

CITY AT THE CENTER  
**WEST ALLIS**

**TO:** Members of the Economic Development Loan Task Force

**FROM:** Patrick Schloss, Community Development Manager  
John F. Stibal, Director, Department of Development

**DATE:** July 28, 2011

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**SUBJECT:** Economic Development Loan Application – Creative Business Interiors, Inc.

**Borrower:** Creative Business Interiors, Inc.

**Address:** Current: 11217 W. Becher St. (lease)

New: 1535 S. 101 St. (purchase)

**Principal:** Gary Zimmerman, Jr. – 34%, President; Stephanie Anderson – 33%, Vice President; John Norfolk – 33%, Secretary

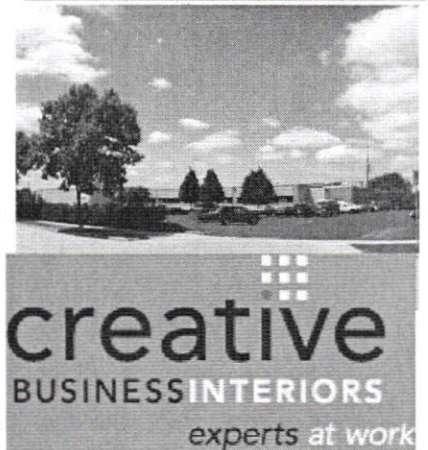
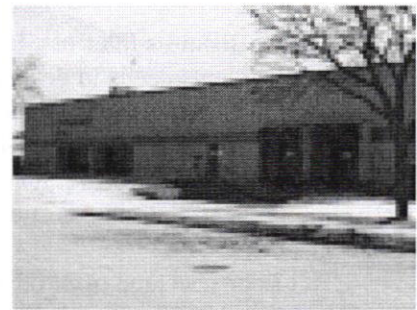
**Business:** Creative Business Interiors, Inc.

**Entity:** Corporation (stock) S-Corp.

**Business:** Corporation / LLC (real estate)

**Type:** Business Interiors and design

**Website:** creativebusinessinteriors.com



Amount	\$175,000
Purpose	Purchase of Real Estate, Equipment, Inventory
Pricing	3.25%
Term	10 year term, 25 amortization
Repayment:	\$852.80
Collateral	3 <sup>rd</sup> position Mortgage, Second position General Business Security Agreement, and unlimited personal guarantees of principal ownership.
Guarantors	Gary Zimmerman, Jr., Stephanie Anderson; and John Norfolk
Funds	CDBG
Credit Scores	Gary Zimmerman, Jr. – 791 Stephanie Anderson – 778 John Norfolk - 757

## **A. THE PROJECT**

Creative Business Interiors, Inc. (CBI) originated in 1991 by Gary Zimmerman Jr. and Stephanie Anderson to serve clients needs in designing office space including interior decorating and providing office furnishings such as work stations, desks, files, etc. In 2002, the ownership team welcomed John Norfolk. All three principals are involved in sales and operations of the business. Today, the business leases approximately 29,000 sq. ft at 11217 W. Becher St. The business continues to grow and currently employees 80 individuals and anticipates to add 20 new positions over the next three years.

CBI has an accepted offer on 1535 S. 101 St. The manufacturing property, formerly operated as Monopanel Technologies, Inc, property is approximately 3.698 acres and the building is 51,580 sq ft. The property has been on the market for over a year. City records indicate the property had a Fair Market Value in 2010 of \$1,785,000. A proposed floor plan is attached for review. The offer to purchase is attached. (See **Attachment I - Offer to Purchase**).

### **1. Theme**

The project is basically to create a working showroom that highlights CBI's design, construction and furniture capabilities, incorporating one warehouse space to support asset management initiative to meet client needs. The facility will have elements of the "art" of work and ergonomics. A state of the art facility will help attract talent and new employees.

### **2. Market**

CBI customers are varied and are often progressive businesses. The business services the Madison and Milwaukee market. The office appearance is part of their corporate culture and image. CBI offers assistance is providing value and relationship to an efficient office space, design, and productivity. Clients range from manufacturing, education, health-care, financial etc. CBI has the exclusive rights to selling Knoll Brand. In the Business Journal Book of Lists, CBI is ranked #5.

Though the construction industry has been flat, CBI has maintained sales and its busy with business moving to new spaces. The ability to bundle services offers one stop shopping.

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### 3. Concept

By having a central location in the metro-Milwaukee area, the business will be able to consolidate operations from West Allis and New Berlin. The space will generate the ability to warehouse items for clients needing flexible workstations.

### B. THE MANAGEMENT

The principals are all active in the business. The leadership team all have been involved in the business and offer strong experience and knowledge of the industry.

- Gary Zimmerman's work experience shows over 33 years experience in the industry. He is active in Milwaukee Metropolitan Association of Commerce and is the current Westmoor County Club.
- Stephanie Anderson is a 1981 graduate of the University of Wisconsin – Madison. Anderson earned her Bachelor of Science degree in Interior Design from the School of Family Resources and Consumer Sciences. She is certified by the National Council for Interior Design Qualification (NCIDQ) and is a Wisconsin Registered Interior Designer (WRID).
- Partner John Norfolk served as a Knoll Sales Representative before joining CBI.

### C. PROJECT COSTS

The business is seeking to obtain a \$2,743,646 in financing. The total project cost is \$3.048 million. In addition to financing from the City of West Allis Economic Development Loan program for \$175,000 an owner equity contribution would be required of about \$150,000. Costs for the project are outlined below.

#### 1. Proposed Sources

Sources and Uses of financing are as follows:

**Table 1. Costs:**

Item	Description	Cost
Acquisition of Real Estate	- Purchase of the property	\$1,650,000
Construction/Remodeling	- Office space	\$1,248,496
Fixtures, Furniture, and equipment	- Related expenses	\$100,000
Soft Costs	- Appraisal, architect, environmental, etc	\$50,000
<b>Project Total</b>		<b>\$3,048,496</b>

#### 2. Loan Amount

The applicant has applied for gap financing in the amount of \$175,000. CBI has the intention to utilize the SBA 504 program requiring 10% owner contribution for the project costs. The amount of the contribution is \$304,850. The loan amount would be 50% this amount or not to exceed \$175,000.



Bank participation exceeds 67%.

### 3. Purpose of Funds

Funds will be used to purchase the real estate and necessary equipment for the new office space. The structure of the deal is outlined in the chart below. Associated Bank is finalizing a credit package for an interim loan of \$2,608,646 to purchase and provide interim improvement financing for the new building. Associated Bank will also provide permanent financing of \$1,449,248. The balance will be part of the 504 program offered through the SBA serviced by the Wisconsin Business Development Corp. Terms outlined in **Attachment II**. The loan was secured by a first position real estate mortgage, General Business Security Agreement, and unlimited personal guaranties from all three principal partners of the real estate limited liability corporation. The loan is subject to adherence to all Small Business Administration lending guidelines and receiving an appraisal deemed acceptable by the bank. The proposed sources of funds for project costs are outlined in the following table.

Num	Item	Cost / RSF	Cost
01	CONSTRUCTION	\$47.16	\$1,129,771.76
03	VOICE AND DATA	\$1.16	\$27,854.00
04	EQUIPMENT	\$1.86	\$44,620.00
05	CONSULTANT FEES	\$0.99	\$23,750.00
07	APPLIANCES	\$0.83	\$20,000.00
08	MISCELLANEOUS	\$0.10	\$2,500.00
10	CONCESSION ALLOWANCES	\$0.00	\$0.00
	<b>TOTAL</b>	<b>\$52.12</b>	<b>\$1,248,495.76</b>

**Table 2. Sources and Uses**

**Total Project Cost** 3,048,496

City Calculations

Source	Description	Amount
Associated Bank	50.0% Bank participation	\$1,524,248
SBA	40.0% Second position (504)	\$1,219,398
Subtotal		\$2,743,646
Owner Equity	5%	\$152,425
Total	Project Cost	\$2,896,071

**Total** \$2,896,071

Balance Difference is project Gap \$152,425

Gap Financing \$152,425 City of West Allis Loan \$3,048,496  
3.25%



**Table 3. Funds/Debt Service**

**Sources of Funds**

<u>Lender</u>	<u>Term</u>	<u>Rate</u>	<u>Collateral</u>	<u>Amount</u>	<u>Estimated Annual Debt Service</u>	<u>Estimated Monthly Debt Service</u>
Associated Bank	20	5.25%	1st	\$ 1,449,248	(\$118,769.18)	(\$9,897.43)
SBA	20	5.60%	2nd	\$ 1,219,398	(\$102,886.65)	(\$8,573.89)
City of West Allis	25	3.25%	3rd	175,000	(\$10,331.88)	(\$860.99)
<b>Total of Sources</b>				<b>\$ 2,668,646</b>	<b>(\$231,987.72)</b>	<b>(\$19,332.31)</b>

\* Interest Rate is Prime as reported on February 8, 2011 on Bloomberg.com

**4. Collateral**

The City's security for the loan will be structured as follows:

- A third Mortgage of the property.
- City – Unlimited Personal Guarantee from all three principals of CBI and the real estate LLC.

**Table 4. Fair Market Value of Real Estate**

	<u>2010 Assessment</u>	<u>Fair Market Value</u>	<u>Loan to Value</u>	<u>Lending</u>
Improved	\$1,710,200	\$ 1,785,000	80%	\$ 1,428,000
		\$ 2,800,000	80%	\$ 2,240,000

With over a \$1 million in improvements to the property, the value could be projected at \$2.8 million. Pending the appraisal, the property should generate enough value to support the loans. **See Attachment III - Property Information.**

**D. FINANCIAL ANALYSIS**

**1. Borrower**

All three principals have strong personal financial statements. All three partners draw a salary of around \$130,000 from business. In review of the business financials, all partners received the benefit of net operating incomes over the past five years between \$300,000 to \$500,000. Each partner has experienced a tax liability based on income. Net worth's are listed below as well as credit scores:

Gary A. Zimmerman, Jr. – Net Worth - \$1,493,004  
 Stephanie K. Anderson – Net Worth - \$1,399,863  
 John Norfolk - Net Worth - \$949,294

See Attachment IV - Credit Reports.

**2. Business**

The balance sheet for the CBI is strong for the past three years even with the changes economy and in the construction industry. In review of the financials with the company’s accountant, the company has regrown the sales following the flux in the market. Sales and expenses have averaged during the past three years. By maintaining margins, CBI has been able to generate \$300,000 to \$500,000 in net operating income over the three-year period. Retained earnings have been reinvested into the company, but in 2009 an outstanding stock balance payment from John Norfolk was paid to the other partners. Gary Zimmerman reinvested the payment as a loan to the company to support cash flow. There are no current bank liabilities.

The business does have a few loans for vehicles and a line of credit to cover project costs. Total balance is \$138,608.19. A schedule of indebtedness is included in Attachment V. Overall, the liabilities for the company are limited. The business pays about \$291,000 in rent at three locations. The rent about is sufficient to cover the debt service payments for the loans. Through consolidation, the company will experience savings by being located at one location.

Associated Bank and the company’s outside account stated that the company had a strong history and solid credit worthiness.

**Table 5. Summary of Balance and Income Statements**

	2010		2009		2008	
<b>Annual Sales</b>	\$ 19,326,550	21%	\$ 15,998,942	-11.7%	\$ 18,125,251	
<b>COGS</b>	\$ 15,345,266	25%	\$ 12,288,863	-13%	\$ 14,071,673	
<b>Gross Profit</b>	\$ 3,981,284	7%	\$ 3,710,079	-8%	\$ 4,053,578	

The balance sheet for CBI as of 5/31/2011 exhibited that business for 2011 is inline with 2010. Gross profit for the business for YTD is 19% higher than the previous year. See Attachment V. Financial Statements 5-31-2011 and 2010. Also included is a Schedule of Indebtedness.

**Table 6. May 31, 2010 vs. May 31, 2011.**

Assets		5.31.11	5.31.2010	Inc./dec.
	Current	\$ 1,818,890	\$ 2,276,355	\$ (457,465)
	Fixed	\$ 770,795	\$ 580,273	\$ 190,522
<b>Total</b>		<b>\$ 2,589,685</b>	<b>\$ 2,856,628</b>	<b>\$ (266,943)</b>
<b>Liabilities and Equity</b>				
	Current	\$ 1,639,201	\$ 1,858,580	\$ (219,379)
	Long Term Liabilities	\$ 254,790	\$ 57,578	\$ 197,212
	Equity	\$ 695,693	\$ 940,469	\$ (244,776)
<b>Total</b>		<b>\$ 2,589,684</b>	<b>\$ 2,856,627</b>	<b>\$ (266,943)</b>

### 3. Projections

The borrower has provided two years of annual projections (Table 7). The borrower also provided a detailed break down on sales and how future projects are reflective to the new elements of the business and new building (Table 8). Copies are provided as **Attachment VI**. The following chart provides an annual summary of the projects. Projections of 2012 revenues reflect a 5% increase over actual 2010 revenues. Expenses include increases for union staff and health care. The projects appear to be consistent and reasonable with historical operations of the business.

**Table 7. Summary of Annual Projections**

	2012		2013
<b>Revenues</b>	\$ 20,318,301	10%	\$ 22,350,131
<b>COGS</b>	\$ 16,129,139	10%	\$ 17,686,288
<b>Gross Profit</b>	\$ 4,189,162	11%	\$ 4,663,843
<b>Expense</b>	\$ 3,642,653	7%	\$ 3,879,815
<b>Net Ordinary Income</b>	\$ 351,442	43%	\$ 504,093
<b>Other Income</b>	\$ -	#####	\$ -
<b>NOI</b>	\$ 351,442	43%	\$ 504,093

**Table 8. Sales Analysis**

	Actual 2009	Actual 2010	Project 2012	Project 2013
<b>Furniture</b>	\$ 7,813,907	\$ 10,568,519	\$ 10,993,301	\$ 11,975,131
<b>Construction</b>	\$ 6,560,222	\$ 6,902,582	\$ 7,250,000	\$ 8,000,000
<b>Painting</b>	\$ 995,353	\$ 1,100,996	\$ 1,100,000	\$ 1,200,000
<b>Design</b>	\$ 444,536	\$ 498,639	\$ 525,000	\$ 575,000
<b>Service/Warehouse</b>	\$ 184,924	\$ 255,818	\$ 450,000	\$ 600,000
	\$ 15,998,942	\$ 19,326,554	\$ 20,318,301	\$ 22,350,131

### E. COMMUNITY BENEFIT

CBI's commitment to purchase a property in the City of West Allis has been a goal for over 6-7 years. The business will retain 80 jobs in the community, add 20 jobs over the next three years, and purchase real

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estate for their offices is a positive statement for the City of West Allis. The real estate aspect is another positive improvement as the property has been vacant for over a year. Improvements to the property including renovated building and office space, showroom environment, landscaping will help address the tired appearance of the property.

#### **STAFF RECOMMENDATION**

Staff recommends approval of a \$175,000 Economic Development loan to provide financing for purchase of real estate and equipment/inventory for Creative Business Interiors LLC at 1535 S. 101 St. Recommended terms are a fixed interest rate of 3.25% on a ten-year note, 25-year amortization. The prime interest rate is granted because the City is focused on job and business creation (i.e. headquarters). Security position loan is a third mortgage on the real estate and unlimited personal guarantees of three principals. The borrower has proven ability to manage margins, demonstrates ability grows, and a successful track record with a notable client list.

In review of the balance sheet, the business has profitable operating history, low inventory, and significant commitment of the partners with officer debt and low balances on liabilities. The sales are growing over the history of the business and the cost of goods sold remains stable. Officer compensation appears reasonable and if necessary, could be reduced if cash flow was challenged.

#### **Loan Requirements**

- List and bids for all inventory to be purchased
- Third mortgage on the properties at 1535 S. 101 St.
- Unlimited Personal guarantees of all company principals.
- Proof of Hazard insurance on all properties.

**AGENDA**  
**ECONOMIC DEVELOPMENT LOAN TASK FORCE**  
**MONDAY, AUGUST 1, 2011**  
**12:00 PM (NOON)**  
**DEVELOPMENT/ENGINEERING CONFERENCE ROOM 220**  
**CITY HALL - 7525 WEST GREENFIELD AVENUE**

1. Call to order and roll call.
2. Approval of the minutes of the February 14, 2011 meeting.
3. Discussion of the Economic Development Loan Application of Creative Business Interiors, Inc. in the amount of up to \$175,000 for the acquisition of and business expansion to a new location at 1535 S. 101 St.
4. Consideration of motion to convene in closed session to review confidential financial information of Creative Business Interiors, Inc. in conjunction with their Economic Development Loan Applications.

PLEASE TAKE NOTICE that the Economic Development Loan Task Force will meet on Monday, August 1, 2011 at 12:00 p.m. (noon), in Room 220 (Development/Engineering Conference Room), West Allis City Hall, 7525 W. Greenfield Avenue, West Allis, Wisconsin, to consider a motion to convene in closed session at said time and place to discuss confidential financial information of Creative Business Interiors, Inc. in conjunction with their Economic Development Loan Application and to take such further action as may be necessary and appropriate in this matter.

A closed session for the purpose set forth above is authorized pursuant to the provisions of Section 19.85(1)(e), Wis. Stats., which permits a governmental body, upon motion duly made and carried, to convene in closed session for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.

Upon conclusion of the closed session, the Economic Development Loan Task Force will reconvene in open session to consider a motion to recommend approval or rejection of the loan applications.

5. Consideration of a motion relative to the loan application of Creative Business Interiors, Inc.
6. Review of current Economic Development Loan portfolio and recently approved loans.
7. Adjournment.

**Non-Discrimination Statement**

The City of West Allis does not discriminate against individuals on the basis of race, color, religion, age, marital or veterans' status, sex, national origin, disability, or any other legally protected status in the admission or access to, or treatment or employment in, its services, programs or activities.

**Americans with Disabilities Act Notice**

Upon reasonable notice the City will furnish appropriate auxiliary aids and services when necessary to afford individuals with disabilities an equal opportunity to participate in and to enjoy the benefits of a service, program or activity provided by the City.

**Limited English Proficiency Statement**

It is the policy of the City of West Allis to provide language access services to populations of persons with Limited English Proficiency (LEP) who are eligible to be served or likely to be directly affected by our programs. Such services will be focused on providing meaningful access to our programs, services and/or benefits.

**MINUTES**  
**ECONOMIC DEVELOPMENT LOAN TASK FORCE**  
**MONDAY, FEBRUARY 14, 2011**  
**9:06 A.M.**  
**ROOM 220 -CITY HALL - 7525 WEST GREENFIELD AVENUE**

**PRESENT:** Mayor Dan Devine, Chair; Paul Ziehler, City Administrative Officer, Clerk/Treasurer; Tim Klare, M & I Bank; Dean Zwick, Spring Bank

**STAFF:** Patrick Schloss, Community Development Manager  
Diane Spitzer, Principal Secretary

1. The meeting was called to order at 9:06 a.m. by Mayor Devine.
2. Approval of the minutes of the December 16, 2010 meeting.

A motion was made by Tim Klare and seconded by Dean Zwick to approve the minutes of the December 16, 2010 meeting.

The motion carried unanimously.

3. Discussion of the Economic Development Loan Application of MPP Enterprises LLC in the amount of up to \$57,000 for the expansion of Milwaukee Plumbing and Piping to be located at 11300 W. Greenfield Avenue.

Mr. Schloss outlined the loan proposal for MPP Enterprise LLC d/b/a Milwaukee Plumbing and Piping, Inc. He stated the applicant will be retaining 13 jobs and add 6 jobs over the next three years. The Committee members agreed that the borrowers have strong personal financial statements. Mr. Schloss recommends the loan be in the amount of \$57,000. The terms are 3.25% interest on a ten-year term with a 25-year amortization.

A motion was made by Paul Ziehler and seconded by Tim Klare to approve the Economic Development Loan Application of MPP Enterprises LLC in the amount of up to \$57,000 for the expansion of Milwaukee Plumbing and Piping to be located at 11300 W. Greenfield Avenue.

The motion carried unanimously.

4. Discussion of the Economic Development Loan Application of Wholesale Partners LLC d/b/a Cabinets & Counters in the amount of up to \$80,000.

Mr. Schloss outlined the loan proposal for Wholesale Partners LLC d/b/a Cabinets & Counters. He stated that he has not received personal financials for the applicant or credit reports. He also added that the City would be



first on a General Business Security Agreement. He recommends a loan be in the amount of \$80,000. The terms would be 3.25% interest on a ten-year term.

A motion was made by Paul Ziehler and seconded by Dean Zwick to approve the Economic Development Loan Application of Wholesale Partners LLC d/b/a Cabinets & Counters in the amount of up to \$80,000 subject to good credit scores and personal financials. Staff will review and submit to Common Council for approval.

5. Consideration of motion to convene in closed session to review confidential financial information of MMP Enterprises LLC and Wholesale Partners LLC d/b/a Cabinets & Counters in conjunction with their Economic Development Loan Applications.

No Closed Session held.

6. Consideration of a motion relative to the loan application of MMP Enterprises LLC.

Voted on in Item 3.

7. Consideration of a motion relative to the loan application of Wholesale Partners LLC d/b/a Cabinets & Counters

Voted on in Item 4.

8. Adjournment.

There being no further business to come before the Committee, a motion was made by Tim Klare and seconded by Dean Zwick to adjourn at 9:41 a.m.

The motion carried unanimously.

Creative Business Interiors  
 Rent Analysis For Building Loan

**Explanation of Future Rent:**

The following are projected costs of CBI Partners, LLC

<u>2012</u>	<u>2013</u>	
243,132	243,132	Estimated annual mortgage payment
3,000	3,500	Building insurance
4,100	5,000	Exterior maintenance
2,000	2,100	Fire protection & security
17,000	18,000	Snow removal
1,000	1,050	Legal & accounting
55,000	57,200	Real estate taxes
<u>24,768</u>	<u>30,018</u>	Miscellaneous/contingency
350,000	360,000	

The new building will be the only location.

Creative Business Interiors will still have personal property tax and utilities as expenses in addition to the above rent amounts.

**Historical Rent Analysis:**

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>1/1 - 5/31/10</u>	<u>1/1 - 3/31/11</u>	<u>1/1 - 5/31/11</u>	
291,349	294,751	305,836	120,693	77,776	128,292	Building rent
6,367	7,685	7,927	3,105	2,171	3,465	Personal property tax
<u>49,015</u>	<u>44,547</u>	<u>43,767</u>	<u>22,346</u>	<u>16,251</u>	<u>23,500</u>	Utilities
346,731	346,982	357,530	146,143	96,198	155,257	



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1. Call to order and roll call.
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Upon conclusion of the closed session, the Economic Development Loan Task Force will reconvene in open session to consider a motion to recommend approval or rejection of the loan applications.

5. Consideration of a motion relative to the loan application of Creative Business Interiors, Inc.
6. Review of current Economic Development Loan portfolio and recently approved loans.
7. Adjournment.

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Approved by the Wisconsin Department of Regulation and Licensing  
11-1-09 (Optional Use Date) 3-1-10 (Mandatory Use Date)

**WB-40 AMENDMENT TO OFFER TO PURCHASE**

Caution: Use A WB-40 Amendment If Both Parties Will Be Agreeing To Modify The Terms Of The Offer.  
Use A WB-41 Notice If A Party Is Giving A Notice Which Does Not Require The Other Party's Agreement.

1 Buyer and Seller agree to amend the Offer dated February 21, 2011, and accepted February 22, 2011, for  
2 the purchase and sale of real estate at 1535 South 101st Street, West Allis, WI  
3 \_\_\_\_\_ as follows:

- 4  Closing date is changed from July 1, 2011, to December 1, 2011.
- 5  Purchase price is changed from \$1,750,000.00 to \$1,650,000.00.
- 6  Occupancy date is changed from \_\_\_\_\_, to \_\_\_\_\_.
- 7  Occupancy charge is changed from \$ \_\_\_\_\_ to \$ \_\_\_\_\_.
- 8  Other: 1) Buyer shall be permitted to occupy the warehouse space in the building from  
9 July 1, 2011 to November 30, 2011 under the following terms: Buyer is willing to pay to  
10 Seller monthly 1/12th of actual real estate taxes; 1/12th of the annual property  
11 insurance and actual monthly bills for security. Buyer will pay utilities directly to WE  
12 Energies. Buyer will be responsible for cutting the grass and plowing the snow.

- 14 2) Buyer hereby waives the Due Diligence Period contingency.
- 16 3) see attached. 5/26/11

23 ALL OTHER TERMS OF THE OFFER TO PURCHASE AND ANY PRIOR AMENDMENTS REMAIN THE SAME.  
24 This Amendment is binding upon Seller and Buyer only if a copy of the accepted Amendment is delivered to the  
25 Party offering the Amendment on or before May 26, 2011 4:00 p.m. (Time is of the Essence).  
26 Delivery of the accepted Amendment may be made in any manner specified in the Offer to Purchase, unless  
27 otherwise provided in this Amendment.  
28 **NOTE: The Party offering this Amendment may withdraw the offered Amendment prior to acceptance and**  
29 **delivery as provided at lines 24-27.**

30 This Amendment was drafted by Jack Jacobson, MLG Commercial, LLC on 05/24/2011  
31 \_\_\_\_\_ Licensee and Firm ▲ Date ▲

32 This Amendment was delivered by \_\_\_\_\_ on \_\_\_\_\_  
33 \_\_\_\_\_ Licensee and Firm ▲ Date ▲

34 This Amendment was presented by \_\_\_\_\_ on \_\_\_\_\_  
35 \_\_\_\_\_ Licensee and Firm ▲ Date ▲

36 (x) <u>[Signature]</u> <u>5/24/11</u>	(x) <u>[Signature]</u> <u>5/26/11</u>
37 Buyer's Signature ▲ Date ▲	Seller's Signature ▲ Date ▲
38 Print name ▶ <u>CBI Partners LLC</u>	Print name ▶ <u>Monopanel Technologies, Inc.</u>

39 (x) _____	(x) _____
40 Buyer's Signature ▲ Date ▲	Seller's Signature ▲ Date ▲
41 Print name ▶ _____	Print name ▶ _____

42 This Amendment was rejected by \_\_\_\_\_ on \_\_\_\_\_  
43 \_\_\_\_\_ Party Name ▲ Date ▲

Monopanel needs the address of CBI so we can give it to WE Energies. It is assumed they will bill CBI directly. If that is not the case we will forward bills. Monopanel will submit copies of invoices for: taxes, insurance, water bill, ADT, and phone bills. Monopanel will require payment by the first of the month starting with 7/1/11. Any other expense associated with the property will be forwarded to CBI if and when they are identified. Monopanel's building insurance is for a non occupied facility. Insurance for stored product by CBI will be their responsibility. No work is to be performed inside the facility nor renovations to the facility are to be made. Any liabilities associated with moving product in Monopanel's property will be CBI's responsibility. CBI will hold Monopanel harmless. It will be CBI's responsibility to maintain the outside grounds in a reasonable and presentable fashion after 7/1/11. Expense resolutions, if any exist, will be resolved at closing which will be no later than 12/1/11.

Item 3 in WB-40 Amendment dated 5/24/11

 6/24/11















189 etc., may need to be investigated to determine feasibility of improvements, development or use changes for Property. Contingencies  
190 for investigation of these issues may be added to this offer. See lines 293 to 298.

191 **FORM OF TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the purchase  
192 price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. **CAUTION: IF TITLE EVIDENCE WILL BE GIVEN  
193 BY ABSTRACT, STRIKE TITLE INSURANCE PROVISIONS AND INSERT ABSTRACT PROVISIONS.**

194 **PROVISION OF MERCHANTABLE TITLE:** Seller shall pay all costs of providing title evidence. For purposes of closing, title evidence shall be  
195 acceptable if the commitment for the required title insurance is delivered to Buyer's attorney or Buyer not less than 3 business days before clos-  
196 ing, showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be merchantable, subject only to liens  
197 which will be paid out of the proceeds of closing and standard abstract certificate limitations or standard title insurance requirements and accep-  
198 tance, as appropriate. **CAUTION: BUYER SHOULD CONSIDER UPDATING THE EFFECTIVE DATE OF THE TITLE COMMITMENT PRIOR TO  
199 CLOSING, A "GAP ENDORSEMENT" TO THE TITLE COMMITMENT OR AN ESCROW CLOSING.**

200 **TITLE ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title by the time set for  
201 closing. In such event, Seller shall have a reasonable time, but not exceeding 15 days, to remove the objections, and the time for closing shall be extend-  
202 ed as necessary for this purpose. In the event that Seller is unable to remove the objections, Buyer shall have 5 days from receipt of notice thereof, to  
203 deliver written notice waiving the objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, this Offer  
204 shall be null and void. Providing title evidence acceptable for closing does not extinguish Seller's obligations to give merchantable title to Buyer.

205 **DELIVERY/RECEIPT** Unless otherwise stated in this Offer, any signed document transmitted by facsimile machine (fax) shall be treated in all man-  
206 ner and respects as an original document and the signature of any Party upon a document transmitted by fax shall be considered an original sig-  
207 nature. Personal delivery to, or actual receipt by, any named Buyer or Seller constitutes personal delivery to, or actual receipt by Buyer or Seller.  
208 Once received, a notice cannot be withdrawn by the Party delivering the notice without the consent of the Party receiving the notice. A Party may  
209 not unilaterally reinstate a contingency after a notice of a contingency waiver has been received by the other Party. **The delivery/receipt provi-  
210 sions in this Offer may be modified when appropriate (e.g., when mail delivery is not desirable (see lines 25 - 31)).** Buyer and Seller author-  
211 ize the agents of Buyer and Seller to distribute copies of the Offer to Buyer's lender, appraisers, title insurance companies and any other settle-  
212 ment service providers for the transaction.

213 **DATES AND DEADLINES** Deadlines expressed as a number of "days" from an event, such as acceptance, are calculated by excluding the day the  
214 event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. Deadlines expressed as a specific num-  
215 ber of "business days" exclude Saturdays, Sundays, any legal public holiday under Wisconsin or Federal law, and other day designated by the President  
216 such that the postal service does not receive registered mail or make regular deliveries on that day. Deadlines expressed as a specific number of "hours"  
217 from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by counting 24 hours per calendar day.  
218 **Deadlines** expressed as a specific day of the calendar year or as the day of a specific event, such as closing, expire at midnight of that day.

219 **DEFAULT** Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and conditions of this Offer. A material  
220 failure to perform any obligation under this Offer is a default which may subject the defaulting party to liability for damages or other legal remedies.

221 **If Buyer defaults, Seller may:**  
222 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or  
223 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) direct Broker to return the  
224 earnest money and have the option to sue for actual damages.

225 **If Seller defaults, Buyer may:**  
226 (1) sue for specific performance; or  
227 (2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.  
228 In addition, the Parties may seek any other remedies available in law or equity.

229 The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the discretion of the courts.  
230 If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of the remedies outlined above. By agreeing  
231 to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes covered by the arbitration agreement. **NOTE: IF  
232 ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT BOTH PARTIES SHOULD READ THIS DOCUMENT  
233 CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE PROHIBITED BY LAW  
234 FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT  
235 CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

236 **EARNEST MONEY**

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## ADDENDUM TO COMMERCIAL OFFER TO PURCHASE

This Addendum supplements the terms and provisions set out in the WB-15 Commercial Offer to Purchase dated February 21, 2011 and is an integral part thereof. In the event any terms and conditions set forth in the preprinted Offer to Purchase conflict with the terms and conditions of this Addendum, this Addendum shall control. The preprinted Offer to Purchase and this Addendum are collectively referred to herein as the "Offer."

1. Closing. The closing of the purchase and sale of the Property ("Closing Date"), shall July 1, 2011.
2. Conditions to Closing. Buyer's obligation to conclude the purchase transaction set out herein is expressly conditioned and contingent upon the following, any one or all of which may be waived by Buyer in Buyer's sole discretion:
  - (a) Inspection. Buyer, at Buyer's expense, obtaining a physical inspection of the Property, performed by an inspector(s) selected by Buyer, which reveals no conditions affecting the Property that (i) would have a material adverse effect on the value of the Property, (ii) would materially impair the health and safety of future occupants of the Property, (iii) would, if not repaired, removed or replaced, materially shorten or have a material adverse effect on the expected normal life of the Property, or (iv) would unreasonably interfere with Buyer's intended use of the Property as a commercial office/warehouse facility for Buyer's interior design business ("Buyer's Intended Use"). In the event that Buyer is not able to obtain such report, Buyer may terminate and cancel this Offer pursuant to this contingency.

Seller agrees to provide Buyer with reasonable access to the Property, during normal business hours in order to perform such inspections as Buyer may require, subject to the following limitations: (i) Buyer shall give Seller written or telephonic notice at least one (1) business day before conducting any inspections on the Property, and a representative of Seller shall have the right to be present when Buyer or his representatives conducts its or their investigations on the Property; (ii) Buyer shall ensure that all inspections and tests conducted in, on, or about the Property are at all times conducted in accordance with all applicable laws, rules, codes, ordinances, regulations, and orders; (iii) Buyer shall not be entitled to conduct any "Phase II" or any other "invasive" testing without Seller's prior written consent, which consent shall not be unreasonably withheld; (iv) neither Buyer nor its representatives shall damage the Property or any portion of the Property, except for any immaterial damage caused by any permitted tests, all of which shall promptly be repaired by Buyer to the same condition as existed prior to any tests; (v) Buyer and its representatives shall have appropriate insurance coverage in place prior to entering upon the Property and (vi) Buyer shall indemnify, hold harmless and defend the Seller against all costs (including reasonable attorneys' fees and other professional fees) and damage to the Property caused by or resulting from the activities of Buyer or its agents or representatives under this paragraph, including, but not limited to, and any mechanics' and materialmen's liens, or physical damage to the Property caused as a result or arising out of or in connection with any inspections or examinations conducted by Buyer or his representatives.

(b) Environmental Report. Buyer, at Buyer's expense, obtaining a written report from an environmental consultant of Buyer's choice confirming that any improvements which are a part of the Property and the soils, groundwater and surface waters on, in, or under the Property do not contain unacceptable amounts of pollutants, contaminants or hazardous substances (as such terms are defined under any applicable federal, state or local law, rule, regulation, ordinance or order, including without limitation, the Wisconsin Hazardous Substance Spills Act, Wis. Stats. 292.11), including without limitation, petroleum products, asbestos (whether friable or not), radon, lead and polychlorinated

**Patrick Schloss**

**From:** Peterson, Thomas [Thomas.Peterson@associatedbank.com]  
**Sent:** Friday, July 29, 2011 4:08 PM  
**To:** Patrick Schloss  
**Cc:** Johnson, Ryan  
**Subject:** RE: Creative Business Interiors

Patrick-

Uses		Sources	
Offer to purchase	\$1,650,000	Owners equity less City of West Allis Loan	\$28
Improvement budget	\$1,248,496	Associated Bank financing after 504 portion	\$1,4
		WBDFC (504 portion)	\$1,15
<b>Total</b>	<b>\$2,898,496</b>	<b>Total</b>	<b>\$2,89</b>

Associated Bank is finalizing the credit package based on:

Interim loan-\$2,608,646- to purchase and provide interim improvement financing for the new building  
 Permanent financing-\$1,449,248

Terms for Interim financing-9 months – interest only based on drawn amount-rate to be determined- 30 day LIBOR+2.25

Terms for Permanent Financing-20 year amortization-10 year balloon note-rate based on 5 year LIBOR + 2.50- approximately-5.25%

Please call me with any questions- thanks Tom

**Thomas K. Peterson**

Senior Vice President -Team Lead  
 Commercial Banking  
 Associated Bank, N.A.  
 401 E. Kilbourn Ave.  
 P.O. Box 522  
 Milwaukee, Wisconsin 53202

direct: (414)283-2234

cell: (262) 365-8199

Fax: (414) 283-2287

[Thomas.Peterson@associatedbank.com](mailto:Thomas.Peterson@associatedbank.com)

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**From:** Patrick Schloss [mailto:pschloss@westalliswi.gov]  
**Sent:** Friday, July 29, 2011 12:46 PM  
**To:** Peterson, Thomas  
**Cc:** Johnson, Ryan  
**Subject:** RE: Creative Business Interiors

The loan amount is 50% of the owner contribution. Term is a 25 amortization, 3.25 % int, on a ten year note. Thank you.

7/31/2011





Property and Tax Information

1535 S 101 ST | 449-9999-003

Manufacturing



Address	Status	Retired
1535 S 101 ST	Active	

GIS address data last updated: 7/25/2011

Assessor's Office Owner Information

Current Owner	Rights	Mailing Attn	Address	CSZ	Country	Record edited
Monopanel Technologies	Full		C/O Betty J Steinberger, 12947 N Colony Dr	Mequon, WI 53097		3/23/2011
Previous Owners	Owner Type/Rights	Address	CSZ	Country	Ended	
Monopanel Technologies	Full	1535 S 101 St	West Allis, WI 53214		3/24/2011	

Assessor owner data last updated: 7/21/2011

Parcel Contacts

Contact Type	Name	Address	CSZ	Phone	Email	As of date	From Dept
Local operator	Martin Hedrich, Jr.	12900 Dunwoody Dr.	Elm Grove, WI 53122	(262) 786-2785   (262) 253-0244	mhedrich@monopanel.com	11/15/2010	BINS
Registered owner	Monopanel Technologies	12900 Dunwoody Dr	Elm Grove, WI 53122 USA	(262) 786-2785   (262) 253-0244	mhedrich@monopanel.com	11/15/2010	BINS
Fire occupancy	Creative Business Interiors	1535 S 101 ST	WEST ALLIS, WI 53214	(414)256-5200		7/12/2011	Fire

Fire Occupancy Keyholders

Rank/Type	Business Name	Name	Address	CSZ	Phone	Email	As of date	From Dept
1 Occupant	Creative Business Interiors	Gary Zimmerman	1535 S 101 ST	WEST ALLIS, WI 53214	Daytime:(414)545-8500		7/12/2011	Fire

Zip Code:	53214
Legal Description:	COM 665 FT S OF N LI & 311.40 FT W OF E LI OF NW 5 6 21 TH W 397.8 FT S 405 FT E 397.8 FT TH N 405 FT TO BEG
Property Class:	Manufacturing
Assessor Property Type:	760   Manufacturing
Assessor Living Units:	0
Under Construction:	No
Zoning:	M-1
Planning Land Use:	Industrial
TIF District:	
In CDBG Area:	Yes
Parcel Area:	161103.170 (parcel dimensions not available, or parcel shape is irregular)
Acreage:	3.698
Section:	5
Township:	6
Range:	21
Quarter Section:	449
Subdivision:	Unplatted Lands   Block:
Census:	Tract: 100900   Block Group: 100900BG1   Block: 1002
County Key:	
DPW Routes:	Refuse Route: Friday5   Recycling Route: FridayRedEast
Utility Account(s):	11115-10734
Common Council:	District: 3   Ward: 19
County Board District:	17
State Political Districts:	Assembly: 15   Senate: 5
US Congressional District:	5
Political Representatives:	Current Representatives
Key retired:	
This record updated:	10/6/2009

GIS parcel data last updated: 7/25/2011

Date	Price	Type	Seller	Buyer	Document
4/1/1991	\$525,000.00	Other (see notes)			0

Assessor sales data last updated: 7/21/2011

All parcel tax key history data on parcel splits and combines from 1970 - 2008 formerly available on the AS400 inquiry is available in GIS WebMap. Parcel tax key history prior to 1970 will not be available in GIS WebMap. Contact the Assessor's Office or Milwaukee County for information about parcel tax key history prior to 1970. Please report any errors or discrepancies in the data to Kathryn Perrone.

There are no split and combine history records for this parcel.

*Parcel history data is kept up to date by the GIS Division and the Assessor's Office*

There are no residential structure records for this parcel.; There are no commercial structure records for this parcel.  
Residential structures on parcel: 0  
Total structures on parcel: 0

*Occupancy information is for assessment purposes only; check with the Department of Building Inspection and Zoning for code compliance.*

*Assessor structure data last updated: 7/21/2011*

Manufacturing parcels are assessed by the State of Wisconsin and their current year assessment is not yet available.

**Real Estate Tax History**

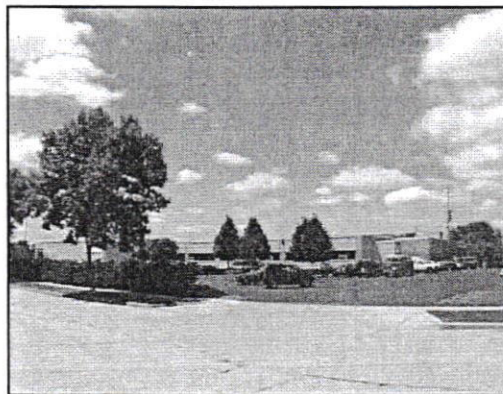
Year	Land	Improvements	Total Value	Assessment Ratio	Fair Market	Tax Rate	Total Tax	Tax Bill PDF
2010	\$367,100	\$1,404,100	\$1,771,200	0.9921	\$1,785,200	26.112	\$46,180.68	Tax Bill PDF
2009	\$362,800	\$1,387,500	\$1,750,300	0.9804	\$1,785,200	24.59	\$42,981.62	Tax Bill PDF
2008	\$351,100	\$1,413,500	\$1,764,600	0.9489	\$1,859,700	23.7997	\$41,963.64	Tax Bill PDF
2007	\$351,400	\$1,387,000	\$1,738,400	0.9497	\$1,830,500	23.5703	\$40,974.61	Tax Bill PDF
2006	\$273,700	\$1,347,700	\$1,621,400	0.9863	\$1,643,900	22.73	\$36,854.43	Tax Bill PDF
2005	\$253,800	\$1,225,300	\$1,479,100	0.9149	\$1,616,700	26.2775	\$38,867.04	Tax Bill PDF
2004	\$259,000	\$1,326,400	\$1,585,400	1.0000	\$1,585,400	26.2901	\$41,680.33	Tax Bill PDF
2003	\$240,900	\$1,233,800	\$1,474,700	0.9302	\$1,585,400	28.6011	\$42,178.04	
2002	\$253,500	\$1,298,100	\$1,551,600	0.9786	\$1,585,500	27.825	\$43,173.27	
2001	\$218,600	\$1,211,300	\$1,429,900	0.9090	\$1,573,000	31.3291	\$44,797.48	
2000	\$227,500	\$1,179,000	\$1,406,500	0.9460	\$1,486,800	30.6285	\$43,078.98	
1999	\$217,500	\$1,185,400	\$1,402,900	0.9796	\$1,432,100	29.8666	\$41,899.85	
1998	\$220,500	\$1,144,400	\$1,364,900	0.9931	\$1,374,400	30.2048	\$41,226.53	
1997	\$183,500	\$907,100	\$1,090,600	0.8265	\$1,319,500	36.8971	\$40,239.97	
1996	\$187,300	\$907,900	\$1,095,200	0.8438	\$1,297,900	35.6669	\$39,062.39	
1995	\$192,100	\$930,900	\$1,123,000	0.8652	\$1,298,100	41.13	\$46,186.74	
1994	\$204,500	\$975,500	\$1,180,000	0.9212	\$1,280,900	40.33	\$47,588.34	
1993	\$216,600	\$1,033,200	\$1,249,800	0.9757	\$1,280,900	39.58	\$49,464.08	
1992	\$231,300	\$1,103,200	\$1,334,500	1.0418	\$1,281,000	37.71	\$50,316.92	

*Tax history is updated annually in December when tax bills are printed.*

**Personal Property Accounts**

Year	Name	Account number	Property address	Declared value	Assessed value
2010	Monopanel Technologies Inc	\$1189	1535 S 101 St	\$5,200	\$5,200

*Personal property accounts are listed by the most recent assessment year. This list includes accounts on the current assessment roll, the previous assessment roll and all delinquent accounts from prior rolls. Personal property account tax history and online payment can be viewed on the City Internet Property Search application by clicking on the account number link.*



Special Assessments data is now available both on GIS WebMap for City staff and externally on the City website's Property Information application. Payment of special assessment bills is available on the City Internet.

Year	Project	Estimate	Bill Number	Assessed By	Description	Initial Cost	Outstanding Assessment	Status	Current Payoff
2009	P0820W	Letter	11-0417	Engineering	Asphalt Fill, Sidewalk 5" Concrete Remove & Replace	\$342.90	\$0.00	Outstanding	

*Special assessment data is updated in real time as records are changed in Engineering. Special assessment billing and payment information is available on the City Internet.*



Business Name	Contact	Type	Issued By	Business Address	Phone	License	Issued	Expires	Status
MONOPANEL TECHNOLOGIES, INC.	Lawrence Knapton	02[Full-Service Restaurant]	Health	1535 S 101 St	(414) 256-5200	60190			Current

For further information about a business license, please contact the issuing department. Lighter, italic text indicates that a business is no longer in business or a license at the business has expired. Health food related business license data updated: 8/1/2011. HTE Occupational license data updated: 8/1/2011.

Occupancy Permits: Building Inspection and Neighborhood Services

Business Name	Contact	Description	Address	CSZ	Phone	Permit	Start	End	End Reason
Monopanel Technologies, Inc.		Manufacture of Switch Assemblies	1535 S 101 St	West Allis, WI 53214		7694	4/9/1991	3/22/2011	Company closed.

Business occupancy permits are issued for the space that businesses occupy. A single business may be issued multiple occupancy permits as their space is remodelled or expanded. To minimize duplication on the business mailing list, occupancies may be marked as ended when multiple permits exist for the same business on the same address. Expired occupancy permits are displayed in lighter, italic text. BINS occupancy permit data updated: 8/1/2011

Building, Electrical and Plumbing Permits: Building Inspection and Neighborhood Services

Date Issued	Permit Type	Permit Number	Work	Address	Valuation	Contractor
2/23/2010	Building	197231	PERMIT WITHDRAWN, FUNDS RETURNED - SEE FPO #197231 HVAC modifications for tenant alterations for Neu Tool & Supply - FEES RETURNED	1535 S 101 St.	\$42,182.00	Conditioned Air Design
1/26/2010	Electrical	199173	Change, alter, repair electrical installation (Disconnection of equipment)	1535 S 101 St.	\$0.00	M C R Services LLC
8/28/2006	Electrical	193032	Rooftop HVAC	1535 S 101 St	\$500.00	K R B, Ltd.
8/21/2006	Building	191659	Replace existing rooftop unit w/new unit 15 tons, heating cap 250 MBH	1535 S 101 St	\$12,430.00	A/C Service, Inc.
8/30/1999	Electrical	178829	(2)Boilers, (2)Motors	1535 S 101 St	\$1,200.00	Uihlein Electric Co., Inc.
8/3/1999	Building	178810	(2)1000 MBH Boilers	1535 S 101 St	\$46,000.00	A/C Service, Inc.
7/26/1996	Building	172629	Heating/Air Rooftop Unit	1535 S 101 St	\$12,000.00	A/C Service, Inc.
7/18/1996	Electrical	171884	90A RTU Feeder - Rooftop	1535 S 101 St	\$0.00	Gaglione Electrical Contractors
6/22/1993	Electrical	164566	(2)A/C	1535 S 101 St	\$0.00	Essco Electric
5/21/1993	Building	166065	Heating & A/C	1535 S 101 St	\$27,000.00	OWNER
4/26/1989	Plumbing	36495	Water Heater	1535 S 101 St	\$0.00	Pro-Tel Mechanical Contractors, Inc.
2/24/1989	Building	157830	Wall Sign #43	1535 S 101 St	\$0.00	Federal Sign Company
2/24/1989	Building	157831	Wall Sign #44	1535 S 101 St	\$0.00	Federal Sign Company
1/31/1989	Plumbing	36200	Sprinkler Initiation Fee	1535 S 101 St	\$0.00	Wesley, Edward
3/29/1988	Electrical	152428	(100)HP motors, (285)HP motors	1535 S 101 St	\$0.00	Elm Brook Electric Co., Inc.
12/3/1987	Building	155669	HVAC revisions	1535 S 101 St	\$0.00	W H Jacklin, Inc.
11/4/1987	Electrical	151772	(257)outlets, (4)fixtures, (500)tblr. lamps, (6)arc lights, 2000 amp 480V 3 phase service, (5)comb. htg. & a/c units, feeders, (3)800A, (1)1000A, (1)400A, (2)200A, (1)150A, (1)100A, transformer (500KW), elec. sp. htg. system	1535 S 101 St	\$0.00	Elm Brook Electric Co., Inc.
10/28/1987	Building	155523	Bldg. Alterations	1535 S 101 St	\$0.00	OWNER
10/13/1987	Plumbing	35282	Fixtures & Building Drain	1535 S 101 St	\$0.00	Friese-Mueller Service, Inc.

BISN Permit information considered accurate, but not guaranteed. Scanned images of permits, plans, and zoning surveys, and links to correspondence on this parcel are available by clicking the Property Files tab. BINS permit data updated: 8/1/2011

Property Files Library

Folder Location	File Link
Building Inspections	4499999003
Building Inspections > Correspondence	3621 N EC 1-8-10
Building Inspections > Correspondence	6340 N POC 7-13-11
Building Inspections > Permits	B 197231
Building Inspections > Permits	B 197231 I
Building Inspections > Permits	E 199173
Building Inspections > Permits	E 199173 I
Building Inspections > Plans	111610 A1
Building Inspections > Plans	111610 A10
Building Inspections > Plans	111610 A11
Building Inspections > Plans	111610 A12
Building Inspections > Plans	111610 A13
Building Inspections > Plans	111610 A14
Building Inspections > Plans	111610 A15
Building Inspections > Plans	111610 A16
Building Inspections > Plans	111610 A17
Building Inspections > Plans	111610 A18
Building Inspections > Plans	111610 A19



Building Inspections > Plans	<a href="#">111610_A2</a>
Building Inspections > Plans	<a href="#">111610_A20</a>
Building Inspections > Plans	<a href="#">111610_A21</a>
Building Inspections > Plans	<a href="#">111610_A22</a>
Building Inspections > Plans	<a href="#">111610_A23</a>
Building Inspections > Plans	<a href="#">111610_A24</a>
Building Inspections > Plans	<a href="#">111610_A3</a>
Building Inspections > Plans	<a href="#">111610_A4</a>
Building Inspections > Plans	<a href="#">111610_A5</a>
Building Inspections > Plans	<a href="#">111610_A6</a>
Building Inspections > Plans	<a href="#">111610_A7</a>
Building Inspections > Plans	<a href="#">111610_A8</a>
Building Inspections > Plans	<a href="#">111610_A9</a>
Building Inspections > Plans	<a href="#">155523_A1</a>
Building Inspections > Plans	<a href="#">155523_A2</a>
Building Inspections > Plans	<a href="#">155523_A3</a>
Building Inspections > Plans	<a href="#">155523_A4</a>
Building Inspections > Plans	<a href="#">155523_A5</a>
Building Inspections > Plans	<a href="#">155523_A6</a>
Building Inspections > Pre 2008 Property Files	<a href="#">1535 S 101 ST</a>
Fire > Correspondence	<a href="#">2010Dec8 FS Viol</a>
Fire > Correspondence	<a href="#">2010Sep10 FS Annual Report</a>
Fire > Correspondence	<a href="#">2010Sep10 FS Annual</a>
Special Assessments > Engineering	<a href="#">P0820W Bill No 11-0417 Payment Record 110260</a>
Special Assessments > Engineering	<a href="#">P0820W Bill 1-0417</a>
Special Assessments > Engineering	<a href="#">P0820W Bill 11-0417</a>
Special Assessments > Engineering	<a href="#">P0820W Estimate Letter</a>
Special Assessments > Engineering	<a href="#">P0820W Project Information</a>
Tax Bills	<a href="#">2004</a>
Tax Bills	<a href="#">2005</a>
Tax Bills	<a href="#">2006</a>
Tax Bills	<a href="#">2007</a>
Tax Bills	<a href="#">2008</a>
Tax Bills	<a href="#">2009</a>
Tax Bills	<a href="#">2010</a>

*Adding files to this Property Files Library is an ongoing project. This library does not include all files for this property, just those that have been scanned in or added by users to date. If you are unable to view items in the Property Files Library, please enter a service request for the IT Division so that the correct browser plug-ins can be installed on your OC.*

GIS WebMap data is for internal use only. Please direct the public to information on the [Property Search](#) application.

Note: Printed page will show data from all tabs.

Address and parcel information: GIS Division

Pat Walker, GISP, GIS Supervisor  
Phone: (414) 302-8328

[Email](#)

Ownership, sales records, structures, personal property accounts: City Assessor's Office

Charles F. Ruud, City Assessor  
Phone: (414) 302-8230

[Email](#)

Building, Electrical, Plumbing and Occupancy permits: Building Inspection and Neighborhood Services  
Parcel contacts: registered property owners and local operators: Building Inspection and Neighborhood Services

Ted Atkinson, Director  
Phone: (414) 302-8415

[Email](#)

Occupational licenses: Clerk's Office

Monica Schultz  
Phone: (414) 302-8201

[Email](#)

Fire occupancy and fire occupancy keyholders: Fire Department

Assistant Chief Marty King  
Phone: (414) 302-8904

[Email](#)

Health related food permits: Health Department

Jane Adams  
Phone: (414) 302-8653

[Email](#)

Special Assessments, Engineering  
Nancy Stengel, Special Assessments Clerk  
Phone: (414) 302-8368

[Email](#)

GIS WebMap site manager: IT Division

Kathryn Perrone, IT Supervisor  
Phone: (414) 302-8332

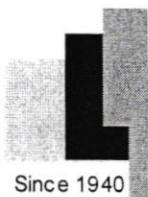
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Creative Business Interiors, Inc.

West Allis, Wisconsin

Financial Statements

May 31, 2011 and 2010



TOBIN & HANSON, S.C.  
CERTIFIED PUBLIC ACCOUNTANTS

Since 1940

Accountants' Compilation Report

To the Stockholders  
Creative Business Interiors, Inc.  
West Allis, Wisconsin

We have compiled the accompanying balance sheets of Creative Business Interiors, Inc. (an S Corporation) as of May 31, 2011 and 2010, and the related statements of income for the periods then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures and the statements of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statements of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Creative Business Interiors, Inc.

Tobin & Hanson, S.C.  
July 14, 2011



**CREATIVE BUSINESS  
INTERIORS, INC.  
BALANCE SHEET**

05/01/2011 to 05/31/2011

	05/31/2011	05/31/2010	INCREASE (DECREASE)
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
CASH	(49,581)	28,398	(77,979)
PAYROLL ACCOUNT	(25,824)	(12,036)	(13,788)
ACCOUNTS RECEIVABLE	1,132,196	1,584,684	(452,488)
EMPLOYEE & OFFICER LOANS	66,910	116,301	(49,391)
UNDER BILLING	510,275	314,031	196,244
INVENTORY	68,347	164,506	(96,159)
PREPAIDS	116,566	80,471	36,096
<b>TOTAL CURRENT ASSETS</b>	<b>1,818,890</b>	<b>2,276,355</b>	<b>(457,465)</b>
<b>FIXED ASSETS</b>			
SECURITY DEPOSITS	1,717	1,717	0
WESTMOOR STOCK CERTIFICATE	11,626	11,626	0
GOODWILL- SUPERIOR PAINTING	5,000	5,000	0
GOODWILL AMORTIZATION	(4,654)	(4,321)	(333)
COMPUTERS- MADISON	15,494	14,478	1,016
COMPUTERS-ACCUM DEPN (MAD)	(12,556)	(10,439)	(2,117)
FURNITURE & FIXTURES- MADISON	121,383	100,466	20,917
FURN & FIX-ACCUM DEPN (MAD)	(62,248)	(52,000)	(10,248)
OFFICE EQUIPMENT	5,841	0	5,841
OFFICE EQUIP-ACCUM DEPN (WA)	(644)	0	(644)
COMPUTERS	403,161	283,537	119,624
COMPUTERS - ACCUM DEPN (WA)	(268,945)	(222,703)	(46,242)
LEASEHOLD IMPROVEMENTS	297,401	297,401	0
LEASEHOLDS - ACCUM. DEPREC.	(94,673)	(85,663)	(9,011)
MACHINERY & EQUIPMENT	169,691	158,019	11,672
MACH. & EQUIP. - ACCUM. DEPREC.	(130,862)	(120,885)	(9,977)
VEHICLES	457,255	298,319	158,936
VEHICLES - ACCUM. DEPREC.	(200,529)	(158,200)	(42,329)
FURNITURE & FIXTURES	330,536	322,515	8,021
FURN & FIX - ACCUM DEPN (WA)	(273,197)	(258,596)	(14,602)
<b>TOTAL FIXED ASSETS</b>	<b>770,795</b>	<b>580,273</b>	<b>190,523</b>
<b>TOTAL ASSETS</b>	<b>2,589,685</b>	<b>2,856,627</b>	<b>(266,943)</b>

CREATIVE BUSINESS  
INTERIORS, INC.  
BALANCE SHEET

05/01/2011 to 05/31/2011

	05/31/2011	05/31/2010	INCREASE (DECREASE)
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
ACCOUNTS PAYABLE	659,633	1,050,212	(390,578)
OVER BILLING	480,989	424,761	56,228
PAYROLL TAXES	81,714	56,395	25,319
COMPANY MATCH 401K	14,085	11,573	2,512
EMPLOYEE CONTRIBUTION 401K	282	230	52
FLEX SPENDING	9,891	8,967	923
UNION BENEFITS	84,552	36,482	48,070
OPTIONAL SUNLIFE LIFE INS	101	186	(85)
MISC DEDUCTIONS	95	609	(514)
SALES TAX	27,810	27,795	16
USE TAX	479	1,574	(1,095)
ACCRUED WAGES	48,067	40,392	7,675
ACCRUED COMMISSIONS	207,266	179,047	28,220
ACCRUED BONUSES	15,000	12,500	2,500
ACCRUED PROPERTY TAXES	3,235	3,105	130
ACCRUED SPIFFS AND SPEC FEES	6,002	4,754	1,249
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,639,201</b>	<b>1,858,580</b>	<b>(219,379)</b>
<b>LONG TERM LIABILITIES</b>			
NOTES PAYABLE	116,182	0	116,182
TRUCK LOAN	138,608	57,578	81,030
<b>TOTAL LONG TERM LIABILITIES</b>	<b>254,790</b>	<b>57,578</b>	<b>197,212</b>
<b>EQUITY</b>			
COMMON STOCK	9,500	9,500	0
PRIOR YEAR RETAINED EARNINGS	769,204	873,747	(104,543)
DIVIDENDS	(150,000)	0	(150,000)
NET INCOME	66,989	57,222	9,767
<b>TOTAL EQUITY</b>	<b>695,693</b>	<b>940,469</b>	<b>(244,775)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,589,685</b>	<b>2,856,627</b>	<b>(266,943)</b>



CREATIVE BUSINESS INTERIORS, INC.  
 PROFIT/LOSS STATEMENT

05/01/2011 to 05/31/2011

	1ST QTR	APRIL	MAY	05/31/2011 YTD	PERCY	05/31/2011 YTD Budget	PERCB	05/31/2010 YTD	PERCP
<b>REVENUE</b>	3,768,451	1,830,321	1,801,162	7,399,934	100.00	7,500,000	100.00	5,821,999	100.00
<b>DIRECT JOB COSTS</b>									
MATERIAL PURCHASES	1,565,589	818,994	754,058	3,138,640	42.41	3,277,500	43.70	2,314,736	39.76
DISCOUNT ON PURCHASES	(10,212)	(4,919)	(5,589)	(20,720)	(0.28)	(38,250)	(0.51)	(21,909)	(0.38)
SUBCONTRACTORS	596,489	498,830	274,794	1,370,113	18.52	1,650,000	22.00	1,216,367	20.89
DIRECT LABOR	298,083	168,081	146,296	612,460	8.28	504,165	6.72	391,693	6.73
DESIGN TIME	80,938	40,029	34,122	155,089	2.10	225,000	3.00	224,649	3.86
PAYROLL TAXES	51,283	23,736	17,603	92,623	1.25	60,000	0.80	60,089	1.03
UNION BENEFITS	109,910	73,239	62,935	246,084	3.33	187,500	2.50	120,592	2.07
INSURANCE BENEFITS	9,575	2,438	2,515	14,528	0.20	17,400	0.23	16,730	0.29
WORKERS COMP	(5,796)	12,096	10,604	16,905	0.23	26,250	0.35	4,327	0.07
PERMITS, SAMPLES & BIDS	3,251	4,522	151	7,924	0.11	9,000	0.12	7,685	0.13
EQUIP & DUMPSTERS	5,044	2,933	1,453	9,430	0.13	18,750	0.25	15,880	0.27
TOOLS & SHOP SUPPLIES	0	0	0	0	0.00	3,000	0.04	0	0.00
TRAVEL	4,925	6,346	5,028	16,299	0.22	10,500	0.14	13,192	0.23
OTHER	1,758	296	642	2,696	0.04	2,250	0.03	1,450	0.02
<b>TOTAL DIRECT JOB COSTS</b>	<b>2,710,836</b>	<b>1,646,622</b>	<b>1,304,612</b>	<b>5,662,070</b>	<b>76.52</b>	<b>5,953,065</b>	<b>79.37</b>	<b>4,365,480</b>	<b>74.98</b>
<b>INDIRECT JOB COSTS</b>									
VEHICLE LEASE/GAS/MAINT.	20,447	8,704	7,844	36,995	0.50	25,725	0.34	23,191	0.40
SAMPLES & BIDS	3,343	(294)	68	3,117	0.04	1,165	0.02	0	0.00
TOOLS, SUPPLIES, & UNIS	6,436	3,022	4,375	13,832	0.19	15,210	0.20	13,129	0.23
EQUIP & DUMPSTERS	3,011	570	1,037	4,618	0.06	5,030	0.07	4,992	0.09
REPAIRS & MAINTENANCE	1,901	(415)	1,627	3,113	0.04	5,210	0.07	5,168	0.09
WARRANTY	0	0	0	0	0.00	10	0.00	0	0.00
TRAINING & SEMINARS	0	1,297	0	1,297	0.02	0	0.00	0	0.00
CELL PHONES	2,640	1,062	1,233	4,935	0.07	4,585	0.06	4,368	0.08
LIABILITY INSURANCE	8,784	2,928	2,928	14,640	0.20	15,000	0.20	14,640	0.25
DEPRECIATION	16,024	5,046	6,845	27,914	0.38	19,855	0.26	18,569	0.32
<b>TOTAL INDIRECT JOB COSTS</b>	<b>62,585</b>	<b>21,920</b>	<b>25,956</b>	<b>110,461</b>	<b>1.49</b>	<b>91,790</b>	<b>1.22</b>	<b>84,058</b>	<b>1.44</b>
<b>TOTAL COST OF GOODS SOLD</b>	<b>2,773,421</b>	<b>1,668,542</b>	<b>1,330,568</b>	<b>5,772,531</b>	<b>78.01</b>	<b>6,044,855</b>	<b>80.60</b>	<b>4,449,538</b>	<b>76.43</b>
<b>GROSS PROFIT</b>	<b>995,030</b>	<b>161,778</b>	<b>470,594</b>	<b>1,627,403</b>	<b>21.99</b>	<b>1,455,145</b>	<b>19.40</b>	<b>1,372,461</b>	<b>23.57</b>

CREATIVE BUSINESS  
INTERIORS, INC.  
PROFIT/LOSS STATEMENT

05/01/2011 to 05/31/2011

	1ST QTR	APRIL	MAY	05/31/2011 YTD	PERCY	05/31/2011 YTD Budget	PERCB	05/31/2010 YTD	PERCP
<b>ADMINISTRATIVE COSTS</b>									
OFFICER SALARIES	98,006	32,159	33,690	163,855	2.21	165,900	2.21	163,769	2.81
FPM & CPM SALARIES	179,865	61,819	52,036	293,720	3.97	265,615	3.54	256,003	4.40
DESIGN SALARIES	54,657	17,984	19,097	91,739	1.24	90,815	1.21	99,912	1.72
DESIGN TIME CAPITALIZED	(80,938)	(40,029)	(34,122)	(155,089)	(2.10)	(225,000)	(3.00)	(224,649)	(3.86)
CLERICAL/MRKTNG SALARIES	98,110	32,534	34,951	165,595	2.24	181,505	2.42	145,008	2.49
COMMISSIONS	167,632	58,023	74,129	299,784	4.05	303,535	4.05	255,318	4.39
PAYROLL TAXES	88,950	23,306	15,800	128,055	1.73	88,780	1.18	104,683	1.80
INSURANCE BENEFITS	30,836	10,481	11,035	52,353	0.71	45,815	0.61	49,422	0.85
WORKERS COMP & LIAB INS.	2,311	2,847	2,494	7,652	0.10	16,480	0.22	6,730	0.12
401K MATCH & FEES	8,539	3,031	2,515	14,085	0.19	11,755	0.16	11,573	0.20
VEHICLE LEASE/GAS/MAINT.	14,829	7,853	9,319	32,001	0.43	24,995	0.33	26,356	0.45
TRAVEL & AUTO ALLOW.	22,999	7,223	6,143	36,365	0.49	32,870	0.44	35,452	0.61
RENT, PROP TX, & UTILITIES	96,198	28,572	30,487	155,257	2.10	153,835	2.05	146,143	2.51
REPAIRS & MAINTENANCE	4,267	2,571	2,068	8,906	0.12	11,665	0.16	9,144	0.16
MEALS & ENTERT (50% & 100%)	22,137	6,224	9,614	37,974	0.51	49,790	0.66	46,643	0.80
ADVERTISING	31,138	9,899	7,412	48,449	0.65	32,080	0.43	44,348	0.76
LEGAL & PROFESSIONAL	14,905	2,746	4,822	22,473	0.30	22,500	0.30	15,667	0.27
OFFICE SUPPLIES	20,376	3,903	9,069	33,348	0.45	25,420	0.34	20,581	0.35
COMPUTERS	15,893	4,629	8,087	28,609	0.39	25,000	0.33	21,815	0.37
OFFICE LEASES	5,946	1,713	2,227	9,886	0.13	8,335	0.11	8,344	0.14
PHONES	10,098	5,634	3,709	19,441	0.26	16,250	0.22	15,734	0.27
TRAINING & SEMINARS	16,342	3,241	1,396	20,978	0.28	6,250	0.08	4,230	0.07
DUES & SUBSCRIPTIONS	10,132	2,289	4,538	16,959	0.23	14,585	0.19	24,483	0.42
SPIFF & SPEC INCOME	(12,130)	(6,421)	0	(18,551)	(0.25)	0	0.00	(7,312)	(0.13)
DONATIONS	0	0	730	730	0.01	2,085	0.03	2,775	0.05
GAIN - LOSS SALE OF ASSETS	759	0	0	759	0.01	0	0.00	(295)	(0.01)
INTEREST	2,215	896	618	3,728	0.05	6,250	0.08	2,028	0.03
DEPRECIATION & GOODWILL	24,633	7,957	8,573	41,163	0.56	41,900	0.56	32,345	0.56
OTHER (INCOME) EXPENSE	(1,228)	(99)	(804)	(2,131)	(0.03)	0	0.00	(1,084)	(0.02)
INCOME TAX EXPENSE	(1,011)	3,332	0	2,321	0.03	0	0.00	76	0.00
<b>TOTAL ADMINISTRATIVE COSTS</b>	<b>946,465</b>	<b>294,317</b>	<b>319,632</b>	<b>1,560,414</b>	<b>21.09</b>	<b>1,419,010</b>	<b>18.92</b>	<b>1,315,239</b>	<b>22.59</b>
<b>NET INCOME (LOSS)</b>	<b>48,565</b>	<b>(132,539)</b>	<b>150,963</b>	<b>66,989</b>	<b>0.91</b>	<b>36,135</b>	<b>0.48</b>	<b>57,222</b>	<b>0.98</b>





CREATIVE BUSINESS INTERIORS, INC.  
NOVEMBER 2010 FINANCIAL STATEMENT

**Balance Sheet**

Assets	November-10	November-09	Inc/(Dec)	Perc. Inc/(Dec)
Total Current Assets	3,925,383	2,423,596	1,501,787	62%
Total Fixed Assets	679,162	589,837	89,325	15%
<b>Liabilities</b>				
Current Liabilities	3,271,834	2,049,280	1,222,554	60%
Line of Credit	0	156,313	(156,313)	0%
<b>Equity</b>	414,731	156,694	258,037	165%

**Profit and Loss Statement**

	November-10	November-09	Inc/(Dec)	YTD 2010	YTD 2009	Inc/(Dec)
REVENUE	1,615,757	1,256,425	359,332	17,646,578	14,392,657	3,253,921
GROSS PROFIT	194,736	250,573	(55,837)	3,528,815	2,806,280	722,535
GROSS PROFIT %	12.05%	19.94%	-7.89%	20.00%	19.50%	0.50%
COMMISSIONS	59,538	43,746	15,792	720,491	460,928	259,563
ADMIN SALARIES	32,053	26,396	5,657	341,581	285,161	56,420
PM SALARIES	51,682	45,394	6,288	587,524	589,426	(1,902)
DESIGN SALARIES	16,955	18,153	(1,198)	225,201	205,759	19,442
<b>ADMINISTRATIVE COSTS</b>	<b>256,976</b>	<b>241,251</b>	<b>15,725</b>	<b>3,114,083</b>	<b>2,649,585</b>	<b>464,498</b>
NET INCOME	(62,240)	9,322	(71,562)	414,732	156,695	258,037

Commissions as a % of gross profit	30.57%	17.46%	13.12%	20.42%	16.42%	3.99%
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Direct Materials, subs, & labor as % of Revenue	83.69%	71.82%	11.87%	72.53%	71.60%	0.93%
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**Revenue**

	Milwaukee	Percentage of Goal	Madison	Percentage of Goal	Company	Percentage of Goal
Furniture	7,625,669	130.69%	3,087,853	102.93%	10,768,519	121.88%
Construction	5,915,145	105.53%	987,437	493.72%	6,902,582	118.91%
Painting	1,053,634	139.55%	47,362	315.75%	1,100,996	142.99%
Design	492,816	156.45%	5,823	116.46%	498,639	155.82%
Service	232,173	92.87%	23,645	118.23%	255,818	94.75%
<b>Total</b>	<b>15,319,437</b>	<b>120.06%</b>	<b>4,152,120</b>	<b>128.15%</b>	<b>19,526,554</b>	<b>122.04%</b>

YTD

**Profit (per bonding report)**

	Milwaukee	Percentage of Goal	Madison	Percentage of Goal	Company	Percentage of Goal
Furniture	1,563,041	135.70%	366,290	61.85%	1,929,331	110.62%
Construction	839,876	75.91%	181,292	459.20%	1,021,168	89.11%
Painting	245,481	164.71%	18,006	608.10%	263,487	173.35%
Design	133,158	214.14%	44	4.46%	133,202	210.87%
Service	39,201	79.43%	7,482	189.51%	46,683	87.59%
<b>Total</b>	<b>2,820,757</b>	<b>111.99%</b>	<b>573,114</b>	<b>89.61%</b>	<b>3,393,871</b>	<b>107.45%</b>

YTD

LOC INT RATE 4.50%

**Bank Covenants**

	Covenant Minimum	Current Amounts
Net Income	1,000	414,732
Total Equity	600,000	414,731
Officer & Employee loans	150,000	69,463



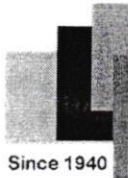
**Attachment VI**

*CREATIVE BUSINESS INTERIORS, INC.  
PROJECTED STATEMENTS OF INCOME AND  
SIGNIFICANT CHANGES IN FINANCIAL POSITION  
FOR THE YEARS ENDING DECEMBER 31, 2012 and 2013*

CREATIVE BUSINESS INTERIORS, INC.  
PROJECTED STATEMENTS OF INCOME AND  
SIGNIFICANT CHANGES IN FINANCIAL POSITION  
FOR THE YEARS ENDING DECEMBER 31, 2012 and 2013

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Projected Statements of Income and Significant Changes in Financial Position	2
Summary of Significant Projection Assumptions and Accounting Policies	3 - 7





**TOBIN & HANSON, S.C.**  
CERTIFIED PUBLIC ACCOUNTANTS

To the Stockholders  
Creative Business Interiors, Inc.  
West Allis, Wisconsin

We have compiled the accompanying projected statements of income and significant changes in financial position of Creative Business Interior, Inc. for the years ending December 31, 2012 and 2013, in accordance with attestation standards established by the American Institute of Certified Public Accountants. The accompanying projection was prepared for the purpose of obtaining debt financing by a Limited Liability Company, of which the stockholders of Creative Business Interiors, Inc. are the sole members, to acquire land, building and associated building improvements which is to be leased to Creative Business Interiors, Inc. as a replacement operating facility for the three facilities the Company currently leases from unrelated third parties.

A compilation is limited to presenting in the form of a projection information that is the representation of management and does not include evaluation of the support for the assumptions underlying the projection. We have not examined the projection and, accordingly, do not express an opinion or any other form of assurance on the accompanying projected statements of income and significant changes in financial position or assumptions. Furthermore, even if the Limited Liability Company obtains the necessary financing, acquires the replacement operating facility and leases it to Creative Business Interiors, Inc., there will usually be differences between the projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

The accompanying projection and this report are intended solely for the information and use of the stockholders of Creative Business Interiors, Inc. and the management of the Wisconsin Business Development Corp., Associated Bank and City of West Allis and are not intended to be and should not be used by anyone other than these specified parties.

We are not independent with respect to Creative Business Interiors, Inc.

*Tobin & Hanson, S.C.*  
Tobin & Hanson, S.C.

June 28, 2011

Creative Business Interiors, Inc.  
 Projected Statements of Income and Significant Changes in Financial Position  
 Under the Hypothetical Assumptions in Note B

	Year Ending	
	December 31, 2012	December 31, 2013
REVENUES	\$ 20,318,301	\$ 22,350,131
COST OF GOODS SOLD		
Materials	8,948,365	9,843,201
Subcontractors	4,354,601	4,790,061
Direct labor	1,208,662	1,329,528
Design time	549,408	604,349
Shop & driver wages	46,825	48,229
Payroll tax expense	139,429	143,611
Union benefits	438,764	451,927
Health ins.	42,720	46,992
Insurance	89,742	96,024
Permits & license	18,993	20,322
Equipment rental	54,739	58,571
Tools & supplies	68,404	73,192
Travel and meals expense	25,736	27,537
Auto & truck expenses	59,476	63,640
Repairs & maintenance	19,394	20,751
Telephone	11,305	12,096
Depreciation	52,576	56,257
TOTAL COST OF GOODS SOLD	<u>16,129,139</u>	<u>17,686,288</u>
GROSS PROFIT	4,189,162	4,663,843
ADMINISTRATIVE EXPENSES		
Officers' salaries	411,561	423,907
Commissions expense	837,833	932,768
Office & management wages	756,260	778,948
Payroll taxes	216,185	222,671
Health insurance	139,484	153,432
Insurance	26,484	28,338
Rent expense	350,000	360,500
Property tax expense	8,482	9,076
Utilities	46,831	50,109
Repair & maintenance	32,355	34,620
Equipment rent	20,419	21,848
Auto & travel	167,382	179,099
Meals-entertainment	116,782	124,957
Advertising	103,793	111,058
Legal & professional fees	36,980	39,568
Telephone	39,642	42,417
Office supplies	80,776	86,431
Computer expense	60,119	64,328
Dues & subscriptions	42,868	45,869
Donations	7,105	7,602
Depreciation & amortization	102,357	123,808
Interest (income)	(1,027)	(1,099)
Interest expense	12,377	11,127
401k contribution	27,605	28,433
TOTAL ADMINISTRATIVE EXPENSES	<u>3,642,653</u>	<u>3,879,815</u>
NET INCOME	546,509	784,028
Depreciation & amortization	154,933	180,065
Equipment purchases	(50,000)	(50,000)
Principle reduction in borrowings	(54,000)	(57,000)
Stockholder tax distributions	(246,000)	(353,000)
INCREASE IN AVAILABLE CASH FOR YEAR	<u>\$ 351,442</u>	<u>\$ 504,093</u>

See accompanying summary of significant assumptions and accounting policies and accountants' report.



CREATIVE BUSINESS INTERIORS, INC.  
SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS AND ACCOUNTING POLICES

NOTE A – NATURE OF PROJECTIONS

These financial projections are based on a hypothetical acquisition of land, building and improvements by a Limited Liability Company (“LLC”), of which the stockholders of Creative Business Interiors, Inc. (“CBI”) are the sole members, which is to be leased to CBI as the replacement operating facility for the three facilities that CBI currently leases from unrelated third parties and present, to the best of management’s knowledge and belief, the Company’s expected results of operations and significant changes in financial position for the projection period if the necessary financing is obtained and the real estate is acquired, improved and leased to CBI. Accordingly, these projections reflect management’s judgment as of June 28, 2011, the date of these projections, of the expected conditions and its expected course of action if such an acquisition and lease arrangement is obtained. This presentation is for the purpose of obtaining debt financing to fund the acquisition of the replacement operating facility by the LLC, which is to be leased to CBI. Accordingly, these projections may not be useful for any other purpose. The assumptions disclosed herein are those that management believes are significant to the projections. Furthermore, even if the LLC obtains the necessary financing, acquires the replacement operating facility and leases it to CBI, there will usually be differences between projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

NOTE B – SUMMARY OF SIGNIFICANT ASSUMPTIONS

Revenues

Revenues for 2012 are projected at \$20,318,301 which represents a 5% increase from actual 2010 revenues of \$19,350,763. Revenues for 2013 are projected at \$22,350,131 which represents a 10% increase from 2012 projected revenues.

Cost of Goods Sold

In 2010, materials, subcontractors, direct labor and design time, collectively represented 74% of revenues. The projected amounts for 2012 and 2013 for these costs retain this same percentage relationship.

Shop & driver wages, payroll tax expense and union benefits for 2012 are projected at a 3% increase from the 2010 actual for these expense categories. The 2013 amounts for these expense categories are projected at a 3% increase from the 2012 projected amounts.

Health insurance for 2012 is projected at a 10% increase from the 2010 actual for this expense category. The 2013 amount for this expense category is projected at a 10% increase from the 2012 projected amount.

CREATIVE BUSINESS INTERIORS, INC.  
SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS AND ACCOUNTING POLICES

NOTE B – SUMMARY OF SIGNIFICANT ASSUMPTIONS - Continued

Cost of Goods Sold – Continued

All other cost of goods sold expense categories, not previously discussed above, for 2012 are projected at a 7% increase from the 2010 actual for these expense categories. The 2013 amounts for these expense categories are projected at a 7% increase from the 2012 projected amounts. *material costs*

Administrative Expenses

Officers' salaries, office & management wages, payroll taxes and 401k contribution for 2012 are projected at a 3% increase from the 2010 actual for these expense categories. The 2013 amounts for these expense categories are projected at a 3% increase from the 2012 projected amounts.

Commission expense for 2012 and 2013 is projected at the historical commission percentage, which is 20% of gross profit.

Health insurance for 2012 is projected at a 10% increase from the 2010 actual for this expense category. The 2013 amount for this expense category is projected at a 10% increase from the 2012 projected amount.

Rent expense for 2012 and 2013 is projected to be \$350,000 and \$360,500 respectively. It is based upon the estimated acquisition cost of a hypothetical acquisition of land, building and improvements by a newly created LLC, of which the stockholders of CBI are the sole members, which is then leased to CBI. The projected rent amounts are intended to cover the annual cash flow requirements of the LLC, as lessor, which is comprised of the estimated debt service payments, real estate taxes and insurance associated with the acquisition and on-going ownership of the property.

Depreciation & amortization for 2012 is projected at a 7% increase from the 2010 actual for this expense category and is adjusted to include the acquisition of a \$100,000 of new furniture for the new leased operating facility. The 2013 amount for this expense category is projected at a 7% increase from the 2012 projected amount adjusted for the new furniture acquisition.

Interest expense for 2012 is projected at a 7% increase from the 2010 actual for this expense category and is adjusted to include new borrowings to fund the acquisition of a \$100,000 of new furniture for the new leased operating facility. Interest on the new borrowings are estimated at 6.25%. The 2013 amount for this expense category is projected at a 7% increase from the 2012 projected amount adjusted for the new furniture acquisition borrowings.



CREATIVE BUSINESS INTERIORS, INC.  
SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS AND ACCOUNTING POLICES

NOTE B – SUMMARY OF SIGNIFICANT ASSUMPTIONS - Continued

Administrative Expenses - Continued

All other administrative expense categories, not previously discussed above, for 2012 are projected at a 7% increase from the 2010 actual for these expense categories. The 2013 amounts for these expense categories are projected at a 7% increase from the 2012 projected amounts.

Adjustments to Net Income to Arrive at Increase in Available Cash for the Year

Depreciation and amortization, as non-cash items, are added back.

Equipment purchases represent routine replacement acquisitions which are to be funded through cash provided by operations as opposed to bank or other borrowings and are projected to be \$50,000 in 2012 and 2013.

Principle reductions in borrowings is based on two installment term notes with original principle borrowings of \$110,000 and \$100,000, respectively.

Stockholder tax distributions are based on 45% of projected net income.

NOTE C – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

The projection has been prepared on the basis of accounting principles generally accepted in the United States of America expected to be used in the financial statements covering the projection period, which are the same as those used to prepare the historical financial statements for the year ended December 31, 2010, as described below.

Revenue and Cost Recognition

The Company recognizes revenues from fixed-price and modified fixed-price construction contracts on the percentage-of-completion method, measured by the percentage of cost incurred to date to management's estimated total cost of each contract. This method is used because management considers total cost to be the best available measure of progress on contracts. Because of the inherent uncertainties in estimating costs, it is a least reasonably possible that the estimates used will change within the near term.

Contract costs (i.e. cost of goods sold) include all direct material, subcontract and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, tools

CREATIVE BUSINESS INTERIORS, INC.  
SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS AND ACCOUNTING POLICES

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES – Continued

repairs and depreciation. Selling, general and administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are made in the period incurred. Changes in job performance, job conditions and estimated profitability may result in revisions to costs and income, which are recognized in the period in which the determined.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated at the amount the Company expects to collect. The Company maintains allowances for doubtful accounts for estimated losses resulting from the inability of its customers to make required payments. Management considers the following factors when determining the collectability of specific customer accounts: customer creditworthiness, past transaction history with the customer, current economic conditions and changes in customer payment terms. If the financial condition of the Company's customers were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Credit losses, when realized, have been within the range of the Company's expectations and, historically have not been significant.

Inventory

Inventory is comprised of used office furniture acquired for resale and is stated at the lower of cost or market value. Cost is determined by the specific identification method.

Depreciation

Property and equipment is stated at cost and is depreciated by straight-line and accelerated methods. Estimated useful lives are:

	<u>In Years</u>
Leasehold improvements	7-39
Machinery and equipment	5-7
Vehicles	5
Furniture and fixtures	5-7
Computers and software	3-5

Intangible Assets

Goodwill is stated at cost and is amortized over 15 years using the straight-line method.



CREATIVE BUSINESS INTERIORS, INC.  
SUMMARY OF SIGNIFICANT PROJECTION ASSUMPTIONS AND ACCOUNTING POLICES

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICES – Continued

S Corporation – Income Tax Status

The Company, with the consent of its stockholders, has elected under the Internal Revenue Code to be an S Corporation. In lieu of corporation income taxes, the shareholders of an S Corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in these projections.