

THE NEWPORT CORPORATION

Letter Of Introduction

The Board of Directors ("Board") is pleased that you have selected The Newport Corporation ("Newport") as your future residence and that your Offer to Purchase ("Offer") has been accepted.

As you no doubt know, the Newport's Board reviews this Offer and the Application for Membership ("Application") and requires three (3) personal reference letters, as well as a notarized or certified financial statement, similar to the sample attached to the Application. All information will be held in strict confidence.

Additionally, we look forward to a personal visit with you to give you an opportunity to meet members of the Board and discuss any concerns you may have. We hope you have reviewed the Newport's By-laws and House Rules and we will be happy to respond to your questions.

Before our meeting, we would like to take this opportunity to share a few facts, thoughts and experiences with you.

The Newport, as you are aware, is a cooperative, with all owners sharing the costs of operating the building, as well as real estate taxes and corporate financial borrowings. We, as members, own the Newport together with each ownership share based upon the percentage established for each individual cooperative unit. Monthly fees include real estate taxes, operating expenses, building insurance, debt service, and utilities. For current details on any outstanding line of credit and/or the reserve account, we suggest you contact our Property Manager, Lori Ferguson at (414) 326-3575.

The Newport has 81 cooperative units, which are large and luxurious, with magnificent views, and provides a considerable degree of service to its residents through a Maintenance Technician, a Property Manager, building cleaning, garage attendants, front lobby personnel and a nine-member Board. Prospect Management Company oversees all building financials and related matters, working closely with the Board who act primarily in an executive or directive capacity. The Newport is also a relatively high security residence. Please see the Newport 'Blue Book' for details. Additionally, historically and presently, no pets are allowed.

We offer some wonderful amenities i.e., an east terrace garden and rooftop deck area for personal enjoyment and entertaining, a rental suite for guests, laundry facilities on each floor, cable television, apartment checks when traveling and assistance on extra parking needs for guests, when available.

Over the past several years, serious attention has been given to improve upon past maintenance procedures and undertaking structural improvements i.e., roof deck enhancements, garage floor, driveway heating system, air handling units, energy efficient lighting, upgrades to the camera security system, scheduled renovation and redecorating of the public areas and hallways, etc. The largest project was the replacement of all the hot and cold water pipes in the entire building. There are a number of other matters to be addressed, with a list of preferences and priorities being prepared for longer-range planning and budgeting.

As you arrange for your move into the Newport, we ask that you work closely with our staff on timing, remodeling plans, names of contractors familiar with the building, etc.

We, too, as members of the Board, will provide whatever assistance possible. We look forward to talking with you personally and to your prospective residency at the Newport.