C. Net Worth

1. Current net worth or joint net worth with spouse (note that "net worth" includes all of the assets owned by you and your spouse in excess of total liabilities, including the fair market value, less any mortgage, of your principal residence.)

- (1) \_\_\_\_\_ \$50,000-\$100,000                      (2) \_\_\_\_\_ \$100,000-\$250,000                      (3) \_\_\_\_\_ \$250,000-\$500,000  
(4) \_\_\_\_\_ \$500,000-\$750,000                      (5) \_\_\_\_\_ \$750,000-\$1,000,000                      (6)  over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1)  Yes                      (2)  No

**D. Affiliation with the Company**

Are you a director or executive officer of the Company?

(1)  Yes                      (2)  No

**E. Investment Percentage of Net Worth**

If you expect to invest at least \$100,000 in Notes, does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse?

(1)  Yes                      (2)  No                      (3)  Not Applicable

**F. Consistent Investment Strategy**

Is this investment consistent with your overall investment strategy?

(1)  Yes                      (2)  No

**G. Prospective Investor's Representations**

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

**Prospective Investor(s):**

\_\_\_\_\_  
Signature 

Date: FEB. 05, 2009

\_\_\_\_\_  
Signature *(of spouse or co-investor, if purchase is to be made as joint tenants or as tenants in common)*

Date: \_\_\_\_\_

## **EXHIBIT D**

### **TRI-CORE COMPANIES, LLC BUSINESS PLAN**

#### **Mission Statement**

The mission of Tri-Core Companies, LLC (the Company) is to purchase virgin beachfront land on the Gulf of California (Sea of Cortez), Sonora, Mexico for either resale or for development.

The specific location the Company has concentrated on is between El Golfo de Santa Clara on the north and Puerto Peñasco (Rocky Point) on the south. This is a distance of about 80 miles and was chosen because of the access the new Coastal Highway has afforded this area. Prior to the new highway, this area was inaccessible except by rugged four-wheel-drive vehicles. The highway will make this area accessible by automobile for millions of visitors and buyers from the United States.

The Company believes that there will be a major increase in demand for property in this area with the completion of the highway. The highway is currently over three-quarters complete and only a 15-mile portion of the center section remains to be completed. This section is scheduled for completion by the end of Spring 2008.

#### **Business Operations**

##### **Ownership and Employees:**

The Company is intended to be a very competitive, highly motivated company with a small number of select key employees. The majority of the day to day responsibilities, planning and development tasks will be performed by the principal/managing partners. All other tasks that cannot be performed on behalf of the company by principals or employees will be done by hired contract services. An example of a hired contract service would be accounting.

##### **Jason Todd Mogler – President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

**Vince Gibbons – Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for “going the extra mile” to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering’s expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club – Mohave County, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.

- **Eagle View Subdivision – Kingman, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.

- **Villages at Loreto Bay, Master Planned Development – Loreto, Mexico.**

Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.

- **Colonias de Cardenas, Master Planned Community – Panama City, Panama.**

Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.

- **Punta Delfin, Enchantment of México – Sea of Cortez, Sonora, México.**

Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey – Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

Mr. Hinkeldey's educational background consists of a degree in Banking and Money Management from Adelphi University, Long Island, New York. He also holds a three year specialized degree in real estate finance from the Mortgage Bankers of America which he received at Northwestern University. He attended numerous programs for finance, real estate, and management at New York University and Wharton Business School.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

### **Market Knowledge and the Property**

#### **Knowledge of the Marketplace:**

The Principals of the Company have been active in real estate and Mexico for several years and consider the El Golfo/Rocky Point market one of the (if not the most) active markets in all of Mexico for development and potential upside investment.

The El Golfo area was chosen for the Company's purchases due to its potential appreciation. Some of the driving factors that influenced this decision were:

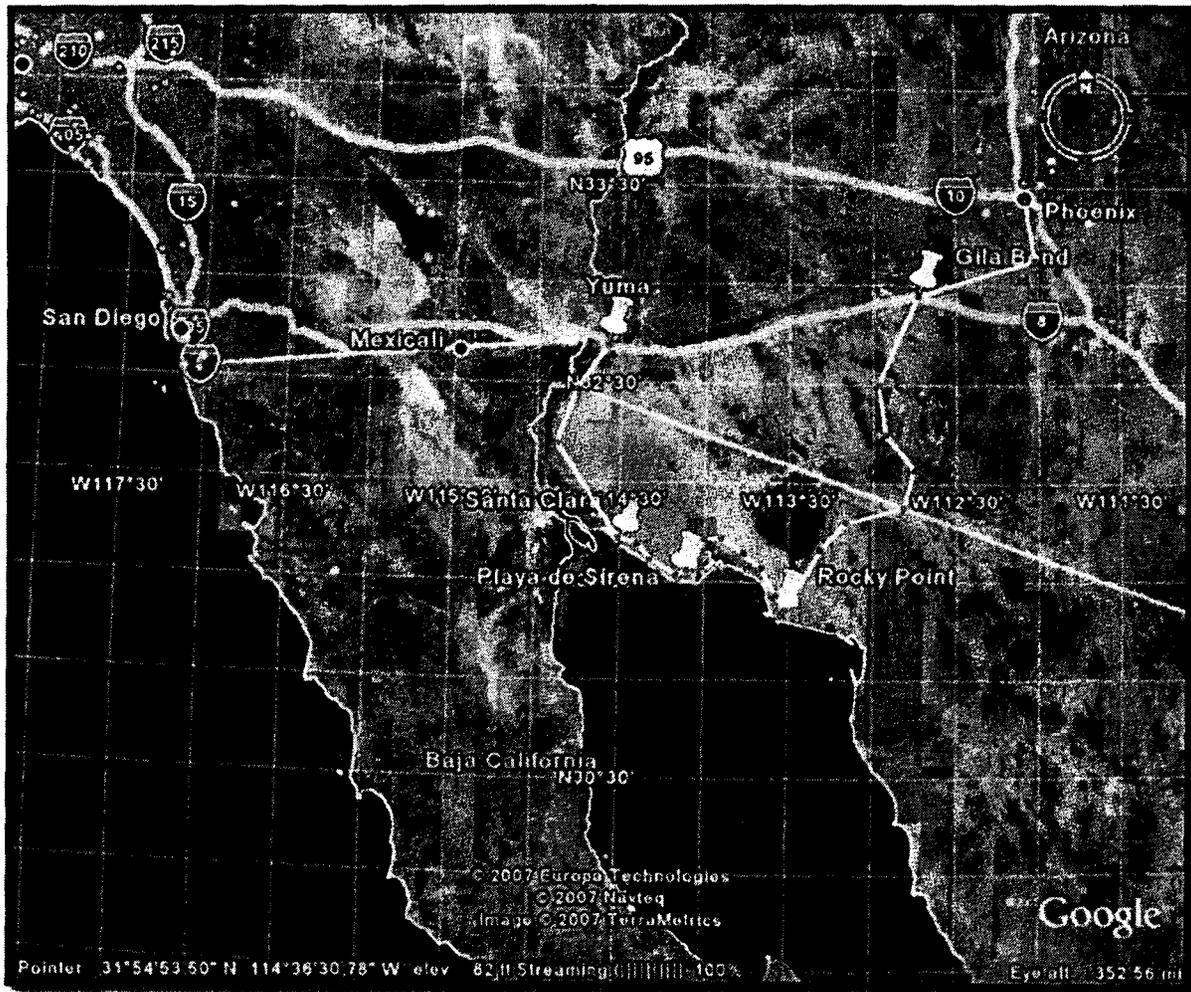
- The new Coastal Highway;
- Its close proximity to the United States markets (one hour drive from the Border of US/Mexico);
- Its location on a beautiful, pristine, major body of water;
- The quality of the sand beaches ;
- The scenic mountain views of the Baja Peninsula;
- The opening of the area by the construction of the Coastal Highway from the US/Mexico border 300 miles to the south along the coast of the Sea of Cortez to Guaymas, Mexico, a major seaport;
- The \$50 million dollar international airport under construction at Rocky Point that will accommodate all types of passenger planes. The first runway is completed and the balance is to be completed by 2008.

- Two state-of-the-art hospitals, Hospital of Peñasco and the IMMS Hospital, are currently under construction and will serve the El Golfo/Rocky Point areas.

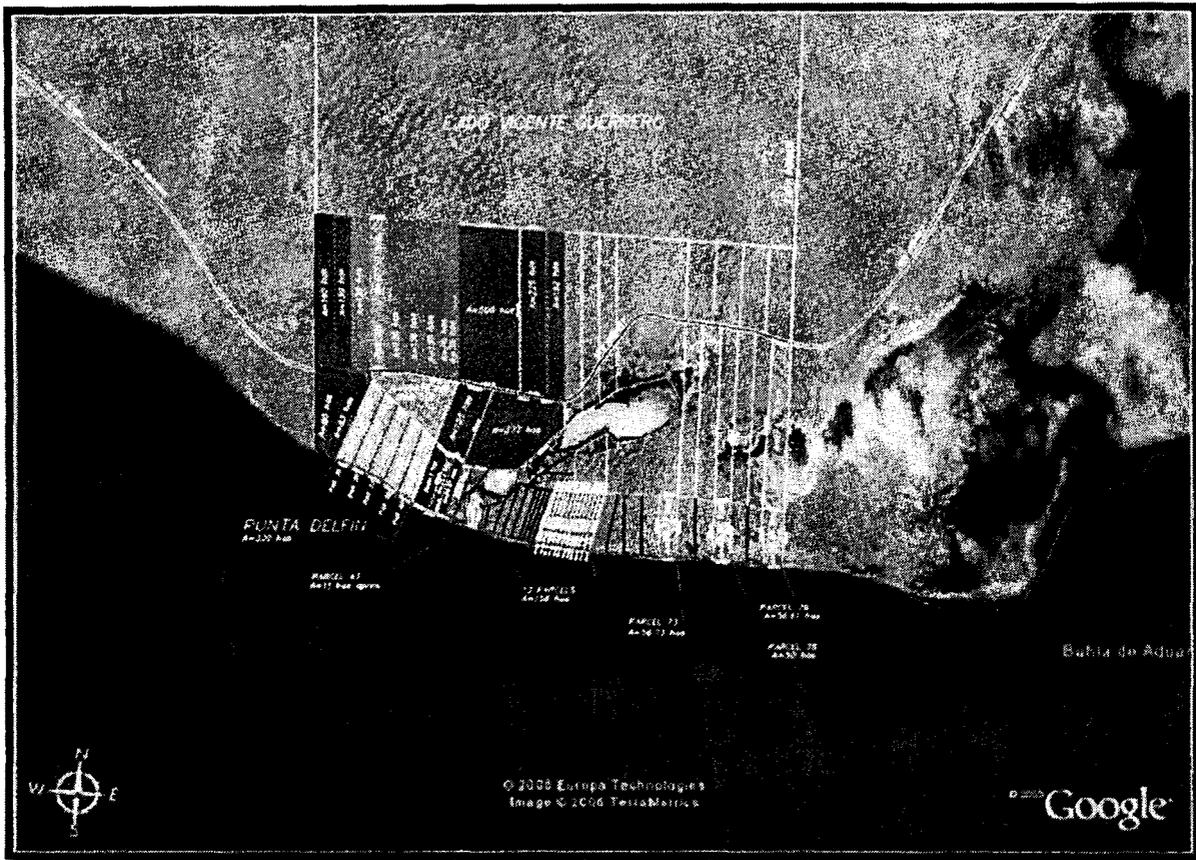
The Mexican and Sonoran Governments are dedicated to promoting the area as a major destination for both Americans and Canadians. This is evidenced by the millions of dollars of infrastructure being put in place by the United States and Mexican Governments. A prime example of this dedication is the Coastal Highway. This three hundred mile highway is being built at a cost in excess of \$200 million dollars and will connect the port city of Guaymas in Mexico with the US/Mexico border at San Luis Rio Colorado, south of Yuma, Arizona. This will make this whole area much more accessible for millions of Americans in Southern California, Arizona, and Nevada for weekends and vacations, as well as for longer stays by visitors from all across the United States and Canada.

### The Property

Parcel 47 – Relaxante is at the southeastern edge of the town of El Golfo on the Sea of Cortez. It is approximately one hour drive time south of the U.S. /Mexico border at San Luis.



This parcel has approximately 26.75 acres of land with over 640 feet of beautiful sandy beach frontage. There are rolling dunes and wonderful views of the Sea of Cortez and the mountains of the Baja Peninsula. The site is well-adapted for the launching of small boats.



**The Proposed Development for Lot 47:**

This project is a proposed gated luxury development fronting on and viewing the Sea of Cortez in the rapidly developing area of San Luis Rio Colorado, Sonora, Mexico. The property consists of 10.83+/- hectares (26.8+/- acres) of land on a site overlooking the scenic waterways of the Sea of Cortez and the mountains of the Baja Peninsula to the west. The property has over 200 meters (640+/- feet) of sandy beach frontage. There are beautiful scenic views up and down the sandy beaches of the Sea of Cortez (a.k.a. the Gulf of California).

This project is a proposed mixed-use development, including a gated single-family development of 40+/- villa lots, a 140-unit condominium development, and some commercial facilities.

Due to topography, the northerly portion of the site contains a mid-rise condominium building. The center portion of the site is gently sloping and will contain the staggered water view lots. The southern beachfront portion of the site contains six beachfront lots, along with a beachfront pool and beach club. Due to the carefully chosen staggered lot placement, all villas and condominium units will enjoy beautiful views of the Sea of Cortez and the mountains of the Baja Peninsula.

Villa lots will be approximately 6,500 square feet in size and the Villas will range in size from 2,400 to 2,600 square feet. The condominium units will be approximately 1,500 square feet with larger units located on the top floors. The six prime waterfront lots will be on the beach – affording wonderful views for miles in each direction and easy water and beach access. The development will provide all the amenities associated with a destination development.

### **Business Goals**

In early 2008, we will be contracting for the necessary survey, topographical map, and environmental studies required for the permitting stage. In addition, we will proceed with the concession for the “Federal Zone” so that we may have exclusive use of the 20 meters adjacent to the “high water mark” that is currently controlled by the Mexican Government. This is an important concession and we are proceeding forward.

After preliminary discussions with utility suppliers, it is the Company’s belief that the use of self-contained utilities are in the best interest of the development. Permits for these utilities will be sought from the municipality of San Luis (the governing entity), in conjunction with our partners.

During the early part of 2008, the Company’s primary focus will be on the preparation of the site plan, all required studies, and the gathering of bids for utilities. It is anticipated that by mid-2008, we will be finalizing the preliminary plans in accordance with site reports.

Once the final layout has been concluded, talks with local developers, investors, and realtors in Mexico and the United States will commence. It is the intention that the Company will be in a position to move quickly and efficiently to either sell individual lots or sell the development. The Company foresees the actual sale of the parcels occurring in mid-year 2009.

To ensure further success, the Company will continue to focus on the development of strong relationships with key property professionals (realtors, agents, financial institutions, law firms, building contractors and suppliers, etc.). While we presently enjoy a good working relationship with several governmental agencies, we will also be working quite diligently throughout the entire developmental process to further strengthen and expand our relationships with governmental agencies and political entities. Since we also understand and respect the Mexican culture, we foresee no obstacle in achieving a strong and favorable relationship with the governing authorities.

**El Golfo / Rocky Point – General Economic and Area Information:**

The Colorado River forms the state line between Arizona, California, and Nevada, and continues southerly to the Sea of Cortez. Along its entire length, it is a major recreation / boating area for Arizona, Nevada, and Southern California in the spring and summer, as well as a perfect destination for “Snowbirds” in the winter – creating a year-round demand for the entire area.

Historically, neighboring Rocky Point has been a major recreational area for Phoenix and Tucson, Arizona. The drive time to Rocky Point has been about four-plus hours from Phoenix, making it a very easy weekend vacation spot. There have been many new high and mid-rise condominium units built in the Sandy Beach neighborhood of Rocky Point within the past few years. These are well-designed and constructed developments with many beachfront amenities. These units have generally sold for \$300,000 to over \$1,500,000, primarily to U.S. residents.

El Golfo is about 25 miles east of Rocky Point. The El Golfo area is near the northern end of the Sea of Cortez and is well protected from adverse weather. Consequently, the waters are generally calm. El Golfo is a picturesque fishing village with long, wide, sandy beaches. The fishermen launch their boats from the sandy beaches directly to the water. There is at present one paved road that ends at El Golfo.

The new Coastal Highway will make the drive between El Golfo and Rocky Point less than 30 minutes. Accordingly, this whole area between Rocky Point and El Golfo is poised to undergo extensive real estate development. In anticipation of this future growth, a new major border crossing facility is planned for San Luis to help relieve congestion at the present in-town facility. The number of inspection lanes will increase from five to sixteen, and will consequently decrease the time for crossing the border.

For the first time, large U.S. markets from California, Nevada, and Western Arizona will be within a reasonable driving distance. As an example, the Southern California market will have its driving time reduced from approximately eight hours to just around four hours. There are many resort areas of Mexico with extensive development taking place, however, there are only limited areas on the calm waters of the Sea of Cortez that have good driving access from the United States.

The new highway is the driving force that has dramatically changed access to this area. It is the Company's belief that since prime oceanfront land in this area's acreage is limited, the demand for this property will be strong. This belief is further strengthened by its aggressive promotion of Relaxante to the new markets of California, Nevada, and Western Arizona.

**Proforma**

Parcel 47  
Pro Forma - 26.75 acre (10.84 Ha.)  
Sale Project to a Developer  
March 2008

**TOTALS**

		<b>TOTALS</b>
<b>REVENUE</b>		
Sales Price Developer		\$14,200,000
<b>Total Revenue</b>		<b>\$14,200,000</b>
Finder's Fee	4%	\$568,000
<b>Total Net Revenue</b>		<b>\$13,632,000</b>
<b>EXPENSES</b>		
<b>ON-SITE WORK</b>		
Mass Excavation / Fill & Grading		\$200,000
Gated Entryway		\$25,000
Perimeter Wall		\$100,000
<b>Total Onsite Work</b>		<b>\$325,000</b>
<b>SOFT COSTS - GENERAL, ADMINISTRATIVE &amp; LEGAL</b>		
Administrative (Taxes, Permits & Licensing)		\$50,000
NATAWA Bond		\$200,000
Legal		\$100,000
<b>Total General Expenses</b>		<b>\$350,000</b>
<b>GENERAL PROJECT EXPENSES</b>		
Project Master Plan		\$80,000
Engineering		\$50,000
Boundary and Topographic Survey		\$20,000
Concept Approval, Zoning, Environmental		\$130,000
<b>Total General Project Expenses</b>		<b>\$280,000</b>
<b>TOTAL EXPENSES</b>		
Project Contingency		\$95,500
Principal and Interest		\$11,520,000
<b>Total Expenses, Contingency, and Interest</b>		<b>\$12,570,500</b>
<b>Net Income</b>		<b>\$1,061,500</b>

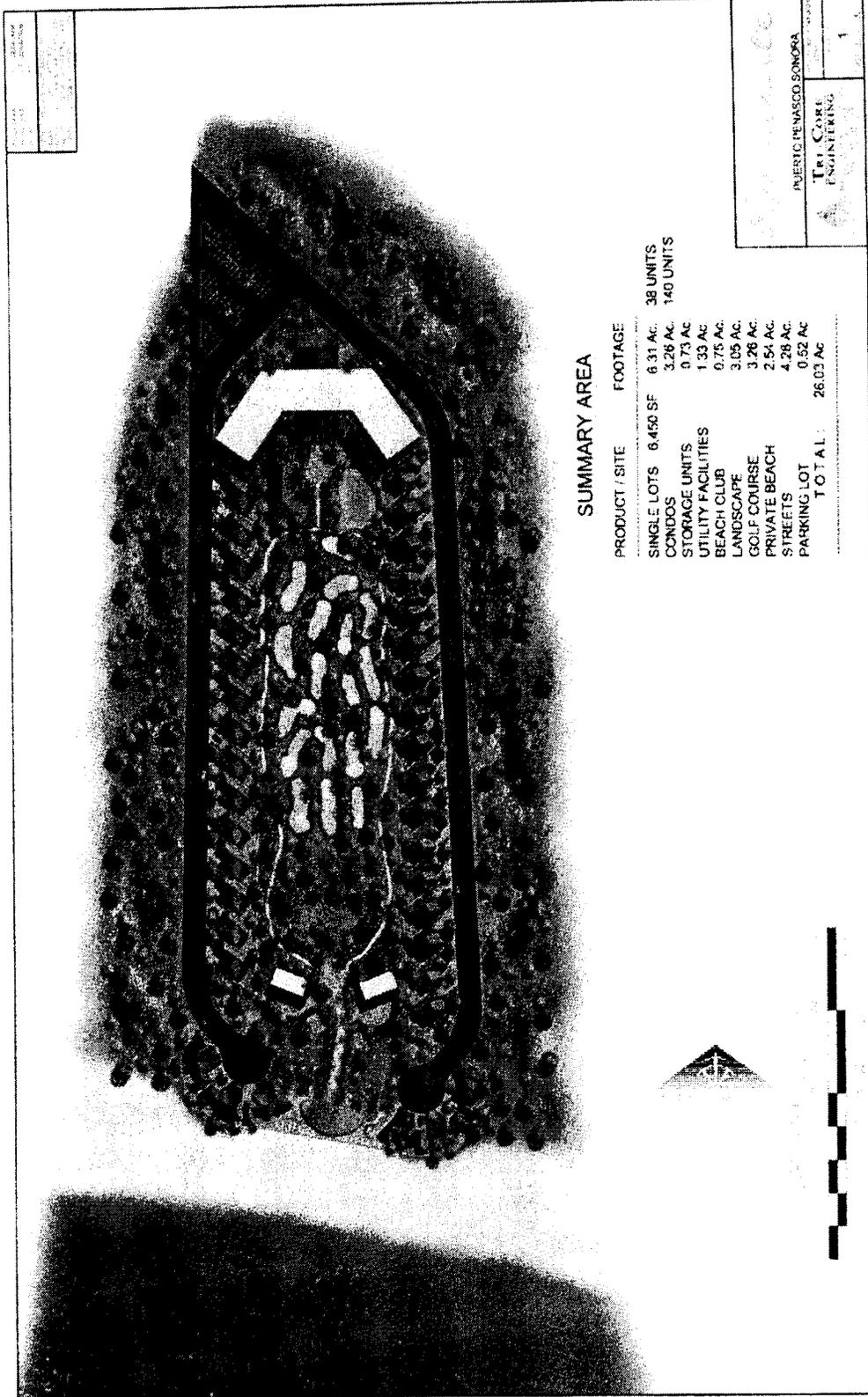
Parcel 47 Pro Forma - 26.75 acre (10.84 Ha.) Vertical on Condos , Vertical on Villas March 2008		TOTALS			
		# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost
<b>UNITS</b>					
Condo Tower Units	140				
Ocean View Villas	38				178
<b>REVENUE</b>					
Condo Tower Units		1,500		\$300,000	\$42,000,000
Ocean View Villas		2,500		\$1,300,000	\$49,400,000
<b>Total Revenue</b>					<b>\$91,400,000</b>
<b>INFRASTRUCTURE TAKE-OUTS</b>					
NATAWA (\$30k x 178 Units)					\$5,340,000
<b>SALES COMMISSIONS</b>					
Sales Commissions	6%				\$5,484,000
<b>Total Sales Commissions</b>					<b>\$5,484,000</b>
<b>Total Net Revenue</b>					<b>\$80,576,000</b>
<b>EXPENSES</b>					
<b>PROJECT ACQUISITION</b>					
					\$14,200,000
<b>AMENITIES CONSTRUCTION</b>					
Landscape and Irrigation System					\$80,000
Grading					\$95,000
Beach Club					\$1,000,000
18- Hole Putting Course					\$500,000
Construction Office					\$215,000
<b>Total Amenities</b>					<b>\$1,890,000</b>

Vertical (Continued)	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
<b>Condo Tower Units</b>					
Construction	140	1,500	110		\$23,100,000
Architectural (4% of construction costs)			4.0%		\$924,000
<b>Total Condominiums</b>					<b>\$24,024,000</b>
<b>Ocean View Villas</b>					
Construction	38	2,500	125		\$11,875,000
Architectural (4% of construction costs)			4.0%		\$475,000
<b>Total Ocean View Villas</b>					<b>\$12,350,000</b>
<b>SOFT COSTS - GENERAL, ADMINISTRATIVE &amp; LEGAL</b>					
Administrative (Taxes, Permits & Licensing)					\$550,000
Accounting					\$80,000
Legal					\$322,500
<b>Total General Expenses</b>					<b>\$952,500</b>
<b>MARKETING</b>					
Initial Launch					\$860,000
Marketing (% of gross sales)			5%		4,570,000
<b>Total Marketing</b>					<b>\$5,430,000</b>
<b>GENERAL PROJECT EXPENSES</b>					
Construction Camp					
Temporary Utilities (Power, Sewer Water)					\$107,500
Bunk House (4 people per room)	50	200	\$40		\$400,000
Mess Hall					\$43,000
Medical Operating Cost (\$5,000 per month)					\$240,000
Security (Temporary)					\$150,000
Gatehouse					\$30,000
Employee Housing					\$800,000
Offsite (Scottsdale 3,000sf, @ \$3 sf 4 yrs)					\$423,000
Offsite (San Diego 2,000sf, @ \$3 sf 4 yrs)					\$288,000
Offsite (Rocky Point 2,000sf, @ \$3 sf 4 yrs)					\$288,000
Temporary Sales Office					\$12,900
Sales Office					\$43,000
Job Supervision & Coordination					\$100,000
<b>Total General Project Expenses</b>					<b>\$2,925,400</b>
<b>TOTAL EXPENSES</b>					<b>\$61,771,900</b>

Vertical (Continued)	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
Project Contingency	5%				3,088,595
Interest (Debt Service)					1,440,000
<b>Total Expenses, Contingency and Interest</b>					<b>\$66,300,495</b>
<b>Net Income</b>					<b>\$14,275,505</b>
<b>Cumulative</b>					<b>15.6%</b>



Site Plan



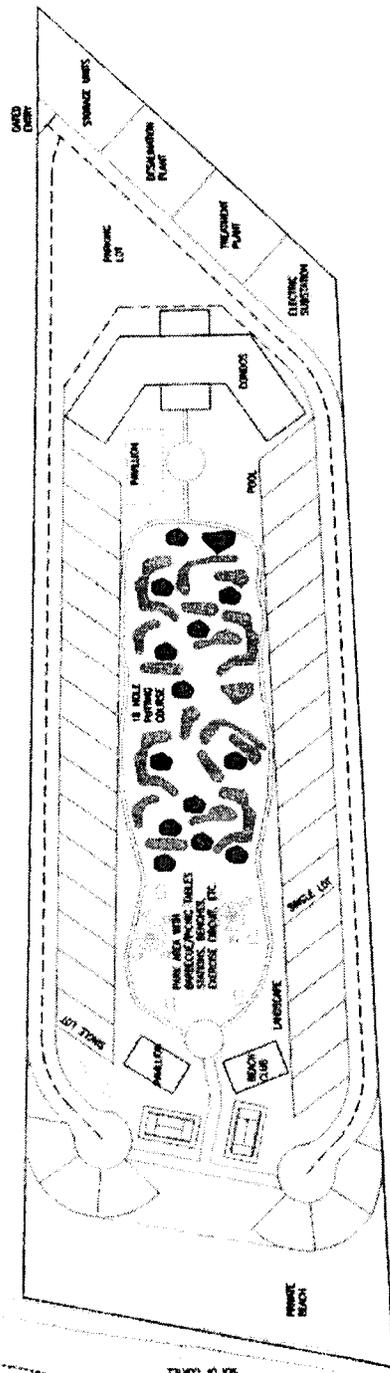
SUMMARY AREA

PRODUCT / SITE	FOOTAGE
SINGLE LOTS	6,450 SF
CONDOS	6.31 AC.
STORAGE UNITS	3.26 AC.
UTILITY FACILITIES	0.73 AC.
BEACH CLUB	1.33 AC.
LANDSCAPE	0.75 AC.
GOLF COURSE	3.05 AC.
PRIVATE BEACH	3.26 AC.
STREETS	2.54 AC.
PARKING LOT	4.28 AC.
TOTAL	0.52 AC.
	26.03 AC.

38 UNITS  
140 UNITS

PUERTO PENASCO SONORA  
TRI CORE  
ENGINEERING

SHEET NO. 1  
 DATE 10/15/03  
 DRAWN BY J. L. GARCIA  
 CHECKED BY J. L. GARCIA  
 PROJECT NO. 03-001  
 CLIENT: PUERTO RENO DEVELOPMENT CO., INC.  
 ADDRESS: 1000 W. 10TH ST., SUITE 100, PUEBLO, CO. 81001  
 PHONE: (719) 544-1111  
 FAX: (719) 544-1112  
 WWW: WWW.THCORP.COM



**SUMMARY AREA**

PRODUCT / SITE	FOOTAGE	
SINGLE LOTS	6,450 SF	38 UNITS
CONDOS	2,584 AC.	140 UNITS
STORAGE UNITS	0.73 AC.	
UTILITY FACILITIES	1.33 AC.	
LANDSCAPE	1.75 AC.	
GOLF COURSE	3.87 AC.	
PRIVATE BEACH	2.54 AC.	
STREETS	3.95 AC.	
PARKING LOT	1.35 AC.	
PARK AREA	2.45 AC.	
<b>TOTAL:</b>	<b>26.03 AC.</b>	



PUERTO RENO SONORA  
 T.H. CORP.  
 ENGINEERING  
 1000 W. 10TH ST., SUITE 100  
 PUEBLO, CO. 81001  
 PHONE: (719) 544-1111  
 FAX: (719) 544-1112  
 WWW: WWW.THCORP.COM

## Articles of Interest

### Plans To Designate 400M Pesos To Roads, Electricity, and Water During 2008

#### *Funding expands to support three main infrastructure projects*

(<http://defrente.puerto-penasco.com/editions/452/003.html>)

Press Bulletin  
Issue #452

With a projected investment of 400 million pesos (~\$36.8M USD) the Director of Public Works is planning to continue during 2008 the integral project of city paving and electrification and water supply to the new neighborhoods - as well as enlarge the city's drainage network to improve the city's image.

Marco David Rangel Lopez, director of the afore mentioned office, said that it cannot be doubted that among the priorities of Mayor Heriberto Renteria Sanchez is the unprecedented Paving Works Project, for which he is obtaining a package of Federal Government resources around 100 million pesos (~\$9.2M USD).

Rangel Lopez said that they want to continue with the pavement work on another 20 avenues and boulevards, covering a surface of more than 700 thousand square meters, in addition to the package of streets repaired during this past year. If this project is accomplished in full, the percentage of paved streets in our city will rise from 18% to 40%.

Moreover within the projects for 2008, the Director of Public Works mentioned that they will include the installation of the drainage network for the northwest sector of the city with an investment close to 60 million pesos (~\$5.5M USD).



At the same time they will work on the construction and maintenance of sidewalks at the main boulevards and avenues, not forgetting the purpose of improving the image of the old harbor sector where financial resources are designated for around 90 million pesos of improvements (~\$8.3M USD) according with the executive plan approved by the city council.

To continue with the electrification in the New Peñasco and San Rafael neighborhoods, it is an investment of at least 15 million pesos (~\$1.38M USD) is designated for 2008, and it is also planned to attend to the delayed work on the water supply and they will also program to provide basic services.

He added that among the plans and projects for this year are actions for benefit of schools with the construction of classrooms, fences, tile roofs and to attend several requests channeled through the Sonorenses Program of Social Participation (PASOS) and the Direction of Social Development.

He also added that currently they have a work plan with more than 200 projects of pavement works, urban improvement, basic services, schools and religious centers, that will be accomplished according with the flow of the municipal resources as well as with the resources assigned from the state and federal governments - and in some cases with assistance from credit entities.

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**CANACO Reports A Good 2007, Optimistic Forecast For 2008**  
**Border Governor's Conference, Tourism, Development All Bode Well For Peñasco In 2008, Says**  
**CANACO**

*(<http://defrente.puerto-penasco.com/editions/451/002.html>)*

By Ivan Bravo Lopez  
Issue #451

Even though the last month of the year suffered a significant decrease in many commercial areas, CANACO (Camara Nacional de Comercio de la Ciudad de Mexico - Mexico's System of Local Chambers of Commerce and Development) managed to close out a good year according to its director Arturo Rodriguez Rico. CANACO met their goals and more, as evidenced by the meeting of the border state governors, which was seen as a huge success.

Arturo Rodriguez Rico, President of the National Chamber of Commerce (CANACO) said that despite the economic recession suffered by the US, many associates of CANACO with business interests are closing out the year very well. That is due the fact that December is the month with the biggest increase in sales.

"It was a positive year for the growth and development of the economy of Puerto Peñasco; we were the hosts of the most important event in the history of this port, the meeting of the border state governors. It was a huge success and received publicity worldwide, publicity that would have cost the Chamber of Commerce millions of pesos but was completely free. Its results will hopefully be noticeable in 2008 and 2009," he said.

The president of CANACO said that many State Programs came to Puerto Peñasco and accomplished important improvements. Authorities from SEDESOL (Mexico's Secretariat of Social Development) and PASOS have constantly visited our port to support and encourage the associated merchants of CANACO.

"Guatimoc Iberri Gonzalez and 'Chito' Celaya have repeatedly visited us and they have brought important projects to Puerto Peñasco that are already underway, which shows that the State Authorities care about those who live and own businesses here," he said.

"There are many projects in Puerto Peñasco that were already in place as well as new ones. Although some have not yet started, we are taking full advantage of those already here which will help the chance of further improvements next year," said Arturo Rodriguez Rico.

He also pointed out that cross-border traffic is expected to only will rise in the upcoming years and that that will bring other economic benefits, as the economic structure in the port depends mostly on tourism.

"Puerto Peñasco depends on tourism, and with the opening of the new international airport and with the improvements at the border crossings, CANACO is expecting an economic boom to take place. In past years and in 2007 we expected tourism mainly from Arizona. But with the new infrastructure next year we expect tourists from California and Colorado, as well as people that will come by air on new commercial flights. So we are expecting a sudden increase to the economy since Puerto Peñasco is an excellent destination," said the president of CANACO.

He also added that due to the stop of the developers, the last months of the year were economically weak, but that the economy typically comes back to normality beginning with the first trimester of the year. A few U.S. holidays are coming up that brings surges of tourists who prefer to come to Puerto Peñasco for their vacations. He also commented that the 'snowbirds' – the seasonal visitors from outside the Southwest regions – are starting to arrive to this port early this year, and with them the associates of CANACO will benefit.

To finalize, Arturo Rodriguez Rico said that there are more than 300 members associated with CANACO, and that next year they will look for more members to join the Chamber to help strengthen and create newer and better programs.

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## **Peñasco Maintains Strong Flow Of Tourism**

### ***Real Estate Crisis Believed to Have Already Hit Bottom***

*(<http://www.visitrockypoint.com/?p=2900>)*

Despite the undeniable a negative effects of the economic downturn in the United States, which has already hit bottom, throughout 2007 Puerto Peñasco maintained a high rate of tourism and sustains a clear upward tendency, revealed Epifanio Salido Pavlovich, head of the Sonora Commission on the Promotion of Tourism.

Salido Pavlovich detailed that by the end of the year, foreign tourism had increased by nearly 11%, topping out at 1,700,000 visitors, 80% of these from Arizona. Likewise, national tourism increased by 14% totaling more than 400,000 visitors. Therefore, reports for 2007 registered a grand total of 2.1 million tourists to the area.

The tourism official remarked that although there remain many challenges to address, the city's potential continues to be positive and the area is still the star destination in Sonora. He added that the state and municipal governments are jointly working on efforts to focus on areas that are lacking.

Salido Pavlovich stated that in 2008 they will have to generate concrete solutions in the areas of housing, potable water and others of basic infrastructures brought on by the same "boom" in tourism.

He stated that the 2007 economic downturn and real estate crisis in the United States had a strong impact on Peñasco. However, he stated, this is something that has already hit bottom and now phase of recuperation can be expected.

He believes that by mid-2008 the economic crisis will have passed, and added that till now this has not caused the withdrawal of investments from the port.

The coordinator for the Sonora Commission on the Promotion of Tourism remarked that, despite everything, the annual average for Puerto Peñasco has been favorable. He added that though there was a slowdown in investment, the flow of tourism did not drop; to the contrary, this remained at high levels.

He reiterated that the crisis has already hit bottom and period of recuperation has begun. He expects that this will positively impact the city as the shining northwestern part of the country in the area of tourism.

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## **OWNING REAL ESTATE IN ROCKY POINT**

*From the "Real Estate Guide Rocky Point", January 2008*

*([http://www.atrockypoint.com/article\\_owning\\_real\\_estate\\_in\\_rocky\\_point](http://www.atrockypoint.com/article_owning_real_estate_in_rocky_point))*

"Real estate in Rocky Point has been a flourishing business for the past ten years..."

Imagine the joys of a winter home that makes you money whenever you are not staying in it. This kind of place would be beautiful to visit, comfortable and easy to live in, and ready for you whenever you want because it would be yours. A timeshare cannot offer you all of that no matter how desirable the location, since it can be difficult to get the time slots that you want and even harder during peak vacation time. A timeshare cannot give you everything you need to have the perfect getaway whenever you want, but a condo in a place like Rocky Point, Mexico can.

Rocky Point, also known as Puerto Peñasco, is one of the most incredible real estate locations in Mexico. Invest in Mexico and you can retire to your beachfront condo whenever you wish to enjoy days filled with sun, sand, golfing, fishing, and anything else you could desire from an ocean side paradise. Your

oceanfront/ Ocean view home or condo will be waiting for your return whenever you are away, and you will surely wish to retire to Rocky Point's idyllic setting after spending vacation after vacation in sunny bliss. Owning Real Estate in this growing market can also be a greatly profitable adventure. The typical American has only two to four weeks of vacation time per year, and for the other forty eight weeks, your vacation property would normally sit empty, awaiting you. To keep your property on the Sea of Cortez working for you, hire a local property management company like Oceano Rentals or Sea Side Reservations, to keep your place looking fresh and lovely and rent your condo out as a vacation rental to others looking to enjoy the wonders of Rocky Point.

Real estate in Rocky Point has been a flourishing business for the past ten years because of the high profitability and constantly increasing prices of the local properties. Even just a couple of years of property ownership could translate into big money for interested investors, and getting a great vacation home that pays for itself is no small benefit either. You may become so enamored with your property in Rocky Point that you will not be willing to sell it! Current market conditions are definitely in favor of those who want to purchase, so do your research, hire a certified agent to guide you through the process and start looking at potential ocean side properties.

Owning real estate in this lovely tourist destination means living in the lap of luxury. The beautiful and luxurious condominium projects and other properties in this city are made for the comfort and delight of their residents, even short term residents like yourself. Glance out the window of your condo and watch the dolphins and play in the tranquil waters of the Sea of Cortez. Enjoy sunshine on the beach or adventures beneath the waves, and fall in love with this incredible location. Your investment property may be just waiting for you in sunny Mexico and now is the time to make the smart move that you have been dreaming of. Take advantage of current market conditions, and invest now!

Investing in a condominium in Rocky Point could be a smart investment choice for those who are looking to invest in Mexico. You will have a vacation home to enjoy only 60 miles south of the US border, and be able to enjoy the beautiful Sea of Cortez on your future vacations. Potentially you could be able to resell the condo for a great profit in a few years, if you don't decide to retire to Mexico entirely. With all of these incredible benefits, what could be better?

**CONTRATO DE PROMESA  
DE COMPRAVENTA DE BIEN INMUEBLE  
(Parcela No. 47)**

Este **CONTRATO DE PROMESA DE COMPRAVENTA DE BIEN INMUEBLE** (denominado como el "**Contrato**"), se celebra por y entre **PHOENIX PREMIUM DEVELOPERS, S. de R.L. de C.V.**, representado en este acto por su Gerente General, el Sr. James Jeffrey Hinkeldey (en adelante denominada como el "**Vendedor**"), **WERT-BERATOR COMMERCIAL, LLC d.b.a. MAR DE CORTEZ CONSTRUCTION COMPANY**, o su designado, representado en este acto por su Gerente, el Sr. Oscar Hernandez (en adelante denominado como el "**Adquirente**"), al tenor de las siguientes antecedentes, declaraciones y cláusulas:

This **PROMISE OF PURCHASE AND SALE OF REAL ESTATE AGREEMENT** (hereinafter referred to as the "**Agreement**"), is entered into by and between **PHOENIX PREMIUM DEVELOPERS, S. de R.L. de C.V.**, represented in this act by its General Manager, Mr. James Jeffrey Hinkeldey (hereinafter referred to as "**Seller**"), **WERT-BERATOR COMMERCIAL, LLC d.b.a. MAR DE CORTEZ CONSTRUCTION COMPANY**, or its designee, represented in this act by its Manager, Mr. Oscar Hernandez (hereinafter referred to as "**Purchaser**"), pursuant to the following recitals, declarations and clauses:

**ANTECEDENTES**

A. Vendedor es derechohabiente en el siguiente inmueble, según consta por Escritura Pública número 16,816, de fecha 21 de diciembre de 2011, celebrado ante la fe del Lic. Andrés Octavio Ibarra Salgado, titular de la Notaría Pública No. 99 de la Demarcación Notarial de Nogales del Estado de Sonora, cuyo título de propiedad queda inscrito en el Registro Público de la Propiedad y de Comercio del Estado de Sonora, en la Oficina Registral de Puerto Peñasco, bajo el No. 41871, del Volumen 3656, de la Sección Registro Inmobiliario, Libro Uno, con fecha 26 de marzo de 2012 (en adelante la "**Propiedad**"), mismo que cuenta con clave catastral no. 6100-F3-420-041, y que se encuentra representado en el deslinde que se anexa al presente como el **Anexo "A"**:

La Parcela Número 47 Z5 P1/1, del Ejido Vicente Guerrero, del Municipio de San Luis Colorado, la cual tiene una superficie de 10-83-68.61ha, y las medidas y colindancias siguientes: al Noreste en 223.99m en línea quebrada con Fausto Martín Félix Salinas; al Este en 552.86m con Parcela 48; al Suroeste en 195.73m en línea quebrada con el Golfo de California; y

**RECITALS**

A. Seller is legal right holder of the following real property, pursuant to that certain Public Instrument number 16,816, dated December 21, 2011, executed before Lic. Andrés Octavio Ibarra Salgado, titleholder of Public Notary No. 99 of the Notarial Demarcation of Nogales of the State of Sonora, the title of property of which is registered in the Public Registry of Property and Commerce of the State of Sonora, in the Puerto Peñasco Registry Office, under No. 41871, at Volume 3656, of the Real Property Registry Section, Book One dated March 26, 2012 (hereinafter the "**Property**"), the same which has cadastral number 6100-F3-420-041, and which is represented in the survey attached to the present as **Exhibit "A"**.

Parcel Number 47 Z5 P1/1, of the Ejido Vicente Guerrero, of the Municipality of San Luis Río Colorado, having an area of 10-83-68.61ha, and the following metes and bounds: to the Northeast by 223.99m in a broken line with Fausto Martín Félix Salinas; to the East by 552.86m with Parcel 48; to the Southwest by 195.73m in a broken line with the Gulf of California; and to the West



  
Acquirente/Purchaser

\_\_\_\_\_  
Vendedor/Seller

ACC011852  
FILE #8337

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al Oeste en 668.05m con Parcela 46.

by 668.05m with Parcel 46.

B. El Vendedor desea vender, ceder y transferir al Adquirente, y el Adquirente desea comprar, asumir y adquirir del Vendedor el dominio pleno de la Propiedad, de acuerdo con las provisiones del presente Contrato.

B. Seller wishes to sell, assign and transfer to Purchaser, and Purchaser wishes to purchase, assume and acquire from Seller all right, title and interest in and to the Property, pursuant to the terms of this Agreement.

**DECLARACIONES**

**DECLARATIONS**

I. Declara el Vendedor:

I. Seller declares:

a. El Vendedor es una sociedad de responsabilidad limitada de capital variable debidamente constituida y válidamente existente conforme a la legislación de los Estados Unidos Mexicanos de América, tal y como lo acreditará antes del Cierre mediante copia fehaciente de su acta constitutiva..

a. Seller is a *sociedad de responsabilidad limitada de capital variable* duly organized and validly existing pursuant to the laws of the United Mexican States, as shall accredit prior to Closing by a true and correct copy of its articles and bylaws.

b. El Vendedor tiene la plena capacidad legal, autorizaciones sociales, y poder suficiente para contratar y obligarse conforme a lo pactado en el presente Contrato, las cuales no le han sido revocadas, limitadas o modificadas.

b. Seller has sufficient capacity, corporate authorizations, and power to contract and obligate itself according to the terms of the present Agreement, which have not been revoked, limited or modified.

c. El representante legal de Vendedor, el Sr. James J. Hinkeldey, está debidamente facultado para suscribir el presente Contrato en representación del Adquirente, y dichas facultades no le han sido modificadas, restringidas o revocadas en forma alguna.

c. The legal representative of Seller, Mr. James J. Hinkeldey has full legal authority to execute the present Agreement in representation of Purchaser, and such authority has not been amended, restricted or revoked in any manner.

d. El Vendedor es derechohabiente legítimo de la Propiedad, y no ha cedido, transferido ni de otra manera comprometido o embargado sus derechos al respecto.

d. Seller is legal right holder of the Property, and has not assigned, transferred or otherwise committed or encumbered its rights with regard thereto.

e. Al momento de su transmisión al Adquirente, la Propiedad se encontrará libre de cualquier hipoteca, prenda, garantía, carga, acuerdo de preferencia, reserva de dominio, ocupante, o cualquier otro embargo, gravamen, o interés, y no estará

e. Upon its transfer to Purchaser, the Property will be free of any mortgage, pledge, guaranty, charge, preference, ownership reserve, occupant, or other lien, encumbrance or interest, and will not be subject to any litigation (each one

  
\_\_\_\_\_  
Adquirente/Purchaser

\_\_\_\_\_  
Vendedor/Seller

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sujeta a ningún litigio (cada uno denominado en lo subsecuente como "Gravamen", y juntos como "Gravámenes").

f. Este Contrato ha sido debidamente suscrito por el Vendedor, y refleja la obligación legal contraída por el mismo; así mismo, el presente Contrato es ejecutable en contra del Vendedor de conformidad con sus términos y condiciones.

g. Es el deseo del Vendedor celebrar el presente Contrato con el Adquirente de acuerdo con estas Declaraciones y las Cláusulas, que más adelante se precisan, en el entendido que en el presente Contrato han quedado determinados el precio y el objeto del mismo.

**II. Declara el Adquirente:**

a. Adquirente es una sociedad de responsabilidad limitada (*limited liability company*) debidamente constituida de acuerdo a la legislación del Estado de Nevada de los Estados Unidos de América, tal y como lo acredita mediante copia de su acta de constitución, instrumento que quedó debidamente inscrito con la Secretaría del Estado del Estado de Nevada.

b. Adquirente está debidamente inscrito para conducir los negocios bajo el nombre ficticio de "Mar de Cortez Construction Company", tal y como lo acredita mediante copia de su inscripción de nombre ficticio, mismo instrumento que fue debidamente registrado con la Oficina del Registro del Condado de Clark, Nevada.

c. Adquirente tiene la plena capacidad legal, autorizaciones sociales, y poder suficiente para contratar y obligarse conforme a lo pactado en el presente Contrato, las cuales no le han sido revocadas, limitadas o modificadas.

subsecuente denominada a "Lien" and jointly as "Liens").

f. This Agreement has been duly executed by Seller, is the legal, valid and binding obligation of Seller and is enforceable against Seller in accordance with its terms and conditions.

g. It is Seller's desire to enter into the present Agreement with the Purchaser in accordance with these Declarations and the Clauses that are elaborated below, it being understood that the price and object of the present Agreement have been determined herein.

**II. Purchaser declares:**

a. Purchaser is a limited liability company (*sociedad de responsabilidad limitada*) duly organized pursuant to the laws of the State of Nevada of the United States of America, as accredited by a copy of its articles of organization, which instrument was duly registered with the Secretary of State of the State of Nevada.

b. Purchaser is validly registered to conduct business under the fictitious firm name of "Mar de Cortez Construction Company", as accredited by a copy of its fictitious name registration, which instrument was duly registered with the County Clerk's Office of Clark County, Nevada.

c. Purchaser has sufficient capacity, corporate authorizations, and power to contract and obligate itself according to the terms of the present Agreement, which have not been revoked, limited or modified.

  
Adquirente/Purchaser

Vendedor/Seller  
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d. El representante legal de Adquirente, el Sr. Oscar Hernandez, está debidamente facultado para suscribir el presente Contrato en representación del Adquirente, y dichas facultades no le han sido modificadas, restringidas o revocadas en forma alguna.

e. El Adquirente desea adquirir la Propiedad a través de una sola persona física o moral, ya sea de nacionalidad mexicana o extranjera, que el Adquirente designe y determine, conforme a la legislación aplicable y los términos y condiciones del presente Contrato.

f. Este Contrato ha sido debidamente suscrito por el Adquirente, y refleja la obligación legal contraída por esto; así mismo, el presente Contrato es ejecutable en contra de Adquirente de conformidad con sus términos y condiciones.

g. Es el deseo del Adquirente celebrar el presente Contrato con el Vendedor de acuerdo con estas Declaraciones y las Cláusulas, que más adelante se precisan, en el entendido que en el presente Contrato han quedado determinados el precio y el objeto del mismo.

Expuestos los antecedentes y declaraciones anteriores, los cuales forman parte integrante del presente Contrato, las partes que en él intervienen sujetan su realización y cumplimiento a la observancia de lo pactado en las siguientes:

**CLÁUSULAS**

**PRIMERA. Promesa de Compraventa.**

a. Dominio de la Propiedad. Sujeto a los términos y condiciones del presente Contrato, el Vendedor en este acto conviene en vender, ceder, enajenar y legalmente traspasar al Adquirente, y el

d. The legal representative of Purchaser, Mr. Oscar Hernandez has full legal authority to execute the present Agreement in representation of Purchaser, and such authority has not been amended, restricted or revoked in any manner.

e. Purchaser desires to acquire the Property through a single individual or entity, whether of Mexican or foreign nationality, that it may determine and designate in accordance with applicable law, and pursuant to the terms and conditions of the present Agreement.

f. This Agreement has been duly executed by Purchaser, is its legal, valid and binding obligation, and is enforceable against Purchaser in accordance with its terms and conditions.

g. It is Purchaser's desire to enter into the present Agreement with Seller in accordance with these Declarations and the Clauses that are elaborated below, it being understood that the price and object of the present Agreement have been determined herein.

Pursuant to the above recitals and declarations, which are incorporated as an integral part of this Agreement, the parties to the present subject its formation and performance to compliance with the following:

**CLAUSES**

**FIRST. Promise of Purchase and Sale.**

a. Ownership of Property. Pursuant to the terms and conditions of this Agreement, Seller hereby covenants to sell, assign, alienate, and legally transfer to Purchaser, and Purchaser agrees to

  
\_\_\_\_\_  
Adquirente/Purchaser

\_\_\_\_\_  
Vendedor/Seller  
ACC011855  
FILE #8337

**CONTRATO DE PROMESA  
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Adquirente conviene en comprar, aceptar, adquirir, y legalmente recibir del Vendedor, la posesión de, y el dominio pleno sobre la Propiedad, libre de cualquier Gravamen, junto con todo los usos, costumbres, privilegios, servidumbres, accesiones, construcciones, mejoras, y todo en cuanto de hecho o por derecho le corresponda o le pueda corresponder, incluyendo sin limitación todos los derechos y beneficios accesorios o relacionados con todo uso y goce del mismo, sin reserva ni limitación alguna.

**SEGUNDA. Contraprestación.**

a. Precio de Venta. El precio de venta pactado como contraprestación total por la compraventa de la Propiedad (el "Precio de Venta") será la cantidad de \$2,000,000.00 USD (dos millones de dólares de los Estados Unidos de América), pagadero de la siguiente manera:

i. Dentro de los 5 (cinco) días hábiles siguientes de la suscripción del presente Contrato, el Adquirente hará un depósito inicial a la "Cuenta de Custodia" (como dicho término se define más adelante), por la cantidad de US\$100,000.00 USD (cien mil dólares de los Estados Unidos de América) (el "Depósito"), como enganche. El valor del Depósito se acreditará hasta la liquidación del Precio de Venta al "Cierre" (como dicho término se define más adelante). Antes del Cierre, se mantendrá el Depósito en una Cuenta de Custodia, y cualquier interés que se genera al respecto será por cuenta de, y se pagará como fuera instruido por, el Adquirente.

ii. En o antes la fecha del Cierre, el Adquirente entregará a la Cuenta de Custodia la cantidad adicional de US\$1,900,000.00 (un millón novecientos mil dólares de los Estados Unidos de América), que representa lo que resta del Precio de Venta.

purchase, accept, acquire and legally receive from Seller, possession of, and fee title to the Property, free of any Liens, together with all uses, customs, privileges, easements, fixtures, constructions, improvements and everything that may pertain to the Property, whether de facto or de jure, including without limitation all rights and benefits appurtenant to or used in connection with all use and enjoyment of the Property, without any reserve or limitation.

**SECOND. Consideration.**

a. Purchase Price. The purchase price agreed to as total consideration for the purchase and sale of the Property (the "Purchase Price"), will be \$2,000,000.00 USD (Two Million United States Dollars), payable as follows:

i. Within 5 (five) business days following the execution of the present Agreement, Purchaser shall make an initial deposit to "Escrow" (as such term is defined below), of \$100,000.00 USD (One Hundred Thousand United States Dollars) (the "Deposit"), as a down payment. The value of the Deposit will be credited toward payment of the Purchase Price at "Closing" (as such term is defined below). Prior to Closing, the Deposit will be held in an Escrow account, and any interest thereon will accrue to the benefit of, and be payable as directed by, Purchaser.

ii. On or before the Closing, Purchaser shall deliver into Escrow the additional sum of \$1,900,000.00 (One Million Nine Hundred Thousand United States Dollars), representing the remainder of the Purchase Price.

  
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b. El Pago del Precio de Venta. En la fecha del Cierre, siempre y cuando las partes hayan cumplido con las demás condiciones contempladas en el presente, el Depositario entregará el Precio de Venta al Vendedor de acuerdo con las instrucciones de desembolso que se entregarán al Depositario por escrito, debidamente firmadas por el Vendedor y el Adquirente.

c. Forma de Pago. El Precio de Venta que establece este Contrato será pagadero preferentemente en dólares de los Estados Unidos de América, o si así fuera el caso, su equivalente en Pesos Mexicanos al tipo de cambio de venta al público que rija en el momento y hora del pago, conforme lo establece el Banco de México. Todos los pagos se harán a través de transferencia electrónica, u otra forma de fondos certificados, o de cualquier otra manera que acuerden las partes.

**TERCERA. El Cierre.**

a. Fecha de Cierre. Se considerará como la fecha de cierre de la transacción contemplada por este Contrato (el "Cierre"), aquella en que el Vendedor otorgue al Adquirente, o a su designado, el título de dominio pleno sobre la Propiedad libre de cualquier Gravamen de acuerdo con un contrato definitivo de compraventa suscrito ante el "Notario Público" (como dicho término se define a continuación), en forma de escritura pública cumpliendo con los términos y condiciones de venta de la Propiedad establecidos por el presente (en adelante la "Escritura Definitiva"). El Vendedor y el Adquirente se comprometen en usar sus mejores esfuerzos de buena fe para cerrar esta transacción en o antes el primer día hábil que es 15 (quince) días naturales después del cumplimiento de todas las "Condiciones Suspensivas" (como dicho término se define más adelante), o en otra fecha que convencionalmente

b. The Payment of Purchase Price. At Closing, and as long as the parties' have complied with the remaining conditions contemplated hereunder, Escrow Agent shall deliver the Purchase Price to Seller as directed in disbursement instructions delivered to Escrow Agent in writing, executed by both Seller and Purchaser.

c. Form of Payment. The Purchase Price established by this Agreement will be payable preferably in United States Dollars, or as the case may be, their equivalent in Mexican Pesos at the exchange rate for sale to the public effective for the moment and hour of payment, as established by the Bank of Mexico. All payments shall be by wire transfer, or some other form of certified funds, or by such means as the parties may otherwise agree.

**THIRD. Closing.**

a. Closing Date. The closing date of the transaction contemplated by this Agreement (the "Closing"), will be that on which Seller conveys to Purchaser fee title to the Property free and clear of any Liens pursuant to a duly executed definitive purchase and sale agreement executed before the "Public Notary" (as such term is defined below), as a public deed in fulfillment of the terms and conditions of the sale of the Property as established hereunder (hereinafter the "Definitive Purchase Deed"). Seller and Purchaser agree to use their best good faith efforts to close this transaction on or before the first business day that is 15 (fifteen) calendar days following fulfillment of all of the "Conditions Precedent" (as such term defined below), or such other date as the parties may contractually agree, execution in such case one single extension that will be attached to the present Agreement.

  
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acuerden las partes.

b. Notario Público. Para propósitos de la presente transacción, el término "Notario Público" refiere al notario público escogido al juicio del Adquirente, previa la aprobación razonable del Vendedor.

**CUARTA. Cuenta de Custodia**. Las partes establecerán una cuenta de custodia (en adelante identificada como la "Cuenta de Custodia"), con el agente depositario escogido a la libre elección del Adquirente (el "Depositario"), para que éste reciba, mantenga, administre y en su caso entregue el Precio de Venta y cualesquier otros fondos sujeto a la Cuenta de Custodia, de acuerdo con los términos del Contrato. A la entrega al Depositario de una copia completa de este Contrato tal y como está suscrito por las partes, el Depositario estará instruido para abrir la Cuenta de Custodia y entregar a las partes copia completa del Contrato conforme las partes lo hayan suscrito. Las partes también suscribirán un Contrato de Cuenta de Custodia (el "Contrato de Cuenta de Custodia") en la forma que se podrá requerir el Depositario. Este Contrato y el Contrato de Cuenta de Custodia servirán como las instrucciones de administración para el Depositario en relación a la transacción aquí establecida. En la medida que el Depositario requiera la suscripción de sus instrucciones generales de administración, en adición al presente y el Contrato de Cuenta de Custodia, el Depositario preparará tales instrucciones de acuerdo con las provisiones aquí contenidas y en forma aceptable a las partes, y las partes las firmarán. En caso de cualquier conflicto entre este Contrato, el Contrato de Cuenta de Custodia, y cualesquier instrucciones generales de administración, siempre prevalecerán las disposiciones establecidas en este Contrato.

b. Public Notary. For purposes of the present transaction, the term "Public Notary" shall refer to the public notary selected by Purchaser, subject to Seller's reasonable approval.

**FOURTH. Escrow**. The parties shall establish an escrow (hereinafter identified as the "Escrow"), the escrow agent of Purchaser's choice (the "Escrow Agent"), so that Escrow Agent may receive, maintain, administer and as required deliver the Purchase Price and any other funds subject to the Escrow, in accordance with the terms of this Agreement. Upon deposit with Escrow Agent of a complete copy of this Agreement as executed by the parties, Escrow Agent is directed to open Escrow and to deliver to the parties a complete copy of the Agreement as executed by the parties. The parties shall also execute an escrow agreement (the "Escrow Agreement") a form required by Escrow Agent. This Agreement and the Escrow Agreement will serve as escrow instructions for the Escrow Agent in regards to the transaction contemplated herein. To the extent Escrow Agent requires the execution of its general escrow instructions, in addition to this Agreement and the Escrow Agreement, Escrow Agent shall prepare such instructions in accordance with the provisions contained herein and in a form acceptable to the parties, and the parties shall sign them. In the case of a conflict between this Agreement, the Escrow Agreement, and any general escrow instructions, the terms established in this Agreement will always prevail.

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**QUINTA. Periodo de Inspección del Sitio.**

a. El Adquirente tendrá un período de 30 (treinta) días naturales siguientes a la suscripción de este Contrato (el "Periodo de Inspección del Sitio"), durante el cual el Adquirente podrá hacer inspecciones de la Propiedad y satisfacerse de que la misma tiene las características y condiciones que desee el Adquirente. El Vendedor está de acuerdo en cooperar con el Adquirente, de manera razonable, durante el Periodo de Inspección del Sitio, y de entregar al Adquirente todos los documentos, instrumentos y cualquier otra información en su posesión o dentro de su alcance, respecto a la Propiedad que el Adquirente, de una manera razonable, llegue a pedir. Hasta el Cierre o la terminación del Contrato, y la firma de la Escritura Definitiva, el Vendedor permitirá al Adquirente y sus agentes acceso a la Propiedad para inspeccionarla y hacer todo tipo de estudios, como el Adquirente lo considere necesario; considerando, sin embargo, que (i) el Adquirente proveerá al Vendedor con información detallada de sus actividades y permitirá que el Vendedor, o su representante, esté presente durante cualquier acceso a, o inspección de la Propiedad, y (ii) que el Adquirente no dañará intencionalmente el medio ambiente de la Propiedad o la flora natural de la misma por cualquier prueba o estudio, de tal manera que su acción causara una sanción por cualquier autoridad gubernamental, o que menoscabe el valor de la Propiedad de una manera material. En el caso de que las partes no cierren la transacción aquí contemplada, el Adquirente proveerá al Vendedor con una copia de cualquier estudio o reporte que éste obtenga de cualquier consultor o desarrollador ajeno al Adquirente a raíz de tales investigaciones o inspecciones de la Propiedad.

b. En cualquier momento antes del vencimiento del Periodo de Inspección del

**FIFTH. Site Examination Period.**

a. Purchaser shall have a period of 30 (thirty) calendar days following execution of this Contract (the "Site Examination Period"), during which Purchaser may inspect and investigate the Property and satisfy itself that it has the site conditions and characteristics desired by the Purchaser. Seller agrees to reasonably cooperate with Purchaser during the Site Examination Period and to furnish Purchaser such documents, instruments and other information in Seller's possession or available to Seller regarding the Property and Protected Areas as Purchaser may reasonably request. From the execution of this Agreement by both parties until Closing or termination of this Agreement, Seller shall permit Purchaser and its agents to enter upon, inspect and make any studies of the Property as Purchaser deems necessary; provided, however, that (i) Purchaser shall provide Seller with detailed information regarding its activities and shall afford Seller, or Seller's representative, the opportunity to be present during any such entry upon, or inspection of the Property, and (ii) that Purchaser shall not intentionally damage the Property's environment or the natural flora with any test or study, so as to cause an enforcement action against Seller by any governmental authority, or as to materially reduce the value of the Property. If the parties do not close the transaction contemplated herein, Purchaser shall provide Seller with a copy of any study or report that it obtains from a third party consultant or contractor as a result of such investigations or inspections of the Property.

b. At any time prior to expiration of the Site Examination Period, if Purchaser

  
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Sitio, si el Adquirente determina que las características y condiciones de la Propiedad no son satisfactorias al Adquirente, en su discreción única y absoluta, el Adquirente podrá terminar este Contrato a través de una notificación por escrito al Vendedor y el Depositario. A partir de la terminación de este Contrato de acuerdo con los términos de este subpárrafo, se cancelará la Cuenta de Custodia y inmediatamente reembolsará al Adquirente el saldo total de cualquier depósito allí guardado, junto con cualesquier intereses generado por el mismo, y cualquier prima de seguros u honorarios reembolsables.

c. Depósito No-Rembolsable. A la expiración del Período de Inspección, si el Adquirente no ha terminado este Contrato de conformidad con esta Cláusula, el Depósito se convertirá no-rembolsable y pagadero al Vendedor. Después de la expiración del Período de Inspección, el Depósito sólo se reembolsará si el Vendedor no cumple con sus obligaciones estipuladas en el presente Contrato.

**SIXTA. Reservado.**

**SÉPTIMA. Representaciones, Garantías y Acuerdos del Vendedor.**

Con excepción de lo reflejado en este Contrato o cualquiera de sus anexos, y vigente desde la fecha del presente, el Vendedor declara, representa y conviene lo siguiente:

a. No Violación. La celebración y cumplimiento del presente Contrato no viola ni constituye un incumplimiento bajo, (i) cualquier convenio, contrato, acuerdo, licencia, sentencia, resolución u orden de la cual el Vendedor sea parte o por la cual el Vendedor, o la Propiedad estén sujetos, o (ii) cualquier ley, reglamento, circular, orden o decreto de cualquier autoridad gubernamental.

determines that the conditions and characteristics of the Property are not satisfactory to Purchaser in Purchaser's sole and absolute discretion, Purchaser may terminate this Agreement by so notifying Seller and Escrow Agent in writing. Upon termination of this Agreement pursuant to the terms of this subparagraph, Escrow Agent shall terminate the Escrow provided for herein and immediately reimburse to Purchaser the entire balance of any deposit contained therein, together with any interest accrued thereon and any other unearned premiums or fees.

c. Non-Refundable Deposit. Upon expiration of the Examination Period, if Purchaser has not terminated this Agreement in accordance with this Clause, the Deposit shall become non-refundable and payable to Seller. Following expiration of the Examination Period, the Deposit will only be refunded to Purchaser if Seller does not comply with its obligations under this Agreement.

**SIXTH. Reserved.**

**SEVENTH. Seller's Representations, Warranties and Covenants.**

Except as otherwise disclosed in this Agreement or any of its exhibits or schedules, as of the date this Agreement, Seller declares, represents, warrants and covenants as follows:

a. No Violation. The execution and performance of this Agreement does not violate, or constitute a breach under, (i) any agreement, contract, license, judgment or order to which the Seller is a party or by which the Seller, or the Property is bound, or (ii) any law, regulation, circular, order or decree of any governmental authority.

  
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b. Ejecutabilidad. A la fecha de celebración del presente Contrato, no existe ninguna acción, demanda, reclamación, requerimiento o procedimiento, sea pendiente o, al conocimiento del Vendedor, amenazado, ante cualquier tribunal, juzgado, autoridad gubernamental o árbitro que afecte o pudiere afectar la legalidad, validez o exigibilidad del presente Contrato, o los derechos del Vendedor sobre la Propiedad.

c. No Acción Gubernamental. El Vendedor no ha recibido, y no tiene conocimiento de una notificación, restricción, o estipulación por parte del gobierno federal, estatal, o municipal, o de cualquier autoridad gubernamental que requiere algún trabajo, reparación, modificación sobre la Propiedad, o que afecte el uso de la Propiedad de acuerdo con lo provisto en este Contrato. El Vendedor no tiene conocimiento de acciones pendientes o de amenazas de expropiación sobre la Propiedad.

d. No Gravámenes. El Vendedor entregará la Propiedad al Adquirente sin reservarse ningún derecho, con todo lo que de hecho y por derecho les corresponde a la Propiedad, sin limitación alguna de dominio ó Gravamen, como se demostrará con Certificado de Libertad de Gravamen expedido por el Registro Público de la Propiedad y de Comercio, que se adjuntará a la Escritura Definitiva, y al corriente de sus impuestos y derechos según se demostrará con copia de los recibos de pago expedidos por el H. Ayuntamiento de la municipalidad aplicable, y los cuales se agregarán al apéndice del precitado instrumento.

e. Cambios. El Vendedor acuerda notificar al Adquirente prontamente por escrito de cualquier cambio con respecto a sus declaraciones, representaciones y garantías contenidas en el presente al

b. Enforceability. As of the date hereof, there is no pending and, to the best of Seller's knowledge, threatened action, claim, requirement or proceeding before any court, governmental authority or arbitrator that affects or could affect the legality, validity or enforceability of this Agreement or the Seller's rights to the Property.

c. No Government Action. Seller has not received, nor is aware of, any notifications, restrictions, or stipulations from the federal, state, or local government, or any other governmental authority requiring any work to be done on the Property, or threatening the use of the Property. To Seller's actual knowledge, there are no pending or threatened condemnation proceedings affecting any portion of the Property.

d. No Encumbrances. Seller shall deliver the Property to Purchaser without withholding any rights, with all rights which corresponds to the Property *de facto* and *de jure*, and without any limitation of ownership or Liens, as evidenced by a Certificate of No Encumbrances issued by the Public Registry of Property and Commerce of the State, which shall be attached to the Definitive Purchase Deed, and current in the payment of taxes and assessments, as evidenced by a receipt of payment issued by the government of the applicable municipality, which shall be attached to the aforementioned instrument.

e. Changes. Seller agrees to promptly notify Purchaser in writing of any changes with respect to any of its declarations, representations and warranties contained herein as soon as

  
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momento en que el Vendedor se entere de tal cambio, y en todos casos antes del Cierre.

f. Evicción y Saneamiento. El Vendedor se obligará al saneamiento completo para cualquier caso de evicción que afecte los derechos del Adquirente al uso y goce de la Propiedad.

g. Continuidad de las Representaciones. Las declaraciones, representaciones y garantías del Vendedor son verdaderas, serán verdaderas al momento del Cierre, y quedarán verdaderas después del Cierre. No se extinguirán al Cierre, sino se quedarán vigentes durante el período de dos años siguientes al Cierre.

**OCTAVA. Acuerdos del Adquirente.**

a. El Adquirente conviene en cumplir con las disposiciones previstas en este Contrato, incluyendo, el pago completo del Precio de Venta al Cierre.

b. Si el Adquirente elige adquirir la Propiedad a través de una entidad moral, sea Mexicana o extranjera, el Adquirente conviene en proporcionar en o antes del Cierre todos los documentos corporativos necesarios para efectuar el Cierre, incluyendo, pero no limitado a, el acta constitutiva de dicha empresa, los debidos poderes, y cualquier otro documento razonablemente requerido por el Vendedor o el Notario Público.

**NOVENA. Condiciones Suspensivas.** El Cierre y la celebración de la Escritura Definitiva como escritura pública frente al Notario Público será sujeta a las siguientes condiciones suspensivas (las "Condiciones Suspensivas"):

Seller is aware of such changes, and in any case prior to Closing.

f. Rightful Possession. The Seller shall fully warrant and protect Purchaser's legitimate title to, and possession, and use and enjoyment of the Property.

g. Survival of Representations. Seller's declarations, representations and warranties are true, shall be true as of Closing, and will remain true following Closing. They will not be extinguished by the Closing, but will survive Closing for a period of two years.

**EIGHTH. Purchaser's Covenants.**

a. Purchaser agrees to comply with all legal provisions set forth in this Agreement, including full payment of the Purchase Price at Closing.

b. If Purchaser elects to acquire the Property through a corporate entity, whether Mexican or foreign, Purchaser agrees to provide on or before Closing all the corporate documents necessary to perform the Closing, including, but not limited to, the incorporation documents, any proper powers of attorney, and any other documents reasonably requested by Seller or the Public Notary.

**NINTH. Conditions Precedent.** The Closing and the execution of the Definitive Purchase Deed shall be subject to the following conditions precedent (the "Conditions Precedent"):

  
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a. Derechos Concesionarios. Las partes habrán celebrado contratos de cesión privados, para la cesión de los derechos de la Zona Federal Marítima (ZOFEMAT) adyacente a la Propiedad, y el Vendedor habrá transferido a, o terminado a favor de, el Adquirente los derechos de concesión, o derechos de uso y aprovechamiento de la ZOFEMAT, de que goza el Vendedor.

b. Compromiso de Seguro de Título. Por su cuenta y costo el Adquirente habrá recibido de la compañía de seguros de título asociada con el Depositario un compromiso para la venta de una póliza de seguros que ampare el dominio pleno de la Propiedad, libre de cualquier Gravamen, junto con todos los derechos accesorios relacionados con lo mismo, y sujetos solamente a las excepciones y exclusiones típicamente contenidas en tales pólizas, y a cualquier otro asunto aprobado por escrito por el Adquirente.

c. Consentimientos y Gravámenes. La Propiedad estará libre de todo Gravamen, y las partes habrán obtenido todos los consentimientos necesarios del gobierno o de terceras personas para las transacciones contempladas por el presente Contrato.

d. Representaciones y Garantías. Las declaraciones, representaciones y garantías del Vendedor bajo este Contrato serán ciertas y correctas a partir del Cierre como si se hubieran hecho en o a partir de la fecha del Cierre.

e. Acuerdos y Convenios. Cada una de las partes habrá llevado cumplido en todo respecto sus respectivos convenios y acuerdos requeridos a ser realizados de conformidad con el presente.

Las partes procederán de buena fe para cumplir las Condiciones Suspensivas tan pronto como fuera posible de una manera

a. Beach Concession Rights. The parties shall have entered into private assignment agreements for the assignment of the rights to the Federal Maritime Zone (ZOFEMAT) adjacent to the Property, and the Seller shall have transferred to, or terminated in favor of, the Purchaser the ZOFEMAT concession rights associated with the use and enjoyment of the Property, that Seller may possess.

b. Title Commitment. At its own cost Purchaser shall have received from the title insurance company associated with Escrow Agent a title commitment insuring unencumbered fee title to the Property, together with all accessory rights related thereto, subject only to the usual pre-printed exceptions and exclusions contained in such title insurance policies, and to any other matter approved in writing by Purchaser.

c. Liens and Consents. The Property shall be free of all Liens, and the parties shall have obtained all necessary governmental or third party consents to the transactions contemplated by this Agreement.

d. Representations and Warranties. Seller's declarations, representations and warranties under this Agreement will be true and correct in all respects as of the Closing as though made on and as of the Closing date.

e. Covenants and Agreements. Each of the parties' will have performed in all respects its respective covenants and agreements required to be performed by it hereunder.

The parties will proceed in good faith to cause the Conditions Precedent to be satisfied as soon as reasonably possible.

  
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razonable.

**DÉCIMA.** Fecha Límite de Las Condiciones Suspensivas. A la medida que no sean satisfechas las Condiciones Suspensivas descritas por la Cláusula Novena en o antes el 19 de diciembre de 2012 (la "Fecha Límite de las Condiciones"), entonces, cualquier de las partes a su propia discreción: (1) dentro de los 10 (diez) días naturales siguientes a la Fecha Límite de las Condiciones, podrá elegir extender la Fecha Límite de las Condiciones hasta el 31 de marzo de 2013, por entregarles a la otra parte, y al Depositario una notificación por escrito de la misma; o (2) siempre y cuando haya cumplido con sus obligaciones bajo el presente, podrá elegir terminar el Contrato por entregarles a la otra parte, y al Depositario una notificación por escrito de la misma. En el caso que una parte elija darle por terminado el Contrato, el Depositario terminará la Cuenta de Custodia y le reembolsará al Adquirente el balance del Depósito, junto con cualesquier intereses generados por lo mismo y cualesquier primas de seguro u otros derechos reembolsables. En el caso de que una parte elija terminar el Contrato, y la otra elija extenderlo, el Contrato se extenderá.

**DÉCIMA PRIMERA.** Condiciones de Cierre. Al Cierre, se harán cumplido las siguientes condiciones de cierre a la satisfacción razonable de las partes:

a. El Adquirente estará al corriente con sus obligaciones, depósitos y pagos, que han sido establecidos en el presente Contrato, incluyendo al pago completo del Precio de Venta.

b. El Vendedor estará al corriente con sus declaraciones, representaciones, garantías, convenios y obligaciones bajo el presente.

c. Las partes harán suscrito la Escritura Definitiva preparada y

**TENTH.** Deadline for Conditions Precedent. To the extent the Conditions Precedent described in Clause Ninth are not satisfied (including Purchaser's approval of all applicable documents and materials) on or before December 19, 2012 (the "Deadline for Conditions") then, either of the parties at its sole discretion: (1) within 10 (ten) calendar days of the Deadline for Conditions, may elect to extend the Deadline for Conditions until March 31, 2013, by delivering to the other party and to Escrow Agent a notification in writing of the same; or (2) so long as it has otherwise complied with its obligations under the present, may elect to terminate the Contract by delivering to the other party and to Escrow Agent a notification in writing of the same. In the event a party elects to terminate the Contract hereunder, Escrow Agent shall terminate the Escrow and reimburse to Purchaser the balance of the Deposit, together with any interest accrued thereon and any other unearned premiums or fees. In the event one party elects to terminate the Contract, and the other elects to extend it, the Contract shall be extended.

**ELEVENTH.** Closing Conditions. At Closing, the following closing conditions will have been met in a manner reasonably satisfactory to the parties:

a. The Purchaser will be in full compliance with its obligations, deposits and payments established in the present Agreement, including full payment of the Purchase Price.

b. Seller shall be in full compliance with its declarations, representations, warranties, covenants and obligations hereunder.

c. The parties will have executed the Definitive Purchase Deed, as prepared and

  
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protocolizada por el Notario Público, el objeto de dicha escritura (o escrituras) será otorgar al Adquirente el dominio pleno sobre la Propiedad libre de cualquier Gravamen y conforme con los términos del presente Contrato, y de cualquier manera de una forma razonablemente satisfactoria al Adquirente a su propio juicio.

d. El Adquirente habrá recibido cada uno de los siguientes documentos relacionados con los derechos de dominio sobre la Propiedad.

(1) Un Certificado de Libertad de Gravámenes y Limitaciones de Dominio como constancia de que la Propiedad están libre de cualquier Gravamen.

(2) Por su cuenta y costo, el Adquirente habrá recibido copia de un compromiso para la venta de una póliza de seguros que sea válido y ejecutable al Cierre de acuerdo con la Cláusula Novena.

(3) Copia de la Escritura Definitiva, tal y como suscrito por las partes frente al Notario Público.

(4) Tantos otros documentos como sean razonablemente necesarios o apropiados para transferir la Propiedad al Adquirente y de cualquier manera consumar esta transacción de acuerdo con los términos del presente Contrato.

Al recibir la notificación por escrito del Notario Público y del Adquirente que los documentos arriba citados hayan sido aprobados, suscritos y entregados, el Depositario entregará al Vendedor el Precio de Venta, siempre que las partes hayan cumplido con las demás condiciones contempladas por el presente.

**DÉCIMA SEGUNDA. Impuestos y Gastos.**

a. El Adquirente será responsable del pago de los costos por honorarios y

witnessed by the Public Notary, the object of which deed (or deeds) will be to grant Purchaser fee title to the Property, free of any Liens and in conformity with the terms of this Agreement, and otherwise as reasonably approved by Purchaser in its sole discretion.

d. Purchaser shall have received each of the following documents related to the ownership rights over the Property.

(1) A Certificate of No Liens and Encumbrances as proof that the Property is free of any Liens.

(2) At its own cost and for its own account, Purchaser will have received a copy of a title commitment that is valid and enforceable as of Closing in accordance with Clause Ninth.

(3) A copy of the Definitive Public Deed, as executed by the parties before the Public Notary.

(4) Such other documents as may be reasonably necessary or appropriate to convey the Property to Purchaser and to otherwise consummate this transaction in accordance with the terms of this Agreement.

Upon receipt of notice from the Public Notary and Purchaser that the above documents have been approved, executed and delivered, Escrow Agent shall release to Seller the Purchaser Price, subject to the parties' compliance with the remaining conditions contemplated hereunder.

**TWELFTH. Taxes and Expenses.**

a. Purchaser shall be responsible for the payment of Escrow fees and all other

  
Adquirente/Purchaser

Vendedor/Seller

ACC011865  
FILE #8337

**CONTRATO DE PROMESA  
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gastos originados por la Cuenta de Custodia y los otros costos de cierre, incluyendo sin limitación a: (i) cualquier avalúo o deslinde de la Propiedad; (ii) el impuesto sobre la adquisición de inmuebles (Traslación de Dominio); (iii) gastos de inscripción; y (iv) los honorarios del Notario Público; pero excluyendo específicamente cualesquier honorarios o gastos asociados con los asesores y abogados particulares del Vendedor. El Vendedor será el único responsable para el pago del Impuesto Sobre La Renta derivado de la venta de la Propiedad.

b. El Vendedor conviene en pagar todos los gastos inherentes a la Propiedad tales como el impuesto predial, agua, electricidad, mantenimiento, cualquier otro que se genere hasta la fecha del Cierre.

**DÉCIMA TERCERA. Corredores.** Las partes garantizan, uno al otro que no se deben a ningún corredor u otra parte honorarios o comisiones algunas por causa de la venta aquí contemplada. Si cualquier otra persona reclama cualesquier honorarios, comisión o compensación por concepto de haber sido empleado como corredor o agente de ventas con relación a esta transacción, la parte a quien se le hace tal reclamo deberá indemnizar y mantener salvo a la otra parte de todos los reclamos, costos, gastos y responsabilidades incurridas en relación con tal acción o cualquier proceso derivado del mismo (incluyendo, sin limitación, los honorarios y costos de litigio).

**DÉCIMA CUARTA. Cesión.** Ninguna parte puede ceder los derechos y obligaciones derivados del presente Contrato sin el consentimiento previo y por escrito de la otra parte; conviniéndose, sin embargo, que el Adquirente podrá ceder o transmitir sus derechos derivados del presente sin requerir el consentimiento del Vendedor, siempre y cuando tal cesión sea a favor de

closing costs, including but not limited to: (i) any appraisal or survey of the Property; (ii) the real property acquisition tax (Real Property Transfer); (iii) recording fees; and (iv) Public Notary fees, but specifically excluding any fees and expenses associated with Seller's individual consultants and attorneys. Seller shall be the only party responsible for payment of its income taxes derived from the sale of the Property.

b. Seller agrees to pay all expenses in connection with the Property, such as property tax, maintenance, any other expense incurred up to the date of Closing.

**THIRTEENTH. Brokers.** The parties warrant, each to the other that there are no fees or commissions owing to any broker or other party for bringing about the sale contemplated hereunder. If any other person shall assert a claim to a fee, commission or other compensation on account of alleged employment as a broker or finder, or for performance of services as a broker or finder in connection with this transaction, the party hereto under whom the broker or finder is claiming shall indemnify and hold harmless the other party against and from any such claim and all costs, expenses and liabilities incurred in connection with such claim or proceeding brought thereon (including, without limitation, attorney's fees and court costs).

**FOURTEENTH. Assignment.** Neither party may assign its rights and obligations under this Agreement without the prior written consent of the other party; provided, however, that Purchaser may assign its rights hereunder without the need for Seller's consent, so long as such assignment is in favor of a subsidiary or affiliate of Purchaser.

  
Adquirente/Purchaser

\_\_\_\_\_  
Vendedor/Seller



**CONTRATO DE PROMESA  
DE COMPRAVENTA DE BIEN INMUEBLE  
(Parcela No. 47)**

donde se entregue o reciba.

effective on the next business day in the place of such delivery or receipt following such day.

**DÉCIMA SEXTA. Idioma Mandatario.** Las partes al presente acuerdan que el lenguaje oficial de este Contrato es el español. También acuerdan las partes que la versión en inglés es una traducción correcta y completa del original en español. Las partes acuerdan que si hubiera cualquier discrepancia o controversia acerca de la interpretación, contenido, o sentido de cualquiera de las provisiones de este Contrato, la versión en español prevalecerá. Las partes por este medio garantizan y declaran que son versadas en los idiomas inglés y español, o que fueron representados individualmente por traductores igualmente versados en los dos lenguajes, y han leído y entendido el alcance de este Contrato.

**SIXTEENTH. Governing Language.** The parties hereto agree that Spanish is the governing language of this Agreement. The parties further agree that this English version is an accurate and complete translation of the Spanish original. In the case of any discrepancy or controversy regarding the interpretation, content, or meaning of any of the provisions of this Agreement, the Spanish version shall prevail. The parties hereby warrant and declare that they are both proficient in the English and Spanish languages or that they were separately represented by proficient translators in both languages, and have read and understood the scope of this Agreement.

**DÉCIMA SÉPTIMA. Resolución de Controversias.**

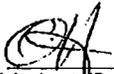
**SEVENTEENTH. Conflict Resolution.**

a. Ley Aplicable. Este Contrato será regido por e interpretado bajo las leyes del Estado de Sonora y de los Estados Unidos Mexicanos, sin referencia a sus provisiones sobre el conflicto de leyes.

a. Applicable Law. This Agreement will be governed by and interpreted in accordance with the laws of the State of Sonora and the United Mexican States, without reference to the conflicts of laws provisions thereof.

b. Tribunales Competentes. Cualquier conflicto, controversia o reclamo entre las partes, de cualquier tipo o naturaleza, sea fundado en el derecho privado, la responsabilidad civil, el derecho estatutario, reglamentario, u otra fuente, y de cualquier manera derivado de o relacionado con este Contrato, las relaciones u obligaciones de las partes, o las operaciones bajo este Contrato, será sometido sola y únicamente a la jurisdicción y competencia de los tribunales de la ciudad de México en el Distrito Federal de México, renunciando específicamente las partes a cualquier fuero que les pudiera corresponder por razón de su residencia o

b. Competent Courts. Any dispute, controversy or claim, of any and every kind of type, whether based on contract, tort, statute, regulations, or otherwise, arising out of, connected with, or relating in any way to this Agreement, the relationship of the parties, the obligations of the parties, or the operations carried out under this Agreement, shall be submitted to the sole and exclusive jurisdiction of the courts of Mexico City in the Distrito Federal of Mexico, the parties hereby specifically waiving the right to any other forum they may have as a result of their residence or domicile.

  
Adquirente/Purchaser

Vendedor/Seller

ACC011868  
FILE #8337

**CONTRATO DE PROMESA  
DE COMPRAVENTA DE BIEN INMUEBLE  
(Parcela No. 47)**

domicilio.

c. Gastos y Costas. Si cualquier de las partes se recurre al litigio, arbitraje o cualquier otra forma de resolución de conflictos para exigir el cumplimiento del Contrato, la parte que pierde pagará y reembolsará a la parte ganadora todos los gastos y costos asociados con el juicio, incluyendo a los honorarios y otros costos legales razonables asociados con el reclamo por la parte ganadora de sus derechos y recursos.

**DÉCIMA OCTAVA.** Acuerdo Completo. Este Contrato representa el entendimiento total entre las partes sobre la materia sujeta de lo mismo, y sobreesee y reemplace cualquier, acuerdo o entendimiento contemporáneo o anterior entre ellas, sea verbal o por escrito.

**DÉCIMA NOVENA.** Ausencia de Vicios. Las partes consideran que lo pactado es justo y legítimo y que, por lo mismo, en este Contrato no existe error, ni lesión de ninguna clase y en consecuencia renuncian a las acciones que por nulidad, error, lesión y/o enriquecimiento ilegítimo establecen los términos del Código Civil vigente en el Estado de Sonora y sus correlativos del Código Civil Federal.

**VIGÉSIMA.** Contrapartes. Se podrá suscribir este Contrato en 2 (dos) o más ejemplares, los cuales serán considerados como originales, y todos juntos cuales constituirán un mismo instrumento.

c. Litigation Expenses. If either party has to resort to litigation, arbitration, or other form of dispute resolution to enforce any of its rights or remedies under this Agreement, then the losing party shall pay all expenses and reimburse the prevailing party for any expenditures, including reasonable attorney's fees and legal expenses, in connection with the exercise of any of its rights and remedies.

**EIGHTEENTH.** Entire Agreement. This Agreement represents the entire understanding between the parties with regard to the subject matter hereof, and supersedes and replaces any other previous or contemporaneous agreements or understandings between them, whether written or oral.

**NINETEENTH.** Absence of Error. The parties consider their agreement just and legitimate, and as result, the Agreement contains no errors, mistakes or overreaching of any type. As a result the parties hereby waive any action due to voidability, error, mistake, overreaching or unjust enrichment as established by the terms of the Civil Code of the State of Sonora and their corollaries from the Federal Civil Code.

**TWENTIETH.** Counterparts. This Agreement may be executed in 2 (two) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**SIGUE LA PÁGINA DE SUSCRIPCIÓN/  
SIGNATURE PAGE TO FOLLOW**

  
Adquirente/Purchaser

Vendedor/Seller

**CONTRATO DE PROMESA  
DE COMPRAVENTA DE BIEN INMUEBLE  
(Parcela No. 47)**

Leído que fue el presente Contrato de Promesa de Compraventa de Bien Inmueble, expresaron su conformidad con lo mismo suscribiendo al calce y al margen los que en él intervinieron con efecto jurídico y vinculante desde el día \_\_\_\_\_ de septiembre de 2012.

Having read and understood the present Promise of Purchase and Sale of Real Estate Agreement, the parties to the same expressed their agreement therewith by signing effective as of this \_\_\_\_\_ day of September, 2012.

**VENDEDOR / SELLER:**

**Phoenix Premium Developers, S. de R.L. de C.V.**

Por/By: \_\_\_\_\_  
Nombre/Name: James J. Hinkeldey  
Puesto/Title: General Manager

**ADQUIRENTE / PURCHASER:**

**Wert-Berator Commercial, LLC  
d.b.a. Mar de Cortez Construction Company**

Por/By: Oscar Hernandez  
Nombre/Name: Oscar Hernandez  
Puesto/Title: Manager

**CONTRATO DE PROMESA  
DE COMPRAVENTA DE BIEN INMUEBLE  
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**Anexo "A"/Exhibit "A"**

**Deslínde Informal de la Propiedad/  
Informal Survey of the Property**

(será anexado/to be attached)

  
\_\_\_\_\_  
Adquirente/Purchaser

\_\_\_\_\_  
Vendedor/Seller

**CONTRATO DE PROMESA  
DE COMPRAVENTA DE BIEN INMUEBLE  
(Parcela No. 47)**

STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

ESTADO DE ARIZONA )  
 ) ss.  
CONDADO DE MARICOPA )

On this \_\_\_\_ day of September, 2012 before me, the undersigned Notary Public, personally appeared Jim J. Hinkeley, known to me (or satisfactorily proven), to be the person whose name is subscribed to the present document, who acknowledged that he signed the same as his voluntary act and deed for the purpose therein expressed.

En este \_\_\_\_ día de septiembre de 2012, antes de mi, el suscrito Notario Público, acudió personalmente el Sr. Jim J. Hinkeldey, a quien conozco como (o quien de manera satisfactoria mostró ser), la persona cuyo nombre aparece al calce de presente documento, y quien ratificó haber firmado el mismo como acta de su propia voluntad para el propósito allí contemplado.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

EN TESTIMONIO DE LO CUAL, adhiero mi firma y sello oficial.

\_\_\_\_\_  
Notario Público / Notary Public

MI Comisión Vence:  
My Commission Expires: July 19, 2014

STATE OF California )  
 ) ss.  
COUNTY OF San Bernardino )

ESTADO DE \_\_\_\_\_ )  
 ) ss.  
CONDADO DE \_\_\_\_\_ )

On this 4<sup>th</sup> day of ~~September~~ October, 2012 before me, the undersigned Notary Public, personally appeared Oscar Hernandez, known to me (or satisfactorily proven), to be the person whose name is subscribed to the present document, who acknowledged that he signed the same as his voluntary act and deed for the purpose therein expressed.

En este \_\_\_\_ día de septiembre de 2012, antes de mi, el suscrito Notario Público, acudió personalmente el Sr. Oscar Hernandez, a quien conozco como (o quien de manera satisfactoria mostró ser), la persona cuyo nombre aparece al calce de presente documento, y quien ratificó haber firmado el mismo como acta de su propia voluntad para el propósito allí contemplado.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

EN TESTIMONIO DE LO CUAL, adhiero mi firma y sello oficial.

Maria T. Garcia  
\_\_\_\_\_  
Notario Público / Notary Public

MI Comisión Vence:  
My Commission Expires:



---

**From:** Francis Liu [francisliu@██████████]  
**Sent:** Tuesday, March 25, 2008 4:47 PM  
**To:** Brian Buckley  
**Subject:** Re: Relaxante

**Importance:** Low

Hi Brian,

Nice talking to you. I have just faxed the investor information sheet. Please confirm that you have recieved it and send me the contract. Thanks.

Regards,

Francis

----- Original Message -----

**From:** Brian Buckley <brian@tricoreworld.com>  
**To:** Francis Liu <francisliu@██████████>  
**Sent:** Sunday, March 16, 2008 9:14:58 PM  
**Subject:** Re: Relaxante

Hello Francis,

Thank you very much for your interest. I sent this to you already but am finding out several people never received it. My apologies.

I have attached the PPM and an investor info. sheet to send back if you wish to invest. The way the process works is we print out two like contracts with your information in them and we sign them and mail them to you. You sign them both, keep one for yourself and mail the other one back to us in the enclosed postage paid envelope.

Please call or e-mail me with any questions that you may have.

Thank you again.

Sincerely,

Brian Buckley  
Investor Relations  
Tri-Core Companies  
[brian@tricoreworld.com](mailto:brian@tricoreworld.com)

480-346-3200  
480-346-3201 Fax  
██████████ Cell

----- Original Message -----

**From:** Francis Liu <francisliu@██████████>  
**To:** brian@tricoreworld.com  
**Sent:** Monday, March 10, 2008 9:58:24 PM



Subject: Relaxante

Dear Brian,

I am interested in your Relaxante project. Please send me the associated PPM and Pro Forma.  
Thanks.

Regards,

Francis

---

**From:** mebchilly@[REDACTED]  
**Sent:** Thursday, September 18, 2008 5:18 PM  
**To:** brian@tricoreworld.com  
**Subject:** Re: New Mexico Investment

Hey Brian,

My mother in law would like to get in on it as well if its not to late. Just let me know when you can and we can get things started. Hope all is well. Thanks for all you do!

Tommy Marcus  
[REDACTED]

-----Original Message-----

**From:** Brian Buckley <brian@tricoreworld.com>  
**To:** mebchilly@[REDACTED]  
**Sent:** Thu, 11 Sep 2008 6:10 pm  
**Subject:** FW: New Mexico Investment

---

**From:** Brian Buckley [mailto:brian@tricoreworld.com]  
**Sent:** Thursday, September 11, 2008 12:53 PM  
**To:** 'mebchilly@[REDACTED]'  
**Subject:** New Mexico Investment

Hello Tommy,

It was nice talking to you the other day. I am glad you are doing well.. Here is the new Private Placement Memorandum on a project about 20 miles east on the same beach.

It is the same type of investment format as your other one but it pays 60% compounded annually. The attached beach photo is the beachfront on this property. I am also including a Google map that shows the travel routes and mileage to San Diego and Phoenix from this project .

Review and contact me with any questions that you may have. I am going to China from the 19<sup>th</sup>-28<sup>th</sup> to a big International Real Estate Show. Hopefully I will finish this project over there. If you want to purchase a unit with part of your payout just let me know and I will hold it for you and not sell it in China.

Thanks again for your participation.

Sincerely,



Brian Buckley  
Investor Relations  
Tri-Core Companies  
[brian@tricoreworld.com](mailto:brian@tricoreworld.com)

480-346-3200  
877-527-6698 toll free  
480-346-3201 Fax  
[REDACTED] Cell

[Image Removed]

[Image Removed]

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Find phone numbers fast with the [New AOL Yellow Pages!](#)

---

**From:** mebchilly@[REDACTED]  
**Sent:** Saturday, September 13, 2008 2:40 PM  
**To:** brian@tricoreworld.com  
**Subject:** Re: New Mexico Investment

Hey Brian,

It was nice talking to you the other day to it feels just like yesterday you guys moved boy time flies. Yes I want to get in on this one to just tell me what I have to do. Thanks for working with us on this.

-----Original Message-----

**From:** Brian Buckley <brian@tricoreworld.com>  
**To:** mebchilly@[REDACTED]  
**Sent:** Thu, 11 Sep 2008 6:10 pm  
**Subject:** FW: New Mexico Investment

---

**From:** Brian Buckley [mailto:brian@tricoreworld.com]  
**Sent:** Thursday, September 11, 2008 12:53 PM  
**To:** 'mebechilly@[REDACTED]'  
**Subject:** New Mexico Investment

Hello Tommy,

It was nice talking to you the other day. I am glad you are doing well.. Here is the new Private Placement Memorandum on a project about 20 miles east on the same beach.

It is the same type of investment format as your other one but it pays 60% compounded annually. The attached beach photo is the beachfront on this property. I am also including a Google map that shows the travel routes and mileage to San Diego and Phoenix from this project .

Review and contact me with any questions that you may have. I am going to China from the 19<sup>th</sup>-28<sup>th</sup> to a big International Real Estate Show. Hopefully I will finish this project over there. If you want to purchase a unit with part of your payout just let me know and I will hold it for you and not sell it in China.

Thanks again for your participation.

Sincerely,

Brian Buckley  
Investor Relations  
Tri-Core Companies

brian@tricoreworld.com

480-346-3200

877-527-6698 toll free

480-346-3201 Fax

██████████ Cell

[Image Removed]

[Image Removed]

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Looking for spoilers and reviews on the new TV season? [Get AOL's ultimate guide to fall TV.](#)

---

**From:** mebchilly@[REDACTED]  
**Sent:** Monday, September 22, 2008 10:04 AM  
**To:** brian@tricoreworld.com  
**Subject:** Re: New Mexico Investment

10,000 is what she wants as well. Just let me know what we need to do to get you the money. She has it now and just waiting to see if you still had a spot for her. THANKS again.

-----Original Message-----

**From:** Brian Buckley <brian@tricoreworld.com>  
**To:** mebchilly@[REDACTED]  
**Sent:** Thu, 18 Sep 2008 11:39 pm  
**Subject:** Re: New Mexico Investment

Hello Tommy,

Just let me know what her appetite is and I will hold that amount out for her, also. The units are in \$10,000 increments with no partial units. If she needs to speak with me about it, please let me know, as I am on the plane tomorrow afternoon for China.

I will hold what you need me to hold and not sell it in China. I will be able to e-mail everyday in China just limited phone.

Take care of everyone.

Sincerely,

Brian Buckley  
Investor Relations  
Tri-Core Companies  
brian@tricoreworld.com

-  
480-346-3200  
480-346-3201 Fax  
[REDACTED] Cell

----- Original Message -----

**From:** "mebchilly@[REDACTED]" <mebchilly@[REDACTED]>  
**To:** brian@tricoreworld.com  
**Sent:** Thursday, September 18, 2008 5:18:19 PM

Subject: Re: New Mexico Investment

Hey Brian,

My mother in law would like to get in on it as well if its not to late. Just let me know when you can and we can get things started. Hope all is well. Thanks for all you do!

Tommy Marcus  
[REDACTED]

-----Original Message-----

From: Brian Buckley <brian@tricoreworld.com>

To: mebechilly@[REDACTED]

Sent: Thu, 11 Sep 2008 6:10 pm

Subject: FW: New Mexico Investment

---

**From:** Brian Buckley [<mailto:brian@tricoreworld.com>]

**Sent:** Thursday, September 11, 2008 12:53 PM

**To:** 'mebechilly@[REDACTED]'

**Subject:** New Mexico Investment

Hello Tommy,

It was nice talking to you the other day. I am glad you are doing well.. Here is the new Private Placement Memorandum on a project about 20 miles east on the same beach.

It is the same type of investment format as your other one but it pays 60% compounded annually. The attached beach photo is the beachfront on this property. I am also including a Google map that shows the travel routes and mileage to San Diego and Phoenix from this project .

Review and contact me with any questions that you may have. I am going to China from the 19<sup>th</sup>-28<sup>th</sup> to a big International Real Estate Show. Hopefully I will finish this project over there. If you want to purchase a unit with part of your payout just let me know and I will hold it for you and not sell it in China.

Thanks again for your participation.

Sincerely,

Brian Buckley  
Investor Relations  
Tri-Core Companies  
[brian@tricoreworld.com](mailto:brian@tricoreworld.com)

480-346-3200  
877-527-6698 toll free  
480-346-3201 Fax  
[REDACTED] Cell

[Image Removed]

[Image Removed]

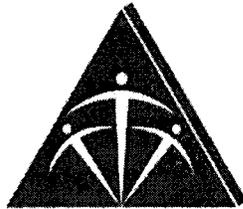
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Find phone numbers fast with the New AOL Yellow Pages!

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Find phone numbers fast with the New AOL Yellow Pages!

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Checked by AVG - <http://www.avg.com>  
Version: 8.0.175 / Virus Database: 270.8.5/1764 - Release Date: 11/3/2008 7:46 AM



**TRI-CORE**  
COMPANIES LLC

# **CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

PLEASE RETURN ONE COPY OF THIS  
DOCUMENT TO US IN THE PROVIDED  
RETURN PACKAGING.

PLEASE KEEP ONE COPY OF THIS  
DOCUMENT FOR YOUR PERSONAL  
RECORDS.





Memorandum#: Thuy Viet Nguyen Vo

Referral: Brian Buckley/Jim Chen

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**Tri-Core Companies, LLC**  
**An Arizona Limited Liability Company**

---

**\$4,500,000**

**\$10,000 per Promissory Note (Unit)**  
**MINIMUM PURCHASE - 1 Promissory Note**  
**60% Rate of Return, Compounded Annually; Paid At Maturity**  
**Maturity Date: 24 months**  
**Redemption at Maturity - \$25,600 per Unit**

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Tri-Core Companies, LLC, an Arizona Limited Liability Company (hereinafter referred to as the "COMPANY"), is offering by means of this Confidential Private Placement Memorandum a maximum of Four Hundred and Fifty (450) Secured Promissory Notes ("Notes") at an offering price of Ten Thousand (\$10,000) Dollars per Note, for a maximum total of Four Million Five Hundred Thousand Dollars (\$4,500,000), to qualified investors who meet the Investor Suitability Requirements set forth herein (see "INVESTOR SUITABILITY REQUIREMENTS"). Each Investor must agree to purchase the Notes, as a lender to the Company, for investment purposes only, and execute a Subscription Agreement in the form contained in the accompanying Subscription Booklet (see "TERMS OF THE OFFERING").

**THESE SECURITIES ARE SPECULATIVE AND INVESTMENT  
IN THE NOTES INVOLVES A HIGH DEGREE OF RISK  
(SEE "RISK FACTORS")**

	<b>Offering Price</b>	<b>Selling Commissions</b>	<b>Proceeds to Company</b>
<b>Per Unit</b>	\$10,000	\$1,000	\$9,000
<b>Maximum Units</b>	\$4,500,000	\$450,000	\$4,050,000

**Tri-Core Companies, LLC**  
8840 E. Chaparral Road, Suite 150  
Scottsdale, AZ 85250  
Telephone: (480) 356-3200  
Facsimile: (480) 346-3201

The date of this Private Placement Memorandum is March 1, 2008

---

Tri-Core Companies LLC

(877) 527-6698

ACC011874  
FILE #8337

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**IMPORTANT NOTICES**

This Confidential Private Placement Offering Memorandum (“Memorandum”) is submitted to you on a confidential basis solely for the purpose of evaluating the specific transaction described herein. This information shall not be photocopied, reproduced, or distributed to others without the prior written consent of Tri-Core Companies, LLC (“Company”). If the recipient determines not to purchase any of the Notes offered hereby, it will promptly return all material received in connection herewith without retaining any copies.

## DISCLAIMERS

THE NOTES OFFERED HEREBY IN THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH, OR APPROVED, BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR HAVE SUCH NOTES OR THIS MEMORANDUM BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF ANY STATE OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. THIS OFFERING IS BASED ON THE EXEMPTION FROM SUCH REGISTRATION AS SET FORTH IN §4(2) AND RULE 506 OF REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED.

THE INVESTMENT DESCRIBED IN THIS MEMORANDUM INVOLVES RISKS, AND IS OFFERED ONLY TO INDIVIDUALS WHO CAN AFFORD TO ASSUME SUCH RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO AGREE TO PURCHASE THE NOTES ONLY FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD THE TRANSFER, RESALE, EXCHANGE OR FURTHER DISTRIBUTION THEREOF. THERE WILL BE NO PUBLIC MARKET FOR THE NOTES ISSUED PURSUANT TO THIS OFFERING MEMORANDUM. THE RESALE OF THE NOTES IS LIMITED BY FEDERAL AND STATE SECURITIES LAWS AND IT IS THEREFORE RECOMMENDED THAT EACH POTENTIAL INVESTOR SEEK COUNSEL SHOULD THEY DESIRE MORE INFORMATION.

THE PRICE OF THE NOTES AS DESCRIBED IN THIS OFFERING MEMORANDUM HAS BEEN ARBITRARILY DETERMINED BY THE SPONSORS OF THIS INVESTMENT AND EACH PROSPECTIVE INVESTOR SHOULD MAKE AN INDEPENDENT EVALUATION OF THE FAIRNESS OF SUCH PRICE UNDER ALL THE CIRCUMSTANCES AS DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION IN CONNECTION WITH THIS MEMORANDUM, EXCEPT SUCH INFORMATION AS IS CONTAINED OR REFERENCED IN THIS MEMORANDUM. ONLY INFORMATION OR REPRESENTATIONS CONTAINED OR REFERENCED HEREIN MAY BE RELIED UPON AS HAVING BEEN MADE BY THE COMPANY. PROSPECTIVE INVESTORS WHO HAVE QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THIS PRIVATE OFFERING MEMORANDUM OR WHO DESIRE ADDITIONAL INFORMATION OR DOCUMENTATION TO VERIFY THE INFORMATION CONTAINED HEREIN SHOULD CONTACT THE COMPANY. PROJECTIONS OR FORECASTS CONTAINED IN THIS PRIVATE OFFERING MEMORANDUM, OR OTHER MATERIALS, MUST BE VIEWED ONLY AS ESTIMATES. ALTHOUGH ANY PROJECTIONS CONTAINED IN THIS MEMORANDUM ARE BASED UPON ASSUMPTIONS WHICH THE COMPANY BELIEVES TO BE REASONABLE, THE ACTUAL PERFORMANCE OF THE COMPANY MAY DEPEND UPON FACTORS BEYOND THE CONTROL OF THE COMPANY. NO ASSURANCE CAN BE GIVEN THAT THE COMPANY'S ACTUAL PERFORMANCE WILL MATCH ITS INTENDED RESULTS.

## **1. SUMMARY OF THE OFFERING**

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY MORE DETAILED INFORMATION THAT MAY APPEAR ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM. EACH PROSPECTIVE INVESTOR IS URGED TO READ THIS PRIVATE OFFERING MEMORANDUM IN ITS ENTIRETY.

Tri-Core Companies, LLC (the "Company") was formed on August 29, 2007 as an Arizona Limited Liability Company. The Company is in the business of Land Acquisition and Development.

The Securities offered are Four Hundred and Fifty (450) Notes issued by the Company at Ten Thousand (\$10,000) Dollars per Note, payable in cash at the time of subscription (see "Exhibit "B" for copy of Promissory Note). The minimum purchase is one (1) Note. The Notes have an annual rate of return of sixty (60%) percent interest, compounded annually. The return will be paid at maturity, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date.

None of the Notes are convertible to Membership Units, or other type of equity, in the Company. This offering will commence on March 1, 2008, and will terminate no later than February 28, 2009, unless extended by the Company (see "TERMS OF THE OFFERING").

The gross proceeds of the offering will be a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars. The use of the proceeds is to purchase and develop a water front parcel in San Luis Rio Colorado, Sonora, Mexico as described herein (see "USE OF PROCEEDS").

## **2. THE COMPANY**

Tri-Core Companies, LLC (the "Company") was formed on August 29, 2007, as an Arizona Limited Liability Company. At the date of this offering, One Thousand (1,000) of the Company's Membership Units were authorized and Nine Hundred (900) Membership Units are issued, and outstanding. The Company is in the business of construction management, land acquisition, and development.

### **2.1 OPERATIONS**

The Company is in the business of construction management, land acquisition, and development, specializing in beach front properties along the coast of the

upper Sonoran coastline in Sonora, Mexico. SEE "EXHIBIT D - BUSINESS PLAN."

## **2.2 BUSINESS PLAN**

Tri-Core Companies' Business Plan, included as Exhibit D of this Memorandum, and was prepared by the Company using assumptions set forth in the Business Plan, including several forward looking statements. Each prospective investor should carefully review the Business Plan before purchasing Notes. Management makes no representations as to the accuracy or achievability of the underlying assumptions and projected results contained herein.

## **3. MANAGEMENT**

### **3.1 LLC MANAGERS**

The success of the company is dependent upon the services and expertise of existing management. At the present time, three individuals are actively involved in the management of the Company.

#### **Jason Todd Mogler - President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

#### **Vince Gibbons - Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review,

inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club - Mohave County, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.
- **Eagle View Subdivision - Kingman, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.
- **Villages at Loreto Bay, Master Planned Development - Loreto, Mexico.**  
Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.
- **Colonias de Cardenas, Master Planned Community - Panama City, Panama.**  
Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.
- **Punta Delfin, Enchantment of México - Sea of Cortez, Sonora, México.**  
Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

**Jim Hinkeldey - Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

Mr. Hinkeldey's educational background consists of a degree in Banking and Money Management from Adelphi University, Long Island, New York. He also holds a three year specialized degree in real estate finance from the Mortgage Bankers of America which he received at Northwestern University. He attended numerous programs for finance, real estate, and management at New York University and Wharton Business School.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **4. TERMS OF THE OFFERING**

##### **4.1 GENERAL TERMS OF THE OFFERING**

This Private Offering Memorandum is offering a maximum of Four Hundred and Fifty (450) Notes at Ten Thousand (\$10,000) Dollars per Note, for a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars to a select group of Investors who satisfy the Investor Suitability Requirements (see "**INVESTOR SUITABILITY REQUIREMENTS**"). The Company has the authority to sell fractional Notes at its sole discretion.

##### **4.2 MINIMUM OFFERING AMOUNT - HOLDING ACCOUNT**

The Company has established an Investment Holding Account with Wells Fargo Bank into which the offering proceeds will be placed. No minimum offering amount has been established before proceeds can be released from the holding account and utilized by the Company.

##### **4.3 NONTRANSFERABILITY OF NOTES**

The Notes have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered in reliance upon an exemption under §4(2) and Rule 506 of Regulation D of the Securities Act, as amended, and rules and regulations hereunder. The Notes have not been registered under the securities laws of any state and will be offered pursuant to an exemption from registration in each state. A purchaser may transfer or dispose of the Note only if such

Notes are subsequently registered under the Securities Act, or if an exemption from registration is available, and pursuant to an opinion of counsel acceptable to the Company and its counsel to the effect that the Notes may be transferred without violation of the registration requirements of the Securities Act or any other securities laws.

#### **4.4 CLOSING OF THE OFFERING**

The Notes are offered and closed only when a properly completed Subscription Agreement (**Exhibit A**); Note (**Exhibit B**), and Investor Questionnaire (**Exhibit C**) are submitted by the investing Subscriber or his/her Investor Representatives and are received and accepted by the Company. The Subscription Agreement as submitted by an investing Subscriber or his/her Investor Representatives shall be binding once the Company signs the Subscription Agreement, Note and the funds delivered by the potential Investor to the Company with the Subscription Agreement has been cleared by the financial institution in which they are deposited by the Company. The Notes will be delivered to qualified Investors upon acceptance of their subscriptions. All funds collected from investing Subscribers will be deposited in a designated account under the control of the Company. Investors subscribing to the Notes may not withdraw or revoke their subscriptions at any time prior to acceptance by the Company, except as provided by certain state laws, or if more than thirty (30) days have passed after receipt of the Subscription Agreement by the Company without the Company accepting the Investor's funds and delivering all applicable documents to such Investor. The proceeds of this Offering will be used only for the purpose set forth in this Private Offering Memorandum (see "**USE OF PROCEEDS**").

The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Four Million Five Hundred Thousand (\$4,500,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

#### **5. PLAN OF DISTRIBUTION**

##### **5.1 OFFERING OF NOTES**

The Notes will be offered to prospective lenders by Officers and Directors of the Company and qualified licensed personnel, pursuant to State and Federal security rules and regulations. This Offering is made solely through this Private Placement Memorandum and without any form of general solicitation or advertising. The Company and its Officers and Directors or other authorized

personnel will use their best efforts during the Offering period to find eligible Investors who desire to subscribe to the Notes in the Company. These Notes are offered on a "best efforts" basis, and there is no assurance that any or all of the Notes will be closed. The Company has the authorization to offer fractional Notes at its sole discretion. The Offering period will begin as of the date of this private Offering Memorandum and will close upon the happening of such occurrences as defined herein (see "**TERMS OF THE OFFERING**").

## **5.2 PAYMENTS TO BROKER DEALERS OR INVESTMENT ADVISORS**

The Company has the power to pay fees or commissions to qualified Broker Dealers, Registered Investment Advisors or any other person qualified under other applicable federal and state security laws.

## **6. DESCRIPTION OF NOTES**

### **6.1 NOTES**

The Company is offering Four Hundred and Fifty (450) Notes of the Company to potential investors at Ten Thousand (\$10,000) Dollars per Note, payable in cash at the time of the subscription. The minimum purchase is one (1) note. The Notes will have an annual rate of return of sixty (60%) percent interest, compounded annually, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. All principal shall be paid at maturity (24 months). Interest shall be paid at maturity (24 months). The principal and any interest due on said principal may be prepaid, at the sole discretion of the Company, without a prepayment penalty at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date. The Notes offered pursuant to this Private Placement Memorandum will be secured by the property

The Notes will be issued in the form attached hereto and incorporated herein by reference as though set forth in full herein as **Exhibit B**.

### **6.2 SECURITY FOR PAYMENT OF THE NOTES**

The Notes being offered by the Company in this Private Placement Offering are secured by the land Tri-Core Companies LLC purchases. Tri-Core Companies LLC will establish an administration account which will hold the title to the property until all note holders will be paid in full.

### 6.3 REPORTS TO NOTEHOLDERS

The Company will furnish annual un-audited reports to its Note holders ninety (90) days after its fiscal year. The Company may issue other interim reports to its Note holders as it deems appropriate. The Company's fiscal year ends on December 31<sup>st</sup> of each year.

### 7. USE OF PROCEEDS

The gross proceeds of the Offering will be a maximum of Four Million Five Hundred Thousand (\$4,500,000) Dollars. The table below sets forth the use of proceeds for both the maximum and minimum offering amounts.

#### Sources

	Maximum Amount	Percent of Proceeds
<b>Proceeds From the Sale of Notes</b>	\$4,500,000	100.00%

#### Application of Proceeds

Offering Expenses <sup>(1)</sup>	\$ 100,000	2.22%
Commissions <sup>(2)</sup>	\$ 450,000	10.00%
<b>Total Offering Expenses &amp; Fees</b>	<b>\$ 550,000</b>	<b>12.22%</b>
Land Purchase <sup>(5)</sup>	\$1,500,000	33.34%
General Project Expenses	\$ 280,000	6.22%
On-Site Work	\$ 325,000	7.22%
Soft Cost	\$ 350,000	7.78%
Marketing	\$ 480,000	10.67%
Administration <sup>(3)</sup>	\$ 615,000	13.67%
Contingency	\$ 400,000	8.89%
<b>Net Offering Proceeds</b>	<b>\$3,950,000</b>	<b>87.78%</b>
<b>Total Application of Proceeds</b>	<b>\$4,500,000</b>	<b>100.00%</b>

#### Footnotes:

- (1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.
- (2) This Offering is being sold by the officers and directors of the Company, who will not receive any compensation for their efforts. No sales fees or commissions will be paid to such officers or directors. Notes may be sold by registered brokers or dealers who are members of the NASD and who enter into a Participating Dealer Agreement with the Company. Such brokers or dealers may receive commissions up to ten percent (10%) of the price of the Notes sold.
- (3) Includes Scottsdale and Mexico offices; legal and accounting fees.
- (4) No minimum has been set for this offering.
- (5) Amount due to Tri-Core Business Development, LLC for inter-company transfer of title to Tri-Core Companies, LLC.

## 8. CAPITALIZATION STATEMENT

### 8.1 CAPITALIZATION PRIOR TO AND AFTER THE OFFERING

The following table summarizes the capitalization of the Company prior to, and as adjusted to reflect, the issuance and sale of the maximum of Four Hundred and Fifty (450) Notes or Four Million Five Hundred Thousand (\$4,500,000) Dollars.

	AS ADJUSTED 08/29/07	AFTER THE OFFERING
Notes	<u>-0-</u>	<u>\$4,500,000</u>
Membership Units \$.01 par value, 1,000 Units authorized, 1000 Units issued and outstanding	\$100	\$100
Net Shareholders' Equity	\$100	\$100
<b>TOTAL CAPITALIZATION</b>	<u>\$100</u>	<u>\$4,500,100</u>

## 9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### 9.1 RESULTS OF OPERATIONS

The Company is a development stage company and has not yet commenced its principal operations.

### 9.2 LIQUIDITY AND CAPITAL RESOURCES

The Company's liquidity and capital resources are dependent on its ability to raise sufficient capital to pay for the purchase price of the Promissory Notes.

## 10. CERTAIN TRANSACTIONS

### 10.1 ARIZONA LIMITED LIABILITY COMPANY

**Tri-Core Companies, LLC** is a privately held Arizona Limited Liability Company, incorporated on August 29, 2007.

## **10.2 PRIVATE OFFERING OF NOTES**

The Company is authorized to offer in this private offering, up to Four Million Five Hundred Thousand (\$4,500,000) Dollars of Notes to selected investors, effective on March 1, 2008.

## **11. FIDUCIARY RESPONSIBILITIES OF THE DIRECTORS AND OFFICERS OF THE COMPANY**

### **11.1 GENERAL**

The Principals, Officers, and Directors of the Company are accountable to the Company as fiduciaries and such Principals, Officers and Directors are required to exercise good faith and integrity in managing the Company's affairs and policies. Each Note Holder of the Company, or their duly authorized representative, may inspect the books and records of the Company at any time during normal business hours. A Note Holder may be able to bring an action on behalf of himself in the event the Note Holder has suffered losses in connection with the purchase or sale of the Note(s) in the Company, due to a breach of fiduciary duty by an Officer or Director of the Company, in connection with such sale or purchase, including the misrepresentation or misapplication by any such Officer or Director of the proceeds from the sale of these Notes, and may be able to recover such losses from the Company.

### **11.2 INDEMNIFICATION**

Indemnification is permitted by the Company to directors, officers, or controlling persons pursuant to Arizona law. Indemnification includes expenses, such as attorneys' fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person and arising from their relationship with the Company, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

## **12. RISK FACTORS**

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

## **12.1 FORMATION OF THE COMPANY**

The Company was formed on August 29, 2007. It is therefore subject to all the risks inherent in the creation of a new Company. Unforeseen expenses, complications, and delays may occur with a new Company.

## **12.2 CONTROL BY COMPANY**

After completion of this offering, the Company will own one hundred percent (100%) of the issued and outstanding Membership Units. Such ownership will enable the Company to continue to elect all the Managers and to control the Company's policies and affairs. The Note Holders will not have any voting rights in the Company.

## **12.3 RELIANCE ON THE COMPANY FOR MANAGEMENT**

All decisions with respect to the management of the Company will be made exclusively by the Principal Managers of the LLC. The Note Holders do not have the right or power to take part in the management of the Company. Accordingly, no person should purchase a Note unless he is willing to entrust all aspects of the management of the Company to existing Management.

## **12.4 LIMITED TRANSFERABILITY OF THE NOTES**

The transferability of the Notes in this offering is limited, and potential investors should recognize the nature of their investment in the offering. It is not expected that there will be a public market for the Notes because there will be only a limited number of investors and restrictions of the transferability of Notes. The Notes have not been registered under the Securities Act of 1933, as amended, or qualified or registered under the securities laws of any state and, therefore, the Notes cannot be resold unless they are subsequently so registered or qualified or an exemption from such registration is available. The offering also contains restrictions on the transferability of the Notes. Accordingly, purchasers of Notes will be required to hold such Notes to maturity unless otherwise approved by the Company. The Company does not intend to register the Notes under the Securities Act of 1933.

## **12.5 CAPITALIZATION OF THE COMPANY**

Prior to this offering, the Company was funded by cash. Independent of the amounts raised in this offering the Company does not have any other assets available to use to pay principal or interest on the Notes.

## **12.6 REGULATIONS**

The Company is subject to usual federal and state laws, rules and regulations. The Company believes it is in full compliance with any and all applicable laws, rules and regulations both domestically and in Mexico.

## 12.7 GENERAL ECONOMY

The Company is subject to the Mexican and U.S. Economy and its effect on consumer confidence and spending.

## 12.8 DEPENDANCY ON SUPPLIERS AND BUILDING TRADES

Since the Company is dependent on building materials and the general building trades, any shortage or slowdown could affect timetables.

## 13. PRINCIPAL SHAREHOLDERS

As of the date of this Offering, the Company has Nine Hundred (900) Membership Units issued and outstanding to Jason Todd Mogler (30%), Jim Hinkeldey (30%), and Vince Gibbons (30%).

## 14. HOW TO INVEST

An Investor who meets the qualifications as set forth in this Private Offering Memorandum may subscribe for at least the minimum purchase herein of One (1) Note (Ten Thousand (\$10,000) Dollars) by carefully reading this entire Private Offering Memorandum and by then completing and signing a separately bound booklet. This booklet contains identical copies of the following exhibits contained in the Private Offering Memorandum, including:

Exhibit A INSTRUCTIONS TO SUBSCRIBERS and SUBSCRIPTION AGREEMENT: This contains complete instructions to Subscribers and should be read in its entirety by the prospective investor prior to investing. The Subscription Agreement must be signed by the Investor.

Exhibit B PROMISSORY NOTE: This Note will be signed by Tri-Core Companies, LLC.

Exhibit C INVESTOR QUESTIONNAIRE: This questionnaire requires a Subscriber to complete a financial history in order to aid the Company in the determination of the suitability of the Subscriber as a potential Investor. This questionnaire must be signed by the Investor.

Exhibit D Tri-Core Companies, LLC Business Plan

Copies of all the above referenced documents are included with this Private Placement Memorandum. For discussion of the actions of the Company upon receipt of a properly completed request to invest by a Subscriber, please see "**TERMS OF THE OFFERING.**" Such Investor should include his check made payable Tri-Core Companies, LLC, along with the SUBSCRIPTION AGREEMENT, NOTE, AND

INVESTOR QUESTIONNAIRE. Delivery of the documents referred to above, together with a check to the Company should be addressed to the Company as follows: **Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250.**

## **15. INVESTOR SUITABILITY REQUIREMENTS**

### **15.1 INTRODUCTION**

Potential Investors should have experience in making investment decisions or such Investors should rely on their own tax consultants or other qualified investment advisors in making this investment decision.

### **15.2 GENERAL SUITABILITY**

Each potential Investor will be required to represent the following by execution of a Subscription Agreement:

1. The Investor has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in this Offering
2. The Investor has the ability to bear the economic risk of this investment, has adequate means to provide for his, her, or its current needs and personal contingencies, has no need for liquidity in this investment and could afford the complete loss of the investment.
3. The Investor is acquiring the Note(s) for his, her or its own account for investment purposes only and not with a view toward subdivision, resale, distribution or fractionalization thereof, or for the account of others, and has no present intention of selling or granting any participation in, or otherwise distributing, the Note(s).
4. The Investor's overall commitment to invest in the Note(s) is not disproportionate to his, her, or its net worth and the investment in these Note(s) will not cause such overall commitment to become excessive.
5. The Investor has read and understands this Private Placement Memorandum and all its exhibits.

### **15.3 NONACCREDITED INVESTORS**

Up to and including thirty-five (35) investing Subscribers may be accepted by the Company as suitable Investors if each such Subscriber has a net worth sufficient to bear the risk of losing his entire investment and meets the above "General Suitability Standards."

#### 15.4 ACCREDITED INVESTORS

In addition to satisfying the "General Standards" as defined above, all but thirty-five (35) Subscribers for Shares must each satisfy one of the "Accredited Investors" economic suitability standards as defined below:

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;
2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;
3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);
5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.

#### **15.5 ACCEPTANCE OF SUBSCRIPTION AGREEMENT BY THE COMPANY**

The Investor Suitability Requirements referred to in this section represent minimum requirements for potential Investors. Satisfaction of these standards does not necessarily mean that participation in this Offering constitutes a suitable investment for such a potential Investor or that the potential Investors' Subscription will be accepted by the Company. The Company may, in fact, modify such requirements as circumstances dictate. All Subscription Agreements submitted by potential Investors will be carefully reviewed by the Company to determine the suitability of the potential Investor in this Offering. The Company may, in its sole discretion, refuse a Subscription in this Offering to any potential Investor who does not meet the applicable Investor Suitability Requirements or who otherwise appears to be an unsuitable Investor in this Offering. The Company will not necessarily review or accept a Subscription Agreement in the sequential order in which it is received. The Company also has the discretion to maximize the number of Accredited Investors in this Offering and, as a result, may accept less than thirty-five (35) Non-accredited Investors in this Offering.

#### **16. LITIGATION**

The Company and its Principals have no lawsuits pending, no legal actions pending or judgments entered against the Company or its Principals and, to the best knowledge of the Company, no legal actions are contemplated against the Company and/or its Principals.

## 17. ADDITIONAL INFORMATION

Reference materials described in this Private Offering Memorandum are available for inspection at the office of the company during normal business hours. It is the intention of the Company that all potential Investors are given full access to such information for their consideration in determining whether to purchase the Notes being offered. Prospective Investors should contact the Company for access to information regarding the matters set forth or other information concerning the Company. Representatives of the Company will also answer all inquiries from potential Investors concerning the Company and any matters relating to its proposed operations or present activities. The Company will afford potential Investors and their representatives the opportunity to obtain any additional information reasonably necessary to verify the accuracy or the source of any representations or information contained in this Private Offering Memorandum. All contracts entered into by the Company are subject to modifications and the Company may make any changes in any such contracts as deemed appropriate in its best discretion. Such recent amendments may not be circulated to Subscribers prior to the time of closing this Offering. However, potential Investors and their representatives may review such material or make inquiry of the Company concerning any of these and any other matters of interest.

## 18. FORECASTS OF FUTURE OPERATING RESULTS

Any forecasts and proforma financial information which may be furnished by the Company to prospective Investors or which are part of the Company's business plan, are for illustrative purposes only and are based upon assumptions made by Management regarding hypothetical future events. There is no assurance that actual events will correspond with the assumptions or that factors beyond the control of the Company will not affect the assumptions and adversely affect the illustrative value and conclusions of any forecasts.

## 19. GLOSSARY OF TERMS

The following terms used in this Memorandum shall (unless the context otherwise requires) have the following respective meanings:

**ACCEPTANCE.** The acceptance by the Company of a prospective investor's subscription.

**ACCREDITED INVESTORS.** Those investors who meet the criteria set forth in "INVESTOR SUITABILITY REQUIREMENTS."

**BROKER-DEALER.** A person or firm licensed with the NASD, the SEC and with the securities or corporate commissions department of the state in which it sells investment securities and who may employ licensed agents for that purpose.

**COMPANY.** Refers to **TRI-CORE COMPANIES, LLC**, an Arizona Limited Liability Company.

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. (NASD).** A self-regulating body which licenses brokers and dealers handling securities offerings, reviews the terms of an offering's underwriting arrangements and advertising literature and, while not a governmental agency, acts as a review service watchdog to make sure that its regulations and those of the SEC are followed for the Investor's protection in offerings of securities.

**NOTES.** A Ten Thousand (\$10,000) Dollar investment consisting of one (1) Promissory Note issued by **TRI-CORE COMPANIES, LLC**, an Arizona Limited Liability Company.

**SECURITIES ACT OF 1933.** A federal act regulated and enforced by the SEC that requires, among other things, the registration and use of a prospectus whenever a security is sold (unless the security or the manner of the Offering is expressly exempt from such registration process).

**SECURITIES EXCHANGE ACT OF 1934.** A federal act regulated and enforced by the SEC which supplements the Securities Act of 1933 and contains requirements which were designed to protect investors and to regulate the trading (secondary market) of securities. Such regulations require, among other things, the use of prescribed proxy statements when investors' votes are solicited; the disclosure of management and large shareholders' holding of securities; controls on the resale of such securities; and periodic (monthly, quarterly, annually) filing with the SEC of financial and disclosure reports of the Issuer.

**SECURITIES AND EXCHANGE COMMISSION (SEC).** An independent United States government regulatory and enforcement agency which supervises investment trading activities and registers companies and those securities which fall under its jurisdiction. The SEC also administers statutes to enforce disclosure requirements that were designed to protect investors in securities offerings.

**SUBSCRIPTION DOCUMENTS.** Consists of the Note, Subscription Agreement, Investor Questionnaire, and a check as payment for the Note(s) to be purchased submitted by each prospective Investor to the Company.

**TERMINATION DATE.** The earlier to occur of the date on which all Notes are sold or February 28, 2009.

**20. ACKNOWLEDGMENT**

By signing below, the undersigned acknowledges that he/she has read and understood this entire Private Placement Memorandum.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

03/15/2009

\_\_\_\_\_  
Print Name

CONFIDENTIAL

**CONFIDENTIAL**

**EXHIBIT A**  
**SUBSCRIPTION AGREEMENT**

**Print Name of Subscriber:** Thuy Viet Nguyen Vo

**Amount Loaned:** \$ 10,000.00

**Number of Notes:** 1 (One)

**Tri-Core Companies, LLC**

**SUBSCRIPTION DOCUMENTS**

**OFFERING OF A MAXIMUM OF FOUR HUNDRED AND FIFTY  
(450) SECURED PROMISSORY NOTES**

**TEN THOUSAND (\$10,000) DOLLARS PER NOTE**

**MARCH 1, 2008**

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**SUBSCRIPTION INSTRUCTIONS**  
(Please read carefully)

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Each subscriber for the Secured Promissory Notes, Ten Thousand (\$10,000) Dollars per Note (the "Notes") of Tri-Core Companies, LLC, an Arizona Limited Liability Company ("the Company"), must complete and execute the Subscription Documents in accordance with the instructions set forth below. The completed documents should be sent to Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250.

**Payment for the Securities should be made by check payable to the Tri-Core Companies LLC and enclosed with the documents as directed in Section III below.**

- I. These Subscription Documents contain all of the materials necessary for you to purchase the Notes. This material is arranged in the following order:
  - Subscription Agreement
  - Promissory Note
  - Confidential Prospective Purchaser's Questionnaire
- II. All investors must complete in detail, date, initial, and sign the Subscription Documents where appropriate. All applicable sections must be filled in.
- III. Payment for the Notes must be made by check as provided below:

Please make your check payable, in the appropriate amount, for the number of Notes purchased (at Ten Thousand (\$10,000) per Note), to **Tri-Core Companies, LLC**. Your check should be enclosed with your signed subscription documents.

All funds received from subscribers will be placed in a segregated Holding Account of the Company. Once the minimum offering amount has been reached the funds will be transferred to the Company's operating account and will be available for use.

IV **SPECIAL INSTRUCTIONS**

**FOR CORPORATIONS.** Include copy of Board resolution designating the corporate officer authorized to sign on behalf of the corporation, a Board resolution authorizing the investment, and financial statements.

**FOR PARTNERSHIPS.** Provide a complete copy of the partnership agreement, questionnaire, and financial statements for each General Partner.

**FOR TRUSTS.** Provide a complete copy of the instruments or agreements creating the trust, as amended to date.

**Print Name of Subscriber:** Thuy Viet Nguyen Vo

**Amount Loaned:** \$ 10,000.00

**Number of Notes:** 1 (One)

**Subscription Agreement**

To: Tri-Core Companies, LLC  
8840 E. Chaparral Road - Suite 150  
Scottsdale, AZ 85250

Gentlemen:

**1. Subscription.** The undersigned hereby subscribes for **1 (One)** Notes of Tri-Core Companies, LLC (the "Company"), an Arizona Limited Liability Company, and agrees to loan to the Company Ten Thousand (\$10,000) Dollars per Note for an aggregate loan of **\$10,000.00** (the "Loan Amount") upon the terms and subject to the conditions (a) set forth herein, and (b) described in the Confidential Private Placement Memorandum ("Private Placement Memorandum") dated March 1, 2008, together with all exhibits thereto and materials included therewith, and all supplements, if any, related to this offering. The minimum loan is Ten Thousand (\$10,000) Dollars, but the Company has the discretion to offer fractional Notes for loans less than the minimum.

**2. Note Offering.** The Company is offering a maximum of Four Hundred and Fifty (450) Notes at Ten Thousand (\$10,000) Dollars per Note, with no minimum subscription (the "Offering"). The maximum aggregate loan to the Company from this Offering will be Four Million Five Hundred Thousand (\$4,500,000) Dollars. The Offering is being made to a limited number of investors pursuant to an exemption available under the Securities Act of 1933 (the "Act"), specifically Rule 506 promulgated under Regulation D, and under certain other laws, including the securities law of certain states.

**3. Documents to Be Delivered.** The undersigned is delivering to the Company executed copies of this Subscription Agreement (the "Agreement"), the Note(s), Offeree Questionnaire, and all other applicable exhibits and documents (the "Subscription Documents"). The Subscription Documents should be delivered to Tri-Core Companies, LLC, at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. The undersigned understands and agrees that he or it will not become a "Holder" of the Note(s) and the Company shall not become a "Maker" of the Note(s) unless and until the Agreement and Note(s) are executed by the Company.

**4. Making of Loan Amount.** The undersigned, simultaneously with the delivery of the Subscription Documents to the Company, hereby tenders to the Company the Loan Amount by **check made payable to the order of Tri-Core Companies, LLC** in the amount indicated above.

**5. Acceptance or Rejection of Subscription.** The undersigned understands and agrees that the Company reserves the right, exercisable in its sole discretion, to accept or reject any subscription, in whole or in part, for any reason and that the undersigned will be notified by the Company as promptly as practicable as to whether his or its subscription has been accepted or rejected. If the undersigned's subscription is accepted, in whole or in part, by the Company, the Company will execute this Agreement and the Note(s) and return them to the undersigned. If this subscription is rejected by the Company, either in whole or in part, all funds, in the case of a rejection of the subscription in whole, or those funds representing the amount of the subscription not accepted by the Company, in the case of a rejection of the subscription in part, will be returned to the undersigned as promptly as practicable. If this subscription is rejected in whole by the Company, this Agreement shall be null, void and of no effect. The undersigned does not have the right to withdraw or revoke his or its subscription during the Offering period, except as provided by certain state laws, except that if more than thirty (30) days shall have passed from the date the Company received completed and executed Subscription Documents and the Loan Amount from the undersigned (the "Acceptance Period"), and the Company has not accepted the subscription during the Acceptance Period, the undersigned may withdraw his or its subscription at any time after the Acceptance Period up until such time that the Company subsequently decides, in its sole discretion, to accept the subscription in whole or in part.

**6. Offering Period.** The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Four Million Five Hundred Thousand (\$4,500,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

**7. Closing of the Loan.** The Note(s) subscribed for herein shall not be deemed made by the Company or held by the undersigned until this Agreement and the Note(s) have been countersigned by the Company, and until the funds delivered by the undersigned to the Company with the Subscription Documents have been deposited in the Holding Account and have been cleared by the applicable bank of the Company (the "Effective Date"). Upon the Effective Date, (a) the undersigned shall have loaned to the Company the Loan Amount, (b) the undersigned shall become the Holder and the Company shall become the Maker of the Note(s) subscribed for by the undersigned, and (c) both the undersigned and the Company shall be bound by the terms of the Private Placement Memorandum and the Subscription Documents and any other undertakings described herein.

**8. Representations and Warranties.**

- (a) The Company hereby represents and warrants as follows:

(i) The Company is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Arizona and has the requisite company power and authority to own, lease and operate its properties and to carry on its business as now being conducted;

(ii) This Agreement constitutes the valid and binding obligation of the Company enforceable against the Company in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws from time to time in effect which affect creditor's rights generally and by legal and equitable limitations on the availability of specific performance and other equitable remedies under or by virtue of this Agreement). The Company has all requisite power and authority, corporate and other to execute and deliver this Agreement and the Note(s) and to consummate the transactions contemplated hereby. All persons who have executed this Agreement and the Note(s) on behalf of the Company have been duly authorized to do so by all necessary corporate action. Neither the execution and delivery of this Agreement and the Note(s) nor the consummation of the transactions contemplated hereby will (A) violate any provision of the Certificate of Incorporation or Operating Agreement of the Company, as currently in effect, (B) violate any judgment, order, injunction, decree or award against, or binding upon, the Company or the securities, assets, properties, operations or business of the Company, or (C) violate any law or regulation applicable to the Company or to the securities, assets, properties, operations or business of the Company.

(b) In order to induce the Company to accept the subscription made hereby, the undersigned hereby represents and warrants to the Company as follows:

(i) The undersigned has received the Private Placement Memorandum and the Subscription Documents. The undersigned has read and understands the Private Placement Memorandum and Subscription Documents and the information contained in those documents concerning the Company and this Offering or has caused his or its representative to read and examine the Private Placement Memorandum and Subscription Documents. The undersigned has relied only on the information about the Company contained in these documents and his or its own independent investigation in making his or its subscription. The undersigned understands that the Notes will be issued with the rights and subject to the conditions described in the Private Placement Memorandum and Subscription Documents;

(ii) The undersigned is familiar with the terms and conditions of the Offering and is aware that his or its investment involves a

degree of risk and the undersigned has read the section in the Private Placement Memorandum titled "Risk Factors."

(iii) The undersigned hereby specifically accepts and adopts each and every provision of this Agreement and acknowledges and agrees with each and every provision of this Agreement and, upon acceptance by the Company of the subscription made hereby, agrees to be bound by such provisions.

(iv) The undersigned acknowledges and is aware that there is no assurance as to the future performance of the Company.

(v) The undersigned, if an individual (A) has reached the age of majority in the state in which he resides and (B) is a bona fide resident and domiciliary (not a temporary or transient resident) of the state set forth below his signature on the signature page hereof and has no present intention of becoming a resident of any other state or jurisdiction. The undersigned, if a partnership, corporation, limited liability company, trust or other entity, was organized or incorporated under the laws of the jurisdiction set forth below the signature made on its behalf on the signature page hereof and has no present intention of altering the jurisdiction of its organization, formation or incorporation.

(vi) The undersigned has the financial ability to bear the economic risk of an investment in the Offering, has adequate means of providing for his or its current needs and personal contingencies, has no need for liquidity in the Note(s) and could afford a complete loss of his or its investment in the Offering.

(vii) The undersigned represents and warrants to the Company that he or it comes within one of the categories of investors as defined in Exhibit 1 hereto (*please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity*).

(viii) The undersigned has been given the opportunity to review the merits of an investment in the Offering with tax and legal counsel or with an investment advisor to the extent the undersigned deemed advisable.

(ix) The undersigned's overall commitment to invest in the Note(s), which are not readily marketable, is not disproportionate to his or its net worth and his or its investment in the Offering will not cause such overall commitment to become excessive.

(x) The undersigned has such knowledge and experience in financial and business matters that he or it is capable of evaluating the merits and risks of an investment in the Offering.

(xi) The undersigned has been given a full opportunity to ask questions of and to receive (A) answers from the Company and its Managers concerning the terms and conditions of this Offering and the business of the Company and (B) such other information as he or it desired in order to evaluate an investment in the Offering, and all such questions have been answered to the full satisfaction of the undersigned. No oral or written representations have been made or oral or written information furnished to the undersigned or the undersigned's advisors in connection with the Offering or interests that were in any way inconsistent with this Subscription Agreement. The undersigned is not participating in the Offering as a result of or subsequent to: (1) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or (2) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(xii) If the undersigned is a corporation, limited liability company, partnership, trust or other entity, it is authorized and qualified to make this loan to the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so.

(xiii) If the undersigned is a corporation, limited liability company or partnership, the person signing this Agreement on its behalf hereby represents and warrants that the information contained in this Agreement completed by any shareholders of such corporation, members of such limited liability company or partners of such partnership is true and correct with respect to such shareholder, member or partner (and if any such shareholder is itself a corporation, limited liability company or partnership, with respect to all persons having an equity interest in such corporation, limited liability company or partnership, whether directly or indirectly) and that the person signing this Agreement has made due inquiry to determine the truthfulness and accuracy of the information contained in this Agreement.

(xiv) The purchase of the Note(s) by the undersigned has been duly authorized, and the execution, delivery and performance of this Agreement does not conflict with the undersigned's partnership agreement, certificate of incorporation, by-laws, articles of organization, operating agreement or any agreement to which the undersigned is a party and this Agreement is a valid and binding agreement enforceable against the undersigned in accordance with its terms.

(xv) The undersigned hereby represents that he or it is subscribing for the Notes as principal or as trustee, solely for the account of the undersigned, for investment purposes only and not with a view to, or for, subdivision, resale, distribution, or fractionalization thereof, in whole or in part, or for the account, in whole or in part, of others, and, except as disclosed herein, no other person has a direct or indirect beneficial interest in the Note(s). The undersigned will hold the Note(s) as an investment and has no reason to anticipate any change in circumstances or other particular occasion or event, which would cause the undersigned to attempt to sell any of the Note(s).

(xvi) The undersigned acknowledges his or its understanding that (A) the Offering of the Note(s) by the Company has not been registered under the Act, as amended, or the securities laws of certain states in reliance on specific exemptions from registration, (B) the Confidential Memorandum and Subscription Documents have not been filed with or reviewed by the Securities and Exchange Commission or the securities department of any state and no securities administrator of any state or the federal government has recommended or endorsed this Offering or made any finding or determination relating to the fairness of an investment in the Company, and (C) the Offering of the Note(s) by the Company is intended to be exempt from registration pursuant to Section 4 (2) of the Act and the rules promulgated there under by the Securities and Exchange Commission, and that the undersigned's Note(s) cannot be sold, pledged, assigned or otherwise disposed of unless they are registered under the Act or an exemption from such registration is available.

(xvii) The undersigned represents and warrants that he or it will not transfer or convey all or part of his or its financial interest in the Note(s) unless such Note(s) are subsequently registered under the Act, or an exemption from such registration is available and without (A) the prior written consent of the Company and (B) an opinion of counsel acceptable to the Company and its counsel to the effect that the Note(s) may be transferred without violation of the registration requirements of the Act or any applicable state securities laws, as may be amended from time to time. The undersigned further acknowledges that there can be no assurance that the Company will file any registration statement for the Note(s) for which the undersigned is subscribing, that such registration statement, if filed, will be declared effective or, if declared effective, that the Company will be able to keep it effective until the undersigned sells the Note(s) registered thereon.

(xviii) The undersigned understands that this Agreement is subject to the Company's acceptance and may be rejected by the Company at any time in its sole discretion in whole or any part

prior to issuance of the Note(s) with respect to the undersigned's subscription, notwithstanding prior receipt by the undersigned of notice of acceptance of the undersigned's subscription. The Company reserves the right to withdraw the Offering at any time.

(xix) The undersigned acknowledges that this Agreement shall become binding upon the undersigned when it is countersigned by the Company and the undersigned is not entitled to cancel, terminate, or revoke this subscription before or after acceptance by the Company, except as otherwise provided in this Agreement.

(xx) All information provided by the undersigned in the Investor Questionnaire and Investor Representative Questionnaire (if applicable) which accompanies this Agreement is true and accurate in all respects, and the undersigned acknowledges that the Company will be relying on such information to its possible detriment in deciding whether the Company can make these Note(s) to the undersigned without giving rise to the loss of an exemption from registration under the applicable securities laws.

**9. Foreign Person.** If the undersigned has indicated on the signature page of this Agreement that he, she or it is a foreign person, he, she, or it agrees to notify the Company in writing within sixty (60) days of becoming a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign entity, as the case may be.

**10. Indemnity.** The undersigned agrees to indemnify and hold harmless the Company, its managers, members, agents, attorneys and affiliates and each other person, if any, who controls any thereof, within the meaning of Section 15 of the Act, against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in this Agreement or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

**11. Notice.** All notices in connection with this Agreement shall be in writing and personally delivered or delivered via overnight mail, with written receipt therefore, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 11) with a copy, in the case of notice to the Company, to Tri-Core Companies, LLC, at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

**12. Miscellaneous.**

(a) This Agreement is not assignable by the undersigned. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) This Agreement shall be deemed to have been made in the State of Arizona and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Agreement.

(c) This Agreement contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied, except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties to this Agreement.

(d) No waiver of any breach of any terms of this Agreement shall be effective unless made in writing signed by the party against whom enforcement of the waiver is sought and no such waiver shall be construed as a waiver of any subsequent breach of that term or of any other term of the same or different nature.

(e) If any provision or portion of this Agreement or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Agreement.

(f) Each of the parties hereto shall cooperate and take such actions, and execute such other documents, at the execution hereof or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.



If the investor is PARTNERSHIP, CORPORATION, TRUST OR OTHER ENTITY, complete the following:

The undersigned (circle one) [is] [is not] a foreign partnership, foreign corporation, trust or foreign estate (as defined in the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated there under).

_____ <b>Print Name of Partnership, Corporation, Trust, or Other Business Entity</b>	_____ <b>Print Federal Tax Identification Number</b>
_____ <b>Signature of Authorized Representative</b>	_____ <b>Print Jurisdiction of Entity</b>
_____ <b>Print Name of Authorized Representative</b>	_____ <b>Print Title of Authorized Representative</b>
_____ <b>Print Residential Address of Investor:</b>	_____ <b>Print Residential Telephone Number:</b>
_____	_____
_____	_____

**ACCEPTANCE**

The terms of the foregoing, including the subscription described therein, are agreed to and accepted on this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

**TRI-CORE COMPANIES, LLC**

By:   
**Jason Todd Mogler - President**

By: \_\_\_\_\_  
**Jim Hinkeldey - Vice-President**

**EXHIBIT 1  
INVESTOR STATUS**

(Please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity).

TV  
initials

A. **"Nonaccredited Investor"**. The undersigned does not meet the definition of an "Accredited Investor" as defined herein below;

\_\_\_\_\_  
initials

B. **"Accredited Investor"**. The undersigned is an Accredited Investor as defined below. (check applicable box):

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;

2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;

3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

**NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.**

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\* If this box is checked, please indicate on a separate schedule to be attached hereto, the category of Accredited Investor in which each equity owner of such entity is included.

**CONFIDENTIAL**

**EXHIBIT B  
PROMISSORY NOTE**

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**EXHIBIT B**

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**PROMISSORY NOTE**

**THIS NOTE HAS BEEN MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH THE DISTRIBUTION THEREOF AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS NOTE MAY NOT BE SOLD, TRANSFERRED, OR ASSIGNED ("TRANSFER") UNLESS IT IS SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE MAKER CONSENTS IN WRITING TO SUCH TRANSFER.**

**Tri-Core Companies, LLC**, an Arizona Limited Liability Company, with offices at 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250 (the "Maker"), for value received, promises to pay to the Individual and/or legal entity designated in this Note as the "HOLDER," the principal sum of **Ten Thousand Dollars** with a rate of return of sixty percent (60%) compounded annually. Interest shall be due and payable at maturity and based on the commencement date of the Note. The entire Principal shall be due and payable to the Holder no later than twenty-four (24) months from the Commencement Date. The principal and any interest due on said principal may be prepaid at the sole discretion of the Company, without a prepayment penalty or premium at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of sixty (60%) percent if for reasons beyond the Company's control, such as labor strikes or shortness of building materials, the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve months from the above noted maturity date.

**1. NOTES**

This Note in the principal amount of Ten Thousand (\$10,000) Dollars per Note, or any fractional amounts, is offered for sale by the Maker, pursuant to that certain "Private Placement Memorandum" dated March 1, 2008. The Note shall be senior debt of the Maker and secured by the property.

**2. EVENTS OF DEFAULT**

A default shall be defined as one or more of the following events ("Event of Default") occurring and continuing:

- (a) The Maker shall fail to pay any interest payment on this Note when due for a period of thirty (30) days after notice of such default has been sent by the Holder to the Maker.
- (b) The Maker shall dissolve or terminate the existence of the Maker.

(c) The Maker shall file a petition in bankruptcy, make an assignment for the benefit of its creditors, or consent to or acquiesce in the appointment of a receiver for all or substantially all of its property, or a petition for the appointment of a receiver shall be filed against the Maker and remain unstayed for at least ninety (90) days.

Upon the occurrence of an Event of Default, the Holder of this Note may, by written notice to the Maker, declare the unpaid principal amount and all accrued interest of the Note immediately due and payable.

### **3. SECURITY FOR PAYMENT OF THE NOTE(S)**

The Note(s) offered by the MAKER are secured by future land purchase.

### **4. COMMENCEMENT DATE OF THE NOTE**

The Commencement Date of the Note shall be the "Effective Date," as defined in that certain "Subscription Agreement" attached as Exhibit A to the Private Placement Memorandum.

### **5. STATUS OF HOLDER**

The Maker may treat the Holder of this Note as the absolute owner of this Note for the purpose of making payments of principal or interest and for all other purposes, and shall not be affected by any notice to the contrary, unless the Maker so consents in writing.

### **6. SECURITIES ACT RESTRICTIONS**

This Note has not been registered for sale under the Act. This Note may not be sold, offered for sale, pledged, assigned or otherwise disposed of, unless certain conditions are satisfied, as more fully set forth in the Subscription Agreement.

### **7. ATTORNEYS' FEES**

The prevailing party in an action to enforce this Note shall be entitled to reasonable attorneys' fees, costs, and collection expense.

### **8. MISCELLANEOUS.**

(a) **Successors and Assigns.** The Holder may not assign, transfer, or sell this Note to any party without the express written consent of the Maker. This Note shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) **Entire Agreement.** This Note contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied,

except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Note shall be effective unless in writing and signed by both parties to this Note.

(c) **Notices.** All notices in connection with this Note shall be in writing and personally delivered or delivered via overnight mail, with written receipt thereof, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 8) with a copy to Tri-Core Companies, LLC, 8840 E. Chaparral Road, Suite 150, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

(d) **Section Headings.** The headings of the various sections of the Note have been inserted as a matter of convenience for reference only and shall be of no legal effect.

(e) **Severability.** If any provision or portion of this Note or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Note.

(f) **Applicable Law.** This Note shall be deemed to have been made in the State of Arizona, and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in the State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Note.

(g) **Approval.** By signing below, each party respectively acknowledges that they have read and approved this promissory note.

**Maker:**

**Tri-Core Companies, LLC,**  
An Arizona Company  
8840 E. Chaparral Road - Suite 150  
Scottsdale, AZ 85250

**Holder:**

**Thuy Viet Nguyen Vo**  
[REDACTED]  
[REDACTED] CA [REDACTED]

*Jason Todd Moolen*

Print Name

*[Signature]* 5-11-08

Signature & Date

Print Name

Signature & Date

**EXHIBIT C**

**Tri-Core Companies, LLC**

**Investor Suitability Questionnaire**

To: Prospective purchasers of Promissory Notes (the "Notes") offered by Tri-Core Companies, LLC (the "Company").

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an "Accredited Investor," as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Company for purchasing Notes. ***This questionnaire is not an offer to sell securities.***

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Company deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Notes.

***Please answer all questions completely and execute the signature page***

**A. Personal**

1. Full Name: Thuy Viet Nguyen Vo

2. Address of Principal Residence: [REDACTED] CA [REDACTED]

County: \_\_\_\_\_

3. Residential Telephone Number: [REDACTED]

4. Where are you registered to vote (County & State)? \_\_\_\_\_

5. Your driver's license is issued by the following state: \_\_\_\_\_

6. Other Residences or Contacts: *Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license, or have any other contacts, and describe your connection with such state:*  
\_\_\_\_\_  
\_\_\_\_\_

7. Please send all correspondence to:

(1)  Residential Address [as set forth in item A-2]

(2)  Business Address [as set forth in item B-1(a)]

8. Date of Birth: \_\_\_\_\_  
9. Country of Citizenship: VIETNAM  
10. Social Security Number or Tax I.D. Number: \_\_\_\_\_  
11. E-Mail Address: vertact@\_\_\_\_\_

**B. Occupations and Income**

1. Occupation: \_\_\_\_\_  
(a) Business Address: \_\_\_\_\_  
\_\_\_\_\_  
(b) Business Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_
2. Gross income during each of the last two years exceeded:  
(1) \_\_\_\_\_ \$25,000      (3) \_\_\_\_\_ \$50,000  
(2) \_\_\_\_\_ \$100,000      (4)  \$200,000
3. Joint gross income with spouse during each of the last two years exceeded \$300,000.  
(1) \_\_\_\_\_ Yes      (2) \_\_\_\_\_ No      (3)  Not Applicable
4. Estimated gross income during current year exceeds:  
(1) \_\_\_\_\_ \$25,000      (3) \_\_\_\_\_ \$50,000  
(2) \_\_\_\_\_ \$100,000      (4)  \$200,000
5. Estimated joint gross income with spouse during current year exceeds \$300,000.  
(1) \_\_\_\_\_ Yes      (2) \_\_\_\_\_ No      (3)  Not Applicable

**C. Net Worth**

1. Current net worth or joint net worth with spouse (note that "net worth" includes all of the assets owned by you and your spouse in excess of total liabilities, including the fair market value, less any mortgage, of your principal residence.)

- (1) \_\_\_\_\_ \$50,000-\$100,000      (2) \_\_\_\_\_ \$100,000-\$250,000      (3) \_\_\_\_\_ \$250,000-\$500,000  
(4)  \$500,000-\$750,000      (5) \_\_\_\_\_ \$750,000-\$1,000,000      (6) \_\_\_\_\_ over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1)  Yes (2)  No

**D. Affiliation with the Company**

Are you a director or executive officer of the Company?

(1)  Yes (2)  No

**E. Investment Percentage of Net Worth**

If you expect to invest at least \$100,000 in Notes, does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse?

(1)  Yes (2)  No (3)  Not Applicable

**F. Consistent Investment Strategy**

Is this investment consistent with your overall investment strategy?

(1)  Yes (2)  No

**G. Prospective Investor's Representations**

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

**Prospective Investor(s):**

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature (of spouse or co-investor, if purchase is to be made as joint tenants or as tenants in common)

Date: \_\_\_\_\_

## **EXHIBIT D**

### **TRI-CORE COMPANIES, LLC BUSINESS PLAN**

#### **Mission Statement**

The mission of Tri-Core Companies, LLC (the Company) is to purchase virgin beachfront land on the Gulf of California (Sea of Cortez), Sonora, Mexico for either resale or for development.

The specific location the Company has concentrated on is between El Golfo de Santa Clara on the north and Puerto Peñasco (Rocky Point) on the south. This is a distance of about 80 miles and was chosen because of the access the new Coastal Highway has afforded this area. Prior to the new highway, this area was inaccessible except by rugged four-wheel-drive vehicles. The highway will make this area accessible by automobile for millions of visitors and buyers from the United States.

The Company believes that there will be a major increase in demand for property in this area with the completion of the highway. The highway is currently over three-quarters complete and only a 15-mile portion of the center section remains to be completed. This section is scheduled for completion by the end of Spring 2008.

#### **Business Operations**

##### **Ownership and Employees:**

The Company is intended to be a very competitive, highly motivated company with a small number of select key employees. The majority of the day to day responsibilities, planning and development tasks will be performed by the principal/managing partners. All other tasks that cannot be performed on behalf of the company by principals or employees will be done by hired contract services. An example of a hired contract service would be accounting.

##### **Jason Todd Mogler – President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

**Vince Gibbons – Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for “going the extra mile” to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club – Mohave County, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.

- **Eagle View Subdivision – Kingman, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.

- **Villages at Loreto Bay, Master Planned Development – Loreto, Mexico.**

Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.

- **Colonias de Cardenas, Master Planned Community – Panama City, Panama.**

Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.

- **Punta Delfin, Enchantment of México – Sea of Cortez, Sonora, México.**

Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey – Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

Mr. Hinkeldey's educational background consists of a degree in Banking and Money Management from Adelphi University, Long Island, New York. He also holds a three year specialized degree in real estate finance from the Mortgage Bankers of America which he received at Northwestern University. He attended numerous programs for finance, real estate, and management at New York University and Wharton Business School.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **Market Knowledge and the Property Knowledge of the Marketplace:**

The Principals of the Company have been active in real estate and Mexico for several years and consider the El Golfo/Rocky Point market one of the (if not the most) active markets in all of Mexico for development and potential upside investment.

The El Golfo area was chosen for the Company's purchases due to its potential appreciation. Some of the driving factors that influenced this decision were:

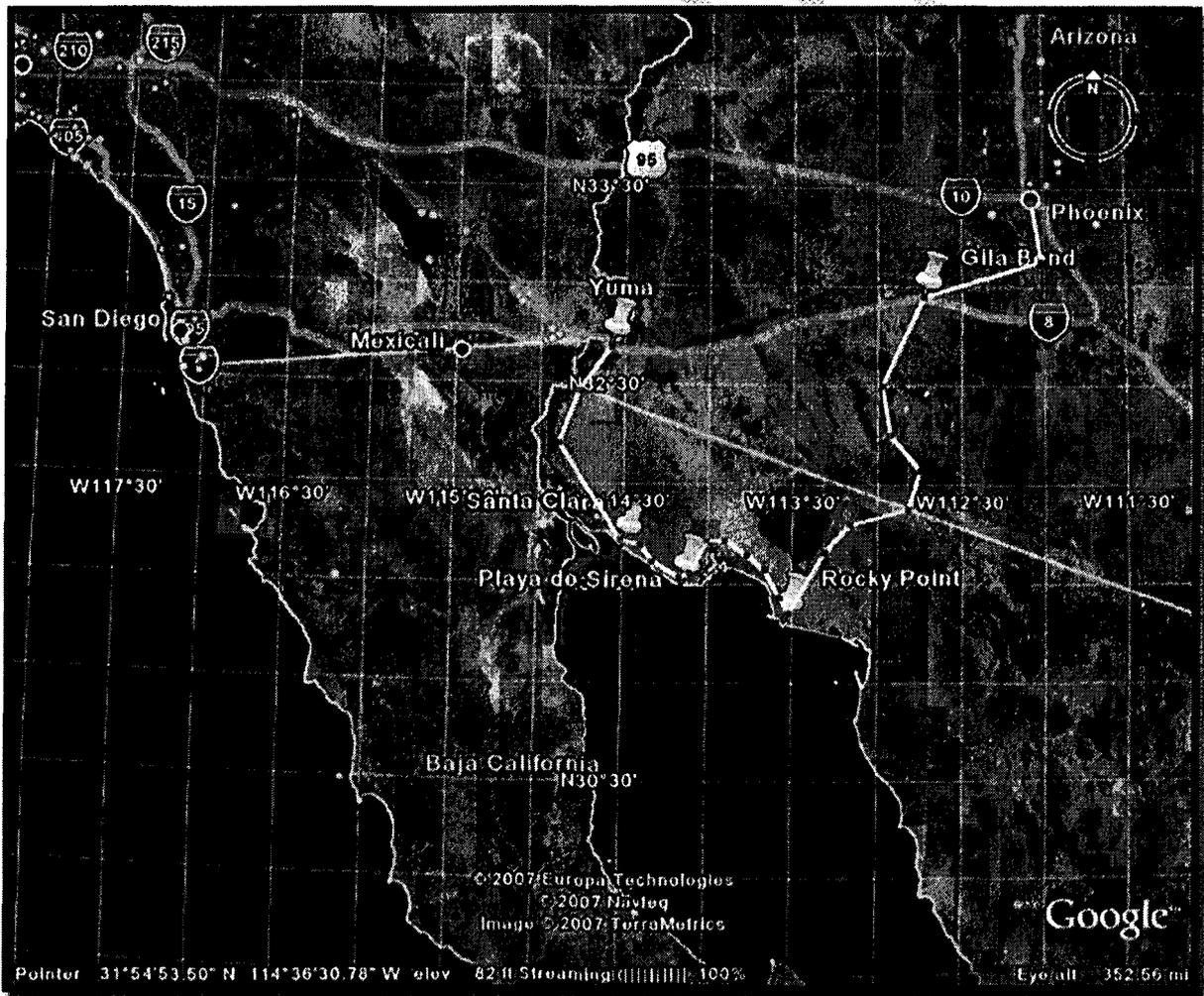
- The new Coastal Highway;
- Its close proximity to the United States markets (one hour drive from the Border of US/Mexico);
- Its location on a beautiful, pristine, major body of water;
- The quality of the sand beaches ;
- The scenic mountain views of the Baja Peninsula;
- The opening of the area by the construction of the Coastal Highway from the US/Mexico border 300 miles to the south along the coast of the Sea of Cortez to Guaymas, Mexico, a major seaport;
- The \$50 million dollar international airport under construction at Rocky Point that will accommodate all types of passenger planes. The first runway is completed and the balance is to be completed by 2008.

- Two state-of-the-art hospitals, Hospital of Peñasco and the IMMS Hospital, are currently under construction and will serve the El Golfo/Rocky Point areas.

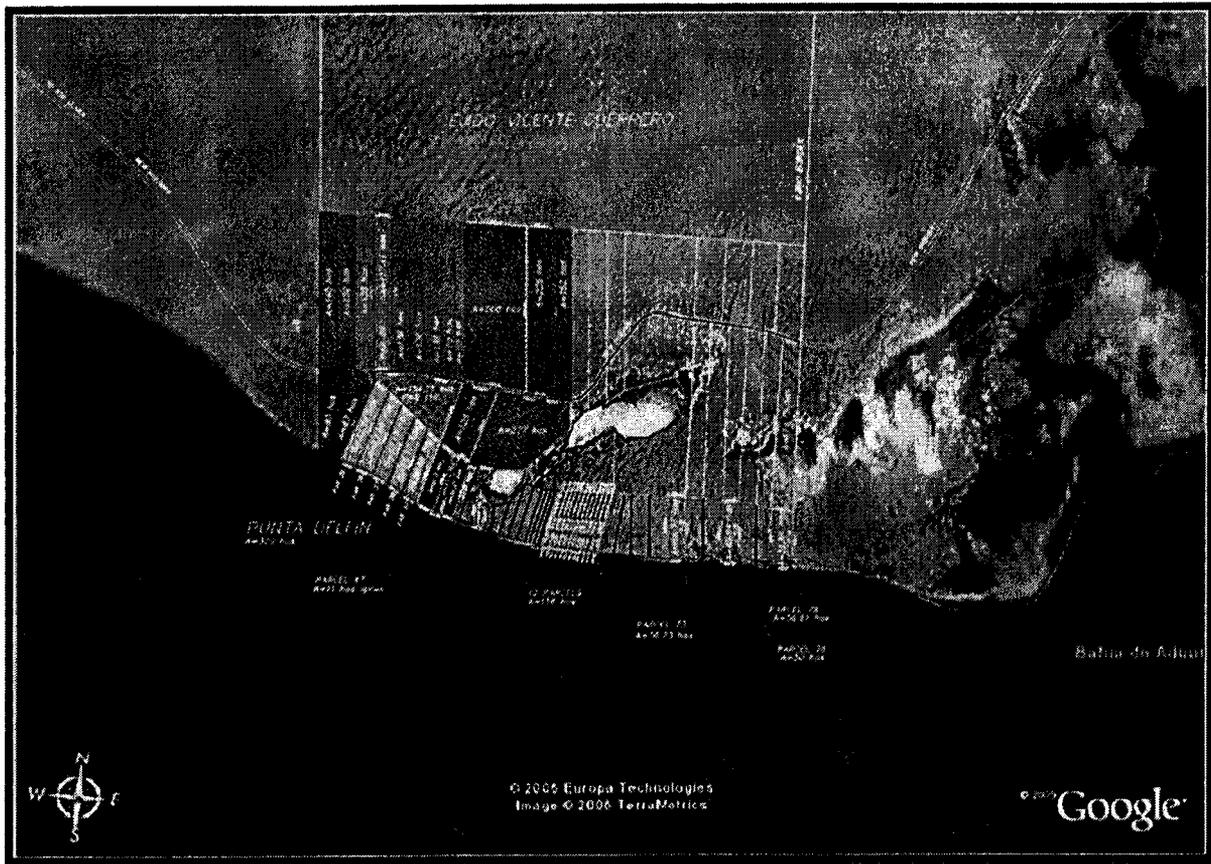
The Mexican and Sonoran Governments are dedicated to promoting the area as a major destination for both Americans and Canadians. This is evidenced by the millions of dollars of infrastructure being put in place by the United States and Mexican Governments. A prime example of this dedication is the Coastal Highway. This three hundred mile highway is being built at a cost in excess of \$200 million dollars and will connect the port city of Guaymas in Mexico with the US/Mexico border at San Luis Rio Colorado, south of Yuma, Arizona. This will make this whole area much more accessible for millions of Americans in Southern California, Arizona, and Nevada for weekends and vacations, as well as for longer stays by visitors from all across the United States and Canada.

### The Property

Parcel 47 – Relaxante is at the southeastern edge of the town of El Golfo on the Sea of Cortez. It is approximately one hour drive time south of the U.S. /Mexico border at San Luis.



This parcel has approximately 26.75 acres of land with over 640 feet of beautiful sandy beach frontage. There are rolling dunes and wonderful views of the Sea of Cortez and the mountains of the Baja Peninsula. The site is well-adapted for the launching of small boats.



### **The Proposed Development for Lot 47:**

This project is a proposed gated luxury development fronting on and viewing the Sea of Cortez in the rapidly developing area of San Luis Rio Colorado, Sonora, Mexico. The property consists of 10.83+/- hectares (26.8+/- acres) of land on a site overlooking the scenic waterways of the Sea of Cortez and the mountains of the Baja Peninsula to the west. The property has over 200 meters (640+/- feet) of sandy beach frontage. There are beautiful scenic views up and down the sandy beaches of the Sea of Cortez (a.k.a. the Gulf of California).

This project is a proposed mixed-use development, including a gated single-family development of 40+/- villa lots, a 140-unit condominium development, and some commercial facilities.

Due to topography, the northerly portion of the site contains a mid-rise condominium building. The center portion of the site is gently sloping and will contain the staggered water view lots. The southern beachfront portion of the site contains six beachfront lots, along with a beachfront pool and beach club. Due to the carefully chosen staggered lot placement, all villas and condominium units will enjoy beautiful views of the Sea of Cortez and the mountains of the Baja Peninsula.

Villa lots will be approximately 6,500 square feet in size and the Villas will range in size from 2,400 to 2,600 square feet. The condominium units will be approximately 1,500 square feet with larger units located on the top floors. The six prime waterfront lots will be on the beach – affording wonderful views for miles in each direction and easy water and beach access. The development will provide all the amenities associated with a destination development.

### **Business Goals**

In early 2008, we will be contracting for the necessary survey, topographical map, and environmental studies required for the permitting stage. In addition, we will proceed with the concession for the "Federal Zone" so that we may have exclusive use of the 20 meters adjacent to the "high water mark" that is currently controlled by the Mexican Government. This is an important concession and we are proceeding forward.

After preliminary discussions with utility suppliers, it is the Company's belief that the use of self-contained utilities are in the best interest of the development. Permits for these utilities will be sought from the municipality of San Luis (the governing entity), in conjunction with our partners.

During the early part of 2008, the Company's primary focus will be on the preparation of the site plan, all required studies, and the gathering of bids for utilities. It is anticipated that by mid-2008, we will be finalizing the preliminary plans in accordance with site reports.

Once the final layout has been concluded, talks with local developers, investors, and realtors in Mexico and the United States will commence. It is the intention that the Company will be in a position to move quickly and efficiently to either sell individual lots or sell the development. The Company foresees the actual sale of the parcels occurring in mid-year 2009.

To ensure further success, the Company will continue to focus on the development of strong relationships with key property professionals (realtors, agents, financial institutions, law firms, building contractors and suppliers, etc.). While we presently enjoy a good working relationship with several governmental agencies, we will also be working quite diligently throughout the entire developmental process to further strengthen and expand our relationships with governmental agencies and political entities. Since we also understand and respect the Mexican culture, we foresee no obstacle in achieving a strong and favorable relationship with the governing authorities.

**El Golfo / Rocky Point – General Economic and Area Information:**

The Colorado River forms the state line between Arizona, California, and Nevada, and continues southerly to the Sea of Cortez. Along its entire length, it is a major recreation / boating area for Arizona, Nevada, and Southern California in the spring and summer, as well as a perfect destination for "Snowbirds" in the winter – creating a year-round demand for the entire area.

Historically, neighboring Rocky Point has been a major recreational area for Phoenix and Tucson, Arizona. The drive time to Rocky Point has been about four-plus hours from Phoenix, making it a very easy weekend vacation spot. There have been many new high and mid-rise condominium units built in the Sandy Beach neighborhood of Rocky Point within the past few years. These are well-designed and constructed developments with many beachfront amenities. These units have generally sold for \$300,000 to over \$1,500,000, primarily to U.S. residents.

El Golfo is about 25 miles east of Rocky Point. The El Golfo area is near the northern end of the Sea of Cortez and is well protected from adverse weather. Consequently, the waters are generally calm. El Golfo is a picturesque fishing village with long, wide, sandy beaches. The fishermen launch their boats from the sandy beaches directly to the water. There is at present one paved road that ends at El Golfo.

The new Coastal Highway will make the drive between El Golfo and Rocky Point less than 30 minutes. Accordingly, this whole area between Rocky Point and El Golfo is poised to undergo extensive real estate development. In anticipation of this future growth, a new major border crossing facility is planned for San Luis to help relieve congestion at the present in-town facility. The number of inspection lanes will increase from five to sixteen, and will consequently decrease the time for crossing the border.

For the first time, large U.S. markets from California, Nevada, and Western Arizona will be within a reasonable driving distance. As an example, the Southern California market will have its driving time reduced from approximately eight hours to just around four hours. There are many resort areas of Mexico with extensive development taking place, however, there are only limited areas on the calm waters of the Sea of Cortez that have good driving access from the United States.

The new highway is the driving force that has dramatically changed access to this area. It is the Company's belief that since prime oceanfront land in this area's acreage is limited, the demand for this property will be strong. This belief is further strengthened by its aggressive promotion of Relaxante to the new markets of California, Nevada, and Western Arizona.

**Proforma**

<b>Parcel 47</b> <b>Pro Forma - 26.75 acre (10.84 Ha.)</b> <b>Sale Project to a Developer</b> <b>March 2008</b>		<b>TOTALS</b>
<b>REVENUE</b>		
Sales Price Developer		\$14,200,000
<b>Total Revenue</b>		<b>\$14,200,000</b>
Finder's Fee	4%	\$568,000
<b>Total Net Revenue</b>		<b>\$13,632,000</b>
<b>EXPENSES</b>		
<b>ON-SITE WORK</b>		
Mass Excavation / Fill & Grading		\$200,000
Gated Entryway		\$25,000
Perimeter Wall		\$100,000
<b>Total Onsite Work</b>		<b>\$325,000</b>
<b>SOFT COSTS - GENERAL, ADMINISTRATIVE &amp; LEGAL</b>		
Administrative (Taxes, Permits & Licensing)		\$50,000
NATAWA Bond		\$200,000
Legal		\$100,000
<b>Total General Expenses</b>		<b>\$350,000</b>
<b>GENERAL PROJECT EXPENSES</b>		
Project Master Plan		\$80,000
Engineering		\$50,000
Boundary and Topographic Survey		\$20,000
Concept Approval, Zoning, Environmental		\$130,000
<b>Total General Project Expenses</b>		<b>\$280,000</b>
<b>TOTAL EXPENSES</b>		
Project Contingency		\$95,500
Principal and Interest		\$11,520,000
<b>Total Expenses, Contingency, and Interest</b>		<b>\$12,570,500</b>
<b>Net Income</b>		<b>\$1,061,500</b>

Parcel 47 Pro Forma - 26.75 acre (10.84 Ha.) Vertical on Condos , Vertical on Villas March 2008		TOTALS			
	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
<b>UNITS</b>					
Condo Tower Units	140				
Ocean View Villas	38				178
<b>REVENUE</b>					
Condo Tower Units		1,500		\$300,000	\$42,000,000
Ocean View Villas		2,500		\$1,300,000	\$49,400,000
<b>Total Revenue</b>					<b>\$91,400,000</b>
<b>INFRASTRUCTURE TAKE-OUTS</b>					
NATAWA (\$30k x 178 Units)					\$5,340,000
<b>SALES COMMISSIONS</b>					
Sales Commissions	6%				\$5,484,000
<b>Total Sales Commissions</b>					<b>\$5,484,000</b>
<b>Total Net Revenue</b>					<b>\$80,576,000</b>
<b>EXPENSES</b>					
<b>PROJECT ACQUISITION</b>					<b>\$14,200,000</b>
<b>AMENITIES CONSTRUCTION</b>					
Landscape and Irrigation System					\$80,000
Grading					\$95,000
Beach Club					\$1,000,000
18- Hole Putting Course					\$500,000
Construction Office					\$215,000
<b>Total Amenities</b>					<b>\$1,890,000</b>

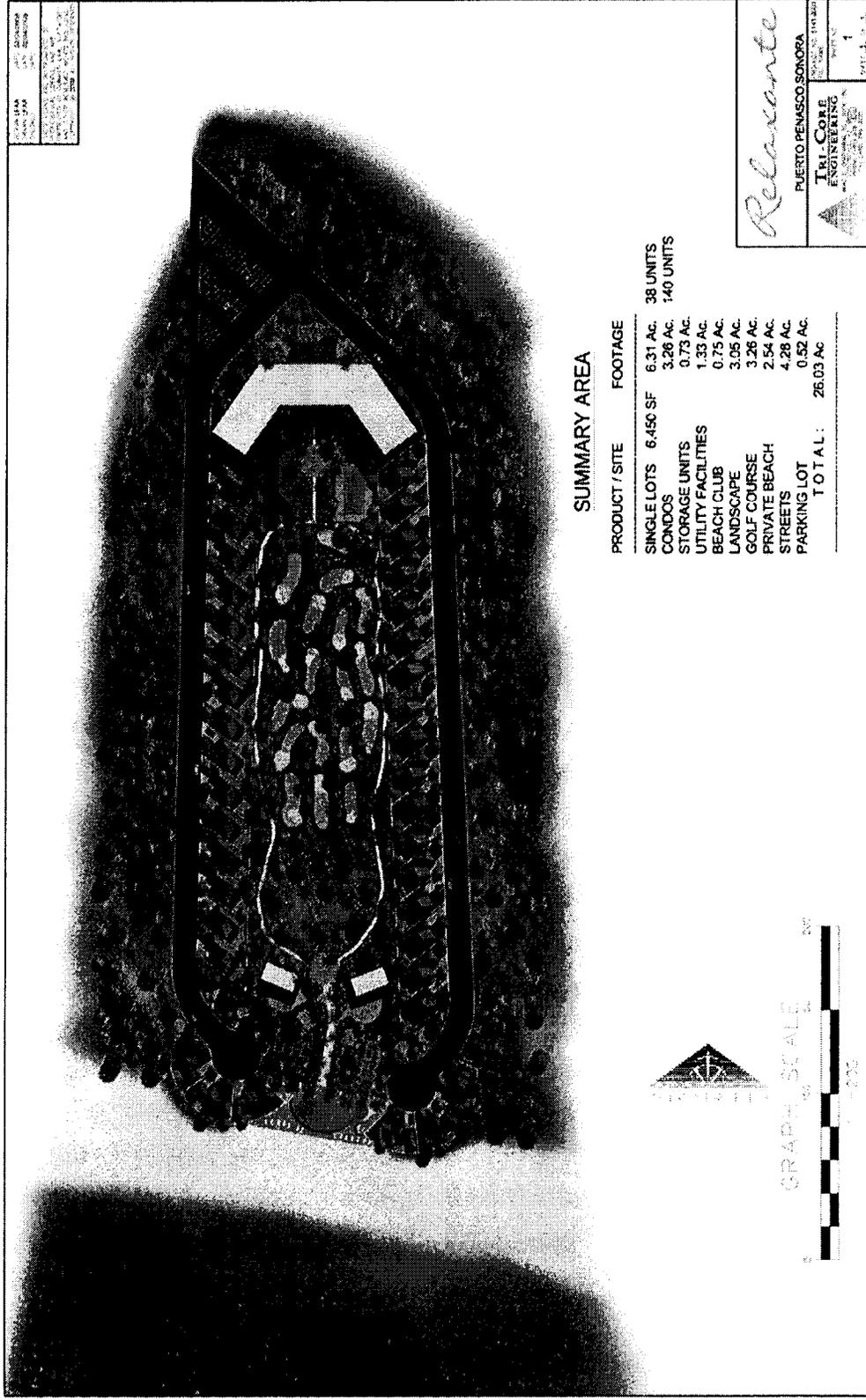
Vertical (Continued)	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
<b>Condo Tower Units</b>					
Construction	140	1,500	110		\$23,100,000
Architectural (4% of construction costs)			4.0%		\$924,000
<b>Total Condominiums</b>					<b>\$24,024,000</b>
<b>Ocean View Villas</b>					
Construction	38	2,500	125		\$11,875,000
Architectural (4% of construction costs)			4.0%		\$475,000
<b>Total Ocean View Villas</b>					<b>\$12,350,000</b>
<b>SOFT COSTS - GENERAL, ADMINISTRATIVE &amp; LEGAL</b>					
Administrative (Taxes, Permits & Licensing)					\$550,000
Accounting					\$80,000
Legal					\$322,500
<b>Total General Expenses</b>					<b>\$952,500</b>
<b>MARKETING</b>					
Initial Launch					\$860,000
Marketing (% of gross sales)			5%		4,570,000
<b>Total Marketing</b>					<b>\$5,430,000</b>
<b>GENERAL PROJECT EXPENSES</b>					
Construction Camp					
Temporary Utilities (Power, Sewer, Water)					\$107,500
Bunk House (4 people per room)	50	200	\$40		\$400,000
Mess Hall					\$43,000
Medical Operating Cost (\$5,000 per month)					\$240,000
Security (Temporary)					\$150,000
Gatehouse					\$30,000
Employee Housing					\$800,000
Offsite (Scottsdale 3,000sf, @ \$3 sf 4 yrs)					\$423,000
Offsite (San Diego 2,000sf, @ \$3 sf 4 yrs)					\$288,000
Offsite (Rocky Point 2,000sf, @ \$3 sf 4 yrs)					\$288,000
Temporary Sales Office					\$12,900
Sales Office					\$43,000
Job Supervision & Coordination					\$100,000
<b>Total General Project Expenses</b>					<b>\$2,925,400</b>
<b>TOTAL EXPENSES</b>					<b>\$61,771,900</b>

Vertical (Continued)	# of Units	Unit Size	Price/Cost / S.F.	Unit Sales/Cost	Total
Project Contingency	5%				3,088,595
Interest (Debt Service)					1,440,000
<b>Total Expenses, Contingency and Interest</b>					<b>\$66,300,495</b>
<b>Net Income</b>					<b>\$14,275,505</b>
<b>Cumulative</b>					<b>15.6%</b>

CONFIDENTIAL



Site Plan



DATE: 11/11/03	BY: J. S. GONZALEZ
PROJECT: PENASCO SONORA	NO. 1
SCALE: 1" = 100'	

SUMMARY AREA

PRODUCT / SITE	FOOTAGE
SINGLE LOTS	6,450 SF
CONDOS	6.31 AC.
STORAGE UNITS	3.26 AC.
UTILITY FACILITIES	0.73 AC.
BEACH CLUB	1.33 AC.
LANDSCAPE	0.75 AC.
GOLF COURSE	3.05 AC.
PRIVATE BEACH	3.26 AC.
STREETS	2.84 AC.
PARKING LOT	4.28 AC.
TOTAL:	26.03 AC.

*Relaxante*

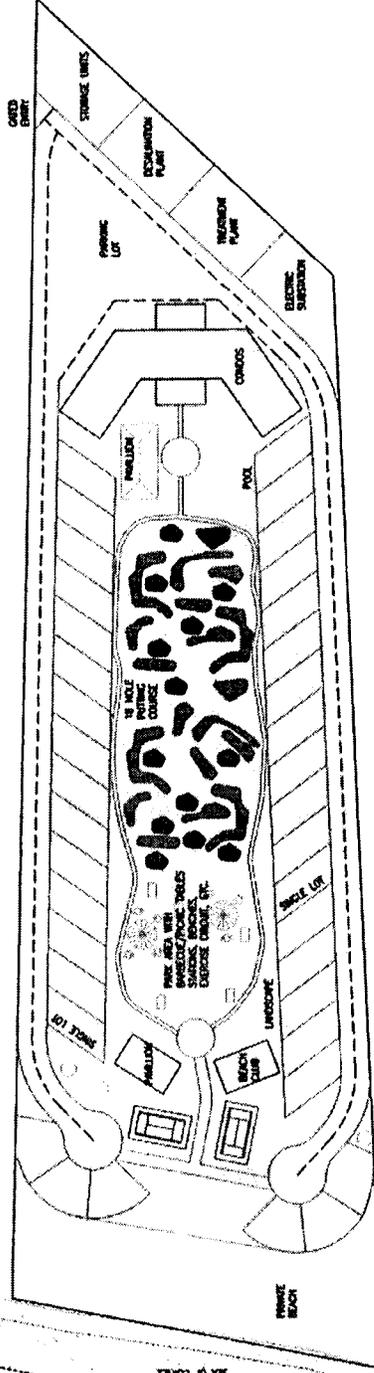
PUERTO PENASCO SONORA

TRI-CONE ENGINEERING

NO. 1



DRAWN BY: [Name]  
 DATE: [Date]  
 CHECKED BY: [Name]  
 DATE: [Date]  
 PROJECT: [Project Name]  
 SHEET NO. OF [Total]



**SUMMARY AREA**

PRODUCT / SITE	FOOTAGE	UNITS
SINGLE LOTS	6,450 SF	38 UNITS
CONDOS	2,584 AC	140 UNITS
UTILITY FACILITIES	0.73 AC	
LANDSCAPE	1.33 AC	
GOLF COURSE	1.75 AC	
PRIVATE BEACH	3.67 AC	
STREETS	2.54 AC	
PARKING LOT	3.95 AC	
PARK AREA	1.35 AC	
<b>TOTAL:</b>	<b>26.03 AC</b>	



*Belarmino*

PUERTO RICO  
 ENGINEERING  
 ARCHITECTURE  
 PLANNING  
 CONSULTANTS

## Articles of Interest

### Plans To Designate 400M Pesos To Roads, Electricity, and Water During 2008

#### *Funding expands to support three main infrastructure projects*

(<http://defrente.puerto-penasco.com/editions/452/003.html>)

Press Bulletin

Issue #452

With a projected investment of 400 million pesos (~\$36.8M USD) the Director of Public Works is planning to continue during 2008 the integral project of city paving and electrification and water supply to the new neighborhoods - as well as enlarge the city's drainage network to improve the city's image.

Marco David Rangel Lopez, director of the afore mentioned office, said that it cannot be doubted that among the priorities of Mayor Heriberto Renteria Sanchez is the unprecedented Paving Works Project, for which he is obtaining a package of Federal Government resources around 100 million pesos (~\$9.2M USD).

Rangel Lopez said that they want to continue with the pavement work on another 20 avenues and boulevards, covering a surface of more than 700 thousand square meters, in addition to the package of streets repaired during this past year. If this project is accomplished in full, the percentage of paved streets in our city will rise from 18% to 40%.

Moreover within the projects for 2008, the Director of Public Works mentioned that they will include the installation of the drainage network for the northwest sector of the city with an investment close to 60 million pesos (~\$5.5M USD).



At the same time they will work on the construction and maintenance of sidewalks at the main boulevards and avenues, not forgetting the purpose of improving the image of the old harbor sector where financial resources are designated for around 90 million pesos of improvements (~\$8.3M USD) according with the executive plan approved by the city council.

To continue with the electrification in the New Peñasco and San Rafael neighborhoods, it is an investment of at least 15 million pesos (~\$1.38M USD) is designated for 2008, and it is also planned to attend to the delayed work on the water supply and they will also program to provide basic services.

He added that among the plans and projects for this year are actions for benefit of schools with the construction of classrooms, fences, tile roofs and to attend several requests channeled through the Sonorenses Program of Social Participation (PASOS) and the Direction of Social Development.

He also added that currently they have a work plan with more than 200 projects of pavement works, urban improvement, basic services, schools and religious centers, that will be accomplished according with the flow of the municipal resources as well as with the resources assigned from the state and federal governments - and in some cases with assistance from credit entities.

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### **CANACO Reports A Good 2007, Optimistic Forecast For 2008**

***Border Governor's Conference, Tourism, Development All Bode Well For Peñasco In 2008, Says CANACO***

*(<http://defrente.puerto-penasco.com/editions/451/002.html>)*

By Ivan Bravo Lopez

Issue #451

Even though the last month of the year suffered a significant decrease in many commercial areas, CANACO (Camara Nacional de Comercio de la Ciudad de Mexico - Mexico's System of Local Chambers of Commerce and Development) managed to close out a good year according to its director Arturo Rodriguez Rico. CANACO met their goals and more, as evidenced by the meeting of the border state governors, which was seen as a huge success.

Arturo Rodriguez Rico, President of the National Chamber of Commerce (CANACO) said that despite the economic recession suffered by the US, many associates of CANACO with business interests are closing out the year very well. That is due the fact that December is the month with the biggest increase in sales.

"It was a positive year for the growth and development of the economy of Puerto Peñasco; we were the hosts of the most important event in the history of this port, the meeting of the border state governors. It was a huge success and received publicity worldwide, publicity that would have cost the Chamber of Commerce millions of pesos but was completely free. Its results will hopefully be noticeable in 2008 and 2009," he said.

The president of CANACO said that many State Programs came to Puerto Peñasco and accomplished important improvements. Authorities from SEDESOL (Mexico's Secretariat of Social Development) and PASOS have constantly visited our port to support and encourage the associated merchants of CANACO.

"Guatimoc Iberri Gonzalez and 'Chito' Celaya have repeatedly visited us and they have brought important projects to Puerto Peñasco that are already underway, which shows that the State Authorities care about those who live and own businesses here," he said.

"There are many projects in Puerto Peñasco that were already in place as well as new ones. Although some have not yet started, we are taking full advantage of those already here which will help the chance of further improvements next year," said Arturo Rodriguez Rico.

He also pointed out that cross-border traffic is expected to only will rise in the upcoming years and that that will bring other economic benefits, as the economic structure in the port depends mostly on tourism.

"Puerto Peñasco depends on tourism, and with the opening of the new international airport and with the improvements at the border crossings, CANACO is expecting an economic boom to take place. In past years and in 2007 we expected tourism mainly from Arizona. But with the new infrastructure next year we expect tourists from California and Colorado, as well as people that will come by air on new commercial flights. So we are expecting a sudden increase to the economy since Puerto Peñasco is an excellent destination," said the president of CANACO.

He also added that due to the stop of the developers, the last months of the year were economically weak, but that the economy typically comes back to normality beginning with the first trimester of the year. A few U.S. holidays are coming up that brings surges of tourists who prefer to come to Puerto Peñasco for their vacations. He also commented that the 'snowbirds' – the seasonal visitors from outside the Southwest regions – are starting to arrive to this port early this year, and with them the associates of CANACO will benefit.

To finalize, Arturo Rodriguez Rico said that there are more than 300 members associated with CANACO, and that next year they will look for more members to join the Chamber to help strengthen and create newer and better programs.

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### **Peñasco Maintains Strong Flow Of Tourism**

#### ***Real Estate Crisis Believed to Have Already Hit Bottom***

*(<http://www.visitrockypoint.com/?p=2900>)*

Despite the undeniable negative effects of the economic downturn in the United States, which has already hit bottom, throughout 2007 Puerto Peñasco maintained a high rate of tourism and sustains a clear upward tendency, revealed Epifanio Salido Pavlovich, head of the Sonora Commission on the Promotion of Tourism.

Salido Pavlovich detailed that by the end of the year, foreign tourism had increased by nearly 11%, topping out at 1,700,000 visitors, 80% of these from Arizona. Likewise, national tourism increased by 14% totaling more than 400,000 visitors. Therefore, reports for 2007 registered a grand total of 2.1 million tourists to the area.

The tourism official remarked that although there remain many challenges to address, the city's potential continues to be positive and the area is still the star destination in Sonora. He added that the state and municipal governments are jointly working on efforts to focus on areas that are lacking.

Salido Pavlovich stated that in 2008 they will have to generate concrete solutions in the areas of housing, potable water and others of basic infrastructures brought on by the same "boom" in tourism.

He stated that the 2007 economic downturn and real estate crisis in the United States had a strong impact on Peñasco. However, he stated, this is something that has already hit bottom and now phase of recuperation can be expected.

He believes that by mid-2008 the economic crisis will have passed, and added that till now this has not caused the withdrawal of investments from the port.

The coordinator for the Sonora Commission on the Promotion of Tourism remarked that, despite everything, the annual average for Puerto Peñasco has been favorable. He added that though there was a slowdown in investment, the flow of tourism did not drop; to the contrary, this remained at high levels.

He reiterated that the crisis has already hit bottom and period of recuperation has begun. He expects that this will positively impact the city as the shining northwestern part of the country in the area of tourism.

---

## **OWNING REAL ESTATE IN ROCKY POINT**

*From the "Real Estate Guide Rocky Point", January 2008*

*([http://www.atrockypoint.com/article\\_owning\\_real\\_estate\\_in\\_rocky\\_point](http://www.atrockypoint.com/article_owning_real_estate_in_rocky_point))*

"Real estate in Rocky Point has been a flourishing business for the past ten years..."

Imagine the joys of a winter home that makes you money whenever you are not staying in it. This kind of place would be beautiful to visit, comfortable and easy to live in, and ready for you whenever you want because it would be yours. A timeshare cannot offer you all of that no matter how desirable the location, since it can be difficult to get the time slots that you want and even harder during peak vacation time. A timeshare cannot give you everything you need to have the perfect getaway whenever you want, but a condo in a place like Rocky Point, Mexico can.

Rocky Point, also known as Puerto Peñasco, is one of the most incredible real estate locations in Mexico. Invest in Mexico and you can retire to your beachfront condo whenever you wish to enjoy days filled with sun, sand, golfing, fishing, and anything else you could desire from an ocean side paradise. Your

oceanfront/ Ocean view home or condo will be waiting for your return whenever you are away, and you will surely wish to retire to Rocky Point's idyllic setting after spending vacation after vacation in sunny bliss. Owning Real Estate in this growing market can also be a greatly profitable adventure. The typical American has only two to four weeks of vacation time per year, and for the other forty eight weeks, your vacation property would normally sit empty, awaiting you. To keep your property on the Sea of Cortez working for you, hire a local property management company like Oceano Rentals or Sea Side Reservations, to keep your place looking fresh and lovely and rent your condo out as a vacation rental to others looking to enjoy the wonders of Rocky Point.

Real estate in Rocky Point has been a flourishing business for the past ten years because of the high profitability and constantly increasing prices of the local properties. Even just a couple of years of property ownership could translate into big money for interested investors, and getting a great vacation home that pays for itself is no small benefit either. You may become so enamored with your property in Rocky Point that you will not be willing to sell it! Current market conditions are definitely in favor of those who want to purchase, so do your research, hire a certified agent to guide you through the process and start looking at potential ocean side properties.

Owning real estate in this lovely tourist destination means living in the lap of luxury. The beautiful and luxurious condominium projects and other properties in this city are made for the comfort and delight of their residents, even short term residents like yourself. Glance out the window of your condo and watch the dolphins and play in the tranquil waters of the Sea of Cortez. Enjoy sunshine on the beach or adventures beneath the waves, and fall in love with this incredible location. Your investment property may be just waiting for you in sunny Mexico and now is the time to make the smart move that you have been dreaming of. Take advantage of current market conditions, and invest now!

Investing in a condominium in Rocky Point could be a smart investment choice for those who are looking to invest in Mexico. You will have a vacation home to enjoy only 60 miles south of the US border, and be able to enjoy the beautiful Sea of Cortez on your future vacations. Potentially you could be able to resell the condo for a great profit in a few years, if you don't decide to retire to Mexico entirely. With all of these incredible benefits, what could be better?



08/18/2009

Mr. Thuy Vo

[REDACTED]  
[REDACTED] CA [REDACTED]

Dear Mr. Vo,

Thank you for your investment in Relaxante and Tri-Core Companies. Your start date is 05/15/2009.

We appreciate your participation and look forward to working with you on this project.

This letter also serves as a receipt for your investment of \$10,000 in project Relaxante.

The Private Placement Memorandum has also been received.

Please contact us with any needs that you may have.

Sincerely,

A handwritten signature in black ink that reads "Brian Buckley". The signature is fluid and cursive, with a large loop at the end.

Brian Buckley  
Investor Relations  
Tri- Core Companies

---

**From:** orders@[REDACTED]  
**Sent:** Wednesday, July 02, 2008 4:00 PM  
**To:** brian@tricoreworld.com  
**Subject:** Order Received - Mexico is Hot - Seminar Registration

Order Form: Mexico is Hot - Seminar Registration Registration #: 82 Date entered: Wednesday, July 2, 2008

Mexico is Hot - Seminar 1 - Online Event - Emailed Schedule

Quantity: 1  
Attendees Name: Paul Sydell

Phone Number: [REDACTED]

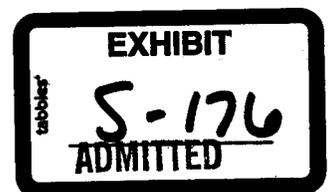
Reason for Attendance: Investing

Have you purchased or invested in Mexico before?: No

Questions?:

Contact Information:

p\_sydell@[REDACTED]



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**From:** Brian Buckley [brian@tricoreworld.com]  
**Sent:** Friday, April 06, 2012 12:16 PM  
**To:** jim@azicenter.com  
**Subject:** FW: Relaxante Project  
**Attachments:** demand.pdf

---

**From:** Jerome Gussiaas [mailto:jerome.gussiaas@XXXXXXXXXX]  
**Sent:** Friday, April 06, 2012 11:17 AM  
**To:** jason@tricoreworld.com; jim@tricoreworld.com; vince@tricoreworld.com; brian@tricoreworld.com  
**Subject:** Relaxante Project

Gentlemen,

You received from me a Notice and Final Demand on March 21st, 2012 initiating the 30 day demand period as outlined within your PPM. I am greatly disappointed by your handling of our relationship within the past six months, with your principals having made several broken promises as to the timing of my receipt of an extension document, having failed to deliver the financial reporting as promised within the PPM, providing an extension document which failed in substance to have all the prerequisites to extend our contract, and lastly, declining my simple request to add an expiration date to that extension instead insisting that I have my own document drafted through legal counsel. Through all of this, you have failed to provide me the courtesy of a call to explain your actions and have greatly missed the mark of the client focus that each of you insist upon as a core virtue within your respective bio's.

Up until March 16th, I was fully ready to continue our business relationship agreeing to an extension with a definite duration. That changed when my first piece of registered mail was redirected from your office to a private mail box in Mesa and my email to Jason inquiring as to why was left unanswered. At that time, I was working with legal counsel only in a consultative role for the creation of an acceptable extension document and although he suggested that there were many red flags as to why I should initiate legal proceedings then, I held out hope that you would live up to the promises and representations that you have made on your corporate site, at time of our contracting, and through the tenure of this promissory note.

I will be traveling from Minneapolis to Phoenix next week to finalize documentation with counsel precedent to litigate being under the presumption that by your past behavior the demand period will be ignored by you. I will be in the area Thursday and Friday and invite that should you want to meet with me I will be available both days through Friday at 1:00 pm prior to my afternoon meeting with the firm. That option is yours.

To be sure, continuing down this path will not be beneficial for either you or I and I would rather not deal with the aggravation. A firm such as yours owes a fiduciary responsibility to those you contract with as your ability to gain additional investors is driven by honesty, integrity, and fair business dealings. Lending from the availability of on-line court records, business credit reference checks, and social media the transparency of any firm's breaches has never been greater. I hope that you also consider this and its impact to your ability to acquire future Reg D business as we work to dissolve our relationship as amicably as possible.

Again, I hope that we can resolve this matter quickly and without further complications, and if that is to be the case, I will hold no further prejudice against you or your firm.

Respectfully,

Jerome Gussiaas



March 16, 2012

**VIA CERTIFIED MAIL**

Jason Todd Mogler, President  
Vince Gibbons, Vice-President  
Jim Hinkeldey, Vice-President  
Tri-Core Companies, LLC  
8840 E. Chaparral Road  
Suite 150  
Scottsdale, Az 85250

**RE: Notice and Final Demand**

Messrs . Mogler, Gibbons, and Hinkelday:

On or about February 23rd, 2012, Tri-Core Companies received from me, via registered mail, a Notice to Cure and proposed Agreement to Extension documents. You are hereby notified that I am revoking my offer to extend the maturity of my agreements with your firm.

In summary, I hold two accounts with Tri-Core LLC, structured as promissory notes for the financing of your Relaxante project. In total I am a holder of Eight (8) notes, each for Ten Thousand (\$10,000.00) Dollars, with a stated rate of Sixty Percent (60%) per annum, compounded annually. These notes were drafted for a Two (2) year term with a one-time option to extend for a period of One (1) year with sole determination to be made by Tri-Core LLC to cover delays outside of your firm's control. Pursuant to the terms and conditions as outlined in the Confidential Private Placement Memorandum (PPM), the maturity dates for the notes are August 5<sup>th</sup>, 2011 and October 6<sup>th</sup>, 2011 for the investments of Fifty Thousand (\$50,000) and Thirty Thousand (\$30,000) Dollars, respectively.

Now therefore having understood to have a sufficiency of cause to prevail in litigation proceedings, this Notice and Final demand serves as your written advisement declaring all unpaid principal amounts and accrued interest immediately due and payable. It shall be agreed that interest shall accrue through the date of your receipt of this notice. Should the company and principals fail in their obligations in accordance to the agreement to pay said monies further action will be taken by me to exercise all rights and remedies that are available under any and all applicable laws to recover the afore mentioned amounts, plus damages and legal expenses.

This document is not intended to outline the various breaches and deficiencies of the company's performance, nothing within it shall be construed as a detailed description therein. There exists no other agreements, express or implied, or offers to contract, to amend, or extend.

R/S



Jerome D. Gussiaas



---

**From:** Kathleen Randolph [kasr14@  
**Sent:** Sunday, November 16, 2008 7:12 PM  
**To:** Brian Buckley  
**Subject:** RE: Referral rate increase

Brian,

Thank you for the rate increase. I appreciate the increase and the continuing opportunity to present Tri-Core products. I love what we do and offer for investment opportunities. And your generous consideration couldn't be more timely. I met just last week with a guy who has hundreds of clients in self-directed IRAs and 401(k) plans who are looking for high end ROIs. I showed him Relaxante and Magdalena. He loved the \$5000 - \$10,000 range of what Tri-Core offered and will be sending me some of his clients who he believes will be interested in placing their self-directed monies with Tri-Core offerings.

Thank you and please convey my gratitude to Jason for increasing my referral rate. You guys rock!

Kas Randolph  
Tri-Core Investor Relations  
[REDACTED]

Some like it hot! Have you seen the opportunities at [www.mexicoishot.com](http://www.mexicoishot.com) ?

---

**From:** [brian@tricoreworld.com](mailto:brian@tricoreworld.com)  
**To:** [kasr14@](mailto:kasr14@)  
**Subject:** Referral rate increase  
**Date:** Sat, 15 Nov 2008 17:48:35 -0700

Hello Kas,

I just mailed your check from Ms. Kate Rose. It was cut but we had an admin. change and it got in the wrong drawer. My apologies.

Also, I discussed with Jason my wanting to bump you up from 3% to 5% on your future deals. I will send along a signed change sheet reflecting this.

Have a great weekend and say hello to Dr. Mangus for me.

Sincerely,

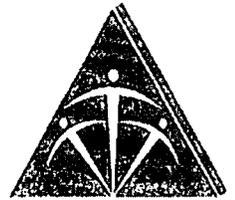
Brian Buckley  
Investor Relations  
Tri-Core Companies  
[brian@tricoreworld.com](mailto:brian@tricoreworld.com)

480-346-3200  
877-527-6698 toll free



480-346-3201 Fax  
[REDACTED] Cell

No virus found in this incoming message.  
Checked by AVG - <http://www.avg.com>  
Version: 8.0.175 / Virus Database: 270.9.4/1794 - Release Date: 11/17/2008 8:48 AM

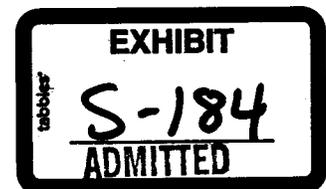


**TRI-CORE**  
COMPANIES LLC

**CONFIDENTIAL PRIVATE  
PLACEMENT MEMORANDUM**

PLEASE RETURN ONE COPY OF THIS  
DOCUMENT TO US IN THE PROVIDED  
RETURN PACKAGING.

PLEASE KEEP ONE COPY OF THIS  
DOCUMENT FOR YOUR PERSONAL  
RECORDS.





Memorandum#: Gloria M. Palou

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**Tri-Core Companies LLC**  
**An Arizona Limited Liability Company**

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**\$5,000,000**

**\$10,000 per Promissory Note (Unit)**  
**MINIMUM PURCHASE - 1 Promissory Note**  
**40% Rate of Return, Compounded Annually; Paid At Maturity**  
**Maturity Date: 24 months**  
**Redemption at Maturity - \$19,600 per Unit**

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Tri-Core Companies LLC, an Arizona Limited Liability Company (hereinafter referred to as the "COMPANY"), is offering by means of this Confidential Private Placement Memorandum a maximum of Five Hundred (500) Secured Promissory Notes ("Notes") at an offering price of Ten Thousand (\$10,000) Dollars per Note, for a maximum total of Five Million Dollars (\$5,000,000), to qualified investors who meet the Investor Suitability Requirements set forth herein (see "INVESTOR SUITABILITY REQUIREMENTS"). Each Investor must agree to purchase the Notes, as a lender to the Company, for investment purposes only, and execute a Subscription Agreement in the form contained in the accompanying Subscription Booklet (see "TERMS OF THE OFFERING").

**THESE SECURITIES ARE SPECULATIVE AND INVESTMENT  
IN THE NOTES INVOLVES A HIGH DEGREE OF RISK  
(SEE "RISK FACTORS")**

	<b>Offering Price</b>	<b>Selling Commissions</b>	<b>Proceeds to Company</b>
<b>Per Unit</b>	\$10,000	\$1,000	\$9,000
<b>Maximum Units</b>	\$5,000,000	\$500,000	\$4,500,000

**Tri-Core Companies LLC**  
8800 E. Chaparral Road, Suite 270  
Scottsdale, AZ 85250  
Telephone: (480) 278-7031  
Facsimile: (480) 278-8979

The date of this Private Placement Memorandum is June 1, 2010

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Tri-Core Companies LLC

(480) 278-7031

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**IMPORTANT NOTICES**

This Confidential Private Placement Offering Memorandum ("Memorandum") is submitted to you on a confidential basis solely for the purpose of evaluating the specific transaction described herein. This information shall not be photocopied, reproduced, or distributed to others without the prior written consent of Tri-Core Companies LLC ("Company"). If the recipient determines not to purchase any of the Notes offered hereby, it will promptly return all material received in connection herewith without retaining any copies.

## DISCLAIMERS

THE NOTES OFFERED HEREBY IN THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH, OR APPROVED, BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR HAVE SUCH NOTES OR THIS MEMORANDUM BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF ANY STATE OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. THIS OFFERING IS BASED ON THE EXEMPTION FROM SUCH REGISTRATION AS SET FORTH IN §4(2) AND RULE 506 OF REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED.

THE INVESTMENT DESCRIBED IN THIS MEMORANDUM INVOLVES RISKS, AND IS OFFERED ONLY TO INDIVIDUALS WHO CAN AFFORD TO ASSUME SUCH RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO AGREE TO PURCHASE THE NOTES ONLY FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD THE TRANSFER, RESALE, EXCHANGE OR FURTHER DISTRIBUTION THEREOF. THERE WILL BE NO PUBLIC MARKET FOR THE NOTES ISSUED PURSUANT TO THIS OFFERING MEMORANDUM. THE RESALE OF THE NOTES IS LIMITED BY FEDERAL AND STATE SECURITIES LAWS AND IT IS THEREFORE RECOMMENDED THAT EACH POTENTIAL INVESTOR SEEK COUNSEL SHOULD THEY DESIRE MORE INFORMATION.

THE PRICE OF THE NOTES AS DESCRIBED IN THIS OFFERING MEMORANDUM HAS BEEN ARBITRARILY DETERMINED BY THE SPONSORS OF THIS INVESTMENT AND EACH PROSPECTIVE INVESTOR SHOULD MAKE AN INDEPENDENT EVALUATION OF THE FAIRNESS OF SUCH PRICE UNDER ALL THE CIRCUMSTANCES AS DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION IN CONNECTION WITH THIS MEMORANDUM, EXCEPT SUCH INFORMATION AS IS CONTAINED OR REFERENCED IN THIS MEMORANDUM. ONLY INFORMATION OR REPRESENTATIONS CONTAINED OR REFERENCED HEREIN MAY BE RELIED UPON AS HAVING BEEN MADE BY THE COMPANY. PROSPECTIVE INVESTORS WHO HAVE QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THIS PRIVATE OFFERING MEMORANDUM OR WHO DESIRE ADDITIONAL INFORMATION OR DOCUMENTATION TO VERIFY THE INFORMATION CONTAINED HEREIN SHOULD CONTACT THE COMPANY. PROJECTIONS OR FORECASTS CONTAINED IN THIS PRIVATE OFFERING MEMORANDUM, OR OTHER MATERIALS, MUST BE VIEWED ONLY AS ESTIMATES. ALTHOUGH ANY PROJECTIONS CONTAINED IN THIS MEMORANDUM ARE BASED UPON ASSUMPTIONS WHICH THE COMPANY BELIEVES TO BE REASONABLE, THE ACTUAL PERFORMANCE OF THE COMPANY MAY DEPEND UPON FACTORS BEYOND THE CONTROL OF THE COMPANY. NO ASSURANCE CAN BE GIVEN THAT THE COMPANY'S ACTUAL PERFORMANCE WILL MATCH ITS INTENDED RESULTS.

## 1. SUMMARY OF THE OFFERING

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY MORE DETAILED INFORMATION THAT MAY APPEAR ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM. EACH PROSPECTIVE INVESTOR IS URGED TO READ THIS PRIVATE OFFERING MEMORANDUM IN ITS ENTIRETY.

Tri-Core Companies LLC (the "Company") was formed on August 29, 2007 as an Arizona Limited Liability Company. The Company is in the business of Land Acquisition and Development.

The Securities offered are Five Hundred (500) Notes issued by the Company at Ten (\$10,000) Dollars per Note, payable in cash at the time of subscription (see "Exhibit "B" for copy of Promissory Note). The minimum purchase is one (1) Note. The Notes have an annual rate of return of forty (40%) percent interest, compounded annually. The return will be paid at maturity, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date.

None of the Notes are convertible to Membership Units, or other type of equity, in the Company. This offering will commence on June 1, 2010, and will terminate no later than May 31, 2011, unless extended by the Company (see "TERMS OF THE OFFERING").

The gross proceeds of the offering will be a maximum of Five Million (\$5,000,000) Dollars. The use of the proceeds is to purchase and hold for appreciation parcels of land along the Sonoran Coast of Mexico.

## 2. THE COMPANY

Tri-Core Companies LLC (the "Company") was formed on August 29, 2007, as an Arizona Limited Liability Company. At the date of this offering, One Thousand (1,000) of the Company's Membership Units were authorized and Nine Hundred (900) Membership Units are issued, and outstanding. The Company is in the business of construction management, land acquisition and development.

### 2.1 OPERATIONS

The Company is in the business of construction management, land acquisition and development, specializing in beach front properties along the coast of the upper Sonoran coastline in Sonora, Mexico. SEE "EXHIBIT D - BUSINESS PLAN."

## **2.2 BUSINESS PLAN**

Tri-Core Companies Business Plan, included as Exhibit D of this Memorandum, and was prepared by the Company using assumptions set forth in the Business Plan, including several forward looking statements. Each prospective investor should carefully review the Business Plan before purchasing Notes. Management makes no representations as to the achievability of the underlying assumptions and projected results contained herein.

## **3. MANAGEMENT**

### **3.1 LLC MANAGERS**

The success of the company is dependent upon the services and expertise of existing management. At the present time, three individuals are actively involved in the management of the Company:

#### **Jason Todd Mogler – President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

#### **Vince Gibbons – Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going

the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club - Mohave County, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.

- **Eagle View Subdivision - Kingman, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.

- **Villages at Loreto Bay, Master Planned Development - Loreto, Mexico.**

Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.

- **Colonias de Cardenas, Master Planned Community - Panama City, Panama.**

Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.

- **Punta Delfin, Enchantment of México - Sea of Cortez, Sonora, México.**

Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

**Jim Hinkeldey - Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgage backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **4. TERMS OF THE OFFERING**

##### **4.1 GENERAL TERMS OF THE OFFERING**

This Private Offering Memorandum is offering a maximum of Five Hundred (500) Notes at Ten (\$10,000) Dollars per Note, for a maximum of Five Million (\$5,000,000) Dollars to a select group of investors who satisfy the Investor Suitability Requirements (see "INVESTOR SUITABILITY REQUIREMENTS"). The Company has the authority to sell fractional Notes at its sole discretion.

##### **4.2 MINIMUM OFFERING AMOUNT**

No minimum offering amount has been established.

##### **4.3 NONTRANSFERABILITY OF NOTES**

The Notes have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered in reliance upon an exemption under §4(2) and Rule 506 of Regulation D of the Securities Act, as amended, and rules and regulations hereunder. The Notes have not been registered under the securities laws of any state and will be offered pursuant to an exemption from registration in each state. A purchaser may transfer or dispose of the Note only if such Notes are subsequently registered under the Securities Act, or if an exemption from registration is available, and pursuant to an opinion of counsel acceptable to the Company and its counsel to the effect that the Notes may be transferred without violation of the registration requirements of the Securities Act or any other securities laws.

##### **4.4 CLOSING OF THE OFFERING**

The Notes are offered and closed only when a properly completed Subscription Agreement (**Exhibit A**); Note (**Exhibit B**), and Investor Questionnaire (**Exhibit C**) are submitted by the investing Subscriber or his/her Investor

Representatives and are received and accepted by the Company. The Subscription Agreement as submitted by an investing Subscriber or his/her Investor Representatives shall be binding once the Company signs the Subscription Agreement, Note and the funds delivered by the potential Investor to the Company with the Subscription Agreement has been cleared by the financial institution in which they are deposited by the Company. The Notes will be delivered to qualified Investors upon acceptance of their subscriptions. All funds collected from investing Subscribers will be deposited in a designated account under the control of the Company. Investors subscribing to the Notes may not withdraw or revoke their subscriptions at any time prior to acceptance by the Company, except as provided by certain state laws, or if more than thirty (30) days have passed after receipt of the Subscription Agreement by the Company without the Company accepting the Investor's funds and delivering all applicable documents to such Investor. The proceeds of this Offering will be used only for the purpose set forth in this Private Offering Memorandum (see "**USE OF PROCEEDS**").

The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Five Million (\$5,000,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

## **5. PLAN OF DISTRIBUTION**

### **5.1 OFFERING OF NOTES**

The Notes will be offered to prospective lenders by Officers and Directors of the Company and qualified licensed personnel, pursuant to State and Federal security rules and regulations. This Offering is made solely through this Private Placement Memorandum and without any form of general solicitation or advertising. The Company and its Officers and Directors or other authorized personnel will use their best efforts during the Offering period to find eligible Investors who desire to subscribe to the Notes in the Company. These Notes are offered on a "best efforts" basis, and there is no assurance that any or all of the Notes will be closed. The Company has the authorization to offer fractional Notes at its sole discretion. The Offering period will begin as of the date of this private Offering Memorandum and will close upon the happening of such occurrences as defined herein (see "**TERMS OF THE OFFERING**").

## **5.2 PAYMENTS TO BROKER DEALERS OR INVESTMENT ADVISORS**

The Company has the power to pay fees or commissions to qualified Broker Dealers, Registered Investment Advisors or any other person qualified under other applicable federal and state security laws.

## **6. DESCRIPTION OF NOTES**

### **6.1 NOTES**

The Company is offering Five Hundred (500) Notes of the Company to potential investors at Ten (\$10,000) Dollars per Note, payable in cash at the time of the subscription. The minimum purchase is one (1) note. The Notes will have an annual rate of return of forty (40%) percent interest, compounded annually, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. All principal shall be paid at maturity (24 months). Interest shall be paid at maturity (24 months). The principal and any interest due on said principal may be prepaid, at the sole discretion of the Company, without a prepayment penalty at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date. The Notes offered pursuant to this Private Placement Memorandum will be secured by the property.

The Notes will be issued in the form attached hereto and incorporated herein by reference as though set forth in full herein as **Exhibit B**.

### **6.2 SECURITY FOR PAYMENT OF THE NOTES**

The Notes being offered by the Company in this Private Placement Offering are secured by the land Tri-Core Companies LLC purchases.

### **6.3 REPORTS TO NOTEHOLDERS**

The Company will furnish annual un-audited reports to its Note holders ninety (90) days after its fiscal year. The Company may issue other interim reports to its Note holders as it deems appropriate. The Company's fiscal year ends on December 31<sup>st</sup> of each year.

## **7. USE OF PROCEEDS**

The gross proceeds of the Offering will be a maximum of Five Million (\$5,000,000) Dollars. The table below sets forth the use of proceeds for both the maximum and minimum offering amounts.

### Sources

	Maximum Amount	Percent of Proceeds
Proceeds From the Sale of Notes	\$5,000,000	100.00%

### Application of Proceeds

Offering Expenses <sup>(1)</sup>	\$ 5,000	0.100%
Commissions <sup>(2)</sup>	\$ 500,000	10.000%
<b>Total Offering Expenses &amp; Fees</b>	<b>\$ 505,000</b>	<b>10.100%</b>
<b>Net Offering Proceeds</b>	<b>\$ 4,495,000</b>	<b>89.900%</b>
General Project Expense	\$ 20,000	0.400%
Soft Cost	\$ 25,000	0.500%
Marketing	\$ 35,000	0.700%
Administration	\$ 36,000	0.720%
Land Purchase <sup>(3)</sup>	\$ 4,379,000	87.580%
<b>Total Application of Proceeds</b>	<b>\$ 5,000,000</b>	<b>100.00%</b>

Footnotes:

- (1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.
- (2) This Offering is being sold by the officers and directors of the Company, who will not receive any compensation for their efforts. No sales fees or commissions will be paid to such officers or directors. Notes may be sold by registered brokers or dealers who are members of the NASD and who enter into a Participating Dealer Agreement with the Company. Such brokers or dealers may receive commissions up to ten percent (10%) of the price of the Notes sold.
- (3) Includes amount available for land purchase, transfer fee costs and real estate taxes

## 8. CAPITALIZATION STATEMENT

### 8.1 CAPITALIZATION PRIOR TO AND AFTER THE OFFERING

The following table summarizes the capitalization of the Company prior to, and as adjusted to reflect, the issuance and sale of the maximum of Five Hundred (500) Notes or Five Million (\$5,000,000) Dollars.

	AS ADJUSTED 08/29/07	AFTER THE OFFERING
Notes	<u>-0-</u>	<u>\$5,000,000</u>
Membership Units \$0.10 par value, 1,000 Units authorized, 900 Units issued and outstanding	\$100	\$100
Net Shareholders' Equity	\$100	\$100
<b>TOTAL CAPITALIZATION</b>	<u>\$100</u>	<u>\$5,000,100</u>

## 9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### 9.1 RESULTS OF OPERATIONS

The Company is actively engaged in the purchase of land to be held for appreciation.

### 9.2 LIQUIDITY AND CAPITAL RESOURCES

The Company's liquidity and capital resources are dependent on its ability to raise sufficient capital to pay for the purchase price of the Promissory Notes.

## 10. CERTAIN TRANSACTIONS

### 10.1 ARIZONA LIMITED LIABILITY COMPANY

**Tri-Core Companies LLC** is a privately held Arizona Limited Liability Company, incorporated on August 29, 2007.

### 10.2 PRIVATE OFFERING OF NOTES

The Company is authorized to offer in this private offering, up to Five Million (\$5,000,000) Dollars of Notes to selected investors, effective on June 1, 2010.

## **11. FIDUCIARY RESPONSIBILITIES OF THE DIRECTORS AND OFFICERS OF THE COMPANY**

### **11.1 GENERAL**

The Principals, Officers, and Directors of the Company are accountable to the Company as fiduciaries and such Principals, Officers and Directors are required to exercise good faith and integrity in managing the Company's affairs and policies. Each Note Holder of the Company, or their duly authorized representative, may inspect the books and records of the Company at any time during normal business hours. A Note Holder may be able to bring an action on behalf of himself in the event the Note Holder has suffered losses in connection with the purchase or sale of the Note(s) in the Company, due to a breach of fiduciary duty by an Officer or Director of the Company, in connection with such sale or purchase, including the misrepresentation or misapplication by any such Officer or Director of the proceeds from the sale of these Notes, and may be able to recover such losses from the Company.

### **11.2 INDEMNIFICATION**

Indemnification is permitted by the Company to directors, officers, or controlling persons pursuant to Arizona law. Indemnification includes expenses, such as attorneys' fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person and arising from their relationship with the Company, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

## **12. RISK FACTORS**

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

## **12.1 CONTROL BY COMPANY**

After completion of this offering, the Company will own one hundred percent (100%) of the issued and outstanding Membership Units. Such ownership will enable the Company to continue to elect all the Managers and to control the Company's policies and affairs. The Note Holders will not have any voting rights in the Company.

## **12.2 RELIANCE ON THE COMPANY FOR MANAGEMENT**

All decisions with respect to the management of the Company will be made exclusively by the Principal Managers of the LLC. The Note Holders do not have the right or power to take part in the management of the Company. Accordingly, no person should purchase a Note unless he is willing to entrust all aspects of the management of the Company to existing Management.

## **12.3 LIMITED TRANSFERABILITY OF THE NOTES**

The transferability of the Notes in this offering is limited, and potential investors should recognize the nature of their investment in the offering. It is not expected that there will be a public market for the Notes because there will be only a limited number of investors and restrictions of the transferability of Notes. The Notes have not been registered under the Securities Act of 1933, as amended, or qualified or registered under the securities laws of any state and, therefore, the Notes cannot be resold unless they are subsequently so registered or qualified or an exemption from such registration is available. The offering also contains restrictions on the transferability of the Notes. Accordingly, purchasers of Notes will be required to hold such Notes to maturity unless otherwise approved by the Company. The Company does not intend to register the Notes under the Securities Act of 1933.

## **12.4 REGULATIONS**

The Company is subject to usual federal and state laws, rules and regulations. The Company believes it is in full compliance with any and all applicable laws, rules and regulations both domestically and in Mexico.

## **12.5 GENERAL ECONOMY**

The Company is subject to the Mexican and U.S. Economy and its effect on consumer confidence and spending.

## **12.6 ZONING**

This area is zoned for resort and single family development. No changes are foreseen for this area.

## 12.7 MARKET DEMAND

The market for unspoiled beachfront property that is highly developable remains strong.

## 12.8 FORCE MAJEURE

Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

## 13. PRINCIPAL SHAREHOLDERS

As of the date of this Offering, the Company has Nine Hundred (900) Membership Units issued and outstanding to Jason Todd Mogler (30%), Jim Hinkeldey (30%) and Vince Gibbons (30%).

## 14. HOW TO INVEST

An Investor who meets the qualifications as set forth in this Private Offering Memorandum may subscribe for at least the minimum purchase herein of One (1) Note (Ten Thousand (\$10,000) Dollars) by carefully reading this entire Private Offering Memorandum and by then completing and signing a separately bound booklet. This booklet contains identical copies of the following exhibits contained in the Private Offering Memorandum, including:

Exhibit A INSTRUCTIONS TO SUBSCRIBERS and SUBSCRIPTION AGREEMENT: This contains complete instructions to Subscribers and should be read in its entirety by the prospective investor prior to investing. The Subscription Agreement must be signed by the Investor.

Exhibit B PROMISSORY NOTE: This Note will be signed by Tri-Core Companies LLC.

Exhibit C INVESTOR QUESTIONNAIRE: This questionnaire requires a Subscriber to complete a financial history in order to aid the Company in the determination of the suitability of the Subscriber as a potential Investor. This questionnaire must be signed by the Investor.

Exhibit D TRI-CORE COMPANIES LLC: Business Plan

Copies of all the above referenced documents are included with this Private Placement Memorandum. For discussion of the actions of the Company upon receipt of a properly completed request to invest by a Subscriber, please see "**TERMS OF THE OFFERING.**" Such Investor should include his check made payable Tri-Core Companies LLC, along with the SUBSCRIPTION AGREEMENT, NOTE, AND INVESTOR QUESTIONNAIRE. Delivery of the documents referred to above, together with a check to the Company should be addressed to the Company as follows: **Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250.**

## **15. INVESTOR SUITABILITY REQUIREMENTS**

### **15.1 INTRODUCTION**

Potential Investors should have experience in making investment decisions or such Investors should rely on their own tax consultants or other qualified investment advisors in making this investment decision.

### **15.2 GENERAL SUITABILITY**

Each potential Investor will be required to represent the following by execution of a Subscription Agreement:

1. The Investor has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in this Offering.
2. The Investor has the ability to bear the economic risk of this investment, has adequate means to provide for his, her, or its current needs and personal contingencies, has no need for liquidity in this investment and could afford the complete loss of the investment.
3. The Investor is acquiring the Note(s) for his, her or its own account for investment purposes only and not with a view toward subdivision, resale, distribution or fractionalization thereof, or for the account of others, and has no present intention of selling or granting any participation in, or otherwise distributing, the Note(s).
4. The Investor's overall commitment to invest in the Note(s) is not disproportionate to his, her, or its net worth and the investment in these Note(s) will not cause such overall commitment to become excessive.
5. The Investor has read and understands this Private Placement Memorandum and all its exhibits.

### 15.3 NONACCREDITED INVESTORS

Up to and including thirty-five (35) investing Subscribers may be accepted by the Company as suitable Investors if each such Subscriber has a net worth sufficient to bear the risk of losing his entire investment and meets the above "General Suitability Standards."

### 15.4 ACCREDITED INVESTORS

In addition to satisfying the "General Standards" as defined above, all but thirty-five (35) Subscribers for Shares must each satisfy one of the "Accredited Investors" economic suitability standards as defined below:

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;
2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;
3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.

#### **15.5 ACCEPTANCE OF SUBSCRIPTION AGREEMENT BY THE COMPANY**

The Investor Suitability Requirements referred to in this section represent minimum requirements for potential Investors. Satisfaction of these standards does not necessarily mean that participation in this Offering constitutes a suitable investment for such a potential Investor or that the potential Investors' Subscription will be accepted by the Company. The Company may, in fact, modify such requirements as circumstances dictate. All Subscription Agreements submitted by potential Investors will be carefully reviewed by the Company to determine the suitability of the potential Investor in this Offering. The Company may, in its sole discretion, refuse a Subscription in this Offering to any potential Investor who does not meet the applicable Investor Suitability Requirements or who otherwise appears to be an unsuitable Investor in this Offering. The Company will not necessarily review or accept a Subscription Agreement in the sequential order in which it is received. The Company also has the discretion to maximize the number of Accredited Investors in this Offering and, as a result, may accept less than thirty-five (35) Non-accredited Investors in this Offering.

#### **16. LITIGATION**

The Company and its Principals have no lawsuits pending, no legal actions pending or judgments entered against the Company or its Principals and, to the best

knowledge of the Company, no legal actions are contemplated against the Company and/or its Principals.

#### **17. ADDITIONAL INFORMATION**

Reference materials described in this Private Offering Memorandum are available for inspection at the office of the company during normal business hours. It is the intention of the Company that all potential Investors are given full access to such information for their consideration in determining whether to purchase the Notes being offered. Prospective Investors should contact the Company for access to information regarding the matters set forth or other information concerning the Company. Representatives of the Company will also answer all inquiries from potential Investors concerning the Company and any matters relating to its proposed operations or present activities. The Company will afford potential Investors and their representatives the opportunity to obtain any additional information reasonably necessary to verify the accuracy or the source of any representations or information contained in this Private Offering Memorandum. All contracts entered into by the Company are subject to modifications and the Company may make any changes in any such contracts as deemed appropriate in its best discretion. Such recent amendments may not be circulated to Subscribers prior to the time of closing this Offering. However, potential Investors and their representatives may review such material or make inquiry of the Company concerning any of these and any other matters of interest.

#### **18. FORECASTS OF FUTURE OPERATING RESULTS**

Any forecasts and proforma financial information which may be furnished by the Company to prospective Investors or which are part of the Company's business plan, are for illustrative purposes only and are based upon assumptions made by Management regarding hypothetical future events. There is no assurance that actual events will correspond with the assumptions or that factors beyond the control of the Company will not affect the assumptions and adversely affect the illustrative value and conclusions of any forecasts.

#### **19. GLOSSARY OF TERMS**

The following terms used in this Memorandum shall (unless the context otherwise requires) have the following respective meanings:

**ACCEPTANCE.** The acceptance by the Company of a prospective investor's subscription.

**ACCREDITED INVESTORS.** Those investors who meet the criteria set forth in "INVESTOR SUITABILITY REQUIREMENTS."

**BROKER-DEALER.** A person or firm licensed with the NASD, the SEC and with the securities or corporate commissions department of the state

in which it sells investment securities and who may employ licensed agents for that purpose.

**COMPANY.** Refers to **TRI-CORE COMPANIES LLC**, an Arizona Limited Liability Company.

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. (NASD).** A self-regulating body which licenses brokers and dealers handling securities offerings, reviews the terms of an offering's underwriting arrangements and advertising literature and, while not a governmental agency, acts as a review service watchdog to make sure that its regulations and those of the SEC are followed for the Investor's protection in offerings of securities.

**NOTES.** A Ten Thousand (\$10,000) Dollar investment consisting of one (1) Promissory Note issued by **TRI-CORE COMPANIES LLC**, an Arizona Limited Liability Company.

**SECURITIES ACT OF 1933.** A federal act regulated and enforced by the SEC that requires, among other things, the registration and use of a prospectus whenever a security is sold (unless the security or the manner of the Offering is expressly exempt from such registration process).

**SECURITIES EXCHANGE ACT OF 1934.** A federal act regulated and enforced by the SEC which supplements the Securities Act of 1933 and contains requirements which were designed to protect investors and to regulate the trading (secondary market) of securities. Such regulations require, among other things, the use of prescribed proxy statements when investors' votes are solicited; the disclosure of management and large shareholders' holding of securities; controls on the resale of such securities; and periodic (monthly, quarterly, annually) filing with the SEC of financial and disclosure reports of the Issuer.

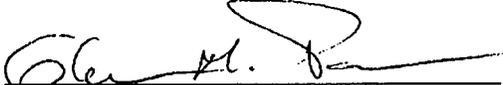
**SECURITIES AND EXCHANGE COMMISSION (SEC).** An independent United States government regulatory and enforcement agency which supervises investment trading activities and registers companies and those securities which fall under its jurisdiction. The SEC also administers statutes to enforce disclosure requirements that were designed to protect investors in securities offerings.

**SUBSCRIPTION DOCUMENTS.** Consists of the Note, Subscription Agreement, Investor Questionnaire, and a check as payment for the Note(s) to be purchased submitted by each prospective Investor to the Company.

**TERMINATION DATE.** The earlier to occur of the date on which all Notes are sold or May 31, 2011.

**20. ACKNOWLEDGMENT**

By signing below, the undersigned acknowledges that he/she has read and understood this entire Private Placement Memorandum.

  
\_\_\_\_\_  
Signature

10-1-2010  
\_\_\_\_\_  
Date

Gloria M. Palou  
\_\_\_\_\_  
Print Name

CONFIDENTIAL

CONFIDENTIAL

**EXHIBIT A**  
**SUBSCRIPTION AGREEMENT**

**Print Name of Subscriber:** Gloria M. Palou

**Amount Loaned:** \$ 55,000.00

**Number of Notes:** 5.5

**TRI-CORE COMPANIES LLC**

**SUBSCRIPTION DOCUMENTS**

**OFFERING OF A MAXIMUM OF FIVE HUNDRED (500)  
SECURED PROMISSORY NOTES**

**TEN (\$10,000) DOLLARS PER NOTE**

**JUNE 1, 2010**

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**SUBSCRIPTION INSTRUCTIONS**  
**(Please read carefully)**

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Each subscriber for the Secured Promissory Notes, Ten (\$10,000) Dollars per Note (the "Notes") of Tri-Core Companies LLC, an Arizona Limited Liability Company ("the Company"), must complete and execute the Subscription Documents in accordance with the instructions set forth below. The completed documents should be sent to Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250.

**Payment for the Securities should be made by check payable to the Tri-Core Companies LLC and enclosed with the documents as directed in Section III below.**

- I. These Subscription Documents contain all of the materials necessary for you to purchase the Notes. This material is arranged in the following order:
  - Subscription Agreement
  - Promissory Note
  - Confidential Prospective Purchaser's Questionnaire
- II. All investors must complete in detail, date, initial, and sign the Subscription Documents where appropriate. All applicable sections must be filled in.
- III. Payment for the Notes must be made by check as provided below:

Please make your check payable, in the appropriate amount, for the number of Notes purchased (at Ten Thousand (\$10,000) per Note), to **Tri-Core Companies LLC**. Your check should be enclosed with your signed subscription documents.

All funds received from subscribers will be placed in a segregated Holding Account of the Company. Once the minimum offering amount has been reached the funds will be transferred to the Company's operating account and will be available for use.

#### IV **SPECIAL INSTRUCTIONS**

**FOR CORPORATIONS.** Include copy of Board resolution designating the corporate officer authorized to sign on behalf of the corporation, a Board resolution authorizing the investment, and financial statements.

**FOR PARTNERSHIPS.** Provide a complete copy of the partnership agreement, questionnaire, and financial statements for each General Partner.

**FOR TRUSTS.** Provide a complete copy of the instruments or agreements creating the trust, as amended to date.

**Print Name of Subscriber:** Gloria M. Palou

**Amount Loaned:** \$ 55,000.00

**Number of Notes:** 5.5

### **Subscription Agreement**

To: Tri-Core Companies LLC  
8800 E. Chaparral Road - Suite 270  
Scottsdale, AZ 85250

Gentlemen:

**1. Subscription.** The undersigned hereby subscribes for 5.5 Notes of Tri-Core Companies LLC (the "Company"), an Arizona Limited Liability Company, and agrees to loan to the Company Ten (\$10,000) Dollars per Note for an aggregate loan of **\$55,000.00** (the "Loan Amount") upon the terms and subject to the conditions (a) set forth herein, and (b) described in the Confidential Private Placement Memorandum ("Private Placement Memorandum") dated June 1, 2010, together with all exhibits thereto and materials included therewith, and all supplements, if any, related to this offering. The minimum loan is Ten Thousand (\$10,000) Dollars, but the Company has the discretion to offer fractional Notes for loans less than the minimum.

**2. Note Offering.** The Company is offering a maximum of Five Hundred (500) Notes at Ten (\$10,000) Dollars per Note, with no minimum subscription (the "Offering"). The maximum aggregate loan to the Company from this Offering will be Five Million (\$5,000,000) Dollars. The Offering is being made to a limited number of investors pursuant to an exemption available under the Securities Act of 1933 (the "Act"), specifically Rule 506 promulgated under Regulation D, and under certain other laws, including the securities law of certain states.

**3. Documents to Be Delivered.** The undersigned is delivering to the Company executed copies of this Subscription Agreement (the "Agreement"), the Note(s), Offeree Questionnaire, and all other applicable exhibits and documents (the "Subscription Documents"). The Subscription Documents should be delivered to Tri-Core Companies LLC, at 8800 E Chaparral Road, Suite #270, Scottsdale, AZ 85250. The undersigned understands and agrees that he or it will not become a "Holder" of the Note(s) and the Company shall not become a "Maker" of the Note(s) unless and until the Agreement and Note(s) are executed by the Company.

**4. Making of Loan Amount.** The undersigned, simultaneously with the delivery of the Subscription Documents to the Company, hereby tenders to the Company the Loan Amount by **check made payable to the order of Tri-Core Compantes LLC** in the amount indicated above.

**5. Acceptance or Rejection of Subscription.** The undersigned understands and agrees that the Company reserves the right, exercisable in its sole discretion, to accept or reject any subscription, in whole or in part, for any reason and that the undersigned will be notified by the Company as promptly as practicable as to whether his or its subscription has been accepted or rejected. If the undersigned's subscription is accepted, in whole or in part, by the Company, the Company will execute this Agreement and the Note(s) and return them to the undersigned. If this subscription is rejected by the Company, either in whole or in part, all funds, in the case of a rejection of the subscription in whole, or those funds representing the amount of the subscription not accepted by the Company, in the case of a rejection of the subscription in part, will be returned to the undersigned as promptly as practicable. If this subscription is rejected in whole by the Company, this Agreement shall be null, void and of no effect. The undersigned does not have the right to withdraw or revoke his or its subscription during the Offering period, except as provided by certain state laws, except that if more than thirty (30) days shall have passed from the date the Company received completed and executed Subscription Documents and the Loan Amount from the undersigned (the "Acceptance Period"), and the Company has not accepted the subscription during the Acceptance Period, the undersigned may withdraw his or its subscription at any time after the Acceptance Period up until such time that the Company subsequently decides, in its sole discretion, to accept the subscription in whole or in part.

**6. Offering Period.** The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Five Million (\$5,000,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

**7. Closing of the Loan.** The Note(s) subscribed for herein shall not be deemed made by the Company or held by the undersigned until this Agreement and the Note(s) have been countersigned by the Company, and until the funds delivered by the undersigned to the Company with the Subscription Documents have been deposited in the Holding Account and have been cleared by the applicable bank of the Company (the "Effective Date"). Upon the Effective Date, (a) the undersigned shall have loaned to the Company the Loan Amount, (b) the undersigned shall become the Holder and the Company shall become the Maker of the Note(s) subscribed for by the undersigned, and (c) both the undersigned and the Company shall be bound by the terms of the Private Placement Memorandum and the Subscription Documents and any other undertakings described herein.

**8. Representations and Warranties.**

- (a) The Company hereby represents and warrants as follows:

(i) The Company is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Arizona and has the requisite company power and authority to own, lease and operate its properties and to carry on its business as now being conducted;

(ii) This Agreement constitutes the valid and binding obligation of the Company enforceable against the Company in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws from time to time in effect which affect creditor's rights generally and by legal and equitable limitations on the availability of specific performance and other equitable remedies under or by virtue of this Agreement). The Company has all requisite power and authority, corporate and other, to execute and deliver this Agreement and the Note(s) and to consummate the transactions contemplated hereby. All persons who have executed this Agreement and the Note(s) on behalf of the Company have been duly authorized to do so by all necessary corporate action. Neither the execution and delivery of this Agreement and the Note(s) nor the consummation of the transactions contemplated hereby will (A) violate any provision of the Certificate of Incorporation or Operating Agreement of the Company, as currently in effect; (B) violate any judgment, order, injunction, decree or award against, or binding upon, the Company or the securities, assets, properties, operations or business of the Company; or (C) violate any law or regulation applicable to the Company or to the securities, assets, properties, operations or business of the Company.

(b) In order to induce the Company to accept the subscription made hereby, the undersigned hereby represents and warrants to the Company as follows:

(i) The undersigned has received the Private Placement Memorandum and the Subscription Documents. The undersigned has read and understands the Private Placement Memorandum and Subscription Documents and the information contained in those documents concerning the Company and this Offering or has caused his or its representative to read and examine the Private Placement Memorandum and Subscription Documents. The undersigned has relied only on the information about the Company contained in these documents and his or its own independent investigation in making his or its subscription. The undersigned understands that the Notes will be issued with the rights and subject to the conditions described in the Private Placement Memorandum and Subscription Documents;

(ii) The undersigned is familiar with the terms and conditions of the Offering and is aware that his or its investment involves a

degree of risk and the undersigned has read the section in the Private Placement Memorandum titled "Risk Factors."

(iii) The undersigned hereby specifically accepts and adopts each and every provision of this Agreement and acknowledges and agrees with each and every provision of this Agreement and, upon acceptance by the Company of the subscription made hereby, agrees to be bound by such provisions.

(iv) The undersigned acknowledges and is aware that there is no assurance as to the future performance of the Company.

(v) The undersigned, if an individual (A) has reached the age of majority in the state in which he resides and (B) is a bona fide resident and domiciliary (not a temporary or transient resident) of the state set forth below his signature on the signature page hereof and has no present intention of becoming a resident of any other state or jurisdiction. The undersigned, if a partnership, corporation, limited liability company, trust or other entity, was organized or incorporated under the laws of the jurisdiction set forth below the signature made on its behalf on the signature page hereof and has no present intention of altering the jurisdiction of its organization, formation or incorporation.

(vi) The undersigned has the financial ability to bear the economic risk of an investment in the Offering, has adequate means of providing for his or its current needs and personal contingencies, has no need for liquidity in the Note(s) and could afford a complete loss of his or its investment in the Offering.

(vii) The undersigned represents and warrants to the Company that he or it comes within one of the categories of investors as defined in Exhibit 1 hereto (*please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity*).

(viii) The undersigned has been given the opportunity to review the merits of an investment in the Offering with tax and legal counsel or with an investment advisor to the extent the undersigned deemed advisable.

(ix) The undersigned's overall commitment to invest in the Note(s), which are not readily marketable, is not disproportionate to his or its net worth and his or its investment in the Offering will not cause such overall commitment to become excessive.

(x) The undersigned has such knowledge and experience in financial and business matters that he or it is capable of evaluating the merits and risks of an investment in the Offering.

(xi) The undersigned has been given a full opportunity to ask questions of and to receive (A) answers from the Company and its Managers concerning the terms and conditions of this Offering and the business of the Company and (B) such other information as he or it desired in order to evaluate an investment in the Offering, and all such questions have been answered to the full satisfaction of the undersigned. No oral or written representations have been made or oral or written information furnished to the undersigned or the undersigned's advisors in connection with the Offering or interests that were in any way inconsistent with this Subscription Agreement. The undersigned is not participating in the Offering as a result of or subsequent to: (1) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or (2) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(xii) If the undersigned is a corporation, limited liability company, partnership, trust or other entity, it is authorized and qualified to make this loan to the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so.

(xiii) If the undersigned is a corporation, limited liability company or partnership, the person signing this Agreement on its behalf hereby represents and warrants that the information contained in this Agreement completed by any shareholders of such corporation, members of such limited liability company or partners of such partnership is true and correct with respect to such shareholder, member or partner (and if any such shareholder is itself a corporation, limited liability company or partnership, with respect to all persons having an equity interest in such corporation, limited liability company or partnership, whether directly or indirectly) and that the person signing this Agreement has made due inquiry to determine the truthfulness and accuracy of the information contained in this Agreement.

(xiv) The purchase of the Note(s) by the undersigned has been duly authorized, and the execution, delivery and performance of this Agreement does not conflict with the undersigned's partnership agreement, certificate of incorporation, by-laws, articles of organization, operating agreement or any agreement to which the undersigned is a party and this Agreement is a valid and binding agreement enforceable against the undersigned in accordance with its terms.

(xv) The undersigned hereby represents that he or it is subscribing for the Notes as principal or as trustee, solely for the account of the undersigned, for investment purposes only and not with a view to, or for, subdivision, resale, distribution, or fractionalization thereof, in whole or in part, or for the account, in whole or in part, of others, and, except as disclosed herein, no other person has a direct or indirect beneficial interest in the Note(s). The undersigned will hold the Note(s) as an investment and has no reason to anticipate any change in circumstances or other particular occasion or event, which would cause the undersigned to attempt to sell any of the Note(s).

(xvi) The undersigned acknowledges his or its understanding that (A) the Offering of the Note(s) by the Company has not been registered under the Act, as amended, or the securities laws of certain states in reliance on specific exemptions from registration, (B) the Confidential Memorandum and Subscription Documents have not been filed with or reviewed by the Securities and Exchange Commission or the securities department of any state and no securities administrator of any state or the federal government has recommended or endorsed this Offering or made any finding or determination relating to the fairness of an investment in the Company, and (C) the Offering of the Note(s) by the Company is intended to be exempt from registration pursuant to Section 4 (2) of the Act and the rules promulgated there under by the Securities and Exchange Commission, and that the undersigned's Note(s) cannot be sold, pledged, assigned or otherwise disposed of unless they are registered under the Act or an exemption from such registration is available.

(xvii) The undersigned represents and warrants that he or it will not transfer or convey all or part of his or its financial interest in the Note(s) unless such Note(s) are subsequently registered under the Act, or an exemption from such registration is available and without (A) the prior written consent of the Company and (B) an opinion of counsel acceptable to the Company and its counsel to the effect that the Note(s) may be transferred without violation of the registration requirements of the Act or any applicable state securities laws, as may be amended from time to time. The undersigned further acknowledges that there can be no assurance that the Company will file any registration statement for the Note(s) for which the undersigned is subscribing, that such registration statement, if filed, will be declared effective or, if declared effective, that the Company will be able to keep it effective until the undersigned sells the Note(s) registered thereon.

(xviii) The undersigned understands that this Agreement is subject to the Company's acceptance and may be rejected by the Company at any time in its sole discretion in whole or any part

prior to issuance of the Note(s) with respect to the undersigned's subscription, notwithstanding prior receipt by the undersigned of notice of acceptance of the undersigned's subscription. The Company reserves the right to withdraw the Offering at any time.

(xix) The undersigned acknowledges that this Agreement shall become binding upon the undersigned when it is countersigned by the Company and the undersigned is not entitled to cancel, terminate, or revoke this subscription before or after acceptance by the Company, except as otherwise provided in this Agreement.

(xx) All information provided by the undersigned in the Investor Questionnaire and Investor Representative Questionnaire (if applicable) which accompanies this Agreement is true and accurate in all respects, and the undersigned acknowledges that the Company will be relying on such information to its possible detriment in deciding whether the Company can make these Note(s) to the undersigned without giving rise to the loss of an exemption from registration under the applicable securities laws.

**9. Foreign Person.** If the undersigned has indicated on the signature page of this Agreement that he, she or it is a foreign person, he, she, or it agrees to notify the Company in writing within sixty (60) days of becoming a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign entity, as the case may be.

**10. Indemnity.** The undersigned agrees to indemnify and hold harmless the Company, its managers, members, agents, attorneys and affiliates and each other person, if any, who controls any thereof, within the meaning of Section 15 of the Act, against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in this Agreement or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

**11. Notice.** All notices in connection with this Agreement shall be in writing and personally delivered or delivered via overnight mail, with written receipt therefore, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 11) with a copy, in the case of notice to the Company, to Tri-Core Companies LLC, at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

**12. Miscellaneous.**

(a) This Agreement is not assignable by the undersigned. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) This Agreement shall be deemed to have been made in the State of Arizona and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Agreement.

(c) This Agreement contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied, except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties to this Agreement.

(d) No waiver of any breach of any terms of this Agreement shall be effective unless made in writing signed by the party against whom enforcement of the waiver is sought, and no such waiver shall be construed as a waiver of any subsequent breach of that term or of any other term of the same or different nature.

(e) If any provision or portion of this Agreement or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Agreement.

(f) Each of the parties hereto shall cooperate and take such actions, and execute such other documents, at the execution hereof or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.

IN WITNESS WHEREOF, the undersigned, by his, her, or its execution hereof, has read and approved this Subscription Agreement and agrees to be bound by this Agreement.

Executed this 1 day of October, 2010, at 7412 Soubert Drive  
(City), Las Vegas (State), NV, 89128

If the Investor is an **INDIVIDUAL**, complete the following:

The undersigned (circle one):  [is]  [is not] a citizen or resident of the United States.

Gloria M. Palou

Print Name of Individual

Print Name of Spouse / Co-Investor  
(If Funds are to be invested in Joint Name  
or are Community Property)

  
Print Social Security Number of Individual

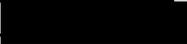
Print Social Security Number of Spouse  
or Co-Investor  
(If Funds are to be Invested in Joint Name  
or are Community Property)



Signature of Individual

Signature of Spouse / Co-Investor  
(If Funds are to be Invested in Joint Name  
or are Community Property)

Print Residential Address:

  
NV 

Print Residential Telephone Number:





If the investor is PARTNERSHIP, CORPORATION, TRUST OR OTHER ENTITY, complete the following:

The undersigned (circle one) [is] ([is not]) a foreign partnership, foreign corporation, trust or foreign estate (as defined in the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated there under).

Entrust Arizona LLC FBO Gloria M. Palou  
Entrust Account # [REDACTED] 4305

Print Name of Partnership, Corporation, Trust, or Other Business Entity

[REDACTED]  
Print Federal Tax Identification Number

Signature of Authorized Representative

Maricopa County, Arizona  
Print Jurisdiction of Entity

Gloria M. Palou

Print Name of Authorized Representative

Account Holder

Print Title of Authorized Representative

Print Residential Address of Investor:

Print Residential Telephone Number:

[REDACTED]  
[REDACTED] NV [REDACTED]

[REDACTED]

**ACCEPTANCE**

The terms of the foregoing, including the subscription described therein, are agreed to and accepted on this 1 day of October, 2010.

**TRI-CORE COMPANIES LLC**

By:   
Jason Todd Mogler - President

By:   
Jim Hinkeldey - Vice-President

**EXHIBIT 1  
INVESTOR STATUS**

(Please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity).

CS  
initials

A. **"Nonaccredited Investor"**. The undersigned does not meet the definition of an "Accredited Investor" as defined herein below;

\_\_\_\_\_  
initials

B. **"Accredited Investor"**. The undersigned is an Accredited Investor as defined below (check applicable box):

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;

2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;

3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8.\* Any entity in which all of the equity owners are Accredited Investors.

**NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.**

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\* If this box is checked, please indicate on a separate schedule to be attached hereto, the category of Accredited Investor in which each equity owner of such entity is included.

CONFIDENTIAL

**EXHIBIT B**  
**PROMISSORY NOTE**

B1

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**EXHIBIT B**

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**PROMISSORY NOTE**

**THIS NOTE HAS BEEN MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH THE DISTRIBUTION THEREOF AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS NOTE MAY NOT BE SOLD, TRANSFERRED, OR ASSIGNED ("TRANSFER") UNLESS IT IS SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE MAKER CONSENTS IN WRITING TO SUCH TRANSFER.**

**Tri-Core Companies LLC**, an Arizona Limited Liability Company, with offices at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250 (the "Maker"), for value received, promises to pay to the Individual and/or legal entity designated in this Note as the "HOLDER," the principal sum of **\$55,000.00 Dollars** with a rate of return of forty percent (40%) compounded annually. Interest shall be due and payable at maturity and based on the commencement date of the Note. The entire Principal shall be due and payable to the Holder no later than twenty-four (24) months from the Commencement Date. The principal and any interest due on said principal may be prepaid at the sole discretion of the Company, without a prepayment penalty or premium at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date.

**1. NOTES**

This Note in the principal amount of Ten (\$10,000) Dollars per Note, or any fractional amounts, is offered for sale by the Maker, pursuant to that certain "Private Placement Memorandum" dated June 1, 2010. The Note shall be senior debt of the Maker and secured by the property.

**2. EVENTS OF DEFAULT**

A default shall be defined as one or more of the following events ("Event of Default") occurring and continuing:

- (a) The Maker shall fail to pay any interest payment on this Note when due for a period of thirty (30) days after notice of such default has been sent by the Holder to the Maker.
- (b) The Maker shall dissolve or terminate the existence of the Maker.

(c) The Maker shall file a petition in bankruptcy, make an assignment for the benefit of its creditors, or consent to or acquiesce in the appointment of a receiver for all or substantially all of its property, or a petition for the appointment of a receiver shall be filed against the Maker and remain unstayed for at least ninety (90) days.

Upon the occurrence of an Event of Default, the Holder of this Note may, by written notice to the Maker, declare the unpaid principal amount and all accrued interest of the Note immediately due and payable.

### **3. SECURITY FOR PAYMENT OF THE NOTE(S)**

The Note(s) offered by the MAKER for this offering will be secured by the land purchased.

### **4. COMMENCEMENT DATE OF THE NOTE**

The Commencement Date of the Note shall be the "Effective Date," as defined in that certain "Subscription Agreement" attached as Exhibit A to the Private Placement Memorandum.

### **5. STATUS OF HOLDER**

The Maker may treat the Holder of this Note as the absolute owner of this Note for the purpose of making payments of principal or interest and for all other purposes, and shall not be affected by any notice to the contrary, unless the Maker so consents in writing.

### **6. SECURITIES ACT RESTRICTIONS**

This Note has not been registered for sale under the Act. This Note may not be sold, offered for sale, pledged, assigned or otherwise disposed of, unless certain conditions are satisfied, as more fully set forth in the Subscription Agreement.

### **7. ATTORNEYS' FEES**

The prevailing party in an action to enforce this Note shall be entitled to reasonable attorneys' fees, costs, and collection expense.

### **8. MISCELLANEOUS.**

(a) **Successors and Assigns.** The Holder may not assign, transfer, or sell this Note to any party without the express written consent of the Maker. This Note shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) **Entire Agreement.** This Note contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied,

except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Note shall be effective unless in writing and signed by both parties to this Note.

(c) **Notices.** All notices in connection with this Note shall be in writing and personally delivered or delivered via overnight mail, with written receipt thereof, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 8) with a copy to Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

(d) **Section Headings.** The headings of the various sections of the Note have been inserted as a matter of convenience for reference only and shall be of no legal effect.

(e) **Severability.** If any provision or portion of this Note or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Note.

(f) **Applicable Law.** This Note shall be deemed to have been made in the State of Arizona, and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in the State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Note.

(g) **Approval.** By signing below, each party respectively acknowledges that they have read and approved this promissory note.

**Maker:**

**Tri-Core Companies LLC,**  
An Arizona Company  
8800 E. Chaparral Road - Suite 270  
Scottsdale, AZ 85250

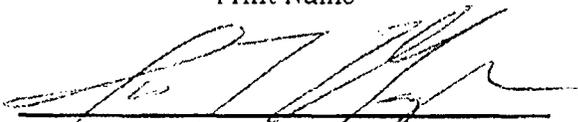
**Holder:**

**Entrust Arizona LLC FBO Gloria M.  
Palou. Entrust Account # [REDACTED] 4305**

[REDACTED], NV [REDACTED]

Jason T. Mogler

Print Name

  
Signature & Date

Gloria M. Palou

Print Name

  
Signature & Date

**EXHIBIT C**  
**INVESTOR SUITABILITY QUESTIONNAIRE**

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**EXHIBIT C**

**Tri-Core Companies LLC**

**Investor Suitability Questionnaire**

To: Prospective purchasers of Promissory Notes (the "Notes") offered by Tri-Core Companies LLC (the "Company").

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an "Accredited Investor," as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Company for purchasing Notes. ***This questionnaire is not an offer to sell securities.***

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Company deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Notes.

*Please answer all questions completely and execute the signature page*

**A. Personal**

1. Full Name: Eloisa Margarita Paloo

2. Address of Principal Residence: [REDACTED]

[REDACTED] N.J. [REDACTED]

County: [REDACTED]

3. Residential Telephone Number: [REDACTED]

4. Where are you registered to vote (County & State)? [REDACTED] N.J.

5. Your driver's license is issued by the following state: Nevada

6. Other Residences or Contacts: *Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license, or have any other contacts, and describe your connection with such state:*

\_\_\_\_\_  
\_\_\_\_\_

7. Please send all correspondence to:

- (1)  Residential Address [as set forth in item A-2]  
(2)  Business Address [as set forth in item B-1(a)]
8. Date of Birth: [REDACTED]
9. Country of Citizenship: USA
10. Social Security Number or Tax I.D. Number: [REDACTED]
11. E-Mail Address: Olivera Palov @ [REDACTED]

**B. Occupations and Income**

1. Occupation: GI dealer  
(a) Business Address: Venetian Casino Vegas  
(b) Business Telephone Number: [REDACTED]
2. Gross income during each of the last two years exceeded:  
(1)  \$25,000 (3)  \$50,000  
(2)  \$100,000 (4)  \$200,000
3. Joint gross income with spouse during each of the last two years exceeded \$300,000.  
(1)  Yes (2)  No (3)  Not Applicable
4. Estimated gross income during current year exceeds:  
(1)  \$25,000 (3)  \$50,000  
(2)  \$100,000 (4)  \$200,000
5. Estimated joint gross income with spouse during current year exceeds \$300,000.  
(1)  Yes (2)  No (3)  Not Applicable

**C. Net Worth**

1. Current net worth or joint net worth with spouse (note that "net worth" includes all of the assets owned by you and your spouse in excess of total liabilities, including the fair market value, less any mortgage, of your principal residence.)

- (1)  \$50,000-\$100,000 (2)  \$100,000-\$250,000 (3)  \$250,000-\$500,000

(4) \_\_\_\_\_ \$500,000-\$750,000      (5) \_\_\_\_\_ \$750,000-\$1,000,000      (6) \_\_\_\_\_ over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1)  Yes      (2) \_\_\_\_\_ No

**D. Affiliation with the Company**

Are you a director or executive officer of the Company?

(1) \_\_\_\_\_ Yes      (2)  No

**E. Investment Percentage of Net Worth**

If you expect to invest at least \$100,000 in Notes, does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse?

(1) \_\_\_\_\_ Yes      (2) \_\_\_\_\_ No      (3)  Not Applicable

**F. Consistent Investment Strategy**

Is this investment consistent with your overall investment strategy?

(1) \_\_\_\_\_ Yes      (2)  No

**G. Prospective Investor's Representations**

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

**Prospective Investor(s):**

Gloria M Palou  
\_\_\_\_\_  
Signature

Date: 10-1-2010

  
\_\_\_\_\_  
Signature (of spouse or co-investor, if purchase is to be made as joint tenants or as tenants in common)

Date: 10-1-2010

**EXHIBIT D**  
**TRI-CORE COMPANIES LLC**  
**BUSINESS PLAN**

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## EXHIBIT D

### TRI-CORE COMPANIES LLC BUSINESS PLAN

#### **Mission Statement**

The mission of Tri-Core Companies LLC (the Company) is to purchase virgin beachfront land on the Gulf of California (Sea of Cortez), Sonora, Mexico for either resale or for development.

The specific location the Company has concentrated on is between El Golfo de Santa Clara on the north and Puerto Peñasco (Rocky Point) on the south. This is a distance of about 80 miles and was chosen because of the access the new Coastal Highway has afforded this area. Prior to the new highway, this area was inaccessible except by rugged four-wheel-drive vehicles. The highway now makes this area accessible by automobile for millions of visitors and buyers from the United States.

The Company believes that there will be a major increase in demand for property in this area with the completion of the new coastal highway.

#### **Business Operations**

##### **Ownership and Employees:**

The Company is intended to be a very competitive, highly motivated company with a small number of select key employees. The majority of the day to day responsibilities, planning and development tasks will be performed by the principal/managing partners. All other tasks that cannot be performed on behalf of the company by principals or employees will be done by hired contract services. An example of a hired contract service would be accounting.

##### **Jason Todd Mogler – President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

**Vince Gibbons - Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout
- Final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club – Mohave County, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.

- **Eagle View Subdivision – Kingman, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.

- **Villages at Loreto Bay, Master Planned Development – Loreto, Mexico.**

Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.

- **Colonias de Cardenas, Master Planned Community – Panama City, Panama.**

Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.

- **Punta Delfin, Enchantment of México – Sea of Cortez, Sonora, México.**

Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey – Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which

included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

**Market Knowledge and the Property  
Knowledge of the Marketplace:**

The Principals of the Company have been active in real estate and Mexico for several years and consider the El Golfo/Rocky Point market one of the (if not the most) active markets in all of Mexico for development and potential upside investment.

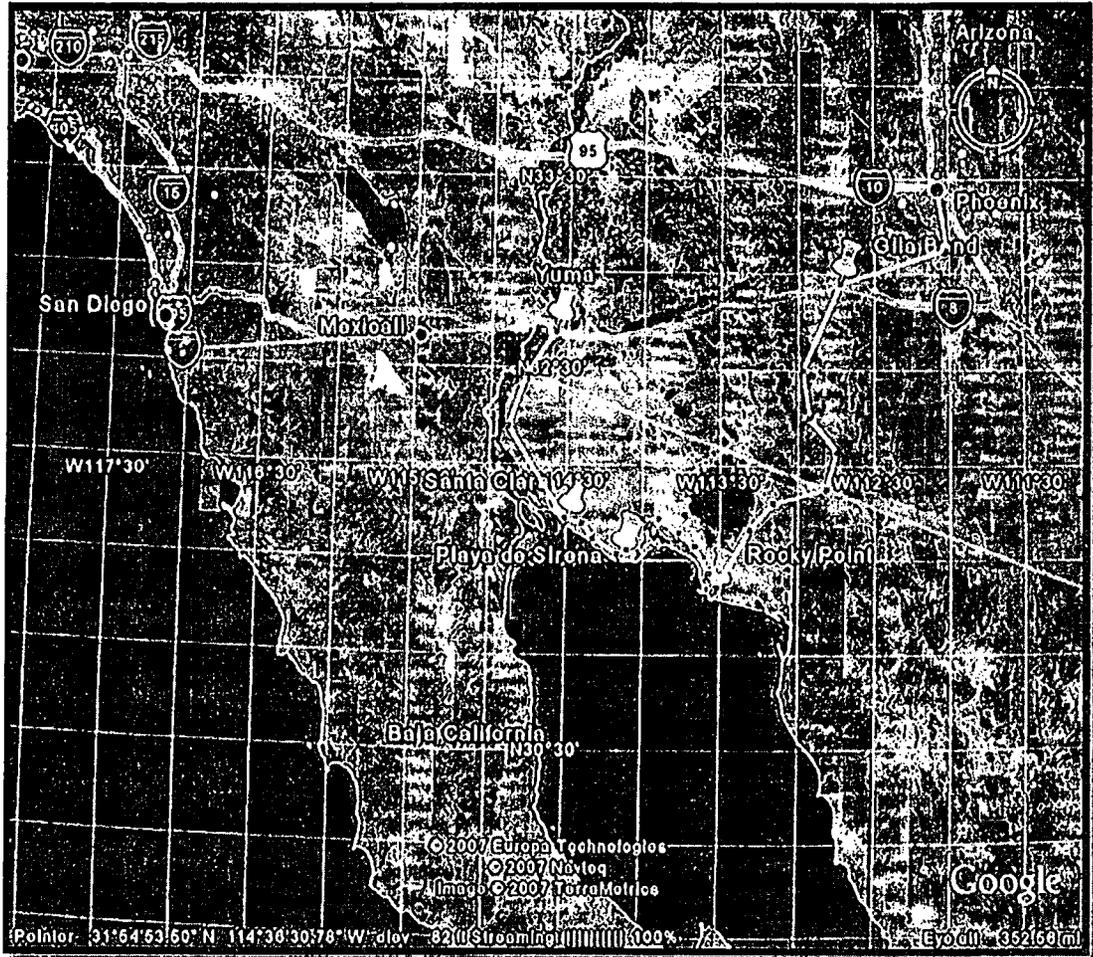
The El Golfo/Rocky Point area was chosen for the Company's purchases due to its potential appreciation. Some of the driving factors that influenced this decision were:

- Its close proximity to the United States markets (one hour drive from the Border of US/Mexico)
- Its location on a beautiful, pristine, major body of water
- The quality of the sand beaches
- The scenic mountain views of the Baja Peninsula
- The opening of the area by new Coastal Highway from the US/Mexico border 300 miles to the south along the coast of the Sea of Cortez to Guaymas, Mexico, a major seaport

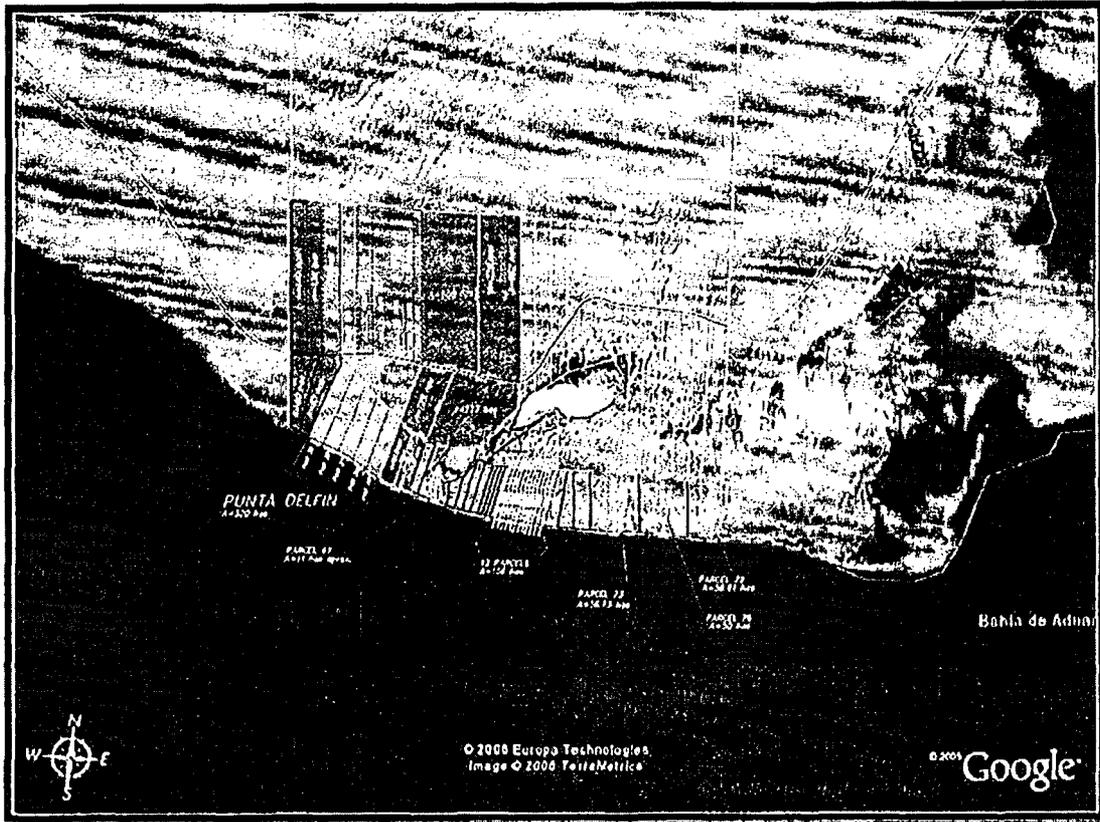
- The new \$50 million dollar international airport at Rocky Point accommodates all types of passenger planes
- The newly constructed Hospital of Peñasco will serve the El Golfo/Rocky Point areas
- The newly designated cruise ship port in Rocky Point

The Mexican and Sonoran Governments are dedicated to promoting the area as a major destination for both Americans and Canadians. This is evidenced by the millions of dollars of infrastructure being put in place by the United States and Mexican Governments. A prime example of this dedication is the Coastal Highway. This three hundred mile highway is being built and will connect the port city of Guaymas in Mexico with the US/Mexico border at San Luis Rio Colorado, south of Yuma, Arizona. This will make the whole area much more accessible for millions of Americans in Southern California, Arizona, and Nevada for weekends and vacations, as well as for longer stays by visitors from all across the United States and Canada.

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**El Golfo / Rocky Point – General Economic and Area Information:**

The Colorado River forms the state line between Arizona, California, and Nevada, and continues southerly to the Sea of Cortez. Along its entire length, it is a major recreation / boating area for Arizona, Nevada, and Southern California in the spring and summer, as well as a perfect destination for “Snowbirds” in the winter – creating a year-round demand for the entire area.

Historically, neighboring Rocky Point has been a major recreational area for Phoenix and Tucson, Arizona. The drive time to Rocky Point has been about four-plus hours from Phoenix, making it a very easy weekend vacation spot. There have been many new high and mid-rise condominium units built in the Sandy Beach neighborhood of Rocky Point within the past few years. These are well-designed and constructed developments with many beachfront amenities. These units have generally sold for \$300,000 to over \$1,500,000, primarily to U.S. residents.

El Golfo is about 35 miles east of Rocky Point. The El Golfo area is near the northern end of the Sea of Cortez and is well protected from adverse weather. Consequently, the waters are generally calm. El Golfo is a picturesque fishing village with long, wide, sandy beaches. The fishermen launch their boats from the sandy beaches directly to the water. There is at present one paved road that ends at El Golfo.

The new Coastal Highway makes the drive between El Golfo and Rocky Point approximately 45 minutes. Accordingly, this whole area between Rocky Point and El Golfo is poised to undergo extensive real estate development. In anticipation of this future growth, a new major border crossing facility has been completed for San Luis to help relieve congestion at the present in-town facility.

For the first time, large U.S. markets from California, Nevada, and Western Arizona will be within a reasonable driving distance. As an example, the Southern California market will have its driving time reduced from approximately seven hours to just around four hours. There are many resort areas of Mexico with extensive development taking place, however, there are only limited areas on the calm waters of the Sea of Cortez that have good driving access from the United States.

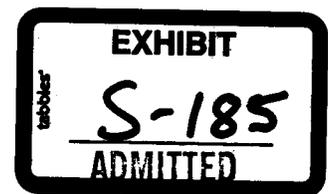
The new highway is the driving force that has dramatically changed access to this area. It is the Company's belief that since prime oceanfront land in this area's acreage is limited, the demand for this property will be strong. This belief is further strengthened by its aggressive promotion of Relaxante to the new markets of California, Nevada, and Western Arizona.



**CONFIDENTIAL PRIVATE  
PLACEMENT MEMORANDUM**

PLEASE RETURN ONE COPY OF THIS  
DOCUMENT TO US IN THE PROVIDED  
RETURN PACKAGING.

PLEASE KEEP ONE COPY OF THIS  
DOCUMENT FOR YOUR PERSONAL  
RECORDS.





Memorandum#: Barbara Drazga

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**Tri-Core Companies LLC**  
An Arizona Limited Liability Company

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**\$5,000,000**

**\$10,000 per Promissory Note (Unit)**  
**MINIMUM PURCHASE - 1 Promissory Note**  
**40% Rate of Return, Compounded Annually, Paid At Maturity**  
**Maturity Date: 24 months**  
**Redemption at Maturity - \$19,600 per Unit**

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Tri-Core Companies LLC, an Arizona Limited Liability Company (hereinafter referred to as the "COMPANY"), is offering by means of this Confidential Private Placement Memorandum a maximum of Five Hundred (500) Secured Promissory Notes ("Notes") at an offering price of Ten Thousand (\$10,000) Dollars per Note, for a maximum total of Five Million Dollars (\$5,000,000), to qualified investors who meet the Investor Suitability Requirements set forth herein (see "INVESTOR SUITABILITY REQUIREMENTS"). Each investor must agree to purchase the Notes, as a lender to the Company, for investment purposes only, and execute a Subscription Agreement in the form contained in the accompanying Subscription Booklet (see "TERMS OF THE OFFERING").

**THESE SECURITIES ARE SPECULATIVE AND INVESTMENT  
IN THE NOTES INVOLVES A HIGH DEGREE OF RISK  
(SEE "RISK FACTORS")**

	<b>Offering Price</b>	<b>Selling Commissions</b>	<b>Proceeds to Company</b>
<b>Per Unit</b>	\$10,000	\$1,000	\$9,000
<b>Maximum Units</b>	\$5,000,000	\$500,000	\$4,500,000

**Tri-Core Companies LLC**  
8800 E. Chaparral Road, Suite 270  
Scottsdale, AZ 85250  
Telephone: (480) 278-7031  
Facsimile: (480) 278-8979

The date of this Private Placement Memorandum is June 1, 2010

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Tri-Core Companies LLC

(480) 278-7031

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**IMPORTANT NOTICES**

This Confidential Private Placement Offering Memorandum ("Memorandum") is submitted to you on a confidential basis solely for the purpose of evaluating the specific transaction described herein. This information shall not be photocopied, reproduced, or distributed to others without the prior written consent of Tri-Core Companies LLC ("Company"). If the recipient determines not to purchase any of the Notes offered hereby, it will promptly return all material received in connection herewith without retaining any copies.

## DISCLAIMERS

THE NOTES OFFERED HEREBY IN THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH, OR APPROVED, BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR HAVE SUCH NOTES OR THIS MEMORANDUM BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF ANY STATE OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. THIS OFFERING IS BASED ON THE EXEMPTION FROM SUCH REGISTRATION AS SET FORTH IN §4(2) AND RULE 506 OF REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED.

THE INVESTMENT DESCRIBED IN THIS MEMORANDUM INVOLVES RISKS, AND IS OFFERED ONLY TO INDIVIDUALS WHO CAN AFFORD TO ASSUME SUCH RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO AGREE TO PURCHASE THE NOTES ONLY FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD THE TRANSFER, RESALE, EXCHANGE OR FURTHER DISTRIBUTION THEREOF. THERE WILL BE NO PUBLIC MARKET FOR THE NOTES ISSUED PURSUANT TO THIS OFFERING MEMORANDUM. THE RESALE OF THE NOTES IS LIMITED BY FEDERAL AND STATE SECURITIES LAWS AND IT IS THEREFORE RECOMMENDED THAT EACH POTENTIAL INVESTOR SEEK COUNSEL SHOULD THEY DESIRE MORE INFORMATION.

THE PRICE OF THE NOTES AS DESCRIBED IN THIS OFFERING MEMORANDUM HAS BEEN ARBITRARILY DETERMINED BY THE SPONSORS OF THIS INVESTMENT AND EACH PROSPECTIVE INVESTOR SHOULD MAKE AN INDEPENDENT EVALUATION OF THE FAIRNESS OF SUCH PRICE UNDER ALL THE CIRCUMSTANCES AS DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION IN CONNECTION WITH THIS MEMORANDUM, EXCEPT SUCH INFORMATION AS IS CONTAINED OR REFERENCED IN THIS MEMORANDUM. ONLY INFORMATION OR REPRESENTATIONS CONTAINED OR REFERENCED HEREIN MAY BE RELIED UPON AS HAVING BEEN MADE BY THE COMPANY. PROSPECTIVE INVESTORS WHO HAVE QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THIS PRIVATE OFFERING MEMORANDUM OR WHO DESIRE ADDITIONAL INFORMATION OR DOCUMENTATION TO VERIFY THE INFORMATION CONTAINED HEREIN SHOULD CONTACT THE COMPANY. PROJECTIONS OR FORECASTS CONTAINED IN THIS PRIVATE OFFERING MEMORANDUM, OR OTHER MATERIALS, MUST BE VIEWED ONLY AS ESTIMATES. ALTHOUGH ANY PROJECTIONS CONTAINED IN THIS MEMORANDUM ARE BASED UPON ASSUMPTIONS WHICH THE COMPANY BELIEVES TO BE REASONABLE, THE ACTUAL PERFORMANCE OF THE COMPANY MAY DEPEND UPON FACTORS BEYOND THE CONTROL OF THE COMPANY. NO ASSURANCE CAN BE GIVEN THAT THE COMPANY'S ACTUAL PERFORMANCE WILL MATCH ITS INTENDED RESULTS.

## 1. SUMMARY OF THE OFFERING

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY MORE DETAILED INFORMATION THAT MAY APPEAR ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM. EACH PROSPECTIVE INVESTOR IS URGED TO READ THIS PRIVATE OFFERING MEMORANDUM IN ITS ENTIRETY.

Tri-Core Companies LLC (the "Company") was formed on August 29, 2007 as an Arizona Limited Liability Company. The Company is in the business of Land Acquisition and Development.

The Securities offered are Five Hundred (500) Notes issued by the Company at Ten (\$10,000) Dollars per Note, payable in cash at the time of subscription (see "Exhibit B" for copy of Promissory Note). The minimum purchase is one (1) Note. The Notes have an annual rate of return of forty (40%) percent interest, compounded annually. The return will be paid at maturity, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date.

None of the Notes are convertible to Membership Units, or other type of equity, in the Company. This offering will commence on June 1, 2010, and will terminate no later than May 31, 2011, unless extended by the Company (see "TERMS OF THE OFFERING").

The gross proceeds of the offering will be a maximum of Five Million (\$5,000,000) Dollars. The use of the proceeds is to purchase and hold for appreciation parcels of land along the Sonoran Coast of Mexico.

## 2. THE COMPANY

Tri-Core Companies LLC (the "Company") was formed on August 29, 2007, as an Arizona Limited Liability Company. At the date of this offering, One Thousand (1,000) of the Company's Membership Units were authorized and Nine Hundred (900) Membership Units are issued, and outstanding. The Company is in the business of construction management, land acquisition and development.

### 2.1 OPERATIONS

The Company is in the business of construction management, land acquisition and development, specializing in beach front properties along the coast of the upper Sonoran coastline in Sonora, Mexico. SEE "EXHIBIT D - BUSINESS PLAN."

## 2.2 BUSINESS PLAN

Tri-Core Companies Business Plan, included as Exhibit D of this Memorandum, and was prepared by the Company using assumptions set forth in the Business Plan, including several forward looking statements. Each prospective investor should carefully review the Business Plan before purchasing Notes. Management makes no representations as to the achievability of the underlying assumptions and projected results contained herein.

## 3. MANAGEMENT

### 3.1 LLC MANAGERS

The success of the company is dependent upon the services and expertise of existing management. At the present time, three individuals are actively involved in the management of the Company:

#### **Jason Todd Mogler – President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

#### **Vince Gibbons – Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going

the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club - Mohave County, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.
- **Eagle View Subdivision - Kingman, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.
- **Villages at Loreto Bay, Master Planned Development - Loreto, Mexico.**  
Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.
- **Colonias de Cardenas, Master Planned Community - Panama City, Panama.**  
Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.
- **Punta Delfin, Enchantment of México - Sea of Cortez, Sonora, México.**  
Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

**Jim Hinkeldey - Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgage backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **4. TERMS OF THE OFFERING**

##### **4.1 GENERAL TERMS OF THE OFFERING**

This Private Offering Memorandum is offering a maximum of Five Hundred (500) Notes at Ten (\$10,000) Dollars per Note, for a maximum of Five Million (\$5,000,000) Dollars to a select group of Investors who satisfy the Investor Suitability Requirements (see: "**INVESTOR SUITABILITY REQUIREMENTS**"). The Company has the authority to sell fractional Notes at its sole discretion.

##### **4.2 MINIMUM OFFERING AMOUNT**

No minimum offering amount has been established.

##### **4.3 NONTRANSFERABILITY OF NOTES**

The Notes have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered in reliance upon an exemption under §4(2) and Rule 506 of Regulation D of the Securities Act, as amended, and rules and regulations hereunder. The Notes have not been registered under the securities laws of any state and will be offered pursuant to an exemption from registration in each state. A purchaser may transfer or dispose of the Note only if such Notes are subsequently registered under the Securities Act, or if an exemption from registration is available, and pursuant to an opinion of counsel acceptable to the Company and its counsel to the effect that the Notes may be transferred without violation of the registration requirements of the Securities Act or any other securities laws.

##### **4.4 CLOSING OF THE OFFERING**

The Notes are offered and closed only when a properly completed Subscription Agreement (**Exhibit A**); Note (**Exhibit B**), and Investor Questionnaire (**Exhibit C**) are submitted by the investing Subscriber or his/her Investor

Representatives and are received and accepted by the Company. The Subscription Agreement as submitted by an investing Subscriber or his/her Investor Representatives shall be binding once the Company signs the Subscription Agreement, Note and the funds delivered by the potential Investor to the Company with the Subscription Agreement has been cleared by the financial institution in which they are deposited by the Company. The Notes will be delivered to qualified Investors upon acceptance of their subscriptions. All funds collected from investing Subscribers will be deposited in a designated account under the control of the Company. Investors subscribing to the Notes may not withdraw or revoke their subscriptions at any time prior to acceptance by the Company, except as provided by certain state laws, or if more than thirty (30) days have passed after receipt of the Subscription Agreement by the Company without the Company accepting the Investor's funds and delivering all applicable documents to such Investor. The proceeds of this Offering will be used only for the purpose set forth in this Private Offering Memorandum (see "USE OF PROCEEDS").

The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Five Million (\$5,000,000) Dollars.
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

## 5. PLAN OF DISTRIBUTION

### 5.1 OFFERING OF NOTES

The Notes will be offered to prospective lenders by Officers and Directors of the Company and qualified licensed personnel, pursuant to State and Federal security rules and regulations. This Offering is made solely through this Private Placement Memorandum and without any form of general solicitation or advertising. The Company and its Officers and Directors or other authorized personnel will use their best efforts during the Offering period to find eligible Investors who desire to subscribe to the Notes in the Company. These Notes are offered on a "best efforts" basis, and there is no assurance that any or all of the Notes will be closed. The Company has the authorization to offer fractional Notes at its sole discretion. The Offering period will begin as of the date of this private Offering Memorandum and will close upon the happening of such occurrences as defined herein (see "TERMS OF THE OFFERING").

## **5.2 PAYMENTS TO BROKER DEALERS OR INVESTMENT ADVISORS**

The Company has the power to pay fees or commissions to qualified Broker Dealers, Registered Investment Advisors or any other person qualified under other applicable federal and state security laws.

## **6. DESCRIPTION OF NOTES**

### **6.1 NOTES**

The Company is offering Five Hundred (500) Notes of the Company to potential investors at Ten (\$10,000) Dollars per Note, payable in cash at the time of the subscription. The minimum purchase is one (1) note. The Notes will have an annual rate of return of forty (40%) percent interest, compounded annually, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. All principal shall be paid at maturity (24 months). Interest shall be paid at maturity (24 months). The principal and any interest due on said principal may be prepaid, at the sole discretion of the Company, without a prepayment penalty at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above-noted maturity date. The Notes offered pursuant to this Private Placement Memorandum will be secured by the property.

The Notes will be issued in the form attached hereto and incorporated herein by reference as though set forth in full herein as **Exhibit B**.

### **6.2 SECURITY FOR PAYMENT OF THE NOTES**

The Notes being offered by the Company in this Private Placement Offering are secured by the land Tri-Core Companies LLC purchases.

### **6.3 REPORTS TO NOTEHOLDERS**

The Company will furnish annual un-audited reports to its Note holders ninety (90) days after its fiscal year. The Company may issue other interim reports to its Note holders as it deems appropriate. The Company's fiscal year ends on December 31<sup>st</sup> of each year.

## **7. USE OF PROCEEDS**

The gross proceeds of the Offering will be a maximum of Five Million (\$5,000,000) Dollars. The table below sets forth the use of proceeds for both the maximum and minimum offering amounts.

### Sources

	Maximum Amount	Percent of Proceeds
<b>Proceeds From the Sale of Notes</b>	\$5,000,000	100.00%

### Application of Proceeds

Offering Expenses <sup>(1)</sup>	\$ 5,000	0.100%
Commissions <sup>(2)</sup>	\$ 500,000	10.000%
<b>Total Offering Expenses &amp; Fees</b>	<b>\$ 505,000</b>	<b>10.100%</b>
<b>Net Offering Proceeds</b>	<b>\$ 4,495,000</b>	<b>89.900%</b>
General Project Expense	\$ 20,000	0.400%
Soft Cost	\$ 25,000	0.500%
Marketing	\$ 35,000	0.700%
Administration	\$ 36,000	0.720%
Land Purchase <sup>(3)</sup>	\$ 4,379,000	87.580%
<b>Total Application of Proceeds</b>	<b>\$ 5,000,000</b>	<b>100.00%</b>

**Footnotes:**

- (1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.
- (2) This Offering is being sold by the officers and directors of the Company, who will not receive any compensation for their efforts. No sales fees or commissions will be paid to such officers or directors. Notes may be sold by registered brokers or dealers who are members of the NASD and who enter into a Participating Dealer Agreement with the Company. Such brokers or dealers may receive commissions up to ten percent (10%) of the price of the Notes sold.
- (3) Includes amount available for land purchase, transfer fee costs and real estate taxes

## 8. CAPITALIZATION STATEMENT

### 8.1 CAPITALIZATION PRIOR TO AND AFTER THE OFFERING

The following table summarizes the capitalization of the Company prior to, and as adjusted to reflect, the issuance and sale of the maximum of Five Hundred (500) Notes or Five Million (\$5,000,000) Dollars.

	AS ADJUSTED 08/29/07	AFTER THE OFFERING
Notes	<u>-0-</u>	<u>\$5,000,000</u>
Membership Units \$0.10 par value, 1,000 Units authorized, 900 Units issued and outstanding	\$100	\$100
Net Shareholders' Equity	\$100	\$100
<b>TOTAL CAPITALIZATION</b>	<u>\$100</u>	<u>\$5,000,100</u>

## **9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### **9.1 RESULTS OF OPERATIONS**

The Company is actively engaged in the purchase of land to be held for appreciation.

### **9.2 LIQUIDITY AND CAPITAL RESOURCES**

The Company's liquidity and capital resources are dependent on its ability to raise sufficient capital to pay for the purchase price of the Promissory Notes.

## **10. CERTAIN TRANSACTIONS**

### **10.1 ARIZONA LIMITED LIABILITY COMPANY**

Tri-Core Companies LLC is a privately held Arizona Limited Liability Company, incorporated on August 29, 2007.

### **10.2 PRIVATE OFFERING OF NOTES**

The Company is authorized to offer in this private offering, up to Five Million (\$5,000,000) Dollars of Notes to selected investors, effective on June 1, 2010.

## **11. FIDUCIARY RESPONSIBILITIES OF THE DIRECTORS AND OFFICERS OF THE COMPANY**

### **11.1 GENERAL**

The Principals, Officers, and Directors of the Company are accountable to the Company as fiduciaries and such Principals, Officers and Directors are required to exercise good faith and integrity in managing the Company's affairs and policies. Each Note Holder of the Company, or their duly authorized representative, may inspect the books and records of the Company at any time during normal business hours. A Note Holder may be able to bring an action on behalf of himself in the event the Note Holder has suffered losses in connection with the purchase or sale of the Note(s) in the Company, due to a breach of fiduciary duty by an Officer or Director of the Company, in connection with such sale or purchase, including the misrepresentation or misapplication by any such Officer or Director of the proceeds from the sale of these Notes, and may be able to recover such losses from the Company.

### **11.2 INDEMNIFICATION**

Indemnification is permitted by the Company to directors, officers, or controlling persons pursuant to Arizona law. Indemnification includes expenses, such as attorneys' fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person and arising from their relationship with the Company, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

## **12. RISK FACTORS**

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

### **12.1 CONTROL BY COMPANY**

After completion of this offering, the Company will own one hundred percent (100%) of the issued and outstanding Membership Units. Such ownership will enable the Company to continue to elect all the Managers and to control the Company's policies and affairs. The Note Holders will not have any voting rights in the Company.

### **12.2 RELIANCE ON THE COMPANY FOR MANAGEMENT**

All decisions with respect to the management of the Company will be made exclusively by the Principal Managers of the LLC. The Note Holders do not have the right or power to take part in the management of the Company. Accordingly, no person should purchase a Note unless he is willing to entrust all aspects of the management of the Company to existing Management.

### **12.3 LIMITED TRANSFERABILITY OF THE NOTES**

The transferability of the Notes in this offering is limited, and potential investors should recognize the nature of their investment in the offering. It is not expected that there will be a public market for the Notes because there will be only a limited number of investors and restrictions of the transferability of Notes. The Notes have not been registered under the Securities Act of 1933, as amended, or qualified or registered under the securities laws of any state and, therefore, the Notes cannot be resold unless they are subsequently so registered or qualified or an exemption from such registration is available. The offering also contains restrictions on the transferability of the Notes. Accordingly, purchasers of Notes will be required to hold such Notes to maturity unless otherwise approved by the Company. The Company does not intend to register the Notes under the Securities Act of 1933.

### **12.4 REGULATIONS**

The Company is subject to usual federal and state laws, rules and regulations. The Company believes it is in full compliance with any and all applicable laws, rules and regulations both domestically and in Mexico.

### **12.5 GENERAL ECONOMY**

The Company is subject to the Mexican and U.S. Economy and its effect on consumer confidence and spending.

### **12.6 ZONING**

This area is zoned for resort and single family development. No changes are foreseen for this area.

### **12.7 MARKET DEMAND**

The market for unspoiled beachfront property that is highly developable remains strong.

### **12.8 FORCE MAJEURE**

Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

### **13. PRINCIPAL SHAREHOLDERS**

As of the date of this Offering, the Company has Nine Hundred (900) Membership Units issued and outstanding to Jason Todd Mogler (30%), Jim Hinkeldey (30%) and Vince Gibbons (30%).

### **14. HOW TO INVEST**

An Investor who meets the qualifications as set forth in this Private Offering Memorandum may subscribe for at least the minimum purchase herein of One (1) Note (Ten Thousand (\$10,000) Dollars) by carefully reading this entire Private Offering Memorandum and by then completing and signing a separately bound booklet. This booklet contains identical copies of the following exhibits contained in the Private Offering Memorandum, including:

Exhibit A. **INSTRUCTIONS TO SUBSCRIBERS and SUBSCRIPTION AGREEMENT:** This contains complete instructions to Subscribers and should be read in its entirety by the prospective investor prior to investing. The Subscription Agreement must be signed by the Investor.

Exhibit B. **PROMISSORY NOTE:** This Note will be signed by Tri-Core Companies LLC.

Exhibit C. **INVESTOR QUESTIONNAIRE:** This questionnaire requires a Subscriber to complete a financial history in order to aid the Company in the determination of the suitability of the Subscriber as a potential Investor. This questionnaire must be signed by the Investor.

Exhibit D. **TRI-CORE COMPANIES LLC: Business Plan**

Copies of all the above referenced documents are included with this Private Placement Memorandum. For discussion of the actions of the Company upon receipt of a properly completed request to invest by a Subscriber, please see "**TERMS OF THE OFFERING.**" Such Investor should include his check made payable Tri-Core Companies LLC, along with the SUBSCRIPTION AGREEMENT, NOTE, AND INVESTOR QUESTIONNAIRE. Delivery of the documents referred to above, together with a check to the Company should be addressed to the Company as follows: **Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250.**

## **15. INVESTOR SUITABILITY REQUIREMENTS**

### **15.1 INTRODUCTION**

Potential Investors should have experience in making investment decisions or such Investors should rely on their own tax consultants or other qualified investment advisors in making this investment decision.

### **15.2 GENERAL SUITABILITY**

Each potential Investor will be required to represent the following by execution of a Subscription Agreement:

1. The Investor has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in this Offering.
2. The Investor has the ability to bear the economic risk of this investment, has adequate means to provide for his, her, or its current needs and personal contingencies, has no need for liquidity in this investment and could afford the complete loss of the investment.
3. The Investor is acquiring the Note(s) for his, her or its own account for investment purposes only and not with a view toward subdivision, resale, distribution or fractionalization thereof, or for the account of others, and has no present intention of selling or granting any participation in, or otherwise distributing, the Note(s).
4. The Investor's overall commitment to invest in the Note(s) is not disproportionate to his, her, or its net worth and the investment in these Note(s) will not cause such overall commitment to become excessive.
5. The Investor has read and understands this Private Placement Memorandum and all its exhibits.

### 15.3 NONACCREDITED INVESTORS

Up to and including thirty-five (35) investing Subscribers may be accepted by the Company as suitable Investors if each such Subscriber has a net worth sufficient to bear the risk of losing his entire investment and meets the above "General Suitability Standards."

### 15.4 ACCREDITED INVESTORS

In addition to satisfying the "General Standards" as defined above, all but thirty-five (35) Subscribers for Shares must each satisfy one of the "Accredited Investors" economic suitability standards as defined below:

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;
2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;
3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.

#### **15.5 ACCEPTANCE OF SUBSCRIPTION AGREEMENT BY THE COMPANY**

The Investor Suitability Requirements referred to in this section represent minimum requirements for potential Investors. Satisfaction of these standards does not necessarily mean that participation in this Offering constitutes a suitable investment for such a potential Investor or that the potential Investors' Subscription will be accepted by the Company. The Company may, in fact, modify such requirements as circumstances dictate. All Subscription Agreements submitted by potential Investors will be carefully reviewed by the Company to determine the suitability of the potential Investor in this Offering. The Company may, in its sole discretion, refuse a Subscription in this Offering to any potential Investor who does not meet the applicable Investor Suitability Requirements or who otherwise appears to be an unsuitable Investor in this Offering. The Company will not necessarily review or accept a Subscription Agreement in the sequential order in which it is received. The Company also has the discretion to maximize the number of Accredited Investors in this Offering and, as a result, may accept less than thirty-five (35) Non-accredited Investors in this Offering.

#### **16. LITIGATION**

The Company and its Principals have no lawsuits pending, no legal actions pending or judgments entered against the Company or its Principals and, to the best

knowledge of the Company, no legal actions are contemplated against the Company and/or its Principals.

#### **17. ADDITIONAL INFORMATION**

Reference materials described in this Private Offering Memorandum are available for inspection at the office of the company during normal business hours. It is the intention of the Company that all potential Investors are given full access to such information for their consideration in determining whether to purchase the Notes being offered. Prospective Investors should contact the Company for access to information regarding the matters set forth or other information concerning the Company. Representatives of the Company will also answer all inquiries from potential Investors concerning the Company and any matters relating to its proposed operations or present activities. The Company will afford potential Investors and their representatives the opportunity to obtain any additional information reasonably necessary to verify the accuracy or the source of any representations or information contained in this Private Offering Memorandum. All contracts entered into by the Company are subject to modifications and the Company may make any changes in any such contracts as deemed appropriate in its best discretion. Such recent amendments may not be circulated to Subscribers prior to the time of closing this Offering. However, potential Investors and their representatives may review such material or make inquiry of the Company concerning any of these and any other matters of interest.

#### **18. FORECASTS OF FUTURE OPERATING RESULTS**

Any forecasts and proforma financial information which may be furnished by the Company to prospective Investors or which are part of the Company's business plan, are for illustrative purposes only and are based upon assumptions made by Management regarding hypothetical future events. There is no assurance that actual events will correspond with the assumptions or that factors beyond the control of the Company will not affect the assumptions and adversely affect the illustrative value and conclusions of any forecasts.

#### **19. GLOSSARY OF TERMS**

The following terms used in this Memorandum shall (unless the context otherwise requires) have the following respective meanings:

**ACCEPTANCE.** The acceptance by the Company of a prospective investor's subscription.

**ACCREDITED INVESTORS.** Those investors who meet the criteria set forth in "**INVESTOR SUITABILITY REQUIREMENTS.**"

**BROKER-DEALER.** A person or firm licensed with the NASD, the SEC and with the securities or corporate commissions department of the state

in which it sells investment securities and who may employ licensed agents for that purpose.

**COMPANY.** Refers to **TRI-CORE COMPANIES LLC**, an Arizona Limited Liability Company.

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. (NASD).** A self-regulating body which licenses brokers and dealers handling securities offerings, reviews the terms of an offering's underwriting arrangements and advertising literature and, while not a governmental agency, acts as a review service watchdog to make sure that its regulations and those of the SEC are followed for the Investor's protection in offerings of securities.

**NOTES.** A Ten Thousand (\$10,000) Dollar investment consisting of one (1) Promissory Note issued by **TRI-CORE COMPANIES LLC**, an Arizona Limited Liability Company.

**SECURITIES ACT OF 1933.** A federal act regulated and enforced by the SEC that requires, among other things, the registration and use of a prospectus whenever a security is sold (unless the security or the manner of the Offering is expressly exempt from such registration process).

**SECURITIES EXCHANGE ACT OF 1934.** A federal act regulated and enforced by the SEC which supplements the Securities Act of 1933 and contains requirements which were designed to protect investors and to regulate the trading (secondary market) of securities. Such regulations require, among other things, the use of prescribed proxy statements when investors' votes are solicited; the disclosure of management and large shareholders' holding of securities; controls on the resale of such securities; and periodic (monthly, quarterly, annually) filing with the SEC of financial and disclosure reports of the Issuer.

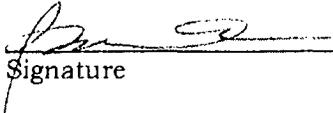
**SECURITIES AND EXCHANGE COMMISSION (SEC).** An independent United States government regulatory and enforcement agency which supervises investment trading activities and registers companies and those securities which fall under its jurisdiction. The SEC also administers statutes to enforce disclosure requirements that were designed to protect investors in securities offerings.

**SUBSCRIPTION DOCUMENTS.** Consists of the Note, Subscription Agreement, Investor Questionnaire, and a check as payment for the Note(s) to be purchased submitted by each prospective Investor to the Company.

**TERMINATION DATE.** The earlier to occur of the date on which all Notes are sold or May 31, 2011.

**20. ACKNOWLEDGMENT**

By signing below, the undersigned acknowledges that he/she has read and understood this entire Private Placement Memorandum.

  
Signature

3/17/11  
Date

Barbara Drazga  
Print Name

CONFIDENTIAL

CONFIDENTIAL

**EXHIBIT A**  
**SUBSCRIPTION AGREEMENT**

**Print Name of Subscriber:** Integris Investing LLC Barbara Drazga

**Amount Loaned:** \$ 10,000.00

**Number of Notes:** 1

**TRI-CORE COMPANIES LLC**

**SUBSCRIPTION DOCUMENTS**

**OFFERING OF A MAXIMUM OF FIVE HUNDRED (500)  
SECURED PROMISSORY NOTES**

**TEN (\$10,000) DOLLARS PER NOTE**

**JUNE 1, 2010**

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**SUBSCRIPTION INSTRUCTIONS**  
*(Please read carefully)*

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Each subscriber for the Secured Promissory Notes, Ten (\$10,000) Dollars per Note (the "Notes") of Tri-Core Companies LLC, an Arizona Limited Liability Company ("the Company"), must complete and execute the Subscription Documents in accordance with the instructions set forth below. The completed documents should be sent to Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250.

**Payment for the Securities should be made by check payable to the Tri-Core Companies LLC and enclosed with the documents as directed in Section III below.**

- I. These Subscription Documents contain all of the materials necessary for you to purchase the Notes. This material is arranged in the following order:
  - Subscription Agreement
  - Promissory Note
  - Confidential Prospective Purchaser's Questionnaire
- II. All investors must complete in detail, date, initial, and sign the Subscription Documents where appropriate. All applicable sections must be filled in.
- III. Payment for the Notes must be made by check as provided below:

Please make your check payable, in the appropriate amount, for the number of Notes purchased (at Ten Thousand (\$10,000) per Note), to Tri-Core Companies LLC. Your check should be enclosed with your signed subscription documents.

All funds received from subscribers will be placed in a segregated Holding Account of the Company. Once the minimum offering amount has been reached the funds will be transferred to the Company's operating account and will be available for use.

#### IV SPECIAL INSTRUCTIONS

**FOR CORPORATIONS.** Include copy of Board resolution designating the corporate officer authorized to sign on behalf of the corporation, a Board resolution authorizing the investment, and financial statements.

**FOR PARTNERSHIPS.** Provide a complete copy of the partnership agreement, questionnaire, and financial statements for each General Partner.

**FOR TRUSTS.** Provide a complete copy of the instruments or agreements creating the trust, as amended to date.

**Print Name of Subscriber:** Integris Investing LLC Barbara Drazga

**Amount Loaned:** \$10,000.00

**Number of Notes:** 1

**Subscription Agreement**

To: Tri-Core Companies LLC  
8800 E. Chaparral Road – Suite 270  
Scottsdale, AZ 85250

Gentlemen:

**1. Subscription.** The undersigned hereby subscribes for 1 Notes of Tri-Core Companies LLC (the "Company"), an Arizona Limited Liability Company, and agrees to loan to the Company Ten (\$10,000) Dollars per Note for an aggregate loan of **\$10,000.00** (the "Loan Amount") upon the terms and subject to the conditions (a) set forth herein, and (b) described in the Confidential Private Placement Memorandum ("Private Placement Memorandum") dated June 1, 2010, together with all exhibits thereto and materials included therewith, and all supplements, if any, related to this offering. The minimum loan is Ten Thousand (\$10,000) Dollars, but the Company has the discretion to offer fractional Notes for loans less than the minimum.

**2. Note Offering.** The Company is offering a maximum of Five Hundred (500) Notes at Ten (\$10,000) Dollars per Note, with no minimum subscription (the "Offering"). The maximum aggregate loan to the Company from this Offering will be Five Million (\$5,000,000) Dollars. The Offering is being made to a limited number of investors pursuant to an exemption available under the Securities Act of 1933 (the "Act"), specifically Rule 506 promulgated under Regulation D, and under certain other laws, including the securities law of certain states.

**3. Documents to Be Delivered.** The undersigned is delivering to the Company executed copies of this Subscription Agreement (the "Agreement"), the Note(s), Offeree Questionnaire, and all other applicable exhibits and documents (the "Subscription Documents"). The Subscription Documents should be delivered to Tri-Core Companies LLC, at 8800 E Chaparral Road, Suite #270, Scottsdale, AZ 85250. The undersigned understands and agrees that he or it will not become a "Holder" of the Note(s) and the Company shall not become a "Maker" of the Note(s) unless and until the Agreement and Note(s) are executed by the Company.

**4. Making of Loan Amount.** The undersigned, simultaneously with the delivery of the Subscription Documents to the Company, hereby tenders to the Company the Loan Amount by **check made payable to the order of Tri-Core Companies LLC** in the amount indicated above.

**5. Acceptance or Rejection of Subscription.** The undersigned understands and agrees that the Company reserves the right, exercisable in its sole discretion, to accept or reject any subscription, in whole or in part, for any reason and that the undersigned will be notified by the Company as promptly as practicable as to whether his or its subscription has been accepted or rejected. If the undersigned's subscription is accepted, in whole or in part, by the Company, the Company will execute this Agreement and the Note(s) and return them to the undersigned. If this subscription is rejected by the Company, either in whole or in part, all funds, in the case of a rejection of the subscription in whole, or those funds representing the amount of the subscription not accepted by the Company, in the case of a rejection of the subscription in part, will be returned to the undersigned as promptly as practicable. If this subscription is rejected in whole by the Company, this Agreement shall be null, void and of no effect. The undersigned does not have the right to withdraw or revoke his or its subscription during the Offering period, except as provided by certain state laws, except that if more than thirty (30) days shall have passed from the date the Company received completed and executed Subscription Documents and the Loan Amount from the undersigned (the "Acceptance Period"), and the Company has not accepted the subscription during the Acceptance Period, the undersigned may withdraw his or its subscription at any time after the Acceptance Period up until such time that the Company subsequently decides, in its sole discretion, to accept the subscription in whole or in part.

**6. Offering Period.** The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Five Million (\$5,000,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

**7. Closing of the Loan.** The Note(s) subscribed for herein shall not be deemed made by the Company or held by the undersigned until this Agreement and the Note(s) have been countersigned by the Company, and until the funds delivered by the undersigned to the Company with the Subscription Documents have been deposited in the Holding Account and have been cleared by the applicable bank of the Company (the "Effective Date"). Upon the Effective Date, (a) the undersigned shall have loaned to the Company the Loan Amount, (b) the undersigned shall become the Holder and the Company shall become the Maker of the Note(s) subscribed for by the undersigned, and (c) both the undersigned and the Company shall be bound by the terms of the Private Placement Memorandum and the Subscription Documents and any other undertakings described herein.

**8. Representations and Warranties.**

- (a) The Company hereby represents and warrants as follows:

(i) The Company is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Arizona and has the requisite company power and authority to own, lease and operate its properties and to carry on its business as now being conducted;

(ii) This Agreement constitutes the valid and binding obligation of the Company enforceable against the Company in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws from time to time in effect which affect creditor's rights generally and by legal and equitable limitations on the availability of specific performance and other equitable remedies under or by virtue of this Agreement). The Company has all requisite power and authority, corporate and other, to execute and deliver this Agreement and the Note(s) and to consummate the transactions contemplated hereby. All persons who have executed this Agreement and the Note(s) on behalf of the Company have been duly authorized to do so by all necessary corporate action. Neither the execution and delivery of this Agreement and the Note(s) nor the consummation of the transactions contemplated hereby will (A) violate any provision of the Certificate of Incorporation or Operating Agreement of the Company, as currently in effect, (B) violate any judgment, order, injunction, decree or award against, or binding upon, the Company or the securities, assets, properties, operations or business of the Company; or (C) violate any law or regulation applicable to the Company or to the securities, assets, properties, operations or business of the Company.

(b) In order to induce the Company to accept the subscription made hereby, the undersigned hereby represents and warrants to the Company as follows:

(i) The undersigned has received the Private Placement Memorandum and the Subscription Documents. The undersigned has read and understands the Private Placement Memorandum and Subscription Documents and the information contained in those documents concerning the Company and this Offering or has caused his or its representative to read and examine the Private Placement Memorandum and Subscription Documents. The undersigned has relied only on the information about the Company contained in these documents and his or its own independent investigation in making his or its subscription. The undersigned understands that the Notes will be issued with the rights and subject to the conditions described in the Private Placement Memorandum and Subscription Documents;

(ii) The undersigned is familiar with the terms and conditions of the Offering and is aware that his or its investment involves a degree of risk and the undersigned has read the section in the Private Placement Memorandum titled "Risk Factors."

(iii) The undersigned hereby specifically accepts and adopts each and every provision of this Agreement and acknowledges and agrees with each and every provision of this Agreement and, upon

acceptance by the Company of the subscription made hereby, agrees to be bound by such provisions.

(iv) The undersigned acknowledges and is aware that there is no assurance as to the future performance of the Company.

(v) The undersigned, if an individual (A) has reached the age of majority in the state in which he resides and (B) is a bona fide resident and domiciliary (not a temporary or transient resident) of the state set forth below his signature on the signature page hereof and has no present intention of becoming a resident of any other state or jurisdiction. The undersigned, if a partnership, corporation, limited liability company, trust or other entity, was organized or incorporated under the laws of the jurisdiction set forth below the signature made on its behalf on the signature page hereof and has no present intention of altering the jurisdiction of its organization, formation or incorporation.

(vi) The undersigned has the financial ability to bear the economic risk of an investment in the Offering, has adequate means of providing for his or its current needs and personal contingencies, has no need for liquidity in the Note(s) and could afford a complete loss of his or its investment in the Offering.

(vii) The undersigned represents and warrants to the Company that he or it comes within one of the categories of investors as defined in Exhibit 1 hereto *(please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity)*.

(viii) The undersigned has been given the opportunity to review the merits of an investment in the Offering with tax and legal counsel or with an investment advisor to the extent the undersigned deemed advisable.

(ix) The undersigned's overall commitment to invest in the Note(s), which are not readily marketable, is not disproportionate to his or its net worth and his or its investment in the Offering will not cause such overall commitment to become excessive.

(x) The undersigned has such knowledge and experience in financial and business matters that he or it is capable of evaluating the merits and risks of an investment in the Offering.

(xi) The undersigned has been given a full opportunity to ask questions of and to receive (A) answers from the Company and its Managers concerning the terms and conditions of this Offering and the business of the Company and (B) such other information

as he or it desired in order to evaluate an investment in the Offering, and all such questions have been answered to the full satisfaction of the undersigned. No oral or written representations have been made or oral or written information furnished to the undersigned or the undersigned's advisors in connection with the Offering or interests that were in any way inconsistent with this Subscription Agreement. The undersigned is not participating in the Offering as a result of or subsequent to: (1) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or (2) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(xii) If the undersigned is a corporation, limited liability company, partnership, trust or other entity, it is authorized and qualified to make this loan to the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so.

(xiii) If the undersigned is a corporation, limited liability company or partnership, the person signing this Agreement on its behalf hereby represents and warrants that the information contained in this Agreement completed by any shareholders of such corporation, members of such limited liability company or partners of such partnership is true and correct with respect to such shareholder, member or partner (and if any such shareholder is itself a corporation, limited liability company or partnership, with respect to all persons having an equity interest in such corporation, limited liability company or partnership, whether directly or indirectly) and that the person signing this Agreement has made due inquiry to determine the truthfulness and accuracy of the information contained in this Agreement.

(xiv) The purchase of the Note(s) by the undersigned has been duly authorized, and the execution, delivery and performance of this Agreement does not conflict with the undersigned's partnership agreement, certificate of incorporation, by-laws, articles of organization, operating agreement or any agreement to which the undersigned is a party and this Agreement is a valid and binding agreement enforceable against the undersigned in accordance with its terms.

(xv) The undersigned hereby represents that he or it is subscribing for the Notes as principal or as trustee, solely for the account of the undersigned, for investment purposes only and not with a view to, or for, subdivision, resale, distribution, or fractionalization thereof, in whole or in part, or for the account, in whole or in part, of others, and, except as disclosed herein, no other person has a direct or indirect beneficial interest in the

Note(s). The undersigned will hold the Note(s) as an investment and has no reason to anticipate any change in circumstances or other particular occasion or event, which would cause the undersigned to attempt to sell any of the Note(s).

(xvi) The undersigned acknowledges his or its understanding that (A) the Offering of the Note(s) by the Company has not been registered under the Act, as amended, or the securities laws of certain states in reliance on specific exemptions from registration, (B) the Confidential Memorandum and Subscription Documents have not been filed with or reviewed by the Securities and Exchange Commission or the securities department of any state and no securities administrator of any state or the federal government has recommended or endorsed this Offering or made any finding or determination relating to the fairness of an investment in the Company, and (C) the Offering of the Note(s) by the Company is intended to be exempt from registration pursuant to Section 4 (2) of the Act and the rules promulgated there under by the Securities and Exchange Commission, and that the undersigned's Note(s) cannot be sold, pledged, assigned or otherwise disposed of unless they are registered under the Act or an exemption from such registration is available.

(xvii) The undersigned represents and warrants that he or it will not transfer or convey all or part of his or its financial interest in the Note(s) unless such Note(s) are subsequently registered under the Act or an exemption from such registration is available and without (A) the prior written consent of the Company and (B) an opinion of counsel acceptable to the Company and its counsel to the effect that the Note(s) may be transferred without violation of the registration requirements of the Act or any applicable state securities laws, as may be amended from time to time. The undersigned further acknowledges that there can be no assurance that the Company will file any registration statement for the Note(s) for which the undersigned is subscribing, that such registration statement, if filed, will be declared effective or, if declared effective, that the Company will be able to keep it effective until the undersigned sells the Note(s) registered thereon.

(xviii) The undersigned understands that this Agreement is subject to the Company's acceptance and may be rejected by the Company at any time in its sole discretion in whole or any part prior to issuance of the Note(s) with respect to the undersigned's subscription, notwithstanding prior receipt by the undersigned of notice of acceptance of the undersigned's subscription. The Company reserves the right to withdraw the Offering at any time.

(xix) The undersigned acknowledges that this Agreement shall become binding upon the undersigned when it is countersigned by the Company and the undersigned is not entitled to cancel,

terminate, or revoke this subscription before or after acceptance by the Company, except as otherwise provided in this Agreement.

(xx) All information provided by the undersigned in the Investor Questionnaire and Investor Representative Questionnaire (if applicable) which accompanies this Agreement is true and accurate in all respects, and the undersigned acknowledges that the Company will be relying on such information to its possible detriment in deciding whether the Company can make these Note(s) to the undersigned without giving rise to the loss of an exemption from registration under the applicable securities laws.

**9. Foreign Person.** If the undersigned has indicated on the signature page of this Agreement that he, she or it is a foreign person, he, she, or it agrees to notify the Company in writing within sixty (60) days of becoming a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign entity, as the case may be.

**10. Indemnity.** The undersigned agrees to indemnify and hold harmless the Company, its managers, members, agents, attorneys and affiliates and each other person, if any, who controls any thereof, within the meaning of Section 15 of the Act, against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in this Agreement or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

**11. Notice.** All notices in connection with this Agreement shall be in writing and personally delivered or delivered via overnight mail, with written receipt therefore, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 11) with a copy, in the case of notice to the Company, to Tri-Core Companies LLC, at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

**12. Miscellaneous.**

(a) This Agreement is not assignable by the undersigned. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) This Agreement shall be deemed to have been made in the State of Arizona and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona

without regard to conflict of laws rules applied in State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Agreement.

(c) This Agreement contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied, except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties to this Agreement.

(d) No waiver of any breach of any terms of this Agreement shall be effective unless made in writing signed by the party against whom enforcement of the waiver is sought, and no such waiver shall be construed as a waiver of any subsequent breach of that term or of any other term of the same or different nature.

(e) If any provision or portion of this Agreement or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Agreement.

(f) Each of the parties hereto shall cooperate and take such actions, and execute such other documents, at the execution hereof or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.

IN WITNESS WHEREOF, the undersigned, by his, her, or its execution hereof, has read and approved this Subscription Agreement and agrees to be bound by this Agreement.

Executed this 17<sup>th</sup> day of MARCH, 2011, at PHOENIX (City),  
ARIZONA (State).

**If the Investor is an INDIVIDUAL, complete the following:**

The undersigned (circle one):  [is]  [is not] a citizen or resident of the United States.

\_\_\_\_\_  
**Print Name of Individual**

\_\_\_\_\_  
**Print Name of Spouse / Co-Investor**  
*(If Funds are to be Invested in Joint Name  
or are Community Property)*

\_\_\_\_\_  
**Print Social Security Number of Individual**

\_\_\_\_\_  
**Print Social Security Number of Spouse  
or Co-Investor**  
*(If Funds are to be Invested in Joint Name  
or are Community Property)*

\_\_\_\_\_  
**Signature of Individual**

\_\_\_\_\_  
**Signature of Spouse / Co-Investor**  
*(If Funds are to be Invested in Joint Name  
or are Community Property)*

\_\_\_\_\_  
**Print Residential Address:**

\_\_\_\_\_  
**Print Residential Telephone Number:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

If the investor is PARTNERSHIP, CORPORATION, TRUST OR OTHER ENTITY, complete the following:

The undersigned (circle one) **[is]** **[is not]** a foreign partnership, foreign corporation, trust or foreign estate (as defined in the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated there under).

<u>Integris Investing LLC /Barbara Drazga</u> <b>Print Name of Partnership, Corporation, Trust, or Other Business Entity</b>	<u>[REDACTED]</u> <b>Print Federal Tax Identification Number</b>
<u></u> <b>Signature of Authorized Representative</b>	<u>Maricopa County, Arizona</u> <b>Print Jurisdiction of Entity</b>
<u>Barbara Drazga</u> <b>Name of Authorized Representative</b>	<u>Managing Member</u> <b>Title of Authorized Representative</b>
<b>Print Residential Address of Investor:</b> <u>[REDACTED] AZ [REDACTED]</u>	<b>Print Residential Telephone number:</b> <u>[REDACTED]</u>

**ACCEPTANCE**

The terms of the foregoing, including the subscription described therein, are agreed to and accepted on this 17 day of MARCH, 2011.

<u></u> <b>Jason T. Mogler - President</b>	<u></u> <b>Jim Hinkeldey -Vice-President</b>
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**EXHIBIT 1  
INVESTOR STATUS**

(Please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity).

      
initials

A. **"Nonaccredited Investor"**. The undersigned does not meet the definition of an "Accredited Investor" as defined herein below;

      
initials

B. **"Accredited Investor"**. The undersigned is an Accredited Investor as defined below (check applicable box):

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;

2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;

3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

**NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.**

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\* If this box is checked, please indicate on a separate schedule to be attached hereto, the category of Accredited Investor in which each equity owner of such entity is included.

CONFIDENTIAL

**EXHIBIT B**  
**PROMISSORY NOTE**

B1

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**EXHIBIT B**

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**PROMISSORY NOTE**

**THIS NOTE HAS BEEN MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH THE DISTRIBUTION THEREOF AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS NOTE MAY NOT BE SOLD, TRANSFERRED, OR ASSIGNED ("TRANSFER") UNLESS IT IS SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE MAKER CONSENTS IN WRITING TO SUCH TRANSFER.**

**Tri-Core Companies LLC**, an Arizona Limited Liability Company, with offices at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250 (the "Maker"), for value received, promises to pay to the Individual and/or legal entity designated in this Note as the "HOLDER," the principal sum of **10,000.00 Dollars** with a rate of return of forty percent (40%) compounded annually. Interest shall be due and payable at maturity and based on the commencement date of the Note. The entire Principal shall be due and payable to the Holder no later than twenty-four (24) months from the Commencement Date. The principal and any interest due on said principal may be prepaid at the sole discretion of the Company, without a prepayment penalty or premium at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date.

**1. NOTES**

This Note in the principal amount of Ten (\$10,000) Dollars per Note, or any fractional amounts, is offered for sale by the Maker, pursuant to that certain "Private Placement Memorandum" dated June 1, 2010. The Note shall be senior debt of the Maker and secured by the property.

**2. EVENTS OF DEFAULT**

A default shall be defined as one or more of the following events ("Event of Default") occurring and continuing:

- (a) The Maker shall fail to pay any interest payment on this Note when due for a period of thirty (30) days after notice of such default has been sent by the Holder to the Maker.
- (b) The Maker shall dissolve or terminate the existence of the Maker.

(c) The Maker shall file a petition in bankruptcy, make an assignment for the benefit of its creditors, or consent to or acquiesce in the appointment of a receiver for all or substantially all of its property, or a petition for the appointment of a receiver shall be filed against the Maker and remain unstayed for at least ninety (90) days.

Upon the occurrence of an Event of Default, the Holder of this Note may, by written notice to the Maker, declare the unpaid principal amount and all accrued interest of the Note immediately due and payable.

### **3. SECURITY FOR PAYMENT OF THE NOTE(S)**

The Note(s) offered by the MAKER for this offering will be secured by the land purchased.

### **4. COMMENCEMENT DATE OF THE NOTE**

The Commencement Date of the Note shall be the "Effective Date," as defined in that certain "Subscription Agreement" attached as Exhibit A to the Private Placement Memorandum.

### **5. STATUS OF HOLDER**

The Maker may treat the Holder of this Note as the absolute owner of this Note for the purpose of making payments of principal or interest and for all other purposes, and shall not be affected by any notice to the contrary, unless the Maker so consents in writing.

### **6. SECURITIES ACT RESTRICTIONS**

This Note has not been registered for sale under the Act. This Note may not be sold, offered for sale, pledged, assigned or otherwise disposed of, unless certain conditions are satisfied, as more fully set forth in the Subscription Agreement.

### **7. ATTORNEYS' FEES**

The prevailing party in an action to enforce this Note shall be entitled to reasonable attorneys' fees, costs, and collection expense.

### **8. MISCELLANEOUS.**

(a) **Successors and Assigns.** The Holder may not assign, transfer, or sell this Note to any party without the express written consent of the Maker. This Note shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) **Entire Agreement.** This Note contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied,

except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Note shall be effective unless in writing and signed by both parties to this Note.

(c) **Notices.** All notices in connection with this Note shall be in writing and personally delivered or delivered via overnight mail, with written receipt thereof, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 8) with a copy to Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

(d) **Section Headings.** The headings of the various sections of the Note have been inserted as a matter of convenience for reference only and shall be of no legal effect.

(e) **Severability.** If any provision or portion of this Note or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Note.

(f) **Applicable Law.** This Note shall be deemed to have been made in the State of Arizona, and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in the State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Note.

(g) **Approval.** By signing below, each party respectively acknowledges that they have read and approved this promissory note.

**Maker:**

**Tri-Core Companies LLC**  
8800 E. Chaparral Road - Suite 270  
Scottsdale, AZ 85250

**Holder:**

**Integrus Investing LLC/Barbara Drazga**

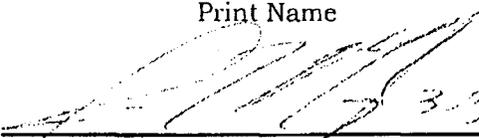
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██████████ AZ ██████████

Jason T. Mogler -President

Print Name

BARBARA DRAZGA

Print Name

  
3-3-2011  
Signature & Date

  
3/17/11  
Signature & Date

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**EXHIBIT C**  
**INVESTOR SUITABILITY QUESTIONNAIRE**

**EXHIBIT C**

**Tri-Core Companies LLC**

**Investor Suitability Questionnaire**

To: Prospective purchasers of Promissory Notes (the "Notes") offered by Tri-Core Companies LLC (the "Company").

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an "Accredited Investor," as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Company for purchasing Notes. ***This questionnaire is not an offer to sell securities.***

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Company deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Notes.

***Please answer all questions completely and execute the signature page***

**A. Personal**

1. Full Name: \_\_\_\_\_

2. Address of Principal Residence: \_\_\_\_\_  
\_\_\_\_\_

County: \_\_\_\_\_

3. Residential Telephone Number : ( \_\_\_\_\_ ) \_\_\_\_\_

4. Where are you registered to vote (County & State)? \_\_\_\_\_

5. Your driver's license is issued by the following state: \_\_\_\_\_

6. Other Residences or Contacts: *Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license, or have any other contacts, and describe your connection with such state:*  
\_\_\_\_\_  
\_\_\_\_\_

7. Please send all correspondence to:

(1) \_\_\_\_\_ Residential Address [as set forth in item A-2]

(2) \_\_\_\_\_ Business Address [as set forth in item B-1(a)]

8. Date of Birth: \_\_\_\_\_

9. Country of Citizenship: \_\_\_\_\_

10. Social Security Number or Tax I.D. Number: \_\_\_\_\_

11. E-Mail Address: \_\_\_\_\_

**B. Occupations and Income**

1. Occupation: \_\_\_\_\_

(a) Business Address: \_\_\_\_\_

(b) Business Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_

2. Gross income during each of the last two years exceeded:

(1) \_\_\_\_\_ \$25,000 (3) \_\_\_\_\_ \$50,000

(2) \_\_\_\_\_ \$100,000 (4) \_\_\_\_\_ \$200,000

3. Joint gross income with spouse during each of the last two years exceeded \$300,000.

(1) \_\_\_\_\_ Yes (2) \_\_\_\_\_ No (3) \_\_\_\_\_ Not Applicable

4. Estimated gross income during current year exceeds:

(1) \_\_\_\_\_ \$25,000 (3) \_\_\_\_\_ \$50,000

(2) \_\_\_\_\_ \$100,000 (4) \_\_\_\_\_ \$200,000

5. Estimated joint gross income with spouse during current year exceeds \$300,000.

(1) \_\_\_\_\_ Yes (2) \_\_\_\_\_ No (3) \_\_\_\_\_ Not Applicable

**C. Net Worth**

1. Current net worth or joint net worth with spouse (note that "net worth" includes all of the assets owned by you and your spouse in excess of total liabilities, including the fair market value, less any mortgage, of your principal residence.)

(1) \_\_\_\_\_ \$50,000-\$100,000 (2) \_\_\_\_\_ \$100,000-\$250,000 (3) \_\_\_\_\_ \$250,000-\$500,000

(4) \_\_\_\_\_ \$500,000-\$750,000      (5) \_\_\_\_\_ \$750,000-\$1,000,000      (6) \_\_\_\_\_ over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No

**D. Affiliation with the Company**

Are you a director or executive officer of the Company?

(1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No

**E. Investment Percentage of Net Worth**

If you expect to invest at least \$100,000 in Notes, does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse?

(1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No                      (3) \_\_\_\_\_ Not Applicable

**F. Consistent Investment Strategy**

Is this investment consistent with your overall investment strategy?

(1) \_\_\_\_\_ Yes                      (2) \_\_\_\_\_ No

**G. Prospective Investor's Representations**

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

**Prospective Investor(s):**

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature *(of spouse or co-investor, if purchase is to be made as joint tenants or as tenants in common)*

Date: \_\_\_\_\_

**EXHIBIT D**  
**TRI-CORE COMPANIES LLC**  
**BUSINESS PLAN**

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## EXHIBIT D

### TRI-CORE COMPANIES LLC BUSINESS PLAN

#### **Mission Statement**

The mission of Tri-Core Companies LLC (the Company) is to purchase virgin beachfront land on the Gulf of California (Sea of Cortez), Sonora, Mexico for either resale or for development.

The specific location the Company has concentrated on is between El Golfo de Santa Clara on the north and Puerto Peñasco (Rocky Point) on the south. This is a distance of about 80 miles and was chosen because of the access the new Coastal Highway has afforded this area. Prior to the new highway, this area was inaccessible except by rugged four-wheel-drive vehicles. The highway now makes this area accessible by automobile for millions of visitors and buyers from the United States.

The Company believes that there will be a major increase in demand for property in this area with the completion of the new coastal highway.

#### **Business Operations**

##### **Ownership and Employees:**

The Company is intended to be a very competitive, highly motivated company with a small number of select key employees. The majority of the day to day responsibilities, planning and development tasks will be performed by the principal/managing partners. All other tasks that cannot be performed on behalf of the company by principals or employees will be done by hired contract services. An example of a hired contract service would be accounting.

##### **Jason Todd Mogler – President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

**Vince Gibbons – Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout
- Final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club – Mohave County, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.

- **Eagle View Subdivision – Kingman, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.

- **Villages at Loreto Bay, Master Planned Development – Loreto, Mexico.**

Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.

- **Colonias de Cardenas, Master Planned Community – Panama City, Panama.**

Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.

- **Punta Delfin, Enchantment of México – Sea of Cortez, Sonora, México.**

Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey – Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which

included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

**Market Knowledge and the Property  
Knowledge of the Marketplace:**

The Principals of the Company have been active in real estate and Mexico for several years and consider the El Golfo/Rocky Point market one of the (if not the most) active markets in all of Mexico for development and potential upside investment.

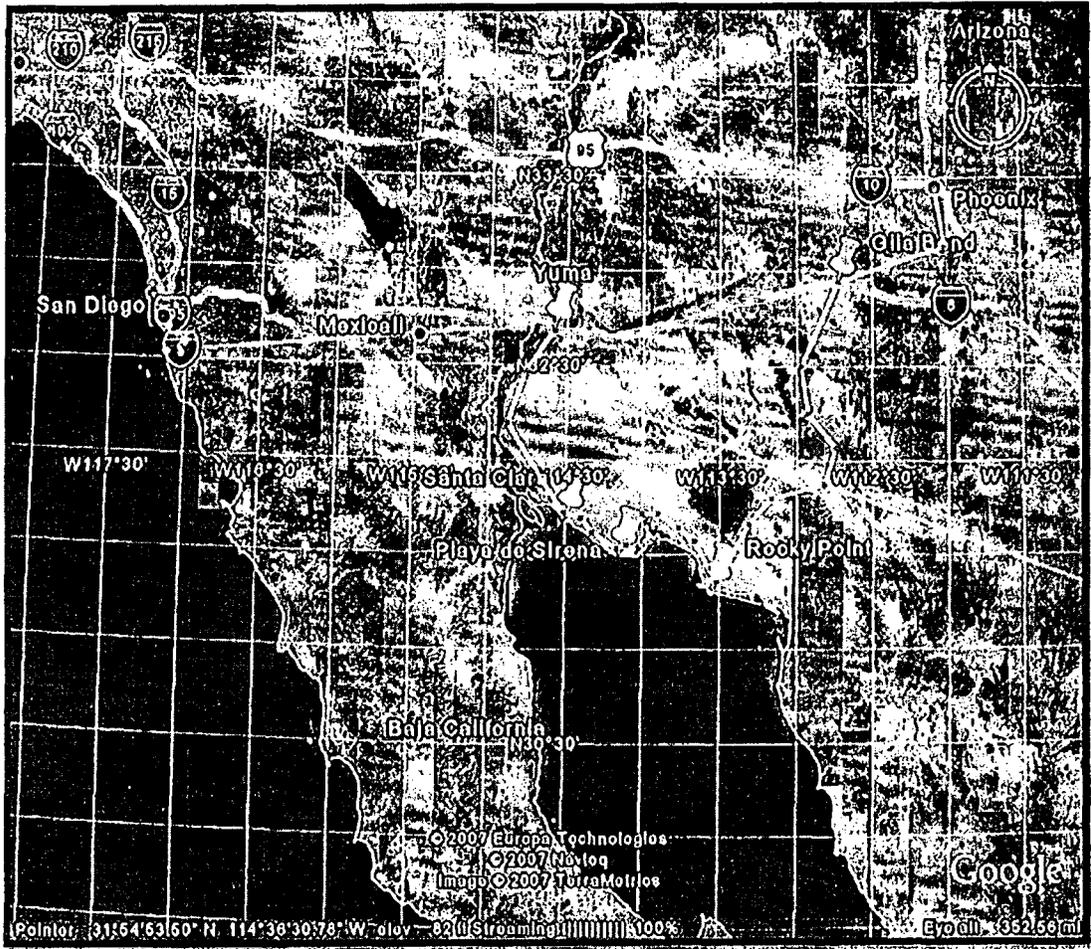
The El Golfo/Rocky Point area was chosen for the Company's purchases due to its potential appreciation. Some of the driving factors that influenced this decision were:

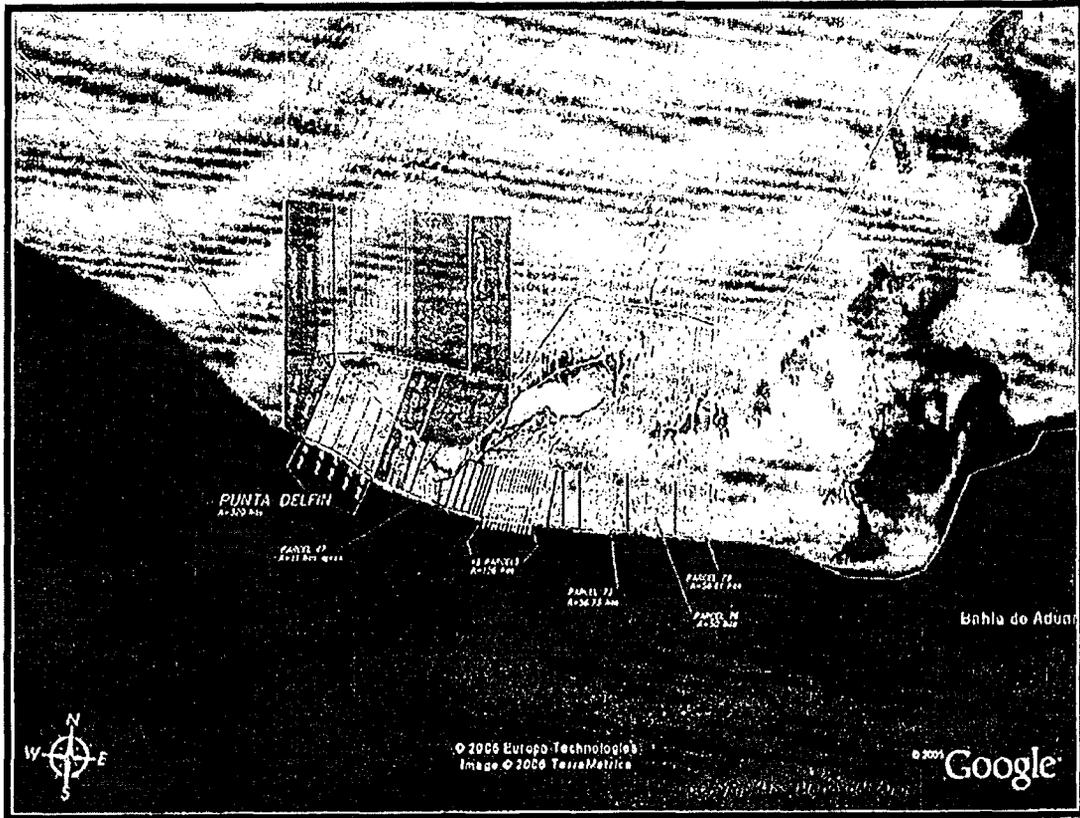
- Its close proximity to the United States markets (one hour drive from the Border of US/Mexico)
- Its location on a beautiful, pristine, major body of water
- The quality of the sand beaches
- The scenic mountain views of the Baja Peninsula
- The opening of the area by new Coastal Highway from the US/Mexico border 300 miles to the south along the coast of the Sea of Cortez to Guaymas, Mexico, a major seaport

- The new \$50 million dollar international airport at Rocky Point accommodates all types of passenger planes
- The newly constructed Hospital of Peñasco will serve the El Golfo/Rocky Point areas
- The newly designated cruise ship port in Rocky Point

The Mexican and Sonoran Governments are dedicated to promoting the area as a major destination for both Americans and Canadians. This is evidenced by the millions of dollars of infrastructure being put in place by the United States and Mexican Governments. A prime example of this dedication is the Coastal Highway. This three hundred mile highway is being built and will connect the port city of Guaymas in Mexico with the US/Mexico border at San Luis Rio Colorado, south of Yuma, Arizona. This will make the whole area much more accessible for millions of Americans in Southern California, Arizona, and Nevada for weekends and vacations, as well as for longer stays by visitors from all across the United States and Canada.

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**El Golfo / Rocky Point - General Economic and Area Information:**

The Colorado River forms the state line between Arizona, California, and Nevada, and continues southerly to the Sea of Cortez. Along its entire length, it is a major recreation / boating area for Arizona, Nevada, and Southern California in the spring and summer, as well as a perfect destination for "Snowbirds" in the winter - creating a year-round demand for the entire area.

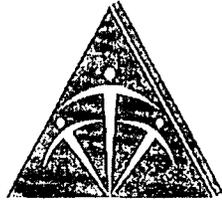
Historically, neighboring Rocky Point has been a major recreational area for Phoenix and Tucson, Arizona. The drive time to Rocky Point has been about four-plus hours from Phoenix, making it a very easy weekend vacation spot. There have been many new high and mid-rise condominium units built in the Sandy Beach neighborhood of Rocky Point within the past few years. These are well-designed and constructed developments with many beachfront amenities. These units have generally sold for \$300,000 to over \$1,500,000, primarily to U.S. residents.

El Golfo is about 35 miles east of Rocky Point. The El Golfo area is near the northern end of the Sea of Cortez and is well protected from adverse weather. Consequently, the waters are generally calm. El Golfo is a picturesque fishing village with long, wide, sandy beaches. The fishermen launch their boats from the sandy beaches directly to the water. There is at present one paved road that ends at El Golfo.

The new Coastal Highway makes the drive between El Golfo and Rocky Point approximately 45 minutes. Accordingly, this whole area between Rocky Point and El Golfo is poised to undergo extensive real estate development. In anticipation of this future growth, a new major border crossing facility has been completed for San Luis to help relieve congestion at the present in-town facility.

For the first time, large U.S. markets from California, Nevada, and Western Arizona will be within a reasonable driving distance. As an example, the Southern California market will have its driving time reduced from approximately seven hours to just around four hours. There are many resort areas of Mexico with extensive development taking place, however, there are only limited areas on the calm waters of the Sea of Cortez that have good driving access from the United States.

The new highway is the driving force that has dramatically changed access to this area. It is the Company's belief that since prime oceanfront land in this area's acreage is limited, the demand for this property will be strong. This belief is further strengthened by its aggressive promotion of Relaxante to the new markets of California, Nevada, and Western Arizona.



**TRI-CORE**  
COMPANIES LLC

**CONFIDENTIAL PRIVATE  
PLACEMENT MEMORANDUM**

PLEASE RETURN ONE COPY OF THIS  
DOCUMENT TO US IN THE PROVIDED  
RETURN PACKAGING.

PLEASE KEEP ONE COPY OF THIS  
DOCUMENT FOR YOUR PERSONAL  
RECORDS.





Memorandum#: Ian Samuel Dunn

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**Tri-Core Companies LLC  
An Arizona Limited Liability Company**

**\$5,000,000**

**\$10,000 per Promissory Note (Unit)  
MINIMUM PURCHASE - 1 Promissory Note  
40% Rate of Return, Compounded Annually; Paid At Maturity  
Maturity Date: 24 months  
Redemption at Maturity - \$19,600 per Unit**

Tri-Core Companies LLC, an Arizona Limited Liability Company (hereinafter referred to as the "COMPANY"), is offering by means of this Confidential Private Placement Memorandum a maximum of Five Hundred (500) Secured Promissory Notes ("Notes") at an offering price of Ten Thousand (\$10,000) Dollars per Note, for a maximum total of Five Million Dollars (\$5,000,000), to qualified investors who meet the Investor Suitability Requirements set forth herein (see "INVESTOR SUITABILITY REQUIREMENTS"). Each investor must agree to purchase the Notes, as a lender to the Company, for investment purposes only, and execute a Subscription Agreement in the form contained in the accompanying Subscription Booklet (see "TERMS OF THE OFFERING").

**THESE SECURITIES ARE SPECULATIVE AND INVESTMENT  
IN THE NOTES INVOLVES A HIGH DEGREE OF RISK  
(SEE "RISK FACTORS")**

	Offering Price	Selling Commissions	Proceeds to Company
Per Unit	\$10,000	\$1,000	\$9,000
Maximum Units	\$5,000,000	\$500,000	\$4,500,000

**Tri-Core Companies LLC**  
8800 E. Chaparral Road, Suite 270  
Scottsdale, AZ 85250  
Telephone: (480) 278-7031  
Facsimile: (480) 278-8979

The date of this Private Placement Memorandum is June 1, 2010

Tri-Core Companies LLC

(480) 278-7031

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**IMPORTANT NOTICES**

This Confidential Private Placement Offering Memorandum (“Memorandum”) is submitted to you on a confidential basis solely for the purpose of evaluating the specific transaction described herein. This information shall not be photocopied, reproduced, or distributed to others without the prior written consent of Tri-Core Companies LLC (“Company”). If the recipient determines not to purchase any of the Notes offered hereby, it will promptly return all material received in connection herewith without retaining any copies.

## DISCLAIMERS

THE NOTES OFFERED HEREBY IN THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH, OR APPROVED, BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR HAVE SUCH NOTES OR THIS MEMORANDUM BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF ANY STATE OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. THIS OFFERING IS BASED ON THE EXEMPTION FROM SUCH REGISTRATION AS SET FORTH IN §4(2) AND RULE 506 OF REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED.

THE INVESTMENT DESCRIBED IN THIS MEMORANDUM INVOLVES RISKS, AND IS OFFERED ONLY TO INDIVIDUALS WHO CAN AFFORD TO ASSUME SUCH RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO AGREE TO PURCHASE THE NOTES ONLY FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD THE TRANSFER, RESALE, EXCHANGE OR FURTHER DISTRIBUTION THEREOF. THERE WILL BE NO PUBLIC MARKET FOR THE NOTES ISSUED PURSUANT TO THIS OFFERING MEMORANDUM. THE RESALE OF THE NOTES IS LIMITED BY FEDERAL AND STATE SECURITIES LAWS AND IT IS THEREFORE RECOMMENDED THAT EACH POTENTIAL INVESTOR SEEK COUNSEL SHOULD THEY DESIRE MORE INFORMATION.

THE PRICE OF THE NOTES AS DESCRIBED IN THIS OFFERING MEMORANDUM HAS BEEN ARBITRARILY DETERMINED BY THE SPONSORS OF THIS INVESTMENT AND EACH PROSPECTIVE INVESTOR SHOULD MAKE AN INDEPENDENT EVALUATION OF THE FAIRNESS OF SUCH PRICE UNDER ALL THE CIRCUMSTANCES AS DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION IN CONNECTION WITH THIS MEMORANDUM, EXCEPT SUCH INFORMATION AS IS CONTAINED OR REFERENCED IN THIS MEMORANDUM. ONLY INFORMATION OR REPRESENTATIONS CONTAINED OR REFERENCED HEREIN MAY BE RELIED UPON AS HAVING BEEN MADE BY THE COMPANY. PROSPECTIVE INVESTORS WHO HAVE QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THIS PRIVATE OFFERING MEMORANDUM OR WHO DESIRE ADDITIONAL INFORMATION OR DOCUMENTATION TO VERIFY THE INFORMATION CONTAINED HEREIN SHOULD CONTACT THE COMPANY. PROJECTIONS OR FORECASTS CONTAINED IN THIS PRIVATE OFFERING MEMORANDUM, OR OTHER MATERIALS, MUST BE VIEWED ONLY AS ESTIMATES. ALTHOUGH ANY PROJECTIONS CONTAINED IN THIS MEMORANDUM ARE BASED UPON ASSUMPTIONS WHICH THE COMPANY BELIEVES TO BE REASONABLE, THE ACTUAL PERFORMANCE OF THE COMPANY MAY DEPEND UPON FACTORS BEYOND THE CONTROL OF THE COMPANY. NO ASSURANCE CAN BE GIVEN THAT THE COMPANY'S ACTUAL PERFORMANCE WILL MATCH ITS INTENDED RESULTS.

## 1. SUMMARY OF THE OFFERING

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY MORE DETAILED INFORMATION THAT MAY APPEAR ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM. EACH PROSPECTIVE INVESTOR IS URGED TO READ THIS PRIVATE OFFERING MEMORANDUM IN ITS ENTIRETY.

Tri-Core Companies LLC (the "Company") was formed on August 29, 2007 as an Arizona Limited Liability Company. The Company is in the business of Land Acquisition and Development.

The Securities offered are Five Hundred (500) Notes issued by the Company at Ten (\$10,000) Dollars per Note, payable in cash at the time of subscription (see "Exhibit "B" for copy of Promissory Note). The minimum purchase is one (1) Note. The Notes have an annual rate of return of forty (40%) percent interest, compounded annually. The return will be paid at maturity, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date.

None of the Notes are convertible to Membership Units, or other type of equity, in the Company. This offering will commence on June 1, 2010, and will terminate no later than May 31, 2011, unless extended by the Company (see "TERMS OF THE OFFERING").

The gross proceeds of the offering will be a maximum of Five Million (\$5,000,000) Dollars. The use of the proceeds is to purchase and hold for appreciation parcels of land along the Sonoran Coast of Mexico.

## 2. THE COMPANY

Tri-Core Companies LLC (the "Company") was formed on August 29, 2007, as an Arizona Limited Liability Company. At the date of this offering, One Thousand (1,000) of the Company's Membership Units were authorized and Nine Hundred (900) Membership Units are issued, and outstanding. The Company is in the business of construction management, land acquisition and development.

### 2.1 OPERATIONS

The Company is in the business of construction management, land acquisition and development, specializing in beach front properties along the coast of the upper Sonoran coastline in Sonora, Mexico. SEE "EXHIBIT D - BUSINESS PLAN."

## **2.2 BUSINESS PLAN**

Tri-Core Companies Business Plan, included as Exhibit D of this Memorandum, and was prepared by the Company using assumptions set forth in the Business Plan, including several forward looking statements. Each prospective investor should carefully review the Business Plan before purchasing Notes. Management makes no representations as to the achievability of the underlying assumptions and projected results contained herein.

## **3. MANAGEMENT**

### **3.1 LLC MANAGERS**

The success of the company is dependent upon the services and expertise of existing management. At the present time, three individuals are actively involved in the management of the Company:

#### **Jason Todd Mogler – President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

#### **Vince Gibbons – Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going

the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club - Mohave County, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.
- **Eagle View Subdivision - Kingman, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.
- **Villages at Loreto Bay, Master Planned Development - Loreto, Mexico.**  
Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.
- **Colonias de Cardenas, Master Planned Community - Panama City, Panama.**  
Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.
- **Punta Delfin, Enchantment of México - Sea of Cortez, Sonora, México.**  
Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

**Jim Hinkeldey - Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgage backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **4. TERMS OF THE OFFERING**

##### **4.1 GENERAL TERMS OF THE OFFERING**

This Private Offering Memorandum is offering a maximum of Five Hundred (500) Notes at Ten (\$10,000) Dollars per Note, for a maximum of Five Million (\$5,000,000) Dollars to a select group of Investors who satisfy the Investor Suitability Requirements (see "**INVESTOR SUITABILITY REQUIREMENTS**"). The Company has the authority to sell fractional Notes at its sole discretion.

##### **4.2 MINIMUM OFFERING AMOUNT**

No minimum offering amount has been established.

##### **4.3 NONTRANSFERABILITY OF NOTES**

The Notes have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered in reliance upon an exemption under §4(2) and Rule 506 of Regulation D of the Securities Act, as amended, and rules and regulations hereunder. The Notes have not been registered under the securities laws of any state and will be offered pursuant to an exemption from registration in each state. A purchaser may transfer or dispose of the Note only if such Notes are subsequently registered under the Securities Act, or if an exemption from registration is available, and pursuant to an opinion of counsel acceptable to the Company and its counsel to the effect that the Notes may be transferred without violation of the registration requirements of the Securities Act or any other securities laws.

##### **4.4 CLOSING OF THE OFFERING**

The Notes are offered and closed only when a properly completed Subscription Agreement (**Exhibit A**); Note (**Exhibit B**), and Investor Questionnaire (**Exhibit C**) are submitted by the investing Subscriber or his/her Investor

Representatives and are received and accepted by the Company. The Subscription Agreement as submitted by an investing Subscriber or his/her Investor Representatives shall be binding once the Company signs the Subscription Agreement, Note and the funds delivered by the potential Investor to the Company with the Subscription Agreement has been cleared by the financial institution in which they are deposited by the Company. The Notes will be delivered to qualified Investors upon acceptance of their subscriptions. All funds collected from investing Subscribers will be deposited in a designated account under the control of the Company. Investors subscribing to the Notes may not withdraw or revoke their subscriptions at any time prior to acceptance by the Company, except as provided by certain state laws, or if more than thirty (30) days have passed after receipt of the Subscription Agreement by the Company without the Company accepting the Investor's funds and delivering all applicable documents to such Investor. The proceeds of this Offering will be used only for the purpose set forth in this Private Offering Memorandum (see "**USE OF PROCEEDS**").

The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Five Million (\$5,000,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

## 5. **PLAN OF DISTRIBUTION**

### 5.1 **OFFERING OF NOTES**

The Notes will be offered to prospective lenders by Officers and Directors of the Company and qualified licensed personnel, pursuant to State and Federal security rules and regulations. This Offering is made solely through this Private Placement Memorandum and without any form of general solicitation or advertising. The Company and its Officers and Directors or other authorized personnel will use their best efforts during the Offering period to find eligible Investors who desire to subscribe to the Notes in the Company. These Notes are offered on a "best efforts" basis, and there is no assurance that any or all of the Notes will be closed. The Company has the authorization to offer fractional Notes at its sole discretion. The Offering period will begin as of the date of this private Offering Memorandum and will close upon the happening of such occurrences as defined herein (see "**TERMS OF THE OFFERING**").

## **5.2 PAYMENTS TO BROKER DEALERS OR INVESTMENT ADVISORS**

The Company has the power to pay fees or commissions to qualified Broker Dealers, Registered Investment Advisors or any other person qualified under other applicable federal and state security laws.

## **6. DESCRIPTION OF NOTES**

### **6.1 NOTES**

The Company is offering Five Hundred (500) Notes of the Company to potential investors at Ten (\$10,000) Dollars per Note, payable in cash at the time of the subscription. The minimum purchase is one (1) note. The Notes will have an annual rate of return of forty (40%) percent interest, compounded annually, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. All principal shall be paid at maturity (24 months). Interest shall be paid at maturity (24 months). The principal and any interest due on said principal may be prepaid, at the sole discretion of the Company, without a prepayment penalty at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date. The Notes offered pursuant to this Private Placement Memorandum will be secured by the property.

The Notes will be issued in the form attached hereto and incorporated herein by reference as though set forth in full herein as **Exhibit B**.

### **6.2 SECURITY FOR PAYMENT OF THE NOTES**

The Notes being offered by the Company in this Private Placement Offering are secured by the land Tri-Core Companies LLC purchases.

### **6.3 REPORTS TO NOTEHOLDERS**

The Company will furnish annual un-audited reports to its Note holders ninety (90) days after its fiscal year. The Company may issue other interim reports to its Note holders as it deems appropriate. The Company's fiscal year ends on December 31<sup>st</sup> of each year.

## **7. USE OF PROCEEDS**

The gross proceeds of the Offering will be a maximum of Five Million (\$5,000,000) Dollars. The table below sets forth the use of proceeds for both the maximum and minimum offering amounts.

### Sources

	Maximum Amount	Percent of Proceeds
Proceeds From the Sale of Notes	\$5,000,000	100.00%

### Application of Proceeds

Offering Expenses <sup>(1)</sup>	\$ 5,000	0.100%
Commissions <sup>(2)</sup>	\$ 500,000	10.000%
<b>Total Offering Expenses &amp; Fees</b>	<b>\$ 505,000</b>	<b>10.100%</b>
<b>Net Offering Proceeds</b>	<b>\$ 4,495,000</b>	<b>89.900%</b>
General Project Expense	\$ 20,000	0.400%
Soft Cost	\$ 25,000	0.500%
Marketing	\$ 35,000	0.700%
Administration	\$ 36,000	0.720%
Land Purchase <sup>(3)</sup>	\$ 4,379,000	87.580%
<b>Total Application of Proceeds</b>	<b>\$ 5,000,000</b>	<b>100.00%</b>

Footnotes:

- (1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.
- (2) This Offering is being sold by the officers and directors of the Company, who will not receive any compensation for their efforts. No sales fees or commissions will be paid to such officers or directors. Notes may be sold by registered brokers or dealers who are members of the NASD and who enter into a Participating Dealer Agreement with the Company. Such brokers or dealers may receive commissions up to ten percent (10%) of the price of the Notes sold.
- (3) Includes amount available for land purchase, transfer fee costs and real estate taxes

## 8. CAPITALIZATION STATEMENT

### 8.1 CAPITALIZATION PRIOR TO AND AFTER THE OFFERING

The following table summarizes the capitalization of the Company prior to, and as adjusted to reflect, the issuance and sale of the maximum of Five Hundred (500) Notes or Five Million (\$5,000,000) Dollars.

	AS ADJUSTED 08/29/07	AFTER THE OFFERING
Notes	<u>-0-</u>	<u>\$5,000,000</u>
Membership Units \$0.10 par value, 1,000 Units authorized, 900 Units issued and outstanding	\$100	\$100
Net Shareholders' Equity	\$100	\$100
<b>TOTAL CAPITALIZATION</b>	<u>\$100</u>	<u>\$5,000,100</u>

## **9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### **9.1 RESULTS OF OPERATIONS**

The Company is actively engaged in the purchase of land to be held for appreciation.

### **9.2 LIQUIDITY AND CAPITAL RESOURCES**

The Company's liquidity and capital resources are dependent on its ability to raise sufficient capital to pay for the purchase price of the Promissory Notes.

## **10. CERTAIN TRANSACTIONS**

### **10.1 ARIZONA LIMITED LIABILITY COMPANY**

Tri-Core Companies LLC is a privately held Arizona Limited Liability Company, incorporated on August 29, 2007.

### **10.2 PRIVATE OFFERING OF NOTES**

The Company is authorized to offer in this private offering, up to Five Million (\$5,000,000) Dollars of Notes to selected investors, effective on June 1, 2010.

## **11. FIDUCIARY RESPONSIBILITIES OF THE DIRECTORS AND OFFICERS OF THE COMPANY**

### **11.1 GENERAL**

The Principals, Officers, and Directors of the Company are accountable to the Company as fiduciaries and such Principals, Officers and Directors are required to exercise good faith and integrity in managing the Company's affairs and policies. Each Note Holder of the Company, or their duly authorized representative, may inspect the books and records of the Company at any time during normal business hours. A Note Holder may be able to bring an action on behalf of himself in the event the Note Holder has suffered losses in connection with the purchase or sale of the Note(s) in the Company, due to a breach of fiduciary duty by an Officer or Director of the Company, in connection with such sale or purchase, including the misrepresentation or misapplication by any such Officer or Director of the proceeds from the sale of these Notes, and may be able to recover such losses from the Company.

### **11.2 INDEMNIFICATION**

Indemnification is permitted by the Company to directors, officers, or controlling persons pursuant to Arizona law. Indemnification includes expenses, such as attorneys' fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person and arising from their relationship with the Company, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

## **12. RISK FACTORS**

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

### **12.1 CONTROL BY COMPANY**

After completion of this offering, the Company will own one hundred percent (100%) of the issued and outstanding Membership Units. Such ownership will enable the Company to continue to elect all the Managers and to control the Company's policies and affairs. The Note Holders will not have any voting rights in the Company.

### **12.2 RELIANCE ON THE COMPANY FOR MANAGEMENT**

All decisions with respect to the management of the Company will be made exclusively by the Principal Managers of the LLC. The Note Holders do not have the right or power to take part in the management of the Company. Accordingly, no person should purchase a Note unless he is willing to entrust all aspects of the management of the Company to existing Management.

### **12.3 LIMITED TRANSFERABILITY OF THE NOTES**

The transferability of the Notes in this offering is limited, and potential investors should recognize the nature of their investment in the offering. It is not expected that there will be a public market for the Notes because there will be only a limited number of investors and restrictions of the transferability of Notes. The Notes have not been registered under the Securities Act of 1933, as amended, or qualified or registered under the securities laws of any state and, therefore, the Notes cannot be resold unless they are subsequently so registered or qualified or an exemption from such registration is available. The offering also contains restrictions on the transferability of the Notes. Accordingly, purchasers of Notes will be required to hold such Notes to maturity unless otherwise approved by the Company. The Company does not intend to register the Notes under the Securities Act of 1933.

### **12.4 REGULATIONS**

The Company is subject to usual federal and state laws, rules and regulations. The Company believes it is in full compliance with any and all applicable laws, rules and regulations both domestically and in Mexico.

### **12.5 GENERAL ECONOMY**

The Company is subject to the Mexican and U.S. Economy and its effect on consumer confidence and spending.

### **12.6 ZONING**

This area is zoned for resort and single family development. No changes are foreseen for this area.

## 12.7 MARKET DEMAND

The market for unspoiled beachfront property that is highly developable remains strong.

## 12.8 FORCE MAJEURE

Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

## 13. PRINCIPAL SHAREHOLDERS

As of the date of this Offering, the Company has Nine Hundred (900) Membership Units issued and outstanding to Jason Todd Mogler (30%), Jim Hinkeldey (30%) and Vince Gibbons (30%).

## 14. HOW TO INVEST

An Investor who meets the qualifications as set forth in this Private Offering Memorandum may subscribe for at least the minimum purchase herein of One (1) Note (Ten Thousand (\$10,000) Dollars) by carefully reading this entire Private Offering Memorandum and by then completing and signing a separately bound booklet. This booklet contains identical copies of the following exhibits contained in the Private Offering Memorandum, including:

Exhibit A INSTRUCTIONS TO SUBSCRIBERS and SUBSCRIPTION AGREEMENT: This contains complete instructions to Subscribers and should be read in its entirety by the prospective investor prior to investing. The Subscription Agreement must be signed by the Investor.

Exhibit B PROMISSORY NOTE: This Note will be signed by Tri-Core Companies LLC.

Exhibit C INVESTOR QUESTIONNAIRE: This questionnaire requires a Subscriber to complete a financial history in order to aid the Company in the determination of the suitability of the Subscriber as a potential Investor. This questionnaire must be signed by the Investor.

Exhibit D TRI-CORE COMPANIES LLC: Business Plan

Copies of all the above referenced documents are included with this Private Placement Memorandum. For discussion of the actions of the Company upon receipt of a properly completed request to invest by a Subscriber, please see "**TERMS OF THE OFFERING.**" Such Investor should include his check made payable Tri-Core Companies LLC, along with the SUBSCRIPTION AGREEMENT, NOTE, AND INVESTOR QUESTIONNAIRE. Delivery of the documents referred to above, together with a check to the Company should be addressed to the Company as follows: **Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250.**

## **15. INVESTOR SUITABILITY REQUIREMENTS**

### **15.1 INTRODUCTION**

Potential Investors should have experience in making investment decisions or such Investors should rely on their own tax consultants or other qualified investment advisors in making this investment decision.

### **15.2 GENERAL SUITABILITY**

Each potential Investor will be required to represent the following by execution of a Subscription Agreement:

1. The Investor has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in this Offering.
2. The Investor has the ability to bear the economic risk of this investment, has adequate means to provide for his, her, or its current needs and personal contingencies, has no need for liquidity in this investment and could afford the complete loss of the investment.
3. The Investor is acquiring the Note(s) for his, her or its own account for investment purposes only and not with a view toward subdivision, resale, distribution or fractionalization thereof, or for the account of others, and has no present intention of selling or granting any participation in, or otherwise distributing, the Note(s).
4. The Investor's overall commitment to invest in the Note(s) is not disproportionate to his, her, or its net worth and the investment in these Note(s) will not cause such overall commitment to become excessive.
5. The Investor has read and understands this Private Placement Memorandum and all its exhibits.

### 15.3 NONACCREDITED INVESTORS

Up to and including thirty-five (35) investing Subscribers may be accepted by the Company as suitable Investors if each such Subscriber has a net worth sufficient to bear the risk of losing his entire investment and meets the above "General Suitability Standards."

### 15.4 ACCREDITED INVESTORS

In addition to satisfying the "General Standards" as defined above, all but thirty-five (35) Subscribers for Shares must each satisfy one of the "Accredited Investors" economic suitability standards as defined below.

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;
2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;
3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.

#### **15.5 ACCEPTANCE OF SUBSCRIPTION AGREEMENT BY THE COMPANY**

The Investor Suitability Requirements referred to in this section represent minimum requirements for potential Investors. Satisfaction of these standards does not necessarily mean that participation in this Offering constitutes a suitable investment for such a potential Investor or that the potential Investors' Subscription will be accepted by the Company. The Company may, in fact, modify such requirements as circumstances dictate. All Subscription Agreements submitted by potential Investors will be carefully reviewed by the Company to determine the suitability of the potential Investor in this Offering. The Company may, in its sole discretion, refuse a Subscription in this Offering to any potential Investor who does not meet the applicable Investor Suitability Requirements or who otherwise appears to be an unsuitable Investor in this Offering. The Company will not necessarily review or accept a Subscription Agreement in the sequential order in which it is received. The Company also has the discretion to maximize the number of Accredited Investors in this Offering and, as a result, may accept less than thirty-five (35) Non-accredited Investors in this Offering.

#### **16. LITIGATION**

The Company and its Principals have no lawsuits pending, no legal actions pending or judgments entered against the Company or its Principals and, to the best

knowledge of the Company, no legal actions are contemplated against the Company and/or its Principals.

#### **17. ADDITIONAL INFORMATION**

Reference materials described in this Private Offering Memorandum are available for inspection at the office of the company during normal business hours. It is the intention of the Company that all potential Investors are given full access to such information for their consideration in determining whether to purchase the Notes being offered. Prospective Investors should contact the Company for access to information regarding the matters set forth or other information concerning the Company. Representatives of the Company will also answer all inquiries from potential Investors concerning the Company and any matters relating to its proposed operations or present activities. The Company will afford potential Investors and their representatives the opportunity to obtain any additional information reasonably necessary to verify the accuracy or the source of any representations or information contained in this Private Offering Memorandum. All contracts entered into by the Company are subject to modifications and the Company may make any changes in any such contracts as deemed appropriate in its best discretion. Such recent amendments may not be circulated to Subscribers prior to the time of closing this Offering. However, potential Investors and their representatives may review such material or make inquiry of the Company concerning any of these and any other matters of interest.

#### **18. FORECASTS OF FUTURE OPERATING RESULTS**

Any forecasts and proforma financial information which may be furnished by the Company to prospective Investors or which are part of the Company's business plan, are for illustrative purposes only and are based upon assumptions made by Management regarding hypothetical future events. There is no assurance that actual events will correspond with the assumptions or that factors beyond the control of the Company will not affect the assumptions and adversely affect the illustrative value and conclusions of any forecasts.

#### **19. GLOSSARY OF TERMS**

The following terms used in this Memorandum shall (unless the context otherwise requires) have the following respective meanings:

**ACCEPTANCE.** The acceptance by the Company of a prospective investor's subscription.

**ACCREDITED INVESTORS.** Those investors who meet the criteria set forth in "INVESTOR SUITABILITY REQUIREMENTS."

**BROKER-DEALER.** A person or firm licensed with the NASD, the SEC and with the securities or corporate commissions department of the state

in which it sells investment securities and who may employ licensed agents for that purpose.

**COMPANY.** Refers to **TRI-CORE COMPANIES LLC**, an Arizona Limited Liability Company.

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. (NASD).** A self-regulating body which licenses brokers and dealers handling securities offerings, reviews the terms of an offering's underwriting arrangements and advertising literature and, while not a governmental agency, acts as a review service watchdog to make sure that its regulations and those of the SEC are followed for the Investor's protection in offerings of securities.

**NOTES.** A Ten Thousand (\$10,000) Dollar investment consisting of one (1) Promissory Note issued by **TRI-CORE COMPANIES LLC**, an Arizona Limited Liability Company.

**SECURITIES ACT OF 1933.** A federal act regulated and enforced by the SEC that requires, among other things, the registration and use of a prospectus whenever a security is sold (unless the security or the manner of the Offering is expressly exempt from such registration process).

**SECURITIES EXCHANGE ACT OF 1934.** A federal act regulated and enforced by the SEC which supplements the Securities Act of 1933 and contains requirements which were designed to protect investors and to regulate the trading (secondary market) of securities. Such regulations require, among other things, the use of prescribed proxy statements when investors' votes are solicited; the disclosure of management and large shareholders' holding of securities; controls on the resale of such securities; and periodic (monthly, quarterly, annually) filing with the SEC of financial and disclosure reports of the Issuer.

**SECURITIES AND EXCHANGE COMMISSION (SEC).** An independent United States government regulatory and enforcement agency which supervises investment trading activities and registers companies and those securities which fall under its jurisdiction. The SEC also administers statutes to enforce disclosure requirements that were designed to protect investors in securities offerings.

**SUBSCRIPTION DOCUMENTS.** Consists of the Note, Subscription Agreement, Investor Questionnaire, and a check as payment for the Note(s) to be purchased submitted by each prospective Investor to the Company.

**TERMINATION DATE.** The earlier to occur of the date on which all Notes are sold or May 31, 2011.

**20. ACKNOWLEDGMENT**

By signing below, the undersigned acknowledges that he/she has read and understood this entire Private Placement Memorandum.

Ian Samuel Dunn  
Signature

2-18-11  
Date

Ian Samuel Dunn  
Print Name

CONFIDENTIAL

CONFIDENTIAL

**EXHIBIT A**  
**SUBSCRIPTION AGREEMENT**

**Print Name of Subscriber:** Entrust Arizona LLC FBO Ian Samuel Dunn Account #

██████████4639

**Amount Loaned:** \$ 20,000.00

**Number of Notes:** 2

**TRI-CORE COMPANIES LLC**

**SUBSCRIPTION DOCUMENTS**

**OFFERING OF A MAXIMUM OF FIVE HUNDRED (500)  
SECURED PROMISSORY NOTES**

**TEN (\$10,000) DOLLARS PER NOTE**

**JUNE 1, 2010**

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**SUBSCRIPTION INSTRUCTIONS**  
(Please read carefully)

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Each subscriber for the Secured Promissory Notes, Ten (\$10,000) Dollars per Note (the "Notes") of Tri-Core Companies LLC, an Arizona Limited Liability Company ("the Company"), must complete and execute the Subscription Documents in accordance with the instructions set forth below. The completed documents should be sent to Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250.

**Payment for the Securities should be made by check payable to the Tri-Core Companies LLC and enclosed with the documents as directed in Section III below.**

- I. These Subscription Documents contain all of the materials necessary for you to purchase the Notes. This material is arranged in the following order:
  - Subscription Agreement
  - Promissory Note
  - Confidential Prospective Purchaser's Questionnaire
- II. All investors must complete in detail, date, initial, and sign the Subscription Documents where appropriate. All applicable sections must be filled in.
- III. Payment for the Notes must be made by check as provided below:

Please make your check payable, in the appropriate amount, for the number of Notes purchased (at Ten Thousand (\$10,000) per Note), to **Tri-Core Companies LLC**. Your check should be enclosed with your signed subscription documents.

All funds received from subscribers will be placed in a segregated Holding Account of the Company. Once the minimum offering amount has been reached the funds will be transferred to the Company's operating account and will be available for use.

#### IV **SPECIAL INSTRUCTIONS**

**FOR CORPORATIONS.** Include copy of Board resolution designating the corporate officer authorized to sign on behalf of the corporation, a Board resolution authorizing the investment, and financial statements.

**FOR PARTNERSHIPS.** Provide a complete copy of the partnership agreement, questionnaire, and financial statements for each General Partner.

**FOR TRUSTS.** Provide a complete copy of the instruments or agreements creating the trust, as amended to date.

**Print Name of Subscriber:** Entrust Arizona LLC FBO  
Ian Samuel Dunn Account # [REDACTED] 4639

**Amount Loaned:** \$20,000.00

**Number of Notes:** 2

### **Subscription Agreement**

To: Tri-Core Companies LLC  
8800 E. Chaparral Road – Suite 270  
Scottsdale, AZ 85250

Gentlemen:

**1. Subscription.** The undersigned hereby subscribes for 2 Notes of Tri-Core Companies LLC (the "Company"), an Arizona Limited Liability Company, and agrees to loan to the Company Ten (\$10,000) Dollars per Note for an aggregate loan of **\$20,000.00** (the "Loan Amount") upon the terms and subject to the conditions (a) set forth herein, and (b) described in the Confidential Private Placement Memorandum ("Private Placement Memorandum") dated June 1, 2010, together with all exhibits thereto and materials included therewith, and all supplements, if any, related to this offering. The minimum loan is Ten Thousand (\$10,000) Dollars, but the Company has the discretion to offer fractional Notes for loans less than the minimum.

**2. Note Offering.** The Company is offering a maximum of Five Hundred (500) Notes at Ten (\$10,000) Dollars per Note, with no minimum subscription (the "Offering"). The maximum aggregate loan to the Company from this Offering will be Five Million (\$5,000,000) Dollars. The Offering is being made to a limited number of investors pursuant to an exemption available under the Securities Act of 1933 (the "Act"), specifically Rule 506 promulgated under Regulation D, and under certain other laws, including the securities law of certain states.

**3. Documents to Be Delivered.** The undersigned is delivering to the Company executed copies of this Subscription Agreement (the "Agreement"), the Note(s), Offeree Questionnaire, and all other applicable exhibits and documents (the "Subscription Documents"). The Subscription Documents should be delivered to Tri-Core Companies LLC, at 8800 E Chaparral Road, Suite #270, Scottsdale, AZ 85250. The undersigned understands and agrees that he or it will not become a "Holder" of the Note(s) and the Company shall not become a "Maker" of the Note(s) unless and until the Agreement and Note(s) are executed by the Company.

**4. Making of Loan Amount.** The undersigned, simultaneously with the delivery of the Subscription Documents to the Company, hereby tenders to the Company the Loan Amount by **check made payable to the order of Tri-Core Companies LLC** in the amount indicated above.

**5. Acceptance or Rejection of Subscription.** The undersigned understands and agrees that the Company reserves the right, exercisable in its sole discretion, to accept or reject any subscription, in whole or in part, for any reason and that the undersigned will be notified by the Company as promptly as practicable as to whether his or its subscription has been accepted or rejected. If the undersigned's subscription is accepted, in whole or in part, by the Company, the Company will execute this Agreement and the Note(s) and return them to the undersigned. If this subscription is rejected by the Company, either in whole or in part, all funds, in the case of a rejection of the subscription in whole, or those funds representing the amount of the subscription not accepted by the Company, in the case of a rejection of the subscription in part, will be returned to the undersigned as promptly as practicable. If this subscription is rejected in whole by the Company, this Agreement shall be null, void and of no effect. The undersigned does not have the right to withdraw or revoke his or its subscription during the Offering period, except as provided by certain state laws, except that if more than thirty (30) days shall have passed from the date the Company received completed and executed Subscription Documents and the Loan Amount from the undersigned (the "Acceptance Period"), and the Company has not accepted the subscription during the Acceptance Period, the undersigned may withdraw his or its subscription at any time after the Acceptance Period up until such time that the Company subsequently decides, in its sole discretion, to accept the subscription in whole or in part.

**6. Offering Period.** The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Five Million (\$5,000,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

**7. Closing of the Loan.** The Note(s) subscribed for herein shall not be deemed made by the Company or held by the undersigned until this Agreement and the Note(s) have been countersigned by the Company, and until the funds delivered by the undersigned to the Company with the Subscription Documents have been deposited in the Holding Account and have been cleared by the applicable bank of the Company (the "Effective Date"). Upon the Effective Date, (a) the undersigned shall have loaned to the Company the Loan Amount, (b) the undersigned shall become the Holder and the Company shall become the Maker of the Note(s) subscribed for by the undersigned, and (c) both the undersigned and the Company shall be bound by the terms of the Private Placement Memorandum and the Subscription Documents and any other undertakings described herein.

**8. Representations and Warranties.**

- (a) The Company hereby represents and warrants as follows:

(i) The Company is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Arizona and has the requisite company power and authority to own, lease and operate its properties and to carry on its business as now being conducted;

(ii) This Agreement constitutes the valid and binding obligation of the Company enforceable against the Company in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws from time to time in effect which affect creditor's rights generally and by legal and equitable limitations on the availability of specific performance and other equitable remedies under or by virtue of this Agreement). The Company has all requisite power and authority, corporate and other, to execute and deliver this Agreement and the Note(s) and to consummate the transactions contemplated hereby. All persons who have executed this Agreement and the Note(s) on behalf of the Company have been duly authorized to do so by all necessary corporate action. Neither the execution and delivery of this Agreement and the Note(s) nor the consummation of the transactions contemplated hereby will (A) violate any provision of the Certificate of Incorporation or Operating Agreement of the Company, as currently in effect; (B) violate any judgment, order, injunction, decree or award against, or binding upon, the Company or the securities, assets, properties, operations or business of the Company; or (C) violate any law of regulation applicable to the Company or to the securities, assets, properties, operations or business of the Company.

(b) In order to induce the Company to accept the subscription made hereby, the undersigned hereby represents and warrants to the Company as follows:

(i) The undersigned has received the Private Placement Memorandum and the Subscription Documents. The undersigned has read and understands the Private Placement Memorandum and Subscription Documents and the information contained in those documents concerning the Company and this Offering or has caused his or its representative to read and examine the Private Placement Memorandum and Subscription Documents. The undersigned has relied only on the information about the Company contained in these documents and his or its own independent investigation in making his or its subscription. The undersigned understands that the Notes will be issued with the rights and subject to the conditions described in the Private Placement Memorandum and Subscription Documents;

(ii) The undersigned is familiar with the terms and conditions of the Offering and is aware that his or its investment involves a degree of risk and the undersigned has read the section in the Private Placement Memorandum titled "Risk Factors."

(iii) The undersigned hereby specifically accepts and adopts each and every provision of this Agreement and acknowledges and agrees with each and every provision of this Agreement and, upon

acceptance by the Company of the subscription made hereby, agrees to be bound by such provisions.

(iv) The undersigned acknowledges and is aware that there is no assurance as to the future performance of the Company.

(v) The undersigned, if an individual (A) has reached the age of majority in the state in which he resides and (B) is a bona fide resident and domiciliary (not a temporary or transient resident) of the state set forth below his signature on the signature page hereof and has no present intention of becoming a resident of any other state or jurisdiction. The undersigned, if a partnership, corporation, limited liability company, trust or other entity, was organized or incorporated under the laws of the jurisdiction set forth below the signature made on its behalf on the signature page hereof and has no present intention of altering the jurisdiction of its organization, formation or incorporation.

(vi) The undersigned has the financial ability to bear the economic risk of an investment in the Offering, has adequate means of providing for his or its current needs and personal contingencies, has no need for liquidity in the Note(s) and could afford a complete loss of his or its investment in the Offering.

(vii) The undersigned represents and warrants to the Company that he or it comes within one of the categories of investors as defined in Exhibit 1 hereto *(please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity).*

(viii) The undersigned has been given the opportunity to review the merits of an investment in the Offering with tax and legal counsel or with an investment advisor to the extent the undersigned deemed advisable.

(ix) The undersigned's overall commitment to invest in the Note(s), which are not readily marketable, is not disproportionate to his or its net worth and his or its investment in the Offering will not cause such overall commitment to become excessive.

(x) The undersigned has such knowledge and experience in financial and business matters that he or it is capable of evaluating the merits and risks of an investment in the Offering.

(xi) The undersigned has been given a full opportunity to ask questions of and to receive (A) answers from the Company and its Managers concerning the terms and conditions of this Offering and the business of the Company and (B) such other information

as he or it desired in order to evaluate an investment in the Offering, and all such questions have been answered to the full satisfaction of the undersigned. No oral or written representations have been made or oral or written information furnished to the undersigned or the undersigned's advisors in connection with the Offering or interests that were in any way inconsistent with this Subscription Agreement. The undersigned is not participating in the Offering as a result of or subsequent to: (1) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or (2) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(xii) If the undersigned is a corporation, limited liability company, partnership, trust or other entity, it is authorized and qualified to make this loan to the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so.

(xiii) If the undersigned is a corporation, limited liability company or partnership, the person signing this Agreement on its behalf hereby represents and warrants that the information contained in this Agreement completed by any shareholders of such corporation, members of such limited liability company or partners of such partnership is true and correct with respect to such shareholder, member or partner (and if any such shareholder is itself a corporation, limited liability company or partnership, with respect to all persons having an equity interest in such corporation, limited liability company or partnership, whether directly or indirectly) and that the person signing this Agreement has made due inquiry to determine the truthfulness and accuracy of the information contained in this Agreement.

(xiv) The purchase of the Note(s) by the undersigned has been duly authorized, and the execution, delivery and performance of this Agreement does not conflict with the undersigned's partnership agreement, certificate of incorporation, by-laws, articles of organization, operating agreement or any agreement to which the undersigned is a party and this Agreement is a valid and binding agreement enforceable against the undersigned in accordance with its terms.

(xv) The undersigned hereby represents that he or it is subscribing for the Notes as principal or as trustee, solely for the account of the undersigned, for investment purposes only and not with a view to, or for, subdivision, resale, distribution, or fractionalization thereof, in whole or in part, or for the account, in whole or in part, of others, and, except as disclosed herein, no other person has a direct or indirect beneficial interest in the

Note(s). The undersigned will hold the Note(s) as an investment and has no reason to anticipate any change in circumstances or other particular occasion or event, which would cause the undersigned to attempt to sell any of the Note(s).

(xvi) The undersigned acknowledges his or its understanding that (A) the Offering of the Note(s) by the Company has not been registered under the Act, as amended, or the securities laws of certain states in reliance on specific exemptions from registration, (B) the Confidential Memorandum and Subscription Documents have not been filed with or reviewed by the Securities and Exchange Commission or the securities department of any state and no securities administrator of any state or the federal government has recommended or endorsed this Offering or made any finding or determination relating to the fairness of an investment in the Company, and (C) the Offering of the Note(s) by the Company is intended to be exempt from registration pursuant to Section 4 (2) of the Act and the rules promulgated there under by the Securities and Exchange Commission, and that the undersigned's Note(s) cannot be sold, pledged, assigned or otherwise disposed of unless they are registered under the Act or an exemption from such registration is available.

(xvii) The undersigned represents and warrants that he or it will not transfer or convey all or part of his or its financial interest in the Note(s) unless such Note(s) are subsequently registered under the Act or an exemption from such registration is available and without (A) the prior written consent of the Company and (B) an opinion of counsel acceptable to the Company and its counsel to the effect that the Note(s) may be transferred without violation of the registration requirements of the Act or any applicable state securities laws, as may be amended from time to time. The undersigned further acknowledges that there can be no assurance that the Company will file any registration statement for the Note(s) for which the undersigned is subscribing, that such registration statement, if filed, will be declared effective or, if declared effective, that the Company will be able to keep it effective until the undersigned sells the Note(s) registered thereon.

(xviii) The undersigned understands that this Agreement is subject to the Company's acceptance and may be rejected by the Company at any time in its sole discretion in whole or any part prior to issuance of the Note(s) with respect to the undersigned's subscription, notwithstanding prior receipt by the undersigned of notice of acceptance of the undersigned's subscription. The Company reserves the right to withdraw the Offering at any time.

(xix) The undersigned acknowledges that this Agreement shall become binding upon the undersigned when it is countersigned by the Company and the undersigned is not entitled to cancel,

terminate, or revoke this subscription before or after acceptance by the Company, except as otherwise provided in this Agreement.

(xx) All information provided by the undersigned in the Investor Questionnaire and Investor Representative Questionnaire (if applicable) which accompanies this Agreement is true and accurate in all respects, and the undersigned acknowledges that the Company will be relying on such information to its possible detriment in deciding whether the Company can make these Note(s) to the undersigned without giving rise to the loss of an exemption from registration under the applicable securities laws.

**9. Foreign Person.** If the undersigned has indicated on the signature page of this Agreement that he, she or it is a foreign person, he, she, or it agrees to notify the Company in writing within sixty (60) days of becoming a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign entity, as the case may be.

**10. Indemnity.** The undersigned agrees to indemnify and hold harmless the Company, its managers, members, agents, attorneys and affiliates and each other person, if any, who controls any thereof, within the meaning of Section 15 of the Act, against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in this Agreement or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

**11. Notice.** All notices in connection with this Agreement shall be in writing and personally delivered or delivered via overnight mail, with written receipt therefore, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 11) with a copy, in the case of notice to the Company, to Tri-Core Companies LLC, at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

**12. Miscellaneous.**

(a) This Agreement is not assignable by the undersigned. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) This Agreement shall be deemed to have been made in the State of Arizona and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona

without regard to conflict of laws rules applied in State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Agreement.

(c) This Agreement contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied, except as specifically set forth herein. No modification, waiver or amendment of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties to this Agreement.

(d) No waiver of any breach of any terms of this Agreement shall be effective unless made in writing signed by the party against whom enforcement of the waiver is sought, and no such waiver shall be construed as a waiver of any subsequent breach of that term or of any other term of the same or different nature.

(e) If any provision or portion of this Agreement or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Agreement.

(f) Each of the parties hereto shall cooperate and take such actions, and execute such other documents, at the execution hereof or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.

IN WITNESS WHEREOF, the undersigned, by his, her, or its execution hereof, has read and approved this Subscription Agreement and agrees to be bound by this Agreement.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2011, at \_\_\_\_\_ (City),  
\_\_\_\_\_ (State).

**If the Investor is an INDIVIDUAL, complete the following:**

The undersigned (circle one): [is] [is not] a citizen or resident of the United States.

\_\_\_\_\_  
**Print Name of Individual**

\_\_\_\_\_  
**Print Name of Spouse / Co-Investor**  
*(If Funds are to be Invested in Joint Name  
or are Community Property)*

\_\_\_\_\_  
**Print Social Security Number of Individual**

\_\_\_\_\_  
**Print Social Security Number of Spouse  
or Co-Investor**  
*(If Funds are to be Invested in Joint Name  
or are Community Property)*

\_\_\_\_\_  
**Signature of Individual**

\_\_\_\_\_  
**Signature of Spouse / Co-Investor**  
*(If Funds are to be Invested in Joint Name  
or are Community Property)*

\_\_\_\_\_  
**Print Residential Address:**

\_\_\_\_\_  
**Print Residential Telephone Number:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

If the investor is PARTNERSHIP, CORPORATION, TRUST OR OTHER ENTITY, complete the following:

The undersigned (circle one) [is] [is not] a foreign partnership, foreign corporation, trust or foreign estate (as defined in the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated there under).

Entrust Arizona LLC FBO Jan Samuel Dunn  
Account # [REDACTED] 4639

Print Name of Partnership, Corporation,  
Trust, or Other Business Entity

[REDACTED]  
Print Federal Tax Identification Number

Jan Samuel Dunn  
Signature of Authorized Representative

Maricopa County, Arizona  
Print Jurisdiction of Entity

Jan Samuel Dunn  
Name of Authorized Representative

Account Holder  
Title of Authorized Representative

Print Residential Address of Investor:

Print Residential Telephone number:

[REDACTED]  
AZ [REDACTED]

[REDACTED]

ACCEPTANCE

The terms of the foregoing, including the subscription described therein, are agreed to and accepted on this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

TRICORE COMPANIES, LLC

Jason T. Mogler  
Jason T. Mogler - President

Jim Hinkeldey  
Jim Hinkeldey - Vice-President

**EXHIBIT 1  
INVESTOR STATUS**

*(Please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity).*

\_\_\_\_\_  
initials

A. **"Nonaccredited Investor"**. The undersigned does not meet the definition of an "Accredited Investor" as defined herein below;

\_\_\_\_\_  
initials

B. **"Accredited Investor"**. The undersigned is an Accredited Investor as defined below: *(check applicable box):*

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;

2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;

3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8.\* Any entity in which all of the equity owners are Accredited Investors.

**NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.**

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\* If this box is checked, please indicate on a separate schedule to be attached hereto, the category of Accredited Investor in which each equity owner of such entity is included.

**CONFIDENTIAL**

**EXHIBIT B**  
**PROMISSORY NOTE**

B1

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**EXHIBIT B**

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**PROMISSORY NOTE**

**THIS NOTE HAS BEEN MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH THE DISTRIBUTION THEREOF AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS NOTE MAY NOT BE SOLD, TRANSFERRED, OR ASSIGNED ("TRANSFER") UNLESS IT IS SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE MAKER CONSENTS IN WRITING TO SUCH TRANSFER.**

Tri-Core Companies LLC, an Arizona Limited Liability Company, with offices at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250 (the "Maker"), for value received, promises to pay to the Individual and/or legal entity designated in this Note as the "HOLDER," the principal sum of **20,000.00 Dollars** with a rate of return of forty percent (40%) compounded annually. Interest shall be due and payable at maturity and based on the commencement date of the Note. The entire Principal shall be due and payable to the Holder no later than twenty-four (24) months from the Commencement Date. The principal and any interest due on said principal may be prepaid at the sole discretion of the Company, without a prepayment penalty or premium at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date.

**1. NOTES**

This Note in the principal amount of Ten (\$10,000) Dollars per Note, or any fractional amounts, is offered for sale by the Maker, pursuant to that certain "Private Placement Memorandum" dated June 1, 2010. The Note shall be senior debt of the Maker and secured by the property.

**2. EVENTS OF DEFAULT**

A default shall be defined as one or more of the following events ("Event of Default") occurring and continuing:

- (a) The Maker shall fail to pay any interest payment on this Note when due for a period of thirty (30) days after notice of such default has been sent by the Holder to the Maker.
- (b) The Maker shall dissolve or terminate the existence of the Maker.

(c) The Maker shall file a petition in bankruptcy, make an assignment for the benefit of its creditors, or consent to or acquiesce in the appointment of a receiver for all or substantially all of its property, or a petition for the appointment of a receiver shall be filed against the Maker and remain unstayed for at least ninety (90) days.

Upon the occurrence of an Event of Default, the Holder of this Note may, by written notice to the Maker, declare the unpaid principal amount and all accrued interest of the Note immediately due and payable.

### **3. SECURITY FOR PAYMENT OF THE NOTE(S)**

The Note(s) offered by the MAKER for this offering will be secured by the land purchased.

### **4. COMMENCEMENT DATE OF THE NOTE**

The Commencement Date of the Note shall be the "Effective Date," as defined in that certain "Subscription Agreement" attached as Exhibit A to the Private Placement Memorandum.

### **5. STATUS OF HOLDER**

The Maker may treat the Holder of this Note as the absolute owner of this Note for the purpose of making payments of principal or interest and for all other purposes, and shall not be affected by any notice to the contrary, unless the Maker so consents in writing.

### **6. SECURITIES ACT RESTRICTIONS**

This Note has not been registered for sale under the Act. This Note may not be sold, offered for sale, pledged, assigned or otherwise disposed of, unless certain conditions are satisfied, as more fully set forth in the Subscription Agreement.

### **7. ATTORNEYS' FEES**

The prevailing party in an action to enforce this Note shall be entitled to reasonable attorneys' fees, costs, and collection expense.

### **8. MISCELLANEOUS.**

(a) **Successors and Assigns.** The Holder may not assign, transfer, or sell this Note to any party without the express written consent of the Maker. This Note shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) **Entire Agreement.** This Note contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied,

except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Note shall be effective unless in writing and signed by both parties to this Note.

(c) **Notices.** All notices in connection with this Note shall be in writing and personally delivered or delivered via overnight mail, with written receipt thereof, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 8) with a copy to Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

(d) **Section Headings.** The headings of the various sections of the Note have been inserted as a matter of convenience for reference only and shall be of no legal effect.

(e) **Severability.** If any provision or portion of this Note or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Note.

(f) **Applicable Law.** This Note shall be deemed to have been made in the State of Arizona, and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in the State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Note.

(g) **Approval.** By signing below, each party respectively acknowledges that they have read and approved this promissory note.

**Maker:**

**Tri-Core Companies LLC,**  
An Arizona Company  
8800 E. Chaparral Road - Suite 270  
Scottsdale, AZ 85250

**Holder:**

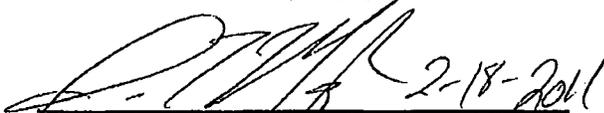
Entrust Arizona LLC EBO Ian  
Samuel Dunn Account # [REDACTED] 4639

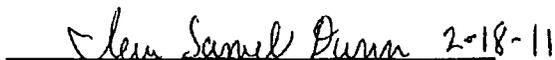
Jason T. Mogler -President

Print Name

IAN SAMUEL DUNN

Print Name

 2-18-2011  
Signature & Date

 2-18-11  
Signature & Date

**EXHIBIT C**  
**INVESTOR SUITABILITY QUESTIONNAIRE**

CONFIDENTIAL

EXHIBIT C

Tri-Core Companies LLC

Investor Suitability Questionnaire

To: Prospective purchasers of Promissory Notes (the "Notes") offered by Tri-Core Companies LLC (the "Company").

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an "Accredited Investor," as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Company for purchasing Notes. ***This questionnaire is not an offer to sell securities.***

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Company deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Notes.

*Please answer all questions completely and execute the signature page*

A. Personal

1. Full Name: Ian Samuel Dunn

2. Address of Principal Residence [REDACTED]

[REDACTED] AZ [REDACTED]

County: Maricopa

3. Residential Telephone Number [REDACTED]

4. Where are you registered to vote (County & State)? Maricopa, AZ

5. Your driver's license is issued by the following state: AZ

6. Other Residences or Contacts: *Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license, or have any other contacts, and describe your connection with such state:*

\_\_\_\_\_

\_\_\_\_\_

7. Please send all correspondence to:

(1)  Residential Address [as set forth in item A-2]

(2) \_\_\_\_\_ Business Address [as set forth in item B-1(a)]

8. Date of Birth: \_\_\_\_\_

9. Country of Citizenship: USA

10. Social Security Number or Tax I.D. Number: \_\_\_\_\_

11. E-Mail Address: djdunn2@ \_\_\_\_\_

**B. Occupations and Income**

1. Occupation: retail sales

(a) Business Address: \_\_\_\_\_

(b) Business Telephone Number: ( \_\_\_\_\_ ) \_\_\_\_\_

2. Gross income during each of the last two years exceeded:

- (1)  \$25,000      (3) \_\_\_\_\_ \$50,000  
(2) \_\_\_\_\_ \$100,000      (4) \_\_\_\_\_ \$200,000

3. Joint gross income with spouse during each of the last two years exceeded \$300,000.

- (1) \_\_\_\_\_ Yes      (2) \_\_\_\_\_ No      (3)  Not Applicable

4. Estimated gross income during current year exceeds:

- (1)  \$25,000      (3) \_\_\_\_\_ \$50,000  
(2) \_\_\_\_\_ \$100,000      (4) \_\_\_\_\_ \$200,000

5. Estimated joint gross income with spouse during current year exceeds \$300,000.

- (1) \_\_\_\_\_ Yes      (2) \_\_\_\_\_ No      (3)  Not Applicable

**C. Net Worth**

1. Current net worth or joint net worth with spouse (note that "net worth" includes all of the assets owned by you and your spouse in excess of total liabilities, including the fair market value, less any mortgage, of your principal residence.)

- (1) \_\_\_\_\_ \$50,000-\$100,000      (2)  \$100,000-\$250,000      (3) \_\_\_\_\_ \$250,000-\$500,000

(4) \_\_\_\_\_ \$500,000-\$750,000      (5) \_\_\_\_\_ \$750,000-\$1,000,000      (6) \_\_\_\_\_ over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1)  Yes      (2) \_\_\_\_\_ No

**D. Affiliation with the Company**

Are you a director or executive officer of the Company?

(1) \_\_\_\_\_ Yes      (2)  No

**E. Investment Percentage of Net Worth**

If you expect to invest at least \$100,000 in Notes does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse?

(1) \_\_\_\_\_ Yes      (2) \_\_\_\_\_ No      (3)  Not Applicable

**F. Consistent Investment Strategy**

Is this investment consistent with your overall investment strategy?

(1)  Yes      (2) \_\_\_\_\_ No

**G. Prospective Investor's Representations**

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

**Prospective Investor(s):**

Sam S. Dumm  
Signature

Date: 2-18-11

\_\_\_\_\_  
Signature (of spouse or co-investor, if purchase is to be made as joint tenants or as tenants in common)

Date: \_\_\_\_\_

**EXHIBIT D**  
**TRI-CORE COMPANIES LLC**  
**BUSINESS PLAN**

CONFIDENTIAL

D1

## **EXHIBIT D**

### **TRI-CORE COMPANIES LLC BUSINESS PLAN**

#### **Mission Statement**

The mission of Tri-Core Companies LLC (the Company) is to purchase virgin beachfront land on the Gulf of California (Sea of Cortez), Sonora, Mexico for either resale or for development.

The specific location the Company has concentrated on is between El Golfo de Santa Clara on the north and Puerto Peñasco (Rocky Point) on the south. This is a distance of about 80 miles and was chosen because of the access the new Coastal Highway has afforded this area. Prior to the new highway, this area was inaccessible except by rugged four-wheel-drive vehicles. The highway now makes this area accessible by automobile for millions of visitors and buyers from the United States.

The Company believes that there will be a major increase in demand for property in this area with the completion of the new coastal highway.

#### **Business Operations**

##### **Ownership and Employees:**

The Company is intended to be a very competitive, highly motivated company with a small number of select key employees. The majority of the day to day responsibilities, planning and development tasks will be performed by the principal/managing partners. All other tasks that cannot be performed on behalf of the company by principals or employees will be done by hired contract services. An example of a hired contract service would be accounting.

##### **Jason Todd Mogler - President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

**Vince Gibbons - Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout
- Final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club – Mohave County, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.

- **Eagle View Subdivision – Kingman, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.

- **Villages at Loreto Bay, Master Planned Development – Loreto, Mexico.**

Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.

- **Colonias de Cardenas, Master Planned Community – Panama City, Panama.**

Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.

- **Punta Delfin, Enchantment of México – Sea of Cortez, Sonora, México.**

Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey – Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which

included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **Market Knowledge and the Property**

##### **Knowledge of the Marketplace:**

The Principals of the Company have been active in real estate and Mexico for several years and consider the El Golfo/Rocky Point market one of the (if not the most) active markets in all of Mexico for development and potential upside investment.

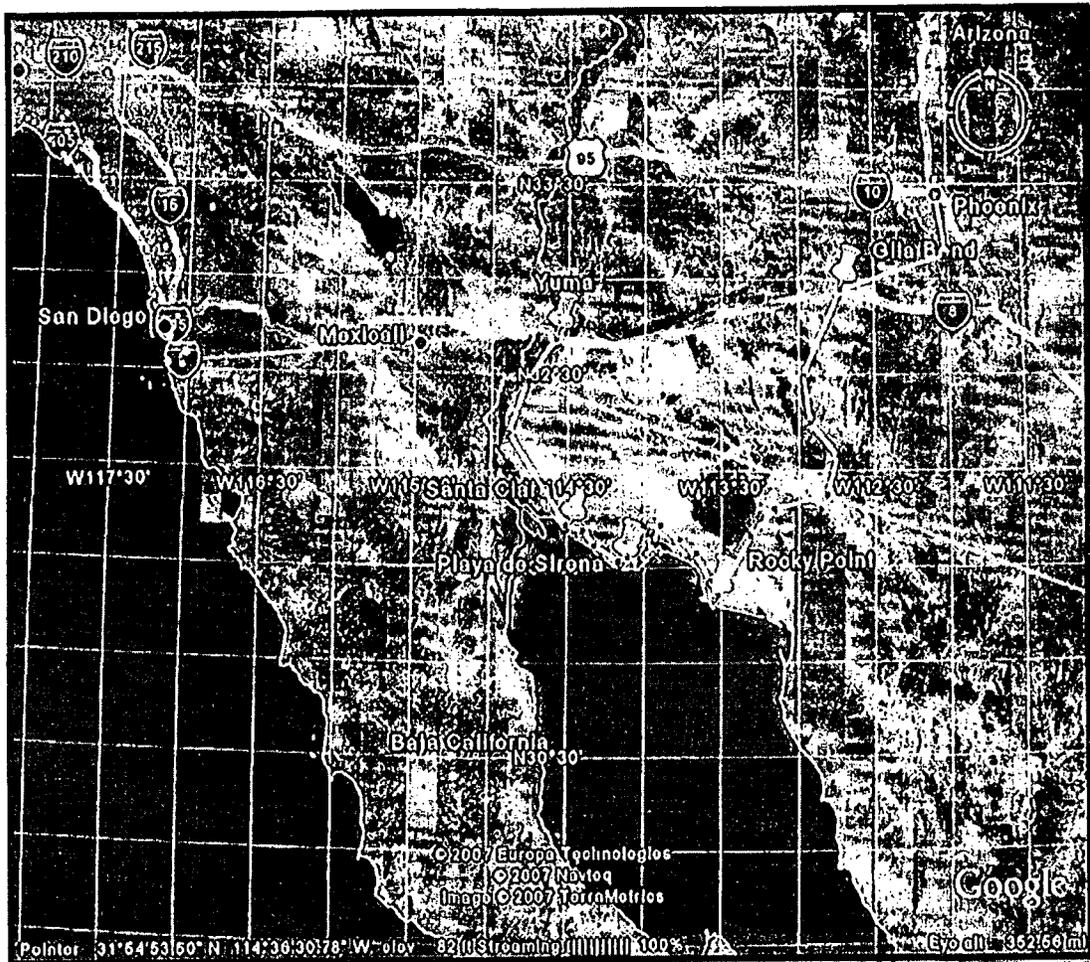
The El Golfo/Rocky Point area was chosen for the Company's purchases due to its potential appreciation. Some of the driving factors that influenced this decision were:

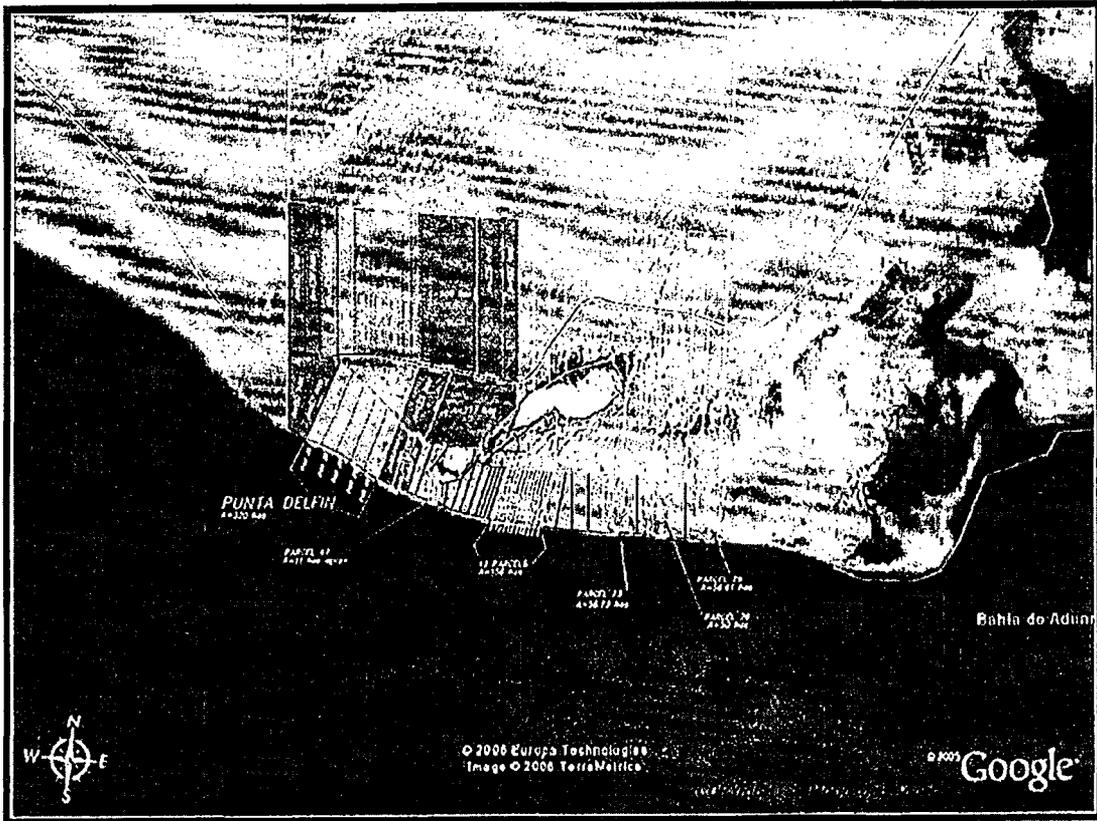
- Its close proximity to the United States markets (one hour drive from the Border of US/Mexico)
- Its location on a beautiful, pristine, major body of water
- The quality of the sand beaches
- The scenic mountain views of the Baja Peninsula
- The opening of the area by new Coastal Highway from the US/Mexico border 300 miles to the south along the coast of the Sea of Cortez to Guaymas, Mexico, a major seaport

- The new \$50 million dollar international airport at Rocky Point accommodates all types of passenger planes
- The newly constructed Hospital of Peñasco will serve the El Golfo/Rocky Point areas
- The newly designated cruise ship port in Rocky Point

The Mexican and Sonoran Governments are dedicated to promoting the area as a major destination for both Americans and Canadians. This is evidenced by the millions of dollars of infrastructure being put in place by the United States and Mexican Governments. A prime example of this dedication is the Coastal Highway. This three hundred mile highway is being built and will connect the port city of Guaymas in Mexico with the US/Mexico border at San Luis Rio Colorado, south of Yuma, Arizona. This will make the whole area much more accessible for millions of Americans in Southern California, Arizona, and Nevada for weekends and vacations, as well as for longer stays by visitors from all across the United States and Canada.

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**El Golfo / Rocky Point - General Economic and Area Information:**

The Colorado River forms the state line between Arizona, California, and Nevada, and continues southerly to the Sea of Cortez. Along its entire length, it is a major recreation / boating area for Arizona, Nevada, and Southern California in the spring and summer, as well as a perfect destination for "Snowbirds" in the winter – creating a year-round demand for the entire area.

Historically, neighboring Rocky Point has been a major recreational area for Phoenix and Tucson, Arizona. The drive time to Rocky Point has been about four-plus hours from Phoenix, making it a very easy weekend vacation spot. There have been many new high and mid-rise condominium units built in the Sandy Beach neighborhood of Rocky Point within the past few years. These are well-designed and constructed developments with many beachfront amenities. These units have generally sold for \$300,000 to over \$1,500,000, primarily to U.S. residents.

El Golfo is about 35 miles east of Rocky Point. The El Golfo area is near the northern end of the Sea of Cortez and is well protected from adverse weather. Consequently, the waters are generally calm. El Golfo is a picturesque fishing village with long, wide, sandy beaches. The fishermen launch their boats from the sandy beaches directly to the water. There is at present one paved road that ends at El Golfo.

The new Coastal Highway makes the drive between El Golfo and Rocky Point approximately 45 minutes. Accordingly, this whole area between Rocky Point and El Golfo is poised to undergo extensive real estate development. In anticipation of this future growth, a new major border crossing facility has been completed for San Luis to help relieve congestion at the present in-town facility.

For the first time, large U.S. markets from California, Nevada, and Western Arizona will be within a reasonable driving distance. As an example, the Southern California market will have its driving time reduced from approximately seven hours to just around four hours. There are many resort areas of Mexico with extensive development taking place, however, there are only limited areas on the calm waters of the Sea of Cortez that have good driving access from the United States.

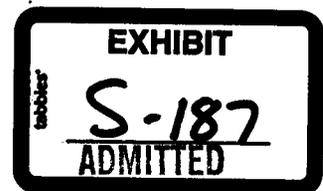
The new highway is the driving force that has dramatically changed access to this area. It is the Company's belief that since prime oceanfront land in this area's acreage is limited, the demand for this property will be strong. This belief is further strengthened by its aggressive promotion of Relaxante to the new markets of California, Nevada, and Western Arizona.



**CONFIDENTIAL PRIVATE  
PLACEMENT MEMORANDUM**

PLEASE RETURN ONE COPY OF THIS  
DOCUMENT TO US IN THE PROVIDED  
RETURN PACKAGING.

PLEASE KEEP ONE COPY OF THIS  
DOCUMENT FOR YOUR PERSONAL  
RECORDS.





Memorandum#: Jessica Lauren Pries

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM**

**Tri-Core Companies LLC**  
**An Arizona Limited Liability Company**

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**\$5,000,000**

**\$10,000 per Promissory Note (Unit)**  
**MINIMUM PURCHASE - 1 Promissory Note**  
**40% Rate of Return, Compounded Annually; Paid At Maturity**  
**Maturity Date: 24 months**  
**Redemption at Maturity - \$19,600 per Unit**

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Tri-Core Companies LLC, an Arizona Limited Liability Company (hereinafter referred to as the "COMPANY"), is offering by means of this Confidential Private Placement Memorandum a maximum of Five Hundred (500) Secured Promissory Notes ("Notes") at an offering price of Ten Thousand (\$10,000) Dollars per Note, for a maximum total of Five Million Dollars (\$5,000,000), to qualified investors who meet the Investor Suitability Requirements set forth herein (see "INVESTOR SUITABILITY REQUIREMENTS"). Each Investor must agree to purchase the Notes, as a lender to the Company, for investment purposes only, and execute a Subscription Agreement in the form contained in the accompanying Subscription Booklet (see "TERMS OF THE OFFERING").

**THESE SECURITIES ARE SPECULATIVE AND INVESTMENT  
IN THE NOTES INVOLVES A HIGH DEGREE OF RISK  
(SEE "RISK FACTORS")**

	<b>Offering Price</b>	<b>Selling Commissions</b>	<b>Proceeds to Company</b>
<b>Per Unit</b>	\$10,000	\$1,000	\$9,000
<b>Maximum Units</b>	\$5,000,000	\$500,000	\$4,500,000

**Tri-Core Companies LLC**  
8800 E. Chaparral Road, Suite 270  
Scottsdale, AZ 85250  
Telephone: (480) 278-7031  
Facsimile: (480) 278-8979

The date of this Private Placement Memorandum is June 1, 2010

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Tri-Core Companies LLC

(480) 278-7031

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**IMPORTANT NOTICES**

This Confidential Private Placement Offering Memorandum ("Memorandum") is submitted to you on a confidential basis solely for the purpose of evaluating the specific transaction described herein. This information shall not be photocopied, reproduced, or distributed to others without the prior written consent of Tri-Core Companies LLC ("Company"). If the recipient determines not to purchase any of the Notes offered hereby, it will promptly return all material received in connection herewith without retaining any copies.

## DISCLAIMERS

THE NOTES OFFERED HEREBY IN THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH, OR APPROVED, BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, NOR HAVE SUCH NOTES OR THIS MEMORANDUM BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF ANY STATE OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. THIS OFFERING IS BASED ON THE EXEMPTION FROM SUCH REGISTRATION AS SET FORTH IN §4(2) AND RULE 506 OF REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED.

THE INVESTMENT DESCRIBED IN THIS MEMORANDUM INVOLVES RISKS, AND IS OFFERED ONLY TO INDIVIDUALS WHO CAN AFFORD TO ASSUME SUCH RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO AGREE TO PURCHASE THE NOTES ONLY FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD THE TRANSFER, RESALE, EXCHANGE OR FURTHER DISTRIBUTION THEREOF. THERE WILL BE NO PUBLIC MARKET FOR THE NOTES ISSUED PURSUANT TO THIS OFFERING MEMORANDUM. THE RESALE OF THE NOTES IS LIMITED BY FEDERAL AND STATE SECURITIES LAWS AND IT IS THEREFORE RECOMMENDED THAT EACH POTENTIAL INVESTOR SEEK COUNSEL SHOULD THEY DESIRE MORE INFORMATION.

THE PRICE OF THE NOTES AS DESCRIBED IN THIS OFFERING MEMORANDUM HAS BEEN ARBITRARILY DETERMINED BY THE SPONSORS OF THIS INVESTMENT AND EACH PROSPECTIVE INVESTOR SHOULD MAKE AN INDEPENDENT EVALUATION OF THE FAIRNESS OF SUCH PRICE UNDER ALL THE CIRCUMSTANCES AS DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION IN CONNECTION WITH THIS MEMORANDUM, EXCEPT SUCH INFORMATION AS IS CONTAINED OR REFERENCED IN THIS MEMORANDUM. ONLY INFORMATION OR REPRESENTATIONS CONTAINED OR REFERENCED HEREIN MAY BE RELIED UPON AS HAVING BEEN MADE BY THE COMPANY. PROSPECTIVE INVESTORS WHO HAVE QUESTIONS CONCERNING THE TERMS AND CONDITIONS OF THIS PRIVATE OFFERING MEMORANDUM OR WHO DESIRE ADDITIONAL INFORMATION OR DOCUMENTATION TO VERIFY THE INFORMATION CONTAINED HEREIN SHOULD CONTACT THE COMPANY. PROJECTIONS OR FORECASTS CONTAINED IN THIS PRIVATE OFFERING MEMORANDUM, OR OTHER MATERIALS, MUST BE VIEWED ONLY AS ESTIMATES. ALTHOUGH ANY PROJECTIONS CONTAINED IN THIS MEMORANDUM ARE BASED UPON ASSUMPTIONS WHICH THE COMPANY BELIEVES TO BE REASONABLE, THE ACTUAL PERFORMANCE OF THE COMPANY MAY DEPEND UPON FACTORS BEYOND THE CONTROL OF THE COMPANY. NO ASSURANCE CAN BE GIVEN THAT THE COMPANY'S ACTUAL PERFORMANCE WILL MATCH ITS INTENDED RESULTS.

## 1. SUMMARY OF THE OFFERING

THE FOLLOWING SUMMARY IS QUALIFIED IN ITS ENTIRETY BY MORE DETAILED INFORMATION THAT MAY APPEAR ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM. EACH PROSPECTIVE INVESTOR IS URGED TO READ THIS PRIVATE OFFERING MEMORANDUM IN ITS ENTIRETY.

Tri-Core Companies LLC (the "Company") was formed on August 29, 2007 as an Arizona Limited Liability Company. The Company is in the business of Land Acquisition and Development.

The Securities offered are Five Hundred (500) Notes issued by the Company at Ten (\$10,000) Dollars per Note, payable in cash at the time of subscription (see "Exhibit B" for copy of Promissory Note). The minimum purchase is one (1) Note. The Notes have an annual rate of return of forty (40%) percent interest, compounded annually. The return will be paid at maturity, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date.

None of the Notes are convertible to Membership Units, or other type of equity, in the Company. This offering will commence on June 1, 2010, and will terminate no later than May 31, 2011, unless extended by the Company (see "TERMS OF THE OFFERING").

The gross proceeds of the offering will be a maximum of Five Million (\$5,000,000) Dollars. The use of the proceeds is to purchase and hold for appreciation parcels of land along the Sonoran Coast of Mexico.

## 2. THE COMPANY

Tri-Core Companies LLC (the "Company") was formed on August 29, 2007, as an Arizona Limited Liability Company. At the date of this offering, One Thousand (1,000) of the Company's Membership Units were authorized and Nine Hundred (900) Membership Units are issued, and outstanding. The Company is in the business of construction management, land acquisition and development.

### 2.1 OPERATIONS

The Company is in the business of construction management, land acquisition and development, specializing in beach front properties along the coast of the upper Sonoran coastline in Sonora, Mexico. SEE "EXHIBIT D - BUSINESS PLAN."

## **2.2 BUSINESS PLAN**

Tri-Core Companies Business Plan, included as Exhibit D of this Memorandum, and was prepared by the Company using assumptions set forth in the Business Plan, including several forward looking statements. Each prospective investor should carefully review the Business Plan before purchasing Notes. Management makes no representations as to the achievability of the underlying assumptions and projected results contained herein.

## **3. MANAGEMENT**

### **3.1 LLC MANAGERS**

The success of the company is dependent upon the services and expertise of existing management. At the present time, three individuals are actively involved in the management of the Company:

#### **Jason Todd Mogler - President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

#### **Vince Gibbons - Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going

the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Design layout
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout and final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities. Samplings of their national and international projects include the following:

- **El Rio Country Club - Mohave County, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.
- **Eagle View Subdivision - Kingman, Arizona.**  
Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.
- **Villages at Loreto Bay, Master Planned Development - Loreto, Mexico.**  
Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.
- **Colonias de Cardenas, Master Planned Community - Panama City, Panama.**  
Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.
- **Punta Delfin, Enchantment of México - Sea of Cortez, Sonora, México.**  
Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

**Jim Hinkeldey - Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgage backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

#### **4. TERMS OF THE OFFERING**

##### **4.1 GENERAL TERMS OF THE OFFERING**

This Private Offering Memorandum is offering a maximum of Five Hundred (500) Notes at Ten (\$10,000) Dollars per Note, for a maximum of Five Million (\$5,000,000) Dollars to a select group of Investors who satisfy the Investor Suitability Requirements (see "**INVESTOR SUITABILITY REQUIREMENTS**"). The Company has the authority to sell fractional Notes at its sole discretion.

##### **4.2 MINIMUM OFFERING AMOUNT**

No minimum offering amount has been established.

##### **4.3 NONTRANSFERABILITY OF NOTES**

The Notes have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered in reliance upon an exemption under §4(2) and Rule 506 of Regulation D of the Securities Act, as amended, and rules and regulations hereunder. The Notes have not been registered under the securities laws of any state and will be offered pursuant to an exemption from registration in each state. A purchaser may transfer or dispose of the Note only if such Notes are subsequently registered under the Securities Act, or if an exemption from registration is available, and pursuant to an opinion of counsel acceptable to the Company and its counsel to the effect that the Notes may be transferred without violation of the registration requirements of the Securities Act or any other securities laws.

##### **4.4 CLOSING OF THE OFFERING**

The Notes are offered and closed only when a properly completed Subscription Agreement (**Exhibit A**); Note (**Exhibit B**), and Investor Questionnaire (**Exhibit C**) are submitted by the investing Subscriber or his/her Investor

Representatives and are received and accepted by the Company. The Subscription Agreement as submitted by an investing Subscriber or his/her Investor Representatives shall be binding once the Company signs the Subscription Agreement, Note and the funds delivered by the potential Investor to the Company with the Subscription Agreement has been cleared by the financial institution in which they are deposited by the Company. The Notes will be delivered to qualified Investors upon acceptance of their subscriptions. All funds collected from investing Subscribers will be deposited in a designated account under the control of the Company. Investors subscribing to the Notes may not withdraw or revoke their subscriptions at any time prior to acceptance by the Company, except as provided by certain state laws, or if more than thirty (30) days have passed after receipt of the Subscription Agreement by the Company without the Company accepting the Investor's funds and delivering all applicable documents to such Investor. The proceeds of this Offering will be used only for the purpose set forth in this Private Offering Memorandum (see "**USE OF PROCEEDS**").

The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Five Million (\$5,000,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

## 5. PLAN OF DISTRIBUTION

### 5.1 OFFERING OF NOTES

The Notes will be offered to prospective lenders by Officers and Directors of the Company and qualified licensed personnel, pursuant to State and Federal security rules and regulations. This Offering is made solely through this Private Placement Memorandum and without any form of general solicitation or advertising. The Company and its Officers and Directors or other authorized personnel will use their best efforts during the Offering period to find eligible Investors who desire to subscribe to the Notes in the Company. These Notes are offered on a "best efforts" basis, and there is no assurance that any or all of the Notes will be closed. The Company has the authorization to offer fractional Notes at its sole discretion. The Offering period will begin as of the date of this private Offering Memorandum and will close upon the happening of such occurrences as defined herein (see "**TERMS OF THE OFFERING**").

## **5.2 PAYMENTS TO BROKER DEALERS OR INVESTMENT ADVISORS**

The Company has the power to pay fees or commissions to qualified Broker Dealers, Registered Investment Advisors or any other person qualified under other applicable federal and state security laws.

## **6. DESCRIPTION OF NOTES**

### **6.1 NOTES**

The Company is offering Five Hundred (500) Notes of the Company to potential investors at Ten (\$10,000) Dollars per Note, payable in cash at the time of the subscription. The minimum purchase is one (1) note. The Notes will have an annual rate of return of forty (40%) percent interest, compounded annually, with a maturity date of twenty-four (24) months from the Commencement Date of each Note. All principal shall be paid at maturity (24 months). Interest shall be paid at maturity (24 months). The principal and any interest due on said principal may be prepaid, at the sole discretion of the Company, without a prepayment penalty at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date. The Notes offered pursuant to this Private Placement Memorandum will be secured by the property.

The Notes will be issued in the form attached hereto and incorporated herein by reference as though set forth in full herein as **Exhibit B**.

### **6.2 SECURITY FOR PAYMENT OF THE NOTES**

The Notes being offered by the Company in this Private Placement Offering are secured by the land Tri-Core Companies LLC purchases.

### **6.3 REPORTS TO NOTEHOLDERS**

The Company will furnish annual un-audited reports to its Note holders ninety (90) days after its fiscal year. The Company may issue other interim reports to its Note holders as it deems appropriate. The Company's fiscal year ends on December 31<sup>st</sup> of each year.

## **7. USE OF PROCEEDS**

The gross proceeds of the Offering will be a maximum of Five Million (\$5,000,000) Dollars. The table below sets forth the use of proceeds for both the maximum and minimum offering amounts.

### Sources

	Maximum Amount	Percent of Proceeds
<b>Proceeds From the Sale of Notes</b>	\$5,000,000	100.00%

### Application of Proceeds

Offering Expenses <sup>(1)</sup>	\$ 5,000	0.100%
Commissions <sup>(2)</sup>	\$ 500,000	10.000%
<b>Total Offering Expenses &amp; Fees</b>	<b>\$ 505,000</b>	<b>10.100%</b>
<b>Net Offering Proceeds</b>	<b>\$ 4,495,000</b>	<b>89.900%</b>
General Project Expense	\$ 20,000	0.400%
Soft Cost	\$ 25,000	0.500%
Marketing	\$ 35,000	0.700%
Administration	\$ 36,000	0.720%
Land Purchase <sup>(3)</sup>	\$ 4,379,000	87.580%
<b>Total Application of Proceeds</b>	<b>\$ 5,000,000</b>	<b>100.00%</b>

**Footnotes:**

- (1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.
- (2) This Offering is being sold by the officers and directors of the Company, who will not receive any compensation for their efforts. No sales fees or commissions will be paid to such officers or directors. Notes may be sold by registered brokers or dealers who are members of the NASD and who enter into a Participating Dealer Agreement with the Company. Such brokers or dealers may receive commissions up to ten percent (10%) of the price of the Notes sold.
- (3) Includes amount available for land purchase, transfer fee costs and real estate taxes

## 8. CAPITALIZATION STATEMENT

### 8.1 CAPITALIZATION PRIOR TO AND AFTER THE OFFERING

The following table summarizes the capitalization of the Company prior to, and as adjusted to reflect, the issuance and sale of the maximum of Five Hundred (500) Notes or Five Million (\$5,000,000) Dollars.

	AS ADJUSTED 08/29/07	AFTER THE OFFERING
Notes	<u>-0-</u>	<u>\$5,000,000</u>
Membership Units \$0.10 par value, 1,000 Units authorized, 900 Units issued and outstanding	\$100	\$100
Net Shareholders' Equity	\$100	\$100
<b>TOTAL CAPITALIZATION</b>	<u>\$100</u>	<u>\$5,000,100</u>

## **9. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### **9.1 RESULTS OF OPERATIONS**

The Company is actively engaged in the purchase of land to be held for appreciation.

### **9.2 LIQUIDITY AND CAPITAL RESOURCES**

The Company's liquidity and capital resources are dependent on its ability to raise sufficient capital to pay for the purchase price of the Promissory Notes.

## **10. CERTAIN TRANSACTIONS**

### **10.1 ARIZONA LIMITED LIABILITY COMPANY**

**Tri-Core Companies LLC** is a privately held Arizona Limited Liability Company, incorporated on August 29, 2007.

### **10.2 PRIVATE OFFERING OF NOTES**

The Company is authorized to offer in this private offering, up to Five Million (\$5,000,000) Dollars of Notes to selected investors, effective on June 1, 2010.

## **11. FIDUCIARY RESPONSIBILITIES OF THE DIRECTORS AND OFFICERS OF THE COMPANY**

### **11.1 GENERAL**

The Principals, Officers, and Directors of the Company are accountable to the Company as fiduciaries and such Principals, Officers and Directors are required to exercise good faith and integrity in managing the Company's affairs and policies. Each Note Holder of the Company, or their duly authorized representative, may inspect the books and records of the Company at any time during normal business hours. A Note Holder may be able to bring an action on behalf of himself in the event the Note Holder has suffered losses in connection with the purchase or sale of the Note(s) in the Company, due to a breach of fiduciary duty by an Officer or Director of the Company, in connection with such sale or purchase, including the misrepresentation or misapplication by any such Officer or Director of the proceeds from the sale of these Notes, and may be able to recover such losses from the Company.

### **11.2 INDEMNIFICATION**

Indemnification is permitted by the Company to directors, officers, or controlling persons pursuant to Arizona law. Indemnification includes expenses, such as attorneys' fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person and arising from their relationship with the Company, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

## **12. RISK FACTORS**

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

THIS INVESTMENT INVOLVES A DEGREE OF RISK. AN INDIVIDUAL CONTEMPLATING INVESTMENT IN THIS OFFERING SHOULD GIVE CAREFUL CONSIDERATION TO THE ELEMENTS OF THE RISK SUMMARIZED BELOW, AS WELL AS THE OTHER RISK FACTORS IDENTIFIED ELSEWHERE IN THIS PRIVATE OFFERING MEMORANDUM.

## **12.1 CONTROL BY COMPANY**

After completion of this offering, the Company will own one hundred percent (100%) of the issued and outstanding Membership Units. Such ownership will enable the Company to continue to elect all the Managers and to control the Company's policies and affairs. The Note Holders will not have any voting rights in the Company.

## **12.2 RELIANCE ON THE COMPANY FOR MANAGEMENT**

All decisions with respect to the management of the Company will be made exclusively by the Principal Managers of the LLC. The Note Holders do not have the right or power to take part in the management of the Company. Accordingly, no person should purchase a Note unless he is willing to entrust all aspects of the management of the Company to existing Management.

## **12.3 LIMITED TRANSFERABILITY OF THE NOTES**

The transferability of the Notes in this offering is limited, and potential investors should recognize the nature of their investment in the offering. It is not expected that there will be a public market for the Notes because there will be only a limited number of investors and restrictions of the transferability of Notes. The Notes have not been registered under the Securities Act of 1933, as amended, or qualified or registered under the securities laws of any state and, therefore, the Notes cannot be resold unless they are subsequently so registered or qualified or an exemption from such registration is available. The offering also contains restrictions on the transferability of the Notes. Accordingly, purchasers of Notes will be required to hold such Notes to maturity unless otherwise approved by the Company. The Company does not intend to register the Notes under the Securities Act of 1933.

## **12.4 REGULATIONS**

The Company is subject to usual federal and state laws, rules and regulations. The Company believes it is in full compliance with any and all applicable laws, rules and regulations both domestically and in Mexico.

## **12.5 GENERAL ECONOMY**

The Company is subject to the Mexican and U.S. Economy and its effect on consumer confidence and spending.

## **12.6 ZONING**

This area is zoned for resort and single family development. No changes are foreseen for this area.

### 12.7 MARKET DEMAND

The market for unspoiled beachfront property that is highly developable remains strong.

### 12.8 FORCE MAJEURE

Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

### 13. PRINCIPAL SHAREHOLDERS

As of the date of this Offering, the Company has Nine Hundred (900) Membership Units issued and outstanding to Jason Todd Mogler (30%), Jim Hinkeldey (30%) and Vince Gibbons (30%).

### 14. HOW TO INVEST

An Investor who meets the qualifications as set forth in this Private Offering Memorandum may subscribe for at least the minimum purchase herein of One (1) Note (Ten Thousand (\$10,000) Dollars) by carefully reading this entire Private Offering Memorandum and by then completing and signing a separately bound booklet. This booklet contains identical copies of the following exhibits contained in the Private Offering Memorandum, including:

Exhibit A. INSTRUCTIONS TO SUBSCRIBERS and SUBSCRIPTION AGREEMENT: This contains complete instructions to Subscribers and should be read in its entirety by the prospective investor prior to investing. The Subscription Agreement must be signed by the Investor.

Exhibit B. PROMISSORY NOTE: This Note will be signed by Tri-Core Companies LLC.

Exhibit C. INVESTOR QUESTIONNAIRE: This questionnaire requires a Subscriber to complete a financial history in order to aid the Company in the determination of the suitability of the Subscriber as a potential Investor. This questionnaire must be signed by the Investor.

Exhibit D. TRI-CORE COMPANIES LLC: Business Plan

Copies of all the above referenced documents are included with this Private Placement Memorandum. For discussion of the actions of the Company upon receipt of a properly completed request to invest by a Subscriber, please see "**TERMS OF THE OFFERING.**" Such Investor should include his check made payable Tri-Core Companies LLC, along with the SUBSCRIPTION AGREEMENT, NOTE, AND INVESTOR QUESTIONNAIRE. Delivery of the documents referred to above, together with a check to the Company should be addressed to the Company as follows: **Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250.**

## **15. INVESTOR SUITABILITY REQUIREMENTS**

### **15.1 INTRODUCTION**

Potential Investors should have experience in making investment decisions or such Investors should rely on their own tax consultants or other qualified investment advisors in making this investment decision.

### **15.2 GENERAL SUITABILITY**

Each potential Investor will be required to represent the following by execution of a Subscription Agreement:

1. The Investor has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of an investment in this Offering.
2. The Investor has the ability to bear the economic risk of this investment, has adequate means to provide for his, her, or its current needs and personal contingencies, has no need for liquidity in this investment and could afford the complete loss of the investment.
3. The Investor is acquiring the Note(s) for his, her or its own account for investment purposes only and not with a view toward subdivision, resale, distribution or fractionalization thereof, or for the account of others, and has no present intention of selling or granting any participation in, or otherwise distributing, the Note(s).
4. The Investor's overall commitment to invest in the Note(s) is not disproportionate to his, her, or its net worth and the investment in these Note(s) will not cause such overall commitment to become excessive.
5. The Investor has read and understands this Private Placement Memorandum and all its exhibits.

### 15.3 NONACCREDITED INVESTORS

Up to and including thirty-five (35) investing Subscribers may be accepted by the Company as suitable Investors if each such Subscriber has a net worth sufficient to bear the risk of losing his entire investment and meets the above "General Suitability Standards."

### 15.4 ACCREDITED INVESTORS

In addition to satisfying the "General Standards" as defined above, all but thirty-five (35) Subscribers for Shares must each satisfy one of the "Accredited Investors" economic suitability standards as defined below:

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;
2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;
3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(g) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8. Any entity in which all of the equity owners are Accredited Investors.

NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.

#### **15.5 ACCEPTANCE OF SUBSCRIPTION AGREEMENT BY THE COMPANY**

The Investor Suitability Requirements referred to in this section represent minimum requirements for potential Investors. Satisfaction of these standards does not necessarily mean that participation in this Offering constitutes a suitable investment for such a potential Investor or that the potential Investors' Subscription will be accepted by the Company. The Company may, in fact, modify such requirements as circumstances dictate. All Subscription Agreements submitted by potential Investors will be carefully reviewed by the Company to determine the suitability of the potential Investor in this Offering. The Company may, in its sole discretion, refuse a Subscription in this Offering to any potential Investor who does not meet the applicable Investor Suitability Requirements or who otherwise appears to be an unsuitable Investor in this Offering. The Company will not necessarily review or accept a Subscription Agreement in the sequential order in which it is received. The Company also has the discretion to maximize the number of Accredited Investors in this Offering and, as a result, may accept less than thirty-five (35) Non-accredited Investors in this Offering.

#### **16. LITIGATION**

The Company and its Principals have no lawsuits pending, no legal actions pending or judgments entered against the Company or its Principals and, to the best

knowledge of the Company, no legal actions are contemplated against the Company and/or its Principals.

#### **17. ADDITIONAL INFORMATION**

Reference materials described in this Private Offering Memorandum are available for inspection at the office of the company during normal business hours. It is the intention of the Company that all potential Investors are given full access to such information for their consideration in determining whether to purchase the Notes being offered. Prospective Investors should contact the Company for access to information regarding the matters set forth or other information concerning the Company. Representatives of the Company will also answer all inquiries from potential Investors concerning the Company and any matters relating to its proposed operations or present activities. The Company will afford potential Investors and their representatives the opportunity to obtain any additional information reasonably necessary to verify the accuracy or the source of any representations or information contained in this Private Offering Memorandum. All contracts entered into by the Company are subject to modifications and the Company may make any changes in any such contracts as deemed appropriate in its best discretion. Such recent amendments may not be circulated to Subscribers prior to the time of closing this Offering. However, potential Investors and their representatives may review such material or make inquiry of the Company concerning any of these and any other matters of interest.

#### **18. FORECASTS OF FUTURE OPERATING RESULTS**

Any forecasts and proforma financial information which may be furnished by the Company to prospective Investors or which are part of the Company's business plan, are for illustrative purposes only and are based upon assumptions made by Management regarding hypothetical future events. There is no assurance that actual events will correspond with the assumptions or that factors beyond the control of the Company will not affect the assumptions and adversely affect the illustrative value and conclusions of any forecasts.

#### **19. GLOSSARY OF TERMS**

The following terms used in this Memorandum shall (unless the context otherwise requires) have the following respective meanings:

**ACCEPTANCE.** The acceptance by the Company of a prospective investor's subscription.

**ACCREDITED INVESTORS.** Those investors who meet the criteria set forth in "INVESTOR SUITABILITY REQUIREMENTS."

**BROKER-DEALER.** A person or firm licensed with the NASD, the SEC and with the securities or corporate commissions department of the state

in which it sells investment securities and who may employ licensed agents for that purpose.

**COMPANY.** Refers to **TRI-CORE COMPANIES LLC**, an Arizona Limited Liability Company.

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. (NASD).** A self-regulating body which licenses brokers and dealers handling securities offerings, reviews the terms of an offering's underwriting arrangements and advertising literature and, while not a governmental agency, acts as a review service watchdog to make sure that its regulations and those of the SEC are followed for the Investor's protection in offerings of securities.

**NOTES.** A Ten Thousand (\$10,000) Dollar investment consisting of one (1) Promissory Note issued by **TRI-CORE COMPANIES LLC**, an Arizona Limited Liability Company.

**SECURITIES ACT OF 1933.** A federal act regulated and enforced by the SEC that requires, among other things, the registration and use of a prospectus whenever a security is sold (unless the security or the manner of the Offering is expressly exempt from such registration process).

**SECURITIES EXCHANGE ACT OF 1934.** A federal act regulated and enforced by the SEC which supplements the Securities Act of 1933 and contains requirements which were designed to protect investors and to regulate the trading (secondary market) of securities. Such regulations require, among other things, the use of prescribed proxy statements when investors' votes are solicited; the disclosure of management and large shareholders' holding of securities; controls on the resale of such securities; and periodic (monthly, quarterly, annually) filing with the SEC of financial and disclosure reports of the Issuer.

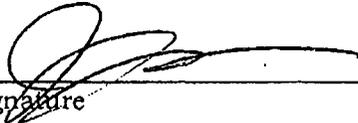
**SECURITIES AND EXCHANGE COMMISSION (SEC).** An independent United States government regulatory and enforcement agency which supervises investment trading activities and registers companies and those securities which fall under its jurisdiction. The SEC also administers statutes to enforce disclosure requirements that were designed to protect investors in securities offerings.

**SUBSCRIPTION DOCUMENTS.** Consists of the Note, Subscription Agreement, Investor Questionnaire, and a check as payment for the Note(s) to be purchased submitted by each prospective Investor to the Company.

**TERMINATION DATE.** The earlier to occur of the date on which all Notes are sold or May 31, 2011.

**20. ACKNOWLEDGMENT**

By signing below, the undersigned acknowledges that he/she has read and understood this entire Private Placement Memorandum.

  
\_\_\_\_\_  
Signature

3/10/2011  
\_\_\_\_\_  
Date

Jessica Lauren Pries  
\_\_\_\_\_  
Print Name

CONFIDENTIAL

CONFIDENTIAL

**EXHIBIT A**  
**SUBSCRIPTION AGREEMENT**

**Print Name of Subscriber:** Jessica Lauren Pries

**Amount Loaned:** \$ 10,000.00

**Number of Notes:** 1

**TRI-CORE COMPANIES LLC**

**SUBSCRIPTION DOCUMENTS**

**OFFERING OF A MAXIMUM OF FIVE HUNDRED (500)  
SECURED PROMISSORY NOTES**

**TEN (\$10,000) DOLLARS PER NOTE**

**JUNE 1, 2010**

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**SUBSCRIPTION INSTRUCTIONS**  
**(Please read carefully)**

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Each subscriber for the Secured Promissory Notes, Ten (\$10,000) Dollars per Note (the "Notes") of Tri-Core Companies LLC, an Arizona Limited Liability Company ("the Company"), must complete and execute the Subscription Documents in accordance with the instructions set forth below. The completed documents should be sent to Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250.

**Payment for the Securities should be made by check payable to the Tri-Core Companies LLC and enclosed with the documents as directed in Section III below.**

I. These Subscription Documents contain all of the materials necessary for you to purchase the Notes. This material is arranged in the following order:

- Subscription Agreement
- Promissory Note
- Confidential Prospective Purchaser's Questionnaire

II. All investors must complete in detail, date, initial, and sign the Subscription Documents where appropriate. All applicable sections must be filled in.

III. Payment for the Notes must be made by check as provided below:

Please make your check payable, in the appropriate amount, for the number of Notes purchased (at Ten Thousand (\$10,000) per Note), to **Tri-Core Companies LLC**. Your check should be enclosed with your signed subscription documents.

All funds received from subscribers will be placed in a segregated Holding Account of the Company. Once the minimum offering amount has been reached the funds will be transferred to the Company's operating account and will be available for use.

IV **SPECIAL INSTRUCTIONS**

**FOR CORPORATIONS.** Include copy of Board resolution designating the corporate officer authorized to sign on behalf of the corporation, a Board resolution authorizing the investment, and financial statements.

**FOR PARTNERSHIPS.** Provide a complete copy of the partnership agreement, questionnaire, and financial statements for each General Partner.

**FOR TRUSTS.** Provide a complete copy of the instruments or agreements creating the trust, as amended to date.

**Print Name of Subscriber:** Jessica Lauren Pries

**Amount Loaned:** \$ 10,000.00

**Number of Notes:** 1

### **Subscription Agreement**

To: Tri-Core Companies LLC  
8800 E. Chaparral Road - Suite 270  
Scottsdale, AZ 85250

Gentlemen:

**1. Subscription.** The undersigned hereby subscribes for 1 Notes of Tri-Core Companies LLC (the "Company"), an Arizona Limited Liability Company, and agrees to loan to the Company Ten (\$10,000) Dollars per Note for an aggregate loan of **\$10,000.00** (the "Loan Amount") upon the terms and subject to the conditions (a) set forth herein, and (b) described in the Confidential Private Placement Memorandum ("Private Placement Memorandum") dated June 1, 2010, together with all exhibits thereto and materials included therewith, and all supplements, if any, related to this offering. The minimum loan is Ten Thousand (\$10,000) Dollars, but the Company has the discretion to offer fractional Notes for loans less than the minimum.

**2. Note Offering.** The Company is offering a maximum of Five Hundred (500) Notes at Ten (\$10,000) Dollars per Note, with no minimum subscription (the "Offering"). The maximum aggregate loan to the Company from this Offering will be Five Million (\$5,000,000) Dollars. The Offering is being made to a limited number of investors pursuant to an exemption available under the Securities Act of 1933 (the "Act"), specifically Rule 506 promulgated under Regulation D, and under certain other laws, including the securities law of certain states.

**3. Documents to Be Delivered.** The undersigned is delivering to the Company executed copies of this Subscription Agreement (the "Agreement"), the Note(s), Offeree Questionnaire, and all other applicable exhibits and documents (the "Subscription Documents"). The Subscription Documents should be delivered to Tri-Core Companies LLC, at 8800 E Chaparral Road, Suite #270, Scottsdale, AZ 85250. The undersigned understands and agrees that he or it will not become a "Holder" of the Note(s) and the Company shall not become a "Maker" of the Note(s) unless and until the Agreement and Note(s) are executed by the Company.

**4. Making of Loan Amount.** The undersigned, simultaneously with the delivery of the Subscription Documents to the Company, hereby tenders to the Company the Loan Amount by **check made payable to the order of Tri-Core Companies LLC** in the amount indicated above.

**5. Acceptance or Rejection of Subscription.** The undersigned understands and agrees that the Company reserves the right, exercisable in its sole discretion, to accept or reject any subscription, in whole or in part, for any reason and that the undersigned will be notified by the Company as promptly as practicable as to whether his or its subscription has been accepted or rejected. If the undersigned's subscription is accepted, in whole or in part, by the Company, the Company will execute this Agreement and the Note(s) and return them to the undersigned. If this subscription is rejected by the Company, either in whole or in part, all funds, in the case of a rejection of the subscription in whole, or those funds representing the amount of the subscription not accepted by the Company, in the case of a rejection of the subscription in part, will be returned to the undersigned as promptly as practicable. If this subscription is rejected in whole by the Company, this Agreement shall be null, void and of no effect. The undersigned does not have the right to withdraw or revoke his or its subscription during the Offering period, except as provided by certain state laws, except that if more than thirty (30) days shall have passed from the date the Company received completed and executed Subscription Documents and the Loan Amount from the undersigned (the "Acceptance Period"), and the Company has not accepted the subscription during the Acceptance Period, the undersigned may withdraw his or its subscription at any time after the Acceptance Period up until such time that the Company subsequently decides, in its sole discretion, to accept the subscription in whole or in part.

**6. Offering Period.** The Company may close in whole or in part or terminate this Offering under any of the following conditions:

1. Upon receipt of the maximum offering subscription amount of Five Million (\$5,000,000) Dollars
2. Notwithstanding the above, this offer shall terminate one (1) year from the date of this Private Placement Memorandum; or on such later date not exceeding thirty (30) days thereafter to which the Company, in its sole discretion, may extend this Offering.

**7. Closing of the Loan.** The Note(s) subscribed for herein shall not be deemed made by the Company or held by the undersigned until this Agreement and the Note(s) have been countersigned by the Company, and until the funds delivered by the undersigned to the Company with the Subscription Documents have been deposited in the Holding Account and have been cleared by the applicable bank of the Company (the "Effective Date"). Upon the Effective Date, (a) the undersigned shall have loaned to the Company the Loan Amount, (b) the undersigned shall become the Holder and the Company shall become the Maker of the Note(s) subscribed for by the undersigned, and (c) both the undersigned and the Company shall be bound by the terms of the Private Placement Memorandum and the Subscription Documents and any other undertakings described herein.

**8. Representations and Warranties.**

- (a) The Company hereby represents and warrants as follows:

(i) The Company is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Arizona and has the requisite company power and authority to own, lease and operate its properties and to carry on its business as now being conducted;

(ii) This Agreement constitutes the valid and binding obligation of the Company enforceable against the Company in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws from time to time in effect which affect creditor's rights generally and by legal and equitable limitations on the availability of specific performance and other equitable remedies under or by virtue of this Agreement). The Company has all requisite power and authority, corporate and other, to execute and deliver this Agreement and the Note(s) and to consummate the transactions contemplated hereby. All persons who have executed this Agreement and the Note(s) on behalf of the Company have been duly authorized to do so by all necessary corporate action. Neither the execution and delivery of this Agreement and the Note(s) nor the consummation of the transactions contemplated hereby will (A) violate any provision of the Certificate of Incorporation or Operating Agreement of the Company, as currently in effect; (B) violate any judgment, order, injunction, decree or award against, or binding upon, the Company or the securities, assets, properties, operations or business of the Company; or (C) violate any law or regulation applicable to the Company or to the securities, assets, properties, operations or business of the Company.

(b) In order to induce the Company to accept the subscription made hereby, the undersigned hereby represents and warrants to the Company as follows:

(i) The undersigned has received the Private Placement Memorandum and the Subscription Documents. The undersigned has read and understands the Private Placement Memorandum and Subscription Documents and the information contained in those documents concerning the Company and this Offering or has caused his or its representative to read and examine the Private Placement Memorandum and Subscription Documents. The undersigned has relied only on the information about the Company contained in these documents and his or its own independent investigation in making his or its subscription. The undersigned understands that the Notes will be issued with the rights and subject to the conditions described in the Private Placement Memorandum and Subscription Documents;

(ii) The undersigned is familiar with the terms and conditions of the Offering and is aware that his or its investment involves a degree of risk and the undersigned has read the section in the Private Placement Memorandum titled "Risk Factors."

(iii) The undersigned hereby specifically accepts and adopts each and every provision of this Agreement and acknowledges and agrees with each and every provision of this Agreement and, upon

acceptance by the Company of the subscription made hereby, agrees to be bound by such provisions.

(iv) The undersigned acknowledges and is aware that there is no assurance as to the future performance of the Company.

(v) The undersigned, if an individual (A) has reached the age of majority in the state in which he resides and (B) is a bona fide resident and domiciliary (not a temporary or transient resident) of the state set forth below his signature on the signature page hereof and has no present intention of becoming a resident of any other state or jurisdiction. The undersigned, if a partnership, corporation, limited liability company, trust or other entity, was organized or incorporated under the laws of the jurisdiction set forth below the signature made on its behalf on the signature page hereof and has no present intention of altering the jurisdiction of its organization, formation or incorporation.

(vi) The undersigned has the financial ability to bear the economic risk of an investment in the Offering, has adequate means of providing for his or its current needs and personal contingencies, has no need for liquidity in the Note(s) and could afford a complete loss of his or its investment in the Offering.

(vii) The undersigned represents and warrants to the Company that he or it comes within one of the categories of investors as defined in Exhibit 1 hereto (*please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity*).

(viii) The undersigned has been given the opportunity to review the merits of an investment in the Offering with tax and legal counsel or with an investment advisor to the extent the undersigned deemed advisable.

(ix) The undersigned's overall commitment to invest in the Note(s), which are not readily marketable, is not disproportionate to his or its net worth and his or its investment in the Offering will not cause such overall commitment to become excessive.

(x) The undersigned has such knowledge and experience in financial and business matters that he or it is capable of evaluating the merits and risks of an investment in the Offering.

(xi) The undersigned has been given a full opportunity to ask questions of and to receive (A) answers from the Company and its Managers concerning the terms and conditions of this Offering and the business of the Company and (B) such other information

as he or it desired in order to evaluate an investment in the Offering, and all such questions have been answered to the full satisfaction of the undersigned. No oral or written representations have been made or oral or written information furnished to the undersigned or the undersigned's advisors in connection with the Offering or interests that were in any way inconsistent with this Subscription Agreement. The undersigned is not participating in the Offering as a result of or subsequent to: (1) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or (2) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(xii) If the undersigned is a corporation, limited liability company, partnership, trust or other entity, it is authorized and qualified to make this loan to the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so.

(xiii) If the undersigned is a corporation, limited liability company or partnership, the person signing this Agreement on its behalf hereby represents and warrants that the information contained in this Agreement completed by any shareholders of such corporation, members of such limited liability company or partners of such partnership is true and correct with respect to such shareholder, member or partner (and if any such shareholder is itself a corporation, limited liability company or partnership, with respect to all persons having an equity interest in such corporation, limited liability company or partnership, whether directly or indirectly) and that the person signing this Agreement has made due inquiry to determine the truthfulness and accuracy of the information contained in this Agreement.

(xiv) The purchase of the Note(s) by the undersigned has been duly authorized, and the execution, delivery and performance of this Agreement does not conflict with the undersigned's partnership agreement, certificate of incorporation, by-laws, articles of organization, operating agreement or any agreement to which the undersigned is a party and this Agreement is a valid and binding agreement enforceable against the undersigned in accordance with its terms.

(xv) The undersigned hereby represents that he or it is subscribing for the Notes as principal or as trustee, solely for the account of the undersigned, for investment purposes only and not with a view to, or for, subdivision, resale, distribution, or fractionalization thereof, in whole or in part, or for the account, in whole or in part, of others, and, except as disclosed herein, no other person has a direct or indirect beneficial interest in the

Note(s). The undersigned will hold the Note(s) as an investment and has no reason to anticipate any change in circumstances or other particular occasion or event, which would cause the undersigned to attempt to sell any of the Note(s).

(xvi) The undersigned acknowledges his or its understanding that (A) the Offering of the Note(s) by the Company has not been registered under the Act, as amended, or the securities laws of certain states in reliance on specific exemptions from registration, (B) the Confidential Memorandum and Subscription Documents have not been filed with or reviewed by the Securities and Exchange Commission or the securities department of any state and no securities administrator of any state or the federal government has recommended or endorsed this Offering or made any finding or determination relating to the fairness of an investment in the Company, and (C) the Offering of the Note(s) by the Company is intended to be exempt from registration pursuant to Section 4 (2) of the Act and the rules promulgated there under by the Securities and Exchange Commission, and that the undersigned's Note(s) cannot be sold, pledged, assigned or otherwise disposed of unless they are registered under the Act or an exemption from such registration is available.

(xvii) The undersigned represents and warrants that he or it will not transfer or convey all or part of his or its financial interest in the Note(s) unless such Note(s) are subsequently registered under the Act, or an exemption from such registration is available and without (A) the prior written consent of the Company and (B) an opinion of counsel acceptable to the Company and its counsel to the effect that the Note(s) may be transferred without violation of the registration requirements of the Act or any applicable state securities laws, as may be amended from time to time. The undersigned further acknowledges that there can be no assurance that the Company will file any registration statement for the Note(s) for which the undersigned is subscribing, that such registration statement, if filed, will be declared effective or, if declared effective, that the Company will be able to keep it effective until the undersigned sells the Note(s) registered thereon.

(xviii) The undersigned understands that this Agreement is subject to the Company's acceptance and may be rejected by the Company at any time in its sole discretion in whole or any part prior to issuance of the Note(s) with respect to the undersigned's subscription, notwithstanding prior receipt by the undersigned of notice of acceptance of the undersigned's subscription. The Company reserves the right to withdraw the Offering at any time.

(xix) The undersigned acknowledges that this Agreement shall become binding upon the undersigned when it is countersigned by the Company and the undersigned is not entitled to cancel,

terminate, or revoke this subscription before or after acceptance by the Company, except as otherwise provided in this Agreement.

(xx) All information provided by the undersigned in the Investor Questionnaire and Investor Representative Questionnaire (if applicable) which accompanies this Agreement is true and accurate in all respects, and the undersigned acknowledges that the Company will be relying on such information to its possible detriment in deciding whether the Company can make these Note(s) to the undersigned without giving rise to the loss of an exemption from registration under the applicable securities laws.

**9. Foreign Person.** If the undersigned has indicated on the signature page of this Agreement that he, she or it is a foreign person, he, she, or it agrees to notify the Company in writing within sixty (60) days of becoming a nonresident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign entity, as the case may be.

**10. Indemnity.** The undersigned agrees to indemnify and hold harmless the Company, its managers, members, agents, attorneys and affiliates and each other person, if any, who controls any thereof, within the meaning of Section 15 of the Act, against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses reasonably incurred in investigating, preparing, or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon any false representation or warranty or breach or failure by the undersigned to comply with any covenant or agreement made by the undersigned herein or in this Agreement or in any other document furnished by the undersigned to any of the foregoing in connection with this transaction.

**11. Notice.** All notices in connection with this Agreement shall be in writing and personally delivered or delivered via overnight mail, with written receipt therefore, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 11) with a copy, in the case of notice to the Company, to Tri-Core Companies LLC, at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

**12. Miscellaneous.**

(a) This Agreement is not assignable by the undersigned. This Agreement shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) This Agreement shall be deemed to have been made in the State of Arizona and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona

without regard to conflict of laws rules applied in State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Agreement.

(c) This Agreement contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied, except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Agreement shall be effective unless in writing and signed by both parties to this Agreement.

(d) No waiver of any breach of any terms of this Agreement shall be effective unless made in writing signed by the party against whom enforcement of the waiver is sought, and no such waiver shall be construed as a waiver of any subsequent breach of that term or of any other term of the same or different nature.

(e) If any provision or portion of this Agreement or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Agreement.

(f) Each of the parties hereto shall cooperate and take such actions, and execute such other documents, at the execution hereof or subsequently, as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.



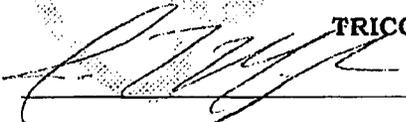
If the investor is PARTNERSHIP, CORPORATION, TRUST OR OTHER ENTITY, complete the following:

The undersigned (*circle one*) [is] [is not] a foreign partnership, foreign corporation, trust or foreign estate (as defined in the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated there under).

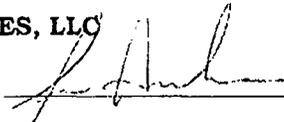
Print Name of Partnership, Corporation, Trust, or Other Business Entity	Print Federal Tax Identification Number
Signature of Authorized Representative	Print Jurisdiction of Entity
Name of Authorized Representative	Name of Authorized Representative
Print Residential Address of Investor:	Print Residential Telephone number:

**ACCEPTANCE**

The terms of the foregoing, including the subscription described therein, are agreed to and accepted on this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

  
\_\_\_\_\_  
Jason T. Mogler - President

**TRICORE COMPANIES, LLC**

  
\_\_\_\_\_  
Jim Hinkeldey - Vice-President

**EXHIBIT 1  
INVESTOR STATUS**

*(Please indicate by providing your initials next to the appropriate category in which the undersigned is included, and if the undersigned is an Accredited Investor, check the appropriate category of Accredited Investors in which the undersigned is an entity).*

JP  
initials

A. **"Nonaccredited Investor"**. The undersigned does not meet the definition of an "Accredited Investor" as defined herein below;

\_\_\_\_\_  
initials

B. **"Accredited Investor"**. The undersigned is an Accredited Investor as defined below *(check applicable box)*:

1. Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds One Million (\$1,000,000) Dollars;

2. Any natural person who had an individual income in excess of Two Hundred Thousand (\$200,000) Dollars in each of the two most recent years, or joint income with that person's spouse in excess of Three Hundred Thousand (\$300,000) Dollars in each of those years and has a reasonable expectation of reaching the same income level in the current year;

3. Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any 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; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefits of its employees if such plan has total assets in excess of Five Million (\$5,000,000) Dollars; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, (as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser) or if the employee benefit plan has total assets in excess of Five Million (\$5,000,000) Dollars if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

4. Any private business development company (as defined in Section 202(a)(22) of the Investment Advisers Act of 1940);

5. Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered with total assets in excess of Five Million (\$5,000,000) Dollars;

6. Any director, executive officer or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

7. Any trust, with total assets in excess of Five Million (\$5,000,000) Dollars, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); and

8.\* Any entity in which all of the equity owners are Accredited Investors.

**NOTE: Entities (a) which are formed for the purpose of investing in the Company, or (b) the equity owners of which have contributed additional capital for the purpose of investing in the Company, shall be "looked through" and each equity owner must meet the definition of an accredited investor in any of paragraphs 1, 2, 3, 4, 5, 6 or 7 above and will be treated as a separate subscriber who must meet all suitability requirements.**

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\* If this box is checked, please indicate on a separate schedule to be attached hereto, the category of Accredited Investor in which each equity owner of such entity is included.

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**EXHIBIT B**  
**PROMISSORY NOTE**

B1

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**EXHIBIT B**

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**PROMISSORY NOTE**

**THIS NOTE HAS BEEN MADE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH THE DISTRIBUTION THEREOF AND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS NOTE MAY NOT BE SOLD, TRANSFERRED, OR ASSIGNED ("TRANSFER") UNLESS IT IS SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE AND THE MAKER CONSENTS IN WRITING TO SUCH TRANSFER.**

Tri-Core Companies LLC, an Arizona Limited Liability Company, with offices at 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250 (the "Maker"), for value received, promises to pay to the Individual and/or legal entity designated in this Note as the "HOLDER," the principal sum of **10,000.00 Dollars** with a rate of return of forty percent (40%) compounded annually. Interest shall be due and payable at maturity and based on the commencement date of the Note. The entire Principal shall be due and payable to the Holder no later than twenty-four (24) months from the Commencement Date. The principal and any interest due on said principal may be prepaid at the sole discretion of the Company, without a prepayment penalty or premium at any time. The Company reserves the right to extend the maturity for an additional twelve (12) months at the annual rate of return of forty (40%) percent if for reasons beyond the Company's control the abovementioned maturity date cannot be met. If the Company elects this option, the maturity date would be extended up to an additional twelve (12) months from the above noted maturity date.

**1. NOTES**

This Note in the principal amount of Ten (\$10,000) Dollars per Note, or any fractional amounts, is offered for sale by the Maker, pursuant to that certain "Private Placement Memorandum" dated June 1, 2010. The Note shall be senior debt of the Maker and secured by the property.

**2. EVENTS OF DEFAULT**

A default shall be defined as one or more of the following events ("Event of Default") occurring and continuing:

- (a) The Maker shall fail to pay any interest payment on this Note when due for a period of thirty (30) days after notice of such default has been sent by the Holder to the Maker.
- (b) The Maker shall dissolve or terminate the existence of the Maker.

(c) The Maker shall file a petition in bankruptcy, make an assignment for the benefit of its creditors, or consent to or acquiesce in the appointment of a receiver for all or substantially all of its property, or a petition for the appointment of a receiver shall be filed against the Maker and remain unstayed for at least ninety (90) days.

Upon the occurrence of an Event of Default, the Holder of this Note may, by written notice to the Maker, declare the unpaid principal amount and all accrued interest of the Note immediately due and payable.

**3. SECURITY FOR PAYMENT OF THE NOTE(S)**

The Note(s) offered by the MAKER for this offering will be secured by the land purchased.

**4. COMMENCEMENT DATE OF THE NOTE**

The Commencement Date of the Note shall be the "Effective Date," as defined in that certain "Subscription Agreement" attached as Exhibit A to the Private Placement Memorandum.

**5. STATUS OF HOLDER**

The Maker may treat the Holder of this Note as the absolute owner of this Note for the purpose of making payments of principal or interest and for all other purposes, and shall not be affected by any notice to the contrary, unless the Maker so consents in writing.

**6. SECURITIES ACT RESTRICTIONS**

This Note has not been registered for sale under the Act. This Note may not be sold, offered for sale, pledged, assigned or otherwise disposed of, unless certain conditions are satisfied, as more fully set forth in the Subscription Agreement.

**7. ATTORNEYS' FEES**

The prevailing party in an action to enforce this Note shall be entitled to reasonable attorneys' fees, costs, and collection expense.

**8. MISCELLANEOUS.**

(a) **Successors and Assigns.** The Holder may not assign, transfer, or sell this Note to any party without the express written consent of the Maker. This Note shall be binding upon and shall inure to the benefit of the parties, their successors and, subject to the above limitation, their assigns, and shall not be enforceable by any third party.

(b) **Entire Agreement.** This Note contains all oral and written agreements, representations and arrangements between the parties with respect to its subject matter, and no representations or warranties are made or implied,

except as specifically set forth herein. No modification, waiver, or amendment of any of the provisions of this Note shall be effective unless in writing and signed by both parties to this Note.

(c) **Notices.** All notices in connection with this Note shall be in writing and personally delivered or delivered via overnight mail, with written receipt thereof, or sent by certified mail, return receipt requested, to each of the parties hereto at their addresses set forth above (or such other address as may hereafter be designated by either party in writing in accordance with this Section 8) with a copy to Tri-Core Companies LLC, 8800 E. Chaparral Road, Suite 270, Scottsdale, AZ 85250. Such notice shall be effective upon personal or overnight delivery or five (5) days after mailing by certified mail.

(d) **Section Headings.** The headings of the various sections of the Note have been inserted as a matter of convenience for reference only and shall be of no legal effect.

(e) **Severability.** If any provision or portion of this Note or the application thereof to any person or party or circumstances shall be invalid or unenforceable under applicable law, such event shall not affect, impair, or render invalid or unenforceable the remainder of this Note.

(f) **Applicable Law.** This Note shall be deemed to have been made in the State of Arizona, and any and all performance hereunder, or breach thereof, shall be interpreted and construed pursuant to the laws of the State of Arizona without regard to conflict of laws rules applied in the State of Arizona. The parties hereto hereby consent to personal jurisdiction and venue exclusively in the State of Arizona with respect to any action or proceeding brought with respect to this Note.

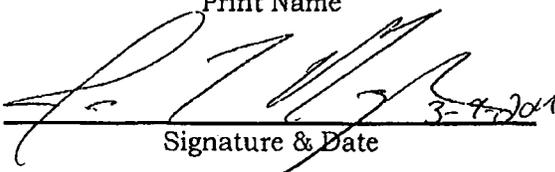
(g) **Approval.** By signing below, each party respectively acknowledges that they have read and approved this promissory note.

**Maker:**

**Tri-Core Companies LLC,**  
An Arizona Company  
8800 E. Chaparral Road - Suite 270  
Scottsdale, AZ 85250

Jason T. Mogler -President

Print Name

  
Signature & Date

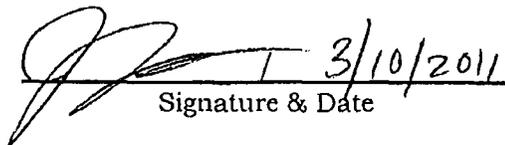
**Holder:**

Jessica Lauren Pries

  
AZ

Jessica Pries

Print Name

  
Signature & Date 3/10/2011

**EXHIBIT C**  
**INVESTOR SUITABILITY QUESTIONNAIRE**

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**EXHIBIT C**

**Tri-Core Companies LLC**

**Investor Suitability Questionnaire**

To: Prospective purchasers of Promissory Notes (the "Notes") offered by Tri-Core Companies LLC (the "Company").

The Purpose of this Questionnaire is to solicit certain information regarding your financial status to determine whether you are an "Accredited Investor," as defined under applicable federal and state securities laws, and otherwise meet the suitability criteria established by the Company for purchasing Notes. ***This questionnaire is not an offer to sell securities.***

Your answers will be kept as confidential as possible. You agree, however, that this Questionnaire may be shown to such persons as the Company deems appropriate to determine your eligibility as an Accredited Investor or to ascertain your general suitability for investing in the Notes.

*Please answer all questions completely and execute the signature page*

**A. Personal**

1. Full Name: Jessica Lauren Pries
2. Address of Principal Residence: [REDACTED]  
[REDACTED], AZ [REDACTED]  
County: Maricopa
3. Residential Telephone Number [REDACTED]
4. Where are you registered to vote (County & State)? Maricopa
5. Your driver's license is issued by the following state: AZ
6. Other Residences or Contacts: *Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license, or have any other contacts, and describe your connection with such state.*  
\_\_\_\_\_  
\_\_\_\_\_

7. Please send all correspondence to:

- (1)  Residential Address [as set forth in item A-2]

(2) \_\_\_\_\_ Business Address (as set forth in item B-1(a))

8. Date of Birth: \_\_\_\_\_

9. Country of Citizenship: USA

10. Social Security Number or Tax I.D. Number: \_\_\_\_\_

11. E-Mail Address: Jess.pries@ \_\_\_\_\_

**B. Occupations and Income**

1. Occupation: Sales/Insurance

(a) Business Address: \_\_\_\_\_  
\_\_\_\_\_ AZ \_\_\_\_\_

(b) Business Telephone Number: \_\_\_\_\_

2. Gross income during each of the last two years exceeded:

- (1) \_\_\_\_\_ \$25,000      (3) X \$50,000  
(2) \_\_\_\_\_ \$100,000      (4) \_\_\_\_\_ \$200,000

3. Joint gross income with spouse during each of the last two years exceeded \$300,000.

- (1) \_\_\_\_\_ Yes      (2) \_\_\_\_\_ No      (3) X Not Applicable

4. Estimated gross income during current year exceeds:

- (1) \_\_\_\_\_ \$25,000      (3) X \$50,000  
(2) \_\_\_\_\_ \$100,000      (4) \_\_\_\_\_ \$200,000

5. Estimated joint gross income with spouse during current year exceeds \$300,000.

- (1) \_\_\_\_\_ Yes      (2) \_\_\_\_\_ No      (3) X Not Applicable

**C. Net Worth**

1. Current net worth or joint net worth with spouse (note that "net worth" includes all of the assets owned by you and your spouse in excess of total liabilities, including the fair market value, less any mortgage, of your principal residence.)

- (1) X \$50,000-\$100,000      (2) \_\_\_\_\_ \$100,000-\$250,000      (3) \_\_\_\_\_ \$250,000-\$500,000

(4) \_\_\_\_\_ \$500,000-\$750,000      (5) \_\_\_\_\_ \$750,000-\$1,000,000      (6) \_\_\_\_\_ over \$1,000,000

2. Current value of liquid assets (cash, freely marketable securities, cash surrender value of life insurance policies, and other items easily convertible into cash) is sufficient to provide for current needs and possible personal contingencies:

(1)  Yes      (2) \_\_\_\_\_ No

**D. Affiliation with the Company**

Are you a director or executive officer of the Company?

(1) \_\_\_\_\_ Yes      (2)  No

**E. Investment Percentage of Net Worth**

If you expect to invest at least \$100,000 in Notes, does your total purchase price exceed 10% of your net worth at the time of sale, or joint net worth with your spouse?

(1) \_\_\_\_\_ Yes      (2) \_\_\_\_\_ No      (3)  Not Applicable

**F. Consistent Investment Strategy**

Is this investment consistent with your overall investment strategy?

(1)  Yes      (2) \_\_\_\_\_ No

**G. Prospective Investor's Representations**

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

Prospective Investor(s):

  
\_\_\_\_\_  
Signature

Date: 3/10/2011

\_\_\_\_\_  
Signature (of spouse or co-investor, if purchase is to be made as joint tenants or as tenants in common)

Date: \_\_\_\_\_

**EXHIBIT D**  
**TRI-CORE COMPANIES LLC**  
**BUSINESS PLAN**

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## EXHIBIT D

### TRI-CORE COMPANIES LLC BUSINESS PLAN

#### **Mission Statement**

The mission of Tri-Core Companies LLC (the Company) is to purchase virgin beachfront land on the Gulf of California (Sea of Cortez), Sonora, Mexico for either resale or for development.

The specific location the Company has concentrated on is between El Golfo de Santa Clara on the north and Puerto Peñasco (Rocky Point) on the south. This is a distance of about 80 miles and was chosen because of the access the new Coastal Highway has afforded this area. Prior to the new highway, this area was inaccessible except by rugged four-wheel-drive vehicles. The highway now makes this area accessible by automobile for millions of visitors and buyers from the United States.

The Company believes that there will be a major increase in demand for property in this area with the completion of the new coastal highway.

#### **Business Operations**

##### **Ownership and Employees:**

The Company is intended to be a very competitive, highly motivated company with a small number of select key employees. The majority of the day to day responsibilities, planning and development tasks will be performed by the principal/managing partners. All other tasks that cannot be performed on behalf of the company by principals or employees will be done by hired contract services. An example of a hired contract service would be accounting.

##### **Jason Todd Mogler - President and Principal**

Mr. Mogler is a principal partner in Tri-Core Companies LLC, Tri-Core Business Development LLC, Tri-Core Business Development 2 LLC, and Tri-Core Lending, Inc., as well as the President of MyCreditStore dba LenderSquare, Inc. which has been a profitable business since 1997.

Mr. Mogler has an impressive academic resume at Arizona State University where he holds a Bachelor of Science degree with a major in marketing and a minor in psychology. His master studies with Thunderbird American Graduate School of International Management give him an international understanding of business strategies and marketing position. His practical work experience as the Director of Construction Lending for the Royal Bank of Canada gives him thorough knowledge of construction lending and banking operations.

Mr. Mogler has a very long reputation for honest business practices and fair dealings with all people both personally and professionally.

**Vince Gibbons - Vice-President, Principal, and Director of Development & Engineering**

Mr. Gibbons has over 22 years of civil engineering experience domestically and internationally. His expertise encompasses due diligence, master planning, feasibility studies, design and contract document preparation for private development, commercial, water, transportation, airport, flood control, storm drain, and sewer projects. Additional professional skills include total project management, design-build, construction management, shop drawing review, inspection, cost estimates, and budget and schedule control. Mr. Gibbons is proficient in managing multi-disciplined teams and large projects for private developers and public agencies, as well as smaller more detailed oriented projects. He has earned a reputation for being quality conscious, and for "going the extra mile" to complete projects on time and within budget. He has worked on a wide variety of projects in the states of Arizona, Utah, Colorado, Nevada, and New Mexico, and in the countries of Panama and Mexico, and is very familiar with the requirements and criteria of each associated governing entity. This broad experience has provided him with an extensive base of knowledge that allows him to develop innovative and cost effective solutions for a myriad of situations.

Mr. Gibbons has owned and operated Tri-Core Engineering for over 9 years. Tri-Core Engineering currently has offices in Arizona, Colorado, and Nevada and is registered in Panama. With a staff of highly qualified and diversified individuals and professionals, Tri-Core Engineering has the ability to offer its clients a wide range of services and expertise. Mr. Gibbons functions as owner, president, and project manager of various endeavors. He and his staff are committed to ensuring that every project is completed to the highest level of accuracy and completeness, and that each client is provided with the individual attention and service they require.

Tri-Core Engineering's expertise encompasses:

- Agency coordination & Negotiations
- Assurance/Quality Control
- Budget & Schedule Control
- Contractor bidding and negotiations
- Construction oversight & management
- Coordination of sub-consultants
- Drainage plans
- Major Roadway design
- Master plan document creation
- Preliminary lot layout
- Final plat design
- Pro-forma cost estimates

Tri-Core Engineering is known nationally and internationally for their civil engineering expertise, as well as their diversity of work on master planned communities.

Samplings of their national and international projects include the following:

- **El Rio Country Club – Mohave County, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 640-acre master-planned residential golf community in Mohave County, Arizona. This community consists of an 18-hole championship golf course, gated entrances, commercial areas, restaurants, spacious clubhouse facilities, and community swimming pools and spas.

- **Eagle View Subdivision – Kingman, Arizona.**

Tri-Core Engineering was the engineering firm of record for this 113-acre master-planned residential community in Kingman, Arizona.

- **Villages at Loreto Bay, Master Planned Development – Loreto, Mexico.**

Tri-Core Engineering was the engineering firm of record for this 10,000-acre development. This project is in the construction stage, with over \$300 million in sales.

- **Colonias de Cardenas, Master Planned Community – Panama City, Panama.**

Tri-Core Engineering was the engineering firm for the Panama Railroad Company for their Colonias de Cardenas development, a 2,500-acre Master Planned Community. The project is currently at the permit stage.

- **Punta Delfin, Enchantment of México – Sea of Cortez, Sonora, México.**

Mr. Gibbons is both a partner and the engineer of record responsible for the engineering aspect of this development. He is also involved in all aspects of the development process for this high-end master planned community. This community consists of a 790-acre seaside residential golf development and marina, as well as a five-star resort hotel. This project is in the permit stage.

#### **Jim Hinkeldey – Vice-President and Principal**

Jim Hinkeldey possesses thirty-five years of banking and financial experience including portfolio management, joint venture management, and all aspects of the mortgage banking profession for select regional New York banks.

Mr. Hinkeldey headed the Joint Venture division at Richmond Hill Savings Bank in New York. He was responsible for land acquisition through project conclusion which

included the delivery of completed developments in a timely and cost efficient, profitable manner.

Mr. Hinkeldey also managed a mortgaged backed portfolio. He successfully rearranged the structure of the portfolio to meet asset/liability re-pricing demands. His concept creation resulted in a portfolio that meet re-pricing sensitivity models while delivering positive bottom line results.

Mr. Hinkeldey's business philosophy is based on total enterprise engagement, accountability, and the deliverability of profitable projects. Mr. Hinkeldey's philosophy is that the client and his investment or requirements come first and are paramount to each success.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

The management team may be further developed and expanded with qualified and experienced executives, professionals and consultants, as the Company matures and grows.

**Market Knowledge and the Property  
Knowledge of the Marketplace:**

The Principals of the Company have been active in real estate and Mexico for several years and consider the El Golfo/Rocky Point market one of the (if not the most) active markets in all of Mexico for development and potential upside investment.

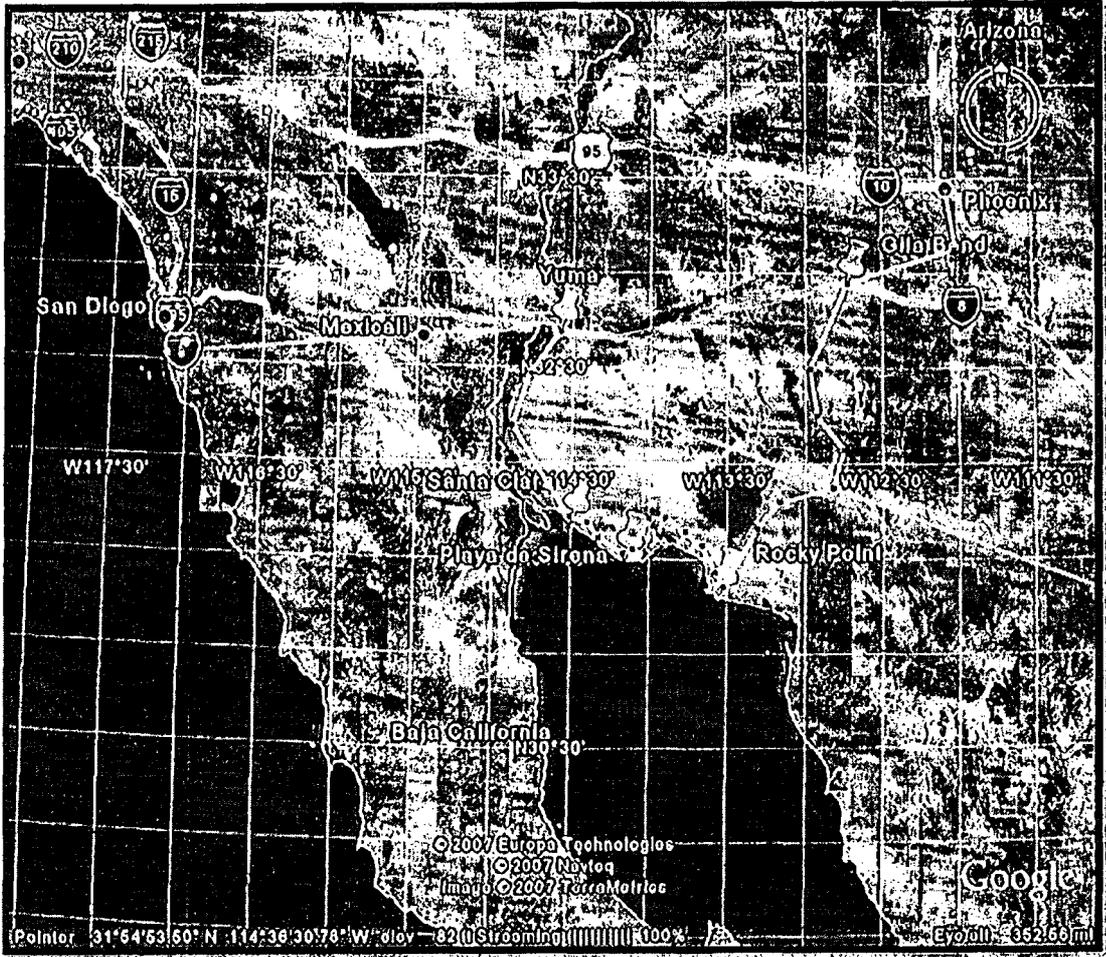
The El Golfo/Rocky Point area was chosen for the Company's purchases due to its potential appreciation. Some of the driving factors that influenced this decision were:

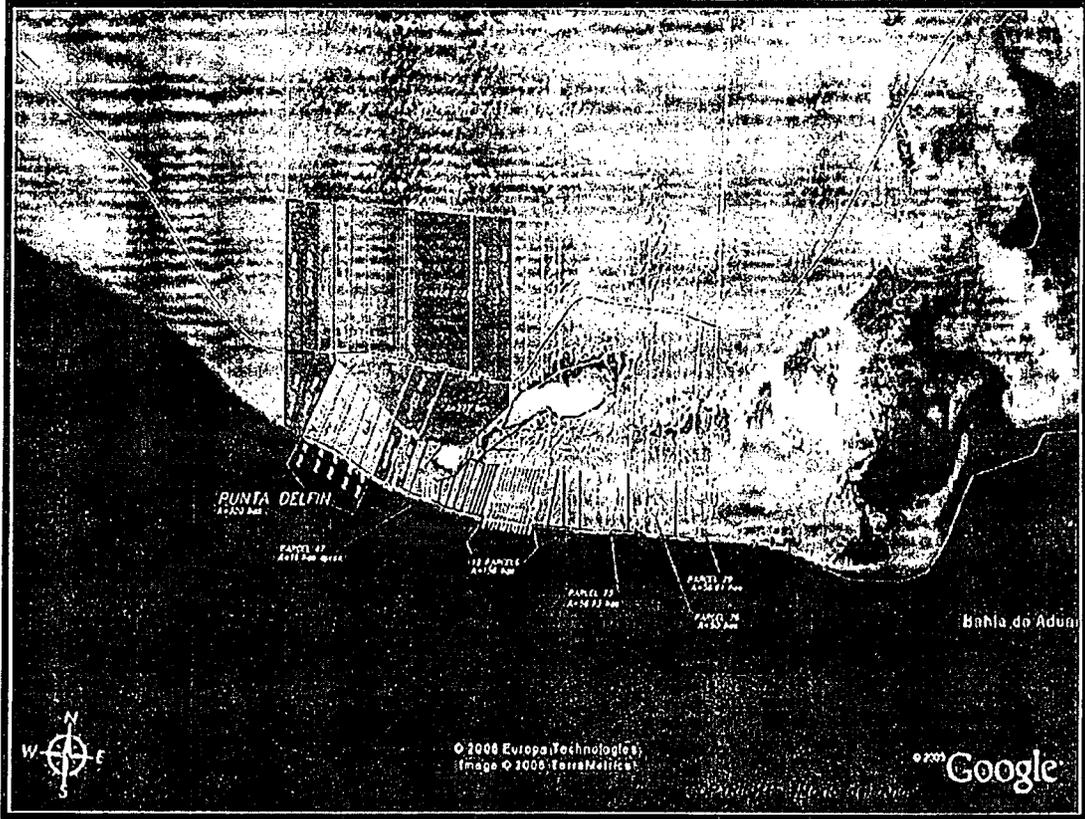
- Its close proximity to the United States markets (one hour drive from the Border of US/Mexico)
- Its location on a beautiful, pristine, major body of water
- The quality of the sand beaches
- The scenic mountain views of the Baja Peninsula
- The opening of the area by new Coastal Highway from the US/Mexico border 300 miles to the south along the coast of the Sea of Cortez to Guaymas, Mexico, a major seaport

- The new \$50 million dollar international airport at Rocky Point accommodates all types of passenger planes
- The newly constructed Hospital of Peñasco will serve the El Golfo/Rocky Point areas
- The newly designated cruise ship port in Rocky Point

The Mexican and Sonoran Governments are dedicated to promoting the area as a major destination for both Americans and Canadians. This is evidenced by the millions of dollars of infrastructure being put in place by the United States and Mexican Governments. A prime example of this dedication is the Coastal Highway. This three hundred mile highway is being built and will connect the port city of Guaymas in Mexico with the US/Mexico border at San Luis Rio Colorado, south of Yuma, Arizona. This will make the whole area much more accessible for millions of Americans in Southern California, Arizona, and Nevada for weekends and vacations, as well as for longer stays by visitors from all across the United States and Canada.

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**El Golfo / Rocky Point – General Economic and Area Information:**

The Colorado River forms the state line between Arizona, California, and Nevada, and continues southerly to the Sea of Cortez. Along its entire length, it is a major recreation / boating area for Arizona, Nevada, and Southern California in the spring and summer, as well as a perfect destination for “Snowbirds” in the winter – creating a year-round demand for the entire area.

Historically, neighboring Rocky Point has been a major recreational area for Phoenix and Tucson, Arizona. The drive time to Rocky Point has been about four-plus hours from Phoenix, making it a very easy weekend vacation spot. There have been many new high and mid-rise condominium units built in the Sandy Beach neighborhood of Rocky Point within the past few years. These are well-designed and constructed developments with many beachfront amenities. These units have generally sold for \$300,000 to over \$1,500,000, primarily to U.S. residents.

El Golfo is about 35 miles east of Rocky Point. The El Golfo area is near the northern end of the Sea of Cortez and is well protected from adverse weather. Consequently, the waters are generally calm. El Golfo is a picturesque fishing village with long, wide, sandy beaches. The fishermen launch their boats from the sandy beaches directly to the water. There is at present one paved road that ends at El Golfo.

The new Coastal Highway makes the drive between El Golfo and Rocky Point approximately 45 minutes. Accordingly, this whole area between Rocky Point and El Golfo is poised to undergo extensive real estate development. In anticipation of this future growth, a new major border crossing facility has been completed for San Luis to help relieve congestion at the present in-town facility.

For the first time, large U.S. markets from California, Nevada, and Western Arizona will be within a reasonable driving distance. As an example, the Southern California market will have its driving time reduced from approximately seven hours to just around four hours. There are many resort areas of Mexico with extensive development taking place, however, there are only limited areas on the calm waters of the Sea of Cortez that have good driving access from the United States.

The new highway is the driving force that has dramatically changed access to this area. It is the Company's belief that since prime oceanfront land in this area's acreage is limited, the demand for this property will be strong. This belief is further strengthened by its aggressive promotion of Relaxante to the new markets of California, Nevada, and Western Arizona.