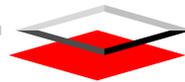


Don R. Scheidt & Co., Inc.
626 N. Illinois St. Suite 200
Indianapolis, IN 46204-1251
Phone: (317) 631-8478
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An Appraisal Report of:



Columbus Redevelopment Properties
SEC 2nd Street & Lafayette
(identified as Lot 1, Lot 2B and Lot 3 in the 2nd Replat of Lot 2A)
Columbus, Bartholomew County, Indiana

Prepared at the request of:
Mr. Doug Pacheco
Project Consultant
Columbus Redevelopment Commission
123 East Washington Street
Columbus, IN 47201



October 8, 2015

Mr. Doug Pacheco
Project Consultant
Columbus Redevelopment Commission
123 Washington Street
Columbus, IN 47201

RE: **Columbus Redevelopment Properties:** The “As Is” Market Value of the Fee Simple Estate of the three properties (identified as Lot 1, Lot 2B and Lot 3 in the 2nd Replat of Lot 2A) in the southeast quadrant of 2nd Street and Lafayette Avenue Columbus, Bartholomew County, Indiana.

Dear Mr. Pacheco:

In accordance with your request, Anthony G. Demos and Don R. Scheidt, MAI, CCIM, FRICS have carefully examined those factors, which we considered pertinent in arriving at an opinion of the “As Is” Market Value of the Fee Simple Interest of the three properties (identified as Lot 1, Lot 2B and Lot 3 in the 2nd Replat of Lot 2A).

The value opinions contained herein are subject to the “Assumptions and Limiting Conditions” included in the following Appraisal Report as well as the Extraordinary Assumptions which appear in the Summary of Facts and Conclusions. This report is prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation and the Standards of Professional Practice of the Appraisal Institute. This appraisal may not be used or relied upon by anyone other than the intended user(s).

The date of the report is October 8, 2015. The effective date of the “As Is” Market Valuation is September 21, 2015 which is also the date the subject properties were inspected by Anthony G. Demos. Don R. Scheidt MAI, CCIM, FRICS did not inspect the subject properties but is serving as review appraiser.

Don R. Scheidt & Co., Inc.

626 N. Illinois, Suite 200, Indianapolis, Indiana 46204-1251 / (317) 631-8478 / Fax (317) 687-8286
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web: www.donrscheidt.com

Mr. Doug Pacheco
Columbus Redevelopment Properties, Columbus, Bartholomew County, Indiana
October 8, 2015
Page 2

Our opinion of the "As Is" Market Value of the Fee Simple Interest of Lot 1 as of September 21, 2015 is as follows:

\$535,000

FIVE HUNDRED THIRTY FIVE THOUSAND DOLLARS

Our opinion of the "As Is" Market Value of the Fee Simple Interest of Lot 2B as of September 21, 2015 is as follows:

\$840,000

EIGHT HUNDRED FORTY THOUSAND DOLLARS

Our opinion of the "As Is" Market Value of the Fee Simple Interest of Lot 3 as of September 21, 2015 is as follows:

\$125,000

ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS

Your attention is invited to the following data, which in part forms the basis of our conclusions. Should you have any questions regarding this analysis, please do not hesitate to contact us.

Respectfully submitted,

Anthony G. Demos
Associate, Don R. Scheidt & Co., Inc.
Indiana Certified General Appraiser
License No. CG49500108

Don R. Scheidt, MAI, CCIM, FRICS
President, Don R. Scheidt & Co., Inc.
Review appraiser, did not inspect
Indiana Certified General Appraiser
License No. CG69100099

Don R. Scheidt & Company, Inc.

Indiana Office Locations: Indianapolis • Columbus • Lafayette

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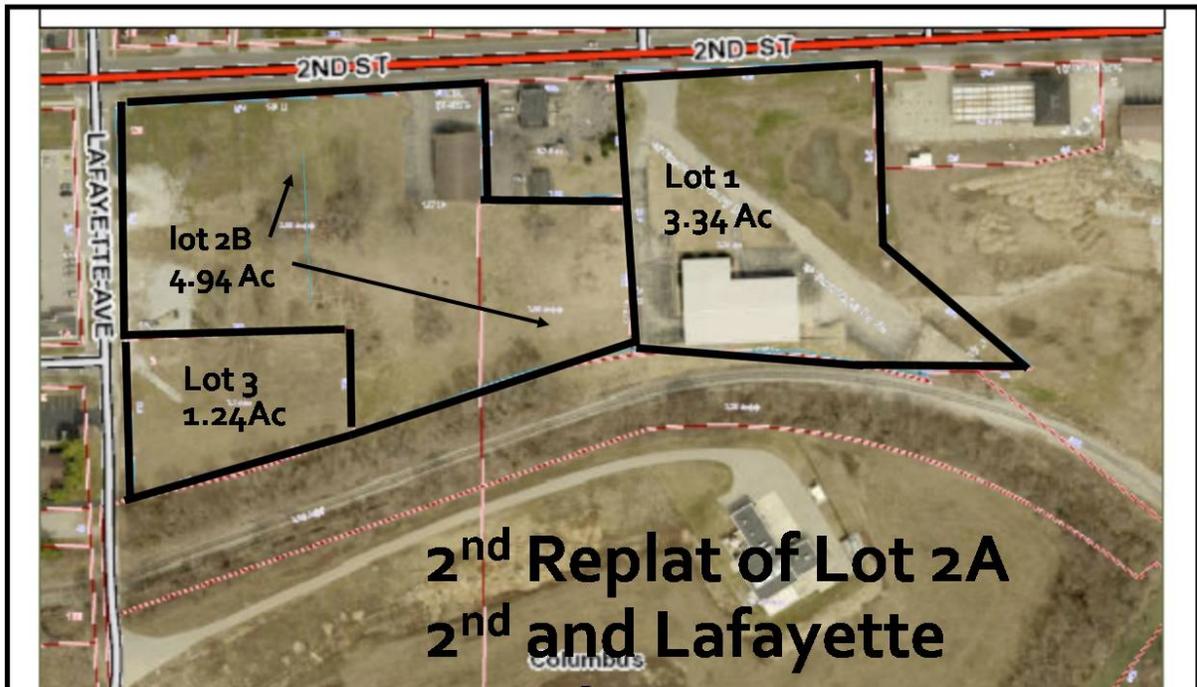
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State Certifications



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Lot 1



Lot 2B

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Indiana Office Locations: Indianapolis • Columbus • Lafayette



Lot 3

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Indiana Office Locations: Indianapolis • Columbus • Lafayette

SUMMARY OF FACTS AND CONCLUSIONS

PROPERTY IDENTIFICATION AND LOCATION:

The subject properties are located at the southeast corner of Lafayette and 2nd Street, Columbus, Bartholomew County, Indiana. There are three lots identified as Lot 1, Lot 2B and Lot 3 in the 2nd Replat of Lot 2A.

DESCRIPTION OF IMPROVEMENTS:

There is a vacant 13,960 square foot light industrial building on Lot 1 and a 4,473 square foot light industrial building on Lot 2B. It is the City’s intent to demolish both buildings. As will be discussed in the Highest and Best Use section of this report, it is thought that neither improvement adds contributory value to the sites and should be removed.

SIZE OF SITES:

Lot 1 is 3.34 acres or 145,490 square feet, Lot 2B is 4.94 acres or 215,186 square feet and Lot 3 is 1.24 acres or 54,014 square feet. The total acreage for all three lots is 9.52 acres.

OBJECTIVE OF THE APPRAISAL:

To provide an opinion of the “As Is” Market Value of the Fee Simple Interest for all three lots.

DATE OF THE REPORT:

October 8, 2015

EFFECTIVE DATE OF VALUATION:

September 21, 2015

DATE OF THE INSPECTION:

September 21, 2015

ASSESSMENT:

According to the public records, the three lots are owned by the City of Columbus Redevelopment Commission and are not assessed as they are tax exempt.

REAL ESTATE TAXES:

Tax exempt.

PRESENT USE OF THE SUBJECT:

Vacant

ZONING:

CD, Commercial: Downtown District

FLOOD HAZARD AREA: Lot 2B and Lot 3 are not located within a flood hazard area, according to the Flood Insurance Rate Map, Panel 18005C0133E, dated December 9, 2014. A portion of Lot 1 is located in Zone AE 100 year flood fringe.

HAZARDS/NUISANCES: Railroad tracks to the south of the three lots and the county jail to the west.

HIGHEST AND BEST USE "AS THOUGH VACANT": Hold for speculation until a specific user is secured.

ESTIMATED MARKETING AND EXPOSURE PERIOD: Approximately 18 months

OPINION OF LAND VALUE:
LOT 1: \$535,000
LOT 2B: \$840,000
LOT 3: \$125,000

OPINION OF VALUE BY COST APPROACH: Not Applied In This Analysis

OPINION OF VALUE BY INCOME APPROACH: Not Applied In This Analysis

OPINION OF VALUE BY SALES COMPARISON APPROACH: Not Applied In This Analysis

FINAL OPINION OF MARKET VALUE:
LOT 1: \$535,000
LOT 2B: \$840,000
LOT 3: \$125,000

****CRITICAL VALUATION ISSUES:**

1. The cost to remove the improvements provided in this report is a rough estimate. It is recommended that two quotes from reliable demolition contractors be obtained. If these quotes vary significantly from the demolition estimate provided in this report, then the value conclusions could change.
2. The appraiser is not an environmental expert. An environmental assessment was requested but not provided. It is reported by the client that Lot 3 is a Brownfield remediation site that is being remediated at the present time. No final conclusion has been made as to if there will be any restrictions placed on Lot 3 for future development. Therefore, any additional matters pertaining to any potential or existing environmental concerns or hazards should be addressed by a qualified professional. Any additional adverse environmental condition discovered could alter the value conclusions reached in this report.

****EXTRAORDINARY ASSUMPTIONS:**

The appraisal assignment and the value conclusion(s) herein are subject to the following assumptions. If it is necessary to revise the assumptions for any reason, or if the assumptions are not met, the values presented within this report are subject to change

1. The value conclusions assume that an engineer's report states that the subject sites can be physically developed. This report would determine if the subsoil condition is adequate for any building improvements and determine if there are appropriate utility access points, ingress and egress issues, any cross easement issues, cost of any connector fees and any building permits or other appropriate development permits required.
2. The subject properties are currently owned by the City of Columbus Redevelopment Commission and are not assessed as they are tax exempt. Once the properties are acquired by a private sector entity they will be assessed and property taxes will be due on the properties.

CLIENT: Mr. Doug Pacheco
Project Consultant
Columbus Redevelopment Commission
123 Washington Street
Columbus, IN 47201

APPRAISER: Don R. Scheidt & Company, Inc.
626 N. Illinois St. Suite 200
Indianapolis, Indiana 46204

SUBJECT PROPERTY: Columbus Redevelopment Lots
SEC 2nd Street & Lafayette identified as Lot 1, Lot 2B and
Lot 3 in the 2nd Replat of Lot 2A
Columbus, Indiana

IDENTIFICATION OF THE SUBJECT PROPERTY

The subject properties are located at SEC 2nd Street & Lafayette identified as Lot 1, Lot 2B and Lot 3 in the 2nd Replat of Lot 2A Columbus, Bartholomew County, Indiana. Photographs can be found in the Addenda of this report.

SCOPE OF WORK

Don R. Scheidt & Co., Inc. was requested by Mr. Doug Pacheco Columbus Redevelopment Commission Columbus, Indiana to appraise the “As Is” Market Value of the Fee Simple Interest of Lot 1, Lot 2B and Lot 3. This report represents an Appraisal Report as defined by USPAP as defined by USPAP. This appraisal and the value opinions presented within are based on market conditions as of the date of inspection, and contingent upon and subject to the “Assumptions and Limiting Conditions” included in the certification of the appraisal report as well as the “Extraordinary Assumptions” which follow the “Summary of Facts and Conclusions.” This appraisal may not be used or relied upon by anyone other than the intended user(s). This appraisal is the result of the research, analysis and conclusions of the appraiser, acting as a disinterested third party. The data considered to be relevant and presented in this appraisal assignment has been researched, confirmed as far as possible, and reported in conformity with the standards of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice. The extent of the work and the size of the report are intended to be appropriate in relation to the significance of the appraisal problem.

The scope of this appraisal assignment includes the following:

1. Inspection of the subject properties;
2. Collection of factual data on the subject property and any available comparable properties;
3. Analysis of the highest and best use of the subject property;
4. Application of all the appropriate methods of valuation;
5. Reconciliation of the methods of valuation; and
6. Writing an appraisal report using the information from the previous five steps.

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In preparing this appraisal, the following specific steps were taken:

1. Anthony G. Demos inspected the subject properties;
2. gathered and confirmed information on land sales by contacting various commercial realtors;
3. applied the Sales Comparison Approach to arrive at an indication of value.

The appraisers are competent to complete this report in accordance with the Competency Provision in USPAP. The appraisers or appraiser's firm have not provided any previous services regarding the subject property, including an appraisal, within the three years prior to this assignment.

DATE OF THE VALUE OPINION

The date of the report is October 8, 2015. The effective date of the "As Is" valuation is September 21, 2015 which is the date the properties were inspected by Anthony G. Demos. Don R. Scheidt, MAI, CCIM, FRICS, did not inspect the subject property but is serving as review appraiser.

DEFINITION OF MARKET VALUE

Market value is "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 United States dollars or in terms of financial arrangements comparable thereto.
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. (Federal Register, Volume 55, No. 163, August 22, 1990, pages 34228 and 34229).

PROPERTY RIGHTS APPRAISED

The property rights being appraised is the **Fee Simple Interest**. **Fee Simple Interest** is "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*, 5th ed. (Chicago Appraisal Institute, 2010) Page 78.

INTENDED USER(S) AND USE OF THE APPRAISAL

The intended use of this appraisal is to advise our client and intended user Columbus Redevelopment Commission for asset evaluation and/or disposition. It has been determined by the appraiser based on the intended use and users, that the proper reporting of this appraisal is within the requirements of an Appraisal Report as outlined in USPAP Standard Rule 2-2 (a).

STATEMENT OF OWNERSHIP AND HISTORY OF THE APPRAISED PROPERTY

According to documents provided by the Bartholomew County Assessor’s Office, the subject properties are currently under the ownership of City of Columbus Redevelopment Commission and there have been no property transfers the past three years. The City of Columbus is in the process of soliciting proposals from developers to develop the subject properties into a mixed use development that would include retail, hotel and apartments.

This report does not constitute a title search, and no such title search was attempted by the appraiser in the course of this report. All existing liens or encumbrances have been disregarded (other than those specifically outlined in the appraisal), and the property is appraised as though free and clear under responsible ownership and competent management. 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 has been obtained for the use on which the value of the interest appraised in this report is based.

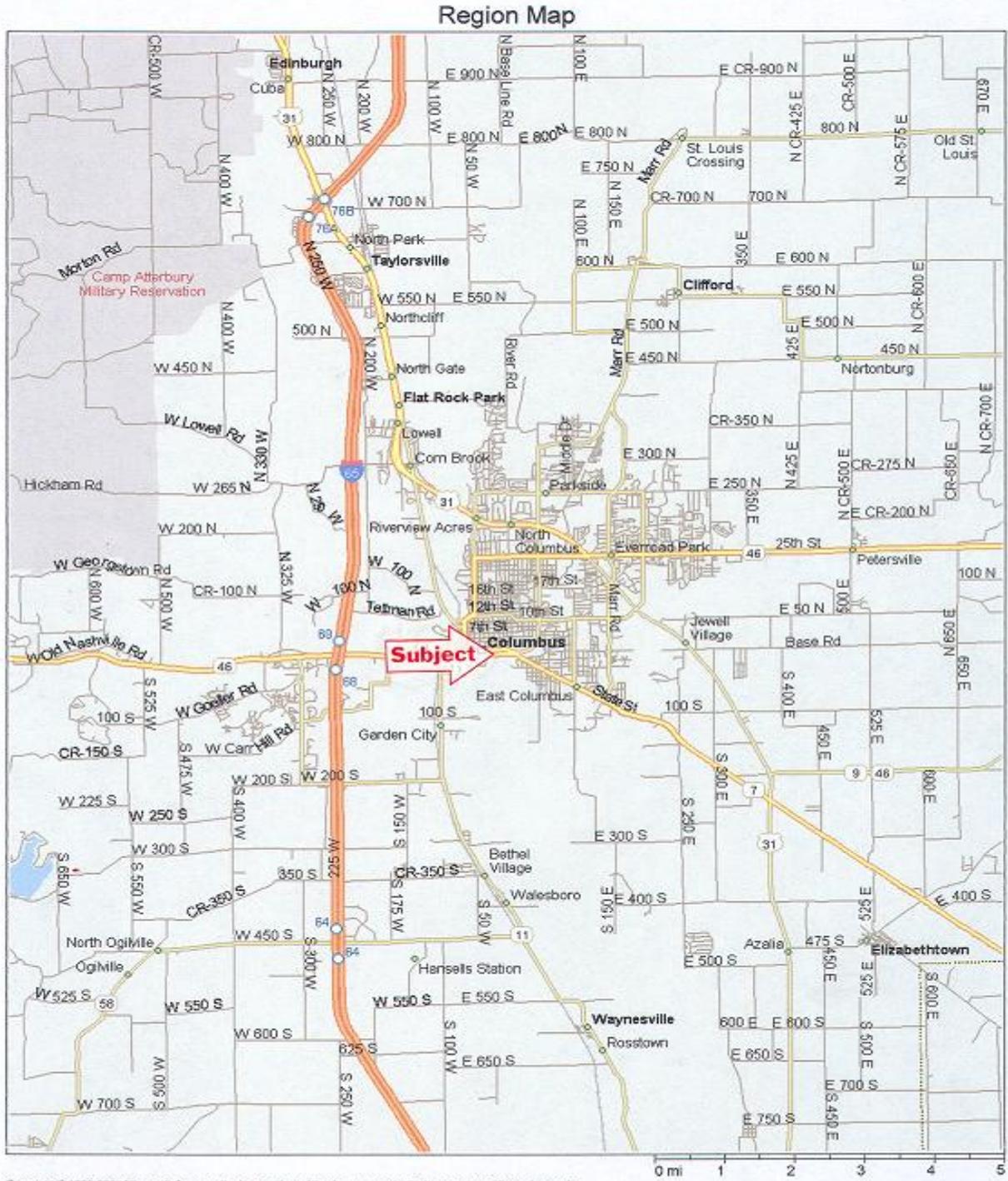
REGION ANALYSIS

The subject is located in Columbus Bartholomew County Indiana. Based on this location, Bartholomew County, to include Columbus, which is the county seat, is identified as the region and will be discussed in detail below. According to the Columbus Chamber of Commerce, Columbus is classified as a 2nd Class city under Indiana law, which classifies by a city’s population.

Columbus is known internationally as a showcase for contemporary architecture. The City has 50 major structures that have been designed by world-renowned architects. The city currently ranks fourth in the United States for the number of buildings designed by major American architects with only New York, Chicago Los Angeles ranking higher, These structures span many types of uses, such as churches, schools, law enforcement buildings, fire stations, shopping malls, and post offices

Government

A mayor and a city council, which consists of seven elected members, govern Columbus. Columbus was initially classified as a Town in 1835 and currently, the City of Columbus encompasses 25.5 square miles. Columbus is the county seat of Bartholomew County, and is a major influencing economic factor in the area.



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Population and Income

The following table illustrates population trends for the City of Columbus and Bartholomew County, as well as Indiana. This data was obtained from the U.S. Census and the Site to do Business.

Population Trends

	Columbus	% Δ	Bartholomew County	% Δ	Indiana	% Δ
1990	34,842		63,657		5,544,157	
2000	39,059	+12.1%	71,435	+12.2%	6,080,485	+9.7%
2010	44,061	+12.8%	76,794	+7.5%	6,483,802	+6.6%
2014	46,488	+5.5%	79,987	+4.2%	6,581,982	+1.5%
2019*	49,404	+6.3%	84,479	+5.6%	6,739,329	+2.4%

*Projection

The population of Columbus has shown strong population growth from 1990 to 2010. Bartholomew County grew at a lower rate beginning in 2010 and just below Columbus for 2014 and the projected 2019 data. Bartholomew County falls within Region XI in the state of Indiana, which is a five-county area including Bartholomew, Brown, Decatur, Jackson, and Jennings counties. In addition, Bartholomew County has an eleven county commuting area comprised of Region XI plus Johnson, Lawrence, Monroe, Ripley, Shelby and Scott Counties. The year 2000 population for region XI was 179,836, which represents a 10.5% increase over the 1990 population. The 2010 population according to STATS Indiana is 188,224 indicating continued growth.

According to statistics from the CCIM Site to Do Business website, median household income for Bartholomew County for 2014 is estimated at \$53,706 an increase of 21.4% from 2000 (\$44,226). It is projected to increase to \$61,145 by 2019 an increase of another 13.9%.

Labor Force

The following table summarizes the labor force in Bartholomew County, while the next table summarizes the historic unemployment rates for the county, state, and nation.

Labor Force in Bartholomew County

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	8/2015
Labor force	38,255	38,813	39,741	38,561	38,056	39,672	41,158	41,110	42,408	44,438

Historic Unemployment Rate (%)

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	8/2015
Bartholomew Co.	4.2	3.6	4.6	9.6	9.3	7.4	6.3	5.9	4.5	3.2
Indiana	5.0	4.6	5.8	10.3	10.0	8.8	8.1	7.5	5.9	4.6
U.S.	4.6	4.6	5.8	9.3	9.6	8.9	8.1	7.4	6.2	5.1

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As detailed above, the unemployment rate for Bartholomew County is currently well below both Indiana and the U.S. This trend has been consistent over the entire analysis period, as Bartholomew County has consistently performed better than the larger State and Country averages. With the unemployment rate at basically full employment, the availability of labor is a concern to existing employers looking to expand their operations or prospective employers looking to locate in a community with an available work force.

Much of the new development in Bartholomew County had been centered on downtown Columbus where, in addition to the new Cummins office facilities and parking garages, a hotel has been developed and opened. Another major project is the Cole Apartments, developed by Buckingham Companies of Indianapolis. This facility wraps three sides of the parking garage west of the courthouse and includes retail space on the first floor.

As previously noted, Bartholomew County has experienced strong population growth since 2010. According to the Indiana Business Research Center, this population growth has been fueled by the manufacturing sector, which is discussed below.

Industry

The City of Columbus has actively encouraged new construction and the expansion of existing industries within the community. This is accomplished by the aggressive pursuit of new industries as well as by offering tax abatements. According to the Columbus Indiana Economic Development Board, from 1995 through 2010, over 850 jobs were created and \$100 million invested by nearly 20 new companies locating in Columbus. Also, industry expansion in the city from 1995 through 2010 totaled over \$1.7 billion and the creation of over 4,100 new jobs.

The ten largest employers in Columbus are summarized in the table on the following page. This information was obtained from the Columbus Indiana Economic Development Board and is the latest data available, but may not reflect the most recent layoffs and expansions.

Employer	Product/Industry	Employees
Cummins Engine Co., Inc.	Diesel Engines & components	7,937
NTN Driveshaft	CVJs, Wheel Hub Units	2,000
Columbus Regional Hospital	Healthcare	1,850
Bartholomew Consolidated School Corp.	Education	1,800
Faurecia (formerly EMCON Technologies)	Automotive exhaust & ride control	1,593
Toyota Industrial Equipment Mfg, Inc.	Forklift trucks	1,141
Enkei America, Inc.	Aluminum wheels	880
Dorel Juvenile Group (formerly Cosco, Inc.)	Furniture, housewares	807
Wal-Mart Supercenters	Retail shipping	587
Bartholomew County	Government	437

As shown above, there are several prominent industrial employers in the Columbus area, including Cummins, NTN Driveshaft, Faurecia, and Toyota Industrial Equipment, as well as Columbus Regional Health and the Bartholomew Consolidated Schools. Cummins Inc. has their corporate headquarters in Columbus, and produces light to heavy-duty diesel engines, a variety of filters and engine related products, and power generators. Cummins is the third-largest private employer in the state and the third largest in terms of revenue.

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Indiana Office Locations: Indianapolis • Columbus • Lafayette

NTN Driveshaft, Inc. manufactures bearing and constant velocity joints for car and trucks in 33 production facilities worldwide. The Columbus facility is located in the Woodside South Industrial Park, in the southwest quadrant of I-65 and SR 58. In 2010, NTN renewed their commitment to Columbus with plans to invest \$17 million in new equipment. The company received a 10 year tax abatement from the City of Columbus to support this investment. In 2007, a private equity firm, One Equity Partners, purchased ArvinMeritor's local plants, at which the company manufactures automotive exhaust and ride control components. The division is now known as Faurecia (formerly EMCON Technologies). Faurecia is a leader in the global emission technology industry with operations in 19 countries and 7,500 employees. Dorel Juvenile Group produces furniture, house wares and juvenile products in its \$25 million, 1,100,000 square-foot facilities.

The Advanced Manufacturing Center of Excellence was dedicated on June 10, 2011 as part of a \$38 million grant from Lilly Foundation to improve education in southeast Indiana. Ivy Tech and Purdue run the facility's programming and other training specific to manufacturer's needs. The new 43,000 GSF facility was constructed in the Columbus Municipal Airport Industrial Park.

Other major employers expanded manufacturing and added jobs such as Dorel, Caltherm Corp., NTN and Sunright. These expansions added new jobs and renovated or upgraded equipment also involving tax abatement by the city. A new manufacturing facility for The Phoenix Group was announced in 2012 in the Woodside Northwest Park. The Phoenix Group was incorporated in 1991 in Indianapolis and is a leader in supply chain management providing assembly procurement, project management, engineering, warehousing and logistics. Current customers include NTN Driveshaft, Alpine Electronics of America, Allison Transmission, Kenwood USA, and AISIN. Toyota recently announced it plans to spend \$16 million on expanding their current operation from 250,000 square feet to 1,000,000 square feet.

Recent announcements further demonstrating the strength of the local economy and particularly the manufacturing sector include Toyota will spend \$16 million building a new national headquarters of 50,000 square feet for its Materials and Handling division. Faurecia will invest \$61 million in a 400,000 square foot building set to open in 2017. This expansion will create 131 new jobs. Cummins opened a \$15 million 428,400 square foot Cummins Southern Indiana Logistics Center in the Walesboro Industrial Park. This center employs 105 people.

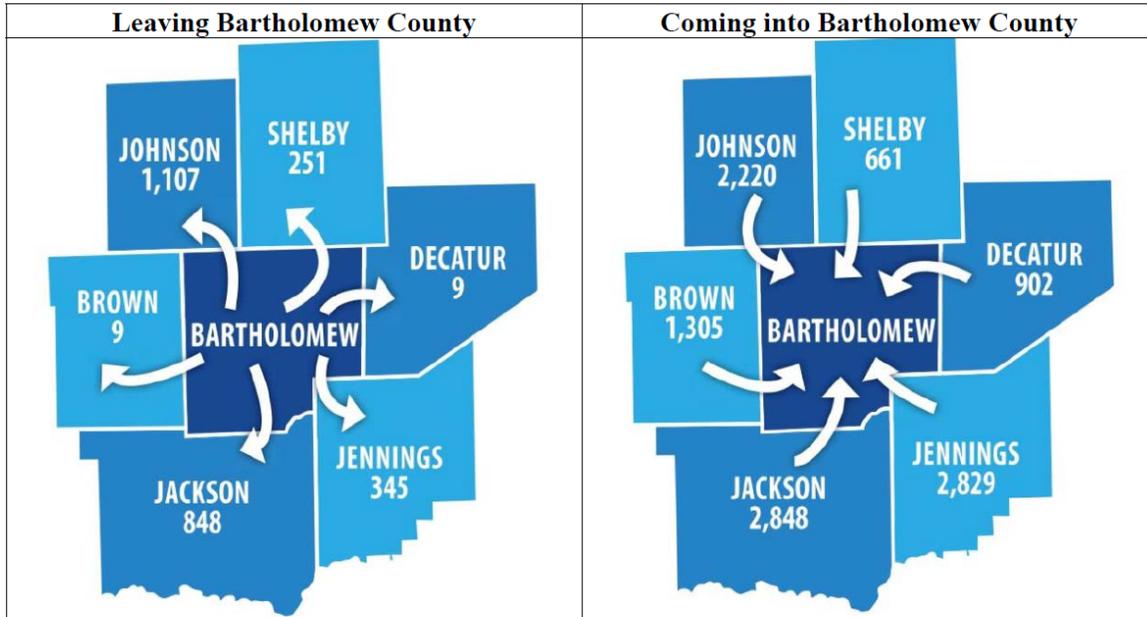
Commuting Trends

A growing number of workers are commuting into Bartholomew County from the adjacent, neighboring counties according to new Census Bureau data. When compared to prior studies, more residents from the adjacent, neighboring counties are traveling to work in Bartholomew County than ever before. Most of these commuting workers are from Jennings County to the southeast and Jackson County to the south, each with over 2,800 commuters followed by Johnson County to the northwest with over 2,200 commuters. More recent data indicates that fewer workers are leaving Bartholomew County for work in other counties. Johnson, Marion, Jackson and Jennings counties all have seen a decrease in workers commuting from Bartholomew County. This further confirms the strong and steady job growth in Bartholomew

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County. The number of commuting workers as of the 2013 census is shown on the following tables.



Transportation

The Columbus area has access to I-65 at SR 46 on the west side of Columbus, at SR 58 to the south, and at U.S. 31 just north of Columbus. I-65 provides direct access to the Indianapolis metropolitan area approximately 45 miles to the north, and to Louisville approximately 70 miles to the south. In addition, U.S. 31 runs north and south through Bartholomew County and roughly parallel to I-65. The area is also served by several State Highways including SR 58, SR 46, SR 11, and SR 7. Limited commercial and private air transportation is available at the Columbus Municipal Airport. Services include 24-hour charter service to anywhere in the continental U.S., Canada, and Mexico. In addition, 24-hour air cargo service is available up to 13,000 pounds. Complete domestic and international passenger air service is available at Indianapolis International Airport in Indianapolis. Greyhound is no longer available, however, rail, and taxi services are available in Columbus

Medical Facilities

Columbus Regional Hospital, which serves a ten-county area, is a 225-bed facility with a staff of over 1,700. The hospital offers emergency services, a state-of-the-art surgery center, 16-bed intensive care unit, and therapeutic/diagnostic/rehabilitation services, as well as mental health services in an inpatient unit.

In May 2007, Columbus Regional Hospital announced that it would build a \$70 million addition to include at least 62 new patient rooms and a new emergency department. This expansion project was put on hold due to the 2008 flooding, but on May 19, 2014 it was announced that a \$30 million expansion of the emergency department and cancer center will be completed by the end of 2015.

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Summary

The Columbus area has experienced both job cuts followed by job expansion as a result of the recession and economic recovery. However, the labor force has increased since 2009 and the unemployment rate is below both the state of Indiana and the U.S. The population of the area is growing and the economy and income levels are also increasing. Considering these factors, the economic outlook for the Bartholomew County area is for continued stability and modest growth in the foreseeable future.

Columbus has been announced as a finalist for All-America City Award for 2014. Only 25 communities were chosen as finalists and Columbus is the only city within Indiana. This award is intended to recognize communities that demonstrate innovation, inclusiveness, civic engagement and cross-sector collaboration through successful efforts to address pressing local challenges. Issues which were notable for Columbus were the Advance Columbus strategic plan for obesity prevention, economic opportunities through Education by 2015 and downtown arts district development. Columbus was selected for the All-America City title in 1994.

MARKET AREA ANALYSIS

The definition of *market area* is “the area associated with a subject property that contains its direct competition” (*The Dictionary of Real Estate Appraisal*, 5th Edition, Chicago: Appraisal Institute, 2010, page 121). . In the case of the subject, the market area is considered to be smaller than the region but larger than the neighborhood (a discussion of the neighborhood will follow).

The subject properties are located at the southern periphery of the Columbus Central Business District (CBD), which is best described as north of Second Street, south of Eleventh Street, west of Franklin Street, and east of Lindsey Street. This area includes government, banking, office and secondary retail development. The CBD is attractive for such uses due to the proximity to local governmental agencies, banking centers, and the corporate headquarters of Cummins, Inc.

Governmental buildings in the CBD include the County Courthouse, the Bartholomew County Government Building, the Bartholomew County Jail, and the Columbus City Hall. Cummins Inc. has their world headquarters located in the CBD. This facility covers a three-block area.

While the subject sites are located within the CBD, it is at the southern end and south of 2nd Street. The majority of the Columbus CBD is improved with office uses. Thus, the subject site would be in competition with other office buildings within the CBD. The location of the CBD offers prestige and convenience to government offices, lending institutions, and the Cummins Engine Company’s world headquarters, as well as the continued growth of Southeastern Indiana Health Operations Inc. The CBD has seen a significant amount of new development over the past three years.

The neighborhood surrounding the subject property is being impacted by the Vision 20/20 Redevelopment Plan, which was launched in August 2005. The Indigo hotel was one of the first developments to occur as part of the plan. Additional projects that have been completed to date include a three-story, 403 space parking garage on Jackson Street between Fourth and Fifth Streets. This garage also has over 8,000 square feet of first floor retail space that fronts Fourth

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Indiana Office Locations: Indianapolis • Columbus • Lafayette

Street. Redevelopment of the former Commons Mall was completed in April 2011. Both The Commons and Commons Mall closed at the end of 2007. As part of the redevelopment, both areas had been demolished except for the Cesar Pelli designed steel frame super structure and have been split in half so Jackson Street can be opened for traffic. The newly constructed Commons has street level retail fronting on Washington, Fourth and Jackson Street. Inside the Commons is an indoor playground, four areas that are available for rent that can accommodate up to 700 people. Tenants to the Commons include Puccini's Smiling Teeth Restaurant, Jordy McTaggart's, Orange Leaf yogurt and Subway.

As part of this redevelopment, a new office building has been built on the northeast corner of Jackson and Third Street. This four-story building contains 100,000 square feet and currently houses approximately 550 Cummins Inc. employees. A second multi-story parking garage was constructed on the southeast corner of Brown and Third Streets.

In January 2012, Buckingham Construction completed construction of The Cole, a four-story, 146-unit apartment complex with ground level retail space. The Cole apartments wrap around the multi-story parking garage that was constructed in 2010 at the southeast corner of Brown and Third Streets. The first residential tenants moved into the apartments in February 2012. German American Bank is a tenant within the 9,000 square feet of ground level space.

Cummins constructed an \$18 million office building at the southeast corner of Jackson and Fourth Streets, a block south of the headquarters building. The 130,000-square-foot building is connected to a similar-sized office building that Cummins moved into in 2009. Once the new building is filled, Cummins will employ nearly 3,000 workers in a two-block area of downtown Columbus, three times its local presence in 2008. The ground floor of this new building, facing Fourth Street, is for commercial space. New tenants include Yat's Cajun Creole and Taku Japanese Steakhouse. Yat's opened in 2013, and Taku Japanese opened in 2014.

In October 2011, Cummins purchased the former First Financial bank office and branch in downtown Columbus across the street from the company's corporate headquarters to use as office space. Cummins has approximately 350 employees at this facility.

Cummins, Inc. constructed an 800-space parking garage along Jackson Street, between Sixth Street and Seventh Street, for use by Cummins employees during daytime working hours and for the community at other times. Cummins, Inc. wants a retail/apartment complex built on a sliver of land adjacent east of this parking garage. Sprague Construction has proposed Urban Element, a five-story building with 400 apartments and 8,500 square feet of retail space. Sprague estimated the project will cost about \$11 million. However, Sprague Construction withdrew its plans in July 2013.

In June 2012, SIHO purchased the office building located at the southeast corner of Third Street and Washington Street. Columbus Regional Hospital is leasing this space from SIHO for a Well Connect Immediate Care facility.

In January 2013, it was announced that St. Francis Health has opened a medical office facility in the former Goodyear building, located at 123 Second Street. St. Francis spent at least \$2.6

million to renovate the building, which includes a new facade on the red brick-and-glass facade and renovating/adding offices and patient rooms in the interior.

There have been a number of other projects to enhance the downtown. A streetscape project was completed in an effort to make downtown more accessible and attractive. Elements of the project included brick sidewalks, improved lighting and signs, benches, planters, trees, redesigned intersections, two-way traffic on Washington Street, and planted medians along the western portion of Fifth Street.

In September 2012, Fourth Street, between Jackson Street and Franklin Street, underwent a \$1.7 million repaving and beautification project. Paving bricks were installed along the entire two block length of the project, with decorative planters and artistic touches. Decorative gates were installed at Jackson Street, Washington Street, and Franklin Street that can be closed to make Fourth Street a pedestrian only zone for major events.

Mill Race Park is a public park located northwest of the subject property. The park includes an amphitheater, observation tower, river walk, round lake, playgrounds, and historic bridges. This park has become an added attraction for the downtown area of Columbus by providing a variety of programs for the community. A major local/state/federal effort has been completed to develop a model entry corridor connecting the CBD with the nearby I-65/S.R 46 interchange. This project established a more functional and efficient connection between the interstate and downtown Columbus including widening S.R. 46 and building a new bridge over the East Fork of the White River.

In July 2010, Russell Development assisted C & R Investments, LLC in the purchasing of the former Columbus City Hall building at 444 5th Street for \$475,000. This building is a three-story building with a basement; there is approximately 19,080 square feet on the first three floors. According to Brian Russell, they have spent well over the purchase price of \$475,000 in renovations. The first floor is used for the law firm Coriden, Coriden, Andrews & Glover and the upper two floors are for residential use.

A Columbus-based realty company has started turning the city's historic Pump House into a restaurant, possibly to house a Bloomington-based brewery. Moravec Realty LLC purchased the property for \$285,000 and is proposing that it be operated by Upland Brewing Co., which has a brewpub and beer bar in Bloomington, along with tap houses in Carmel and in the Broad Ripple area of Indianapolis. Developer Tony Moravec, who owns several local businesses in Columbus, including two restaurants, said that while Upland is his company's preferred tenant, there are several steps which must occur first. The Pump House building, which sits on a 1.8-acre property at 148 Lindsey St. and overlooks the East Fork White River, is classified as neoclassical revival style with 15,730 square feet of space.

Demolition of the Volunteers in Medicine building in the 800 block of Jackson Street or the NWC of Jackson Street & 8th Street began in 2014. It clears the path for construction of a nearly 30,000 square-foot Cummins LiveWell Center. Construction on the new center is expected to be complete by the end of 2015, allowing it to open in early 2016. The site is just north of Cummins' global headquarters, where the company has been buying up property between Eighth and 11th streets and Jackson and Lindsey streets with an eye toward this project.

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Cummins has done a great deal of development along the Jackson Street corridor. In all likelihood, they are done with any new major development projects in the CBD of Columbus. Therefore, the question is who or what major developer or user will develop the subject sites?

Most Likely Buyer

The most likely buyer of the subject lots would be an investor or developer interested in developing the lots into some sort of mixed use development. The most likely buyer would likely come from beyond the local market.

EXPOSURE AND MARKETING PERIODS

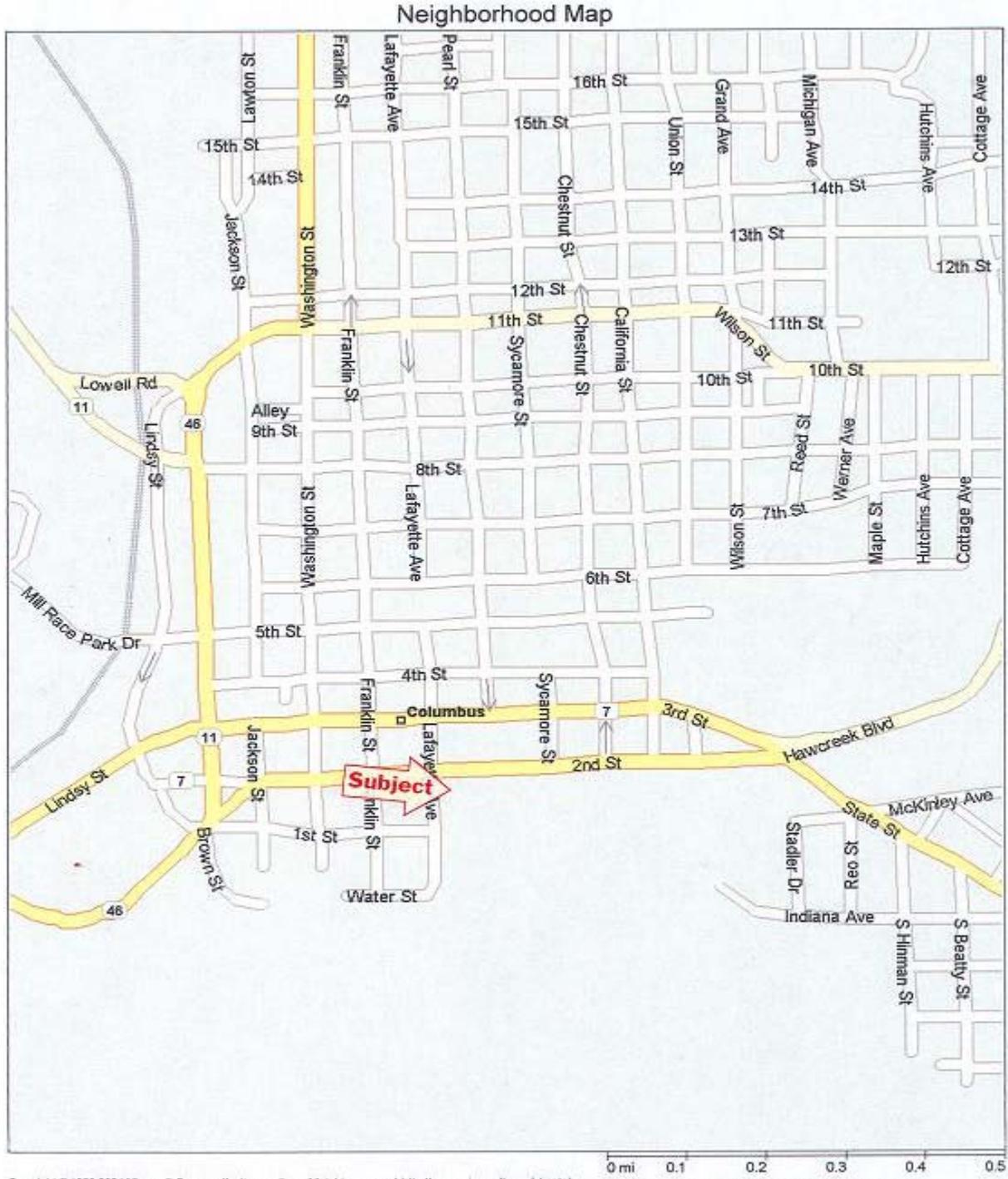
In examining the subject site's location and improvements, it is estimated that if the site were exposed in the market for sale, the marketing period for the subject would be approximately 18 months. This marketing period is estimated by examining the marketing periods of other vacant land within central and southern Indiana. The consensus of commercial realtors indicate that in their experiences, the average marketing time for vacant land in central and southern Indiana, such as the subject sites, would be approximately 18 months.

The above information indicated that exposure time (i.e., the length of time the subject sites would have been exposed for sale in the market had it sold at the market value concluded in this analysis as of the date of valuation) would have been about 18 months. The estimated marketing time (i.e., the amount of time it would probably take to sell the subject site if exposed in the market beginning on the date of this valuation) is also estimated to be approximately 18 months.

NEIGHBORHOOD DESCRIPTION

A definition of *neighborhood* is "a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises." (*The Dictionary of Real Estate Appraisal*, 5th Edition, Chicago: Appraisal Institute, 2010, page 133).

The subject neighborhood is considered to be the 2nd Street corridor from Jackson Street to the west to the Central Avenue/State Street fork to the east. 2nd Street is a one way street running from west to east. While a one way street is conducive to traffic flow most retail uses would prefer a two way street that provide better quality of visibility and allows customers to enter and exit the business form either direction. Most of not all of the new development in the CBD of Columbus has occurred along Jackson Street or west of Washington Street. No newer developments east of Washington Street where the subject properties are located were noticed. The Bartholomew County jail is located due west of Lots 2B and 3 as is the Courthouse and the Republic newspaper office. East of the subject sites is a 9 acre tract with a 20,000 square foot light industrial building that is listed for sale at \$1,650,000. This property has been on the market for some time. South of the subject sites is a railroad track. Some of the uses on the north side of 2nd Street include a McDonalds, apartments, car wash, Farm Bureau office, Berkshire Hathaway office and a Salin Bank branch. As one goes farther east of the subject sites, there are some industrial uses.



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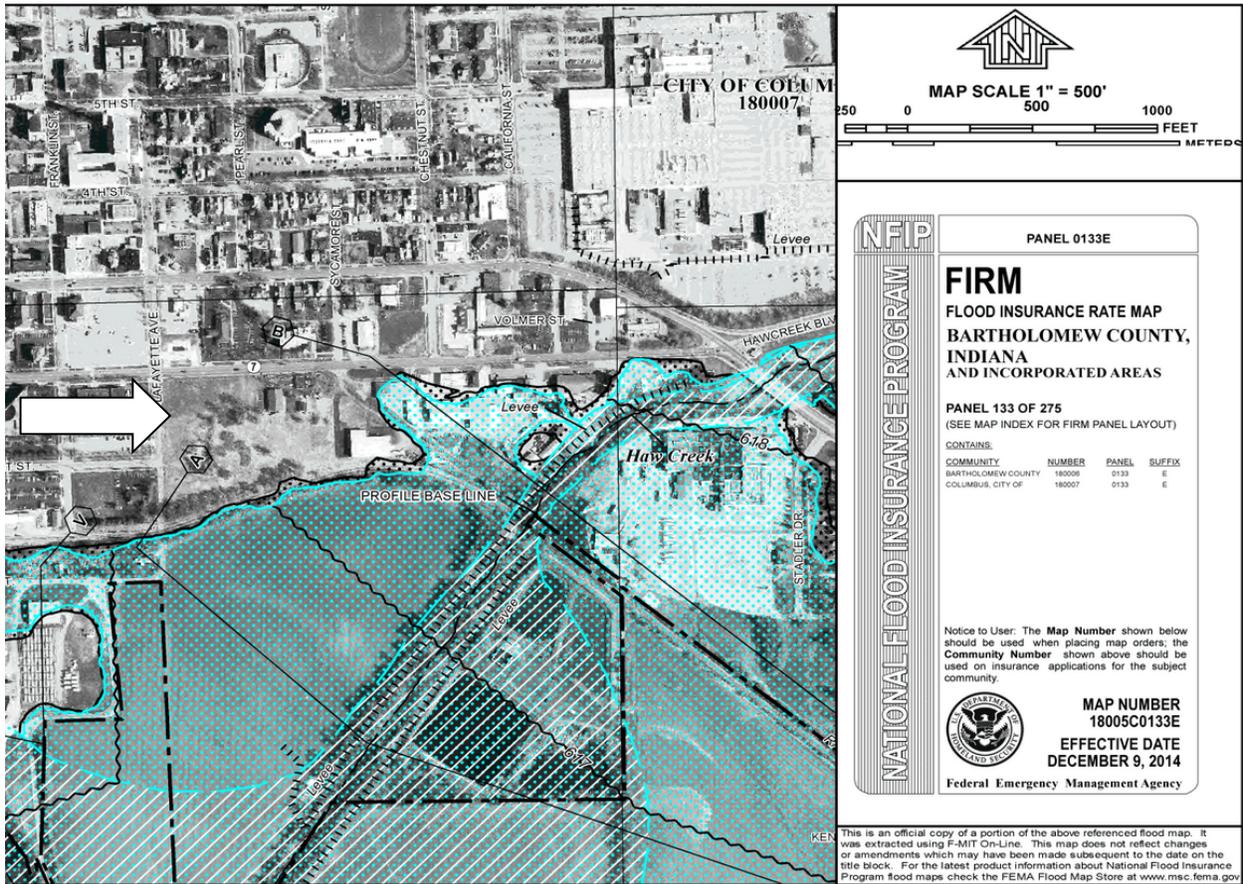
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The infrastructure within the subject neighborhood appears to be adequate at this time. State Highways 46, 7, and 11 extends through the neighborhood and provides good access to all portions of Columbus. In addition, I-65 is accessible from SR 46 less than two miles west of downtown. The primary east-west streets in the neighborhood are 2nd Street and 3rd Street, and the primary north-south streets are Washington Street and Lindsey Street. The majority of the streets in immediate CBD are one-way which makes travel by car somewhat difficult. All public utilities are present within the neighborhood including city water and sewer, electrical and gas service, along with city services such as police and fire protection. The utility capacity is assumed to meet the current needs as well as reasonable future needs.

In summary, the subject neighborhood is stable with no newer developments in recent years.

SITE DESCRIPTION

- Location:** The subject properties are located at the southeast corner of Lafayette and 2nd Street, Columbus, Bartholomew County, Indiana. There are three lots identified as Lot 1, Lot 2B and Lot 3 in the 2nd Replat of Lot 2A.
- Access:** Lot 1 has direct access to 2nd Street. Lot 2B is located at the southeast corner of Lafayette Avenue and 2nd Street and has access to both streets. Lot 3 has access to Lafayette Avenue.
- Land Size** Lot 1 is 3.34 acres or 145,490 square feet, Lot 2B is 4.94 acres or 215,186 square feet and Lot 3 is 1.24 acres or 54,014 square feet. The total acreage for all three lots is 9.52 acres.



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- Land Shape:** All the lots are irregular in shape
- Frontage:** Lot 1 has 335’ of frontage along 2nd Street. Lot 2b is a corner lot at the southeast corner of Lafayette Avenue and 2nd Street. It has 374’ of frontage along 2nd Street and 313’ of frontage along Lafayette Avenue. Lot 3 has 213’ of frontage along Lafayette Road which terminates at this site.
- Topography/Contour:** Level. Drainage appears adequate during normal weather patterns.
- Hazard/Nuisance:** Jail to the west and railroad tracks to the south.
- Flood Zone:** Lot 2B and Lot 3 are not located within a flood hazard area, according to the Flood Insurance Rate Map, Panel 18005C0133E, dated December 9, 2014. A portion of Lot 1 is located in Zone AE 100 year flood fringe.
- Utilities:** All public utilities are available.

Environmental Influences: The appraiser is not an environmental expert. At the time of this report, a current Phase I Environmental Assessment of the subject sites was not provided. The appraisal and the values presented herein assume that the subject property does not suffer from any significant environmental defects. The discovery of any significant environmental defects may result in changes in market value of the subject property. Please refer to Critical Valuation Issue #2.

ZONING ANALYSIS

The subject property is zoned DC, Downtown Commercial. The following text outlines the requirements.

- PERMITTED USES:** The DC district is intended to be used for traditional downtown uses and mixed uses that promote a strong pedestrian oriented downtown with limited institutional and service oriented businesses and no residential uses on the first floor levels. Permitted uses include single and multi-family dwellings on upper floors, library, copy center, delicatessen, dry-cleaning, farmers market, fitness center, funeral home, health spa, hotel/motel, ice cream shop, news stand, restaurant, sexually oriented business, shoe repair, sign shop, tailor pressing shop, tanning salon, video store, business or financial services office, design/planning office, general services office, medical office, government office, police, fire or rescue station, post office, recreations center or public parking lot.

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- MAXIMUM BUILDING HEIGHT: 85 feet.
- MINIMUM LOT WIDTH: 25 feet.
- MINIMUM LOT FRONTAGE: 25 feet with access from a public street.
- MAXIMUM LOT AREA: 2,000 square feet. Municipal sewer and water are required.
- SET BACKS: 0 feet.
- MINIMUM LOT COVERAGE: 75% and a minimum main floor area of 1,000 square feet.
- PARKING: Office, commercial, institutional and industrial uses require 1 parking space per employee and 1 visitor parking space per 20 employees. Additional adjustments to parking can be made if multiple shifts are utilized. For governmental offices, libraries and service or organizational office or repair 1 space per 800 square feet of gross floor area are required.

ASSESSMENT AND TAX ANALYSIS

Assessed values are effective as of March 1 each year, and taxes are payable in two equal installments of the following year. A new assessment manual was used beginning in payable 2003, and the 2006 payable 2007 tax year was the first year that trending adjustments were applied. These adjustments are to be made annually going forward in an attempt to keep assessments current. However, the trending adjustments for the 2006 payable 2007 tax year caused significant increases in tax bills, especially for homeowners, with average increases of 25% to 35% throughout the state.

As a result, on March 14, 2008, The Indiana General Assembly approved legislation overhauling the property tax system in Indiana. Governor Mitch Daniels signed this legislation into law on March 19, 2008. The legislation caps tax rates as a percentage of assessed value as follows: 1% for homeowners, 2% for farm and residential rental property and 3% for all commercial and industrial property. These caps had to be approved by the legislature again in either 2009 or 2010, and then approved by voters in a statewide referendum in 2010 to become part of the constitution effective January 1, 2012. In January 2010, both the Indiana House and Senate passed this measure and Indiana voters overwhelmingly approved the tax caps in a referendum in the November 2010 election. To help offset the reduced real estate tax revenue, the sales tax in Indiana increased from 6% to 7% April 1, 2008.

The subject properties are currently owned by the City of Columbus Redevelopment Commission and are not assessed as they are tax exempt. Once the properties are acquired by a private sector entity they will be assessed and property taxes will be due on the properties.

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DESCRIPTION OF IMPROVEMENTS

There is a vacant 13,960 square foot light industrial building on Lot 1 and a 4,473 square foot light industrial building on Lot 2B. It is the City's intent to demolish both buildings. As will be discussed in the Highest and Best Use section of this report, it is thought that neither improvement adds contributory value to the sites and should be removed.

HIGHEST AND BEST USE

Highest and Best Use is "*The reasonably probable use of property that results in the highest value.*" (*The Appraisal of Real Estate, 14th Edition*, Chicago: Appraisal Institute, 2013, Page 332).

A more practical analysis of financial feasibility and maximal productivity that will be used for this report is to identify market trends as they relate to the subject. These trends include the most recent real estate developments in the area, supply and demand levels for various property uses, the historical use of comparable sale properties, and the contributory value of the improvements in comparison to the site value. Here, determination of highest and best use results from the appraiser's judgment and analytical skill, i.e., the use determined from this analysis represents an opinion, not a fact to be found (Roberts MAI, Joe R. and Eric Roberts, MAI, *The Appraisal Journal*, April, 1993, "A No-Nonsense Approach to Highest and Best Use," The Appraisal Institute).

"As Though Vacant"

Legal: The subject sites are zoned CD, Commercial: Downtown District. This district is intended to serve as the primary commercial and activity center, where a complete range of goods, services, and entertainment is located. This district is intended to serve as a focal point, and to be the most intensely developed area in the community. This district is further intended to support the continued use of historical structures, to ensure pedestrian-focused character, and to enable continued investment. Permitted uses in this district include retail, office, residential and various special uses. Given the location of the subject and considering surrounding uses, a change in this zoning classification would be remote. For these reasons, legally permissible uses on the subject site include commercial, retail, office, and residential uses.

Physical: The subject sites do not appear to have any significant physical attributes, which would limit development. Lot 1 is 3.34 acres or 145,940 square feet, Lot 2B is 4.94 acres or 215,186 square feet and Lot 3 is 1.24 acres or 54,014 square feet. The total acreage for all three lots is 9.52 acres. Lot 2B and Lot 3 are not located within a flood hazard area, according to the Flood Insurance Rate Map, Panel 18005C0133E, dated December 9, 2014. A portion of Lot 1 is located in Zone AE 100 year flood fringe. Lot 1 has direct access to 2nd Street. Lot 2B is located at the southeast corner of Lafayette Avenue and 2nd Street and has access to both streets. Lot 3 has access to Lafayette Avenue.

Financially Feasible/Maximally Productive: The developments in the immediate neighborhood are mostly commercial uses, but also include the broad ranges of uses, which are commonly

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found in the CBD. The downtown area has been transformed by the implementation of the Vision 20/20 redevelopment plan. As a result, considerable new development has taken place in the immediate area north of the subject. A private-public partnership with the City Government has enabled the redevelopment plans to take shape.

Since 2005, downtown development activity has included the construction of three multi-story parking garages, several new restaurants, two new office buildings that houses Cummins Inc. employees and the development of an 85-room Indigo hotel. In addition to these projects that are already completed, numerous downtown projects have been proposed. The subject sites are located at the southern edge of the CBD. The subject sites are large enough to provide on-site parking, as it is some distance from the newly developed parking garages.

It appears that a hotel development for the 2nd Street corridor is a component of the development proposed by one of the potential developers. However, discussions with local real estate professionals indicate they are skeptical of a hotel at the subject sites. The proposed hotel would most likely be very dependent on Cummins to support its business operation. Without a guarantee of occupancy by Cummins or other corporate entities within the Columbus community, it would not seem financially viable even for the best operator.

The subject sites are adjacent to the Bartholomew County Jail. The jail most likely would always be a marketing hindrance to guests wanting to stay at the proposed hotel or possibly the retail component of the proposed development.

The traffic flow along 2nd Street is very active. This generally lends a site for commercial/retail use. However, Lot 1 and Lot 2B only have frontage along Second Street, which provides one-way eastbound traffic. The one-way traffic flow is not considered to be ideal for retail users. As a result, most of the retail users that desire maximum traffic and accessibility are positioned so that access is available via two or more city streets. This is especially true in an area with numerous one-way streets. Also, as discussed in the Neighborhood section of this report most if not all of the new development is occurring along Jackson Street.

Therefore, our opinion that the highest and best use for the sites, “as though vacant” is to hold for speculation until a specific user is secured.

As Improved

In determining the highest and best use of the subject property “as improved” there are four alternatives: 1) raze the improvements, 2) modify the improvements (altering the improvements by increasing or decreasing the usable square footage and any other structural changes), 3) rehabilitation of the existing improvements (including curing the most critical issues of deferred maintenance, as well as possibly any other curable physical or curable functional obsolescence), or 4) leave the improvements in their current condition. The improvements would typically be razed when the land value, as if vacant and available for its highest and best use, exceeds the value of the existing improvements less demolition. The first alternative is the simplest to answer in this case. The current improvements do not contribute a positive value to Lot 1 and Lot 2B.

The local market was searched for sales which could be considered comparable to the subject improvements on Lot 1 and Lot 2B. Several sales were uncovered in the \$30.00 per square foot to \$35.00 per square foot range. Some of these sales are listed in the table below.

ADDRESS	SALES DATE	SALES PRICE	BUILDING SIZE	SALES PRICE PER SF
3880 Long Road	July 2015	\$648,300	19,113 SF	\$33.80
3150 Scott Drive	March 2013	\$900,000	27,000 SF	\$33.33
4615 Progress Drive	November 2013	\$425,000	12,000 SF	\$35.42

Application of this range to the improvements on Lot 1 (13,960 square feet total) results in an indicated value of \$418,800 to \$488,600, below the indicator for the subject site as vacant. Application of this range to the improvements on Lot 2B (4,473 square feet total) results in an indicated value of \$147,609 to \$156,555 below the indicator for the subject site as vacant.

Therefore, the current improvements do not contribute a positive value to the Lot 1 and Lot 2B. Thus, based upon this analysis, it is believed that the Highest and Best Use for the subject “as improved” would be is to hold for speculation until a specific user is secured as described above in the highest and best use “As Though Vacant”.

SUMMARY OF ANALYSIS AND VALUATION

The development of an opinion of a real property's market value involves a systematic process in which the problem is defined; the work necessary to solve the problem is planned; and the data required is acquired, classified, analyzed and interpreted into an estimate of value. In this process, three approaches to value are utilized to develop an opinion of the market value of the subject property. They are the Cost Approach, the Sales Comparison Approach, and the Income Capitalization Approach. Although the three approaches are performed independently of each other, and are based upon different principles, they are all market oriented in an attempt to solve the same problem, thereby making all three approaches dependent upon each other to a degree.

In the Cost Approach, the appraiser must first develop an opinion of the value of the subject site by comparing it to similar sites, which have recently sold or are currently offered for sale. The reproduction cost new of the improvements, as determined by comparison to similarly constructed properties, is then estimated. Depreciation from all sources is then determined and subtracted from the reproduction cost new of the subject improvements. The depreciated cost of the subject improvements is then added to the estimated site value with the result being the indicated value by the Cost Approach.

The Direct Sales Comparison Method involves the comparison of similar properties that have sold or are currently offered for sale, with the subject property. These properties are compared to

the subject with regard to differences or similarities in time, age, location, physical characteristics and the conditions influencing the sale. The notable differences in the comparable properties are then adjusted to the subject property to indicate a value range for the property being appraised. When sufficient sales data is available, these adjustments are best determined by the actions of typical buyers and sellers in the subject's market. This value range, as indicated by the adjusted comparable properties, is then correlated into a final indicated value for the subject property by this approach.

The Income Capitalization Approach is a process in which the anticipated flow of future benefits (actual dollar income or amenities) is discounted to a present worth figure through the capitalization process. The appraiser is primarily concerned with the future benefits resulting from net income. Net income is the remainder after deduction of expenses of operation from the effective gross income. The steps in the approach include estimating the potential gross income by comparison with competing properties and estimating expenses (derived from historical and/or market experience) to determine a projected net income stream. This income stream is then capitalized into an indication of value by using capitalization rates extracted from competitive properties in the market or by using other techniques when applicable.

The value opinions, as indicated by the three approaches, are then correlated into a final opinion of the property's worth. In the Final Reconciliation, the appraiser must weigh the relative significance, defensibility, and applicability of each approach as it pertains to the type, verification of sales data, the conditions under which the property is sold, and the date of sale.

In this report, the Sales Comparison Approach will be utilized to determine the Market Value of Lot 1, Lot 2B and Lot 3.

SITE VALUATION AND ANALYSIS

There are six methods of valuing land commonly utilized in appraisal practice. These methods are:

1. The Market Data or Direct Sales Comparison Method.
This technique calls for comparing, weighing and relating past sales on similar real estate to the land being appraised.
2. The distribution, abstraction, or allocation method.
This technique calls for a distribution between land and building values where the total price corresponds to value.
3. The anticipated use or development method.
This process, applicable primarily to undeveloped land, calls for estimating total value as if the lands were subdivided and sold, and subtracting total development costs.
4. The land residual method.
This technique capitalizes into value the residual income imputable to the land as derived from an actual or hypothetical new or proper building improvement.

5. Straight capitalization or ground rent.
This technique capitalizes a contract ground rental at the appropriate rate into value that a prudent investor would pay to receive these future rents.
6. The ground rent capitalization method. This technique capitalizes contract ground rents at the appropriate rate into a value that a prudent investor would pay to receive these future rents.

Of the above discussed methods, Technique #1 is the most applicable in estimating the value of subject sites.

COMPARABLE LAND SALE #1

Location:	301 1st Street, Columbus, IN
Date of Sale:	December 2013
Price:	\$525,000 (adjusted down \$40,000 for shell building on site)
Size:	2.61 net acres or 113,691 SF
Unit Price:	\$4.62/SF
Utilities:	All municipal
Zoning:	Commercial
Grantor:	Brands Inc.
Grantee:	B & D Holdings
Source:	Property appraised by Don R. Scheidt & Company

Additional Information: This site is located west of the subject sites. At the time of the purchase, the site was improved with a 12,672 gross square foot free standing, industrial shell building, which was partially gutted. The owners are spending approximately \$1,200,000 to renovate the improvements into a ReMax office building. The actual sale price was \$565,000 but the shell building is estimated to have a contributory value of \$40,000.

COMPARABLE LAND SALE #2

Location:	1616 10 th Street, Columbus, IN
Date of Sale:	October 2014
Price:	\$500,000
Size:	4.51 acres or 196,456 SF
Unit Price:	\$2.55/SF
Utilities:	All municipal
Zoning:	Residential
Grantor:	KLM National LLC
Grantee:	Gateway Apartments LP
Source:	IREC #2098447

Additional Information: This site is to be improved with apartments with 36 two bedroom units and 24 three bedroom units.

COMPARABLE LAND SALE #3

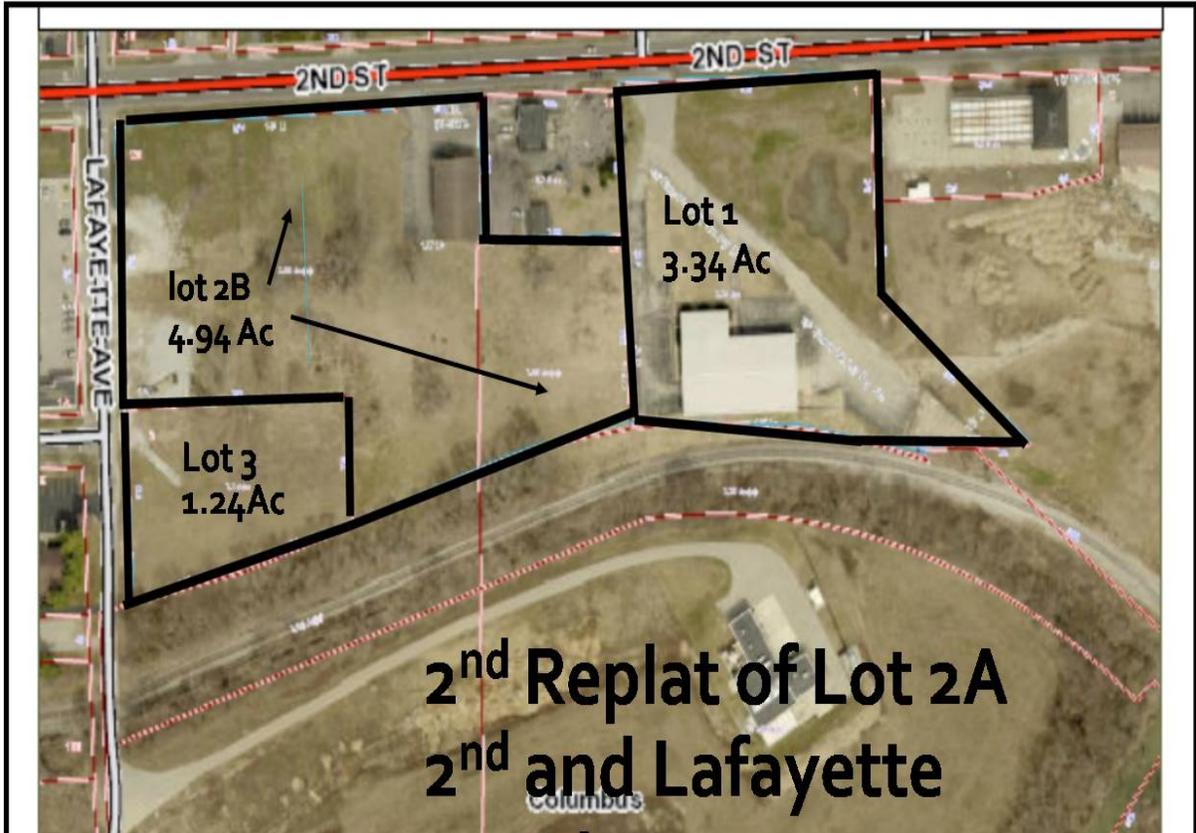
Location: 2822 Central Avenue, Columbus, IN
 Date of Sale: February 2011
 Price: \$895,000
 Size: 93,203 SF
 Unit Price: \$9.60/SF
 Utilities: All municipal
 Zoning: CN, commercial
 Grantor: C & B Enterprises, Inc.
 Grantee: Kroger Limited Partnership I
 Source: IRED # 45447

Additional Information: This site is located south of National Road along Central Avenue. The site was improved with a car wash at the point of sale. The buyer, adjacent north user, purchased the site for construction of a Kroger-brand gas station.

COMPARABLE LAND SALE #4

Location: 1120 Washington Street, Columbus, IN
 Date of Sale: March 2013
 Price: \$495,000 (adjusted up \$50,000 for demolition)
 Size: 1.20 acres or 52,272 SF
 Unit Price: \$9.47/SF
 Utilities: All municipal
 Zoning: CD, commercial
 Grantor: Max B & Christine Lemley
 Grantee: GSH Asset Management
 Source: Property appraised by Don R. Scheidt & Company

Additional Information: This site is located just north of 11th street. The site has access to/from Washington Street and Jackson Street. The site was improved with 2 commercial buildings that the buyer will demolish for an estimated cost of \$50,000. The actual sale price was \$445,000.



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Lot 1

Item	Subject	Comparable No. 1		Comparable No. 2		Comparable No. 3		Comparable No. 4	
Address	Lot 1	301 1st Street		1616 10th Street		2822 Central		1120 Washington Street	
	Columbus, Indiana	Columbus, Indiana		Columbus, Indiana		Columbus, Indiana		Columbus, Indiana	
Sale Price			\$525,000		\$500,000		\$895,000		\$495,000
Price per Sq. Ft.		113,961	\$4.61	196,456	\$2.55	93,203	\$9.60	52,272	\$9.47
Property Rights		Fee Simple	\$0.00	Fee Simple	\$0.00	Fee Simple	\$0.00	Fee Simple	\$0.00
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Condition of Sale		Market	0%	Market	0%	Market	0%	Market	0%
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Financing		Conventional	0%	Conventional	0%	Conventional	0%	Conventional	0%
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Date of Sale		Dec-13	0.00%	Oct-14	0.00%	Feb-11	0.00%	Mar-13	0.00%
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Location:	Average	Sl. Superior	-10%	Inferior	25%	Superior	-25%	Superior	-25%
Physical Char.									
A. Size (Sq. Ft.)	145,490	113,961	0%	196,456	5%	93,203	-5%	52,272	-10%
B. Shape	Irregular	Similar	0%	Similar	0%	Similar	0%	Similar	0%
C. Access	Average	Similar	0%	Similar	0%	Similar	0%	Similar	0%
D. Frontage/Visibility	Average	Similar	0%	Inferior	10%	Similar	0%	Sl. Superior	-10%
E. Zoning	Commercial	Similar	0%	Similar	0%	Similar	0%	Similar	0%
F. Corner Lot	No	No	0%	No	0%	No	0%	No	0%
G. Traffic Signal	No	No	0%	No	0%	No	0%	No	0%
Net Adjustments			-10%		40%		-30%		-45%
			\$4.15		\$3.56		\$6.72		\$5.21

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Lot 2B

Item	Subject	Comparable No. 1		Comparable No. 2		Comparable No. 3		Comparable No. 4	
Address	Lot 2B	301 1st Street		1616 10th Street		2822 Central		1120 Washington Street	
	Columbus, Indiana	Columbus, Indiana		Columbus, Indiana		Columbus, Indiana		Columbus, Indiana	
Sale Price			\$525,000		\$500,000		\$895,000		\$495,000
Price per Sq. Ft.		113,961	\$4.61	196,456	\$2.55	93,203	\$9.60	52,272	\$9.47
Property Rights		Fee Simple	\$0.00	Fee Simple	\$0.00	Fee Simple	\$0.00	Fee Simple	\$0.00
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Condition of Sale		Market	0%	Market	0%	Market	0%	Market	0%
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Financing		Conventional	0%	Conventional	0%	Conventional	0%	Conventional	0%
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Date of Sale		Dec-13	0.00%	Oct-14	0.00%	Feb-11	0.00%	Mar-13	0.00%
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Location:	Average	Sl. Superior	-10%	Inferior	25%	Superior	-25%	Superior	-25%
Physical Char.									
A. Size (Sq. Ft.)	215,186	113,961	-10%	196,456	0%	93,203	-5%	52,272	-15%
B. Shape	Irregular	Similar	0%	Similar	0%	Similar	0%	Similar	0%
C. Access	Average	Similar	0%	Similar	0%	Similar	0%	Similar	0%
D. Frontage/Visibility	Average	Similar	0%	Inferior	10%	Similar	0%	Sl. Superior	-10%
E. Zoning	Commercial	Similar	0%	Similar	0%	Similar	0%	Similar	0%
F. Corner Lot	Yes	No	5%	No	5%	No	5%	No	5%
G. Traffic Signal	No	No	0%	No	0%	No	0%	No	0%
Net Adjustments			-15%		40%		-25%		-45%
			\$3.92		\$3.56		\$7.20		\$5.21

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Lot 3

Item	Subject	Comparable No. 1		Comparable No. 2		Comparable No. 3		Comparable No. 4	
Address	Lot 3	301 1st Street		1616 10th Street		2822 Central		1120 Washington Street	
	Columbus, Indiana	Columbus, Indiana		Columbus, Indiana		Columbus, Indiana		Columbus, Indiana	
Sale Price			\$525,000		\$500,000		\$895,000		\$495,000
Price per Sq. Ft.		113,961	\$4.61	196,456	\$2.55	93,203	\$9.60	52,272	\$9.47
Property Rights		Fee Simple	\$0.00	Fee Simple	\$0.00	Fee Simple	\$0.00	Fee Simple	\$0.00
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Condition of Sale		Market	0%	Market	0%	Market	0%	Market	0%
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Financing		Conventional	0%	Conventional	0%	Conventional	0%	Conventional	0%
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Date of Sale		Dec-13	0.00%	Oct-14	0.00%	Feb-11	0.00%	Mar-13	0.00%
Adj. SP per sq. ft.			\$4.61		\$2.55		\$9.60		\$9.47
Location:	Average	Superior	-25%	Similar	0%	Superior	-30%	Superior	-30%
Physical Char.									
A. Size (Sq. Ft.)	54,014	113,961	0%	196,456	5%	93,203	0%	52,272	0%
B. Shape	Irregular	Similar	0%	Similar	0%	Similar	0%	Similar	0%
C. Access	Average	Similar	0%	Similar	0%	Similar	0%	Similar	0%
D. Frontage/Visibility	Fair to average	Superior	-30%	Superior	-30%	Similar	0%	Superior	-40%
E. Zoning	Commercial	Similar	0%	Similar	0%	Similar	0%	Similar	0%
F. Corner Lot	No	No	0%	No	0%	No	0%	No	0%
G. Traffic Signal	No	No	0%	No	0%	No	0%	No	0%
Net Adjustments			-55%		-25%		-30%		-70%
			\$2.07		\$1.91		\$6.72		\$2.84

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Comments on Adjustments

The grids on the preceding pages illustrate the pertinent information on each sale. In addition to the sales price and the sale date of the parcels, the grid lists the different characteristics of each sale such as financing involved, the condition of the sale, location, size, shape, access, frontage visibility zoning, corner lot and traffic signal. Each comparable was adjusted for differences in these categories in comparison to the subject. An upward adjustment was made to a comparable if it was considered to be inferior to the subject property in a specific category, while a downward adjustment was made if the comparable was considered to be superior to the subject. An explanation of the adjustments considered is presented below.

Property Rights Conveyed: No adjustments were made as each of the comparables were sold in fee simple interest.

Financing: Each of the comparables were sold for cash or at market terms and adjustments were not made.

Condition of Sale: No adjustments were required.

Date of Sale: This line item reflects appreciation or depreciation in the market. No adjustments were required.

Location: For Lot 1, Lot 2B and Lot 3, Comparables 1, 3 and 4 are located in superior locations and these comparables were adjusted downward. For Lot 1 and Lot 2B analysis, Comparable 2 is located in an inferior location and this comparable was adjusted upward.

Economies of Scale: Typically, adjustments for size are based on the premise that smaller parcels of land tend to sell for a higher unit value than those sites, which are significantly larger, all other factors remaining constant. For the Lot 1 analysis, Comparables 3 and 4 were adjusted downward and Comparable 2 upward. For the Lot 2B analysis, Comparables 1, 3 and 4 were adjusted downward. For the Lot 3 analysis, Comparable 2 was adjusted upward.

Shape: No adjustments were required.

Access: All the comparables have the same quality of access as does the subject and no adjustments were required.

Frontage/Visibility: For the Lot 1 and Lot 2B analysis, Comparable 4 has visibility and frontage from two streets and was adjusted downward. Comparable 2 was adjusted upward. For the Lot 3 analysis, Comparable 4 has visibility and frontage from two streets and was adjusted downward

Zoning: All the comparables have similar zoning and no adjustments were required for this factor.

Corner Lot: For the Lot 1, no adjustments were required. For the Lot 2B analysis, all the comparables were adjusted upward. For the Lot 3 analysis, no adjustments were required.

Traffic Signal: No adjustments were required.

For the Lot 1 analysis, a well defined range is \$3.50 to \$4.50 per square foot. This results in the following indicators:

Site Size (SF)		Indicated Value/SF	=	Estimated Value (Rounded)
145,490	x	\$3.50/SF	=	\$510,000
145,490	x	\$4.50/SF	=	\$655,000
		Reconciled To:		\$575,000

Adjustment for Demolition

In order to determine the “As Is” value of the subject site, the cost to raze the existing improvements needs to be estimated. The costs associated with the razing of improvements is estimated using the Marshall Valuation Service (MVS). A summary of these costs is shown below. *The reader is cautioned that the estimates shown below are raw estimates only. Demolition costs can vary widely from property to property, with many factors generally considered by a contractor. Therefore, it is recommended that the property owner obtain a bid from a qualified demolition contractor to verify the estimate shown below.*

MARSHALL VALUATION SUMMARY

Building Demo Class S (steel) \$2.70 to \$4.45 per SF

Industrial Building 13,960 SF x \$3.00 per SF = \$41,880

Lower of the range used because building may have salvage value.

Total Demolition Cost Estimate = \$41,880

Rounded to: \$40,000

Applying the demolition cost estimate shown above to the subject’s “As If Vacant” land value, results in an “As Is” Fee Simple Interest market value of Lot 1, as of September 21, 2015 is:

\$535,000

FIVE HUNDRED THIRTY FIVE THOUSAND DOLLARS

For the Lot 2B analysis, a well defined range is \$3.50 to \$4.50 per square foot. This results in the following indicators:

Site Size (SF)		Indicated Value/SF	=	Estimated Value (Rounded)
215,186	x	\$3.50/SF	=	\$750,000
215,186	x	\$4.50/SF	=	\$970,000
		Reconciled To:		\$850,000

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Adjustment for Demolition

In order to determine the “As Is” value of the subject site, the cost to raze the existing improvements needs to be estimated. The costs associated with the razing of improvements is estimated using the Marshall Valuation Service (MVS). A summary of these costs is shown below. *The reader is cautioned that the estimates shown below are raw estimates only. Demolition costs can vary widely from property to property, with many factors generally considered by a contractor. Therefore, it is recommended that the property owner obtain a bid from a qualified demolition contractor to verify the estimate shown below.*

MARSHALL VALUATION SUMMARY**Building Demo Class S (steel) \$2.70 to \$4.45 per SF**

Industrial Building 4,473 SF x \$3.00 per SF = \$13,419

Lower of the range used because building may have salvage value.

Total Demolition Cost Estimate = \$13,419

Rounded to: \$10,000

Applying the demolition cost estimate shown above to the subject’s “As If Vacant” land value, results in an “As Is” Fee Simple Interest market value of Lot 1, as of September 21, 2015 of:

\$840,000

EIGHT HUNDRED FORTY THOUSAND DOLLARS

For the Lot 3 analysis, a well defined range is \$2.00 to \$2.50 per square foot. This results in the following indicators:

Site Size (SF)		Indicated Value/SF	=	Estimated Value (Rounded)
54,014	x	\$2.00/SF	=	\$110,000
54,014	x	\$2.50/SF	=	\$135,000
		Reconciled To:		\$125,000

Based this analysis, it is our opinion that the “As Is” Market Value of the Fee Simple Interest of Lot 3, as of the effective date of valuation of September 21, 2015, is as follows:

\$125,000

ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS**FINAL OPINION OF VALUE**

The subject properties are located at the southeast corner of Lafayette and 2nd Street, Columbus, Bartholomew County, Indiana. There are three lots identified as Lot 1, Lot 2B and Lot 3 in the 2nd Replat of Lot 2A.

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In developing the market value of the of the subject properties, one value method was developed. The indicated value opinions developed in this report is as follows:

Site Valuation:	
Lot 1:	\$535,000
Lot 2B:	\$840,000
Lot 3:	\$125,000
Cost Approach:	Not Applied In This Analysis
Sales Comparison Approach:	Not Applied In This Analysis
Income Capitalization Approach:	Not Applied In This Analysis

Our opinion of the “As Is” Market Value of the Fee Simple Interest of Lot 1 as of September 21, 2015 is as follows:

\$535,000

FIVE HUNDRED THIRTY FIVE THOUSAND DOLLARS

Our opinion of the “As Is” Market Value of the Fee Simple Interest of Lot 2B as of September 21, 2015 is as follows:

\$840,000

EIGHT HUNDRED FORTY THOUSAND DOLLARS

Our opinion of the “As Is” Market Value of the Fee Simple Interest of Lot 3 as of September 21, 2015 is as follows:

\$125,000

ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS

ASSUMPTIONS AND LIMITING CONDITIONS

The certification of the Appraiser appearing in this appraisal assignment is subject to the following assumptions and to such other specific and limiting conditions as are set forth by the Appraiser on the assignment.

- The prospective value(s) in this appraisal (if applicable) was developed under the market conditions existing at the time of the “As Is” date of value. The appraiser cannot be held responsible for unforeseeable events that alter market conditions prior to the prospective effective date of value.
- No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
- Responsible ownership and competent property management are assumed.
- All engineering is assumed to be correct. The sketch, photos, site plans, and/or surveys utilized in this assignment are included to assist the reader in visualizing the subject property, and the Appraiser assumes no responsibility for their accuracy. The Appraiser has made no survey of the property.
- Information, estimates and opinions furnished to the Appraiser by others and contained in this assignment are obtained from sources considered reliable and believed to be true and correct. However, no responsibility or warranty for the accuracy of such items furnished to the Appraiser can be assumed by the Appraiser.
- The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
- 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 such factors.
- 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 this appraisal assignment.
- 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 this appraisal assignment.
- 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 estimate contained in this assignment is based.
- 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 this assignment.

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- The Appraiser, by reason of this appraisal assignment, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question, unless arrangements have been previously made.
- The distribution, if any, of the total valuation in this assignment between land and improvements applies only under the stated program of utilization. The separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- Possession of this assignment, or a copy thereof, does not carry with it the right of publication.
- Unless otherwise stated in this assignment, the existence of hazardous material, which may or may not be present on the property, was not knowingly observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, 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 (the entire subject site and all improvements located thereon) that would cause a loss in value. No responsibility is assumed for any such loss in value. 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 desired.
- Neither all nor any part of the contents of this assignment (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval of the appraiser.
- Disclosure by the Appraiser of the contents of this Appraisal assignment is subject to review in the professional appraisal organizations with which the Appraiser is affiliated.
- Privacy Notice: If this valuation assignment is being done for a bank or other financial institution subject to Gramm-Leach-Bliley, the Privacy Policy of the bank or institution prevails. In other cases the following Privacy Notice applies: This notice pertains to our privacy principles: We are committed to protecting our clients' personal financial information. In the course of providing our clients with valuation services, we may need to collect and maintain certain nonpublic personal information. Information about our privacy policies and practices, and describing what nonpublic personal information we collect, what we do with it, and how we protect it, is available upon your request. How you may obtain our privacy statement: You may obtain our privacy statement by contacting us at 317-631-8478 or by submitting a written request to our office. You may limit information shared about you: It is important to note that this valuation work has been prepared under the Uniform Standards of Professional Appraisal Practice (USPAP) and as such is subject to the Ethics Rule regarding confidentiality. Under this rule, "An appraiser must protect the confidential nature of the appraiser-client relationship". Therefore, the sharing of this confidential information provided to us is automatically limited under the Ethics Rule. However, if you prefer to have duplicate limits placed on such information, you may opt out of any potential disclosures to third parties as follows: contact us at 317-631-8478 to request an opt out form.

- Neither all nor any part of the contents of this assignment, or copy thereof (conclusion as to property value, the identity of the Appraiser, professional appraisal organizations, or the firm with which he is connected) shall be used for any purposes by anyone but the mortgagee or its assigns and Private Mortgage Insurers, consultants, professional appraisal organizations, any state or federally chartered bank, any department, agency or instrumentality of the United States or of any State or of the District of Columbia, without the previous written consent of the Appraiser, except under demand by the Mortgagor; nor shall it be conveyed by anyone to the public through advertising media, public relations media, new media, sales media, or any other public means of communication without the prior written consent and approval of the Appraiser. Furthermore, the appraiser or firm assumes no obligation, liability, or accountability to any third party.
- Any value opinions provided in the assignment apply to the entire property, and any proration or division of the total into fractional interests will invalidate the value opinion, unless such proration or division of interests has been set forth in the assignment.
- On all appraisals subject to satisfactory completion, repairs or alterations, the appraisal assignment and value conclusion are contingent upon completion of the improvements in a workmanlike manner.
- The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I (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 I (we) have no direct evidence relating to this issue, I (we) did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

CERTIFICATION OF VALUE

The Appraiser certifies and agrees that:

- As of the date of this report, Don R. Scheidt MAI, CCIM, FRICS has completed the continuing education program for Designated Members of the Appraisal Institute.
- All statements of facts and information included in this assignment are true and correct to the best of the Appraiser’s knowledge and belief, and the Appraiser has not knowingly withheld any significant information.
- The analyses, opinions, and conclusions in the analysis are limited only by the assumptions and limiting conditions set forth, and are the personal, impartial, and unbiased professional analyses, opinions, and conclusions of the appraiser.
- The appraiser has no present or prospective interest in the subject property and has no personal interest or bias with respect to the parties involved.
- The appraiser has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Jessica Reese and Don R. Scheidt MAI, CCIM, FRICS of Don R. Scheidt & Company Inc. previously appraised the subject property in July 2012. However, Anthony G. Demos has not provided any previous services regarding the subject property including an appraisal within three years prior to this assignment.
- The engagement of this assignment was not contingent upon developing or reporting predetermined results.
- The appraiser’s compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The appraisal assignment was not based on a requested minimum or maximum valuation, a specific valuation, or the approval of a loan.
- The appraiser's analyses, opinions, and conclusions have been developed, and this assignment has been prepared, in conformity with the requirements of the *Uniform Standards of Professional Appraisal Practice*.
- The appraiser's analyses, opinions, and conclusions have been developed, and this assignment has been prepared, in conformity with the requirements of the *Code of Professional Ethics* and the *Standards of Professional Appraisal Practice of the Appraisal Institute*.
- Use of this assignment is subject to the professional requirements of the Appraisal Institute regarding review by its duly authorized representatives.
- Anthony G. Demos has made a personal inspection of the subject property. Don R. Scheidt MAI, CCIM, FRICS did not inspect the subject property but is serving as review appraiser.

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- All conclusions and opinions concerning the real estate that are set forth in the appraisal assignment were prepared by the Appraiser whose signature appears on this appraisal assignment, unless indicated as "Review Appraiser". No change of any item of the appraisal report shall be made by anyone other than the Appraiser and the Appraiser shall have no responsibility for any such unauthorized change.
- No one provided significant professional assistance to the person(s) signing this certification.

Anthony G. Demos, Associate
Associate
Indiana Certified General Appraiser
License No. CG49500108

Don R. Scheidt MAI, CCIM, FRICS
President, Don R. Scheidt & Company
Review appraiser, did not inspect
Indiana Certified General Appraiser
License No. CG69100099

October 8, 2015
Date

QUALIFICATIONS

Don R. "Randy" Scheidt

626 N. Illinois St., Suite 200

Indianapolis, IN 46204-1251

Phone # (317) 631-8478, Ext. 18

Email: rscheidt@donrscheidt.com

PROFESSIONAL DESIGNATIONS:

Member, Appraisal Institute, MAI

Member Appraisal Institute, SRA

Certified Commercial Investment Member, CCIM

Fellow of The Royal Institution of Chartered Surveyors, FRICS

NAR's Green Designation

Indiana Realtors Institute, GRI

LICENSED:

Certified General Appraiser, State of Indiana

License Number CG69100099

Expiration Date 06-30-2016

Real Estate Broker, State of Indiana

Broker Number RB14004151

Expiration Date 06-30-2017

Certified Real Estate Appraiser License, State of Michigan

Permanent I.D. No. 1201002325

Expiration Date 07-31-2016

Certified Real Estate Appraiser License, State of Ohio

Certification No. 387526 Class GA

Expiration Date 06-4-2016

Certified Real Estate Appraiser License, State of Illinois

License No. 153.0000384

Expiration Date 09-30-2017

General Real Property Appraiser, State of Kentucky

License No. 000329

Expiration Date 06-30-2016

EDUCATION:

Bachelor of Arts Degree, Indiana University, May of 1972

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EDUCATIONAL INSTRUCTOR:

The Appraisal Institute:	
7 Hour National USPAP Update Course	2012, 2014
15-Hour National USPAP Course	2009-2014
Appraisal Institute (Former AIREA-SREA):	
General Appraiser Site Valuation & Cost Approach	2009, 2011, 2013, 2014
Income Capitalization Part I:	2007- 2010, 2012-2015
Income Capitalization Part II:	2009, 2011-2013
Business Practices & Ethics	2004, 2006- 2008, 2010, 2011, 2012
General Appraiser Market Analysis and Highest & Best Use	2011, 2013
Marketability Studies: The Six Step Process And Basic Applications	2014

PROFESSIONAL AFFILIATION:

Member, Appraisal Institute
Member, CCIM Institute
Member, Metropolitan Indianapolis Board of Realtors
Member, Indiana Commercial Board of Realtors
Member, Crossroads Association of Realtors
Member, Indiana Association of Realtors
Member, National Association of Realtors

SEMINARS & COURSES:

The Appraisal Foundation
 USPAP Instructor Recertification Course
 October 21, 2013

Hoosier State Chapter of the Appraisal Institute
 Advanced Income Capitalization
 July 9-13, 2012

 An Introduction to Valuing Green Buildings
 March 11, 2009

 The Yellow Book Seminar
 May 22-23, 2006

Chicago Chapter of the Appraisal Institute
 Fundamentals of Separating Real, Personal Property, and Intangible Business
 Assets
 December 15-16, 2011

NAR's Green Commercial Seminar
 May 12, 2009

NAR's Green Designation Core Course
August 4-5, 2009

Kentucky Real Estate Appraisers Board
PART 2 KREAB News and View of the Board
February 11, 2011

REAL ESTATE EXPERIENCE:

Actively engaged in Real Estate since August, 1972
Established own Real Estate Firm specializing in Consulting, Market Studies and Real Estate Appraising in January of 1977, plus Commercial Brokerage and Property Management in the Columbus, IN office (Please see our home page www.donscheidt.com for further detail)
Firm incorporated October 1, 1983 and is known as Don R. Scheidt & Co., Inc.
Held the Distinguished Real Estate Instructor (DREI) designation offered through the Real Estate Educators Association from 1986 through 2001.
Jay W. Levine Leadership Academy Program, CCIM Institute, 2004

AWARDS AND COMMUNITY RECOGNITION:

1999 Columbus Area Chamber of Commerce Small Business Award
Indiana Commercial Board of Realtors, Realtor of the Year Award for 1997
Columbus Board of Realtors, Realtor of the Year Award for 1983
January 1983, Jaycee Community Service Award
2008 Lifetime Achievement Award, Columbus Board of Realtors

VOLUNTEER COMMUNITY SERVICE:

Past: Board of Director Member to the Columbus Enterprise Development Center, Inc.
Past: Lowell Nussbaum Society Committee of the Indianapolis Zoological Society
Past: Advisory Council Member to the Indianapolis Economic Development Corporation
Past: Heritage Fund of Bartholomew County, Indiana

NATIONAL COMMITTEE:

Current: Appointed by AI as an Education Committee Member for 2014-2015
Current: Appointed by NAR as a Member of Strategic Planning Committee 2013-2015
Past: NAR Broker Involvement Council, 2014
Past: CCIM Education Foundation Board of Directors 2008-2013
Past: Appointed by NAR as a Federal Political Coordinator for Congressman Mike Pence
Past: NAR Commercial Committee Chair 2012
Past: NAR Presidential Advisory Group (PAG) Commercial Issues, 2012

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- Past: NAR Board of Directors 2009-2012, previously 2005-2007
- Past: Government Relations Committee, Appraisal Institute, January 1, 2009-December 31, 2010
- Past: NAR Commercial Legislation & Regulatory Subcommittee Chair 2010
- Past: Strategic Planning Committee, CCIM
- Past: CCIMNet Advisory Board
- Past: CCIM Board of Directors 2005-2007
- Past: Body of Knowledge Committee of the Appraisal Institute through December 31, 2004
- Past: Chairman of Advanced Education Program Board of CCIM through October 15, 2004

STATE COMMITTEE:

- Current: Elected to the Executive Committee of IAR 2014-2016
- Current: Elected as the Appraisal Representative to the IAR Board of Directors 2013-2015
- Current: IAR Chair of Public Policy 2012-Current
- Past: AI Hoosier Chapter President 2013
- Past: Chair IAR Realtors® Political Action Committee Trustees for 2011
- Past: IAR Executive Committee 2010-2011
- Past: IAR Board of Directors for 2010-2011 Region 6 (SE Indiana)
- Past: Region 14 VP of Indiana Association of Realtors, 2003-2009
- Past: President for the Indiana Commercial Board of Realtors 2003, as well as held other elected positions within the Board.
- Past: Continuing Education Advisory Council for the Indiana Real Estate Commission effective July 1, 1992 through January 31, 1996
- Past: President of the Indiana Chapter of the CCIM Institute for 1998

LOCAL COMMITTEE:

- Current: Columbus, Indiana Economic Development Board, EDB Strategy Committee
- Past: Director of the Metropolitan Indianapolis Board of Realtors Foundation
- Past: 1996 Chair of Metropolitan Indianapolis Board of Realtors Foundation
- Past: 1996 Chair of the Commercial Industrial Marketing Group of MIBOR

QUALIFICATIONS

Anthony G. Demos

2015

Licensed:

Certified General Appraiser, State of Indiana
License Number CG49500108
Expiration Date 06-30-16

Real Estate Broker, State of Indiana,
License No. RB14030319
Expiration Date 06-30-17

Education:

Bachelor of Science in Political Science, 1973, Ball State University
Master of Public Administration, 1975, Ball State University
Graduate Courses in the MBA program at Ball State University

Appraisal Course Work:

Course 1A1, Real Estate Appraisal Principles
American Institute of Real Estate Appraisers, March 1986

Course 1A2, Basic Valuation Procedures
American Institute of Real Estate Appraisers, August 1986

Course 1BA, Capitalization Theory and Techniques, Part A
American Institute of Real Estate Appraisers, March 1987

Course 1BB, Capitalization Theory and Techniques, Part B
American Institute of Real Estate Appraisers, September 1987

Course 8-2, Residential Valuation
Appraisal Institute, March 1991

Course 410, Standards of Professional Practice Part A
Appraisal Institute, November 1994

Course 410, Standards of Professional Practice Part A
Appraisal Institute, November 1994

Course 420, Standards of Professional Practice Part B
Appraisal Institute, November 1994

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Seminars:

Hoosier State Chapter of the Appraisal Institute
Appraisal Review-Residential Properties
March 19, 1997

Hoosier State Chapter of the Appraisal Institute
Analyzing Operating Expenses
October 9, 1997

Hoosier State Chapter of the Appraisal Institute
New Industrial Valuation
November 12, 1997

Education Resource
Sales Comparison Logic and Applications
October 22, 2003

Education Resource
Introduction to Eminent Domain
November 7&8, 2005

Education Resource
Subdivision Analysis
October 26, 2007

Appraisal Institute
Supporting Capitalization Rates
March 18, 2010

Appraisal Institute
Office Building Valuation
May 14, 2010

Real Estate Experience:

Director of Planning for Region 6 Planning Commission from July, 1975 to
September, 1979

Community Development Specialist for the Department of Housing and Urban
Development from September, 1979 to July, 1981

Economic Development Director for the City of Anderson from July, 1981 to
December, 1987

Economic Development Director for Blackford County Economic Development
Corporation from February 1988 to June, 1990

Associate Commercial Real Estate Appraiser for Don R. Scheidt & Co., Inc.
since April 19, 1993

Don R. Scheidt & Company, Inc.

Indiana Office Locations: Indianapolis • Columbus • Lafayette

ADDENDA

ADDENDUM A - Photographs of the Subject Property

ADDENDUM B –Engagement Letter

ADDENDUM C –State Certifications

ADDENDUM A

Photographs of the Subject Property



Lot 1



Lot 2B



Lot 3



LOOKING EAST ALONG 2ND STREET



LOOKING WEST ALONG 2ND STREET

Don R. Scheidt & Company, Inc.

Indiana Office Locations: Indianapolis • Columbus • Lafayette

ADDENDUM B

Engagement Letter



September 3, 2015

Doug Pacheco
 Project Consultant
 Columbus Redevelopment Commission
 123 Washington Street
 Columbus, IN 47201

RE: Southeast quadrant of 2nd Street and Lafayette Avenue, Columbus, IN: The "As Is" market valuation of three properties (identified as Lot 1, Lot 2B, and Lot 3 in the 2nd Replat of Lot 2A) located in the southeast quadrant of 2nd Street and Lafayette Avenue, Columbus, Bartholomew County, IN.

Dear Mr. Pacheco,

Thank you for requesting our services with regard to the valuation of the above referenced properties. The appraisal will include the "As Is" fee simple market value of each property. The assignment will provide an **Appraisal Report**, utilizing the appropriate approach(es) to value. This assignment is to be completed in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, the Standards of Professional Practice and Code of Professional Ethics of the Appraisal Institute. The appraisal may not be used or relied upon by anyone other than the intended user(s).

The estimated delivery date of the completed appraisal is on or before October 9, 2015. To keep this delivery date, we will need to receive the executed engagement letter by Friday, June 11, 2015, and all of the information necessary to complete the appraisal within five calendar days of the contact by our staff appraiser, Tony Demos.

The scope of this appraisal assignment will include the following: 1). Inspection of the subject properties; 2). collection of factual data on the subject properties and available comparables; 3). analysis of the highest and best use of the subject properties; 4). application of the appropriate approach(es) to value and; 5). the writing of an appraisal report using the information from the previous steps. The assignment will be subject to the Assumptions and Limiting Conditions that will be included in the appraisal report. Within the appraisal report, separate values will be provided for each of the three subject properties.

To provide the report as indicated above, the total fee will be **Five Thousand Five Hundred Dollars (\$5,500.00)** including all expenses such as travel, long distance phone calls, facsimiles, express mail, etc. The fee will be due upon completion and delivery of the report. The fee includes all expenses of delivering the report including mileage, long distance, facsimiles, express mail, etc. Any delay in the payment of the fee beyond 30-days will carry an eighteen percent (18%) charge on the unpaid balance plus any legal and/or all other costs incurred in the collection of said fee. The aforementioned fee will

Don R. Scheidt & Co., Inc.

626 N. Illinois St., Suite 200, Indianapolis, Indiana 46204-1251 / (317) 631-8478 / Fax (317) 687-8286
 2927 Union Street, Lafayette, Indiana 47904-2786 / (765) 447-1075 / Fax (765) 447-3408
 434 Fourth St., Suite 4, Columbus, Indiana 47201-6728 / (812) 372-8478 / Fax (812) 372-4048
 Internet Home Page: www.donscheidt.com

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include an electronic pdf copy of the report. Any additional hard copies of the report are available at \$50 per copy to cover copying, binding and administrative costs.

This fee is subject to change if the scope of the assignment is modified. This fee also does not include any additional time that may be required of Mr. Don R. Scheidt, MAI, CCIM; Hank Rassel, MAI; or any associate, for conference calls, follow up office meetings, hearings, court testimony, or any modifications to the report due to any changes in the properties (physical, financial or otherwise) after the report has been completed. If you or anyone else requests such time, an additional fee may be incurred at the current hourly rate as of the date of the request. The current hourly rate as of the date of this letter is \$290.00 for Don R. Scheidt, MAI, CCIM; \$265.00 for Hank Rassel, MAI; \$240.00 for any other MAI designated appraiser; and \$150.00 to \$210.00 for any associates not designated by the Appraisal Institute.

If we have properly outlined the assignment and you agree to the terms and conditions stated above, please sign where indicated below, date your signature, and return one copy. **Please keep a signed copy for your files.** Please direct any questions regarding this assignment to Shaun Wilson, MAI at (317) 631-8478 ext. 23.

Respectfully Submitted,

Shaun W. Wilson
Shaun Wilson, MAI
Principal – Senior Appraiser
Don R. Scheidt & Co., Inc.

Kristen Brown
Client (name printed)

9/9/15
Date

Kristen Brown /s/
Client Signature

Major
Position

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ADDENDUM C

State Certifications



Indiana Professional Licensing Agency
Real Estate Appraiser Board
402 West Washington St., Room W072, Indianapolis, IN 46204 (317) 234-3009

Certified General Appraiser License

License Number	Expiration Date	License Status
CG69100099	06/30/2016	Active

Don Scheidt
1024 Lapwing Drive
Columbus IN 47203

Michael R. Pence
Michael R. Pence

Nicholas W. Rhoad
Nicholas W. Rhoad

Don R. Scheidt & Company, Inc.

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

Anthony G. Demos

CG49500108

has completed all requirements for licensure in Indiana as a

CERTIFIED GENERAL APPRAISER

Expiring

June 30, 2016

To check the current status and expiration date for this license, please visit
<http://mylicense.in.gov/eVerification>

Michael R. Pence
Governor
State of Indiana

Nicholas W. Rhoad
Executive Director
Professional Licensing Agency

Don R. Scheidt & Company, Inc.

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