

## University Enterprise Laboratories Closes \$24 Million Financing Package; Public-Private Partnership Creates Bioscience Incubator

ST. PAUL, Minn.--(BUSINESS WIRE)--Jan. 24, 2005--University Enterprise Laboratories (UEL) now has a permanent home at 1000 Westgate Drive in St. Paul thanks to the commitment of more than \$24 million from a group of public and private investors.

UEL has already raised \$9.125 million in charitable contributions from Minnesota corporations and organizations including Xcel Energy, 3M, Allina, the University of Minnesota, the University of Minnesota Foundation, Boston Scientific, Guidant, Ecolab, City of St. Paul, Medtronic, Surmodics, and Dorsey & Whitney.

The \$24.2 million financing package, which closed on Friday, January 21, 2005, includes:

-- \$5.3 million in New Markets Tax Credits from the Midwest Minnesota Community Development Corporation, and

-- a Letter of Credit from Wells Fargo Bank to facilitate a \$13.8 million taxable bond offering.

"The enthusiasm for this initiative is amazing," commented Peter T. Bianco, UEL's CEO.

"People have really pitched in to help, because they know the importance of robust bioscience companies to Minnesota's future."

"This is a win, win, win situation," said Bob Elde, Chair of the Board, UEL and Dean of the College of Biological Sciences, U of M, "UEL will meet the needs of entrepreneurial faculty and students, provide major corporations here in Minnesota a close look at the earliest stages of commercialization of new technologies, and provide the nucleus for job growth in rapidly emerging technology sectors."

University Enterprise Laboratories, a non-profit corporation, was launched in March of 2003 to meet the existing demand for space to develop and commercialize new technologies. Already, UEL is 40% leased and will announce an anchor tenant this week that will put it one-year ahead of schedule. Tenants include Cima Nanotech, Gel- Del Technologies, ANDX, StenTech, M.D. Biosciences, Innovative Surface Technologies, Silicon Informatics, MNBIO, Carlson Venture Enterprises, the Minnesota Research Fund, and the University of Minnesota Office of Business Development.

"UEL is the first step in developing St. Paul's Bioscience Zone," said St. Paul Mayor Randy Kelly. "I'm hoping it's the first step in the development of a full-blown research park to support the development of a large number of new companies in this burgeoning field of bioscience."

"Wells Fargo is pleased to provide New Markets Tax Credit equity, an innovative new financing tool, which enables the debt and equity investment financing for this important community project," said Jon Campbell, Wells Fargo Great Lakes president.

Wells Fargo's support for this project included a coordinated effort between Wells Fargo Minnesota, brokerage services, the Well Fargo Community Development Corporation and corporate trust. Financing was made possible in part through the involvement of a private, nonprofit economic development company in Detroit Lakes, Minn.

Midwest Minnesota Community Development Corporation (MMCDC) contributed \$17.5 million from its 2004 New Markets Tax Credits allocation from the U.S. Department of Treasury. The federal New Markets Tax Credits program provides private investors with incentive--in the form of income tax credits--to invest in projects that have significant impact. As the federal allocatee, MMCDC works with investors and borrowers in qualified communities, and monitors the transaction for compliance with federal regulations.

"New Markets Tax Credits is a useful new federal financing and community development tool, as evidenced by this project," said MMCDC President Arlen Kangas. "These tax credits generated an additional \$5.3 million of equity, which was critical to this transaction. MMCDC looks forward to funding additional development projects in the future, to the benefit of the state of Minnesota."

For more information about University Enterprise Laboratories call Peter T. Bianco at 651-209-4889.