CITY OF FISHERS AGENDA

BOARD/COMMISSION: Redevelopment Commission Meeting
DATE: 7/31/2024, at 4:00 PM
DIRECTIONS: Fishers Municipal Center , 1 Municipal Drive , Fishers, IN 46038

In accordance with the Americans with Disabilities Act (ADA), the City of Fishers will, upon request, provide appropriate aid (i.e. interpreters) and/or assistance leading to effective participation for people with disabilities. Anyone who requires such assistance should email Kelly Lewark, Office Manager, no later than 48 hours before the scheduled event or call at (317) 595-3487.

Executive Session:
To conduct interviews and negotiations with industrial and commercial prospects or agents for industrial or commercial prospects under Indiana Code § 5-14-1.5-6.1(b)(4)

1. **Executive Session**
    a. To conduct interviews and negotiations with industrial or commercial prospects or agents of industrial or commercial prospects under Indiana Code § 5-14-1.5-6.1(b)(4)
2. **Call to Order**
3. **Confirmation of Quorum and Proper Notice of Meeting**
4. **Approval of Previous Minutes**
    a. 7-9-24
5. **Consent Agenda**
    a. Claim Docket 7-31-24
6. **Public Hearings**

7. **New Business**

   a. **Lease To Own Agreement (Resolution, Agreement & 2 appraisals)**

   b. **INCOG EDA (Resolution and Agreement)**

8. **Meeting Adjournment**

CITY OF FISHERS REDEVELOPMENT COMMISSION (FRC) MEETING MINUTES
July 9, 2024

EXECUTIVE SESSION – Executive Session was not held.
REGULAR MEETING:
Mr. Johnson called the Regular meeting to order at 4:00 p.m. A quorum and proper notice of the meeting were confirmed.
FRC members present: Damon Grothe, Brad Johnson, Dan Canan, Dawn Lang, Anderson Schoenrock. Tony Bonacuse was not present.
Others present: Megan Baumgartner, Lawrence Summers, Jennifer Messer, Jordan Willy, Lisa Bradford, Larry Lannan, Corby Thompson, Joe and Sam Zinkan
Meeting Minutes: Damon Grothe made a motion to approve the minutes of the June 3, 2024 meeting, seconded by Anderson Schoenrock. Motion approved, 4-0.
Approval of Claims: Dan Canan made a motion to approve the July 9, 2024 claims, seconded by Anderson Schoenrock. Motion approved, 4-0.

<u>Resolution FRC 01R070924 – Maple Del PSA</u>
Jennifer Messer presented the history of the Maple Del projects and introduced Corby Thompson and Joe and Sam Zinkan, the developers of the current project. Corby gave an overview of neighborhood meetings, and the single family and townhome development. There have been no negative comments from neighbors and permits should be pulled in summer of 2025.
Mr. Johnson asked for a Motion. Mr. Schoenrock made a Motion to approve, seconded by Mr. Grothe. The Motion was approved, 4-0.

<u>Resolution FRC 02R070924 – Amp West Amendment</u>
Jordan Willy presented the Amp West Amendment which mainly addresses pond work and Right of Way issues. The Amendment has already been signed by the THBC in their July 8, 2024 meeting.
Mr. Johnson asked for a Motion. Mr. Schoenrock made a motion to approve, seconded by Mr. Grothe. The Motion was approved, 4-0.
made a Motion to approve, seconded by Mr. Schoenrock. The Motion was approved, 5-0.

Old Business: none
New Business: the next RDC meeting is TBD.
The meeting adjourned at 4:15 p.m.

Fishers Redevelopment Commission
Claim Docket 7/31/24

Voucher #/ (APV#)	Inv. Date	Vendor	Description		Amount

Total **$0.00**

7/31/2024
President, Redevelopment Commission Date

7/31/2024
Secretary, Redevelopment Commission Date

7/31/2024
Lisa Bradford, City Controller Date

Fishers Redevelopment Commission
Consent Agenda Claims 7/31/24

CVK LLC	Meyer Najem 8/24 Rent	$	36,719.15
UrbanEco Properties	IoT 8/24 Rent	$	14,634.86
Visionary Cove LLC	Launch 8/24 Rent	$	60,372.00
Regions Bank	2017A1 Annual Fees	$	750.00
Regions Bank	2017C Annual Fees	$	750.00
		$	**113,226.01**

RESOLUTION APPROVING LEASE TO OWN AGREEMENT

WHEREAS, for the last decade, the City of Fishers Redevelopment Commission (the "Commission") has worked with developers to redevelop areas within the City's downtown Nickel Plate District (the "NPD");

WHEREAS, to that end, in 2022, the City of Fishers ("City"), the Commission and the Fishers Town Hall Building Corporation approved a Project Agreement for a mixed-used development (the "Project Agreement") on property generally known as 8603 E. 116th Street and identified by property identification nos. 15-14-01-02-01-003.000 and 15-14-01-02-01-002.000 (jointly, the "Property");

WHEREAS, since approval of the Project Agreement, the developer has advised the City that it will not proceed with the planned project on the Property;

WHEREAS, the Commission now desires to acquire the Property so that it may be developed consistent with and complementary to other developments in the NPD;

WHEREAS, the Commission has negotiated the Lease to Own Agreement attached hereto and incorporated herein as **Exhibit A** (the "Agreement") that provides for the City leasing the Property for three (3) years on a gross basis (except for real estate taxes and insurance premiums) with all Annual Installments of regular rent applying to the purchase price of the Property;

WHEREAS, the Commission has obtained and reviewed two (2) appraisals of the (a) market rental rate, and (b) fee simple market value, of the Property; and

WHEREAS, capitalized terms used but not defined herein are used the meaning ascribed to such terms in the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the City of Fishers Redevelopment Commission meeting in regular session as follows:

Section 1. The Commission hereby approves an agreement substantially similar to Agreement.

Section 2. The President and Secretary of the Commission are hereby authorized to execute an agreement substantially similar to the Agreement.

Section 3. This Resolution shall be in full force and effect upon passage.

ALL OF WHICH IS RESOLVED by the City of Fishers Redevelopment Commission, Hamilton County, Indiana this _____ day of July, 2024.

REDEVELOPMENT COMMISSION OF THE CITY OF FISHERS,
HAMILTON COUNTY, INDIANA

YAY		NAY
	Tony Bonacuse	
	Dan Canan	
	Damon Grothe	
	Brad Johnson	
	Anderson Schoenrock	

This instrument prepared by: Lindsey Bennett, City Attorney, City of Fishers, Hamilton County, Indiana, One Municipal Drive, Fishers, Indiana, 46038.

EXHIBIT A
Lease To Own Agreement
(*separately provided*)

LEASE TO OWN AGREEMENT

This LEASE TO OWN AGREEMENT (this "Agreement") is executed this _____ day of __________________ , 2024 ("Effective Date"), by and between Pledge Realty Corp., an Indiana Corporation ("Landlord-Seller"), and the City of Fishers Redevelopment Commission, a commission of the City of Fishers authorized and existing pursuant to Ind. Code §36-7-14 *et. seq*. ("Tenant-Buyer") as follows:

ARTICLE 1. BASIC PROVISIONS AND DEFINITIONS

Section 1.01. Definitions.

Address for notices and payments are as follows:

Landlord-Seller:	Pledge Realty Corp. 8945 N. Meridian Street, Suite 115 Indianapolis, IN 46260
Tenant-Buyer:	City of Fishers Redevelopment Commission c/o Economic Development Director One Municipal Drive Fishers, IN 46038

Additional Rent: Charges specifically provided for herein above and beyond the Annual Installments, including, without limitation, for amounts accrued and owing after the Commencement Date, (a) Tenant-Buyer's Pro Rata Share of Real Estate Taxes (not including any outstanding amounts accruing prior to the Commencement Date), and (b) Tenant-Buyer's Pro Rata Share of Insurance Premiums.

Annual Installments: $300,000.00.

Brokers: None.

Closing or to Close: Landlord-Seller's transfer and conveyance of the Property, subject only to the Permitted Exceptions, to Tenant-Buyer on the Closing Date.

Closing Date: By or before 15 days of (a) conclusion of the Lease Term, or (b) Early Termination.

Commencement Date: on or before thirty (30) days from the Effective Date.

Common Areas: areas of the Property, parking areas and the underlying land and improvements thereto that are designed for use in common by tenants of the Property and their respective employees, agents, customers, invitees and others.

Due Diligence Period: beginning on the Effective Date and continuing for 30 consecutive days thereafter.

Early Termination: Tenant-Buyer's right to terminate the Lease Term and move to Closing by delivering written notice and payment to Landlord-Seller of the sum of $4,000,000.00 (the "Termination Payment") to the Landlord-Seller.

Emergency Repairs: shall have the meaning ascribed to such term in Section 1.02.

Laws: applicable laws, statutes, and/or ordinances, building codes, and any applicable governmental or judicial rules, regulations, guidelines, judgments, orders, and/or decrees, including without limitation the City's Unified Development Ordinance, the Nickel Plate Code and all applicable environmental laws.

Lease Term: thirty-six (36) months beginning on the Commencement Date and continuing for 36 months thereafter, subject to Early Termination.

Leased Premises: beginning on the Commencement Date and continuing throughout the remainder of the Lease Term, the Property (which Property shall include the underlying parcels of real property (parcel nos. 15-14-01-02-01-003.000 and 15-14-01-02-01-002.000 (jointly, the "Parcels") and all Improvements thereon, including, without limitation, the parking areas).

Permitted Use: any lawful use as determined by Tenant-Buyer.

Property: (a) the Parcels, (b) improvements, machinery, equipment, apparatus, personal property and fixtures located thereon, attached thereto or used in connection therewith (the "**Improvements**"), and (c) rights, interests, privileges and easements appurtenant or appertaining thereto.

Property Owner: Pledge Realty Corp.

Pro-Rata Share: 100%.

Purchase Price: $7,250,000.00 minus (i) the aggregate of all Annual Installments paid by Tenant-Buyer (but specifically excluding Additional Rent); and (ii) the Termination Payment, if paid by Tenant-Buyer.

Real Estate Taxes: As used in this Lease, the term "Real Estate Taxes" shall mean and include all real property taxes and related assessments (like stormwater) that Landlord-Seller is obligated to pay with respect to the Property.

Security Deposit: None.

Title Company: First American Title Insurance Company, Gina Longere, Senior Commercial Escrow Officer.

Section 1.02. Lease of Premises. Landlord-Seller hereby leases to Tenant-Buyer and Tenant-Buyer hereby leases from Landlord-Seller the Leased Premises together with the Common Areas, under the terms and conditions herein. Notwithstanding anything to the contrary contained herein, Tenant-Buyer shall have access to the Leased Premises twenty-four (24) hours a day, seven (7) days a week, and Landlord-Seller shall not have the right to make any changes to the Property without the written consent of Tenant-Buyer; provided, however, Landlord-Seller shall be entitled to (a) inspect the property upon twenty-four (24) hours written notice to Tenant Buyer (via email only to Megan Baumgartner at baumgartnerm@fishers.in.us and Jennifer Messer at jennifercmesserlaw@gmail.com), and (b) make emergency repairs if required to bring the Property into compliance with the Laws (the "Emergency Repairs"). Tenant-Buyer shall be responsible for the actual cost incurred for Emergency Repairs.

Section 1.03. Condition. Landlord-Seller shall deliver the Leased Premises to Tenant-Buyer in "as is where is" condition on said date. Tenant-Buyer agrees that Landlord has made no representations as to conformance with applicable laws respecting the condition of the Premises or the presence or absence of Hazardous Substances (hereinafter defined) in, at, under or abutting the Leased Premises or the environment. Tenant-Buyer understands and acknowledges that a portion of the roof may contain asbestos tiles and that Landlord-Seller shall have no obligation to remove or remediate such asbestos tiles or any other Hazardous Substances.

Section 1.04. Compliance. Landlord-Seller warrants that as of the Commencement Date, to the best of its actual knowledge, the improvements on the Leased Premises comply with the Laws.

ARTICLE 2 – LEASE TERM AND POSSESSION

The Lease Term shall commence as of the Commencement Date, and unless earlier terminated pursuant to the terms of this Agreement, terminate thirty-six (36) consecutive months thereafter, at which time Landlord-Seller and Tenant-Buyer shall proceed to Closing.

ARTICLE 3 – RENT

Section 3.01. Annual Installments. Tenant-Buyer shall pay to Landlord-Seller the Annual Installments beginning on the Commencement Date and on or before the same date during each consecutive year during the Lease Term (for example if the Commencement Date is October 5, 2024, the Annual Installments shall be due on the October 5, 2025 and October 5, 2026 during the Lease Term).

Section 3.02. Additional Rent. On or before the date on which real property taxes are owed in Indiana (currently, November 1st and May 1st) of each year of the Lease Term, Tenant-Buyer shall pay its Pro Rata Share of Real Estate Taxes to the Hamilton County to the Hamilton County Treasurer. Additionally, Landlord-Seller may, after paying the annual premium for insurance on the Property, invoice Tenant-Buyer for its Pro Rata Share of such annual premium, which invoice shall be paid by Tenant-Buyer within thirty (30) days of receipt thereof. For any partial year during the Lease Term, the amount owed by Tenant-Buyer pursuant to this Section 3.02 shall additionally be prorated based the number of days remaining in such calendar year. Landlord-Seller shall be liable for any Real Estate taxes or insurance premiums not owed by Tenant-Buyer pursuant to this Section 3.02.

ARTICLE 4 - OCCUPANCY AND USE

Section 4.01. Use. Tenant-Buyer shall use the Leased Premises for purposes permitted pursuant to the Laws.

Section 4.02. Covenants of Tenant-Buyer Regarding Use.

(a) Tenant-Buyer shall (i) use the Leased Premises and conduct its business thereon in a safe, careful, reputable and lawful manner, (ii) comply with all covenants that encumber the Property and all Laws now in force or which may hereafter be in force, including, without limitation, those which shall impose upon Landlord-Seller or Tenant-Buyer any duty with respect to or triggered by a change in the use or occupation of, or any improvement or alteration to, the Leased Premises, and (iii) comply with and obey all reasonable directions, rules and regulations of Landlord-Seller as promulgated from time to time.

(b) Tenant-Buyer shall not do or permit anything to be done in or about the Leased Premises that will in any way cause a nuisance, obstruct or interfere with the rights of other tenants or occupants of the Property or injure them. Landlord-Seller shall not be responsible to Tenant-Buyer for the non-performance by any other tenants or occupant of the Property of any of Landlord-Seller's directions, rules and regulations, but agrees that any enforcement thereof shall be done uniformly. Tenant-Buyer shall not use the Leased Premises, nor allow the Leased Premises to be used, for any purpose or in any manner that would (i) invalidate any policy of insurance now or hereafter carried by Landlord-Seller on the Property, or (ii) increase the rate of premiums payable on any such insurance policy unless Tenant-Buyer reimburses Landlord-Seller for any increase in premium charged.

Section 4.03. Tenant-Buyer's Exclusive Maintenance and Repair Obligations. Tenant-Buyer shall be solely and exclusively responsible for ensuring that the Property is maintained in a manner that complies with the Laws. Landlord-Seller shall have no right or obligation to maintain or repair the Property except for the right to make Emergency Repairs pursuant to Section 1.02.

ARTICLE 5 - UTILITIES AND OTHER PROPERTY SERVICES

Tenant-Buyer shall be exclusively liable for obtaining and paying the costs of all utilities serving the Property.

ARTICLE 6 - ALTERATIONS

Neither Landlord-Seller nor Tenant-Buyer shall be permitted to make alterations in or to the Leased Premises unless and until the other party has approved the plans therefor in writing. Tenant-Buyer may, however, make non-structural alterations to the interior of the Leased Premises (excluding the roof) without such consent of the Landlord-Seller but upon notice to the Landlord-Seller, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems. If any lien is filed against the Leased Premises for work claimed to have been done for or material claimed to have been furnished to Tenant-Buyer, Tenant-Buyer shall cause such lien to be discharged of record within thirty (30) days after filing. Tenant-Buyer shall indemnify Landlord-Seller from all costs, losses, expenses and attorneys' fees in connection with any construction or alteration for work performed by or on behalf of Tenant-Buyer (except with respect to any such costs, losses, expenses or attorneys' fees result from the acts or omissions of Landlord-Seller or any affiliate of Landlord-Seller). Prior to commencing any alterations performed by any contractor Tenant-Buyer shall: (a) obtain all permits, licenses, and approvals required for Tenant-Buyer to perform such work; (b) cause any such work to be performed in a good and workmanlike manner and in compliance with all applicable Laws; (c) ensure that all contractors, subcontractors, laborers, and suppliers performing work or supplying materials are paid in full; and (d) during the performance of Tenant-Buyer's work, observe and perform all of its obligations under this Agreement.

ARTICLE 7 - INDEMNITY AND INSURANCE

Section 7.01. Release. All of Tenant-Buyer's trade fixtures, merchandise, inventory, special fire protection equipment, telecommunication and computer equipment, supplemental air conditioning equipment, kitchen equipment and all other personal property in or about the Leased Premises, the Property or the Common Areas, which is deemed to include the trade fixtures, merchandise, inventory and personal property of others located in or about the Leased Premises or Common Areas at the invitation, direction or acquiescence (express or implied) of Tenant-Buyer (all of which property shall be referred to herein, collectively, as "Tenant-Buyer's Property"), shall be and remain at Tenant-Buyer's sole risk. Except to the extent caused by the willful misconduct of Landlord-Seller, its agents or contractors, Landlord-Seller shall not be liable to Tenant-Buyer or to any other person for, and Tenant-Buyer hereby releases Landlord-Seller from (a) any and all liability for theft or damage to Tenant-Buyer's Property, and (b) any and all liability for any injury to Tenant-Buyer or its employees, agents, contractors, guests and invitees in or about the Leased Premises, the Property or the Common Areas. Nothing contained in this Section 7.01 shall limit (or be deemed to limit) the waivers contained in Section 7.05 below. In the event of any conflict between the provisions of Section 7.05 below and this Section 7.01, the provisions of Section 7.05 shall prevail. This Section 7.01 shall survive the expiration or earlier termination of this Agreement.

Section 7.02. Indemnification by Tenant-Buyer. Except for the willful misconduct of Landlord-Seller, its agents, employees or contractors, Tenant-Buyer shall protect, defend, indemnify and hold Landlord-Seller, its agents, employees and contractors harmless from and against any and all claims, damages, demands, penalties, costs, liabilities, losses, and expenses (including reasonable attorneys' fees and expenses at the trial and appellate levels) to the extent (a) arising out of or relating to the use and/or occupancy of Tenant-Buyer or Tenant-Buyer's agents, employees, contractors, customers, tenants or invitees in or about the Leased Premises or the Common Areas, or (b) arising out of or relating to any of Tenant-Buyer's Property. Nothing contained in this Section 7.02 shall limit (or be deemed to limit) the waivers contained in Section 7.05 below. In the event of any conflict between the provisions of Section 7.05 below and this Section 7.02, the provisions of Section 7.05 shall prevail. This Section 7.02 shall survive the expiration or earlier termination of this Agreement. Notwithstanding the foregoing or anything to the contrary contained herein, Landlord-Seller hereby acknowledges and agrees that Tenant-Buyer's liability for certain claims is limited by the Indiana Tort Claims Act, and Tenant-Buyer's obligation to indemnify and save

Landlord-Seller, its agents, and employees harmless from and against any and all claims, damages, demands, penalties, costs, liabilities, losses, and expenses (including reasonable attorneys' fees and expenses at the trial and appellate levels) arising out of or related to claims subject to the Indiana Tort Claims Act shall be limited to the amount of damages available pursuant to Ind. Code § 34-13-3-4, as amended.

Section 7.03. Tenant-Buyer's Insurance.

(a) During the Lease Term (and any period of early entry or occupancy or holding over by Tenant-Buyer, if applicable), Tenant-Buyer shall maintain the following types of insurance, in the amounts specified below:

(i) Liability Insurance. Commercial General Liability Insurance (which insurance shall not exclude blanket, contractual liability, broad form property damage, personal injury, or fire damage coverage) covering the Leased Premises and Tenant-Buyer's use thereof against claims for bodily injury or death and property damage, which insurance shall provide coverage on an occurrence basis with a per occurrence limit of not less than $2,000,000, for each policy year, which limit may be satisfied by any combination of primary and excess or umbrella per occurrence policies.

(ii) Property Insurance. Special Form Insurance (which insurance shall not exclude flood or earthquake) in the amount of the full replacement cost of Tenant-Buyer's Property and betterments (including alterations or additions performed by Tenant-Buyer pursuant hereto), which insurance shall include an agreed amount endorsement waiving coinsurance limitations.

(iii) Worker's Compensation Insurance. Worker's Compensation insurance in amounts required by applicable law.

(b) All insurance required to be carried by Tenant-Buyer hereunder shall (i) be issued by one or more insurance companies reasonably acceptable to Landlord-Seller, licensed to do business in the State in which the Leased Premises is located and having an AM Best's rating of [A IX] or better, and (ii) provide that said insurance shall not be materially changed, canceled or permitted to lapse on less than thirty (30) days' prior written notice to Landlord-Seller (to the extent such coverage is available). In addition, Tenant-Buyer's insurance shall protect Tenant-Buyer and Landlord-Seller as their interests may appear, naming Landlord-Seller as additional insureds under its commercial general liability policies. On or before the Commencement Date (or the date of any earlier entry or occupancy by Tenant-Buyer), and thereafter, within thirty (30) days prior to the expiration of each such policy, Tenant-Buyer shall furnish Landlord-Seller with certificates of insurance in the form of ACORD 25 or ACORD 25-S (or other evidence of insurance reasonably acceptable to Landlord-Seller), evidencing all required coverages, together with a copy of the endorsements to Tenant-Buyer’s commercial general liability policy evidencing primary and non-contributory coverage offered to the appropriate additional insureds. Upon Tenant-Buyer's receipt of a request from Landlord-Seller, Tenant-Buyer shall provide Landlord-Seller with copies of all insurance policies, including all endorsements, evidencing the coverages required hereunder.

Section 7.04. Landlord-Seller’s Insurance. During the Lease Term, Landlord-Seller shall maintain the following types of insurance, in the amounts specified below:

(a) Liability Insurance. Commercial General Liability Insurance (which insurance shall not exclude blanket, contractual liability, broad form property damage, personal injury, or fire damage coverage) covering the Common Areas against claims for bodily injury or death and property damage, which insurance shall provide coverage on an occurrence basis with a per occurrence limit of not less than $1,000,000, with a general aggregate of $2 million, for each policy year, which limit may be satisfied by any combination of primary and excess or umbrella per occurrence policies.

(b) Property Insurance. Special Form Insurance (which insurance shall not include flood or earthquake) in the amount of the functional replacement cost of the Property, including, without limitation, any improvements, if any, made pursuant to Section 2.02 above, but excluding Tenant-Buyer's Property and any other items required to be insured by Tenant-Buyer pursuant to Section 7.04 above).

Section 7.05. Waiver of Subrogation. Notwithstanding anything contained in this Agreement to the contrary, Landlord-Seller and Tenant-Buyer hereby waive any rights each may have against the other on account of any loss of or damage to their respective property, the Leased Premises, its contents, or other portions of the Property or Common Areas arising from any casualty or other event, including any risk which is required to be insured against by Sections 7.03(a)(ii) and 7.04(b) above or which is covered by any other insurance such party may carry. The effect of any such waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The special form coverage insurance policies maintained by Landlord-Seller and Tenant-Buyer as provided in this Agreement shall include an endorsement containing an express waiver of any rights of subrogation by the insurance company against Landlord-Seller and Tenant-Buyer, as applicable.

ARTICLE 8 - ASSIGNMENT AND SUBLEASE

Tenant-Buyer shall not be entitled to sublease or license the Property without Landlord-Seller's written consent. Landlord-Seller hereby consents to Tenant-Buyer assigning to any third party any provision of this Agreement concerning or related to Tenant-Buyer's right and obligation to purchase the Property. In the event of any assignment of this Agreement, Tenant-Buyer shall remain liable hereunder and shall cause such assignee abide by the terms of this Agreement.

ARTICLE 9 - DEFAULT AND REMEDY

Section 9.01. Default. The occurrence of any of the following shall be a "Default":

(a) Tenant-Buyer fails to pay any Annual Installments within ten (10) business days after due. Notwithstanding subsection (b) below, the failure to pay any Annual Installment or any payment of Additional Rent shall not be subject to the opportunity to cure.

(b) Tenant-Buyer fails to perform or observe any other term, condition, covenant or obligation required under this Agreement for a period of thirty (30) days after written notice thereof from Landlord-Seller; provided, however that such failure shall not be a Default if such failure is not reasonably curable within said 30-day period, so long as Tenant-Buyer commences to cure such failure with said 30 day period, diligently and in good faith prosecutes such cure to completion and completes such cure within one hundred twenty (120) days after receipt of said notice.

(c) All or substantially all of Tenant-Buyer's assets in the Leased Premises or Tenant-Buyer's interest in this Agreement are attached or levied under execution (and Tenant-Buyer does not discharge the same within thirty (30) days after the date of such attachment or levy); a petition in bankruptcy, insolvency or for reorganization or arrangement is filed by or against Tenant-Buyer (and Tenant-Buyer fails to secure a stay or discharge thereof within thirty (30) days after its filing); Tenant-Buyer is insolvent and unable to pay its debts as they become due; Tenant-Buyer makes a general assignment for the benefit of creditors; Tenant-Buyer takes the benefit of any insolvency action or law; the appointment of a receiver or trustee in bankruptcy for Tenant-Buyer or its assets if such receivership has not been vacated or set aside within thirty (30) days after said appointment; or, dissolution or other termination of Tenant-Buyer's corporate charter if Tenant-Buyer is a corporation.

In addition to the defaults described above, the parties agree that if Tenant-Buyer receives written notice of a violation of the performance of any (but not necessarily the same) term or condition of this Agreement three (3) or more times during any twelve (12) month period, regardless of whether such violations are ultimately cured, then such conduct shall, at Landlord-Seller's option, represent a separate Default.

(d) Tenant-Buyer fails to purchase the Property on the Closing Date for the Purchase Price.

Section 9.02. Remedies. Upon the occurrence of any Default, it is covenanted and agreed that if Tenant-Buyer neglects or fails to perform or observe any material covenants, terms, provisions or conditions contained herein within thirty (30) days after written notice of default, or such additional time as is reasonably required to correct any such default (except for payment of Rent or other charges), Landlord-Seller shall have the following rights and remedies, in addition to those stated elsewhere in this Agreement and those allowed by law or in equity, any one or more of which may be exercised without further notice to Tenant-Buyer:

(a) Landlord-Seller may re-enter the Leased Premises and cure any Default of Tenant-Buyer, and Tenant-Buyer shall reimburse Landlord-Seller for any costs and expenses that Landlord-Seller thereby incurs; and Landlord-Seller shall not be liable to Tenant-Buyer for any loss or damage which Tenant-Buyer may sustain by reason of Landlord-Seller's action.

(b) Landlord-Seller may provide written notice to Tenant-Buyer and terminate this Agreement and Tenant-Buyer's right to possession of the Leased Premises, and thereafter, neither Tenant-Buyer nor any person claiming under or through Tenant-Buyer shall be entitled to possession of the Leased Premises, and Tenant-Buyer shall immediately surrender the Leased Premises to Landlord-Seller, and Landlord-Seller may re-enter the Leased Premises and dispossess Tenant-Buyer and any other occupants of the Leased Premises by any lawful means and may remove their effects, without prejudice to any other remedy that Landlord-Seller may have. Upon termination of this Agreement, pursuant to this subsection (b), Landlord-Seller shall be entitled to (i) retain all Annual Installments paid without liability.

Section 9.03. Landlord-Seller's Default and Tenant-Buyer's Remedies. If Landlord-Seller is in default under any of its obligations under this Agreement and such default continues for more than thirty (30) days after written notice from Tenant-Buyer to Landlord-Seller, Tenant-Buyer may pursue all remedies at law or in equity; provided, however, in the event of any default for which notice has been given as provided herein, which because of its nature can be cured (but not within such thirty (30)-day period, other than the failure to pay a sum of money which shall in all events be cured within such 30-day period), such default shall be deemed remedied if the correction thereof shall have been commenced within said thirty (30)-day period and shall, when commenced, be diligently prosecuted to completion. In the event that Landlord-Seller fails to cure a default within thirty (30) days after receipt of notice from Tenant-Buyer, or if having commenced said cure Landlord-Seller does not diligently prosecute to completion, then Tenant-Buyer may elect to cure such default at Tenant-Buyer's expense and offset from Rent the actual and reasonable cost to perform such cure. Tenant-Buyer shall document the cost of said cure and supply said documentation to Landlord-Seller. In no event, however, shall Landlord-Seller be liable to Tenant-Buyer for any punitive or consequential damages. **For the avoidance of doubt, Landlord-Seller and Tenant-Buyer specifically acknowledge and agree that Tenant-Buyer shall be entitled to specific performance for any failure of Landlord-Seller to Close on the Property.**

Section 9.04. Nonwaiver of Defaults. Neither party's failure or delay in exercising any of its rights or remedies or other provisions of this Agreement shall constitute a waiver thereof or affect its right thereafter to exercise or enforce such right or remedy or other provision. No waiver of any default shall be deemed to be a waiver of any other default. Landlord-Seller's receipt of less than the full rent due shall not be construed to be other than a payment on account of rent then due, nor shall any statement on Tenant-Buyer's check or any letter accompanying Tenant-Buyer's check be deemed an accord and satisfaction. No act or omission by Landlord-Seller or its employees or agents during the Lease Term shall be deemed an acceptance of a surrender of the Leased Premises, and no agreement to accept such a surrender shall be valid unless in writing and signed by Landlord-Seller.

Section 9.05. Attorneys' Fees. If either party defaults in the performance or observance of any of the terms, conditions, covenants or obligations contained in this Agreement and the non-defaulting party obtains a judgment against the defaulting party, then the defaulting party agrees to reimburse the non-defaulting party for reasonable attorneys' fees actually incurred and documented in connection therewith.

ARTICLE 10 – PROPERTY PURCHASE AND CLOSING

Section 10.01. Landlord-Seller Documents. Within five (5) business days of the Effective Date, Landlord-Seller shall provide to Tenant Buyer all documents in possession or reasonably within the possession of Landlord-Seller concerning the Property, including but not limited to any (a) surveys, (b) environmental assessments including Phase I and II reports; (c) title commitments and/or policies; (d) leases and/or (e) other documents that will assist Tenant-Buyer in satisfy its obligations pursuant to Article 11. Notwithstanding the foregoing, Tenant-Buyer acknowledges that Landlord-Seller has already provided all such documents in its possession.

Section 10.02. Purchase of the Property. On the Closing Date, Landlord-Seller shall transfer and convey the Property to Tenant-Buyer for the Purchase Price.

Section 10.03. Deliveries.

(a) Landlord-Seller Deliveries. At Closing, Landlord-Seller shall deliver to Tenant-Buyer or its assignee or designee: (i) a duly executed Limited Warranty Deed (the "Deed") conveying insurable fee simple title to the Property free of any and all liens, encumbrances, easements, restrictions, covenants or other title defects, except the Permitted Encumbrances (as defined in Section 11(b) below); (ii) a fully executed vendor's affidavit sufficient to remove all standard title exceptions and in form and substance acceptable to the Title Insurer and Tenant-Buyer; (iii) a duly executed non-foreign affidavit in form and substance satisfactory to Tenant-Buyer and the Title Insurer; (iv) a duly executed Indiana Sales Disclosure Form in the form required by Indiana law; and (v) any and all other documents contemplated by this Agreement or required by the Laws to consummate the sale of the Property.

(b) Tenant-Buyer Deliveries. At Closing, Tenant-Buyer shall deliver to Landlord-Seller: (a) a duly executed Indiana Sales Disclosure Form in the form required by Indiana law; (b) the Purchase Price; and (c) any and all other documents contemplated by this Agreement or required by the Laws to consummate the sale of the Property.

Section 10.04. Date of Possession. Possession of the Property shall be delivered on the Closing Date, and shall be delivered, subject to this Agreement, free and clear of all rights and claims of any other party to the possession, use or control of the Property. TENANT-BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, IT IS PURCHASING AND ACQUIRING THE PROPERTY IN AN "AS IS AND "WHERE IS" CONDITION, AND WITHOUT EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE WHATSOEVER, SPECIFICALLY INCLUDING, BUT NOT LIMITED TO, EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY, MERCHANTABILITY AND/OR TITLE.

Section 10.05. Taxes and Assessments. (a) Tenant-Buyer assumes and agrees to pay (i) all assessments for improvements becoming a lien after the Closing Date; and (ii) its pro rata portion of the real estate taxes assessed for and becoming a lien during the calendar year in which closing occurs (based upon the number of days remaining in such calendar year after the Closing Date), and (b) Landlord-Seller shall pay (i) all assessments for improvements not assumed by Tenant-Buyer; (ii) both installments of real estate taxes payable during the calendar year in which closing occurs; (iii) its pro rata portion of the real estate taxes assessed for and becoming a lien during the calendar year in which closing occurs (based upon the number of days in such calendar year prior to and including the Closing Date); and (iv) all delinquent real estate taxes and assessments (and penalties and interest thereon, if any). The present tax rate and assessed values shall be used for the purposes of the prorations under this Section if the applicable tax rate and assessed values have not been set. Any taxes or assessments (and penalties and interest thereon, if any) which are either (y) not assumed by Tenant-Buyer and which are not due and payable at the time of closing; or (z) delinquent at time of Closing, shall be allowed to Tenant-Buyer as a credit against the Purchase

Price at closing.

ARTICLE 11 - CONDITIONS OF PERFORMANCE.

Tenant-Buyer's obligations under this Agreement are subject to the timely and complete satisfaction of each of the following conditions, unless waived in writing by Tenant-Buyer:

(a) *Survey.* On or before the expiration of the Due Diligence Period, Tenant-Buyer shall have obtained, at Tenant-Buyer's sole cost and expense, a survey of the Property conforming to the Minimum Standard Detail Requirements for an ALTA/NSPS Land Title Survey (the "**Survey**"). The Survey shall: be certified as of a current date to Tenant-Buyer by an Indiana registered land surveyor of Tenant-Buyer's choice; state whether any portion of the Real Estate is located in a flood plain or flood way; show no matters that would adversely affect Tenant-Buyer's intended use or development of the Real Estate; and be in all other respects satisfactory to Tenant-Buyer. The Survey shall establish the precise legal description of the Land and certify the gross acreage of the Land to within a thousandth of an acre.

(b) *Title Insurance.* On or before the expiration of the Due Diligence Period, Tenant-Buyer shall obtain, at Landlord-Seller's sole cost and expense, a current title insurance commitment for the Real Estate issued by the Title Insurer, in which commitment the Title Insurer shall agree to insure for the full amount of the Purchase Price insurable fee simple title to the Real Estate; and issue such endorsements as Tenant-Buyer may reasonably request, at Tenant-Buyer's sole cost and expense (the "**Title Commitment**"). Tenant-Buyer may, on or before the expiration of the Due Diligence Period, notify Landlord-Seller of any physical or other defects disclosed in the Title Commitment or the Survey that Tenant-Buyer deems unacceptable (the "**Tenant-Buyer's Objections**"). Landlord-Seller shall have ten (10) days after receipt of Tenant-Buyer's notice to elect whether to cure or remove (or agree to cure prior to Closing) any of Tenant-Buyer's Objections. If Landlord-Seller does not cure or remove such Tenant-Buyer's Objections (or agree to cure prior Closing) to Tenant-Buyer's satisfaction within said period, Tenant-Buyer may either (i) terminate this Agreement by written notice to Landlord-Seller given not later than expiration of said ten (10) day notice to cure and neither party shall be liable to the other except for obligations that expressly survive this Agreement, or (ii) waive such Tenant-Buyer's Objections and continue the transactions contemplated by this Agreement. Notwithstanding anything to the contrary herein, Landlord-Seller shall be required to obtain releases of any and all mortgages, other security agreements, UCC financing statements and monetary liens ("**Mandatory Cure Items**") at or before the Closing and no Mandatory Cure Items shall be deemed a permitted encumbrance. Tenant-Buyer may object to any defect which arises or is first made known to Tenant-Buyer after the expiration of the time period for making objections set forth in this section and a substantially similar process for the making and resolution of Tenant-Buyer's Objections shall apply, and the date of the Closing shall be extended as reasonably necessary for such process and resolution. The term "**Permitted Encumbrances"** as used herein includes: (1) real property taxes and assessments for the year in which closing occurs and thereafter, not yet due and payable; (2) zoning and other regulatory laws and ordinances affecting the Property; (3) any easement, right of way, limitation, encroachment, conflict, discrepancy, overlapping of improvements, protrusion, lien, encumbrance, restriction, condition, covenant, exception or other matter with respect to the Property that is reflected or addressed on the Survey or the Title Commitment to which Tenant-Buyer fails to timely object pursuant to this Article 11(a);

(c) *Environmental Report.* Tenant-Buyer, at its cost and expense and prior to the expiration of the Due Diligence Period, shall have obtained an environmental assessment prepared by an environmental engineer designated by Tenant-Buyer which does not disclose any evidence of any Hazardous Substances, and which is in all other respects acceptable to Tenant-Buyer in its sole discretion. Landlord-Seller makes no representation or warranty to Tenant-Buyer regarding the presence of Hazardous Substances at the Property except that Landlord acknowledges that certain roof tiles may contain asbestos but Landlord is under no obligation to Tenant-Buyer to remove or remediate the presence of any Hazardous Substances at the Property including the roof tiles nor shall Tenant-Buyer be entitled to terminate this Agreement or refuse to perform its obligations at the Closing Date as a result of the presence of any Hazardous Substances at the Property.

(d) *Litigation and Representations.* As of the Closing Date, no action or proceeding before a court or other governmental agency or officer shall be pending (and to the best of either Landlord-Seller's or Tenant-Buyer's knowledge, no such action or proceeding shall be threatened) that materially impairs the value of the Property or prevents Tenant-Buyer from undertaking and completing Tenant-Buyer's intended use and development of the Property. As of the Closing Date, the representations and warranties set forth in Article 11(d) shall be true and accurate in all material respects. Unless expressly provided to the contrary in this Agreement, no representations and warranties shall survive the Closing.

ARTICLE 12 -NONPERFORMANCE.

If one or more of the conditions set forth in Article 11 is not timely and completely satisfied, Tenant-Buyer may, on or before to the expiration of the Due Diligence Period, cancel this Agreement and all of its obligations hereunder by written notice to Seller. If Tenant-Buyer does not deliver such written cancellation notice to Landlord-Seller on or before to the expiration of the Due Diligence Period, Tenant-Buyer shall be deemed to have satisfied each of the conditions set forth in Article 11, except as to the conditions set forth in (a) Article 11(d) or Mandatory Cure Items that arise after issuance of the Title Commitment and are not cured prior to the Closing Date (to which a cure period shall not apply) for which Tenant-Buyer may, prior to the Closing, terminate this Agreement.

ARTICLE 13 - COVENANTS, REPRESENTATIONS AND WARRANTIES.

Section 13.01 Covenants. To the best of its actual knowledge, Landlord-Seller hereby covenants, represents and warrants to Tenant-Buyer (and shall be deemed to covenant, represent and warrant to Tenant-Buyer on the Closing Date but not beyond the Closing Date) that: (i) there is no condemnation or similar proceeding which is pending or threatened against the Property or any part thereof, and which has not been disclosed by Landlord-Seller to Tenant-Buyer; (ii) Landlord-Seller has not received any written notification from any governmental agency, authority or instrumentality of any pending or threatened assessments on or against the

Property for the cost of improvements to be made with respect to the Property or any part thereof; (iii) after the date of this Agreement, Landlord-Seller will not create, permit or suffer any lien or other encumbrance to attach to or affect the Property and improvements thereon, except for the lien of nondelinquent real estate taxes and liens and encumbrances which will be fully discharged on or before the Closing Date; (iv) there are no claims, actions, suits, proceedings or investigations pending or, threatened with respect to or in any manner affecting the Property or Landlord-Seller's ownership thereof; (v) no work has been or will be performed, and no materials have been or will be furnished to, the Property or any portion thereof which will result in any mechanics', materialmen's or other liens against the Property or any portion thereof which will not be fully discharged on or before the Closing Date; (vi) Landlord-Seller is the fee simple owner of the Land and Improvements and has not sold, assigned, transferred, leased, subleased, encumbered or conveyed any right, title or interest whatsoever in or to the Property; (vii) prior to Closing, Landlord-Seller shall not sell, assign, transfer, lease, sublease, encumber or convey any right, title or interest whatsoever in or to the Property or any portion thereof without Tenant-Buyer's prior written consent, nor shall Landlord-Seller amend, modify, extend, terminate or alter any currently existing agreement or document relating to the Property without Tenant-Buyer's prior written consent; (viii) Landlord-Seller has not used the Property nor any portion thereof for the treatment, storage or disposal of any hazardous, special or other wastes, substances, materials, constituents, pollutants or contaminants as defined under applicable federal, state or local laws or regulations promulgated thereunder; and (ix) prior to Closing, Landlord-Seller agrees not to market, sell, advertise or seek proposals to develop or sell the Property or any portion thereof or enter into any agreements for the marketing, sale or development of the Property or any portion thereof to any entity or person other than Tenant-Buyer.

Section 13.02. Damage and Condemnation. Landlord-Seller shall, to the extent of its obligations under the lease provisions of this Agreement, maintain the Property and, deliver the Property to Tenant-Buyer on the Closing Date in the same condition as on the Effective Date, ordinary wear and tear excepted. If the Property shall be damaged, destroyed or condemned, in whole or in part, or if any notice of condemnation shall be given at any time after the Effective Date, Tenant-Buyer, at its sole option, may, upon prior written notice to Landlord-Seller, given not later than thirty (30) days after the occurrence of the casualty or effective date of the condemnation, whichever is applicable, (a) terminate this Agreement, or (b) proceed with Closing. If Tenant-Buyer fails to give such notice within such thirty (30) day period, Tenant-Buyer shall be deemed to have elected to proceed with Closing. If Tenant-Buyer elects to proceed with Closing, then Tenant-Buyer may (y) apply the proceeds of any condemnation award or insurance policy to reduce the Purchase Price, or (z) accept an assignment of such proceeds. Notwithstanding the foregoing, Tenant-Buyer acknowledges and agrees that Landlord-Seller shall be entitled to retain any inverse condemnation award related to or resulting from the development and construction of the Nickel Plate Trail.

Section 13.03. Landlord-Seller Deliveries; Inspection. Tenant-Buyer, its employees, agents and independent contractors shall have the right to enter upon the Property to perform the Survey and conduct all tests, inspections and examinations which Tenant-Buyer deems necessary or desirable so long as Tenant-Buyer does not disturb the business operations of any other tenant or occupant at the Property. Landlord-Seller agrees to cooperate with Tenant-Buyer and to provide

Tenant-Buyer with copies of all documents relating to the Property as and when required by this Agreement and to furnish such other information regarding the Property as Tenant-Buyer may, from time to time, reasonably request. Tenant-Buyer shall not permit any mechanic's liens to be placed on or against the Property or any portion thereof in connection with any activities of Tenant-Buyer with respect to the Property. Prior to Tenant-Buyer's or any of its employees, agents and independent contractors' access to the Property pursuant to this Section 13.03, it shall provide evidence of commercial general liability insurance reasonably acceptable to Landlord-Seller. No consent by the Landlord-Seller to any such activity shall be deemed to constitute a waiver by Landlord-Seller or assumption of liability or risk by Landlord-Seller. If Tenant-Buyer does not close on the Property, Tenant-Buyer hereby agrees to restore, at Tenant-Buyer's sole cost and expense, any physical damage it caused to the Property to substantially the same condition existing immediately prior to Tenant-Buyer's exercise of its rights pursuant to this Agreement. The provisions of this Section 13.03 shall survive the termination of this Agreement.

ARTICLE 14 - TENANT-BUYER'S RESPONSIBILITY REGARDING ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES

Section 14.01. Environmental Definitions.

(a) "Environmental Laws" shall mean all present or future federal, state and municipal laws, ordinances, rules and regulations applicable to the environmental and ecological condition of the Leased Premises, and the rules and regulations of the Federal Environmental Protection Agency and any other federal, state or municipal agency or governmental board or entity having jurisdiction over the Leased Premises.

(b) "Hazardous Substances" shall mean those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances" "solid waste" or "infectious waste" under Environmental Laws and petroleum products.

Section 14.02. Restrictions on Tenant-Buyer. Neither Tenant-Buyer nor Landlord-Seller shall cause or permit the use, generation, release, manufacture, refining, production, processing, storage or disposal of any Hazardous Substances on, under or about the Leased Premises, or the transportation to or from the Leased Premises of any Hazardous Substances, except as necessary and appropriate for its Permitted Use in which case the use, storage or disposal of such Hazardous Substances shall be performed in compliance with the Environmental Laws and the highest standards prevailing in the industry.

Section 14.03. Notices, Affidavits, Etc. Tenant-Buyer or Landlord-Seller, as applicable, shall immediately (a) notify the other party of (i) any violation by Tenant-Buyer or Landlord-Seller, as applicable, its employees, agents, representatives, customers, invitees or contractors of any Environmental Laws on, under or about the Leased Premises, or (ii) the presence or suspected presence of any Hazardous Substances on, under or about the Leased Premises, and (b) deliver to Landlord-Seller or Tenant Buyer, as applicable, any notice received by it relating to (a)(i) and (a)(ii) above from any source.

ARTICLE 15 – MISCELLANEOUS

Section 15.01. **Benefit of Landlord- Seller and Tenant-Buyer**. This Agreement shall inure to the benefit of and be binding upon Landlord-Seller and Tenant-Buyer and their respective successors and assigns.

Section 15.02. **Indiana Law and Venue**. This Agreement shall be construed in accordance with the laws of the State of Indiana without regard to conflict of law principles. All proceedings arising in connection with this Agreement shall be tried and litigated only in the state courts in Hamilton County, Indiana, or the federal courts with venue that includes Hamilton County, Indiana.

Section 15.03. **Force Majeure**. Landlord-Seller and Tenant-Buyer (except with respect to the payment of any monetary obligation) shall be excused for the period of any delay in the performance of any obligation hereunder when such delay is occasioned by causes beyond its control, including but not limited to work stoppages, boycotts, slowdowns or strikes; shortages of materials, equipment, labor or energy; unusual weather conditions; or acts or omissions of governmental or political bodies.

Section 15.04. Payment and Indemnification for Leasing Commissions. The parties hereby represent and warrant that no other party is entitled to a commission or other fee resulting from the execution of this Agreement. Each party shall indemnify the other from any and all liability for the breach of this representation and warranty on its part and shall pay any compensation to any other broker or person who may be entitled thereto.

Section 15.05. Notices. Any notice required or permitted to be given under this Agreement or by law shall be deemed to have been given if it is written and delivered in person or by overnight courier or mailed by certified mail, postage prepaid, to the other party at the address specified in Section 1.01. If sent by overnight courier, notice shall be deemed to have been given one (1) day after sending. If mailed, notice shall be deemed to have been given three (3) business days following mailing. Either party may change its address by giving written notice to the other party.

Section 15.06. Partial Invalidity; Complete Agreement. If any provision of this Agreement is held invalid, void or unenforceable, the remaining provisions shall remain in full force and effect. this Agreement represents the entire agreement between Landlord-Seller and Tenant-Buyer covering everything agreed upon or understood in this transaction. There are no oral promises, conditions, representations, understandings, interpretations or terms of any kind as conditions or inducements to the execution hereof or in effect between the parties. No change or addition shall be made to this Agreement except by a written agreement executed by Landlord-Seller and Tenant-Buyer.

Section 15.07. Representations and Warranties.

(a) Tenant-Buyer hereby represents and warrants that (i) Tenant-Buyer is a public body of the State of Indiana or a political subdivision thereof; and (ii) the individual(s) executing and delivering this Agreement on behalf of Tenant-Buyer has been properly authorized to do so, and such execution and delivery shall bind Tenant-Buyer to its terms.

(b) Landlord-Seller hereby represents and warrants that (i) Landlord-Seller is duly organized, validly existing and in good standing (if applicable) in accordance with the laws of the State under which it was organized; (ii) Landlord-Seller is authorized to do business in the State where the Property is located; and (iii) the individual(s) executing and delivering this Agreement on behalf of Landlord-Seller has been properly authorized to do so, and such execution and delivery shall bind Landlord-Seller to its terms.

Section 15.08. Consent. Where the consent of a party is required, such consent will not be unreasonably withheld, conditioned or delayed.

Section 15.09. Time. Time is of the essence of each term and provision of this Agreement.

Section 15.10. Patriot Act. Landlord-Seller and Tenant-Buyer hereby represent their compliance and agreement to continue to comply with all applicable anti-money laundering laws, including, without limitation, the USA Patriot Act, and the laws administered by the United States Treasury Department's Office of Foreign Assets Control, including, without limitation, Executive Order 13224 ("Executive Order"). Each of Landlord-Seller and Tenant-Buyer further represents (such representation to be true throughout the Lease Term) (a) that it is not, and it is not owned or controlled directly or indirectly by any person or entity, on the SDN List published by the United States Treasury Department's Office of Foreign Assets Control and (b) that it is not a person otherwise identified by government or legal authority as a person with whom a U.S. Person is prohibited from transacting business. As of the date hereof, a list of such designations and the text of the Executive Order are published under the internet website address www.ustreas.gov/offices/enforcement/ofac.

Section 15.11. Subordination, Non-Disturbance and Attornment. Notwithstanding anything to the contrary contained herein, Tenant-Buyer shall not be required to execute or deliver any Subordination, Non- Disturbance or Attornment Agreement (nor any Estoppel Certificate) if such documents would materially decrease Tenant-Buyer's rights or materially increase Tenant-Buyer's obligations hereunder.

Section 15.12. Demolition. Upon Early Termination, including, without limitation, payment of the Early Termination fee, Tenant-Buyer, at its sole cost and expense, may demolish the Property and all other improvements on the Parcels.

Section 15.13. Recording. On or after the Commencement Date, the parties shall record a Memorandum of Lease indicating the Lease Term and Tenant's-Buyer's right and obligation to purchase the Property.

Section 15.14. Obligation to Purchase. Tenant-Buyer's obligation to acquire the Property from Landlord-Seller is absolute and unconditional; provided, however, Landlord-Seller acknowledges and agrees that (a) Tenant-Buyer may assign the right to acquire the Property (or a portion thereof) to a third party; (b) if any Mandatory Cure Items remains on the Closing Date, Tenant-Buyer shall not be required to acquire the property; and (c) if on the Closing Date the Property is subject to litigation caused by the fault of Landlord-Seller and that materially impairs the value of the Property or prevents Tenant-Buyer from undertaking and completing Tenant-Buyer's intended use and development of the Property, Tenant-Buyer shall not be required to acquire the Property. If Tenant-Buyer does not Close on the Property because of the reason set forth in preceding subsections (b) or (c), Landlord-Seller shall, within thirty (30) business days of the Closing Date, refund in full the Installment Payments and the Termination Payment, if applicable, paid by Tenant-Buyer to Landlord-Seller.

(SIGNATURES CONTAINED ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Pledge Realty Corp., an Indiana corporation

By: ___________________________

INSERT NAME

______Michael J. Alboher, President____________________

(Printed Signature)

By: ___________________________

Brad Johnson, President

Attest: ___________________________

Tony Bonacuse, Secretary

APPRAISAL REPORT

Commercial Retail/Office Building
8603 East 116th Street
Fishers, Indiana 46038
(Hamilton County)

Traynor File Number: 24269

Effective Date of Valuation:
June 17, 2024

Date of Report:
June 29, 2024

Appraisers:

Joseph C. Traynor, MRICS, GAA
Indiana Certified General Appraiser
#CG69100233

Ben Crabtree
Indiana Licensed Trainee Appraiser
#TR42200025

TRAYNOR & ASSOCIATES, INC.
6750 E. 75th Street
Indianapolis, Indiana 46250

Requested By:

Ms. Jennifer Messer
City of Fishers Redevelopment Commission
3 Municipal Drive
Fishers, Indiana 46038

June 29, 2024

Ms. Jennifer Messer
City of Fishers Redevelopment Commission
3 Municipal Drive
Fishers, Indiana 46038

RE: Appraisal Of:
8603 E. 116th Street
Fishers, Indiana 46038
24269

Dear Ms. Jennifer Messer,

An inspection of the above referenced property has been made for the purpose of providing an estimate of the "as is" fee simple market value of the subject property. The subject property is located at 8603 East 116th Street, Fishers, Indiana and consists of approximately 1.120 acres. The site is improved with a predominately one-story commercial retail/office building containing approximately 14,800 square feet of main floor area and 2,400 square feet of second floor area indicating a total square footage of approximately 17,200 square feet. Site improvements include concrete sidewalks, concrete and asphalt drives and parking lot, chain link fencing, and a small established lawn area.

Definition of Market Value

Market Value as defined by the Appraisal Standards for Federally Related Transactions 12 CFR Parts 208 and 225 [Regulation H, Regulation Y; Docket No. R-0685] is as follows:

> *Market value* means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
>
> (1) Buyer and seller are typically motivated;
>
> (2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
>
> (3) A reasonable time is allowed for exposure in the open market;
>
> (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
>
> (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The following appraisal report, including accompanying illustrations describes the appraisal methodology and contains pertinent data gathered in the inspection of the property and the appraisers' analysis of the findings. The appraisal report conforms to appropriate agencies' regulations regarding appraisals of real estate, adopted pursuant to Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989. This report has also been prepared in conformity with the Uniform Standards of Professional Appraisal Practice effective January 2024 promulgated by the Appraisal Standards Board of the Appraisal Foundation and the requirements of the Code of Professional Ethics of the Appraisal Institute Practice.

Definition of "As Is Market Value"

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Interagency Appraisal and Evaluation Guidelines) Note that the use of the "as is" phrase is specific to appraisal regulations pursuant to FIRREA applying to appraisals prepared for regulated lenders in the United States. The concept of an "as is" value is not included in the Standards of Valuation Practice of the Appraisal Institute, Uniform Standards of Professional Appraisal Practice, or International Valuation Standards. *As defined by the Appraisal Institute's Dictionary of Real Estate Appraisals, Seventh Edition.*

Estimated Market Rent

The estimated market rent of the subject property, as of June 17, 2024, the date of inspection, is between $27.00 and $30.00 per square foot on a triple net basis.

Estimated "As Is" Fee Simple Market Value

The estimated "as is" fee simple market value of the subject property, as of June 17, 2024, the date of inspection, is:

SEVEN MILLION DOLLARS
($7,000,000)

Sincerely,

Joseph C. Traynor, MRICS, GAA
Indiana Certified General Appraiser
#CG69100233

Ben Crabtree
Indiana Licensed Trainee Appraiser
#TR42200025

TABLE OF CONTENTS

CERTIFICATION

We certify that, to the best of our knowledge and beliefs:

- **The statements of fact contained in this report are true and correct.**
- **The reported analyses, opinions and conclusions are limited only to the reported assumptions and limiting conditions explained in the report, and are our personal, impartial, and unbiased professional analyses, opinions and conclusions.**
- **We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.**
- **We have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.**
- **Our engagement for completing is not contingent upon the reporting of predetermined results.**
- **Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this appraisal.**
- **Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the most recent issue of the Uniform Standards Of Professional Appraisal Practice promulgated by the Appraisal Standards Board of The Appraisal Foundation and the requirements of the Code Of Professional Ethics Of The Appraisal Institute. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.**
- **Ben Crabtree made a personal observation of the property that is the subject of this report.**
- **Joseph C. Traynor is familiar with the area and also performed a desk review of the report.**
- **No one provided significant professional assistance to the persons signing this report**.
- **Traynor & Associates, Inc. has not provided any professional services to the subject property over the past three years.**

Joseph C. Traynor
Joseph C. Traynor, MRICS, GAA
Indiana Certified General Appraiser
#CG69100233

Ben Crabtree
Indiana Licensed Trainee Appraiser
#TR42200025

ASSUMPTIONS AND LIMITING CONDITIONS

THIS APPRAISAL IS SUBJECT TO THE FOLLOWING UNDERLYING ASSUMPTIONS AND QUALIFYING AND LIMITING CONDITIONS:

1. This is an appraisal report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an appraisal report. As such, it includes discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value as well as descriptions of the subject property use.

2. The value of the property is expressed in dollars on the date specified and is subject to any changes in the value of the dollar. All existing liens or encumbrances have been disregarded and the property is appraised as though free and clear under responsible ownership and competent management.

3. The legal description furnished is assumed to be correct. No survey was available (unless otherwise stated) and the dimensions used are from sources deemed to be reliable.

4. All information and comments concerning the location, neighborhood, trends, construction quality and costs, loss in value from whatever cause, condition, rents, or any other data of the property appraised herein represent the estimates and opinions of the appraiser, formed after an examination and study of the property.

5. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.

6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

7. It is assumed that there is full compliance with all-applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.

8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined and considered in the appraisal report.

9. It is assumed that all required licenses, certificates of occupancy, consents or other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estate contained in this report is based.

10. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless

noted in the report.

11. The forecasts, projections or operating estimates contained herein are based upon current market conditions, anticipated short-term supply and demand factors and a continued stable economy.

12. In preparing this appraisal, the appraiser was required to rely on information furnished by other individuals or found in previously existing records and/or documents. While it is believed the information, estimates and analysis given and the opinions and conclusions drawn therefrom are correct, the appraiser does not guarantee them and assumes no liability for any errors in fact, in analysis, or in judgment as a result of the inaccuracy of such information. No attempt has been made to render an opinion of title or status of easements or of any other matter of a legal nature.

13. The distribution of the total valuation in this report between land and improvements apply only under the existing program or utilization. The separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

14. Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the client for whom it was made without the consent of the appraiser or the client.

15. The fee for this appraisal does not provide compensation for conference or testimony or attendance in court, with reference to the property in question.

16. This appraisal represents the independent opinions of the appraiser's free from any commitments and free from any present or contemplated future interest in the property, with the sole compensation for the employment being a fair professional fee.

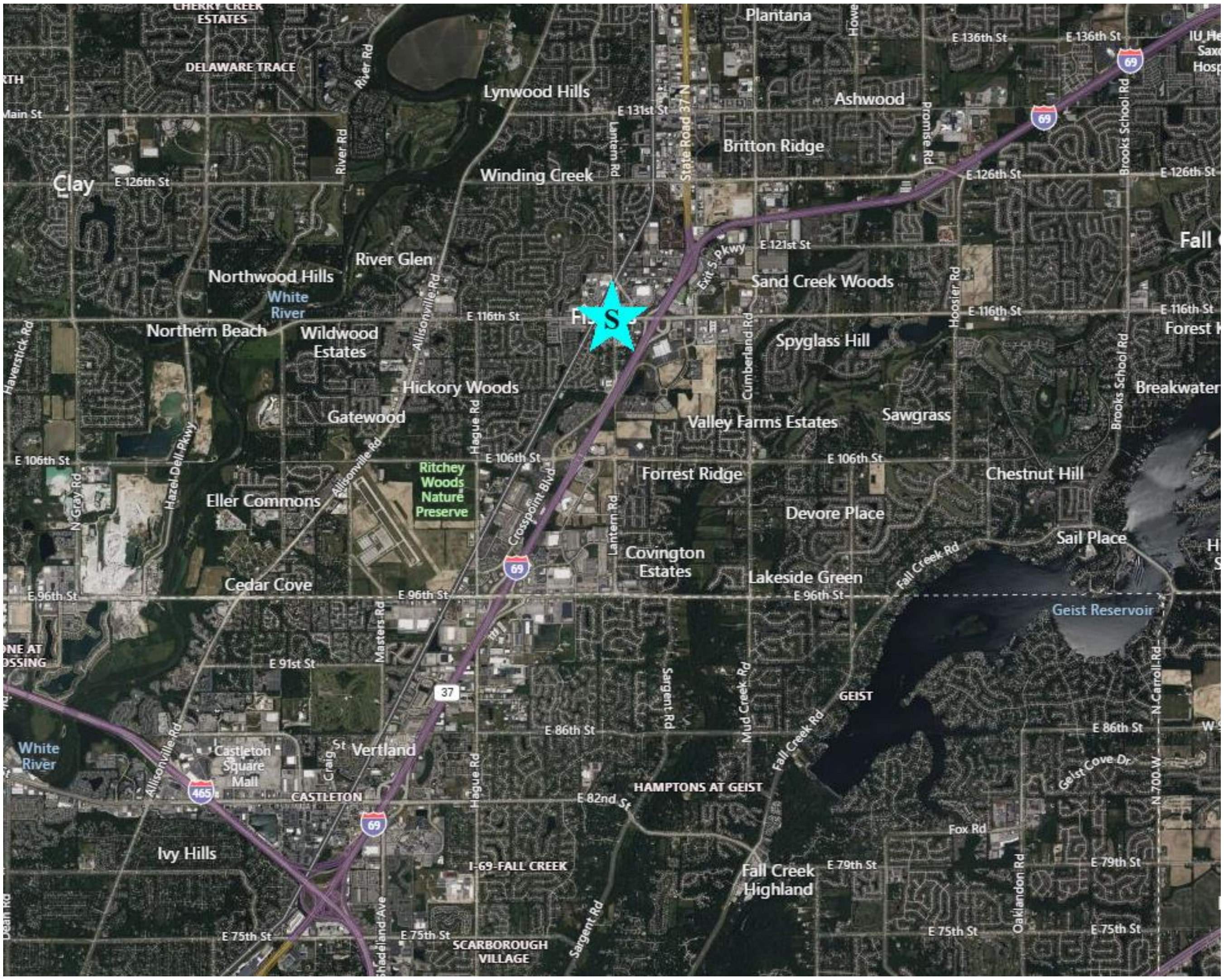
17. Neither the fee nor the employment to make the appraisal was contingent on the value to be reported. Further, the appraisal was not based on a requested minimum valuation, specific valuation or the approval of a loan.

18. The existence of hazardous material which may or may not be present on the property was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property unless specifically stated within the appraisal report. The appraiser are not qualified to detect such substances and no responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if there is any suspicion of hazardous material.

19. The presence of substances such as asbestos, urea-formaldehyde foam insulation, radon gas, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value.

20. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

SUBJECT SETTING MAP



Subject Summary	
Property Identification	
Property Major Type	Commercial Retail/Office Building
Address	8603 E. 116th Street
City	Fishers
State	IN
County	Hamilton
Owner	Pledge Realty Corporation
Tax ID	29-14-01-201-002.000-006, 29-14-01-201-003.000-006
Highest and Best Use	Mixed-use Redevelopment
Site Characteristics	
Acres	1.120
Topography	Mostly Level
Zoning	DC, Downtown Core - Nickel Plate District Zone
Flood Zone Area	Not located in flood risk area
Improvement Characteristics	
Gross Building Area SF (Above Grade)	17,200
Year Built	1916 / 1950
Condition	Average
Valuation Section	
Value Estimate Via:	
Cost Approach	N/A
Income Capitalization Approach	
Estimated Market Rent	$27.00 to $30.00 per square foot on a triple net basis
Sales Comparison Approach -Land Only	$7,060,000
Estimated Market Rent	**$27.00 to $30.00 per square foot on a triple net basis**
Estimated "As-Is" Fee Simple Market	**$7,000,000**
Effective Date of Value Estimate	**June 17, 2024**

PART TWO - PREMISE OF THE APPRAISAL

TYPE OF REPORT

This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice.

EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS

There are no extraordinary assumptions in this appraisal.

There are hypothetical conditions in this appraisal.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to estimate the "as is" fee simple market value, as defined herein, of the property as of June 17, 2024, the date of inspection, and to estimate the market rent of the property as of June 17, 2024

INTENDED USE AND USERS OF THIS APPRAISAL

Ms. Jennifer Messer, City of Fishers Redevelopment Commission, ordered the appraisal. The City of Fishers Redevelopment Commission is considered to be the client. The intended use is to estimate an "as is" market value of the subject, in order to provide an estimated market value conclusion for Ms. Messer with the City of Fishers Redevelopment Commission and the Carmel Redevelopment Commission, the client, to assist in internal decision making. The intended user of this report is the City of Fishers Redevelopment Commission, which may, without my prior authorization or notice to me, provide the report to other parties for their use, including without limitation in lending-related activities.

CLIENT

The client is Ms. Jennifer Messer, City of Fishers Redevelopment Commission.

DEFINITION OF VALUE

Market Value as defined by the Appraisal Standards for Federally Related Transactions 12 CFR Parts 208 and 225 [Regulation H, Regulation Y; Docket No. R-0685] is as follows:
Market value as defined by the Appraisal Institute is as follows:

> *Market value* means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
>
> 1) Buyer and seller are typically motivated;
>
> 2) Both parties are well informed or well advised, and acting in what they consider their own best interests;

3) A reasonable time is allowed for exposure in the open market;

4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

EFFECTIVE DATE OF APPRAISAL

The property was most recently inspected on June 17, 2024, which is the effective date of this appraisal. The date of the report is June 29, 2024.

PROPERTY RIGHTS APPRAISED

The property rights appraised are those accruing to fee simple estate of the subject property. Fee Simple Estate is defined by the Appraisal Institute as:

> "***Fee Simple Estate***. Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat." *The Dictionary of Real Estate Appraisal, Seventh Edition.*

SCOPE OF WORK

The scope of this appraisal involves rendering an estimate of market value for the subject property. Ms. Jennifer Messer also requested an estimate of the market rent for the subject property. The subject property is a predominately one-story commercial retail/office building containing approximately 14,800 square feet of main floor area and 2,400 square feet of second floor area indicating a total square footage of approximately 17,200 square feet on a 1.120-acre tract of land zoned DC, Downtown Core, Nickel Plate District Zone. The specific location is on the southeast corner of Manship Lane and E. 116th Street in Fishers, approximately 0.48 miles west of the Interstate 69 and E. 116th Street interchange in Delaware Township, Hamilton County, Fishers, Indiana. The area consists of predominantly mixed-use properties with -spot single-family residential and special-use properties.

In preparing this appraisal, Ben Crabtree:

- ✓ Photographed the subject property
- ✓ Inspected the interior and exterior of the building
- ✓ Gathered sales and lease information on competing properties, surveyed competing rental rates and analyzed demographic data for the subject area.
- ✓ Interviewed market participants and gathered information regarding values for the subject market area.
- ✓ Verified zoning, flood plain information and other data in connection with subject.
- ✓ Interviewed commercial brokers familiar with the area and/or subject property.

- ✓ Researched industry publications
- ✓ Confirmed and analyzed the data and applied the Income Capitalization Approach and the Sales Comparison Approaches to arrive at an indication of value.
- ✓ Joseph C. Traynor provided assistance and supervision in the development of this appraisal.

The subject property is identified by an address, and a legal description is contained herein. Additional information contained within the appraiser's files from previous appraisals in the area is relied upon in the valuation process. Sales information for the comparable properties was obtained from the Brokers Listing Cooperative (BLC) of MIBOR, IRED, and CoStar. Demographic information was provided by STATS, U.S. Census Bureau, CoStar, and various public agencies. This included data such as real property assessment, flood hazard status and general economic and demographic data. An attempt to verify comparable information with either a participant in the transaction (buyer, seller or broker) or with appraisers knowledgeable about the transactions was undertaken.

Ben Crabtree met with Mr. Michael Alboher, at the subject on June 17, 2024, and together they inspected the interior and exterior property. Mr. Alboher provided information such as capital improvements, income and expense documents, surveys, and past and present lease information. Mr. Alboher also shared information regarding the building/site such as proposed plans and right-of-way takings. The appraisers applied the Income Capitalization Approach, as well as the Sales Comparison Approach to arrive at a value indication for the subject. The Cost Approach was not developed due to the age of the improvements and the difficulty in determining accrued depreciation.

COMPETENCY PROVISION

Details of the qualifications of the appraisers involved with this assignment are included at the back of the report. Joseph C. Traynor is the Principal of Traynor & Associates and has been appraising commercial, industrial, residential, and special use property since 1985. Assignments over this time period have encompassed a broad range of property types including numerous commercial developments and residential properties. These assignments have primarily been in Indiana, however, have included other states in the Midwest. He holds the MRICS Designation, Chartered Valuation Surveyor of the Royal Institution of Chartered Surveyors (RICS) the GAA and RAA designations with The National Association of Realtors and is a State Certified General Appraiser in Indiana. As a result of his appraisal experience and expertise that is detailed on the qualifications pages, he possesses the professional competency required to conclude a reliable opinion of value for the subject property.

Ben Crabtree is a State Licensed Trainee Appraiser in Indiana. He has been associated with Traynor & Associates since March 2022. He has performed a variety of appraisal assignments for Traynor & Associates, Inc. including right of way, land, subdivision, multi-family, commercial, and industrial appraisals.

PART THREE – PRESENTATION OF DATA

AREA ANALYSIS

The subject property is located within Delaware Township, within the southern portion of Hamilton County, which is part of the nine-county Indianapolis Metropolitan Statistical Area (MSA). Hamilton County is located adjacent to Marion County and is subject to the influences of the Indianapolis metropolitan area. Thus, the Indianapolis MSA and Marion County are also analyzed for this project.

Marion County is part of the ten-county Core Based Indianapolis Metropolitan Statistical Area (CBSA). The term "Core Based Statistical Area" (CBSA) is a collective term for both metro and micro areas. A metro area contains a core urban area of 50,000 or more population, and a micro area contains an urban core of at least 10,000 (but less than 50,000) population. Each metro or micro area consists of one or more counties and includes the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core.

Marion County is the largest county included in the ten counties comprising the Core Based Indianapolis Metropolitan Statistical Area (CBSA). In June of 2003 the MSA was redefined to the CBSA when Madison County was dropped, and Putnam and Brown County were added. The data on a few of the tables refers to the subject area as it was formerly known as the Indianapolis MSA. In these instances, the older statistics were not available based on the newer ten-county CBSA and thus the MSA statistics are shown. Indianapolis is the state capital and county seat of Marion County. It is located in the geographic center of Indiana, approximately 175 miles southeast of Chicago, Illinois, 110 miles northwest of Cincinnati, Ohio, and 110 miles north of Louisville, Kentucky.

One of the major reasons for Indianapolis' size and economic vitality is its accessible location. The city is served by numerous interstates including I-65, I-69, I-74, and I-70. All of these interstate highways connect with I-465, which is an interstate that encircles Indianapolis in a six to ten-mile radius from the central business district. The city is also served by numerous rail lines, including both passenger and freight, and the Indianapolis International Airport.

Economy and Employment

Indiana is a manufacturing leader; however, the number of manufacturing jobs has decreased significantly due to increasing automation, improved efficiency, foreign competition and outsourcing. According to economists at Indiana University, as discussed Indiana's Outlook for 2023, Indiana has historically led the nation in manufacturing output as a percent of gross state product. Ball State economists anticipate annualized GDP growth to slow in 2023 to between 1.1% and 1.3% in the first half of the year and recover slightly in the remainder of the year and in 2024. In a normal year, GDP grows between 2% to 3%. However, disruptions to the global supply chain affect production and labor opportunities in Indiana. As a percent of real GDP in 2020, manufacturing was 11.5% of the US economy, 26.7% of the Indiana economy and 18.2% of the Indianapolis economy. These comparative shares explain why 2023 growth in Indianapolis will be slightly better than the state, but slightly weaker than the nation. Just under half of employment growth between 2019 and 2022 occurred in trade, transportation and utilities as the region's warehousing cluster expanded to accommodate unprecedented growth in online retail. In addition, natural resources and mining, construction, financial activities and professional and business services also experienced employment growth of over 7%. In contrast, information, leisure and hospitality and other services each shrank by close to 6% or more. The current economic slowdown puts jobs in construction manufacturing and trade, transportation, and utilities at higher risk. In addition to manufacturing woes, other risks to Indiana's economy include remote workers, college enrollment declines, the ultra-tight labor market and decreased auto sales.

The Long-Run Forecast for Indiana prepared by Ball State University discusses remote workers in depth. Pre-COVID it is estimated that there were 140,000 out of 3.1 million people in work from home jobs in Indiana. There is now more than 1.03 million, 1 out of 3 workers, in the state. Of these, 548,000 are full-time remote workers which is nearly identical to the total number of factory jobs in the state. They further state that nearly half of all college graduates in Indiana are working remotely, with one in four full time remote. "Remote work presents the largest, fastest, and most unusual labor market shock" ever. The issue for the state is that remote work uncouples the work and home locations. Indiana is well positioned geographically to absorb large numbers of remote workers, but quality of life will dominate much of the future location choices. Quality of life means different things to different people, but it primarily means high quality schools, good local infrastructure, low crime rates and diverse recreational options. City centers are now confronted with the fallout from remote workers. The cities must determine how to adapt to less employees in their core.

Much of the employment growth nationally is heavily concentrated among college graduates who account for nearly 8 out of 10 new jobs. Only 1 in 4 new jobs in Indiana since the late 1990s have gone to college graduates. The lower share of college graduate job growth suppresses per capita GDP and personal income and reduces the demand for housing. Indiana is only sending approximately 53% of high school graduates to colleges, down 15% from 2015. This has pushed Indiana into the bottom 10 states nationwide for educational attainment. Overall, college enrollment dropped 5.9% in the U.S. in 2021. The decline in college graduates is uniquely a funding issue.

Since Indiana is a manufacturing center, the state experiences elevated levels of labor volatility as cyclical firms flex their employment in reaction to changes in environmental conditions. Therefore, Indiana typically leads the way in terms of job loss. Indiana has risks in terms of manufacturing job losses in mid to late 2023 but these losses are likely to be offset by the pharmaceutical industry and to some degree inventory replacement of vehicles. However, Indiana also regains jobs sooner than most other states. Trends suggest that unemployment will peak in the first half of 2023 and then begin to fall.

Within Indiana, the Indianapolis CBSA employs approximately 1 in 3 Indiana workers. Indy Partnership states that Indiana has the overall best tax climate and best infrastructure in the Midwest. This is important to businesses looking to locate here. The Indianapolis CBSA is a leader in advanced manufacturing, pharmaceutical research and development and information technology, logistics and green industry innovation.

Hamilton County has the third largest employment base in the State with a total 2023 resident labor force (most recent) of approximately 197,462 people. The table below illustrates the number of employed individuals versus non-employed within the county.

Labor Force, 2023	Number	Rank in State	Percent of State	Indiana
Total Resident Labor Force	197,462	3	5.8%	3,401,387
Employed	192,441	3	5.9%	3,288,017
Unemployed	5,021	5	4.4%	113,370
Annual Unemployment Rate	2.5	88	75.8%	3.3
April 2024 Unemployment Rate	**2.6**	**86**	**76.5%**	**3.4**

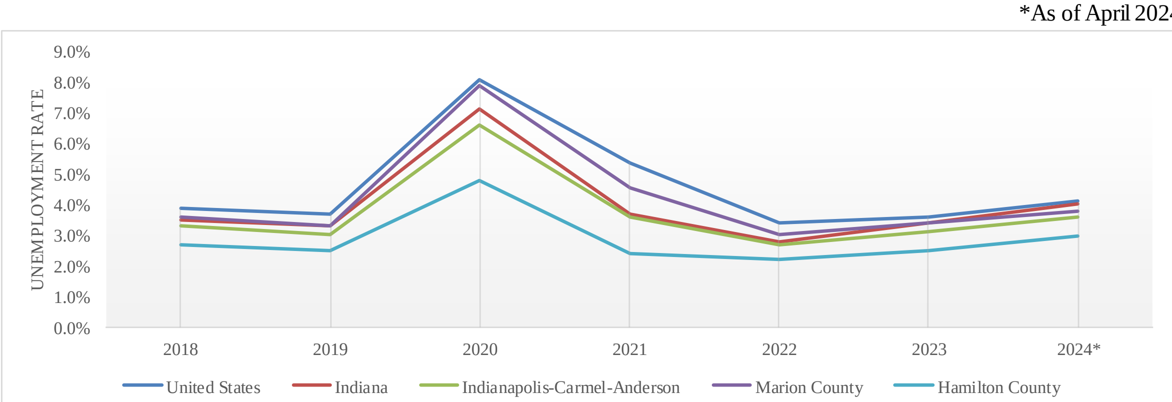
Source: STATS Indiana, using data from the Indiana Department of Workforce Development

The following table shows trends in the regional labor force and employment over the past six plus years. Marion County, Hamilton County, and the CBSA's unemployment rates are compared to U.S. and state averages.

Unemployment Rates

	2018	2019	2020	2021	2022	2023	2024*
United States	3.9%	3.7%	8.1%	5.4%	3.4%	3.6%	4.1%
Indiana	3.5%	3.3%	7.1%	3.7%	2.8%	3.4%	4.0%
Indianapolis-Carmel-Anderson	3.3%	3.0%	6.6%	3.6%	2.7%	3.1%	3.6%
Marion County	3.6%	3.3%	7.9%	4.5%	3.0%	3.4%	3.8%
Hamilton County	2.7%	2.5%	4.8%	2.4%	2.2%	2.5%	3.0%

*As of April 2024



The employment data shows unemployment rates for the most part have shown consistent declines between 2018 and 2019. However, due to the COVID-19 Pandemic, unemployment rates started to rise significantly in 2020 reaching as high as 7.1% in the state of Indiana, 7.9% in Marion County, and 4.8% in Hamilton County. Yet, within the last few years unemployment rates have stabilized, returning to at or near where they were prior to the pandemic. According to www.StatsIndiana.edu, unemployment rates as of April 2024 were 3.8% for Hamilton County, 3.8% for Marion County, 3.6% for the CBSA, 4.0% for the State, and 4.1% for the nation.

The total earnings for 2022 (most recent) for Hamilton County were $17,215,831. The industries with the highest earnings were Other Private (not above) with 35.74%, followed by Professional, Tech Services, 13.13%, and Health Care, Social Services, 10.72%. The table on the next page shows all of the earnings by industry for the county in 2022.

Employment and Earnings by Industry, 2022	Employment	Pct Dist. in County	Earnings ($000)	Pct Dist. In County	Avg. Earnings Per Job
Total by place of work	242,614	100.0%	$17,215,831	100.0%	$70,960
Wage and Salary	172,624	71.2%	$12,010,545	69.8%	$69,576
Farm Proprietors	446	0.2%	$30,257	0.2%	$67,841
Nonfarm Proprietors	69,544	28.7%	$3,002,672	17.4%	$43,177
Farm	641	0.3%	$36,460	0.2%	$56,880
Nonfarm	241,973	99.7%	$17,179,371	99.8%	$70,997
Private	226,139	93.2%	$16,049,326	93.2%	$70,971
Accommodation, Food Serv.	17,886	7.4%	$624,676	3.6%	$34,925
Arts, Ent., Recreation	6,379	2.6%	$134,978	0.8%	$21,160
Construction	12,223	5.0%	$1,288,366	7.5%	$105,405
Health Care, Social Serv.	22,996	9.5%	$1,846,042	10.7%	$80,277
Information	3,433	1.4%	$259,584	1.5%	$75,614
Manufacturing	8,850	3.6%	$927,688	5.4%	$104,824
Professional, Tech. Serv.	25,101	10.3%	$2,260,874	13.1%	$90,071
Retail Trade	21,836	9.0%	$1,011,245	5.9%	$46,311
Trans., Warehousing	7,741	3.2%	$205,508	1.2%	$26,548
Wholesale Trade	9,671	4.0%	$1,337,354	7.8%	$138,285
Other Private (not above)	90,023	37.1%	$6,153,011	35.7%	$68,349
Government	15,834	6.5%	$1,130,045	6.6%	$71,368

Source: U.S. Bureau of Economic Analysis

Indianapolis' position as the state capital makes it a center of government employment. Other major drivers of the Indianapolis economy include information technology, life sciences, sport/motor sports and tourism. The city also has a number of large service and retail-oriented employers, such as the hospitals, utilities, insurance, banks, and groceries. The city is also known as the Crossroads of America. Approximately 60% of the U.S. population can be reached in a day's drive due to the number of interstates that crisscross Indianapolis. This has led to an increase in bulk warehousing facilities in the Indianapolis area. Indianapolis is also home to the second largest FedEx hub in the world. The largest employers in Marion County include IU Health, Eli Lilly Corporation, and Roche Diagnostics. Other large employers in Marion County are shown in the following table:

Major Employers for Marion County

This listing (which is not gathered or developed by the Department of Workforce Development or STATS Indiana) is determined by the number of employees in these establishments. The Employer Database is licensed only for career exploration, job search assistance, and related One-Stop Career Center services.

1. Iu Health University Hospital (Indianapolis)
2. Emergency Dept Ascension St (Indianapolis)
3. Ascension St Vincent Ctr (Indianapolis)
4. New Era Technology (Indianapolis)
5. Eli Lilly & Co (Indianapolis)
6. Eli Lilly Intl Corp (Indianapolis)
7. Indiana University Sch-Mdcn (Indianapolis)
8. Roche Diagnostics Corp (Indianapolis)
9. Iu Health Methodist Hospital (Indianapolis)
10. Iupui (Indianapolis)

According to Hoosiers By The Numbers, some of the major employers for Hamilton County include CNO Financial Group, Inc., RCI, LLC, Navient Corp. and Roche Diagnostics Corp.

Major Employers for Hamilton County

This listing (which is not gathered or developed by the Department of Workforce Development or STATS Indiana) is determined by the number of employees in these establishments. The Employer Database is licensed only for career exploration, job search assistance, and related One-Stop Career Center services.

1. CNO Financial Group Inc (Carmel)
2. RCI LLC (Carmel)
3. Navient Corp (Fishers)
4. Roche Diagnostics Corp (Fishers)
5. KAR Auction Svc Inc (Carmel)
6. IU Health North Hospital (Carmel)
7. American Specialty Health Inc (Carmel)
8. King Systems Corp (Noblesville)
9. Protective Specialty Insurance (Carmel)
10. Walmart Supercenter (Noblesville)

The Indianapolis economy has become more diversified in the past decade with the largest gains occurring in service industries. This sector has added 84,419 jobs in Marion County within a 10-year period, resulting in the agricultural and service industries becoming the largest source of employment in the country. Another dominant industry is retail trade, which accounts for nearly one-fifth of all jobs. These employment trends mirror those that have occurred nationally over the last decade.

Transportation and Commuting Patterns

A review of work/residence patterns based on Indiana IT-40 returns for tax year 2021 (most recent information) is shown below. To summarize approximately 74% of the Marion County workforce live and work in Marion County, while approximately 19.5% of the County's workforce commutes from surrounding counties and about 7.4% of the Marion County labor force work outside of Marion County, with the vast majority of those workers, commuting to Hamilton and Hendricks Counties, as the following table illustrates:

Annual Commuting Trends Profile
Marion County, Indiana

Based on Indiana IT-40 Returns for Tax Year 2021

Overview

Workers	
Number of people who live in Marion County and work (implied resident labor force)	583,897*
Number of people who live AND work in Marion County	528,014*
Total number of people who work in Marion County (implied workforce)	710,166

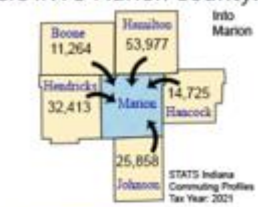
* This number is artificially inflated. See the about the data page for more details

Commuters	
Number of people who live in Marion County but work outside the county	55,883
Number of people who live in another county (or state) but work in Marion County	182,152

Top 5 counties sending workers INTO Marion County:

County Sending Workers	Workers
Hamilton County	53,977
Hendricks County	32,413
Johnson County	25,858
Hancock County	14,725
Boone County	11,264
Total of above	138,237

(19.5% of Marion County workforce)

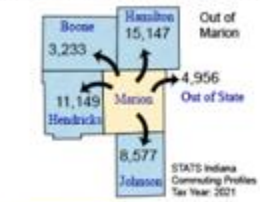


Download print-quality map

Top 5 counties receiving workers FROM Marion County:

County Receiving Workers	Workers
Hamilton County	15,147
Hendricks County	11,149
Johnson County	8,577
Out of State	4,956
Boone County	3,233
Total of above	43,062

(7.4% of Marion County labor force)



Download print-quality map

Hamilton County's implied resident labor force is 247,532. The number of people working in Hamilton County is 213,932. The number of people who live and work in Hamilton County is 171,516. The remainder of the workforce lives outside Hamilton County with the largest number coming from Marion County, followed by Madison County and Boone County. A review of work/residence patterns based on Indiana IT-40 returns for tax year 2021 (most recent information), is shown below. To summarize, approximately 72% of the resident labor force in Hamilton County live and work within Hamilton County, while approximately 13.3% of the workforce commutes from surrounding Counties, as shown below:

Annual Commuting Trends Profile Hamilton County, Indiana

Based on Indiana IT-40 Returns for Tax Year 2021

Overview

Workers	
Number of people who live in Hamilton County and work (implied resident labor force)	247,532*
Number of people who live AND work in Hamilton County	177,516*
Total number of people who work in Hamilton County (implied workforce)	213,932

* This number is artificially inflated. See the about the data page for more details

Commuters	
Number of people who live in Hamilton County but work outside the county	70,016
Number of people who live in another county (or state) but work in Hamilton County	36,416

Top 5 counties sending workers INTO Hamilton County:

County Sending Workers	Workers
Marion County	15,147
Madison County	5,811
Boone County	2,725
Hancock County	2,719
Hendricks County	1,996
Total of above	28,398

(13.3% of Hamilton County workforce)

Download print-quality map


Top 5 counties receiving workers FROM Hamilton County:

County Receiving Workers	Workers
Marion County	53,977
Out of State	2,878
Boone County	2,066
Madison County	1,776
Hancock County	1,283
Total of above	61,980

(25.0% of Hamilton County labor force)

Population

Population trends in Indiana are increasing as well as the subject market area. According to StatsIndiana, Marion County is the largest county in Indiana while Hamilton County is ranked 4th out of 92 counties in the State of Indiana. In terms of growth, both counties have had an increase between 2010 and 2020, with Marion County increasing 6.7% while Hamilton County has increased 26.5%. This is due to the abundance of farmland available for redevelopment in Hamilton County. As shown below, between 2010 and 2020, Fishers and Delaware Township increased 28.9% and 13.4%, respectively. Other areas of growth in Hamilton County include Carmel, Noblesville, and Westfield. Hamilton County is anticipated to continue increasing in population by 52% by 2050. This growth is significantly higher than the Indianapolis CBSA just passed 17%. According to Ball State University, population movement into the Indianapolis CBSA will account for nearly 9 out of every 10 new residents to the state through 2040.

Populations for Indiana, Indianapolis CBSA, and Selected County Areas

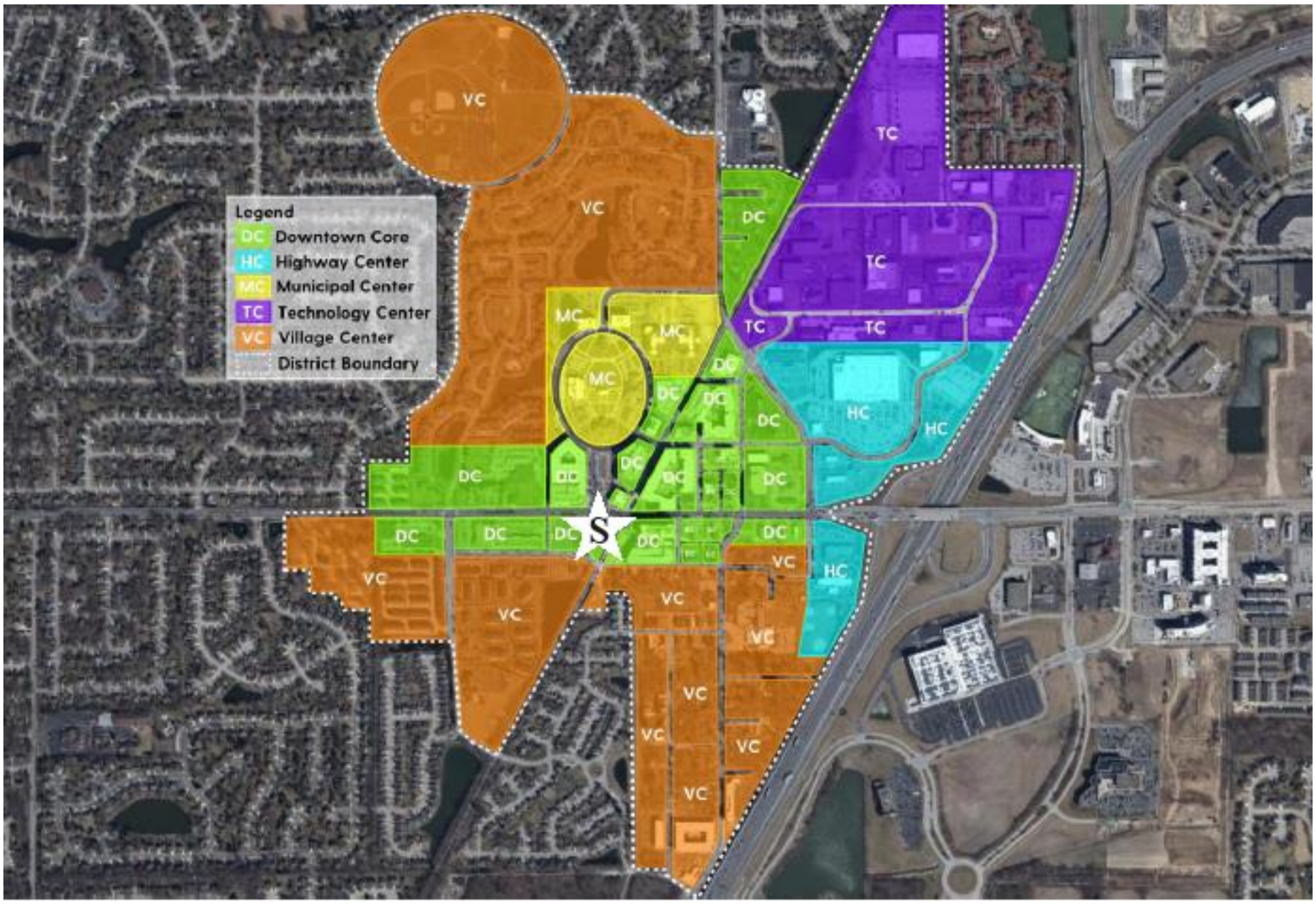
	Census 1990	Census 2000	Census 2010	Census 2020	Change 2010-2020	% Change 2010-2020	Projected Population 2050	% Change 2020-2050
State of Indiana	5,544,156	6,080,827	6,483,802	6,738,573	254,771	3.9%	7,272,579	7.9%
Indianapolis CBSA	1,424,886	1,658,439	1,756,241	2,461,961	705,720	40.2%	2,883,988	17.1%
Marion County	797,159	860,440	903,393	963,732	60,339	6.7%	1,065,757	10.6%
Hamilton County	108,936	182,740	274,569	347,467	72,898	26.5%	527,582	51.8%
Fishers	7,508	37,835	76,794	98,977	22,183	28.9%	N/A	N/A
Delaware Township	10,524	28,268	30,617	34,723	4,106	13.4%	N/A	N/A

Data: STATs Indiana

In summary, Hamilton County has experienced growth and is projected to continue to do so in the future. The data presented earlier in this report indicate that economic conditions in Hamilton County are superior compared with what has been happening regionally, as well as on a national level. This is evidenced by the reported population growth and unemployment statistics. Barring any major economic downturn in the future, it is anticipated that the local economy should remain resilient and experience stable growth as conditions improve.

NEIGHBORHOOD DESCRIPTION

The term "neighborhood" is generally defined as a portion of a larger community or an entire community in which there is a homogenous grouping of inhabitants, buildings, or business enterprises. Neighborhood boundaries may consist of well-defined natural or man-made barriers or may be defined by distinct changes in land use. Consequently, a specific definition of a neighborhood is a grouping of complementary land uses affected by similar operation of forces that affect property value. A neighborhood may also designate an area comprised solely of commercial or industrial properties, although the term district is often used for these properties.



The subject is located southeast corner of Manship Lane and E. 116th Street in the Nickel Plate District, just north of the City of Indianapolis and Marion County. The Nickel Plate District provides strict design requirements, but the Code intends to provide flexibility to allow for flexible design and to accommodate adequate parking as the district redevelops. The district includes residential, commercial, and special use properties.

Primary traffic arterials in and adjacent to the neighborhood are E. 116th Street, which runs in an east/west direction, Lantern Road/Commercial Drive, which runs in a north/south direction, and Interstate 69, which runs in a northeast/southwest direction. The subject is located in an area that has seen extensive commercial and residential development in the past few decades, with a majority of the recent retail development in the area present on E. 116th Street.

The Nickel Plate District is in downtown Fishers and has grown significantly in the past few years, with the addition of several restaurants, coffee houses and shopping. In the summer months, the Nickel Plate District Amphitheater hosts concerts featuring local musicians and national acts. The Nickel Plate District has free parking and is easily walkable. Adjacent east of the subject is the Nickel Plate Trail, which is a paved trail allowing users to travel from 106th Street to 146th Street, including the pedestrian tunnel beneath 116th Street.

Following is a demographic study of the subject area split into one, three- and five-mile rings surrounding the subject property.

Selected Demographic Summary			
Category	**1 Mile**	**3 Mile**	**5 Mile**
Population			
Population 2010	9,850	149,039	472,234
Population 2023	13,053	174,089	567,028
Population 2028 (Projected)	13,978	182,331	592,716
Growth 2010-2023	32.52%	16.81%	20.07%
Growth 2023-2028	7.09%	4.73%	4.53%
2023 Median Age	37	37.7	37.8
Households			
Households 2010	3,952	57,280	186,113
Households 2023	5,355	66,594	221,888
Households 2028 (Projected)	5,750	69,631	231,539
Growth 2010-2023	35.50%	16.26%	19.22%
Growth 2023-2028	7.38%	4.56%	4.35%
2023 Median Household Income	$91,633	$103,766	$85,217
2023 Median Year Built	1994	1995	1991
2023 Median Home Value	$235,996	$290,208	$261,540
2023 Occupied Housing			
Owner Occupied	62.63%	75.27%	69.90%
Renter Occupied	37.37%	24.73%	30.10%

Within a five-mile radius of the subject, the current year population is 567,028. In 2010, the Census count in the market area was 472,234. The rate of change since 2010 was 20.07%. The five-year projection for the population in the market area is 592,716 representing an increase of 4.53% from 2023 to 2028. The one-mile radius had the greatest increase of population from 2010-2023 at 32.52% and the greatest projection 7.09%. The median household income and median home value is highest within a three-mile radius of the subject at $103,766 and $290,208, respectively. The median household income in all radii are all well above the National and State values, reported at $75,149 for the Nation and $67,173 for the State. The highest percentage of owner-occupied housing is highest within a three-mile radius at 75.27%, which is above the Nation, State, and Marion County, but slightly below Hamilton County and Fishers, which were reported at 76.3% and 77.1%, respectively.

Conclusion of Neighborhood Analysis

The complimentary land uses that make up neighborhoods like the subject generally evolve through the four stages described as follows:

1. Growth - A period during which the neighborhood gains public favor and acceptance
2. Stability - A period of equilibrium without marked gains or losses
3. Decline - A period of diminishing demand
4. Revitalization - A period of renewal, modernization, and increasing demand

The subject neighborhood has experienced a growth in population over the last decade or so as well as new commercial development. Based on the previous discussed trends, the subject neighborhood appears to be currently situated in a growth cycle. It is anticipated that the subject neighborhood will remain in this stage for the foreseeable future, with additional growth occurring as economic conditions become more favorable.

PROPERTY HISTORY

The subject is currently owned by Pledge Realty Corporation. Ownership was granted via a Quitclaim Deed, Document No. 1986029831, dated December 30, 1986, and recorded on December 31, 1986. The grantor(s) is listed as Federal Deposit Insurance Corporation. The purchase price is unknown.

According to public records there were two right-of-way acquisitions affecting the subject property. According to the dated engineering sheets, the acquisitions took place in September of 1995 and June of 2018.

In 2021, Mr. Alboher planned to raze the building and construct a three-story multi-use property that would contain retail, office, and residential use areas, mirroring the surrounding developmental improvements. In February 2022, Fishers approved the development and approved demolition, which was targeted for December 2022. However, development plans fell through, and Mr. Alboher continued to rent the building.

There is a pending contract between Mr. Alboher, Pledge Realty Corporation, and the City of Fishers Redevelopment Commission. However, at the time of this appraisal, a copy was not provided to the appraisers.

The appraisers are not aware of any additional sales, listings, or transfers of the subject property over the past five years.

ZONING

The subject is under the jurisdiction of the City of Fishers. As mentioned above, the subject is located in the Nickel Plate District. The Nickel Plate district includes five zones with different intent, uses, and developmental standards. The subject is located in the DC, Downtown Core District. According to the zoning descriptions for the Nickel Plate District, The Downtown Core is where people can live, work, shop, dine and play. It is a destination for residents and visitors alike due to its mixture of uses that provide a vibrant, unique atmosphere. The Downtown Core is the most 'urban' of the Zones and provides the majority of 'main street' retail shops and restaurants. In addition, multifamily residential offers downtown living experience within vertically mixed buildings. The Downtown Core will contain several building types supporting a diversity of scale and use throughout the core. This diversity sets the framework for a character of small shops, restaurants and tree-shaded sidewalks. The developmental standards for the DC District are found below:

Figure 1.3: Development Standards (Ord. 011717D, 021819A, 052019B)

	DC Downtown Core	MC Municipal Center	HC Highway Center	VC Village Center	TC Technology Center
Setbacks: See Figure 1.5 and Section 7 of this Code for right-of-way information.					
Front (Min/Max):	0 feet / 5 feet	0 feet / none	10 feet / 130 feet	2 feet / 10 feet	10 feet / none
Side (Min/Max):	0 feet / 10 feet	0 fee t/ none	10 feet / 30 feet	0 feet / 15 feet	5 feet / none
Rear (Min/Max):	0 feet / 30 feet	0 feet/none	10 feet / none	5 feet / none	10 feet / none
Building Separation (Min):	0 feet or 10 feet	0 feet	15 feet	0 feet or 6 feet	10 feet
Structure Height: (Ord. 052019B)					
Primary Minimum:	3 stories / 36 feet	3 stories / 36 feet	1 story / 14 feet	3 stories / 36 feet 2 stories / 24 feet (single-family)	1 story / 14 feet
Primary Maximum:	4 stories / 60 feet	4 stories / 60 feet	4 stories / 60 feet	3 stories / 42 feet	4 stories / 60 feet
Accessory Minimum:	Not Permitted	Not Permitted	Not Permitted	N/A	None
Accessory Maximum	Not Permitted	Not Permitted	Not Permitted	15 feet / 600 SF	35 feet
Lot Coverage: All impervious surface is included in this calculation.					
Maximum:	100%	90%	90%	90%	90 %
Structure Size:					
Minimum Residential Unit Area:	700 SF	700 SF	Not Permitted	700 SF	N/A
Maximum Residential Unit Area:	3,000 SF	3,000 SF	Not Permitted	None	N/A
Minimum Commercial Ground Floor Area:	100% of frontage (sites 0-2 acres) 50% of frontage (sites 2+ acres)	0% of building footprint	80% of building footprint	0% of building footprint	N/A
Maximum Commercial Ground Floor Area:	100% of building footprint	100% of building footprint	100% of building footprint	75% of lot	N/A
Supplemental Regulations:					

Figure 1.3: Development Standards (Ord. 011717D, 021819A, 052019B)					
	DC Downtown Core	MC Municipal Center	HC Highway Center	VC Village Center	TC Technology Center
Primary Uses per Lot (maximum):	Multiple	Multiple	Multiple, under single ownership	Two, under single ownership	Multiple
Drive Up Window/Drive Thru:	Not Permitted	Not Permitted	Permitted	Not Permitted	Not Permitted
Communications Facilities:	Not Permitted	Permitted	Not Permitted	Not Permitted	Permitted
Outdoor Dining:	Permitted	Permitted	Permitted	Not Permitted	Permitted
Satellite Dishes (24 in. max)	Permitted; not visible from street.	Permitted; not visible from street	Permitted; not visible from street	Permitted; not on front facade	Permitted; not visible from street
Kiosk or Vending Machine	Not Permitted	Not Permitted	Not Permitted	Not Permitted	Not Permitted
Parking as primary use	Not Permitted	Not Permitted	Not Permitted	Not Permitted	Not Permitted (unless provides shared parking for multiple users)

*Staff may require buildings with corner frontages to notch the corner to ensure a clear vision triangle for vehicles, pedestrians, and bikes.
*Accessory uses shall be located behind the primary structure.
*Setbacks are measured from the structure face, not necessarily from the foundation edge.
*Single-family and Live/Work structures may utilize up to a maximum 20 foot front yard setback in the Village Center.
*Single-family home frontages are to be staggered as to have varied front setbacks in the Village Center.
See Administration for waivers. (Ord. 071816C)

Figure 1.4: Building Types (Ord. 0117170)					
	DC Downtown Core	MC Municipal Center	HC Highway Center	VC Village Center	TC Technology Center
MU Mixed Use 1 : A structure that combines commercial, office, and/or retail space with residential units. Typically, the ground floor would be occupied by a non-residential use while the upper floors would be occupied by a residential use. Parking is provided in rear of buildings, in common parking garages or surface lots.	●	●	●	●	●
IC Infill Commercial: A primarily commercial type in the form of individual buildings and with a street level designated as a storefront available for flex use as a retail store or office. All floors are available for flex use as office or retail. Parking is provided in rear or in a parking garage.	●	●	●		●
HW Highway Commercial: A commercial type in the form of individual buildings designated as a storefront available for flex use as a retail store or office. Parking is generally provided in rear or side of buildings in surface lots.			●		
LC Large Commercial: A commercial type in the form of large individual buildings designated as available for a retail store. Parking is generally provided in front of buildings in surface lots.			●		
LD Lodging: A hospitality use in the form of one or more multi-story buildings designated as available for lodging with limited ground floor flex use as retail. Parking is generally provided in surface lot or common parking garage.	●		●		

Figure 1.4: Building Types (Ord. 0117170)

LW Live/Work 2: A single-family housing type combining a dwelling with a ground floor storefront available for flex use as a retail store or office. Access is provided to all units directly from the street. Parking is provided on street, in a garage, or in a small rear yard lot.				●	
OF Small Office 2: A small business that draws limited customer traffic designed to resemble residential development. This includes but is not limited to, insurance offices, real estate agents, attorneys, etc. Parking is to be provided on-street or by rear-loaded alley.				●	
MF Multifamily 1: A multifamily housing type with stacked residential units in a single structure. Multifamily units are generally accessible by a common lobby, elevator and interior corridor. Parking is generally provided in mid-block parking garage or surface lot.	●			●	●
TH Townhome: A single-family attached housing type typically located with a porch or stoop. Parking is typically provided in a garage off of an alley.	●			●	
SF Single Family Detached: A single family detached is a dwelling for one family on a single lot. Parking is typically provided in a private drive or garage and is accessible by the primary street or an alley.				●	
CV Civic/Institutional: A municipal type in the form of large individual buildings and generally accessible directly from the street with all floors serving as flex use as office and service. Parking is generally provided in surface lots or common parking garage.	●	●	●	●	●
RC Residential Conversion 3: Properties that were built as residential dwellings but have been converted for commercial, retail, or office use with no residents in the property. Any home built as a residential dwelling shall remain residential for a minimum of three (3) years from when the Certificate of Occupancy was issued prior to converting to a commercial use. For a residential conversion to take place, the structure must comply with all current zoning standards.				●	
TB Technology Building: Office and industrial flex-type structures used for high-tech manufacturing and production, research and development, innovation, entrepreneurship, office, and co-working. Parking is generally provided on the side and rear of buildings.					●

1: Prohibited south of Morgan Drive, except east of Lantern Road. (Ord. 071519A)
2: Prohibited south of Morgan Drive, except properties adjacent to the west side of Lantern Road.
3: Prohibited south of Morgan Drive.
All non-residential structures must be a minimum of two stories in height.

● = Permitted

Ord. 071921B

The subject's current industrial office use is considered a legal, non-conforming use due to the development standards.

ASSESSMENTS AND TAXES

The subject property consists of two tax parcels identified as parcel number 29-14-01-201-002.000-006 and 29-14-01-201-003.000-006. The property record cards obtained from the Assessor's Office indicate that the subject has a total assessed value of $380,800 for land and $623,500 for improvements for a total assessment of $1,004,300. The 2023 pay 2024 tax rate is 2.2011 per $100 of assessed value. Applying a rate of 2.2011% to the assessment indicates a tax burden of $22,105.65, or $0.1.29 per square foot of building area, as shown below

Taxes			
Parcel Number	Land Assessment	Improvement Assessment	Total Assessment
29-14-01-201-002.000-006	$119,000	$609,600	$728,600
29-14-01-201-003.000-006	$261,800	$13,900	$275,700
Total	*$380,800*	*$623,500*	*$1,004,300*
FISHERS TOWN 006 - 2.2011			$1,004,300
2023 Pay 2024			$22,105.65
		Taxes / Acre	*$19,737*
		Taxes / Above Grade SF	*$1.29*

A full tax analysis is beyond the scope of this appraisal.

<u>LEGAL DESCRIPTION</u>

The subject's legal description was obtained from the ALTA/NSPS Land Title Survey conducted by Hahn Surveying Group, Inc., dated July 13, 2021 and revised on June 22, 2022. Limited Warranty Deed, Document No. A202100120442, dated August 23, 2021, and recorded on September 10, 2021. The subject is legally described as follows:

LEGAL DESCRIPTION *(recited from Schedule A of Near North Title Group Commitment for Title Insurance, Commitment No. IN2128437, dated June 10, 2021.)*

PARCEL I:

A part of the Northeast Quarter of the Northeast Quarter of Section 1, Township 17 North, Range 4 East, bounded as follows:

Begin 937.9 feet West of the Northeast corner of said Section 1, running South at right angles to the North line of said Section 147 feet; thence West 110.5 feet; thence South 203 feet; thence South 62 degrees and 18 minutes East 58.65 feet to the West line of the right-of-way of the Nickel Plate Railroad; thence North 27 degrees and 42 minutes East along said West line of right-of-way 436 feet to North line of Section; thence West 139.27 feet to the place of beginning.

EXCEPTING THEREFROM THE FOLLOWING:

Part of the Northeast Quarter of Section 1, Township 17 North, Range 4 East of the Second Principal Meridian, and being a part of a parcel of land as described in Instrument No. 1986-029831, in the Office of the Recorder of Hamilton County, Indiana, described as follows.

Commencing at the Northeast Corner of the Northeast Quarter of said Section; thence North 89 degrees 56 minutes 51 seconds West (State Plane Bearing, Indiana East Zone) along the North line thereof, 1048.40 feet to the West line of said instrument; thence South 00 degrees 03 minutes 09 seconds West, along the West line, 336.39 feet to the POINT OF BEGINNING of this description; thence South 76 degrees 09 minutes 06 seconds East, 67.14 feet to the Westerly railroad right-of-way; thence South 27 degrees 46 minutes 02 seconds West, along said right-of-way 28.18 feet to the Southerly line of said Instrument; thence North 62 degrees 14 minutes 51 seconds West, along said line 58.84 feet to the West line thereof; thence North 00 degrees 03 minutes 09 seconds East, 13.61 feet to the point of beginning, containing 1273 square feet 0.029 more or less.

PARCEL II:

A part of the Northeast Quarter of the Northeast Quarter of Section 1, Township 17 North, Range 4 East, in Hamilton County, Indiana, as follows:

Begin 1048.4 feet West of the Northeast corner of said Section 1; thence South at right angles to the North line of said Quarter Section 147 feet; thence East 110.5 feet, thence North 147 feet; thence West 110.5 feet to the place of beginning.

Excepting from the above Parcels I & II the following:

A part of the Northeast Quarter of the Northeast Quarter of Section 1, Township 17 North, Range 4 East, Hamilton County, Indiana, described as follows:

Beginning at a point on the North line of said Section South 89 degrees 52 minutes 14 seconds West (assumed bearing) 798.14 feet (798.63 feet deduced from deed record 362 page 780) from the Northeast corner of said Section, which point of beginning is where said North line intersects the Northwestern line of the Norfolk and Western Railroad; thence South 27 degrees 34 minutes 46 seconds West 39.53 feet along said Northwestern line; thence North 83 degrees 46 minutes 11 seconds West 72.22 feet; thence South 89 degrees 52 minutes 14 seconds West 160.07 feet to the West line of the grantor's land; thence North 0 degrees 07 minutes 46 seconds West 27.00 feet along said West line to the North line of said Section; thence North 89 degrees 52 minutes 14 seconds East 250.23 feet (249.77 feet deduced from deed record 362. Page 780) along said North line to the point of beginning and containing 0.158 acres, more or less.

SCHEDULE OF EASEMENTS (The above described real estate is subject to and/or together with the following easements revealed from Schedule B, Part II Exceptions of Near North Title Group Commitment for Title Insurance, Commitment No. IN2128437, dated June 10, 2021.)

SITE DESCRIPTION

The subject consists of two tracts of land located on the southeast corner of Manship Lane and E. 116th Street in Fishers, Indiana, just north of the City of Indianapolis and Marion County. The site is irregular in shape and contains a land area of approximately 1.120 acres. Site improvements include concrete sidewalks, concrete and asphalt drives and parking lot, chain link fencing, and a small established lawn area. A detailed description of the subject site is as follows:

Site Description	
General Description	Two tracts of land containing a total of 1.120 +/- acres located on the southeast corner of Manship Lane and E. 116th Street, Delaware Township, Hamilton County, Fishers, Indiana.
Parcel No.	29-14-01-201-002.000-006 & 29-14-01-201-003.000-006
Access	Access to the site is obtained via two curb cuts on the south side of E. 116th Street (one curb cut being Manship Lane, and one curb cut on the north side of Fishers Centre Drive (also known as South Street).
Shape	Irregular
Frontage	According to the ALTA/NSPS Land Title Survey conducted by Hahn Surveying Group, Inc., dated July 13, 2021 and revised on June 22, 2022, the subject has 232.39 +/- feet of frontage on the south side of E. 116th Street, 309.39 +/- feet on the east side of Manship Lane, and 67.14 +/- feet on the north side of Fishers Centre Drive (South Street).
Improvements	The subject is improved with a multi-tenant retail/office building containing approximately 17,200 square feet of above grade building area. Site improvements include concrete sidewalks, concrete and asphalt drives and parking lot, chain link fencing, and a small established lawn area.
Utilities	All Municipal. All of the utilities are assumed to have adequate capacities to facilitate the subject's site. There are no known assessments or charges against the subject site for these utilities other than normal service/user charges.
Topography	Mostly level
Easements	It is assumed the subject is affected by typical public road right of way, drainage and utility easements. The appraisers reserve the right to revise their value opinion if any other easements are revealed.

Flood Map & Review	According to the National Flood Insurance Program Federal Emergency Management Agency, flood map number 18057C0234G, dated November 19, 2014, the subject's property is not located in an area of flood risk. A copy of the FEMA flood zone map is provided after the Site and Improvement Description sections. ***The appraisers are not qualified to determine the exact location of flood zones and recommend that the client consult an expert in the field.***
Proximity to Detremental Influences	No nuisances, hazards or other detrimental influences were observed to be in the vicinity of the subject site at the time of inspection.
Environment and Wetlands Assessment	The appraisers have not been provided with an environmental assessment for the subject. The estimated market value is subject to the assumption that there are no unknown environmental concerns in regard to the subject. If the property is affected by environmental problems or by wetlands, the appraiser reserves the right to revise the value estimate.

IMPROVEMENT DESCRIPTION

The subject is improved with a two-story commercial retail/office building containing approximately 17,200 square feet. According to public records, the two-story structure was constructed in 1916 and the one-story structure in 1950, both have undergone partial renovations throughout the years. The following is a summary of the structural, mechanical and electrical components for the improvements followed by a description of the improvement interiors, which will be discussed per suite:

Building Summary - Original 1916 Building	
Type	Two-Story Office Building
Year Built	1916
Renovations	Throughout the years
Gross Building Area (Above Grade)	2,400 square feet
Basement (SF)	N/A
Condition	Average
Foundation / Exterior	
Foundation	Slab
Framing	Wood and masonry frame
Exterior Walls	Brick, masonry block, and vinyl siding (2nd floor portion)
Windows	Fixed/store front windows encased in steel and vinyl frames.
Exterior Doors	Glass entry/storefront doors encased in a steel frame and metal doors
Roof Type	Gambrel
Roof Cover	Asphalt shingles over wood deck and truss system.
Mechanical Summary	
HVAC	The entire building has heat and air conditioning. Each suite is controlled by the tenant.
Electical	Electric panels were observed; therefore, the building is assumed to have adequate electric service.
Plumbing	Adequate

Building Summary - 1950 Addition	
Type	One-Story Office Building
Year Built	1950
Renovations	Throughout the years
Gross Building Area (Above Grade)	14,800 square feet
Basement (SF)	642 square feet - unfinished
Condition	Average
Foundation / Exterior	
Foundation	Basement and slab
Framing	Wood and masonry frame
Exterior Walls	Brick and vinyl siding
Windows	Fixed/store front windows encased in steel and vinyl frames.
Exterior Doors	Glass entry/storefront doors encased in a steel frame and metal doors
Roof Type	Gable
Roof Cover	Asphalt shingles over wood deck and truss system.
Mechanical Summary	
HVAC	The entire building has heat and air conditioning. Each suite is controlled by the tenant.
Electical	Electric panels were observed; therefore, the building is assumed to have adequate electric service.
Plumbing	Adequate

8603 E. 116th Street, Thai and Sushi House, LLC – per the provided rent roll this space contains 3,800 +/- square feet within the northwestern portion of the building (the original improvement, and part of the newer improvement). The layout consists of an open area with a dining, cooking stations, and restrooms. There is a backroom that is predominantly for kitchen and storage use. The restrooms contain a stool and a wall-hung sink. The finish consists of tile flooring, painted drywall walls with wood trim, acoustic drop ceiling tile panels, and LED/fluorescent lighting.

8605-8607 E. 116th Street, former Burn Boot Camp – space contains 5,900 +/- square feet within the western portion of the building. This was a former gym/training space. The layout consists of a large open gym area with a “floating” gym floor that is covered with rubber gym flooring. This area contains large ceiling fans and high-quality LED hanging light fixtures. There is also another large, but smaller room with mirrored walls that could be used as a separate conditioning/dance area. There is one office and one break room area which contains two sinks. There are two large restrooms complete with sinks, showers, and stalls. The finish consists of vinyl plank flooring (carpet tiles in the conditioning room and rubber gym flooring in the main gym area), painted drywall walls with PVC trim. The ceiling cover is mostly a painted open ceiling, there are also acoustic drop ceiling tiles, and LED/fluorescent lighting. Mr. Alboher said that the previous tenant of the space spent approximately $350,000 outfitting the area for gym use.

8619 E. 116th Street, former North Star Health– per the provided rent roll this space contains 3,600 +/- square feet within the northern portion of the building. The layout is consistent with other retail/office spaces in a building like the subject. The entrance off the south side of E. 116th Street enters into a large open area that could be used for a multitude of retail or office buildouts. There is a back area that contains some larger storage/break room space and a restroom. The restroom contains a stool and a vanity sink.

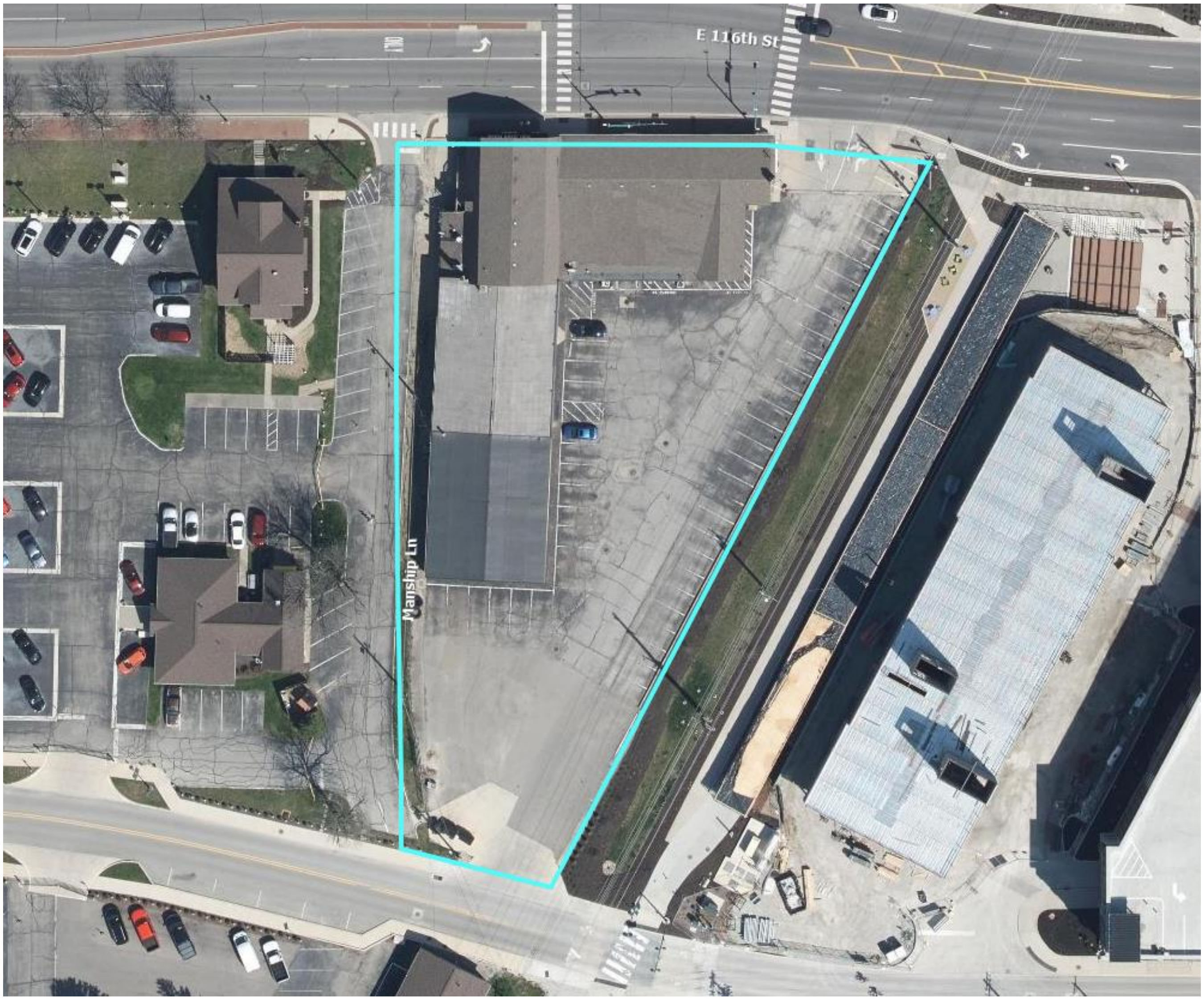
The finish consists of predominately carpet flooring with some linoleum tile, painted drywall walls with wood trim, acoustic drop ceiling tile panels, and LED/fluorescent lighting.

8625 E. 116th Street, former People Factor, LLC – per the provided rent roll this space contains 1,500 +/- square feet on the northeastern portion of the building. The space contains an office layout with an open reception area, offices, conference room, small kitchenette and a restroom. This suite is the only access to the unfinished basement in the building, which is currently used for storage. The restroom contains a stool and a vanity sink. The finish consists of carpet flooring with vinyl tile in the restroom, and painted drywall walls with natural wood trim. The ceiling is predominately painted drywall with the restroom containing acoustic drop ceiling tile panels. The lighting is LED/fluorescent.

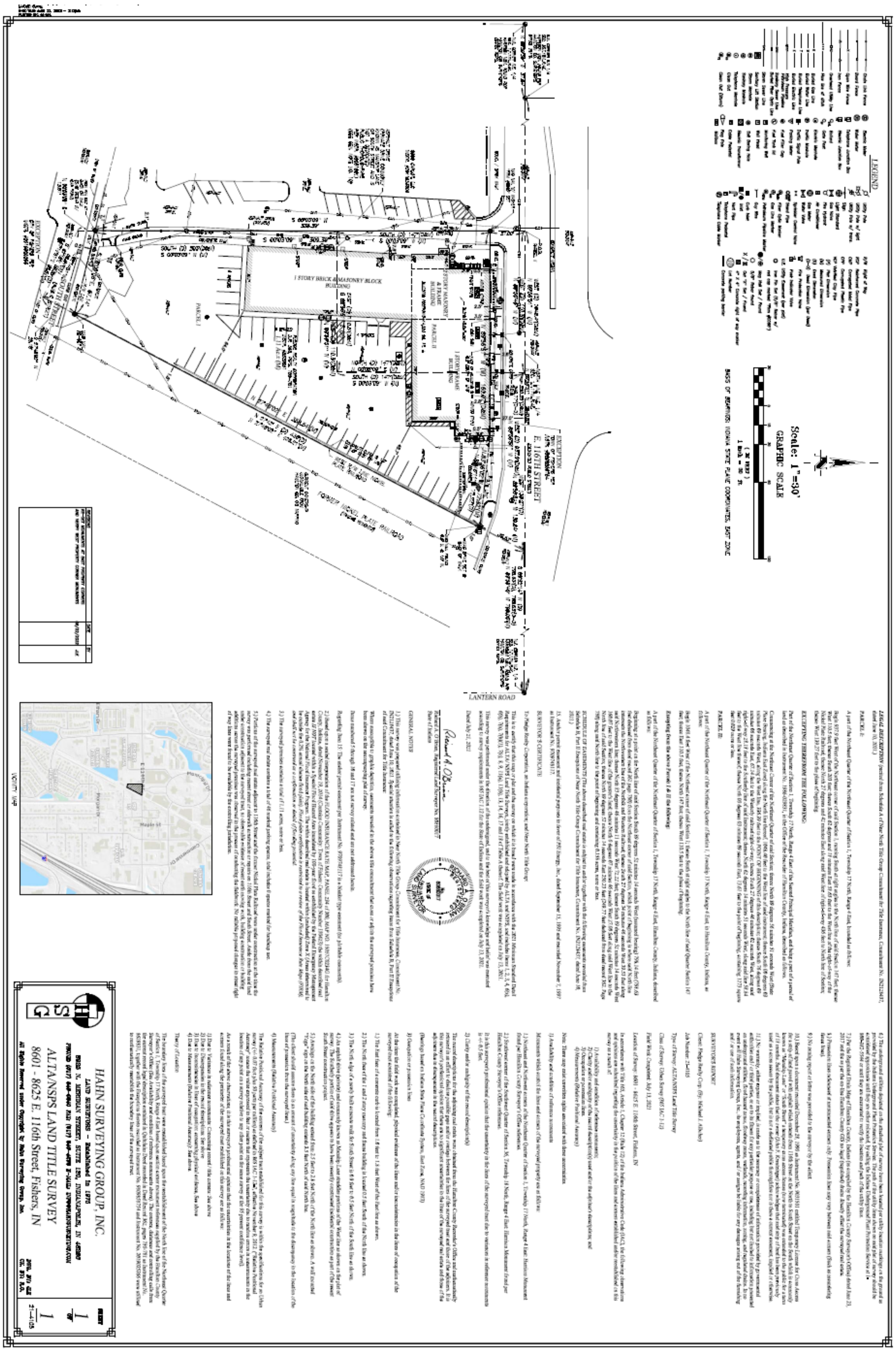
8609 E. 116th Street, former A Source Yoka Center – per the provided rent roll this space contains 2,400 +/- square feet and encompasses the second floor of the older building. There are two access doors with stairs. The main entrance is off the south side of E. 116th Street while there is an outside door and stairs on the east side of Manship Lane. At the time of inspection, the entrance off of Manship Lane needed some repair. The layout is consistent with other retail/office spaces on the second floor in a building like the subject. The layout consists of a main hallway which leads to a large open area, a restroom, and a few small office areas. The restroom contains a stool and a vanity sink. The finish consists of carpet flooring in the offices and hallway, laminate wood in the large open area, and tile in the restroom. The walls and ceiling is painted drywall with painted wood trim, and LED/fluorescent lighting.

One of the buildings was constructed in 1916 while the other was constructed in 1950. Following the fallout of the development planes Mr. Alboher reported that several updates were in progress such as drive patching and roof repair. Capital Improvements over the recent years include parking lot (approximately $11,000), rubber roof membrane over Burn Boot Camp (approximately $15,500), and a new perimeter drain and sump pump (approximately $6,000). According to Mr. Alboher, throughout his time of ownership he has maintained the building to prevent expensive repairs in the future. Following the inspection, the building is considered to be in average condition for its age.

AERIAL MAP



SURVEY


E. 116TH STREET
LANTERN ROAD
1 STORY BRICK & MASONRY BLOCK BUILDING
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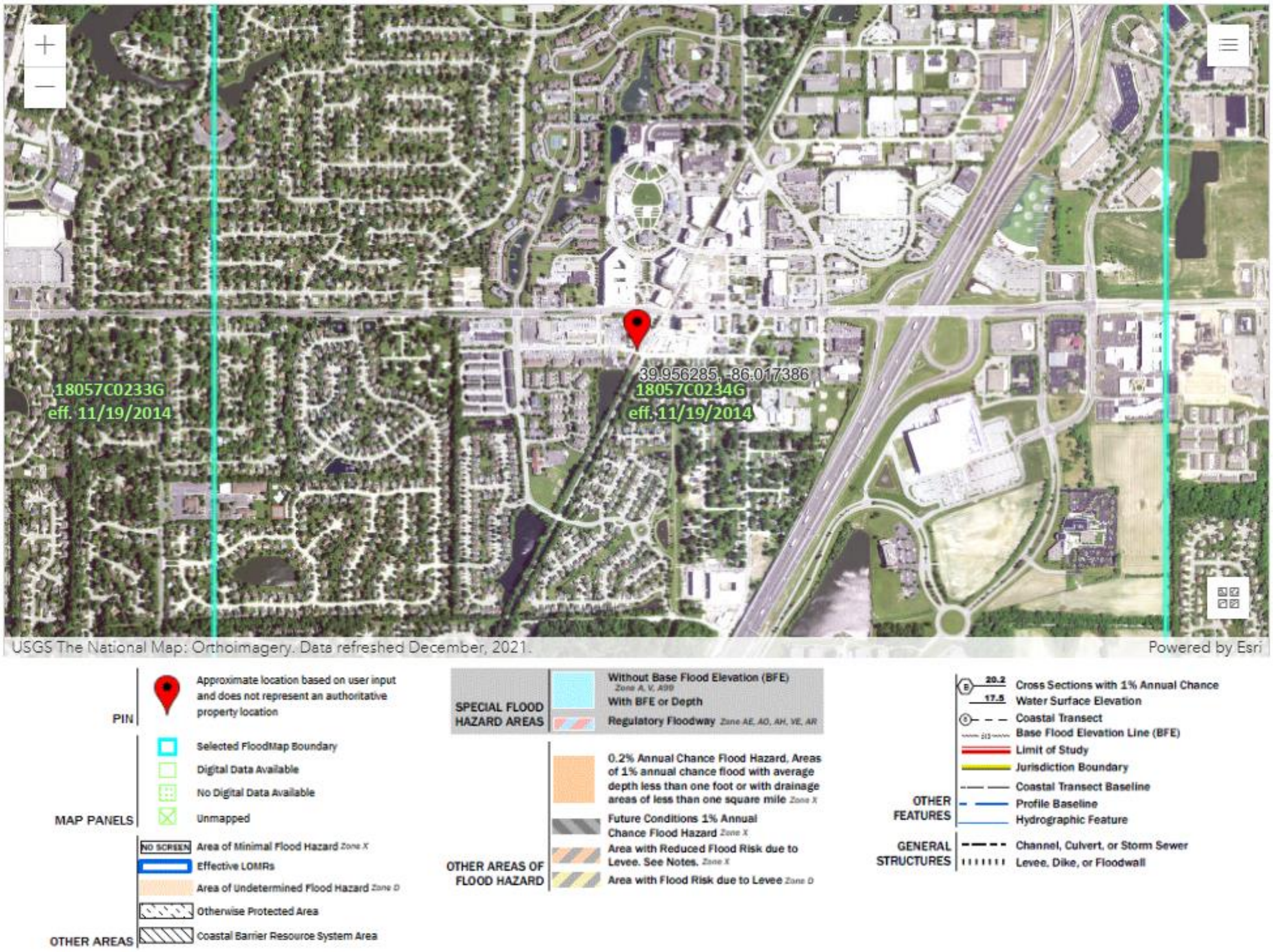
HAHN SURVEYING GROUP, INC.
ALTA/NSPS LAND TITLE SURVEY
8601 - 8625 E. 116th Street, Fishers, IN

FLOOD MAP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USGS The National Map: Orthoimagery. Data refreshed December, 2021.
Powered by Esri
PIN
Approximate location based on user input and does not represent an authoritative property location
MAP PANELS
Selected FloodMap Boundary
Digital Data Available
No Digital Data Available
Unmapped
OTHER AREAS
NO SCREEN
Area of Minimal Flood Hazard Zone X
Effective LOMRs
Area of Undetermined Flood Hazard Zone D
Otherwise Protected Area
Coastal Barrier Resource System Area
SPECIAL FLOOD HAZARD AREAS
Without Base Flood Elevation (BFE) Zone A, V, A99
With BFE or Depth
Regulatory Floodway Zone AE, AO, AH, VE, AR
OTHER AREAS OF FLOOD HAZARD
0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
Future Conditions 1% Annual Chance Flood Hazard Zone X
Area with Reduced Flood Risk due to Levee. See Notes. Zone X
Area with Flood Risk due to Levee Zone D
20.2
17.5
Cross Sections with 1% Annual Chance Water Surface Elevation
Coastal Transect
Base Flood Elevation Line (BFE)
Limit of Study
Jurisdiction Boundary
OTHER FEATURES
Coastal Transect Baseline
Profile Baseline
Hydrographic Feature
GENERAL STRUCTURES
Channel, Culvert, or Storm Sewer
Levee, Dike, or Floodwall

SUBJECT PHOTOS

Looking east along E. 116th Street

Looking west along E. 116th Street

Elevations

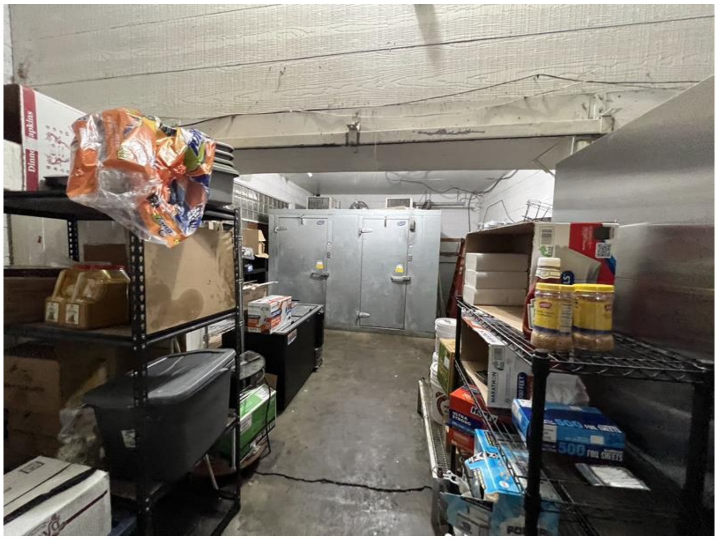
North Elevation

East Elevation

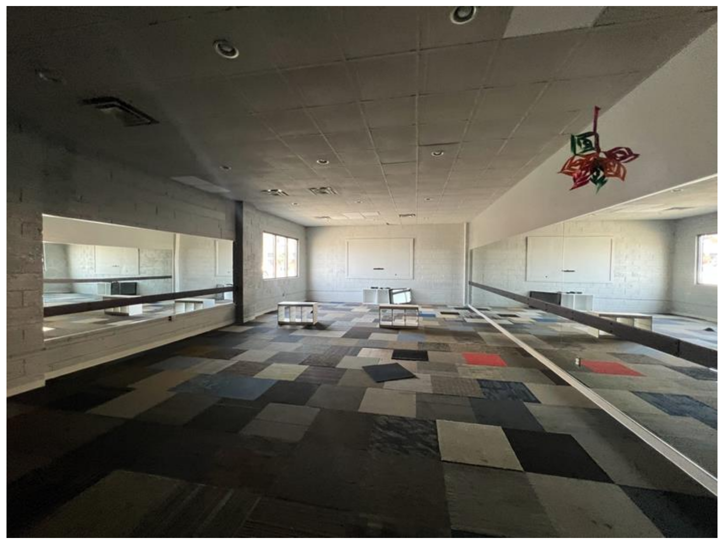
Partial East and South Elevation

West Elevation

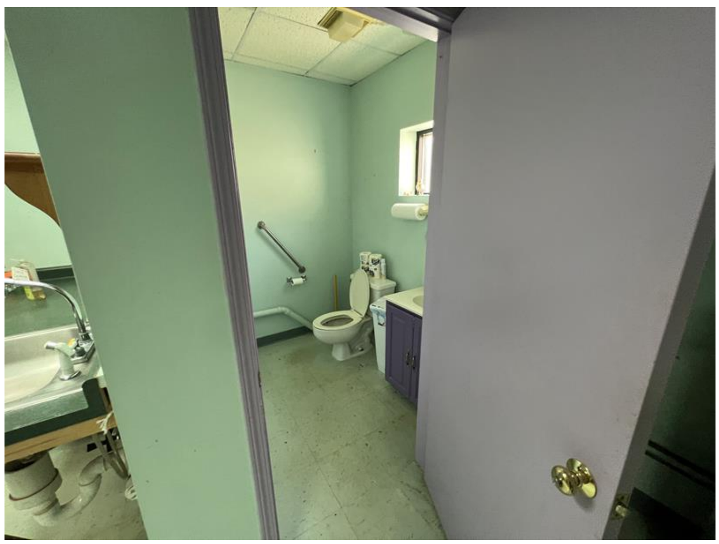
8603 E. 116th Street – Thai and Sushi House, LLC



8605-8607 E. 116th Street – Former Burn Boot Camp

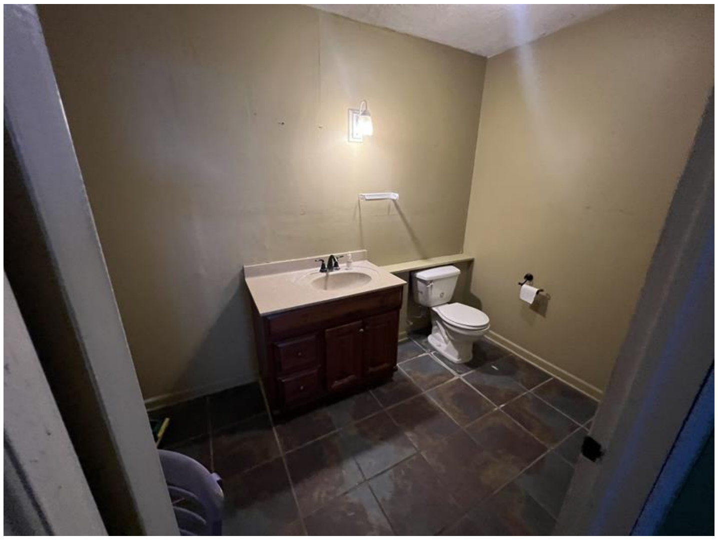


8619 E. 116th Street – Former North Star Health



8625 E. 116th Street – Former People Factor, LLC

8609 E. 116th Street – Former A Source Yoga Center



Site / Miscellaneous

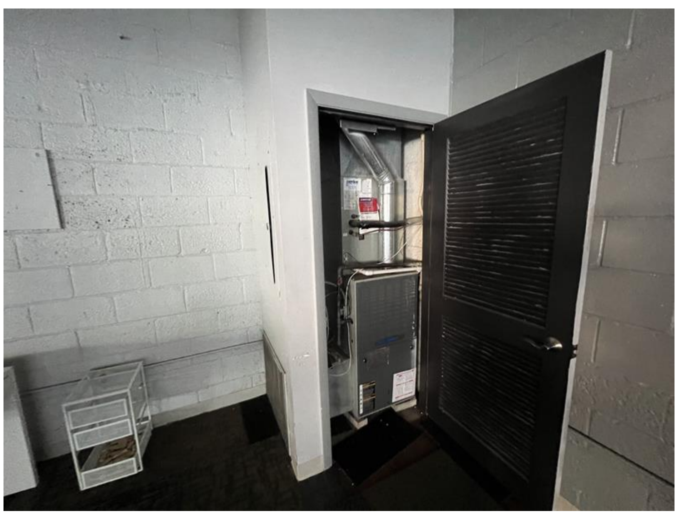
Facing southeast towards South Street / Nickel Plate Trail and South Street entrance

Facing north from South Street Entrance towards subject parking

Facing south towards South Street from E. 116th entrance

Facing northeast towards Nickel Plate Trail – adjacent east of subject site

Outside access to second story – west elevation *Facing north from subject towards Municipal Drive*



PART FOUR – ANALYSIS OF DATA AND CONCLUSIONS

HIGHEST AND BEST USE OF THE SUBJECT SITE AS VACANT

The first consideration in estimating the highest and best use of the subject site as vacant is to determine what is legally permissible. The subject property is currently zoned DC, Downtown Core - Nickel Plate District Zone and is under the jurisdiction of the City of Fishers Department of Planning and Zoning. The zoning classification is compatible to the surrounding development patterns of the area and would allow a variety of uses that would create an active market for the land, if vacant.

The next consideration pertains to the physically possible use of the land. The subject site consists of an irregular shaped parcel that has a land area of approximately 1.120 acres. There are no significant physical limitations on the subject site that affect potential development other than size. Thus, the physically possible uses of the land include single or multi-family residential, low intensity retail/commercial, low intensity industrial, or special use. Due to the size, a high intensity retail/commercial, high industrial, or agricultural use is not considered. The subject is located on the southeast corner of Manship Lane and E. 116th Street in an area of significant redevelopment embracing the Downtown Core zone which offers both multifamily residential and commercial use buildings.

The next consideration consists of identifying the financially feasible use which would result in the maximum profitability. The area is experiencing great demand for redevelopment and there is a wide variety of uses in the area, consisting of primarily commercial and residential use properties with a significant number of newly constructed mixed-use buildings in the immediate surrounding area. The financial feasibility of a mixed-use redevelopment, compatible with current zoning standards, is demonstrated by the redevelopment trends experienced within the subject's immediate area.

The fourth consideration involves identifying the maximally productive use of the subject property. Of the financially feasible uses, the use that produces the highest residual land value consistent with the rate of return warranted by the market for that use is the highest and best use. The most probable use of the subject site would be for mixed-use redevelopment, which is compatible with current zoning standards. This use would be financially feasible and provide the highest rate of return of all financially feasible uses and thus, is considered to be the highest and best use of the site.

HIGHEST AND BEST USE OF THE SUBJECT PROPERTY AS IMPROVED

The subject is zoned DC, Downtown Core - Nickel Plate District Zone, which allows for a variety of mixed uses. The subject is currently improved with a 17,200 square foot commercial retail/office building that was built in 1916 and 1950, with an effective age of 35 years and is in average condition for its age. Data obtained from Marshall Valuation Service indicates that the life expectancy of a building like the subject is 45 years. With an effective age of 35 years, the subject improvement is likely nearing the end of its economic life. The subject as improved is considered a legal, non-conforming use.

In highest and best use analysis, if the value of land plus demolition is higher than the value as improved, the highest and best use would be to raze the improvements and redevelop the site. The Sales Comparison Approach was developed to determine the value of the subject's improvement. The appraiser analyzed four recent sales of similar commercial retail/office properties within the subject's competitive market area. The comparable sales are considered similar to the subject in size, condition, and location and are considered to attract the same market buyer as the subject property. The sales are shown as follows:

Sales of Comparable Improved Properties						
Address	**GBA (SF)**	**Year Built**	**Condition**	**Sales Price**	**Sale Price / SF**	**Sale Date**
8418 E. 116th Street	13,334	1998	Average	$1,509,900	$113.24	12/3/2021
11411 Overlook Drive	13,167	1999/2002	Average	$1,800,000	$136.71	5/19/2023
9520 E. 126th Street	18,473	1996	Average	$3,300,000	$178.64	4/7/2022
11845 Allisonville Road	14,047	1989	Average	$1,715,000	$122.09	4/12/2023
				Mean	**$137.67**	
				Median	**$129.40**	

The comparable sales indicate an unadjusted unit rate ranging from $122.09 to $197.51 per square foot, with mean and median indications of $158.74 and $157.67 per square foot, respectively. This would indicate a unit rate of $157 per square foot for the subject property. The subject contains 17,200 square feet. Applying the unit rate of $157 per square foot to the subject's building area above grade would result in an estimated value of $2,700,400 for the subject property.

According to the Sales Comparison Approach, the value of the subject is estimated at $2,700,400. As will be shown in the following land valuation, the value of the subject as redevelopment land is estimated at $7,060,000. Since the value of the subject as vacant, redevelopment land exceeds the value of the property as improved, the improvement is not considered to represent its highest and best use. Therefore, it is determined that the highest and best use of the subject as improved would be to demolish the improvements and redevelop the site with a mixed-use development to support the commercial and residential demand of the Nickel Plate District. This will be the premise for the remainder of the report.

VALUATION TECHNIQUE AND PROCEDURE

There are three basic approaches to the valuation of real estate:

The Cost Approach is the method in which the value of the real estate is derived by estimating the replacement or reproduction cost new of the subject improvements and deducting the estimated depreciation which would accrue from all causes. The market value of the underlying land is estimated by the use of market data and added to the depreciated value of the improvements. The simplest definition of depreciation is the difference between replacement or reproduction cost new of the improvements and market value as indicated by the other approaches to value.

The second approach to value is the Income Capitalization Approach which measures the present value of the future benefits of ownership. Direct capitalization and yield capitalization are methods of valuation based on different measures of anticipated earnings and have distinct assumptions concerning the relationship between anticipated earnings and value. Direct capitalization is utilized to convert a single year's net income expectancy into an indication of market value. This approach to value has the greatest applicability for a property which would typically be purchased as an investment.

The third approach to value is the Sales Comparison Approach. This appraisal technique estimates market value by comparing actual market transactions of similar type properties with the subject property. Various adjustments are applied to the comparables to reflect the differences between the sale properties and the subject. This approach depends on a high degree of comparability between market sales and the subject. It is generally considered that the Sales Comparison Approach is one of the strongest indicators of market value, given adequate market data with an appropriate level of detail.

Each of the above approaches considers the value of the subject property from a slightly different point of view. A final value conclusion is not an average of the values indicated by the three approaches, but rather a considered judgment on the part of the appraiser based on the quantity and quality of the data available for examination in each approach and the relevance of each approach to the subject property.

In this appraisal the Income Capitalization and Sales Comparison Approaches to value will be employed to develop an indication of market value for the subject property. The Sales Comparison Approach will be developed to arrive at an indication of land value. The Cost Approach is not developed due to the difficulty associated with determining accrued depreciation due to the age of the building.

INCOME CAPITALIZATION APPROACH

The Income Capitalization Approach is defined as:

> "A set of procedures in which an appraiser derives a value indication for income-producing property by converting anticipated benefits into property value. This conversion is accomplished either by: 1) capitalizing a single year's income expectancy or an annual average of several year's income expectancies at a market-derived capitalization rate or a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment; or 2) discounting the annual cash flows for the holding period and the reversion at a specified yield rate."

The appraisal principles applied within the Income Capitalization Approach consist of:

1. The principle of anticipation and change
2. The principle of supply and demand
3. The principle of substitution
4. The principle of balance
5. The principle of externalities

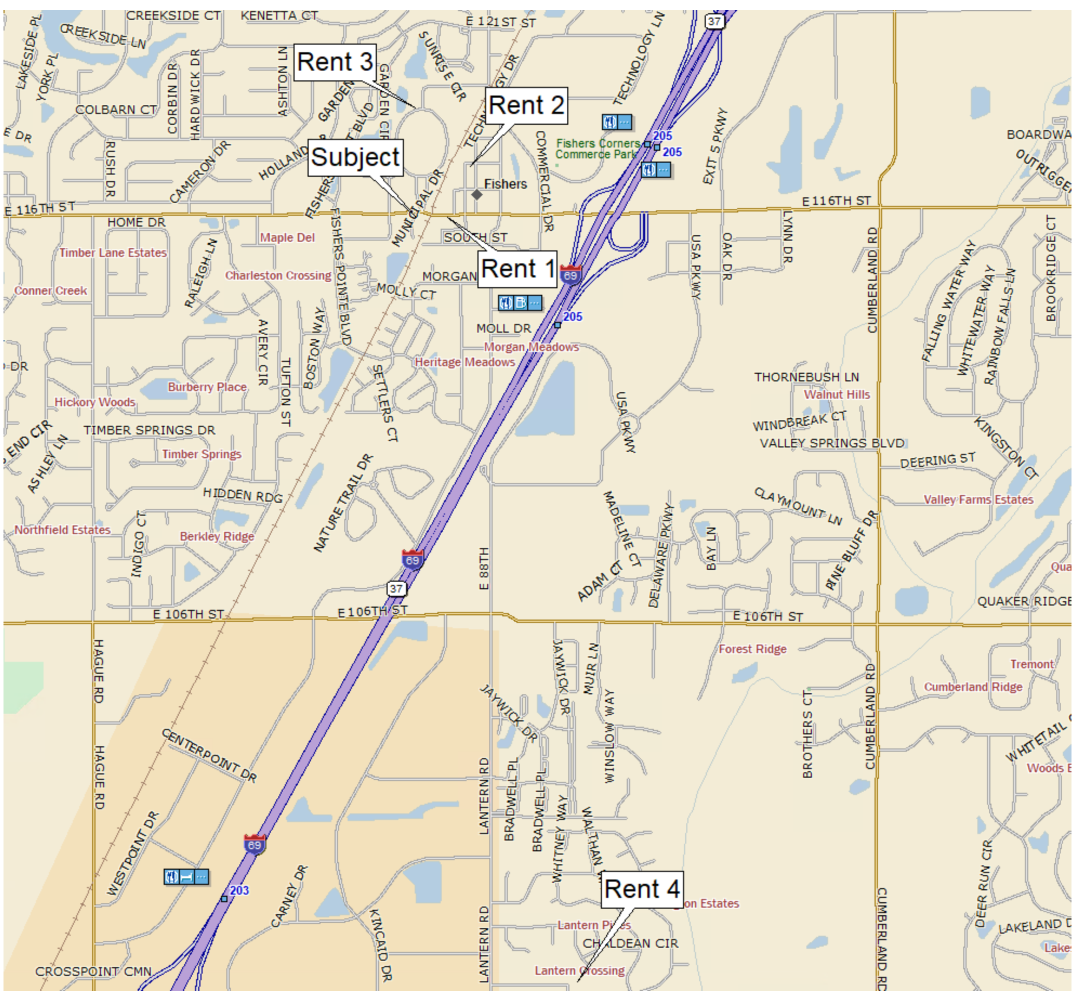
The premise of the Income Capitalization Approach is that value is the result of the anticipated benefits to be derived in the future. The anticipated change within the future benefits must be accounted for in order for this approach to be a reliable indicator of value. In order to account for the change of anticipated benefits, the supply and demand factors must be weighed to produce a reliable forecast of the future benefits and appropriate rates of return. The principle of substitution holds that prices, rental rates and rates of return tend to have a relationship within established competing properties. In addition to the analysis of the supply and demand factors, a reasonable balance between the four agents of production in an income producing property must be obtained to provide and maintain maximum profitability. The external factors outside of the property lines, which may be either positive or negative, must be considered to determine their effect on the quantity and quality of the income stream of the property.

The future benefits measured within the Income Capitalization Approach include the rights to receive all profits during the term of ownership (holding period), plus the net proceeds realized from the sale of the property at the end of the holding period. The various measures of future benefits include potential gross income, effective gross income, pre-tax cash flow and reversionary value. Anticipated returns from future benefits include recovery of the original investment plus profits or rewards for the risk taking of the investor. Commonly used rates to measure anticipated returns by investors are overall capitalization rate, equity capitalization rate, interest rate, discount rate, internal rate of return and equity yield rates. These rates fall into two classes, income rates and yield rates. Income rates relate the ratio of a yearly income stream of a property to the value of the property while yield rates are applied to a series of individual incomes to obtain present value.

Rate selection should reflect the annual rate of return required to attract investment capital, which requires appraisal judgment and knowledge about prevailing market attitudes and economic indicators. The rate should be consistent with data reflected in the marketplace.

The development of income estimates requires projection of future income levels, which coincides with the principle of anticipation. In estimating an economic rental for the subject property, the leases of competitive properties within the subject's marketing area are analyzed. The rent comparables, as summarized in the following pages, will be utilized to derive an estimated market rent for the subject property. The rent comparables analyzed within the Income Capitalization Approach are as follows:

RENT COMPARABLE MAP



Rent Comparable 1 – 8701 E. 116th Street, Fishers, IN

Rent Comparable 2 – 11671 Maple Street, Fishers, IN

Rent Comparable 3 – 12 Municipal Drive, Fishers, IN

Rent Comparable 4 – 8974 E. 96th Street, Fishers, IN

Rent Comparable Grid					
	Subject	Rent #1	Rent #2	Rent #3	Rent #4
Address	8603 E. 116th Street Fishers, IN	8701 E. 116th Street Fishers, IN	11671 Maple Street Fishers, IN	12 Municipal Drive Fishers, IN	8974 E. 96th Street Fishers, IN
Net Rentable Area	1,500 - 5,900	2,702	4,101	3,188	2,400
Total Net Rentable Area	17,200	120,000	225,506	29,976	15,730
Land Area (AC.)	1.120	1.000	3.390	0.360	1.630
Lease Term	N/A	Unknown	Unknown	Unknown	Unknown
Date of Lease	N/A	October, 2023	August, 2023	January, 2023	March, 2024
Minimum Annual Rent	N/A	$94,570	$139,434	$89,264	$72,000
Effective Annual Rent (sf)		**$35.00**	**$34.00**	**$28.00**	**$30.00**
Lease Structure		**NNN**	**NNN**	**MG**	**NNN**
Lease Terms:					
		$35.00	$34.00	$28.00	$30.00
Market Conditions (time)		$0.00	$0.00	$0.00	$0.00
Adjusted Rental Rate		$35.00	$34.00	$28.00	$30.00
Expense Adjustment		$0.00	$0.00	($4.17)	$0.00
Adjusted Rental Rate		$35.00	$34.00	$23.83	$30.00
Concessions		$0.00	$0.00	$0.00	$0.00
Adjusted Rental Rate		$35.00	$34.00	$23.83	$30.00
Location/Site		Similar	Similar	Similar	Similar
Physical Characteristics		Inferior	Similar	Inferior	Inferior
Age/Condition		Superior	Superior	Superior	Superior
Suite Size		Similar	Similar	Similar	Similar

The above rent comparables are commercial retail/office use properties located within the subject's general marketing area. The subject is multi-tenant commercial retail/office building. The comparables range from a triple net lease structure, whereby the tenant is responsible for a majority of the expenses, to a modified gross lease structure. Comparable Rents 1, 2, and 4 are based on a triple net lease structure, therefore, lease structure adjustments were not needed. Comparable Rent 3 is based on a modified gross lease structure and was adjusted to reflect a triple net rental rate. Following expense adjustments, the comparables indicate a range of rents from $35.00 to $23.83 per square foot with a mean and median indication of $30.71 and $32.00, respectively.

Rent 1 – is a new construction multi-tenant retail/office property located just east of the subject on the southwest quadrant of E. 116th Street and Moore Street. The building was built in 2021 and considered to be in above average condition. The building contains a total of 176,103 square feet. The lease space is 2,702 square feet in size and located on the second floor of the building. This comparable is considered similar in location and suite size, inferior in physical characteristics due to being on the second floor, and superior in age/condition. The lease is based on a triple net lease structure in the amount of $35.00 per square foot. Following adjustments, this comparable indicates an adjusted rental rate of $29.75 per square foot for on a triple net basis.

Rent 2 – is a new construction multi-tenant retail/office and multi-family property located just northeast of the subject on the northwest quadrant of E. 116th Street and Moore Street. The building was built in 2022 and is considered to be in above average condition. The building contains a total of 225,506 square feet. The lease space is 4,101 square feet in size and located on the first floor of the building. This comparable is considered similar in location, physical characteristics, and suite size, and superior in age/condition. The lease is based on a triple net lease structure in the amount of $34.00 per square foot. Following adjustments, this comparable indicates an adjusted rental rate of $27.20 per square foot for on a triple net basis.

Rent 3 – is a multi-tenant retail/office property located north of the subject on Municipal Drive. The building was built in 2019 and is considered to be in above average condition. The building contains a total of 29,976 square feet. The lease space is 3,188 square feet in size and located on the third floor of the building. This comparable is considered similar in location and suite size, inferior in physical characteristics due to being on the third floor and lack of visibility from high traffic areas, and superior in age/condition. The lease is based on a modified gross lease structure in the amount of $28.00 per square foot (adjusted to $23.83 to reflect a triple net equivalent). Following adjustments, this comparable indicates an adjusted rental rate of $25.02 per square foot for on a triple net basis.

Rent 4 – is a multi-tenant retail/office property located south/southeast of the subject on the north side of E. 96th Street. The building was built in 1999 and is considered to be in average condition. The building contains a total of 15,730 square feet. The lease space is 2,400 square feet in size. This comparable is considered similar in location and suite size, inferior in physical characteristic due to a lack of visibility from E. 96th Street, and superior in age/condition. The lease is based on a triple net lease structure in the amount of $30.00 per square foot. Following adjustments, this comparable indicates an adjusted rental rate of $30 per square foot for on a triple net basis.

The comparables indicate an adjusted range in rents from $25.02 to $30.00 per square foot of net rentable area with mean and median indications of $27.99 per square foot and $28.48 per square foot, respectively.

<u>RETAIL MARKET</u>

Research from two leading commercial real estate firms, as well as the Indiana Business Journal, was reviewed to provide an overview of the retail markets in the Indianapolis area. According to Cushman & Wakefield, the Indianapolis retail market recorded negative 61,000 square feet (sf) of overall net absorption to start 2024. Occupancy losses were most pronounced in the Michigan Road/Zionsville and Broad Ripple/Glendale trade areas, at negative 55,000 sf and negative 27,000 sf, respectively. However, 10 trade areas still posted occupancy gains during the first quarter, with net absorption highest in the Southport/Edgewood (54,000 sf) and Keystone (40,000 sf) trade areas. The overall vacancy rate climbed 20 bps quarter-over-quarter (QOQ) but declined 60 bps YOY, to 4.7%. The Fishers retail trade area boasted the second lowest vacancy rate of just 1.7% and 17 of the 25 trade areas touted overall vacancy rates below the market average. The average asking rental rates rose on both a quarterly and yearly basis, growing 12.6% QOQ and 12.4% YOY, to $17.02 per square foot (psf) triple net (NNN). Asking rental rates were highest once again in the Broad Ripple/Glendale trade area, remaining unchanged QOQ at $29.60 psf NNN. U.S. retail sales growth equaled 2.4% in the first quarter, a decline of 270 bps YOY, though retail sales growth is still expected to rise over the next year. Similarly, U.S consumer spending growth decreased on a yearly basis, dropping 240 bps YOY to 6.4%, and is also projected to increase over the upcoming 12 months. As inflation remains elevated, consumers have adjusted their spending habits in the face of rising prices. Retail and consumer spending throughout the remainder of 2024 will be dependent on whether inflation levels are able to moderate.

Regarding the office market, according to Cushman & Wakefield, the Indianapolis office market posted nearly 429,000 square feet (sf) of new leasing activity in the first quarter, surpassing last year's first quarter activity by 37.6% as leasing was off to a strong start in the traditionally slower first quarter. New leasing was strongest in the North/Carmel and Downtown submarkets, which posted 147,000 sf and 91,000 sf of activity, respectively.

U.S. retail sales growth equaled 2.4% in the first quarter, a decline of 270 bps YOY, though retail sales growth is still expected to rise over the next year. Similarly, U.S consumer spending growth decreased on a yearly basis, dropping 240 bps YOY to 6.4%, and is also projected to increase over the upcoming 12 months. As inflation remains elevated, consumers have adjusted their spending habits in the face of rising prices. Retail and consumer spending throughout the remainder of 2024 will be dependent on whether inflation levels are able to moderate.

According to CoStar, the subject is located in the Fishers/Geist Office and Retail Submarket. Both the office and retail submarket reports were researched and will be discussed on the following pages. The illustration below summarizes the Fishers/Geist Retail Market.

Fishers/Geist Retail

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	Market Asking Rent Growth
19.6K	22.1K	2.6%	5.9%

According to CoStar, The Fishers/Geist retail submarket has a vacancy rate of 2.6%. This vacancy rate is unchanged from where it was a year ago. There was 18,000 SF of positive absorption and 18,000 SF of net deliveries. Rents have increased 4.3% in the past 12 months and are currently around $24.00/SF. Roughly 52,000 SF is under construction in the Fishers/Geist retail submarket. In the past year, there have been 12 sales, which have traded for approximately $31.3 million in volume and 180,000 SF in stock. Vacancy is 1.9% in general retail buildings, and 20,000 SF has been absorbed in this asset class over the past year. Vacancy is 8.0% in malls, and 3,000 SF has been absorbed in this asset class over the past year. Vacancy is 2.4% in strip centers, and there has been 620 SF of negative absorption in this asset class over the past year. Vacancy is 1.4% in neighborhood centers, and there has been 4,500 SF of negative absorption in this asset class over the past year. Rents are around $24.00/SF in general retail buildings, and $26.00/SF in malls. Rent growth was 3.8% in general retail buildings, and 4.8% in malls. The current vacancy is lower than its trailing three-year average of 2.7%, which is also lower than the Indianapolis market trailing three-year average of 3.6%. Rents have increased 11.7% over the past three years. Meanwhile, average rents increased 14.5% in the wider Indianapolis market. There have been 60 sales over the past three years, amounting to $129 million in volume and 1.1 million SF of inventory. CoStar's estimated cap rate for Fishers/Geist has averaged 7.6% over the past three years and matches the market's current estimated cap rate.

The illustration below summarizes the Fishers/Geist Office Submarket.

Fishers/Geist Office

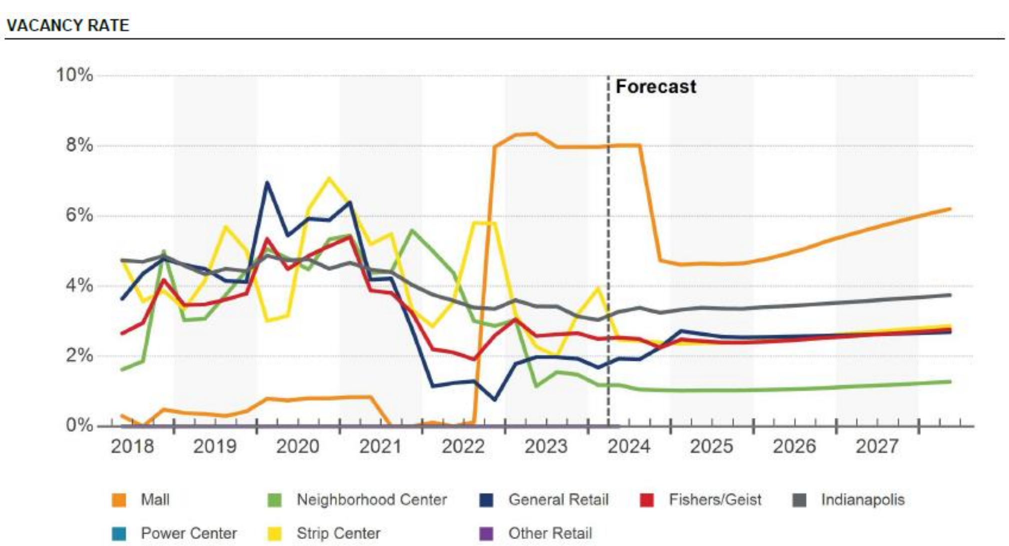
12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	Market Asking Rent Growth
0	68.8K	10.6%	1.5%

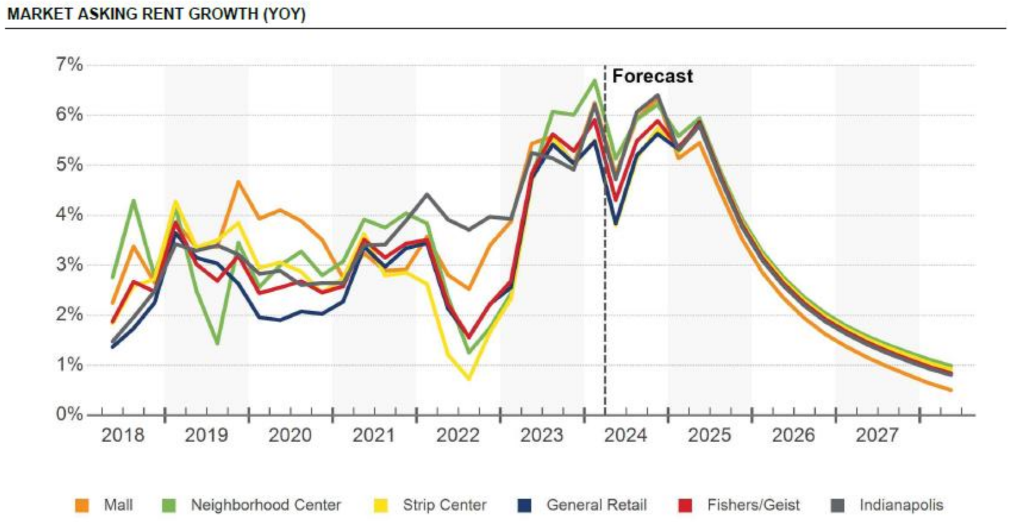
According to CoStar, the Fishers/Geist submarket The Fishers/Geist office submarket has a vacancy rate of 10.3%. This vacancy rate is 1.6% lower than it was this time last year. There was 87,000 SF of positive absorption and net deliveries were flat. Rents have increased by 1.5% in the past 12 months and are currently around $23.00/SF. Roughly 42,000 SF is under construction in the Fishers/Geist office submarket. In the past year, there have been 12 sales, which have traded for approximately $18.5 million in volume and 540,000 SF in stock. Vacancy is 17.9% in 4 & 5 Star buildings, and there has been 20,000 SF of negative absorption in this asset class over the past year. In 3 Star buildings, 9.1% of space is vacant, and 58,000 SF has been absorbed over the past year. Currently, 2.9% of 1 & 2 Star space is vacant, and 49,000 SF has been absorbed in this space type over the past 12 months. Of the 12 sales in the past year, one was of a 4 & 5 Star building, 6 were of 3 Star buildings, and 5 were of 1 & 2 Star buildings. Current vacancy is lower than its trailing three-year average of 10.7%, and higher than the 8.9% trailing three-year average of the Indianapolis market as a whole. The submarket is approximately 190,000 SF larger than it was three years ago, and is the result of roughly 190,000 SF of construction and roughly 870 SF of demolition. Rents have increased by 9.4% over the past three years, higher than the Indianapolis market average of 9.0%. There have been 44 sales over the past three years, amounting to $52.9 million in volume and 1.4 million SF of inventory. CoStar's estimated cap rate for Fishers/Geist has averaged 9.4% over the past three years, which is lower than the current estimated cap rate of 10.4%. The total Fishers/Geist office submarket comprises 5.4 million SF of inventory. A recap of market statistics is found below.

	Cap Rate	Mkt SP/SF Change (YOY)	Vacancy	12 Mo. Asking Rent Growth
Indianapolis Office Market	10.50%	-5.50%	9.70%	1.40%
Indianapolis Retail Market	7.80%	5.20%	3.30%	5.30%
Fishers/Geist Office Submarket	10.50%	-6.40%	10.60%	1.50%
Fishers/Geist Retail Submarket	7.50%	5.90%	2.60%	5.90%

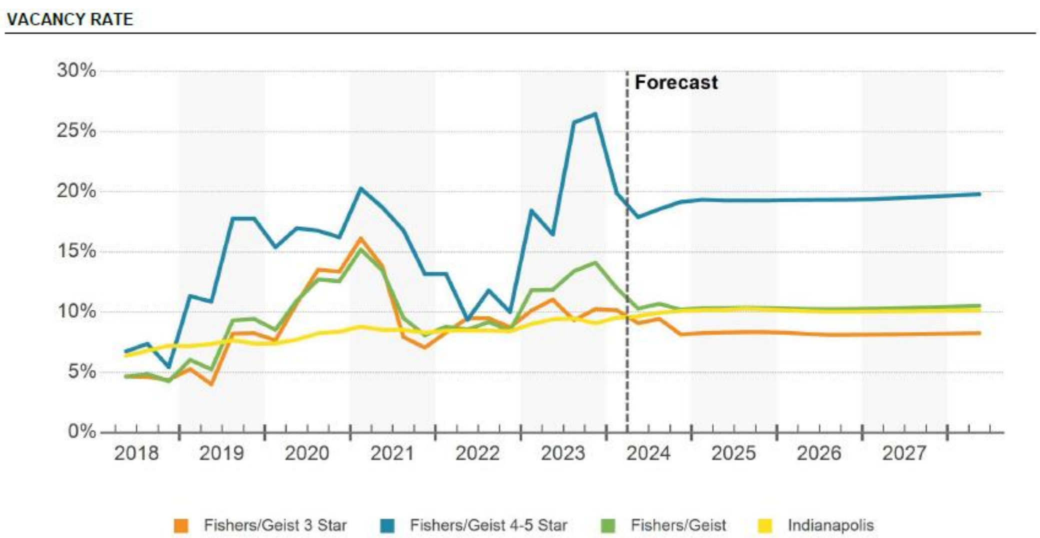
In addition to the above comparables, and retail/office market summary, the appraisers consulted CoStar for historical and projected leasing trends in the Fishers/Geist Submarkets. Shown below are charts forecasting the vacancy and market asking rent growth (year over year) within the Fishers/Geist retail/office submarkets.

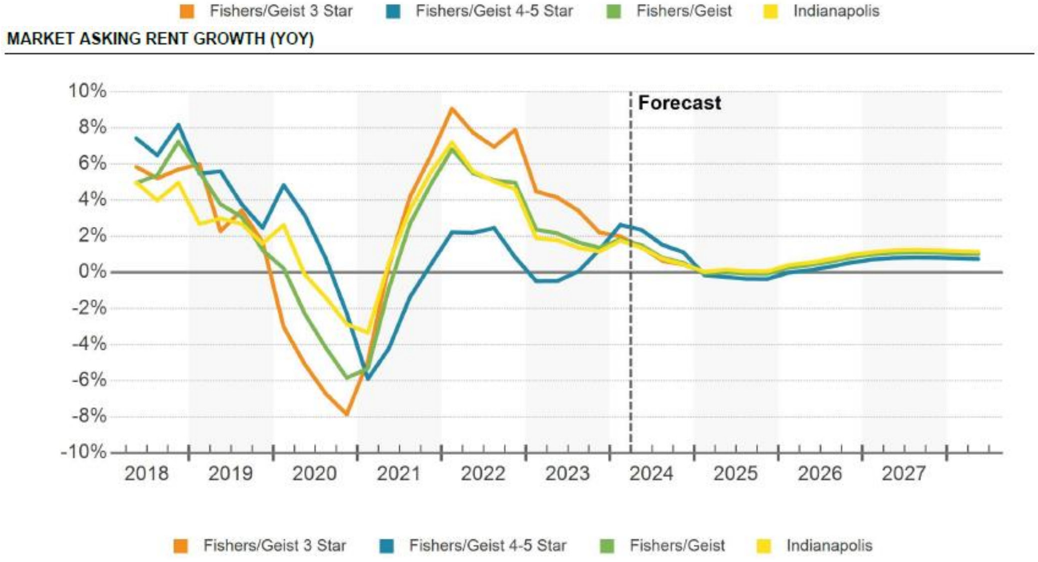
Fishers/Geist Retail Submarket





Fishers/Geist Office Submarket





The exhibits show that the vacancy rate is projected to increase slightly in the retail sector and remain relatively the same in the office sector. They also indicated that the asking rent per square foot is projected to increase in the future.

Therefore, based on the preceding analysis, the estimated market rental rate for the subject property is estimated to be $27.00 to $30.00 per square foot on a triple net basis. Based on the leased space of 17,200 square feet, this would indicate an annual rental amount between $464,440 and $516,000.

SALES COMPARISON APPROACH – LAND ONLY

LAND VALUE

There are four basic approaches by which land value may be estimated:

1. The market data or sales comparison method

2 The distribution, abstraction or allocation method

3. The anticipated use or development method

4. The land residual technique

The market data or sales comparison approach method is most commonly used when adequate sales data is available. This approach calls for relating sales data to the land being appraised and comparing or weighing the significance of the sales to the subject. The degree of reliability of this technique is directly related to the degree of similarity between the sales and the property under appraisement. Given sufficient comparable sales data, this approach is generally considered to constitute the single best indicator of value.

The distribution, abstraction or allocation method depends on the principles of balance and contribution which states that value is created and maintained in proportion to the equilibrium attained in the amount and location of essential uses of real property or that a ratio tends to exist between the agents in production. The technique calls for a distribution between land and building values where the total price paid for the property is known and the price corresponds to value. This method is generally an adjunct to the market survey approach and is seldom sufficiently conclusive on its own.

The anticipated use or development method is chiefly applicable to undeveloped land and calls for an estimation of the total value of the land after development, less the development costs. It is particularly useful when applied to tracts of land ripe for improvement within an area with an established market for a planned use. The mechanics of this method call for care and judgment in its application, as frequently all of the cost factors utilized tend to be somewhat speculative without factual data on technical matters.

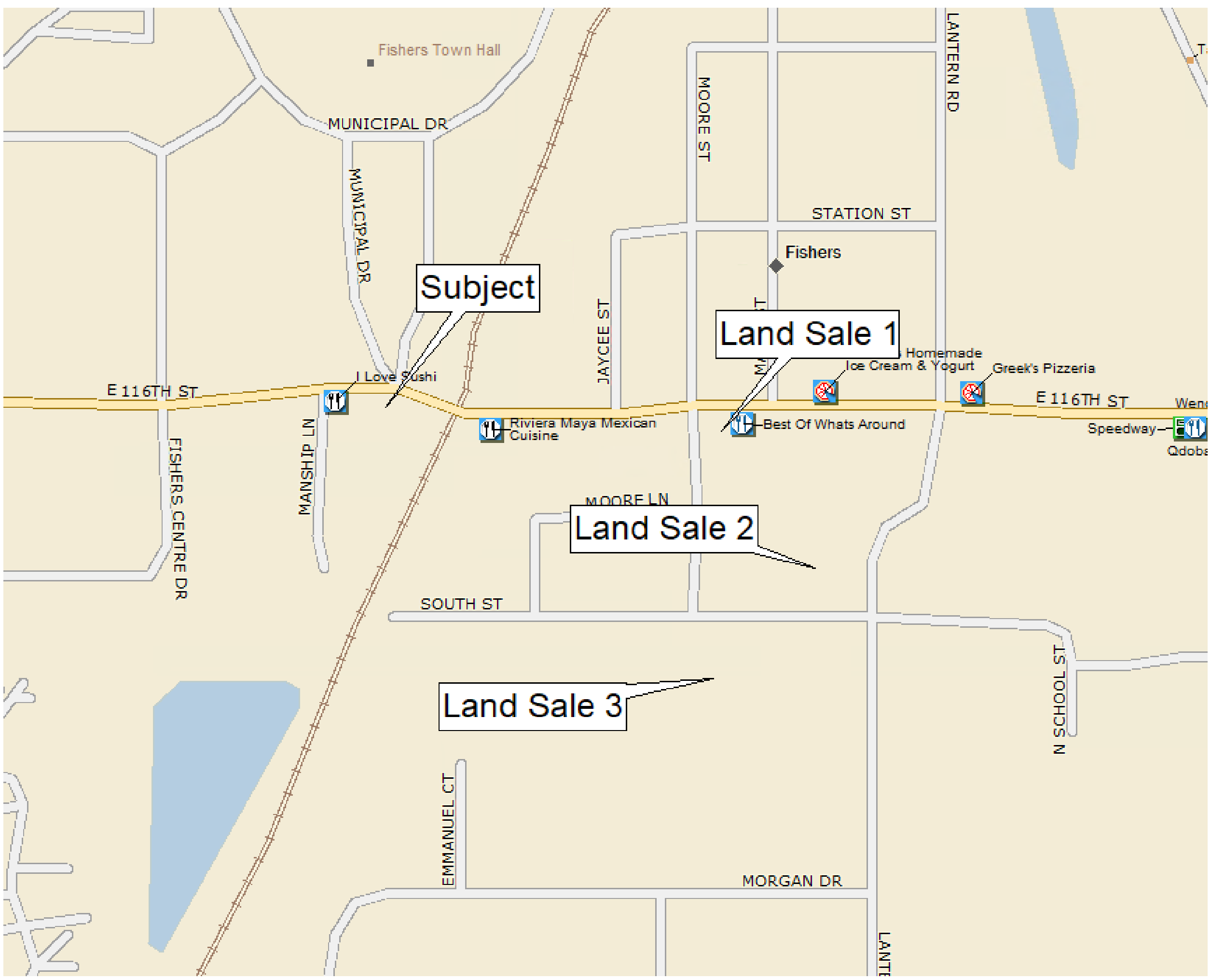
The land residual technique represents an approach by which the estimated annual earnings of the property after development are capitalized into an estimate of land value. The use of this approach is predicated upon the rationale that the value of land is related to its earning capabilities. Therefore, the application requires an investigation of capital costs, potential income and operating expenses, amortization requirements and land use standards for the types of development for which the land is best suited.

The estimate of value to be developed subsequently in this report is based upon an analysis of comparable land transactions. Reliance upon the Sales Comparison Approach is considered appropriate in view of the comparable sales data, which is available for this assignment. Furthermore, it is felt that the resulting value estimates by use of other approaches tend to be speculative due to the number of assumptions that these techniques necessarily entail.

Land sales are evaluated to estimate the market value for the subject's land. This technique fundamentally compares direct market data and adjusts the comparable sale prices for property rights conveyed, financing terms, conditions of sale and market conditions (time). Additional adjustments are made for factors such as location, size, zoning, utilities and physical characteristics to arrive at an estimate for the subject's land.

The unit of comparison that is considered to be the most appropriate is the sale price per acre of land area. After the market data grid, there is an explanation of the adjustments and a reconciliation of the estimated market value of the land.

LAND SALE MAP



Land Sale 1			

Address:	8761 - 8776 E. 116th Street	*State:*	Indiana
City:	Fishers	*County:*	Hamilton
Transaction Data			
Sale Date:	June 22, 2022	*Financing:*	Cash To Seller
Sale Price:	$2,341,337	*Grantor:*	Rebar Plumbing Supply
Price / Acre:	$4,720,438	*Grantee:*	HG Acquisition Company
Legal Description:	Acreage .00 Section 1, Township 17, Range 4 KIMBERLAIN'S Lot 5, Acreage .00 Section 1, Township 17, Range 4 KIMBERLAIN'S Lot Pt 6, Acreage .18 Section 1, Township 17, Range 4 KIMBERLAIN'S Lot Pt 6		
Site			
Acres:	0.496	*Topography:*	Mostly level
Land (SF):	21,606	*Flood Zone:*	Not in Flood Risk Area
Shape:	Mostly Rectangular	*Zoning:*	DC, Downtown Core - Nickel Plate District Zone
Utilties:	All Municipal Available		
Property Description			
Parcel No.	29-14-01-201-012.000-006, 29-14-01-201-011.000-006, 29-14-01-201-010.000-006		

This is the June 2022 sale of three tracts of land located just east of the subject on the south side of E. 116th Street. There is an improvement on the site containing 7,204 square feet that has been vacant since the sale. According to the sales disclosure the improvement will be razed and the site redeveloped. The improvement has not been razed yet.

Land Sale 2

Address:	NWC South Street & Lantern Road	*State:*	Indiana
City:	Fishers	*County:*	Hamilton

Transaction Data

Sale Date:	February 28, 2024	*Financing:*	Cash To Seller
Sale Price:	$7,069,667	*Grantor:*	See Below
Price / Acre:	$5,940,897	*Grantee:*	Rebar City View, LLC
Legal Description:	Acreage .00 Section 1, Township 17, Range 4 KIMBERLAIN'S Lot Pt 12, Acreage .34 Section 1, Township 17, Range 4 KIMBERLAIN'S Lot 11 & Pt 12, Acreage .00 Section 1, Township 17, Range 4 KIMBERLAIN'S Lot Pt 10 & Pt 9, Acreage .25 Section 1, Township 17, Range 4 KIMBERLAIN'S Lot Pt 10 & Pt 9, Acreage .00 Section 1, Township 17, Range 4 KIMBERLAIN'S Lot Pt 8		

Site

Acres:	1.190	*Topography:*	Mostly level
Land (SF):	51,836	*Flood Zone:*	Not in Flood Risk Area
Shape:	Irregular	*Zoning:*	DC, Downtown Core - Nickel Plate District Zone
Utilties:	All Municipal Available		

Property Description

Parcel #	Address	Grantor	Sale Date	Price
29-14-01-201-020.000-006	11502 Moore St	Mathews, Keith & Thomas Beyrer 1/2 each TC	4/26/2024	$741,667
29-14-01-201-019.000-006	8766 South St	Fishers Office Group, LLC	5/15/2024	$2,232,500
29-14-01-201-015.000-006	11523 Lantern Rd	11523 Lantern, LLC	2/28/2024	$1,347,500
29-14-01-201-016.000-006	11501 Lantern Rd	Wiener Brothers, LLC	3/7/2024	$1,400,500
29-14-01-201-014.000-006	11525 Lantern Rd	11525 Lantern, LLC	2/28/2024	$1,347,500

This is the recent sale of five tracts of land located just east southeast of the subject on the northwest corner of South Street and Lantern Road. The sales took place from February 2, 2024 - May 15, 2024. According to Rebar Development. The improvements will be razed and redeveloped into a mixed-use property for adults aged 55+. City View will be coming in the summer of 2026.

Land Sale 3			

Address:	8665 - 8685 Edison Plaza Drive	*State:*	Indiana
City:	Fishers	*County:*	Hamilton
Transaction Data			
Sale Date:	February 27, 2024	*Financing:*	Cash To Seller
Sale Price:	$5,219,446	*Grantor:*	Rebar South Street, LLC
Price / Acre:	$2,113,136	*Grantee:*	District South LP, LLC
Legal Description:	Acreage .86 Section 1, Township 17, Range 4 DISTRICT SOUTH Lot 3 Irregular Shape, Acreage 1.27 Section 1, Township 17, Range 4 DISTRICT SOUTH Lot 1 Irregular Shape, Acreage 1.23 Section 1, Township 17, Range 4 DISTRICT SOUTH Lot 2 Irregular Shape		
Site			
Acres:	2.470	*Topography:*	Mostly level
Land (SF):	107,593	*Flood Zone:*	Not in Flood Risk Area
Shape:	Mostly Rectangular	*Zoning:*	VC, Village Center - Nickel Plate District Zone
Utilties:	All Municipal Available		
Property Description			
Parcel No.	29-14-01-202-005.000-006, 29-14-01-202-007.000-006, 29-14-01-202-010.000-006, 29-14-01-212-001.003-006, 29-14-01-212-001.002-006		

This is the recent sale of five tracts of land located southeast of the subject on the south side South Street. The site was improved at the time of sale. The improvements have since been razed and construction has began on the District South redevelopment, which is a mixed-use village that will be completed in the summer of 2025.

Land Analysis Grid				
				
	Subject	**Sale 1**	**Sale 2**	**Sale 3**
Address	8603	8761-8776	City View	8665 - 8685
	E. 116th Street	E. 116th Street	NWC South Street & Lantern Road	Edison Plaza Drive
	Fishers, IN	Fishers, IN	Fishers, IN	Fishers, IN
Sale Price	N/A	$2,341,337	$7,069,667	$5,219,446
Date of Sale	N/A	22-Jun-22	28-Feb-24	27-Feb-24
Land Size (acres)	1.120	0.496	1.190	2.470
Zoning	DC	DC	DC	VC
Sales Price per (acre)		***$4,720,438***	***$5,940,897***	***$2,113,136***
Transaction Adjustments				
Property Rights Conveyed		Fee Simple	Fee Simple	Fee Simple
Financing Terms		Cash to Mtg.	Cash to Mtg.	Cash to Mtg.
Conditions of Sale		Arm's Length	Arm's Length	Arm's Length
Property Rights Conveyed		$0.00	$0.00	$0.00
Adjusted Sale Price		$4,720,438	$5,940,897	$2,113,136
Financing Terms		$0.00	$0.00	$0.00
Adjusted Sale Price		$4,720,438	$5,940,897	$2,113,136
Conditions of Sale		$0.00	$0.00	$0.00
Adjusted Sale Price		$4,720,438	$5,940,897	$2,113,136
Market Conditions		6.0%	0.9%	0.9%
Adjusted Sale Price per (acre)		***$5,002,112***	***$5,994,609***	***$2,132,415***
Characteristics Adjustments				
Location/Site		Similar	Inferior	Inferior
Size (acres)		Smaller	Similar	Larger
Zoning		Similar	Similar	Inferior
Utilities		Similar	Similar	Similar
Physical Characteristics		Inferior	Slightly Superior	Inferior
Overall Comparison		***Inferior***	***Similar***	***Inferior***

The preceding grid illustrates three sales of competitive properties within the subject's general marketing area. Hamilton County is the most active real estate market in the Indianapolis CBSA, as demonstrated in the area and neighborhood analysis. There has been an increase in commercial sales due to the growing residential market. A market conditions adjustment of 3% per year is made to each comparable sale for market conditions. Because the subject is improved and will need to be razed, and the comparable sales were improved at the time of sale, there is no cost needed for a demolition adjustment.

<u>Location/Site</u> – The subject is located on the southeast corner of Manship Lane and E. 116th Street in the Nickel Plate District of Fishers. Land Sale 1 is located on the south side of E. 116th Street, Land Sale 2 is located on the northwest corner of South Street and Lantern Road, and Land Sale 3 is located on the south

side of South Street. The comparable land sales are also located in the Nickel Plate District in Fishers. As mentioned, the subject and Land Sale 1 are located on the south side of E. 116th, a heavily travelled main thoroughfare in the area. Therefore, Land Sale 1 is considered similar in location, warranting no adjustments. Land Sale 2 and Land Sale 3 do not have frontage or visibility from E. 116th Street and are considered inferior to the subject, warranting an upward adjustment by varying degrees.

Size (acres) – The subject contains two tracts of land totaling approximately1.120 acres. Land Sale 1 contains approximately 0.496 acres, Land Sale 2 contains approximately 1.190 acres, and Land Sale 3 contains approximately 2.470 acres. Land Sale 2 is considered to be similar in regard to size and is not adjusted. Land Sale 1is considered smaller than the subject and adjusted downward, while Land Sale 3 is considered larger and adjusted upward.

Zoning – The subject, Land Sale 1, and Land Sale 2 are zoned DC, Downtown Core - Nickel Plate District Zone and Land Sale 3 is zoned VC, Village Center - Nickel Plate District Zone. According to the Nickel Plate District Code the DC District is where people can live, work, shop, dine and play. It is a destination for residents and visitors alike due to its mixture of uses that provide a vibrant, unique atmosphere. The Downtown Core is the most ‘urban’ of the Zones and provides the majority of ‘main street’ retail shops and restaurants. In addition, multifamily residential offers downtown living experience within vertically mixed buildings. The Downtown Core will contain several building types supporting a diversity of scale and use throughout the core. This diversity sets the framework for a character of small shops, restaurants and tree-shaded sidewalks. The VC District is the population center to support downtown. Connectivity to the Downtown Core is critical for pedestrians, cyclists and vehicles. This connectivity is to be achieved through pedestrian activity on a network of trails and sidewalks. Civic functions such as schools, community centers, and churches are possible uses to help enrich the overall character and experience. To maximize the resident population surrounding downtown, the Village Center will consist of residential building types including multifamily developments, townhouses, and single-family dwellings. These building types provide a character of a tightly knit community that is ‘in town’, with buildings pulled close to primary streets while creating frontages that promote interaction of neighbors. While both districts support mixed use buildings. The DC District focusses on commercial/retail mixed uses while the VC District focuses on residential uses. Therefore, Land Sale 3 is considered inferior in zoning and adjusted upward.

Utilities – The subject and all of the comparable land sales have municipal utilities. Therefore, an adjustment for utilities was not needed.

Physical Characteristics – The subject and the comparable land sales share similar characteristics in terms of buildable area and topography but vary slightly in access and assemblage. The subject, Land Sale 1, and Land Sale 2 can be accessed from multiple roads and/or alleys. Land Sale 3 only has access from the south side of South Street. Land Sale 1 and Land Sale 3 had one seller in their respective sales, while Land Sale 2 contained multiple sellers. When a sale consists of multiple sellers, it is assumed that the tracts frequently sell at a higher than market price, particularly those acquired last or near the end of the assemblage period. Due to assemblage and access, Land Sale 1 and Land Sale 3 are considered inferior to the subject and adjusted upward by varying degrees. Land Sale 2 is considered slightly superior and adjusted downward.

After adjustments, the comparables range from $4,051,588 to $6,294,339 per acre, with mean and median indications of $5,116,013 and $5,002,112 per acre, respectively. All sales are located within the Nickel Plate District and are considered to represent a good cross section of competition for the subject property.

Improved Sales Comparison		
Comparable	**Adjusted $/Acre**	**Comparability**
3	$4,051,588	Inferior
1	$5,252,217	Inferior
2	$6,294,339	Similar
Subject	*$6,300,000*	

All of the comparable land sales were improved at the time of purchase, which is consistent with the subject, and all were presumably purchased specifically for redevelopment and are considered to be strong indicators of value for the subject. Taking into account the overall net adjustments and similarities between the subject and the comparable sales, the most emphasis was placed on Land Sale 2 as it is the most recent and similar in size and zoning.

Given the previous analysis, the appraisers are estimating a value of $6,300,000 per acre for the subject's land. This would indicate an estimated value of $7,056,000 for the subject property, which is rounded to $7,060,000.

Therefore, based on the preceding analysis, the estimated market value of the subject property as of June 17, 2024, the most recent date of inspection, is:

SEVEN MILLION SIXTY THOUSAND DOLLARS
($7,060,000)

RECONCILIATION OF VALUE INDICATIONS

The effective date of valuation for the subject property is June 17, 2024, the date of inspection. The subject consists of a 1.120-acre tract of land which is improved with a commercial retail/office building containing 17,200 square feet of net rentable area.

In this appraisal the Income Capitalization Approach was utilized to derive an opinion of the estimated market value of the subject property and the Sales Comparison Approach was used to derive an opinion of the estimated fee simple market value as of June 17, 2024, the date of inspection. The Cost Approach was not developed due to the difficulty associated with determining accrued depreciation. The Income Capitalization Approach indicated a market value of $27.00 to $30.00 per square foot on a triple net basis. The Sales Comparison Approach – Land Only indicated a value of $7,060,000 and is a good indicator of value in an active market like the subject's, which is evident by the redevelopment immediately surrounding the subject.

Therefore, the estimated market rent of the subject property, as of June 17, 2024, the date of inspection, is between $27.00 and $30.00 per square foot on a triple net basis.

Based on the preceding analysis, the estimated market value of the subject, as of as of June 17, 2024, the date of inspection, is:

SEVEN MILLION DOLLARS
($7,000,000)

Sincerely,

Joseph C. Traynor, MRICS, GAA	Ben Crabtree
Indiana Certified General Appraiser	Indiana Licensed Trainee Appraiser
#CG69100233	#TR42200025

ESTIMATED MARKETING PERIOD & EXPOSURE TIME

Giving consideration to the supply and demand analysis of market trends a marketing period of 6 to 12 months is estimated for the subject property, at an asking price which is equal to or approximates the final value estimate contained herein. This estimate of marketing time, based on an analysis of current market trends, reflects aggressive marketing without seller concessions or seller assisted financing.

An exposure period of approximately 6 to 12 months is estimated for the subject property, at an asking price which is equal to or approximates the final value estimate contained herein. This estimate of exposure time is based on the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal assuming aggressive marketing without seller concessions or seller assisted financing. The marketing time is considered similar.

ADDENDA

LETTER OF ENGAGEMENT

Traynor & Associates, Inc.
Real Estate Appraising & Consulting

June 7, 2024

Ms. Jennifer Messer
City of Fishers Redevelopment Commission
3 Municipal Drive
Fishers, Indiana 46038

RE: Commercial Property
8603 E. 116th Street
Fishers, Indiana 46038
Parcel # 29-14-01-201-002.000-006, 29-14-01-201-003.000-006

Dear Ms. Messer,

Traynor & Associates, Inc. is submitting a Letter of Engagement for a signed agreement to perform an appraisal for the above referenced property. The appraisal report results will be communicated in an appraisal of the market value, as per the Uniform Standards of Professional Appraisal Practice (USPAP).

The client is Ms. Jennifer Messer, with the City of Fishers Redevelopment Commission. The intended users are the City of Fishers Redevelopment Commission. The intended use is to estimate an "As Is" market value of the subject, referenced above, in order to provide an estimated market value conclusion for Ms. Messer with the City of Fishers Redevelopment Commission and the Carmel Redevelopment Commission, the client, to assist in internal decision making. The total fee for the appraisal is $2,750 and payment due upon completion of the report. In the event, if it is necessary for you the client to stop work on the appraisal, you agree to pay for time and costs incurred prior to the receipt of written notice of such a stop order. Our appraisal work will start upon receipt of a signed copy of this letter of engagement. The fee for the appraisal is for the service rendered and not necessarily the time spent in preparation of the actual physical report.

The above fee does not include $300 per hour for research and deposition. The above fee does not include a charge for court appearances or appearances before government agencies to give testimony, if such should be required. The fee for such services will be Three Hundred ($300 per hour, with a minimum of Twelve Hundred ($1,200.00). These rates are subject to change but will remain valid for a period of six (6) months, from the date of execution of this agreement. One half (½) days' notice of the cancellation of a scheduled court appearance is required and in lieu of such notice, the minimum appearance fee of Twelve Hundred ($1,200.00), will be charged. The minimum fee is due prior to testimony.

6750 E 75TH Street
Indianapolis, IN 46250
(317) 813-4990
www.traynorassociates.com info@traynorassociates.com

Traynor & Associates, Inc.

Real Estate Appraising & Consulting

ASSUMPTIONS AND LIMITING CONDITIONS

THIS APPRAISAL IS SUBJECT TO THE FOLLOWING UNDERLYING ASSUMPTIONS AND QUALIFYING AND LIMITING CONDITIONS:

1. This is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standard Rule 2 2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it includes a discussion of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. It also includes descriptions of the subject property, the property's locale, the market for the property type, and the appraiser's opinion of the highest and best use.

2. The value of the property is expressed in dollars on the date specified and is subject to any changes in the value of the dollar. All existing liens or encumbrances have been disregarded and the property is appraised as though free and clear under responsible ownership and competent management.

3. The legal description furnished is assumed to be correct. No survey was available (unless otherwise stated) and the dimensions used are from sources deemed to be reliable.

4. All information and comments concerning the location, neighborhood, trends, construction quality and costs, loss in value from whatever cause, condition, rents, or any other data of the property appraised herein represent the estimates and opinions of the appraiser, formed after an examination and study of the property.

5. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

6. It is assumed that there is full compliance with all-applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the appraisal report.

7. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined and considered in the appraisal report.

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Indianapolis, IN 46250
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www.traynorassociates.com info@traynorassociates.com

Traynor & Associates, Inc.
Real Estate Appraising & Consulting

19. The existence of hazardous material, which may or may not be present on the property, was not observed by the appraisers. The appraisers have no knowledge of the existence of such materials on or in the property unless specifically stated within the appraisal report. The appraisers are not qualified to detect such substances and no responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if there is any suspicion of hazardous material.

20. The presence of substances such as asbestos, urea-formaldehyde foam insulation, radon gas, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value.

21. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

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Indianapolis, IN 46250
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info@traynorassociates.com

PROPERTY RECORD CARD

29-14-01-201-002.000-006 Pledge Realty Corporation 8603 E 116th St 429

Tax ID 1514010201002000 Printed 04/17/2024 Card No. 1 of 2

ADMINISTRATIVE INFORMATION

PARCEL NUMBER
29-14-01-201-002.000-006

Parent Parcel Number

Property Address
8603 E 116th St

Neighborhood
293412 MIXED USE DEVELOPMENTS

Property Class
429 Com Other retail structures

TAXING DISTRICT INFORMATION

Jurisdiction	29	
Area	014	DELAWARE
Corporation	Y	
District	006	Fishers Town

OWNERSHIP

Pledge Realty Corporation
8945 N Meridian St #115
Indianapolis, IN 46260

Acreage .35, Section 1, Township 17, Range 4

TRANSFER OF OWNERSHIP

Date

COMMERCIAL

VALUATION RECORD

Assessment Year		01/01/2018	01/01/2019	01/01/2020	01/01/2021	01/01/2022	01/01/2023	01/01/2024
Reason for Change		NC	Trend	Trend	Trend	Trend	Trend	Trend
VALUATION	L	119000	119000	119000	119000	119000	119000	119000
Appraised Value	B	594700	599600	582200	569700	626600	609600	609600
	T	713700	718600	701200	688700	745600	728600	728600
VALUATION	L	119000	119000	119000	119000	119000	119000	119000
True Tax Value	B	594700	599600	582200	569700	626600	609600	609600
	T	713700	718600	701200	688700	745600	728600	728600

Site Description

Topography:
Level

Public Utilities:
All

Street or Road:
Paved

Neighborhood:
Static

Zoning:

Legal Acres:
0.3500

Admin Legal
0.3500

LAND DATA AND CALCULATIONS

Land Type	Rating Soil ID -or- Actual Frontage	Measured Acreage -or- Effective Frontage	Table 120 Effective Depth	Prod. Factor -or- Depth Factor -or- Square Feet	Base Rate	Adjusted Rate	Extended Value	Influence Factor	Value
1 PRIMARY	5	0.3500		1.00	340000.00	340000.00	119000		119000

LO16: LAND KAP/DB 2-1-16
MEMO: BOR 4-2-90 #431
MISC:
f113 adjustin SF of bsmt & upper floors; corrected wall heights;
corrected land value
NC00: NEW CONSTRUCTION 2000
Tenant remodeling, no change; 6/27/00 vp
NC01: NEW CONSTRUCTION 2001
TENNET REMODELING
NC03:
adjusted tenant space
NC04:
tenent remodeling; no change
NC06:
adjusted tenent space
NC12: TENANT REMODEL NO CHANGE 3/1/2012 SRB

FARMLAND COMPUTATIONS

Parcel Acreage	0.3500
81 Legal Drain NV [-]	
82 Public Roads NV [-]	
83 UT Towers NV [-]	
9 Homesite(s) [-]	
91/92 Excess Acreage[-]	
TOTAL ACRES FARMLAND	
TRUE TAX VALUE	

Measured Acreage
Average True Tax Value/Acre
TRUE TAX VALUE FARMLAND
Classified Land Total
Homesite(s) Value (+)
Excess Acreage Value (+)

Supplemental Cards TRUE TAX VALUE	119000
Supplemental Cards **TOTAL LAND VALUE**	119000

29-14-01-201-002.000-006 Property Class: 429
8603 E 116th St

PHYSICAL CHARACTERISTICS

ROOFING

Shingle

WALLS

	B	1	2	U
Frame	Yes	Yes	Yes	
Brick		Yes		
Metal				
Guard				

FRAMING

	B	1	2	U
Wd Jst	642	14188	1980	0

FINISH

	UF	SF	FO	FD
B	642	0	0	0
1	1247	0	11455	1486
2	0	0	1980	0
Total	1889	0	13435	1486

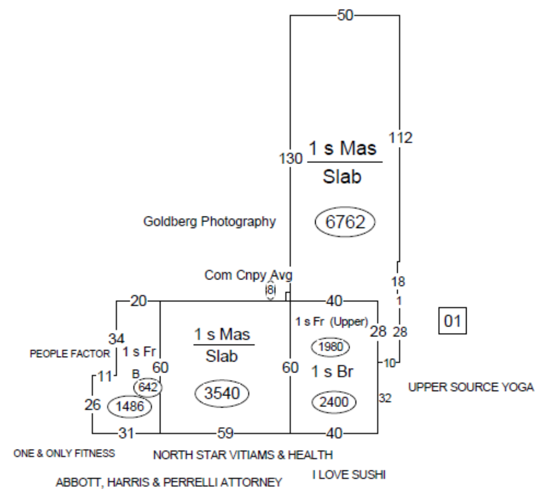
HEATING AND AIR CONDITIONING

	B	1	2	U
Heat	642	14188	1980	0
A/C	0	12941	1980	0

PLUMBING Residential Commercial

	#	TF	#	TF
Full Baths				
Half Baths				
Extra Fixtures				19
TOTAL		0		19

IMPROVEMENT DATA



P Key	GCI24	GCM25	GCM34	GCM46	
#Units					
AVSize					
Floor	B	1	1	1	
Perim	110	662	662	662	
PAR	17	5	5	5	
Height	7	10	10	16	
Use	LUTLSTOR	GENOFF	GENRET	UTLSTOR	
Use SF	642	1486	5940	1247	
Use %	100.00%	10.47%	41.87%	8.79%	
Rate	94.27	90.06	78.66	46.45	
Fr Adj	-7.86	-8.00	-11.42	-14.72	
WH Adj	-4.42	-3.15	-4.17	1.32	
Ot Adj	0.00	0.00	0.00	0.00	
BASE	81.99	78.91	63.07	33.05	
BPA %	100%	100%	100%	100%	
Subtot	81.99	78.91	63.07	33.05	
U Fin	0.00	0.00	0.00	0.00	
Ot Adj	0.00	0.00	0.00	0.00	
IntFin	0.00	0.00	0.00	0.00	
Div W	0.00	0.00	0.00	0.00	
Lightg	0.00	0.00	0.00	0.00	
AirCon	0.00	0.00	0.00	0.00	
Heat	0.00	0.00	0.00	0.00	
Sprink	0.00	0.00	0.00	0.00	
SF Pr	81.99	78.91	63.07	33.05	Supp Cards
x SF	52640	117260	374640	41210	510600
Subtot	1096350				
Plumb	30400				
SpFeat	220				
ExFeat	0				
TOTAL	1126970				
Qual/Gr	C				
RCN	1126970				
Use Dep	77/ 0	36/ 0	44/ 0	77/ 0	

(LCM: 100.00)

SPECIAL FEATURES

Description	Value
COMCNPYA	220
01 : BW TR	

SUMMARY OF IMPROVEMENTS

ID	Use	Stry Hgt	Const Type	Grade	Year Const	Eff Year	Cond	Base Rate	Feat-ures	Adj Rate	Size or Area	Computed Value	Phys Depr	Obsol Depr	Market Adj	% Comp	Value
C	GENOFF	0.00		C	1950	2001	A	0.00	N	0.00	16810	1126970	46	0	100	100	608600
01	FENCECL	6.00	51C	C	1984	1983	A	18.63	Y	24.51	200	4900	80	0	100	100	1000

Data Collector/Date	Appraiser/Date	Neighborhood	Supplemental Cards TOTAL IMPROVEMENT VALUE	
01/01/1900	JOG 01/25/1995	Neigh 293412 AV		609600

29-14-01-201-002.000-006 Pledge Realty Corporation 8603 E 116th St 429

ADMINISTRATIVE INFORMATION

OWNERSHIP

Tax ID 1514010201002000

Printed 04/17/2024 Card No. 2 of 2

TRANSFER OF OWNERSHIP

Date

VALUATION RECORD

Assessment Year

Reason for Change

VALUATION

Site Description

LAND DATA AND CALCULATIONS

Land Type	Rating Soil ID -or- Actual Frontage	Measured Acreage -or- Effective Frontage	Table Effective Depth	Prod. Factor -or- Depth Factor -or- Square Feet	Base Rate	Adjusted Rate	Extended Value	Influence Factor	Value

RVAL: REASSESSMENT
vp
SPLT: 3-1-99; ROW; CHANGED FROM FF TO ACREAGE

Supplemental Cards
TOTAL LAND VALUE

29-14-01-201-002.000-006 Property Class: 429
8603 E 116th St

PHYSICAL CHARACTERISTICS

IMPROVEMENT DATA

P Key	GCM34	GCM35
#Units		
AVSize		
Floor	1	2
Perim	662	186
PAR	5	8
Height	16	8
Use	GENRET	GENRET
Use SF	5515	1980
Use %	38.87%	100.00%
Rate	78.66	79.53
Fr Adj	-11.42	-9.49
WH Adj	2.08	-5.24
Ot Adj	0.00	0.00
BASE	69.32	64.80
BPA %	100%	100%
Subtot	69.32	64.80
U Fin	0.00	0.00
Ot Adj	0.00	0.00
IntFin	0.00	0.00
Div W	0.00	0.00
Lightg	0.00	0.00
AirCon	0.00	0.00
Heat	0.00	0.00
Sprink	0.00	0.00
SF Pr	69.32	64.80
x SF	382300	128300
Use Dep	44/ 0	44/ 0

(LCM: 100.00)

SPECIAL FEATURES

Description	Value

SUMMARY OF IMPROVEMENTS

ID	Use	Stry Hgt	Const Type	Grade	Year Const	Eff Year	Cond	Base Rate	Feat-ures	Adj Rate	Size or Area	Computed Value	Phys Depr	Obsol Depr	Market Adj	% Comp	Value

Data Collector/Date **Appraiser/Date** **Neighborhood** **Supplemental Cards**
TOTAL IMPROVEMENT VALUE

29-14-01-201-003.000-006 Pledge Realty Corporation 8603 E 116th St 429

Tax ID 1514010201003000 Printed 04/17/2024 Card No. 1 of 1

ADMINISTRATIVE INFORMATION

PARCEL NUMBER
29-14-01-201-003.000-006

Parent Parcel Number

Property Address
8603 E 116th St

Neighborhood
293412 MIXED USE DEVELOPMENTS

Property Class
429 Com Other retail structures

TAXING DISTRICT INFORMATION

Jurisdiction	29	
Area	014	DELAWARE
Corporation	Y	
District	006	Fishers Town

OWNERSHIP

Pledge Realty Corporation
8945 N Meridian St #115
Indianapolis, IN 46260

Acreage .77, Section 1, Township 17, Range 4

TRANSFER OF OWNERSHIP

Date

COMMERCIAL

VALUATION RECORD

Assessment Year		01/01/2018	01/01/2019	01/01/2020	01/01/2021	01/01/2022	01/01/2023	01/01/2024
Reason for Change		Trend	Trend	Split	Trend	Trend	Trend	Trend
VALUATION	L	272000	272000	261800	261800	261800	261800	261800
Appraised Value	B	12700	13100	12700	12700	13900	13900	13900
	T	284700	285100	274500	274500	275700	275700	275700
VALUATION	L	272000	272000	261800	261800	261800	261800	261800
True Tax Value	B	12700	13100	12700	12700	13900	13900	13900
	T	284700	285100	274500	274500	275700	275700	275700

Site Description

Topography:
Level

Public Utilities:
All

Street or Road:
Paved

Neighborhood:
Static

Zoning:

Legal Acres:
0.7700

Admin Legal
0.7700

LAND DATA AND CALCULATIONS

Land Type	Rating Soil ID -or- Actual Frontage	Measured Acreage -or- Effective Frontage	Table Effective Depth	Prod. Factor -or- Depth Factor -or- Square Feet	Base Rate	Adjusted Rate	Extended Value	Influence Factor	Value
1 PRIMARY	5	0.7700		1.00	340000.00	340000.00	261800		261800

F130: 29-006-16-0-4-00702 LAND ADJ 10/07/2016 SB/KAP
LO16: LAND KAP/DB 2-1-16
MISC:
f113 to corrected land value
NC20: R.O.W split 06/25/19 SRB
RV17: CORRECTED LAND 06/09/2016 SB/KAP
RV21: NO CHANGE 04/15/2020 SRB/KAP
RVAL: REASSESSMENT
vp
SPLT: 3-1-99; ROW; CORRECTED ACREAGE, LAND BREAKDOWN, &
BASE RATE

FARMLAND COMPUTATIONS

Parcel Acreage	0.7700
81 Legal Drain NV [-]	
82 Public Roads NV [-]	
83 UT Towers NV [-]	
9 Homesite(s) [-]	
91/92 Excess Acreage [-]	
TOTAL ACRES FARMLAND	
TRUE TAX VALUE	

Supplemental Cards	
TRUE TAX VALUE	261800
Measured Acreage	
Average True Tax Value/Acre	
TRUE TAX VALUE FARMLAND	
Classified Land Total	
Homesite(s) Value (+)	
Excess Acreage Value (+)	
Supplemental Cards	
TOTAL LAND VALUE	261800

29-14-01-201-003.000-006 Property Class: 42
8603 E 116th S

IMPROVEMENT DATA

PHYSICAL CHARACTERISTICS

01

(LCM: 100.00)

SPECIAL FEATURES

Description	Value

SUMMARY OF IMPROVEMENTS

ID	Use	Stry Hgt	Const Type	Grade	Year Const	Eff Year	Cond	Base Rate	Feat-ures	Adj Rate	Size or Area	Computed Value	Phys Depr	Obsol Depr	Market Adj	% Comp	Value
01	PAVING	5.00	85	C	1984	1983	A	2.57	N	2.57	27000	69390	80	0	100	100	13900

Data Collector/Date	Appraiser/Date	Neighborhood	Supplemental Cards	
TVZ 10/27/1993	JOG 01/25/1995	Neigh 293412 AV	TOTAL IMPROVEMENT VALUE	13900

APPRAISER'S LICENSES

Indiana Professional Licensing Agency
Real Estate Appraiser Licensure Board
402 W. Washington Street, W072
Indianapolis, IN 46204

Certified General Appraiser

License Number	Expire Date
CG69100233	06/30/2024

Joseph C. Traynor

Eric J. Holcomb
Governor
State of Indiana

Deborah J. Frye
Executive Director
Indiana Professional Licensing Agency

Indiana Professional Licensing Agency
Real Estate Appraiser Licensure Board
402 W. Washington Street, W072
Indianapolis, IN 46204

Appraiser Trainee

License Number	Expire Date
TR42200025	06/30/2024

Ben Crabtree

Eric J. Holcomb
Governor
State of Indiana

Deborah J. Frye
Executive Director
Indiana Professional Licensing Agency

APPRAISER'S QUALIFICATIONS

Traynor & Associates, Inc.
Real Estate Appraising & Consulting

QUALIFICATIONS

JOSEPH C. TRAYNOR, MRICS, GAA, RAA
Indiana Certified General Appraiser

OFFICE:

6750 East 75th Street
Indianapolis, Indiana 46250
Phone: (317) 813-4990
Fax: (317) 813-4992

email: joe@traynorassociates.com
www.traynorassociates.com

EDUCATION:

Business Administration, Ball State University, 1974-1976
Architectural Technology, IUPUI, 1976-1977

Appraisal Course Work Completed:

Appraisal Institute
- Standards of Professional Practice - Part A
- Standards of Professional Practice - Part B
- Condemnation Appraising
- Course 550 – Advanced Income Applications

American Institute of Real Estate Appraisers
- Capitalization Theory and Techniques - Part A
- Capitalization Theory and Techniques - Part B

Society of Real Estate Appraisers
- An Introduction to Appraising Real Property
- Applied Residential Property Valuation
- Narrative Report Writing Seminar
- Applied Income Property Valuation

Appraisal Continuing Education Seminars Completed:

Professional Practice and the Society of Real Estate Appraisers
Applied Sales Comparison Approach
The Appraiser's Legal Liabilities
Rates, Ratios & Reasonableness
Discounted Cash Flow Analysis
Indiana Department of Transportation Right-Of-Way Seminar
Easement Valuation
Market Extractions
Environmental Issues Seminar
Subdivision Analysis
A.D.A. Act Seminar
PRO-JECT Financial Analysis Seminar
Marshall Valuation Seminar
Appraising Local Retail Properties
Internet Search Strategies
Analyzing Operating Expenses
Partial Interest Valuation - Divided

Feasibility Analysis - Highest & Best Use
The Appraiser As Expert Witness
Maximizing The Value Of An Appraisal Practice
Understanding Limited Appraisals - General
The High Tech Appraisal Office
The Internet and Appraising
Appraisal of Local Retail Properties
USPAP For Brokers**
Single Family Appraisals **
2-4 Family Appraisal **
Indiana Appraisers Licencense Law*
The Appraisers Role in Zoning**
Subdivision Demographics Analysis**
The High Tech Real Estate Office **
USPAP 2003 Update
Case Studies in Highest and Best Uses - Commercial

** Author & Instructor

* Instructor

Qualifications Continued on Page Two –11/5/2013

Traynor & Associates, Inc.
Real Estate Appraising & Consulting

QUALIFICATIONS

PROFESSIONAL MEMBERSHIPS AND DESIGNATIONS:

MRICS - Royal Institution of Chartered Surveyors
MAI Candidate: Appraisal Institute
General Accredited Appraiser (GAA): National Association of Realtors
Residential Accredited Appraiser (RAA): National Association of Realtors
Metropolitan Indianapolis Board of Realtors (Member)
Indiana Association of Realtors (Member)
National Association of Realtors (Member)

PROFESSIONAL INVOLVEMENT:

Appraisal Foundation, Washington, DC
- Chairman of the Board of Trustees 2011
- Board of Trustees 2005-2012, Executive Committee 2007-2012
- AQB Certified USPAP Instructor

Appraisal Institute – Hoosier State Chapter, Indianapolis, IN
- Secretary 1991
- Governmental Affairs Committee – Chair 1997-2005

Appraiser Qualifications Board, Washington, DC
- Board Member 2014-2016

Metropolitan Indianapolis Board Of Realtors, Indianapolis, IN
- Realtor of the Year 2005
- Distinguished Service Award 2003
- President 1996
- Moderator Leadership Academy 2004-2005

Indiana Appraiser Certification and Licensing Board, Indianapolis, IN
- Board Member appointed by Indiana Governor Mitch Daniels 2006-2013
- Chair 2008-2009

Indiana Association of Realtors, Indianapolis, IN
- Realtor of The Year 2006
- President 2001
- Regional Vice President, 1997-1998
- Director 1993-2006
- Moderator Leadership Academy 2007-2008

National Association of Realtors, Chicago, IL
- Regional Vice President - 2004
- Appraisal Committee Chair - 2003
- Board of Directors 2000-2002, 2004

LICENSES:

Indiana Broker #: RB14013645
Indiana Certified General Appraiser #:CG69100233

EXPERIENCE:

Co-Owner, Traynor Company Realtors, 1982-1986
Independent Fee Real Estate Appraiser since 1985, specializing in commercial, industrial, residential, special use properties, subdivisions, rural properties, easements and right-of-way takings including assignments for financial institutions, public agencies, government agencies, real estate developers, attorneys and individuals

6750 East 75th Street Indianapolis, IN 46250 P:317.813.4990 F:317.813.4992 www.TraynorAssociates.com

Traynor & Associates, Inc.
Real Estate Appraising & Consulting

QUALIFICATIONS

Benjamin T. Crabtree
Indiana Licensed Trainee Appraiser

OFFICE:
6750 East 75th Street
Indianapolis, Indiana 46250
Phone: (317) 813-4990 x317
email: ben@traynorassociates.com
www.traynorassociates.com

EDUCATION:

Indiana University – Bloomington, Indiana
Bachelor of Arts in Geology, 2013
Minor in Secondary Science Education, 2013

Appraisal Course Work Completed:

Appraisal Institute
Basic Appraisal Principles
Basic Appraisal Procedures
Supervisory Appraiser / Trainee Appraiser Course
15 Hour National USPAP Course

LICENSES:

Indiana Licensed Trainee Appraiser #TR42200025

EXPERIENCE:

Appraiser Trainee, Traynor & Associates, Inc., 2022-Present
Supervisor, C&H Lawn and Landscaping, Inc., 2013-2022

6750 East 75th Street Indianapolis, IN 46250 P:317.813.4990 F:317.813.4992 www.TraynorAssociates.com

CLIENT LISTING

Traynor & Associates, Inc.
Real Estate Appraising & Consulting

QUALIFICATIONS

Client Listing

Banks and Financial Institutions

Bank of America
BMO Harris
Centra Credit Union
Citizens Bank of Central Indiana
Community First Bank
Fifth Third Bank
First Internet Bank
First Merchants Bank
Forum Credit Union
Greenfield Bank
Huntington National Bank
Indiana Members Credit Union
JP Morgan Chase Bank
Merchants Bank
Old National Bank
PNC
Regions Bank
Star Financial Bank
Stock Yards Bank
Teachers Credit Union
Union Federal Savings Bank
Union Savings & Loan

Government

Carroll County Highway Department
City of Carmel
City of Elwood
City of Fishers
City of Indianapolis
City of Noblesville
City of Terre Haute
Decatur Township Trustee
Greenwood Community Schools
Hamilton County Assessor
Hamilton County Aviation Board
Hamilton County Highway Department
Hendricks County Highway Department
Hendricks County Sewer Board
Indiana Department of Transportation
Johnson County Highway Department
Marion County Superior Court #1
Vermillion County Highway Department
Washington Township Trustee
Town of Zionsville
City of Westfield
Town of Yorktown

Professional
(Legal, Engineering, Real Estate, etc.)

American Structurepoint
Barnes & Thornburg Attorneys
Beam Longest & Neff, Engineers
Burgess & Niple Engineers
Butler Fairman & Siefert, Engineers
Carpenter Realtors
CHA Consulting
Church, Church, & Hittle & Atrium
CrossRoad Engineering
Devoe, Attorneys
DLZ Engineers
Duke Energy
First Group, Engineers
Floyd Burrow & Associates, Engineers
Henderson, Daly, Withrow &
Hill, Fullwider, McDowell, Funk &
Mathews, Attorneys
Ice Miller
Indianapolis Power & Light
Kroger Gardis & Regas, Attorneys
Lewis & Kappa
Paul I Cripe, Inc., Engineers
RQAW Engineers
Shrewsberry & Associates Engineering
SJ Engineers & Surveyors
Strand Associates, Engineers
United Consulting, Engineers
VS Engineering
WSP Engineers

Developers

Arbor Homes
Beazer Homes
Boomerang Development
Centex Homes
Dennison Properties
Estridge Group
Holladay Properties
Kite Development
Kosene & Kosene
Langston Development
Mahrdt Properties Inc
Platinum Properties
Thompson Land Company
Westport Homes

School Corporations

Alexandria School Corporation
Anderson University
Ball State University
Center Grove Community Schools
Clarksville Schools
Delphi Community Schools
Elkhart Community Schools
Frankfort Schools
Hamilton Heights
Hamilton Southeastern
Indianapolis Public Schools
MSD of Decatur Township
MSD of Lawrence Township
MSD of Perry Township
MSD of Pike Township
MSD of Washington Township
MSD of Wayne Township
Noblesville Schools
Plainfield Schools
Plymouth Community Schools
Shelbyville Central Schools

6750 East 75th Street Indianapolis, IN 46250 P:317.813.4990 F:317.813.4992 www.TraynorAssociates.com

REAL ESTATE APPRAISAL
SAGE COMMERCIAL ADVISORY

MULTI-TENANT COMMERCIAL BUILDING
8603 EAST 116TH STREET
FISHERS, HAMILTON COUNTY, IN 46038
SAGE COMMERCIAL FILE NO.: 24-188A-06

APPRAISAL REPORT

DATE OF REPORT: JULY 1, 2024
INSPECTION DATE: JUNE 19, 2024
DATE OF VALUE (AS IS): JUNE 19, 2024

CLIENT:
CITY OF FISHERS
ATTN: MS. JENNIFER MESSER
1 MUNICIPAL DRIVE
FISHERS, IN 46038

REAL ESTATE APPRAISAL
SAGE COMMERCIAL ADVISORY

5113 S. Harper Avenue, Suite 2C
Chicago, Illinois 60615
T (312) 291-1921
F (312) 803-2222
www.sagecommercialadvisory.com

July 1, 2024

Ms. Jennifer Messer
City of Fishers
1 Municipal Drive
Fishers, IN 46038

Re: Multi-Tenant Commercial Building
8603 East 116th Street
Fishers, Hamilton County, IN 46038
Sage Commercial File No.: 24-188A-06

Dear Ms. Messer:

At your request, we have visited and appraised the property located at 8603 East 116th Street, Fishers, IN. The property appraised consists of a 48,352 SF or 1.11-acre site currently improved with a one- and part two-story retail storefront building that contains 17,200 SF. There is also a 642 SF basement. The structure is configured with four first-floor units, three of which are vacant. The fourth is occupied by Thai and Sushi House LLC on a month-to-month lease. There is also a 2,400 SF second-floor space previously used as a yoga studio that is now vacant. Constructed in 1950, the subject was in average condition at the time of our visit.

The purpose of this appraisal is to express our opinion of the "as is" market value in fee simple estate and the "as is" annual market rent, subject to the definitions of value, assumptions, limiting conditions and certifications in the attached *Appraisal Report*. The property was visited on June 19, 2024. The effective date of the opinion of the As Is market value is June 19, 2024.

It is our understanding that this Appraisal Report is to be used for redevelopment purposes; its use for any other purpose or valuation date may invalidate the appraisal. The intended user and client is the City of Fishers.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in the *Uniform Standards of Professional Appraisal Practice (USPAP)* as adopted by the Appraisal Standards Board of the Appraisal Foundation; the Code of Professional Ethics and Standards of the Appraisal Institute; and the *Interagency Appraisal and Evaluation Guidelines* dated December 2, 2010.

The report is for the sole use of the client; however, the client may provide only complete, final copies of the appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. The appraiser is not required to explain or testify as to appraisal results other than to respond to the client for routine and customary questions. Please note that our consent to allow an appraisal report prepared by Sage Commercial Advisory or portions of such report, to become part of or be referenced in any public offering, the granting of such consent will be at our sole discretion and, if given, will be on condition that we will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to us, by a party satisfactory to us. We do consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

In 2023, the U.S. economy faced challenges such as high inflation, market volatility, and a softening housing market due to elevated interest rates. Despite these issues, consumer spending remained strong, and the unemployment rate stayed historically low. By the end of the year, GDP rebounded, stabilizing the economic landscape and alleviating recession concerns. A major U.S. recession is not currently predicted; however, real estate transaction volumes are down and interest rates are putting pressure on the market. In addition, global uncertainties persist, with the conflicts in Ukraine and the Middle East posing risks. This, and the potential for major recessions abroad underscore the need for ongoing economic vigilance. This was considered in our analysis.

Considering the assumptions and analyses contained in the attached report, we conclude as follows:

VALUE CONCLUSION - REAL ESTATE ONLY

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value, As Is	Fee Simple Estate	June 19, 2024	$2,530,000

Our market rent conclusions are as follows:

MARKET RENT CONCLUSION

UNIT NO.	TENANT	SPACE TYPE	RENT CONCLUSION PSF	UNIT SIZE	INDICATED POTENTIAL GROSS INCOME	BASIS
8603	Thai and Sushi House LLC	Restaurant	$22.00	3,800 SF	$83,600	Net
8605-8607	VACANT	Former Fitness Club	$17.00	5,900 SF	$100,300	Net
8619	VACANT	Office	$16.00	3,600 SF	$57,600	Net
8625	VACANT	Office	$16.00	1,500 SF	$24,000	Net
8609	VACANT	Yoga Studio	$10.00	2,400 SF	$24,000	Net
			$16.83	**17,200 SF**	**$289,500**	

Descriptions of the property appraised, explanations of the appraisal procedures used, data and calculations, and our conclusions of market value are presented in the *Appraisal Report*. This report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. A copy of this report and the field data supporting it will remain in our files for review on request.

It has been a pleasure to provide you with appraisal services for this property. If you have any questions concerning the analysis, or if we can be of further service, please do not hesitate to contact us.

Respectfully submitted,
SAGE COMMERCIAL ADVISORY, LLC

Shari L. Heilala, MAI
President
Certified General Real Estate Appraiser
Indiana License CG41200017
Expires: June 30, 2026
Phone: 312.291.1921
Email: heilala@sagecommercialadvisory.com

Benjamin J. Slagter, MAI
Certified General Real Estate Appraiser
Indiana License No. CG42300019
Expires: June 30, 2026

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
- I have not made a personal visit to the property that is the subject of this report.
- No one provided significant professional assistance to the person signing this report, unless otherwise noted.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation, the Code of Professional Ethics, and the Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of issuance of this appraisal, Shari L. Heilala has completed the continuing education requirements for Designated Members of the Appraisal Institute.
- The indicated market value provided in this report is “as is” and is defined as “the value of the property in its current physical condition, subject to the zoning in effect as of the date of value".
- An analysis of current market conditions has been considered, and a reasonable marketing time for the property has been reported in this appraisal.
- The undersigned has not previously appraised the subject property or performed any other services, as an appraiser or in any other capacity, involving the subject property within the three-year period immediately preceding acceptance of this assignment.

Shari L. Heilala

____

Shari L. Heilala, MAI
Indiana License CG41200017
Expires: June 30, 2026
Phone: 312.291.1921

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
- I have made a personal visit to the property that is the subject of this report.
- No one provided significant professional assistance to the person signing this report, unless otherwise noted.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation, the Code of Professional Ethics, and the Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of issuance of this appraisal, Benjamin J. Slagter has completed the continuing education requirements for Designated Members of the Appraisal Institute.
- The indicated market value provided in this report is "as is" and is defined as "the value of the property in its current physical condition, subject to the zoning in effect as of the date of value".
- An analysis of current market conditions has been considered, and a reasonable marketing time for the property has been reported in this appraisal.
- The undersigned has not previously appraised the subject property or performed any other services, as an appraiser or in any other capacity, involving the subject property within the three-year period immediately preceding acceptance of this assignment.

____

Benjamin J. Slagter, MAI
Certified General Real Estate Appraiser
Indiana License No. CG42300019
Expires: June 30, 2026

EXECUTIVE SUMMARY

Location:	8603 East 116th Street, Fishers, IN
Property Rights Appraised:	Fee Simple Estate
Intended Use and User of Report:	The purpose of this appraisal is to express our opinion of the "as is" market value in fee simple estate and the "as is" annual market rent, subject to the definitions of value, assumptions, limiting conditions and certifications in the attached *Appraisal Report*. The client and intended user is the City of Fishers. This report was ordered by Ms. Jennifer Messer.
Appraisal Report Type:	*Appraisal Report Format* in compliance with USPAP Standards Rule 2-2
Property Type / Use:	Multi-tenant commercial building
Land Area:	48,352 SF or 1.11 acre
Improvements:	The improvements consist of a one and part two-story, retail storefront building that contains 17,200 SF. There is also a 642 SF basement. The structure is configured with five units, four of which are vacant and the occupied space is currently on a month-to-month lease. Construction includes a mix of masonry and wood-frame with vinyl siding. Constructed in 1950, the subject was in average condition at the time of our visit.
Land to Building Ratio:	2.81:1
Floor Area Ratio:	0.36:1

Zoning:	DC, Downtown Core, City of Fishers, IN
Zoning Conformance:	The subject appears to be a legal conforming use.
Assessor's Parcel Number:	15-14-01-02-01-002.000 and 15-14-01-02-01-003.000
Flood Zone:	The subject is located in Flood Zone X (Areas of Minimal Flooding) per FEMA Community Panel 17031 C 0402 J, map dated August 19, 2008.
Highest and Best Use:	
As if vacant	Mixed-use development
As improved	As improved with a storefront building The subject would most likely be purchased by an owner / user or an investor.
Date of Property Visit:	June 19, 2024
As Is Value Date:	June 19, 2024
Exposure Period (Market Value):	2 to 15 months

VALUE CONCLUSION - REAL ESTATE ONLY

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value, As Is	Fee Simple Estate	June 19, 2024	$2,530,000

MARKET RENT CONCLUSION

UNIT NO.	TENANT	SPACE TYPE	RENT CONCLUSION PSF	UNIT SIZE	INDICATED POTENTIAL GROSS INCOME	BASIS
8603	Thai and Sushi House LLC	Restaurant	$22.00	3,800 SF	$83,600	Net
8605-8607	VACANT	Former Fitness Club	$17.00	5,900 SF	$100,300	Net
8619	VACANT	Office	$16.00	3,600 SF	$57,600	Net
8625	VACANT	Office	$16.00	1,500 SF	$24,000	Net
8609	VACANT	Yoga Studio	$10.00	2,400 SF	$24,000	Net
			$16.83	**17,200 SF**	**$289,500**	

SUBJECT PHOTOGRAPHS

EXTERIOR

EXTERIOR

EXTERIOR

EXTERIOR

EXTERIOR

EXTERIOR

EXTERIOR

INTERIOR

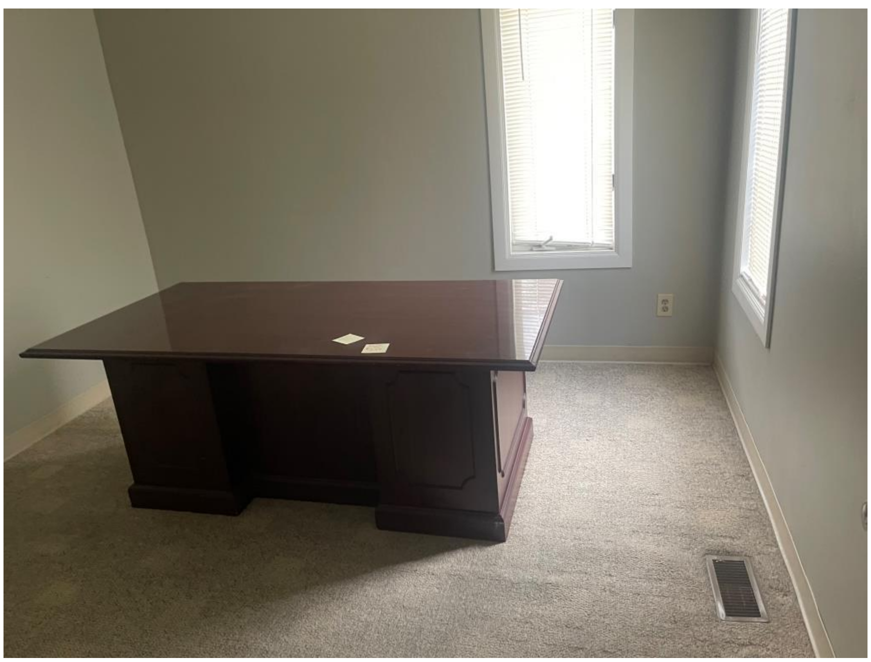
INTERIOR

INTERIOR – FORMER FITNESS CLUB

INTERIOR – FORMER FITNESS CLUB

INTERIOR – SECOND-FLOOR FORMER YOGA STUDIO

INTERIOR – FORMER LAW OFFICE



INTERIOR – FORMER LAW OFFICE

INTERIOR – STAIRWELL TO SECOND FLOOR

INTERIOR – BASEMENT

STREET VIEW – LOOKING WEST ALONG 116TH STREET

STREET VIEW – LOOKING EAST ALONG 116TH STREET

AERIAL PHOTO
Source: Google Maps

The above aerial photograph is for illustrative purposes only and does not necessarily reflect all current subject and neighborhood improvements.

TABLE OF CONTENTS

INTRODUCTION

Property Identification:		
Location:	8603 East 116th Street, Fishers, IN	
Assessor's Parcel Number(s):	15-14-01-02-01-002.000 and 15-14-01-02-01-003.000	
Property History:		
Current Owner:	Pledge Realty Corporation	
Last Date of Purchase:	N/A	
Listing Price:	N/A	
Intended Use and User of Report:	The purpose of this appraisal is to express our opinion of the "as is" market value in fee simple estate and the "as is" annual market rent, subject to the definitions of value, assumptions, limiting conditions and certifications in the attached Appraisal Report. The client and intended user is the City of Fishers. This report was ordered by Ms. Jennifer Messer.	
Appraisal Report Type:	*Appraisal Report Format*	
Premise, Property Rights Appraised, and Date:	"As Is" market value in fee simple estate and the "As Is" annual market rent as of June 19, 2024	
Date of Property Visit[1]:	June 19, 2024	
Date of Report:	July 1, 2024	
Special Appraisal Instructions:	None	
Exposure / Marketing Periods:	**Range**	**Average**
	2 to 15 months	8.2 months

[1] *When the date of visit differs from the effective date of the appraised value, we have assumed no material change in the condition of the property unless otherwise noted in the report.*

Estimated Exposure Period:	2 to 15 months
Estimated Marketing Period:	2 to 15 months

ADDITIONAL PROPERTY HISTORY

There have been no sales, listings or options involving the subject in the past three years, to the best of our knowledge

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to express our opinion of the "As Is" market value in fee simple estate and the "As Is" annual market rent, subject to the definitions of value, assumptions, limiting conditions and certifications in the attached *Appraisal Report*. The property was visited on June 19, 2024. The effective date of the opinion of the As Is market value is June 19, 2024.

DEFINITIONS

The following definitions pertain to this report:

Market Value. [2] The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

[2] *Federal Register, Volume 55, 12 C.F.R. Part 34.42 (g), Page 34696, August 24, 1990, as amended at Federal Register, Volume 57 Page 12202, April 9, 1992; Federal Register, Volume 59 Page 29499, June 7, 1994*.

Leased Fee Interest[3]. An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to other. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.

Fee Simple Estate[4]. An absolute ownership unencumbered by any other interest or estate; subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

SCOPE OF WORK

The scope of this appraisal relates to the extent and manner in which research is conducted, data is gathered and analysis is applied. The determination of the appropriate scope of work was made based upon numerous factors involving the client, intended use, intended user, type and effective date of value opinion, subject characteristics and other assignment conditions.

The results of the appraisal process are conveyed in an Appraisal Report format that is intended to comply with the reporting requirements set forth under Standards 2-2 of the Standards of Professional Appraisal Practice. This appraisal report summarizes the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions.

For this appraisal, the following steps were completed by Sage Commercial Advisory:

- Requested, in writing, all property data including a survey of the property that indicated total land and building size, real estate tax bills, building plans and specifications, and property / legal descriptions, floor plan drawings, leases, purchase contract, historical operating statements, etc. as applicable;
- Analyzed regional, city, market area, site, and improvement data;
- Analyzed all sources of data and used our best judgment in determining total land and building sizes as used in this analysis;
- Visited the subject property and neighborhood area;
- Reviewed micro / macro market, including interviews with local market participants, available published data and other various resources;
- Reviewed data regarding real estate taxes, zoning, utilities, city services and flood zone;
- Analyzed the highest and best use of the subject both as vacant and as improved;
- Considered all three approaches to value (Cost, Sales Comparison, and Income Capitalization), and utilized the Sales Comparison Approach and Income Capitalization Approach;

[3] *The Dictionary of Real Estate Appraisal, Appraisal Institute*
[4] *The Dictionary of Real Estate Appraisal, Appraisal Institute*

- Utilized market survey, Costar and Loopnet information for rental rates, expenses, vacancy, absorption, and other information, as applicable;
- Considered improved comparable sales and comparable rentals in analyzing the subject;
- Confirmed comparable sale data with reliable sources, public records, principals, managers, real estate agents and / or professionals;
- Reconciled the results of this analysis into a probable range of market data, and finally provided an estimate of market value for the subject, as defined herein; and
- Estimated reasonable exposure time associated with the value estimate.

The current owner provided us with the following:

- Real Estate Tax Bills;
- Rent Rolls from 2020 and 2022;
- Commitment for Title Policy (commitment IN2128437 dated June 10, 2021); and
- An ALTA/NSPS Land Title Survey prepared by Hahn Surveying Group, Inc. (dated June 22, 2022).

The descriptions of the subject were based upon our visit to the subject property and other sources noted as follows:

DATA	SOURCE	VERIFICATION
Property Identification	Parcel Numbers	Survey
Site Size	Survey	Hamilton County GIS
Improvement Size	Property Record Card	Survey

Unit sizes and net rentable area were based upon the old rent rolls. All areas contained in this report are subject to a recent plat of survey and building plans.

The appraisal has been completed under the assumptions and limiting conditions and the certifications presented in this report.

EXCLUSIONS FROM VALUE

Excluded from this appraisal are personal property, furniture fixtures and equipment, trade fixtures, intangibles and inventories that are not real property.

COMPETENCY STATEMENT

Shari L. Heilala, MAI and Benjamin J. Slagter, MAI have appraised numerous retail properties such as the subject of this appraisal and are familiar with the market area. They have also appraised vacant land, industrial, office, commercial, hotel, multi-family, and special-purpose properties on a nationwide basis, as delineated in the professional qualifications provided in this report. The appraisers are considered competent to perform this appraisal.

HYPOTHETICAL CONDITIONS

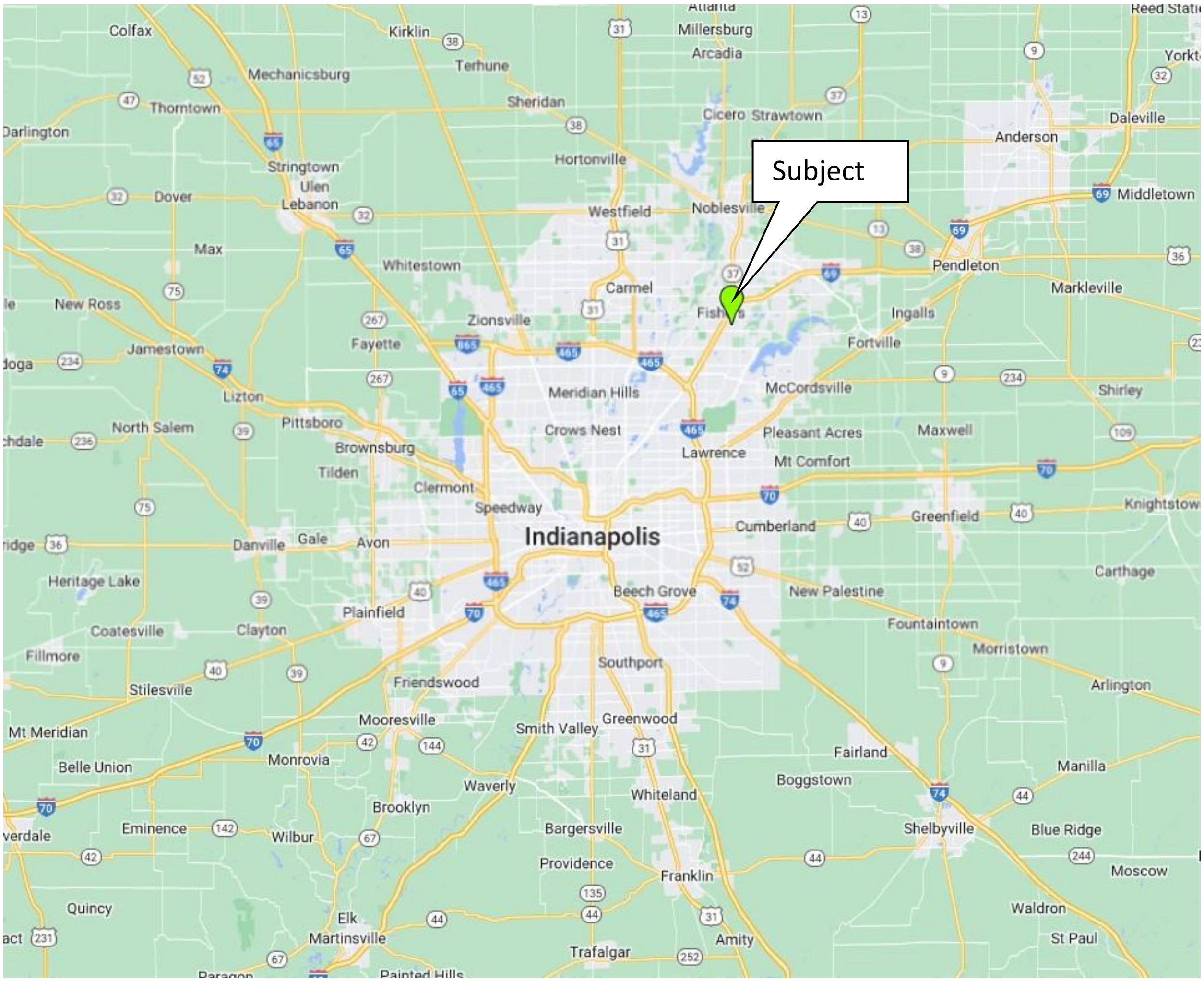
Hypothetical conditions are defined as that which are contrary to what exists, but are supposed for the purpose of the analysis. There are no hypothetical conditions associated with our analysis.

EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is defined as an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions. This appraisal is not subject to extraordinary assumptions.

AREA ANALYSIS

INDIANAPOLIS-CARMEL MSA



Overview

The subject is located within the Indianapolis-Carmel, IN metropolitan area. The City of Indianapolis is located about 165 miles southeast of Chicago, Illinois, 110 miles north of Louisville, Kentucky, 100 miles northwest of Cincinnati, Ohio, and 170 miles west of Columbus, Ohio. The Indianapolis-Carmel, IN metropolitan area contains ten counties: Boone, Brown, Greenwood, Hamilton, Hancock, Hendricks, Johnson, Morgan, Putnam, and Shelby. Marion County, which contains the City of Indianapolis, is centrally located within the MSA. In terms of population, the Indianapolis-Carmel, IN MSA is the 35th largest in the United States.

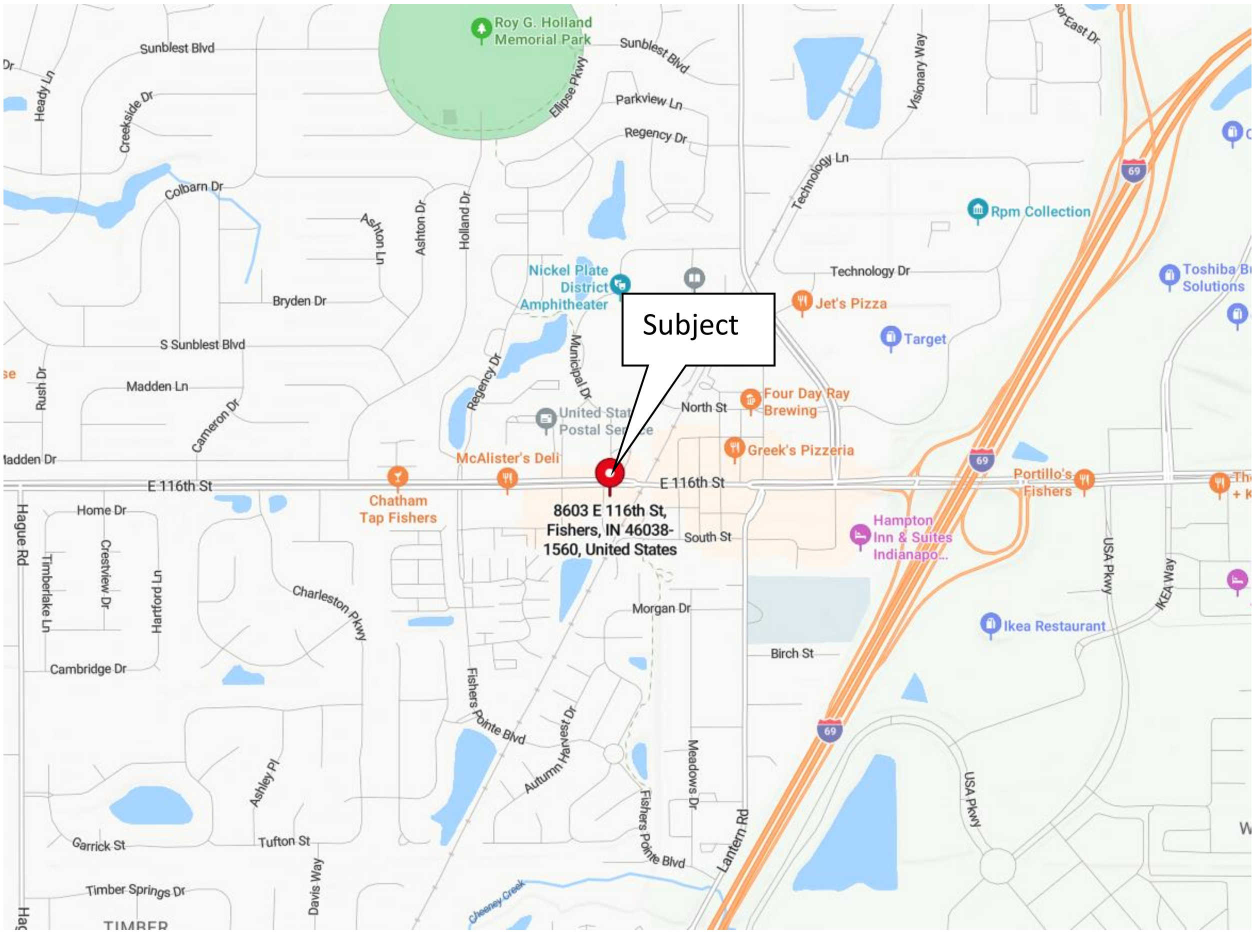
Indianapolis has a diversified economy with major contributions from education, health care, and finance. Tourism is also vital to the economy as the city hosts numerous conventions and sporting events such as the Indianapolis 500. Other major sporting events include the Brickyard 400 and the Men's and Women's NCAA Basketball Tournaments. The city is also home to numerous higher education institutions, including Ball State University, Butler University, Indiana University-Purdue University Indianapolis, Ivy Tech Community College of Indiana, Marian University, and Martin University, among others.

The metropolitan area is served by the Indianapolis International Airport. Indianapolis International is the eighth-largest cargo center in the country and is the home of the second-largest Federal Express operation in the world. The Indianapolis area is also served by numerous interstate and US highways. The Indianapolis Public Transportation Corporation, known locally as IndyGo, provides public transportation for the city. Indianapolis is the hub of an extensive rail network, with 26 rail corridors in operation and five key freight facilities, including Avon Yard, which is a major classification yard with 1,400 to 1,800 cars per day.

CONCLUSION

The Indianapolis-Carmel, IN metropolitan area is the 35th largest in the United States. It has a diversified economy and good transportation, and the overall outlook for the area appears to be positive.

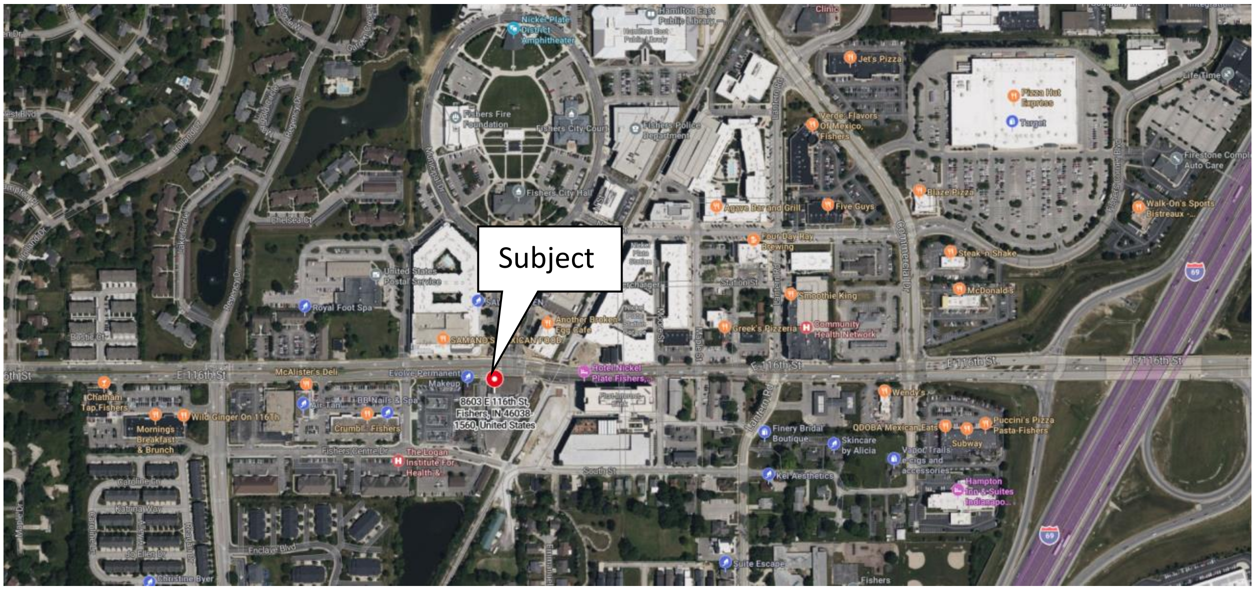
CITY OF FISHERS



The subject is located in the City of Fishers, a northeast suburb of Indianapolis in Hamilton County. It is located approximately 15 miles northeast of the Indianapolis CBD and has a total area of approximately 36 miles. Since 1990, the town has grown from 7,800 people to an estimated 106,570 in 2024 according to STDB. STDB forecasts the growth rate from 2024 to 2029 at 1.32%. Much of this growth has been fostered by the town's location in the I-69 corridor, a highly skilled labor force and its access to downtown Indianapolis.

The City of Fishers is located along Interstate 69 and is five miles from the Interstate 465 loop, which connects Interstate 69 with Interstate 65. Indiana State Road 37 runs directly through Fishers, connecting Fishers with several other cities and towns. It is also serviced by IndyGo bus service.

IMMEDIATE AREA



Source: www.maps.bing.com

The above aerial photograph is for illustrative purposes only, actual improvements may differ.

The subject is situated on the south side of 116th Street, directly across from the City of Fishers City Hall. The immediate area features a mix of uses, including a hotel directly to the east, along with a large office building. To the west is an office building and some shopping centers. Access to I-69 is approximately one-half mile to the east.

The following tables summarize demographic information for the subject's immediate area in 1, 3, and 5-mile rings:

	1 mile	3 miles	5 miles
Population			
2010 Population	10,108	57,569	149,670
2020 Population	11,585	63,356	168,591
2024 Population	13,392	66,179	171,631
2029 Population	13,748	69,364	178,287
2010-2020 Annual Rate	1.37%	0.96%	1.20%
2020-2024 Annual Rate	3.47%	1.03%	0.42%
2024-2029 Annual Rate	0.53%	0.94%	0.76%
2020 Male Population	48.9%	47.8%	48.4%
2020 Female Population	51.1%	52.2%	51.6%
2020 Median Age	33.8	38.3	37.5
2024 Male Population	49.7%	48.6%	49.2%
2024 Female Population	50.3%	51.4%	50.8%
2024 Median Age	34.5	38.7	38.1

In the identified area, the current year population is 171,631. In 2020, the Census count in the area was 168,591. The rate of change since 2020 was 0.42% annually. The five-year projection for the population in the area is 178,287 representing a change of 0.76% annually from 2024 to 2029.

Households			
2024 Wealth Index	89	124	136
2010 Households	4,145	22,511	57,491
2020 Households	5,047	25,560	66,123
2024 Households	5,871	26,925	67,948
2029 Households	6,100	28,557	71,125
2010-2020 Annual Rate	1.99%	1.28%	1.41%
2020-2024 Annual Rate	3.62%	1.23%	0.64%
2024-2029 Annual Rate	0.77%	1.18%	0.92%
2024 Average Household Size	2.28	2.44	2.51

The household count in this area has changed from 66,123 in 2020 to 67,948 in the current year, a change of 0.64% annually. The five-year projection of households is 71,125, a change of 0.92% annually from the current year total. Average household size is currently 2.51, compared to 2.53 in the year 2020. The number of families in the current year is 45,587 in the specified area.

	1 mile	3 miles	5 miles
Mortgage Income			
2024 Percent of Income for Mortgage	19.0%	19.9%	21.1%
Median Household Income			
2024 Median Household Income	$103,535	$109,456	$109,595
2029 Median Household Income	$111,857	$121,865	$123,387
2024-2029 Annual Rate	1.56%	2.17%	2.40%
Average Household Income			
2024 Average Household Income	$125,319	$138,387	$145,734
2029 Average Household Income	$140,083	$155,192	$163,310
2024-2029 Annual Rate	2.25%	2.32%	2.30%
Per Capita Income			
2024 Per Capita Income	$53,430	$56,177	$57,716
2029 Per Capita Income	$60,448	$63,760	$65,164
2024-2029 Annual Rate	2.50%	2.56%	2.46%
GINI Index			
2024 Gini Index	32.7	32.7	34.0
Households by Income			

Current median household income is $109,595 in the area, compared to $72,603 for all U.S. households. Median household income is projected to be $123,387 in five years, compared to $82,410 for all U.S. households.

Current average household income is $145,734 in this area, compared to $107,008 for all U.S. households. Average household income is projected to be $163,310 in five years, compared to $122,048 for all U.S. households.

Current per capita income is $57,716 in the area, compared to the U.S. per capita income of $41,310. The per capita income is projected to be $65,164 in five years, compared to $47,525 for all U.S. households.

Housing			
2024 Housing Affordability Index	129	123	116
2010 Total Housing Units	4,448	23,872	61,076
2010 Owner Occupied Housing Units	2,598	17,541	42,815
2010 Renter Occupied Housing Units	1,548	4,970	14,675
2010 Vacant Housing Units	303	1,361	3,585
2020 Total Housing Units	5,380	26,728	69,429
2020 Owner Occupied Housing Units	2,557	18,338	46,560
2020 Renter Occupied Housing Units	2,490	7,222	19,563
2020 Vacant Housing Units	293	1,129	3,329
2024 Total Housing Units	6,202	27,989	71,116
2024 Owner Occupied Housing Units	2,732	18,913	47,901
2024 Renter Occupied Housing Units	3,139	8,012	20,047
2024 Vacant Housing Units	331	1,064	3,168
2029 Total Housing Units	6,406	29,710	74,697
2029 Owner Occupied Housing Units	2,843	19,698	49,446
2029 Renter Occupied Housing Units	3,257	8,859	21,679
2029 Vacant Housing Units	306	1,153	3,572
Socioeconomic Status Index			
2024 Socioeconomic Status Index	62.3	66.4	65.0

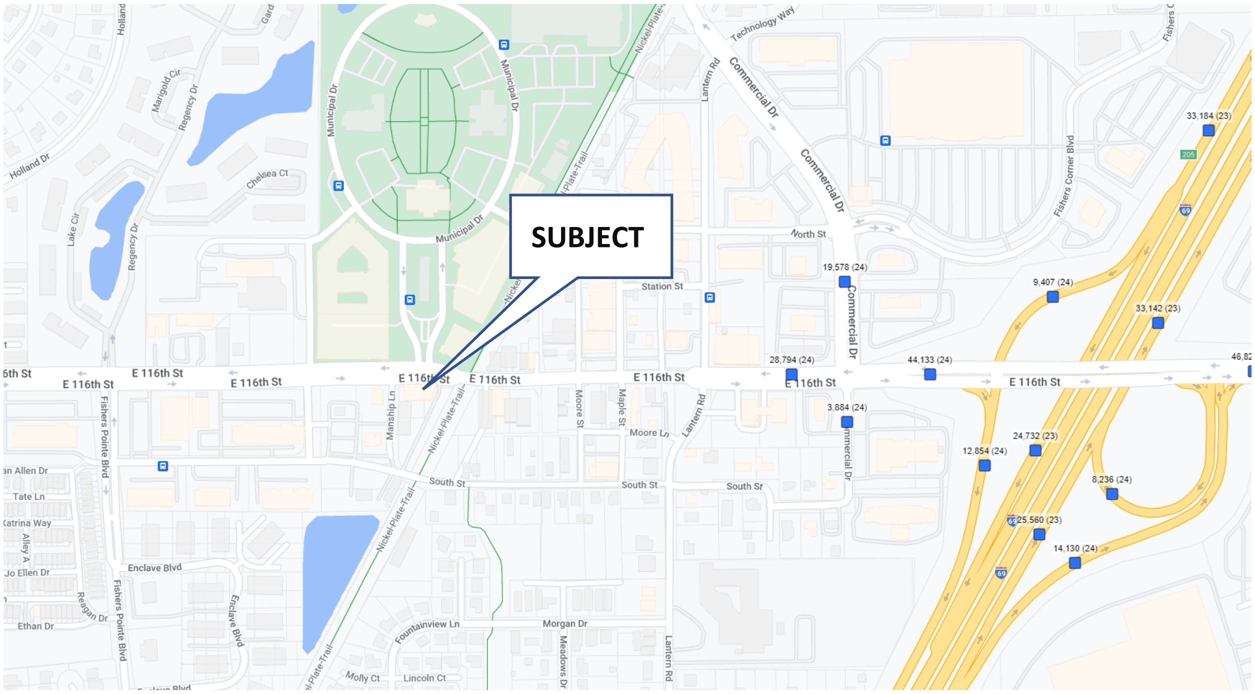
Currently, 67.4% of the 71,116 housing units in the area are owner occupied; 28.2%, renter occupied; and 4.5% are vacant. Currently, in the U.S., 58.5% of the housing units in the area are owner occupied; 31.7% are renter occupied; and 9.8% are vacant. In 2020, there were 69,429 housing units in the area and 4.8% vacant housing units. The annual rate of change in housing units since 2020 is 0.57%. Median home value in the area is $369,807, compared to a median home value of $308,943 for the U.S. In five years, median value is projected to change by 0.87% annually to $386,268.

The population and income numbers are expected to continue growing in the foreseeable future.

CONCLUSION

The subject is located within a growing community. The outlook for this neighborhood is positive.

The subject's traffic count is noted as follows:



According to the Indiana Department of Transportation, the average daily traffic count just east of the subject along 116th Street (the closest available count) is 28,974 vehicles.

MARKET ANALYSIS

The subject is located in Fishers, Indiana. We have included an analysis of both the retail and office submarkets.

FISHERS/GEIST RETAIL SUBMARKET

CoStar places the subject in the Fishers/Geist Retail Submarket.

Overview

Fishers/Geist Retail

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	Market Asking Rent Growth
17.8K	18.7K	2.6%	4.3%

The Fishers/Geist retail submarket has a vacancy rate of 2.6%, unchanged from last year. There was 19,000 SF of positive absorption and 18,000 SF of net deliveries. Rents have increased 4.3% in the past 12 months and are currently around $24.00 PSF.

Roughly 52,000 SF is under construction in the Fishers/Geist retail submarket. In the past year, 12 sales have traded for approximately $31.4 million in volume and 180,000 SF in stock.

Vacancy is 1.9% in general retail buildings, and 20,000 SF has been absorbed in this asset class over the past year. Vacancy is 8.0% in malls, and 3,000 SF has been absorbed in this asset class over the past year. Vacancy is 2.4% in strip centers, and there has been 530 SF of negative absorption in this asset class over the past year. Vacancy is 1.4% in neighborhood centers, and there has been 3,800 SF of negative absorption in this asset class over the past year.

Rents are around $24.00 PSF in general retail buildings and $26.00 PSF in malls. Rent growth was 3.9% in general retail buildings and 4.8% in malls.

Key indicators are summarized in the following table:

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	814,446	8.0%	$25.78	0%	0	0	0
Power Center	0	-	-	-	0	0	0
Neighborhood Center	1,745,925	1.4%	$23.50	1.3%	(4,280)	0	0
Strip Center	426,582	2.4%	$24.05	3.8%	6,396	0	0
General Retail	3,443,803	1.9%	$23.58	3.4%	(6,375)	1,000	51,930
Other	0	-	-	-	0	0	0
Submarket	**6,430,756**	**2.6%**	**$23.87**	**2.4%**	**(4,259)**	**1,000**	**51,930**

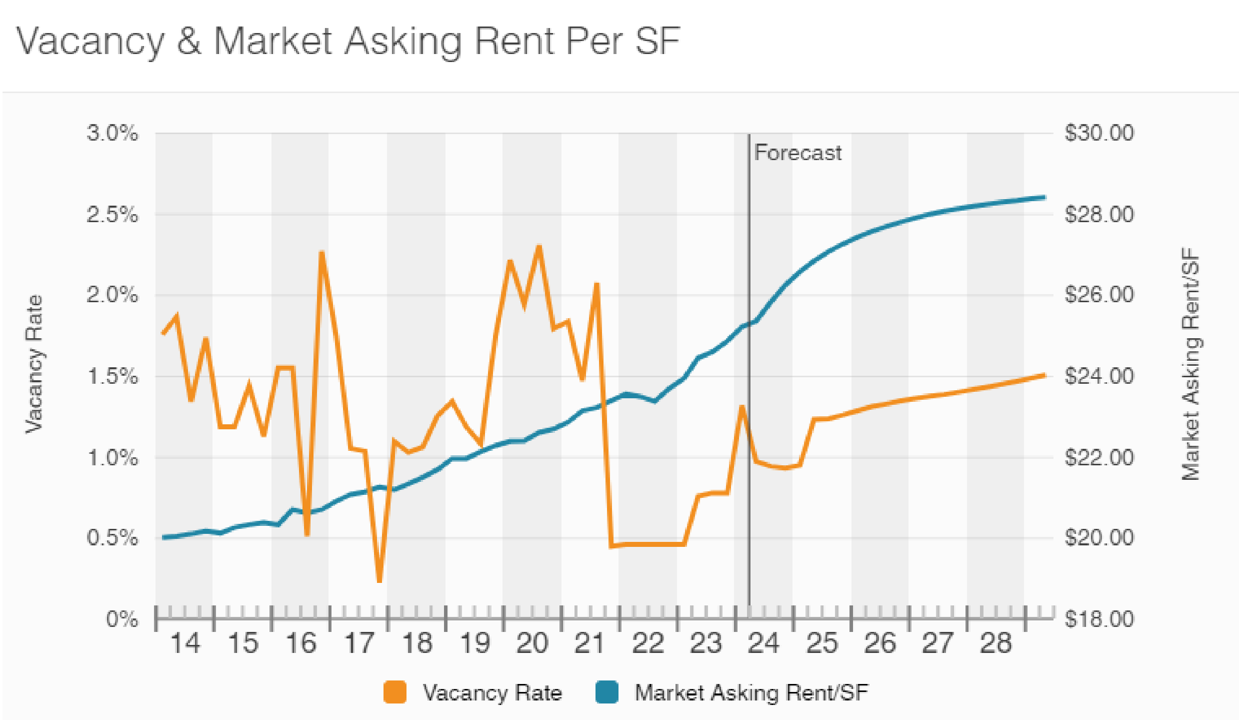
IMMEDIATE AREA SURVEY

We also surveyed retail space within a 1.0-mile radius of the subject property. Our findings are as follows:

INVENTORY SF	UNDER CONSTRUCTION SF	12 MO NET ABSORPTION SF	VACANCY RATE	MARKET ASKING RENT/SF	MARKET SALE PRICE/SF	MARKET CAP RATE
955K +0%	3K -	(4.4K) -63.4%	1.2% +0.5%	$25.32 +3.8%	$238 +5.4%	7.4% -0.1%
Prior Period 955K	Prior Period 0	Prior Period (2.7K)	Prior Period 0.7%	Prior Period $24.41	Prior Period $226	Prior Period 7.5%

Source: CoStar

There is about 1 million SF of retail space in the area surveyed. The current vacancy rate is 1.2%, and the average asking rent is $25.32 PSF, which is 3.8% greater than the prior period.



Source: CoStar

As indicated above, the vacancy rate decreased during 2021 and has increased slightly since then; however, it remains low at 1.2%. The average asking rental rate also inclined over the same period, with growth forecast for the immediate future.

FISHERS/GEIST OFFICE SUBMARKET

CoStar places the subject in the Fishers/Geist Office Submarket.

Overview

Fishers/Geist Office

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	Market Asking Rent Growth
0	87.4K	10.3%	1.5%

The Fishers/Geist office submarket has a vacancy rate of 10.3%, which is 1.6% lower than it was this time last year. There was 87,000 SF of positive absorption, and net deliveries were flat.

Rents have increased by 1.5% in the past 12 months and are currently around $23.00/SF. Roughly 42,000 SF is under construction in the Fishers/Geist office submarket. In the past year, 12 sales have traded for approximately $18.6 million in volume and 540,000 SF in stock.

Vacancy is 17.9% in 4 & 5 Star buildings, and there has been 19,000 SF of negative absorption in this asset class over the past year. In 3 Star buildings, 9.1% of space is vacant, and 58,000 SF has been absorbed over the past year. Currently, 2.9% of 1 & 2 Star space is vacant, and 49,000 SF has been absorbed in this space type over the past 12 months.

Key indicators are summarized in the following table:

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	1,412,755	17.9%	$25.67	19.4%	28,571	0	42,090
3 Star	3,027,969	9.1%	$23.33	6.9%	31,721	0	0
1 & 2 Star	988,434	2.9%	$20.02	2.5%	33,556	0	0
Submarket	**5,429,158**	**10.3%**	**$23.36**	**9.4%**	**93,848**	**0**	**42,090**

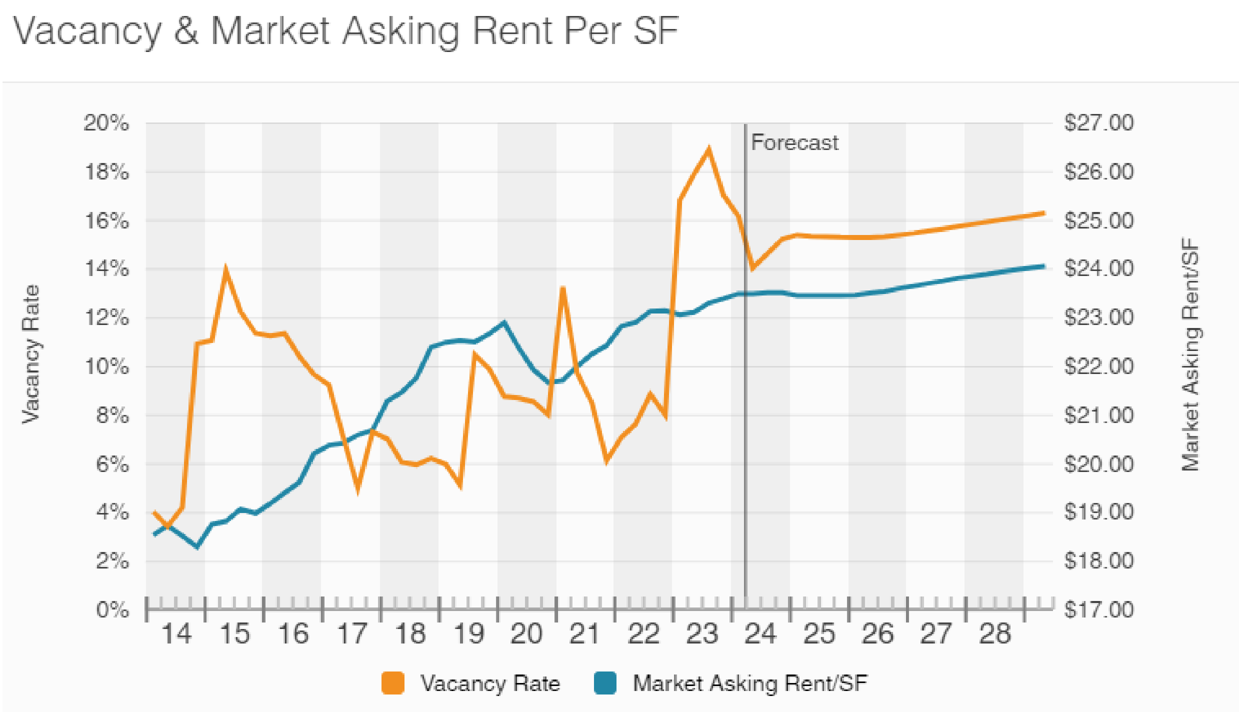
IMMEDIATE AREA SURVEY

We also surveyed retail space within a 1.0-mile radius of the subject property. Our findings are as follows:

INVENTORY SF	UNDER CONSTRUCTION SF	12 MO NET ABSORPTION SF	VACANCY RATE	MARKET ASKING RENT/SF	MARKET SALE PRICE/SF	MARKET CAP RATE
1.6M +0%	42.1K +37.6%	62.9K +137.4%	14.0% -3.8%	$23.48 +1.6%	$144 -5.0%	10.1% +0.5%
Prior Period 1.6M	Prior Period 30.6K	Prior Period (169K)	Prior Period 17.8%	Prior Period $23.10	Prior Period $152	Prior Period 9.6%

Source: CoStar

There is about 1.6 million SF of office space in the area surveyed. The current vacancy rate is 14.0%, and the average asking rent is $23.48 PSF, which is 1.6% greater than the prior period.



Source: CoStar

As indicated above, the vacancy rate increased from 2022 to 2023 and has decreased slightly since then. The average asking rental rate also inclined over the same period, with growth forecast for the immediate future.

MARKET ANALYSIS CONCLUSION

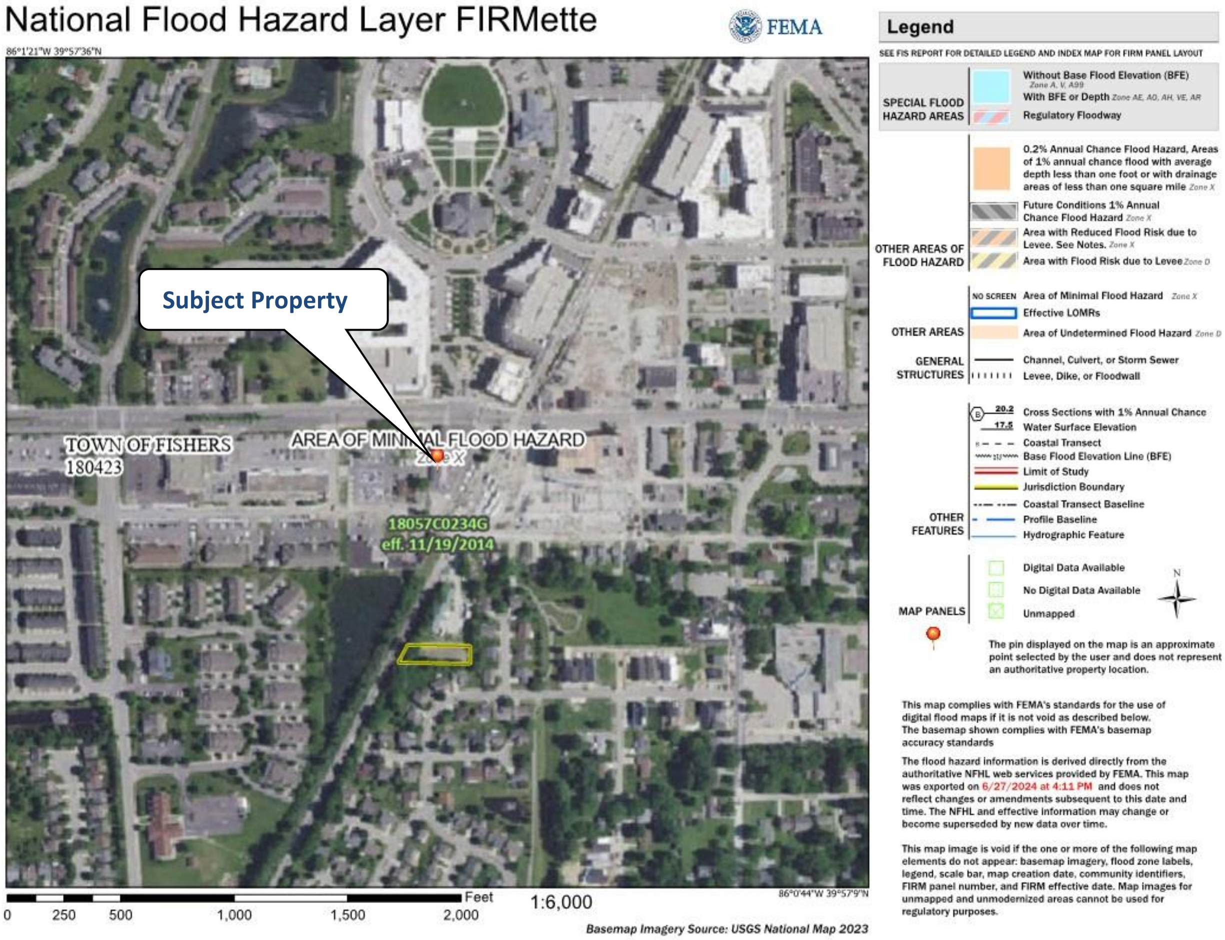
The subject is in a good retail area with low vacancy rates and increasing asking rental rates. Continued rent growth is inferred from the market data. The office market has higher vacancy rates in the immediate area and the submarket; however, rents are still increasing.

SITE ANALYSIS

Location:	8603 East 116th Street, Fishers, IN
Site Size:	48,352 SF or 1.11 acre
Shape:	Rectangular
Frontage:	The property has frontage along the south side of 116th Street and the north side of South Street. It also has frontage along the east side of Manship Lane.
Surrounding Uses:	North: Fishers City Hall, Fire Department, and City Court West: Office building/art gallery, auto dealership, and strip center South: Auto repair shop East: Nickel Plate Trail and a hotel
Easements, Encroachments, or Restrictions:	We have assumed that there are no adverse easements, encroachments or other conditions affecting the marketability and utility of the site.
Topography and Drainage:	The site is generally level and drainage appears adequate.
Soil and Subsoil Condition:	Assumed sound; no soil report was provided.
Visibility:	Good
Street Improvements:	116th Street is a two-way, two-lane, asphalt-paved street with curbs and streetlights.
Access:	Adequate
Zoning:	DC, Downtown Core, City of Fishers, IN

Flood Zone:	The subject is located in Flood Zone X (Areas of Minimal Flooding) per FEMA Community Panel 18057C0234G, map dated November 19, 2014.
Utilities:	All available
Relationship of the Site to its Surroundings:	The site is improved with a storefront building that is compatible with surrounding uses.
Suitability for Development:	Suitable for a variety of uses, including a mixed-use development

FLOOD ZONE MAP



Source: fema.gov

ZONING

The subject is zoned DC, Downtown Core District, City of Fishers, under the Nickel Plate District Code.

The Nickel Plate District Code provides strict design requirements but the Code intends to provide flexibility to allow for flexible design and to accommodate adequate parking as the district redevelops. The district is described as follows by the Nickel Plate District Code:

- A traditional "main-street" walkable and vibrant downtown feel with pedestrian-scaled storefront building designs.
- Retail on ground floor with living, retail, or office on upper floors.
- Two to four story buildings adjacent to the street.
- No large surface parking lots are allowed in the DC or VC Neighborhoods. Temporary surface lots are allowed as a mechanism to provide parking before a parking structure is available.
- Limited parking in rear of structures for deliveries and trash enclosures to be serviced off of existing alleys.
- Promote designs that show durability and permanence through the use of brick and masonry.
- Allow flexibility in design for buildings that will be adjacent or nearly adjacent.
- When a façade is longer than 150 feet, it should look like two or more buildings to maintain small downtown atmosphere.

According to the code, " The Downtown Core is where people can live, work, shop, dine and play. It is a destination for residents and visitors alike due to its mixture of uses that provide a vibrant, unique atmosphere. The Downtown Core is the most 'urban' of the Zones and provides the majority of 'main street' retail shops and restaurants. In addition, multifamily residential offers the downtown living experience within vertically mixed buildings.

The Downtown Core will contain several building types supporting a diversity of scale and use throughout the core. This diversity sets the framework for a character of small shops, restaurants and tree-shaded sidewalks."

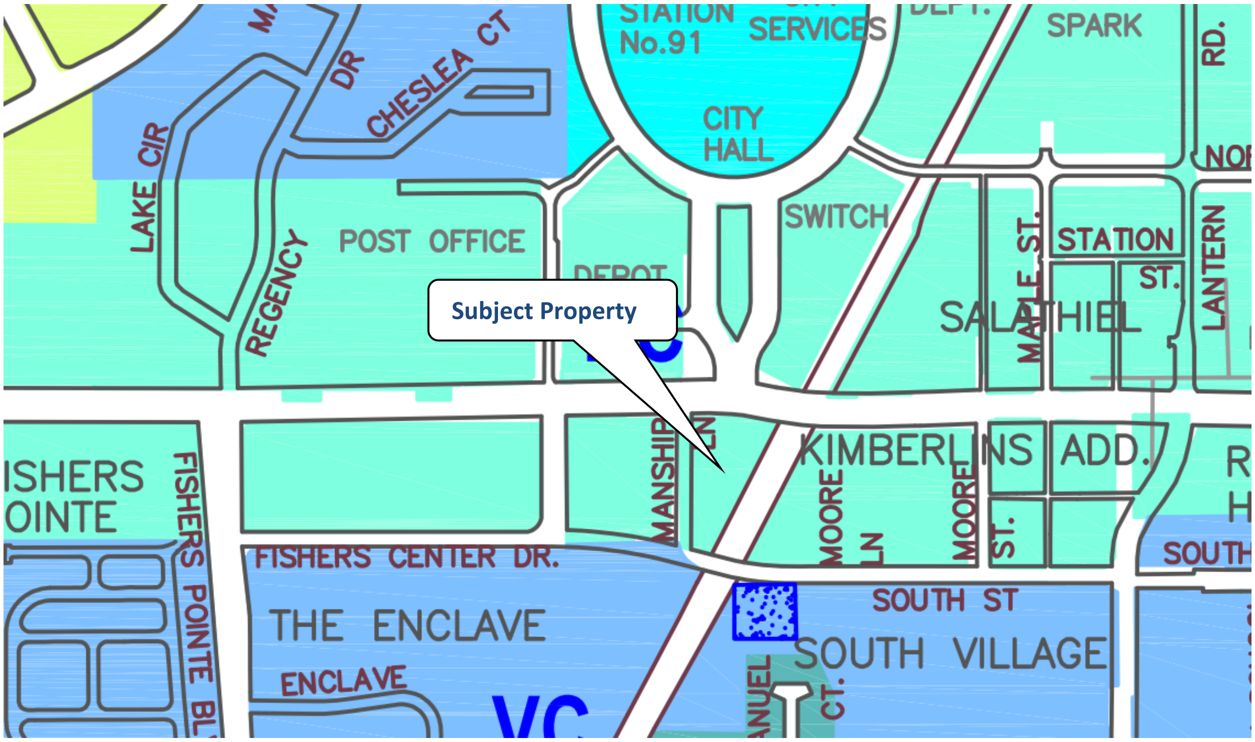
Permitted uses included mixed-use buildings (a structure that combines commercial, office, and/or retail space with residential units. Typically, the ground floor would be occupied by a non-residential use while the upper floors would be occupied by a residential use. Parking is provided in rear of buildings, in common parking garages or surface lots.), infill commercial, lodging, multifamily, townhome, and civic/institutional uses.

DC, Downtown Core	Requirements*
Structure Height	3 stories/36 feet
Minimum Residential Unit Area	700 SF
Maximum Lot Coverage	100%
Setbacks	
Front	0' / 5'
Side Yard	0' / 10'
Rear Yard	0' or 10'
Primary Uses Per Lot	Multiple
Parking Requirement	Residential: 1.25 spaces/dwelling unit minimum, 1.75 spaces/dwelling unit maximum; lodging: 0.5 spaces/room minimum, 1.0 space/room maximum; office: 2.0 spaces/1,000 SF minimum, 3.2 spaces/1,000 SF maximum; retail/service: 2.5 spaces/1,000 SF minimum, 4.0 spaces/1,000 SF maximum; restaurant: 1 space/4 seats minimum, 1 space/2 seats maximum. The subject requires 31 spaces for the retail and office space; the number of seats was not available for the restaurant. The subject has 46 parking spaces and should exceed the requirement assuming the restaurant seats 60 or fewer.
Zoning Conclusion	**Legal and conforming use**

*Note: The above is a summary only. Additional restrictions or exclusions may apply.

The appraisers are not experts in the interpretation of complex zoning ordinances. Based upon a review of the improvements and our review of the zoning ordinance, the subject's use appears to be a legal and conforming use. We recommend further investigation for verification of restrictions. A qualified legal opinion regarding zoning and conformity-related issues is recommended.

ZONING MAP



Source: City of Fishers

ASSESSMENTS AND TAXES

The subject property is identified in Hamilton County by the PIN(s) 15-10-35-00-00-023.004 and 15-14-01-02-01-003.000. The state parcel numbers are 29-14-01-201-002.000-006 and 29-14-01-201-003.000-006. In Indiana, real estate taxes are collected in arrears, i.e., 2023 real estate taxes are not payable until 2024. The following table summarizes the subject's most recent assessments and taxes:

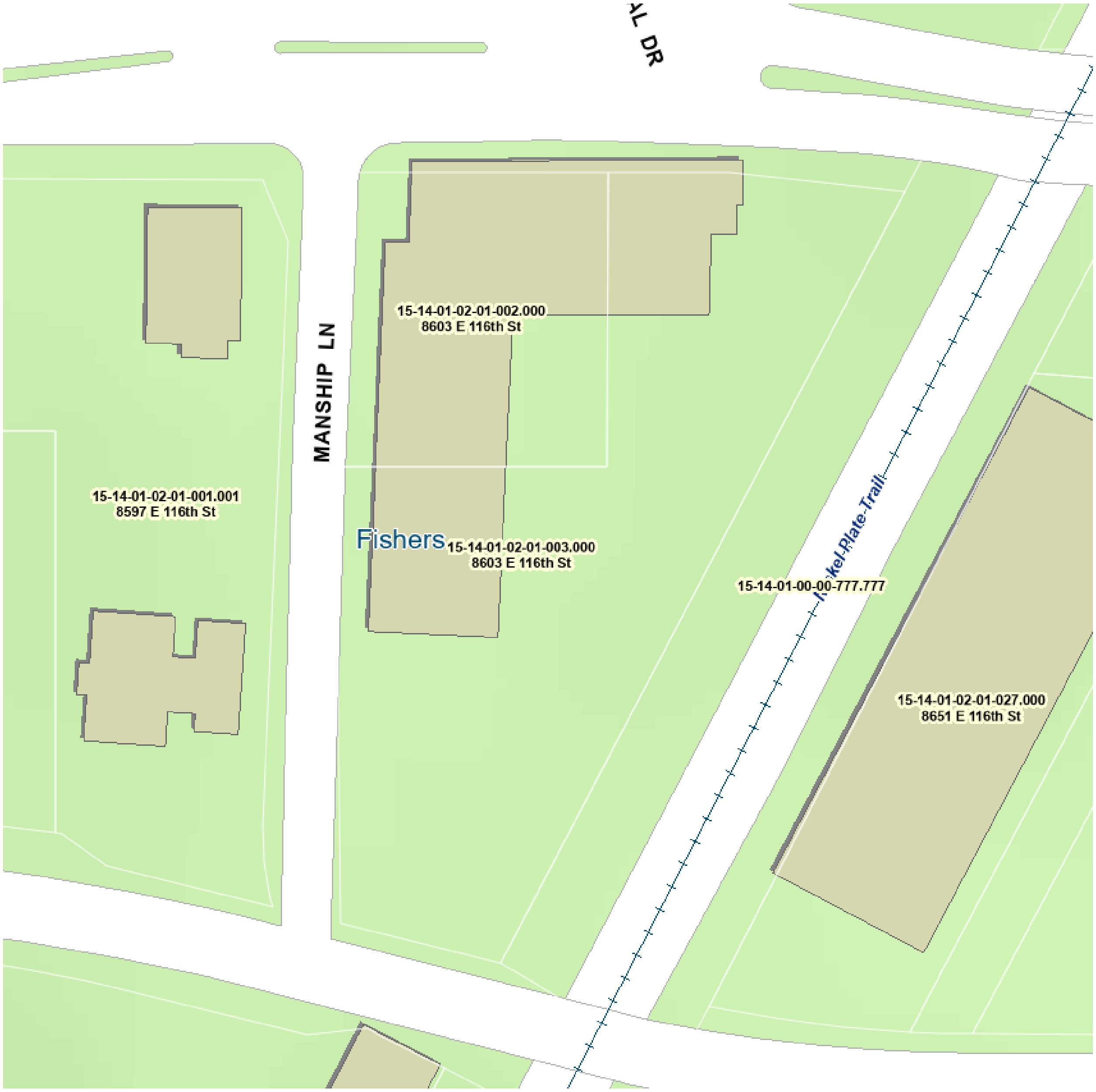
ASSESSMENTS AND TAXES

	2021 Payable 2022	2022 Payable 2023	2023 Payable 2024
15-14-01-02-01-002.000	$688,700	$745,600	$728,600
15-14-01-02-01-003.000	$274,500	$275,700	$275,700
Total Assessed Value	$963,200	$1,021,300	$1,004,300
Effective Tax Rate	2.2891%	2.2299%	2.2180%
Real Estate Taxes	**$22,049**	**$22,774**	**$22,276**
Building Size (SF)	17,200 SF	17,200 SF	17,200 SF
Assessed Value PSF	$56.00	$59.38	$58.39
Real Estate Taxes PSF	$1.28	$1.32	$1.30
Building Size (SF)	17,200 SF	17,200 SF	17,200 SF

Assessments in Indiana are at 100% of market value. Our analysis utilizes the 2023 payable 2024 projected taxes of $1.30 PSF per the table above.

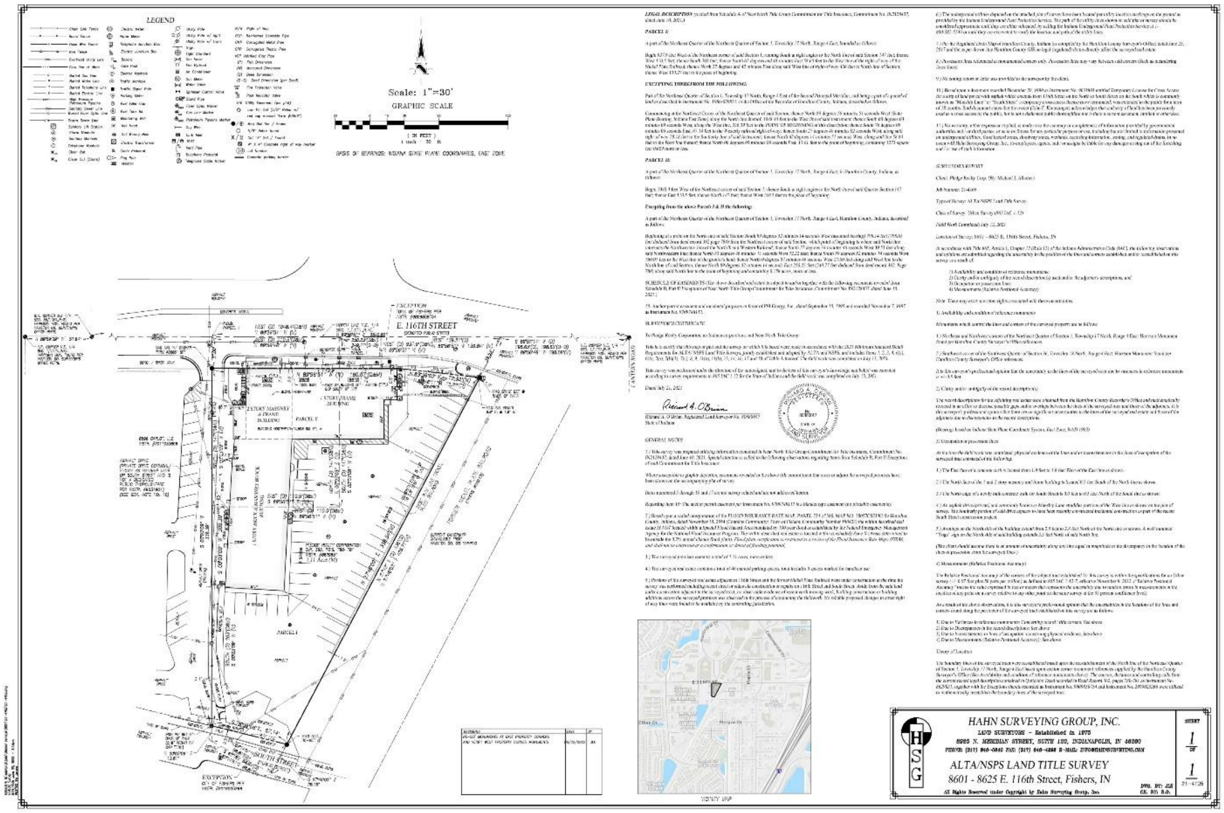
The assessor's opinion of value is below our opinion of market value; as such, the potential for an assessment increase exists. Our overall capitalization rate considers the possibility of an assessment increase.

TAX PARCEL MAP



Source: Hamilton County GIS

SURVEY


LEGEND
Scale: 1"=30'
GRAPHIC SCALE
E. 116TH STREET
HAHN SURVEYING GROUP, INC.
ALTA/NSPS LAND TITLE SURVEY
8601 - 8625 E. 116th Street, Fishers, IN

IMPROVEMENT ANALYSIS

The improvements consist of a part one- and two-story retail storefront building that contains 17,200 SF. The structure is configured with five units, four of which are vacant. The current tenant is on a month-to-month lease. Constructed in 1950, the subject was in average condition at the time of our visit.

The improvements are further summarized as follows:

Net Rentable Area:	17,200 SF
Number of Buildings:	One
Number of Stories:	Part one- and two-story
Number of Units:	Five
Land to Building Ratio:	2.81:1
Floor Area Ratio:	0.36:1
Year of Construction:	1950
Condition:	Average condition
Use and Occupancy:	Retail storefront building with five units; four are vacant and one is on a month-to-month lease.
Foundation:	Poured concrete
Floor:	Concrete slab on grade
Frame:	Masonry and frame
Exterior Walls:	Masonry walls and vinyl siding
Windows:	Tempered glass set in metal framing
Roof:	Flat with a rubber membrane and pitched roof with asphalt shingles.

Electrical:	Assumed adequate
Lighting:	Incandescent and fluorescent lighting
Plumbing:	Each unit has its own restrooms.
HVAC:	Each unit has its own gas-forced furnace with an air conditioner(s).
Interior Finishes:	Interior finishes were to tenant specifications, which include vinyl tile, vinyl plank flooring, or carpeting, painted gypsum walls, and dropped or exposed ceilings.
Layout:	Thai and Sushi House occupies suite 8603, located at the southeast corner of Manship Lane and East 116th Street. This space is listed at 3,800 SF on the rent roll. To the east are two office spaces listed at 3,600 SF and 1,500 SF. To the south of Thai and Sushi House is the vacant fitness club space listed at 5,900 SF on the rent roll. These spaces are all located on the first floor. On the second floor is a 2,400 SF space that was formerly used as a yoga studio.
Fire Safety:	Not sprinklered
Parking:	The subject has parking at the east side and the rear of the property. The Survey indicates there are 46 parking spaces.
Site Improvements:	Site improvements consist of an asphalt-paved parking lot.
Personal Property:	None included

ECONOMIC AGE AND LIFE

8603 East 116th Street, Fishers, IN	
Actual Age	62 Years
Effective Age	35 Years
MVS Expected Life	45 Years
Remaining Economic Life	10 Years
Accrued Physical Incurable Depreciation	78%

FUNCTIONAL UTILITY

Overall, the subject offers average functional utility as a multi-tenant storefront building. Based upon our review of the local market and considering its current layout, the improvements do not suffer from functional obsolescence.

HIGHEST AND BEST USE ANALYSIS

In developing a real estate appraisal, the land is valued as if vacant and available for development to its highest and best use. The value of the improvements is recognized based on their actual contribution to the site.

The Appraisal of Real Estate, published by the Appraisal Institute, defines highest and best use as:

> The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. [5]

The highest and best use of the land as if vacant and available for use may differ from the highest and best use of the improved property; this will hold true when the improvements, though not an appropriate use, still contribute to the total property value in excess of the value of the site. Because the presence of improvements can limit the use of land, highest and best use is determined separately for the land or site as though vacant and available to be put to its highest and best use and for the property as improved.

If the highest and best use of the improvements is not the same as the land as if vacant, the highest and best use as improved is sometimes referred to as the highest and best "interim" use of the property. If the value estimate for the land as if vacant and assuming its highest and best use alone is higher than the value estimate of the improved property assuming its highest and best use, then the value of the property is equal to the value of the land alone less the costs to demolish the existing improvements.

Estimating highest and best use essentially involves four stages of analysis:

> **Legally Permissible:** Which use is permitted by zoning and deed restrictions on the site in question?
>
> **Physically Possible:** To which use is it physically possible to put the site in question?

[5] *The Appraisal of Real Estate* (Chicago: Appraisal Institute)

Financially Feasible: Which permissible and possible use will produce any net return to the owner of the site?

Maximally Productive: Among the feasible uses, which use will produce the highest net return or the highest present worth?

The purpose of the highest and best use analysis is to determine the "most probable" course of action for a typical investor to follow from among those alternatives that meet the basic standards of acceptability. Selecting the potential uses for the vacant land and improvements requires understanding of both current market conditions and the property itself. The highest and best use must represent the optimum under "current market conditions." Thus, even though a specific use may appear obvious, if that particular market is over-supplied at that moment, another type of use may actually yield a better result.

HIGHEST AND BEST USE

In accordance with the definition of highest and best use, an analysis of the site relating to its legal uses, physical possibilities, financial feasibility, and maximum productivity is appropriate.

As Vacant (As Is): Mixed-use is legally permissible and physically possible. The Nickel Plate District has many newer mixed-use buildings with increasing rental rates and low vacancy rates. No alternative permitted use would bring a higher return to the land.

As Improved (As Is): The subject appears to be an allowable, physically possible, financially feasible, and maximally productive use. The value of the subject site as vacant does not exceed the value of the site as improved. Therefore, the highest and best use of the site as improved is for continued use as a storefront building with multiple tenants.

MOST LIKELY BUYER

The subject would most likely be purchased by an owner/user or investor.

APPRAISAL METHODOLOGY

Developing a reasonable opinion of the value of real estate generally involves considering these appraisal techniques:

The Cost Approach considers the current cost of reproducing a property, less accrued depreciation in the property. A summation of the market value of the land assumed vacant, and the depreciated replacement cost new (RCN) of the improvements, provides an indication of the total value of the property. The Approach provides an estimate of value based upon the assumption that an informed buyer would not pay more for a particular property than the cost of purchasing land and constructing improvements with similar utility. This approach is particularly useful when the subject property represents the highest and best use of the land, and the amount of accrued depreciation is measurable from the market.

The Income Capitalization Approach is based on an estimate of the subject property's possible net operating income. The net operating income is capitalized to arrive at an indication of value from the standpoint of an investment. This method measures the present worth of anticipated future benefits (net income) derived from the property. The Income Capitalization Approach is based on the assumption that a typically informed buyer would not pay more for a property than the anticipated present worth of future benefits derived from the ownership. The reliability of this approach depends on adequacy of the market data.

The Sales Comparison Approach produces an estimate of value by comparing the sales and/or listings of similar properties in the same area as the subject property or in competing areas. This technique is used to indicate the value established by informed buyers and sellers in the market. The sales comparison approach is based on the assumption that the typically informed buyer would not pay more for a particular property than the cost of purchasing similar properties with the same utility as the subject. This approach is very reliable when there is an active market that provides a sufficient number of recent sales.

After considering these three approaches, the appraiser critically examines and weighs their value indications in a reconciliation of value before reaching and presenting a final conclusion of value.

Subject Appraisal Methodology

The subject is over 60 years old and investors place minimal emphasis on the Cost Approach as measurements of depreciation are highly subjective. For this analysis, the Cost Approach was considered, but not included in our analysis.

The subject is mostly vacant, but it is capable of generating real estate income to the owner. Investors typically consider the income producing potential for similar properties, therefore, an Income Approach has been included.

The typical purchaser of the subject property would also use the Sales Comparison Approach in evaluating the subject property, given its size and nature. In addition, there is an adequate number of comparable properties which have recently sold in the subject's market. Therefore, the Sales Comparison Approach was also utilized.

INCOME CAPITALIZATION APPROACH

INTRODUCTION

The Income Approach to value involves the capitalization of the subject's income stream and is the predominant indicator of value for income properties. The estimate of value obtained by the income capitalization approach is based on the subject property's capacity to produce future benefits. The subject's present value is determined by capitalizing its potential income stream at a market rate of return. The rate of return includes both the return of capital and a return on capital. It is derived from a review of prevailing investment requirements in the market place as of the effective value date.

The subject is a five-unit storefront building that has four vacant spaces and one occupied space that is on a month-to-month basis. Market rent is allocated to the vacant spaces and the month-to-month space. Therefore, we have utilized the direct capitalization approach for the subject. This is consistent with investor's views for a property such as the subject in the current market environment.

MARKET RENT ANALYSIS

In order to estimate our market rent, we researched comparable retail leases throughout the immediate area. The following table and map summarize the comparable rental data:

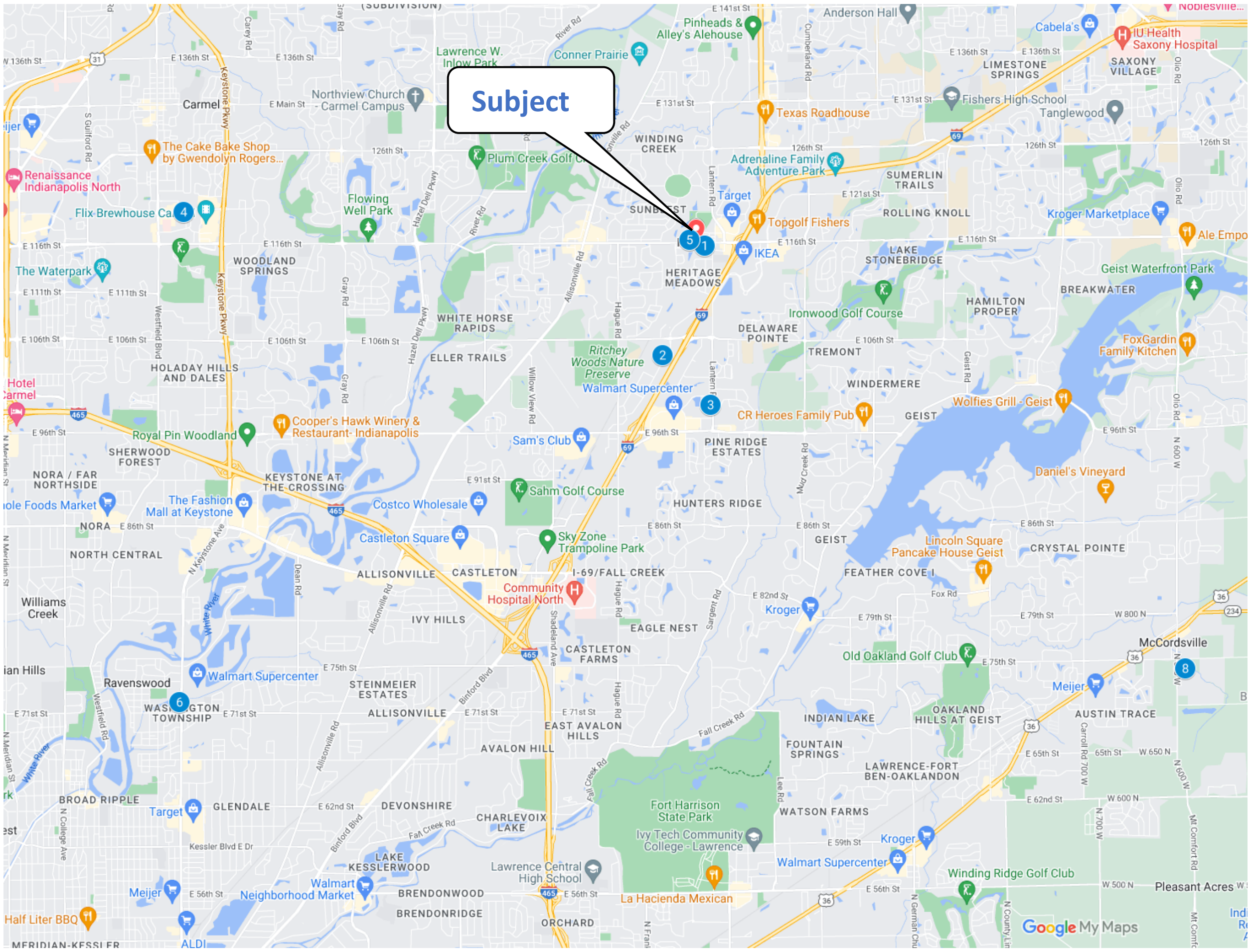
RENTAL COMPARABLE SUMMARY- LOCAL RETAIL AND OFFICE LEASE COMPARABLES

NO.	LOCATION	YEAR BUILT	AREA AVAILABLE TO BE LEASED (SF)	RENT PSF	BASIS (NET / GROSS)	COMMENT
			OFFICE RENTALS			
1	First Internet Bank Headquarters, 8701 E. 116th St., Fishers, IN	2021	3,825 SF	$20.50	Net (effective)	This is an offering of a ground floor retail space in a new building. This is a full service lease starting at $35 PSF with operating expenses estimated at $14.50 PSF, giving the space an effective net rental rate of $20.50 PSF.
2	Crosspoint Plaza One, 10475 Crosspoint Boulevard, Fishers, IN	1999	3,046 SF	$14.50	Net (effective)	This is an offering of a third-floor space for $24.00 PSF, gross. Expenses are estimated at $9.50 PSF, giving the space an effective net rental rate of $14.50 PSF.
3	9780 Lantern Rd., Fishers, IN	1998	1,500 SF	$19.50	Net	This is an actual three-year lease signed in February 2024.
4	301 E. Carmel Ave., Carmel, IN	1989	10,600 SF	$15.00	Net	This is an actual five-year lease commencing in June 2023.
			RETAIL RENTALS			
5	The Depot, 8594 E. 1116th St., Fishers, IN	2016	2,024 SF	$29.00	Net	This is an offering of a vacant restaurant space. According to the broker, the asking rental rate is between $28 PSF and $30 PSF, net.
6	7216 N. Keystone Ave., Indianapolis, IN	1970	4,500 SF	$17.00	Net	This is an actual five-year lease commencing in July 2024. The asking rental rate was $18 PSF and the lease was signed at $17 PSF.
7	14560 River Rd., Carmel, IN	2015	3,704 SF	$19.00	Net	This is an actual ten-year lease that commenced in April 2024.
8	7397 N 600 West Comfort Rd., McCordsville, IN	2008	1,600 SF	$17.00	Net	This is an actual lease of a 1,600 SF space in a 16,400 SF center. The lease is for three years. The asking rental rate was $18 PSF. CAM was estimated by the broker at $5 PSF.
Sub.	8603 East 116th Street, Fishers, IN	1950	1,500 SF - 5,900 SF	--		Five-unit center featuring a mix of office and retail spaces.

Verification Source: Listing broker or owner

Office		
Minimum	1,500 SF	$14.50
Average	4,743 SF	$17.38
Maximum	10,600 SF	$20.50
Retail		
Minimum	1,600 SF	$17.00
Average	1,479 SF	$20.50
Maximum	4,500 SF	$29.00

RENTAL MAP



Rental Photographs

Rental 1

Rental 2

Rental 3

Rental 4

Rental 5

Rental 6

Rental 7

Rental 8

Rental Comparable Analysis

RENT COMPARABLE ADJUSTMENT GRID

	1	2	3	4	5	6	7	8
Eff. Rent PSF	**$20.50**	**$14.50**	**$19.50**	**$15.00**	**$29.00**	**$17.00**	**$19.00**	**$17.00**
Conditions (Listing)	Superior	Superior	Similar	Similar	Superior	Similar	Similar	Similar
Market Conditions	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Location	Similar	Inferior	Inferior	Inferior	Similar	Inferior	Inferior	Inferior
Access / Visibility	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Parking	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Size	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Age and Condition	Superior	Superior	Superior	Superior	Superior	Superior	Superior	Superior
Construction Quality	Superior	Superior	Similar	Similar	Superior	Superior	Superior	Superior
OVERALL	**SUPERIOR**	**INFERIOR**	**SIMILAR**	**INFERIOR**	**SUPERIOR**	**SIMILAR**	**SIMILAR**	**SIMILAR**

We have reviewed leasing activity for office and retail space within the subject's immediate area. The data range in size from 1,500 SF to 10,600 SF for office space and from 1,600 SF to 4,500 SF for retail space. The data range in pricing from $14.50 PSF to $20.50 PSF for office space, with the average at $17.38 PSF. All of the lease comparables are on a net basis or have been adjusted from a gross basis to an effective net basis. The data range in pricing from $17.00 PSF to $29.00 PSF for retail space, with the average at $20.50 PSF. All of the lease comparables are on a net basis.

Comparables 1, 2, and 5 are offerings and are adjusted downward as properties are seldom leased for the initial asking rate.

The comparables are all recent leases or current asking rental rates, and market conditions adjustments are not appropriate.

Comparables 1 and 5 are in a similar location near the subject, and no adjustment is applied. The remaining comparables are not located along 116th Street near I-69 and have inferior locations, requiring upward adjustments.

All the comparables have a superior age and condition, requiring downward adjustments.

In terms of construction quality, all the rentals except for Rentals 3 and 4 require a downward adjustment.

We note that in our overall adjustments, the location adjustment is given more consideration due to the higher rents and new development in the immediate area.

The upstairs space that was formerly used as a yoga studio has inferior access and is concluded at a lower rate.

MARKET RENT AND POTENTIAL GROSS INCOME CONCLUSION

The subject's market rent and potential income are concluded as follows:

MARKET RENT CONCLUSION

UNIT NO.	TENANT	SPACE TYPE	RENT CONCLUSION PSF	UNIT SIZE	INDICATED POTENTIAL GROSS INCOME	BASIS
8603	Thai and Sushi House LLC	Restaurant	$22.00	3,800 SF	$83,600	Net
8605-8607	VACANT	Former Fitness Club	$17.00	5,900 SF	$100,300	Net
8619	VACANT	Office	$16.00	3,600 SF	$57,600	Net
8625	VACANT	Office	$16.00	1,500 SF	$24,000	Net
8609	VACANT	Yoga Studio	$10.00	2,400 SF	$24,000	Net
			$16.83	17,200 SF	$289,500	

Contract Rent Vs. Market Rent

As the subject is mostly vacant with one month-to-month lease (Thai and Sushi House LLC is currently paying $21.58 PSF net), we have estimated market rent.

General Vacancy and Collection Losses

A prudent investor normally provides an allowance for potential vacancy and collection loss. Since real estate is a long-term investment, the possibility exists for occasional rent loss due to actual vacancy, turnover, and slow or nonpayment of rent by tenants.

The vacancy rate for office space is 10.3% within the Fishers/Geist office submarket and 14.0% within a one-mile radius of the subject property. The vacancy rate for retail space is 2.6% within the Fishers/Geist retail submarket and 1.2% within a one-mile radius of the subject property.

Considering the location of the property, the size of the property, market statistics and the subject's competitive position, we have projected a combined vacancy and collection loss allowance of 5.0%.

EXPENSE ANALYSIS

Income and expenses were requested, but no provided. The owner estimated expenses (including CAM and taxes) ranging from $3.36 to $3.90 PSF over the past three years, but did not provide specifics. We have considered an income and expense survey prepared by IREM (Institute of Real Estate Management).

HISTORICAL INCOME AND EXPENSES

	IREM U.S. Neighborhood Midwest Survey		
Revenues	**Range PSF**		**Avg. PSF**
Base Rent	$8.22	$20.94	$13.57
Percentage Rent	0.00	0.00	0.00
Recoveries			
CAM, Txs, Ins.	0.00	0.00	0.00
Misc. Income	0.00	0.00	0.00
Total Revenues	$8.22	$20.94	$13.57
Vacancy & Collection Loss	0.00	0.00	0.00
Effective Gross Income	**$8.22**	**$20.94**	**$13.57**
Expenses			
Real Estate Taxes	$1.28	$3.44	$2.06
Insurance	0.13	0.27	0.18
CAM / Utilities	1.30	3.25	1.97
Management	0.35	0.80	0.56
Admin.	0.12	0.22	0.16
Reserves	0.00	0.00	0.00
Total Operating Expenses	**$3.18**	**$7.98**	**$4.93**
Net Operating Income	**$5.04**	**$12.96**	**$8.64**
Mgmt % of EGI	4.3%	3.8%	4.1%

Note - Totals in IREM Benchmark Survey are Averages, not Sums.

EXPENSE REIMBURSEMENTS

We have based our analysis on net lease terms reimbursements excluding reserves.

Expenses

- **Real Estate Taxes** – **$1.30** PSF (based on 2023 payable 2024 real estate taxes)
- **Common Area Maintenance / Utilities –** Projected at **$1.50** PSF due to the size of the property and lack of common area,
- **Insurance** – Projected at **$0.20** PSF based on the IREM survey,
- **Management Fees** - Projected at **2.0%** of effective gross income, this is a typical management fee for similar sized properties.
- **Administrative** - This category includes expenses such as legal fees, professional fees, bank service charges, and office supplies. These expenses are projected at **$0.10** PSF,
- **Reserves for Replacement -** The PwC *Real Estate Investor Survey* for National Strip Shopping Centers details costs for this item between $0.10 PSF and $0.75 PSF of owned gross leasable area. The subject property is older. Accordingly, for our projections, we have included an allowance of $0.35 PSF.

CAPITALIZATION RATE SELECTION

An *overall capitalization rate [OAR]* is defined as:

> An income rate for a total real property interest that reflects the relationship between a single year's net operating income expectancy and the total property price or value; used to convert net operating income into an indication of overall property value.[6]

Survey of Investors

One approach used to estimate an approximate rate of return required by the most probable buyer is to analyze the current investment parameters applied by institutional investors and advisors to real estate pension and portfolio funds when acquiring real estate. The following table presents the *PwC Real Estate Investor Survey*. This survey comprises investors' assumptions and return requirements, which provide a national basis for comparison. Investors surveyed include pension funds, pension fund advisors, investment advisors, direct advisors, direct investors, and investment bankers.

6 *The Dictionary of Real Estate Appraisal*

NATIONAL STRIP SHOPPING CENTER MARKET

Second Quarter 2024

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
DISCOUNT RATE (IRR)[a]					
Range	7.00% – 11.00%	6.75% – 11.00%	6.50% – 12.00%	6.50% – 11.00%	5.50% – 11.00%
Average	8.60%	8.69%	8.83%	8.35%	7.81%
Change (Basis Points)		– 9	– 23	+ 25	+ 79
OVERALL CAP RATE (OAR)[a]					
Range	5.50% – 10.00%	5.25% – 10.00%	5.00% – 10.00%	5.00% – 10.00%	4.25% – 10.00%
Average	7.33%	7.42%	7.17%	7.35%	6.75%
Change (Basis Points)		– 9	+ 16	– 2	+ 58
RESIDUAL CAP RATE					
Range	5.25% – 10.00%	5.25% – 10.00%	5.25% – 10.00%	5.00% – 10.00%	4.50% – 10.00%
Average	7.50%	7.38%	7.29%	7.38%	7.00%
Change (Basis Points)		+ 12	+ 21	+ 12	+ 50
MARKET RENT CHANGE[b]					
Range	0.00% – 4.00%	0.00% – 3.00%	0.00% – 8.00%	0.00% – 3.00%	0.00% – 3.00%
Average	1.40%	1.30%	2.25%	0.90%	1.67%
Change (Basis Points)		+ 10	– 85	+ 50	– 27
EXPENSE CHANGE[b]					
Range	0.00% – 5.00%	2.00% – 3.00%	0.00% – 3.00%	0.00% – 3.00%	0.00% – 3.00%
Average	2.70%	2.70%	2.33%	2.60%	2.58%
Change (Basis Points)		0	+ 37	+ 10	+ 12
MARKETING TIME[c]					
Range	2 – 15	1 – 18	1 – 18	2 – 18	2 – 18
Average	8.2	8.8	6.4	7.9	7.4
Change (▼, ▲, =)		▼	▲	▲	▲
FORECAST VALUE CHANGE[d]					
Range	0.0% – 10.0%	(20.0%) – 5.0%	(5.0%) – 5.0%	(5.0%) – 5.0%	(5.0%) – 5.0%
Average	2.8%	(3.6%)	2.0%	0.9%	0.8%
Change (▼, ▲, =)		▲	▲	▲	▲

a. Rate on unleveraged, all-cash transactions b. Year-one rate of change c. In months d. Over next 12 months
Source: PwC Investor Survey; survey conducted by PwC during April 2024

As illustrated previously, overall rates have increased compared to one year ago. Capitalization rates currently range from 5.50% to 10.00%, with an average of 7.33%. The above represents investment parameters for Class A, institutional investment-grade properties. The subject is not an institutional-grade property.

In addition, we have considered an investment survey of non-institutional grade shopping centers completed by *Realty Rates*:

RealtyRates.com INVESTOR SURVEY - 2nd Quarter 2024 RETAIL - ALL TYPES						
Item	**Input**					**OAR**
Minimum						
Spread Over 10-Year Treasury	0.78%	**DCR Technique**	1.10	0.058501	0.80	**5.15**
Debt Coverage Ratio	1.10	**Band of Investment Technique**				
Interest Rate	5.08%	Mortgage	80%	0.058501	0.046801	
Amortization	40	Equity	20%	0.075529	0.015106	
Mortgage Constant	0.058501	OAR				**6.19**
Loan-to-Value Ratio	80%	**Surveyed Rates**				**5.82**
Equity Dividend Rate	7.55%					
Maximum						
Spread Over 10-Year Treasury	5.92%	**DCR Technique**	2.15	0.130572	0.50	**14.04**
Debt Coverage Ratio	2.15	**Band of Investment Technique**				
Interest Rate	10.22%	Mortgage	50%	0.130572	0.065286	
Amortization	15	Equity	50%	0.170788	0.085394	
Mortgage Constant	0.130572	OAR				**15.07**
Loan-to-Value Ratio	50%	**Surveyed Rates**				**14.16**
Equity Dividend Rate	17.08%					
Average						
Spread Over 10-Year Treasury	3.55%	**DCR Technique**	1.39	0.091343	0.70	**8.86**
Debt Coverage Ratio	1.39	**Band of Investment Technique**				
Interest Rate	7.85%	Mortgage	70%	0.091343	0.063940	
Amortization	25	Equity	30%	0.127922	0.038376	
Mortgage Constant	0.091343	OAR				**10.23**
Loan-to-Value Ratio	70.0%	**Surveyed Rates**				**9.82**
Equity Dividend Rate	12.8%					

The capitalization rates range from 5.82% to 14.16% with an average of 9.82%.

CAPITALIZATION RATE CONCLUSION

The *PwC Real Estate Investor Survey* indicated a range of capitalization rates from 5.50% to 10.00%, with an average of 7.33%. This survey reflects investor expectations for superior, institutional-grade properties.

The *Realty Rates* survey ranges from 5.82% to 14.16%, with an average of 9.82%. This is for non-institutional-grade assets.

The subject is in average condition, and it is in a good overall location. Market rent was imputed for all of the spaces.

Based upon the preceding analysis, we have concluded a 9.00% capitalization rate is appropriate for the subject's analysis given its redevelopment potential.

RENT LOSS AND LEASE-UP COSTS

We have calculated rent loss and lease-up costs as follows:

LEASE-UP COSTS

VACANT SPACE	Unit Size (SF)	Market Rent		Annual Rent Loss PSF	12 Month Rent Loss	Reimbursed Expenses 12 Months	Expense Reimbursement Loss	
RENT LOSS								
	13,400 SF	$16.83	=	($16.83)	($225,541)	($3.10)	($41,540)	
	13,400 SF				**($225,541)**		**($41,540)**	
Total Rent Loss ($)								**($267,081)**
Tenant Improvements								
Less:	13,400 SF	Tenant Improv. @ $5.00			PSF		($67,000)	
Total Tenant Improvement Loss ($)								**($67,000)**
LEASING COMMISSIONS								
		Year 1 @	6.0%		$225,541		($13,532)	
		Year 2 @	3.0%		$225,541		($6,766)	
		Year 3 @	3.0%		$225,541		($6,766)	
		Year 4 @	3.0%		$225,541		($6,766)	
		Year 5 @	3.0%		$225,541		($6,766)	
							($40,597)	
								($40,597)
						Total Rent Loss		**($374,678)**
Total Rent Loss & Lease Up, rounded							**($370,000)**	

OPINION OF MARKET VALUE BY DIRECT CAPITALIZATION

In this application of the direct capitalization technique, market value is estimated by dividing the subject's pro forma income by a market-derived capitalization rate. We have made an analysis of the subject property, the risks inherent in its ownership and an assessment of current market conditions. Our calculations are presented as follows:

DIRECT CAPITALIZATION SUMMARY

Income			**Total**	
Potential Rental Income		$16.83	$289,500	
Misc. Reimbursements		$3.10	53,236	
Potential Gross Rental Income		$19.93	342,736	
Vacancy and Collection Loss		5.0%	(17,137)	
Net Rental Income		$18.93	$325,599	
Misc. Income		0.00	0	
Effective Gross Income		$18.93	**$325,599**	Amount
Expenses				Reimbursed
Real Estate Taxes		$1.30	$22,276	$22,276
Insurance		0.20	3,440	3,440
CAM		1.50	25,800	25,800
Management Fee	2.00%	0.38	6,512	0
Administrative		0.10	1,720	1,720
Reserves for Replacement		0.35	6,020	0
Operating Expenses		$3.82	**$65,768**	$53,236
Operating Expense Ratio			20.2%	
Net Operating Income		$15.11	**$259,831**	
OAR			9.00%	
Indicated Value - Before Rent Loss & Lease-up Costs			$2,887,015	
Less: Rent Loss & Lease-up Costs			($370,000)	
Indicated Value - As Is			$2,517,015	
Rounded			**$2,520,000**	
PSF			**$146.51**	
Matrix Analysis		**Cap Rate**	**Value**	
		8.50%	$2,690,000	
		9.00%	$2,520,000	
Building Size (SF)	17,200 SF	9.50%	$2,370,000	

SALES COMPARISON APPROACH

The Sales Comparison Approach to value is the process of comparing recent sales of competitive properties to the subject property. The estimated values derived via this approach represent the probable price at which the subject property would be sold by a willing seller to a willing buyer as of the date of value.

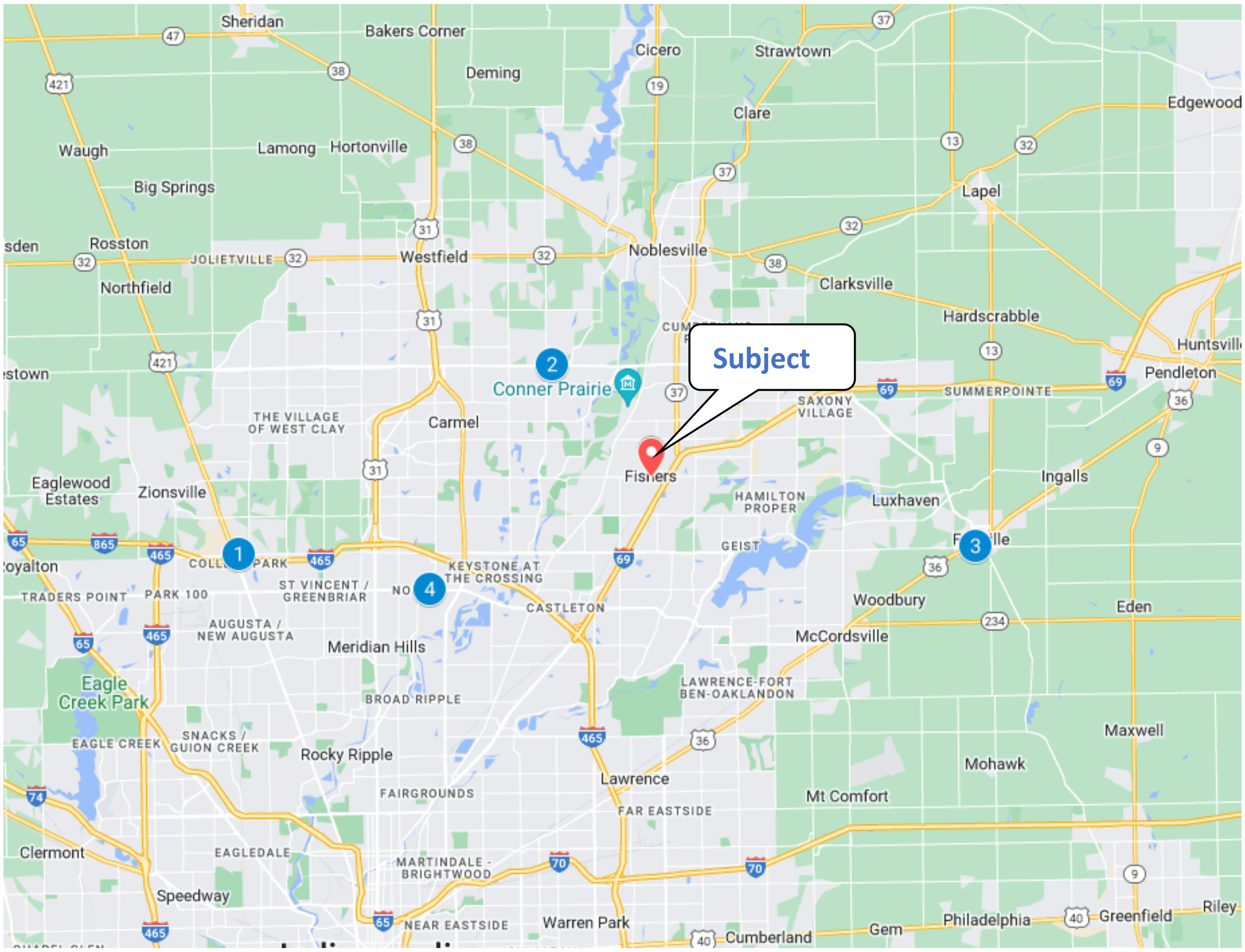
To estimate the property value by the Sales Comparison Approach, sales of similar shopping centers throughout the subject's market have been examined and analyzed. The following table provides a summary of each of the comparable sales. Further details and photographs are provided in the Addenda. These sales represent the best data available, to the best of our knowledge.

SUMMARY OF IMPROVED SALE COMPARABLES

No.	Location	Date	Price	Size (SF)	Land : Bldg Ratio	Year Built	Occ.	ADT	Price PSF	Comment
1	3940-4002 W. 96th St., Indianapolis, IN	Oct-23	$1,795,000	7,800 SF	5.19	1997	100%	30,009	$230.13	This is the sale of a three-tenant storefront property that was fully leased at the time of the sale.
2	14675 Hazel Dell Xing, Noblesville, IN	Jul-23	$2,660,000	19,997 SF	3.03	2008	4%	25,255	$133.02	This is the sale of a two-unit storefront building. It was 4% leased at the time of sale.
3	415 W. Broadway St., Fortville, IN	Aug-22	$1,300,000	7,937 SF	8.10	1948	100%	12,097	$163.79	This is the sale of a three-unit storefront building at the corner of Christina Avenue and Lincoln Avenue. Two of the three spaces were leased at the time of the sale.
4	Northview Mall, 1724 E. 86th St., Indianapolis, IN	Oct-23	$5,500,000	48,028 SF	3.63	1976	100%	19,192	$114.52	This is the sale of a 19-unit storefront property.
Subject	8603 East 116th Street, Fishers, IN			17,200 SF	2.81	1950		16,900		Five-unit center featuring a mix of office and retail spaces.

We first appraise the property as if stabilized with a lease up deduction at the end of this section.

IMPROVED SALE MAP



Improved Sale Adjustment Grid

Sale No.	Subject	1	2	3	4
	8603 East 116th Street, Fishers, IN	3940-4002 W. 96th St., Indianapolis, IN	14675 Hazel Dell Xing, Noblesville, IN	415 W. Broadway St., Fortville, IN	Northview Mall, 1724 E. 86th St., Indianapolis, IN
Size (SF)	17,200 SF	7,800 SF	19,997 SF	7,937 SF	48,028 SF
Lnd:Bldg Ratio	2.81	5.19	3.03	8.10	3.63
Year Built	1950	1997	2008	1948	1976
Sale Date	Current	Oct-23	Jul-23	Aug-22	Oct-23
Price PSF		$230.13	$133.02	$163.79	$114.52
Property Rights					
%		0.0%	0.0%	0.0%	0.0%
Price After Adjustment		$230.13	$133.02	$163.79	$114.52
Financing					
%		0.0%	0.0%	0.0%	0.0%
Price After Adjustment		$230.13	$133.02	$163.79	$114.52
Conditions of Sale					
%		0.0%	0.0%	0.0%	0.0%
Price After Adjustment		$230.13	$133.02	$163.79	$114.52
Market Conditions					
%		2.0%	2.0%	4.0%	2.0%
Price After Adjustment		$234.73	$135.68	$170.34	$116.81
Other:					
Location		0.0%	20.0%	15.0%	20.0%
Physical Characteristics					
Size		-5.0%	0.0%	-5.0%	20.0%
Land Bldg Ratio / Parking		-5.0%	0.0%	-7.5%	0.0%
Age / Condition		-10.0%	-15.0%	0.0%	-5.0%
Construction Quality		-5.0%	-5.0%	0.0%	0.0%
Economic Characteristics		0.0%	15.0%	0.0%	0.0%
Total Other Adj		-25.0%	15.0%	2.5%	35.0%
Adjusted Sale Price		$176.05	$156.03	$174.60	$157.69
Total Effective Adjustment		-23.5%	17.3%	6.6%	37.7%

Analysis:	Range Before Adj.		Range After Adj.
High	$230.13		$176.05
Low	$114.52		$156.03
Spread of Range	$115.61		$20.02
Average	$160.36		$166.09
Median	$148.40		$166.14
Conclude		$170.00	

ANALYSIS OF IMPROVED SALES

The unit price of each comparable was analyzed using the elements of comparison discussed above to account for differences that influence value. For market participants, the most commonly accepted unit of comparison is the price per square foot.

The adjustments are summarized in the preceding adjustment grid. Additional explanation for the adjustments is provided as follows:

Property Rights Conveyed: Each of the sales involved the transaction of the leased fee interest; no adjustments are needed.

Financing: The sales have not been impacted by unusual financing conditions that have influenced selling prices.

Conditions of Sale: All sales were investigated and found to be arm's length transactions. No adjustments are warranted.

Market Conditions: CoStar indicates sale prices PSF have been increasing in the area; therefore, upward adjustments are applied to all the sales.

Location: This category considers general locational factors such as an area's reputation, the quality, and desirability of surrounding improvements, proximity to employment centers or housing, distance from local and regional transportation arteries, etc. It also considers local characteristics such as access, corner visibility, frontage, views etc.

Sales 2, 3, and 4 have inferior locations and upward adjustments are warranted.

Size: Smaller buildings tend to sell for higher prices per square foot than larger buildings, and vice versa.

Sales 1 and 3 are smaller and downward adjustments are required. Sale 4 is much larger and an upward adjustment is applied.

Land-to-Building Ratio / Parking: Properties with higher land to building ratios offer the purchaser the opportunity to expand or add on-site parking. Overall, properties with higher land to building ratios are more desirable in the market.

Sales 1 and 3 have superior land-to-building ratios and downward adjustments are required.

Age and Condition: Typically, older properties are less valuable than newer properties.

Sales 1, 2 and 4 have superior age and condition, and downward adjustments are applied. Sale 3 is relatively similar and no adjustment is applied.

Construction Quality / Build-Out: Higher quality buildings are more expensive to construct, and typically last longer than lower quality buildings. Higher quality buildings also tend to command higher rent levels and receive greater investor interest than lower quality buildings.

Sales 1 and 2 have superior construction quality and downward adjustments are applied. Sales 3 and 4 are relatively similar and no adjustments are applied.

Economic Characteristics: This adjustment is used to reflect differences in rent levels, operating expense ratios, occupancy levels, tenant quality, and other items that would have an economic impact on the transaction.

The subject is mostly vacant with one month-to-month tenant; however, we value the property as stabilized and deduct lease-up costs to get to the “as is” value indication. An upward adjustment is warranted to Sale 2 to account for its occupancy as of the time of sale.

SALES COMPARISON APPROACH CONCLUSION - “AS STABILIZED”

After accounting for differences in location, size, age, condition, and other factors, Sale 1 was given the most emphasis as it was the most recent sale. Sale 3 was also given more emphasis since it required the fewest amount of adjustments. Accordingly, we have made the following conclusions:

SALES COMPARISON APPROACH

Indicated Value PSF		Subject's Size			Indicated Value
$170.00	x	17,200 SF	SF	=	$2,924,000
		Less: Rent Loss & Stabilization Costs			($370,000)
					$2,554,000
		Rounded As Is Value:			**$2,550,000**

RECONCILIATION AND FINAL VALUE OPINION

The value indications from the approaches to value are summarized as follows:

VALUE CONCLUSIONS

Cost Approach	N/A
Sales Comparison Approach	$2,550,000
Income Capitalization Approach	$2,520,000
VALUE CONCLUSION	**$2,530,000**
Value Premise	As Is
Value Date	June 19, 2024
Property Rights	Fee Simple Estate

As multi-tenant, mixed-use property with the ability to provide income to ownership, the Income Capitalization Approach is considered the most applicable approach and has been afforded primary consideration in determining our final value conclusion. There is a sufficient quantity and quality of data from which to estimate market income and expenses. Capitalization rates were available from investor publications.

In the Sales Comparison Approach, the subject is compared to similar storefront properties. Investors typically consider the Sales Comparison Approach as it reflects recent transactions in the market. The sales used in this analysis are considered the most comparable to the subject. The Sales Comparison Approach was given secondary emphasis, but it is noted that the quantity and quality of data in this approach was considered meaningful.

VALUE CONCLUSION

Considering the assumptions and analyses contained in the attached report, we conclude as follows:

VALUE CONCLUSION - REAL ESTATE ONLY

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value, As Is	Fee Simple Estate	June 19, 2024	$2,530,000

The market rent conclusions are summarized as follows:

MARKET RENT CONCLUSION

UNIT NO.	TENANT	SPACE TYPE	RENT CONCLUSION PSF	UNIT SIZE	INDICATED POTENTIAL GROSS INCOME	BASIS
8603	Thai and Sushi House LLC	Restaurant	$22.00	3,800 SF	$83,600	Net
8605-8607	VACANT	Former Fitness Club	$17.00	5,900 SF	$100,300	Net
8619	VACANT	Office	$16.00	3,600 SF	$57,600	Net
8625	VACANT	Office	$16.00	1,500 SF	$24,000	Net
8609	VACANT	Yoga Studio	$10.00	2,400 SF	$24,000	Net
			$16.83	**17,200 SF**	**$289,500**	

ASSUMPTIONS AND LIMITING CONDITIONS

1. We have no present or contemplated future interest in the property appraised nor any personal interest or bias on the subject matter or the parties involved in the appraisal.

2. No responsibility is assumed for matters legal in nature. No investigation has been made of the title to or any liabilities against the property appraised. The appraisal presumes, unless otherwise noted, that the owner's claim is valid, the property rights are good and marketable, and there are no encumbrances which cannot be cleared through normal processes. It is assumed that no private deed restrictions exist which limit the subject in any way.

3. All data set forth in this report are true and accurate, to the best of our knowledge. Although gathered from reliable sources, no guarantee is made nor liability assumed for the accuracy of any data, opinions, or estimates identified as being furnished by others which have been used in formulating this analysis. It is assumed that all factual data furnished by the client, property owner, owner's representative, or persons designated by the client or owner to supply said data are accurate and correct unless otherwise specifically noted in the appraisal report. Information and data referred to in this paragraph include, without being limited to: numerical street addresses, lot and block numbers, Assessor's parcel numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any material error in any of the above data could have a substantial impact on the conclusions reported. Thus, Sage Commercial Advisory (hereinafter referred to as "SCA") reserves the right to amend conclusions reported if made aware of any such error. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify SCA of any questions or errors.

4. The value estimate contained within this report specifically excludes the impact of structural damage or environmental contamination resulting from earthquakes or other causes. It is recommended that the reader of this report consult a qualified structural engineer and/or industrial hygienist for the evaluation of possible

structural/environmental defects, the existence of which could have a material impact on market value.

5. Land areas and descriptions used in this appraisal were obtained from public records and have not been verified by legal counsel or a licensed surveyor. The land description is included for identification purposes only and should not be used in a conveyance or other legal document without proper verification by an attorney.

6. Unless otherwise specified, a survey indicating the specific flood zone location on the subject site has not been provided. It is assumed accurate and we reserve the right to revise our opinion of value should a survey be provided that indicates the specific location of a flood zone on the site.

7. No soil analysis or geological studies were ordered or made in conjunction with this report, nor were any water, oil, gas, coal, or other subsurface mineral and use rights or conditions investigated. Substances such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, or other potentially hazardous materials could, if present, adversely affect the value of the property. Unless otherwise stated in this report, the existence of hazardous substance, which may or may not be present on or in the property, was not considered by the appraiser in the development of the conclusion of fair market value. The stated value estimate is predicated on the assumption that there is no material on or in the property that would cause such a loss in value. No responsibility is assumed for any such conditions, and the client has been advised that the appraiser is not qualified to detect such substances, quantify the impact on values, or develop the remedial cost.

8. No environmental impact study has been ordered or made. Full compliance with applicable federal, state, and local environmental regulations and laws is assumed unless otherwise stated, defined, and considered in this report. It is also assumed that all required licenses, consents, or other legislative or administrative authority from any local, state, or national government or private entity organization either have been or can be obtained or renewed for any use which the report covers.

9. Maps, plats, sketches, graphs, photographs and exhibits included in this report are presented only as aids in visualizing the property and its environment. Although the material was prepared using the best available data, it should not be considered as a

survey or scaled for size. Data relative to size and area of the subject and comparable properties has been obtained from sources deemed accurate and reliable, unless specifically stated otherwise. Exhibits are not to be relied upon or removed from this report for separate utilization.

10. Unless a nonconformity has been stated, defined, and considered in the appraisal report, it is assumed that all applicable zoning, use regulations, licenses, certificates of occupancy and restrictions have been complied with and will be renewed. Further, it is assumed that the utilization of the land and improvements is within the boundaries of the property described and that no encroachment or trespass exists unless noted in the report. Unless otherwise noted within the body of the report, it is assumed that no changes in the present zoning ordinances or regulations governing use, density, or shape are considered.

11. The following is assumed, unless otherwise specifically noted within the body of this appraisal report: the existing improvements on the property or properties being appraised are structurally sound, seismically safe and code conforming; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; the roof and exterior are in good condition and free from infraction by the elements; the property or properties have been engineered in such a manner that the improvements, as currently constituted, conform to all applicable local, state, and federal building codes and ordinances. SCA professionals are not engineers and are not competent to judge matters of an engineering nature. SCA has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. Unless otherwise specifically noted in the body of the report: no problems were brought to the attention of SCA by ownership or management; SCA inspected less than 100% of the entire interior and exterior portions of the improvements; and SCA was not furnished any engineering studies by the owners or by the party requesting this appraisal. If questions in these areas are critical to the decision process of the reader, the advice of competent engineering consultants should be obtained and relied upon. It is specifically assumed that any knowledgeable and prudent purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems. Structural problems and/or building system problems may not be visually detectable. If engineering consultants retained should report negative factors of a material nature, or if such are

later discovered, relative to the condition of improvements, such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if negative findings are reported by engineering consultants, SCA reserves the right to amend the appraisal conclusions reported herein.

12. Unless otherwise stated, all furnishings, equipment and business operations, except as specifically stated and typically considered as part of real property, have been disregarded with only real property being considered in the report. Any existing or proposed improvements, on or off-site, as well as any alterations or repairs considered, are assumed to be completed in a workmanlike manner according to standard practices based upon the information submitted to SCA. This report may be subject to amendment upon re-inspection of the subject subsequent to repairs, modifications, alterations and completed new construction. Any estimate of market value is as of the date indicated; based upon the information, conditions and projected levels of operation.

13. The value or values presented in this report are based upon the premises outlined herein and are valid only for the purpose or purposes stated.

14. The date of value to which the conclusions and opinions expressed apply is set forth in this report. Unless otherwise noted, this date represents the last date of our physical inspection of the property. The estimate of market value is subject to change with market fluctuations over time. The value opinion herein rendered is based on the status of the national business economy and the purchasing power of the U.S. dollar as of that date. This appraisal is based on market conditions existing as of the date of this appraisal. Per our engagement terms, we are under no obligation to revise this report to reflect conditions or events which occur subsequent to the date of this appraisal. If such revisions are requested, a new engagement is required. We assume no responsibility for changes in market conditions or for the inability of the owner to obtain financing or to locate a purchaser at the appraised value. We do not warrant that the subject property will sell at our final conclusion of value.

15. Testimony or attendance in court or at any other hearing is not required by reason of this appraisal unless arrangements are previously made within a reasonable time in advance.

16. One or more of the signatories of this appraisal report is a member or associate member of the Appraisal Institute. The Bylaws and Regulations of the Institute require each

member and candidate to control the use and distribution of each appraisal report signed by them.

17. Possession of this report or any copy thereof does not carry with it the right of publication. No portion of this report (especially any conclusion to use, the identity of the appraiser or the firm with which he/she is connected, or any reference to the Appraisal Institute, or the designations awarded by this organization) shall be disseminated to the public through prospectus, advertising, public relations, news, or any other means of communication without the written consent and approval of SCA.
18. The report is for the sole use of the client; however, the client may provide only complete, final copies of the appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. The appraiser is not required to explain or testify as to appraisal results other than to respond to the client for routine and customary questions. Please note that our consent to allow an appraisal report prepared by SCA or portions of such report, to become part of or be referenced in any public offering, the granting of such consent will be at our sole discretion and, if given, will be on condition that we will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to us, by a party satisfactory to us. We do consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.
19. Client shall not indemnify Appraiser or hold Appraiser harmless unless and only to the extent that the Client misrepresents, distorts, or provides incomplete or inaccurate appraisal results to others, which acts of the Client approximately result in damage to Appraiser. Notwithstanding the foregoing, Appraiser shall have no obligation under this Section with respect to any loss that is caused solely by the active negligence or willful misconduct of a Client and is not contributed to by any act or omission (including any failure to perform any duty imposed by law) by Appraiser. Client shall indemnify and hold Appraiser harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the appraisal report to any third party. In the event of any litigation between the parties, the prevailing party to such litigation shall be entitled to recover, from the other, reasonable attorney fees and costs.

20. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

21. SCA assumes that the subject of this appraisal report will be under competent and prudent management and ownership; neither inefficient nor overly efficient.

22. Any value estimate provided in the report applies to the entire property, and any division or pro ration of the title into fractional interests will invalidate the value estimate, unless such pro ration or division of interests has been set forth in the report. Further, the distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Component values for land and/or buildings are not intended to be used in conjunction with any other property or appraisal and are invalid if so used.

23. Acceptance of, and/or this appraisal report constitutes acceptance on the above conditions.

ADDENDA

ENGAGEMENT LETTER

REAL ESTATE APPRAISAL
SAGE COMMERCIAL ADVISORY

5113 S. Harper Ave, Suite 2C
Chicago, IL 60615
T (312) 291-1921
F (312) 803-2222
www.sagecommercialadvisory.com

June 10, 2024

City of Fishers
Redevelopment Commission
1 Municipal Drive
Fishers, IN 46038

Re: Appraisal Services Engagement Letter
Freestanding Restaurant
Tax IDs 15-14-01-02-01-003.000, 15-14-01-02-01-002.000
8603 E. 116th Street
Fishers, IN

City of Fishers:

Thank you for the opportunity to provide our appraisal services. This letter will become, upon acceptance and signature, our letter of engagement to provide the services as outlined herein. The client and intended user of the appraisal report will be the City of Fishers Redevelopment Commission.

IDENTIFICATION OF PROPERTY TO BE APPRAISED - We understand that the subject property consists of a freestanding restaurant located at 8603 E. 116th Street in Fishers, Indiana. The Hamilton County tax parcel numbers are 15-14-01-02-01-003.000 and 15-14-01-02-01-002.000.

INTENDED USE OF APPRAISAL - It is our understanding that the market value and market rent appraisal for the property will be for redevelopment purposes by the City of Fishers.

DATE OF VALUE - The effective date of value will be the date of our property visit.

City of Fishers
June 10, 2024
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- Review micro / macro market, including interviews with local market participants, available published data and other various resources;
- Review data regarding real estate taxes, zoning, utilities, city services and flood zone;
- Analyze the highest and best use of the subject;
- Consider all three approaches to value (cost, sales comparison, and income capitalization), and utilize the sales comparison approach as deemed appropriate for vacant land;
- Consider comparable sales and rentals in analyzing the subject. Confirm comparable sale and rental data with reliable sources, public records, principals, managers, real estate agents and / or professionals;
- Reconcile the results of this analysis into a probable range of market data, and estimate market value and market rent for the subject, as defined herein; and
- Estimate reasonable exposure and marketing times associated with the value estimate.

We will deliver the report via electronic .pdf format. Bound, hard copies are available upon request for a fee of $135 each. The appraisal will be in compliance with USPAP and the Code of Ethics and Certification Standards of the Appraisal Institute.

This proposal will remain valid for three (3) business days. If the terms outlined are acceptable, please sign below and return this letter to me via email or fax. I sincerely appreciate this opportunity and look forward to working with you.

Respectfully submitted,
SAGE COMMERCIAL ADVISORY, LLC

Shari L. Heilala

Shari L. Heilala, MAI Certified General Appraiser
Indiana License CG41200017
Phone: 312 .291.1921
Email: heilala@sagecommercialadvisory.com

Accepted and Agreed:

Megan Baumgartner
City of Fishers Redevelopment Commission

Date: 6-10-24

[1] *The Dictionary of Real Estate Appraisal, (published by the Appraisal Institute)*

LEGAL DESCRIPTION

The following legal description was taken from an ALTA/NSPS Land Title Survey prepared by Hahn Surveying Group, dated June 22, 2022:

LEGAL DESCRIPTION *(recited from Schedule A of Near North Title Group Commitment for Title Insurance, Commitment No. IN2128437, dated June 10, 2021.)*

PARCEL I:

A part of the Northeast Quarter of the Northeast Quarter of Section 1, Township 17 North, Range 4 East, bounded as follows:

Begin 937.9 feet West of the Northeast corner of said Section 1, running South at right angles to the North line of said Section 147 feet; thence West 110.5 feet; thence South 203 feet; thence South 62 degrees and 18 minutes East 58.65 feet to the West line of the right-of-way of the Nickel Plate Railroad; thence North 27 degrees and 42 minutes East along said West line of right-of-way 436 feet to North line of Section; thence West 139.27 feet to the place of beginning.

EXCEPTING THEREFROM THE FOLLOWING:

Part of the Northeast Quarter of Section 1, Township 17 North, Range 4 East of the Second Principal Meridian, and being a part of a parcel of land as described in Instrument No. 1986-029831, in the Office of the Recorder of Hamilton County, Indiana, described as follows.

Commencing at the Northeast Corner of the Northeast Quarter of said Section; thence North 89 degrees 56 minutes 51 seconds West (State Plane Bearing, Indiana East Zone) along the North line thereof, 1048.40 feet to the West line of said instrument; thence South 00 degrees 03 minutes 09 seconds West, along the West line, 336.39 feet to the POINT OF BEGINNING of this description; thence South 76 degrees 09 minutes 06 seconds East, 67.14 feet to the Westerly railroad right-of-way; thence South 27 degrees 46 minutes 02 seconds West, along said right-of-way 28.18 feet to the Southerly line of said Instrument; thence North 62 degrees 14 minutes 51 seconds West, along said line 58.84 feet to the West line thereof; thence North 00 degrees 03 minutes 09 seconds East, 13.61 feet to the point of beginning, containing 1273 square feet 0.029 more or less.

PARCEL II:

A part of the Northeast Quarter of the Northeast Quarter of Section 1, Township 17 North, Range 4 East, in Hamilton County, Indiana, as follows:

Begin 1048.4 feet West of the Northeast corner of said Section 1; thence South at right angles to the North line of said Quarter Section 147 feet; thence East 110.5 feet, thence North 147 feet; thence West 110.5 feet to the place of beginning.

Excepting from the above Parcels I & II the following:

A part of the Northeast Quarter of the Northeast Quarter of Section 1, Township 17 North, Range 4 East, Hamilton County, Indiana, described as follows:

Beginning at a point on the North line of said Section South 89 degrees 52 minutes 14 seconds West (assumed bearing) 798.14 feet (798.63 feet deduced from deed record 362 page 780) from the Northeast corner of said Section, which point of beginning is where said North line intersects the Northwestern line of the Norfolk and Western Railroad; thence South 27 degrees 34 minutes 46 seconds West 39.53 feet along said Northwestern line; thence North 83 degrees 46 minutes 11 seconds West 72.22 feet; thence South 89 degrees 52 minutes 14 seconds West 160.07 feet to the West line of the grantor's land; thence North 0 degrees 07 minutes 46 seconds West 27.00 feet along said West line to the North line of said Section; thence North 89 degrees 52 minutes 14 seconds East 250.23 feet (249.77 feet deduced from deed record 362. Page 780) along said North line to the point of beginning and containing 0.158 acres, more or less.

IMPROVED SALE DATA AND PHOTOGRAPHS

SALE 1

Improved Sale 1	
Location	3940-4002 W. 96th St., Indianapolis, IN
County	Hamilton
Property Type	Storefront Retail/Office
Sale Data	
Grantor	Williams Holding Corp.
Grantee	Vitality Department LLC
Sale Date	October-23
Price	$1,795,000
Recording	2023.38855
Assessor's Parcel Number	29-13-07-403-022.000-018 and 29-13-07-403-021.000-018
Property Data-Land	
Land Area Square Feet	40,510 SF
Land Area Acres	0.93
Topography	Level
Utilities	Available
Zoning	C
Property Data-Building	
Net Rentable Area	7,800 SF
Number of Buildings	1
Number of Stories	1
Occupancy Type	Multi-Tenant
Occupancy at Sale	100.0%
Year of Construction	1997
Condition	Average
Land to Bld Ratio	5.19
Parking	20
Average Daily Traffic Count	30,009
Comparison Data	
Unit of Comparison	$ Per Sq. Ft.
Price per SF NRA	$230.13
Comments	This is the sale of a three-tenant storefront property that was fully leased at the time of the sale.
Extent of Verification	MLS, Public Records

SALE 2

Improved Sale 2	
Location	14675 Hazel Dell Xing, Noblesville, IN
County	Hamilton
Property Type	Storefront
Sale Data	
Grantor	CF Noblesville LLC
Grantee	NW Partners LLC
Sale Date	July-23
Marketing Time	9 months
Price	$2,660,000
Recording	2023.26029
Assessor's Parcel Number	29-10-15-016-001.000-013, 29-10-15-016-006.000-013, 29-10-15-016-002.000-013, and 29-10-15-016-004.000-013
Property Data-Land	
Land Area Square Feet	60,548 SF
Land Area Acres	1.39
Topography	Level
Utilities	Available
Zoning	C
Property Data-Building	
Net Rentable Area	19,997 SF
Number of Buildings	1
Number of Stories	1
Occupancy Type	Mulit-tenant
Occupancy at Sale	4.0%
Year of Construction	2008
Condition	Average
Land to Bld Ratio	3.03
Parking	20
Average Daily Traffic Count	25,255
Comparison Data	
Unit of Comparison	$ Per Sq. Ft.
Price per SF NRA	$133.02
Comments	This is the sale of a two-unit storefront building. It was 4% leased at the time of sale.
Extent of Verification	MLS, Public Records

SALE 3

Improved Sale 3	
Location	415 W. Broadway St., Fortville, IN
County	Hancock
Property Type	Storefront
Sale Data	
Grantor	Investment Opportunities LLC
Grantee	Fortville Best LLC
Sale Date	August-22
Price	$1,300,000
Recording	2022.42774
Assessor's Parcel Number	30-02-09-400-026.000-017 and 30-02-09-400-033.000-017
Property Data-Land	
Land Area Square Feet	64,316 SF
Land Area Acres	1.48
Topography	Level
Utilities	Available
Zoning	C
Property Data-Building	
Net Rentable Area	7,937 SF
Number of Buildings	1
Number of Stories	1
Occupancy Type	Multi-tenant
Occupancy at Sale	100.0%
Year of Construction	1948
Condition	Average
Land to Bld Ratio	8.10
Parking	57
Average Daily Traffic Count	12,097
Comparison Data	
Unit of Comparison	$ Per Sq. Ft.
Price per SF NRA	$163.79
Comments	This is the sale of a three-unit storefront building at the corner of Christina Avenue and Lincoln Avenue. Two of the three spaces were leased at the time of the sale.
Extent of Verification	Public Records


A-Plus
Insurance Agency
Fit Flex Fly
California Shoppe
Salon
FIT
FLEX
FLY

SALE 4

Improved Sale 4	
Location	Northview Mall, 1724 E. 86th St., Indianapolis, IN
County	Marion
Property Type	Storefront
	Sale Data
Grantor	
	Northview Mall Partners LLC
Grantee	NVM Partners LLC
Sale Date	October-23
Price	$5,500,000
Recording	202300084808
Assessor's Parcel Number	49-03-13-119-003.000-800
	Property Data-Land
Land Area Square Feet	174,240 SF
Land Area Acres	4.00
Topography	Level
Utilities	Available
Zoning	C-3
	Property Data-Building
Net Rentable Area	48,028 SF
Number of Buildings	1
Number of Stories	1
Occupancy Type	Multi-Tenant
Occupancy at Sale	100.0%
Year of Construction	1976
Condition	Average
Land to Bld Ratio	3.63
Parking	80 parking spaces
Average Daily Traffic Count	19,192
	Comparison Data
Unit of Comparison	$ Per Sq. Ft.
Price per SF NRA	$114.52
NOI PSF	$9.54
OAR	8.33%
Comments	This is the sale of a 19-unit storefront property.
	Verification
Extent of Verification	Listing broker, public records, press release

QUALIFICATIONS OF APPRAISER

SHARI L. HEILALA, MAI
SAGE COMMERCIAL ADVISORY, LLC
PRESIDENT

As the principal of Sage Commercial Advisory LLC, Shari brings over 30 years of commercial real estate experience with extensive experience in both appraisal and corporate real estate.

Prior to establishing Sage Commercial Advisory, Ms. Heilala was an Executive Vice President at Argianas & Associates for 10 years. In this role she provided appraisal services, served as the primary liaison for three major bank clients and managed a team of up to five appraisers. Her management duties included training, appraisal review and client communication.

Shari's appraisal experience includes all property types located throughout the United States. She has appraised over 100 different investment grade properties totaling over 15 million square feet valued at over $2.0 billion. Representative investment grade properties appraised include the Ritz Carlton in Chicago, Woodfield Mall in Schaumburg, Tri-State Center in Northbrook, the Scott Foresman Headquarters in Glenview, a 35-building portfolio of industrial properties in Elk Grove Village, Michael's Terrace Condominiums in Chicago and the Bird Island Flats Air Cargo Area in Boston. Shari has also appraised a wide variety of over 300 non-investment grade properties of virtually every significant property type. She has developed specific expertise in many areas, but particularly sports and leisure properties including marinas, campgrounds, golf courses and sports complexes. She is also particularly adept at valuing auto dealerships, restaurants, subdivisions, and various ground lease positions.

Representative properties appraised include:

Property	**Location**	**Type**
Amberley Woods	Lake Forest, IL	Mixed Use PUD
Chicago Theatre	Chicago, IL	Landmark Theatre
Lakeshore Athletic Club	Chicago, IL	Full Service Health Club
Lakeshore Medical Center	Chicago, IL	Proposed Medical Offices
Lawless Gardens	Chicago, IL	744-Unit Subsidized Apts
M&E Freezer Facility	Bolingbrook, IL	Proposed Cold Storage
MEMC Silicon Wafer Facility	St. Charles, MO	Industrial Manufacturing
Millennium Centre	Chicago, IL	Luxury Condo Development
Rock Harbor Marine	Nashville, TN	Riverfront Marina
Ritz Carlton	Chicago, IL	Full Service Hotel
Scott Foresman Headquarters	Glenview, IL	Single Tenant Office
Shanghai Resort	LaFollette, TN	Marina, Restaurant, Resort
Tri-State Center	Northbrook, IL	Multi-Tenant Office
Woodfield Mall	Schaumburg, IL	Regional Mall
35-Building Portfolio	Elk Grove Village, IL	Industrial Warehouses
Pegasus Landing	Blairsville, GA	Proposed Luxury RV Park

Shari's prior appraisal positions were with the Valuation Advisory Group of C&W and the Real Estate Advisory Group of American Appraisal. Before joining Argianas & Associates, she was a director in the Global Corporate Services Group of Cushman & Wakefield (C&W). In this position, she was responsible for the implementation and ongoing delivery of real estate services to their corporate clients in the Midwest region, as well as portfolio administration on a national basis. She had direct involvement in over 20 accounts, with clients such as American Express, General Motors, Kemper Insurance, Kraft Foods, and Lucent. She managed teams around the region to deliver global transaction, lease administration, appraisal, strategic planning, property, facility, and construction management services. Ms. Heilala has managed more than 100 commercial real estate transactions in 20 different countries, totaling over 3 million square feet.

Education

Shari graduated from the University of Wisconsin-Madison with a Bachelor's degree in Business Administration in Real Estate and Finance. She holds her Masters of Corporate Real Estate from CORENET Global. She has also attended classes at Northwestern's Kellogg School for Management. She has completed the following Appraisal Institute courses:

Uniform Standards of Professional Practice
Business Practices and Ethics
Real Estate Appraisal Principles
Basic Valuation Procedures
Residential Case Studies
Highest & Best Use and Market Analysis
Basic Income Capitalization
Advanced Applications
Advanced Cost and Sales Approach
Advanced Income Capitalization
Report Writing and Valuation Analysis
An Introduction to Valuing Commercial Green Buildings
Appraising the Appraisal: Appraisal Review - General
Fundamentals of Separating Real and Personal Property from Intangible Business Assets

In addition, she has completed the following additional courses through McKissock:

Basic Hotel Appraising - Limited Service Hotels
Advanced Hotel Appraising - Full Service Hotels
Appraising Today's Manufactured Homes
Appraisal of Assisted Living Facilities
Appraising Small Apartment Properties
Appraisal of Land Subject to Ground Leases
The Sales Comparison Approach
Introduction to Expert Witness Testimony for Appraisers: To Do or Not to Do
Introduction to Commercial Appraisal Review
The Nuts and Bolts of Green Building for Appraisers (with Audio and Video)
Understanding Residential Construction
Residential Construction and the Appraiser

New Construction Essentials: Luxury Homes
Introduction to Fair Housing and Fair Lending Instruction

Professional Affiliations

In 1996, Shari was honored as Cushman & Wakefield's National Outstanding Corporate Services Professional. She is a designated Member of the Appraisal Institute and a Certified General Real Estate Appraiser in Arizona, Florida, Illinois, Indiana, Iowa, Michigan, New York, Utah, Washington, and Wisconsin. She is also a licensed managing real estate broker in Illinois.

Indiana Professional Licensing Agency
Real Estate Appraiser Licensure Board
402 W. Washington Street, W072
Indianapolis, IN 46204

Certified General Appraiser

License Number	Expire Date
CG41200017	06/30/2026

Shari L. Heilala

Eric J. Holcomb
Governor
State of Indiana

Lindsay M. Hyer
Executive Director
Indiana Professional Licensing Agency

Indiana Professional Licensing Agency
402 W. Washington Street, W072
Indianapolis, IN 46204

Certified General Appraiser

License Number	Expire Date
CG41200017	06/30/2026

Shari L. Heilala

Signature ____________________

APPRAISER QUALIFICATIONS

BENJAMIN J. SLAGTER, MAI
SAGE COMMERCIAL ADVISORY, LLC
SENIOR APPRAISER

Benjamin J. Slagter has over 20 years year of real estate experience, which includes valuation experience in the Chicago metropolitan area, Wisconsin, Indiana, Michigan, Minnesota, Missouri, Iowa, Ohio, Idaho, Florida, California, Nebraska, Kansas, Texas, Oklahoma, Oregon, Washington, and Tennessee. Appraisal assignments include vacant land, industrial, office, single and multi-tenant retail, multi-family residential properties, hotels, and special use properties. The basis for these real estate valuations includes financing, redevelopment, leasing, foreclosure, acquisition, and portfolio pricing.

Education

Mr. Slagter graduated from Calvin University with a Bachelor's degree in Business Administration. He has completed the following Appraisal Institute courses:

Uniform Standards of Professional Practice
Business Practices and Ethics
Appraisal Principles
Appraisal Procedures
Basic Income Capitalization
Non-Residential Report Writing
Advanced Income Capitalization
Advanced Concepts & Case Studies
Advanced Market Analysis and Highest & Best use
Quantitative Analysis
Introduction to Green Buildings
Appraisal of Medical Office Buildings
Analyzing Operating Expenses

Professional Affiliations

Benjamin is a designated Member of the Appraisal Institute. He is a Certified General Real Estate Appraiser in the States of Illinois, Indiana, Iowa and Wisconsin.

Indiana Professional Licensing Agency
Real Estate Appraiser Licensure Board
402 W. Washington Street, W072
Indianapolis, IN 46204

Certified General Appraiser

License Number	Expire Date
CG42300019	06/30/2026

Benjamin Slagter

Eric J. Holcomb
Governor
State of Indiana

Lindsay M. Hyer
Executive Director
Indiana Professional Licensing Agency

Indiana Professional Licensing Agency
402 W. Washington Street, W072
Indianapolis, IN 46204

Certified General Appraiser

License Number	Expire Date
CG42300019	06/30/2026

Benjamin Slagter

Signature ____________________

RESOLUTION NO. FRC 01R073124

RESOLUTION APPROVING ECONOMIC DEVELOMENT AGREEMENT (INCOG PHASE II)

WHEREAS, INCOG BioPharma Services, Inc., a Delaware corporation ("Developer") is a Fishers based, global contract development and manufacturing organization ("CDMO") to which pharmaceutical companies outsource drug manufacturing;

WHEREAS, in 2021, Developer and the City of Fishers, Hamilton County, Indiana (the "City") and City of Fishers Redevelopment Commission (the "Commission") entered into a certain Economic Development Agreement pursuant to which Developer and a related entity acquired its Fishers Site, constructed and now operate its global headquarters (the "Initial Agreement");

WHEREAS, Developer is fully compliant with the Initial Agreement;

WHEREAS, moreover, Developer has become an ambassador within the life sciences community for the City and assisted the City with landing substantial capital investment and jobs within the City's Life Sciences Park;

WHEREAS, Developer has advised the City and Commission that it will grow in the City by completing its Phase II Project, if the City and Commission will satisfy the City Obligations;

WHEREAS, the City and Commission have determined that it is in the best interest of the citizens of the City to induce Developer to complete the Phase II Project, all pursuant the economic development agreement attached hereto and incorporated herein as **Exhibit A** (the "EDA"); and

WHEREAS, capitalized terms used but not defined herein are used with the meaning ascribed to such terms in the EDA.

NOW, THEREFORE, BE IT RESOLVED by the City of Fishers Redevelopment Commission meeting in regular session as follows:

Section 1. The Commission hereby approves an economic development agreement substantially similar to the EDA.

Section 2. The President and Secretary of the Commission are hereby authorized to execute an economic development agreement substantially similar to the EDA.

Section 3. This Resolution shall be in full force and effect upon passage.

ALL OF WHICH IS RESOLVED by the City of Fishers Redevelopment Commission, Hamilton County, Indiana this _____ day of July, 2024.

REDEVELOPMENT COMMISSION OF THE CITY OF FISHERS, HAMILTON COUNTY, INDIANA

YAY **NAY**

	Tony Bonacuse	
	Dan Canan	
	Damon Grothe	
	Brad Johnson	
	Anderson Schoenrock	

This instrument prepared by: Lindsey Bennett, City Attorney, City of Fishers, Hamilton County, Indiana, One Municipal Drive, Fishers, Indiana, 46038.

ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF FISHERS AND INCOG BIOPHARMA SERVICES, INC. – PHASE II

THIS ECONOMIC DEVELOPMENT AGREEMENT ("Agreement") is made and entered into this ____ day of __________, 2024 (the "Effective Date"), by and between the City of Fishers, Hamilton County, Indiana, an Indiana municipal corporation ("City"), City of Fishers Redevelopment Commission, a commission of the City of Fishers authorized and existing pursuant to Ind. Code § 36-7-14 *et. seq*. (the "Commission"), and INCOG BioPharma Services, Inc., a Delaware corporation ("Developer") (collectively City, Commission and Developer may be referred to herein as the "Parties"), as follows:

WHEREAS, Developer is a Fishers based, global contract development and manufacturing organization ("CDMO") to which pharmaceutical companies outsource drug manufacturing;

WHEREAS, in 2021, Developer and the City entered into a certain Economic Development Agreement pursuant to Developer and a related entity acquired its Fishers Site, constructed and now operate its global headquarters (the "Initial Agreement");

WHEREAS, Developer is fully compliant with the Initial Agreement;

WHEREAS, moreover, Developer has become an ambassador within the life sciences community for the City and assisted the City with landing substantial capital investment and jobs within the City's Life Sciences Park;

WHEREAS, Developer has advised the City and Commission that it will grow in the City by completing its Phase II Project (as defined herein), if the City and Commission will satisfy the City Obligations (as defined herein);

WHEREAS, the City and Commission have determined that it is in the best interest of the citizens of the City to induce Developer to complete the Phase II Project; and

WHEREAS, capitalized terms used in the foregoing recitals shall have the meaning ascribed to such terms in **Article III**, hereof.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

ARTICLE I. RECITALS

The representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Article 1.

ARTICLE II. MUTUAL ASSISTANCE

The Parties agree, subject to further proceedings required by law, to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications, as may be necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions and intent of this Agreement.

ARTICLE III. DEFINITIONS

Abatement shall mean a thirteen-year (13-year) personal property tax abatement on qualifying personal property purchased by or before December 31, 2027 and located at the Site in the amount of one hundred percent (100%) for each of the thirteen (13) years of such Abatement and shall be in addition to any abatement in the Initial Agreement; provided however, in no instance shall personal property subject to the abatement provided in the Initial Agreement receive the benefit of the additional thirteen (13) years of abatement provided for herein.

Abatement Term shall mean, unless earlier terminated pursuant to this Agreement, the thirteen (13) years during which Developer claims the benefit of the Abatement, provided, however, the Abatement Term shall not continue past and shall terminate by or before December 31, 2040.

Additional Compliance Information shall have the meaning ascribed to it in Section 6.03.

Agreement shall have the meaning ascribed to it in the preamble.

Building shall mean a building with approximately one hundred thousand square feet (100,000 SF) of usable space for biopharmaceutical manufacturing facility constructed on the Site.

CDMO shall have the meaning ascribed to it in the recitals.

City shall have the meaning ascribed to it in the preamble.

Claims shall mean claims, liabilities, damages, injuries, losses, liens, costs, and/or expenses whether related to bodily injury, real property or personal property (including, without limitation, reasonable attorneys' fees); provided that in no event shall Claims include consequential or punitive damages.

Commission shall have the meaning ascribed to it in the preamble.

Compliance Information shall mean, individually or collectively, the Statement of Benefits Personal Property (Form 51764), the annual Compliance with Statement of Benefits (Form 51765) and any Additional Compliance Information (as defined in Section 6.03) that shall be submitted to the Executive Director.

Cure Period shall mean a period of: (A) ten (10) days after written notice of default in the case of any monetary default; provided, however, each party shall be entitled to only one cure period within three hundred sixty (360) days for monetary default; and (B) fifteen (15) days after a party failing to perform or observe any other term or condition of this Agreement to be performed or observed by it receives written notice specifying the nature of the default; provided that, if such default is of such a nature that it cannot be remedied within fifteen (15) days, despite reasonably diligent efforts, then the fifteen (15) day cure period shall be extended as may be reasonably necessary for the defaulting party to remedy the default, so long as the defaulting party: (Y) commences to cure the default within the fifteen (15) day period; and (Z) diligently pursues such cure to completion; provided that in no event shall a Cure Period extend more than thirty (30) days after the date of the default.

Developer shall have the meaning ascribed to it in the preamble.

Developer Obligations shall have the meaning ascribed to it in Article IV.

Effective Date shall have the meaning ascribed to it in the preamble.

Employment Commitment shall have the meaning ascribed to it in Article IV.

Executive Director shall mean the Director of Economic Development for the City, currently Megan Baumgartner.

Final Notice shall have the meaning ascribed to it in Section 6.05.

FTEs shall mean full time employees.

Initial Agreement shall have the meaning ascribed to it in the recitals.

Laws shall mean all applicable laws, statutes, and/or ordinances, and any applicable governmental or judicial rules, regulations, guidelines, judgments, orders, and/or decrees, including without limitation the City's Unified Development Ordinance.

MLA shall have the meaning ascribed to it in Article V.

MLFA shall have the meaning ascribed to it in Article V.

Notice Period shall have the meaning ascribed to it in Section 6.04.

Permitting Violation shall mean Developer's failure to comply with applicable City ordinances and rules or failure to obtain applicable permits or complete all applicable reviews and inspections.

Phase II Project shall mean (A) developing and constructing the Building; (B) acquiring the necessary personal property to operate a phase II biopharmaceutical manufacturing operation within the Building; and completing tenant improvements to operate a phase II biopharmaceutical manufacturing operation within the Building; (D) investing approximately Forty-One Million Dollars ($41,000,000.00) in such Phase II Project, which investment shall include development, construction, build-out and personal property to be located at the Site.

Related Entity shall mean a third party controlled by or under common control with Developer.

Required Permits shall mean all permits, licenses, approvals, and consents required by the Laws for construction and use of the Building.

Site shall mean property generally located at the northwest corner of Exit 5 Parkway and Cumberland Road Fishers, Indiana, and identified by Hamilton County property identification no. 15-11-31-00-00-026.00 and 15-11-31-00-00-026.001.

UDO shall mean the City's Unified Development Ordinance.

ARTICLE IV. DEVELOPER'S OBLIGATIONS

In consideration and as a material inducement for the City and Commission, as applicable, providing the incentives described in Article V., Developer and/or its Related Entity shall perform or cause to be performed the following:

A. Complete development and construction of the Building pursuant to and consistent with the Laws, including, without limitation, obtaining all Required Permits;

B. Complete all elements of the Phase II Project;

C. Employ approximately three hundred seventy (370) FTEs on or before December 31, 2029.

D. Compensate the new FTEs at an average annual salary of approximately Seventy-Two Thousand, Eight Hundred Dollars ($72,800.00) (together with Subsection (C), the Employment Commitment"); and

E. Timely submit all Compliance Information to the Executive Director.

(collectively, the obligations included in this Article IV(A) - (E), the "Developer Obligations").

ARTICLE V. ECONOMIC DEVELOPMENT INCENTIVES

In consideration and as a material inducement for Developer and/or its Related Entity fulfilling the Developer Commitment, the City and /or Commission, as applicable, shall provide certain incentives as follows:

A. Pursuant to and consistent with Ind. Code § 6-1.1-12.1 *et. seq*., the City shall endeavor to complete the required procedural steps to grant the Abatement; and

B. Commission shall enter into a master lease agreement ("MLA") and master lease funding agreement ("MLFA") with Developer and/or its Related Entity for a ten-year (10-year) term, which MLA and MLFA shall include the Commission's standard terms for similar MLAs and MLFAs.

ARTICLE VI. COMPLIANCE AND INCENTIVE TERMINATION

Section 6.01. SB-1. Developer shall submit its SB-1 for the Site upon request (which request may be made telephonically or by email) by the City and prior to the City approving the Abatement.

Section 6.02. **Compliance/CF-1 for Personal Property**. By or before April 1st of each year of the Abatement Term, Developer shall file its CF-1 with the Executive Director and the Hamilton County Auditor showing the extent to which there has been compliance with the SB-1 and the Developer Commitment.

Section 6.03. Additional Compliance Information. Further, during the Abatement Term, the City may request information from Developer concerning its fulfillment of the Developer Commitment, including, without limitation, the number of FTEs employed at the Site by Developer or its Related Entity (individually or collectively, "Additional Compliance Information"), and Developer shall provide Additional Compliance Information within twenty (20) days of such request.

Section 6.04. Abatement Termination. If the City determines that Developer has not or cannot reasonably satisfy the Developer Commitment, the City may terminate the Abatement (or Developer's right to it). Notwithstanding the foregoing or anything in this Agreement to the contrary, in the event the City makes a determination of noncompliance under this Section 6.04, then prior to proceeding with a termination, the City shall provide preliminary notice (the "Preliminary Notice") to Developer of such determination of noncompliance and an opportunity to meet with representatives of the City within fifteen (15) days after the date of the Preliminary Notice ("Notice Period") to discuss the City's determination and provide an opportunity for Developer to submit information regarding the reason for any shortfall or delay in the Developer Commitment.

Section 6.05. Abatement Hearing. If (a) the City determines after meeting with Developer following issuance of the Preliminary Notice that the Abatement should be terminated; or (b) Developer does not request a meeting within the Notice Period, the City shall give Developer final notice (the "Final Notice") of such determination and provide Developer an opportunity to appear at a City Council meeting to show cause why the Abatement should not be terminated. Developer shall have fifteen (15) days from the date of the Final Notice to confirm that it desires to be added to the City Council's next agenda and to provide evidence concerning why the Abatement should not be terminated. If the City Council adopts a resolution terminating the Abatement, Developer shall be entitled to appeal the determination to a Hamilton County Superior or Circuit Court.

Section 6.06. Permitting. Within twenty (20) business days (Monday-Friday) written notice that Developer has committed a Permitting Violation, Developer shall come into full compliance by obtaining the requisite permit, completing the applicable review or inspection or otherwise coming into compliance with the applicable ordinance; provided that, if such Permitting Violation is of such a nature that it cannot be remedied within twenty (20) business days, despite reasonably diligent efforts, then the twenty (20) day cure period shall be extended as may be reasonably necessary for Developer to remedy the default, so long as the Developer: (Y) commences to cure the Permitting Violation within the twenty (20) day period; and (Z) diligently pursues such cure to completion. If Developer fails to come into such compliance, obtain such permit or complete the applicable review or inspection, City shall be entitled to terminate or withhold the incentives described herein.

ARTICLE VII. ASSIGNMENT

No party hereto shall assign this Agreement without the prior written approval of the other party, which approval shall not be unreasonably withheld, conditioned or delayed; provided that: (A) without the prior written approval of Developer, City and/or Commission may assign this Agreement to another agency or instrumentality of City that legally is able to perform its obligations hereunder; and (B) without the prior written approval of City, Developer may assign, partially or in its entirety, this Agreement to a Related Entity. Notwithstanding any assignment permitted under this Section, the City, Commission or Developer, as the case may be, shall remain liable to perform all of the terms and conditions to be performed by it under this Agreement, and the approval by the other party of any assignment shall not release any City, Commission or Developer, as the case may be, from such performance.

ARTICLE VIII. GENERAL PROVISIONS

Section 8.01. Indemnity. Developer covenants and agrees at its sole expense to pay and to indemnify and save harmless the City, Commission and their respective officers and agents (the "Indemnitees") harmless of, from and against, any and all Claims resulting directly or indirectly from Developer's (and/or any affiliate's thereof) development and construction of the Building unless such Claims arise by reason of the willful act or omission of the City and/or Commission.

Section 8.02. Cure. Except as otherwise specifically stated herein, before any failure of either of the Parties to this Agreement to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the party claiming such failure shall notify, in writing, the party alleged to have failed to perform such obligation and shall demand performance. No breach of this Agreement may be found to have occurred during any applicable Cure Period. If after said notice, the breaching party fails to cure the breach, the non-breaching party may seek any remedy available at law or equity.

Section 8.03. No Third-Party Beneficiaries. This Agreement shall be deemed to be for the benefit solely of the Parties hereto and shall not be deemed to be for the benefit of any third party.

Section 8.04. Effective Date. Notwithstanding anything herein to the contrary, this Agreement shall not be effective until all Parties hereto have executed this Agreement and the City and Commission have approved or ratified this Agreement as required by law.

Section 8.05. E-Verify. All terms defined in IND. CODE § 22-5-1.7 *et seq*. are adopted and incorporated into this Section. Pursuant to IND. CODE § 22-5-1.7 *et seq*., Developer covenants to enroll in and verify the work eligibility status of all of its employees using the E-Verify program, if it has not already done so as of the Execution Date. Within ten (10) days after the Execution Date, Developer shall execute an affidavit affirming that: (A) it is enrolled and is participating in the E-Verify program; and (B) it does not knowingly employ any unauthorized aliens. In support of the affidavit, Developer shall provide City with documentation that it has enrolled and is participating in the E-Verify program. This Agreement shall not take effect until said affidavit is signed by Developer and delivered to City's authorized representative.

Section 8.06. No Remedy Exclusive; Limitation. No right or remedy herein conferred upon, or reserved to, a non-defaulting party is intended to be exclusive of any other available right or remedy, unless otherwise expressly stated; instead, each and every such right or remedy shall be cumulative and in addition to every other right or remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission by a non-defaulting party to exercise any right or remedy upon any event of default shall impair any such right or remedy, or be construed to be a waiver thereof, and any such right or remedy may be exercised from time to time, and as often as may be deemed to be expedient. To entitle a non-defaulting party to exercise any of its rights or remedies, it shall not be necessary for the non-defaulting party to give notice to the defaulting party, other than such notice as may be required by this Agreement or by the Laws. In no event shall any party hereunder be liable to the other for punitive or consequential damages as a consequence of an event of default by such party. In the event either party hereto employs an attorney in connection with Claims by one party against the other arising from the operation of this Agreement, the non-prevailing party shall pay the prevailing party all reasonable fees and expenses, including attorneys' fees, incurred in connection with such Claims. The term "prevailing party" as used in this Agreement shall include, but not be limited to, a party who obtains legal counsel or brings an action against the other by reason of the other's breach or default and obtains substantially the relief sought whether by compromise, mediation, settlement, judgment or otherwise.

Section 8.07. Notice. Any notice required or permitted to be given by any party to this Agreement shall be in writing, and shall be given (and deemed to have been given) when: (A) delivered in person to the other party; (B) three (3) days after being sent by U.S. Certified Mail, Return Receipt Requested; or (C) the following business day after being sent by national overnight delivery service, with confirmation of receipt, addressed as follows: to City and Commission at 1 Municipal Drive, Fishers, Indiana 46038, Attn: Scott Fadness, Mayor, with a copies to: Lindsey Bennett, City Attorney, 1 Municipal Drive, Fishers, Indiana 46038 and Jennifer Messer (via email) at jennifercmesserlaw@gmail.com; and to Developer at 12050 Exit 5 Pkwy, Fishers, IN 46037 with a copy to Patrick S. Cross, Faegre Drinker Biddle & Reath LLP, 600 E. 96th Street, Suite 600, Indianapolis, IN 46240. Any party may change its address for notice from time to time by delivering notice to the other party as provided above.

Section 8.08. Merger. All prior agreements, understandings, and commitments are hereby superseded, terminated, and merged herein, and shall be of no further force or effect.

Section 8.09. <u>Representations and Warranties</u>

A. <u>City and Commission</u>. Each of City and Commission represents and warrants to Developer that: (i) it shall not enter into any contracts or undertakings that would limit, conflict with, or constitute a breach of this Agreement; (ii) City is an Indiana municipality and Commission is a commission of the City, both of which are organized and existing under the laws of the State of Indiana; (iii) subject to completion of the applicable proceedings required by Laws, it has the power: (1) to enter into this Agreement; and (2) to perform its obligations hereunder; (iv) it has been duly authorized by proper action: (1) to execute and deliver this Agreement; and (2) to perform its obligations hereunder, (viii) this Agreement is the legal, valid, and binding obligation of it; and (v) it has not engaged or dealt with any real estate broker or agent in connection with the Phase II Project, Site, or this transaction and no person or entity is entitled to claim a fee in connection with this transaction or otherwise by, through, or as a result of, the acts or omissions of City or Commission.

B. Developer. Developer represents and warrants to City and Commission that: (i) Developer is an Delaware corporation, duly existing and validly formed under the laws of the State of Delaware and properly registered to do business in Indiana; (ii) it shall not enter into any contracts or undertakings that would limit, conflict with, or constitute a breach of this Agreement; (iii) it has the authority: (A) to enter into this Agreement; and (B) to perform its obligations hereunder, (iv) it duly has been authorized by proper action: (A) to execute and deliver this Agreement; and (B) to perform its obligations hereunder; (vi) this Agreement is the legal, valid, and binding obligation of Developer; (vii) neither it nor any party affiliated with it has engaged or dealt with any real estate broker or agent in connection with the Phase II Project, the Site, or this transaction and no person or entity is entitled to claim a fee in connection with this transaction by, through, or as a result of, the acts or omissions of Developer or any party affiliated with Developer; and (viii) it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual identification, sexual orientation, or national origin. If Developer has employees, Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause; and, if Developer has employees, Developer will state, in all solicitations or advertisements for employees placed by or on behalf of Developer, that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual identification, sexual orientation, or national origin.

Section 8.10. Miscellaneous. Subject to Article VII, this Agreement shall inure to the benefit of, and be binding upon, City, Commission and Developer, and their respective successors and assigns. This Agreement shall be recorded by the City against the Site. This Agreement may be signed in one or more counterparts, each of which shall constitute one and the same instrument. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Indiana. All proceedings arising in connection with this Agreement shall be tried and litigated only in the state courts in Hamilton County, Indiana, or the federal courts with venue that includes Hamilton County, Indiana. City, Commission and Developer waive, to the extent permitted under applicable law: (A) the right to a trial by jury; and (B) any right City, Commission or Developer may have to: (i) assert the doctrine of "forum non conveniens"; or (ii) object to venue. This Agreement may be modified only by a written agreement signed by City, Commission and Developer. The invalidity, illegality, or unenforceability of any one or more of the terms and conditions of this Agreement shall not affect the validity, legality, or enforceability of the remaining terms and conditions hereof. All Exhibits to this Agreement are attached hereto and incorporated herein by reference. Time is of the essence in this Agreement. If any provision of this Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law; provided that, in lieu of such invalid or unenforceable provision, there will be added to this Agreement a provision as similar to the invalid or unenforceable provision as is possible to reflect the intent of the parties and still be valid and enforceable. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Agreement or the scope or content of any of its provisions. Nothing contained in this Agreement shall be construed to create a partnership or joint venture between or among Developer, Commission or City or their successors in interest. The parties acknowledge and agree that Developer is not a principal, agent, officer shareholder or employee of the City or Commission. Unless otherwise specified, in computing any period of time described herein, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday for national banks in the location where the Site is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday, or legal holiday.

IN WITNESS WHEREOF, City, Commission and Developer have executed this Economic Development Agreement as of the day and year first written above.

[signatures on following pages]

IN WITNESS WHEREOF, the City, Commission and Developer have executed this Project Agreement as of the day and year first written above.

"**City**"

City of Fishers, Hamilton County, Indiana

By:___________________________________
Scott Fadness, Mayor

"Commission"
CITY OF FISHERS REDEVELOPMENT COMMISSION

____
Brad Johnson, President

Attest: ____________________
Tony Bonacuse, Secretary

"**Developer**"
INCOG BIOPHARMA SERVICES, INC.

By: Cory B. Lewis

Its: Chief Executive Officer