

## Gladstone Building

103 North 12<sup>th</sup> Street

1.The building will have three tenants.

Company Name	Leased Footage	Leased Percentage of the building 120K
Del Fab	43,000'	35.8%
Gladstone Braze & Powder Coat	38,500'	32.1%
AMI Inc.	38,500'	32.1%

2. AMI Inc. will control all outside storage.

3. The building's ceiling, walls and floors will be cleaned.

4. The building inside will be painted.

5. Front of building refaced. Southside and part of the east side block walls will be painted.

6. All outside trash will be disposed of off premises.

7. All outside storage areas will be clean out and disposed of off premises.

8. Total cost of upgrades are \$600,000.00 to \$700,000.00.

## DESCRIPTION OF BUSINESSES

### Gladstone Braze and Power Coat LLC

1. Brazing is the process of assembling components into a part with all joints having copper applied to them. The part is then placed on a wire mesh belt which transports it through a 2000-degree furnace and then through cooling chambers. The plant will have two stainless steel and one low carbon steel furnaces. AMI, a sister company currently purchases \$1,000,000.00 of brazing from outside sources. Additionally, the company has identified additional brazing of opportunities of \$1,000,000.00 plus. (Brazing is considered a critical manufacturing process. Most brazed parts are required to be leak free.
2. Powder Coating is the process of electrically applying coating to a metal part which is transported through a curing oven at 300 to 400 degrees to bake the coating to the metal. AMI, a sister company, currently purchases \$1,162,000.00 of Powder Coating from outside sources. The company had identified \$400,000.00 of new business. The company (AMI) has numerous customers in the UP, Wisconsin and Minnesota markets and believes there are numerous businesses opportunities.

### 3. AMI Inc.

AMI is a manufacturer of fluid handling tubular products for the Automotive, Heavy Truck, Marine and Recreational Vehicle markets. Examples are fuel and brake lines, water tubes, air lines, fuel rails, turbo drain and feed lines, hydraulic lines, oil dipsticks, etc. The company sells \$40,000,000.00 of these types of products a year and believes there is a significant growth driven by tariffs/localization of production, NATO defense spending increases to name a few.

#### **Combined AMI Gladstone and Gladstone Braze and Powder Coating Plants**

Sales	\$13,742,500.00
Employees (direct and indirect)	53
Payroll	\$2,460,000.00
Investment (Equipment)	\$2,050,000.00

#### **AMI Inc. (Gladstone)**

Sales	
Current	\$6,225,000.00
New	\$2,000,000.00
New (T&F)	<u>\$2,000,000.00</u>
Total AMI Sales	\$10,225,000.00

Employees	
Direct	20
Indirect	<u>9</u>
	29
Payroll	\$1,460,000.00

Investment	
Assembly Equipment (Current)	\$800,000.00
New Sales	\$250,000.00
New Sales (T&F)	<u>\$150,000.00</u>
	\$1,150,000.00

**Gladstone Braze and Powder Coat**

## Sales

## Braze (Stainless Steel)

Current	\$355,000.00
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New	\$650,000.00
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## Braze (Low Carbon)

Current	\$600,000.00
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New	<u>\$350,000.00</u>
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Total Braze	\$1,955,000.00
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## Powder Coat

Current	\$1,162,500.00
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New	<u>\$400,000.00</u>
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Total Powder Coat	<u>\$1,562,500.00</u>
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Total Sales for Braze and Powder Coat	\$3,517,500.00
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## Employees

Total direct and indirect	24
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Payroll	\$1,000,000.00
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## Investment

Powder Coat Line	\$300,000.00
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Two Stainless Steel Braze Furnaces	\$400,000.00
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One Low Carbon Braze Furnaces	\$100,000.00
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One Cooling Tower	<u>\$100,000.00</u>
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Total Investment

\$900,000.00