



**A JOINT DEVELOPMENT
BETWEEN
MLG & THE CITY OF BELOIT**

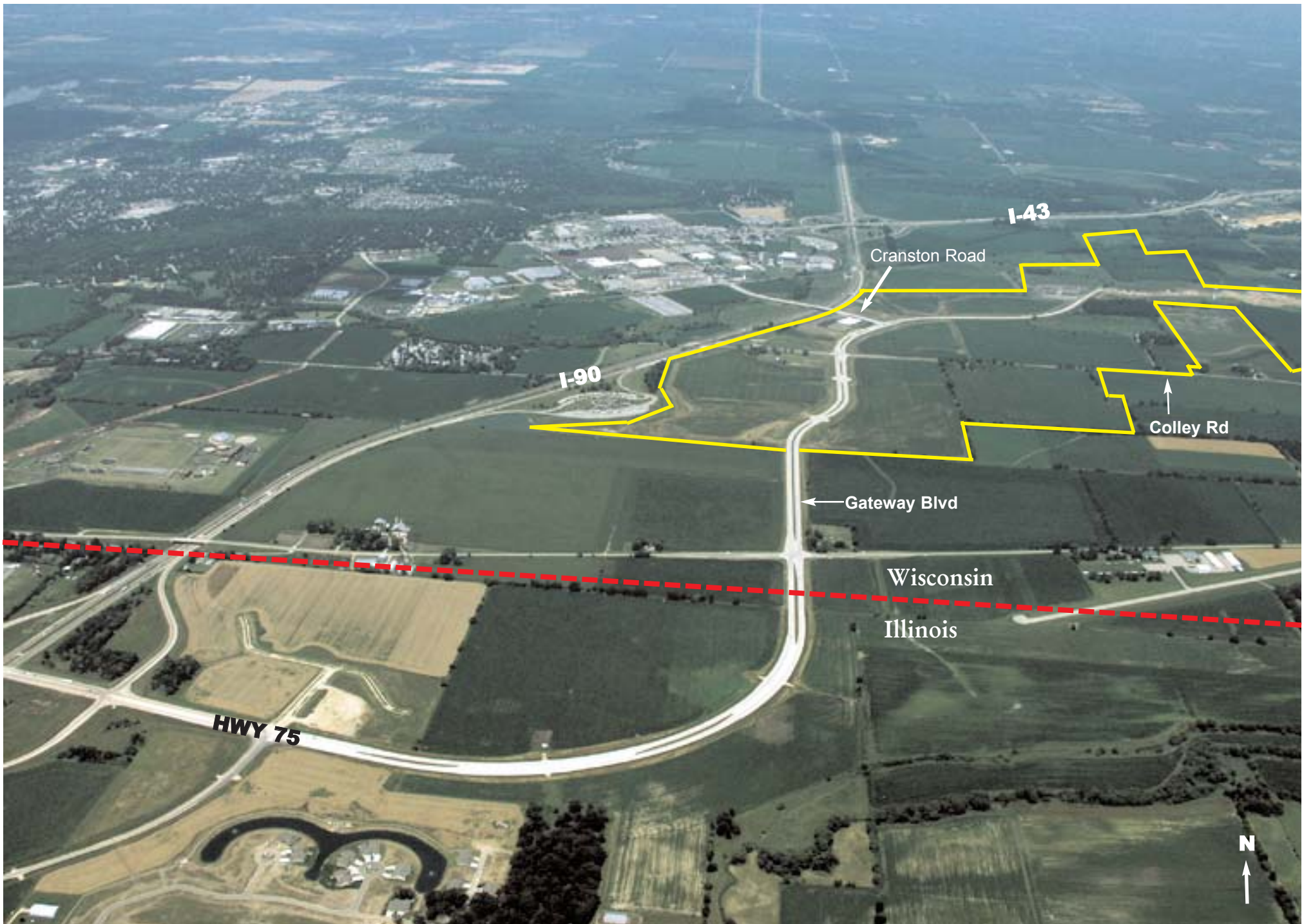
The Gateway is a mixed-use development located just north of the Illinois/Wisconsin border at the intersection of Interstate 90/39 and Interstate 43. With two new major access points to Interstate 90/39, plus access to the abundant Beloit-area workforce, this development is an outstanding location for business.

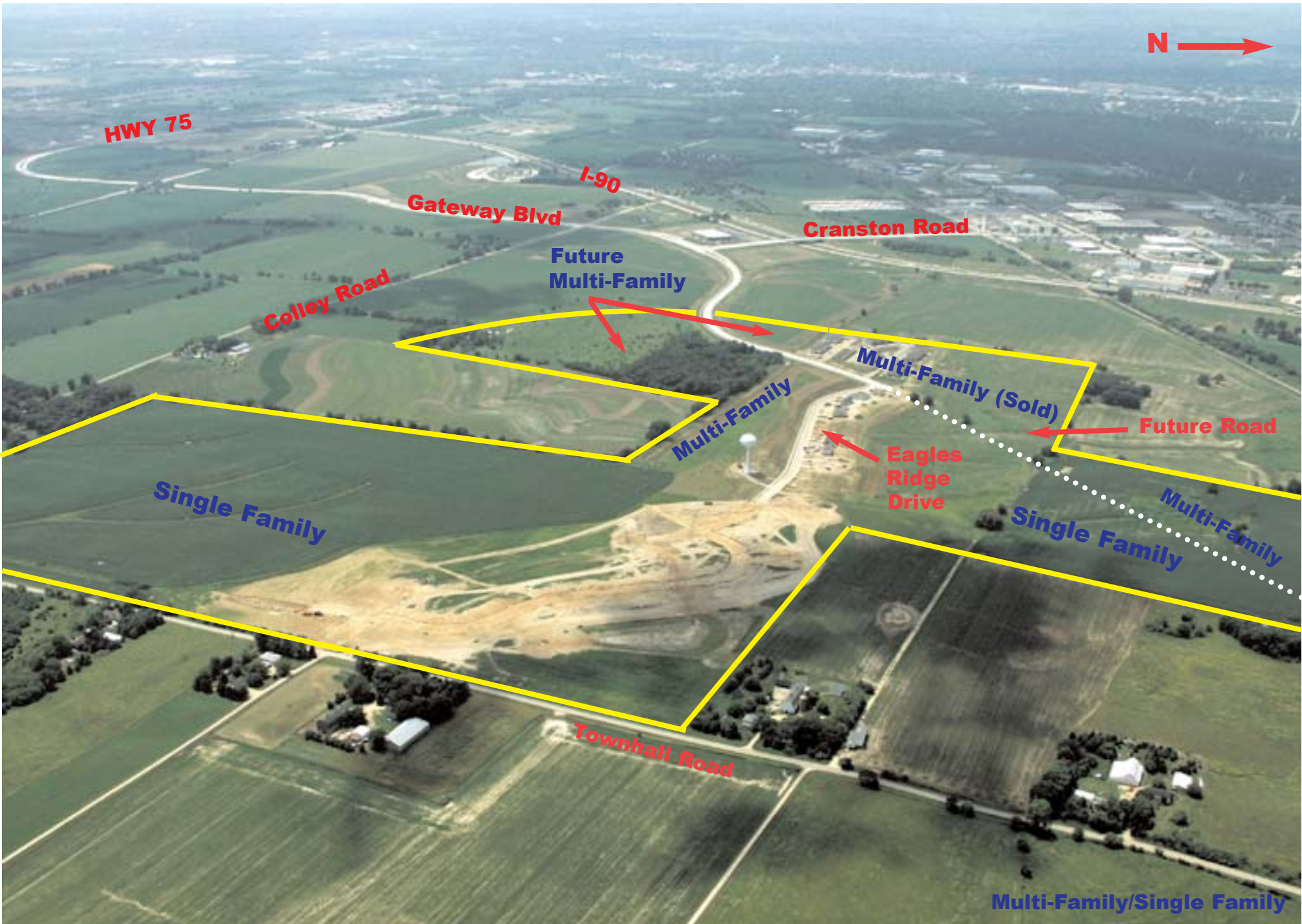
Benefits of The Gateway Business Park include:

- Excellent location at the intersection of I-90/39 and I-43, just north of the Illinois/Wisconsin border
- Adjacent interstate visibility, access
- Available quality workforce
- Advantageous Wisconsin business climate
- Affordably priced land
- Economic development incentives available
- Low energy costs
- Flexible lot sizing – 2 to 200 acre sites
- Value protecting, high-quality architectural standards
- Central distribution location
- Dynamic, pro-business city

The Gateway is a joint development between the City of Beloit and MLG. MLG has been involved in developing thousands of acres of business and residential projects throughout the state of Wisconsin.

The park is being exclusively marketed by NAI MLG Commercial, the brokerage division of MLG, Wisconsin's largest full service commercial real estate company.





The Gateway

BUSINESS PARK

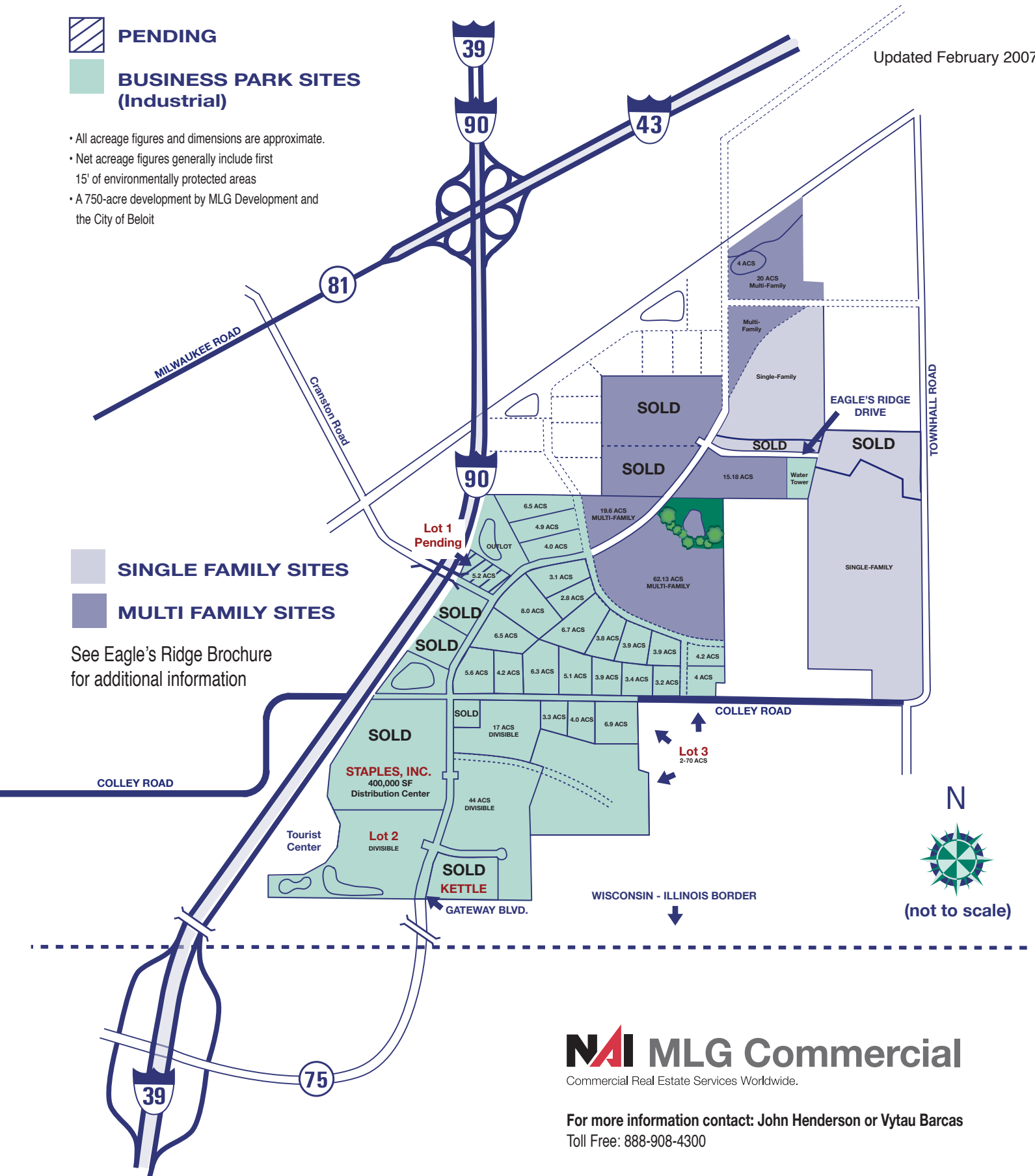
Updated February 2007

-  **PENDING**
-  **BUSINESS PARK SITES (Industrial)**

- All acreage figures and dimensions are approximate.
- Net acreage figures generally include first 15' of environmentally protected areas
- A 750-acre development by MLG Development and the City of Beloit

-  **SINGLE FAMILY SITES**
-  **MULTI FAMILY SITES**

See Eagle's Ridge Brochure for additional information



NAI MLG Commercial
Commercial Real Estate Services Worldwide.

For more information contact: John Henderson or Vytav Barcas
Toll Free: 888-908-4300



Beloit, Wisconsin

NAI MLG Commercial is pleased to announce The Gateway Business Park, a 450-acre development at the intersection of I-90 and I-43 just north of the Wisconsin/Illinois border. The park is located within a Development Opportunity Zone, which offers tax credits to developers, financiers, and corporations that invest or locate here.

Pricing

- Industrial Sites - \$44,900 per acre
 - Fully improved

- Industrial Sites Fronting I-90/I-39 - \$49,900 per acre
 - Fully improved

- Multi-Family Sites - \$60,000 per acre
 - Fully improved
 - Zoning allows for up to 25 units per acre

- Single-Family Parcels - \$15,000 per acre
 - Bulk purchase
 - Infrastructure to the lot line

For Information

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Updated 4/1/2007

BROKER DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

Prior to negotiating on your behalf the Broker must provide you the following disclosure statement:

BROKER DISCLOSURE TO CUSTOMERS

You are a customer of the broker. The broker is either an agent of another party in the transaction or a subagent of another broker who is the agent of another party in the transaction. The broker, or a salesperson acting on behalf of the broker, may provide brokerage services to you. Whenever the broker is providing brokerage services to you, the broker owes you, the customer, the following duties:

- N The duty to provide brokerage services to you fairly and honestly.
- N The duty to exercise reasonable skill and care in providing brokerage services to you.
- N The duty to provide you with accurate information about market conditions within a reasonable time if you request it, unless disclosure of the information is prohibited by law.
- N The duty to disclose to you in writing certain material adverse facts about a property, unless disclosure of the information is prohibited by law **(See Lines 47-55)**.
- N The duty to protect your confidentiality. Unless the law requires it, the broker will not disclose your confidential information or the confidential information of other parties **(See Lines 22-39)**.
- N The duty to safeguard trust funds and other property the broker holds.
- N The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the advantages and disadvantages of the proposals.

Please review this information carefully. A broker or salesperson can answer your questions about brokerage services, but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a plain-language summary of a broker's duties to a customer under section 452.133 (1) of the Wisconsin statutes.

CONFIDENTIALITY NOTICE TO CUSTOMERS

BROKER WILL KEEP CONFIDENTIAL ANY INFORMATION GIVEN TO BROKER IN CONFIDENCE, OR ANY INFORMATION OBTAINED BY BROKER THAT HE OR SHE KNOWS A REASONABLE PERSON WOULD WANT TO BE KEPT CONFIDENTIAL, INFORMATION. A BROKER SHALL CONTINUE TO KEEP THE INFORMATION CONFIDENTIAL AFTER BROKER IS NO LONGER PROVIDING BROKERAGE SERVICES TO YOU.

THE FOLLOWING INFORMATION IS REQUIRED TO BE DISCLOSED BY LAW:

1. MATERIAL ADVERSE FACTS, AS DEFINED IN SECTION 452.01 (5g) OF THE WISCONSIN STATUTES **(SEE LINES 47-55)**.
2. ANY FACTS KNOWN BY THE BROKER THAT CONTRADICT ANY INFORMATION INCLUDED IN A WRITTEN INSPECTION REPORT ON THE PROPERTY OR REAL ESTATE THAT IS THE SUBJECT OF THE TRANSACTION.

TO ENSURE THAT THE BROKER IS AWARE OF WHAT SPECIFIC INFORMATION YOU CONSIDER CONFIDENTIAL, YOU MAY LIST THAT INFORMATION BELOW **(SEE LINES 35-36)**. AT A LATER TIME, YOU MAY ALSO PROVIDE THE BROKER WITH OTHER INFORMATION YOU CONSIDER TO BE CONFIDENTIAL.

CONFIDENTIAL INFORMATION:

NON-CONFIDENTIAL INFORMATION (The following information may be disclosed by Broker):

(INSERT INFORMATION YOU AUTHORIZE THE BROKER TO DISCLOSE SUCH AS FINANCIAL QUALIFICATION INFORMATION.)

CONSENT TO TELEPHONE SOLICITATION

I/We agree that the Broker and any affiliated settlement service providers (for example, a mortgage company or title company) may call our/my home or cell phone numbers regarding issues, goods and services related to the real estate transaction until I/we withdraw this consent in writing. **List Home/Cell Numbers:**

SEX OFFENDER REGISTRY

Notice: You may obtain information about the sex offender registry and persons registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at: <http://offender.doc.state.wi.us/public/> or by phone at 877-234-0085.

DEFINITION OF MATERIAL ADVERSE FACTS

A "material adverse fact" is defined in Wis. Stat. § 452.01(5g) as an adverse fact that a party indicates is of such significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction or affects or would affect the party's decision about the terms of such a contract or agreement. An "adverse fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a contract or agreement made concerning the transaction.



Preliminary Construction Guidelines Summaries

BUSINESS PARK

- Building:**
- Building Set Backs:
 - 50' Abutting a public street right-of-way
 - 25' Not abutting a public street
 - Parking Set Backs:
 - 20' Abutting any other public street right-of-way
 - 15' Not abutting a public street
 - Minimum Building Size:
 - 4,000 Sq. Ft. Per Acre - Office
 - 5,000 Sq. Ft. Per Acre - Industrial
 - Land/Building Ratio:
 - Maximum: 80% coverage of land by building and hard surface (e.g., parking lots)
- Landscape/
Building Design:** Quality Covenants
- Timing:** Construction must begin within one year of land sale closing.
- Zoning:** M-2
- Site Sizes:** 1 to 100 Acres





CITY OF БЕЛОIT GATEWAY PROJECT AREA INVENTORY OF INCENTIVES

Community Development Zone Incentives

The City of Beloit currently is host to one of the 22 Community Development Zones in the state of Wisconsin. Essentially what that means is that companies that locate or expand in the Zone are eligible to receive tax credits against Wisconsin income tax for creating new jobs. For each job created and held by a Wisconsin resident, we can provide a state income tax credit between \$3,000 and \$6,500 per full-time position created. For the purposes of this tax credit, a 'new' job means new to the state of Wisconsin, not necessarily new to your company. State income tax credits can be carried forward up to 15 years. These credits are available in the Beloit Industrial Park and City Center Sites only.

Beloit Development Opportunity Zone - Gateway

The Gateway project area is able to offer a unique incentive to companies that locate or expand there. Like the CDZ mentioned above, companies are eligible to claim tax credits for job creation for full-time positions that are Wisconsin residents. Credits generally range between \$4,000 and \$8,000 per FTE created. Furthermore, companies located and conducting economic activity in the Development Zone will be eligible to claim state income tax credits for capital investments. These credits can be applied at 3% against the purchase price of real estate, personal property or construction costs. These credits will be able to be carried forward up to fifteen years. These credits are available in Gateway only.

Wisconsin Act 255 High-Tech High-Growth Financial Assistance Programs

The State of Wisconsin recognizes that technology based economic development is a key component of the states development plan. Therefore, the state has designated Act 255 to provide a series of programs to provide targeted financial assistance. For specific information contact Sherl Gain at (608)261-7721 or cgain@commerce.state.wi.us.

Industrial Revenue Bonds

The City of Beloit can assist in obtaining industrial revenue bonds for your new construction and new equipment purchases for a facility in Beloit. Industrial revenue bonds are tax exempt and interest rates run about 75% of market rate for financing. Current IRB interest rates are in the 5.5% to 7.0% range on a fixed rate for up to 20 years.

SBA 504 Financing

If for some reason industrial revenue bonds are not a financially feasible option for your use, perhaps we can assist you in obtaining SBA 504 financing for the real estate and depreciable equipment purchases required of such a move. SBA 504 financing requires only a 10% equity ingestion on the part of the company with 50% coming from a primary financing institution, and the balance 40% coming from a federal government issued debenture obtained through the state 504 organization. The 40% debenture takes an automatic second position behind your primary lender and is fixed for up to a 20 year period at interest rates that are comparable to IRB rates. The only caveat with SBA 504 financing is that it usually is not available to start-up companies, but each case is considered differently.

City of Beloit Revolving Loan Fund

The City of Beloit administers a revolving loan fund geared towards businesses that create new jobs and tax base within the City. This program can provide up to 30% of your initial financing needs for real estate and depreciable assets and will take an automatic second position behind your primary financing provider with an interest rate of 70% of the rate charged





by primary lending institutions. The terms are dependent on the collateral used to secure the loan but can range from five to twenty years for repayment. Funds are limited.

BEDC Multi Bank Loan Pool

The City of Beloit's Economic Development Corporation has worked with M & I Bank, First National Bank, and Blackhawk State Bank to establish a joint economic development Multi Bank Loan Pool. This fund was designed to assist in financing projects in the City of Beloit that will result in significant job creations and or investment. Applications for this fund are required to meet conventional underwriting banking requirements.

Customized Labor Training Program

The state of Wisconsin has a customized labor training program (CLT) that can provide approximately \$2,500 in matching funds for each new position created in manufacturing and new technology. If the jobs are new to the state of Wisconsin, such funding can be made available to the business.

Job Training Grant

A new training grant has been made available in the state of Wisconsin for small employers that can provide up to \$10,000 for job training. This program is called the "Business Employee's Skills Training" (BEST) program and detailed information can be accessed by going through the web page for the Wisconsin Department of Commerce at www.commerce.state.wi.us. As indicated businesses located within a Development Zone will have higher priority in obtaining such funding.

Dislocated Worker Training Program

The Southwest Workforce Development Board (SWWDB) administers a federally funded dislocated worker-training fund. These funds are separate from any other labor training assistance offered by Commerce. Program funds can be used for both classroom and on-the-job (OTJ) training. Funds cover up to 50% of the employee's hourly wage associated with the aforementioned training. This is a reimbursement program. Existing and new Rock County employers are eligible; pending they hire a dislocated Rock County worker. Fund availability varies, depending on dislocation activities and program interest. Skill assessments are determined and formal contracts are established between the Client and SWWDB on a case-by-case basis. Contact Mr. Seth Lentz, SWWDB, at 608.741.3563 or s.lentz@jobcenter.org.

Cost of Electrical Power

While without any incentives, the purchase of electrical power will generally be as much as 40% cheaper in Alliant Energy territory over that of Commonwealth Edison. You and your company will have to negotiate in advance with Alliant Energy to determine what the actual cost of power will be.

Barrier Free Development Process

The City of Beloit will "fast-track" all review processes within its control and be ready to issue permits for construction immediately upon securing site control.



WISCONSIN vs ILLINOIS TAX RATES

*A comparison of
state and local
taxes in Wisconsin
and Illinois*

Wisconsin Taxes

Corporate Income

Base: Net Income

Rate: 7.9%

(plus a recycling surcharge equal to 3.00% of tax due before credits).*

Apportionment: 100% sales (effective 2008)

Personal Income

Rates: 4.60% to 6.75%

(the recycling surcharge also applies to net business income of individuals at the rate of 0.2%).*

Property

Base: Real property and tangible personal property (exemptions for machinery and equipment used in manufacturing and for manufacturing, merchant and farm inventories; and computer hardware and software.)

Statewide average rate (excluding Milwaukee County) is estimated at \$20.00 per \$1,000 of full value. Rate for property in Milwaukee County is estimated at \$30.00 per \$1,000 of full value.

Sales & Use

State rate: 5.00%

Local County option rate: 0.50%

Stadium Taxes: 0.10% / 0.50%
(Metro-Milwaukee Area / Brown County)

Combined rates: 5.00% to 5.60%

Unemployment Compensation

Base: \$10,500

Rates: 0.00% to 9.75% (< \$500,000 payroll)

0.05% to 9.75% (> \$500,000 payroll)

New Employers: 3.25% to 3.40%

New Construction Employers: 6.60%

Illinois Taxes

Corporate Income

Base: Net Income

Rate: 7.3%

(4.8% corporate tax plus a personal property replacement tax of 2.5%).

Apportionment: 100% sales

Personal Income

Rates: 3%

(S corporations, trusts, and partnerships pay an additional personal property replacement tax of 1.5% of net income).

Property

Base: Real property

Statewide average rate (excluding Cook County) is estimated at \$20.00 to \$30.00 per \$1,000 of full value for commercial and non-commercial property. Cook County average commercial/industrial rate is estimated at \$60.00 to \$100.00 per \$1,000 of full value.

Sales & Use

State rate: 6.25%

Local option rate: 0.25% to 3.00%

Combined rates: 6.25% to 9.25%
(for general merchandise)

Cook/DuPage County: 8.75% / 7.50%

Unemployment Compensation

Base: \$10,500

Rates: 1.2% to 9.8%

New Employers: 4.7% generally

City of Chicago – Additional Taxes

Employer's Expense Tax, Vehicle Fuel Tax, Telecommunications Tax, Transactions Tax

* Surcharge limited to maximum of \$9,800 and a minimum of \$25. The surcharge is generally imposed on taxpayers engaged in trade or business with gross receipts of at least \$4,000,000 for the taxable year.



Source: Deloitte & Touche LLP
January 2005

Governor Jim Doyle, Chairman

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forwardWI.com