

AN APPRAISAL OF

**A 40,100 SF Industrial Building
Situated on a 4.800 Acre Site
Located at 4300 Gateway Blvd
Springfield, Clark County, OH 45502**

EW Bonn Properties, LLC

Prepared for

Eric Bonn
ISW Corporation Inc.
4300 Gateway Blvd.
Springfield, OH 45502

Prepared by

10552 Success Lane
Suite E
Dayton, OH 45458



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Date of Appraisal – Current Market Value As Is
June 22, 2022

Date of Report
August 5, 2022

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August 5, 2022

Eric Bonn
ISW Corporation Inc.
4300 Gateway Blvd.
Springfield, OH 45502

RE: An appraisal of the 40,100 square foot building, on 4.800 acres of land located at 4300 Gateway Blvd in Springfield, Clark County, OH 45502.

Mr. Bonn,

At your request, we have made an appraisal investigation of the above captioned property. The purpose of this appraisal was to give an opinion of the current market value of the subject property, as is. This report was prepared for *Eric Bonn* for asset management, divorce proceedings, mediation, or settlement purposes.

We have considered all three approaches to market value for this assignment. Based on the subject's characteristics and the scope of the assignment, the Sales Comparison Approach has been processed. The subject is located in a market with limited rental activity for single-tenant industrial properties. We have searched several databases and due to the lack of applicable investment data, the Income Capitalization Approach would not produce a more credible result and has not been processed for this report. The Cost Approach was not processed since it would not provide additional credibility due to the judgmental nature of depreciation, including physical depreciation and external obsolescence. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated above. The appraiser is not responsible for unauthorized use of this report.

This is an appraisal report that is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of USPAP, as promulgated by the Appraisal Foundation in accordance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA). As such, it presents a summary discussion of the data, reasoning, and analyses that have been used in the appraisal process to develop the appraiser's opinion of value.

The information gathered during the course of our study has been processed in accordance with the methodology recommended by the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP) as developed and published by the Appraisal Standards Board (ASB) of the Appraisal Foundation. The following report relates to the assumptions and limiting conditions imposed the scope of the assignment, as well as the valuation opinions.

No responsibility has been assumed for matters legal in nature, nor has any opinion on title been rendered. This appraisal assumes the subject has a marketable title free from any liens, encumbrances and environmental concerns, if any, unless expressly indicated in the body of the report.

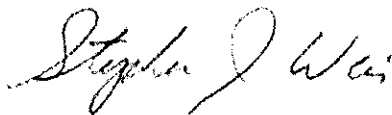
The most logical buyer would be an owner-occupant, with fee simple ownership of the subject property. In identifying the most logical buyer of the above property, it was determined that the marketing of such a property depends on the existing conditions influencing the market during the period of market exposure. Based on primary and secondary data sources involved in the acquisition of similar properties, it is felt that an agreement to purchase the subject would be reached within a twelve month period, if properly marketed.

This letter is not the appraisal itself, and is to be used in conjunction with the appraisal report to follow. The identification of the subject, its location, physical characteristics, ownership status, and other pertinent facts along with comparable market data, and the results of the investigations and analyses that lead to the value conclusions are summarized in the following report.

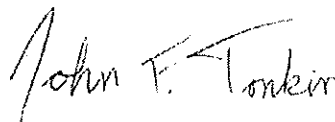
All data gathered during the course of the work is being maintained in a permanent file. If you should have any questions, please let us know.

Respectfully submitted,

Logix Real Estate Solutions

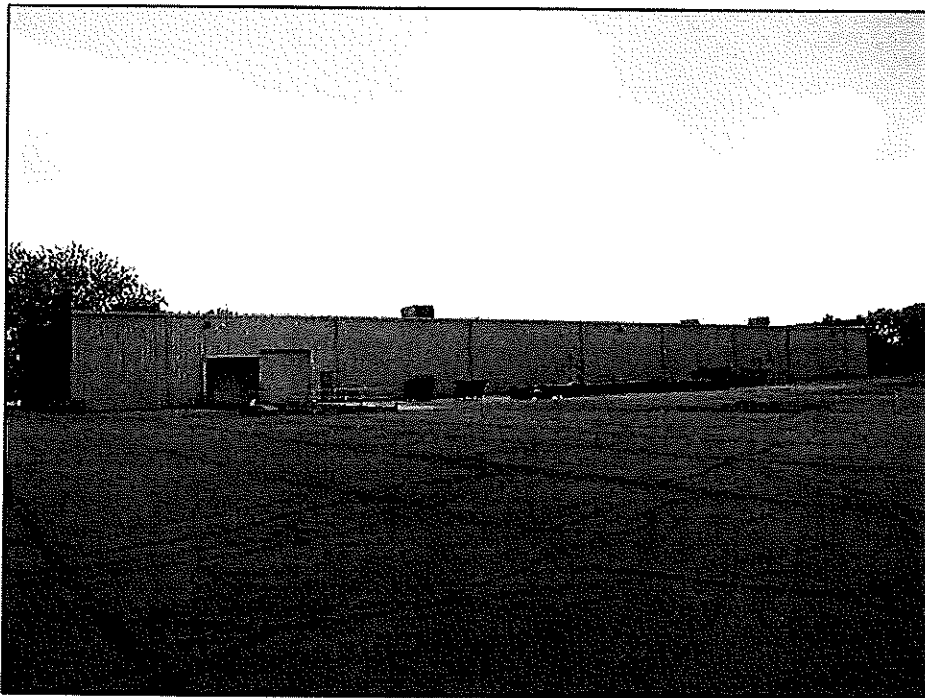
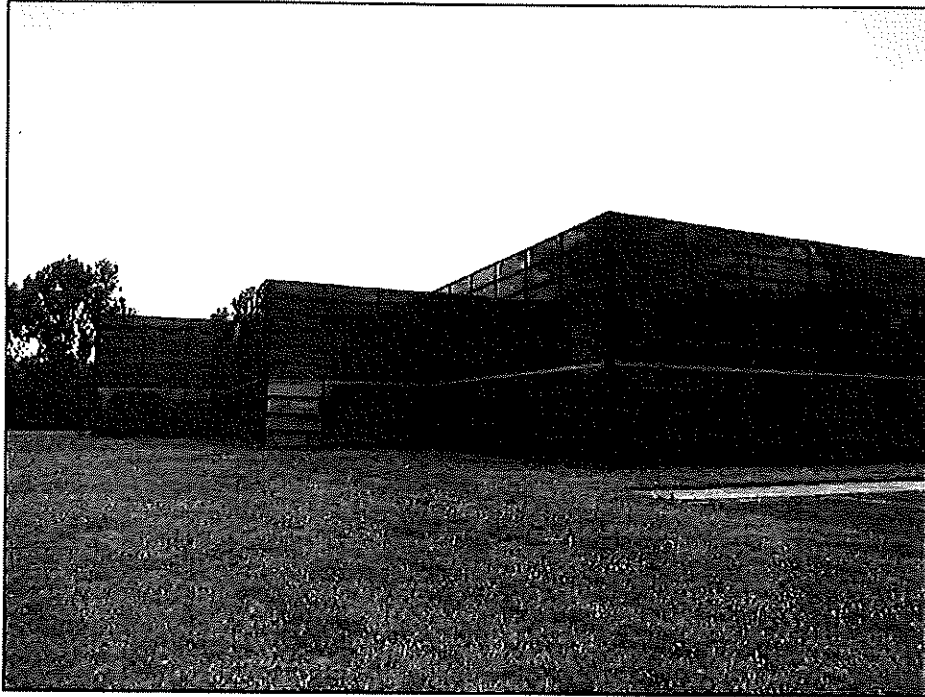


Stephen J. Weis, MBA, MAI
President
Certified General Real Estate Appraiser
State of Ohio Certificate #2003005398
* Did not inspect – Reviewed the report



John F. Tonkin
Vice President
Certified General Real Estate Appraiser
State of Ohio Certificate #2014004018

Subject Photographs



Summary of Salient Facts

Property Address: 4300 Gateway Blvd.
Springfield, Clark County, OH 45502

Main Parcel ID: 330-07000-10402-0-00

Property Type: Industrial

Year Built: 1987

Total Building SF: 40,100

Improved Site Acres: 4.800

Zoning: M-1 - General Manufacturing

Utilities: All Public

Flood Plain Designation: Zone X

Opinion of Value

Reconciliation	Status	Effective Date	Property Rights	Value Opinion
Sales Comparison Approach	As Is	6/22/2022	Fee Simple Estate	\$900,000
Reconciled Current Market Value	As Is	6/22/2022	Fee Simple Estate	\$900,000

The above value estimate is exclusive of all furniture, fixtures, and equipment (FF&E).

Assumptions and Limiting Conditions

According to the Uniform Standards of Professional Appraisal Practice (USPAP), Assumption is defined as:

That which is taken to be true.

Therefore, it is critical to note that this appraisal report is based upon the following Assumptions and Limiting Conditions:

Basic Assumptions and Limiting Conditions:

1. This is an appraisal report that is intended to comply with the reporting requirements set forth under the *Standard Rule 2-2(a)* of the Uniform Standards of Professional Appraisal Practice. As such, it presents summarized discussions of the data, reasoning, and analyses that have been used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is contained in this report. If a third party study was relied upon to assist in reaching a value for the subject property, such study is included herein with the name of the person or firm responsible for such study, along with the appraiser's comments and conclusions regarding that data. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser(s) is/are not responsible for unauthorized use of this report.
2. All data gathered during the course of our investigation are from sources believed to be reliable and are assumed correct, but are not guaranteed. Further, responsible ownership and competent property management are assumed.
3. No responsibility is assumed for matters legal in character or nature. The property is assumed free and clear of any or all liens or encumbrances except as herein described, and assumes its title to be marketable unless otherwise stated. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
4. No responsibility is assumed for the legal description or for matters including title considerations. The legal description, as given by the client, or as obtained through public records, is assumed correct. No survey has been made, unless noted in the report, and no responsibility is assumed in connection therewith.
5. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. 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 that would cause 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.* The appraisers have made the assumption that hazardous materials are not present within the subject improvements or on the subject property.
6. The *Americans with Disabilities Act (ADA)* became effective January 26, 1992. The appraisers have not made a specific compliance survey and analysis of this property to determine whether 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 the appraisers have no direct evidence relating to this issue, possible noncompliance with the requirements of ADA in estimating the value of the property has not been considered.*
7. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report. Zoning laws are assumed stable. No responsibility is assumed for building code violations.

8. 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 report is based.
9. No responsibility is assumed for any architectural, structural, mechanical or engineering matters. All engineering is assumed to be correct. It is assumed that there are no hidden conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
10. The amount of acreage for the underlying site has been based on our review of public records, as well as descriptive data provided by the property owner. The appraiser(s) signing this report have made the assumption that this data is accurate. Any sketches, maps, or plot plans contained within this report are included only to assist the reader in visualizing the property and are not necessarily to scale.
11. This appraisal report may contain a valuation relating to the geographical portion of a larger parcel and the value reported for such portion plus the value of all other geographic portions may or may not equal the value of the entire parcel or tract when considered in its entirety. Any value estimates provided in this report apply to the subject property as a whole, and any proration or division of the total into fractional interests will invalidate the value estimate, unless such proration or division of interests has been set forth in the report. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. This report may not be used for any purpose by any person other than the intended user, without the written consent of that person or *Logix Real Estate Solutions*, and then only in its entirety. The appraiser(s) signing this report must be notified in order to reproduce this appraisal.
13. The appraiser(s), by reason of this appraisal, is/are 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. With the delivery of this appraisal, the employment is completed and the fee is due and payable upon receipt of billing. If further reports are necessary, or court appearances desired, separate arrangements must be made for additional services.
14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser(s), or *Logix Real Estate Solutions*) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser(s).

Extraordinary Assumptions

According to the Uniform Standards of Professional Appraisal Practice (USPAP), an **Extraordinary Assumption** is defined as:

An assignment-specific assumption, as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

USPAP elaborates on this definition by making the following comment:

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Therefore, the appraisers have made the following Extraordinary Assumptions:

None

Hypothetical Conditions

According to the Uniform Standards of Professional Appraisal Practice (USPAP), a **Hypothetical Condition** is defined as:

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

USPAP elaborates on this definition by making the following comment:

Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Therefore, the appraisers have used the following Hypothetical Conditions:

None

Definitions

Market Value: The value to be appraised is the Market Value. Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. A current economic definition agreed upon by agencies that regulate federal financial institutions in the United States of America 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 knowledgeable, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Substitution of another currency for United States dollars in the fourth condition is appropriate in other countries or in reports addressed to clients from other countries.

¹ _____ Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [f]. For further explanation of the definition of Market Value, the client is urged to review the following: Federal Register - Volume 55 - Number 163; the Dictionary of Real Estate Appraisal, Appraisal Institute; and the Uniform Standards of Professional Appraisal Practice.

Fee Simple Estate is defined as 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.²

Leased Fee Interest An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.²

Leasehold Interest is defined as the interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.²

Marketing Time is defined as an estimate of the amount of time it might take to sell a property interest in real estate at the estimated market value level during the period immediately after the effective date of an appraisal.³

Exposure Time is defined as the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective estimate based upon an analysis of past events assuming a competitive and open market.³

Highest And Best Use is defined as the reasonable probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility and maximum productivity.²

Value As Is is defined as the value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning. See also effective date; prospective value opinion.²

² _____ Dictionary of Real Estate Appraisal

³ _____ Uniform Standards of Professional Appraisal Practice (USPAP)

Appraisal Problem

The appraisal problem consists of determining the highest and best use of the subject property as if vacant and as improved and then determining the market value of the entire property including the land and improvements. The appraisers must analyze the subject in relation to competitive properties to determine how the subject property is expected to compete with these other properties as an investment. The overall market condition must also be analyzed to determine the marketability of the subject in a competitive and open market.

The subject is a 40,100 square foot building, situated on a 4.800 acre parcel.

Scope of Services

The scope of the appraisal is summarized to include the intended use, analysis, reasoning, and procedures used to develop and support our opinion and conclusions.

Intended Use of Report

This appraisal is intended to assist with asset management, divorce proceedings, mediation, or settlement purposes.

Client and Intended User of Report

Eric Bonn is the client for this appraisal assignment. The intended users are Eric Bonn and his associated accountants, attorneys, and representatives.

General Data Collection and Analysis

This involves collection of data relating to national, regional, and local trends, and identification and analysis of the social, economic, governmental, and environmental forces affecting the market value.

Neighborhood Data Collection and Analysis

This entails inspecting the subject neighborhood; collecting and analyzing data on growth trends, demographics, physical characteristics, utilities, and infrastructure.

Subject Property Data Collection and Analysis

This phase includes inspecting the subject; analyzing the condition and utility of the subject; and analyzing other relevant information such as real estate taxes, and zoning. The description of the subject property is based on information provided to the appraiser by the client and the site inspection, as well as data compiled from public records.

Market Data Collection and Analysis

This phase involves collecting, verifying information and analyzing comparable improved sales, and collecting market information such as rents, expenses, capitalization rates, yield rates, and land to building ratios. The national, regional and local market area analyses are based on observations of the marketplace by Logix Real Estate Solutions.

Additional data was provided by the following:

Clark County
City of Springfield

The State of Ohio
US Census Bureau

Highest and Best Use Analysis

This phase involves analyzing the subject relative to supply and demand, physically possible use, legal use, feasible use, and the maximally productive use as if vacant and as improved.

Valuation

We have considered all three approaches to market value for this assignment. Based on the subject's characteristics and the scope of the assignment, the Sales Comparison Approach has been processed. The subject is located in a market with limited rental activity for smaller, single-tenant industrial properties. We have searched several databases and due to the lack of applicable investment data, the Income Capitalization Approach would not produce a more credible result and has not been processed for this report. The Cost Approach was not processed since it would not provide additional credibility due to the judgmental nature of depreciation, including physical depreciation and external obsolescence.

Report Preparation

The final phase of the appraisal process is the preparation of a report. The reporting format, according to Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP), is an Appraisal Report. The report summarizes information sufficiently to identify the real estate, including physical and economic characteristics. This Appraisal Report is a recapitulation of the appraiser's data, analyses, and conclusions. Supporting documentation is retained in the appraiser's file. *The depth of discussion contained in this report is specific to the needs of the client and for the intended use.*

Effective Date of Valuation – Current Market Value As Is

This is the date on which the property was inspected. The effective date of valuation of the Current Market Value is June 22, 2022.

Date of the Report

This is the date that indicates the perspective from which the appraiser has examined the market. The date of this report is August 5, 2022.

Property Rights Appraised

We have appraised the market value of the fee simple estate.

Marketing Period

The subject would most likely be purchased by an owner-occupant. It was determined that the marketing of such a property depends on the existing market and financial conditions impacting the market during the period of market exposure.

Based on primary and secondary data sources involved in the acquisition and disposition of similar properties, the market value concluded within this report assumes a marketing period for the subject property of less than twelve months.

Exposure Period

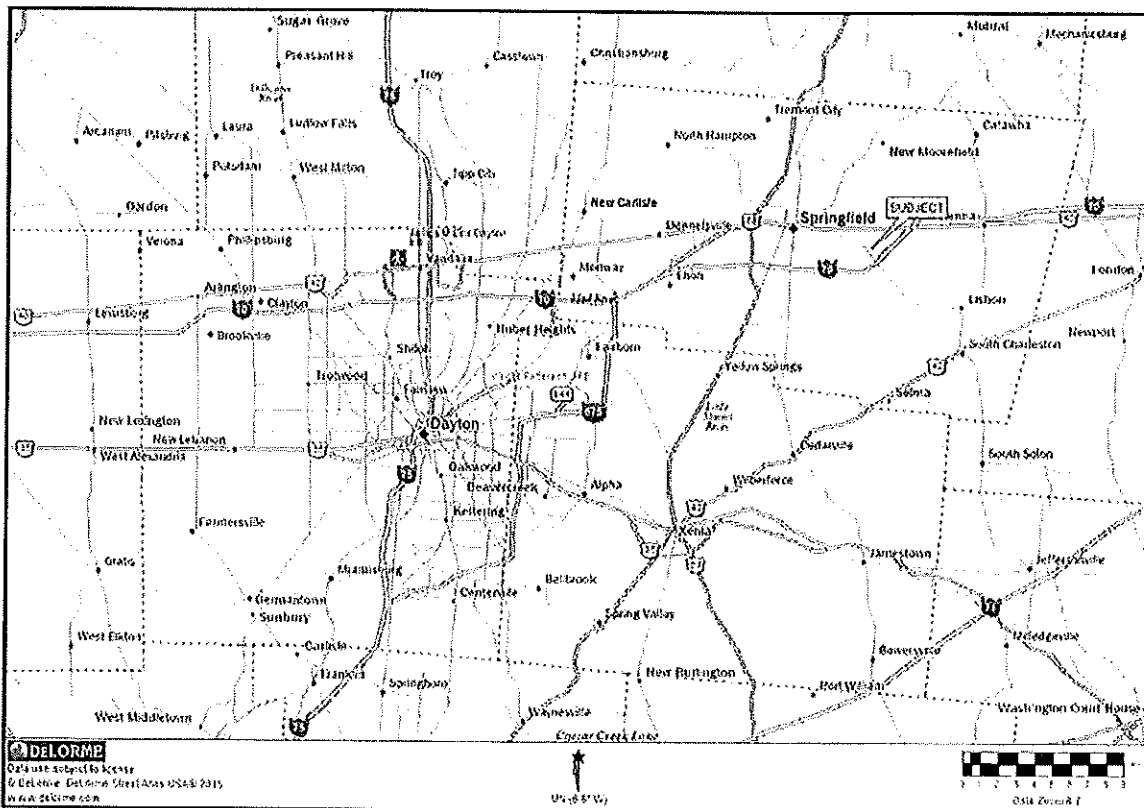
The appraiser observed marketing times of six to eighteen months for similar properties in the local and regional market. Based on primary and secondary data sources, current economic conditions, the appraiser's observations of sales at the local and regional level, and the condition and appeal of the subject, an exposure time of up to twelve months is appropriate for the subject.

Regional Market Area

According to the *Dictionary of Real Estate Appraisal*, Appraisal Institute, Market Area is defined as:

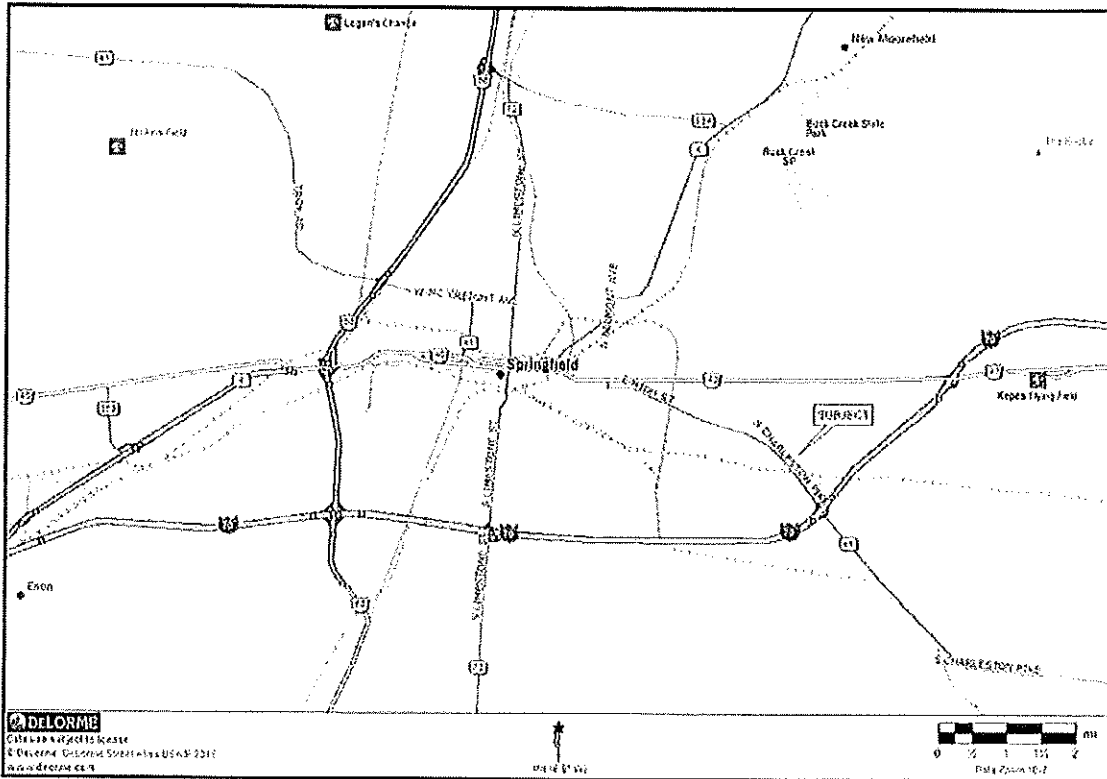
The geographic or locational delineation of the market for a specific category of real estate, i.e., the area in which alternative, similar properties effectively compete with the subject property in the minds of probable, potential purchasers and users.

For the purposes of this report, the Dayton-Springfield metropolitan area is considered the regional marketplace.



Local Market Area Description

Overview: The subject is located in Springfield, Clark County, Ohio. These political subdivisions tend to influence the subject property and surrounding properties with their composition of land uses, governmental influences, school district and location. The local market is best described as the area surrounding Springfield.



Conclusion: The local market area is a stable, suburban area. Access to and within the area is adequate, as is the proximity to other market areas. Therefore, it is our opinion that in general, property values in the subject area are stable, and will remain stable to increasing as overall economic conditions improve.

As of the date of this report, the United States is experiencing a significant amount of economic uncertainty due to the COVID-19 pandemic. Given the unprecedented nature of this event, the long-term impact on commercial real estate is unknown. Our conversations with market participants have indicated that some purchase decisions are being placed on-hold and others have indicated that activity has stayed relatively consistent.

As of the date of this report, we have not seen direct evidence of industrial property values being impacted negatively within the subject market.

Property Data**Legal Description**

A copy of the legal description was not provided. For the purposes of this assignment, the subject is legally defined as county parcel number 330-07000-10402-0-00.

Property History

The subject is currently owned by EW Bonn Properties, LLC and has been under continuous ownership for at least three years. The subject is currently owner-occupied and operated as an industrial office/warehouse property.

Overall, the subject is in below average condition due to the significant maintenance needed for the HVAC system, asphalt, concrete, roof, and glass building front. Based on the information provided by the property contact, the maintenance items have an associated cost as follows:

Description	Cost	\$/SF
HVAC Unit Replacement	\$238,404	\$5.95
Concrete Repairs	\$25,500	\$0.64
Parking Lot Repairs	\$29,000	\$0.72
Roof Replacement	\$100,000	\$2.49
Glass Repairs	\$411,525	\$10.26
Total Cost	\$804,429	\$20.06

The items discussed above create a subject property that is in below average condition, which will require above average maintenance/repair costs in the short term. These items would not likely be cured at one time, but would be addressed over time. These expected costs would reduce the value to a market participant and the cost to cure will not likely add value on a dollar-for-dollar basis.

We are unaware of any other arm's length transfers of ownership, contracts, listing agreements, options or leases of the subject property within the past three years that would impact the value of the subject property. No responsibility is assumed or implied as to the legal nature affecting title to this property.

Flood Hazard Statement

According to a flood map, the subject site is in Flood Zone X. Flood Zone X corresponds to areas of 500-year flood and areas of 100-year flood with average depths of less than one foot.

Precise determination of flood zones is considered to be out of the scope of the appraiser's expertise. We assume no responsibility for hidden or non-apparent conditions beyond the area of our expertise as appraisers. If concern over flooding exists, the reader is urged to seek professional assistance in determining the nature and extent of any flooding. The value estimate provided herein assumes that none exist. For precise determination of the flood zones and to see if flood insurance is available contact the local FEMA office.

Zoning

The subject is zoned M-1 - General Manufacturing. Please refer to the Zoning Ordinance for more detailed information. The current use appears to be a legally conforming use under this zoning classification.

Assessment and Taxes

It should be noted that taxes are calculated by multiplying the effective tax rate by the assessed value per \$1,000. The assessed value is estimated by a local assessor (city, village, or township level). The assessed values and annual taxes are shown below.

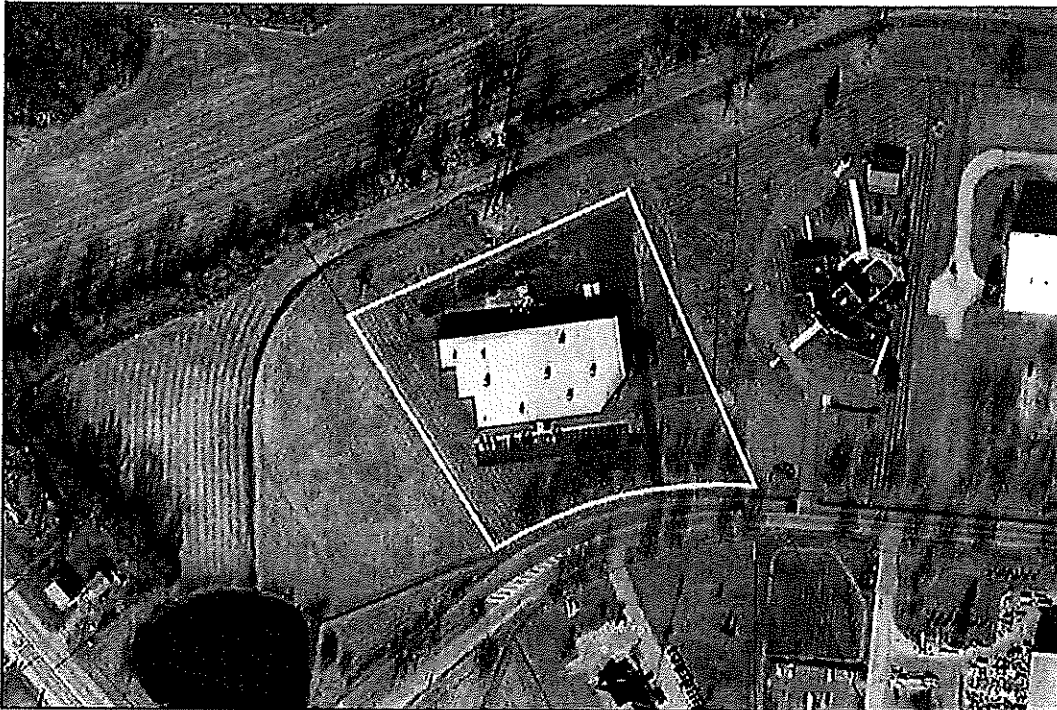
Tax Parcel	Taxable Land Value	Taxable Building Value	Taxable Total Value
330-07000-10402-0-00	\$157,440	\$742,560	\$900,000

	Current	Projected
Total Taxable Value	\$900,000	\$900,000
Assessment Ratio	35.00%	35.00%
Total Assessed Value	\$315,000	\$315,000
Assessed Value/\$1,000	\$315	\$315
Gross Tax Rate	73.500000	73.500000
Effective Tax Rate	63.771087	63.771087
Annual Tax Liability	\$20,088	\$20,088

The current tax data is based on the current assessment and tax rates. The projected data is based on our Sales Comparison conclusion.

Based on our analysis, the current assessment is considered reasonable.

Site Description



Area

According to public records, the subject site contains 4.800 acres. The subject's auxiliary parking area appears to encroach on the adjacent parcel to the east.

Dimensions

The subject site is shown in the parcel map above.

Topography

The subject is generally level and at the grade of the street.

Access and Exposure

Access and exposure to the subject is via Gateway Boulevard.

Easements

Normal utility and right-of-way type easements, agreements, or licenses, and the governmental police powers are assumed. There are no other known encumbrances, encroachments, or legal restrictions adversely affecting the subject property.

Soil Conditions

The soil conditions of the subject and surrounding neighborhood appear to be suitable for a variety of commercial and industrial uses, evident by the developments in the neighborhood. The analysis of soil conditions is considered to be out of the scope of the appraisers' expertise. If concern over soil conditions exists, the client is urged to seek professional assistance in determining the suitability of the soil conditions for any existing or proposed improvements. The value estimate provided herein assumes that the conditions are suitable for commercial and industrial development.

Drainage

Drainage appears to be adequate based on the inspection of the site. If there is a concern about drainage issues, a qualified engineer should be contacted.

Environmental Impact

Unless otherwise stated in this report, the existence of solid, liquid, or gaseous hazardous materials was not discovered during the physical inspection of the subject site. From a visual inspection, the site does not appear to have potential environmental issues. We assume no responsibility for hidden or non-apparent conditions beyond the area of our expertise as appraisers. Only a visual surface inspection of the property was made, and no soil or subsoil problems were apparent.

Testing for hazardous substances is considered to be out of the scope of the appraisers' expertise. If concern over environmental matters exists, the client is urged to seek professional assistance in determining the nature and extent of any hazardous substances. The value estimate provided herein assumes that none exist. Please refer to item 3 of the Assumptions and Limiting Conditions section of this report.

Utilities

All necessary public utilities are available.

Subject Improvements

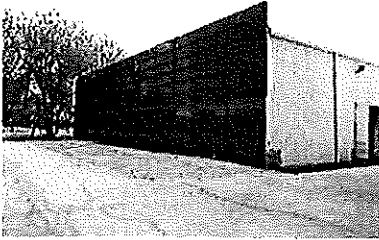
The subject building includes 40,100 square feet, which consists of office, warehouse, and production/shop area. Overall, the subject is in below average condition due to the significant maintenance needed for the HVAC system, asphalt, concrete, and glass building front.

Size	Total Building Area (SF)	40,100
	Approximate Office %	7%
Construction	Year Built	1987
	Classification	Industrial
	Construction	Metal
	Class/Quality	S/Average
	Condition	Below Avg
	Foundation	Concrete Slab
	Roof	Metal
	Clear Height	16'
Interior Warehouse	Walls	Insulated Metal
	Lighting	Industrial
	Floors	Concrete
	HVAC	Heat & A/C
Interior Office	Walls	Drywall
	Lighting	Various
	Floors	Carpet & Vinyl
	HVAC	Forced Air
Mechanical Features	Power	Standard
	Plumbing	Typical
	Sprinkler	Yes
Other	Loading Docks	1
	Drive-in Doors	1

Site Improvements

The subject site improvements include asphalt paved parking areas, concrete truck loading areas, and typical landscaping. The subject has abundant parking, which appears to be super-adequate for an industrial property. The subject's parking area asphalt is in below average condition.

Subject Photographs



Subject Property



Subject Property



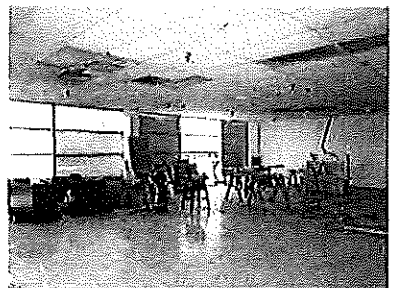
Subject Property



Subject Interior



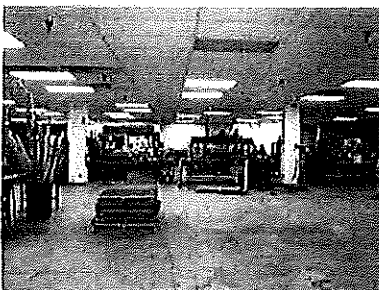
Subject Interior



Subject Interior



Subject Interior



Subject Interior



Subject Interior

Highest and Best Use

In analyzing the highest and best use of a property, two steps are necessary. The first is to analyze the site as if vacant and ready to be improved. After this has been accomplished, the second step is to analyze the property, as improved, which includes the land, structures and site improvements.

The highest and best use is that use which brings the greatest net return to the land. The highest and best use of the subject property was analyzed using the following criteria: physically possible, legally permissible, financially feasible, and maximally productive.

The highest and best use of the subject as if vacant is to hold for development of a commercial use that is compatible with the zoning classification and takes advantage of the infrastructure in place, the access and exposure of the site, and the location in relation to similar uses and the interstate. This use would likely be commercial oriented.

Since the subject improvements generally conform to market standards, and the improvements contribute value over/above the value of the site, the highest and best use as improved, is the current use.

Current Use

The subject's current use is an industrial office/warehouse facility.

Appraised Use

The subject has been appraised as an industrial office/warehouse facility.

Furniture, Fixtures, and Equipment (FF&E)

The subject facility utilizes several non-realty components. These items, including any office and industrial equipment are considered trade fixtures and/or personal property and are not included in the values contained in this report.

Valuation Process

The appraisal process revolves around three principal avenues of analysis commonly known as the Cost Approach, the Sales Comparison Approach and the Income Capitalization Approach. Each of these approaches pursues independent lines of analysis, which if properly applied, should converge in mutual support of one another in arriving at a final solution to the appraisal problem.

The **Cost Approach** is based on the premise that an informed, rational investor/purchaser would pay no more for an existing property than it would cost him to reproduce a substitute property with the same utility. Therefore, the value estimate of the subject is based on current Replacement Costs (including direct costs, indirect costs, and entrepreneurial incentive), less Accrued Depreciation, plus the Site Value.

The **Sales Comparison Approach** draws directly from the actions of buyers and sellers of similar properties. It is the process of comparing prices paid for properties having a satisfactory degree of similarity to the subject property. This approach is based upon the principle of substitution, which implies that a prudent purchaser will not pay more to buy a property than it would cost him to buy an equally desirable substitute property that was similar in size, location, shape, and utility (i.e., usefulness), without undue delay. It compares properties with similar utility as the subject property in order to reach a value indication. The Sales Comparison Approach was used as a value indicator for the entire subject by comparing improved sales to the subject.

The **Income Capitalization Approach** measures the relationship of income and value. This approach realizes its greatest use in the valuation of income-producing properties such as the subject. It is based on the premise that a prudent investor would pay no more for the subject property than he would for another investment with similar risk and return characteristics. Since the value of an investment can be considered equal to the present worth of anticipated future benefits, dollar income or amenities, this approach estimates the market value of the net income that the property is capable of producing. This amount is capitalized at a rate, which reflects the risk to the investor and supports the amount of income necessary for debt service or the mortgage requirement.

The appropriate method of valuing the subject in the Income Capitalization Approach is Direct Capitalization. Income/expense items are estimated based on a sample of market data. The Net Operating Income (NOI) generated in single year is then converted into an indication of value by dividing the NOI by an appropriate Overall Capitalization Rate (R_o).

The final task of the appraiser is to reconcile the value estimates into a final opinion of value for the subject property. Based on the nature and scope of this report, only the Sales Comparison Approach was processed. The subject is located in a market with limited rental activity for single-tenant industrial properties. We have searched several databases and due to the lack of applicable investment data, the Income Capitalization Approach would not produce a more credible result and has not been processed for this report. The Cost Approach was not processed since it would not provide additional credibility due to the judgmental nature of depreciation, including physical depreciation and external obsolescence.

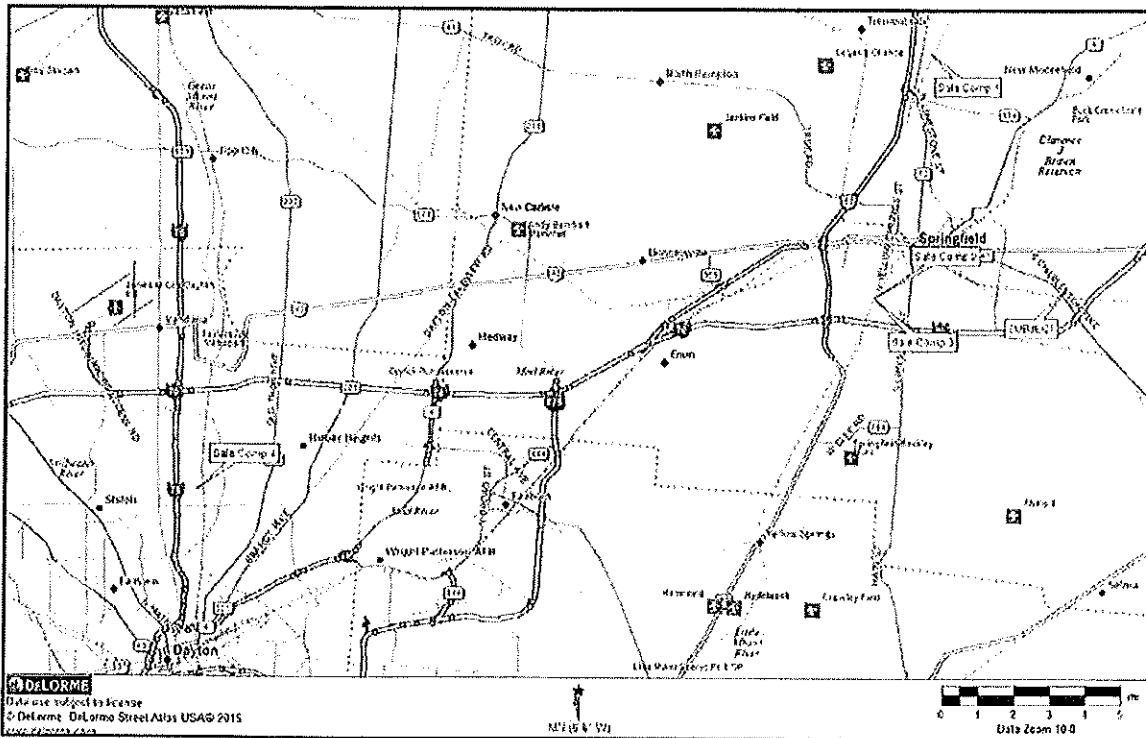
Sales Comparison Approach

The Sales Comparison Approach was used to estimate the value of the subject. It draws directly from the actions of buyers and sellers of real estate. It compares properties with similar utility as the subject property in order to reach a value indication. The value estimate for the subject is made on the basis of price per square foot. Any differences in physical attributes, conditions or amenities are quantified. The impact of unconventional methods of financing and/or the passage of time are also quantified. The differences are quantified by a series of adjustments to the comparables and reconciled into an indication of value for the subject.

Comparable Sales Analysis

An effort was made to find comparable sales, which were similar in size, utility, and quality that have recently sold. Comparables were selected and verified via public records and primary sources involved with these transactions. The sales selected for comparison to the subject are of similar construction, utility and are located within the region.

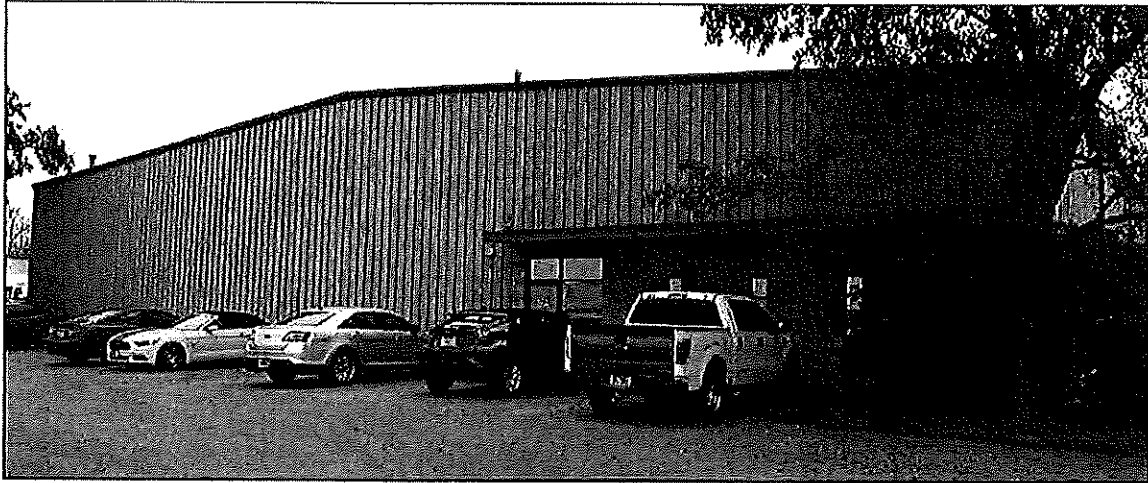
The locations of the comparables are exhibited on the map below.



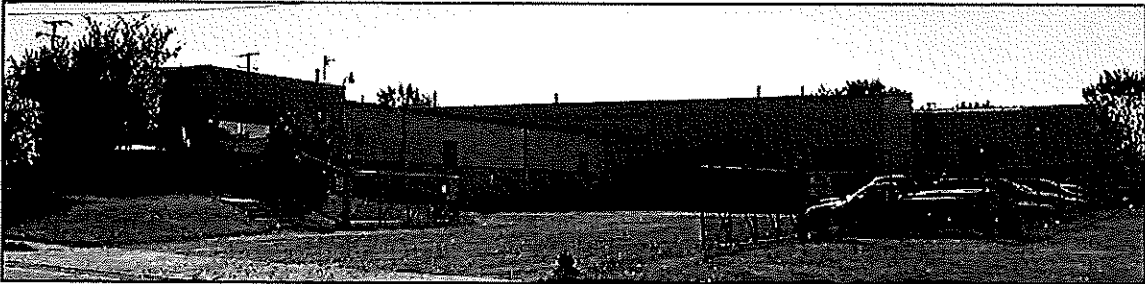
Comparison Process: In applying the Sales Comparison Method, the market value of the subject was estimated on the basis of actual sale prices of similar properties. Differences in the properties such as property rights, market conditions at the time of sale, financing, location, size and other physical characteristics are analyzed, and then adjustments are applied to the comparables.

Improved Sales	Subject	1	2	3	4
Address	4300	5240	1940	2000	5621
Street	Gateway Blvd	Prosperity Dr	S. Yellow Springs St	S. Yellow Springs St	Webster Ave
Jurisdiction	Springfield	Springfield	Springfield	Springfield	Dayton
County	Clark	Clark	Clark	Clark	Montgomery
State	OH	OH	OH	OH	OH
Building Area (SF)	40,100	24,000	49,026	61,479	66,200
Office Space (SF)	3,000	2,000	7,974	3,000	3,200
Office Space %	7%	8%	16%	5%	5%
Year Built	1987	1988	1949	1968	1971
Construction	Metal	Metal	Metal	Metal	Metal
Class/Quality	S/Average	S/Average	S/Average	S/Average	S/Average
Condition	Below Avg	Above Avg	Average	Below Avg	Below Avg
Clear Height	16'	18'	12' - 20'	16' - 21'	14' - 22'
Site (Acres)	4.800	4.150	2.720	6.390	5.220
Land/Building Ratio	5.21	7.53	2.42	4.53	3.43
Environment	Industrial	Industrial	Industrial	Industrial	Industrial
Location	Suburban	Suburban	Suburban	Suburban	Suburban
Grantor		Limestone Management	John & Andy Enterprises	Kreider Corporation	NPP of Ohio
Grantee		Imperial Logistics	FQ Real Estate	WKLK, LLC	Tessec Properties
Property Rights		Leased Fee	Fee Simple	Fee Simple	Fee Simple
Sale Condition		Arm's Length	Arm's Length	Arm's Length	Arm's Length
Financing		Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Sale Date		Jan-2022	Jan-2022	Dec-2020	Oct-2021
Sale Price		\$850,000	\$1,350,000	\$1,070,000	\$1,250,000
Sale Price (\$/SF)		\$35.42	\$27.54	\$17.40	\$18.88

Comments: Sale 1 includes a billboard lease.



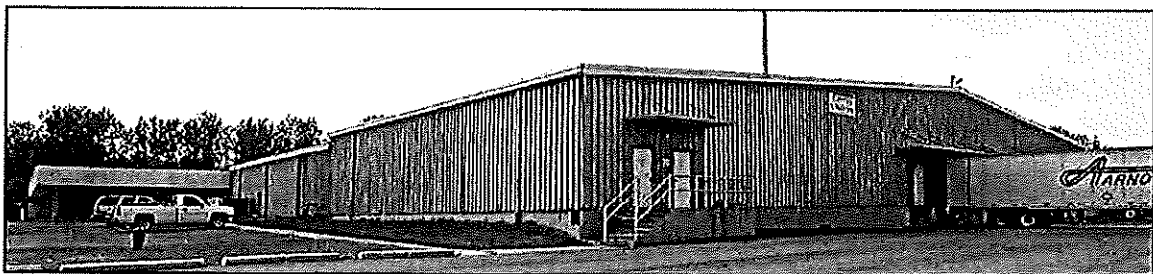
Sale Comp 1



Sale Comp 2



Sale Comp 3



Sale Comp 4

Adjustment Process: The variables unique to each sale are analyzed and resolved below. These adjustments are qualitative in nature and presented numerically.

Adjustments	1	2	3	4
Sale Price (\$/SF)	\$35.42	\$27.54	\$17.40	\$18.88
Property Rights	Leased Fee	Fee Simple	Fee Simple	Fee Simple
Adjustment	0.0%	0.0%	0.0%	0.0%
Adjusted Sale Price (\$/SF)	\$35.42	\$27.54	\$17.40	\$18.88
Sale Condition	Arm's Length	Arm's Length	Arm's Length	Arm's Length
Adjustment	0.0%	0.0%	0.0%	0.0%
Adjusted Sale Price (\$/SF)	\$35.42	\$27.54	\$17.40	\$18.88
Financing	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Adjustment	0.0%	0.0%	0.0%	0.0%
Adjusted Sale Price (\$/SF)	\$35.42	\$27.54	\$17.40	\$18.88
Market Conditions	Similar	Similar	Similar	Similar
Adjustment	0.0%	0.0%	0.0%	0.0%
Adjusted Sale Price (\$/SF)	\$35.42	\$27.54	\$17.40	\$18.88
Location (Market)	0.0%	0.0%	0.0%	-10.0%
Access & Exposure	0.0%	0.0%	0.0%	0.0%
Age/Condition/Quality	-25.0%	-20.0%	15.0%	15.0%
Office Buildout	0.0%	-5.0%	2.5%	2.5%
Clear Height	0.0%	0.0%	0.0%	0.0%
Other Physical	-5.0%	7.5%	5.0%	7.5%
Size (Economic)	-7.5%	0.0%	5.0%	5.0%
Total Adjustments	-37.5%	-17.5%	27.5%	20.0%
Adjusted Sale Price (\$/SF)	\$22.14	\$22.72	\$22.19	\$22.66

Location: Sale 4 is located in a superior submarket.

Access & Exposure: No adjustments were made.

Age/Condition/Quality: Sales 1 & 2 are superior due to condition. Sales 3 & 4 are inferior due to age. This adjustment accounts for the maintenance needed for the subject's HVAC system, concrete, parking lot, roof, and glass front.

Office Buildout: This adjustment accounts for percentage of office space.

Clear Height: Sale 4 has a superior clear height.

Other Physical: This adjustment accounts for land-to-building ratio. This adjustment also accounts for the subject's air-conditioned warehouse and the billboard lease included with Sale 1.

Size: This adjustment accounts for economies of scale, since larger buildings typically sell at a lower \$/SF and smaller buildings typically sell at a higher \$/SF.

Sales Comparison Conclusion

The items discussed in the Property History create a subject property that is in below average condition, which will require above average maintenance/repair costs (approximately \$800,000) in the short term. These items would not likely be cured at one time, but would be addressed over time. These expected costs would reduce the value to a market participant and the cost to cure will not likely add value on a dollar-for-dollar basis. These atypical maintenance/repair items have been considered in our analysis.

The comparable sales indicate a value range as follows;

	Minimum	Maximum
Unadjusted (\$/SF)	\$17.40	\$35.42
Adjusted (\$/SF)	\$22.14	\$22.72

As Is: After an analysis of the available data and other information retained in the appraiser's files, a value indication per square foot was estimated based on the above adjusted range and applied to the square footage of the subject.

$$\text{Indicated Value - As Is} \quad \begin{array}{c} \text{SF} \\ 40,100 \end{array} \times \begin{array}{c} \text{\$/SF} \\ \$22.50 \end{array} = \begin{array}{c} \text{Total} \\ \$902,250 \end{array} \quad \begin{array}{c} \text{Rounded} \\ \mathbf{\$900,000} \end{array}$$

Additional Analysis: Based on our market research, we have concluded that a Fair Market Rent for the subject in its current condition would be \$2.50/SF on a net basis.

Reconciliation and Final Value

Finally, it is felt that the most logical buyer of the subject property if offered on the open market would be an owner-occupant. The revenue potential, access and exposure, and proximity to commercial areas should have a positive impact on the marketing of this property. New development and renovations to existing commercial properties have been evidenced in the past twenty-four to thirty-six months. The overall economy has been improving for several years and is expected to continue improving over the long term.

As of the date of this report, the United States is experiencing a significant amount of economic uncertainty due to the COVID-19 pandemic. Given the unprecedented nature of this event, the long-term impact on commercial real estate is unknown. Our conversations with market participants have indicated that some purchase decisions are being placed on-hold and others have indicated that activity has stayed relatively consistent. As of the date of this report, we have not seen direct evidence of industrial property values being impacted negatively within the subject market.

Reduced marketability in the short term may be attributed to the economic uncertainty discussed above. The subject's marketability due to its location is average. Reasonable marketing time is based on the supply and demand for commercial space and market conditions for this type of property as an investment, as well as price, availability of financing, and quality of marketing. Based on our conversations with individuals involved in the acquisition of this type of property, it is felt that a reasonable marketing time for the subject is twelve months or less. Based on the national and local market studies, and considering the degree of marketability that would be reflected for the subject, an exposure period of less than twelve months is also appropriate.

Opinion of Market Value

In reconciling our final value conclusion, all weight was placed on the Sales Comparison Approach.

Reconciliation	Status	Effective Date	Property Rights	Value Opinion
Sales Comparison Approach	As Is	6/22/2022	Fee Simple Estate	\$900,000
Reconciled Current Market Value	As Is	6/22/2022	Fee Simple Estate	\$900,000

The above value estimate is exclusive of all furniture, fixtures, and equipment (FF&E).

Certification

In accordance with Standards Rule 2-3 of the Uniform Standards of Professional Appraisal Practice, I certify that to the best of my knowledge and belief:

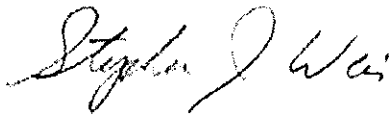
1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, unbiased professional analyses, opinions, and conclusions.
3. This appraisal report sets forth all of the limiting conditions (imposed by the terms of our assignment or by the undersigned) affecting the analyses, opinions and conclusions contained in this report. These conditions are set forth throughout this report.
4. The market value estimated, and the costs used, are as of the date of the report. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the report.
5. To the best of our knowledge, the subject is marketable in its current condition at the appraisal value set forth in this report.
6. I have no present or prospective interest or bias in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved.
7. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
8. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include Uniform Standards of Professional Appraisal Practice.
10. John F. Tonkin has performed a personal inspection of the property that is the subject of this report.
11. No one provided significant real property appraisal assistance to the persons signing this report.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

13. As of the date of this report, Stephen J. Weis has completed the continuing education program for Designated Members of the Appraisal Institute.
14. As of the date of this report, Stephen J. Weis and John F. Tonkin have completed the requirements of the continuing education program of the State of Ohio for the practice of General Real Estate Appraisal.
15. The assignment was not based on a minimum value, a specific value, or approval of a loan.
16. I have the knowledge and the experience to complete this appraisal assignment and have appraised this property type before, and neither I, nor my current employer, have been sued by a regulatory agency of financial institution for fraud or negligence involving an appraisal report.
17. I have provided no services, as an appraiser or in any other capacity, regarding the subject property that is the subject of this report within the three-year period immediately preceding the agreement to perform this appraisal.

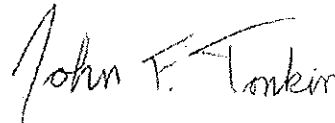
I trust this is the information which you require. All data gathered during the course of the work are being maintained in a permanent file. If you should have any questions, please let us know.

Respectfully submitted,

Logix Real Estate Solutions



Stephen J. Weis, MBA, MAI
President
Certified General Real Estate Appraiser
State of Ohio Certificate #2003005398
* Did not inspect – Reviewed the report



John F. Tonkin
Vice President
Certified General Real Estate Appraiser
State of Ohio Certificate #2014004018

ADDENDA

APPRAISER DISCLOSURE STATEMENT

QUALIFICATIONS OF THE APPRAISER

QUALIFICATIONS

STEPHEN J. WEIS

Education:

- 1990 *University of Dayton, Dayton, Ohio*
Bachelor of Science
Business Administration
- 1993 *University of Cincinnati, Cincinnati, Ohio*
Master of Business Administration
Concentration in Real Estate & Finance

Experience:

- June 2012 – Present **Logix Real Estate Solutions Inc., President. Litigation Valuation Services Consultant/Appraiser.**
- 2009 – May 2012 **The Gem Real Estate Group, Senior Vice President, Litigation Valuation Services Consultant/Appraiser.**
- 2003 - 2009 **The Gem Real Estate Group, Vice President, Appraiser**
- 1998 - 2003 **The Hazen Company, Inc., Appraiser and Market Research Analyst**
- 1997 - 1998 **Wachovia Bank, N.A., Vice President Commercial Real Estate Lending**
- 1994 - 1997 **Star Bank, N.A., Assistant Vice President Commercial Real Estate Lending**
- 1993 - 1994 **Huntington National Bank, N.A., Assistant Relationship Banker and Commercial Real Estate Analyst**

Certifications:

- Certified General Appraiser, State of Ohio, #2003005398
Certified General Real Estate Appraiser, Kentucky # 003758
State Certified General Real Estate Appraiser, South Carolina # CG 3523
Real Estate Brokers License, South Carolina #623148989

Comprehensive Commercial Real Estate Advisory Services:

- Appraisal/Valuation
- Consulting
- Tax Appeal
- Site Selection
- Feasibility Studies
- Market Studies
- Investment Analysis
- Highest and Best Use Analysis
- Information Services
- Brokerage
- Property Management
- Minority & Partial Interest Valuations
- Estate Settlements
- Condemnation
- Tenant Representation

Types Of Clients

- Banks
- Developers
- Attorneys
- Accountants
- Public and Private Corporations
- REIT's
- Government
- Hospitals
- Economic Development Agencies
- Life insurance Companies
- Pension Funds
- Conduit

Types of Properties

- Office
- Medical Office
- Retail Shopping Center
- Commercial Land
- Residential Subdivision Developments
- Apartments
- Convenience / Gas Stations
- Golf Courses
- Hotels & Motels
- Industrial Warehouses
- Industrial Parks
- Condominium Developments
- Marinas
- Mobile Home Parks
- Movie Theaters
- Self-Storage
- Restaurants
- Funeral Homes
- Wetland / Conservation
- Right-of-Way
- Special Use Properties
- Churches

APPRAISER DISCLOSURE STATEMENT

In compliance with Ohio Revised Code Section 4763.12 (C)

1. **Name of Appraiser:** Stephen J. Weis

2. **Class of Certification/Licensure:** Certified General
 Licensed Residential
 Temporary General Licensed

Certification/Licensure Number: 2003005398

3. **Scope:** This Report is within the scope of my Certification or License.
 is not within the scope of my Certification or License.

4. **Service Provided By:** Disinterested and Unbiased Third Party.
 Interested and Biased Third Party
 Interested Third Party on Contingent Fee Basis.

5. **Signature of person preparing and reporting the appraisal**

Stephen J. Weis

This form must be included in conjunction with all appraisal assignments or specialized services performed by a state-certified or state licensed real estate appraiser.

State of Ohio
Department of Commerce
Division of Real Estate
Appraiser Section
Cleveland: 216/787-3100

AN APPRAISER LICENSE/CERTIFICATE
has been issued under ORC Chapter 4763 to:

NAME:

Stephen J Weis

LIC/CERT NUMBER:

2003005398

LIC LEVEL:

Cert. General R. E. Appraiser - Reciprocity

CURRENT ISSUE DATE:

04/26/2022

EXPIRATION DATE:

04/16/2023

LIBPAP DUE DATE:

04/16/2024

Ohio

**Department
of Commerce**

Division of Real Estate
& Professional Licensing

Commonwealth of Kentucky
Kentucky Real Estate Appraisers Board

2022 - 23

Hereby grants a *Certified General Real Property Appraiser*

To Stephen Weis
Logix Real Estate Solutions
10552 Success Lane, Suite E
Dayton, OH 45458

License No 3758

who has complied with the provisions of Chapter 324A of the Kentucky Revised Statutes IN WITNESS WHEREOF, we have caused the official seal to be fixed and attested for the year shown above.



John G. Kenkel, Jr., Chair
John Brewer, Vice Chair
Justin W. Noble
William Jeffrey Fultz
John Dexter Outlaw

A handwritten signature in black ink, appearing to read "John M. Kall".

This certificate expires 6/30/2023

QUALIFICATIONS

John F. Tonkin

Education:

2000 - 2004 *The Ohio State University, Columbus, Ohio*
Bachelor of Science
Business Administration

Experience:

2012 - Present *Logix Real Estate Solutions, Vice President/Appraiser/Consultant*
2005 - 2012 *Gem Real Estate Group, Appraiser/Consultant*
2004 - 2005 *CoStar Group, Real Estate Research Analyst*

Certifications:

Certified General Real Estate Appraiser, State of Ohio, #2014004018

Comprehensive Commercial Real Estate Advisory Services:

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- Investment Analysis
- Highest and Best Use Analysis
- Information Services
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- Site Selection
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- Apartments
- Industrial Warehouses
- Gas Stations
- Self-Storage
- Restaurants
- Churches
- Right-of-Way

APPRAISER DISCLOSURE STATEMENT

In compliance with Ohio Revised Code Section 4763.12 (C)

1. **Name of Appraiser:** John F. Tonkin

[Empty box for additional information]

2. **Class of Certification/Licensure:** Certified General
 Licensed Residential
 Temporary General Licensed
 Registered Real Estate Appraiser Assistant

Certification/Licensure Number: 2014004018

[Empty box for additional information]

3. **Scope:** This Report is within the scope of my Certification or License.
 is not within the scope of my Certification or License.

[Empty box for additional information]

4. **Service Provided By:** Disinterested and Unbiased Third Party.
 Interested and Biased Third Party
 Interested Third Party on Contingent Fee Basis.

[Empty box for additional information]

5. **Signature of person preparing and reporting the appraisal**

John F. Tonkin

This form must be included in conjunction with all appraisal assignments or specialized services performed by a state-certified or state licensed real estate appraiser.

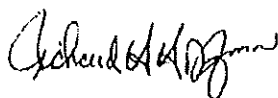
State of Ohio
Department of Commerce
Division of Real Estate
Appraiser Section
Columbus, OH

Ohio Department of Commerce
Division of Real Estate & Professional Licensing

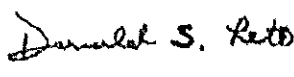
John F Tonkin
Certified General Real Estate Appraiser

Appraiser Number: 2014004018
Original Issue Date: 11/21/2014

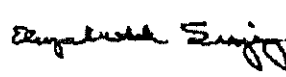
HAS QUALIFIED UNDER THE LAWS AND RULES OF THE STATE OF OHIO AND THE REQUIREMENTS OF THE REAL ESTATE APPRAISER BOARD AND IS DULY QUALIFIED TO ENGAGE IN THE PRACTICE OF REAL ESTATE APPRAISAL. WITNESS THE SEAL OF THE OHIO DEPARTMENT OF COMMERCE, DIVISION OF REAL ESTATE & PROFESSIONAL LICENSING AND THE SIGNATURES OF THE MEMBERS OF THIS BOARD. THIS CERTIFICATE OR LICENSE IS NOT VALID UNLESS TIMELY RENEWED IN ACCORDANCE WITH ALL STATE OF OHIO REQUIREMENTS.



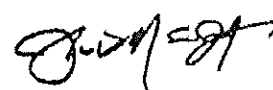
Richard H. Hoffman



Donald S. Leto



Elizabeth A. Sigg



John D. McIntyre

John F Tonkin
10552 Success Ln Ste E
Dayton, OH 45458-3664

John R. Kasich, Governor
David Goodman, Director

AN APPRAISER LICENSE/CERTIFICATE
has been issued under ORC Chapter 4763 to:

NAME:
John F Tonkin

LIC./CERT NUMBER:
2014004018

LIC LEVEL:
Certified General Real Estate Appraiser

Ohio

**Department
of Commerce**

Division of Real Estate
& Professional Licensing

CURRENT ISSUE DATE:

11/26/2021

EXPIRATION DATE:

11/21/2022

USPAP DUE DATE:

11/21/2022

Commonwealth of Kentucky
Kentucky Real Estate Appraisers Board

2022 - 23

Hereby grants a *Certified General Real Property Appraiser*

To John F. Tonkin
Logix Real Estate Solutions
10552 Success Lane, Suite E
Dayton, OH 45458

License No 5375

who has complied with the provisions of Chapter 32.4A of the Kentucky Revised Statutes IN WITNESS WHEREOF, we have caused the official seal to be fixed and attested for the year shown above.



John G. Kenkel, Jr., Chair
John Brewer, Vice Chair
Justin W. Noble
William Jeffrey Fultz
John Dexter Outlaw

This certificate expires 6/30/2023