

APPRAISAL REPORT

of property known as and located:

2-Unit Industrial Facility
1500 Chamberlain Blvd.
City of Conneaut
Ashtabula Co., OH

For:

Ms. Erica Fix
Conneaut Plant Controller
1370 Chamberlain Blvd.
Conneaut, OH 44030
efix@angstrom-USA.com

Prepared by:

Sammartino, Stout & Lo Presti, Inc.
Real Estate Analysts, Appraisers & Consultants
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SAMMARTINO, STOUT & LO PRESTI
REAL ESTATE ANALYSTS, APPRAISERS & CONSULTANTS

RAYMOND J. SAMMARTINO, MAI (RETIRED)
ROBERT G. STOUT, JR., MAI
SERGIO S. LO PRESTI, MAI



October 3, 2025

Attn: Erica Fix
Conneaut Plant Controller
1370 Chamberlain Blvd.
Conneaut, OH 44030

Re: 2-Unit Industrial Facility
1500 Chamberlain Blvd.
City of Conneaut
Ashtabula Co., OH
SSL File #P-1769a-25

As requested, we are submitting an **Appraisal Report** of the above-referenced property for the purpose of providing an opinion of **Market Value “As Is”**, as of **January 1st, 2024**, the effective date, in **fee simple**.

The subject site comprises 12.02 acres and is improved with a 2-unit, 211,000-square foot industrial building. The improvements were constructed between 1963 and 1997 and are in overall average to good condition. The subject is located within the Seaway Industrial Park, in the City of Conneaut, in northeastern Ashtabula County, Ohio.

The subject property was personally inspected; we examined the pertinent public record data, studied the predominant land uses, value trends and evidence of value, and applied the appropriate approaches to value. This report is made according to the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute and to the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation. The property is appraised as a whole, unencumbered by any liens, mortgages, or other indebtedness, and subject to the Assumptions and Limiting Conditions.

After analysis of relevant data and utilization of sound judgment, our opinion of Market Value “As Is”, assuming a typical marketing/exposure time, and as of the effective date, is:

Opinion of Market Value “As Is”:	\$3,300,000
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Thank you for the opportunity to provide this appraisal; for additional information, including property types and market areas we service, please call or visit our website at www.ssl-rea.com.

Sincerely,

Robert G. Stout, Jr., MAI
OH Certified General Real Estate Appraiser
Certification Number: 2002011635
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OH Certified General Real Estate Appraiser
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TYPE AND DEFINITION OF VALUE, INTENDED USE AND USER OF THE APPRAISAL

The *purpose* of this **Appraisal Report** is to provide an opinion of **Market Value “As Is”**, as of **January 1st, 2024**, the effective date, in **fee simple**. The *intended use* of this appraisal is to assist the **Client & Intended User** (General Aluminum) with a tax appeal. **The use of this report by any other party and/or for any other purpose without express written consent is prohibited.**

SCOPE OF APPRAISAL

The scope of this appraisal assignment includes, but is not limited to:

- Viewing of the subject neighborhood, site and improvements, which included a walk-through of the building. This walk-through is not intended as an engineering, structural, environmental, or mechanical inspection or warranty. The property description herein is based on observations as real property appraisers, information obtained from a prior appraisal of the subject by this firm and information provided by Erika Fix, Controller (General Aluminum);
- Review of public record data (e.g., legal references, assessment records/maps, zoning ordinances, flood plain maps, etc.) in regards to the subject property;
- Research, collection and analysis of relevant data including recent comparable property appraisals completed by this firm, courthouse records, internal database system, market participants, MLS records, Crexi and CoStar (as applicable);
- Verification of comparable data via courthouse records, a party to the transaction (if available), and/or through a third party real estate professional (i.e., attorney, listing/selling agent, third party appraiser);
- Analysis of market conditions as it pertains to the subject;
- Highest and best use analysis and conclusion;
- Consideration of all three approaches to value and application of the most relevant approach(s) to value, as explained herein;
- Reconciliation of the final opinion of Market Value “As Is” in Fee Simple, and;
- Reporting of the Assignment Results in a written report prepared and containing the content and level of information required by USPAP Standards Rule 2-2(a) for an Appraisal Report. The appraisal process also followed the Ethics Rule of USPAP, including the Nondiscrimination, Conduct, Management, and Confidentiality sections.

COMPETENCY STATEMENT

We have completed numerous appraisals of similar properties in the local and regional market. The steps required to complete this appraisal are summarized in the above Scope of Appraisal.

DEFINITIONS¹

Market Value is defined as: *the most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.*²

Effective Date is defined as: *the date to which an appraiser's analyses, opinions and conclusions apply; also referred to as the date of value.*

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.*

Leased fee interest is defined as: *the ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.*

Ground lease is defined as *a lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term.*

Gross building area (GBA) is defined as: *(1) total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved. (2) Gross leasable area plus all common areas. (3) For residential space, the total area of all floor levels measured from the exterior of the walls and including the super-structure and substructure basement; typically does not include garage space.*

Gross leasable area (GLA) is defined as *total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces.*

Personal property (aka FF&E) is defined as: *Tangible or intangible objects that are considered personal, as opposed to real property. Examples of tangible personal property include furniture, vehicles, jewelry, collectibles, machinery and equipment, and computer hardware. Examples of intangible personal property include contracts, patents, licenses, computer software, and intellectual property.*

Net net net lease is defined as *an alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called NNN lease, **triple net lease**, or fully net lease.*

Modified Gross Lease is defined as *a lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease.*

Full Service Lease (Gross Lease) is a lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses. Also called *full-service lease*.

¹ All definitions are from the Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, unless otherwise specified.

² The Appraisal of Real Estate, 15th Edition, Appraisal Institute, p. 2.

Excess land is defined as *land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately.*

Surplus land is defined as *land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel.*

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is made subject to the following assumptions and limiting conditions:

1. No responsibility for matters legal in character is assumed, nor is any opinion as to the Title, which is assumed to be good, rendered. All existing liens and encumbrances, if any, have been disregarded and the property has been appraised as though free and clear, under responsible ownership and competent management.
2. After diligent research, the information collected and relied upon is assumed accurate and reliable, but no responsibility in connection with such matters is assumed.
3. The Site Plan (if contained herein) is included to assist the reader in visualizing the property. No survey of the property has been made and no responsibility in connection with such matters is assumed.
4. Flood elevations and map references were based on available information. The reader is cautioned that exact elevations should be determined by a qualified surveyor as the presence of a flood hazard could negatively impact the market value of the subject.
5. Toxic/hazardous wastes and/or contaminants/other conditions, such as, but not limited to, radon gas, asbestos, urea formaldehyde foam insulation, wetlands and PCB's may exist on the subject real estate. **This firm has neither the technical knowledge to identify nor the ability to measure items or conditions listed or implied above. The market value of the subject could be materially affected should one or more of the aforementioned items or conditions exist.** In summary, the subject is appraised as though free and clear of any/all adverse conditions as outlined above. No specific evidence of contamination was brought to our attention.
6. No separate opinion is expressed as to the value of subsurface oil, mineral or gas rights, if any.
7. All mechanical components including, but not limited to, heating, cooling, ventilating, electrical and plumbing equipment are assumed standard for buildings of similar types and uses. Also, their respective conditions are considered commensurate with the condition of the overall building unless otherwise stated.
8. Unless explicitly analyzed and separately allocated herein, the value opinion reflects real estate only and excludes non-realty items such as Furniture, Fixtures and Equipment (FF&E) and/or Business Value (BV).
9. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. This firm has 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 ADA, could reveal the property is not in compliance with one or more of the requirements of the Act; a non-compliance survey could result in an adverse impact on the value opinion.
10. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media, without the written consent and approval, particularly the value opinion or related conclusions, the identity of the appraiser or firm with which connected.

11. Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by anyone but the client without previous written consent.
12. We are not required to give testimony or to appear in court by reason of this appraisal, with reference to the property appraised, unless written arrangements have been previously made.
13. If a going concern value is provided, the reported value of the individual parts, if taken alone, may be different than the combined value.
14. Information provided by the ownership or their representative, as cited and/or utilized herein, is assumed accurate and reliable.
15. The land and building areas cited and relied upon herein are assumed accurate and reliable.

Extraordinary Assumptions (note: extraordinary assumptions may affect assignment results)

16. **The subject is a leased, two-unit industrial building with the client (General Aluminum) occupying one of the units. Due to the purpose of this appraisal and state law, the leases are ignored and the subject is appraised in fee simple.**
17. **The client requested an opinion of Market Value as of January 1st, 2024. Accordingly, this report assumes that the condition of the subject as of the effective date is similar to the condition observed during the property viewing.**

CERTIFICATION

In accordance with USPAP Standards Rule 2-3, effective January 1st, 2024, we certify that, except as otherwise noted in this appraisal report, to the best of our 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, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. Robert G. Stout, Jr., MAI made a personal inspection of the property that is the subject of this report. Sergio S. Lo Presti, MAI did not inspect the subject property.
9. No one has provided significant real property appraisal assistance to the persons signing this certification.
10. 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 and the Standards of Professional Practice of the Appraisal Institute.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, Robert G. Stout, Jr., MAI and Sergio S. Lo Presti, MAI have completed the continuing education program for Designated Members of the Appraisal Institute.
13. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.



Robert G. Stout, Jr., MAI
OH Certified General Real Estate Appraiser
Certification Number: 2002011635
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Sergio S. Lo Presti, MAI
OH Certified General Real Estate Appraiser
Certification Number: 2011002586
sergio@ssl-rea.com

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Known As:	General Aluminum
Address:	1500 Chamberlain Blvd.
Municipality:	City of Conneaut
County, State:	Ashtabula County, Ohio
Owner(s) of Record:	Spirit Realty LP
Tax Parcel Number(s):	12-128-00-041-00, 042-00 & 043-00
Present Use:	Industrial facility
Highest and Best Use:	Continued use as an Industrial Facility
Defined Value(s):	Market Value "As Is"
Property Rights Appraised:	Fee Simple
Date of Property Viewing:	June 13 th , 2025
Effective Date:	January 1st, 2024
Site Size:	12.02 acres
Zoning:	"M-1" Industrial District
Flood Plain:	Zone X
Age of Improvements:	1963 with additions in 1967, 1973 & 1997
Overall Condition:	Average to good
Gross Building Area:	211,000 sf
Marketing/Exposure Time:	6 to 18 months
Opinion of Market Value by the:	"As Is"
Cost Approach:	N/A
Income Capitalization Approach:	\$3,460,000
Sales Comparison Approach:	\$3,270,000

Opinion of Market Value "As Is":

\$3,300,000

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AREA / NEIGHBORHOOD SUMMARY

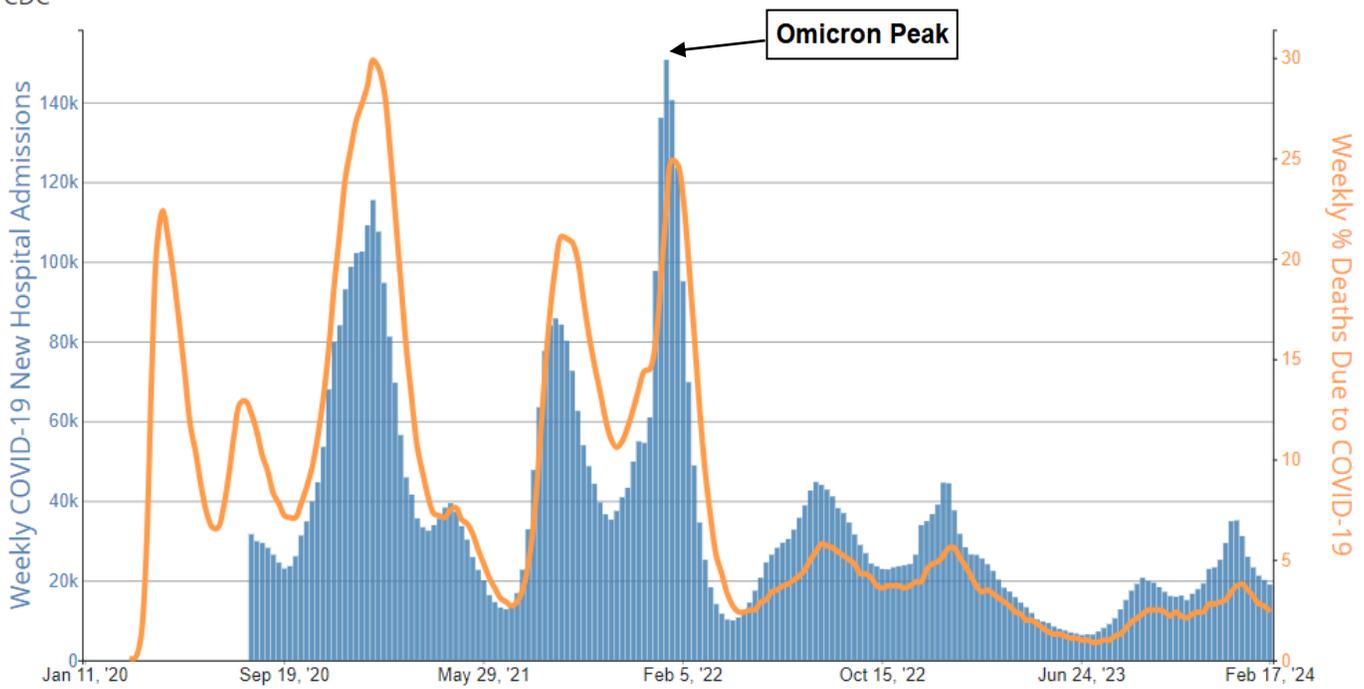
COVID-19 Discussion

Given the events that have unfolded since early 2020 as it relates to the COVID-19 Pandemic, this factor will be discussed prior to the review of local / regional economic conditions.

The COVID-19 pandemic is an ongoing pandemic of Coronavirus disease 2019, caused by Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2). The World Health Organization (WHO) declared the outbreak a Pandemic on March 11th, 2020. In the United States, there have been over 110 million COVID-19 cases with over 1.1 million deaths. Currently, approximately 70% of the United States population is fully vaccinated.

The COVID-19 virus began primarily as a lung disease, but it has mutated several times since early 2020. The current Omicron variant is more contagious, but it is milder as it affects the upper respiratory system rather than the lungs. The Omicron outbreak peaked in January 2022 with over 140,000 new weekly hospital admissions, followed by a few smaller spikes as subvariants emerged. There are currently several Omicron subvariants circulating with weekly hospital admissions increasing to about 35,000 through the first week of January 2024 followed by a steady retreat afterwards, as shown next.¹ COVID-19 related deaths as a percentage of hospitalizations, however, remains just under 3% or well below the vast majority of the last 3+ years.

COVID-19 New Hospital Admissions and Percentage of Deaths Due to COVID-19, by Week, in The United States, Reported to CDC



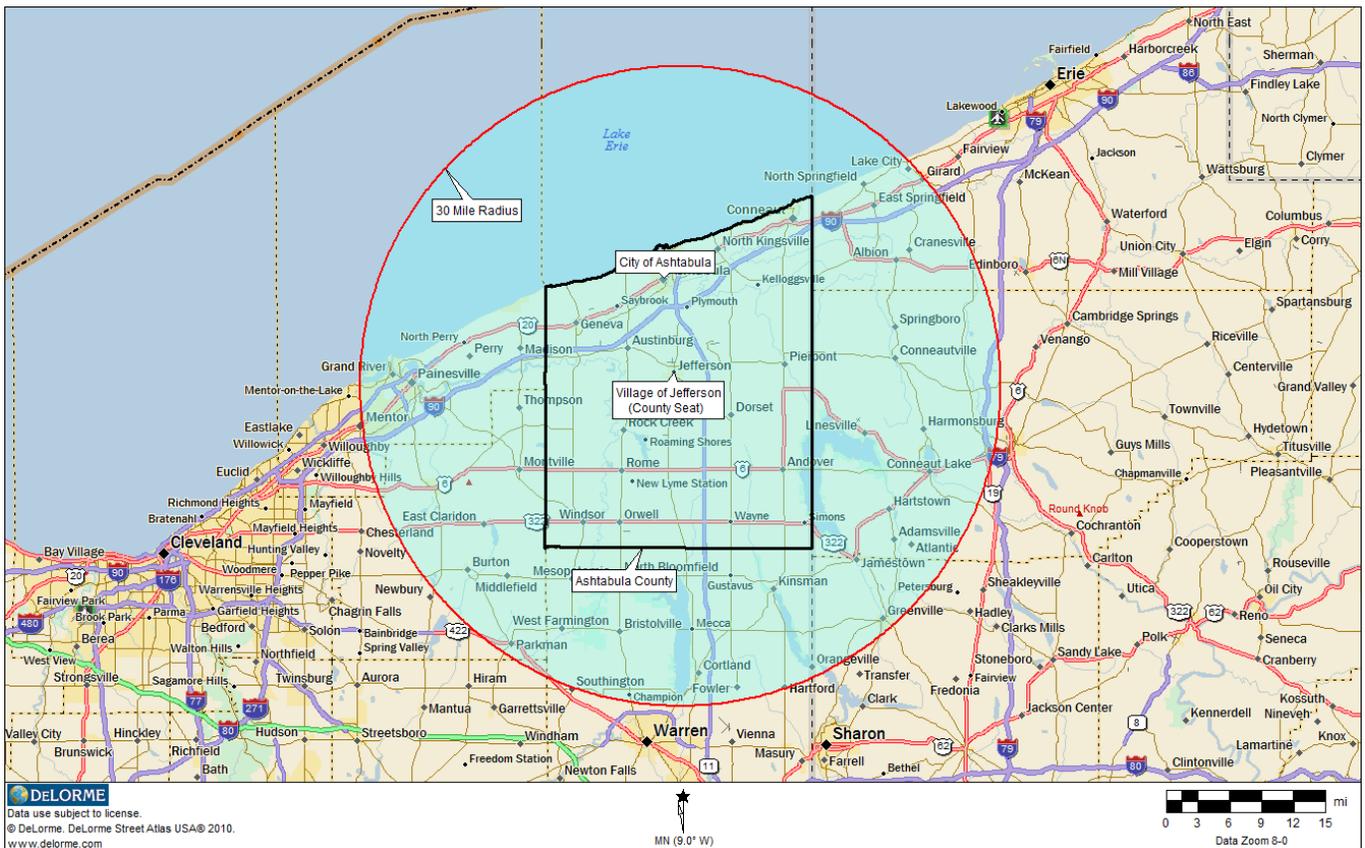
Most of the economic impacts from the COVID-19 Pandemic have subsided, and the recent surge in hospitalizations (among other seasonal viruses currently circulating) has been limited to disrupting daily living rather

¹ https://covid.cdc.gov/covid-data-tracker/#trends_weeklyhospitaladmissions_select_00

than negatively impacting the broader economy. This risk, however, will continue to be monitored and considered herein.

Ashtabula County Discussion

The subject is in the Village of Jefferson, Ashtabula County, OH. Ashtabula County is in the northeast corner of Ohio and is centrally located between the cities of Cleveland to the west, Erie, Pennsylvania to the east, and the Warren/Niles/Youngstown area to the south. The City of Ashtabula (the county's largest population center) is located on the shore of Lake Erie, in the center of the county. The Village of Jefferson, the county seat, is located in the central portion of the county. In July 2023, Ashtabula County was added to the Cleveland MSA.



AREA MAP

With 721 square miles of land, Ashtabula is the largest county in Ohio. Its northern border is approximately 26 miles of Lake Erie shoreline. The eastern border is along the Ohio/Pennsylvania state line with Lake County and Geauga County to the west and Trumbull County to the south. It consists of 27 townships along with 10 cities and villages, with the City of Ashtabula being the largest municipality.

Transportation

Major highways in the northern section of the county that extend in an east/west direction are U.S. Route 20 and Interstate 90. Route 20 is a major four-lane roadway and I-90 is a limited access highway. These link the area to the greater Cleveland and Erie areas. Route 6 and Route 322 in the southern half of the county also connect with Cleveland and Pennsylvania. Major north/south roads are Ohio Routes 7, 11, 534, and 45, all connecting the county to the Warren/Niles/Youngstown area to the south. Ohio Route 11 is a limited access, four-lane highway, while the other north/south roadways are two-lane roadways.

Railroads played an important part in the development of Conneaut and Ashtabula as both cities front the southern shore of Lake Erie. These are international shipping port(s) with direct access to the Great Lakes as well as the St. Lawrence Seaway. Rail services are provided by Conrail and the Norfolk and Western. The Ashtabula County Airport is located to the southwest of the City of Ashtabula near Jefferson and provides linkage to the Cleveland Hopkins Airport as well as local communities.

Population

The table below details population trends for the United States, Ohio, the Cleveland MSA, and Ashtabula County.

Population Demographics				
Location	Year	Population	% Change	% Annual Change
U.S.	2000	281,421,906		
	2010	308,745,538	9.7%	0.93%
	2020	331,449,281	7.4%	0.71%
	2023	337,470,185	1.8%	0.60%
	2028	342,640,129	1.5%	0.30%
Ohio	2000	11,353,140		
	2010	11,536,504	1.6%	0.16%
	2020	11,799,448	2.3%	0.23%
	2023	11,849,286	0.4%	0.14%
	2028	11,850,386	0.0%	0.00%
Cleveland MSA	2000	2,148,143		
	2010	2,077,240	-3.3%	-0.34%
	2020	2,088,251	0.5%	0.05%
	2023	2,178,537	-	-
	2028	2,165,685	-0.6%	-0.12%
Ashtabula County	2000	102,728		
	2010	101,497	-1.2%	-0.12%
	2020	97,574	-3.9%	-0.39%
	2023	96,899	-0.7%	-0.23%
	2028	96,103	-0.8%	-0.16%

Source: STDBOnline

Note: 2023 and 2028 Cleveland MSA data now includes Ashtabula County

As displayed, the U.S. experienced a growing population base since 2000 and growth is expected to continue through 2028. Ohio's population is also growing, but at a rate slower than the nation. The Cleveland MSA historically had slowly declining population with the exception of a slight increase of just over 11,000 residents between 2010 and 2020. Moving forward, with the addition of Ashtabula County, the Cleveland MSA is projected to further decline in population. Ashtabula County has historically had a declining population trend with projections indicating continued decline over the next five years by 0.16% per annum.

Employment Trends

Major employers in northeast Ohio include the following:

Top 25 Northeast Ohio Employers	
Company	Business
Cleveland Clinic Health System	Health Care
Group Management Services Inc.	Health Care
Minute Men Cos.	Professional
University Hospitals	Health Care
Amazon	Retail
US Federal Government	Government
Progressive Insurance	Insurance
Walmart	Retail
Giant Eagle Inc.	Retail
Summa Health	Health Care
State of Ohio	Government
The Metrohealth System	Health Care
Cuyahoga County	Government
City of Cleveland	Government
Accurate Staffing Inc.	Professional
Mercy Health	Health Care
Keycorp	Financial
Cleveland Metropolitan School District	Education
Akron Children's Hospital (Akron Children's)	Health Care
Swagelok Co.	Manufacturing
Aultman Health Foundation	Health Care
The Sherwin Williams Co.	Manufacturing
Kent State University	Education
Firstenergy Corp.	Utility
Case Western Reserve University	Education

Source: Crain's Cleveland Book of Lists 2023

Nationwide, employment is moving from goods-producing towards service-producing industries. This trend has also been occurring in the local market, as only two of the top 25 employers remain in the manufacturing sector. On a positive note, several of the areas main employers are in employment fields where job growth is projected (i.e., education and health services, professional and business services, and financial activities).

Employment

The following table highlights the workforce trends in the nation, state, MSA, and county. As displayed, the unemployment rate at the end of the fourth quarter, December 2023, for the nation, state, MSA, and county was 3.5%, 3.1%, 3.1%, and 3.8%, respectively. Ashtabula County has the highest unemployment rate at 3.8% for the fourth quarter with both the state and MSA tied at the lowest rate, 3.1%. It is noted that the 2020 unemployment rate spike was a result of the COVID-19 Pandemic related lockdowns and restrictions that began in mid-March 2020 in most states, most of which were lifted by the second half of May and through June 2020. As the economy began “reopening”, economic conditions improved and the unemployment rate declined through 2021 and into 2022.

Unemployment Statistics													
Location	Period	Labor Force	Number Employed	Number Unemployed	Unemployment Rate	Location	Period	Labor Force	Number Employed	Number Unemployed	Unemployment Rate		
U.S.	2016	159,187,000	151,436,000	7,751,000	4.9%	Cleveland MSA	2016	1,030,900	974,900	56,000	5.4%		
	2017	160,320,000	153,337,000	6,982,000	4.4%		2017	1,031,100	972,700	58,400	5.7%		
	2018	162,075,000	155,761,000	6,314,000	3.9%		2018	1,035,300	983,000	52,400	5.1%		
	2019	163,539,000	157,538,000	6,001,000	3.7%		2019	1,042,600	1,000,700	41,900	4.0%		
	2020	160,742,000	147,795,000	12,948,000	8.1%		2020	1,002,500	905,700	96,800	9.7%		
	2021	161,204,000	152,581,000	8,623,000	5.4%		2021	1,012,300	952,500	59,700	5.9%		
	2022	164,287,000	158,291,000	5,996,000	3.6%		2022	1,024,200	975,800	48,300	4.7%		
	Mar-23	166,783,000	160,741,000	6,043,000	3.6%		Mar-23	1,027,500	984,300	43,200	4.2%		
	Jun-23	167,910,000	161,559,000	6,351,000	3.8%		Jun-23	1,058,200	1,011,400	46,800	4.4%		
	Sep-23	167,718,000	161,699,000	6,049,000	3.6%		Sep-23	1,079,500	1,038,400	41,000	3.8%		
	Dec-23	166,661,000	160,754,000	5,907,000	3.5%		Dec-23	1,015,300	984,100	31,300	3.1%		
	Ohio	2016	5,739,000	5,451,000	288,000		5.0%	Ashtabula County	2016	44,100	41,400	2,700	6.0%
		2017	5,780,000	5,491,000	289,000		5.0%		2017	44,300	41,700	2,600	5.9%
2018		5,820,000	5,558,100	261,900	4.5%	2018	44,200		41,900	2,300	5.3%		
2019		5,802,000	5,564,000	239,000	4.1%	2019	44,500		42,300	2,100	4.8%		
2020		5,754,300	5,285,500	468,800	8.1%	2020	43,800		40,200	3,600	8.3%		
2021		5,736,900	5,441,900	295,000	5.1%	2021	43,300		40,900	2,400	5.5%		
2022		5,741,300	5,510,300	231,000	4.0%	2022	43,000		41,100	1,900	4.4%		
Mar-23		5,778,800	5,547,900	230,900	4.0%	Mar-23	43,100		41,100	2,000	4.7%		
Jun-23		5,846,800	5,626,600	220,200	3.8%	Jun-23	43,900		42,200	1,700	3.8%		
Sep-23		5,789,700	5,589,500	200,200	3.5%	Sep-23	43,000		41,500	1,500	3.5%		
Dec-23		5,741,200	5,562,600	178,500	3.1%	Dec-23	42,100		40,500	1,600	3.8%		

Source: www.lmi.state.oh.us.

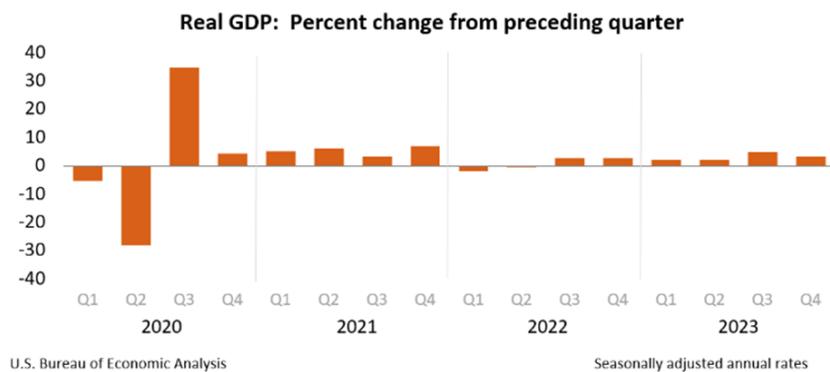
Note: Unemployment rates are not seasonally adjusted.

Note: 2016-2022, March 2023, and June 2023 Cleveland MSA data includes Lake, Geauga, Cuyahoga, Medina, and Lorain Counties. Ashtabula County is added to the September 2023 data.

On a positive note, Petmin USA Inc. is to invest \$500 million in a pig iron plant at the Port of Ashtabula, which is projected to create 650 construction jobs and 110 manufacturing jobs upon completion. Construction on the site infrastructure was originally slated to begin in Q3/Q4 2019, but construction has been setback several times due to the COVID-19 pandemic. The latest update via a July 2023 article in the *Star Beacon* suggests that the company continues to have construction delays beyond their control, but their goal is to restart site work in the first quarter of 2024. The company has invested more than \$60 million to the Ashtabula facility and remains committed to the project. Additionally, a new gas pipeline (Risberg pipeline) was recently extended to the Ashtabula market. The lack of adequate gas service has hindered development in this market. However, with the addition of added gas, new development will be able to occur.

Another economic factor to consider is the national Real Gross Domestic Product (Real GDP), which is an inflation-adjusted value that reflects all goods and services produced by the United States economy. From 2011 to 2019, annual Real GDP growth ranged from 1.6% to 2.9% per annum, resulting in improving unemployment levels. Due to the COVID-19 Pandemic and related restrictions that mostly began in mid-March 2020, the Real GDP shrank -2.8% for the year 2020. In 2021 and 2022, however, Real GDP increased 5.9% and 2.1%, respectively, reflecting the economic recovery that began in mid-2020 after the initial COVID-19 lockdowns and restrictions were lifted. During the first and second quarters of 2023, Real GDP growth was limited to 2.0% and 2.1%, respectively, suggesting that the economic growth recovery continues to be limited by high inflation and rising interest rates. In the third and fourth quarters of 2023, however, Real GDP rose 4.9% and 3.3%, respectively, fueled in large part by consumer spending. The most recent Real GDP change rates are summarized on the following table and graph (quarters are seasonally adjusted):

Real Gross Domestic Product (GDP)	
Period	GDP Rate
2012	2.2%
2013	1.8%
2014	2.5%
2015	2.9%
2016	1.6%
2017	2.2%
2018	2.9%
2019	2.3%
2020	-2.8%
2021	5.9%
2022	2.1%
Q1 2023	2.0%
Q2 2023	2.1%
Q3 2023	4.9%
Q4 2023	3.3%



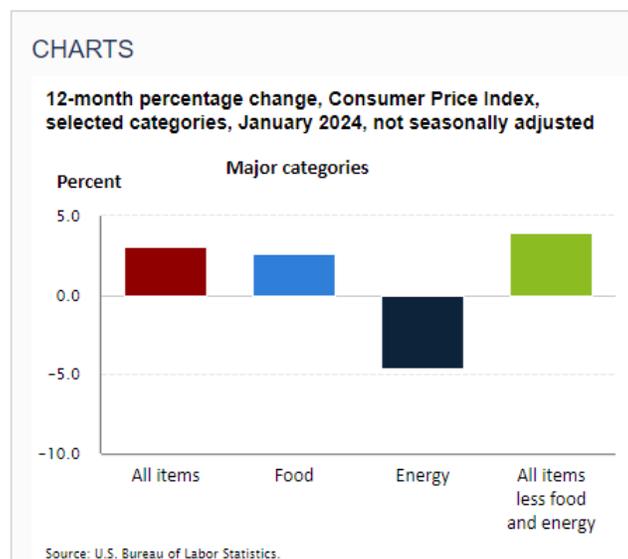
Source: Bureau of Economic Analysis, U.S. Department of Commerce (01/05/2024)

Next, inflation trends are reviewed. The historic long-term inflation rate in the United States was 3% +/- through 2019, but it dropped to near zero in early to mid-2020 due to the COVID-19 related shutdowns. Afterwards, the pent-up demand created by the initial pandemic related shutdowns and significant stimulus spending resulted in inflation rising dramatically to **a peak of 9.1% in June 2022 followed by a steady decline to 3% by June 2023**. Since then, the inflation rate has varied between 3.1% and 3.7% with the most recent month of **January 2024 at 3.1%**, as shown next.¹

¹ <https://tradingeconomics.com/united-states/inflation-cpi>



The recent inflation spike, however, has not been even across all sectors as shown in the following graph:¹



Energy prices declined 4.6% while Food inflation is at 2.6%. The “all items less food and energy” category is currently at 3.9%. **Although the overall inflation rate has declined in recent months, the cumulative inflation since January 2021 is 18%.²** The spike in prices has negatively impacted consumers (and most businesses) and slowed the economic recovery. In response to the inflation trend, the Federal Reserve began raising the federal funds rate target in mid-March 2022, the first increase since 2018, and regular rate increases occurred through July 2023 with no rate increase since. **The current Federal Funds Rate target rate is 5.25%-5.5%, and future changes (increases or decreases) will depend on economic conditions.** A rising interest rate environment increases borrowing costs for buyers, places upward pressure on capitalization rates, and dampens the overall economy, all which can negatively impact property values.

¹ <https://www.bls.gov/cpi/>

² https://www.bls.gov/data/inflation_calculator.htm

Education

The following table compares the education levels of Ashtabula County residents to the population of the nation, state, and Cleveland MSA.

2023 Educational Attainment 25+				
Education Level	U.S.	Ohio	Cleveland MSA	Ashtabula County
No High School Diploma	9.6%	7.5%	7.5%	11.7%
High School Graduate or GED only	27.0%	33.6%	30.1%	45.3%
Some College (No Degree)	17.7%	17.6%	18.8%	17.8%
College Graduate (Associates or Bachelor's)	31.8%	29.5%	30.5%	20.4%
Graduate/Professional Degree	13.9%	11.8%	13.1%	4.9%

Source: STDBonline.com

The lower income levels for local residents that will be discussed below are attributable to the unfavorable higher education levels displayed above. Approximately 20% of Ashtabula County residents are college graduates and 4.9% have graduate or professional degrees. These rates are well below the nation, state, and MSA's.

Income

The local employment market and low higher education levels are reflected in the income levels of its residents. The following table highlights the Median Household Income for Ashtabula County and how it compares to the nation, state, and MSA.

Median Household Income					
Location	Period	Median Income	Dollar Change	Avg. Annual Change	Avg % Change Per Annum
U.S.	2000	\$42,164			
	2010	\$54,442	\$12,278	\$1,228	2.59%
	2023	\$72,603	\$18,161	\$1,397	2.24%
	2028	\$82,410	\$9,807	\$1,961	2.57%
Ohio	2000	\$40,998			
	2010	\$52,047	\$11,049	\$1,105	2.41%
	2023	\$63,957	\$11,910	\$916	1.60%
	2028	\$74,399	\$10,442	\$2,088	3.07%
Cleveland MSA	2000	\$42,632			
	2010	\$53,755	\$11,123	\$1,112	2.35%
	2023	\$63,298	\$9,543	\$734	1.26%
	2028	\$74,550	\$11,252	\$2,250	3.33%
Ashtabula County	2000	\$35,642			
	2010	\$43,779	\$8,137	\$814	2.08%
	2023	\$49,149	\$5,370	\$413	0.89%
	2028	\$52,796	\$3,647	\$729	1.44%

Source: STDBonline

Note: 2023 and 2028 Cleveland MSA data now includes Ashtabula County

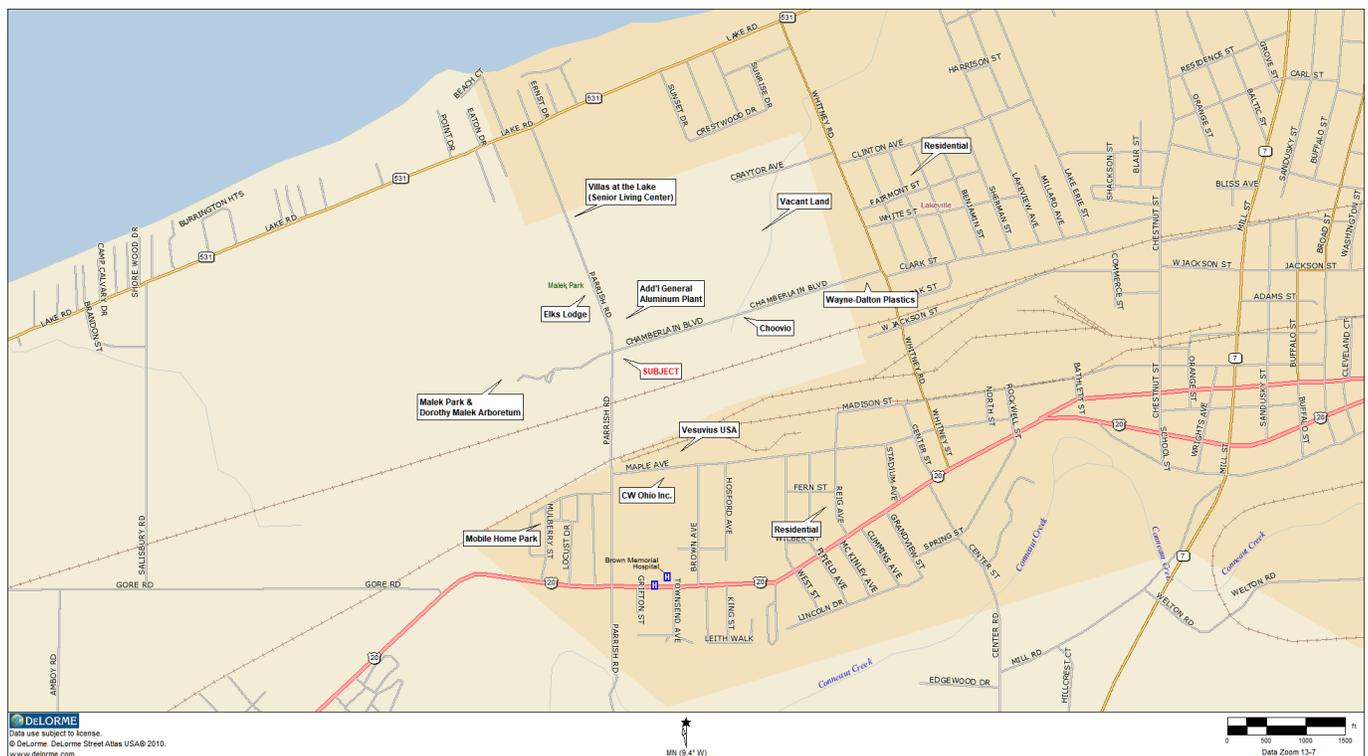
Median household income grew by under 3% per annum between 2000 and 2010 for all the study areas and continued to increase through 2023. Projections are for income growth to continue for all study areas over the next five years. The state and MSA are expected to have the greatest growth at over 3% per annum while the

nation is projected to increase by 2.57% per annum and Ashtabula County is projected to increase by just over 1% per annum. Overall, Ashtabula County has an income level well below the nation, state, and MSA. This trend is expected to continue into the foreseeable future, and the in fact the income gap is projected to expand.

The population/household declines, weak labor market, low education levels, and below average but slowly rising income levels are reflected in local property values. These factors will be considered in the analysis herein.

Neighborhood Discussion

The subject property is located at the northeast corner of Chamberlain Boulevard and Parrish Road in the City of Conneaut. Primary access to the neighborhood is provided by U.S. Route 20, State Route (SR) 7, SR 531 and Interstate 90. U.S. Route 20 is a four-lane, east/west transportation and commercial corridor that runs through the Conneaut CBD and links the neighborhood to Erie County, PA to the east and the City of Ashtabula to the west. SR 7 is a two-lane, north/south traffic artery connecting the area with I-90 and continuing south to Trumbull County. SR 531 (Lake Road) parallels the Lake Erie shoreline and terminates at SR 7 in north Conneaut. The nearest interstate access point is Exit 241 of Interstate 90 approximately 3 miles to the south. I-90 is a four-lane national transportation corridor that leads west to the City of Cleveland and east to Pennsylvania and New York. Overall access to the neighborhood is rated as average.



NEIGHBORHOOD MAP

Land uses in the immediate neighborhood are primarily industrial to the north and south of a Conrail railroad that runs east/west through the neighborhood. These uses consist of large, older industrial properties, including the subject, another General Aluminum plant, CW Ohio and Wayne Dalton plastics. Additionally, there is abundant vacant industrial land located to the east of the subject along Chamberlain Boulevard. Residential uses consist of single-family homes to the north and south and a mobile home park to the southwest. Malek Park is located along the west side of Parrish Road at the terminus of Chamberlain Boulevard. The nearest commercial uses are located in the Conneaut CBD and include restaurants, banks, offices, and small retail. The overall rating of the neighborhood for an industrial use is average.

Recent demographic trends for Conneaut are as follows:



Demographic and Income Profile

Conneaut City, OH 5
 Conneaut City, OH (3918350)
 Geography: Place

Prepared by Esri

Summary	Census 2010	Census 2020	2025	2030
Population	12,841	12,318	12,148	11,975
Households	4,740	4,628	4,582	4,549
Families	3,034	2,744	2,589	2,528
Average Household Size	2.37	2.26	2.23	2.21
Owner Occupied Housing Units	3,138	3,044	3,122	3,131
Renter Occupied Housing Units	1,602	1,584	1,460	1,418
Median Age	39.5	42.0	41.9	42.4
Trends: 2025-2030 Annual Rate	Area	State	National	
Population	-0.29%	0.09%	0.42%	
Households	-0.14%	0.23%	0.64%	
Families	-0.48%	0.00%	0.54%	
Owner HHs	0.06%	0.42%	0.91%	
Median Household Income	1.68%	2.35%	2.53%	
Households by Income	2025		2030	
	Number	Percent	Number	Percent
<\$15,000	410	8.9%	352	7.7%
\$15,000 - \$24,999	534	11.7%	456	10.0%
\$25,000 - \$34,999	469	10.2%	415	9.1%
\$35,000 - \$49,999	569	12.4%	538	11.8%
\$50,000 - \$74,999	1,054	23.0%	1,047	23.0%
\$75,000 - \$99,999	638	13.9%	651	14.3%
\$100,000 - \$149,999	560	12.2%	628	13.8%
\$150,000 - \$199,999	256	5.6%	334	7.3%
\$200,000+	92	2.0%	128	2.8%
Median Household Income	\$56,590		\$61,493	
Average Household Income	\$70,225		\$77,282	
Per Capita Income	\$27,679		\$30,566	

As displayed, both population and households have been on a downward trend since 2010, with a continued decline projected for the foreseeable future. The median household income as of 2025 was \$56,590, and is projected to increased to \$61,493. These income levels are well below the nation, state and MSA.

Conclusions

Ashtabula County has good linkages with nearby major communities via State and Interstate highways, as well as water and rail access. Higher education levels fall well below the nation and region. Economically, the area has paralleled the region with lost jobs in manufacturing but increased jobs in service oriented industries (often low-wage occupations). At the same time, the area has seen higher rates of unemployment and a loss in population. Most recently, the unemployment rate has declined or remained flat in all the studied areas for several quarters as the economy continues to rebound from the initial COVID-19 Pandemic impacts; however, Ashtabula County indicated a slight increase to 3.8% during the fourth quarter, December 2023.

LEGAL DATA / PROPERTY HISTORY

According to county public records, the legal ownership of the subject is as follows:

Tax Parcel #(s):	12-128-00-041-00, 042-00 & 043-00
Owner(s) of Record:	Spirit Realty LP
Grantor(s):	Industrial Attitude LLC
Legal Reference:	Book 779 / Page 189-190
Document Date:	August 24 th , 2022
Consideration:	\$13,000,000
Comments:	The subject was purchased as a net leased investment with two long term tenant's in-place. As such, the sale reflects a leased fee interest sale that was purchased by a Real Estate Investment Trust. Spirit Realty sold their assets in an all stock transaction valued at \$9.3 billion to Realty Income Corporation (another REIT) in January 2024, which included the subject.

The subject is a leased, two-unit industrial building with General Aluminum occupying 166,970-sf and Independent Can Co., occupying the remaining 44,100-sf. Lease information was not available for Independent Can Company and only a lease amendment was available from General Aluminum. **Nevertheless, in accordance with Ohio Tax Assessment Law, the existing lease(s) are ignored and the subject is appraised in fee simple.**¹

THREE YEAR OWNERSHIP HISTORY

Other than those discussed, we are not aware of any other transfers in the past three years. Also, we are unaware of any current: (a) property listing or offering, (b) purchase option, and/or (c) pending articles of agreement relative to the subject property.

¹ Unencumbered Fee Simple Estate valuation is supported by Ohio case law: Case 2015-2063 Terraza 8, LLC v. Franklin County Board of Revision. www.supremecourt.ohio.gov/rod/docs/pdf/0/2017/2017-ohio-4415.pdf

ASSESSMENT AND TAXES

The current Auditor's Market Value is determined by dividing the assessment by the Assessment Ratio (35%), as follows:

Auditor's Market Value					
Tax ID	Assessment	/	CLR	=	Auditor's M.V.
12-128-00-041-00	\$5,250	/	35.0%	=	\$15,000
12-128-00-042-00	\$5,250	/	35.0%	=	\$15,000
12-128-00-043-00	\$4,539,510	/	35.0%	=	\$12,970,029
Total:					\$13,000,029
Rounded:					\$13,000,000

Based on the Fee Simple opinion of value, the subject is over assessed, **and a tax appeal appears warranted.**



ASSESSMENT MAP

SITE ANALYSIS

Land Area

According to assessment records, the subject site consists of 12.02 acres, as noted below.

Land Size	
Parcel #	Size
12-128-00-041-00	1.0
12-128-00-042-00	1.0
12-128-00-043.00	10.02
Total Acres	12.02

Shape

The shape is nearly rectangular.

Frontage

There is extensive frontage along the south side of Chamberlain Blvd. as well as along the east side of Parrish Road. Additionally, the subject has frontage along the north side of a Conrail railroad line.

Topography

The topography is relatively level.

Subsoil Conditions/Hazardous Materials

No study was provided or environmental impacts observed or brought to our attention. This appraisal assumes that the subject is capable of supporting its highest and best use without excessive and/or abnormal cleanup costs.

Easements/Rights-of-Way

None known or reported, other than typical utility easements.

Encroachments

None known or reported.

Restrictions

None known or reported other than those contained in the applicable zoning ordinance the city of Conneaut.

Adverse Factors

None known or reported.

Utilities

All public and available at site.

Site Improvements

The following is a general summary of the site improvements:

- | | |
|-------------------|-------------------------------|
| (X) Paved parking | (X) Building mounted lighting |
| (X) Sidewalks | (X) Landscaping |
| (X) Fencing | (X) Signage |

Street Improvements

The following is a general summary of the respective street improvements:

- | <u>Chamberlain Blvd.</u> | <u>Parrish Road</u> |
|-------------------------------------|------------------------------------|
| (Yes) Public street, concrete paved | (Yes) Public street, asphalt paved |
| (Yes) 2 lanes, east/west | (Yes) 2 lanes, north/south |
| (Yes) Storm sewers | (Yes) Storm sewers |
| (Yes) Curbing | (Yes) Curbing |
| (Yes) Streetlights | (Yes) Streetlights |
| (No) Sidewalks | (No) Sidewalks |

Accessibility/Visibility

Both Access and Visibility are rated as average.

ZONING

The subject is zoned “M-1” Industrial District. Permitted uses and site requirements are as follows:

"M-1" Industrial District City of Conneaut, Ashtabula County, OH																																																																																																																																																															
Purpose	This district is designed to accommodate all industrial uses in the fields of manufacturing, processing, and fabricating. The M-1 District is regulated to be exclusively used for industrial purposes free from encroachment by residential or business development. All industrial uses shall be required to adhere to all applicable state, county, and local permit requirements. No land or structure shall be used or occupied in any manner so as to create any dangerous, injurious, noxious, or otherwise objectionable fire, explosive, or other hazard; noise or vibration, smoke, dust, odor, or other substandard condition or element; in such a manner or in such amount as to adversely affect the surrounding area, provided that any use permitted may be established and maintained if it conforms to the provisions of this article.																																																																																																																																																														
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Source	City of Conneaut Zoning Ordinance																																																																																																																																																														

Footnotes:

1. A front yard of seventy-five (75) feet, a side yard of forty (40) feet, and a rear yard of one hundred (100) feet shall be required between the principal building within an M-1 District and the lot line of any lot within an "R" District.
2. Subject to performance standards specified in Section 1125.02.
3. See Section 1137.07 for requirements for conditional uses.

As shown, the “M-1” Industrial district permits a wide range of industrial, manufacturing and warehouse uses. The subject’s current light industrial use is a permitted use and appears to conform to all site requirements. Note: specific compliance to zoning requirements and regulations is beyond the scope of this appraisal.

FLOOD PLAIN

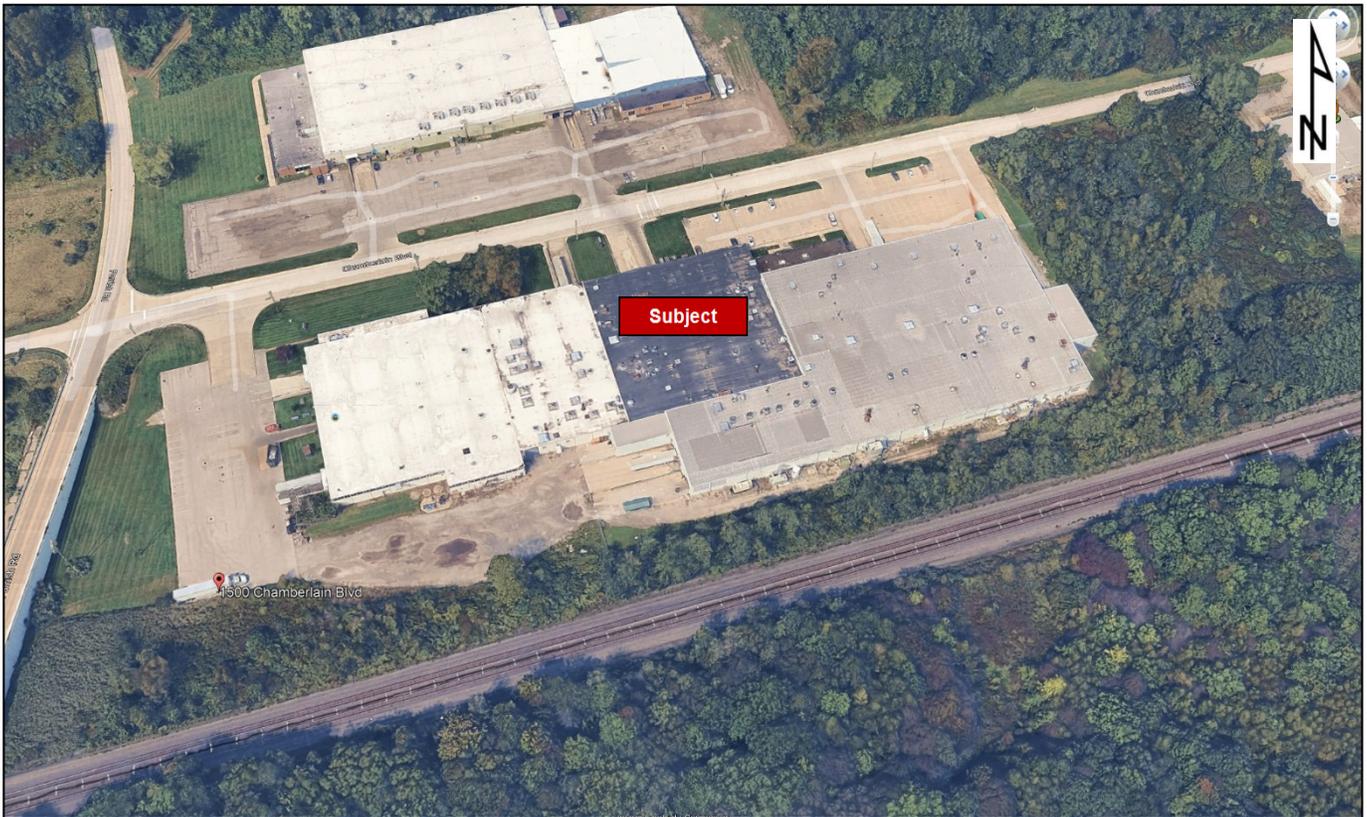
According to the FEMA Flood Insurance Rate Map for the city of Conneaut, Community Panel Number 39007C0079E, dated August 28th, 2019, **the subject appears to be in Flood Zone X (unshaded).**

Definition/Description by FEMA:¹ Flood hazard areas identified on the Flood Insurance Rate Map are identified as a Special Flood Hazard Area (SFHA). SFHA are defined as the area that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to as the base flood or 100-year flood. SFHAs are labeled as Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. Moderate flood hazard areas, labeled Zone B or Zone X (shaded) are also shown on the FIRM, and are the areas between the limits of the base flood and the 0.2-percent-annual-chance (or 500-year) flood. **The areas of minimal flood hazard, which are the areas outside the SFHA and higher than the elevation of the 0.2-percent-annual-chance flood, are labeled Zone C or Zone X (unshaded).**

¹ Source: <https://www.fema.gov/flood-zones>

PHOTOGRAPHS

The photographs following the below aerial view depict the subject site, improvements and neighborhood as of **June 13th, 2025**, the date of the property viewing.



AERIAL VIEW



Southwest elevation, looking from neighboring rail line overpass



Northwest elevation



North elevation (area occupied by Independent Can Company)



North elevation (area occupied by General Aluminum)



North elevation (area occupied by General Aluminum)
This is the newest building area



Southwest elevation (loading docks to General Aluminum)



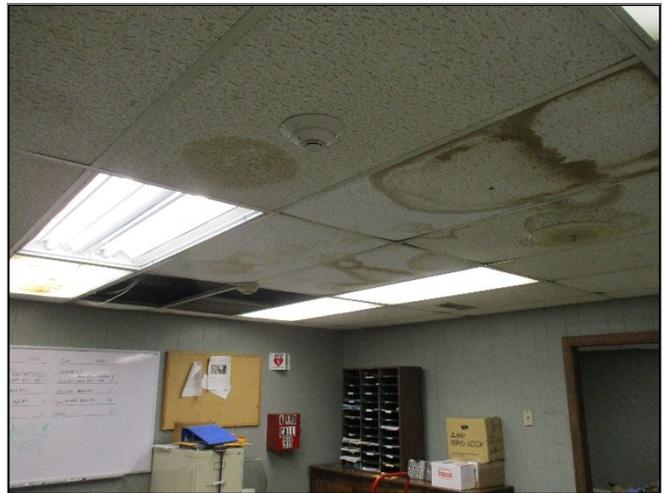
Typical office (General Aluminum suite)



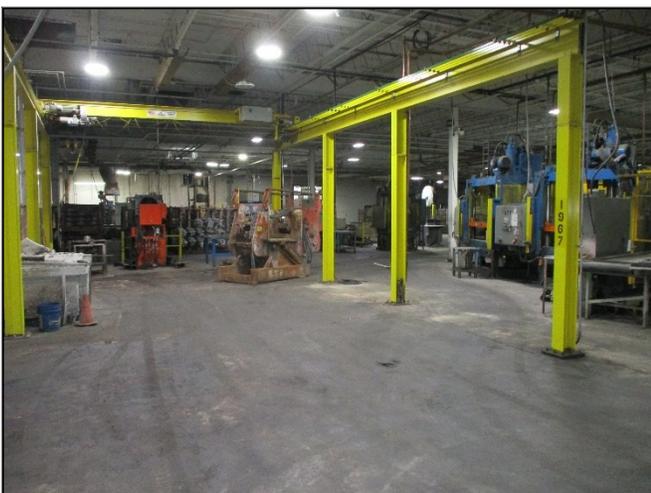
Typical office (General Aluminum suite)



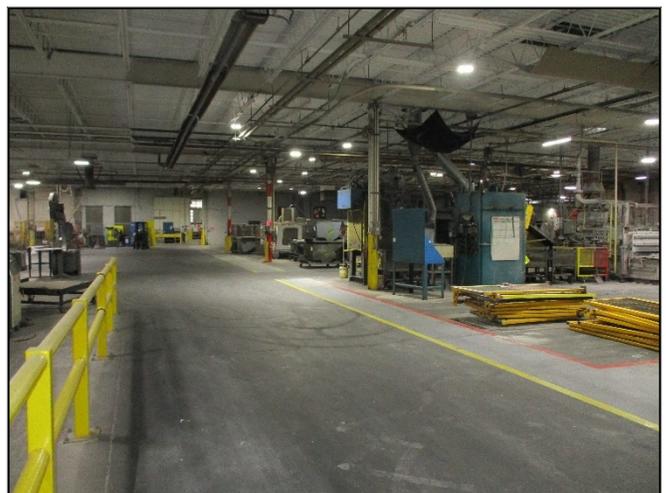
Typical office restroom



Water damaged ceiling tiles



Typical manufacturing area (General Aluminum suite)



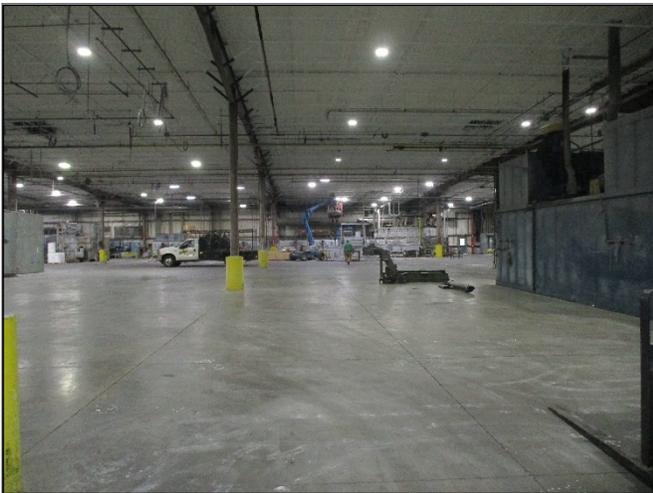
Typical manufacturing area (General Aluminum suite)



Typical manufacturing area (General Aluminum suite)



Typical manufacturing area (General Aluminum suite)



Typical manufacturing area (General Aluminum suite)



Typical manufacturing area (General Aluminum suite)



Office area (Independent Can Company)



Office area (Independent Can Company)



Office area (Independent Can Company)



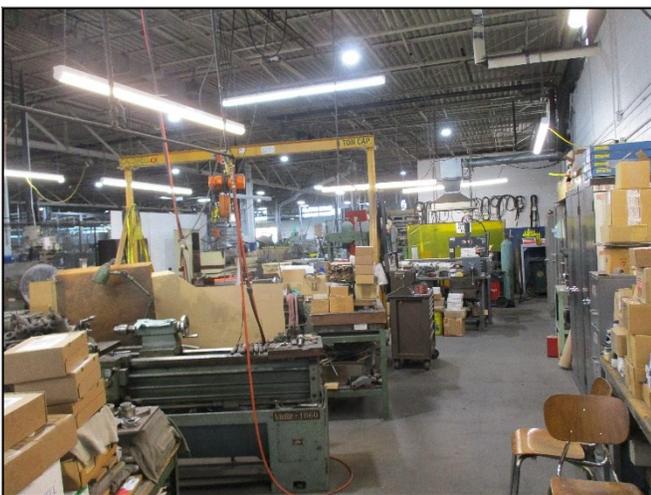
Manufacturing area (Independent Can Company)



Manufacturing area (Independent Can Company)



Manufacturing area (Independent Can Company)



Manufacturing area (Independent Can Company)



Overhead door access (Independent Can Company)



Chamberlain Boulevard looking west, subject on left



Chamberlain Boulevard looking east, subject on right



Parish Road looking south, subject on left



Parish Road looking north, subject on right

IMPROVEMENTS DESCRIPTION

The improvements description is based on observations during the property viewing completed on **June 13th, 2025** with Erika Fix, Controller (General Aluminum) and information obtained from a prior appraisal of the subject by our firm. This description is not intended as an engineering report, nor does it warrant against physical and/or mechanical shortcomings.

The following **Condition Rating Indicators** will be considered in the improvements description(s):¹

Excellent Condition – All items that can normally repaired or refinished have recently been corrected, such as new roofing paint, furnace overhaul, state-of-the-art components, etc. With no functional inadequacies of any consequence and all major short-lived components in like-new condition, the overall effective age has been subsequently reduced upon complete revitalization or the structure regardless of the actual chronological age.

Very Good Condition – All items well maintained, many having been overhauled and repaired as they've shown signs of wear, increasing the life expectancy and lowering the effective age, with little deterioration or obsolescence evident and a high degree of utility.

Good Condition – No obvious maintenance required, but neither is everything new. Appearance and utility are above the standard, and the overall effective age will be lower than the typical property.

Average Condition – Some deferred maintenance and normal obsolescence with age in that a few minor repairs are needed, along with some refinishing. But with all major components still functioning and contributing toward an extended life expectancy, effective age and utility are standard for like properties of its class and usage.

Fair Condition (Badly Worn) – Much repair needed. Many items need refinishing or overhauling, deferred maintenance obvious, inadequate building utility and services all shortening the life expectancy and increasing the effective age.

Poor Condition (Worn Out) – Repair and overhaul needed on painted surfaces, roofing, plumbing, heating, numerous functional inadequacies, substandard utilities, etc. (found only in extraordinary circumstances). Excessive deferred maintenance and abuse, limited value-in-use, approaching abandonment or major reconstruction; reuse or change in occupancy is imminent. Effective age is near the end of the scale regardless of the actual chronological age.

¹ Source: Marshall Valuation Service, Section 97, page 3

Known As:	General Aluminum
Building System:	Masonry and pre-engineered steel
Number of Levels / Stories:	One
Original Design:	Industrial
Current Use:	Light Industrial Facility
Age / Additions:	1963 (west section); 1967-73 (middle section) and 1997 (east, newest section). Approximately 52% of the building was built from 1963 to 1973.
Recent Capital Improvements:	Partial roof replacement 2021-2022
Outstanding Capital Repairs:	No major items of deferred maintenance were observed or disclosed
Overall Condition Rating:	Average to good
Effective Age:	25 years
Remaining Economic Life:	20 years
Foundation:	Reinforced concrete slab on grade
Basement:	None
Exterior:	Brick, block and metal
Windows:	Casement type, insulated glass (office); metal casement in portions of the shop
Roof Style / Covering:	Some flat, gravel ballasted and TPO; gable, metal. TPO installed 2019; Partial roof replacement in 2021-2022 (approx. 24,000-sf).
Plumbing & Hot Water:	40 gallon hot water tanks, copper supply lines
Restrooms:	(8) total: 2 in office, 2 in shop (each section)
Sprinkler System:	Partial, 1997 addition only
Electrical System:	4,000 amp main
Heating and AC System:	Offices: Rooftop HVAC gas fired units and for heat in the west section; Additional heat and AC for office area provided by Weil McClain gas fired boiler with rooftop AC unit. Shop: Overhead forced air Reznor, radiant and radiant tube heat
Emergency Lighting/Smoke, Burglar, and/or Fire Alarm:	Battery back-up
Elevator / Stairs:	None
Interior Clearance:	16'-28' exterior; Interior heights – 14' (west section); 18' (middle section) and 22' (east and 1997 addition).
Crane Capacity:	Limited service areas
Loading Docks:	(12) loading docks (east and middle sections) (4) loading docks (west section)
Drive in / Overhead doors:	(4) Overhead doors at grade (east and middle sections) (2) overhead doors at grade (west section)
Other:	Pull fire alarms, battery back-up lighting, horns/strobes

Interior (typical details):	Office	Shop
Floors:	Carpet and vinyl; Terrazzo tile in Independent Can lobby	Concrete
Walls:	Drywall and panel	Exposed to block walls and/or insulated metal panel
Ceilings:	Drop/attached acoustical tile	Exposed to insulate metal deck
Lighting:	Recessed/attached fluorescent	LED
Trim:	Vinyl at base	N/A

BUILDING AREAS

Building Areas			
Tenant	Age	Description	Size (sf)
General Aluminum	1997	Office - East Section	3,990
	1967-1973	Shop - Middle Section	65,612
	1997	Shop - East Section	97,368
Total - General Aluminum			166,970
Independent Can Co.	1963	Offices	2,500
	1963	Shop - West Section	41,600
Total - Independent Can Co.			44,100
Total GBA:			211,070
Total GBA (round)			211,000

Building Size Source: County assessment records and information obtained from a prior appraisal, with further support from google aerial measurement tool.

The subject's site coverage ratio is as follows:

Site Coverage Ratio	
Footprint SF	211,000
Site Area (acres)	12.02
Site Area (SF)	/ 523,591
Site Coverage Ratio =	40.3%

The site coverage ratio is relatively high, and the placement of the building on the site does not indicate excess land.

PHYSICAL DETERIORATION, FUNCTIONAL AND EXTERNAL OBSOLESCENCE

The subject suffers from some items of physical deterioration. The subject's western office space (Independent Can Company) is dated. Some office areas in General Aluminum has some ceiling tile staining from prior roof leaks. Overall, given the age, appearance, and general items of wear and tear, the subject appears to be in average condition. The subject is a two unit design, but it's likely the subject could be combined relatively easily into one user if required. Given the subject was constructed over several years, the space is somewhat segmented. Also, some areas are lower clearance height. Overall, the subject functionality is adequate to support industrial use. The subject market suffers from external obsolescence with sale prices often well below replacement cost new.

After considering the above items of obsolescence, the subject is considered to have an effective age of 25 years with a remaining economic life of 20 years.

MARKET ANALYSIS

Market analysis is the study of real estate market conditions for a specific type of property. The subject is a 211,000-square foot, 2-unit, light industrial building built from 1963 thru 1997 and in overall average condition. As such, this analysis is concerned with the balance or imbalance of supply and demand for industrial properties; the analysis begins with a broad overview of national trends and narrows to the local market area.

National & Regional Trends

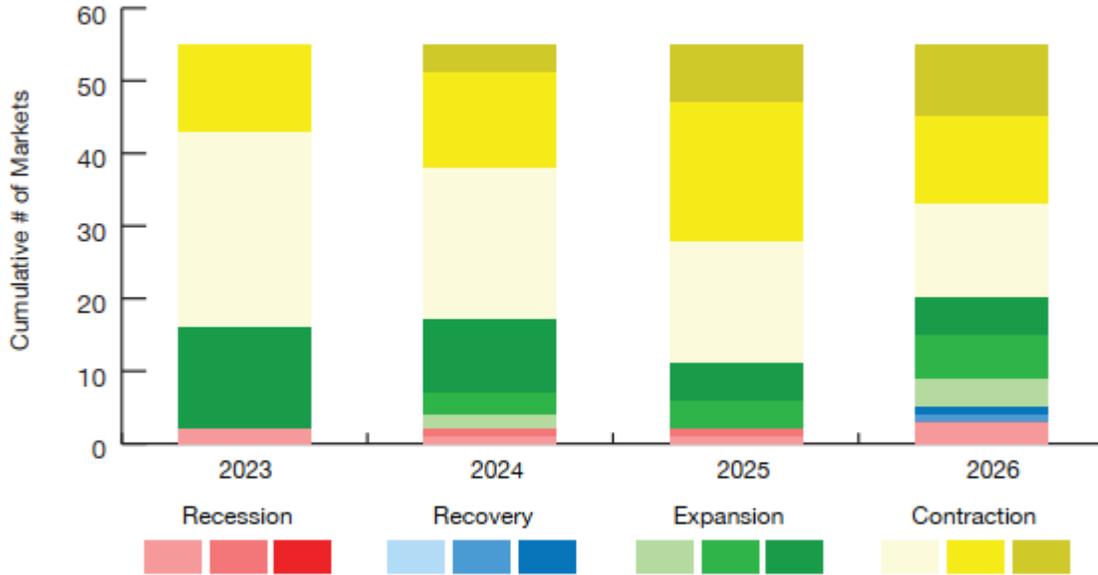
The latest PwC Real Estate Investor Survey (3rd Quarter 2023) stated the following regarding the national industrial market:

“The U.S. industrial sector is still described as healthy despite rising vacancy rates due to growing amounts of supply outpacing demand in many metros. Our analysis continues to place the majority of industrial metros in the contraction phase of the cycle through 2026. The second-largest portion of cities will be in the expansion phase at some point during this time, such as Detroit, Allentown, Minneapolis, and Long Island.”

During the 2nd quarter of 2023 the survey commented the following for the industrial market.

“Although the vacancy rate for the U.S. industrial sector is forecasted to stay below its 20-year average, the sector is slowing down as it approaches mid-2023. In light of economic uncertainties, retailers and wholesalers are exercising caution by temporarily halting inventory accumulation while U.S. imports have been declining. As a result, our analysis shows the contraction phase of the cycle dominating this sector through 2026.” The national trend of industrial markets, as reported by PwC, is illustrated as follows:

Chart REB-3
PwC REAL ESTATE BAROMETER
 U.S. Industrial Markets - 2023 to 2026



Source: Data provided by CBRE, compiled and analyzed by PwC

As shown, most markets are moving into the Contraction phase. Next, the real estate cycle for regional industrial markets is as follows:

Forecast - 3

PwC REAL ESTATE BAROMETER

U.S. Industrial Market Forecasts

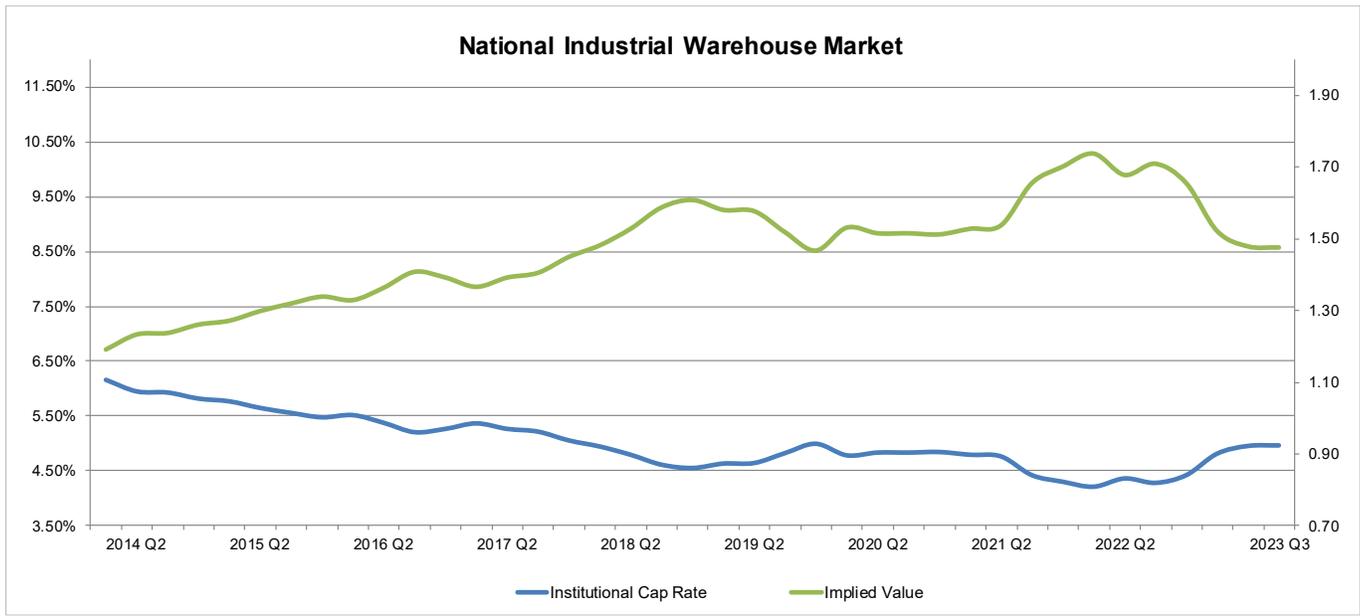
United States

2023 2024 2025 2026
 ○ ○ ○ ○

NORTHEAST REGION					MIDWEST REGION				
MSA Name	2023	2024	2025	2026	MSA Name	2023	2024	2025	2026
Allentown	●	●	●	●	Chicago	○	○	●	●
Boston	○	○	●	●	Cincinnati	○	○	●	●
Hartford	●	●	○	○	Cleveland	●	●	○	○
Long Island	●	●	●	●	Columbus	○	○	○	○
Bronx/Brooklyn/Queens/ Staten Island	●	●	○	○	Detroit	●	●	●	●
Northern New Jersey	○	○	●	●	Indianapolis	●	●	●	○
Philadelphia	○	●	●	●	Kansas City	○	●	●	●
Pittsburgh	●	○	○	○	Minneapolis	●	●	●	●
Stamford	●	○	●	●	St. Louis	○	○	●	●
Central New Jersey	○	●	○	○					

The closest markets to the subject locale, in the survey, are Pittsburgh and Cleveland. Both markets are currently in expansion. Pittsburgh is projected to move in to contraction by 2024, while Cleveland will not enter contraction till 2025.

The historic trend of national capitalization rates is discussed next. This trend is considered to have only some relevance to the subject market as national capitalization rates are typically lower than those observed in the local market because they are of investment grade properties (typically superior to those found in the local market). The trend of capitalization rates, according to PwC, and the implied change in value (all other factors remaining equal; expressed as the change of a starting index of “1”) is summarized on the following line graph:



Given the same income stream, higher capitalization rates indicate greater perceived risk by investors and consequently lower property values. That is, a typical investor will pay less for the same property owing to more risk. Although not illustrated above, institutional capitalization rates are below pre-recession levels from the mid to late 2000’s. However, the market for non-institutional industrial properties remains somewhat weak with many investors not interested in pursuing this investment type. The most recent PwC data indicates a rising capitalization rate environment through the third quarter of 2023. In fact, the industrial sector saw increasing capitalization rates for the fourth consecutive quarter, largely due to continued rate increases by the Federal Reserve in an attempt to cool inflation. This in turn increases borrowing costs and causes capitalization rates to increase. According to one investor surveyed by PwC, industrial deals are becoming increasingly tougher to execute. The investor notes that the current market conditions favor buyers and that the number of offerings should increase over the next six months.

Prior to the recent capitalization rate growth, the industrial sector saw generally declining capitalization rates. This was notable because most other property sectors were experiencing increasing capitalization rates due to negative COVID-19 pandemic impacts. The industrial sector remained strong throughout the pandemic in large part due to the rapid growth of the transportation, logistics, and distribution/warehousing industry fueled by e-

commerce giants like Amazon (among other traditional retailers with a significant e-commerce business).¹ Not just for warehousing of consumer goods, but a push by retailers (large and small) to offer fast and affordable shipping has spurred significant growth in this sector, particularly in close proximity to major population centers and areas with good transportation networks. Consumer preferences have also shifted in favor of e-commerce. Given the direction of consumer spending patterns and expectations, distribution and warehousing demand is expected to remain strong despite the recent negative impacts of inflation. It is noted that this data is of the overall U.S. market and local market conditions can vary greatly.

Nationally, CoStar reports the following key indicators for industrial properties (as of the Q3 2023):

United States ▾ Industrial Market ☆☆☆☆☆	18.7B ↑ Inventory SF	501M ↓ Under Constr SF	182M ↓ 12 Mo Net Absorp SF	5.4% ↑ Vacancy Rate	\$11.77 ↑ Market Rent/SF	\$151 ↑ Market Sale Price/SF
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- U.S. industrial market performance continues to downshift as 2024 approaches. While the national vacancy rate is not expected to rise well above its 20-year average of 7.3%, the next 12 months could still prove to be the market's most challenging period over the next five years.
- Higher interest rates have also caused construction starts on new industrial projects to plummet this year. Given the average construction time of 14 months for large industrial projects, this recent pullback in starts signals that by late 2024, the number of new projects completing construction will begin to rapidly decline.
- Accelerating completions of new industrial developments have caused the U.S. industrial vacancy rate to rise from a record low 3.9% in mid-2022, to 5.4% as of 2023q4. While that is still comfortably below the market's 20-year average vacancy rate of 7.3%, U.S. industrial net absorption has also slowed to a crawl in 2023.
- U.S. industrial rent growth has decelerated significantly from the record highs set during the pandemic, and risks falling to levels below even pre-pandemic norms in the months ahead.
- The resilience of the industrial investment market stands out among the other major asset types. Although it witnessed a 50% drop from the highs in late 2021, transaction volume throughout the first half of 2023 has outpaced the pre-Covid five-year average by 12%. Over this period, a total of \$28 billion changed hands. However, it's important to note that 23Q2 signified a continuation of a braking trend, marking the slowest pace of sales activity since 2017's second quarter with \$12.9 billion in transactions.
- Recent data confirm a slowdown in some activity. Manufacturers report new orders for their products have fallen, leading to a contraction in factory activity for 11 consecutive months, and the housing market has seen sales plummet over the past year as higher mortgage loan rates and still elevated prices erode affordability.

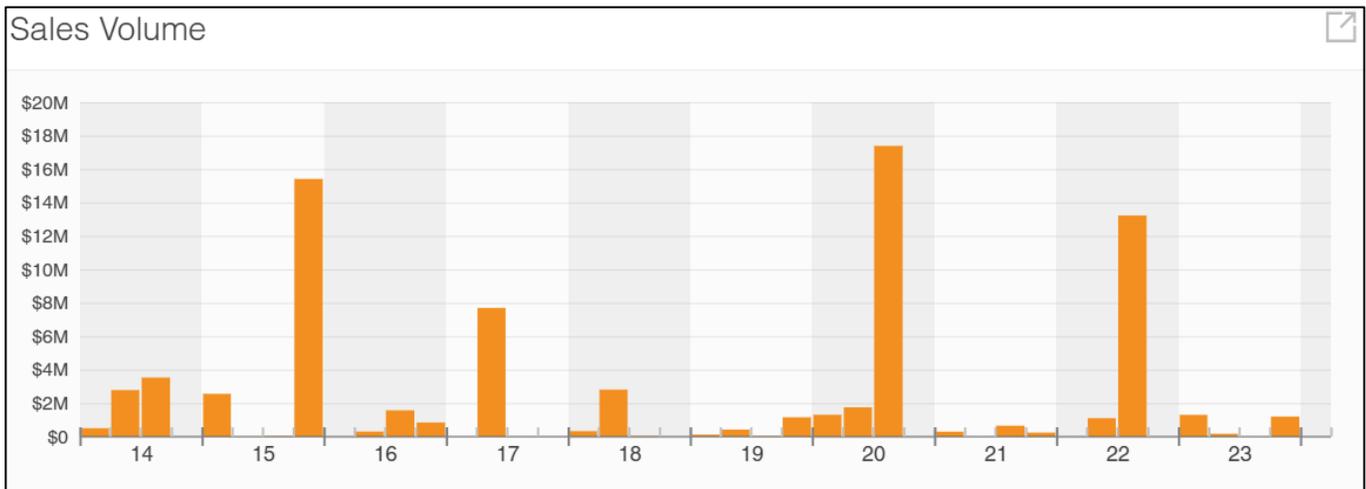
¹ Amazon is expected to capture nearly 50% of all e-commerce sales in the United States and 5% of all retail spending (online and in store).

Ashtabula County

For Ashtabula County, **CoStar** reports the following for all industrial properties (as of the 1st quarter 2024):

INVENTORY SF	UNDER CONSTR SF	12 MO NET ABSORP SF	VACANCY RATE	MKT ASKING RENT/SF	MKT SALE PRICE/SF	MKT CAP RATE
11M	0	106K	2.6%	\$4.86	\$39	11.0%
Prior Period 11M	Prior Period 0	Prior Period 283K	Prior Period 3.4%	Prior Period \$4.64	Prior Period \$39	Prior Period 10.3%

The CoStar survey of the local industrial market includes 11 million square feet of inventory. The vast majority of the market's industrial space is owner occupied space, and the majority is of smaller light industrial properties. Given the limited number of leased properties in the market, market rent and vacancy rate data reported by CoStar is easily skewed. Likewise, there are few sales that occur in this market and the unit rate and capitalization rate are also easily skewed. The following table illustrates that the market has fewer than \$2 million of sales activity in most years.

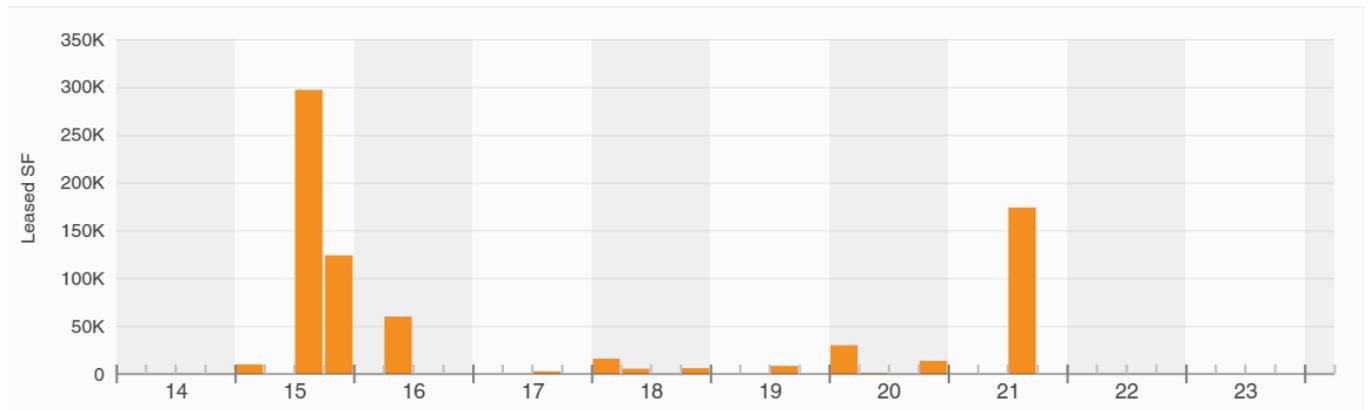


The large sales volumes in 2015, 2020, and 2022 were due to sale leaseback transactions and/or sales of single tenant net leased properties, some of which included a portfolio of multiple properties. Generally, most industrial buildings in this market sell at unit rates below \$40 psf, with many of the older functionally obsolete buildings selling at unit rates below \$20 psf.

Local market lease rates typically range from \$2.00 to \$4.00 psf, and lag vacancies can last for years making absorption projections speculative. There are only a few active investors that market industrial buildings for lease, especially of large industrial space. Furthermore, there are only about five industrial buildings that exceed 150,000 s/f that are offered for lease. The largest building in the market (6643-6800 Center Road) is 950,000 s/f and was most recently leased at approximately \$2.20 psf NNN. Other large industrial buildings in the market are often subdivided into various smaller tenant suites (less than 50,000 s/f) and have lease rates that vary widely from approximately \$1.50 psf to \$4.00 psf NNN. Additionally, this market contains several buildings with non-arms

length leases that further skew the overall reported average lease rate upward. The following table details CoStar's recent leasing activity in the market.

Leasing Activity



As displayed, most years display minimal leasing activity, including no activity in 2022 or 2023. Again, this further highlights that the Ashtabula Market is primarily an owner occupant market with limited leasing activity.

The lack of market activity is indicative of weak demand. However, as was discussed in the Area Analysis, a new \$500 million Pig Iron plant is to be constructed near the Lake Erie shoreline in the City of Ashtabula. This plant is probably the largest industrial project to come to this market in decades and will undoubtedly be a boost to the local market and could spur additional development. However, this development has been reportedly delayed over the past four years and when or if it gets completed is unknown at this point.

Subject Discussion

Comparable properties throughout the local/regional market have recently sold at unit rates from approximately \$15.00 to \$40.00 per square foot. The variance in unit rates is typically attributable to location, age, physical condition, and building size. The buyer profile is typically an owner occupant, unless there is a long-term net lease. Considering the subject size, condition, and location, the subject can be expected to achieve adequate demand compared with similar industrial properties and achieve a value within range of what is typical in the market.

Conclusions

National data indicates that the industrial sector was not as negatively impacted by COVID-19 compared to other property types, largely due to increased demand for the transportation, logistics, and distribution/warehousing submarket. The sector enjoyed strong growth since the pandemic began with declining capitalization rates, declining vacancy, and rising rental rates. These factors culminate in increasing industrial property values. Market conditions began to turn more recently, characterized by increasing vacancy rates, declining rent growth, and

increasing capitalization rates. Negative factors now impacting the industrial sector include an uncertain economic outlook and higher borrowing costs as the Federal Reserve continues to cool inflation by raising the federal funds rate. As noted, the PwC and CoStar data applies to the national market as a whole and local market conditions can vary significantly.

Industrial survey data for Ashtabula County revealed generally stable market trends with limited market activity. The subject can be expected to achieve adequate demand compared with similar industrial properties and achieve a value within range of what is typical in the market.

HIGHEST AND BEST USE

The Appraisal Institute defines highest and best use as: *the reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.*¹ These must be analyzed sequentially.

As Vacant

The subject site comprises three tax parcels totaling 12.02 acres and has extensive frontage along the south side of Chamberlain Blvd., east side of Parrish Road and the north side of a Conrail rail line. Topography is relatively level with average access and all public utilities are available. The site is zoned "M-1" Industrial which allow for primarily industrial and warehouse land use. Due to the current high cost of construction, properties locally continue to sell well below replacement cost new. Accordingly, near term development is not likely feasible unless secured by the long term lease to a credit tenant. Therefore, after considering the legally permissible, physically possible, financially feasible, and maximally productive uses, the highest and best use of the subject "as vacant" is for industrial development upon feasibility.

The highest and best use of the subject "as vacant" is for industrial development upon feasibility.

The most likely buyer/user of the subject site is an owner occupant for a future industrial development. Given the lack of feasibility, development is speculative and likely 5+ years.

As Improved

The subject site is improved with a 211,000-square foot two suite industrial facility constructed in phases with the first portion constructed in 1963, with additions in 1967, 1973, and 1997. The property benefits from its proximity to U.S. Route 20, State Route (SR) 7, SR 531 and Interstate 90 which provide local and regional access. However, the tertiary market location limits its market appeal. The improvements are functional for their current light industrial use and they contribute significant value to the underlying site. Demolition or alteration of the improvements is not necessary at this time. Accordingly, given these factors and current use, the highest and best use of the subject "as improved" is for continued light industrial and warehouse use.

The highest and best use of the subject "as improved" is for continued light industrial and warehouse use.

In a fee simple scenario the most likely buyer of the subject is an owner occupant that would use one suite and lease the other suite to offset occupancy costs (i.e., Similar to Sale 2 herein).

¹ Source: Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute.

COST APPROACH

To apply the cost approach, an appraiser estimates the market's perception of the value difference between the property improvements being appraised and a newly constructed building with optimal utility (i.e., the ideal improvement identified in highest and best use analysis). In its classic form, the cost approach produces an opinion of the value of the fee simple estate (i.e., as vacant). If the purpose of the appraisal is to estimate the value of the interest other than fee simple, an adjustment will be required. For example, a property rights adjustment could be made as a lump-sum adjustment at the end of the cost approach. This would be particularly important when the interest is the leased fee encumbered by a long-term lease that does not reflect market terms.

In applying the cost approach, an appraiser must distinguish between two cost bases – reproduction cost and replacement cost – and use one of the two consistently throughout the analysis. The market and physical condition of the appraised property usually suggests whether an exact replica of the subject property (reproduction cost) or a substitute property of comparable size and use (replacement cost) would be the basis of a more suitable comparison.¹

The subject was built in phases between the early 1963 and the 1997. As such, the property is impacted by significant depreciation (physical, functional, and external), which reduces the reliability of this approach. Furthermore, this approach would not be considered by a typical purchaser. Accordingly, the Cost Approach is not considered applicable and is not developed.

¹ *The Appraisal of Real Estate, 15th Edition, Appraisal Institute, p. 526*

INCOME CAPITALIZATION APPROACH

In the income capitalization approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to the approach.¹ The two methods of income capitalization are direct capitalization, in which a single year's income is divided by an income rate or multiplied by an income factor to reach an indication of value, and yield capitalization, in which future economic benefits are converted into a value indication by discounting them at an appropriate yield rate (DCF analysis) or applying an overall capitalization rate that reflects the investment's income pattern, value change, and yield rate.²

Although there are various income capitalization techniques available to the appraiser, certain steps are essential in applying the income capitalization approach. Before applying any capitalization techniques, an appraiser works down from potential gross income to net operating income. To do this, the appraiser will:

1. Research the income and expense data for the subject property and comparables;
2. Estimate the potential gross income of the property by adding the rental income and any other potential income;
3. Estimate the vacancy and collection loss;
4. Subtract vacancy and collection loss from total potential gross income to arrive at the effective gross income of the subject property;
5. Estimate the total operating expenses for the subject by adding fixed expenses, variable expenses, and a replacement allowance (where applicable);
6. Subtract the estimate of total operating expenses from the estimate of effective gross income to arrive at net operating income. (Deductions for capital items may also be necessary at various points in time through the projection period to calculate the cash flow used in discounted cash flow analysis);
7. Apply one of the direct or yield capitalization techniques to this data to generate an estimate of value via the income capitalization approach;
8. If necessary, calculate a rent-up adjustment for the value indication that accounts for the cost of leasing up the property or for needed capital improvements (including an appropriate estimate of entrepreneurial incentive).³

The subject is appraised by use of **Direct Capitalization** because a single year's net operating income can be estimated via a stabilized projected operating statement.

¹ *The Appraisal of Real Estate, 15th Edition, Appraisal Institute, p. 413*

² *Ibid., p. 432*

³ *Ibid., p. 432*

LEASE SYNOPSIS

Lease terms of the United Can Company are unknown and only an addendum to the lease was supplied for General Aluminum. Furthermore, although the subject is currently leased, per Ohio assessment law, the subject will be appraised in Fee Simple. As such, market rent will be applied and lease-up costs to secure tenancy will be applied.

COMPARABLE RENTAL DATA ANALYSIS AND RECONCILIATION

The following rental data is used to project market lease rates for the subject property.

Comparable Rental Data							
Known As Address, Data Source	Lease Commence	Year Built	Size SF	Lease Rate \$ PSF	Lease Type	Adjusted Lease Rate PSF (NNN)	Features
Comparable 1 4200 Benefit Road Ashtabula, Ashtabula OH Ownership	Offering	1947-80	169,500	\$2.80	Modified Gross (Tenant Pays Utilities)	\$2.00	Low end industrial space, 20' avg. height, no office
Comparable 2 McClurg Road Boardman Twp., Mahoning Co., OH DC # 1834	2022	1958, renov. 2002	60,000	\$3.75	NNN	\$3.75	14.5% office space, 19' 6" height, 7 docks, sprinkler
Comparable 3 Progress Drive Sugarcreek Borough, Venango Co., PA DC #2058 & appraisal	2020	2005	116,130	\$4.02	NNN	\$4.02	33' clear height, crane service, 5% office
Comparable 4 Rosemont Road Jackson Twp., Mahoning Co., OH DC #1219	2022	2001	76,510	\$4.20	NNN	\$4.20	24'-38' height, 2% office, 6 loading docks, sprinkler
Comparable 5 Hamot Road Summit Township, Erie County, PA DC #1917, Appraisal	2024	1992	57,787	\$4.62	NNN	\$4.62	18' Clearance, 4.5% office space
Comparable 6 Martin Avenue Lake City, PA, Erie County, PA Appraisal P-1740-24	2023	1967	46,185	\$5.59	Modified Gross (Tenant Pays Utilities)	\$4.57	34' clearance, 1.8% office Crane serviced
Comparable 7 6800 Center Road Saybrook Twp., Ashtabula Co., OH Offering Memorandum	Offering 2025	1956-1998	220,400 - 587,000	\$4.75	NNN	\$4.75	16'-20' clearance, minimal office, sprinklers, 22' loading docks
Subject Chamberlain Blvd. Conneaut, Ashtabula Co., OH		1967 - 1997 1963	166,970 44,100		NNN NNN		18' - 22' height, 2.4% office, sprinkler 14' height, 5.6% office

Note: Comparable lease data is gathered from property owners and brokers, which at times requires signing confidentiality agreements to protect the confidential nature of the lease terms. As such, the specific addresses, tenants, and identifying information of the comparables is often not detailed. Additional information regarding the rental data is contained in the workfile and/or office database.



Rental 1



Rental 2



Rental 3



Rental 4



Rental 5



Rental 6

See Sale 2 photograph for Rental 7.



COMPARABLE RENTALS MAP

The selected comparables generally bracket the subject in terms of location, age, condition, and features, with lease rates ranging from \$3.75 to \$4.75 psf (NNN). Each Rental, and their comparability, will be discussed separately.

Rental 1 This property is an older industrial building known as the former Reliant Electric plant on Benefit Avenue in the City of Ashtabula. This property is an older plant that is rated in inferior condition. The space offered lacks useful office space, and has limited heating. Overall, this space is rated greatly inferior.

Rental 2 this property is located in suburbs of Youngstown. Like the subject, this property is an older building with a newer addition. The percentage of office space is rated superior to either of the subject suites. The suite size is between the sizes of the subject suites. Overall, this comparable is rated relatively similar.

Rental 3 is a newer property built in 2005 era building with superior ceiling heights. However, this location is rated inferior, given its distance to the interstate highway system. Considering the offsetting factors of age/condition versus location, this comparable is rated similar.

Rental 4 is a property in the suburbs of Youngstown. This property's size is between the subject suite sizes. The comparable is newer and has superior ceiling heights. As such, this comparable is rated as superior.

Rental 5 is a modern light industrial building in the suburbs of Erie, PA. This property has a similar clearance height and office ratio. However, given its newer age this property is rated slightly superior.

Rental 6 is located in nearby Lake City, PA. This property is a similar 1967 era industrial building; however, this property is rated slightly superior given the superior ceiling heights.

Rental 7 is a 2025 offering of large suites in nearby Saybrook Township, a suburb of Ashtabula. This property is relatively similar, but this lease rate reflects an offering only and not actually closed leases. As such, this property is rated superior.

A reiteration of the comparables to the subject is as follows:

Rental #	NNN Lease Rate	Rating
1	\$2.00	Gr. Inferior
2	\$3.75	Similar
3	\$4.02	Similar
4	\$4.20	Superior
5	\$4.62	Sl. Superior
6	\$4.57	Sl. Superior
7	\$4.75	Superior

Overall, after considering the market data, a projected NNN lease rate of \$4.00 psf will be applied herein to each of the subject suites.

VACANCY/CREDIT LOSS

As noted in the Market Analysis section, Ashtabula County has an overall vacancy rate of 2.6%. However, this ratio factors owner occupied space in addition to buildings only offered for lease, thus skewing the vacancy rate lower. Lastly, the Ashtabula County market has limited market demand with negative absorption over the past two years. Furthermore, there exists large blocks of space on the market (i.e., 6800 Center Road with 587,000 s/f and 169,500 s/f at 4200 Benefit Avenue, also both of these properties have vacancy rates near 60%). Lastly, lag vacancies in large industrial buildings can last several years in this market. Considering this data, **a vacancy/credit loss rate of 15% is applied.**

OPERATING EXPENSES

The projected triple net rent allows for most operating expenses to be paid by the tenant. However, additional considerations and expenses exist including management, reserves, and unrecoverable expenses during periods of vacancy. These are addressed next.

Management/Administrative

Review of multi-tenant industrial investment properties in the local and regional market revealed a range of management fees from approximately 1% to 12% of EGI (average 6%). The PwC 1st Quarter 2024 Investor Survey reports management fees for national warehouse properties from 1% to 4% of EGI, average 2.55%. However, these are often in higher rent locations that lower percentages can be applied. Considering this data, the subject's projected EGI, and dual tenancy (more management burden than a single user), **5% of EGI is applied.**

Reserves & Unrecoverable Expenses

The above referenced PwC survey reports replacement reserves from \$0 to \$0.30 psf for national warehouses, average \$0.10 to \$0.12 psf. The RealtyRates.com 1st Quarter 2024 Investor Survey reports a range of reserves from \$0.28 to \$0.98 per sf for national industrial properties (average \$0.59 per sf). Given the subject's older age, **a reserves expense of \$0.25 psf is applied considering these factors.** Additionally, to account for unrecoverable expenses during periods of vacancy (e.g., real estate taxes, insurance, basic repairs and utilities), **an additional \$0.25 psf is applied.**

PROJECTED OPERATING STATEMENT

The following stabilized Projected Operating Statement is based on the preceding reconciliations:

Projected Operating Statement			
Gross Building Area (SF)	211,000		PSF
Market Rent	\$4.00		/ psf
Potential Gross Income (PGI)	\$844,000		\$4.00
Vacancy/Credit Loss of PGI	\$126,600		15.0%
Effective Gross Income (EGI)	\$717,400		\$3.40
Expenses			
Fixed			
Taxes		Tenant	
Insurance		Tenant	
Variable			
Management/Administrative @ % of EGI	5.0%	\$35,870	\$0.17
Repairs/Maintenance		Tenant	
Utilities		Tenant	
Misc./Reserves @ \$ psf		\$105,500	\$0.50
Total Operating Expenses		\$141,370	
Operating Expense Ratio	19.7%		
Net Operating Income (NOI)		\$576,030	
(rounded)		\$576,000	\$2.73

CAPITALIZATION RATE DERIVATION

The capitalization rate is derived from four sources: 1) mortgage equity technique, 2) Debt Coverage Ratio, 3) national survey data, and 4) market extracted data.

Mortgage Equity Technique xxx

The formula for income capitalization using the mortgage equity technique is as follows:

$$\text{Mortgage Ratio} \times \text{Mortgage Constant} + \text{Equity Ratio} \times \text{Equity Dividend} = \text{Overall Capitalization Rate}$$

Mortgage Equity Technique					
Ratio	X	Factor	=	Rate	
0.60	X	0.08946 *	=	0.053677	
0.40	X	0.13000 **	=	0.052000	
Indicated Capitalization Rate				=	0.105677
Rounded				=	10.60%

Based on the RealtyRates.com Investor Survey (see table below), a mortgage rate of 7.6% is applied with a 25 year term, and 70% loan to value. Given the subject's tertiary market location, large size, and limited market demand, an equity rate of 13% is applied. **The Mortgage Equity Technique suggest a capitalization rate of 10.6%.**

RealtyRates.com INVESTOR SURVEY - 1st Quarter 2024*						
INDUSTRIAL - ALL TYPES						
Item	Input					OAR
Minimum						
Spread Over 10-Year Treasury	1.05%	DCR Technique	1.10	0.062301	0.87	5.96
Debt Coverage Ratio	1.10	Band of Investment Technique				
Interest Rate	5.55%	Mortgage	87%	0.062301	0.054202	
Amortization	40	Equity	13%	0.066357	0.008626	
Mortgage Constant	0.062301	OAR				6.28
Loan-to-Value Ratio	87%	Surveyed Rates				5.91
Equity Dividend Rate	6.64%					
Maximum						
Spread Over 10-Year Treasury	5.78%	DCR Technique	2.05	0.131016	0.50	13.43
Debt Coverage Ratio	2.05	Band of Investment Technique				
Interest Rate	10.28%	Mortgage	50%	0.131016	0.065508	
Amortization	15	Equity	50%	0.150652	0.075326	
Mortgage Constant	0.131016	OAR				14.08
Loan-to-Value Ratio	50%	Surveyed Rates				13.24
Equity Dividend Rate	15.07%					
Average						
Spread Over 10-Year Treasury	3.09%	DCR Technique	1.44	0.089674	0.70	9.01
Debt Coverage Ratio	1.44	Band of Investment Technique				
Interest Rate	7.59%	Mortgage	70%	0.089674	0.062554	
Amortization	25	Equity	30%	0.112719	0.034090	
Mortgage Constant	0.089674	OAR				9.66
Loan-to-Value Ratio	69.8%	Surveyed Rates				9.56
Equity Dividend Rate	11.27%					

Next is the Debt Service Coverage Ratio method.

The Debt Service Coverage Ratio formula is used by lenders as a method of calculating overall rates and is stated as follows:

Mortgage Ratio X Mortgage Constant X Debt Coverage Ratio (DCR) = Overall Capitalization Rate,
therefore:

DEBT COVERAGE RATIO						
Mortgage Ratio	X	Mortgage Constant	X	Debt Coverage Ratio	=	Capitalization Rate
0.70	X	0.08946	X	1.7	=	10.6%

Considering the subject’s overall risk (fee simple valuation in a tertiary location), a DCR above the average is selected. **This methodology indicates an appropriate capitalization rate is 10.6%.**

National Survey Data

The most recent national survey data is summarized next.

National Capitalization Rate Surveys						
Industrial						
Survey	Survey Date	Property Type	Property Rating	Capitalization Rates		
				Low	High	Average
RealtyRates	1st. Qtr. 2024	Industrial - All Types		5.91%	13.24%	9.56%
RERC	1st Qtr. 2024	Warehouse	3rd Tier - East Region	7.50%	10.60%	8.50%
RERC	1st Qtr. 2024	Warehouse	3rd Tier - Midwest Region	6.80%	9.50%	8.30%
Overall Average						8.79%

National survey data typically includes larger (superior) markets all over the United States as well as higher quality (some institutional grade) properties; thus, only the most relevant data points are shown. Given the subject is an older building in a tertiary market location, a rate between the upper end of the average data and higher end of the Midwest data is considered most appropriate, **or a rate in the range of 9.5% to 11.7%.**

Market-Extracted Data

The following data was extracted from regional sales.

Area Capitalization Rates						
#	Address	Sale Date	Building Size (sf)	Building age	Capitalization Rate	Comments
1	1803 Pittsburgh Avenue Erie, Erie County, PA	1/27/2021	128,890	1964	8.8%	Purchased by tenant
2	435 W. Wilson Street Salem, Columbiana Co., OH	3/1/2021	117,000	1908-1979	9.6%	Sold with national tenant with 4-years remaining on lease.
3	9988 Newbury-Kinsman Rd. Novelty, OH	5/9/2024	113,920	1963	10.0%	Multi-tenant building with 1-5 year lease terms remaining.
4	7350 Young Drive Walton Hills, Cuyahoga Co., OH	Offering	142,016	1985 - 2000	10.2%	Selling with short term lease to expire 1/21/27.
5	3011 W. 17th Street Erie, Erie County, PA	7/6/2021	101,500	1985	11.8%	Sold with short term (2 yr) lease.
6	25 Union Street Campbell, Mahoning Co., OH	8/27/2021	158,784	1960	14.6%	Sold with short term (2 yr) lease.
					Average	10.9%

The above market data indicates a range of capitalization rates ranging from 8.8% to 14.6%, with an overall average of 10.9%. The low end of this range is a property that sold to the tenant in-place. To most accurately reflect a fee simple rate, sales with shorter lease terms in-place are most reflective of an appropriate capitalization rate. Also, since the 2021 to 2023 sale dates interest rates have risen and have pushed capitalization rates upward. Based on this data, and with most weight on the sales with short term leases in-place, the current offering (data # 5), and considering the rise in interest rates, **an appropriate capitalization rate in the range of 10.0% to 11.8% is considered appropriate.**

Capitalization Rate Conclusion

After considering the mortgage equity technique, the Debt Service Coverage Ratio, national survey data, and capitalization rate data in the local/regional market, as well as the subject's location, age, condition, and size, and overall market demand, a capitalization rate of **11.0% is selected.**

LEASE UP COSTS

To reflect the Fee Simple valuation market rent is applied and a lease up to third party tenants would be required if the subject was purchased by an investor. The following accounts for specific one-time expenses to lease up the subject property:

Stabilization (Lease-up) Costs

	Assumptions									Stabilization Costs				
	SF	Months Vacant	Free Rent (mos.)	Total Months No Rent	Annual Rent PSF	Expense Recovery \$ PSF	Lease Term (yrs.)	Tenant Impvmts. (TI's) PSF	Marketing Costs (LC)	Rent Loss	Expense Recovery Loss	TI's	LC	Total Costs
Unit														
East	141,925	18	0	18	\$4.00	\$2.00	5	\$0.00	6.0%	\$851,547	\$425,774	\$0	\$170,309	\$1,447,630
West	37,485	6	0	6	\$4.00	\$2.00	5	\$0.00	6.0%	\$74,970	\$37,485	\$0	\$44,982	\$157,437
Totals										\$926,517	\$463,259	\$0	\$215,291	\$1,605,067
Profit for Lease-up		15%												\$240,760
Subtotal														\$1,845,827
Present Value Factor		4%												0.962
Subtotal														\$1,774,834
Total Stabilization Costs (round)														\$1,775,000

A 6-month and 18-month lease up period was utilized after considering the size of suites to be occupied. A 15% entrepreneurial incentive is also added to account for the return/profit an investor would expect related to the risk of these projections/costs. Also, the percentage of space to be leased was applied at 85% of the building area to reflect the space needed to achieve stabilized occupancy (i.e., 85%). Also, the costs are discounted to present value at a 4% safe rate.

INCOME CAPITALIZATION APPROACH CONCLUSION

Net Operating Income	/	Capitalization Rate	=	Indicated Value
\$576,000	/	11%	=	\$5,236,364
		Less: Stabilization Costs	-	<u>\$1,775,000</u>
		Indicated Value	=	\$3,461,364
		Rounded	=	\$3,460,000

Opinion of Market Value "As Is", in Fee Simple:	\$3,460,000
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SALES COMPARISON APPROACH

In the Sales Comparison Approach, an opinion of market value is developed by comparing properties similar to the subject property that have recently sold, are listed for sale, or are under contract (i.e., for which purchase offers and a deposit have been recently submitted). A major premise of the Sales Comparison Approach is that an opinion of the market value of a property can be supported by studying the market's reaction to comparable and competitive properties.¹

To apply the sales comparison approach, appraisers follow a systematic procedure:²

1. Research the competitive market for information on properties that are similar to the property being appraised and that have been sold recently, or were listed for sale, or are under contract. Information on agreements of sale, options, listings and bona fide offers may also be collected. The characteristics of the properties such as property type, date of sale, size, physical condition, location and land use constraints should be considered. The goal is to find a set of comparable sales or other evidence such as property listings or contracts as similar as possible to the subject property to ensure they reflect the actions of similar buyers. Market analysis and highest and best use analysis set the stage for the selection of appropriate comparable sales;
2. Verify the information by confirming that the data obtained is factually accurate and that the transactions reflect arm's-length market considerations. Verification should elicit additional information about the properties such as buyer and seller motivations, economic characteristics (if the property is income-producing) value component allocations, and other significant factors as well as information about the market to ensure that comparisons are credible;
3. Select the most relevant units of comparison used by participants in the market (e.g., price per acre, price per square foot, price per front foot, price per dwelling unit, price per lot or proposed lot, price per room) and develop a comparative analysis for each unit. The goal is to define and identify a unit of comparison that explains or mirrors market behavior;
4. Look for differences between the comparables being considered and the subject property using all appropriate elements of comparison. Then adjust the price of each comparable, reflecting how it differs to equate it to the subject property or eliminate that property as a comparable. This step typically involves using the most similar properties and then adjusting for any remaining differences. If a transaction does not reflect the actions of a buyer who would also be attracted to the subject property, an appraiser should be concerned about comparability and the wisdom of relying on that comparable as a basis for comparison;
5. Reconcile the various value indicators produced from the analysis of comparables into a value indication from the sales comparison approach. A value can be expressed as a single point estimate, as a range of values, or in terms of a relationship (e.g., more or less than a given amount).

¹ *The Appraisal of Real Estate, 15th Edition, Appraisal Institute, p. 351*

² *Ibid.*, pp. 355

SALES COMPARISON APPROACH DATA

The following pages include the most relevant comparable data of properties that have recently sold. The sales data research was focused on the following factors:

- Property Interest (Fee Simple sales);
- Market Conditions (sales within the past 5 years with a focus on the most recent sales);
- Property Type (Industrial);
- Location (Eastern Ohio and Western PA);
- Building Size (larger than 100,000 s/f);
- Building Age/Condition (semi-modern industrial buildings, focusing on sales constructed from the 1960's to the 1990's).

Improved Sale No. 1



Property Identification

Record ID 9253
Property Type Industrial, Warehouse
Property Name Former WEK Industries
Address 1085 Jefferson Eagleville Road, Jefferson Township, Ashtabula County, Ohio 44047
Tax ID 25-018-00-042-00; -043-00

Sale Data

Grantor TMD WEK North, LLC
Grantee GES Jefferson, LLC
Sale Date February 21, 2023
Deed Book/Page 790-756
Property Rights Fee Simple
Verification Alec Pacella (Broker; NAI Pleasant Valley); (216) 455-0925, July 07, 2022; Confirmed by Bob Stout

Sale Price \$1,300,000
Cash Equivalent \$1,300,000
Adjusted Price \$1,300,000

Improved Sale No. 1 (Cont.)

Land Data

Land Size	10.000 Acres or 435,600 SF
Front Footage	North side of Jefferson Eagleville Road;
Zoning	Commercial
Topography	Level
Shape	Rectangular
Flood Info	Zone X
Buildings	1
Parking	138 paved spaces

General Physical Data

Building Name	Former WEK Industries
Building Type	Single Tenant
Gross SF	113,600

Area Breakdown	Office	7,500
	Warehouse	106,100

Construction Type	Pre-engineered metal
Sprinklers	Yes
Stories	1
Floor Height	10'-20'
Year Built	1987
Condition	Average

Truck High Docks	7
Drive-in Doors	2
Crane	None

Indicators

Sale Price/Gross SF	\$11.44
Floor Area Ratio	0.26
Land to Building Ratio	3.83:1

User Comments

This industrial warehouse is located along the north side of Jefferson Eagleville Road in Jefferson Township, Ashtabula County, OH. The property is improved with a 113,600-square foot building formerly known as WEK Industries and is comprised of (2) tax parcels totaling 10-acres. The building was constructed in 1987 and is in overall average condition. The building features 7,500-square feet of office space, (7) loading docks, (2) overhead doors, 10' to 20' interior ceiling height and sprinkler system. There is no crane service available.

Note: The property was originally listed for \$2.3 million and sold for \$1.3 million.

Remarks

SRP 12/21/2022 for N.L.

Improved Sale No. 2



Property Identification

Record ID 10875
Property Type Industrial, Light Industrial
Property Name Industrial / Warehouse
Address 6800 Center Road, Saybrook Township, Ashtabula County, Ohio
Tax ID 48-015-00-038-01, 038-02, 038-00 & 48-015-00-040-00
MSA Cleveland

Sale Data

Grantor Saybrook Investment Corporation & Saybrook Business Park Incorporated
Grantee 6800 Center, LLC
Sale Date October 01, 2024
Deed Book/Page 2024-000086425
Property Rights Fee Simple
Conditions of Sale Arm's Length, but environmental issues
Verification Jeffrey Staats, St. Clair Management; July 08, 2025; Other sources: OM, Public Records, appraisal P-967-13, Confirmed by Bob Stout
Sale Price \$9,250,000
Cash Equivalent \$9,250,000
Adjusted Price \$9,250,000

Land Data

Land Size 104.908 Acres or 4,569,792 SF
Front Footage 1,684 ft e/s State Route 45; 1,154 ft n/s New London Road;
Zoning I, Industrial
Topography Level at grade
Utilities All public

Improved Sale No. 1 (Cont.)

Shape Nearly Square
Flood Info Zone X
Parking Surface

General Physical Data

Building Name Industrial / Warehouse
Building Type Single Tenant
Gross SF 950,000

Construction Type Brick and steel
Roof Type Flat; Rubber membrane
Foundation Concrete slab
Electrical Heavy duty industrial
HVAC Pad and Rooftop mounted
Sprinklers 100% wet
Stories 1
Floor Height 22'-24'
Year Built 1950

Column Spacing 40'x50'
Truck High Docks (32)
Drive-in Doors (2)
Crane (5) craneways with 3-5 ton cranes

Indicators

Sale Price/Gross SF \$9.74
Floor Area Ratio 0.21
Land to Building Ratio 4.81:1

User Comments

This is the sale of an industrial / manufacturing facility situated on 104± acres along the east side of State Route 45 in Saybrook Township, Ashtabula County, Ohio. The improvements include a 950,000±-sf industrial facility. The north building was built in 1956 and 1969. The south building was building in 1998. Plastpro is currently occupying approx. 350,000-sf with approx. 600,000-sf currently vacant. There are 22 loading docks with load levelers and 2 overhead doors in the north building and 10 loading docks and 2 at grade overhead doors in the south building. There is a former rail line and train well enclosure along the north building's east elevation though no longer in service. The south building contains (5) craneways with 3-5 ton cranes. There was an environmental issue on one of the parcels that influenced the final sale price from the asking price of \$11,000,000.

Remarks

TS, 7-2025 for BS

Improved Sale No. 3



Property Identification

Record ID 10017
Property Type Industrial, Heavy Industrial
Property Name Multi-Tenant Industrial Warehouse (Former Steris)
Address 2424 West 23rd Street, Millcreek Township, Erie County, Pennsylvania
Tax ID 33-049-194.0-032.00 & 033.00
MSA Erie

Sale Data

Grantor Erie Commerce LLC
Grantee Phoenix Erie Industrial Investors
Sale Date December 19, 2023
Deed Book/Page 2023/21891
Property Rights Leased Fee
Conditions of Sale Normal Market - Arm's Length
Financing Conventional
Verification Luke Herder (Grantee, acquisition agent); (262) 470-6124, March 25, 2024; Other sources: Marketing Flyers, P-1753-25, Confirmed by Sergio Lo Presti

Sale Price \$7,000,000
Cash Equivalent \$7,000,000
Adjusted Price \$7,000,000

Improved Sale No. 3 (Cont.)

Land Data

Land Size	26.710 Acres or 1,163,488 SF
Front Footage	Extensive frontage along n/s of West 23rd Street;
Topography	Generally level and slightly below street frontage
Utilities	All public
Shape	Generally square
Rail Service	Adj. rail spur
Access/Visibility	Average to good
Buildings	Various

General Physical Data

Building Name	Multi-Tenant Warehouse
Building Type	Single Tenant
Gross SF	510,000 Luke Herder confirmed
Area Breakdown	Warehouse 391,000 Office 69,000
Construction Type	Brick, block, metal panels
Roof Type	Flat, steel deck
Foundation	Concrete
Sprinklers	100% wet; some dry
Year Built	1957-1990
Condition	Average
Truck High Docks	10
Drive-in Doors	2

Indicators

Sale Price/Gross SF	\$13.73
Floor Area Ratio	0.40
Land to Building Ratio	2.53:1
Occupancy at Sale	25

User Comments

The property is comprised of a 510,000-s/f industrial building including 122,469 sf +/- of office space plus warehouse space (estimated provided by the grantee), situated on 26.71 acres in the Township of Millcreek, Erie County Pennsylvania. It was formerly known as the Steris plant and prior to that, American Sterilizer Corporation. The property was purchased in 2007 and converted to a multi-tenant industrial facility. The improvements were built 1957, 1983, 1990 and 1991 with various additions through 2001. There are approx. 500 +/- paved parking spaces. 25% of the facility was leased at the time of sale, according to the verification source; the balance is now available for lease. The buyer plans to renovate the facility in early 2024 (namely adding docks). It is noted; the property contact (Luke Herder, Phoenix Investors) indicated the upper office floors are considered to have nominal contributory value and have been vacant since Steris vacated the building in 2007. Luke, indicated the property has an effective usable area of 460,000 s/f.

Remarks

SL 3-25-24

Improved Sale No. 4



Property Identification

Record ID 10362
Property Type Industrial, Light Industrial
Property Name Light Industrial Building
Address 106 Kuder Drive, Pymatuning Township, Mercer County, Pennsylvania
Tax ID 23-081-012-004-008

Sale Data

Grantor UACJ Metal Components North America Inc.
Grantee Yurisc Properties Partnership
Sale Date November 13, 2024
Property Rights Fee Simple
Conditions of Sale None
Verification David Schepner, Listing Agent; 814-720-0810, Confirmed by Natalie LaCoe

Sale Price \$2,100,000
Cash Equivalent \$2,100,000
Adjusted Price \$2,100,000

Improved Sale No. 4 (Cont.)

Land Data

Land Size	7.830 Acres or 341,075 SF
Front Footage	w/s Kuder Drive; n/s Dart Drive;
Zoning	I, Industrial
Topography	Relatively level
Utilities	All public
Shape	Irregular
Access/Visibility	Average; Average
Buildings	1
Parking	Paved lot

General Physical Data

Building Name	Light Industrial
Building Type	Single Tenant
Gross SF	123,476

Area Breakdown	Manufacturing	103,944
	Office	7,415
	Storage	12,117

Construction Type	Masonry, Metal and Frame
Roof Type	Gable, metal, asphalt shingle
Foundation	Concrete slab
Electrical	3,000 amp
HVAC	Rooftop; Reznors
Sprinklers	100% wet
Floor Height	16-23'
Year Built	1970 thru 2017
Condition	Average

Truck High Docks	(5)
Drive-in Doors	(3) 14'; (2) 8'
Crane	3 & 5 ton (limited service area)

Indicators

Sale Price/Gross SF	\$17.01
Floor Area Ratio	0.36
Land to Building Ratio	2.76:1

User Comments

This light industrial facility is located along Kuder Drive in Pymatuning Township, Mercer County, PA. The property is improved with a 123,476 s/f light industrial building. The improvements are situated on 7.83 acres. The building was constructed between 1970 and 2017. The building features 7,415 s/f of office space, 5 loading docks, 5 overhead doors, and 16'-23' interior clearance height. There is a 12,117 s/f portion of the building used for storage that is not heated or lighted. The buyer intends to utilize the building to construct electric charging stations.

See SSL File #P-1719-24

Remarks

TS, 8-2024 for NL

Improved Sale No. 5



Property Identification

Record ID	9728
Property Type	Industrial, Light Industrial
Property Name	Former Honeywell
Address	1345 15th Street (State Route 8), Franklin City, Venango County, Pennsylvania 16323
Tax ID	10,227.-016..-000

Sale Data

Grantor	Dalloz Fall Protection, Inc.
Grantee	RCGriff Holdings, LLC
Sale Date	March 30, 2023
Deed Book/Page	2023-1147
Property Rights	Fee Simple
Marketing Time	260 Days
Conditions of Sale	Normal Market - Arm's Length
Financing	Assumed Cash Equivalent
Verification	Rick O'Brien (Listing Broker; JLL); (412) 208-1403, May 26, 2023; Other sources: CoStar, Confirmed by Aaron Brown

Improved Sale No. 5 (Cont.)

Sale Price	\$2,300,000
Cash Equivalent	\$2,300,000
Adjusted Price	\$2,300,000

Land Data

Land Size	5.950 Acres or 259,182 SF
Front Footage	East side of 15th Street (State Route 8);
Zoning	"IN", Industrial
Utilities	All public
Shape	Square
Buildings	1
Parking	Paved lined spaces

General Physical Data

Building Name	Former Honeywell
Building Type	Single Tenant
Gross SF	107,369

Area Breakdown	Office	23.2%
	Industrial	76.8%

HVAC	Reznor heating; No AC
Sprinklers	None
Stories	1
Floor Height	18' avg.
Year Built	1995 + 2006 addition
Condition	Average

Crane	None
--------------	------

Indicators

Sale Price/Gross SF	\$21.42
Floor Area Ratio	0.37
Land to Building Ratio	2.67:1

User Comments

This light industrial facility is located along the east side of 15th Street (State Route 8), across from the Venango Regional Airport, in the City of Franklin, Venango County, PA. The property is improved with a 107,369-square foot building formerly known as Honeywell and is situated on a 5.950-acre parcel. The building was constructed in 1995 and was in overall average condition at the time of sale. The building features 23% of office space, (5) loading docks and 18' average interior ceiling height. There is no sprinkler system or crane service.

Remarks

SRP 06/26/2023 for A.B.

SALES COMPARISON APPROACH GRID

SALES COMPARISON GRID						
	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5
Address	1500 Chamberlain Blvd.	1085 Jefferson Eagleville Rd.	6800 Center Road	2424 W. 23rd Street	106 Kuder Drive	1345 15th Street
City or Township	City of Conneaut	Jefferson Village	Saybrook Twp.	Millcreek Twp.	Pymatuning Twp.	City of Franklin
County/State	Ashtabula Co., OH	Ashtabula Co., OH	Ashtabula Co., OH	Erie Co., PA	Mercer Co., PA	Venango Co., PA
Consideration		\$1,300,000	\$9,250,000	\$7,000,000	\$2,100,000	\$2,300,000
Sale Price per square foot		\$11.44	\$9.74	\$13.73	\$17.01	\$21.42
Property Rights	Fee Simple	Fee Simple	Fee Simple	Leased Fee	Fee Simple	Fee Simple
Financing	Assumed Cash Equiv.	Similar	Similar	Similar	Similar	Similar
Conditions of Sale	Normal Market Cond.	Normal Market	Environmental	Normal Market	Normal Market	Normal Market
Dollar Adjustment		\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$1,300,000	\$9,250,000	\$7,000,000	\$2,100,000	\$2,300,000
Buyer Expenditures	None	None	None	None	None	None
Dollar Adjustment		\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$1,300,000	\$9,250,000	\$7,000,000	\$2,100,000	\$2,300,000
Market Conditions	Jan-24	Feb-23	Oct-24	Dec-23	Nov-24	Mar-23
Per Annum Adjustment @	2.0%	0.00%	0.00%	0.00%	0.00%	0.00%
Dollar Adjustment		\$0	\$0	\$0	\$0	\$0
Adjusted Sale Price		\$1,300,000	\$9,250,000	\$7,000,000	\$2,100,000	\$2,300,000
GBA (s/f)	211,000	113,600	950,000	510,000	123,476	107,369
Adj. Price per square foot		\$11.44	\$9.74	\$13.73	\$17.01	\$21.42
Elements of Comparison						
Location	Small City/Average	Similar	Similar	Similar	Similar	Similar
% Adjustment		0.0%	0.0%	0.0%	0.0%	0.0%
Dollar Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Age	1963 - 1997	1987	1956-1998	1957-91	1970-2017	1995-2006
Condition	Average to good	Sl. Inferior	Similar	Sl. Inferior	Similar	Sl. Superior
Effective Age	25	30 years	25 years	30 Years	25 Years	20 Years
% Adjustment		7.5%	0.0%	7.5%	0.0%	-7.5%
Dollar Adjustment		\$0.86	\$0.00	\$1.03	\$0.00	(\$1.61)
GBA (SF)	211,000	113,600	950,000	510,000	123,476	107,369
% Adjustment		-5.0%	60.0%	40%	-5%	-5%
Dollar Adjustment		(\$0.57)	\$5.84	\$5.49	(\$0.85)	(\$1.07)
Office Area	3.1%	6.6%	0.3%	26.9%	6.0%	23.2%
Dollar Adjustment		(\$0.71)	\$0.55	(\$4.76)	(\$0.59)	(\$4.02)
Interior Clearance	14' - 22'	10'-20'	22'-24'	16' 6" - 30'	16' - 23'	18'
% Adjustment		3.0%	-5.0%	0.0%	0.0%	0.0%
Dollar Adjustment		\$0.34	(\$0.49)	\$0.00	\$0.00	\$0.00
Site Area (Acres)	20.000	10.0	104.9082	26.71	7.830	5.95
Site Coverage Ratio	40.3%	26.1%	20.8%	36.9%	36.2%	41.4%
Dollar Adjustment		(\$0.62)	(\$1.07)	\$0.00	\$0.00	\$0.00
Other Amenities						
Sprinkler/Crane Capacity	Partial/Ltd.	Yes/No	Yes/Partial	Yes / Yes	Yes / Ltd.	None
Loading (Door & Dock Ratio)	1.08	0.85	0.38	0.43	0.86	0.61
% Adjustment		Similar	Similar	Similar	Sl. Inferior	Sl. Inferior
Dollar Adjustment		\$0.00	\$0.00	\$0.00	\$0.85	\$1.07
Net Adjustments		(\$0.70)	\$4.84	\$1.75	(\$0.59)	(\$5.63)
Indicated Value per square foot		\$10.75	\$14.57	\$15.48	\$16.42	\$15.79
Statistics	Before Adjustments	After Adjustments				
Low	\$9.74	\$10.75				
High	\$21.42	\$16.42				
Range	120%	53%				
Mean	\$14.67	\$14.60				
Median	\$13.73	\$15.48				



COMPARABLE IMPROVED SALES MAP

SALES COMPARISON APPROACH ANALYSIS

The **unadjusted comparables** indicate a range of sale prices from \$9.74 to \$21.42 per square foot with a range of 120%. Adjustments are explained as follows:

- **Property Rights:** Sale 3 sold with approximately 25% of the building tenant occupied. No adjustment will be applied but this factor will be considered herein. All other Sales sold in fee simple and no adjustments are needed.

- **Financing:** All Sales sold with cash or cash equivalent financing and no adjustments are needed.
- **Conditions of Sale:** Sale 2 sold with some environmental issues on one of the tax parcels. This resulted in the sale being negotiated down from the initial asking price of \$11,000,000. This factor will not be adjusted for but will be considered herein. All other Sales sold under normal market conditions and were arm's length; no adjustments are necessary.
- **Buyer Expenditures:** No buyer expenditures were reported and no adjustment is required.
- **Market Conditions:** All Sales are very recent, occurring just before or after the value date, and reflect current market conditions. No adjustments are needed.
- **Overall Location:** The subject is located in a small city in northeast Ohio, with relatively average access. Sale 3 is located in the immediate suburbs of the City of Erie, a larger population center, with relatively nearby access to I-79 and I-90. No adjustment is applied but this factor will be considered in the final reconciliation. All other sales are located in relatively similar locales; no adjustment is applied.
- **Age/Effective Age/Condition:** All Sales are adjusted at 1.5% per year of effective age differential.¹ The overall condition of each property is reflected in the selected effective age.
- **Gross Building Area:** Due to the principle of "diminishing returns", smaller buildings typically yield higher unit rates than larger buildings. Adjustments are applied where appropriate. Sales 2 and 3 require significant upward adjustments due to their much larger sizes.
- **Office Space Ratio:** All Sales are adjusted for their office ratio differentials based on a contributory value of \$20 psf of interior office finish differential. Example: Sale 1 has 6.6% office finish or a 3.5% office ratio differential. $3.5\% \text{ office differential} \times \$20 \text{ psf} = \$0.70 \text{ psf adjustment}$ (slight differences applied due to rounding).
- **Clearance Height:** The Sales are adjusted at 1% per annum per foot of height differential.²
- **Site Coverage Ratio:** A lower site coverage ratio allows for expansion or additional yard storage/ parking area, while a higher site coverage ratio limits this potential. Given this factor, Sales 1 and 2 are adjusted on an estimated contributory land value of \$20,000 per acre. The adjustment process calculates the required land area of each adjusted sale in order to equal the land to building ratio at the subject property. This differential (positive or negative) is multiplied by the estimated contributory value per acre and divided by the sales GBA.

¹ A 45-50 year economic life equals 2.0% to 2.2% depreciation per year. Given that the adjustment is applied to a unit rate that includes land value, and since land is not depreciable, a lower 1.5% per year adjustment is utilized.

² Review of Marshall Valuation Service cost data revealed an incremental cost of up to 2.4% per foot of warehouse building height differential. Considering typical depreciation (physical and functional/external), the principle of diminishing returns, and that land is not depreciable, an adjustment of 1% per annum is applied.

EXPOSURE AND MARKETING PERIOD

Projections of reasonable marketing and/or exposure periods for the subject are based on consideration of historical data, as well as anticipated future marketing conditions. Implicit in the concept of a reasonable marketing period are the following factors:

- An active offering/exposure of the property by the owner or an agent via traditional marketing including the media, signage, MLS services, and/or trade journals/publications.
- An offering at a price that is commensurate with the appraised value.
- A consideration of the typical "holding" costs to the owner during the marketing period, including property taxes, insurance, maintenance, and/or security services.
- The terms and conditions of the offering, including an assumption of an "all-cash" or cash equivalency at time of closing.

Marketing times of local/regional sales are typically within 6 to 18 months, but some have had extended marketing times. Given the subject's location, age, condition, size and overall appeal, and considering recent market conditions, a reasonable exposure time for the subject is from 6 to 18 months prior to the effective date of this appraisal. Furthermore, to achieve a sale price commensurate with the market value opinion herein, a marketing time of 6 to 18 months following the effective date is projected.

RECONCILIATION AND FINAL VALUE CONCLUSION

Opinion of Market Value by the:	"As Is"
Cost Approach:	N/A
Income Capitalization Approach:	\$3,460,000
Sales Comparison Approach:	\$3,270,000

The *purpose* of this **Appraisal Report** is to provide an opinion of **Market Value "As Is"**, as of **January 1st, 2024**, the effective date, in **fee simple**.

This appraisal relied on the Income Capitalization Approach and Sales Comparison Approach; the Cost Approach was not presented due to age and forms of depreciation impacting the subject, which are difficult to accurately measure and would not be considered by a typical purchaser.

In the Income Approach, a triple net rental rate was ascertained from which all operating expenses are passed through to the tenants in the projected operating statement. The capitalization rate was derived via the mortgage equity technique, debt service coverage ratio, national survey data, and market extraction from both sales and offerings. All though the projections in the approach were adequately supported, the reliability of this approach is based on achieving the rent level projected for the building, at the occupancy level, and with the same lease terms.

The Sales Comparison Approach included recent sales of nearby properties and each was adjusted for differences with the subject property; after application of the adjustments, the range of sale prices was narrowed and a unit rate was selected and applied to the subject's gross building area. Most weight of opinion is placed on this approach, as it is considered to be reflect a fee simple valuation of a large industrial property.

In Conclusion, after analysis of relevant data and utilization of sound judgment, our opinion of Market Value "As Is", assuming a typical marketing/exposure time, and as of the effective date, is:

Opinion of Market Value "As Is":

\$3,300,000

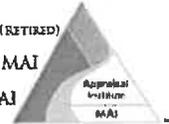
ADDENDUM

- **Letter of Engagement**
- **Legal Reference**
- **Appraisal Coverage Area Map**
- **Qualifications and State Certifications**



SAMMARTINO, STOUT & LO PRESTI
REAL ESTATE ANALYSTS, APPRAISERS & CONSULTANTS

RAYMOND J. SAMMARTINO, MAI (RETIRED)
ROBERT G. STOUT, JR., MAI
SERGIO S. LO PRESTI, MAI



June 13th, 2025

Ms. Erica Fix
Conneaut Plant Controller
General Aluminum
1370 Chamberlain Blvd.
Conneaut, OH 44030
Via e-mail: efix@angstrom-usa.com

Dear Ms. Fix:

Sammartino, Stout & Lo Presti, Inc. is available to complete an appraisal of the below described property and on the terms and conditions as outlined in this agreement / Letter of Engagement.

Appraisal of:	1500 Chamberlain Blvd., Conneaut, Ashtabula Co., OH; Tax Pcls: 121280004100, 121280004200 & 121280004300
Client & Intended User:	General Aluminum
Intended Use:	Tax Appeal
Purpose:	Develop an opinion of Market Value "As Is"
Property Rights:	Fee Simple
Effective Date(s):	Date of Property Viewing
Scope of Work:	Interior/exterior viewing; Highest and Best Use; Appropriate Approach(es) to value with summarized market data and analysis; USPAP compliant
Report Type:	Written, Narrative Appraisal Report
Completion Time:	30-40 days from receipt of signed Letter of Engagement
Copies:	Digital PDF file via e-mail
Total Fee:	(30-day billing)
Board Testimony:	Appraisal fee includes one appearance at Board level.
Court Testimony:	Court testimony and preparation will be billed at \$100/hr. (min. 1 hr. per Appearance). Travel at 1/2 hourly rate. 30 day billing.
Disclosure:	This firm has not provided appraisal services on this property in the last 3 years.

Payment / Billing

The client (as noted above) is responsible for payment payable by check to Sammartino, Stout & Lo Presti, Inc. Balance is due within 30 days of the date of the invoice. A 4.0% fee applies for all credit card payments. Any expenses incurred in collecting this invoice, including reasonable attorney fees, not less than \$1,000, will be added to all other amounts due. Pennsylvania law shall apply without regard to any provision that would make the laws of another jurisdiction applicable. Federal and state courts in Erie County, Pennsylvania shall have exclusive jurisdiction and venue with respect to any disputes arising from or related to the subject matter of this invoice. The parties consent to the personal jurisdiction of any such court. Sammartino, Stout & Lo Presti, Inc. reserves the right, without liability, to withhold delivery of services including, but not limited to, deposition or testimony until all invoice(s) are paid in full.

General

Should the results of our investigation indicate that the scope of the assignment or property to be appraised is materially different than indicated, or if we are requested to expand the scope of work or properties included, we reserve the right to adjust the fee based on the additional work effort/scope of work. No additional work will be completed or fee charged without written permission by The Client. Performance of this contract and fees developed herein are based on reasonable and timely access to the property during normal business hours. When developing this appraisal, we will rely on property information provided by The Client, their representative, the ownership, as well as market data. If new (relevant) information becomes available after submission of the report, we reserve the right to amend or modify the report and the conclusions therein (additional fees may apply).

The appraisal will not include services not covered by this agreement, and neither party to this agreement is bound by any promise, term, nor condition not incorporated in this agreement. Changes to this engagement require written instructions/requests by The Client and written acceptance by The Company. If this agreement is terminated by The Client, we reserve the right to bill for accumulated fees and costs incurred to the point of cancellation, as determined by The Company. Likewise, The Company reserves the right to terminate this agreement if The Client becomes unresponsive to property information or property viewing request(s), subject to billing for accumulated fees and costs to the point of cancellation, as determined by The Company.

Obligations

The Company's obligations pursuant to this Agreement are complete when the Appraisal Report in the format specified in this Agreement is delivered to The Client pursuant to this Agreement. The signing appraiser(s) agree to be responsive to The Client's legitimate inquiries regarding the contents of the report after delivery.

Maximum Time Period for Legal Actions

Unless the time period is shorter under applicable law, any legal action or claim relating to the appraisal shall be filed in court within two (2) years from the date of delivery to Client of the appraisal report to which the claims or causes of action relate or, in the case of acts or conduct after delivery of the report, two (2) years from the date of the alleged acts or conduct. The time period stated in this section shall not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages. The time period stated in this section shall apply to all non-criminal claims or causes of action of any type.

Severability

In the event any provision of this Agreement shall be determined to be void or unenforceable by any court of competent jurisdiction, then such determination shall not affect any other provision of this Agreement and all such other provisions shall remain in full force and effect.

Client's Duty to Indemnify Appraiser(s) and The Company

The Client agrees to defend, indemnify and hold harmless The Company and its employees and shareholders from any damages, losses or expenses, including attorneys' fees and litigation expenses at trial or on appeal, arising from allegations asserted against The Company or its employees by any third party that if proven to be true would constitute a breach by The Client of any of The Client's obligations, representations or warranties made in this Agreement, or any violation by The Client of any federal, state or local law, ordinance or regulation, or common law (a "Claim"). In the event of a Claim, The Company shall promptly notify The Client of such Claim, and shall cooperate with The Client in the defense or settlement of any Claim. The Client shall have the right to select legal counsel to defend any Claim, provided that The Company shall have the right to engage independent counsel at The Company's expense to monitor the defense or settlement of any Claim. The Client shall have the right to settle any Claim, provided that The Company shall have the right to approve any settlement that results in any modification of The Company's rights under this Agreement, which approval will not be unreasonably withheld, delayed or conditioned.

Client's Representations and Warranties

The Client represents and warrants to The Company that: (1) The Client has all right, power and authority to enter into this Agreement; (2) The Client's duties and obligations under this Agreement do not conflict with any other duties or obligations assumed by The Client under any agreement between The Client and any other party; and (3) The Client has not engaged The Company, nor will The Client use the Appraisal Report, for any purposes that violate any federal, state or local law, regulation or ordinance or common law.

Limitation on Damages

The Client agrees that The Company (and all employees/shareholders) shall not be liable to The Client for any claims, liabilities, causes of action, losses, damages (whether compensatory, consequential, special, direct, indirect, incidental, punitive, exemplary, or any other type), costs and expenses (including, but not limited to reasonable attorneys' fees and expert witness fees) and the reasonable time and expenses of The Company's personnel involved in any way arising out of this agreement in any amount greater than the total amount of fees paid by The Client to The Company, except to the extent finally and judicially determined to have been the result of bad faith, gross negligence, or intentional or willful misconduct of The Company. This provision shall survive the termination of this agreement for any reason, and shall apply to the fullest extent of the law, either in contract, statute, tort, strict liability or otherwise.

Respectfully,



Robert G. Stout, Jr., MAI, Managing Partner

Accepted by:


Signature

KEVIN KAMINSKY / DIR OF FINANCE
Print Name / Title

06.17.25
Date

TRANSFERRED
Auditor, Ashtabula County, Ohio

AUG 24 2022

Paul Tom 1.50



Doc ID: 006863140002 Type: G/I
Kind: WARRANTY DEED
Recorded: 08/24/2022 at 02:42:11 PM
Receipt#: 2022-00006836
Fee Amt: \$34.00 Page 1 of 2
Ashtabula County, Ohio
Barbara Schaab Recorder
File# 2022-00009133

BK 779 Pg 189-190

PRECISE TITLE
PICK UP

In compliance with Sec. 319.202
R.C. and Sec. (F) 319.54 R.C. \$ 13,000,000.00
effective January 1st, 1968

R

LIMITED WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS THAT Industrial Attitude, LLC, an Illinois limited liability company, Grantor, of Effingham County, Illinois, for valuable consideration paid, grants, with limited warranty covenants, to Spirit Realty, L.P., a Delaware limited partnership, Grantee, whose tax mailing address is 2727 N. Harwood, Suite 300, Dallas, Texas 75201, certain real estate being more particularly described as follows:

Situated in the City of Conneaut, County of Ashtabula, and State of Ohio, and being Sublot Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 of the Seaway Industrial Park Allotment as recorded in Volume 11 of Plats, Page 91 of Ashtabula County Records, be the same more or less, but subject to all legal highways.

Subject however, to those items listed on Exhibit A hereto.

Parcel Nos: 12-128-00-043-00 (Sublots 1, 2, 3, 4, 5, 6, 7, and 8); 12-128-00-042-00 (Sublot 9); and 12-128-00-041-00 (Sublot 10).

Prior Reference: Official Records Book 639, Page 1261.



NCS-1100908-PRV-1

WITNESS its hand this 1st day of February, 2022.

INDUSTRIAL ATTITUDE, LLC, BY
AGRACEL, INC., ITS MANAGER

By 
Ryan Witges
Its Chief Operating Officer

STATE OF Illinois, COUNTY OF Effingham, SS:

The foregoing instrument was acknowledged before me, this 1st day of February, 2022, by Ryan Witges, Chief Operating Officer of Agracel, Inc., Manager of Industrial Attitude, LLC. This is an acknowledgment certificate; no oath or affirmation was administered to the signer with regard to this notarial act.

"Official Seal"
JASON RUNDE
Notary Public, State of Illinois
My Commission Expires 7/28/23


Notary Public

This Instrument Prepared By:

JOHNSON OLIVER & HOWARD LPA
By: Stephen L. Oliver
701 Sixth Street
Post Office Box 1505
Portsmouth, Ohio 45662

QUALIFICATIONS

Robert G. Stout, Jr., MAI

Updated 6/2025

Federal Tax ID: 25-1724267



State Certifications / Licenses:

Pennsylvania Certified General Real Estate Appraiser, GA-001659L

Ohio Certified General Real Estate Appraiser, 2002011635

New York Certified General Real Estate Appraiser, 46000049332

Professional Employment:

- 1992-96, Messenkopf & Eckert, real estate salesperson, broker, and residential appraiser
- 1996-2005, Sarmartino & Mueller Inc., and Sarmartino, Mueller & Powell Inc., real estate appraiser (commercial/industrial)
- 2006-2015, Sarmartino & Stout, Inc., partner and real estate appraiser (commercial/industrial)
- 2016-present, Sarmartino, Stout & Lo Presti, Inc. managing partner and real estate appraiser (commercial/industrial)

Professional Affiliations / Organizations:

- MAI Member, Appraisal Institute
- Western Pennsylvania Appraisal Institute Chapter Member (2020-present)
- Northwest Pennsylvania Appraisal Institute Chapter Member (through 2020)
 - Chapter President 2008-09
 - Chapter Vice President 2006-07
 - Chapter Director 2004-05, 2016-18
 - Chapter Treasurer 1998
 - Chapter Committee Member 1996
- Ohio Chapter of the Appraisal Institute
- Appraisal Institute Leadership Development Advisory Council (LDAC), 2005, 06, & 07

Education:

- Clarion University, Bachelor of Science in Business Administration
Major: Real Estate, 1992

Continuing Education / Relevant Course Work:

- PA Law, as required
- Uniform Standards of Professional Appraisal Practice (USPAP), as required
- Fair Housing – Fair Lending, as required
- Business Practices and Ethics, as required
- Appraisal Institute Annual Convention 2022
- 46th Annual Economic Seminar, Dec. 2023
- Ignorance isn't Bliss: Understanding an Investigation by a State Appraiser Regulatory Bd
- Appraising Automobile Dealerships
- Small Hotel/Motel Valuation
- Analyzing Assessment Appeals
- Residential & Commercial Trends Seminar
- Learn How to Solve Land Valuation Problems
- IRS Seminar with Mock Trial
- Discounted Cash Flow Model
- RP-401, Allocating Components / Going Concern Appraisals
- Understanding Collateral Underwriting
- Supervisory Appraiser/Trainee Course

- Practical Regression in Excel
- Commercial/Residential Bank Review Panel
- Appraising the Appraisal, AI
- Mineral Rights Valuation
- Appraisal Curriculum Overview
- Fundamentals of Separating Real, Personal Property, & Intangible Bus. Assets
- 48th Ed. Right-of-Way Conference
- Office Building Valuation
- Valuation of Conservation Easements
- Appraising Convenience Stores, AI
- Cost Approach, Feasibility & Highest and Best Use, Appraisal Institute
- Highest and Best use and Market Analysis, Course 520, Appraisal Institute
- Argus Version 8.0, RE Solutions, Inc.
- Basic Income & Capitalization, Course 310, Appraisal Institute
- Advanced Sales Comparison & Cost Approach, Course 530, Appraisal Institute
- Real Estate Risk Analysis
- EDI The Future is Now
- Marshall & Swift Cost Approach

Qualified Before Courts & Administrative Bodies:

Mr. Stout has qualified as an expert witness in quasi-judicial proceedings in Erie, Crawford, Clarion, Clearfield, Lawrence, Warren and Washington Counties, Pennsylvania as well as Ashtabula and Lake Counties, Ohio and the Ohio State Board of Revision in Columbus, Ohio.

Instruction:

- Golf Course Appraisal, 2024 Assessors Association of Pennsylvania (AAP) Conference (co-presenter)
- Net Leased & LIHTC Properties, 2021 Assessors Association of Pennsylvania (AAP) Conference (co-presenter);
- *Golf Course Appraisal*, 2019 Assessors Association of Pennsylvania (AAP) Conference (co-presenter)

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

NAME:
Robert G Stout Jr

LICERT NUMBER:
2002011635

LIC LEVEL:
Cert. General R. E. Appraiser - Reciprocity

CURRENT ISSUE DATE:
06/15/2025

EXPIRATION DATE:
07/29/2027

OSPAF DUE DATE:
07/29/2027



Department of
Commerce
Division of Real Estate & Professional Occupations



Commonwealth of Pennsylvania - Department of State
Bureau of Professional and Occupational Affairs

Mailing Address P.O. Box 2649, Harrisburg, PA 17105 Toll Free: 1-833-DOS-BPOA



ROBERT G STOUT

License Number	: GA001659L	Initial License Date	: 07/01/1998	Expiration Date	: 06/30/2027
License Type	: Certified General Appraiser	License Status as of 5/16/2025 : Active			
Issued By	: State Board of Certified Real Estate Appraisers				
Address	: 3111 STATE STREET, Erie, PA 16508				



Arion R. Claggett

Acting Commissioner Arion R. Claggett

[Signature]

Signature of Licensee

SCAN ME



202505151597

Please verify the license by visiting <https://www.pals.pa.gov/verify> or by scanning the QR Code

<p>UNIQUE ID NUMBER 46000049332</p>	<p><i>State of New York</i> <i>Department of State</i> DIVISION OF LICENSING SERVICES</p>	<p>FOR OFFICE USE ONLY Control No. 1555845</p>
<p>PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS.</p>		<p>EFFECTIVE DATE MO DAY YR 12 22 24</p>
<p>STOUT ROBERT G C/O SAM MARTINO, STOUT & LOPRES 3111 STATE ST ERIE, PA 16508</p>		<p>EXPIRATION DATE MO DAY YR 12 21 26</p>
<p>HAS BEEN DULY CERTIFIED TO TRANSACT BUSINESS AS A R. E. GENERAL APPRAISER</p>		
<p>In Witness Whereof, The Department of State has caused its official seal to be hereunto affixed.</p> <p>WALTER T. MOSLEY SECRETARY OF STATE</p>		

DOS-1968 (Rev. 3/21)



SAMMARTINO, STOUT & LO PRESTI
 REAL ESTATE ANALYSTS, APPRAISERS & CONSULTANTS

RAYMOND J. SAMMARTINO, MAI (RETIRED)
 ROBERT G. STOUT, JR., MAI
 SERGIO S. LO PRESTI, MAI



Ohio Appraiser Disclosure Statement

Name of Appraiser: Robert G. Stout, Jr., MAI

Class of Certification/License:

- Certified General
 Licensed Residential
 Temporary General Licensed

Certification/License Number: 2002011635

Scope - This Report: is within the scope of my Certification/License
 is NOT within the scope of my Certification/License

Services Provided By: Disinterested and unbiased third party
 Interested and biased third party
 Interested third party on contingent fee basis

Signature of person preparing and reporting the appraisal:

 Robert G. Stout, Jr., MAI

QUALIFICATIONS

Sergio S. Lo Presti, MAI

Updated 8/2025

Federal Tax ID: 25-1724267



State Certifications / Licenses:

Pennsylvania Certified General Real Estate Appraiser, GA-003888

Ohio Certified General Real Estate Appraiser, 2011002586

New York Certified General Real Estate Appraiser, 46000010136

Professional Employment

- 2016 – Present: Partner/Certified Real Estate Appraiser at Sammartino, Stout & Lo Presti, Inc.
- 2011 – 2015: Certified Real Estate Appraiser at Sammartino & Stout, Inc.
- 2008 – 2011: Appraiser Trainee at Sammartino & Stout, Inc.

Professional Affiliations

- Appraisal Institute (May 2010 – Present)
 - Designated Member (June 2014 – Present) 
- Western Pennsylvania Appraisal Institute Chapter Member (2020 – Present)
 - Member of the Chapter Board of Directors (2022 - 2024)
- Northwest Pennsylvania Appraisal Institute Chapter Member (May 2010 – 2020)
 - Chapter President (2018 - 2019)
 - Chapter Vice President (2016 - 2017)
 - Member of the Chapter Board of Directors (2012, 2013 & 2015)

Education

- Clarion University of Pennsylvania, Bachelor of Science in Business Administration (2008)
 - Accredited by the Association to Advance Collegiate Schools of Business (AACSB)
 - Majors in Real Estate and Personal Finance
 - Member of the Beta Gamma Sigma International Honor Society (BGS) 

Select Courses & Seminars

- Uniform Standards of Professional Appraisal Practice (USPAP), as required
- Fair Housing - Fair Lending, as required
- Pennsylvania State Appraisal Regulations, as required
- Business Practices and Ethics, as required
- Fundamentals of the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA aka "Yellow Book")
- Appraising Convenience Stores, The Appraisal Institute
- Appraising Automobile Dealerships, The Appraisal Institute
- Appraisal of Medical Office Buildings, The Appraisal Institute
- 2018 Appraisal Institute National Conference: Litigation Support, Valuation for Litigation, Appraising Federal Property
- Eminent Domain and Condemnation, The Appraisal Institute
- The Discounted Cash Flow Mode: Concepts, Issues and Application, The Appraisal Institute
- Effective Appraisal Writing, The Appraisal Institute
- Standards of Practice for the Right of Way Professional, IRWA
- Expert Witness for Commercial Appraisers, McKissock Education
- Fundamentals of Going Concerns, The Appraisal Institute
- General Demonstration Report - Capstone Program, The Appraisal Institute
- Ted Whitmer's Comprehensive Appraisal Workshop
- Advanced Concepts and Case Studies, The Appraisal Institute
- Advanced Market Analysis and Highest & Best Use, The Appraisal Institute
- General Demonstration Appraisal Report Writing, The Appraisal Institute
- General Appraiser Site Valuation & Cost Approach, The Appraisal Institute
- General Appraiser Report Writing and Case Studies, The Appraisal Institute
- Advanced Income Capitalization, The Appraisal Institute
- General Appraisal Income Approach Parts I and II, The Appraisal Institute
- General Appraisal Sales Comparison Approach, The Appraisal Institute
- Real Estate Practice, Fundamentals, Appraisal, Investments, Management, Law, Finance, Brokerage; Clarion University

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Select Testimony Experience

- Beaver County Court of Common Pleas, Condemnation, Bench Trial, (Case No: 2019-11307)
- Potter County Court of Common Pleas, Civil Bench Trial, (Docket No. 349 of 2015)
- Erie County Court of Common Pleas, Tax Assessment Trial, (Docket No. 12500-2020)
- Board of Viewers Hearing, Elk Co., Condemnation, (Pcl 31A, Aiello Trust, Case No. 2010-133)
- Board of Viewers Hearing, Butler Co., Condemnation, (Pcl 2, Adams Land Co, Case No 2018-10052-52)
- Board of Viewers Hearing, Philadelphia, Condemnation, (4250 Realty, Parcel 15, Aug. 2013 term No. 3462)
- Erie County Court of Common Pleas, Tax Assessment Trial, (Docket No. 13216-2016 consolidated)
- McKean County Court of Common Pleas, Condemnation, (Herzog; Case Nos. 648 & 649 CD 2017)
- Board of Viewers Hearing, Butler Co., Condemnation, (Gumberg, Case No. 13-10709)
- Board of Viewers Hearing, Beaver Co., Condemnation, (Trombetta, Case No. 10482-2016)
- Board of Viewers Hearing, Beaver Co., Condemnation, (401 Grant, Case No. 2014-10934)
- Board of Viewers Hearing, Philadelphia, Condemnation, (Pcl 14 Valentino, Mar. term 2014 No. 05486),
- Board of Viewers Hearing, Beaver Co., Condemnation, (Pcl 10 Datri, Case No. 10888 of 2018)
- Board of Viewers Hearing, Clarion Co., Condemnation, (TNT Holdings; Docket No.: 103 CD 2014)
- Board of Viewers Hearing, Crawford Co., Condemnation, (Peters; Docket No.: AD 2017-605)
- Board of Viewers Hearing, McKean Co., Condemnation, (Herzog; Case Nos. 648 & 649 CD 2017)
- Board of Viewers Hearing, Philadelphia, Condemnation, (Pcl 24 McMenamin, Oct. term 2013 No. 00071)
- Board of Viewers Hearing, Philadelphia, Condemnation, (Pcl 39 Mitch's Auto, May Term 2015 No. 00595)
- Board of Viewers Hearing, Philadelphia, Condemnation, (Pcl 40 Graham, May Term 2015 No. 00593)

Select Complex, Unique or Special Use Property Assignments

- Regional Ambulance Maintenance, Repair and Dispatch Facility, Philadelphia, PA (YP-920/922)
- 19 Regional Gas / Convenience Stores – Going Concerns, Northwestern Pennsylvania (E-695 & others)
- Golf Course, Condemnation, West Mifflin, PA (YT-788)
- Casino and Thoroughbred Race Track Facility, Tax Appeal, Pennsylvania (T-124)
- Urban Rail Corridor, Condemnation, Pittsburgh, PA (YS-702)
- Urban Rail Yard, Condemnation, Philadelphia, PA (YS-355)
- 76 mile former Rail Corridor / proposed Rails to Trails, Acquisition, Northwestern Pennsylvania (S-603)
- Proposed Industrial / Business Park, Grant Funding, Western Pennsylvania (P-1252)
- Private Country Clubs, Tax Appeals, Northwestern Pennsylvania (T-110 & T-111)
- Parking Garages/Ramps, Internal Planning & Financing, Northwestern Pennsylvania (various)
- Airport Surveillance Radar Tower / Site, Condemnation, Northwestern Pennsylvania (S-644)
- 22-acre Recycling Center, Condemnation, Northwestern Pennsylvania (YP-590)
- 20-acre Recycling Center, Condemnation, Philadelphia (YP-720)
- 30-acre Auto Recycling Yard, Condemnation, Philadelphia (YP-653)
- Surgery Center, Financing, Eastern Ohio (K-616)
- Surgery Center, Internal Planning, Northwestern Pennsylvania (C-134)
- CBD Office Inferred and Fundamental Market Study, Tax Appeal Support, Northwestern Pennsylvania (UK-82)
- Market Value vs. Investment Value Market Study, Internal Planning, Northwestern Pennsylvania (P-930)

Publications

- *Appraising Retail Properties in the 'Amazon Jungle'*, The Appraisal Journal, Fall 2018 (co-author)

Instruction

- *Golf Course Appraisal*, 2024 Assessors Association of Pennsylvania (AAP) Conference (co-presenter)
- *Net Leased & LIHTC Properties*, 2021 Assessors Association of Pennsylvania (AAP) Conference (co-presenter)
- *Golf Course Appraisal*, 2019 Assessors Association of Pennsylvania (AAP) Conference (co-presenter)



**Commonwealth of Pennsylvania- Department of State
Bureau of Professional and Occupational Affairs**

Mailing Address P.O. Box 2649, Harrisburg, PA 17105

Toll Free: 1-833-DOS-BPOA



SERGIO S LO PRESTI

License Number : GA003888 Initial License Date : 08/26/2011 Expiration Date : 06/30/2027
 License Type : Certified General Appraiser License Status as of 5/3/2025 : Active
 Issued By : State Board of Certified Real Estate Appraisers
 Address : 6022 PEBBLE CREEK DR, FAIRVIEW, PA 16415



Arion R. Claggett

Acting Commissioner Arion R. Claggett

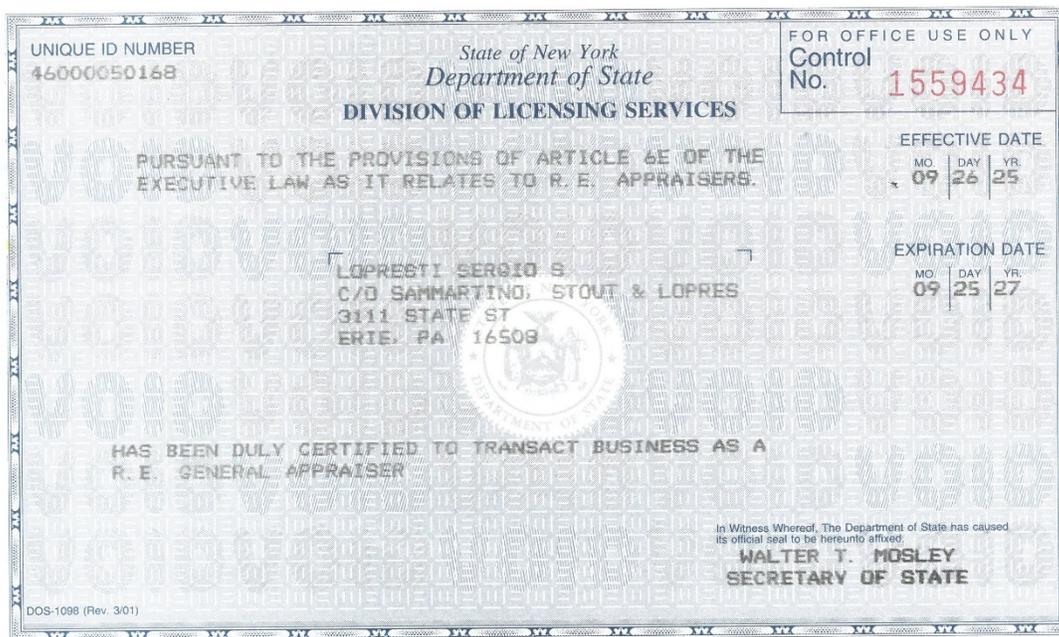
Sergio S. Lo Presti

Signature of Licensee



Please verify the license by visiting <https://www.pals.pa.gov/verify> or by scanning the QR Code

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RAYMOND J. SAMMARTINO, MAI (RETIRED)

ROBERT G. STOUT, JR., MAI

SERGIO S. LO PRESTI, MAI



Ohio Appraiser Disclosure Statement

Name of Appraiser: Sergio S. Lo Presti, MAI

Class of Certification/License:

Certified General

Licensed Residential

Temporary General Licensed

Certification/License Number: 2011002586

Scope - This Report: is within the scope of my Certification/License
 is NOT within the scope of my Certification/License

Services Provided By: Disinterested and unbiased third party
 Interested and biased third party
 Interested third party on contingent fee basis

Signature of person preparing and reporting the appraisal:

Sergio S. Lo Presti