

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-3272.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	▶ Date received by Local Unit
STC Use Only	
▶ Application Number	▶ Date Received by STC

APPLICANT INFORMATION

All boxes must be completed.

▶ 1a. Company Name (Applicant must be the occupant/operator of the facility) Eagle Ottawa, LLC	▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 3111	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 2930 Auburn Rd., Rochester Hills, MI 48309	▶ 1d. City/Township/Village (indicate which) Rochester Hills	▶ 1e. County Oakland County
▶ 2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(1)) <input checked="" type="checkbox"/> Research and Development (Sec. 2(9))	▶ 3a. School District where facility is located Avondale School District	▶ 3b. School Code 63070
		4. Amount of years requested for exemption (1-12 Years) 8

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

The Rochester Hills facility consists of approximately 120,000 sq. ft. floor space and is utilized primarily for Product Development and R & D purposes. A new manufacturing production process has been designed for purchase and potential installation at this facility to compliment the existing EO product line. Details of equipment is attached.

6a. Cost of land and building improvements (excluding cost of land)..... * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	▶ <u>\$0.00</u> Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures..... * Attach itemized listing with month, day and year of beginning of installation, plus total	▶ <u>\$4,766,060.00</u> Personal Property Costs
6c. Total Project Costs..... * Round Costs to Nearest Dollar	▶ <u>\$4,766,060.00</u> Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)		
Real Property Improvements ▶	_____	_____	▶ <input type="checkbox"/> Owned	<input type="checkbox"/> Leased
Personal Property Improvements ▶	9/15/11	9/15/13	▶ <input checked="" type="checkbox"/> Owned	<input type="checkbox"/> Leased

▶ 8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. Yes No

▶ 9. No. of existing jobs at this facility that will be retained as a result of this project. 39	▶ 10. No. of new jobs at this facility expected to create within 2 years of completion. 2 - 5
--	---

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land)

b. TV of Personal Property (excluding inventory)

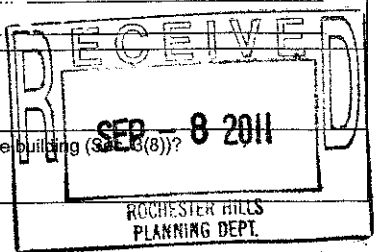
c. Total TV

▶ 12a. Check the type of District the facility is located in:

Industrial Development District Plant Rehabilitation District

▶ 12b. Date district was established by local government unit (contact local unit)

▶ 12c. Is this application for a speculative building (Sec. 3(8))?
 Yes No



APPLICANT CERTIFICATION - complete all boxes.

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name D. A. Vesey	13b. Telephone Number (248) 844-1317	13c. Fax Number (248) 853-6065	13d. E-mail Address veseyd@eagleottawa.com
14a. Name of Contact Person Karl Rohr	14b. Telephone Number (248) 844-1326	14c. Fax Number (248) 853-6065	14d. E-mail Address rohrk@eagleottawa.com
15a. Name of Company Officer (No Authorized Agents) Jerry Sumpter <i>WILLIAM NATHAN MULLINIX</i>			
15b. Signature of Company Officer (No Authorized Agents) <i>[Signature]</i>		15c. Fax Number (248) 364-7526	15d. Date 9/15/11
15e. Mailing Address (Street, City, State, ZIP Code) 1885 Pond Run, Auburn Hills, MI 48326		15f. Telephone Number (248) 364-7589 <i>584</i>	15g. E-mail Address sumpterj@eagleottawa.com

MULLINIX@EAGLEOTTAWA.COM

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

<p>16. Action taken by local government unit</p> <p><input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Denied (Include Resolution Denying)</p>	<p>16b. The State Tax Commission Requires the following documents be filed for an administratively complete application:</p> <p>Check or Indicate N/A if Not Applicable</p> <p><input type="checkbox"/> 1. Original Application plus attachments, and one complete copy</p> <p><input type="checkbox"/> 2. Resolution establishing district</p> <p><input type="checkbox"/> 3. Resolution approving/denying application.</p> <p><input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant)</p> <p><input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant)</p> <p><input type="checkbox"/> 6. Building Permit for real improvements if project has already begun</p> <p><input type="checkbox"/> 7. Equipment List with dates of beginning of installation</p> <p><input type="checkbox"/> 8. Form 3222 (if applicable)</p> <p><input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)</p>
16a. Documents Required to be on file with the Local Unit Check or Indicate N/A if Not Applicable	
<input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district.	
<input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing.	
<input type="checkbox"/> 3. List of taxing authorities notified for district and application action.	
<input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.	
16c. LUCI Code	16d. School Code
17. Name of Local Government Body	18. Date of Resolution Approving/Denying this Application

Attached hereto is an original and one copy of the application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original and one copy of the completed application and all required attachments to:

State Tax Commission
Michigan Department of Treasury
P.O. Box 30471
Lansing, MI 48909-7971

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

1105 8 - 132

September 7, 2011

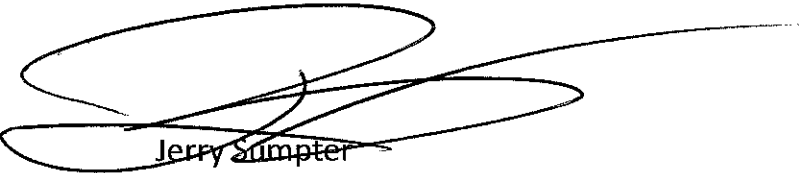
Mayor Bryan K. Barnett
1000 Rochester Hills Dr.
Rochester Hills, MI 48309

Dear Mayor Barnett,

We have not had the pleasure of meeting but I would like to introduce our company, Eagle Ottawa, LLC, a leading global manufacturer of high quality automotive upholstery leather. We are considering the addition of a production capable development process to be located at our Rochester Hills Product Development Center (located at 2930 W. Auburn Road) which would require an investment of approximately \$4.76 Million Dollars into this new process which will create 2-5 new positions within the next 1-2 years.

In an effort to help offset our cost of investment to locate this function at our Rochester Hills facility, we are submitting an Industrial Facilities Tax Exemption package for consideration. Please accept this letter as our formal request to establish an Industrial Development District. Please feel free to contact Nathan Mullinix, Global V.P., Research & Development at 248-364-7584 with any questions or additional information you may require.

Best regards,


Jerry Sumpter
President & CEO
Eagle Ottawa, LLC



EAGLE OTTAWA



JERRY SUMPTER
PRESIDENT AND CEO

EAGLE OTTAWA, LLC

WORLD HEADQUARTERS

1885 POND RUN

AUBURN HILLS

MICHIGAN 48326

USA

248.364.7400

EAGLEOTTAWA.COM

EO Production Inventory Personal & Real Property List

Quantity	Name	Investment Property Type	Install / Freight Costs	Unit Price	Total Price	Estimated Order Date
1	Manzel Coating Range	Personal		\$879,800.00	\$879,800.00	9/30/2011
2	Manzel Roll Tracking	Personal		\$58,960.00	\$58,960.00	9/30/2011
4	Manzel Receiving A-Frame	Personal		\$15,520.00	\$15,520.00	9/30/2011
8	Manzel Process A-Frame	Personal		\$18,420.00	\$18,420.00	9/30/2011
4	Manzel 3inch Al Air Shaft	Personal		\$7,520.00	\$7,520.00	9/30/2011
3	Manzel Air Jack	Personal		\$8,820.00	\$8,820.00	9/30/2011
1	Bag House Suction Fan	Personal		\$8,500.00	\$8,500.00	9/30/2011
2	Gemata Syncro/Reverse Roll Coater	Personal		\$259,200.00	\$259,200.00	9/30/2011
1	Bergi Embosser SuperNova	Personal		\$226,800.00	\$226,800.00	9/30/2011
1	Electrical	Personal	\$116,000.00		\$116,000.00	9/30/2011
1	Rigging	Personal		\$53,000.00	\$53,000.00	9/30/2011
1	Exhaust Ducting	Personal		\$18,000.00	\$18,000.00	9/30/2011
1	Technical Support - Installation & Start up	Personal		\$55,000.00	\$55,000.00	9/30/2011
1	Softening Equipment	Personal		\$240,000.00	\$240,000.00	9/30/2011
1	Freight - Delivery Costs	Personal	\$24,160.00		\$24,160.00	9/30/2011
1	Material Storage Racks	Personal		\$38,000.00	\$38,000.00	9/30/2011
1	Additional Drainage	Personal		\$8,500.00	\$8,500.00	15-May-12
1	Data/Communication Cabling	Personal		\$4,000.00	\$4,000.00	15-May-12
1	Finishing Mixing System	Personal		\$968,300.00	\$968,300.00	15-May-12
3	Bergi Embossing Rolls	Personal	\$16,000.00		\$16,000.00	15-May-12
1	Gemata Lab top foam generator	Personal	\$750.00		\$750.00	15-May-12
1	Production Bay Ventilation	Personal	\$10,078.00		\$10,078.00	15-May-12
1	Mahio Thermal Scanning System	Personal	\$5,000.00		\$5,000.00	15-May-12
1	Mahio Weight and Thickness Gauge	Personal	\$10,000.00		\$10,000.00	15-May-12
1	Corona Treatment	Personal	\$7,500.00		\$7,500.00	15-May-12
1	Leather Lab Dryer	Personal	\$4,500.00		\$4,500.00	15-May-12
1	Topstar	Personal	\$48,000.00		\$48,000.00	15-May-12
1	Spray Line Dryer	Personal	\$380,850.00		\$380,850.00	15-May-12
1	Gemata Foam Generator	Personal	\$302,500.00		\$302,500.00	15-May-12
1	Hampton Coating/Oven Line	Personal	\$1,200.00		\$1,200.00	15-May-12
10	Computers	Personal	\$30,000.00		\$30,000.00	15-May-12
TOTAL		TOTAL	\$318,188.00	\$4,447,872.00	\$4,766,060.00	

D. A. Vesey
8/24/2011

Eagle Ottawa - Company History

Eagle Tanning works, as it was then known, was founded in 1865. Headquartered in Whitehall, Michigan, the company produced leather items for the horse and buggy trade. In 1916, Eagle Tanning Works merged with Ottawa Leather Company and became known as Eagle Ottawa Leather Company, the largest producer of upholstery leather in the world. The company began to diversify into leather for furniture, shoes, luggage, book binding, sports equipment, assorted novelties, valve packing's and other industrial products.

In 1961 the 96-year-old Eagle Ottawa became a subsidiary of Trostel Industries and today employs more than 4,000 employees worldwide with headquarters located in Auburn Hills, Michigan. Our Rochester Hills facility, located at 2930 Auburn Rd., originally started production in mid 1996 and continued through mid 2007 when production was relocated to other locations due to competitive reasons and functions now primarily as a R & D facility. We are in the planning stage to make a substantial investment to re-initiate production at the Rochester Hills, MI facility and add several new positions based on incentives to offset the competitive gap with low cost producing countries.

Eagle Ottawa continues to provide award-winning finished hides, cut leather parts, and complete interior leather solution engineering services for more than 30 customers and 100 current vehicle models around the globe. In addition to leather for seat covers, Eagle Ottawa produces products for nearly every other interior application: door panels, consoles and instrument panels. Eagle Ottawa also provides special services such as leather perforation, foam lamination, embroidery, component wrapping and sewing.

Eagle Ottawa, LLC
August 22, 2011



Tax and Assessing

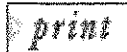
General Information For Tax Year 2011

Parcel ID Number - 70-15-29-300-006
Property Address - 2930 AUBURN RD W
ROCHESTER HILLS, MI 48309-3505
Owner Name - EAGLE OTTAWA LEATHER COMPANY
Owner Address - 1885 POND RUN
AUBURN HILLS, MI 48326-2769
Taxpayer Name - Same as above
Taxpayer Address - Same as above
Property Class - INDUSTRIAL IMPROVED
School District - Avondale
Assessed Value - \$ 1,978,370
State Equalized Value - \$ 1,978,370
Taxable Value - \$ 1,978,370
H.P.R. Exemption %* - 0.00
Approximate Acreage - 10.75
Tax Description - T3N, R11E, SEC 29 & 30 PART OF SW 1/4 OF SEC 29 &
PART OF SE 1/4 OF SEC 30, ALL DESC AS BEG AT SW
COR OF SEC 29, TH S 88-02-39 W 69.08 FT, TH N 01-
33-06 W 733.00 FT, TH N 88-26-54 E 655.98 FT, TH S
00-52-55 W 729.80 FT, TH S 88-06-03 W 555.92 FT TO
BEG 10.75 A11/16/84 FR 001 & 1530476001

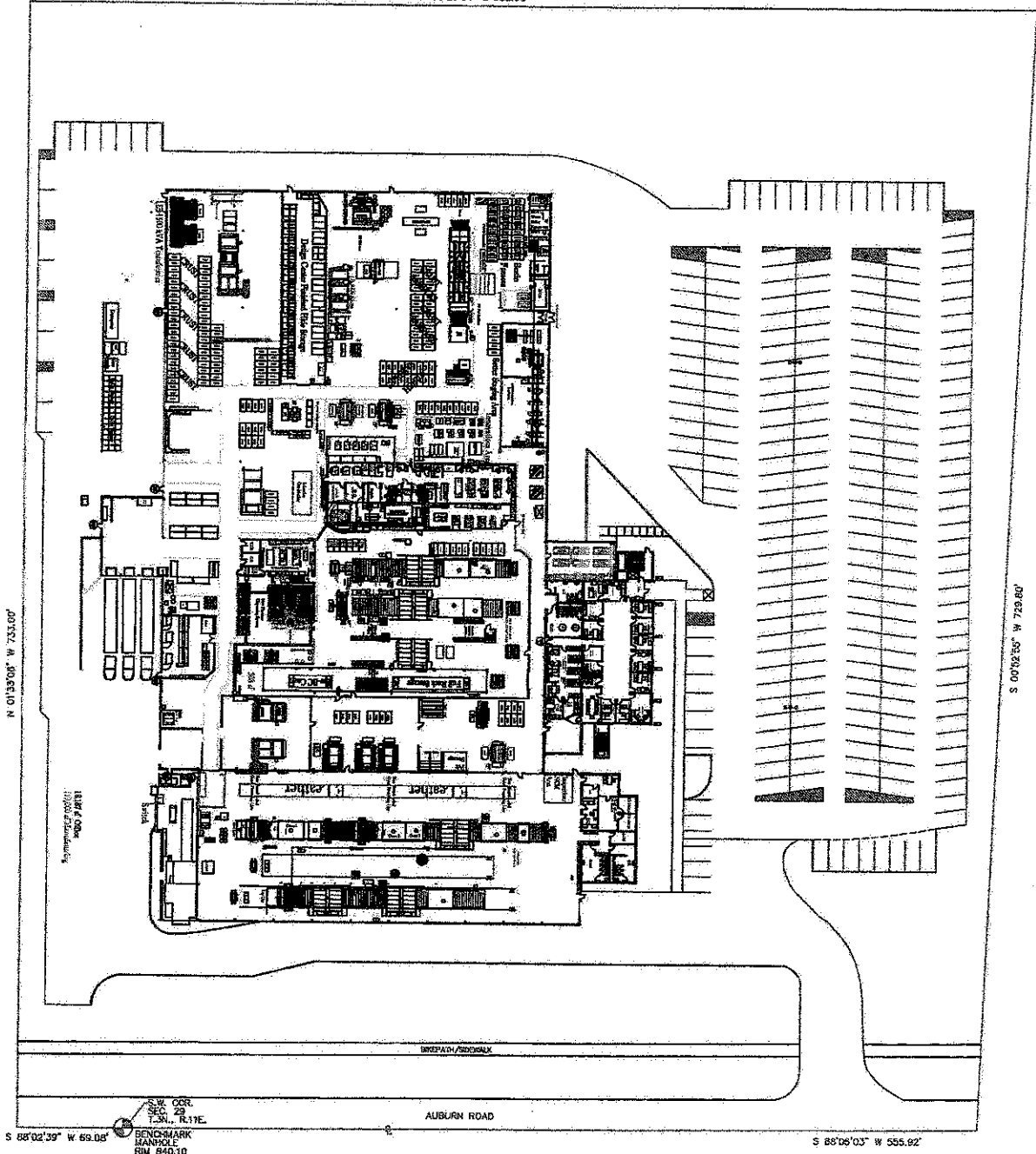
* Homeowner's Principal Residence Exemption

Sales Information

N/A



N 88°26'54" E 655.99'



S 88°02'39" W 69.08'

BENCHMARK
MANHOLE
RM 690.10

AUBURN ROAD

S 88°06'03" W 555.92'

S 00°52'53" W 729.80'

DATE: 08/11/11

PROJECT: Eagle Ottawa Rochester Hills

PROJECT: Master Site plan

EAGLE OTTAWA, LLC
Division of Albert Trostel & Sons
Engineering - 288 N. Rochester St., Grand Haven, Michigan 49427
Phone: (616) 842-4000 Fax: (616) 842-4571

DATE: 08/11/11

