

PRO-FORMA INFORMATION STANDARD MANUFACTURING

Real Estate

Building Type:	Industrial
Building Square Feet:	200,000
Construction?:	Yes Mfg/Warehouse
Acres for Construction:	12.0

Capital Investment

Machinery and Equipment:	\$6,240,000
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Monthly Utility Use

Electricity Demand/Usage:	75KW 30,000KWh
Water Usage:	3,000cf, 5/8 meter
Wastewater Usage:	3,000cf, 5/8 meter
Natural Gas Usage:	25,000 ccf

Work Force (full-time equivalents)

Assembler/Hand Worker	48
Machine Tool Operator	44
Manager	16
Machinist	16
Materials Handler	12
Production Supervisor	8
Sales Representative (non-scientific)	8
General Clerk	8

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Carpenter	8
Shipping Clerk	8
Quality Assurance Inspector	4
Machine/Maintenance Mechanic	4
Accounting Clerk	4
Secretary	4
Engineering Technician	4
Admin Assistant	4
Total Work Force:	200

ANNUAL OPERATING COSTS

Metro Area	Employee Payroll	Fringe and Mandated Benefits	Utilities	Building and Lease Payments	Property Tax	Total Operating Cost	Portland Index
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STANDARD MANUFACTURING HOURLY WAGE COMPARISON

ProForma	Klamath Job Title	Reno County	San Jose
Accounting Clerk	\$12.34	\$13.33	\$15.51
Admin Assistant	\$15.30	\$17.44	\$20.21
Assembler/Hand Worker	\$11.45	\$11.79	\$13.75
Carpenter	\$15.75	\$15.88	\$18.43
Engineering Technician	\$21.25	\$22.38	\$25.87
General Clerk	\$11.33	\$11.29	\$13.21
Machine Tool Operator	\$14.45	\$15.41	\$17.89
Machine/Maintenance Mechanic	\$15.93	\$17.22	\$19.96
Machinist	\$17.48	\$20.36	\$23.56
Manager	\$52.81	\$58.68	\$65.56
Materials Handler	\$12.53	\$12.34	\$14.38
Production Supervisor	\$23.66	\$25.14	\$28.97
Quality Assurance Inspector	\$21.10	\$22.83	\$26.38
Sales Representative (non-scientific)	\$22.97	\$24.26	\$28.01
Secretary	\$11.53	\$13.68	\$15.91
Shipping Clerk	\$11.30	\$13.09	\$15.24

Source: Economic Research Institute, Geographic Reference Report, 2004.

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STANDARD MANUFACTURING FRINGE AND MANDATED BENEFIT COSTS

Metro Area	Retirement and Savings Plans	Life and Health Insurance	Social Security	Worker's Compensation	Unemployment Insurance	Total Benefits
Klamath County	\$363,474	\$756,319	\$561,732	\$151,077	\$161,200	\$1,993,801
Reno	\$391,402	\$814,433	\$604,895	\$279,518	\$129,000	\$2,219,248
San Jose	\$450,115	\$936,604	\$695,633	\$477,396	\$47,600	\$2,607,348

Source: Bureau of Labor Statistics, "Employer Costs", 2003; Oregon Department of Consumer and Business Services, "Workers' Compensation Premium Rate Ranking", 2003; Research Institute of America, "All States Tax Handbook", 2004.

STANDARD MANUFACTURING LEASE, LAND, AND BUILDING COSTS

Metro Area	<u>Lease Information</u>		<u>Land && Building Construction Information</u>			
	Annual Sq. Ft. Lease Rate	Total Annual Lease Cost	Land Cost	Building Construction Cost	Total Land and Building Cost	Total Costs
Klamath County		\$0	\$43,560	\$11,054,420	\$11,577,140	\$11,577,140
Reno		\$0	\$155,074	\$10,500,100	\$12,360,983	\$12,360,983
San Jose		\$0	\$522,720	\$12,706,720	\$18,979,360	\$18,979,360

Source: SIOR, Comparative Statistics, 2003; Means Construction Index, 2004; Local Real Estate Contacts, 2004.

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STANDARD MANUFACTURING UTILITY COSTS

Metro Area	Electricity	Natural Gas	Water	Sewer	Annual Costs
Klamath County	\$22,800	\$171,300	\$536	\$1,440	\$196,076
Reno	\$33,360	\$251,400	\$832	\$866	\$286,458
San Jose	\$64,380	\$175,500	\$589	\$762	\$241,230

Source: Edison Electric Institute, "Typical Residential, Commercial and Industrial Bills", 2003; Energy Information Administration, "Natural Gas Monthly", 2003; Raftelis Financial Consulting, 2002; Various Municipal Utility providers, 2004.

STANDARD MANUFACTURING PROPERTY TAX COST

Metro Area	Tax Rate	Assessment Ratio	Effective Tax Rate	Taxable Property	Tax
Klamath County	1.19%	100.00%	1.19%	\$15,501,712	\$184,005
Reno	3.56%	35.00%	1.25%	\$16,128,787	\$200,942
San Jose	1.11%	100.00%	1.11%	\$21,423,488	\$237,801

Source: Various State Revenue Departments and Tax Commissions, 2004; Local Assessors, 2004.