

**Operating Agreement of
ESP APARTMENTS LLC,
a Florida Limited Liability Company**

OPERATING AGREEMENT

This Operating Agreement (the “Agreement”) is effective as of the 13th day of January, 2021, by Carlos Blanco Sanchez (the “Member”).

RECITALS

A. On January 13, 2021, the Articles of Organization of ESP APARTMENTS, LLC, a Florida limited liability company (the “Company”) was filed with the Florida Secretary of State, Division of Corporations.

B. The Member formed the Company to engage in any and all lawful business.

NOW, THEREFORE, the Member, intending to be legally bound, hereby agrees that the Operating Agreement of the Company shall be as follows:

Section I Defined Terms

The following capitalized terms shall have the meanings specified in this Section I. Other terms are defined in the text of this Agreement and, throughout this Agreement, those terms shall have the meanings respectively ascribed to them.

“*Act*” means the Florida Limited Liability Company Act, as amended from time to time.

“*Agreement*” means this Agreement, as amended from time to time.

“*Code*” means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

“*Company*” means the limited liability company organized in accordance with this Agreement.

“*Department of State*” means the Florida Secretary of State, Division of Corporations.

“*Interest*” means a Person’s share of the Profits and Losses of, and the right to receive distributions from, the Company.

“*Interest Holder*” means any Person who holds an Interest, whether as a Member or as an unadmitted assignee of a Member.

“*Involuntary Withdrawal*” means, the occurrence of any of the following events:

- (i) The Member makes an assignment for the benefit of creditors:
 - 1. The Member files a voluntary petition of bankruptcy;

2. The Member is adjudged bankrupt or insolvent or there is entered against the Member an order for relief in any bankruptcy or insolvency proceeding.

“*Member*” means the Person signing this Agreement and any Person who subsequently is admitted as a member of the Company.

“*Membership Rights*” means all of the rights of a Member in the Company, including a Member’s: (i) interest; (ii) right to inspect the Company’s books and records; (iii) right to participate in the management of and vote on matters coming before the Company; and (iv) unless this Agreement or the Articles of Organization provide to the contrary, right to act as an agent of the Company.

“*Person*” means and includes an individual, corporation, partnership, association, limited liability company, trust, estate, or other entity.

“*Positive Capital Account*” means a Capital Account with a balance greater than zero.

“*Profit*” and “*Loss*” means, for each taxable year of the Company (or other period for which Profit or Loss must be computed) the Company’s taxable income or loss determined in accordance with the Code.

“*Successor*” means all Persons to whom all or any part of an Interest is transferred either because of (i) the sale or gift by Member of all or any part of her Interest; (ii) an assignment of Member’s Interest due to Member’s Involuntary Withdrawal; or (iii) because Member dies and the Persons are Member’s personal representatives, heirs, or legatees.

“*Transfer*” means, when used as a noun, any voluntary sale, hypothecation, pledge, assignment, attachment, or other transfer, and, when used as a verb, means voluntarily to sell, hypothecate, pledge, assign, or otherwise transfer.

“*Treasury Regulations*” means the income tax regulations, including any temporary regulations, from time to time promulgated under the Code.

“*Withdrawal*” means a Member’s dissociation from the Company by any means.

“*Units*” means units of ownership evidencing a Member’s Interest in the Company.

Section II

Formation and Name; Office; Purpose; Term

2.1. *Organization.* The Member hereby organizes a limited liability company pursuant to the Act and the provisions of this Agreement and, for that purpose, have caused Articles of Organization to be prepared, executed and filed with the Department of State.

2.2. *Name of the Company.* The name of the Company shall be “**ESP APARTMENTS, LLC.**” The Company may do business under that name and under any other name or names upon which the Member may, in his sole discretion, determine. If the Company does business under a name other than that set forth in its Articles of Organization, then the Company shall file a fictitious name registration as required by law.

2.3. *Purpose.* Company is organized to engage in any and all lawful business.

2.4. *Term.* The term of the Company began upon the acceptance of the Articles of Organization by the Department of State and its duration shall be perpetual, unless its existence is sooner terminated pursuant to Section VII of this Agreement.

2.5. *Registered Agent/Registered Office.* The name and street address of the Company’s registered agent and registered office in the State of Florida shall be: Corporate Creations Network, Inc., 801 US Highway 1, North Palm Beach, FL 33408.

2.6. *Member.* The name, present mailing address, and Interest of the sole Member is set forth on Exhibit A.

2.7. *Membership Interest Uncertificated.* The Units of the Company shall not be certificated. Each Member’s Interest shall be evidenced by notation in Exhibit A hereto, which shall be maintained by the Company. The Company shall maintain records of the name, mailing address, fax number or e-mail address of each Member, and the Interest in the Company held by such Member.

Section III Capital; Capital Accounts

3.1. *Initial Capital Contributions.* Prior to execution of this Agreement, Member has contributed to the Company cash and property it deems appropriate.

3.2. *No Other Capital Contributions Required.* Member shall not be required to contribute any additional capital to the Company and, except as set forth in the Act, Member shall have no personal liability for any obligations of the Company.

3.3. *Loans.* Member may, at any time, make or cause a loan to be made to the Company in any amount and on those terms upon which the Company and the Member agree.

3.4. *Capital Accounts.* A capital account shall be maintained by the Company for the Member.

Section IV
Profit, Loss, and Distributions

4.1. *Distributions of Cash Flow.* Cash flow for each taxable year of the Company shall be distributed to Member no later than seventy-five (75) days after the end of the taxable year.

4.2. *Allocation of Profit or Loss.* All Profit or Loss shall be allocated to Member.

4.3. *Liquidation and Dissolution.* If the Company is liquidated, the assets of the Company shall be distributed to Member or to a Successor or Successors.

Section V
Management: Rights, Powers, and Duties

5.1. *Management.* The Company shall be managed by a Manager (the “Manager”) appointed by the Member. The initial Manager shall be Carlos Blanco Sanchez. The Member may remove and/or replace the Manager at any time. The Manager may exercise all powers of the Company and perform or authorize the performance of all lawful acts. All acts of the Manager within the scope of his authority shall bind the Company. Without limiting the foregoing, the Manager is authorized to perform any of the following:

5.1.1 The acquisition of any financing, including the approval of the amount of the financing, the security for such financing and all other terms of the financing, and the direct or indirect borrowing of money by the Company, whether secured or unsecured, the refinancing, extending or modifying in any material manner of any loan or delivering any guaranty of any loan or other obligation;

5.1.2 The acquisition of any material asset or material property by the Company, including, without limitation, planes, automobiles, and other personal property;

5.1.3 The sale, assignment, transfer, encumbrance or other disposition of all or any portion of any material asset or material property of the Company;

5.1.4 The assignment, transfer, pledge, compromise or release of any debts due to the Company;

5.1.5 The decision to sell, transfer or otherwise dispose of all or substantially all of the assets of the Company;

5.1.6 The approval of any expenditure, the incurrence of any obligations or the entering into of any contract;

5.1.7 The approval of any contract or other arrangement with a Member or an affiliate of a Member;

5.1.8 Any decision that significantly alters the nature, character or scope of the business of the Company;

5.1.9 The selection of any legal counsel to represent the Company and any decision relating to litigation, or adjusting, settling, or compromising or submitting to arbitration any claim, obligation, debt, demand, suit or judgment against the Company;

5.1.10 The conversion, merger or consolidation of the Company with or into another Person;

5.1.11 The loan of any funds by the Company to any Person;

5.1.12 The making of distributions to any Member and the creation or use of any Company reserve; and

5.1.13 The negotiation of, or the entering into, any agreement for the purchase of any material asset or material property by the Company.

5.2. *Appointment of Officers and Other Agents.* The Manager may appoint one or more individuals as agents of the Company with, in each case, such title and duties and power and authority as the Manager shall determine from time to time, and such agents may be referred to as officers of the Company. Unless the authority of the agent designated as the officer in question is limited in the document appointing such officer or is otherwise specified by the Manager, any officer so appointed shall have the same authority to act for the Company as a corresponding officer of a Florida corporation would have to act for a Florida corporation in the absence of a specific delegation of authority.

5.3. *Liability and Indemnification.*

5.3.1. The Manager shall not be liable, responsible, or accountable, in damages or otherwise, to the Company for any act performed by it with respect to Company matters, unless such damages are caused by the Manager's negligence or willful misconduct.

5.3.2. The Company shall indemnify Manager for any act performed by him with respect to Company matters to the fullest extent permitted by law provided, however, the Company shall not be obligated to indemnify Manager from damages or losses attributable to Manager's gross negligence or willful misconduct.

5.4. *Time Commitment.* The Manager will devote so much of his time to the business of the Company as, in his reasonable discretion, will be required for the proper performance of his duties under this Agreement, and it is expressly understood and agreed that the Manager shall not be required to devote his entire time to the business of the Company.

5.5. *Competing Interests.* The Manager and any Member, may engage in or possess an interest in other business ventures of any nature or description, independently or with others, whether such ventures are competitive with the Company, and the pursuit of such ventures shall

not be wrongful or improper, and neither the Company, nor any Member shall have any right by virtue of this Agreement or otherwise in or to any of such ventures, or in or to the income, gains, losses or deductions derived or to be derived therefrom.

5.6. *No Duty to Offer.* Neither the Manager nor any Member or their affiliates shall be obligated to offer or present any particular investment opportunity to the Company or any other Member, even where such opportunity is of a character which, if presented to the Company, or any other Member, could be taken and exploited by the Company or the Member, but rather the Member and his affiliates shall have the right to take for their own account or to recommend to others any such particular investment opportunity.

Section VI Transfer of Interests and Withdrawals of Members

6.1. *Transfers.*

6.1.1. *Transfers by Member.* Member may Transfer all, or any portion of, his interest or rights in, his Membership Rights to one or more Successors.

6.2. *Transfer to a Successor.* In the event of any Transfer of all or any part of Member's Interest to a Successor, the Successor shall thereupon become a Member and the Company shall be continued.

Section VII Dissolution, Liquidation, and Termination of the Company

7.1. *Events of Dissolution.* The Company shall be dissolved upon the happening of any of the following events:

7.1.1. if the Member determines to dissolve the Company.

7.2. *Procedure for Winding Up and Dissolution.* If the Company is dissolved, the affairs of the Company shall be wound up. On winding up of the Company, the assets of the Company shall be distributed, first, to creditors of the Company in satisfaction of the liabilities of the Company, and then to the Person(s) who is/are the Member(s) of the Company in proportion to her/their Interests.

7.3. *Filing of Certificate of Dissolution.* If the Company is dissolved, Certificate of Dissolution shall be promptly filed with the Department of State. If there are no remaining Members, the Certificate of Dissolution shall be filed by the last Person to be a Member; if there are no remaining Members, nor a Person who last was a Member, the Certificate of Dissolution shall be filed by the legal or personal representatives of the Person who last was a Member.

Section VIII
Books, Records, Accounting, and Tax Elections

8.1. *Bank Accounts.* All funds of the Company shall be deposited in a bank account or accounts opened in the Company's name. The Manager shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts, and the Persons who will have authority with respect to the accounts and the funds therein.

8.2. *Books and Records.* The Manager shall keep or cause to be kept such books and records of the Company as required by applicable law. The books and records, if any, shall be maintained in accordance with sound accounting principles and practices.

8.3. *Annual Accounting Period.* The annual accounting period of the Company shall be its taxable year. The Company's taxable year shall be selected by the Manager, subject to the requirements and limitations of the Code.

Section IX
General Provisions

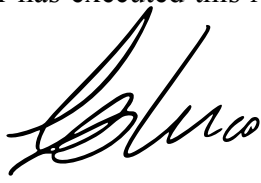
9.1. *Applicable Law.* All questions concerning the construction, validity, and interpretation of this Agreement shall be governed by the internal law, not the law of conflicts, of the State of Florida.

9.2. *Section Titles.* The headings herein are inserted as a matter of convenience only, and do not define, limit, or describe the scope of this Operating Agreement or the intent of the provisions hereof.

9.3. *Terms.* Common nouns and pronouns shall be deemed to refer to the masculine, feminine, neuter, singular and plural, as the identity of the Person may in the context require.

9.4. *Severability of Provisions.* Each provision of this Agreement shall be considered severable; and if, for any reason, any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Operating Agreement which are valid.

IN WITNESS WHEREOF, the sole Member has executed this Agreement as of the date set forth hereinabove.

By: 

Carlos Blanco Sanchez

EXHIBIT A
TO
OPERATING AGREEMENT
OF
ESP APARTMENTS, LLC

Schedule of Members' Capital Contributions and Percentage Interest

<u>Name</u>	<u>Units</u>	<u>Percentage Interest</u>
Carlos Blanco Sanchez	100	100%
TOTAL		----- 100.0%