

## THE PROPERTY

The Lake Business Center consists of two industrial buildings, the North Warehouse (approximately 648,000 rentable square feet) and the South Warehouse (approximately 475,000 rentable square feet), and two attached office buildings, the North Office (containing approximately 71,000 rentable square feet) and the South Office (containing approximately 34,000 rentable square feet). Please see the Site Plans attached as Exhibit A which depict the entire Site and detail the space available to The Company at the LBC.

The LBC is 72 acres in size and features 1500 feet of frontage on Calumet Avenue, the main thoroughfare in Munster. All of the demising walls in the North Warehouse are non-structural.

One of the greatest strengths of the LBC is that it offers over 1 million square feet of contiguous space on a parcel of land large enough to meet the parking, trucking, outside storage and testing needs of most companies. The only occupant of the LBC that we cannot relocate is PepsiCo, who occupies a 252,000 SF portion of the South Warehouse on a long-term lease basis.

Due to its size, there are numerous configurations of the LBC from which The Company can choose. To assist you and The Company' Real Estate Professionals in your review of the LBC, we have attached as Exhibit B numerous possible layouts for The Company' use. These depictions are merely illustrative of what spaces are available at the LBC and to demonstrate the suitability and adaptability of the LBC for The Company' future Home (the "Premises"). CAD Drawings of the LBC are available.

Regardless of the section of the LBC The Company selects to make its home:

- **Sections of The Building easily can be converted to meet "Clean" or "Food Grade" Requirements – with the costs of such work reimbursed thru available Governmental Incentives;**
- The Company' Main Entrance will be prominently featured and provide ample parking and a drop-off area;
- The Truck Docks will be completely separated from the parking lots;
- Truck Ingress/Egress will be separated from Car Ingress/Egress;
- Separate parking areas for The Company staff that work in the general office areas, manufacturing areas and R&D area are available; and
- If The Company requires an outdoor test area and/or an outdoor storage area, such spaces are available adjacent to each other and can be screened from public view.

### Utility Requirements

The utilities The Company requires are available to the LBC and there is presently available uncommitted utility capacity to meet The Company' needs.

### Property Information

We will provide you copies of any and all "Due Diligence" materials you require.

### Transportation Infrastructure

The LBC is located 1.5 miles from the full Interchange of I-80/94, with Calumet Avenue being the first Interchange from Illinois. The LBC's prominent location on the Town's main thoroughfare is important for several reasons including:

- The exterior and interior's existing roadway capacity to handle a heavy volume of car and truck traffic; and
- Easy to locate for visitors to Company.

### Proximity to Airports

The LBC offers the closest proximity of any possible site in Indiana to Chicago's two International Airports, O'Hare and Midway. In addition, the LBC is only 7 miles away from the fast-growing Gary/Chicago International Airport.

The Lansing Airport is only 2 miles away from the LBC and provides air taxi services and supports jets, other aircraft and helicopters.

### Expansion Needs

In addition, we have (and will have) additional square footage, indoor and outside, available to meet any of The Company' future temporary and/or permanent needs. As discussed below in the "Structure of Transaction" Section, this matter will be part of our agreement.

In addition, the LBC is well-suited for lease, on a short- term or long-term basis, to The Company' suppliers and customers as the need arises.

### Zoning & Approval Process

The Town Council and its professional staff are fully supportive of the redevelopment of the LBC and will work with you and your team. We have assembled a team of professionals to assist you with the governmental benefits and permitting processes. Our team has worked with the Town of Munster for years and we are certain that no other community can complete the processes more expertly and timely.

## Governmental Incentives

The Town of Munster is a dynamic, stable and prosperous community. The LBC is in an existing TIF District and the Town has in place all of the professionals required to ensure that the incentives process moves smoothly and quickly.

## Relamping and HVAC Costs

For the lighting and mechanical improvements The Company will perform in the Premises, The Company will receive a substantial Federal tax credit under The Energy Policy Act of 2005 (the Energy Efficient Commercial Buildings Deduction) for its relamping and HVAC costs.

## **THE TOWN OF MUNSTER**

### Importance of the Home The Company chooses

Regardless of the building The Company selects to redevelop, it will substantially replace the existing building's improvements. Thus, selecting the physical structure that The Company will make its home is made much simpler.

That does not make any less critical The Company's need to determine that the physical structure it selects is located in a place that is suitable for The Company to call "Home" for generations to come. We do not know the names of the other communities The Company is looking at in Northwest Indiana, but we can speak to why Munster is the ideal home for The Company.

### Prosperous & Stable

The LBC is located in the center of the Town of Munster, the most stable and prosperous town in an increasingly prosperous & growing Region.

- Approximately 50,000 households with a 2005 estimated income exceeding \$75,000 live within a fifteen-minute drive time.
- Within a 30-minute drive time live 2,270,000 people with a median age of 35.3 years.
- Nearly 172,000 households with up to four persons per household live within a 15-minute drive time.
- The 2005 Estimated Average Household Income within a 3-mile radius is \$70,702. Within one mile it is \$87,511 as compared to a national average of \$64,814.
- Over Eighty percent of housing units within a three-mile radius are owner occupied.

## Planned Growth

The Town's carefully planned development is no accident. The Town's political system is stable, made up of local professionals for whom their positions are not their principal occupations. Munster has carefully and patiently created a Town that expertly balances Low Impact Manufacturing, Businesses with a desirable community in which to live.

Further:

- The Town boasts one of the finest school systems in Indiana (and is in close proximity to one of the finest in Illinois – Homewood-Flossmoor);
- Proximity to Purdue Calumet and numerous Technical Colleges;
- An extensive Park System including the 205 acre Centennial Park, which offers a 9 hole golf course and driving range;
- Bike & Walking Trails that connect with a network of trails in Illinois and Northwest Indiana;
- Multi-dimensional Performing Arts Center;
- Superb Hospital; and
- State of the Art Exercise Facilities nearby.

## Immediate Surroundings

Again, we cannot speak to the other sites which you are reviewing, but we can tell you that if The Company selects Munster as its home, its Headquarters will be in a setting that will perfectly suit The Company' image and give The Company ample room to grow. We know of no other setting in this Region that is better and so prominently located, closer to amenities for employees and that is not surrounded by other non-descript industrial "boxes".

We firmly believe that The Company' Home belongs in The Lake Business Center, a multi-use business and professional park that is being redeveloped in conjunction with the Town.

## Future of the LBC

We originally purchased the LBC with the intention of demolishing it and developing a shopping center on the 72 acre site. After we began operating the LBC as a business park (our primary business), we decided to redevelop the LBC as a first class business and professional park in keeping with its surroundings.

Another significant attribute of the LBC is that the northwest corner of the LBC will be the future home of the main Train Station for the "Munster stop" for the South Shore Commuter Line. The Line currently ends in Hammond (6 miles away) and is expected to be extended within the next 5 years.

### Proximity to Chicago

The proximity of the LBC to Chicago is no better demonstrated than by the fact that some of the principals of Simborg live in the City and drive to Munster and Homewood every weekday (and on the weekends during golf season!). The location of the LBC provides numerous ways to reach the heart of the City as well as its suburbs – both highway (via 80/94, the Skyway/Dan Ryan and 94/Lake Shore Drive) and primary arterial roads.

The LBC's location also provides convenient access to The University of Chicago, The University of Illinois-Chicago, The Illinois Institute of Technology and many of the graduate programs of Northwestern University.

### **STRUCTURE OF TRANSACTION**

Simborg is willing to structure the subject transaction with The Company as a lease or purchase. In addition, we will work with The Company to structure a means by which The Company can meet its future expansion needs with ease at the LBC.

The Premises is available for occupancy based on The Company's timetable. In fact, The Company may have use of the Premises prior to a formal closing of the subject transaction.

In addition, to aid The Company in its transition, we will provide you, at no charge, the use of a large office space in our main office building in Munster as well as staging areas for materials and equipment as needed.