



# STRATEGIC MARKET ANALYSIS FOR ADAPTIVE REUSE DEVELOPMENT

ELECTRIC WORKS  
Fort Wayne, Indiana

# ABOUT RCLCO



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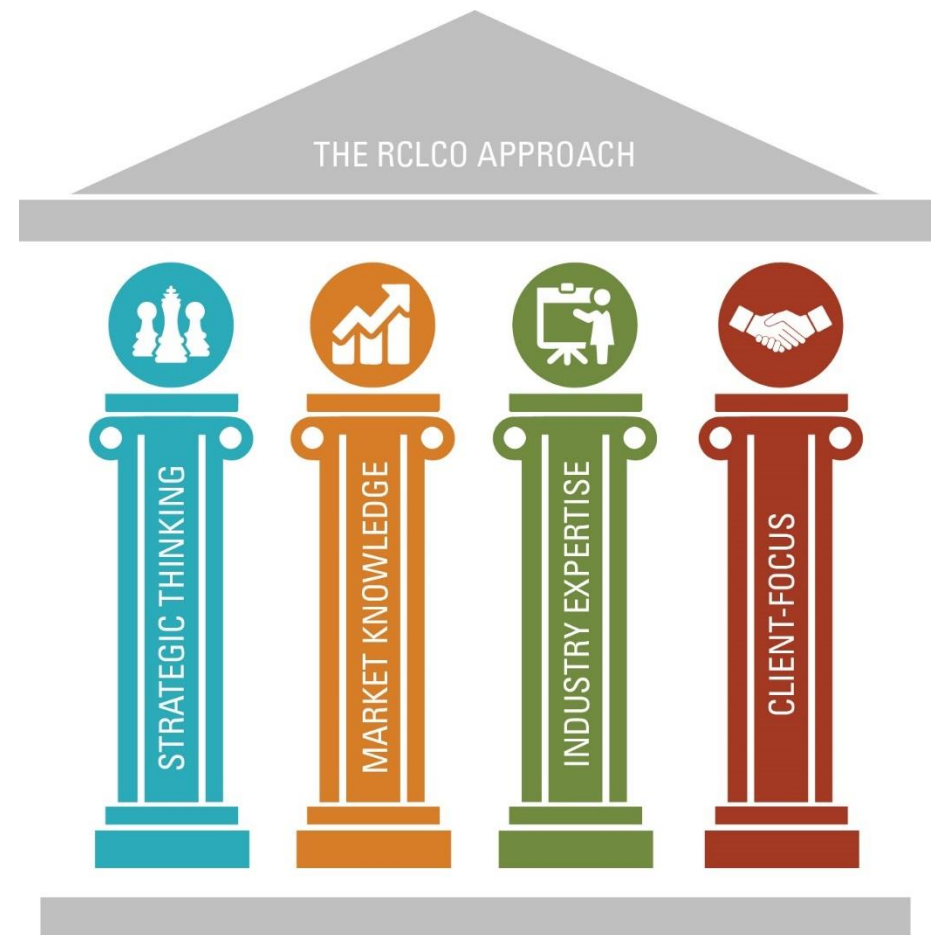
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# CONTENTS

<b>Objectives &amp; Key Finding</b>	<b>4</b>	<b>Market Analysis</b>	<b>33</b>
▶ Objectives	5	▶ Office Supply	34
▶ Key Findings	6	▶ Office Positioning	35
▶ Opportunity By Land Use	7	▶ Office Demand	36
<b>Market Overview &amp; Site Analysis</b>	<b>8</b>	▶ Apartment Supply	37
▶ Regional Employment Growth	9	▶ Apartment Positioning	38
▶ Primary Economic Drivers	10	▶ Apartment Demand	39
▶ Job Base in Downtown Fort Wayne	11	▶ Apartment Segmentation	40
▶ Economics and Demographics	12	▶ Retail Supply	41
▶ Site Assessment	13	▶ Retail Demand	42
<b>Evolution of Downtown</b>	<b>14</b>	<b>Disclaimers</b>	<b>43</b>
▶ Established Office Core	15	<b>Appendix: Supporting Exhibits</b>	<b>46</b>
▶ Emerging Residential Market	16		
▶ Strong Apartment Rent Growth	17		
▶ Retail Has Not Yet Followed	18		
<b>Case Studies</b>	<b>19</b>		
▶ Takeaways From Project Analogues	20		
▶ Grandview Yard (Columbus, Ohio)	21		
▶ Bakery Square (Pittsburgh, PA)	25		
▶ Harbor Point (Stamford, CT)	29		

## OBJECTIVES & KEY FINDINGS

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# OBJECTIVES

At this time, RTM Ventures, LLC (“RTM Ventures”) is planning the adaptive reuse of Electric Works, a former GE Campus in Fort Wayne, Indiana. With a convenient location near the edge of Downtown Fort Wayne, Electric Works is comprised of 39 acres and 18 historic buildings, which collectively offer more than 1.2 million square feet of space for office, retail, residential, hospitality, entertainment, and educational uses. With potential for up to 1.6 million additional square feet of new construction, the site offers a total development capacity of 2.8 million square feet.

Against this background, RTM Ventures engaged RCLCO to provide a quantitative, fact-driven assessment of the development program for Phase I of the project. At this time, Phase I is planned to include the redevelopment of the western site, which consists of 10 buildings that are planned to offer approximately 224,000 square feet of office, 113,000 square feet of research/education space, 83,000 square feet of retail/restaurants and a food hall, 83,000 square feet of dedicated innovation space, 82,000 square feet of rental apartments, and 31,000 square feet of amenity and recreational space.

Specifically, the goals of the following analysis are as follows:

- ▶ Analyze the evolving economy of Fort Wayne, focusing on the composition of jobs and growth of industries in the market;
- ▶ Assess the market depth and performance of office, apartment, and retail spaces in and around Fort Wayne, with the goal of evaluating the overall depth of demand for new spaces in the market, in general, and at Electric Works, in particular;
- ▶ Determine the optimal level of pricing for office, apartment, and retail at Electric Works, taking into account the characteristics of the site as well as the positioning of competitive projects; and
- ▶ Survey other markets for national examples of catalytic, mixed-use developments which may help assess whether a project like Electric Works has the potential to help reset the pricing paradigms or demand conditions in Downtown Fort Wayne.

**Electric Works; Fort Wayne, Indiana**



Image Source: [FortWayneElectricWorks.com](http://FortWayneElectricWorks.com)

## MARKET OVERVIEW

There is a subtle but important story of modest growth in Fort Wayne. Although the urbanization of larger and faster-growing cities like Columbus and Indianapolis has been somewhat quicker and more obvious, there exists a strong opportunity for new urban development in Fort Wayne, as the perceptions about its downtown continue to evolve, and as its employment and population bases continue to expand. With a rich past and a convenient location relative to the historic core of Fort Wayne, Electric Works offers the unique opportunity to introduce a dynamic, mixed-use location for people to live, work, and play—while also revitalizing an existing development of great cultural and economic significance to the surrounding area.

Although the Fort Wayne Metropolitan Statistical Area (“MSA”) lost jobs during the Great Recession, its economy has since recovered. Since 2010, an average of 3,000 jobs have been added to the region each year, and Education & Health Services and Manufacturing have remained two of the largest drivers of new employment growth. While the number of jobs in Professional & Business Services and Financial Activities has expanded at a comparatively slower rate, these sectors have experienced steady growth, fueling a need for moderate amounts of new office in Downtown Fort Wayne.

At the same time, Downtown Fort Wayne outpaced the region as a whole in terms of household growth, following a decade of decline between 2000 and 2010. Coupled with the younger ages of people living in Downtown Fort Wayne, this trend points to a renewed interest in urban living, likely attributable to young professionals wanting to live near their places of work.

## EVOLUTION OF DOWNTOWN FORT WAYNE

As the employment and population bases in Downtown Fort Wayne have continued to expand, they have fueled a need for new spaces. As a result, the quality and quantity of new development in Downtown Fort Wayne has increased in recent years. Today, new projects like *Ash Skyline Plaza*, *The Harrison*, and *Cityscape Flats* are pushing the upper threshold on office and residential pricing, and the strong performance of these projects indicates there are indeed customers who are willing to pay for them.

Going forward, new projects like *Skyline Tower* and *Metro 202* will continue to solidify Downtown Fort Wayne as a vibrant place for people to live, work, and play when they deliver, likely attaining pricing near or at the top of the market in the process. Further, future development along the riverfront will continue to bring a new sense of energy to Downtown Fort Wayne. As new forms of development occur, public perceptions about Downtown Fort Wayne will continue to evolve, fueling additional growth opportunities as the neighborhood emerges as the economic and cultural core of the region.

## IMPLICATIONS ON ELECTRIC WORKS

With a rich history and community significance, Electric Works is positioned to capture demand spurred by renewed interest in Downtown Fort Wayne. At this time, the site already serves as a regional landmark, and its effective revitalization could strengthen Downtown Fort Wayne and solidify its positioning within and outside of the market, helping to attract new tenants and—just as importantly—maintain existing ones.

While the performance of existing projects in Downtown Fort Wayne indicates there is clearly a market for new, urban product, there are three questions pertaining to the specific opportunity at Electric Works:

- ▶ **Depth of Market: Is the market big enough to absorb this amount of space?**  
Yes: In Downtown Fort Wayne, recent deliveries are performing well due to pent-up demand for new space, and future growth will continue to yield opportunities. Although Electric Works has a different location and feel than recent deliveries, case studies indicate that these features will not impact—and may in fact help—its capture of overall development in Downtown Fort Wayne.
- ▶ **Level of Pricing: Is the proposed level of pricing reasonable for the market?**  
Yes: Despite a location in an emerging part of Downtown Fort Wayne, Electric Works is poised to attain similar pricing to its top-of-market competitors, given its unique features and proposed mix of uses. Moreover, case studies indicate there is no reason that a project of this type or in this location needs lower pricing.
- ▶ **Impact of Adaptive Reuse: Does adaptive reuse open up a market?**  
Yes: New and different product is likely to tap into new market segments which are presently underserved in Fort Wayne. As seen in places like Pittsburgh, this type of product has strong appeal among prospective tenants.

Source: RCLCO

# OPPORTUNITY BY LAND USE

		OFFICE	APARTMENT	RETAIL
				
PRODUCT	SF/Units	224,000 SF (+ 83,000 SF of Innovation Space)	82,000 SF (Approximately 90-100 Units)	83,000 SF (Including Potential Food Hall)
	Opportunity	Coupled with a lack of new office in Downtown Fort Wayne, the historic features of Electric Works make it a compelling location for top-of-market office, with features that appeal to creative tenants, in particular	In Downtown Fort Wayne, new supply has not kept up with demand. Situated along edge of Downtown Fort Wayne near other successful projects, Electric Works will be an exceedingly popular location to urban living	Given the growing household and employment bases in Downtown Fort Wayne, the area is underserved by supporting retail uses, and Electric Works is poised to become a premiere destination for urban retail
	Target Market	Professional & Business Services and Education & Health Care Services, with some potential to attract creative office-using Manufacturing tenants as well	Young professionals, with secondary market appeal towards mature professionals and empty nesters looking for newer/nicer product	Restaurants and entertainment, with household-supporting retail targeted towards people who live in and around Downtown Fort Wayne
PRICING	Underwritten	\$25 / SF (Full-Service)	\$1.25 / SF	\$14.50 / SF (NNN)
	Achievable	\$25 / SF (Full-Service)	\$1.50 / SF	\$15.00 / SF (NNN), with upside potential
	Market Positioning	Generally in line with new and renovated product, but slightly above other, older product in Downtown Fort Wayne, where most inventory is well-occupied but growing increasingly dated	In line with such top-of-market competitors as <i>The Harrison</i> and <i>Skyline Tower</i> , though pricing at <i>Skyline Tower</i> may increase in the long run as it finds its competitive positioning in the market	Below historic core of Downtown Fort Wayne and other, larger regional destinations (i.e. <i>Jefferson Pointe</i> and <i>Glenbrook Square</i> ), but in-line with or above community-serving retail centers
DEMAND	Market Demand Next 5 Years	0 SF in MSA (Due to Vacant Suburban Office) 650,000 SF in Downtown (Due to Pent-Up Demand)	3,150 Units in MSA 700 Units in Downtown Fort Wayne	N/A – While region as a whole is served, parts are not
	Site Demand Next 5 Years	270,000 SF of Conventional Office 100,000 SF of Creative Office	160 Units	105,000 to 115,000 SF
	Absorption Period	1-2 Years Upon Delivery	8-10 Units Per Month	1-2 Years Upon Delivery

Image Source: Work Design; Abodo; Brightleaf  
Source: RCLCO

## MARKET OVERVIEW & SITE ANALYSIS

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# REGIONAL EMPLOYMENT GROWTH

Over the past three decades, the economy of the Fort Wayne Metropolitan Statistical Area (“MSA”) has grown at approximately the same rate—if not slightly faster—than the economy of the country as a whole. Going forward, RCLCO anticipates that the economy will continue to grow at a similar pace, recognizing that the exact number of jobs added in any given year is likely to vary depending on the timing of the cycle.

Relative to other parts of the country, Fort Wayne has proven to be somewhat more susceptible to economic downturns, as seen between 2007 and 2009 during the Great Recession. During this time, the Fort Wayne MSA lost nearly 17,000 jobs at an average rate of 2.6% per year, while the nation as a whole experienced more moderate employment decay of approximately 1.6% per year.

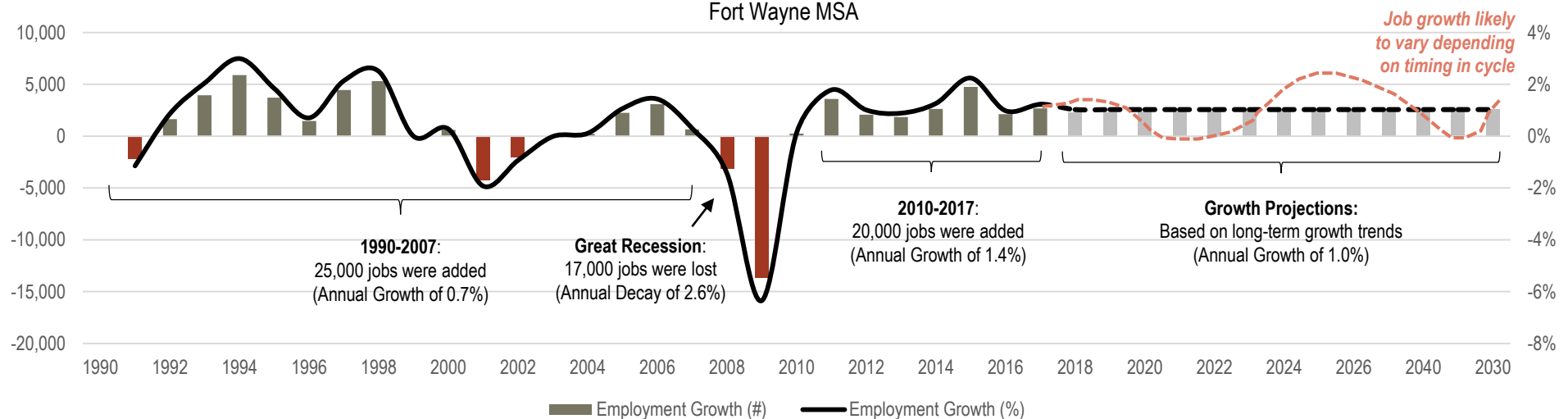
Nevertheless, the Fort Wayne Metropolitan Statistical Area (“MSA”) has experienced steady employment growth since 2010, adding an average of 3,000 jobs each year. This gradual expansion translates to a compound annual growth rate (“CAGR”) of 1.4%, slightly above the national average of 1.0% during the same time frame. While the region experienced a slight dip in job growth following the budget sequestration of 2013, the economy has since rebounded, adding 4,800 jobs in 2015 alone.

For the purposes of this study, RCLCO projects moderate job growth of approximately 1.0% per year, in line with long-term averages and accounting for the cyclical nature of the economy. Assuming the economy keeps growing at this average pace, the region will gain an additional 31,000 jobs through 2030, compared to the 20,000 jobs which have been added since the Great Recession.

However, there is upside potential for growth in Fort Wayne, which has many features that appeal to prospective residents and employers. As highlighted in the recent [\*The Road to One Million\*](#) plan, Northeastern Indiana can experience additional economic growth if it attracts and maintains younger, well-educated workers, who have driven much of the growth in other regions. Instrumental in attracting these workers, new urban projects like Electric Works can achieve this goal by strengthening the appeal and positioning of Downtown Fort Wayne, both within and outside of the region.

For the purposes of projecting demand, this report relies on a more conservative set of assumptions, taking into account growth that is in-line with recent historic levels. Already, these assumptions indicate a compelling opportunity for development in Fort Wayne, even without the potential additional growth.

**Historic and Projected Employment Growth, 1990-2030;  
Fort Wayne MSA**



Source: Moody's; The Road to One Million RCLCO

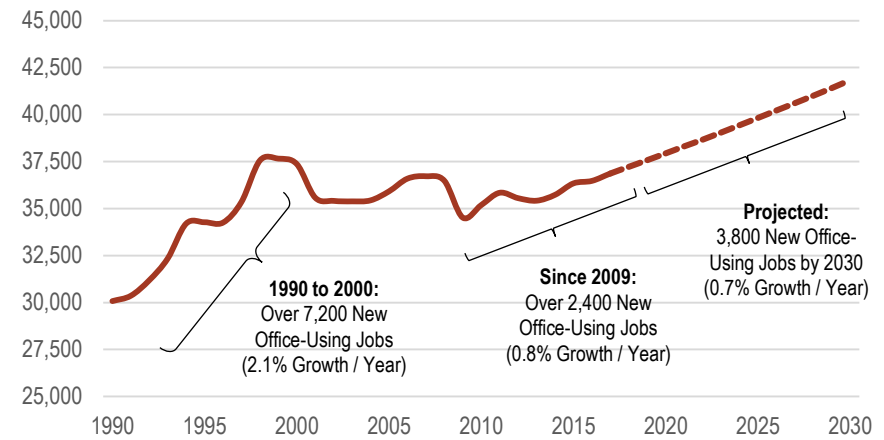
# PRIMARY ECONOMIC DRIVERS

Between 1990 and 2000, the amount of office-using employment experienced significant growth, until remaining stagnant between the turn of the century and the Great Recession. Nevertheless, robust job growth in office-using sectors enabled this employment base to rebound in recent years.

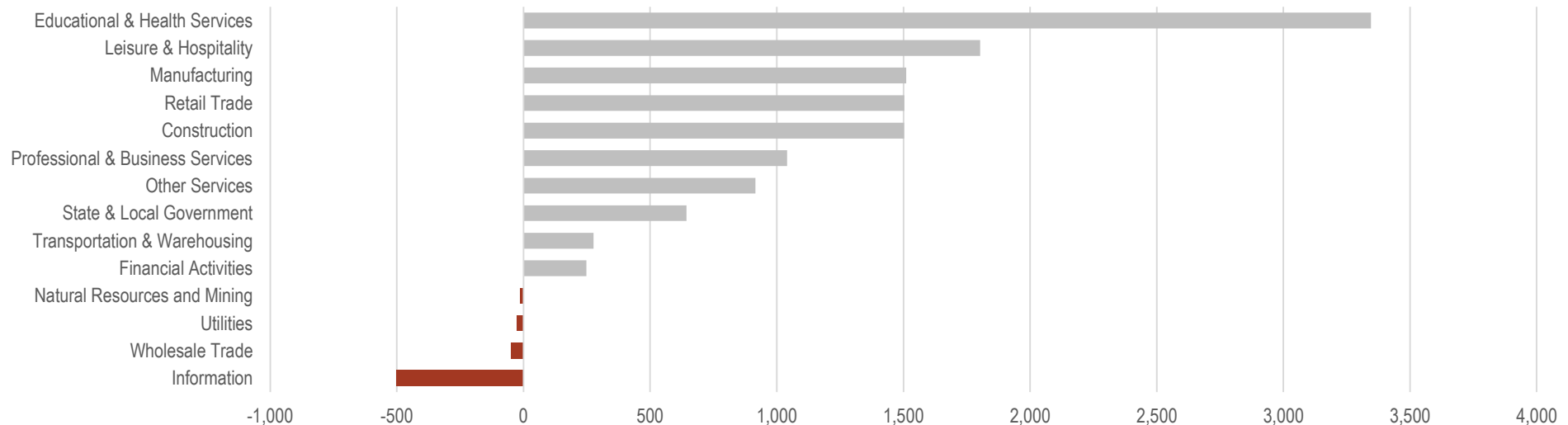
In particular, the region added a significant number of jobs in Education & Health Services and Manufacturing in the last five years. Two historic economic drivers in Fort Wayne, these sectors fueled demand for moderate amounts office space during this time, when they added a combined total of nearly 5,000 jobs to the region. In addition, the Professional & Business Services sector added another 1,000 jobs, the vast majority of which required office space.

Going forward, these sectors are anticipated to generate most demand for new office space in the Fort Wayne MSA, accounting for 88% of its office-using employment growth through 2030. During this time, approximately 3,800 new office-using jobs are projected to be added to the region, at an average annual rate of 0.7% per year, in line with recent growth rates.

**Historic and Projected Office-Using Employment, 1990-2030;  
Fort Wayne MSA**



**Historic Employment Growth by Sector, 2013-2017;  
Fort Wayne MSA**



Source: Moody's; RCLCO

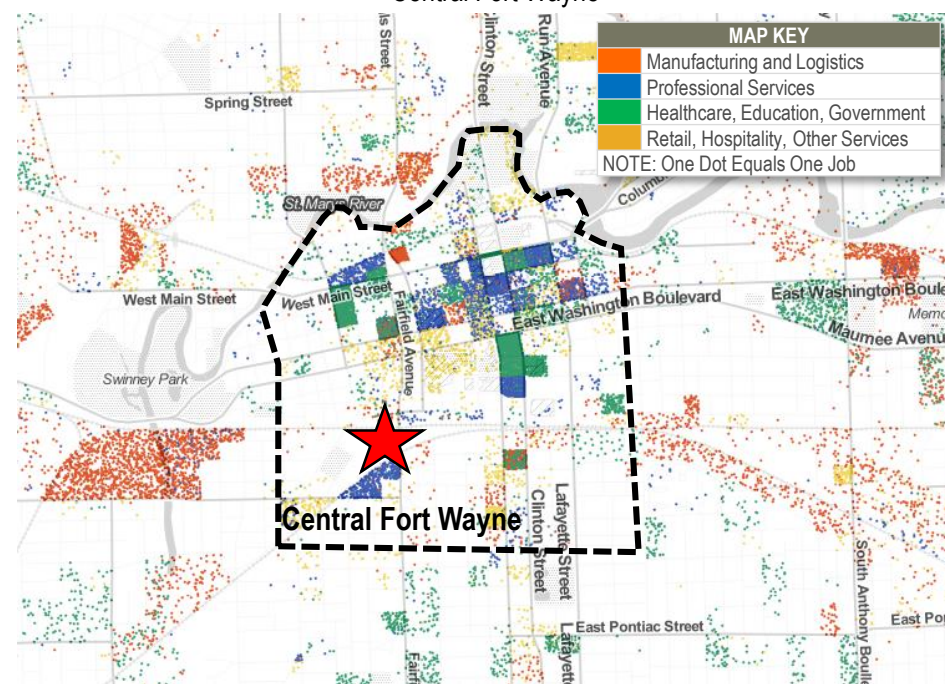
# JOB BASE IN DOWNTOWN FORT WAYNE

The employment makeup of Central Fort Wayne is somewhat dissimilar from the job composition of the broader region. Relative to the rest of the MSA, Central Fort Wayne is a particularly attractive location for companies in Education & Health Care Services, Government, Professional & Business Services, and Financial Activities, all of which require some amount of office space and help attract young workers. In comparison, areas outside of Central Fort Wayne are generally more likely to attract companies in the Manufacturing and Transportation & Warehousing economic sectors.

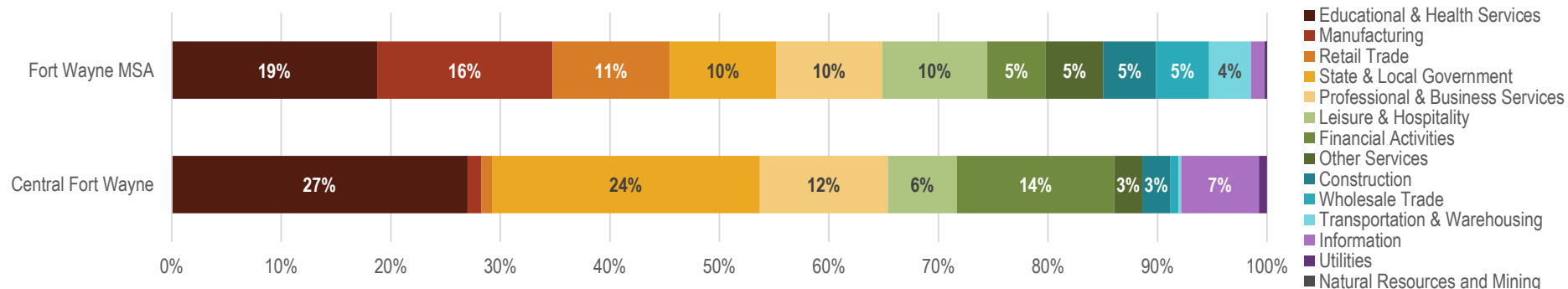
Importantly, Central Fort Wayne is well-positioned to capture future office demand and population growth, given that its employment composition favors growing sectors that are attractive to younger, more educated workers who generally prefer to live and work in mixed-use locations. In addition, recent leasing activity indicates that there are likely companies which are currently located in the suburbs of Fort Wayne, but which would prefer to relocate to a newer, more urban space if the product existed.

Although Electric Works is located at the fringe of Downtown Fort Wayne, its location is unlikely to hinder it from attracting office-using employment. As seen in case studies conducted by RCLCO, office space located on the fringe of a downtown can compete with—or even outperform—office space located directly downtown, especially when part of a unique, mixed-use development. Furthermore, the project is situated in close proximity to Parkview Field, a minor league ballpark which has catalyzed development southeast of Downtown Fort Wayne, in the path of Electric Works.

**Location of Jobs by Industry Sector, 2014;  
Central Fort Wayne**



**Distribution of Employment;  
Fort Wayne MSA and Central Fort Wayne**



Source: LEHD Employment Data; Robert Manduca; The Zacher Company; RCLCO

# ECONOMICS AND DEMOGRAPHICS

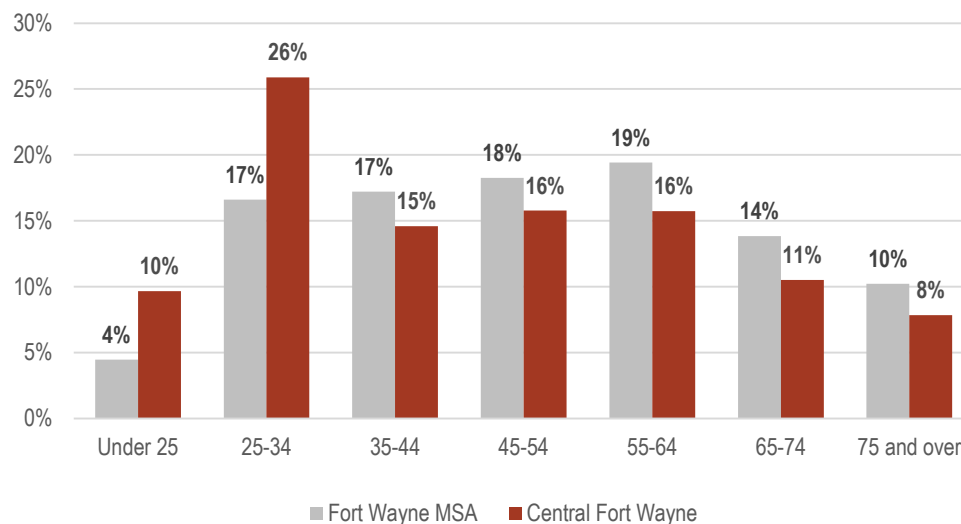
Recent growth trends indicate strong residential interest in Downtown Fort Wayne. Between 2000 and 2010, the number of households in Central Fort Wayne decreased by 1.3%, while the overall household base in the MSA increased by 0.7%. Although these growth patterns indicate households were once leaving downtown, this trend has since reversed itself, and Central Fort Wayne is now outpacing the MSA in terms of its growth. Since 2010, the number of households living in Central Fort Wayne has increased by 0.8%, highlighting renewed interest in Downtown Fort Wayne.

Much of this recent growth is likely attributable to young households looking for urban places to live, given that the age distribution of households in Central Fort Wayne is considerably younger than the demographic makeup of households in the Fort Wayne MSA, as a whole. Representing 26% of households, households aged 25 to 34 are the most common demographic group in Central Fort Wayne, where the proportion of these households is 9% greater than MSA averages.

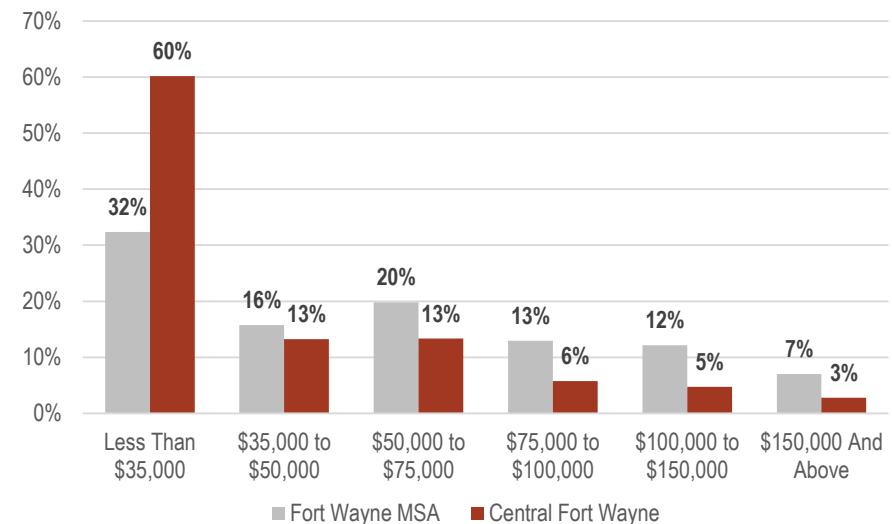
The household income distribution of Central Fort Wayne also differs from the income distribution of the Fort Wayne MSA. While only 32% of households in the Fort Wayne MSA earn less than \$35,000, 60% of the households in Central Fort Wayne earn less than this threshold, likely due to the affordability of housing and prevalence of young households. Though this income distribution indicates there may be fewer households willing to pay higher rents for newer product, 40% of the households in Central Fort Wayne have incomes above \$35,000, despite a lack of residential product offerings for these middle- and higher-income households.

Further, it is likely that Central Fort Wayne could attract additional young, high-income households if it offered more high-quality residential options. Though office-using jobs are common in Central Fort Wayne, employees seeking to live near work have few compelling options. One of the only new, stabilized properties in Central Fort Wayne, *the Harrison* was quick to lease-up in 2013, and is now fully occupied. This level of performance indicates that new compelling residential product faces strong demand.

**Household Distribution by Age, 2017;  
Fort Wayne MSA and Central Fort Wayne**



**Household Distribution by Income, 2017;  
Fort Wayne MSA and Central Fort Wayne**



Source: ESRI; RCLCO



## STRENGTHS

- ▶ **Unique Building With Historical Significance:** A former General Electric (“GE”) campus, Electric Works offers a number of unique and historically significant buildings, which will draw interest from perspective tenants and differentiate the project from existing and future developments in the market. The project is likely to be viewed as truly one-of-a-kind, both within the market as well as outside of it.
- ▶ **Location Near Parkview Field and Downtown Fort Wayne:** Situated along the urban fringe of Downtown Fort Wayne, Electric Works is located less than a mile from Downtown Fort Wayne, as well a five minute walk from Parkview Field. This location will appeal to people who want to live, work, or play in an urban setting.

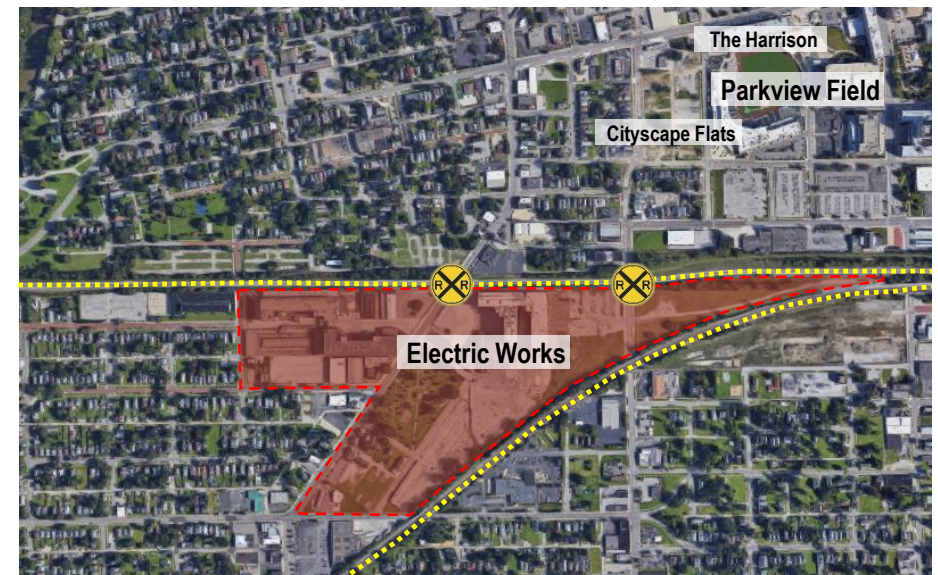
## OPPORTUNITIES

- ▶ **Transformative Project:** The Electric Works site already serves as a landmark in Fort Wayne, and its effective revitalization could strengthen the surrounding neighborhood, in addition to solidifying its competitive positioning in the market.
- ▶ **Opportunity for Placemaking:** Given the rich history of the site and its buildings, Electric Works offers numerous opportunities for placemaking, which will bolster the appeal of the project and ameliorate potential consequences of its location being near—but technically outside of—the historic urban core of Fort Wayne.
- ▶ **Potential Path of Urban Growth:** Following the delivery of Parkview Field, the area to the southwest of Downtown Fort Wayne has begun to transform, and new projects like The Harrison and Cityscape Flats have recently emerged. Located just past these projects, Electric Works offers the ability to leverage this sense of energy, and continue to develop the path of growth along Broadway.
- ▶ **Downtown Supply Constraints:** At this time, there is a lack of office, retail, and residential offerings in Downtown Fort Wayne, providing Electric Works with the opportunity to fill this gap in the market and meet the need for new space.
- ▶ **Easier, More Affordable Parking than Downtown:** Relative to office buildings located in the historic urban core of Fort Wayne, Electric Works offers cheaper, easier parking options, making it attractive to employees who do not like having to navigate underground parking garages.

## CHALLENGES

- ▶ **Separation from Downtown:** Electric Works is bound by railroads on two sides, and these tracks act as physical and mental barriers that separate the site from Downtown Fort Wayne. Accessing Downtown, via car and on foot, requires travel through one of two underpasses beneath the railroad. While these connectivity challenges inhibit the perceived walkability and accessibility of the site at this time, case studies show that similar physical barriers can have a minimal impact on developments, given proper placemaking on-site.
- ▶ **Reputation of Surrounding Neighborhood:** Parts of the neighborhood in which Electric Works is located are economically challenged, and have low household incomes. While the site itself and its proximity to Downtown Fort Wayne are both appealing, and while the economic makeup of the surrounding area may change following the redevelopment of Electric Works, the surrounding area may repel individuals looking for a more established place to live or work in the near-term.

Map of Subject Site; Electric Works



Source: RCLCO

## EVOLUTION OF DOWNTOWN

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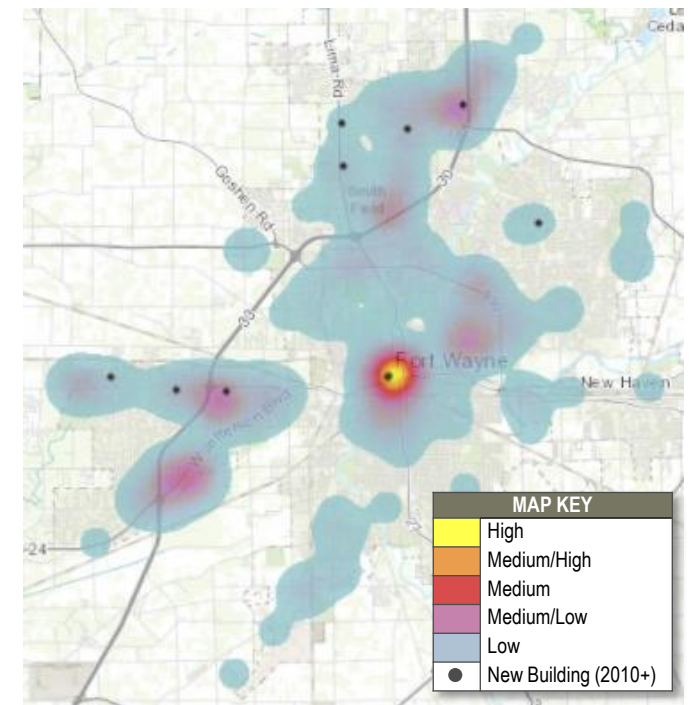
# ESTABLISHED OFFICE CORE

A desirable location for office-using employers, Downtown Fort Wayne is the single-largest employment core in the MSA, accounting for 40% of its inventory. In general, most office space in Downtown Fort Wayne is very well-occupied, and new spaces are quick to lease when they open up or deliver. Throughout the region, demand for office space is continuing to centralize, with regional employers relocating to walkable, urban locations that enable them to attract young, educated workers. These evolving preferences can be seen in the office leasing activity from last year, when SIRVA relocated its corporate campus from the suburbs to Downtown Fort Wayne.

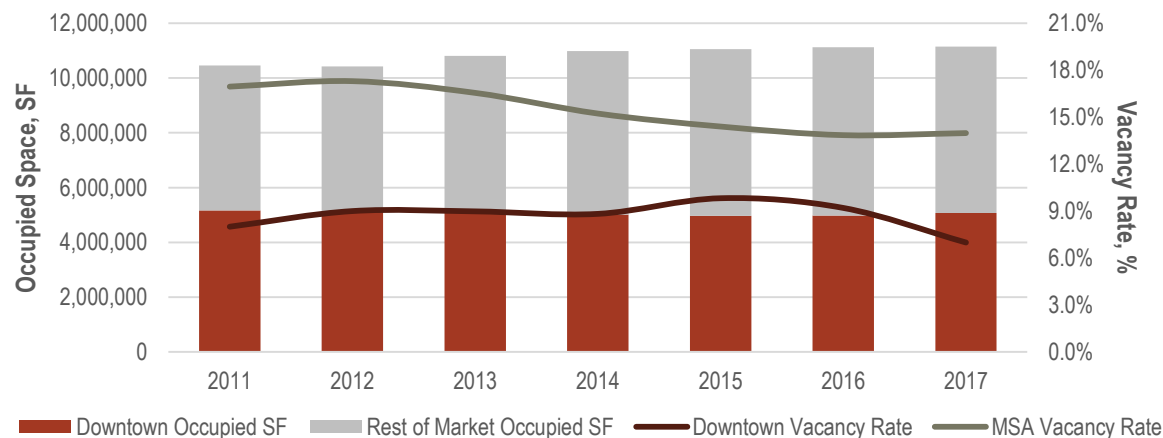
While Downtown Fort Wayne has seen comparatively less new office development than suburban office cores to the north and west, buildings in Downtown Fort Wayne continue to outperform their suburban counterparts, even considering that many of the buildings are older. At this time, the office vacancy rate in Downtown Fort Wayne is half of the vacancy rate of the MSA, as a whole. This differential indicates that there are significant office supply constraints in Downtown Fort Wayne, even if the broader metropolitan area, as a whole, is relatively well-supplied. Likewise, Downtown Fort Wayne generally achieves higher rents than suburban office cores.

Going forward, Downtown Fort Wayne is expected to continue to serve as the submarket-of-choice for office-using employers, as new spaces become available with the completion of the *Skyline Tower* and the renovation of the *Metro Center*. As these types of new spaces deliver, they will likely help to solidify the competitive positioning of Downtown Fort Wayne, both within the region as well as outside of it.

**Heat Map of Office Buildings, 2018;  
Fort Wayne MSA**



**Historic Occupied and Vacant Space, 2018;  
Downtown Fort Wayne and Fort Wayne Market**



**Average Full Service Lease Rates, 2017;  
Fort Wayne MSA**

AVERAGE FULL SERVICE LEASE RATES		
	DOWNTOWN	SUBURBAN
<b>Class A</b>	\$18.00 - \$22.00	\$16.00 - \$20.00
<b>Class B</b>	\$13.00 - \$16.00	\$12.00 - \$15.00
<b>Class C</b>	\$9.00 - \$12.00	\$9.00 - \$11.00
<b>New Build to Suit</b>	\$23.00 - \$26.00	

Source: RCLCO; CoStar; The Zacher Company



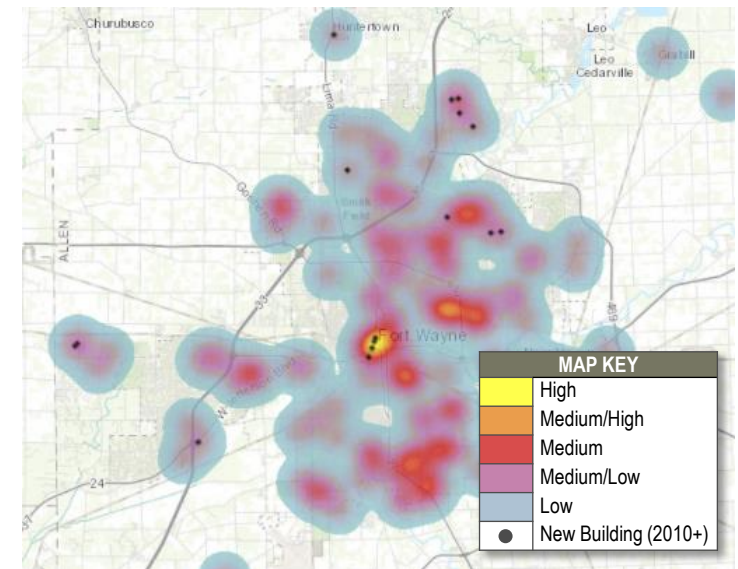
# EMERGING RESIDENTIAL MARKET

Historically, rental apartment development in the Fort Wayne MSA has been spread out, and predominately focused on lower-density, value-oriented product offerings. However, this dynamic has started to change, as Downtown Fort Wayne has continued to evolve. In recent years, changing demographics and a renewed interest in Downtown Fort Wayne have spurred new rental apartment development since 2010.

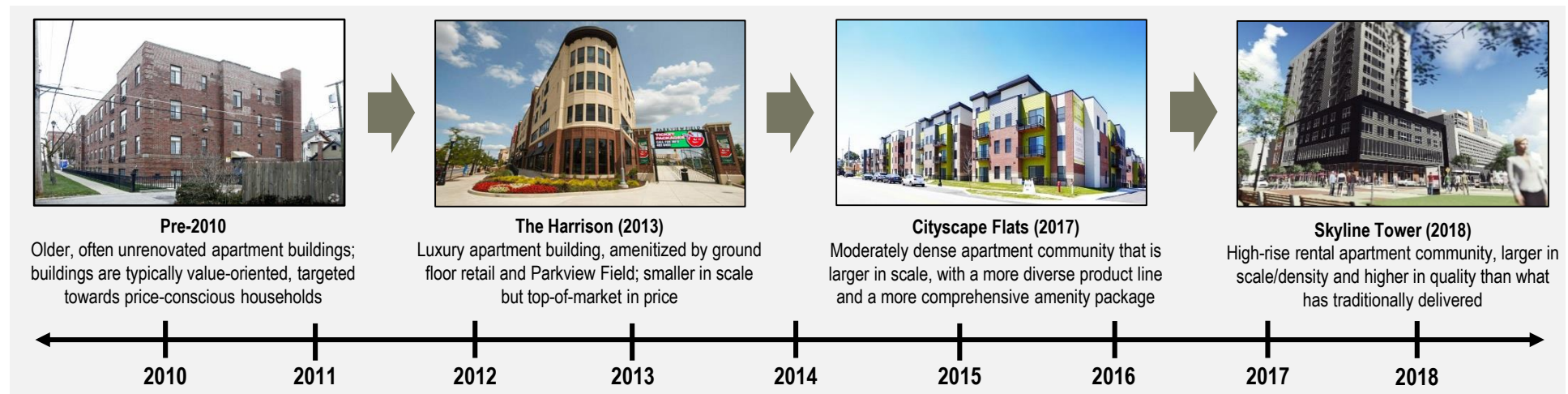
After years of no new deliveries, Downtown Fort Wayne has recently seen the development of several new or renovated rental apartment communities, which have been well-received by the market. Moreover, the delivery and success of these buildings highlights that Downtown Fort Wayne is at a pivotal point in overall growth trajectory. Once a neighborhood that attracted mostly price-conscious households, Downtown Fort Wayne is beginning to emerge as a residential submarket-of-choice, as professionals look to live close to the locations in which they work, and as empty nesters continue to follow newer, nicer product.

As this shift has occurred in Downtown Fort Wayne, the positioning of rental communities has evolved over time. In recent years, rental apartments have transitioned from value propositions to luxury offerings, which have increased in scale, density, and programming over time. Just as the new deliveries from five years ago were nicer than the inventory that existed previously, the communities which are delivering today are larger, higher-density, and often more amenitized than those communities which delivered five years ago.

**Heat Map of Rental Apartment Buildings, 2018;  
Fort Wayne MSA**



**Evolution of Product Offerings;  
Downtown Fort Wayne**



Source: RCLCO; CoStar; Axiometrics



# STRONG APARTMENT RENT GROWTH

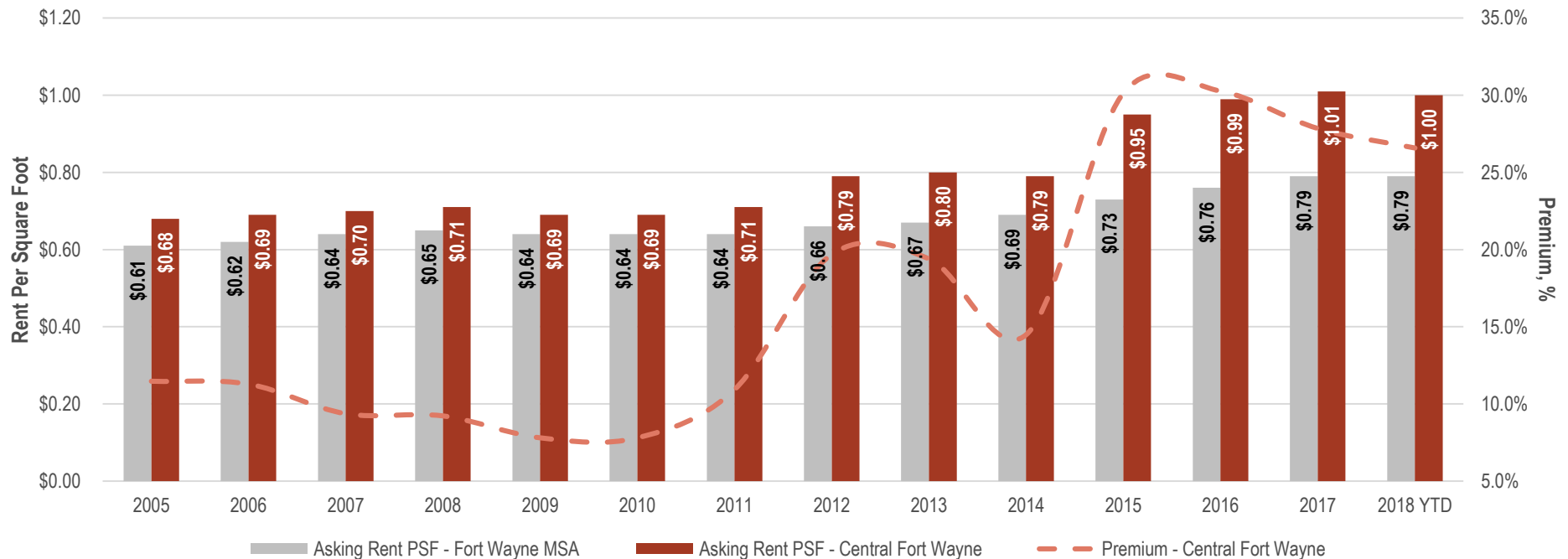
As Downtown Fort Wayne and its rental apartment market have evolved, rental rates have experienced significant growth. Today, rental apartment communities in Central Fort Wayne command a sizable premium relative to those communities outside of it, indicating that renters are willing to pay a higher price for urban living.

Although Central Fort Wayne historically attained similar rental rates to the rest of the MSA, this dynamic began to change in 2010, when its premium started to increase following initial signs of household growth and residential interest. Between 2010 and 2012, the rent premium for Central Fort Wayne relative to the MSA rose from 8% to 20%, before most new residential development even occurred.

Since then, this premium has continued to increase, as new, luxury rental apartment communities have delivered, pushing the upper threshold of pricing in the market. In addition, projects like Parkview Field have added new amenities the formerly 9-to-5 neighborhood, which was previously oriented almost entirely towards office workers.

Today, Downtown Fort Wayne is continuing to emerge as a dynamic place to live, work, and play. As a result, rents in Central Fort Wayne are currently 27% higher than they are in the rest of the MSA, indicating that many households are willing to pay a premium for urban living in Fort Wayne.

**Historic Asking Rents, 2005-2018;**  
Fort Wayne MSA and Central Fort Wayne



Source: RCLCO; CoStar

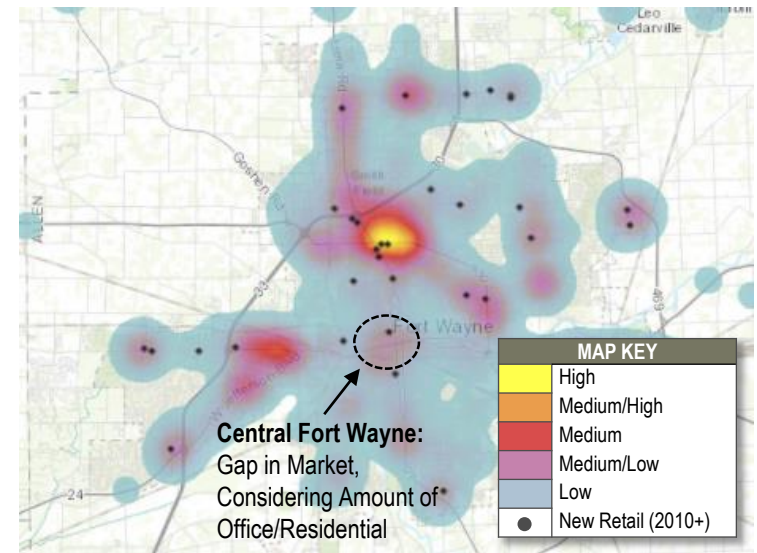
# RETAIL HAS NOT YET FOLLOWED

Although Downtown Fort Wayne has successful and growing residential and office markets, retail space has yet to follow, even as new households and employees move to the neighborhood.

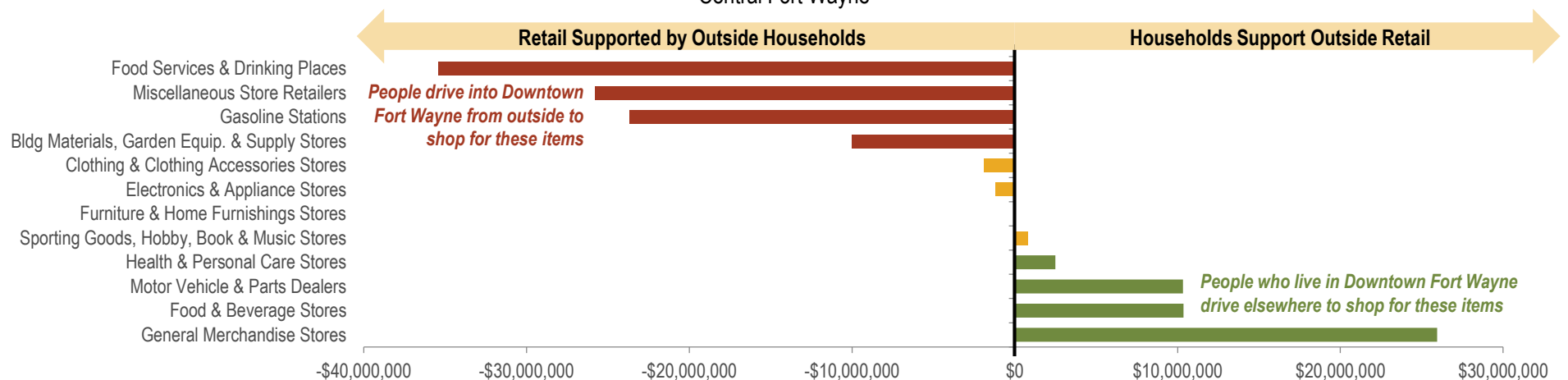
In Fort Wayne, retail development is concentrated in the suburbs, around such anchors as *Jefferson Pointe* and *Glenbrook Square*. Meanwhile, Downtown Fort Wayne lacks many household-supporting uses, given its historic reputation as a 9-to-5 employment core. Even as this reputation has evolved, new retail development has not shifted towards Downtown Fort Wayne. In the last decade, less than 40,000 square feet of retail space delivered in Downtown Fort Wayne, despite expanding household and job bases. At this time, retail in Downtown Fort Wayne is more than 99% occupied.

Given this lack of existing supply and recent deliveries, most households living in Downtown Fort Wayne must travel to the suburbs for their retail needs. In particular, residents of Downtown Fort Wayne are most likely to commute outwards for household-supporting uses, such as grocery stores, pharmacies, general merchandise stores. As additional household growth occurs in Downtown Fort Wayne, there are likely to be opportunities to introduce these types of retail, given that Downtown Fort Wayne is currently losing this spending to its suburbs. Conversely, the only types of retail that attract people who live outside of Downtown Fort Wayne are uses supported by office workers and other commuters, including restaurants and gas stations.

**Heat Map of Retail, 2018;  
Fort Wayne MSA**



**Current Retail Leakage, 2017;  
Central Fort Wayne**



Source: RCLCO; CoStar; Esri; Census Bureau

## CASE STUDIES

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# TAKEAWAYS FROM PROJECT ANALOGUES

As a project, Electric Works is vastly different from developments that have been undertaken in Fort Wayne in the past. As such, there are many unknowns about how the area will respond to the project, and about how Electric Works will stack up relative to more traditional competitors located in the historic core Downtown Fort Wayne. To fill in these gaps, RCLCO conducted a search for developments with similar characteristics to Electric Works, located in markets that are similar to Fort Wayne, but perhaps somewhat ahead in terms of their urbanization and growth patterns. Using the following three projects, RCLCO drew conclusions regarding the likely market reaction that Electric Works will encounter in Fort Wayne.

- **Grandview Yard:** Situated immediately northwest of Downtown Columbus, Grandview Yard transformed a once-vacant distribution yard into a vibrant, mixed-use district in an otherwise residential neighborhood.
- **Bakery Square:** Located in Pittsburgh, Bakery Square began with the redevelopment of a 400,000 square foot former Nabisco factory, situated between the formerly challenged neighborhoods of Larimer and East Liberty.
- **Harbor Point:** Currently underway, Harbor Point is an ambitious mixed-use development projects with plans for over 3 million square feet of development on a 100 acre former brownfield site, located to the south of Downtown Stamford.



**Grandview Yard; Columbus, Ohio**



**Bakery Square; Pittsburgh, Pennsylvania**



**Harbor Point; Stamford, Connecticut**

TOPIC	LESSON LEARNED
NEW, URBAN DEVELOPMENT OUTSIDE OF HISTORIC CORE	Electric Works' location in a residential neighborhood along the fringe of Downtown Fort Wayne should not hinder its ability to compete with properties located within the historic urban core, even with the railroad acting as a physical and mental barrier at this time. Outside of Downtown Columbus, Grandview Yard has a remarkably similar location, and has been very successful despite these same obstacles.
CAPTURE OF REGIONAL DEVELOPMENT	Electric Works has the potential to jump start the development that is already beginning to occur near Parkview Field, and could catalyze the revitalization of its surrounding area. A comparable adaptive reuse project in a formerly distressed part of Pittsburgh, Bakery Square fueled development throughout its surrounding area. Today, this area accounts for a large share of new development in the metro area, and has helped Pittsburgh maintain and foster growth at companies like Google.
CATALYTIC IMPACT ON MARKET DYNAMICS	A significant redevelopment project like Electric Works can help reset market dynamics in Downtown Fort Wayne. Although smaller development projects are already fueling reinvestment throughout the neighborhood, a project of this scale can leverage existing activity and serve as the catalyst to a larger transformation. In Stamford, Harbor Point supplemented development activity happening elsewhere in the city, sparking additional development and changing the trajectory of the market.

Source: RCLCO



# GRANDVIEW YARD (COLUMBUS, OHIO)



## DESCRIPTION

*With its first phase opening in 2010, Grandview Yard is in the process of transforming a long-vacant distribution yard into a vibrant mixed-use neighborhood in Grandview Heights, a residential neighborhood northwest of Downtown Columbus. Since opening, Grandview Yard has attracted many major office tenants, including a 500,000 square foot Nationwide Insurance campus, as well as supporting residential, retail, and hotel space. Driven by strong demand, additional office and residential space is currently under construction.*

## LAND USES

<b>Land Area</b>	<b>125 Acres</b>
<b>Residential</b>	<b>550 Units</b> (1,500 at build-out)
<b>Office</b>	<b>756,000 SF</b>
<b>Retail</b>	<b>80,000 SF</b>
<b>Hotel</b>	<b>260 Rooms</b>

## KEY TAKEAWAYS

**The expansion of existing development corridors can be successful, even with physical barriers**

Grandview Yard is located within a mile of the Arena District and Short North, both of which have undergone extensive development in recent years. As a result of its location, Grandview Yard has served as an extension of the development corridor to the northeast of Downtown Columbus, despite I-670 creating a barrier.

**New office at the fringe of downtown can achieve the same positioning as space located directly downtown**

Grandview Yard has been successful in attracting office tenants, including office tenants looking to relocate their offices to downtown Columbus, despite its location nearly two miles from downtown.

**New rental apartments can also compete with comparable product in more established urban locations**

Grandview Yard, which has yet to reach full build-out, has been able to successfully position its average multifamily rent per unit above Downtown Columbus and the high-development neighborhoods of Short North and The Arena District. Rents should continue to increase as the development moves toward full build-out.

## IMPLICATIONS

Electric Works has a similar opportunity to expand the range of development that has occurred in Downtown Fort Wayne, despite physical barriers that create separation

Electric Works' location could still be considered 'Downtown' by area businesses, and could see success in attracting office tenants as a result.

Multifamily rents at Electric Works should be able to similarly compete with or exceed rents Downtown and in more established neighborhoods, even before all phases of the development are complete.

Image Source: Google Maps; Grandviewyard.com  
Source: RCLCO

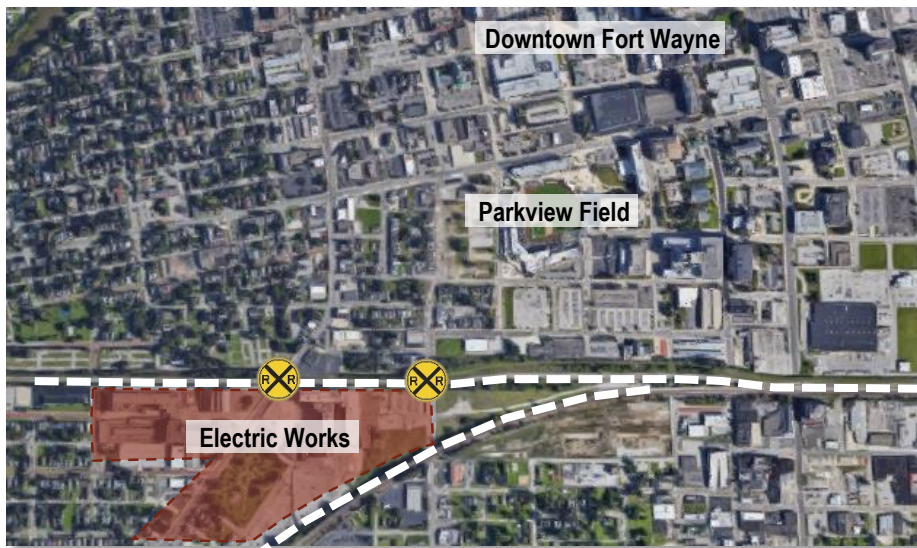


# GRANDVIEW YARD: LOCATION

## THE EXPANSION OF EXISTING DEVELOPMENT CORRIDORS CAN BE SUCCESSFUL, EVEN WITH PHYSICAL BARRIERS

Electric Works is located within walking distance of Parkview Field, a minor league baseball stadium which has recently seen significant residential development in its surrounding area. However, a railroad track running to the north of the Electric Works site creates a physical barrier separating the site from these nearby developments, with two underpasses allowing cars and pedestrians to travel from Electric Works to Parkview Field and Downtown Fort Wayne.

**Electric Works; Fort Wayne**



Grandview Yard is located in a similar location, with a railroad track directly to the east of the site, which is therefore separated from high-activity neighborhoods to the northeast of Downtown Columbus. Similar to Electric Works, Grandview Yard offers two underpasses, though major highways create another barrier. Nevertheless, Grandview Yard has been able to attract significant high-value development and compete with neighborhoods closer to downtown, even with these barriers.

**Grandview Yard; Columbus**



Source: Google Maps; RCLCO

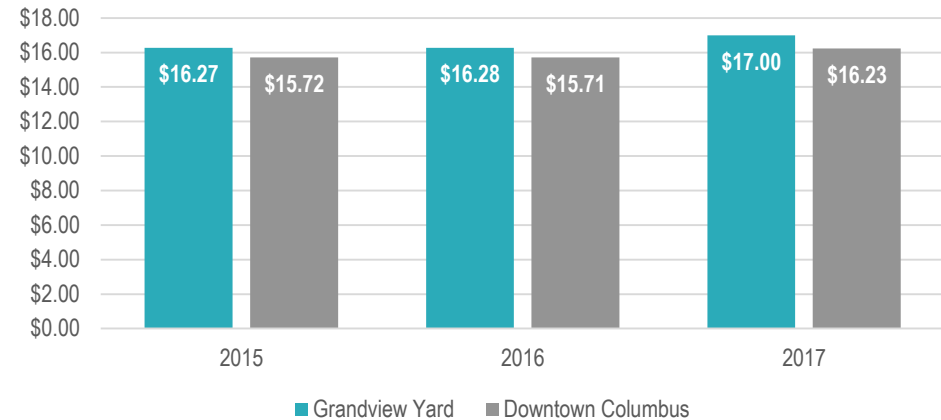
# GRANDVIEW YARD: OFFICE

## NEW OFFICE AT THE FRINGE OF DOWNTOWN CAN ACHIEVE THE SAME POSITIONING AS SPACE DIRECTLY DOWNTOWN

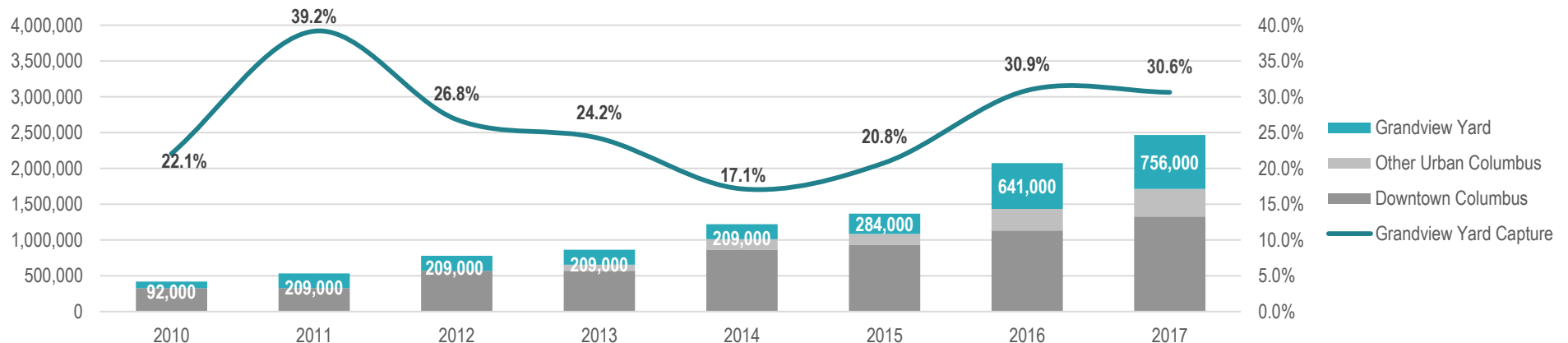
Since delivering in 2010, Grandview Yard has achieved a 30% capture of all office development in Urban Columbus, defined as the neighborhoods that fall within the I-270 beltway. This significant capture demonstrates that a location along the fringe of Downtown Columbus is not deterring office tenants from locating at Grandview Yard, even though many are likely accustomed to more traditional office environments. In particular, Nationwide Insurance is in the process of constructing a 500,000 square foot corporate campus at Grandview Yard in an effort to consolidate its Columbus-area workforce 'downtown'. While Grandview Yard is not located in the historic central business district, it is successfully attracting tenants looking for urban environments.

Additionally, the rents for office spaces at Grandview Yard indicate little differentiation between properties located at the center of Downtown Columbus relative to those properties that are situated in a well-executed, mixed-use development at its fringe. Looking specifically at properties built after 2000, office rents at Grandview Yard actually exceed the rents of properties that are situated at the historic urban center, with both competitive sets being similarly well-occupied at over 97%.

**Historic Base Rents for Office Built After 2000, 2015-2017;  
Grandview Yard and Downtown Columbus**



**Cumulative Capture of Urban Office Deliveries, 2010-2017;  
Grandview Yard and Downtown Columbus**



Source: CoStar; RCLCO

# GRANDVIEW YARD: RESIDENTIAL

## NEW RENTAL APARTMENTS CAN ALSO COMPETE WITH COMPARABLE PRODUCT IN MORE ESTABLISHED URBAN LOCATIONS

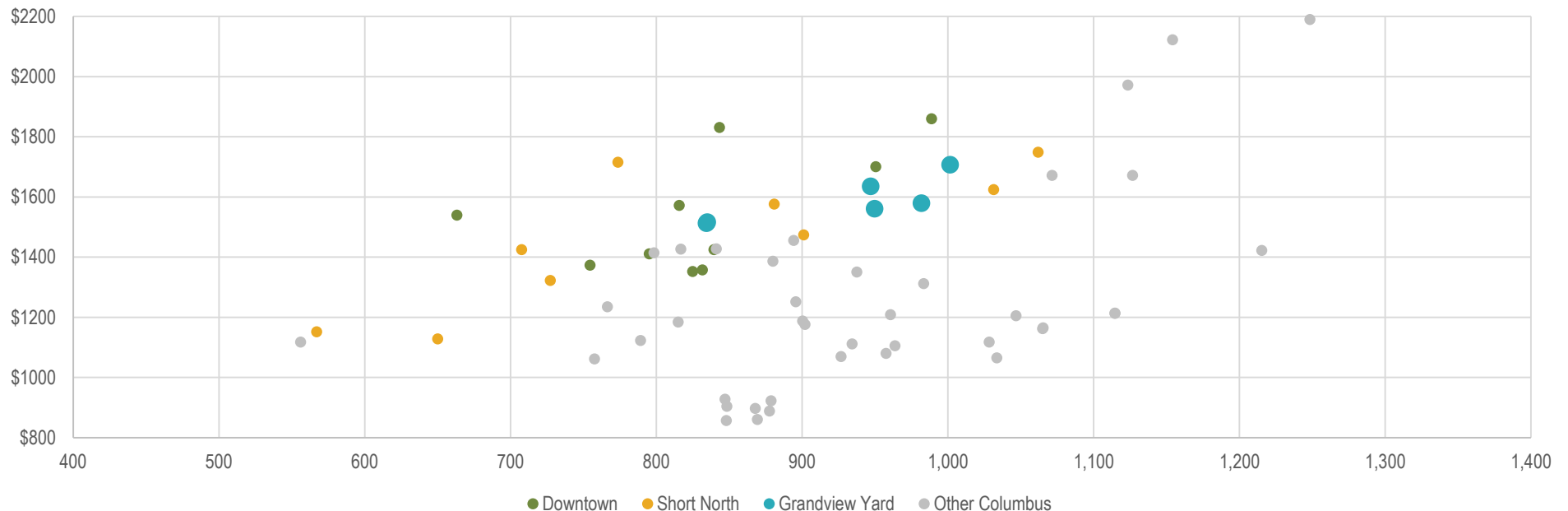
Similar to office, rental apartments at Grandview Yard are priced competitively relative to properties located in more established urban neighborhoods, such as Downtown Columbus and Short North. Priced above these neighborhoods in terms of absolute rents, Grandview Yard has larger units and is therefore priced slightly lower than—but generally in line with—Downtown and Short North in terms of per square foot rents.

Nevertheless, new properties at Grandview Yard are generally attaining pricing that is well above average for the market. Compared to other apartment communities that delivered in Columbus after 2010, Grandview Yard is positioned at a 15% premium.

**Comparative Rent Characteristics for Properties Built After 2010, March 2018;**  
Grandview Yard, Downtown, and Short North

NEIGHBORHOOD	AVG. UNIT SIZE		
	AVG. RENT	(SF)	AVG. RENT PSF
Downtown	\$1,540	830	\$1.86
Short North	\$1,465	810	\$1.81
<b>Grandview Yard</b>	<b>\$1,585</b>	<b>925</b>	<b>\$1.71</b>
<b>City-Wide Average</b>	<b>\$1,345</b>	<b>905</b>	<b>\$1.49</b>

**Price-To-Size Comparison of Buildings Built After 2010, March 2018;**  
Grandview Yard, Downtown, and Short North



Source: RCLCO; Axiometrics



# BAKERY SQUARE (PITTSBURGH, PA)



## DESCRIPTION

*In 2010, Bakery Square began with the redevelopment of a 400,000 square foot former Nabisco factory, located in the neighborhoods of Larimer and East Liberty. Since its original delivery, the project has sparked additional development nearby, transforming the once-distressed area into a hot-bed for new development. The early arrival of Google at the development, which currently leases about half of the total office space, fueled interest from other tech office tenants and prompted the development of supporting residential.*

## LAND USES

<b>Land Area</b>	<b>20 Acres</b>
<b>Residential</b>	<b>350 Units (Apartments and Townhomes)</b>
<b>Office</b>	<b>485,000 SF (805,000 SF at build-out)</b>
<b>Retail</b>	<b>135,000 SF</b>
<b>Hotel</b>	<b>110 Rooms</b>

## KEY TAKEAWAYS

**Redevelopment projects can catalyze exciting transformations in previously challenged neighborhoods**

Bakery Square was the initial project to spark life into the East Liberty and Larimer neighborhoods of Pittsburgh. Numerous multifamily, office and retail developments have delivered in the once-dormant area since Bakery Square's 400,000 square foot first phase delivered in 2010.

**The uniqueness of an older building can fuel interest from tenants, driving demand and rents**

Google, along with smaller tech office tenants, were quickly drawn to Bakery Square, in part due to its proximity to Carnegie Mellon University, but also due to the building itself, which is unlike any other space in the market.

**Neighborhood transformation can allow rents to compete with more established areas over time**

Average multifamily rents have steadily increased in East Liberty and Larimer as the area has become more established with additional apartments, office, and retail. Today, average rents in these neighborhoods are higher than rents in Downtown Pittsburgh.

## IMPLICATIONS

Electric Works, which is a similar type of redevelopment project in another somewhat challenged area, can spark a transformation of the neighborhood.

The Electric Works campus benefits from several historic buildings which will be truly unique in Fort Wayne when they deliver, helping to generate demand and pricing on-site.

Electric Works can compete with Downtown Fort Wayne in terms of its pricing, especially as additional development occurs on-site and in the surrounding area.

Image Source: Google Maps; cpexecutive.com; walnutcapital.com  
Source: RCLCO

# BAKERY SQUARE: REDEVELOPMENT

## REDEVELOPMENT PROJECTS CAN CATALYZE EXCITING TRANSFORMATIONS IN PREVIOUSLY CHALLENGED NEIGHBORHOODS

Prior to Bakery Square's arrival in 2010, the East Liberty and Larimer neighborhoods were distressed, predominately low-income, and generally overlooked by investors in the area. Between 2000 and 2006, no new multifamily apartments were developed in the area, and retailers like *Whole Foods* and *The Home Depot* were only beginning to emerge in the neighborhood.

Nevertheless, Bakery Square was able to successfully change the trajectory of the neighborhoods, sparking additional development after its initial delivery. Since 2010, six new multifamily properties and numerous retail developments have revitalized the area, creating a dynamic, mixed-use environment with a clear sense of place.

In addition, demand for space at Bakery Square exceeded expectations, prompting the development of residential space and additional office in its second phase in 2015, and further office space which is currently under construction in its third phase.

Electric Works has the potential to have a similar impact on its surrounding area, which has not seen the same level of development as other parts of Downtown Fort Wayne. Successful development of office, retail, or residential space could spark life into the neighborhood, prompting additional reinvestment in the neighborhood, and helping to create a sense of place. Electric Works could serve as the neighborhood anchor, much like the role played by Bakery Square in Pittsburgh.

**Map of Bakery Square and Surrounding Development Projects;**  
Pittsburgh, Pennsylvania



Image Source: [pjdick.com](http://pjdick.com); Google Maps  
Source: Axiometrics; CoStar; RCLCO



# BAKERY SQUARE: COMMERCIAL

## THE UNIQUENESS OF AN OLDER BUILDING CAN FUEL INTEREST FROM TENANTS, DRIVING DEMAND AND RENTS

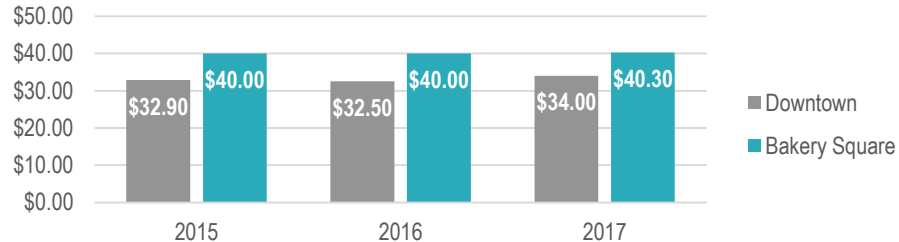
Bakery Square highlights the impact that the redevelopment of a unique, historically significant building can have on driving rents and attracting office and retail tenants.

Historically, Bakery Square has been very successful at attracting major tech tenants (such as Google). While Google moved to Pittsburgh four years before the delivery of Bakery Square, the company quickly relocated to the project after it was completed, tripling its occupancy a year later to accommodate growth in the market. Furthermore, the company recently extended its lease, highlighting its intentions to remain in the market and at the site.

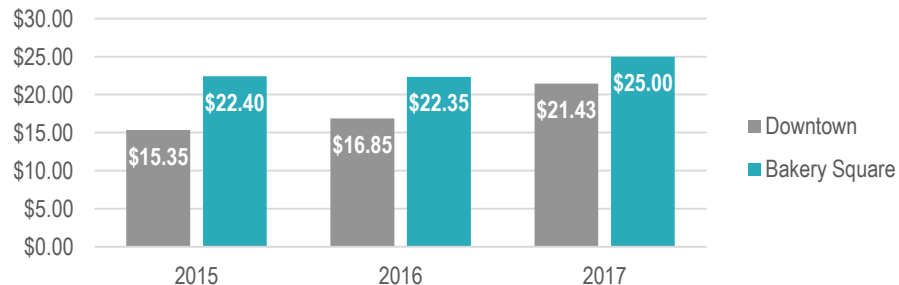
As a result of the unique features of Bakery Square, it commands a premium for office rents. In the last three years, office rents at Bakery Square have consistently exceeded those rents of the newest office buildings in Downtown Pittsburgh.

Retail rents tell a similar story. Today, retail at Bakery Square is positioned well above the retail located in Downtown Pittsburgh, attributable in part to the project's quality of execution, as well as the number of major commercial tenants that have since located to the neighborhood (Whole Foods, Target, Trader Joe's, Home Depot, etc.).

**Comparison of Office Rents, 2015-2017;**  
Bakery Square and Three Newest Buildings in Downtown Pittsburgh



**Comparison of Retail Rents, 2015-2017;**  
Bakery Square and Downtown Pittsburgh



### CURRENT OFFICE AND RETAIL TENANTS AT BAKERY SQUARE:

- ANTHROPOLOGIE
- COFFEE TREE ROASTERS
- FREE PEOPLE
- GOOGLE
- JIMMY JOHN'S
- LEARNING EXPRESS TOYS
- MARRIOTT SPRINGHILL SUITES
- MASSAGE HEIGHTS
- PANERA BREAD
- RAGGED ROW
- UNIVERSITY OF PITTSBURGH MASTERS OF SCIENCE IN PROSTHETICS AND ORTHOTICS PROGRAM
- UNIVERSITY OF PITTSBURGH ROAR LAB
- UNIVERSITY OF PITTSBURGH SCHOOL OF HEALTH AND REHABILITATION SCIENCES
- UPMC TECHNOLOGY DEVELOPMENT CENTER
- LA FITNESS
- VERIZON FIOS
- CMU SOFTWARE ENGINEERING INSTITUTE
- NUANCE COMMUNICATIONS
- TIAA-CREF
- WEST ELM

Source: Walnut Capital, CoStar, RCLCO

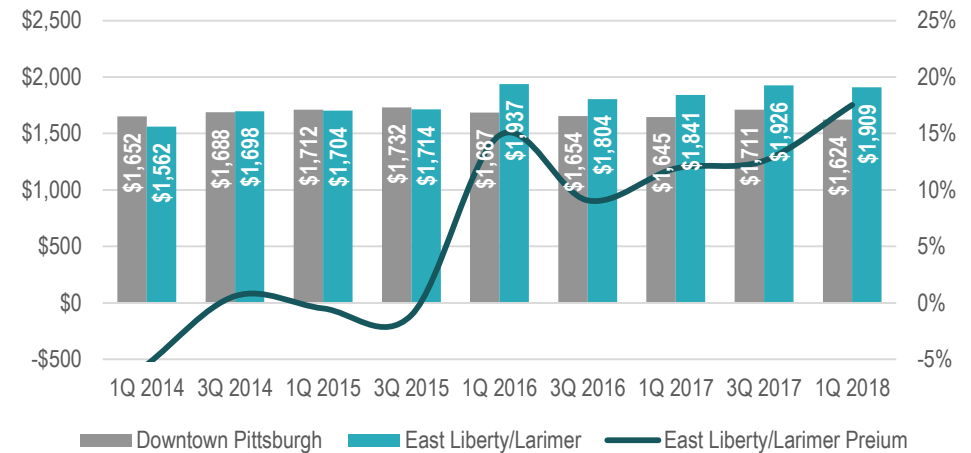
# BAKERY SQUARE: RESIDENTIAL

## NEIGHBORHOOD TRANSFORMATION CAN ALLOW RENTS TO COMPETE WITH MORE ESTABLISHED AREAS OVER TIME

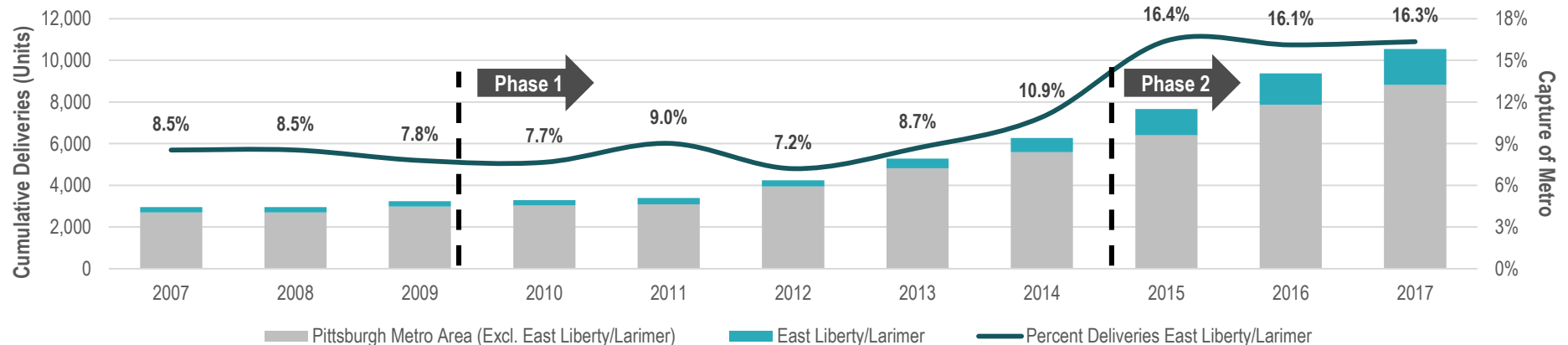
As noted previously, the success of Bakery Square's first phase of office and retail led to significant additional development, both at Bakery Square and in Pittsburgh's East Liberty and Larimer Neighborhoods around the site. This impact is seen in the rental apartment capture rates of East Liberty and Larimer, which began to increase after the first phase of Bakery Square—which did not include any residential space—delivered, and continued to increase after the second phase of Bakery Square in 2015. Further, additional multifamily properties are currently under construction and planned in the area, and capture rates are expected to continue to escalate.

Apartment rents show a similar upward trajectory, especially over the last two years. While initial apartment deliveries in East Liberty and Larimer were priced below those communities located in Downtown Pittsburgh, average rents have steadily increased since 2013, and East Liberty/Larimer now command a 15%+ average premium. As such, Bakery Square exhibits that successful establishment of a sense of place can not only facilitate new apartment development, but also lead to the positioning that is directly competitive with—or, in the long term, better than—downtown.

**Comparison of Apartment Rents, 2014-2018;  
Downtown Pittsburgh and East Liberty/Larimer**



**Cumulative Capture of New Rental Apartments, 2007-2018;  
Pittsburgh Metropolitan Area**



Source: CoStar; RCLCO



# HARBOR POINT (STAMFORD, CT)



## DESCRIPTION

*Harbor Point is one of the largest mixed-use development projects in the country, with plans for over 3 million square feet of development on a 100 acre, former brownfield site, located south of Downtown Stamford. While development is still ongoing, it has already transformed the site and, due to its scale, Stamford as a whole. Since its initial delivery in 2010, the development has attained strong pricing, and most properties are consistently well-occupied, even as additional buildings continue to deliver on-site.*

## LAND USES

<b>Land Area</b>	<b>100 Acres</b>
<b>Residential</b>	<b>2,980 Units</b> (over 4,000 at build-out)
<b>Office</b>	<b>405,000 SF</b> (1.5 million SF at build-out)
<b>Retail</b>	<b>237,000 SF</b>
<b>Hotel</b>	<b>None</b>

## KEY TAKEAWAYS

**Effective redevelopment of one major project can have a catalytic impact on market dynamics**

Prior to its development, Harbor Point was largely vacant, comprised of former industrial fields. Nevertheless, the redevelopment of Harbor Point has completely changed the landscape of the market, which has seen an uptick in development and renewed interest in Downtown Stamford

**Emerging neighborhoods can reset the market and outperform established submarkets**

As a result of its rapidly developing sense of place, Harbor Point is outperforming Downtown Stamford in terms of the pricing of its apartment, office, and retail properties

**New development outside of established submarkets can achieve a sizeable capture of demand**

Harbor point has captured nearly 40% of all office deliveries and nearly 30% of all multifamily deliveries in the entire Stamford MSA since its initial delivery in 2010

## IMPLICATIONS

Coupled with development already occurring downtown, Electric Works has a similar opportunity to reset the market in Fort Wayne, by bringing a new sense of energy to the area

Creating a clear sense of place will create sizeable value for the project and allow pricing to be competitive with the rents at properties at the center of Downtown Fort Wayne

Though smaller-scale than Harbor Point, Electric Works can generate a sizeable capture of new development despite its location outside of an established neighborhood

Image Source: Google Maps; Yelp.com; bltooffice.com  
Source: RCLCO

# HARBOR POINT: RESET THE MARKET

## EFFECTIVE REDEVELOPMENT OF ONE MAJOR PROJECT CAN HAVE A CATALYTIC IMPACT ON MARKET DYNAMICS

Prior to the initial delivery of Harbor Point in 2010, Stamford experienced similar or less growth compared to peer cities in Connecticut, including New Haven, Bridgeport, and Waterbury. However, the development of Harbor Point significantly altered the pace of growth in the market, greatly increasing total development activity and enabling Stamford to outperform its peer cities between 2010 and 2018. During this time, Harbor Point accounted for half of the growth in the city, but it also contributed to added growth in surrounding neighborhoods.

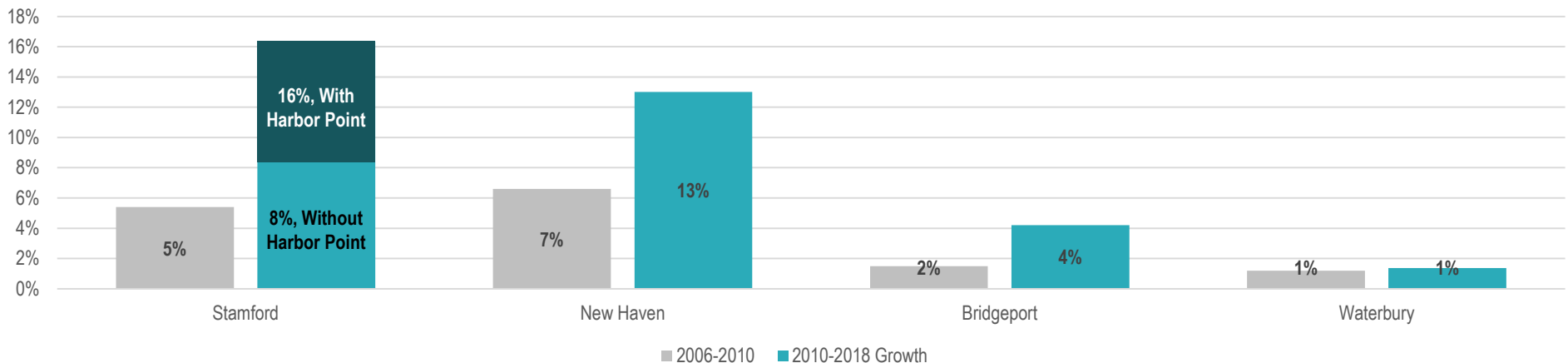
Fort Wayne currently exhibits similar conditions compared to Stamford prior to 2010, especially relative to peer markets which are generally outperforming Fort Wayne in terms of new development. Much like Harbor Point did in 2010, Electric Works could spark development and help to change the trajectory of the market, both through the properties delivered at the site, as well as through its impact on surrounding neighborhoods.

**Growth in Inventory and Rents, 2010-2018;**  
Select Cities in Connecticut

GROWTH IN INVENTORY			
CITY	APARTMENT	OFFICE	RETAIL
Bridgeport	10%	1%	5%
New Haven	19%	19%	1%
Waterbury	0%	2%	3%
<b>Stamford</b>	<b>39% (#1)</b>	<b>2% (#2)</b>	<b>4% (#2)</b>

GROWTH IN RENTS			
CITY	APARTMENT	OFFICE	RETAIL
Bridgeport	16%	-10%	9%
New Haven	16%	10%	2%
Waterbury	13%	-1%	4%
<b>Stamford</b>	<b>24% (#1)</b>	<b>4% (#2)</b>	<b>39% (#1)</b>

**Growth in Multifamily, Office, and Retail Square Footage, 2006-2018;**  
Select Cities in Connecticut



Source: CoStar, RCLCO

# HARBOR POINT: PRICING

## EMERGING NEIGHBORHOODS CAN RESET THE MARKET AND OUTPERFORM ESTABLISHED SUBMARKETS

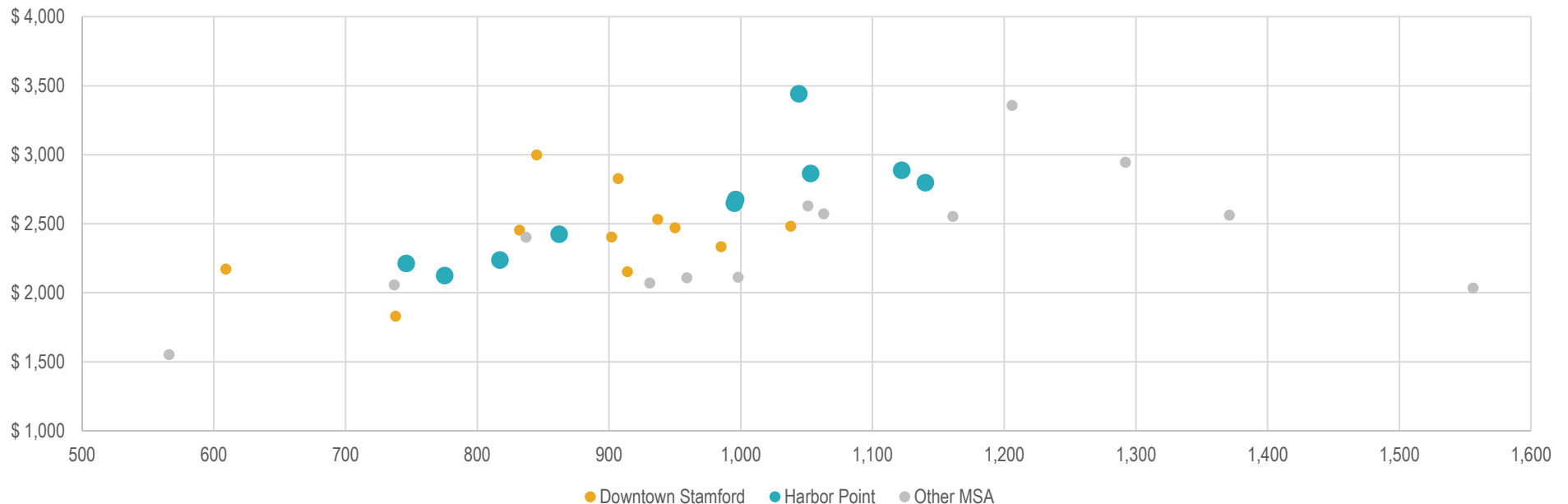
New rental apartment buildings at Harbor Point are positioned at the top of the market and are competitive with newer properties located in Downtown Stamford. Although Downtown Stamford had a more established rental apartment market when properties began to deliver at Harbor Point, the project is not attaining higher absolute and similar per square foot asking rents, relative to new properties in Downtown Stamford.

Establishing a sense of place at Electric Works will create sizeable value for the project and allow rents to compete with or possibly exceed rents of Downtown Fort Wayne as the site and surrounding areas become established.

### Comparative Rent Characteristics for Properties Built After 2010, March 2018; Harbor Point and Downtown Stamford

NEIGHBORHOOD	AVG. RENT	AVG. UNIT SIZE (SF)	AVG. RENT PSF
Downtown Stamford	\$2,420	880	\$2.75
Other MSA	\$2,380	1,055	\$2.26
Harbor Point	\$2,630	955	\$2.75

### Price-To-Size Comparison of Buildings Built After 2010, March 2018; Bridgeport-Stamford-Norwalk MSA



Source: Axiometrics; RCLCO

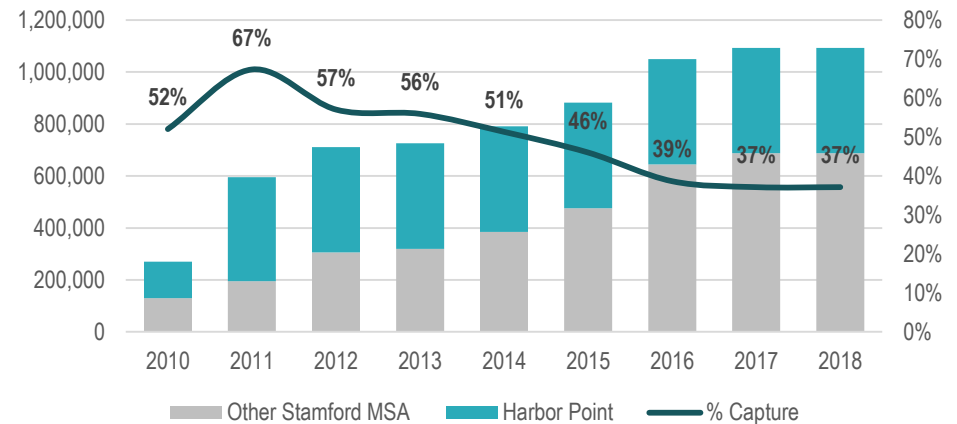
# HARBOR POINT: DEVELOPMENT CAPTURE

## NEW DEVELOPMENT OUTSIDE OF ESTABLISHED SUBMARKETS CAN ACHIEVE A SIZEABLE CAPTURE OF DEMAND

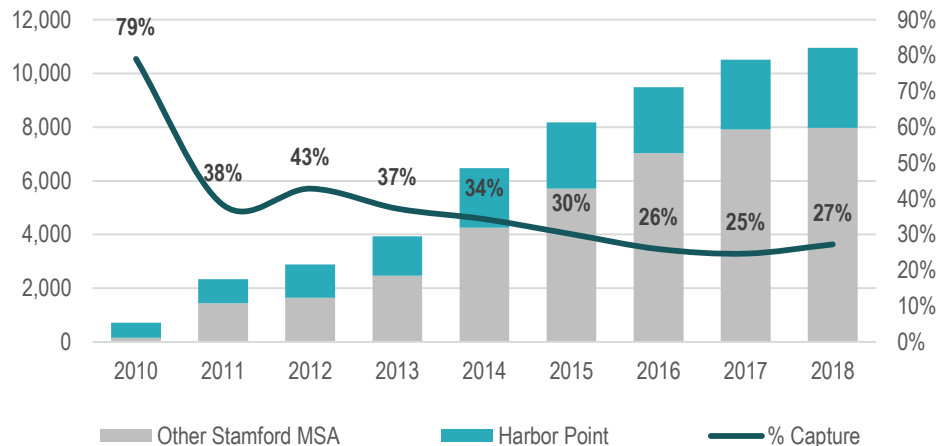
Since delivering in 2010, Harbor Point has attracted a significant share of the new development that has occurred in the market, including 37% of office deliveries, 27% of rental apartment deliveries, and 17% of retail deliveries in the Stamford MSA. This capture is particularly significant, considering that the Stamford MSA comprises both Bridgeport and Norwalk, in addition to Stamford.

Additionally, the apartment deliveries that are occurring within the metropolitan area but outside of Harbor Point are being drawn toward nearby neighborhoods, with some new development now occurring in locations to the north of Harbor Point, and other activity occurring to its west. This trend indicates that significant new development can also impact historic development corridors.

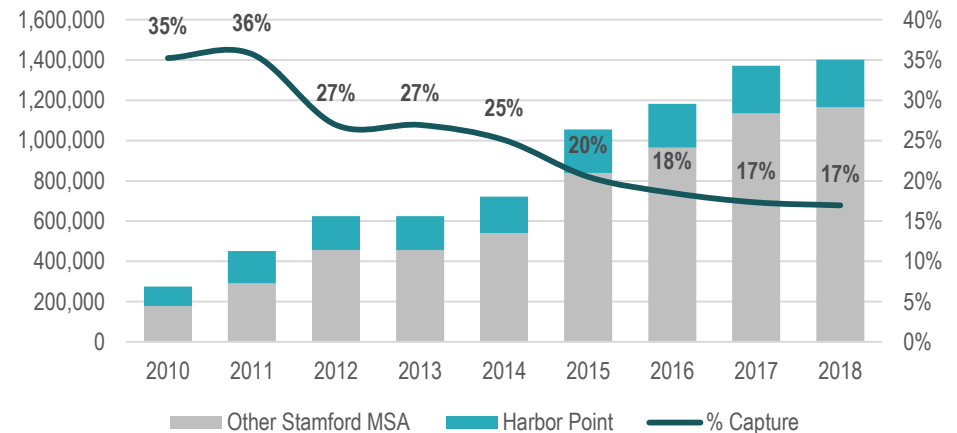
**Harbor Point Cumulative Capture of Office SF Delivered, 2010-2018;  
Bridgeport-Stamford-Norwalk MSA**



**Harbor Point Cumulative Capture of Apartment Units Delivered, 2010-2018;  
Bridgeport-Stamford-Norwalk MSA**



**Harbor Point Cumulative Capture of Retail SF Delivered, 2010-2018;  
Bridgeport-Stamford-Norwalk MSA**



Source: CoStar; RCLCO



## MARKET ANALYSIS

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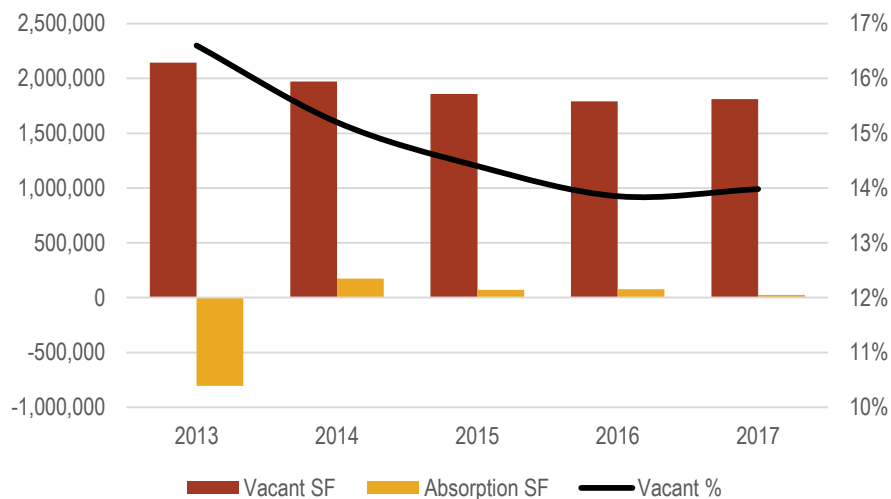
# OFFICE SUPPLY

Coming out of the Great Recession, there have been relatively few office deliveries in the Fort Wayne MSA, especially in the case of Downtown Fort Wayne. Most notably, *Ash Skyline Plaza* delivered in 2016, following significant pent-up demand for new office space in Downtown Fort Wayne, which continues to be in short supply. Coupled with high rental rates and low vacancy rates in Downtown Fort Wayne, the success of this building points to demand for new space in urban locations.

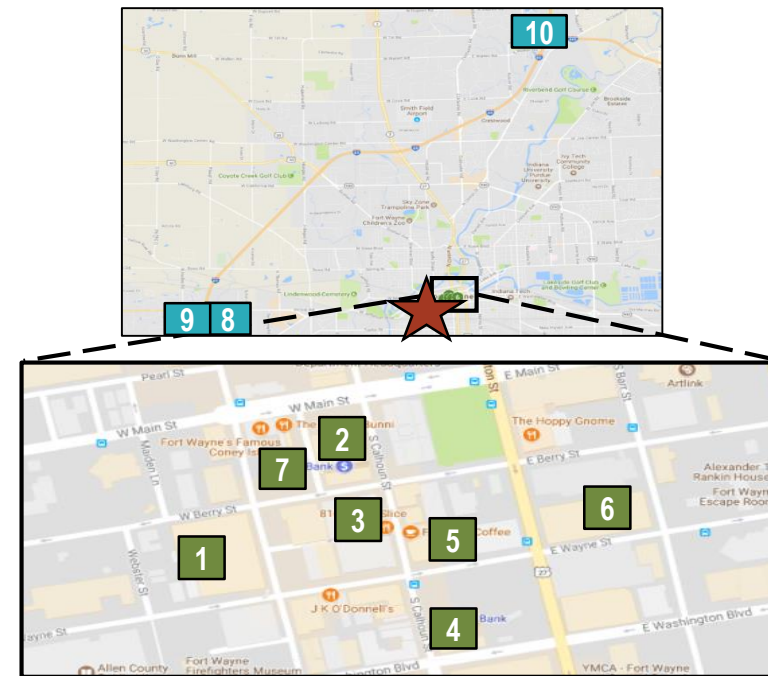
As a result of the existing supply constraints, most office buildings in Downtown Fort Wayne are very well-occupied, and stabilized buildings in the competitive set typically have occupancies rates of 97% or more. At this time, there are ten office buildings with large vacancies (more than 30,000 square feet) in the market, only two of which are located in Downtown Fort Wayne.

Full-service rents for most larger-scale office buildings in Downtown Fort Wayne are generally between \$16 and \$20, though new buildings like *Ash Skyline Plaza* attain premiums, given the lack of comparable product in the market.

**Historic Vacancies and Absorption, 2013-2017;  
Fort Wayne MSA**



**Office Competitive Set;  
Fort Wayne MSA**



KEY	NAME	YEAR	SQ. FT.	STORIES	CLASS	OCC.
<b>CORPORATE URBAN</b>						
1	Ash Skyline Plaza	2016	116,600	6	A	100%
2	PNC Center	1970	246,346	26	A	97%
3	ATRIUM: Start Fort Wayne	1910	5,500			
4	Indiana Michigan Power Center	1981	270,000	26	A	99%
5	Wells Fargo Indiana Center	1995	137,829	8	B	80%
6	Citizens Square	1978	267,000	5	A	100%
7	202 Metro	1974 <sup>1</sup>	123,400	8	A	52% <sup>1</sup>
<b>CORPORATE SUBURBAN</b>						
8	Swiss RE	2010	80,302	3 stories	A	100%
9	SDI Corporate Center	2000	50,000	2 stories	A	100%
10	Dupont Office Center	1999 - 2001	187,633	3 buildings	A/B	61%

<sup>1</sup> Currently under renovation

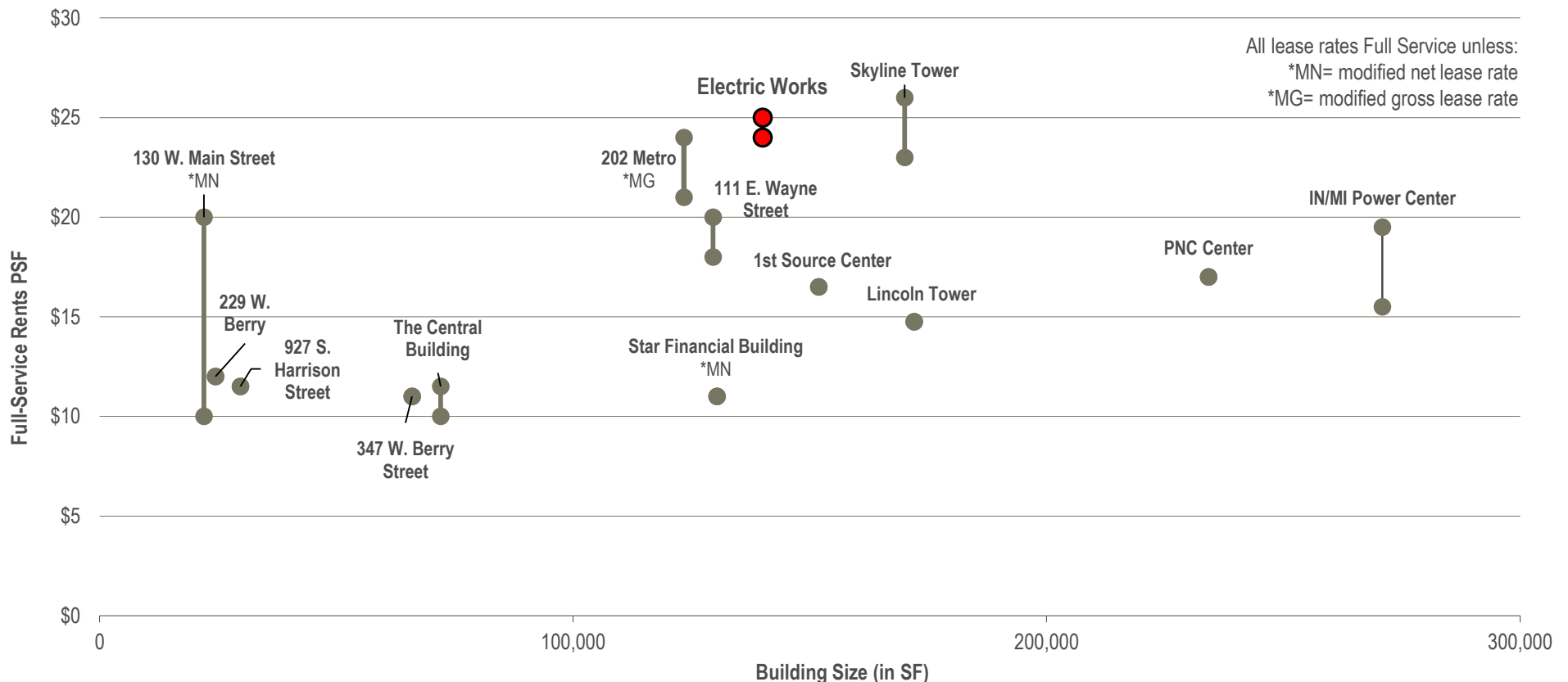
Source: CoStar; The Zacher Company; RCLCO

# OFFICE POSITIONING

Given the lack of new office deliveries in Downtown Fort Wayne, RCLCO anticipates that well-executed office space at Electric Works could achieve full-service asking rents of approximately \$25 per square foot, as underwritten at this time. These asking rents reflect a premium of roughly \$5 to \$8 per square foot over older office spaces in Downtown Fort Wayne, consistent with pricing of new or renovated spaces.

At this level of pricing, Electric Works is positioned generally in line with new (*Skyline Tower*) and renovated (*202 Metro*) product, but slightly above other, older product in Downtown Fort Wayne. Even though Electric Works is situated on the edge of the traditional urban core of Fort Wayne, RCLCO expects this pricing is attainable given the unique positioning and historic character of the site, as well as its planned building amenities and programming features that will enable it to attract and retain tenants.

**Price-To-Size Comparison of Office Buildings, April 2018;**  
Downtown Fort Wayne



Source: RTM Ventures, LLC; Loopnet; CoStar; RCLCO

# OFFICE DEMAND

By analyzing employment patterns in the metropolitan area as a whole and Downtown Fort Wayne in particular, RCLCO estimates there is demand to support approximately 235,000 square feet of conventional office and an additional 85,000 square feet of creative office by 2021, when the first phase of Electric Works is expected to deliver.

To project this demand, RCLCO examined regional employment growth by sector, taking into account the percentage of new jobs in each sector that typically generate office space. Based on historic trends, RCLCO assumed that employment in the MSA will continue to increase at a rate of 1.0%, with Education & Healthcare Services and Manufacturing remaining the largest drivers of overall employment, but Professional & Business Services and Financial Activities generating additional office-using jobs.

Of the office-using employment growth in the metropolitan area, RCLCO estimated approximately 20% of new jobs fall into creative sectors, in industries like advertising, architecture, design, and technology. Within these industries, RCLCO estimated 15% to 20% of employees work for firms that use creative types of office spaces, based on the number of people that work at those firms. In general, RCLCO believes that most demand for creative office stems from medium-sized firms (five to 20 employees), which are often too small for corporate office setups but too large to work remotely.

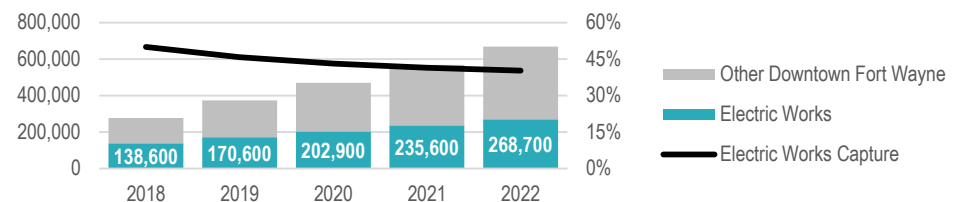
At the MSA-level, there is relatively limited demand for new office space, given the large number of suburban office buildings with existing vacancies. However, many of these buildings are older and unattractive to employers, and the market risks losing existing or potential future employers if no new spaces are introduced until job growth allows the market to reach a stabilized vacancy rate of 10% in 2025.

Within the MSA, there already exists significant pent-up demand for new office space in Downtown Fort Wayne, as evidenced by low vacancy rates. Going forward, future demand for office space in Downtown Fort Wayne is likely to come from two sources:

- **Regional Job Growth:** As the job base in the Fort Wayne MSA expands, many employers are likely to locate to or expand in Downtown Fort Wayne.
- **Churn from Suburbs:** Employers in older, suburban spaces are likely to look for newer and/or urban spaces when their leases turn over.

As the number of jobs continues to expand, and as existing employers try to relocate to urban locations, the existing imbalance between supply and demand in Downtown Fort Wayne will continue to grow. In the future, new supply is likely to be instrumental in solidifying the competitive positioning of Downtown Fort Wayne, both within the market as well as outside of it. Given the unique historic character of Electric Works and the lack of existing/planned office space in Downtown Fort Wayne, RCLCO assumes that the project can capture 50% of pent-up demand for office in Downtown Fort Wayne, as well as one-third of demand each year thereafter.

**Cumulative Demand for Conventional Office Space, 2018-2022;**  
Downtown Fort Wayne



						PROJECTED													
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Entire MSA																			
Occupied Space	10,808,000	10,980,000	11,050,000	11,128,000	11,150,000	11,209,000	11,269,000	11,330,000	11,391,000	11,453,000	11,515,000	11,578,000	11,642,000	11,706,000	11,771,000	11,837,000	11,903,000	11,970,000	
Vacancy Rate	16.6%	15.2%	14.4%	13.9%	14.0%	13.5%	13.1%	12.6%	12.1%	11.6%	11.2%	10.7%	10.2%	9.7%	9.5%	9.4%	9.4%	9.4%	
Supported Additions						0	0	0	0	0	0	0	0	40,600	69,100	72,600	73,600	74,400	
Downtown Fort Wayne																			
Occupied Space	5,088,000	5,017,000	4,962,000	4,983,000	5,073,000	5,158,000	5,245,000	5,332,000	5,420,000	5,510,000	5,600,000	5,691,000	5,784,000	5,877,000	5,972,000	6,067,000	6,164,000	6,261,000	
Vacancy Rate	9.0%	8.8%	9.8%	9.2%	7.0%	5.4%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.6%	8.6%	8.6%	8.6%	
Supported Additions						277,200	95,900	97,000	98,200	99,300	100,300	101,600	102,600	103,800	104,900	106,000	107,200	108,300	

Source: RCLCO



# APARTMENT SUPPLY

RCLCO surveyed seven, newly-constructed multifamily communities in Fort Wayne to examine the performance of rental apartment communities in the local market area. Within the competitive set, RCLCO surveyed four communities in Downtown Fort Wayne, as well as three communities in the surrounding suburbs. Although these suburban communities are unlikely to compete with Electric Works, they provide insight into the bottom threshold of pricing for new product in the market.

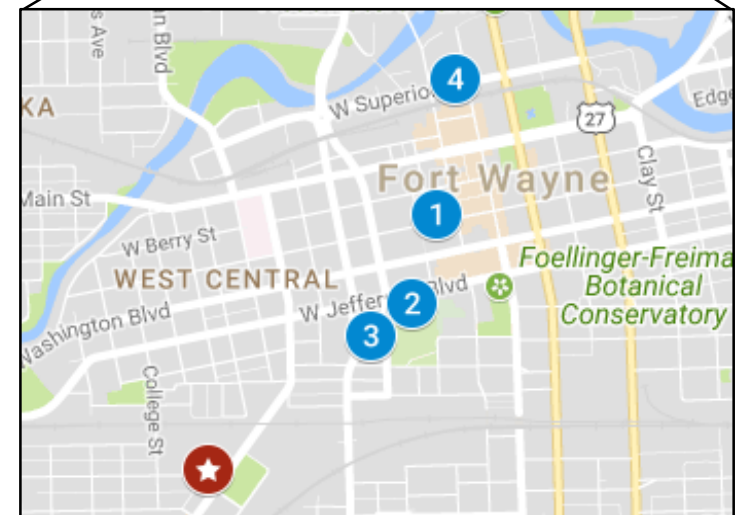
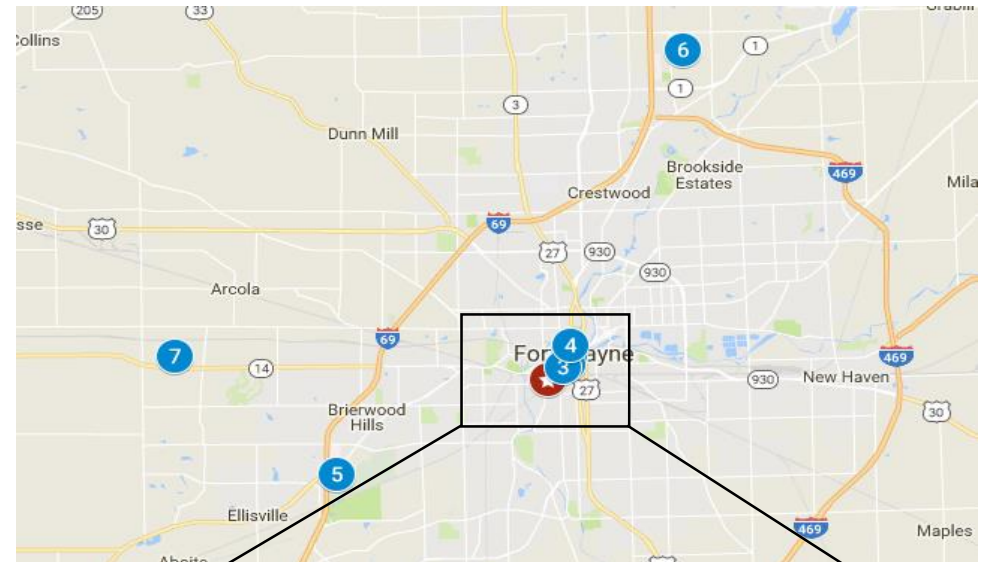
Within the competitive set, most communities in Downtown Fort Wayne are attaining rents between \$1.25 and \$1.55, with *Skyline Tower* expected to reach the top of this range when it delivers in July 2018. In general, the projects which are most relevant to Electric Works include *Skyline Tower* and *The Harrison*, both of which are attaining premiums over the competitive set given newer unit finishes and mixed-use settings.

While the communities in the competitive set are generally well-occupied, those communities that are newest and closest to the subject site have some of the fastest lease-up paces and occupancy levels. While *Cityscape Flats* is still in lease up and *Skyline Tower* has yet to finish construction, these communities are leasing quickly. At this time, *Skyline Tower* is over 20% pre-leased, and *Cityscape Flats* is leasing up quickly, at an average absorption rate of 8 or more units per month.

Although nearly 270 rental apartment units are slated to deliver from the competitive set this year, these units are unlikely to satisfy near-term demand for new units in 2018. Moreover, most planned projects are situated in the suburbs, indicating there is likely potential for added apartment supply in Downtown Fort Wayne.

MAP KEY	COMMUNITY NAME	YEAR BUILT	MARKET UNITS	OCC. RATE	AVG SIZE (SF)	AVG ASKING RENT	AVG ASKING \$/SF
1	Skyline Tower	2018	124	20% <sup>1</sup>	884	\$1,363	\$1.54
2	The Harrison	2013	43	100%	890	\$1,360	\$1.53
3	Cityscape Flats	2017	163	60% <sup>1</sup>	892	\$1,233	\$1.38
4	Superior Lofts	2018	72	N/A	988	\$1,222	\$1.24
5	Canal Flats	2016	204	85%	996	\$1,045	\$1.05
6	Centennial Highlands I	2017	153	88%	1,336	\$1,460	\$1.09
7	Williamsburg Village I	2017	158	92%	1,277	\$1,364	\$1.07

**Competitive Set of New Rental Apartment Communities, 2018;  
Fort Wayne, Indiana**



<sup>1</sup> Not yet stabilized; still in lease-up or pre-leasing

Source: Axiometrics; CoStar; RCLCO

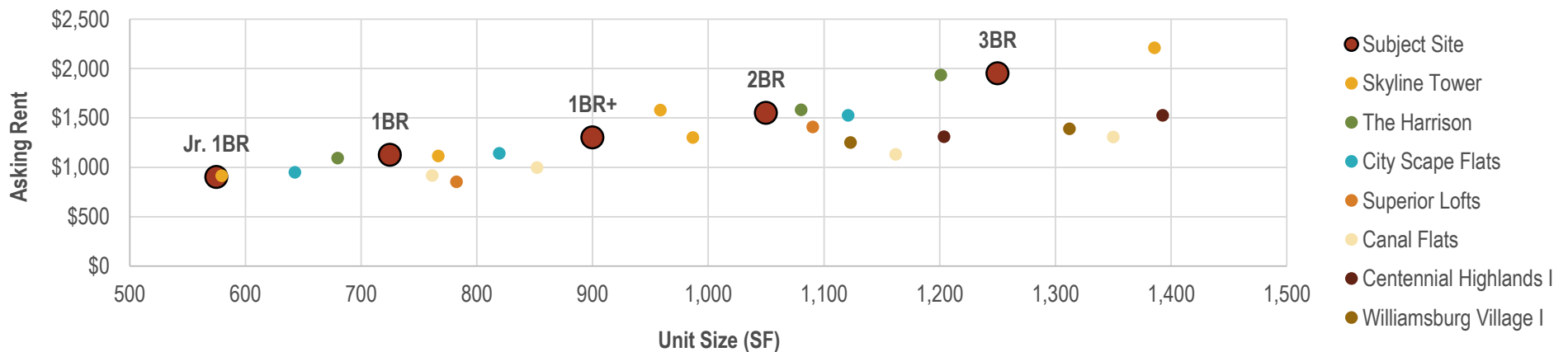
# APARTMENT POSITIONING

For the 82,000 square feet of residential space in the first phase of Electric Works, RCLCO recommends approximately 94 rental apartment units, with a diverse unit mix that will appeal to young professionals living in the region, as well as any mature professionals or empty nesters who are drawn to the unique aspects of the project.

Recommended rents range from \$875 to \$2,000 per month and average \$1.51 per square foot (all recommendations are in today's dollars). This recommended positioning is based on the asking rents at other new comparable communities, and includes site-specific adjustments to pricing for the age of the community, quality of finish, amount of amenities, distance from Downtown Fort Wayne, proximity to retail, and sense of place.

At this level of pricing, Electric Works is positioned towards the top of the market, in line with new rental apartment communities with exciting, mixed-use locations, such as *The Harrison* and *Skyline Tower*. While the neighborhood in which Electric Works is located is not yet as established as the places in which these projects are situated, RCLCO expects that these conditions will change upon completion of Electric Works, which will bring a new sense of excitement to its surrounding area. Further, Electric Works is planned to feature a mix of other uses, which will enable it to directly compete with communities in mixed-use locations near the historic core of Downtown Fort Wayne. These retail, office, and recreational uses will also likely allow Electric Works to attain higher pricing than communities like *Cityscape Flats* and *Superior Lofts*, which offer fewer neighborhood amenities in their immediate surrounding areas.

**Program Recommendations Relative to Competitive Rental Apartment Communities; 2018**  
Electric Works and Competitive Set



UNIT TYPE	UNITS	MIX	UNIT SIZE RANGE (SF)	AVG. SIZE (SF)	RENT RANGE	AVG. RENT	AVG. \$/SF
Jr. 1BR	8	8.0%	550 - 600	575	\$875 - \$925	\$900	\$1.57
1BR	38	40.0%	650 - 800	725	\$1,050 - \$1,200	\$1,125	\$1.55
1BR+	11	12.0%	850 - 950	900	\$1,250 - \$1,350	\$1,300	\$1.44
2BR	30	32.0%	1,000 - 1,100	1,050	\$1,500 - \$1,600	\$1,550	\$1.48
3BR	8	8.0%	1,200 - 1,300	1,250	\$1,900 - \$2,000	\$1,950	\$1.56
<b>TOTAL/AVG.</b>	<b>94</b>	<b>100.0%</b>	<b>550 - 1,300</b>	<b>880</b>	<b>\$875 - \$2,000</b>	<b>\$1,330</b>	<b>\$1.51</b>

Source: Axionmetrics; CoStar; RCLCO

# APARTMENT DEMAND

To estimate the absorption of rental apartments at this level of pricing, RCLCO used a demographics-based statistical demand model and examined households in the Fort Wayne MSA. Within the MSA, RCLCO considered such factors as population growth, age, income, tenure, turnover, and product preference to determine the number of households that are likely to rent new apartments.

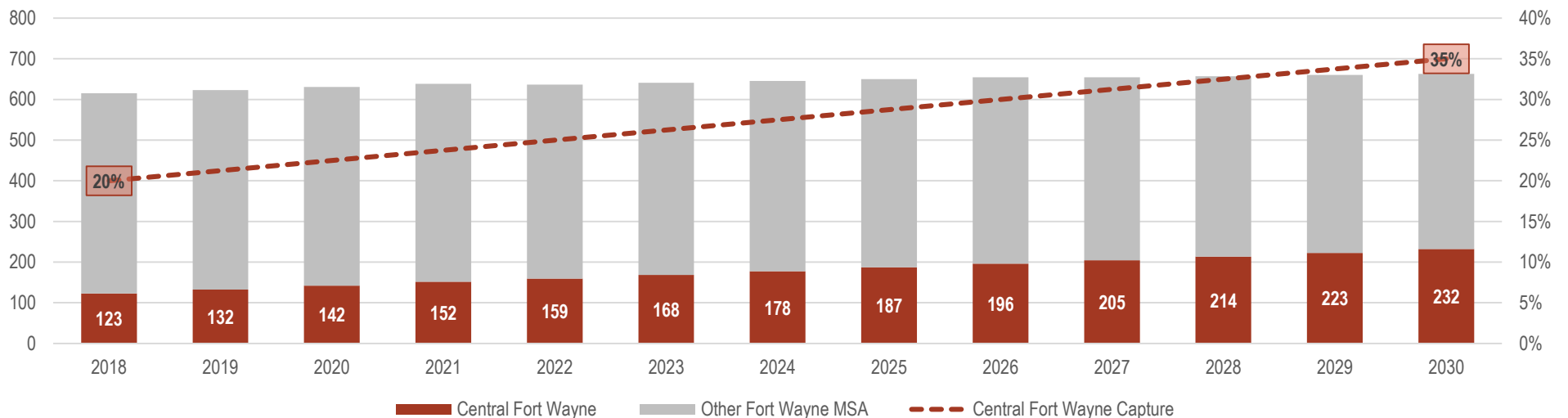
Using this approach, RCLCO estimates there is demand to support between 625 and 675 new apartment units in the Fort Wayne MSA each year. Based on the historic locations in which recent apartment development has occurred, RCLCO projects 20% of this demand will occur in Downtown Fort Wayne. Nevertheless, this capture is likely to increase over time, as Downtown Fort Wayne continues to establish itself as a dynamic place for people to live, work, and play. In the long term, RCLCO projects approximately 35% of rental apartment demand in the MSA will be satisfied in Downtown Fort Wayne, considering the types of locations in which new development is presently occurring in larger, somewhat more established Midwestern markets, such as Indianapolis and Columbus.

Based on this statistical demand modeling, RCLCO estimates there is demand to support up to 130 new apartment units at Electric Works prior to the delivery of its first phase, assuming it captures between 20% and 25% of the demand in Downtown Fort Wayne. RCLCO estimates a project of this scale could lease between 8 and 10 units per month, resulting in an overall absorption period of approximately 12-16 months.

**Summary of Site Demand, 2018-2030**  
Electric Works

TIMING		CAPTURE OF DOWNTOWN	SITE DEMAND
Near-Term	2018-2020	25% (One of four buildings)	100 Units
Mid-Term	2021-2025	20% (One of five buildings)	170 Units
Long-Term	2026-2030	17% (One of six buildings)	180 Units
<b>TOTAL</b>			<b>450 Units</b>

**Rental Apartment Demand; 2018-2030**  
Capture of Fort Wayne MSA



Source: STATS Indiana; CoStar; RCLCO

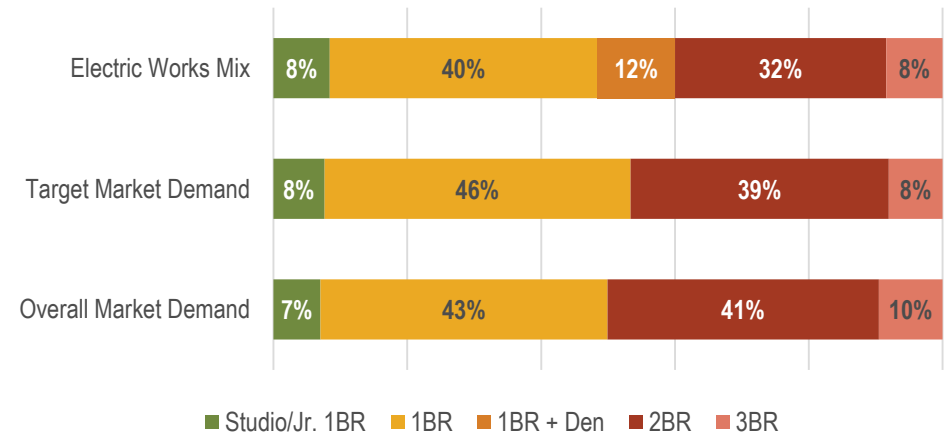
# APARTMENT SEGMENTATION

After segmenting this rental apartment demand by age, income, household size, and presence of children, RCLCO analyzed the demographic groups most likely to fuel demand for rental housing in the MSA, in general, and at Electric Works, in particular.

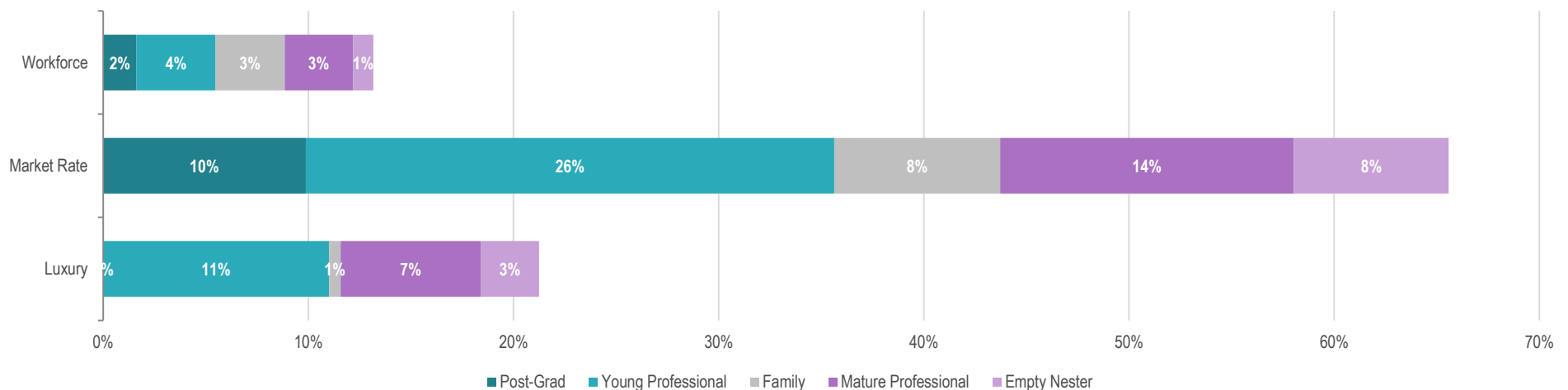
In general, most demand for new rental apartments is likely to stem from the middle of the market (66%), though there is a small but presently underserved luxury market as well (21%). Across all segments of the market, young professionals account for the bulk of demand (41%), followed by mature professionals (24%). Families, post-grads, and empty nesters account for similar captures of demand for new rental apartments, representing 12%, 11%, and 11% of the market, respectively.

Although family households generally gravitate towards suburban rental communities, Electric Works has broad appeal for the remaining market segments, including post-grads, young professionals, mature professionals, and empty nesters. In general, the recommended unit mix aligns closely with the unit preferences of these remaining target market segments. distribution of demand for new multifamily units

**Comparison of Recommended Unit Mix to Market Preferences, 2017-2022**  
Electric Works



**Segmentation of Demand for New Rental Apartment Units, 2017-2022**  
Fort Wayne MSA



Source: American Community Survey PUMS; RCLCO



# RETAIL SUPPLY

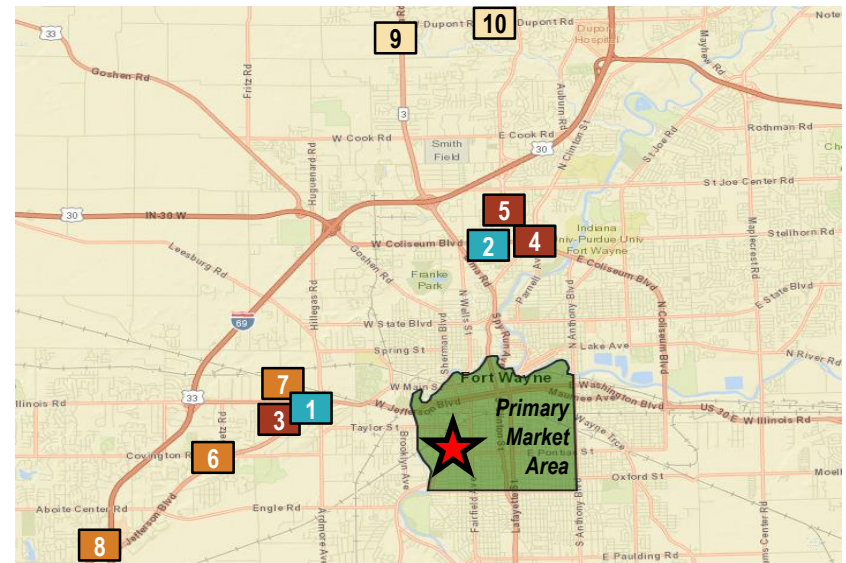
Given the comparative lack of new retail in locations near the subject site, RCLCO defined the retail PMA as the area immediately surrounding the subject site that is presently underserved, inclusive of Downtown Fort Wayne.

The Fort Wayne MSA has a number of decentralized regional lifestyle centers, power centers, and neighborhood/community centers, many of which are clustered in the suburbs to the north and west. In comparison, there are relatively few retail offerings within the PMA, which has historically been limited to strip centers and other office-supporting retail. As such, most people who live in and around Downtown Fort Wayne must drive between 10 and 15 minutes to fulfill their shopping needs.

Relative to Electric Works, the most proximate retail destination is *Jefferson Pointe*. At 600,000 square feet, *Jefferson Pointe* is an outdoor lifestyle center with a mix of big box tenants, including Bed Bath & Beyond, and Michael's, and regional mall retailers, such as GameStop and Old Navy. To the north of Downtown Fort Wayne, *Glenbrook Square* offers a similar mix of retailers in an enclosed shopping mall setup. Together, these two retail developments account for most of the major retail offerings in the Fort Wayne market, which is supplemented by smaller centers with household-supporting options like grocery stores, pharmacies, restaurants, and services.

Within the competitive set, most retail centers are well-occupied, typically with occupancy rates in excess of 95%. While retail in and around Downtown Fort Wayne is generally more scattered than these types of developments, it is generally well-occupied.

**Regional Retail Destinations, 2018**  
Fort Wayne MSA



KEY	PROPERTY NAME	RETAIL GLA	YEAR BUILT	VACANCY
<b>LIFESTYLE CENTER</b>				
1	Jefferson Pointe	600,000	2001	5.3%
2	Glenbrook Square	1,224,890	1966	0.0%
<b>POWER CENTERS</b>				
3	Apple Glen Crossing	438,796	1992	3.0%
4	Northcrest Shopping Center	246,292	1988	1.5%
5	Coldwater Crossing	567,747	1988	1.3%
<b>COMMUNITY CENTERS</b>				
6	Covington Plaza	182,866	1979	15.6%
7	Orchard Crossing	244,777	2008	2.7%
8	The Village Shoppes	280,331	2012	1.5%
<b>NEIGHBORHOOD CENTERS</b>				
9	Lima Marketplace	100,461	2008	5.2%
10	Dupont Crossing	93,671	1987	5.1%

Source : CoStar; RCLCO

# RETAIL DEMAND

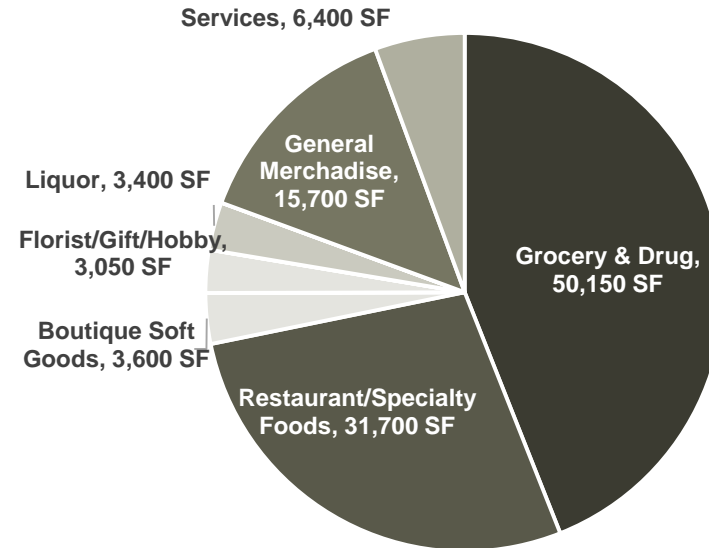
Coupled with the current lack of new retail space within Downtown Fort Wayne, the accessibility from Broadway Avenue and unique character of the project make Electric Works a strong location for future retail.

RCLCO projected the demand for various types of retail by examining retail spending patterns by store type for four groups of people, as well as the likelihood that those people would shop at the subject site:

- **PMA Households:** Households living in the primary market area. Electric Works' capture rate of spending by this group is estimated to be moderately high, given the lack of competitive retail within the PMA.
- **SMA Households:** Households living in the secondary market area, defined as the remainder of the MSA. This group is assumed to have a lower capture, given the other options that presently exist in the suburbs.
- **Subject Site Households:** Households living at the subject site. This group is assumed to have a high capture rate, given that it is likely they will shop disproportionately near their homes.
- **Subject Site Employees:** People who will work at the subject site. This group is assumed to have a high capture rate, given the relative convenience of the retail.

Using this approach, RCLCO estimates there is demand to support between 100,000 and 115,000 square feet of retail in the first phase of Electric Works. In general, most demand for retail at Electric Works stems from grocery & drug (47,000 to 50,000), followed by restaurants and specialty foods (29,000 to 32,000). The vast majority of this demand is expected to emanate from households living in and around Downtown Fort Wayne, though the residents, employees, and visitors on-site are likely to provide some additional demand.

**Demand for Retail, 2017-2030**  
Electric Works



TOTAL RETAIL SPACE DEMANDED		
STORE TYPE	2017	2025
Grocery & Drug	46,900	50,150
Restaurant/Specialty Foods	29,400	31,700
Boutique Soft Goods	3,300	3,600
Home Goods	0	0
Florist/Gift/Hobby	2,800	3,050
Electronics	0	0
Beer/Wine/Specialty	3,300	3,400
Other	0	0
General Merchandise	14,500	15,700
+ Services	5,200	6,400
<b>TOTAL DEMAND POTENTIAL</b>	<b>105,400 SF</b>	<b>114,000 SF</b>

Source: Esri; RCLCO

## DISCLAIMERS

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# CRITICAL ASSUMPTIONS

Our conclusions are based on our analysis of the information available from our own sources and from the client as of the date of this report. We assume that the information is correct, complete, and reliable.

We made certain assumptions about the future performance of the global, national, and local economy and real estate market, and on other factors similarly outside either our control or that of the client. We analyzed trends and the information available to us in drawing these conclusions. However, given the fluid and dynamic nature of the economy and real estate markets, as well as the uncertainty surrounding particularly the near-term future, it is critical to monitor the economy and markets continuously and to revisit the aforementioned conclusions periodically to ensure that they are reflective of changing market conditions.

We assume that the economy and real estate markets will grow at a stable and moderate rate to 2020 and beyond. However, stable and moderate growth patterns are historically not sustainable over extended periods of time, the economy is cyclical, and real estate markets are typically highly sensitive to business cycles. Further, it is very difficult to predict when an economic and real estate upturn will end.

With the above in mind, we assume that the long-term average absorption rates and price changes will be as projected, realizing that most of the time performance will be either above or below said average rates.

Our analysis does not consider the potential impact of future economic shocks on the national and/or local economy, and does not consider the potential benefits from major "booms" that may occur. Similarly, the analysis does not reflect the residual impact on the real estate market and the competitive environment of such a shock or boom. Also, it is important to note that it is difficult to predict changing consumer and market psychology.

As such, we recommend the close monitoring of the economy and the marketplace, and updating this analysis as appropriate.

Further, the project and investment economics should be "stress tested" to ensure that potential fluctuations in revenue and cost assumptions resulting from alternative scenarios regarding the economy and real estate market conditions will not cause failure.

In addition, we assume that the following will occur in accordance with current expectations:

- ▶ Economic, employment, and household growth
- ▶ Other forecasts of trends and demographic and economic patterns, including consumer confidence levels
- ▶ The cost of development and construction
- ▶ Tax laws (i.e., property and income tax rates, deductibility of mortgage interest, and so forth)
- ▶ Availability and cost of capital and mortgage financing for real estate developers, owners and buyers
- ▶ Competitive projects will be developed as planned (active and future) and that a reasonable stream of supply offerings will satisfy real estate demand
- ▶ Major public works projects occur and are completed as planned

Should any of the above change, this analysis should be updated, with the conclusions reviewed accordingly (and possibly revised).



# GENERAL LIMITING CONDITIONS

Reasonable efforts have been made to ensure that the data contained in this study reflect accurate and timely information and are believed to be reliable. This study is based on estimates, assumptions, and other information developed by RCLCO from its independent research effort, general knowledge of the industry, and consultations with the client and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agent, and representatives or in any other data source used in preparing or presenting this study. This report is based on information that to our knowledge was current as of the date of this report, and RCLCO has not undertaken any update of its research effort since such date.

Our report may contain prospective financial information, estimates, or opinions that represent our view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by RCLCO that any of the projected values or results contained in this study will be achieved.

Possession of this study does not carry with it the right of publication thereof or to use the name of "Robert Charles Lesser & Co." or "RCLCO" in any manner without first obtaining the prior written consent of RCLCO. No abstracting, excerpting, or summarization of this study may be made without first obtaining the prior written consent of RCLCO. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person other than the client without first obtaining the prior written consent of RCLCO. This study may not be used for any purpose other than that for which it is prepared or for which prior written consent has first been obtained from RCLCO.



## **APPENDIX: SUPPORTING EXHIBITS**

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## LIST OF EXHIBITS

### I. RESIDENTIAL COMPETITIVE SUPPLY

<i>Exhibit I-1</i>	Program by Unit Type; Subject Site; April 2018
<i>Exhibit I-2</i>	Map of Comparable Apartment Communities; Primary Market Area; April 2018
<i>Exhibit I-3</i>	Summary of Comparable Apartment Communities by Unit Type; Primary Market Area; April 2018
<i>Exhibit I-4</i>	Unit Features and Amenities at Comparable Apartment Communities; Primary Market Area; April 2018
<i>Exhibit I-5</i>	Rent Adjustment Table for RCLCO Recommended Asking Average Rents by Unit Type; Primary Market Area; April 2018
<i>Exhibit I-6</i>	Average Rent to Average Unit Size Relationship - All Unit Types; Primary Market Area; April 2018
<i>Exhibit I-7</i>	Linear Trend of Average Rent to Average Unit Size Relationship; Primary Market Area; April 2018
<i>Exhibit I-8</i>	Community Profile - Skyline Tower; Primary Market Area; April 2018
<i>Exhibit I-9</i>	Community Profile - The Harrison; Primary Market Area; April 2018
<i>Exhibit I-10</i>	Community Profile - City Scape Flats; Primary Market Area; April 2018
<i>Exhibit I-11</i>	Community Profile - Superior Lofts; Primary Market Area; April 2018
<i>Exhibit I-12</i>	Community Profile - Canal Flats; Primary Market Area; April 2018
<i>Exhibit I-13</i>	Community Profile - Centennial Highlands I; Primary Market Area; April 2018
<i>Exhibit I-14</i>	Community Profile - Williamsburg Village I; Primary Market Area; April 2018

## LIST OF EXHIBITS

### II. RESIDENTIAL DEMAND

- Exhibit II-1* Long-Term Housing Demand Model; Fort Wayne, IN MSA; 2010-2031
- Exhibit II-2* Comparison of Projected Housing Demand to Historic Demand; Fort Wayne MSA, IN; 1990 - 2030
- Exhibit II-3* Capture of Rental Apartment Demand; Central Fort Wayne; 2018-2030
- Exhibit II-4* Annual Multifamily Renter Demand for New Units by Age and Income; Fort Wayne MSA; 2017-2022
- Exhibit II-5* Annual Multifamily Renter Demand for New Units by Lifestage and Economic Segment; Fort Wayne MSA; 2017-2022
- Exhibit II-6* Annual Multifamily Renter Demand for New Units by Lifestage, Economic Segment, and Unit Type; Fort Wayne MSA; 2017-2022

### III. OFFICE COMPETITIVE SUPPLY

- Exhibit III-1* Comparable Office Developments; Central Fort Wayne; April 2018
- Exhibit III-2* Price-to-Size Comparison of Downtown Office Buildings; Fort Wayne, Indiana; April 2018
- Exhibit III-3* Relevant Leasing Activity; Central Fort Wayne; April 2018
- Exhibit III-4* Office Direct Rental Rate; Central Fort Wayne and Fort Wayne MSA; 2007-2016

### IV. OFFICE DEMAND

- Exhibit IV-1* Long-Term Office Demand Model; Fort Wayne, IN MSA; 2010-2030
- Exhibit IV-2* Creative Office Using Employees; Fort Wayne, IN MSA; April 2018



## LIST OF EXHIBITS

### V. RETAIL COMPETITIVE SUPPLY

- Exhibit V-1* Map of Existing Shopping Centers; Competitive Market Area; April 2018
- Exhibit V-2* Existing Retail Centers - Representative Sample; Competitive Market Area; April 2018
- Exhibit V-3* Grocery Retail Map; Fort Wayne, IN; April 2018
- Exhibit V-4* Retail Primary Market Area (PMA); Fort Wayne, IN; April 2018
- Exhibit V-5* Retail Completions, Net Absorption, and Vacancy Rate; Retail PMA; 2000-2018

### VI. RETAIL DEMAND

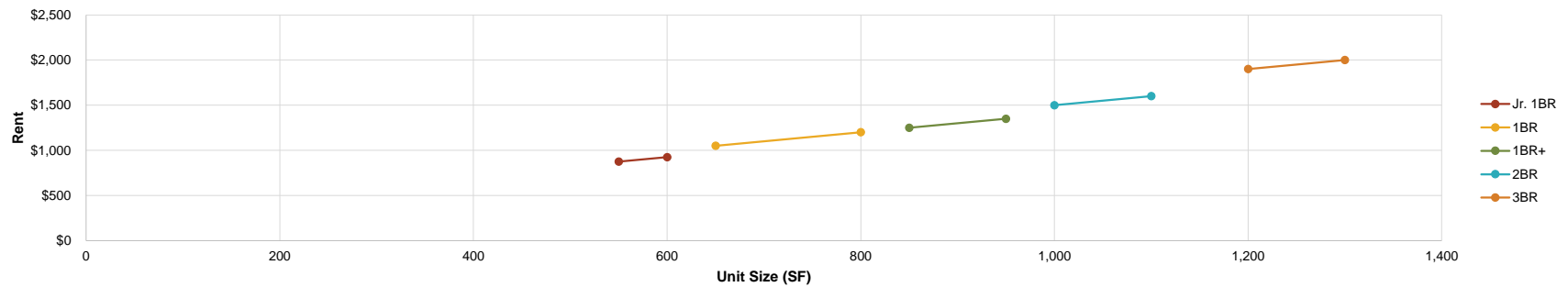
- Exhibit VI-1* Primary Market Area; Conventional Retail PMA; May 2018
- Exhibit VI-2* Current Retail Under- and Over-Supply; Conventional Retail PMA; 2017
- Exhibit VI-3* Retail Demand; Conventional Retail PMA; 2017-2030

## I. RESIDENTIAL COMPETITIVE SUPPLY

## Exhibit I-1

### PROGRAM BY UNIT TYPE SUBJECT SITE APRIL 2018

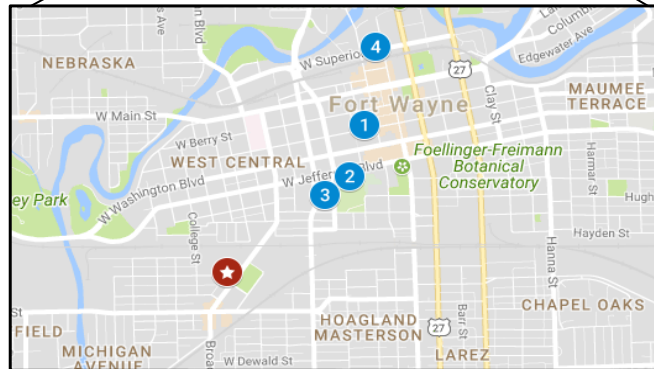
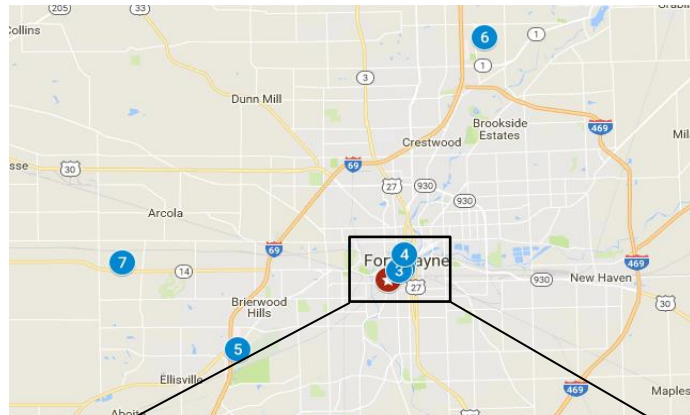
UNIT TYPE	UNITS	MIX	UNIT SIZE RANGE (SF)	AVG. UNIT SIZE (SF)	RENT RANGE	AVG. RENT	AVG. \$/SF	SEASONALLY ADJUSTED RENT RANGE	SEASONALLY ADJUSTED AVG. RENT	SEASONALLY ADJUSTED AVG. \$/SF
Jr. 1BR	8	8.0%	550 - 600	575	\$875 - \$925	\$900	\$1.57	\$875 - \$925	\$900	\$1.57
1BR	38	40.0%	650 - 800	725	\$1,050 - \$1,200	\$1,125	\$1.55	\$1,050 - \$1,200	\$1,125	\$1.55
1BR+	11	12.0%	850 - 950	900	\$1,250 - \$1,350	\$1,300	\$1.44	\$1,250 - \$1,350	\$1,300	\$1.44
2BR	30	32.0%	1,000 - 1,100	1,050	\$1,500 - \$1,600	\$1,550	\$1.48	\$1,500 - \$1,600	\$1,550	\$1.48
3BR	8	8.0%	1,200 - 1,300	1,250	\$1,900 - \$2,000	\$1,950	\$1.56	\$1,900 - \$2,000	\$1,950	\$1.56
<b>TOTAL/AVG.</b>	<b>94</b>	<b>100.0%</b>	<b>550 - 1,300</b>	<b>880</b>	<b>\$875 - \$2,000</b>	<b>\$1,330</b>	<b>\$1.51</b>	<b>\$875 - \$2,000</b>	<b>\$1,330</b>	<b>\$1.51</b>



SOURCE: RCLCO

## Exhibit I-2

### MAP OF COMPARABLE APARTMENT COMMUNITIES PRIMARY MARKET AREA APRIL 2018



MAP KEY	COMMUNITY NAME	YEAR BUILT	MARKET RATE UNITS	OCC. RATE	AVERAGE SIZE (SF)	AVERAGE ASKING RENT	AVERAGE ASKING \$/SF
1	Skyline Tower	2018	124	20%	884	\$1,363	\$1.54
2	The Harrison	2013	43	100%	890	\$1,360	\$1.53
3	City Scape Flats	2017	163	60%	892	\$1,233	\$1.38
4	Superior Lofts	2018	72	N/A	988	\$1,222	\$1.24
5	Canal Flats	2016	204	85%	996	\$1,045	\$1.05
6	Centennial Highlands I	2017	153	88%	1,336	\$1,460	\$1.09
7	Williamsburg Village I	2017	158	92%	1,277	\$1,364	\$1.07



NOTE: Skyline Tower is currently 0% occupied but 20% pre-leased, with move-ins beginning in late-summer  
SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO



## Exhibit I-3

### SUMMARY OF COMPARABLE APARTMENT COMMUNITIES BY UNIT TYPE PRIMARY MARKET AREA APRIL 2018

MAP KEY	COMMUNITY	COMMUNITY CHARACTERISTICS	CONFIG.	MARKET RATE UNITS	UNIT MIX	UNIT SIZE (SF)		ASKING RENT			CONCESSIONS	EFFECTIVE RENT		
						RANGE	AVG.	RANGE	AVG.	AVG/SF		RANGE	AVG.	AVG/SF
<b>1</b>	<b>Skyline Tower</b> 220 W Wayne St Fort Wayne, IN 46802 260-423-4311	<b>Pre-Leased</b> Year Built Stories Total Units	<b>20%</b> 2018 12 124	<b>124</b>	<b>100%</b>	<b>568 - 1,435</b>	<b>884</b>	<b>\$758 - \$2,319</b>	<b>\$1,363</b>	<b>\$1.54</b>	<b>0%</b>	<b>\$758 - \$2,319</b>	<b>\$1,363</b>	<b>\$1.54</b>
		Studio		10	8%	568 - 591	580	\$758 - \$1,069	\$914	\$1.58	0%	\$758 - \$1,069	\$914	\$1.58
		1BR		52	42%	622 - 822	767	\$840 - \$1,300	\$1,114	\$1.45	0%	\$840 - \$1,300	\$1,114	\$1.45
		1BR+		8	6%	967 - 1,013	987	\$1,300 - \$1,300	\$1,300	\$1.32	0%	\$1,300 - \$1,300	\$1,300	\$1.32
		2BR		44	35%	914 - 1,036	959	\$1,500 - \$1,657	\$1,579	\$1.65	0%	\$1,500 - \$1,657	\$1,579	\$1.65
		3BR		10	8%	1,336 - 1,435	1,386	\$2,100 - \$2,319	\$2,210	\$1.59	0%	\$2,100 - \$2,319	\$2,210	\$1.59
<b>2</b>	<b>The Harrison</b> 301 W Jefferson Blvd Fort Wayne, IN 46802	<b>Occupancy</b> Year Built Stories Total Units	<b>100%</b> 2013 2 43	<b>43</b>	<b>100%</b>	<b>655 - 1,554</b>	<b>890</b>	<b>\$1,085 - \$1,975</b>	<b>\$1,360</b>	<b>\$1.53</b>	<b>0%</b>	<b>\$1,085 - \$1,975</b>	<b>\$1,360</b>	<b>\$1.53</b>
		1BR		21	49%	655 - 702	680	\$1,085 - \$1,100	\$1,093	\$1.61	0%	\$1,085 - \$1,100	\$1,093	\$1.61
		2BR		20	47%	949 - 1,554	1,080	\$1,370 - \$1,975	\$1,582	\$1.46	0%	\$1,370 - \$1,975	\$1,582	\$1.46
		3BR		2	5%	1,201 - 1,201	1,201	\$1,935 - \$1,935	\$1,935	\$1.61	0%	\$1,935 - \$1,935	\$1,935	\$1.61
<b>3</b>	<b>City Scape Flats</b> 1255 Fairfield Ave Fort Wayne, IN 46802	<b>Occupancy</b> Year Built Stories Total Units	<b>60%</b> 2017 4 163	<b>163</b>	<b>100%</b>	<b>522 - 1,287</b>	<b>892</b>	<b>\$875 - \$1,802</b>	<b>\$1,233</b>	<b>\$1.38</b>	<b>3%</b>	<b>\$833 - \$1,760</b>	<b>\$1,191</b>	<b>\$1.34</b>
		Studio		5	3%	522 - 673	643	\$875 - \$965	\$947	\$1.47	4%	\$833 - \$923	\$905	\$1.41
		1BR		116	71%	728 - 862	819	\$1,050 - \$1,190	\$1,139	\$1.39	4%	\$1,008 - \$1,148	\$1,097	\$1.34
		2BR		42	26%	1,024 - 1,287	1,121	\$1,353 - \$1,802	\$1,526	\$1.36	3%	\$1,311 - \$1,760	\$1,484	\$1.32
<b>4</b>	<b>Superior Lofts</b> 102 W Superior St Fort Wayne, IN 46802 260-206-3110	<b>Occupancy</b> Year Built Stories Total Units	<b>N/A</b> 2018 4 72	<b>72</b>	<b>100%</b>	<b>723 - 1,163</b>	<b>988</b>	<b>\$800 - \$1,500</b>	<b>\$1,222</b>	<b>\$1.24</b>	<b>0%</b>	<b>\$800 - \$1,500</b>	<b>\$1,222</b>	<b>\$1.24</b>
		1BR		24	33%	723 - 934	782	\$800 - \$975	\$853	\$1.09	0%	\$800 - \$975	\$853	\$1.09
		2BR		48	67%	1,028 - 1,163	1,090	\$1,300 - \$1,500	\$1,406	\$1.29	0%	\$1,300 - \$1,500	\$1,406	\$1.29
<b>5</b>	<b>Canal Flats</b> 8045 Oriole Ave Fort Wayne, IN 46804	<b>Occupancy</b> Year Built Stories Total Units	<b>85%</b> 2016 3 204	<b>204</b>	<b>104%</b>	<b>685 - 1,350</b>	<b>996</b>	<b>\$850 - \$1,305</b>	<b>\$1,045</b>	<b>\$1.05</b>	<b>0%</b>	<b>\$850 - \$1,305</b>	<b>\$1,045</b>	<b>\$1.05</b>
		1BR		76	39%	685 - 865	761	\$850 - \$950	\$916	\$1.20	0%	\$850 - \$950	\$916	\$1.20
		1BR+		16	8%	852 - 852	852	\$995 - \$995	\$995	\$1.17	0%	\$995 - \$995	\$995	\$1.17
		2BR		80	41%	1,075 - 1,250	1,162	\$1,045 - \$1,190	\$1,129	\$0.97	0%	\$1,045 - \$1,190	\$1,129	\$0.97
		3BR		16	8%	1,350 - 1,350	1,350	\$1,305 - \$1,305	\$1,305	\$0.97	0%	\$1,305 - \$1,305	\$1,305	\$0.97
<b>6</b>	<b>Centennial Highlands I</b> 11828 Diebold Rd Fort Wayne, IN 46845	<b>Occupancy</b> Year Built Stories Total Units	<b>88%</b> 2017 1 153	<b>153</b>	<b>100%</b>	<b>1,128 - 1,620</b>	<b>1,336</b>	<b>\$1,239 - \$1,724</b>	<b>\$1,460</b>	<b>\$1.09</b>	<b>0%</b>	<b>\$1,239 - \$1,724</b>	<b>\$1,460</b>	<b>\$1.09</b>
		2BR		46	30%	1,128 - 1,294	1,204	\$1,239 - \$1,394	\$1,310	\$1.09	0%	\$1,239 - \$1,394	\$1,310	\$1.09
		2BR+		107	70%	1,294 - 1,620	1,393	\$1,349 - \$1,724	\$1,524	\$1.09	0%	\$1,349 - \$1,724	\$1,524	\$1.09
<b>7</b>	<b>Williamsburg Village I</b> 410 S Noyer Rd Fort Wayne, IN 46814	<b>Occupancy</b> Year Built Stories Total Units	<b>92%</b> 2017 1 158	<b>158</b>	<b>100%</b>	<b>1,123 - 1,620</b>	<b>1,277</b>	<b>\$1,250 - \$1,772</b>	<b>\$1,364</b>	<b>\$1.07</b>	<b>1%</b>	<b>\$1,250 - \$1,772</b>	<b>\$1,354</b>	<b>\$1.06</b>
		2BR		29	18%	1,123 - 1,123	1,123	\$1,250 - \$1,250	\$1,250	\$1.11	0%	\$1,250 - \$1,250	\$1,250	\$1.11
		2BR+		129	82%	1,294 - 1,620	1,312	\$1,324 - \$1,772	\$1,390	\$1.06	1%	\$1,324 - \$1,772	\$1,377	\$1.05

SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO

## Exhibit I-4

**UNIT FEATURES AND AMENITIES AT COMPARABLE APARTMENT COMMUNITIES  
PRIMARY MARKET AREA  
APRIL 2018**

MAP KEY	1	2	3	4	5	6	7
<b>PROPERTY NAME</b>	Skyline Tower	The Harrison	City Scape Flats	Superior Lofts	Canal Flats	Centennial Highlands I	Williamsburg Village I
<b>YEAR BUILT</b>	2018	2013	2017	2018	2016	2017	2017
<b>Occupancy</b>	20%	100%	60%	N/A	85%	88%	92%
<b>AMENITIES</b>							
Swimming Pool			X		X		
BBQ/Grilling Area	X		X		X		
Lounge-Clubhouse	X		X		X		
Outdoor Seating	X		X		X		
Rooftop Deck/Amenity	X		X				
Fitness Center			X	X	X		
Business Center					X		
Media-Game Room			X				
Controlled Access	X		X				
Concierge Services	None		None		Partial		None
Bike Storage			X				
Pet Friendly	X		X		X	X	X
Dog Run/Relief Area			X			X	X
Pet Wash			X				
Packages			Package Services				
<b>UNIT FEATURES</b>							
Fully-Appointed Kitchen	X		X	X	X		X
Appliance Utility	Electric	Electric	Electric	Electric	Electric	Electric	Electric
Appliance Type	Stainless	Stainless	Stainless		Stainless	Stainless	Stainless
Countertops	Granite	Granite	Granite	Granite	Granite	Granite	Granite
Washer/Dryer In Unit	Full Size		Compact	Full Size	Hookup	Full Size	Full Size
Washer/Dryer Type	Side by Side	Side by Side	Stacked	Stacked		Side by Side	Side by Side
Air Conditioning	Central			Central	Central	Central	Central
Ceiling Fans		X		X		X	X
Living Area Flooring	Harwood-style	Carpet	Carpet	Harwood-style	Hardwood-Style	Hardwood, Carpet, Vinyl Flooring	Hardwood, Carpet, Vinyl Flooring
Kitchen Area Flooring	Harwood-style	Hardwood	Hardwood-Style	Harwood-style	Hardwood-Style	Hardwood-Style	Hardwood
Bedroom Flooring	Harwood-style		Carpet	Harwood-style	Carpet	Carpet	Carpet
Bathroom Flooring	Tile		Hardwood-Style	Harwood-style	Hardwood-Style	Hardwood-Style	Hardwood-Style
Wooden Cabinets-Doors	X			X	X	X	X
Walk-In Closets	X		X	S		X	X
Double Vanity						X	X
Ceiling Height			Depends on Floor		9 Feet		
Balcony Patio	S		X		X	X	X

KEY	
X	Available in all units
S	Available in select units

## Exhibit I-4

### UNIT FEATURES AND AMENITIES AT COMPARABLE APARTMENT COMMUNITIES PRIMARY MARKET AREA APRIL 2018

MAP KEY	1	2	3	4	5	6	7
PROPERTY NAME	Skyline Tower	The Harrison	City Scape Flats	Superior Lofts	Canal Flats	Centennial Highlands I	Williamsburg Village I
YEAR BUILT	2018	2013	2017	2018	2016	2017	2017
Occupancy	20%	100%	60%	N/A	85%	88%	92%
<b>FEES</b>							
Extra On-site Storage						X	X
Pet Deposit	\$300		\$250		\$150	\$300	\$300
Pet Fee (min)	\$30		\$25		\$25	\$30	\$30
Application Fee			\$50		\$50	\$30	\$30
Administrative Fee	\$100		Admin Fee: \$100		\$100	\$150	\$150
<b>PARKING</b>							
Parking Type	Garage		Underground parking garage		Surface; Garage (Pay)	Private Attached Garage (2 spaces)	Private attached garages (1 & 2 car)
Parking Notes					Garage: \$100		

SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO

## Exhibit I-5

**RENT ADJUSTMENT TABLE FOR RCLCO RECOMMENDED ASKING AVERAGE RENTS BY UNIT TYPE  
PRIMARY MARKET AREA  
APRIL 2018**

		COMPARABLE COMMUNITY					SIZE-ADJUSTED RENT				PERCENTAGE ADJUSTMENTS								ADJUSTED				
MAP KEY	COMMUNITY	YEAR BUILT	UNIT TYPE	SIZE (SF)	AVERAGE ASKING RENT		SIZE (SF)	SLOPE <sup>1</sup>	AVERAGE ASKING RENT		AGE	UNIT FINISHES	AMENITIES	SENSE OF PLACE	ITY TO DOWNT OWN	PROXIM ITY TO RETAIL	TOTAL ADJ.	AVERAGE ASKING RENT		WEIGHT	RENT	\$/SF	
					\$/SF				\$/SF									\$/SF					
RCLCO JR. 1BR																							
1	Skyline Tower	2018	Jr. 1BR	-	-	-	650	50%	-	-	0.0%	0.0%	0.0%	0.0%	-2.5%	0.0%	97.5%	-	-	30.0%			
2	The Harrison	2013	1BR	680	\$1,093	\$1.61	650	50%	\$1,069	\$1.64	2.5%	0.0%	2.5%	1.0%	-1.0%	0.0%	105.0%	\$1,122	\$1.73	30.0%			
3	City Scape Flats	2017	Studio	643	\$947	\$1.47	650	50%	\$952	\$1.47	0.5%	1.0%	1.0%	2.5%	-1.0%	1.0%	105.0%	\$1,000	\$1.54	30.0%			
4	Superior Lofts	2018	1BR	782	\$853	\$1.09	650	50%	\$781	\$1.20	0.0%	1.0%	7.5%	2.5%	0.0%	2.5%	113.5%	\$886	\$1.36	33.3%			
5	Canal Flats	2016	Studio	-	-	-	650	50%	-	-	1.0%	2.5%	2.5%	10.0%	20.0%	1.0%	137.0%	-	-	10.0%			
6	Centennial Highlands I	2017	Jr. 1BR	-	-	-	650	50%	-	-	0.5%	5.0%	7.5%	10.0%	15.0%	5.0%	143.0%	-	-	0.0%			
7	Williamsburg Village I	2017	Jr. 1BR	-	-	-	650	50%	-	-	0.5%	5.0%	7.5%	10.0%	15.0%	2.5%	140.5%	-	-	0.0%			
				421	\$579	\$1.37	650	50%	\$934	\$1.44	0.8%	0.9%	2.7%	3.2%	3.1%	0.9%	111.6%	\$1,003	\$1.54	133.3%	\$932	\$1.43	
RCLCO 1BR																							
1	Skyline Tower	2018	1BR	767	\$1,114	\$1.45	762	50%	\$1,110	\$1.46	0.0%	0.0%	0.0%	0.0%	-2.5%	0.0%	97.5%	\$1,082	\$1.42	30.0%			
2	The Harrison	2013	1BR	680	\$1,093	\$1.61	762	50%	\$1,159	\$1.52	2.5%	0.0%	2.5%	1.0%	-1.0%	0.0%	105.0%	\$1,217	\$1.60	30.0%			
3	City Scape Flats	2017	1BR	819	\$1,139	\$1.39	762	50%	\$1,099	\$1.44	0.5%	1.0%	1.0%	2.5%	-1.0%	1.0%	105.0%	\$1,154	\$1.51	20.0%			
4	Superior Lofts	2018	1BR	782	\$853	\$1.09	762	50%	\$842	\$1.10	0.0%	1.0%	7.5%	2.5%	0.0%	2.5%	113.5%	\$955	\$1.25	10.0%			
5	Canal Flats	2016	1BR	761	\$916	\$1.20	762	50%	\$917	\$1.20	1.0%	2.5%	2.5%	10.0%	20.0%	1.0%	137.0%	\$1,256	\$1.65	10.0%			
6	Centennial Highlands I	2017	1BR	-	-	-	762	50%	-	-	0.5%	5.0%	7.5%	10.0%	15.0%	5.0%	143.0%	-	-	0.0%			
7	Williamsburg Village I	2017	1BR	-	-	-	762	50%	-	-	0.5%	5.0%	7.5%	10.0%	15.0%	2.5%	140.5%	-	-	0.0%			
				762	\$1,023	\$1.34	762	50%	\$1,025	\$1.35	0.8%	0.9%	2.7%	3.2%	3.1%	0.9%	111.6%	\$1,133	\$1.49	100.0%	\$1,142	\$1.50	
RCLCO 1BR+																							
1	Skyline Tower	2018	1BR+	987	\$1,300	\$1.32	900	50%	\$1,243	\$1.38	0.0%	0.0%	0.0%	0.0%	-2.5%	0.0%	97.5%	\$1,212	\$1.35	50.0%			
2	The Harrison	2013	1BR+	-	-	-	900	50%	-	-	2.5%	0.0%	2.5%	1.0%	-1.0%	0.0%	105.0%	-	-	0.0%			
3	City Scape Flats	2017	1BR+	-	-	-	900	50%	-	-	0.5%	1.0%	1.0%	2.5%	-1.0%	1.0%	105.0%	-	-	0.0%			
4	Superior Lofts	2018	1BR+	-	-	-	900	50%	-	-	0.0%	1.0%	7.5%	2.5%	0.0%	2.5%	113.5%	-	-	0.0%			
5	Canal Flats	2016	1BR+	852	\$995	\$1.17	900	50%	\$1,023	\$1.14	1.0%	2.5%	2.5%	10.0%	20.0%	1.0%	137.0%	\$1,402	\$1.56	50.0%			
6	Centennial Highlands I	2017	1BR+	-	-	-	900	50%	-	-	0.5%	5.0%	7.5%	10.0%	15.0%	5.0%	143.0%	-	-	0.0%			
7	Williamsburg Village I	2017	1BR+	-	-	-	900	50%	-	-	0.5%	5.0%	7.5%	10.0%	15.0%	2.5%	140.5%	-	-	0.0%			
				919	\$1,148	\$1.25	900	50%	\$1,133	\$1.26	0.5%	1.3%	1.3%	5.0%	8.8%	0.5%	117.3%	\$1,307	\$1.45	100.0%	\$1,307	\$1.45	
RCLCO 2BR																							
1	Skyline Tower	2018	2BR	959	\$1,579	\$1.65	1,100	50%	\$1,695	\$1.54	0.0%	0.0%	0.0%	0.0%	-2.5%	0.0%	97.5%	\$1,653	\$1.50	30.0%			
2	The Harrison	2013	2BR	1,080	\$1,582	\$1.46	1,100	50%	\$1,597	\$1.45	2.5%	0.0%	2.5%	1.0%	-1.0%	0.0%	105.0%	\$1,677	\$1.52	30.0%			
3	City Scape Flats	2017	2BR	1,121	\$1,526	\$1.36	1,100	50%	\$1,512	\$1.37	0.5%	1.0%	1.0%	2.5%	-1.0%	1.0%	105.0%	\$1,588	\$1.44	20.0%			
4	Superior Lofts	2018	2BR	1,090	\$1,406	\$1.29	1,100	50%	\$1,413	\$1.28	0.0%	1.0%	7.5%	2.5%	0.0%	2.5%	113.5%	\$1,603	\$1.46	10.0%			
5	Canal Flats	2016	2BR	1,162	\$1,129	\$0.97	1,100	50%	\$1,099	\$1.00	1.0%	2.5%	2.5%	10.0%	20.0%	1.0%	137.0%	\$1,505	\$1.37	10.0%			
6	Centennial Highlands I	2017	2BR	1,204	\$1,310	\$1.09	1,100	50%	\$1,253	\$1.14	0.5%	5.0%	7.5%	10.0%	15.0%	5.0%	143.0%	\$1,792	\$1.63	0.0%			
7	Williamsburg Village I	2017	2BR	1,123	\$1,250	\$1.11	1,100	50%	\$1,237	\$1.12	0.5%	5.0%	7.5%	10.0%	15.0%	2.5%	140.5%	\$1,738	\$1.58	0.0%			
				1,082	\$1,444	\$1.33	1,100	50%	\$1,463	\$1.33	0.8%	0.9%	2.7%	3.2%	3.1%	0.9%	111.6%	\$1,605	\$1.46	100.0%	\$1,627	\$1.48	
RCLCO 3BR																							
1	Skyline Tower	2018	3BR	1,386	\$2,210	\$1.59	1,312	50%	\$2,151	\$1.64	0.0%	0.0%	0.0%	0.0%	-2.5%	0.0%	97.5%	\$2,097	\$1.60	40.0%			
2	The Harrison	2013	3BR	1,201	\$1,935	\$1.61	1,312	50%	\$2,024	\$1.54	2.5%	0.0%	2.5%	1.0%	-1.0%	0.0%	105.0%	\$2,126	\$1.62	40.0%			
3	City Scape Flats	2017	3BR	-	-	-	1,312	50%	-	-	0.5%	1.0%	1.0%	2.5%	-1.0%	1.0%	105.0%	-	-	0.0%			
4	Superior Lofts	2018	3BR	-	-	-	1,312	50%	-	-	0.0%	1.0%	7.5%	2.5%	0.0%	2.5%	113.5%	-	-	0.0%			
5	Canal Flats	2016	3BR	1,350	\$1,305	\$0.97	1,312	50%	\$1,287	\$0.98	1.0%	2.5%	2.5%	10.0%	20.0%	1.0%	137.0%	\$1,763	\$1.34	20.0%			
6	Centennial Highlands I	2017	3BR	-	-	-	1,312	50%	-	-	0.5%	5.0%	7.5%	10.0%	15.0%	5.0%	143.0%	-	-	0.0%			
7	Williamsburg Village I	2017	3BR	-	-	-	1,312	50%	-	-	0.5%	5.0%	7.5%	10.0%	15.0%	2.5%	140.5%	-	-	0.0%			
				1,312	\$1,817	\$1.38	1,312	50%	\$1,821	\$1.39	1.2%	0.8%	1.7%	3.7%	5.5%	0.3%	113.2%	\$1,995	\$1.52	100.0%	\$2,042	\$1.56	

NOTE: Age adjusts rent by 0.5% per year, with a maximum adjustment of 15%.

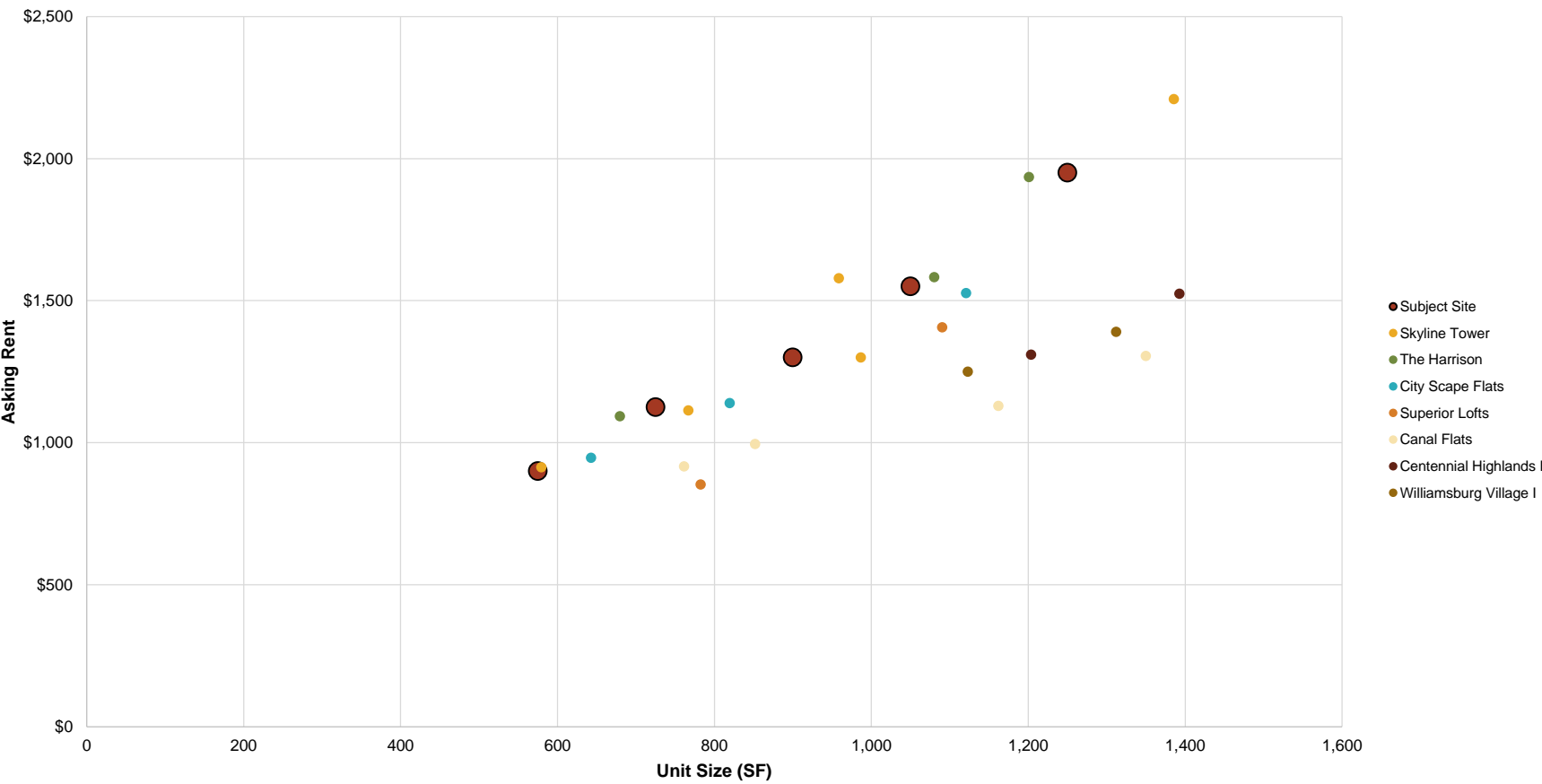
<sup>1</sup> Price slope reflects the incremental change in price for a change in size.

SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO



Exhibit I-6

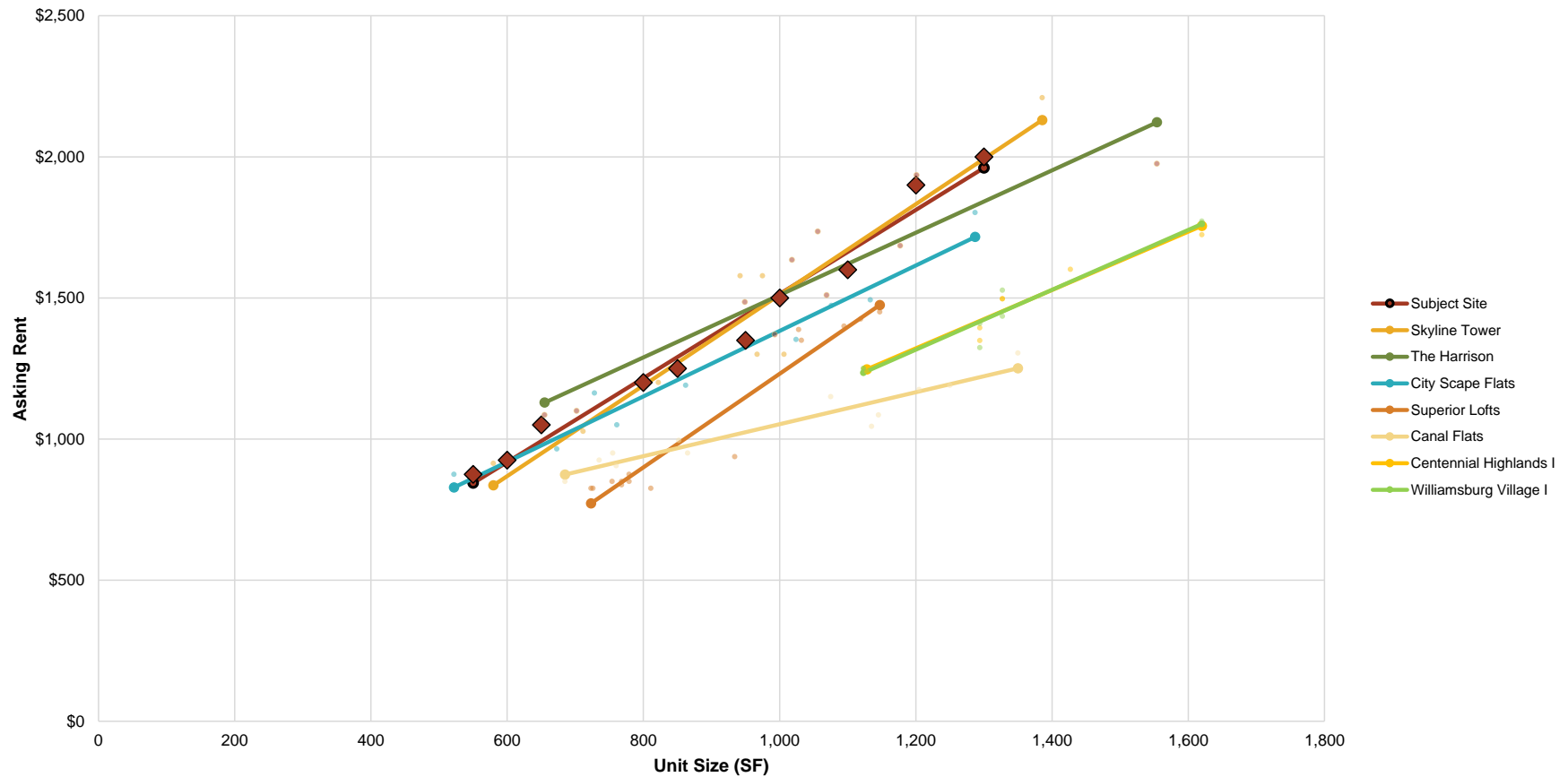
AVERAGE RENT TO AVERAGE UNIT SIZE RELATIONSHIP - ALL UNIT TYPES  
PRIMARY MARKET AREA  
APRIL 2018



SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO

*Exhibit I-7*

**LINEAR TREND OF AVERAGE RENT TO AVERAGE UNIT SIZE RELATIONSHIP  
PRIMARY MARKET AREA  
APRIL 2018**



SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO

## Exhibit I-8

### COMMUNITY PROFILE - SKYLINE TOWER PRIMARY MARKET AREA APRIL 2018

MAP KEY	
1	
<b>Skyline Tower</b>	
220 W Wayne St Fort Wayne, IN 46802	
<b>YEAR BUILT</b>	2018
<b>CLASS</b>	N/A
<b>STORIES</b>	12
<b>TOTAL UNITS</b>	124
<b>VACANT UNITS</b>	99
<b>OCCUPANCY</b>	20% (Pre-Leased)
<b>LEASE-UP PACE</b>	
<b>MANAGEMENT</b>	Bradley Company



TYPE	UNITS	MIX	UNIT SIZE		ASKING RENT				EFFECTIVE RENT			
			RANGE	AVG.	RANGE	AVG.	AVG. \$/SF	CONCESSIONS	RANGE	AVG.	AVG. \$/SF	
Studio	10	8%	568 - 591	580	\$758 - \$1,069	\$914	\$1.58	0.0%	\$758 - \$1,069	\$914	\$1.58	
Jr. 1BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A	
1BR	52	42%	622 - 822	767	\$840 - \$1,300	\$1,114	\$1.45	0.0%	\$840 - \$1,300	\$1,114	\$1.45	
1BR+	8	6%	967 - 1,013	987	\$1,300 - \$1,300	\$1,300	\$1.32	0.0%	\$1,300 - \$1,300	\$1,300	\$1.32	
2BR	44	35%	914 - 1,036	959	\$1,500 - \$1,657	\$1,579	\$1.65	0.0%	\$1,500 - \$1,657	\$1,579	\$1.65	
2BR+	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A	
3BR	10	8%	1,336 - 1,435	1,386	\$2,100 - \$2,319	\$2,210	\$1.59	0.0%	\$2,100 - \$2,319	\$2,210	\$1.59	
Other	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A	
<b>TOTAL/AVG.</b>	<b>124</b>	<b>100%</b>	<b>568 - 1,435</b>	<b>884</b>	<b>\$758 - \$2,319</b>	<b>\$1,363</b>	<b>\$1.54</b>	<b>0.0%</b>	<b>\$758 - \$2,319</b>	<b>\$1,363</b>	<b>\$1.54</b>	

AMENITIES		UNIT FEATURES		FEES		PARKING	
Swimming Pool		Fully-Appointed Kitchen	X	Extra On-site Storage		Parking Type	Garage
BBQ/Grilling Area	X	Appliance Utility	Electric	Pet Deposit	\$300	Parking Notes	
Lounge/Clubhouse	X	Appliance Type	Stainless	Pet Fee (min)	\$30		
Outdoor Seating	X	Countertops	Granite	Application Fee			
Rooftop Deck/Amenity	X	Washer/Dryer In Unit	Full Size	Administrative Fee	\$100		
Fitness Center		Washer/Dryer Type	Side by Side				
Business Center		Air Conditioning	Central				
Media-Game Room		Ceiling Fans					
Controlled Access	X	Living Area Flooring	Harwood-style				
Concierge Services	None	Kitchen Area Flooring	Harwood-style				
Bike Storage		Bedroom Flooring	Harwood-style				
Pet Friendly	X	Bathroom Flooring	Tile				
Dog Run/Relief Area		Wooden Cabinets-Doors	X				
Pet Wash		Walk-In Closets	X				
Packages		Double Vanity					
		Ceiling Height					
		Railconv Platin	S				

PARKING NOTES
Attached parking garage (approx. 1,100 parking spaces) for resident and tenant parking

TARGET AUDIENCE
High-end residential units targeting young professionals and empty nesters

AMENITIES NOTES
One acre green roof, coffee bar, private courtyard lounge area

NOTES
Skyline Tower is a 170,000 SF mixed-use development, inclusive of 30,000 SF of office and retail space. Pre-leasing residential units started in January 1st 2018 for late May move-ins. First Merchants Bank (NASDAQ - FRME) relocate headquarters to Skyline Tower occupying 17,750 SF on the second floor office space. Ruth's Chris Steakhouse has committed to anchor the ground-level retail space (13,000 SF for 280 guests, private dining and event space, as well as garage access parking) of the tower, which will be

KEY	
X	Available in all units
S	Available in select units

SOURCE: Leasing agent interview; Property website; Axometrics; CoStar; RCLCO  
IMAGE SOURCE: <http://www.greatlakescapital.com/portfolio/skyline-tower/>

## Exhibit I-10

### COMMUNITY PROFILE - CITY SCAPE FLATS PRIMARY MARKET AREA APRIL 2018

MAP KEY	
3	
<b>City Scape Flats</b> 1255 Fairfield Ave Fort Wayne, IN 46802	
<b>YEAR BUILT</b>	2017
<b>CLASS</b>	N/A
<b>STORIES</b>	4
<b>TOTAL UNITS</b>	163
<b>VACANT UNITS</b>	65
<b>OCCUPANCY</b>	60%
<b>LEASE-UP PACE</b>	
<b>MANAGEMENT</b>	Flaherty & Collins Properties



TYPE	UNITS	MIX	UNIT SIZE		ASKING RENT		AVG. \$/SF	CONCESSIONS	EFFECTIVE RENT		AVG. \$/SF
			RANGE	AVG.	RANGE	AVG.			RANGE	AVG.	
Studio	5	3%	522 - 673	643	\$875 - \$965	\$947	\$1.47	4.4%	\$833 - \$923	\$905	\$1.41
Jr. 1BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
1BR	116	71%	728 - 862	819	\$1,050 - \$1,190	\$1,139	\$1.39	3.7%	\$1,008 - \$1,148	\$1,097	\$1.34
1BR+	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
2BR	42	26%	1,024 - 1,287	1,121	\$1,353 - \$1,802	\$1,526	\$1.36	2.8%	\$1,311 - \$1,760	\$1,484	\$1.32
2BR+	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
3BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
Other	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
<b>TOTAL/AVG.</b>	<b>163</b>	<b>100%</b>	<b>522 - 1,287</b>	<b>892</b>	<b>\$875 - \$1,802</b>	<b>\$1,233</b>	<b>\$1.38</b>	<b>3.4%</b>	<b>\$833 - \$1,760</b>	<b>\$1,191</b>	<b>\$1.34</b>

AMENITIES		UNIT FEATURES		FEES		PARKING	
Swimming Pool	X	Fully-Appointed Kitchen	X	Extra On-site Storage		Parking Type	Underground parking garage
BBQ/Grilling Area	X	Appliance Utility	Electric	Pet Deposit	\$250	Parking Notes	
Lounge-Clubhouse	X	Appliance Type	Stainless	Pet Fee (min)	\$25		
Outdoor Seating	X	Countertops	Granite	Application Fee	\$50		
Rooftop Deck/Amenity	X	Washer/Dryer In Unit	Compact	Administrative Fee	Admin Fee: \$100		
Fitness Center	X	Washer/Dryer Type	Stacked				
Business Center		Air Conditioning					
Media/Game Room	X	Ceiling Fans					
Controlled Access	X	Living Area Flooring	Carpet				
Concierge Services	None	Kitchen Area Flooring	Hardwood-Style				
Bike Storage	X	Bedroom Flooring	Carpet				
Pet Friendly	X	Bathroom Flooring	Hardwood-Style				
Dog Run/Relief Area	X	Wooden Cabinets-Doors					
Pet Wash	X	Walk-In Closets	X				
Packages	Package	Double Vanity	Depends on Floor				
		Ceiling Height	X				
		Balcony/Patio					

#### KEY

X	Available in all units
S	Available in select units

#### NOTES

Community backs up to Robert E. Meyers Park (Minor League Baseball Park). Currently, City Scape Flats offers rental apartments & for-sale THs. Townhomes are new construction but currently have five sales to-date.

SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO  
IMAGE SOURCE: <http://cityscapeflats.com/>



## Exhibit I-9

### COMMUNITY PROFILE - THE HARRISON PRIMARY MARKET AREA APRIL 2018

MAP KEY	
2	
<b>The Harrison</b>	
301 W Jefferson Blvd Fort Wayne, IN 46802	
<b>YEAR BUILT</b>	2013
<b>CLASS</b>	N/A
<b>STORIES</b>	2
<b>TOTAL UNITS</b>	43
<b>VACANT UNITS</b>	0
<b>OCCUPANCY</b>	100%
<b>LEASE-UP PACE</b>	
<b>MANAGEMENT</b>	0



TYPE	UNITS	MIX	UNIT SIZE		ASKING RENT				CONCESSIONS	EFFECTIVE RENT		AVG. \$/SF
			RANGE	AVG.	RANGE	AVG.	AVG. \$/SF			RANGE	AVG.	
Studio	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A			N/A - N/A	N/A	N/A
Jr. 1BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A			N/A - N/A	N/A	N/A
1BR	21	49%	655 - 702	680	\$1,085 - \$1,100	\$1,093	\$1.61	0.0%		\$1,085 - \$1,100	\$1,093	\$1.61
1BR+	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A			N/A - N/A	N/A	N/A
2BR	20	47%	949 - 1,554	1,080	\$1,370 - \$1,975	\$1,582	\$1.46	0.0%		\$1,370 - \$1,975	\$1,582	\$1.46
2BR+	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A			N/A - N/A	N/A	N/A
3BR	2	5%	1,201 - 1,201	1,201	\$1,935 - \$1,935	\$1,935	\$1.61	0.0%		\$1,935 - \$1,935	\$1,935	\$1.61
Other	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A			N/A - N/A	N/A	N/A
<b>TOTAL/AVG.</b>	<b>43</b>	<b>100%</b>	<b>655 - 1,554</b>	<b>890</b>	<b>\$1,085 - \$1,975</b>	<b>\$1,360</b>	<b>\$1.53</b>	<b>0.0%</b>		<b>\$1,085 - \$1,975</b>	<b>\$1,360</b>	<b>\$1.53</b>

AMENITIES	UNIT FEATURES	FEES	PARKING
Swimming Pool	Fully-Appointed Kitchen	Extra On-site Storage	Parking Type
BBO/Grilling Area	Appliance Utility	Pet Deposit	Parking Notes
Lounge-Clubhouse	Appliance Type	Pet Fee (min)	
Outdoor Seating	Countertops	Application Fee	
Rooftop Deck/Amenity	Washer/Dryer In Unit	Administrative Fee	
Fitness Center	Washer/Dryer Type		
Business Center	Air Conditioning		
Media-Game Room	Ceiling Fans		
Controlled Access	Living Area Flooring		
Concierge Services	Kitchen Area Flooring		
Bike Storage	Bedroom Flooring		
Pet Friendly	Bathroom Flooring		
Dog Run/Relief Area	Wooden Cabinets-Doors		
Pet Wash	Walk-In Closets		
Packages	Double Vanity		
	Ceiling Height		
	Balcony/Patio		

#### KEY

X	Available in all units
S	Available in select units

#### NOTES

First & Second floors of The Harrison are designated commercial space

SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO  
IMAGE SOURCE: <http://theharrisonbnd.com/about-the-harrison/>

## Exhibit I-11

### COMMUNITY PROFILE - SUPERIOR LOFTS PRIMARY MARKET AREA APRIL 2018

MAP KEY	
Superior Lofts	4
102 W Superior St Fort Wayne, IN 46802	
YEAR BUILT	2018
CLASS	N/A
STORIES	4
TOTAL UNITS	72
VACANT UNITS	Under Construction
OCCUPANCY	N/A
LEASE-UP PACE	
MANAGEMENT	RealAmerica Management, LLC



TYPE	UNITS	MIX	UNIT SIZE		ASKING RENT				EFFECTIVE RENT			
			RANGE	AVG.	RANGE	AVG.	AVG. \$/SF	CONCESSIONS	RANGE	AVG.	AVG. \$/SF	
Studio	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A	
Jr. 1BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A	
1BR	24	33%	723 - 934	782	\$800 - \$975	\$853	\$1.09	0.0%	\$800 - \$975	\$853	\$1.09	
1BR+	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A	
2BR	48	67%	1,028 - 1,163	1,090	\$1,300 - \$1,500	\$1,406	\$1.29	0.0%	\$1,300 - \$1,500	\$1,406	\$1.29	
2BR+	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A	
3BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A	
Other	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A	
<b>TOTAL/AVG.</b>	<b>72</b>	<b>100%</b>	<b>723 - 1,163</b>	<b>988</b>	<b>\$800 - \$1,500</b>	<b>\$1,222</b>	<b>\$1.24</b>	<b>0.0%</b>	<b>\$800 - \$1,500</b>	<b>\$1,222</b>	<b>\$1.24</b>	

AMENITIES		UNIT FEATURES		FEES		PARKING	
Swimming Pool		Fully-Appointed Kitchen	X	Extra On-site Storage		Parking Type	
BBO/Grilling Area		Appliance Utility	Electric	Pet Deposit		Parking Notes	
Lounge-Clubhouse		Appliance Type		Pet Fee (min)			
Outdoor Seating		Countertops	Granite	Application Fee			
Rooftop Deck/Amenity		Washer/Dryer In Unit	Full Size	Administrative Fee			
Fitness Center	X	Washer/Dryer Type	Stacked				
Business Center		Air Conditioning	Central				
Media-Game Room		Ceiling Fans	X				
Controlled Access		Living Area Flooring	Harwood-style				
Concierge Services		Kitchen Area Flooring	Harwood-style				
Bike Storage		Bedroom Flooring	Harwood-style				
Pet Friendly		Bathroom Flooring	Harwood-style				
Dog Run/Relief Area		Wooden Cabinets-Doors	X				
Pet Wash		Walk-In Closets	S				
Packages		Double Vanity					
		Ceiling Height					
		Balcony/Patio					

**PARKING NOTES**  
The city has awarded the community 113 temporary parking spots but unsure still

**NOTES**  
The restored industrial building structure was built in 1898 for the Fort Wayne Box Company and has been vacant since 2010. Pre-leasing started on 4/01/2018 with expected first move-in date end of July 2018. Superior Lofts includes 21,000 SF of commercial space on the first floor. Superior Lofts is a \$9.8 million project, the City Council awarded it a \$1 million revenue bond. The project also received \$1.2 million in federal HOME funds from the Department of Housing and Urban Development and \$2.7 million in Industrial Recovery Tax Credits. The developer RealAmerica also developed Randall Lofts (Industrial redevelopment) in Fort Wayne, which opened in 2014.

#### KEY

X Available in all units  
S Available in select units

SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO  
IMAGE SOURCE: <http://homeatsuperiorlofts.com/commercial-leasing/>

## Exhibit I-12

### COMMUNITY PROFILE - CANAL FLATS PRIMARY MARKET AREA APRIL 2018

<b>MAP KEY</b>	<b>5</b>
<b>Canal Flats</b>	
8045 Oriole Ave Fort Wayne, IN 46804	
<b>YEAR BUILT</b>	2016
<b>CLASS</b>	N/A
<b>STORIES</b>	3
<b>TOTAL UNITS</b>	204
<b>VACANT UNITS</b>	30
<b>OCCUPANCY</b>	85%
<b>LEASE-UP PACE</b>	
<b>MANAGEMENT</b>	Village Green Companies



TYPE	UNITS	MIX	UNIT SIZE		ASKING RENT		AVG. \$/SF	CONCESSIONS	EFFECTIVE RENT		AVG. \$/SF
			RANGE	AVG.	RANGE	AVG.			RANGE	AVG.	
Studio	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
Jr. 1BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
1BR	76	40%	685 - 865	761	\$850 - \$950	\$916	\$1.20	0.0%	\$850 - \$950	\$916	\$1.20
1BR+	16	9%	852 - 852	852	\$995 - \$995	\$995	\$1.17	0.0%	\$995 - \$995	\$995	\$1.17
2BR	80	43%	1,075 - 1,250	1,162	\$1,045 - \$1,190	\$1,129	\$0.97	0.0%	\$1,045 - \$1,190	\$1,129	\$0.97
2BR+	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
3BR	16	9%	1,350 - 1,350	1,350	\$1,305 - \$1,305	\$1,305	\$0.97	0.0%	\$1,305 - \$1,305	\$1,305	\$0.97
Other	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
<b>TOTAL/AVG.</b>	<b>188</b>	<b>100%</b>	<b>685 - 1,350</b>	<b>990</b>	<b>\$850 - \$1,305</b>	<b>\$1,047</b>	<b>\$1.06</b>	<b>0.0%</b>	<b>\$850 - \$1,305</b>	<b>\$1,047</b>	<b>\$1.06</b>

AMENITIES		UNIT FEATURES		FEES		PARKING	
Swimming Pool	X	Fully-Appointed Kitchen	X	Extra On-site Storage		Parking Type	Surface; Garage (Pay)
BBO/Grilling Area	X	Appliance Utility	Electric	Pet Deposit	\$150	Parking Notes	Garage: \$100
Lounge-Clubhouse	X	Appliance Type	Stainless	Pet Fee (min)	\$25		
Outdoor Seating	X	Countertops	Granite	Application Fee	\$50		
Rooftop Deck/Amenity		Washer/Dryer In Unit	Hookup	Administrative Fee	\$100		
Fitness Center	X	Washer/Dryer Type					
Business Center	X	Air Conditioning	Central				
Media-Game Room		Ceiling Fans					
Controlled Access		Living Area Flooring	Hardwood-Style				
Concierge Services	Partial	Kitchen Area Flooring	Hardwood-Style				
Bike Storage		Bedroom Flooring	Carpet				
Pet Friendly	X	Bathroom Flooring	Hardwood-Style				
Dog Run/Relief Area		Wooden Cabinets-Doors	X				
Pet Wash		Walk-In Closets					
Packages		Double Vanity					
		Ceiling Height	9 Feet				
		Balcony/Patio	X				

#### KEY

X	Available in all units
S	Available in select units

SOURCE: Leasing agent interview; Property website; Axometrics; CoStar; RCLCO  
IMAGE SOURCE: <https://villagegreen.com/ft-wayne/canal-flats/photos>

## Exhibit I-13

### COMMUNITY PROFILE - CENTENNIAL HIGHLANDS I PRIMARY MARKET AREA APRIL 2018

MAP KEY	
Centennial Highlands I	
11828 Diebold Rd Fort Wayne, IN 46845	
YEAR BUILT	2017
CLASS	N/A
STORIES	1
TOTAL UNITS	153
VACANT UNITS	19
OCCUPANCY	88%
LEASE-UP PACE	
MANAGEMENT	Redwood Living



TYPE	UNITS	MIX	UNIT SIZE		ASKING RENT			CONCESSIONS	EFFECTIVE RENT		
			RANGE	AVG.	RANGE	AVG.	AVG. \$/SF		RANGE	AVG.	AVG. \$/SF
Studio	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
Jr. 1BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
1BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
1BR+	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
2BR	46	30%	1,128 - 1,294	1,204	\$1,239 - \$1,394	\$1,310	\$1.09	0.0%	\$1,239 - \$1,394	\$1,310	\$1.09
2BR+	107	70%	1,294 - 1,620	1,393	\$1,349 - \$1,724	\$1,524	\$1.09	0.0%	\$1,349 - \$1,724	\$1,524	\$1.09
3BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
Other	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
<b>TOTAL/AVG.</b>	<b>153</b>	<b>100%</b>	<b>1,128 - 1,620</b>	<b>1,336</b>	<b>\$1,239 - \$1,724</b>	<b>\$1,460</b>	<b>\$1.09</b>	<b>0.0%</b>	<b>\$1,239 - \$1,724</b>	<b>\$1,460</b>	<b>\$1.09</b>

AMENITIES		UNIT FEATURES		FEES		PARKING	
Swimming Pool		Fully-Appointed Kitchen		Extra On-site Storage	X	Parking Type	Private Attached Garage (2)
BBQ/Grilling Area		Appliance Utility	Electric	Pet Deposit	\$300	Parking Notes	
Lounge-Clubhouse		Appliance Type	Stainless	Pet Fee (min)	\$30		
Outdoor Seating		Countertops	Granite	Application Fee	\$30		
Rooftop Deck/Amenity		Washer/Dryer In Unit	Full Size	Administrative Fee	\$150		
Fitness Center		Washer/Dryer Type	Side by Side				
Business Center		Air Conditioning	Central				
Media-Game Room		Ceiling Fans	X				
Controlled Access		Living Area Flooring	Hardwood, Carpet, Vinyl Flooring				
Concierge Services		Kitchen Area Flooring	Hardwood-Style				
Bike Storage		Bedroom Flooring	Carpet				
Pet Friendly	X	Bathroom Flooring	Hardwood-Style				
Dog Run/Relief Area	X	Wooden Cabinets-Doors	X				
Pet Wash		Walk-In Closets	X				
Packages		Double Vanity	X				
		Ceiling Height					
		Balcony/Patio	X				

#### KEY

X	Available in all units
S	Available in select units

#### TARGET AUDIENCE

Suburban family rental HHs

#### NOTES

Suburban single-family attached THs (single-story)

SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO  
IMAGE SOURCE: <https://listings.byredwood.com/apartments/in/fort-wayne/centennial-highlands-by-redwood/photogallery.aspx>

## Exhibit I-14

### COMMUNITY PROFILE - WILLIAMSBURG VILLAGE I PRIMARY MARKET AREA APRIL 2018

MAP KEY	
Williamsburg Village I	7
410 S Noyer Rd	
Fort Wayne, IN 46814	
YEAR BUILT	2017
CLASS	N/A
STORIES	1
TOTAL UNITS	158
VACANT UNITS	13
OCCUPANCY	92%
LEASE-UP PACE	
MANAGEMENT	Redwood Living



TYPE	UNITS	MIX	UNIT SIZE		ASKING RENT			CONCESSIONS	EFFECTIVE RENT		
			RANGE	AVG.	RANGE	AVG.	AVG. \$/SF		RANGE	AVG.	AVG. \$/SF
Studio	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
Jr. 1BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
1BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
1BR+	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
2BR	29	18%	1,123 - 1,123	1,123	\$1,250 - \$1,250	\$1,250	\$1.11	0.0%	\$1,250 - \$1,250	\$1,250	\$1.11
2BR+	129	82%	1,294 - 1,620	1,312	\$1,324 - \$1,772	\$1,390	\$1.06	0.9%	\$1,324 - \$1,772	\$1,377	\$1.05
3BR	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
Other	0	0%	N/A - N/A	N/A	N/A - N/A	N/A	N/A		N/A - N/A	N/A	N/A
<b>TOTAL/AVG.</b>	<b>158</b>	<b>100%</b>	<b>1,123 - 1,620</b>	<b>1,277</b>	<b>\$1,250 - \$1,772</b>	<b>\$1,364</b>	<b>\$1.07</b>	<b>0.7%</b>	<b>\$1,250 - \$1,772</b>	<b>\$1,354</b>	<b>\$1.06</b>

AMENITIES		UNIT FEATURES		FEES		PARKING	
Swimming Pool		Fully-Appointed Kitchen	X	Extra On-site Storage	X	Parking Type	Private attached garages (1 & 2 car)
BBQ/Grilling Area		Appliance Utility	Electric	Pet Deposit	\$300	Parking Notes	
Lounge-Clubhouse		Appliance Type	Stainless	Pet Fee (min)	\$30		
Outdoor Seating		Countertops	Granite	Application Fee	\$30		
Rooftop Deck/Amenity		Washer/Dryer In Unit	Full Size	Administrative Fee	\$150		
Fitness Center		Washer/Dryer Type	Side by Side				
Business Center		Air Conditioning	Central				
Media-Game Room		Ceiling Fans	X				
Controlled Access		Living Area Flooring	Hardwood, Carpet, Vinyl Flooring				
Concierge Services	None	Kitchen Area Flooring	Hardwood				
Bike Storage		Bedroom Flooring	Carpet				
Pet Friendly	X	Bathroom Flooring	Hardwood-Style				
Dog Run/Relief Area	X	Wooden Cabinets-Doors	X				
Pet Wash		Walk-In Closets	X				
Packages		Double Vanity	X				
		Ceiling Height					
		Balcony/Patio	X				

#### KEY

X	Available in all units
S	Available in select units

SOURCE: Leasing agent interview; Property website; Axiometrics; CoStar; RCLCO

IMAGE SOURCE: <https://listings.byredwood.com/apartments/in/fort-wayne/williamsburg-village-by-redwood/photogallery.aspx>

**TARGET AUDIENCE**  
Suburban family rental HHs

#### NOTES

Suburban single-family attached THs (single-story)



## II. RESIDENTIAL DEMAND

## Exhibit II-1

**LONG-TERM HOUSING DEMAND MODEL  
FORT WAYNE, IN MSA  
2010-2031**

	ASSUMPTION	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>FORT WAYNE MSA HOUSEHOLDS</b>																							
<b>Total Population (Year-End)<sup>1</sup></b>		<b>414,438</b>	<b>416,881</b>	<b>419,739</b>	<b>421,615</b>	<b>424,137</b>	<b>429,372</b>	<b>431,777</b>	<b>434,181</b>	<b>436,586</b>	<b>438,990</b>	<b>441,395</b>	<b>444,041</b>	<b>446,686</b>	<b>449,332</b>	<b>451,977</b>	<b>454,623</b>	<b>456,833</b>	<b>459,042</b>	<b>461,252</b>	<b>463,461</b>	<b>465,671</b>	<b>467,387</b>
<15		91,703	91,657	91,702	91,534	91,507	92,062	92,150	92,238	92,327	92,415	92,503	93,065	93,627	94,189	94,751	95,313	95,849	96,386	96,922	97,459	97,995	98,298
15-34		110,335	110,996	111,768	112,279	112,962	114,367	114,827	115,286	115,746	116,205	116,665	116,502	116,339	116,175	116,012	115,849	115,421	114,994	114,566	114,139	113,711	113,985
35-64		161,498	161,627	161,917	161,828	161,989	163,182	162,937	162,691	162,446	162,200	161,955	161,771	161,587	161,404	161,220	161,036	161,324	161,612	161,901	162,189	162,477	162,769
65+		50,903	52,601	54,352	55,974	57,679	59,761	61,863	63,965	66,068	68,170	70,272	72,703	75,133	77,564	79,994	82,425	84,238	86,050	87,863	89,675	91,488	92,335
<b>Headship Rates</b>		<b>0.388</b>	<b>0.388</b>	<b>0.388</b>	<b>0.388</b>	<b>0.388</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>	<b>0.387</b>
<35	0.313	0.334	0.330	0.326	0.322	0.317	0.313	0.313	0.313	0.313	0.313	0.313	0.313	0.313	0.313	0.313	0.313	0.313	0.313	0.313	0.313	0.313	0.313
35-64	0.570	0.577	0.576	0.574	0.573	0.572	0.570	0.570	0.570	0.570	0.570	0.570	0.570	0.570	0.570	0.570	0.570	0.570	0.570	0.570	0.570	0.570	0.570
65+	0.640	0.610	0.616	0.622	0.628	0.634	0.640	0.640	0.640	0.640	0.640	0.640	0.640	0.640	0.640	0.640	0.640	0.640	0.640	0.640	0.640	0.640	0.640
<b>Total Households (Year-End)</b>		<b>162,056</b>	<b>163,774</b>	<b>164,958</b>	<b>166,786</b>	<b>168,557</b>	<b>167,135</b>	<b>168,485</b>	<b>169,835</b>	<b>171,185</b>	<b>172,535</b>	<b>173,885</b>	<b>175,285</b>	<b>176,685</b>	<b>178,086</b>	<b>179,486</b>	<b>180,886</b>	<b>182,077</b>	<b>183,268</b>	<b>184,459</b>	<b>185,650</b>	<b>186,841</b>	<b>187,636</b>
<35		36,851	36,612	36,403	36,104	35,856	35,828	35,972	36,116	36,260	36,404	36,548	36,496	36,445	36,394	36,343	36,292	36,158	36,024	35,890	35,756	35,622	35,708
35-64		93,207	93,056	92,998	92,722	92,589	93,043	92,904	92,764	92,624	92,484	92,344	92,239	92,134	92,029	91,925	91,820	91,984	92,148	92,313	92,477	92,641	92,808
65+		31,070	32,421	33,825	35,169	36,585	38,263	39,609	40,955	42,301	43,647	44,993	46,550	48,106	49,662	51,218	52,775	53,935	55,096	56,256	57,417	58,577	59,120
<b>FORT WAYNE MSA ANNUAL HOUSING DEMAND</b>																							
<b>Net Change in Households</b>																							
<35			-239	-209	-299	-249	-28	144	144	144	144	144	-51	-51	-51	-51	-51	-134	-134	-134	-134	-134	86
35-64			-151	-59	-276	-133	455	-140	-140	-140	-140	-140	-105	-105	-105	-105	-105	164	164	164	164	164	167
65+			1,351	1,404	1,344	1,416	1,678	1,346	1,346	1,346	1,346	1,346	1,556	1,556	1,556	1,556	1,556	1,161	1,161	1,161	1,161	1,161	542
<b>Demand from Migration and Formation</b>			<b>961</b>	<b>1,137</b>	<b>769</b>	<b>1,035</b>	<b>2,105</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,350</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>	<b>1,191</b>	<b>1,191</b>	<b>1,191</b>	<b>1,191</b>	<b>1,191</b>	<b>795</b>
<b>Replacement of Housing Units at End of Service Life</b>																							
% of Housing Stock Replaced Annually	0.5%								0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Housing Units Replaced									842	849	856	863	869	876	883	890	897	904	910	916	922	928	934
<i>Assume Replacement Units Reflect Current Age Distribution:</i>																							
Replacement Units Occupied by <35 HHs									179	180	181	181	181	181	181	180	180	180	179	178	178	177	178
Replacement Units Occupied by 35-64 HHs									460	459	459	458	457	457	456	456	456	457	458	459	460	462	462
Replacement Units Occupied by 65+ HHs									203	210	217	223	231	239	246	254	262	268	274	279	285	291	294
<b>Demand from Replacement of Housing Units</b>									<b>842</b>	<b>849</b>	<b>856</b>	<b>863</b>	<b>869</b>	<b>876</b>	<b>883</b>	<b>890</b>	<b>897</b>	<b>904</b>	<b>910</b>	<b>916</b>	<b>922</b>	<b>928</b>	<b>934</b>
<b>Existing Households in turnover</b>																							
% <35 Households in Turnover	34.5%								34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%	34.5%
% 35-64 Households in Turnover	11.0%								11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
% 65+ Households in Turnover	6.2%								6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
<35 Households in Turnover									12,416	12,465	12,515	12,565	12,614	12,597	12,579	12,561	12,544	12,526	12,480	12,434	12,387	12,341	12,295
35-64 Households in Turnover									10,187	10,172	10,157	10,141	10,126	10,114	10,103	10,091	10,080	10,068	10,086	10,104	10,122	10,140	10,159
65+ Households in Turnover									2,469	2,553	2,636	2,720	2,804	2,901	2,998	3,095	3,192	3,289	3,361	3,434	3,506	3,578	3,651
<b>Demand from Existing Households in Turnover</b>									<b>25,072</b>	<b>25,190</b>	<b>25,308</b>	<b>25,426</b>	<b>25,544</b>	<b>25,612</b>	<b>25,680</b>	<b>25,748</b>	<b>25,816</b>	<b>25,884</b>	<b>25,928</b>	<b>25,972</b>	<b>26,016</b>	<b>26,060</b>	<b>26,104</b>
<b>Total Households in the Market Annually</b>																							
<35									12,739	12,789	12,840	12,890	12,744	12,726	12,709	12,691	12,673	12,572	12,525	12,478	12,431	12,384	12,559
35-64									10,507	10,491	10,475	10,459	10,479	10,467	10,455	10,443	10,431	10,690	10,709	10,727	10,746	10,765	10,787
65+									4,018	4,108	4,199	4,290	4,591	4,696	4,801	4,906	5,010	4,718	4,796	4,874	4,952	5,030	4,487
<b>Total Annual Housing Demand</b>									<b>27,264</b>	<b>27,389</b>	<b>27,514</b>	<b>27,639</b>	<b>27,814</b>	<b>27,889</b>	<b>27,964</b>	<b>28,039</b>	<b>28,114</b>	<b>27,979</b>	<b>28,029</b>	<b>28,079</b>	<b>28,129</b>	<b>28,179</b>	<b>27,833</b>

## Exhibit II-1

### LONG-TERM HOUSING DEMAND MODEL FORT WAYNE, IN MSA 2010-2031

ASSUMPTION	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>HOUSING DEMAND BY HOUSEHOLD CHARACTERISTICS</b>																						
<b>HOUSEHOLDS UNDER 35</b>																						
<u>Household Income Distribution</u>																						
Less than \$35,000	40.6%							5,175	5,195	5,216	5,236	5,177	5,170	5,163	5,155	5,148	5,107	5,088	5,069	5,050	5,031	5,102
\$35,000 to \$50,000	14.7%							1,878	1,885	1,893	1,900	1,879	1,876	1,874	1,871	1,868	1,853	1,846	1,840	1,833	1,826	1,851
\$50,000 to \$75,000	25.6%							3,262	3,275	3,288	3,301	3,263	3,259	3,254	3,250	3,245	3,219	3,207	3,195	3,183	3,171	3,216
\$75,000 to \$100,000	9.8%							1,246	1,251	1,256	1,260	1,246	1,244	1,243	1,241	1,239	1,229	1,225	1,220	1,216	1,211	1,228
\$100,000 to \$150,000	6.9%							873	877	880	883	873	872	871	870	869	862	858	855	852	849	861
\$150,000 to \$200,000	1.2%							158	158	159	160	158	158	157	157	156	155	155	155	154	153	155
Greater than \$200,000	1.2%							147	148	148	149	147	147	147	147	147	145	145	144	144	143	145
<u>Income-Qualified (Greater than \$35,000)</u>																						
Owner	54%							4,370	4,357	4,345	4,332	4,254	4,219	4,183	4,148	4,113	4,051	4,007	3,964	3,920	3,877	3,902
Renter	46%							3,194	3,236	3,279	3,321	3,313	3,338	3,362	3,387	3,411	3,413	3,429	3,445	3,461	3,477	3,554
<u>Owner</u>																						
Multi-Family (5+ Units)	1.4%							61	61	61	61	59	59	59	58	58	57	56	56	55	55	55
Single-Family Attached	3%							138	138	138	137	135	134	133	132	130	129	127	126	125	123	124
Single-Family Detached	95%							4,170	4,159	4,147	4,135	4,060	4,026	3,992	3,959	3,925	3,866	3,824	3,782	3,740	3,699	3,723
<u>Renter</u>																						
Multi-Family (5+ Units)	58%							1,856	1,880	1,904	1,929	1,924	1,938	1,952	1,966	1,980	1,981	1,990	1,999	2,008	2,016	2,061
Single-Family Attached	13%							411	416	421	426	424	427	430	432	435	434	436	437	439	440	450
Single-Family Detached	29%							927	940	953	966	965	973	981	989	997	998	1,004	1,009	1,014	1,020	1,043
<b>HOUSEHOLDS 35-64</b>																						
<u>Household Income Distribution</u>																						
Less than \$35,000	27.1%							3,450	3,464	3,477	3,491	3,452	3,447	3,442	3,437	3,432	3,405	3,392	3,380	3,367	3,354	3,401
\$35,000 to \$50,000	14.4%							1,833	1,841	1,848	1,855	1,834	1,832	1,829	1,826	1,824	1,809	1,803	1,796	1,789	1,782	1,807
\$50,000 to \$75,000	20.4%							2,595	2,605	2,616	2,626	2,596	2,592	2,589	2,585	2,582	2,561	2,551	2,542	2,532	2,523	2,558
\$75,000 to \$100,000	15.3%							1,948	1,955	1,963	1,971	1,948	1,946	1,943	1,940	1,938	1,922	1,915	1,908	1,901	1,893	1,920
\$100,000 to \$150,000	14.0%							1,779	1,786	1,793	1,800	1,780	1,777	1,775	1,772	1,770	1,756	1,749	1,743	1,736	1,729	1,754
\$150,000 to \$200,000	4.4%							558	560	562	564	558	557	556	556	555	550	548	546	544	542	550
Greater than \$200,000	4.5%							576	578	580	583	576	575	575	574	573	568	566	564	562	560	568
<u>Income-Qualified (Greater than \$35,000)</u>																						
Owner	84%							7,794	7,825	7,856	7,887	7,797	7,787	7,776	7,765	7,754	7,692	7,663	7,635	7,606	7,577	7,684
Renter	16%							1,494	1,500	1,506	1,512	1,495	1,493	1,491	1,489	1,487	1,475	1,469	1,464	1,458	1,453	1,473
<u>Owner</u>																						
Multi-Family (5+ Units)	0.1%							11	11	12	12	11	11	11	11	11	11	11	11	11	11	11
Single-Family Attached	1%							106	107	107	108	106	106	106	106	106	105	105	104	104	103	105
Single-Family Detached	98%							7,676	7,707	7,737	7,767	7,680	7,669	7,658	7,647	7,636	7,576	7,547	7,519	7,491	7,463	7,568
<u>Renter</u>																						
Multi-Family (5+ Units)	43%							643	645	648	651	643	642	641	641	640	635	632	630	627	625	634
Single-Family Attached	15%							231	232	233	233	231	230	230	230	230	228	227	226	225	224	227
Single-Family Detached	42%							621	623	626	628	621	620	619	618	618	613	610	608	606	604	612

## Exhibit II-1

### LONG-TERM HOUSING DEMAND MODEL FORT WAYNE, IN MSA 2010-2031

ASSUMPTION	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>HOUSEHOLDS 65+</b>																						
<u>Household Income Distribution</u>																						
Less than \$35,000	46.2%							5,880	5,903	5,927	5,950	5,883	5,875	5,866	5,858	5,850	5,803	5,782	5,760	5,738	5,717	5,797
\$35,000 to \$50,000	16.9%							2,156	2,164	2,173	2,181	2,157	2,154	2,151	2,148	2,145	2,128	2,120	2,112	2,104	2,096	2,125
\$50,000 to \$75,000	19.9%							2,533	2,543	2,553	2,563	2,534	2,531	2,527	2,524	2,520	2,500	2,491	2,481	2,472	2,463	2,497
\$75,000 to \$100,000	8.4%							1,065	1,069	1,073	1,077	1,065	1,064	1,062	1,061	1,059	1,051	1,047	1,043	1,039	1,035	1,050
\$100,000 to \$150,000	4.7%							602	604	606	609	602	601	600	599	598	594	591	589	587	585	593
\$150,000 to \$200,000	2.3%							294	295	296	297	294	293	293	293	292	290	289	288	287	286	290
Greater than \$200,000	1.6%							209	210	211	212	209	209	209	209	208	207	206	205	204	204	206
<u>Income-Qualified (Greater than \$35,000)</u>																						
Owner	80%							5,703	5,704	5,705	5,706	5,620	5,591	5,562	5,533	5,504	5,439	5,398	5,356	5,316	5,275	5,328
Renter	20%							1,156	1,182	1,208	1,234	1,242	1,261	1,281	1,300	1,319	1,330	1,346	1,362	1,377	1,393	1,433
<u>Owner</u>																						
Multi-Family (5+ Units)	0.2%							10	10	10	10	10	10	10	9	9	9	9	9	9	9	9
Single-Family Attached	3%							169	169	169	169	167	166	165	164	163	162	160	159	158	157	158
Single-Family Detached	97%							5,524	5,525	5,526	5,527	5,443	5,415	5,387	5,359	5,331	5,268	5,228	5,188	5,149	5,109	5,161
<u>Renter</u>																						
Multi-Family (5+ Units)	52%							607	621	634	648	652	662	672	682	692	697	706	714	722	730	751
Single-Family Attached	18%							208	212	217	221	223	226	229	233	236	238	241	243	246	249	256
Single-Family Detached	30%							341	349	357	365	367	373	379	385	391	395	400	404	409	414	426
<b>HOUSING DEMAND FOR NEW UNITS</b>																						
<b>HOUSEHOLDS UNDER 35</b>																						
<u>Income-Qualified Demand for New Units: % Choose New</u>																						
<u>Owner</u>																						
Multi-Family (5+ Units)	38.0%							23	23	23	23	23	22	22	22	22	22	21	21	21	21	21
Single-Family Attached	2.0%							3	3	3	3	3	3	3	3	3	3	3	3	2	2	2
Single-Family Detached	4.2%							175	175	174	174	171	169	168	166	165	162	161	159	157	155	156
<u>Renter</u>																						
Multi-Family (5+ Units)	22.0%							408	414	419	424	423	426	429	433	436	436	438	440	442	444	454
Single-Family Attached	0.0%							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Single-Family Detached	0.0%							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>HOUSEHOLDS 35-64</b>																						
<u>Income-Qualified Demand for New Units: % Choose New</u>																						
<u>Owner</u>																						
Multi-Family (5+ Units)	40.0%							5	5	5	5	5	5	5	5	5	5	4	4	4	4	5
Single-Family Attached	2.0%							2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Single-Family Detached	10.6%							814	817	820	823	814	813	812	811	809	803	800	797	794	791	802
<u>Renter</u>																						
Multi-Family (5+ Units)	18.0%							116	116	117	117	116	115	115	115	114	114	114	113	113	113	114
Single-Family Attached	0.0%							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Single-Family Detached	0.0%							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

## Exhibit II-1

### LONG-TERM HOUSING DEMAND MODEL FORT WAYNE, IN MSA 2010-2031

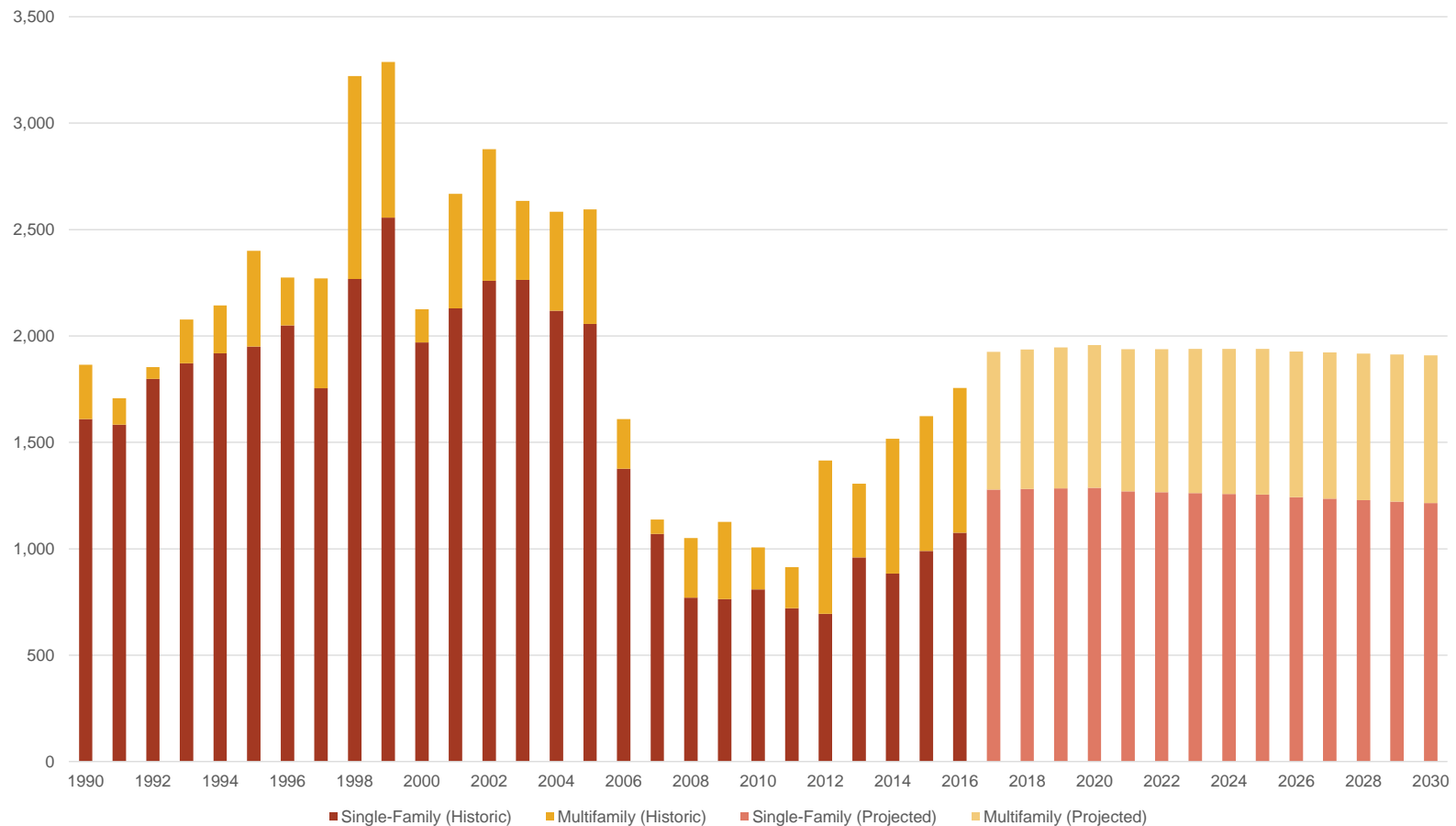
ASSUMPTION	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>HOUSEHOLDS 65+</b>																						
<i>Income-Qualified Demand for New Units: % Choose New</i>																						
Owner																						
Multi-Family (5+ Units)	40.0%							4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Single-Family Attached	2.0%							3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Single-Family Detached	5.1%							282	282	282	282	278	276	275	273	272	269	267	265	263	261	263
Renter																						
Multi-Family (5+ Units)	15.0%							91	93	95	97	98	99	101	102	104	105	106	107	108	109	113
Single-Family Attached	0.0%							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Single-Family Detached	0.0%							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ALL HOUSEHOLDS</b>																						
<i>Income-Qualified Demand for New Units: % Choose New</i>																						
Owner																						
Multi-Family (5+ Units)	38.5%							32	32	32	32	31	31	31	30	30	30	30	29	29	29	29
Single-Family Attached	2.0%							8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Single-Family Detached	7.4%							1,271	1,273	1,276	1,279	1,262	1,258	1,254	1,250	1,246	1,234	1,227	1,220	1,214	1,207	1,222
Renter																						
Multi-Family (5+ Units)	19.8%							615	623	631	639	637	641	646	650	655	655	657	660	663	666	680

<sup>1</sup> STATS Indiana  
SOURCE: RCLCO; Moody's; American Community Survey PUMS; ESRI Business Analyst



## Exhibit II-2

### COMPARISON OF PROJECTED HOUSING DEMAND TO HISTORIC DEMAND FORT WAYNE MSA, IN 1990 - 2030



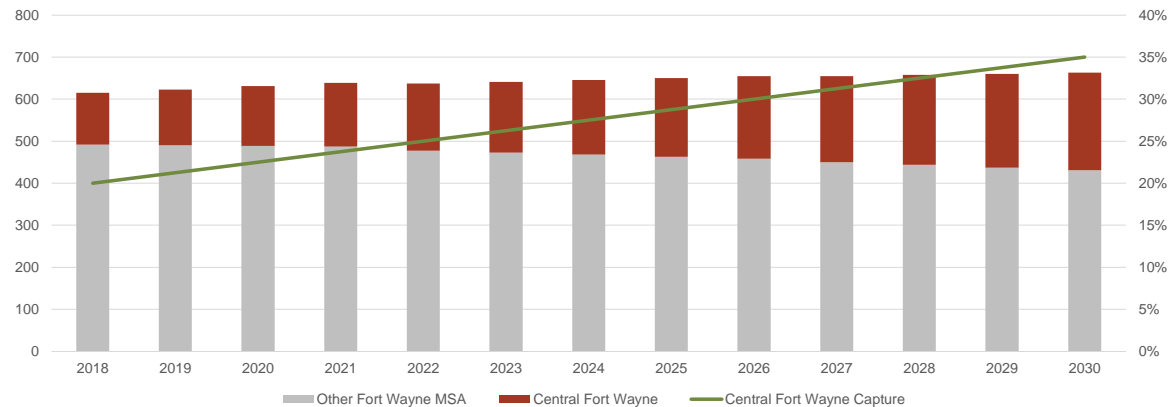
SOURCE: RCLCO; American Community Survey; Moody's Economy.com;

Exhibit II-3

**CAPTURE OF RENTAL APARTMENT DEMAND  
CENTRAL FORT WAYNE  
2018-2030**

	NEAR-TERM			MID-TERM					LONG-TERM				
DEMAND FOR NEW RENTAL APARTMENTS	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Fort Wayne MSA	615	623	631	639	637	641	646	650	655	655	657	660	663
Urban Capture <sup>1</sup>	20%	21%	23%	24%	25%	26%	28%	29%	30%	31%	33%	34%	35%
Central Fort Wayne	123	132	142	152	159	168	178	187	196	205	214	223	232
Subject Site Capture	25%	25%	25%	20%	20%	20%	20%	20%	17%	17%	17%	17%	17%
Subject Site	31	33	35	30	32	34	36	37	33	34	36	37	39

Subject Site Demand	
Near-Term	99
Mid-Term	169
Long-Term	178
<b>TOTAL</b>	<b>446</b>



<sup>1</sup> Assumes that 20% of new apartments will be built in Central Fort Wayne today, in line with recent deliveries. However, this capture is anticipated to 35% by 2030, in line with the current share of urban development in more established markets like Indianapolis and Columbus. These markets are expected to provide a basis of understanding for the trajectory of future growth in Fort Wayne, as its downtown continues to emerge.

SOURCE: RCLCO; CoStar

*Exhibit II-4*

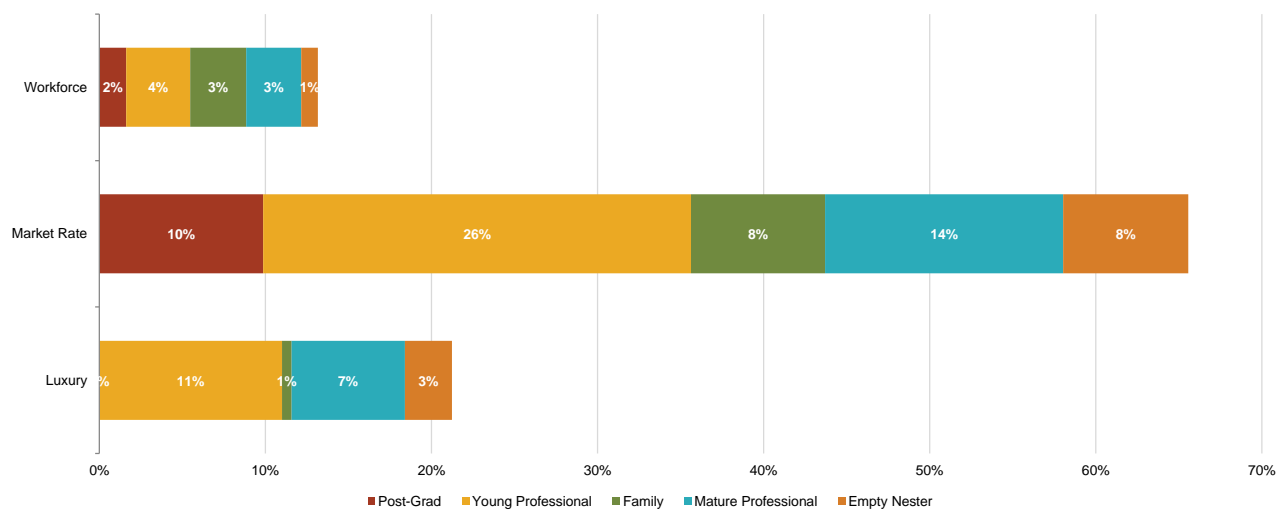
**ANNUAL MULTIFAMILY RENTER DEMAND FOR NEW UNITS BY AGE AND INCOME  
FORT WAYNE MSA  
2017-2022**

INCOME	AGE					TOTAL
	UNDER 25	25-34	35-54	55-64	65+	
UNDER \$35,000	0%	0%	0%	0%	0%	<b>0%</b>
\$35,000 - \$49,999	4%	11%	6%	2%	2%	<b>24%</b>
\$50,000 - \$74,999	7%	21%	10%	2%	3%	<b>43%</b>
\$75,000 - \$99,999	2%	10%	5%	1%	1%	<b>19%</b>
\$100,000 AND OVER	1%	6%	4%	1%	1%	<b>13%</b>
<b>TOTAL</b>	<b>13%</b>	<b>48%</b>	<b>26%</b>	<b>6%</b>	<b>7%</b>	<b>100%</b>

SOURCE: Esri; American Community Survey PUMS; RCLCO

*Exhibit II-5*

**ANNUAL MULTIFAMILY RENTER DEMAND FOR NEW UNITS BY LIFESTAGE AND ECONOMIC SEGMENT  
FORT WAYNE MSA  
2017-2022**



ECONOMIC SEGMENT	LIFESTAGE					TOTAL
	YOUNG		FAMILY	MATURE		
	POST-GRAD	PROFESSIONAL		PROFESSIONAL	EMPTY NESTER	
WORKFORCE	2%	4%	3%	3%	1%	13%
MARKET RATE	10%	26%	8%	14%	8%	66%
LUXURY	0%	11%	1%	7%	3%	21%
TOTAL	11%	41%	12%	24%	11%	100%

SOURCE: Esri; American Community Survey PUMS; RCLCO

## Exhibit II-6

**ANNUAL MULTIFAMILY RENTER DEMAND FOR NEW UNITS BY LIFESTAGE, ECONOMIC SEGMENT, AND UNIT TYPE  
FORT WAYNE MSA  
2017-2022**

ECONOMIC SEGMENT	UNIT TYPE	LIFESTAGE					TOTAL
		POST-GRAD	YOUNG PROFESSIONAL	FAMILY	MATURE PROFESSIONAL	EMPTY NESTER	
WORKFORCE	Studio	0%	0%	0%	2%	0%	0%
	1-bedroom	28%	17%	0%	29%	17%	17%
	2-bedroom	64%	74%	70%	49%	58%	64%
	3-bedroom +	7%	9%	30%	21%	25%	18%
MARKET RATE	Studio	23%	8%	0%	2%	8%	8%
	1-bedroom	34%	42%	0%	48%	61%	39%
	2-bedroom	25%	42%	72%	40%	28%	41%
	3-bedroom +	18%	8%	28%	10%	4%	12%
LUXURY	Studio	0%	9%	38%	8%	0%	8%
	1-bedroom	0%	48%	0%	79%	61%	58%
	2-bedroom	0%	42%	28%	14%	39%	32%
	3-bedroom +	0%	1%	34%	0%	0%	1%
TOTAL	Studio	20%	7%	2%	3%	5%	7%
	1-bedroom	33%	41%	0%	54%	57%	40%
	2-bedroom	30%	45%	69%	34%	33%	42%
	3-bedroom +	17%	6%	29%	9%	5%	11%
TOTAL TARGET SEGMENTS	Studio	20%	7%	0%	3%	5%	8%
	1-bedroom	33%	41%	0%	54%	57%	46%
	2-bedroom	30%	45%	0%	34%	33%	39%
	3-bedroom +	17%	6%	0%	9%	5%	8%

NOTE: Target segments include all market segments except for family households, which tend to gravitate towards more suburban locations

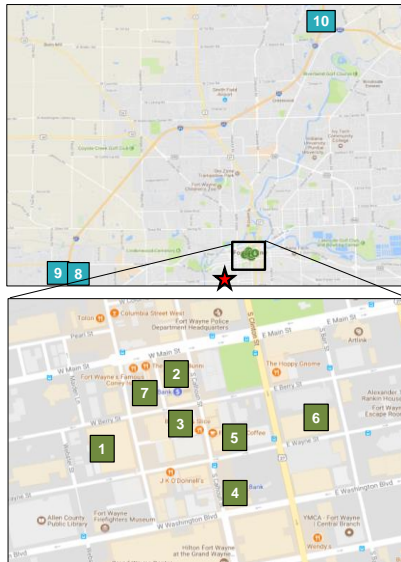
SOURCE: Esri; American Community Survey PUMS; RCLCO



### III. OFFICE COMPETITIVE SUPPLY

## Exhibit III-1

### COMPARABLE OFFICE DEVELOPMENTS CENTRAL FORT WAYNE APRIL 2018



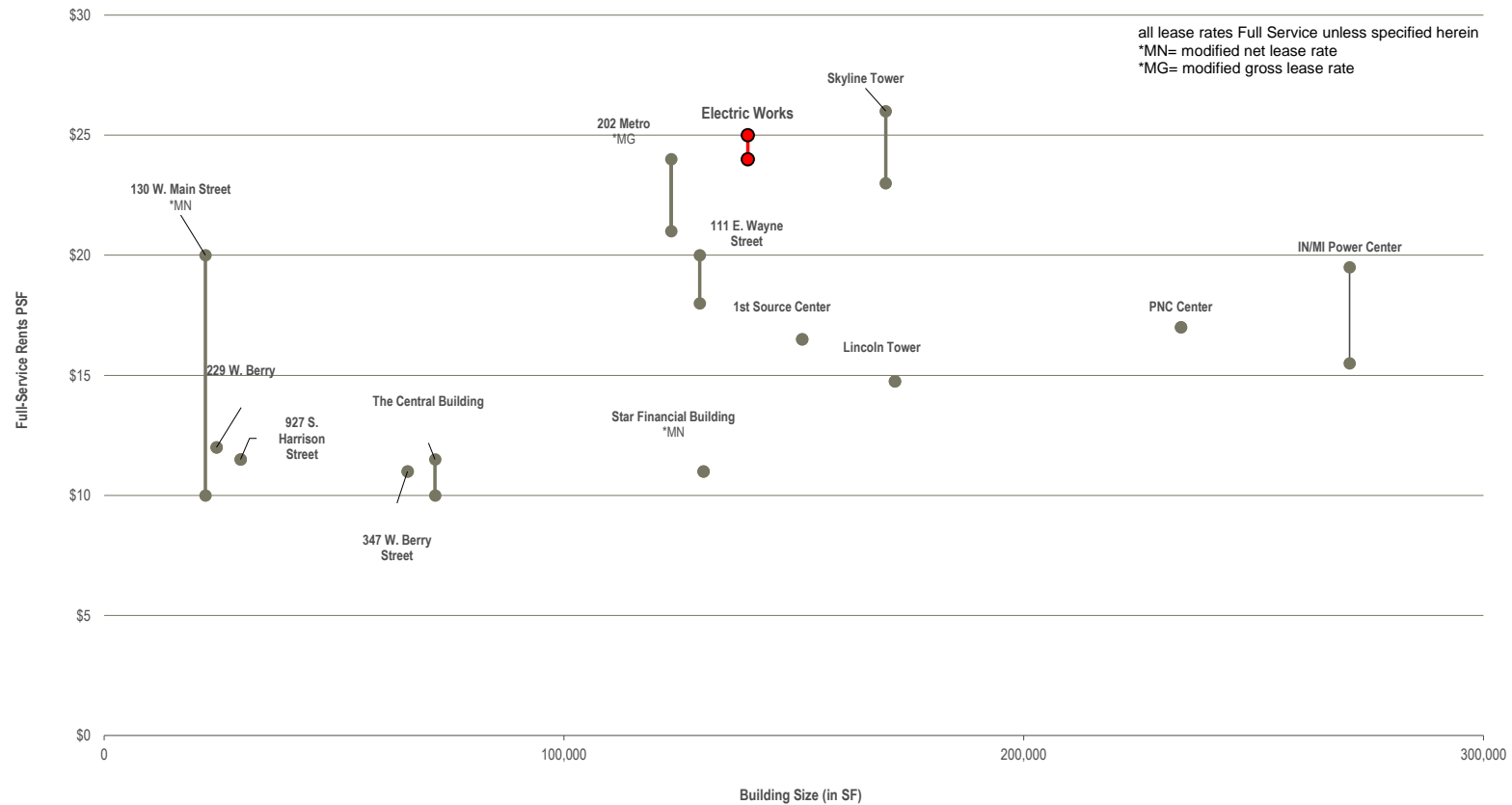
RELEVANT OFFICE DEVELOPMENTS										
MAP KEY	NAME	ADDRESS	TYPE	YEAR	SQ. FT.	STORIES/ BUILDINGS	CLASS	ASKING RENT	OCC. RATE	SELECT TENANTS
<b>CORPORATE URBAN</b>										
1	Ash Skyline Plaza	818 S Harrison St	Office	2016	116,600	6	A	\$25	100%	Barnes and Thorne, DMA
2	PNC Center	110 W Berry St	Office	1970	246,346	26	A	\$17	97%	PNC Bank, Faegre Baker, Empryan Events
3	ATRIUM: Start Fort Wayne	111 W Berry St	CoWork	1910	5,500					
4	Indiana Michigan Power Center	110 E Wayne St	Office	1981	270,000	26	A	\$16	99%	Chase Bank, Indiana Michigan Power, One Summit II
5	Wells Fargo Indiana Center	111 E Wayne St	Office	1995	137,829	8	B	\$18 - \$20	80%	Wells Fargo Bank, Elevatus Architecture, Arete Holdings
6	Citizens Square	200 E Berry St.	Office	1978	267,000	5	A	N/A	100%	City of Fort Wayne, Fort Wayne Planning
7	202 Metro	202 W Berry St	Office	1974 <sup>1</sup>	123,400	8	A	\$21 - \$24	52%	City of Fort Wayne, Fort Wayne Planning
<b>CORPORATE SUBURBAN</b>										
8	Swiss RE	1800 Magnavox Way	Office	2010	80,302	3 stories	A	N/A	100%	Lassus Bros
9	SDI Corporate Center	6714 Pointe Inverness Way	Office	2000	50,000	2 stories	A	\$20	100%	West Point Financial Group, Hylant Group
10	Dupont Office Center	9910 Dupont Circle Dr. E.	Office	1999 - 2001	187,633	3 buildings	A/B	\$19	61%	Raymond James, Merrill Lynch, Trine University

★ Subject Site

<sup>1</sup> Currently under renovation  
SOURCE: CoStar, Loopnet; RCLCO

## Exhibit III-2

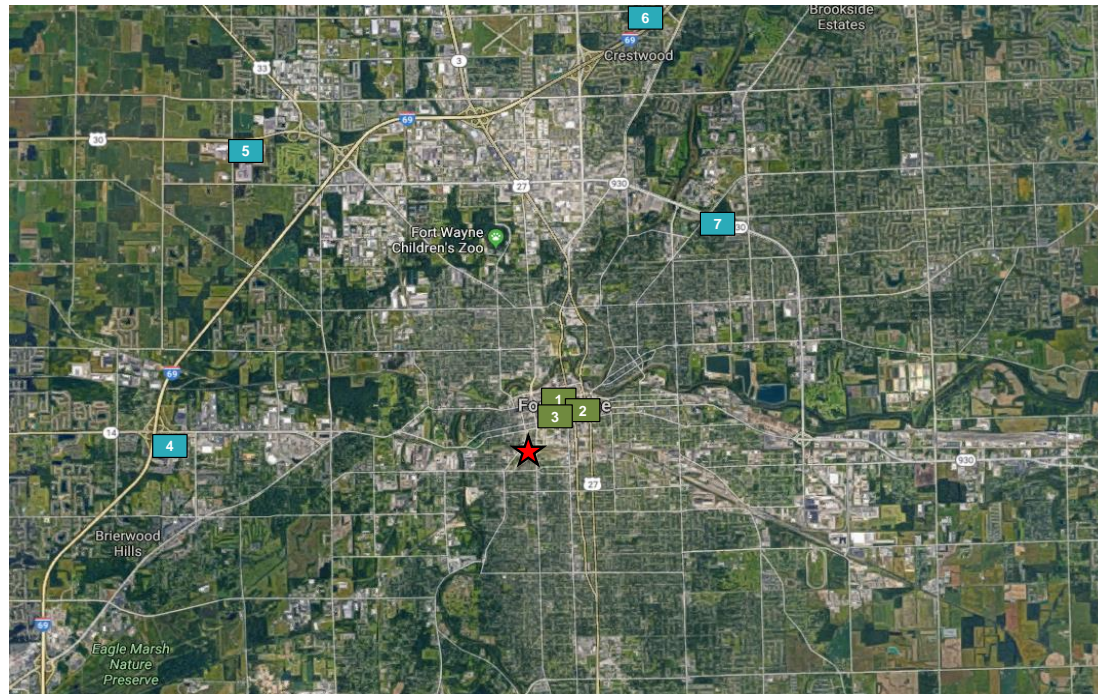
### PRICE-TO-SIZE COMPARISON OF DOWNTOWN OFFICE BUILDINGS FORT WAYNE, INDIANA APRIL 2018



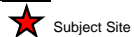
NOTE: All lease rates are full-service unless specified otherwise  
SOURCE: RCLCO; Greenstreet Ltd.; Zacher Company; CoStar

## Exhibit III-3

### RELEVANT LEASING ACTIVITY CENTRAL FORT WAYNE APRIL 2018



RELEVANT OFFICE DEVELOPMENTS											
MAP KEY	TENANT	ADDRESS	YEAR BUILT	LEASE DATE	LEASED SQ. FT.	BUILDING SQ. SF	LEASE TERM	RENT	TI / SF	PARKING SPACES	OTHER NOTES
<b>CORPORATE URBAN</b>											
1	Indiana Michigan Power Company	110 E Wayne St	1981	10/2014	105,000	270,000	15 Years	\$19.50 FS	\$47.62	N/A	Indiana Michigan leased top nine floors of the building
2	North American Van Lines, Inc.	110 E Wayne St	1981	8/2017	77,000	270,000	10 Years	\$15.00 FS	\$44.57	425 Spaces @ Avg. \$26.60 / Month	Increases to \$15.92 in Year 4, then \$16.89 in Year 7
3	Lutheran Health Network	219 W Wayne St	1920	7/2017	6,150	8,200	10 Years	\$15.50 MG	N/A	13 Spaces	Major renovation; tenant pays electric and janitorial, plus tax increase
<b>CORPORATE SUBURBAN</b>											
4	Community Health Systems	1700 Magnavox Way	1990	10/2014	60,000	347,000	10 Years	\$16.50 FS	\$20.00	3.1 Spaces / 1,000 SF	
5	CRST	5001 US Highway 30	1977	11/2015	35,690	280,500	5 Years	\$12.00 NNN	N/A	1,700 Parking Spaces	
6	Triple Crown Services Company	2720 Dupont Commerce Ct	1999	1/2017	12,017	58,200	5 Years	\$17.50 FS	N/A	244 Parking Spaces	
7	Rea Magnet Wire Co., Inc.	3400 E Coliseum Blvd	1987	5/2015	23,343	59,356	10.3 Years	\$15.50 FS	\$12.85	4.5 Spaces / 1,000 SF	Relocation of corporate HQ; Landlord received a buyout from GE



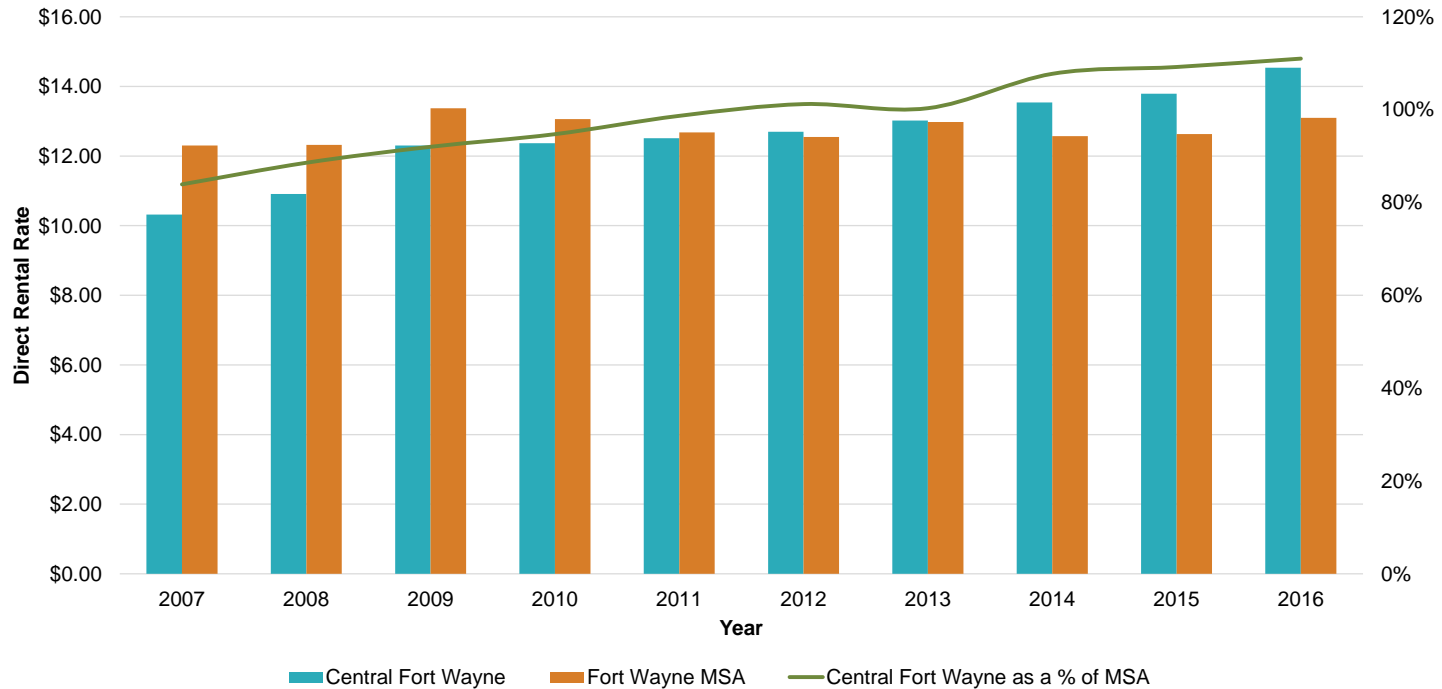
Subject Site

SOURCE: The Zacher Company; RCLCO

## Exhibit III-4

### OFFICE DIRECT RENTAL RATE CENTRAL FORT WAYNE AND FORT WAYNE MSA 2007-2016

	HISTORIC DIRECT BASE RENT									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Central Fort Wayne	\$10.32	\$10.91	\$12.30	\$12.37	\$12.51	\$12.70	\$13.02	\$13.54	\$13.79	\$14.54
Fort Wayne MSA	\$12.30	\$12.32	\$13.37	\$13.06	\$12.68	\$12.55	\$12.98	\$12.57	\$12.63	\$13.10
Central Fort Wayne as a % of MSA	83.9%	88.6%	92.0%	94.7%	98.7%	101.2%	100.3%	107.7%	109.2%	111.0%



NOTE: Excludes buildings less than 5,000 square feet  
SOURCE: CoStar



## IV. OFFICE DEMAND

## Exhibit IV-1

**LONG-TERM OFFICE DEMAND MODEL  
FORT WAYNE, IN MSA  
2010-2030**

PROJECTED														
	NAICS	ASSUMPTIONS	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
MSA EMPLOYMENT <sup>1</sup>														
Non-Farm Employment		1.0%	201,543	205,139	207,216	209,059	211,698	216,450	218,575	221,259	223,510	225,784	228,082	230,402
DISTRIBUTION OF EMPLOYMENT BY SECTOR <sup>2</sup>														
Natural Resources and Mining	11-21	-0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
Utilities	22	-0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Construction	23	12.3%	4.4%	4.5%	4.3%	4.4%	4.4%	4.5%	4.6%	4.8%	4.9%	4.9%	5.0%	5.1%
Manufacturing	31-33	12.4%	15.7%	15.9%	16.1%	16.2%	16.2%	16.2%	16.1%	16.0%	16.0%	15.9%	15.9%	15.9%
Wholesale Trade	42	-0.4%	5.4%	5.2%	5.2%	5.2%	5.1%	5.1%	4.9%	4.8%	4.8%	4.7%	4.7%	4.6%
Retail Trade	44-45	12.3%	10.6%	10.7%	10.7%	10.6%	10.7%	10.7%	10.7%	10.7%	10.7%	10.7%	10.8%	10.8%
Transportation & Warehousing	48-49	2.3%	3.5%	3.7%	3.9%	3.9%	3.8%	3.9%	3.8%	3.8%	3.8%	3.8%	3.8%	3.7%
Information	51	-4.1%	1.6%	1.6%	1.6%	1.6%	1.4%	1.3%	1.3%	1.2%	1.2%	1.1%	1.1%	1.0%
Financial Activities	52-53	2.0%	5.7%	5.7%	5.6%	5.5%	5.4%	5.3%	5.3%	5.3%	5.3%	5.3%	5.2%	5.2%
Professional & Business Services	54-56	8.5%	10.3%	10.4%	10.0%	9.7%	9.9%	9.9%	9.7%	9.6%	9.6%	9.6%	9.6%	9.6%
Educational & Health Services	61-62	27.4%	17.7%	17.5%	18.0%	18.3%	18.1%	18.2%	18.7%	18.8%	18.9%	18.9%	19.0%	19.1%
Leisure & Hospitality	71-72	14.8%	9.1%	9.1%	9.2%	9.3%	9.4%	9.6%	9.7%	9.6%	9.7%	9.7%	9.8%	9.8%
Other Services	81	7.5%	4.9%	4.9%	5.0%	5.2%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.4%
State & Local Government	92	5.3%	10.9%	10.6%	10.1%	10.0%	9.9%	9.8%	9.7%	9.7%	9.7%	9.7%	9.6%	9.6%
MSA EMPLOYMENT BY SECTOR														
OFFICE-USING														
Natural Resources and Mining	11-21	0%	135	124	120	125	105	110	110	111	108	106	103	101
Utilities	22	5%	485	466	470	445	441	423	412	419	414	409	404	400
Construction	23	5%	8,917	9,248	8,999	9,110	9,339	9,840	10,148	10,613	10,890	11,171	11,454	11,739
Manufacturing	31-33	5%	31,678	32,550	33,434	33,876	34,388	35,121	35,299	35,387	35,666	35,947	36,323	36,519
Wholesale Trade	42	5%	10,898	10,617	10,712	10,779	10,892	11,026	10,736	10,729	10,720	10,710	10,701	10,692
Retail Trade	44-45	0%	21,390	21,848	22,207	22,179	22,739	23,067	23,422	23,683	23,961	24,241	24,524	24,810
Transportation & Warehousing	48-49	5%	6,979	7,540	8,023	8,150	8,074	8,351	8,275	8,427	8,478	8,530	8,582	8,635
Information	51	60%	3,133	3,292	3,410	3,243	3,025	2,825	2,798	2,741	2,648	2,555	2,460	2,365
Financial Activities	52-53	62%	11,532	11,685	11,529	11,547	11,334	11,442	11,576	11,795	11,841	11,887	11,934	11,981
Professional & Business Services	54-56	70%	20,804	21,322	20,640	20,294	20,901	21,392	21,184	21,335	21,527	21,721	21,917	22,115
Educational & Health Services	61-62	15%	35,625	35,878	37,290	38,177	38,366	39,493	40,820	41,523	42,140	42,764	43,394	44,031
Leisure & Hospitality	71-72	5%	18,308	18,739	19,085	19,437	19,874	20,714	21,113	21,240	21,573	21,909	22,248	22,591
Other Services	81	5%	9,783	10,150	10,287	10,770	11,200	11,434	11,476	11,686	11,855	12,026	12,198	12,373
State & Local Government	92	15%	21,876	21,680	21,010	20,927	21,020	21,212	21,206	21,570	21,689	21,809	21,930	22,052
Office-Using Employment			36,570	37,245	36,937	36,805	37,091	37,715	37,862	38,281	38,553	38,829	39,107	39,387
CREATIVE OFFICE EMPLOYMENT														
% in Creative Sectors <sup>3</sup>			20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
% in Creative Sectors Choosing Creative Office <sup>4</sup>			16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%
% Creative Office-Using Employment			3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Creative Office-Using Employment			1,154	1,175	1,166	1,162	1,171	1,190	1,195	1,208	1,208	1,208	1,208	1,208
Future Creative Office-Using Employment											9	17	26	35
Total Creative Office-Using Employment			1,154	1,175	1,166	1,162	1,171	1,190	1,195	1,208	1,217	1,225	1,234	1,243
PROJECTED MSA CREATIVE OFFICE DEMAND														
Demand for Creative Office from Employment Growth, SF	90%	550									5,254	5,307	5,361	5,416
Demand for Creative Office from Turnover of Older Existing Space, SF	20%	50%									73,830	73,830	73,830	73,830
Supported Creative Office Supply Additions											5,254	5,307	5,361	5,416
PROJECTED SITE CREATIVE OFFICE DEMAND														
Subject Site Demand from New Users										50%	2,627	2,654	2,681	2,708
Subject Site Demand from Existing Users in Turnover										25%	18,457	18,457	18,457	18,457
SUBJECT SITE DEMAND											21,100	21,100	21,100	21,200
CUMULATIVE SUBJECT SITE DEMAND											21,100	42,200	63,300	84,500

## Exhibit IV-1

### LONG-TERM OFFICE DEMAND MODEL FORT WAYNE, IN MSA 2010-2030

										PROJECTED				
	NAICS	ASSUMPTIONS	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
TRADITIONAL OFFICE EMPLOYMENT														
% Traditional Office-Using Employment			96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%
Existing Office-Using Employment			35,416	36,069	35,772	35,643	35,921	36,524	36,667	37,073	37,073	37,073	37,073	37,073
Future Office-Using Employment											264	530	800	1,072
Total Office-Using Employment			35,416	36,069	35,772	35,643	35,921	36,524	36,667	37,073	37,337	37,603	37,872	38,144
Entire MSA (Including Downtown)														
Inventory <sup>2</sup>				12,597,400	12,597,400	12,951,852	12,953,208	12,909,387	12,917,403	12,961,943	12,961,943	12,961,943	12,961,943	12,961,943
Occupied Space, If Stabilized			90%	11,337,660	11,337,660	11,656,667	11,657,887	11,618,448	11,625,663	11,665,749	11,665,749	11,665,749	11,665,749	11,665,749
Office Demand from Employment Growth, SF										250	65,956	66,628	67,305	67,990
Vacancy Rate <sup>3</sup>				17.0%	17.3%	16.6%	15.2%	14.4%	13.9%	14.0%	13.5%	13.1%	12.6%	12.1%
Occupied Space, Actual/Projected				10,462,141	10,418,050	10,808,320	10,980,434	11,050,435	11,128,343	11,149,863	11,209,224	11,269,189	11,329,764	11,390,955
Supported Traditional Office Supply Additions											0	0	0	0
Downtown														
Inventory <sup>2</sup>				5,609,760	5,609,760	5,589,638	5,502,241	5,502,241	5,487,381	5,454,385	5,454,385	5,731,585	5,827,485	5,924,485
Occupied Space, If Stabilized			90%	5,048,784	5,048,784	5,030,674	4,952,017	4,952,017	4,938,643	4,908,947	4,908,947	5,158,427	5,244,737	5,332,037
% of Tenants Choosing Downtown <sup>4</sup>			0.5%	49.3%	49.0%	47.1%	45.7%	44.9%	44.8%	45.5%	45.5%	46.0%	46.5%	47.0%
Demand for Urban Office from Employment Growth, SF										250	30,010	30,648	31,297	31,955
Demand for Urban Office from Turnover of Suburban Office, SF <sup>7</sup>			10%	80%							55,298	55,667	56,027	56,378
Vacancy Rate <sup>3</sup>				8.0%	9.0%	9.0%	8.8%	9.8%	9.2%	7.0%	5.4%	8.5%	8.5%	8.5%
Occupied Space, Actual/Projected				5,160,979	5,104,882	5,087,689	5,016,943	4,961,921	4,982,542	5,073,123	5,158,431	5,244,746	5,332,069	5,420,402
Supported Traditional Office Supply Additions											277,200	95,900	97,000	98,200
PROJECTED SITE TRADITIONAL OFFICE DEMAND														
Subject Site Capture of Downtown Demand											50%	33%	33%	33%
SUBJECT SITE DEMAND											138,600	32,000	32,300	32,700
CUMULATIVE SUBJECT SITE DEMAND											138,600	170,600	202,900	235,600

<sup>1</sup> Future employment is projected based on the historic job growth rate from 2010 to 2017, as well as the long-term job growth rate from 1990 to 2007

<sup>2</sup> Projected changes in the distribution of employment are assumed to occur at the same rate that they have in the past five years

<sup>3</sup> Based on the share of office-using employment that falls into "creative office" categories, such as architectural services, graphic/interior design services, advertisement agencies, etc.

<sup>4</sup> RCLCO assumption based on firm sizes in the Fort Wayne MSA; assumes 5% of employees for 1-4 person firms, 50% of employees for 5-9 person firms, 30% of employees for 10-19 person firms, 10% of employees for 20-49 person firms, and 5% of employees for 50-99 person firms choose creative office

<sup>5</sup> The Zacker Company

<sup>6</sup> Based on the distribution of occupied space in the market; assumes that share will increase by 0.5% per year going forward

<sup>7</sup> This capture reflects the share of suburban office tenants in turnover which would be likely to move from older suburban spaces to newer urban ones.

Assumes that 10% of office leases turn over each year, that 20% of those leases are not renewed, and that 45% to 50% of those suburban office tenants in turnover would likely move to Downtown Fort Wayne.

SOURCE: RCLCO; The Zacker Company; Moody's Analytics; CoStar

## Exhibit IV-1

### LONG-TERM OFFICE DEMAND MODEL FORT WAYNE, IN MSA 2010-2030

						PROJECTED									
	NAICS	ASSUM- PTIONS	2010	2011	2012	2022	2023	2024	2025	2026	2027	2028	2029	2030	
MSA EMPLOYMENT <sup>1</sup>															
Non-Farm Employment		1.0%	201,543	205,139	207,216	232,747	235,115	237,507	239,924	242,365	244,831	247,322	249,838	252,380	
DISTRIBUTION OF EMPLOYMENT BY SECTOR <sup>2</sup>															
Natural Resources and Mining	11-21	-0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Utilities	22	-0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	
Construction	23	12.3%	4.4%	4.5%	4.3%	5.2%	5.2%	5.3%	5.4%	5.5%	5.5%	5.6%	5.7%	5.7%	
Manufacturing	31-33	12.4%	15.7%	15.9%	16.1%	15.8%	15.8%	15.7%	15.7%	15.7%	15.6%	15.6%	15.6%	15.5%	
Wholesale Trade	42	-0.4%	5.4%	5.2%	5.2%	4.6%	4.5%	4.5%	4.4%	4.4%	4.3%	4.3%	4.2%	4.2%	
Retail Trade	44-45	12.3%	10.6%	10.7%	10.7%	10.8%	10.8%	10.8%	10.8%	10.8%	10.9%	10.9%	10.9%	10.9%	
Transportation & Warehousing	48-49	2.3%	3.5%	3.7%	3.9%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.6%	3.6%	3.6%	
Information	51	-4.1%	1.6%	1.6%	1.6%	1.0%	0.9%	0.9%	0.8%	0.8%	0.7%	0.7%	0.6%	0.6%	
Financial Activities	52-53	2.0%	5.7%	5.7%	5.6%	5.2%	5.1%	5.1%	5.1%	5.0%	5.0%	5.0%	5.0%	4.9%	
Professional & Business Services	54-56	8.5%	10.3%	10.4%	10.0%	9.6%	9.6%	9.6%	9.6%	9.5%	9.5%	9.5%	9.5%	9.5%	
Educational & Health Services	61-62	27.4%	17.7%	17.5%	18.0%	19.2%	19.3%	19.4%	19.4%	19.5%	19.6%	19.7%	19.8%	19.8%	
Leisure & Hospitality	71-72	14.8%	9.1%	9.1%	9.2%	9.9%	9.9%	10.0%	10.0%	10.1%	10.1%	10.1%	10.2%	10.2%	
Other Services	81	7.5%	4.9%	4.9%	5.0%	5.4%	5.4%	5.4%	5.5%	5.5%	5.5%	5.5%	5.5%	5.6%	
State & Local Government	92	5.3%	10.9%	10.6%	10.1%	9.5%	9.5%	9.4%	9.4%	9.4%	9.3%	9.3%	9.2%	9.2%	
MSA EMPLOYMENT BY SECTOR															
OFFICE-USING															
Natural Resources and Mining	11-21	0%	135	124	120	98	95	92	90	87	84	81	78	75	
Utilities	22	5%	485	466	470	395	389	384	379	374	369	363	358	353	
Construction	23	5%	8,917	9,248	8,999	12,028	12,320	12,615	12,912	13,213	13,517	13,824	14,134	14,447	
Manufacturing	31-33	5%	31,678	32,550	33,434	36,810	37,103	37,399	37,699	38,001	38,306	38,615	38,927	39,241	
Wholesale Trade	42	5%	10,898	10,617	10,712	10,682	10,672	10,662	10,653	10,643	10,632	10,622	10,612	10,601	
Retail Trade	44-45	0%	21,390	21,848	22,207	25,099	25,391	25,686	25,984	26,285	26,589	26,896	27,206	27,520	
Transportation & Warehousing	48-49	5%	6,979	7,540	8,023	8,688	8,742	8,796	8,851	8,906	8,962	9,019	9,076	9,134	
Information	51	60%	3,133	3,292	3,410	2,268	2,171	2,072	1,973	1,873	1,771	1,669	1,565	1,460	
Financial Activities	52-53	62%	11,532	11,685	11,529	12,029	12,077	12,125	12,174	12,224	12,274	12,325	12,376	12,428	
Professional & Business Services	54-56	70%	20,804	21,322	20,640	22,315	22,517	22,721	22,928	23,136	23,346	23,559	23,774	23,991	
Educational & Health Services	61-62	15%	35,625	35,878	37,290	44,674	45,323	45,979	46,642	47,312	47,988	48,671	49,361	50,058	
Leisure & Hospitality	71-72	5%	18,308	18,739	19,085	22,938	23,288	23,641	23,998	24,359	24,724	25,092	25,464	25,839	
Other Services	81	5%	9,783	10,150	10,287	12,549	12,726	12,906	13,087	13,271	13,456	13,643	13,832	14,023	
State & Local Government	92	15%	21,876	21,680	21,010	22,175	22,300	22,426	22,554	22,682	22,812	22,944	23,076	23,210	
Office-Using Employment						36,570	37,245	36,937	39,671	39,958	40,247	40,540	40,835	41,133	
CREATIVE OFFICE EMPLOYMENT															
% in Creative Sectors <sup>3</sup>			20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	
% in Creative Sectors Choosing Creative Office <sup>4</sup>			16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	16.0%	
% Creative Office-Using Employment			3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	
Creative Office-Using Employment			1,154	1,175	1,166	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	
Future Creative Office-Using Employment						44	53	62	71	81	90	100	109	119	
Total Creative Office-Using Employment			1,154	1,175	1,166	1,252	1,261	1,270	1,279	1,289	1,298	1,308	1,317	1,327	
PROJECTED MSA CREATIVE OFFICE DEMAND															
Demand for Creative Office from Employment Growth, SF		90%	550			5,471	5,527	5,583	5,640	5,697	5,755	5,814	5,873	5,933	
Demand for Creative Office from Turnover of Older Existing Space, SF		20%	50%			73,830	73,830	73,830	73,830	73,830	73,830	73,830	73,830	73,830	
Supported Creative Office Supply Additions						5,471	5,527	5,583	5,640	5,697	5,755	5,814	5,873	5,933	
PROJECTED SITE CREATIVE OFFICE DEMAND															
Subject Site Demand from New Users						2,736	2,763	2,792	2,820	2,849	2,878	2,907	2,936	2,966	
Subject Site Demand from Existing Users in Turnover						18,457	18,457	18,457	18,457	18,457	18,457	18,457	18,457	18,457	
SUBJECT SITE DEMAND						21,200	21,200	21,200	21,300	21,300	21,300	21,400	21,400	21,400	
CUMULATIVE SUBJECT SITE DEMAND						105,700	126,900	148,100	169,400	190,700	212,000	233,400	254,800	276,200	

## Exhibit IV-1

### LONG-TERM OFFICE DEMAND MODEL FORT WAYNE, IN MSA 2010-2030

					PROJECTED								
NAICS	ASSUM- PTIONS	2010	2011	2012	2022	2023	2024	2025	2026	2027	2028	2029	2030
TRADITIONAL OFFICE EMPLOYMENT													
% Traditional Office-Using Employment		96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%	96.84%
Existing Office-Using Employment		35,416	36,069	35,772	37,073	37,073	37,073	37,073	37,073	37,073	37,073	37,073	37,073
Future Office-Using Employment					1,346	1,624	1,904	2,187	2,473	2,762	3,054	3,349	3,647
Total Office-Using Employment		35,416	36,069	35,772	38,419	38,697	38,977	39,260	39,546	39,835	40,127	40,422	40,720
Entire MSA (Including Downtown)													
Inventory <sup>2</sup>			12,597,400	12,597,400	12,961,943	12,961,943	12,961,943	12,961,943	12,961,943	13,002,543	13,071,643	13,144,243	13,217,843
Occupied Space, If Stabilized	90%		11,337,660	11,337,660	11,665,749	11,665,749	11,665,749	11,665,749	11,665,749	11,702,289	11,764,479	11,829,819	11,896,059
Office Demand from Employment Growth, SF					68,682	69,381	70,087	70,800	71,520	72,248	72,983	73,726	74,476
Vacancy Rate <sup>3</sup>			17.0%	17.3%	11.6%	11.2%	10.7%	10.2%	9.7%	9.5%	9.4%	9.4%	9.4%
Occupied Space, Actual/Projected			10,462,141	10,418,050	11,452,769	11,515,212	11,578,290	11,642,010	11,706,378	11,771,401	11,837,086	11,903,439	11,970,467
Supported Traditional Office Supply Additions					0	0	0	0	40,600	69,100	72,600	73,600	74,400
Downtown													
Inventory <sup>2</sup>			5,609,760	5,609,760	6,022,685	6,121,985	6,222,285	6,323,885	6,426,485	6,530,285	6,635,185	6,741,185	6,848,385
Occupied Space, If Stabilized	90%		5,048,784	5,048,784	5,420,417	5,509,787	5,600,057	5,691,497	5,783,837	5,877,257	5,971,667	6,067,067	6,163,547
% of Tenants Choosing Downtown <sup>4</sup>	0.5%		49.3%	49.0%	47.5%	48.0%	48.5%	49.0%	49.5%	50.0%	50.5%	51.0%	51.5%
Demand for Urban Office from Employment Growth, SF					32,624	33,302	33,992	34,692	35,402	36,124	36,856	37,600	38,355
Demand for Urban Office from Turnover of Suburban Office, SF <sup>7</sup>	10%	80%			56,720	57,052	57,376	57,690	57,995	58,291	58,577	58,853	59,120
Vacancy Rate <sup>5</sup>			8.0%	9.0%	8.5%	8.5%	8.5%	8.5%	8.5%	8.6%	8.6%	8.6%	8.6%
Occupied Space, Actual/Projected			5,160,979	5,104,882	5,509,745	5,600,100	5,691,467	5,783,849	5,877,246	5,971,660	6,067,093	6,163,546	6,261,021
Supported Traditional Office Supply Additions					99,300	100,300	101,600	102,600	103,800	104,900	106,000	107,200	108,300
PROJECTED SITE TRADITIONAL OFFICE DEMAND													
Subject Site Capture of Downtown Demand					33%	33%	33%	33%	33%	33%	33%	33%	33%
SUBJECT SITE DEMAND					33,100	33,400	33,900	34,200	34,600	35,000	35,300	35,700	36,100
CUMULATIVE SUBJECT SITE DEMAND					268,700	302,100	336,000	370,200	404,800	439,800	475,100	510,800	546,900

<sup>1</sup> Future employment is projected based on the historic job growth rate from 2010 to 2017, as well as the long-term job growth rate from 1990 to 2007

<sup>2</sup> Projected changes in the distribution of employment are assumed to occur at the same rate that they have in the past five years

<sup>3</sup> Based on the share of office-using employment that falls into "creative office" categories, such as architectural services, graphic/interior design services, advertisement agencies, etc.

<sup>4</sup> RCLCO assumption based on firm sizes in the Fort Wayne MSA; assumes 5% of employees for 1-4 person firms, 50% of employees for 5-9 person firms, 30% of employees for 10-19 person firms, 10% of employees for 20-49 person firms, and 5% of employees for 50-99 person firms choose creative office

<sup>5</sup> The Zacker Company

<sup>6</sup> Based on the distribution of occupied space in the market; assumes that share will increase by 0.5% per year going forward

<sup>7</sup> This capture reflects the share of suburban office tenants in turnover which would be likely to move from older suburban spaces to newer urban ones.

Assumes that 10% of office leases turn over each year, that 20% of those leases are not renewed, and that 45% to 50% of those suburban office tenants in turnover would likely move to Downtown Fort Wayne.

SOURCE: RCLCO; The Zacker Company; Moody's Analytics; CoStar

## Exhibit IV-2

### CREATIVE OFFICE USING EMPLOYEES FORT WAYNE, IN MSA APRIL 2018

FORT WAYNE MSA						
	OFFICE-USING EMPLOYEES	% CREATIVE	CREATIVE AND OFFICE- USING EMPLOYEES	% CHOOSE CREATIVE OFFICE	CREATIVE OFFICE- USING EMPLOYMENT	% CREATIVE OFFICE- USING EMPLOYMENT
2016	37,862	19.7%	7,473	16.0%	1,195	3.16%

CREATIVE EMPLOYMENT IN FORT WAYNE, IN MSA										
	COWORK/INFORMAL	SMALL SUITES/INDIVIDUAL BUILDING	SMALL MULTITENANT SPACES		FULL FLOOR/MULTIPLE FLOORS		FULL BUILDING		TOTAL	
	620 SF 1-4 EMPLOYEES	1,620 SF 5-9 EMPLOYEES	3,620 SF 10-19 EMPLOYEES	7,620 SF 20-49 EMPLOYEES	18,000 SF 50-99 EMPLOYEES	35,000 SF 100-249 EMPLOYEES	80,000 SF 262-499 EMPLOYEES	175,000 SF 620-999 EMPLOYEES	300,000 SF 1,000+ EMPLOYEES	
2016										
Distribution By Size	57.1%	18.9%	10.1%	5.7%	1.8%	0.7%	0.2%	5.5%	0.1%	100.0%
Creative and Office-Using Employment	4,266	1,413	751	429	137	51	12	408	6	7,473
% Choose Creative Office	5.0%	50.0%	30.0%	10.0%	5.0%	0.0%	0.0%	0.0%	0.0%	16.0%
Creative Office-Using Employment	213	706	225	43	7	0	0	0	0	1,195

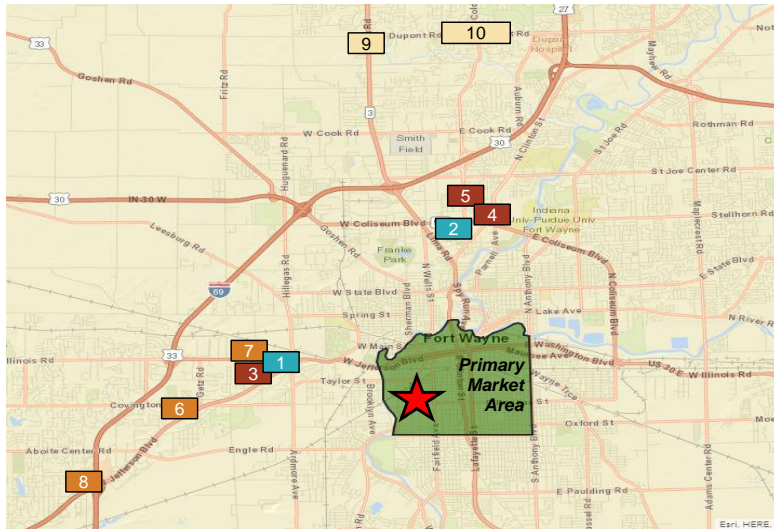
SOURCE: US Census Bureau County Business Patterns



## V. RETAIL COMPETITIVE SUPPLY

## Exhibit V-1

### MAP OF EXISTING SHOPPING CENTERS COMPETITIVE MARKET AREA APRIL 2018



SOURCE: CoStar; Google Maps

MAP KEY	PROPERTY NAME	LOCATION	RETAIL GLA	YEAR BUILT
<b>LIFESTYLE CENTERS</b>				
1	Jefferson Pointe	Fort Wayne, IN	600,000	2001
2	Glenbrook Square	Fort Wayne, IN	1,224,890	1966
<b>POWER CENTERS</b>				
3	Apple Glen Crossing	Fort Wayne, IN	438,796	1992
4	Northcrest Shopping Center	Fort Wayne, IN	246,292	1988
5	Coldwater Crossing	Fort Wayne, IN	567,747	1988
<b>COMMUNITY CENTERS</b>				
6	Covington Plaza	Fort Wayne, IN	182,866	1979
7	Orchard Crossing	Fort Wayne, IN	244,777	2008
8	The Village Shoppes	Fort Wayne, IN	280,331	2012
<b>NEIGHBORHOOD CENTERS</b>				
9	Lima Marketplace	Fort Wayne, IN	100,461	2008
10	Dupont Crossing	Fort Wayne, IN	93,671	1987

★ = Subject Site

## Exhibit V-2

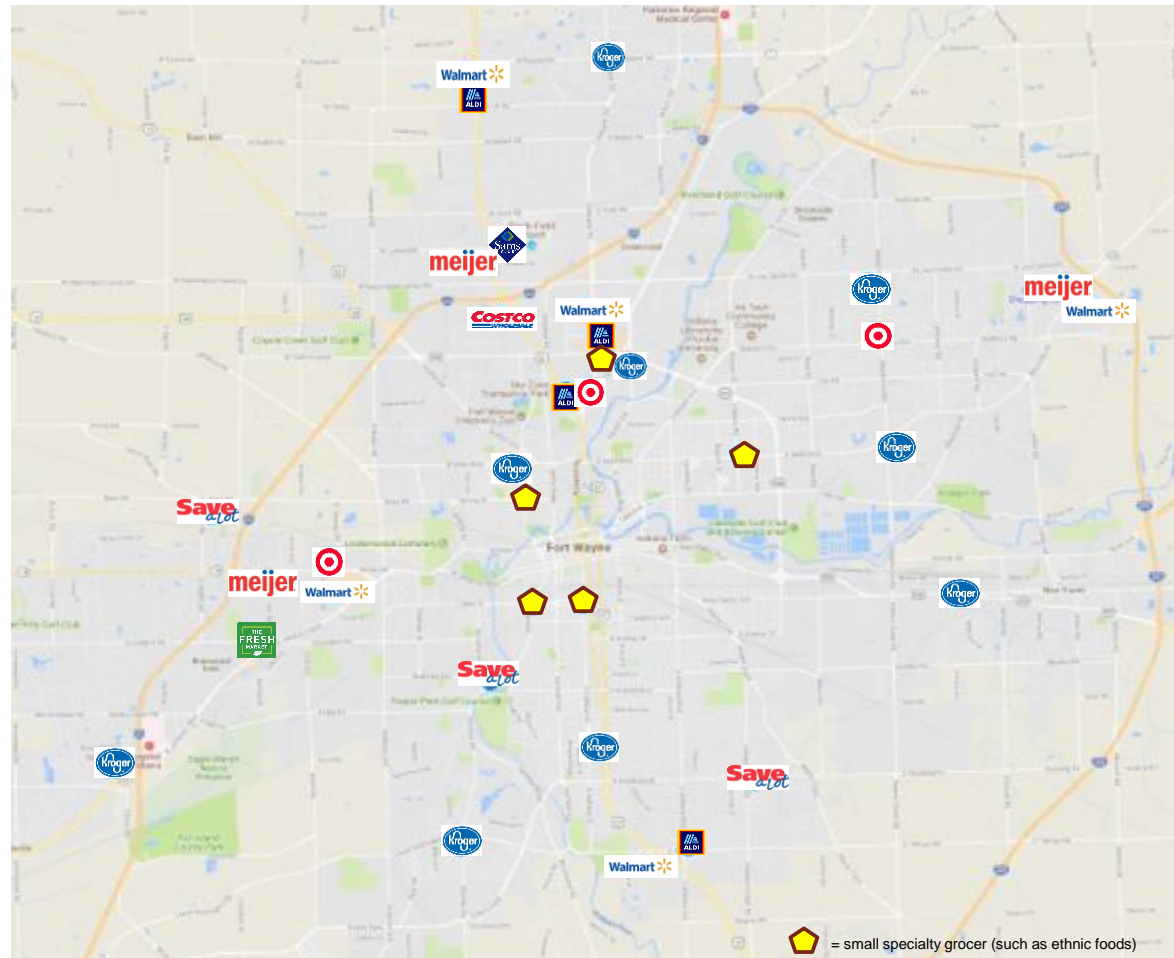
**EXISTING RETAIL CENTERS - REPRESENTATIVE SAMPLE  
COMPETITIVE MARKET AREA  
APRIL 2018**

MAP KEY	PROPERTY NAME STREET ADDRESS	SIZE (SF)	YEAR BUILT	NON-ANCHOR TENANT GLA	ANCHOR TENANT GLA	VACANT SF	VACANCY RATE (%)	CENTER TYPE	ASKING RENT (PSF NNN)	ANCHOR TENANTS	SELECTED OTHER TENANTS
<b>LIFESTYLE CENTER</b>											
1	<b>Jefferson Pointe</b> 4130 W Jefferson Blvd Fort Wayne, IN 46804	600,000	2001	331,812	268,188	32,011	5.3%	Lifestyle (open-air)	\$25 - 35	Carmike Theatre, Von Maur, Bed Bath & Beyond, Barnes & Noble	Old Navy, Talbots, Ulta, Victoria's Secret, White House Black Market, Panera Bread, American Eagle, Vera Bradley, Starbucks
2	<b>Glenbrook Square</b> 4201 Colwater Rd Fort Wayne, IN 46805	1,224,890	1966 <i>renov. 1998</i>	449,020	775,870	0	0.0%	Superregional	N/A	Sears, Carson's, Macy's, JCPenney	Forever 21, H&M, Pandora, Barnes & Noble, Sunglass Hut, Rue21, PacSun, Hollister, Hot Topic, Express
<b>POWER CENTERS</b>											
3	<b>Apple Glen Crossing</b> 1410-1760 Apple Glen Boulevard Fort Wayne, IN 46804	438,796	1992	93,568	345,228	13,248	3.0%	Power	N/A	Walmart Supercenter, Kohl's, Dick's Sporting Goods	Best Buy, PetSmart, Pier 1 Imports, Ethan Allen, Gap, Shoe Carnival, Sally Beauty Supply
4	<b>Northcrest Shopping Center</b> 801 Northcrest Shopping Center Fort Wayne, IN 46805	246,292	1988	72,292	174,000	3,733	1.5%	Power	\$12 - \$15.50	Best Buy, Kohl's, Value City Furniture, Office Depot	Ulta, TJ Maxx, Five Guys, Carter's, AAA, Jersey Mike's, Wells Fargo
5	<b>Coldwater Crossing</b> 211 W Washington Center Rd Fort Wayne, IN 46825	567,747	1988	191,425	376,322	7,350	1.3%	Power	N/A	Walmart Supercenter, Regal Cinema, Hobby Lobby, Dollar Tree	Hyatt Place, Agave Mexican Grill, Steak-n-Shake, Wendy's
<b>COMMUNITY CENTERS</b>											
6	<b>Covington Plaza</b> 6306 W Jefferson Blvd Fort Wayne, IN 46804	182,866	1979 <i>renov. 2000</i>	138,426	44,440	28,532	15.60%	Community	N/A	The Fresh Market, Office Depot	Planet Fitness, Goodwill, Jophiel
7	<b>Orchard Crossing</b> 1034 S Thomas Rd Fort Wayne, IN 46804	244,777	2008	67,935	176,842	6,509	2.66%	Community	N/A	Target, Gordmans	rue21, Dressbarn, Maurices, Arby's, Famous Footwear, Qdoba, FedEx, Kirkland's
8	<b>The Village Shoppes</b> 5519 Coventry Ln Fort Wayne, IN	280,331	2012	117,673	162,658	4,333	1.5%	Lifestyle	\$12.50	Kroger	Sports Center Inc, Buffalo Wild Wings, Fleet Feet Sports, Fred Meyer Jewelers, Starbucks
<b>NEIGHBORHOOD CENTERS</b>											
9	<b>Lima Marketplace</b> 10001 Lima Rd Fort Wayne, IN 46818	100,461	2008	28,940	71,521	5,254	5.23%	Neighborhood	N/A	Petsmart, Office Depot, Aldi, Dollar Tree (Walmart adjacent)	AT&T, Yoyo Yogurt, McDonald's, Arby's
10	<b>Dupont Crossing</b> 710 E. Dupont Road Fort Wayne, IN	93,671	1987	39,671	54,000	4,780	5.10%	Neighborhood	\$14.00	Earth Fare	Salvation Army, Belmont Beverages, Zianos, Subway

NOTE: Asking rent is representative of the lease rates for currently vacant space or, when data is available, space that has recently been leased but is no longer vacant.  
SOURCE: CoStar; leasing company websites

## Exhibit V-3

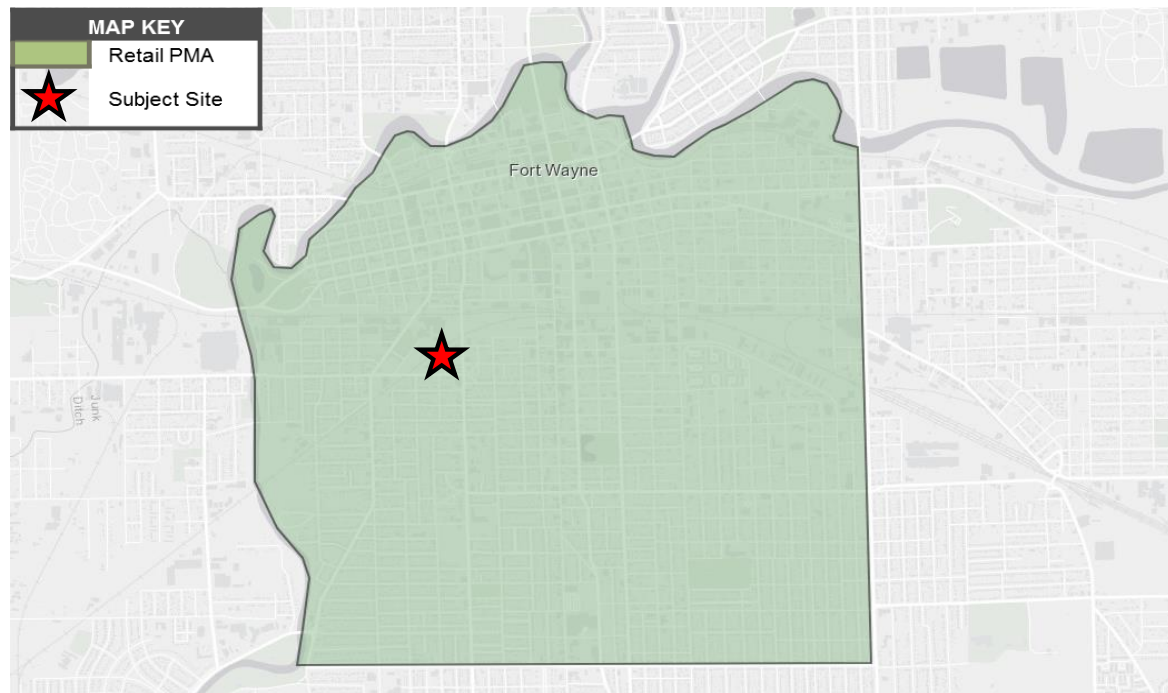
### GROCERY RETAIL MAP FORT WAYNE, IN APRIL 2018



SOURCE: CoStar; RCLCO

## *Exhibit V-4*

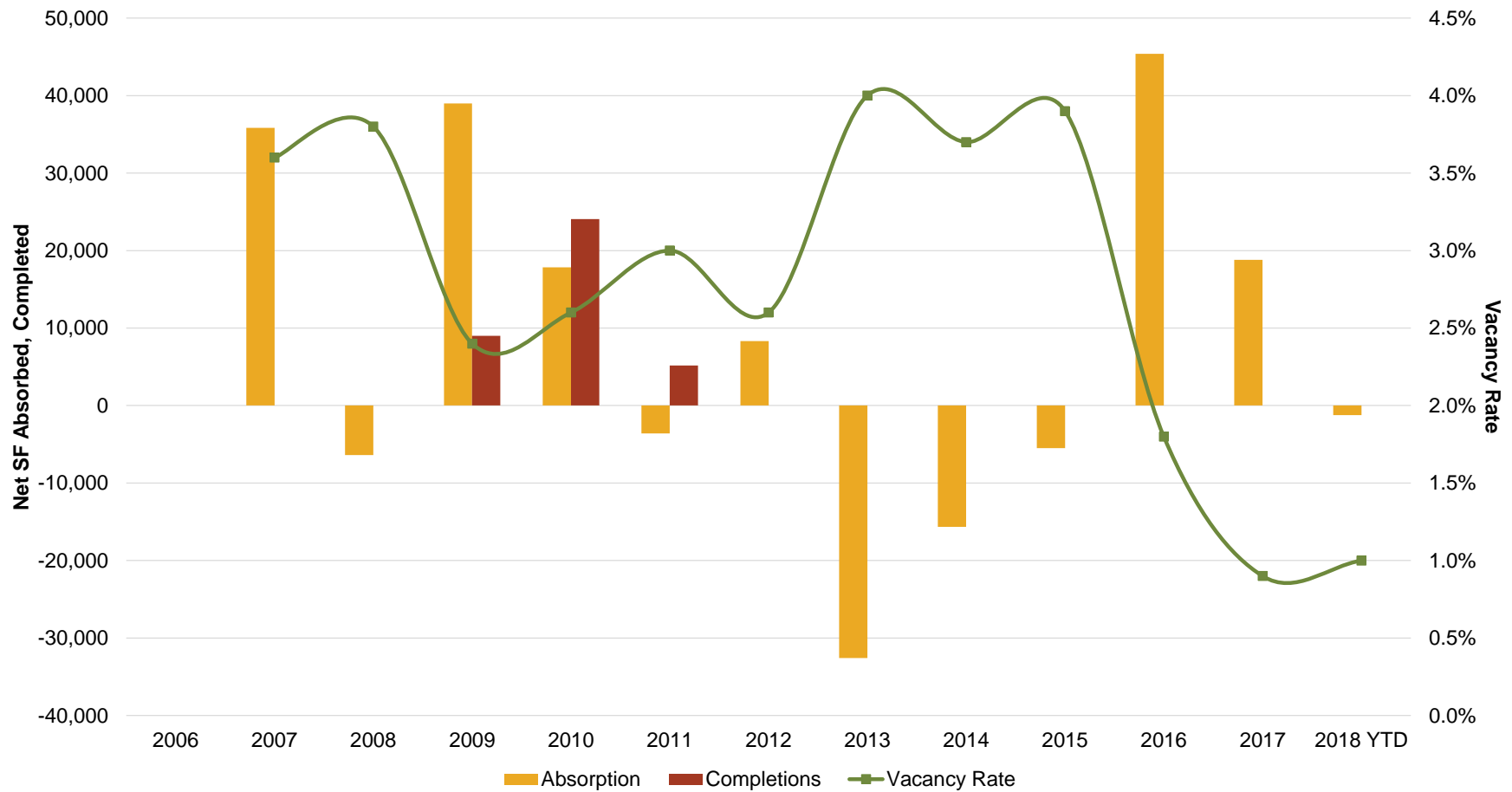
### RETAIL PRIMARY MARKET AREA (PMA) FORT WAYNE, IN APRIL 2018



SOURCE: CoStar; RCLCO

Exhibit V-5

## RETAIL COMPLETIONS, NET ABSORPTION, AND VACANCY RATE RETAIL PMA 2000-2018



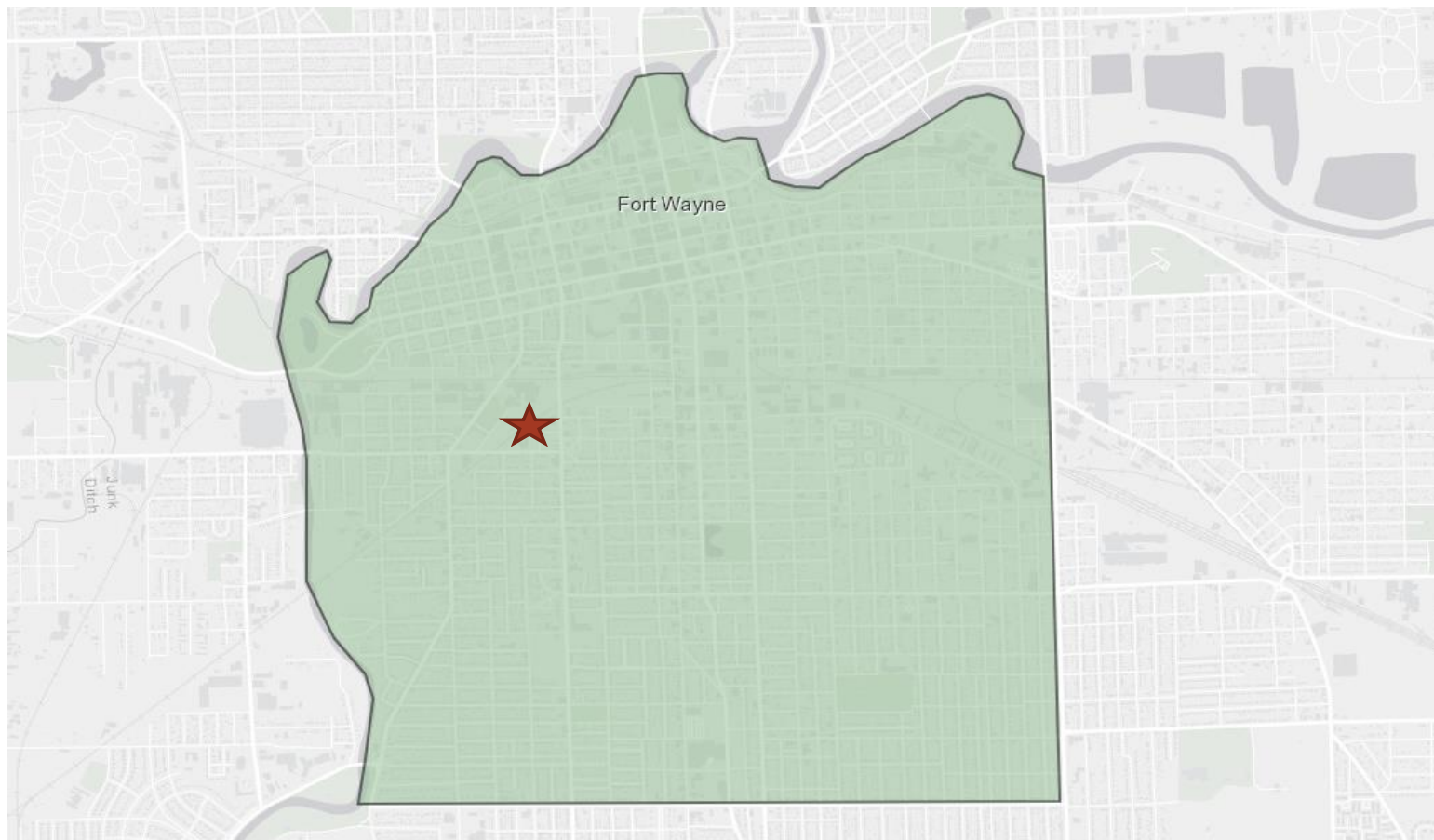
SOURCE: CoStar



## VI. RETAIL DEMAND

## *Exhibit VI-1*

### PRIMARY MARKET AREA CONVENTIONAL RETAIL PMA MAY 2018

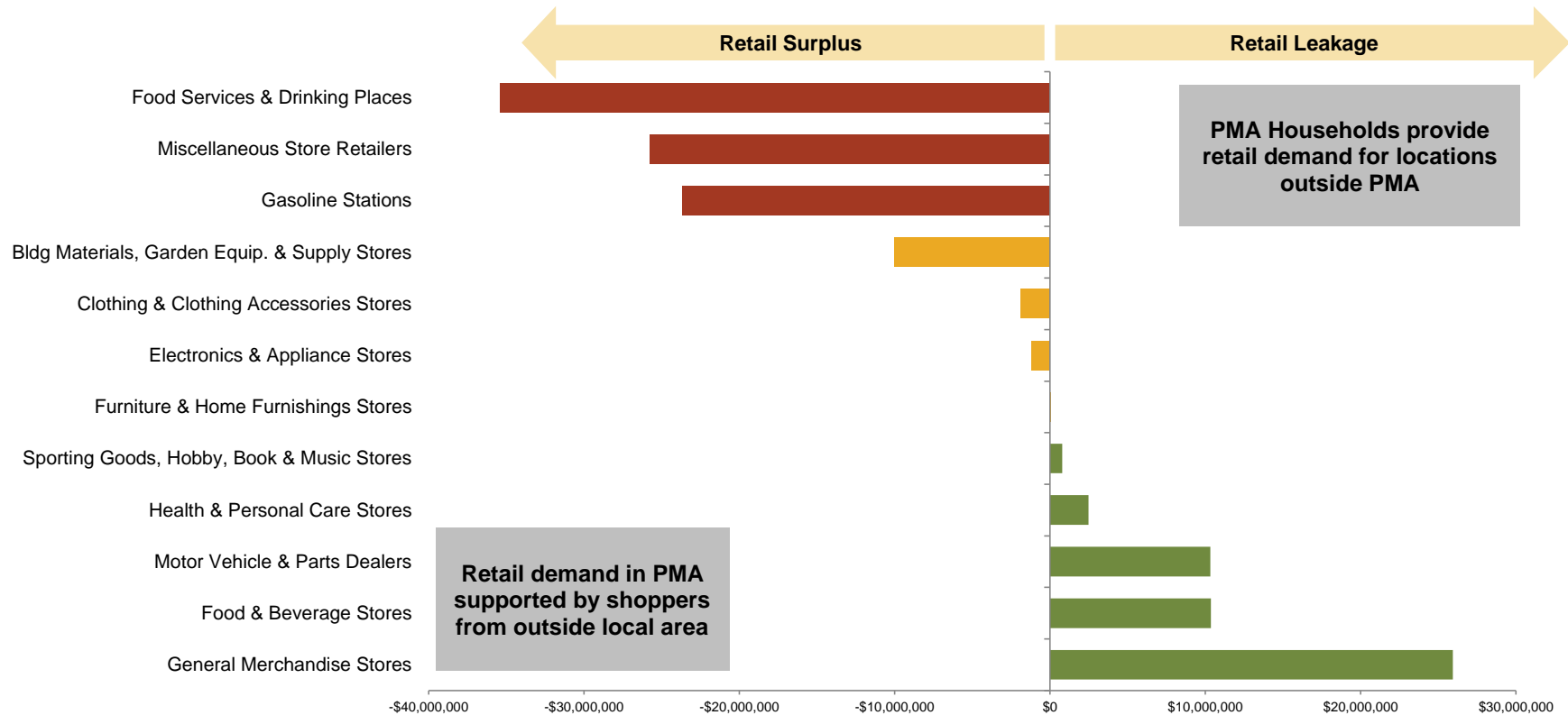


★ Subject Site

SOURCE: Esri; RCLCO

*Exhibit VI-2*

## CURRENT RETAIL UNDER- AND OVER-SUPPLY CONVENTIONAL RETAIL PMA 2017



SOURCE: Esri; Census Bureau; RCLCO

## Exhibit VI-3

RETAIL DEMAND  
CONVENTIONAL RETAIL PMA  
2017-2030

DETAILED DEMAND FROM PMA (RETAIL TRADE AREA)										PMA Households	2017	2025	2030
										Total Households	9,876	10,354	10,664
STORE TYPE	ANNUAL RETAIL IN PMA EXPENDITURES				SUBJECT SITE CAPTURE % of PMA <sup>2</sup>	ANNUAL RETAIL CAPTURE AT SUBJECT SITE			SALES/SF THRESHOLD <sup>3</sup>	TOTAL RETAIL SPACE DEMANDED			
	PER HH <sup>1</sup>	2017	2025	2030		\$ in 2017	\$ in 2025	\$ in 2030		2017	2025	2030	
ANCHOR TENANTS													
Grocery Stores	\$2,698	\$26,641,423	\$27,930,444	\$28,767,566	50.0%	\$13,320,711	\$13,965,222	\$14,383,783	\$500	26,600	27,900	28,800	
Health & Personal Care Stores	\$1,020	\$10,068,751	\$10,555,918	\$10,872,297	50.0%	\$5,034,375	\$5,277,959	\$5,436,148	\$500	10,100	10,600	10,900	
SECONDARY TENANTS													
Automobile Dealers	\$2,853	\$28,176,714	\$29,540,019	\$30,425,382.47	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Other Motor Vehicle Dealers	\$418	\$4,130,193	\$4,330,029	\$4,459,807	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Auto Parts, Accessories & Tire Stores	\$359	\$3,541,001	\$3,712,329	\$3,823,594	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Furniture Stores	\$268	\$2,643,164.46	\$2,771,052	\$2,854,105	0.0%	\$0	\$0	\$0	\$350	0	0	0	
Home Furnishings Stores	\$125	\$1,232,434	\$1,292,064	\$1,330,790	0.0%	\$0	\$0	\$0	\$350	0	0	0	
Electronics & Appliance Stores	\$380	\$3,750,899	\$3,932,383	\$4,050,242	0.0%	\$0	\$0	\$0	\$400	0	0	0	
Bldg Material & Supplies Dealers	\$969	\$9,567,046	\$10,029,939	\$10,330,553	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Lawn & Garden Equip & Supply Stores	\$66	\$655,419	\$687,131	\$707,725	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Specialty Food Stores	\$144	\$1,422,228	\$1,491,041	\$1,535,730	40.0%	\$568,891	\$596,417	\$614,292	\$450	1,300	1,300	1,400	
Beer, Wine & Liquor Stores	\$241	\$2,376,446	\$2,491,428	\$2,566,100	20.0%	\$475,289	\$498,286	\$513,220	\$450	1,100	1,100	1,100	
Gasoline Stations	\$2,065	\$20,394,728	\$21,381,509	\$22,022,348	0.0%	\$0	\$0	\$0	\$750	0	0	0	
Clothing Stores	\$351	\$3,467,070	\$3,634,821	\$3,743,762	20.0%	\$693,414	\$726,964	\$748,752	\$350	2,000	2,100	2,100	
Shoe Stores	\$116	\$1,146,472	\$1,201,943	\$1,237,967	20.0%	\$229,294	\$240,389	\$247,593	\$350	700	700	700	
Jewelry, Luggage & Leather Goods Stores	\$109	\$1,071,868	\$1,123,730	\$1,157,410	20.0%	\$214,374	\$224,746	\$231,482	\$350	600	600	700	
Sporting Goods/Hobby/Musical Instr Stores	\$217	\$2,138,293	\$2,241,752	\$2,308,941	20.0%	\$427,659	\$448,350	\$461,788	\$350	1,200	1,300	1,300	
Book, Periodical & Music Stores	\$53	\$524,851	\$550,246	\$566,738	20.0%	\$104,970	\$110,049	\$113,348	\$350	300	300	300	
Department Stores Excluding Leased Depts.	\$2,247	\$22,186,447	\$23,259,919	\$23,957,057	0.0%	\$0	\$0	\$0	\$400	0	0	0	
Other General Merchandise Stores	\$754	\$7,448,926	\$7,809,336	\$8,043,394	50.0%	\$3,724,463	\$3,904,668	\$4,021,697	\$400	9,300	9,800	10,100	
Florists	\$31	\$304,580	\$319,317	\$328,888	20.0%	\$60,916	\$63,863	\$65,778	\$350	200	200	200	
Office Supplies, Stationery & Gift Stores	\$138	\$1,363,815	\$1,429,802	\$1,472,656	20.0%	\$272,763	\$285,960	\$294,531	\$350	800	800	800	
Used Merchandise Stores	\$109	\$1,074,893	\$1,126,901	\$1,160,676	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Other Miscellaneous Store Retailers	\$489	\$4,834,096	\$5,067,990	\$5,219,886	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Restaurants/Other Eating Places	\$1,737	\$17,153,663	\$17,983,628	\$18,522,627	40.0%	\$6,861,465	\$7,193,451	\$7,409,051	\$425	16,100	16,900	17,400	
Special Food Services	\$46	\$452,547	\$474,443	\$488,663	40.0%	\$181,019	\$189,777	\$195,465	\$425	400	400	500	
Drinking Places - Alcoholic Beverages	\$66	\$655,615	\$687,336	\$707,937	40.0%	\$262,246	\$274,935	\$283,175	\$425	600	600	700	
+ Services <sup>4</sup>	\$3,188	\$31,486,515	\$33,009,962	\$38,338,463	5.0%	\$1,574,326	\$1,650,498	\$1,916,923	\$300	5,200	5,500	6,400	
TOTAL / AVERAGE		\$17,537	\$173,199,924	\$181,580,049	\$191,361,441	14.4%	\$15,651,089	\$16,408,353	\$17,117,095	\$372	76,500	80,100	83,400
SUMMARY DEMAND FROM PMA										PMA Households	2017	2025	2030
										Total Households	9,876	10,354	10,664
STORE TYPE	ANNUAL RETAIL IN PMA EXPENDITURES				SUBJECT SITE CAPTURE <sup>2</sup>	ANNUAL RETAIL CAPTURE AT SUBJECT SITE			SALES/SF THRESHOLD <sup>3</sup>	TOTAL RETAIL SPACE DEMANDED			
	PER HH <sup>1</sup>	2017	2025	2030		% Capture	\$ in 2017	\$ in 2025		\$ in 2030	2017	2025	2030
Grocery & Drug	\$3,717	\$36,710,173	\$38,486,363	\$39,639,862	50.0%	\$18,355,087	\$19,243,181	\$19,819,931	\$500	36,700	38,500	39,640	
Restaurant/Specialty Foods	\$1,849	\$18,261,825	\$19,145,407	\$19,719,227	40.0%	\$7,304,730	\$7,658,163	\$7,887,691	\$425	17,100	17,900	18,600	
Boutique Soft Goods	\$576	\$5,685,410	\$5,960,493	\$6,139,139	20.0%	\$1,137,082	\$1,192,099	\$1,227,828	\$345	3,300	3,400	3,500	
Home Goods	\$392	\$3,875,599	\$4,063,116	\$4,184,894	0.0%	\$0	\$0	\$0	N/A	0	0	0	
Florist/Gift/Hobby	\$439	\$4,331,540	\$4,541,118	\$4,677,222	20.0%	\$866,308	\$908,224	\$935,444	\$345	2,500	2,600	2,600	
Electronics	\$380	\$3,750,899	\$3,932,383	\$4,050,242	0.0%	\$0	\$0	\$0	N/A	0	0	0	
Beer/Wine/Specialty	\$385	\$3,798,674	\$3,982,470	\$4,101,831	27.5%	\$1,044,180	\$1,094,702	\$1,127,512	\$435	2,400	2,400	2,500	
General Merchandise	\$3,001	\$29,635,373	\$31,069,254	\$24,588,448	12.6%	\$3,724,463	\$3,904,668	\$513,220	\$400	9,300	9,800	10,100	
Other	\$7,328	\$72,374,091	\$75,875,847	\$110,150,422	0.0%	\$0	\$0	\$4,021,697	N/A	0	0	0	
+ Services <sup>4</sup>	\$3,188	\$31,486,515	\$33,009,962	\$38,338,463	5.0%	\$1,574,326	\$1,650,498	\$1,916,923	\$300	5,200	5,500	6,400	
TOTAL DEMAND POTENTIAL										76,500	80,100	83,340	

## Exhibit VI-3

RETAIL DEMAND  
CONVENTIONAL RETAIL PMA  
2017-2030

DETAILED DEMAND FROM SMA (Rest of MSA)										SMA Households	2017	2025	2030
										Total Households	159,959	170,533	176,177
STORE TYPE	ANNUAL RETAIL IN SMA EXPENDITURES				SUBJECT SITE CAPTURE % of SMA <sup>2</sup>	ANNUAL RETAIL CAPTURE AT SUBJECT SITE			SALES/SF	TOTAL RETAIL SPACE DEMANDED			
	PER HH <sup>1</sup>	2017	2025	2030		\$ in 2017	\$ in 2025	\$ in 2030	THRESHOLD <sup>3</sup>	2017	2025	2030	
ANCHOR TENANTS													
Grocery Stores	\$4,583	\$733,116,805	\$781,578,723	\$807,447,665	0.5%	\$3,665,584	\$3,907,894	\$4,037,238	\$500	7,300	7,800	8,100	
Health & Personal Care Stores	\$1,831	\$292,830,961	\$312,188,245	\$322,521,151	0.5%	\$1,464,155	\$1,560,941	\$1,612,606	\$500	2,900	3,100	3,200	
SECONDARY TENANTS													
Automobile Dealers	\$5,130	\$820,657,572	\$874,906,280	\$903,864,208.36	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Other Motor Vehicle Dealers	\$794	\$127,036,062	\$135,433,648	\$139,916,274	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Auto Parts, Accessories & Tire Stores	\$643	\$102,879,343	\$109,680,074	\$113,310,300	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Furniture Stores	\$460	\$73,617,675.57	\$78,484,095	\$81,081,787	0.0%	\$0	\$0	\$0	\$350	0	0	0	
Home Furnishings Stores	\$252	\$40,362,925	\$43,031,074	\$44,455,330	0.0%	\$0	\$0	\$0	\$350	0	0	0	
Electronics & Appliance Stores	\$673	\$107,612,795	\$114,726,426	\$118,523,678	0.0%	\$0	\$0	\$0	\$400	0	0	0	
Bldg Material & Supplies Dealers	\$2,039	\$326,082,056	\$347,637,369	\$359,143,581	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Lawn & Garden Equip & Supply Stores	\$148	\$23,599,595	\$25,159,621	\$25,992,363	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Specialty Food Stores	\$242	\$38,689,455	\$41,246,981	\$42,612,186	1.0%	\$386,895	\$412,470	\$426,122	\$450	900	900	900	
Beer, Wine & Liquor Stores	\$432	\$69,118,479	\$73,687,484	\$76,126,416	0.0%	\$0	\$0	\$0	\$450	0	0	0	
Gasoline Stations	\$3,525	\$563,925,996	\$601,203,732	\$621,102,566	0.0%	\$0	\$0	\$0	\$750	0	0	0	
Clothing Stores	\$616	\$98,454,574	\$104,962,811	\$108,436,904	0.0%	\$0	\$0	\$0	\$350	0	0	0	
Shoe Stores	\$203	\$32,445,273	\$34,590,033	\$35,734,905	0.0%	\$0	\$0	\$0	\$350	0	0	0	
Jewelry, Luggage & Leather Goods Stores	\$204	\$32,668,881	\$34,828,423	\$35,981,185	0.0%	\$0	\$0	\$0	\$350	0	0	0	
Sporting Goods/Hobby/Musical Instr Stores	\$398	\$63,664,874	\$67,873,374	\$70,119,869	0.0%	\$0	\$0	\$0	\$350	0	0	0	
Book, Periodical & Music Stores	\$88	\$14,153,750	\$15,089,369	\$15,588,802	0.0%	\$0	\$0	\$0	\$350	0	0	0	
Department Stores Excluding Leased Depts.	\$3,967	\$634,545,162	\$676,491,105	\$698,881,824	0.0%	\$0	\$0	\$0	\$400	0	0	0	
Other General Merchandise Stores	\$1,300	\$207,949,581	\$221,695,870	\$229,033,631	1.0%	\$2,079,496	\$2,216,959	\$2,290,336	\$400	5,200	5,500	5,700	
Florists	\$66	\$10,577,956	\$11,277,201	\$11,650,457	1.0%	\$105,780	\$112,772	\$116,505	\$350	300	300	300	
Office Supplies, Stationery & Gift Stores	\$250	\$40,007,456	\$42,652,107	\$44,063,820	0.0%	\$0	\$0	\$0	\$350	0	0	0	
Used Merchandise Stores	\$185	\$29,663,263	\$31,624,122	\$32,670,828	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Other Miscellaneous Store Retailers	\$840	\$134,368,745	\$143,251,050	\$147,992,419	0.0%	\$0	\$0	\$0	\$300	0	0	0	
Restaurants/Other Eating Places	\$3,080	\$492,740,477	\$525,312,570	\$542,699,533	1.0%	\$4,927,405	\$5,253,126	\$5,426,995	\$425	11,600	12,400	12,800	
Special Food Services	\$85	\$13,544,351	\$14,439,686	\$14,917,615	1.0%	\$135,444	\$144,397	\$149,176	\$425	300	300	400	
Drinking Places - Alcoholic Beverages	\$116	\$18,591,590	\$19,820,568	\$20,476,595	1.0%	\$185,916	\$198,206	\$204,766	\$425	400	500	500	
+ Services <sup>4</sup>	\$5,674	\$907,571,586	\$967,565,654	\$1,122,630,860	0.0%	\$0	\$0	\$0	\$300	0	0	0	
TOTAL / AVERAGE	\$31,411	\$5,024,529,473	\$5,356,670,725	\$5,657,007,935	0.2%	\$7,820,934	\$8,337,929	\$8,613,900	\$372	28,900	30,800	31,900	

SUMMARY DEMAND FROM SMA									SMA Households	2017	2025	2030
									Total Households	159,959	170,533	176,177
STORE TYPE	ANNUAL RETAIL IN PMA EXPENDITURES				SUBJECT SITE CAPTURE <sup>2</sup>	ANNUAL RETAIL CAPTURE AT SUBJECT SITE			SALES/SF	TOTAL RETAIL SPACE DEMANDED		
	PER HH <sup>1</sup>	2017	2025	2030	% Capture	\$ in 2017	\$ in 2025	\$ in 2030	THRESHOLD <sup>3</sup>	2017	2025	2030
Grocery & Drug	\$6,414	\$1,025,947,766	\$1,093,766,968	\$1,129,968,817	0.5%	\$5,129,739	\$5,468,835	\$5,649,844	\$505	10,200	10,900	11,300
Restaurant/Specialty Foods	\$3,281	\$524,876,418	\$559,572,823	\$578,093,744	1.0%	\$5,248,764	\$5,595,728	\$5,780,937	\$425	12,300	13,200	13,700
Boutique Soft Goods	\$1,023	\$163,568,728	\$174,381,267	\$180,152,994	0.0%	\$0	\$0	\$0	N/A	0	0	0
Home Goods	\$713	\$113,980,600	\$121,515,168	\$125,537,116	0.0%	\$0	\$0	\$0	N/A	0	0	0
Florist/Gift/Hobby	\$803	\$128,404,037	\$136,892,051	\$141,422,948	0.1%	\$105,780	\$112,772	\$0	\$355	300	300	300
Electronics	\$673	\$107,612,795	\$114,726,426	\$118,523,678	0.0%	\$0	\$0	\$0	N/A	0	0	0
Beer/Wine/Specialty	\$674	\$107,807,934	\$114,934,465	\$118,738,602	0.4%	\$386,895	\$412,470	\$0	\$430	900	900	900
General Merchandise	\$5,267	\$842,494,743	\$898,186,975	\$697,228,982	0.2%	\$2,079,496	\$2,216,959	\$426,122	\$400	5,200	5,500	5,700
Other	\$13,305	\$2,128,212,632	\$2,268,895,896	\$3,271,907,993	0.0%	\$0	\$0	\$2,290,336	N/A	0	0	0
+ Services <sup>4</sup>	\$5,674	\$907,571,586	\$967,565,654	\$1,122,630,860	0.0%	\$0	\$0	\$0	\$300	0	0	0
TOTAL DEMAND POTENTIAL										28,900	30,800	31,900

## Exhibit VI-3

### RETAIL DEMAND CONVENTIONAL RETAIL PMA 2017-2030

DEMAND FROM SUBJECT SITE HOUSEHOLDS								Subject Site Households Approximated Units	2017	2025	2030	
										94	94	
SUBJECT SITE												
ANNUAL RETAIL EXPENDITURES				CAPTURE <sup>2</sup>		ANNUAL RETAIL CAPTURE AT SUBJECT SITE			SALES/SF	TOTAL RETAIL SPACE DEMANDED		
STORE TYPE	PER HH <sup>1</sup>	2017	2025	2030		\$ in 2017	\$ in 2025	\$ in 2030	THRESHOLD <sup>3</sup>	2017	2025	2030
Grocery & Drug	\$3,717	\$0	\$349,408	\$349,408.29	100.0%	\$0	\$349,408	\$349,408	\$500	0	700	700
Restaurant/Specialty Foods	\$1,849	\$0	\$173,816	\$173,816	80.0%	\$0	\$139,053	\$139,053	\$425	0	350	350
Boutique Soft Goods	\$576	\$0	\$54,114	\$54,114	80.0%	\$0	\$43,291	\$43,291	\$345	0	150	150
Home Goods	\$392	\$0	\$36,888	\$36,888	0.0%	\$0	\$0	\$0	N/A	0	0	0
Florist/Gift/Hobby	\$439	\$0	\$41,228	\$41,228	80.0%	\$0	\$32,982	\$32,982	\$345	0	100	100
Electronics	\$380	\$0	\$35,701	\$35,701	0.0%	\$0	\$0	\$0	N/A	0	0	0
Beer/Wine/Specialty	\$385	\$0	\$36,156	\$36,156	80.0%	\$0	\$28,925	\$28,925	\$435	0	50	50
General Merchandise	\$3,001	\$0	\$282,070	\$282,070	50.0%	\$0	\$141,035	\$141,035	\$400	0	350	350
Other	\$7,328	\$0	\$688,858	\$688,858	0.0%	\$0	\$0	\$0	N/A	0	0	0
+ Services <sup>4</sup>	\$3,188	\$0	\$299,689	\$299,689	80.0%	\$0	\$239,752	\$239,752	\$300	0	800	800
TOTAL DEMAND POTENTIAL										0	2,500	2,500

DEMAND FROM SUBJECT SITE EMPLOYEES							Subject Site Employees Approximated Employment	2017	2025	2030
									1,200	1,200

TOTAL DEMAND POTENTIAL			
STORE TYPE	2017	2025	2030
Grocery & Drug	46,900	50,150	51,690
Restaurant/Specialty Foods	29,400	31,700	32,900
Boutique Soft Goods	3,300	3,600	3,700
Home Goods	0	0	0
Florist/Gift/Hobby	2,800	3,050	3,050
Electronics	0	0	0
Beer/Wine/Specialty	3,300	3,400	3,500
Other	0	0	0
General Merchandise	14,500	15,700	16,200
+ Services <sup>4</sup>	5,200	6,400	7,300
<b>TOTAL DEMAND POTENTIAL</b>	<b>105,400</b>	<b>114,000</b>	<b>118,340</b>

<sup>1</sup> Based on ESRI expenditure data by retail category.

<sup>2</sup> Site capture is based on competing locations in the market and likelihood of households to make store type expenditures at the property.

<sup>3</sup> RCLCO

<sup>4</sup> Assumes 15% of spending is on services, which are not accounted for in retail expenditures.

<sup>5</sup> Based on RCLCO analysis of ICSC office worker spending.





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