APPRAISAL
Westlake Medical Campus
850 Columbia Road
Westlake, Ohio

Prepared for: Lakewood Hospital Association

Charles M. Ritley Associates LLC

Property Economists

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June 15, 2015

Lakewood Hospital Association
c/o Thomas J. Gable
Chairman, Board of Trustees
Lakewood Hospital
14519 Detroit Avenue
Lakewood, Ohio 44107

Re: Appraisal of
Westlake Medical Campus
850 Columbia Road
Westlake, Ohio
Our File No. 15-4512

Dear Mr. Gable:

In accordance with your request, an appraisal has been made of the property located at the above address. The purpose of the appraisal is to estimate the market value of the subject property. The intended use of this appraisal is for asset management and, more specifically, to assist the client in a potential sale of the property to Cleveland Clinic. No other uses are intended or permitted without the expressed written permission of Charles M. Ritley Associates LLC. It is our opinion that the market value of this leased fee property, subject to the assumptions, limitations, and comments appearing in subsequent pages, as of April 30, 2015 is:

SIX MILLION EIGHT HUNDRED THOUSAND DOLLARS
($6,800,000)

The subject property is located in the northwest quadrant of the Interstate 90 (I-90) and Columbia Road interchange in the City of Westlake, Cuyahoga County, Ohio. The City of Westlake is a western suburb of the City of Cleveland and is a 15-minute commute via I-90 to Downtown Cleveland. The subject's location has excellent interstate access and visibility via Interstate 90.

The subject property is an irregularly-shaped, ±5.67 acre[1] parcel of land that has frontage along the west side of Columbia Road, the south side of First Street and the westbound entrance ramp from Columbia Road to I-90. The site is improved with a one, two and part three-story, precast concrete panel and glass curtain wall clad medical office building containing ±103,755 square feet[2] of gross building area. The building was originally constructed in 1992 (±39,863 square feet) and was expanded in 2002 (±63,892 square feet). The subject contains ±95,831 square feet of rentable area and is 87.9% occupied. The subject is anchored by Cleveland Clinic and entities related to Cleveland Clinic who collectively occupy 56,897 square feet or 59.4% of the property and have short term leases. The majority of these leases expire in 2015. The tenants at the subject made significant leasehold improvements to their leased space. Their contract rental rates reflect the tenants' cost of the improvements. The space occupied by Cleveland Clinic and related entities is specialized space that would have limited utility for typical medical space occupants.

1 Per our review of the accompanying legal description.

2 Per our review of Cuyahoga County records.

An example is the lower level Ambulatory Care space occupied by Fairview General Hospital. We have considered these items in our analysis.

The subject is operated and managed on behalf of Lakewood Hospital Association by Cleveland Clinic. Cleveland Clinic's management of the subject was part of a larger operating arrangement of the subject and other facilities owned by Lakewood Hospital Association. We were not provided with a copy of any agreements between Cleveland Clinic and Lakewood Hospital Association to review for this appraisal. We assume that any operating or management agreements between the parties regarding this property would be terminated in the event of a sale.

The accompanying report summarizes our analysis of the subject property's place in this market, the forces affecting its value (i.e., the current market for medical office space in the subject neighborhood, the extent of existing and proposed complementary development, owner, lender, occupant and developer attitudes, the status of roadways and other public service support serving the subject location, etc.) and concludes with an estimate of its value.

Note that our report contains certifications, assumptions and limiting conditions[1], definitions and other parameters which create a structure that leads to a value conclusion. The goal of our work is to provide you with an informed, unbiased estimate of value.

Sincerely,

CHARLES M. RITLEY ASSOCIATES LLC

By: James A. Huber, MAI
Vice President
State Certified Real Estate Appraiser
General Certificate No. 450141

By: A. J. Fisco
State Certified Real Estate Appraiser
General Certificate No. 2003017641

JAH/AJF/lr

1 Please refer to our Assumptions and Limiting Conditions regarding hazardous materials and structural soundness. Should any hazardous environmental conditions exist on the subject property which require remediation, the values set forth herein maybe adversely affected and we reserve the right to reconsider the value reported.

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[1] Contains State Certification information for federally related transactions.

SECTION I - GENERAL DATA

CERTIFICATION

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

1. The statements of fact contained in this report are true and correct where we are the sole originators and assumes so where information was obtained from sources considered reliable;

2. The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;

3. We have not performed services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

4. We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;

5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal;

8. Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice;

9. We have made a personal inspection of the property that is the subject of this report;

10. No one provided significant professional assistance to the persons signing this report;

11. The reported analyses, opinions and conclusions were developed and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute;

12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives;

13. As of the date of this report, James A. Huber has completed the requirements of the continuing education program of the Appraisal Institute.

James A. Huber, MAI	6/15/2015 Date	A. J. Fisco	6/15/2015 Date

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is made under certain assumptions and limiting conditions.

General

(a) The legal description used by the appraiser is assumed to be correct.

(b) The appraiser does not assume any responsibility for matters legal in character, and title to the subject property is considered good, free and clear of existing liens and encumbrances and of issues affecting productivity in accord with highest and best use (except where noted) and under proper management and responsible ownership and is therefore marketable as of the effective date of this appraisal. It is assumed that there is full compliance with any and all applicable federal, state and local regulations, laws and license requirements unless otherwise stated in the report.

(c) All maps, exhibits and applicable studies with graphics are assumed to be accurate. They are included to help the reader visualize the property and are intended for reference only. Further, no surveys have been made by us and, as a result, no responsibility is assumed by the appraiser for any such survey which may be provided by others.

(d) The appraiser accepts as being reliable certain information received and/or identified in this report as being furnished by others, but assumes no responsibility for its accuracy. Some information in this report may have been prepared by staff members of Charles M. Ritley Associates LLC, under the direction of this appraiser.

(e) No single item of information was completely relied upon to the exclusion of the other information. All data was processed within the framework of judgment, knowledge and experience of the real estate appraiser.

(f) The appraiser has not been engaged to provide a skill that is beyond his qualifications. The reader is advised that the appraiser is not a building inspector, engineer, geologist or skilled in another specific/specialized field. Should any of the parties involved be concerned with potential environmental contamination, subsurface issues, wetlands, adverse easement/encroachments and/or the structural, mechanical or electrical integrity of any improvement(s) and/or site, the assistance of a certified professional in the appropriate skill category is recommended. Should written documentation not be provided to the appraiser for incorporation in forming his/her opinions relating to conditions that are not readily apparent, the appraiser is not responsible for any positive or negative effects.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

(g) The liability of Charles M. Ritley Associates LLC, its employees and/or agents is limited only to the client who is paying the fee ("Client") and to the amount of the fee actually received by the firm. Further, acceptance and use of this report constitutes agreement by anyone relying on it to these terms and conditions and that there is no accountability, obligation, or liability to any third party. If this report is given to anyone other than Client, the Client shall make such party aware of all the limiting conditions and assumptions of this assignment. The appraiser is not responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; whether physical, financial, and/or legal. In accepting the delivery of the report, Client agrees that in case of a lawsuit (brought by lender, partner or part owner in any form of ownership, as well as any tenant, or any other party), any and all awards or settlements of any type in such suit, regardless of the outcome, the Client and all parties will completely hold harmless this firm, its employees and/or agents in any such action. Any party who uses or relies upon any information in this report, without the preparer's written consent, does so at its/his/her own risk.

(h) The appraiser is not responsible for any unauthorized use of this report. In addition, the report is considered invalid should the Letter of Transmittal not accompany the appraisal report. The final value estimate is based on market conditions and other factors as of the effective date of the appraisal.

(i) Unless otherwise stated, any value estimates in this report apply to the subject in its entirety. Any proration or division of the estimate into fractional interests by others will render this report invalid. Any proration or division using the reported value must be developed by this appraiser either contemporaneously or subsequently.

(j) An appraisal related to an estate in land that is less than the whole fee simple estate applies only to the fractional interest involved. The value of the fractional interest plus the value of all other fractional interests may or may not equal the value of the entire fee simple estate when it is considered as a whole.

(k) Separate values for land and improvements may not be used in connection with any other appraisal and are invalid if so used. Land and improvement values may be allocated separately only for accounting purposes under a present or proposed land utilization.

(l) No responsibility is assumed for failure to disclose damages to the property not readily visible through normal visual inspection.

(m) It is assumed that all improvements are within the boundary lines of the property described and that there is no encroachment or trespass unless noted in the report. Further, it is assumed the appraised property has the necessary licenses, certificates of occupancy, easements and permits available and in force as of the effective date of this report.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

(n) Possession of this appraisal report or a copy thereof does not carry with it the right to publication. It may not be used for any purpose by anyone but the specific client without the written permission of the appraiser, and in any event only with the proper written qualification and only in its entirety. This report, as an instrument of service, is and shall remain the property of the appraiser.

(o) This appraiser shall not be required to provide counseling, advise or to give testimony or appear in any legal proceeding by reason of this appraisal unless previous arrangements have been made between the appraiser and the client or anyone else attempting to use this report.

(p) Unless otherwise noted, this appraisal is predicated on any construction (past, present or contemplated future) being in accordance with all government regulations, proper plans and specifications. Further, it assumes any construction has been or will be done in a good and worker like manner.

(q) This appraisal assumes there are no hazardous materials or adverse environmental conditions impacting the property (e.g., PCB filled transformers, mold, asbestos insulation, etc.). The appraiser assumes that the soils are adequate for the present and future legal uses of the land. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraisal does not guarantee that the property is free of defects or environmental problems. Our inspection of the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively other than those indicated herein. It is possible that tests and inspections made by a qualified hazardous substance, environmental or geotechnical expert would reveal the existence of hazardous materials, environmental conditions or soils in, on or around the property that may negatively affect its value. The responsibility for the economic and physical effects of any adverse conditions lies solely with the user(s) of this report. Unless stated otherwise, we further assume there are no hidden or unapparent pending eminent domain plans or other use challenges or impairment that may affect value.

(r) Should any hazardous materials, adverse environmental or subsoil conditions[1] exist on the subject property which require remediation, the values set forth herein would be adversely affected and we reserve the right to reconsider the value(s) reported herein.

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[1] Affecting the present or future developability.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

(s) We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of The Americans with Disabilities Act (ADA). It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, such a circumstance could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

(t) With respect to exposure and marketing time estimates, the appraiser assumes that, if it were offered for sale, the property's asking price would be reasonably related to the market value estimate reported herein and competent marketing will occur.

(u) Any applied forecasts, projections, and/or operating estimates are predicated upon current market conditions as of the effective date of this report. Unless stated otherwise, they are estimated based on anticipated short-term supply and demand factors and a reasonably stable economy that is projected to continue into the future. Forecasts, projections and/or operating estimates are not immutable. The user of this appraisal is presumed to know they are subject to varying degrees of change over time from many direct and indirect forces in accord with developing conditions.

(v) We were not provided with plans for the subject improvements to utilize in the preparation of this appraisal report. Therefore, in instances where building dimensions are incorporated, we have used county records or information provided by the owner's representatives. Further the term "inspection" used throughout this appraisal report refers specifically to the appraiser's action of viewing the subject property and any comparables, in whole or in part, solely for the purpose of viewing its physical features and observing its condition so that these estimated characteristics can be described, quantified, and/or qualified as necessary for our analyses and reporting. The word "inspection" is used in the context of skills applied which are within the appraiser's qualifications and is not to be confused with professional "inspections" provided by certified professionals in their complementary fields. Accordingly, no representations are made by the appraiser as to the adequacy, legality, physical correctness, or structural soundness, of any characteristic or component of the subject property, or any comparables where experts such as surveyors, architects, and/or engineers may apply their professional skills with greater authority.

(w) In the event of a casualty, we assume that all controlling governmental units will allow the improvements to be rebuilt substantially the same as the existing improvements.

(x) These general assumptions and limiting conditions are subject to the scope of work set forth within the appraisal report.

ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

Hypothetical[1]

(1) "A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis."[1]

In the instance of this appraisal there are is one hypothetical assumption.

The subject is operated and managed on behalf of Lakewood Hospital Association by Cleveland Clinic. Cleveland Clinic's management of the subject was part of a larger operating arrangement of the subject and other facilities owned by Lakewood Hospital Association. We were not provided with a copy of any agreements between Cleveland Clinic and Lakewood Hospital Association to review for this appraisal. We assume that any operating or management agreements between the parties regarding this property would be terminated in the event of a sale.

Extraordinary[1]

(2) "An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis."[1]

In the instance of this appraisal there is one extraordinary assumption.

This appraisal assumes that the Ohio Department of Taxation's determination notice dated August 14, 2013 remains in force. This decision determined that 47,044 square feet of the subject's space is taxable and that the balance of the property is exempt from taxation. If this were to change, we reserve the right to adjust our value conclusion.

Acceptance and/or use of this appraisal report constitutes the acceptance of these Assumptions and Limiting Conditions.

1 The Dictionary of Real Estate Appraisal, Fifth Edition, 2010, published by the Appraisal Institute.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

IDENTIFICATION:	Westlake Medical Campus 850 Columbia Road Westlake, Cuyahoga County, Ohio PPN 213-06-009
TYPE OF PROPERTY:	Multi-Tenant Medical Office Building
PURPOSE OF APPRAISAL:	Estimate Market Value
INTENDED USE OF APPRAISAL:	Asset Management
EFFECTIVE DATE OF APPRAISAL:	April 30, 2015
PROPERTY RIGHTS APPRAISED:	Leased Fee Estate
LAND SIZE:	±5.67 acres
IMPROVEMENTS:	A one, two and part three-story, medical office building containing ±103,755 square feet of gross building area. The building was originally constructed in 1992 (±39,863 square feet) and was expanded in 2002 (±63,892 square feet). The subject medical building contains ±95,831 square feet of rentable area and is 87.9% occupied.
ZONING:	Interchange Services
HIGHEST AND BEST USE:	
If Vacant	Speculative property holding for eventual development for commercial use.
As Improved	Continued medical office building use.
VALUE CONCLUSIONS:	
Cost Approach	Not Applicable
Sales Comparison Approach	$ 7,000,000
Income Approach	$ 6,600,000
Final Value Estimate	**$ 6,800,000**

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to estimate the market value of the subject property.

INTENDED USE OF THE APPRAISAL

The intended use of the appraisal is for asset management, and more specifically for a potential sale of the subject property.

SCOPE OF WORK

In the process of completing this assignment, the following is part of the scope of our work:

• We have viewed the subject property including its grounds. We also toured the subject neighborhood and surrounding areas. Physical and legal aspects of the subject property were provided by the owner, obtained from commercial data sources or from Cuyahoga County records, either by in-person visit, telephone call, or web site access. Photographs of the subject property, as well as the immediate neighborhood were taken on the date of inspection, April 30, 2015

• Demographic information was gathered from various sources, including the U.S. Census Bureau, community web site(s), and/or other commercial data sources.

• Zoning information is obtained from the appropriate jurisdictional entity, and is believed to be accurate and up-to-date.

• Unless otherwise noted herein, flood zone information was obtained from the Federal Emergency Management Agency (FEMA) web site. In some cases a specific engineering study may have been provided to us by the client (or their agent) which is much more specific as to the flood zone boundaries, particularly if any construction/excavation has altered the recognized flood zone boundaries as they relate to the subject property. If such a report was provided for this assignment, we have noted this fact in the Flood Plain section of this report along with a summary of any conclusions and their impact, if any, on the estimate of market value contained herein.

• Unless otherwise noted, wetlands data was obtained from the National Wetland Inventory maps online website. In some cases a specific wetlands study may have been provided to us by the client (or their agent) which is much more specific as to the presence; amount, if any; and location of any wetland areas located on the subject property. If such a report was provided for this assignment, we have noted this fact in the Wetlands section of this report along with a summary of any conclusions and their impact, if any, on the estimate of market value contained herein.

• Unless otherwise noted, hazardous material data was obtained from visual observation. In some cases a specific environmental study may have been provided to us by the client (or their agent) which is much more specific as to the presence, if any, of hazardous materials located in or on the subject property. If such a report was provided for this assignment, we have noted this fact in the Hazardous Materials section of this report along with a summary of any conclusions and their impact, if any, on the estimate of market value contained herein.

<u>SCOPE OF WORK</u> (Continued)

• The Cost Approach to Value was not developed in this analysis which is explained under the "Methods of Valuation Considered" section of this report.

• In developing the Sales Comparison Approach, we have researched the market for sales of similar medical office properties, as well as researched public records and confirmed, where possible, the data gathered for analysis in the course of this assignment. Where necessary, adjustments are made for differences between each sale and the subject property. More discussion of the adjustment process is contained within the Sales Comparison Approach later in this report.

• In preparing the Income Approach, we have researched the market for rental rates and operating information of comparable medical office properties. Where necessary, adjustments are made for differences between each comparable and the subject property. In addition, we were provided with copies of the tenant lease agreements, a tenant rent roll dated April 1, 2015 and the subject's historical operating expense information from 2012 through 2014. We have analyzed the subject's historical operating information, the terms of the lease agreements encumbering the subject as well as market trends and relevant data in developing a pro forma income and expense statement for the subject property on which to base our estimate of market value. After which, we applied the direct capitalization approach to arrive at our opinion of market value.

The value conclusions reported in this appraisal are based on information supplied by the client, representatives or employees of the owner, Cuyahoga County records as well as property managers or parties to operations and transactions involving comparable sales or competitive properties. To the extent the information has been incorporated in the analysis it is assumed to be reliable.

<u>INTEREST APPRAISED</u>

The subject property is appraised as a leased fee estate, free and clear of all liens and encumbrances, except for commonly available mortgage terms, market rate leases, and the usual and most probable arrangements employed by purchasers and tenants of the class of real estate described herein.

DEFINITION OF MARKET VALUE[1]

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

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

PERSONAL PROPERTY, FIXTURES AND INTANGIBLE ITEMS

The subject of this appraisal consists only of real property. No personal property (such as fixtures or intangible items) is included in the appraisal.

PROPERTY INSPECTION AND CONTACTS

Appraiser	Date	Comments
James A. Huber Al J. Fisco	April 30, 2015	Exterior and interior inspection of the subject property accompanied by Mr. Greg Kestin of North Pointe Realty, Inc. and Mr. Dan Skoke of CB Richard Ellis.

PROPERTY IDENTIFICATION AND LOCATION

The subject property is located in the northwest quadrant of the I-90 and Columbia Road interchange in the City of Westlake, Cuyahoga County, Ohio. The property is further identified by the Cuyahoga County Fiscal Office as Permanent Parcel Number 213-06-009 and has a street address of 850 Columbia Road.

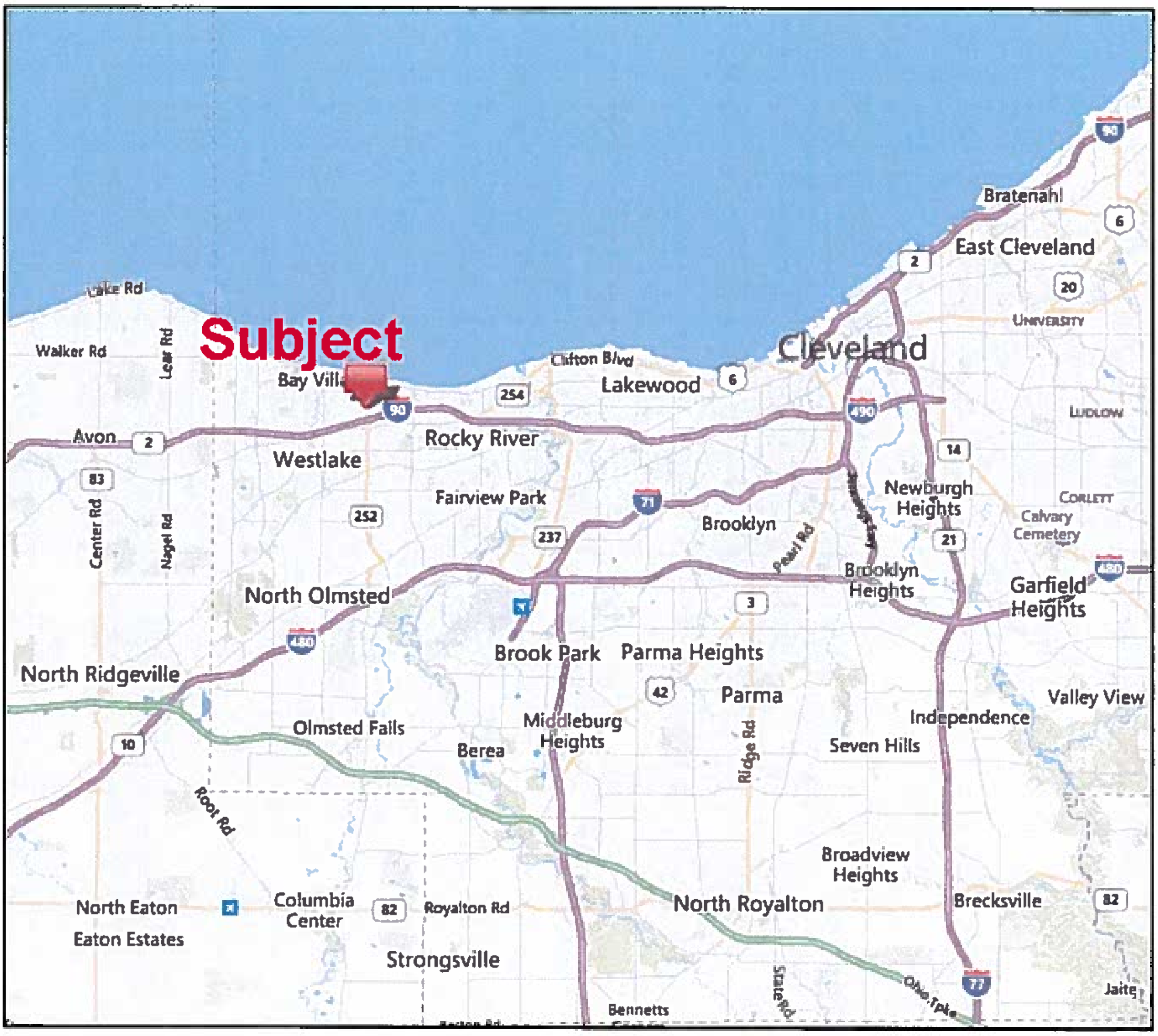
DEFINITION OF LEASED FEE INTEREST[2]

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., lease).

[1] 12 C.F.R. 323.2(g); 12 C.F.R. 34.42(g)

[2] The Dictionary of Real Estate Appraisal, Fifth Edition, 2010, Page 111, Appraisal Institute.

REGIONAL MAP



LOCATION MAP

AERIAL MAP


Subject
Normandy Rd
Midland Rd
Osborn Rd
Henry Rd
E Oviatt Rd
Knickerbocker Rd
1st St
Kenley Ct
Sentry Ln
Canterbury Rd
Columbia Rd
Detroit Rd
Sperry Dr
Electric Dr
Bruce Rd
Wolf Rd
Russell Rd
E Oakland Rd
Eaton Way
Bayfair Ct
Bayfair Dr
Woodlane Dr
Forestview Rd
Sharon Dr
Westpoint Pkwy
Allen Dr
Prince Charles Dr
Kingsway
Queen Annes Gate
Mendelssohn Dr
Gershwin Dr
Mozart Dr
Stone Ct
Adelaide St
Oakmoor Rd
Lake Forest Dr
Glen Park Dr
Elmwood Rd
Parkside Dr
Vineland Rd
Upland Rd
252
254
2
90
159

STREET SCENES AND AREA VIEWS

View of Columbia Road looking north.

View of Columbia Road looking south.

<u>STREET SCENES AND AREA VIEWS</u> (Continued)

View of First Street looking west.

View of First Street looking east.

NATIONAL ECONOMIC OUTLOOK

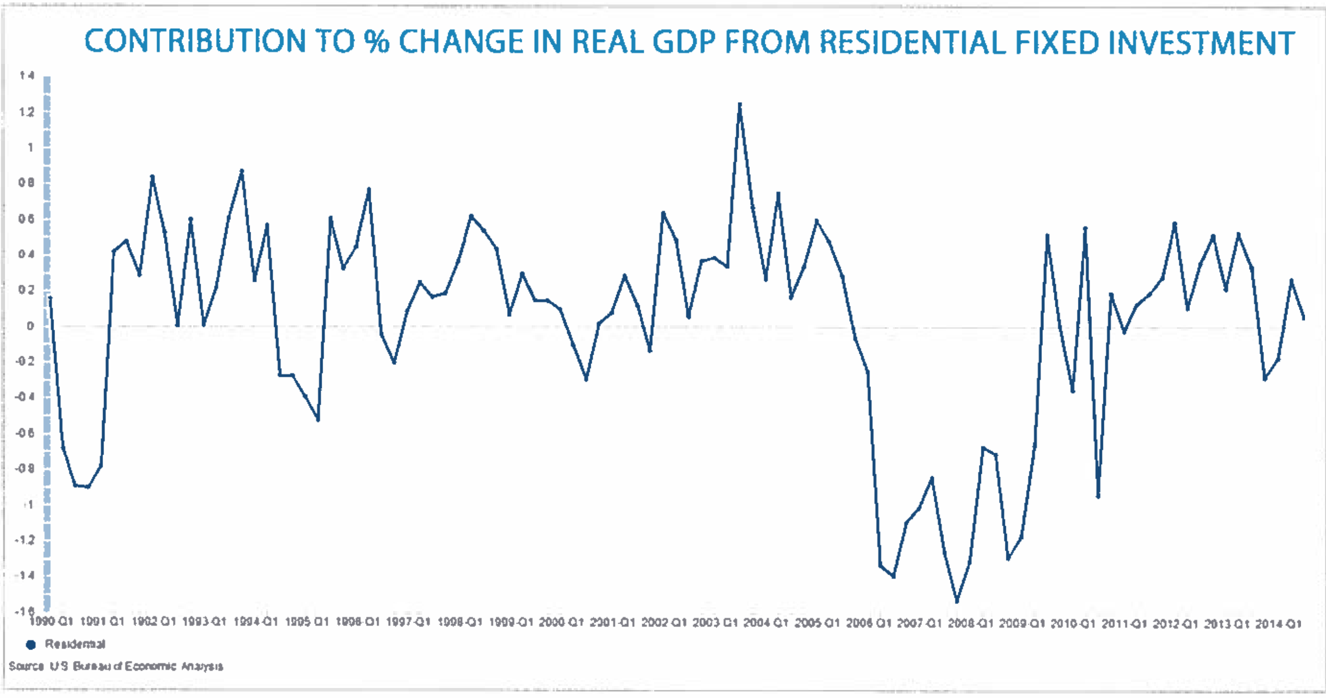
The duration of the most recent recession and its recovery has been remarkably long and some of the after effects are expected to linger. These after effects will likely impose long-term influences on the lifestyle choices of a significant portion of the American public. Consumer confidence due to the significant rise in employment levels as well as geopolitical events have supported better days and prospects for the future. However, timidity in the general population reflects a fear of the fragility in the level of recovery and its likely persistence over the next few years. Still cautionary notes continue to be issued by a significant number of noteworthy private and public sector economists and institutions. Even so, the user of this report is advised that, in our opinion, the economy has gained sufficient strength to insure that its momentum will carry forward unless some unexpected significant external forces weigh down on the nation (e.g., unaccounted for conflicts - Middle East, the Far East and Northern Africa, monetary crises among others). Accordingly, the early years of national and regional experience (2008-2010 and lingering effects thereafter) should not be overweighted in assessing the narrative contained in this report.

The U.S. recovery from the Great Recession has continued through 2014 into 2015 while uncertainty remains due to sovereign and private sector debt crises in Europe and in places such as India, China, Brazil and others where growth rates have attenuated. Nevertheless, the U.S. economic outlook continues to improve, with real Gross Domestic Product (GDP) reported to have increased at an annual rate of 2.2% in the fourth quarter of 2014 and slowed to a .2% in the first quarter of 2015, according to the estimate released by the Bureau of Economic Analysis. For 2014, real GDP was reported to have increased by 2.4%. The recent growth, although weak in terms of pre-recession experience, is the result of improvements in business confidence, consumer spending, and housing starts, all which have been reciprocally reinforcing. That said, investors also fear that if the economy heats up, the Fed will begin its long called for elimination of stimulus such as its "quantitative easing" and other methods of monetary stimulus.

However, contraction from U.S. domestic fiscal policy, slower global growth, and the Eurozone financial crisis as well as rising concerns about suffering countries inflating out of debt in a race to the bottom and the hollow aspects of parts of China's economic growth plan (again inflation but also demographic due to the previous "one child policy"). Eventually these forces mean at least some tightening of credit conditions in the United States. Here, as in past recessions, real estate, and more specifically the housing sector, will remain key to a robust recovery, but the overall sector remains sluggish with much of the new construction not being single family residences, but instead, multi-family units. Demand among young adults for new housing is tied to their employment prospects; mortgage credit remains tight, though it loosened considerably over the past few years. In past recessions, the housing industry has led the U.S. back to recovery. The Fed has used its monetary power and policy to support this sector's pervasive stimulus. The Fed assisted the nation by applying this and other tools at their disposal in the recessions of 1973-1974, 1981, 1991, and 2001. The current recovery has sorely tested this approach because of the scale of the downturn and directions of this round of accommodation due to the nationwide over production of residential construction offered to an increasingly undercapitalized population, which was one of the underlying causes of the recession. Presently, the housing sector shows signs of growth with the apartment sector representing the second-largest share of commercial real estate transaction volume behind the office sector and has the lowest cap rate and risk premium among the five major sectors according to Auction.com, LLC's Third Quarter 2014 Commercial Real Estate Market Monitor.

NATIONAL ECONOMIC OUTLOOK (Continued)

The chart below shows the contribution of residential fixed investment to the percent change in Real Gross Domestic Product (GDP) growth since 1990 and it suggests its powerful influence on the U.S. economy. When the series turns negative, it is a drag on the economy and hinders growth in GDP. During the Great Recession, residential investment (or the lack thereof) experienced its longest and widest drag on GDP growth ever. There have been prior negative spikes, but not as long, deep or structural in the past as there was beginning in 2005.



With stronger domestic performance albeit at low levels of confidence, the risk of a return to recession for the U.S. is abating. The recession in the Eurozone in 2011 - YTD 2015 is not and has not been expected to be severe enough to tip the United States back into another recession. However, the Eurozone does affect capital flows impacting export demand and corporate earnings of U.S. firms (See above regarding inflationary impacts).

In a "sea change" of sorts, national increases in energy (primarily gas and oil) production will likely provide a boost to American competitiveness during the next decade in several of its industries and promote on-shoring by U.S. and foreign manufacturing companies. The unemployment rate has continued to edge down, to 5.5% (3/2015) from 6.6% (3/2014) and 7.5% (3/2013). Consumer spending, meanwhile, has been doing better than sentiment readings would suggest. Long suppressed demand, as recession conscious consumers delayed even replacement purchases, is now helping to improve durable and nondurable goods

NATIONAL ECONOMIC OUTLOOK (Continued)

spending. However, consumers continue to face headwinds which will continue to suppress robust spending in this recovery. A weak labor market, in part, brought about by the growth in the part-time employment policies of employers concerned with controlling total payroll costs in a still uncertain business environment as well as high debt burdens, marginal savings, rising housing prices that have not yet shifted enough to "float all boats" and general price increases, have continued to outpace wage growth. A continuing lack of confidence in the government's effectiveness and accountability should keep spending growth moderate in the coming year. Inflation concerns, though, are muted. A combination of higher gasoline prices and food prices has raised the CPI and median incomes have been nearly stagnant on an inflation adjusted basis for over a decade.

The U.S. economy continues to grow at a moderate pace. Total non-farm employment increased in April 2015 by 223,000, while the unemployment rate ticked down slightly to 5.4% (March 2015) from 5.7% in January 2015. Employment growth by sector during April was led by Professional and Business Services, Health Services and Construction. However, the U.S. economy needs to add at least 125,000 jobs per month just to keep up with its population growth, and needs gains in the 200,000 plus range to put a real dent in the unemployment rate. This is now occurring but the "quality" of the increase is being questioned by some analysts.

The continuance of a slower than normal employment recovery for at least the remainder of 2015 is still plausible suggesting a continuing accommodative stance by the Fed. According to the Department of Bureau of Economic Analysis, real GDP increased at an annual rate of .2% in the first quarter of 2015 ("advance" estimate) which is down from fourth quarter 2014 which was reported at 2.2%. The May Employment Situation Summary (April data) estimated the number of unemployed persons to be 8.5 million, which is a decline of 1.7 million since the beginning of 2014. The number of long-term unemployed (those jobless for 27 weeks or more) was 2.5 million persons essentially unchanged from the previous month (April), but represents a decline of 400,000 from September 2014. That said, to the extent they have not left the workforce but instead have found gainful employment, this longer term perspective is a good sign. The number of persons employed part time for economic reasons (sometimes referred to as involuntary part-time workers) was also essentially unchanged at 6.6 million persons, down 880,000 from a year earlier.

REGIONAL ANALYSIS[1]

Because the value and future prospects for the subject property are dependent upon economic forces at work in the subject's suburban communities and the metropolitan complex in which it exists, an examination of the metropolitan area is a significant analytical aid. The subject property is located in Northeast Ohio, a demographically and economically important part of the Midwest and of the nation.

Cleveland, Ohio, is located along the south shore of Lake Erie, between New York and Chicago. Its key geographic position relative to natural resources (i.e., coal, iron ore and water) and transportation allowed Cleveland to develop over the past century into a major social, political and economic entity. Although now part of a mature, urbanized region, Cleveland participates with several other older metropolitan centers in the dominance of the nation's economy. This market is also strategically located within North America. 42% of the U.S. population and roughly 40% of all Canadians reside within 500 miles of Cleveland.[2]

In 2010, the Cleveland-Elyria-Mentor Metropolitan Statistical Area totaled 2,077,240 persons. This metropolitan population has been in a gradual decline since the prior decennial census count. According to the year 2000 census count, the population for the Cleveland-Akron Metropolitan Statistical area totaled 2,945,831 persons. The 2010 count reflects a decline of nearly 30 percent from the year 2000 level. Our verification of this data with representatives from the Census Bureau further revealed that the Office of Management and Budget redefined the statistical area during this time period so a direct comparison as previously defined is no longer possible. Nonetheless, the data reveals that a population decline in the Metropolitan Area is taking place. During this same time period we observed a population decline in the City of Cleveland. Population in the City of Cleveland as reported in the year 2010 Census totaled 396,815 persons. This reported count for the city compares unfavorably to the 2000 census count where a population of 478,403 was reported. The decline over this ten-year period is ±17 percent.

The economic performance of Northeastern Ohio Cities of Cleveland, Akron and Lorain has always been a function of their industries, in particular their reliance on heavy manufacturing. In this region the historically high proportion of value added by heavy manufacturing production has diminished greatly. Further, the overall rate of economic growth experienced here has lagged behind national averages and well behind the growth regions of the United States. During the past four decades, attempts have been made to restructure the region's economy and, thereby, escape the burdens of the past. Global changes have shifted manufacturing opportunities to other areas of the U.S. (e.g. automotive) and Asia where new plant and equipment and/or less expensive labor predominate.

1 Sources: Charles M. Ritley Associates LLC, Sperry Van Ness - Commercial Real Estate Advisors and Economy.com.

2 U.S. Decennial Census and REI analysis.

REGIONAL ANALYSIS (Continued)

In recent years, economic development officials have been seeking to build upon the region's manufacturing strengths, improving productivity and looking to the export market, while also attempting to create industries with take-off potential. These new industries might build on the region's technological strengths, especially in the areas of biomedical research and materials science. The Akron area is known as being the national center for polymer research and development. By diversifying its portfolio of industries, adding business services, high technology and tourism to the traditional mix, the Cleveland region seeks to insulate itself from sector-specific shocks like those it experienced in the 1970's and escape the substandard growth rates which have been and are presently evident.

Service jobs have been replacing manufacturing jobs in the U.S. economy for years and Northeast Ohio participates in this trend. As recently as 1990, approximately 20% of Northeast Ohio's non-farm employment was in manufacturing. However, over the past two decades Northeast Ohio's manufacturing sector has declined. As of the year 2010, it was reported that 9.9% of jobs in the Cleveland-Akron Combined Statistical Area were manufacturing compared to approximately 19.4% in 1990. Over this same time frame, service jobs increased from 33.9% in 1990 to 45.0% in 2010.

Because of its 19th century industrial heritage, the region hosted a disproportionate share of headquarters facilities of large companies. The existence of these headquarters contributed to stability in professional employment; to strong demand for business services; and to a level of corporate civic activity and philanthropy that were the envy of the nation. However, the number of companies with headquarters or larger regional facilities continues to decline due primarily to corporate merger activity. Examples include TRW, BP America, Office Max, MBNA and National City Bank. Please refer to our Trend Analysis and Highest and Best Use sections for further discussion about the office market.

The following is a summary of recent regional employment trends.

(a) The largest employment sectors are Manufacturing and Health Care, each accounting for ±15% of total employment.

(b) The top three employers are Cleveland Clinic, University Hospitals Health System and Progressive Corporation, followed by KeyCorp and PNC Bank (formerly known as National City Corp.). These are largely not economic base activities.

(c) Cleveland's reported unemployment rate for February 2015 was 8.3% compared to 9.8% reported in February 2014. Ohio's reported unemployment rate for February 2015 was 5.1% compared to 6.2% in February 2014. Note though the Bureau of Labor Statistics UP unemployment statistic has reported a consistently higher rate due to its incorporation of under employed and no longer looking for work components. Cleveland is ±95% correlated with national fluctuations in employment volatility and is known to lead into downturns and lag in recoveries.

The 2000-2001 and 2008-2009 national (official) recession had significant affects on the local economy with significant downsizing and corporate realignments experienced here. Like most major metropolitan areas, declines in the economy weakened many of its sectors. As previously mentioned, as of the year 2010, it was reported that 9.9% of jobs in the Cleveland-Akron Combined Statistical Area were manufacturing

REGIONAL ANALYSIS (Continued)

compared to approximately 19.4% in 1990. Employment loss was experienced and vacancy rates increased significantly in office space markets. Hours worked per week declined significantly during these periods of time. Since late 2009, the economy has been in a slow state of recovery with the region lagging behind some areas of the nation.

The recovery in Cleveland will likely continue to be slow. Employment growth in Cleveland has decreased 12.8% over the past five years. The manufacturing industries, which were hit particularly hard again during the most recent recession, continues to lose jobs. Unemployment (8.3%) is above the national (5.5%) and the state (5.1%) averages for February 2015.[1] Note, the Greater Cleveland area lost more jobs than any other large metropolitan area for the time period from May 2012 to May 2013. During this time period, Cleveland employment declined by 5,600 persons. However, this trend has slowly changed directions as the Greater Cleveland area non-farm payroll employment in the Cleveland-Elyria-Mentor metropolitan area totaled 1,046,700 in October 2014.

The region's overall consumer economy is weak. Purchasing power has been undermined by the rapid loss of high paying manufacturing jobs first during the 2000-2001 recession and the lingering effects of the most recent recession. Usually, an aging workforce is found to be highly productive, in part, because of its experience, but also because manufacturing in Cleveland is capital-intensive. Many of the aging workers employed in manufacturing have found it difficult to find substitutable new jobs and have thus opted for early retirement. In addition, rising consumer debt coupled with lower, i.e., inflation adjusted, real income have contributed to decreasing consumer spending causing employment in retail trades to decline. The likelihood of rising interest rates further threaten to increase the debt burden for many households.

Real estate values have been reflective of the stagnant economy. The housing market should experience appreciation as the excess supply of single-family homes slowly diminishes. Office rents have been flat over the couple of past years and the vacancy rate is now beginning to stabilize at ±18%. Further, the manufacturing sector is beginning to slowly improve which has resulted in increasing demand for industrial space.

Cleveland will, most likely, lag behind the nation in employment growth due to its unfavorable demographics (i.e., limited population growth) and its heavy reliance on traditional manufacturing. Employment growth in Cleveland will most likely continue to occur in the health care and technology industries but the restructuring from a manufacturing base to a more service based economy will take time.

1 Labor force estimates derived from Ohio LMI.com.

2 Source: the Cleveland Plain Dealer and U.S. Bureau of Labor Statistics.

AREA/NEIGHBORHOOD DESCRIPTION

The City of Westlake, Ohio, with an area of 14.3± square miles, is a western suburb of the City of Cleveland. Westlake lies approximately eleven miles west of the Cleveland Central Business District. It is bordered by the cities of Rocky River and Fairview Park to the east, North Olmsted to the south, Bay Village to the north, and the City of Avon in Lorain County to the west.

The 2010 Census reported Westlake's population to be 32,729 which reflects a 0.32%± annual increase since the 2000 Census. The 2000 Census reported population in Westlake at 31,719 persons. Further, the 2010 Census reported the population in Cuyahoga County at 1,280,122, a 0.82% annual decrease from the 2000 Census which reported the County's population at 1,393,978.

The median family income for the City of Westlake in 2000 was $80,693, and $87,739 in 2010, while the average family income was $113,652 in 2000, and $126,522 in 2010. These figures fair well when compared with Cuyahoga County's median family income ($49,548 in 2000 and $62,167 in 2010) and average family income figures ($64,287 in 2000 and $76,091 in 2010). Note that the 2010 Census was a "short form" census reporting only population and housing information. The five-year estimate report according to the American Community Survey reports the Median Household Income for the City of Westlake is $76,358.

Westlake, because of its convenient location, history of commercial growth, the quality of its housing stock, and well regarded city services and schools, grew despite a downward trend in the county's population. Westlake's growth is symbolic of the shift in population from Cleveland and its close-in suburbs to the outer ring of suburbs and to surrounding counties. A number of larger scale single and multifamily developments were built which substantially boosted the community's population and dwelling unit count during the 1980's and 1990's. The majority of the multifamily projects are located along Detroit Road with six newer apartment complexes containing a total of 1,199 suites. More recently, 158 rental units were added with the development of Crocker Park, a lifestyle retail development with an apartment and office component.

Westlake may be characterized as a bedroom community with most of its labor force being employed by manufacturing and service industries located in Cleveland and the southwestern suburbs. The median home value as of the 2008-2010 American Community Survey was $231,200. Construction of new homes in the community has improved in recent years with the slow but gradual improvement in the economy. New single family home starts in the City of Westlake are shown on the following page. The data shows the decline in new construction began with the onset of the Great Recession (2008-2009) through 2012. The number of new home permits issued in 2013 and 2014 is higher than in recent years but is well below its recent peak in 2006.

1 Part of an annual "long form" survey conducted by the Census Bureau.

AREA/NEIGHBORHOOD DESCRIPTION (Continued)

Year	New Home Permits Issued
2014	38
2013	43
2012	17
2011	15
2010	13
2009	9
2008	12
2007	21
2006	70

Source: City of Westlake Planning Department

The City of Westlake still has a significant supply of vacant land zoned for commercial and industrial uses. This benefit assures the community of an ample supply of land for future tax revenue growth, and for growth in employment. Major employers in the City of Westlake include St. John Medical Center (1273), Hyland Software (754), Westlake City Schools (577) and the City of Westlake (420).

The highly publicized lifestyle project, Crocker Park, is located on the west side of Crocker Road just south of Detroit Road. It consists of 1.2 million square feet of retail space, 650 residential units and 1.0 million square feet of office space. The Promenade of Westlake shopping center is located at the southwest corner of Detroit and Crocker Roads. This community-sized center contains 255,904± square feet of in-line retail space as well as two restaurants situated on out-parcels. The center is well leased. In the northwest quadrant of Detroit and Crocker Roads is West Bay Plaza, a 164,120± square foot community shopping center which was originally constructed in 1974-75. Just west of this center is The Crossings, a 286-unit luxury apartment complex built in 1991.

Numerous small and large-scale projects that occurred in 2014 total in excess of ±435,000 square feet. The larger projects include the addition of ±102,000 square feet of new retail space on Main Street in Crocker Park. Also, a ±65,000 square foot 91-room Holiday Inn Express hotel is under construction on Clemens Road. A second hotel, Hyatt Place, is also under construction and will contain 110 rooms in ±69,000 square feet. The most notable large scale project is the ±600,000 square foot office building development for American Greetings Corporation. The project will be completed in 2016 and includes an additional ±60,000 square feet of ground level retail space.

AREA/NEIGHBORHOOD DESCRIPTION (Continued)

Two other regional shopping nodes serving the area include the Great Northern Mall and surrounding retail, and Westgate Shopping Center. Neither is located in Westlake but both are convenient to Westlake residents. In addition, numerous smaller strip centers have been developed along the major arteries including Center Ridge, Detroit, Dover Center, Columbia and Clague Roads. St. John Medical Center is operated as a 50/50 partnership between the Sisters of Charity Health Systems and University Hospital. It is a 248-bed facility located at Crocker and Center Ridge Roads.

Further, Center Ridge, Columbia, Crocker and Clague Roads, are important north/south roadways because they have full interchanges with Interstates 90 and 480. Crocker Road now connects with Sterns Road which in turn connects with Interstate 480 where it has a full interchange. Interstate 480 is a major east-west artery which has connections with Interstates 71 and 77 to the east and with the Ohio Turnpike (State Route 80) to the west. Cleveland Hopkins International Airport is located about 10 miles to the southeast and can be accessed via I-480. Downtown Cleveland is about 15 miles northeasteast - about 25 minutes driving time via Interstates 90 and 71.

The City of Westlake is a stable to growing high income community with good prospects for growth in the foreseeable future. The subject neighborhood includes commercial, light industrial and residential uses that are well maintained. Despite the most recent recessionary period and slow recovery, the subject property's submarket is considered to be stable and is well located.

ASSESSED VALUATION AND ANNUAL TAXATION

For taxing purposes, the subject property is identified by the Cuyahoga County Fiscal Office as Permanent Parcel Number 213-06-009. The subject property is assessed and taxed for the 2014 tax year (payable in 2015) as follows:

	Assessed Value	Market Value
Land	$ 605,605	$ 1,730,300
Improvements	+ 4,198,565	+ 11,995,900
Total	$ 4,804,170	$ 13,726,200

This assessed value is based on the State of Ohio's 35% property assessment ratio for ad valorem taxation purposes. A portion of the subject property is exempt from real estate taxes. A notice from the Ohio Department of Taxation dated August 14, 2013 indicates that a portion of the subject property is entitled to be exempt from taxation pursuant to R.C. 5709.12 (Ohio Revised Code) because it is used for charitable purposes. The Cuyahoga County Fiscal Office has estimated the market value of the exempt portion of the subject property to be $7,394,100 and the taxable portion to be $6,332,100.

2014 Real Estate Taxes (Payable in 2015)

Real Estate Taxes	$ 229,048.40
Less: House Bill 920 Credit	- 65,051.20
Subtotal	$ 163,997.20
Assessments	+ 223.42
2014 Net Real Estate Taxes	$ 164,220.62

The 2014 gross tax rate for the City of Westlake is $103.35 per $1,000 of assessed value. This is reduced to an effective tax rate of $74.00 by virtue of the House Bill 920 Credit. The effective tax rate reflects a real estate tax burden of 2.59% of estimated market value for commercial properties in the City of Westlake.

1 Please refer to our Assumptions and Limiting Conditions.

LEGAL DESCRIPTION

Please refer to the Addenda for a copy of this exhibit.

OWNERSHIP

Our review of Cuyahoga County records indicates that title to the subject property has been held in the name of Lakewood Hospital Association since August 1, 1988. Lakewood Hospital Association acquired title to the subject property from Batac Corporation via a warranty deed. There was no reported consideration for this sale. According to Cuyahoga County records, no transfers have occurred since Lakewood Hospital Association acquired title to the subject.

PUBLIC SERVICE IMPROVEMENTS

Columbia Road (which lies within a varying right-of-way) in the vicinity of the subject is a four-lane, asphalt-paved roadway with concrete sidewalks, concrete curbs and street lights. First Street (which lies within a 60-foot right-of-way) in the vicinity of the subject is a two-lane, asphalt-paved roadway with concrete sidewalks, concrete curbs and street lights. Both roadways are good condition. All public utilities are available to the subject property. These utilities include water, gas, telephone, electricity, storm and sanitary sewers.

HAZARDOUS MATERIALS

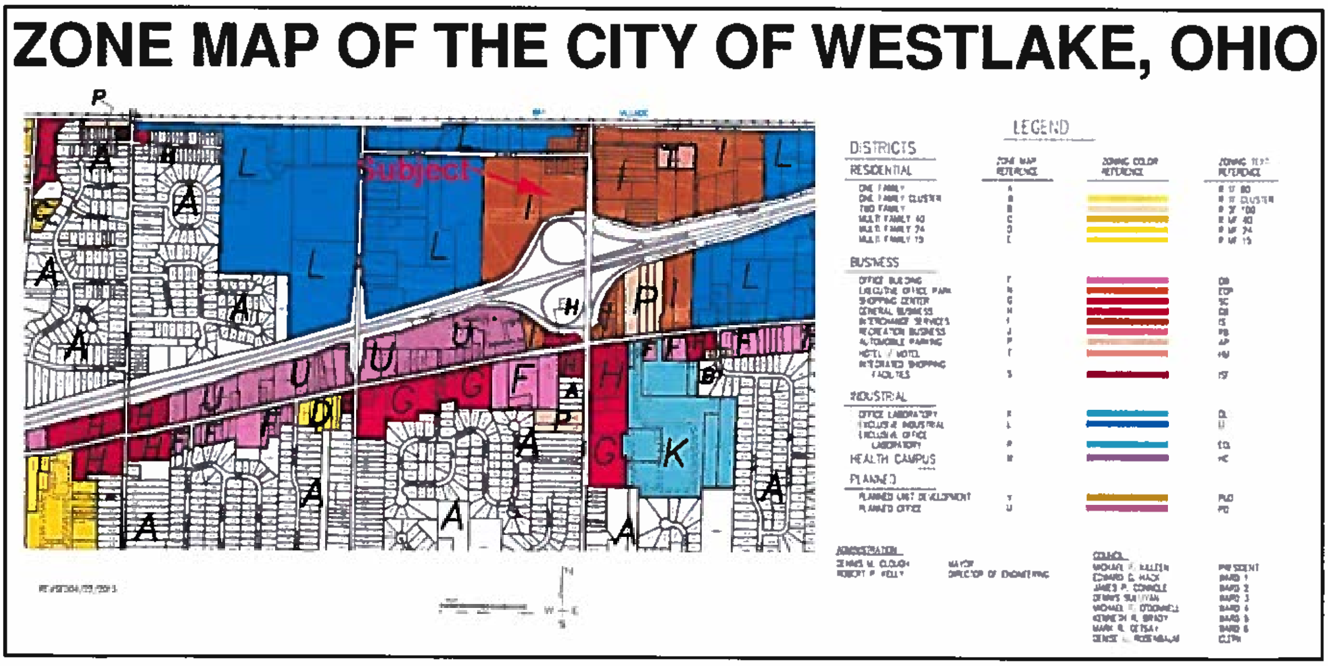
No hazardous materials were observed during the time of our inspection. However, we did not, nor are we equipped to make an environmental study of the property. Please refer to Items (q) and (r) of our Assumptions and Limiting Conditions.

EASEMENTS IMPACTING THE SUBJECT PROPERTY

There were no apparent adverse easements or encroachments noted at the time of our inspection of the property. However, we are not surveyors and we recommend that any parties with a financial interest in the subject property rely on a title search and a current survey. If there are any adverse easements or encroachments affecting the subject we reserve the right to change the value estimate contained herein.

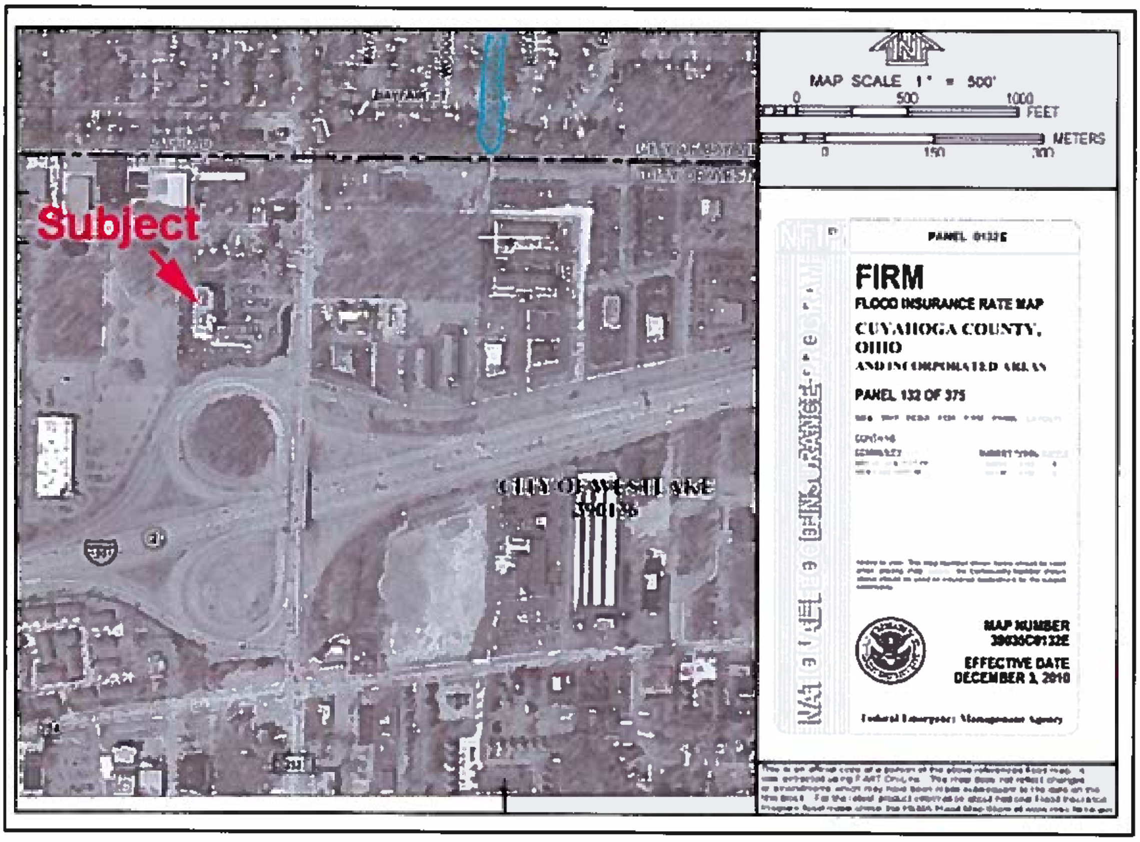
ZONING

The subject property is situated in the City's Interchange Services IS zoning district. This zoning category allows for a variety of uses including the subject's medical arts building use and has a maximum building height of 60 feet. The minimum lot size in an Interchange Services zoning district is 2.0 acres. The minimum lot width is 200 feet. The maximum lot coverage is 20%. Off street parking requirements are 5 spaces for each doctor and/or dentist or 1 space for every 250 square feet, whichever is greater. Based on the subject's size (103,755 square feet), it requires 415 parking spaces. The subject property is improved with approximately 280 striped parking spaces which is well below the City's minimum parking space requirement. From our review of the zoning map and code, the subject property, as presently improved, is a legal, non-conforming use since it does not meet the City's minimum parking space requirements. We assume the owner obtained any necessary variances to permit its present use. We have included the ordinances for this zoning category as an exhibit in the Addenda to this report.



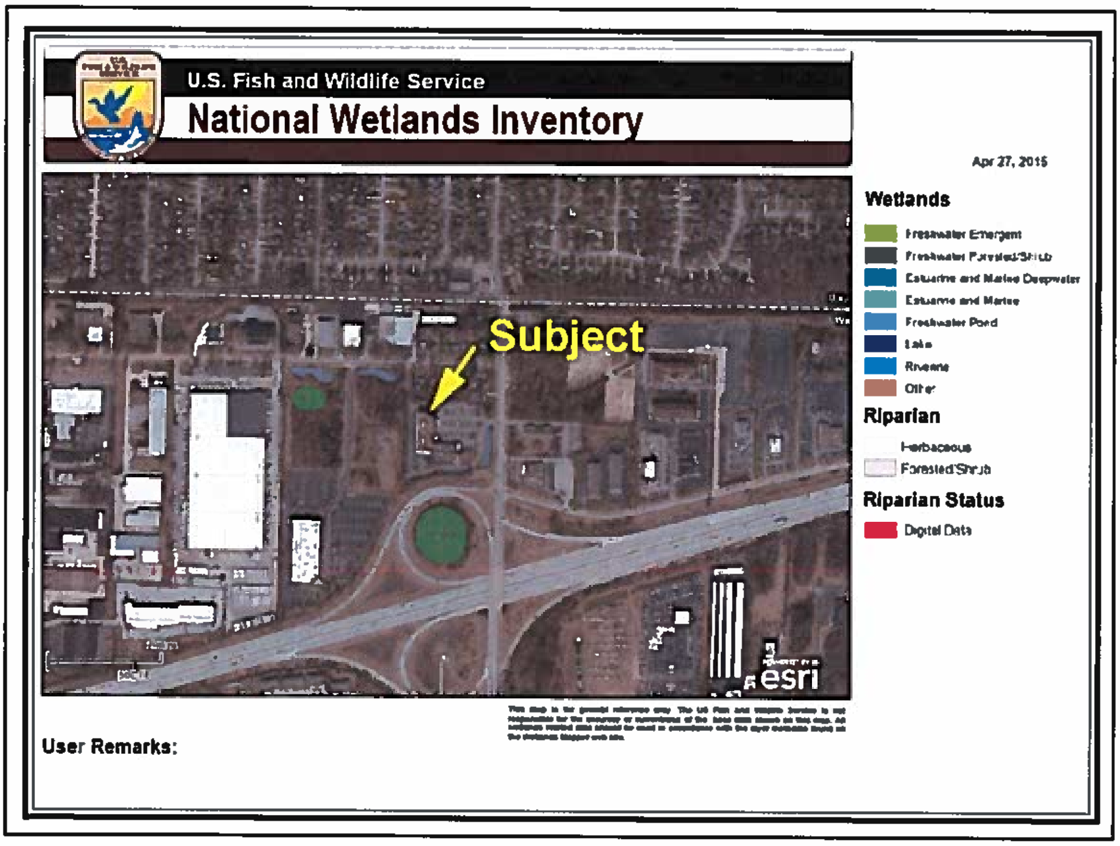
FLOOD PLAIN

Our review of the National Flood Insurance Program's Flood Insurance Rate Map indicates that the subject property is not situated in a federally designated special flood hazard area. The map panel reference is Cuyahoga County, Ohio and Incorporated Areas, Map Number 39035C0132E with an effective date of December 3, 2010.

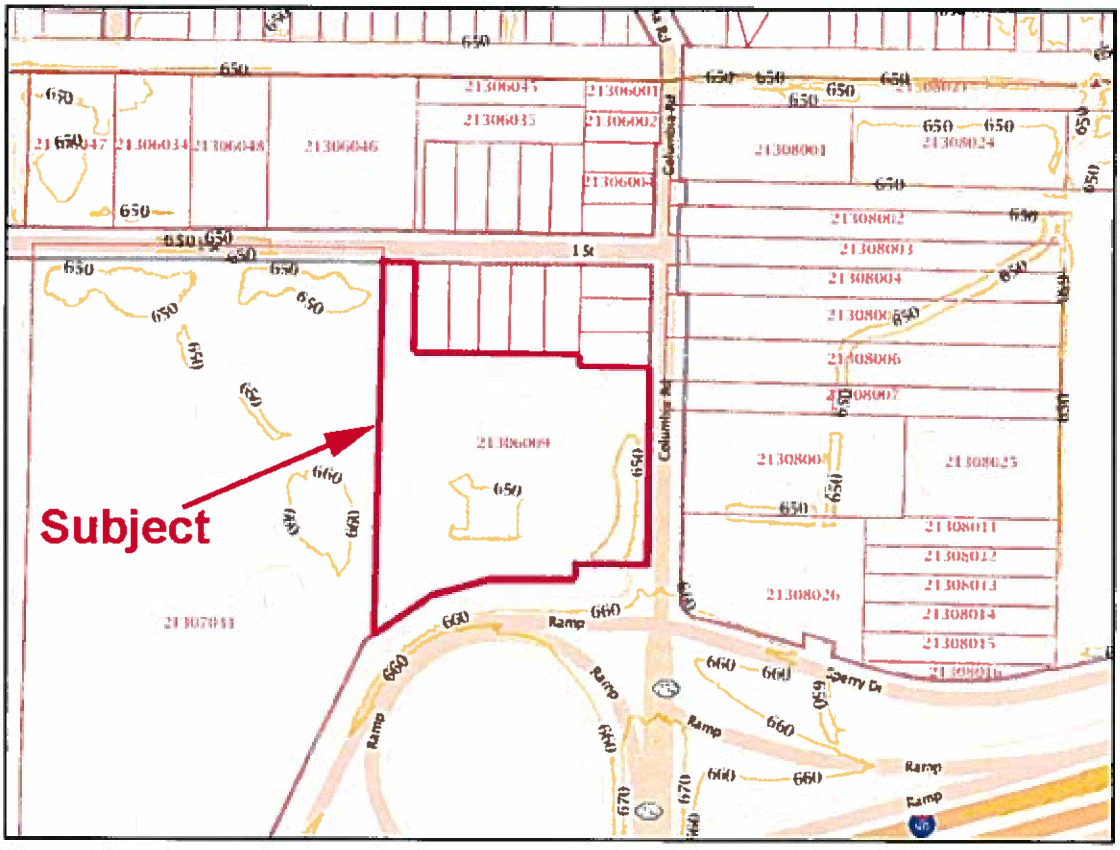


WETLANDS

A review of the National Wetlands Inventory does not indicate the presence of federally protected wetlands areas affecting the subject property. These maps are not precise and we recommend that anyone with or considering a financial interest in the subject property seek assurances concerning the impact of wetlands conditions from a qualified engineer. This appraiser assumes that if wetlands were found to be present, all appropriate U.S. Army Corps of Engineers and Environmental Protection Agency permits have been or can be secured at a nominal cost and the owner is in compliance with all federal and state regulations regarding wetlands.



TOPOGRAPHIC MAP



SECTION II - DESCRIPTION OF THE SUBJECT PROPERTY

PHOTOGRAPHS OF THE SUBJECT PROPERTY

Exterior Views

View looking west across Columbia Road.

View looking southeast from a point near the
subject's access drive from First Street.

PHOTOGRAPHS OF THE SUBJECT PROPERTY (Continued)

Exterior Views (Continued)

View looking northeast from a point near the subject's south property line.

View looking southwest from a point near the subject's east property line.

PHOTOGRAPHS OF THE SUBJECT PROPERTY (Continued)

Exterior Views (Continued)

View of the access drive to First Street looking north.

View looking south at the storm water retention pond
located along the site's Columbia Road frontage.

PHOTOGRAPHS OF THE SUBJECT PROPERTY (Continued)

Interior Views

View of the atrium lobby area.

View of the office reception/waiting room in the
North Shore Gastroenterology space.

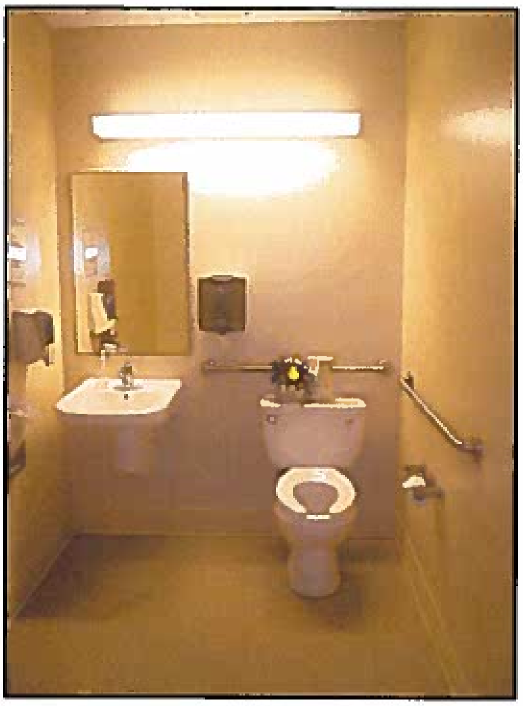
PHOTOGRAPHS OF THE SUBJECT PROPERTY (Continued)

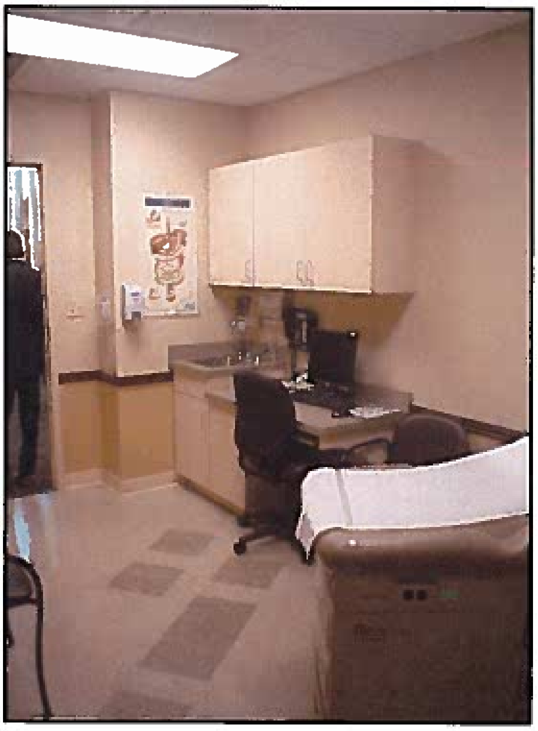
Interior Views (Continued)

Views of the North Shore Gastroenterology space.

<u>PHOTOGRAPHS OF THE SUBJECT PROPERTY</u> (Continued)

<u>Interior Views</u> (Continued)





Views of a restroom and an examination room in the North Shore Gastroenterology space.

PHOTOGRAPHS OF THE SUBJECT PROPERTY (Continued)

Interior Views (Continued)

Views of the procedure area in the
North Shore Gastroenterology space.

PHOTOGRAPHS OF THE SUBJECT PROPERTY (Continued)

Interior Views (Continued)

View overlooking the first floor lobby area
of the multi-level, open space atrium.

View of a typical stairwell.

PHOTOGRAPHS OF THE SUBJECT PROPERTY (Continued)

Interior Views (Continued)

Views of the Fairview Surgery Center space
located on the lower level.

PHOTOGRAPHS OF THE SUBJECT PROPERTY (Continued)

Interior Views (Continued)

View of the Cleveland Clinic ENT space on the first floor.

View of a vacant suite on the first floor.

PHOTOGRAPHS OF THE SUBJECT PROPERTY (Continued)

Interior Views (Continued)

View of the vacant "shell" space on the third floor.

View of the maintenance shop mechanical/storage area on the lower level.

PHOTOGRAPHS OF THE SUBJECT PROPERTY (Continued)

Interior Views (Continued)

View of a vacant suite on the first floor.

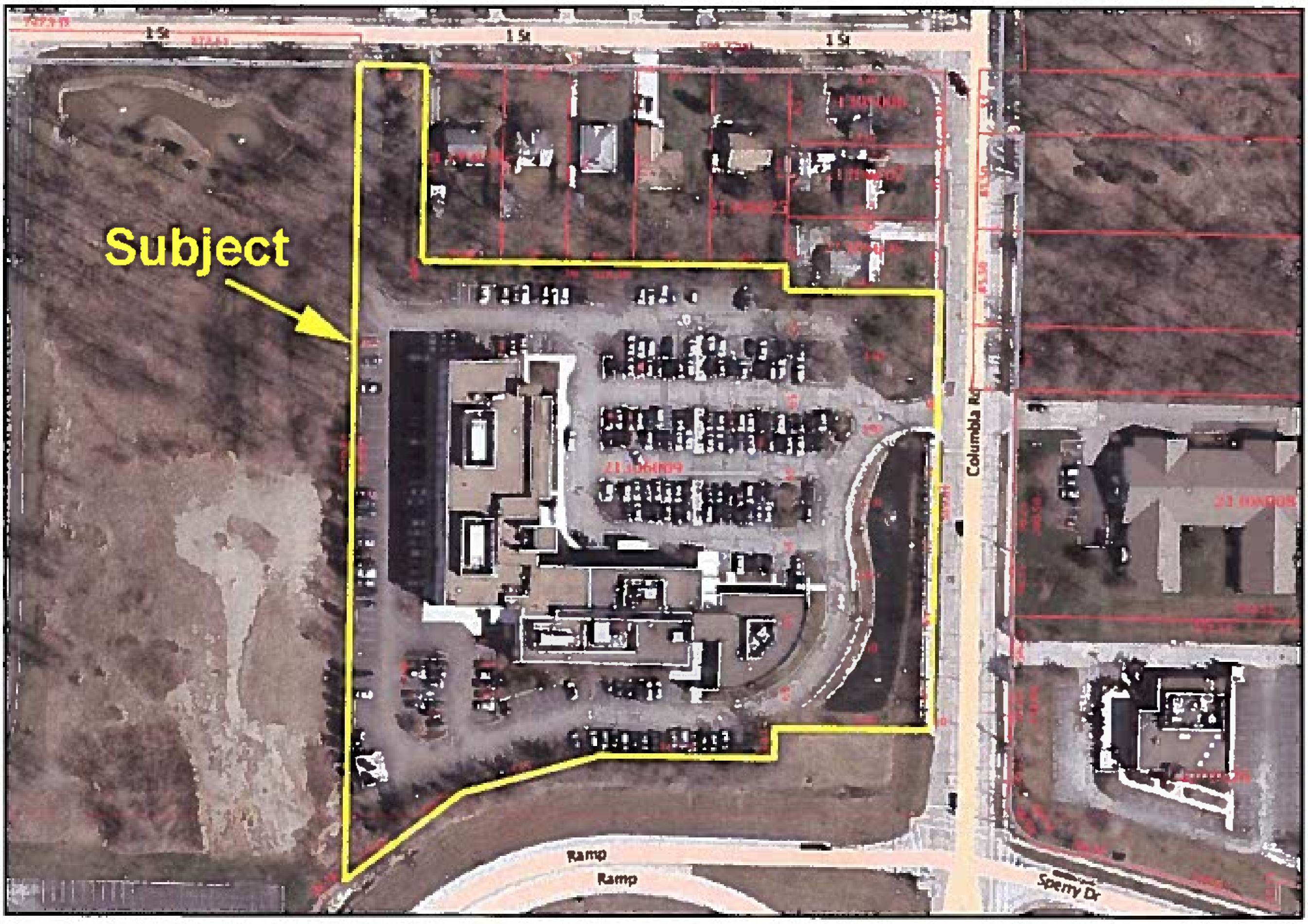
DESCRIPTION OF THE SUBJECT PROPERTY (Continued)

Oblique Aerial Photograph

Note the retention pond located along the subject's Columbia Road frontage as well as the westbound entrance ramp to Interstate 90 that extends along the subject's south property line (bottom of the photograph).

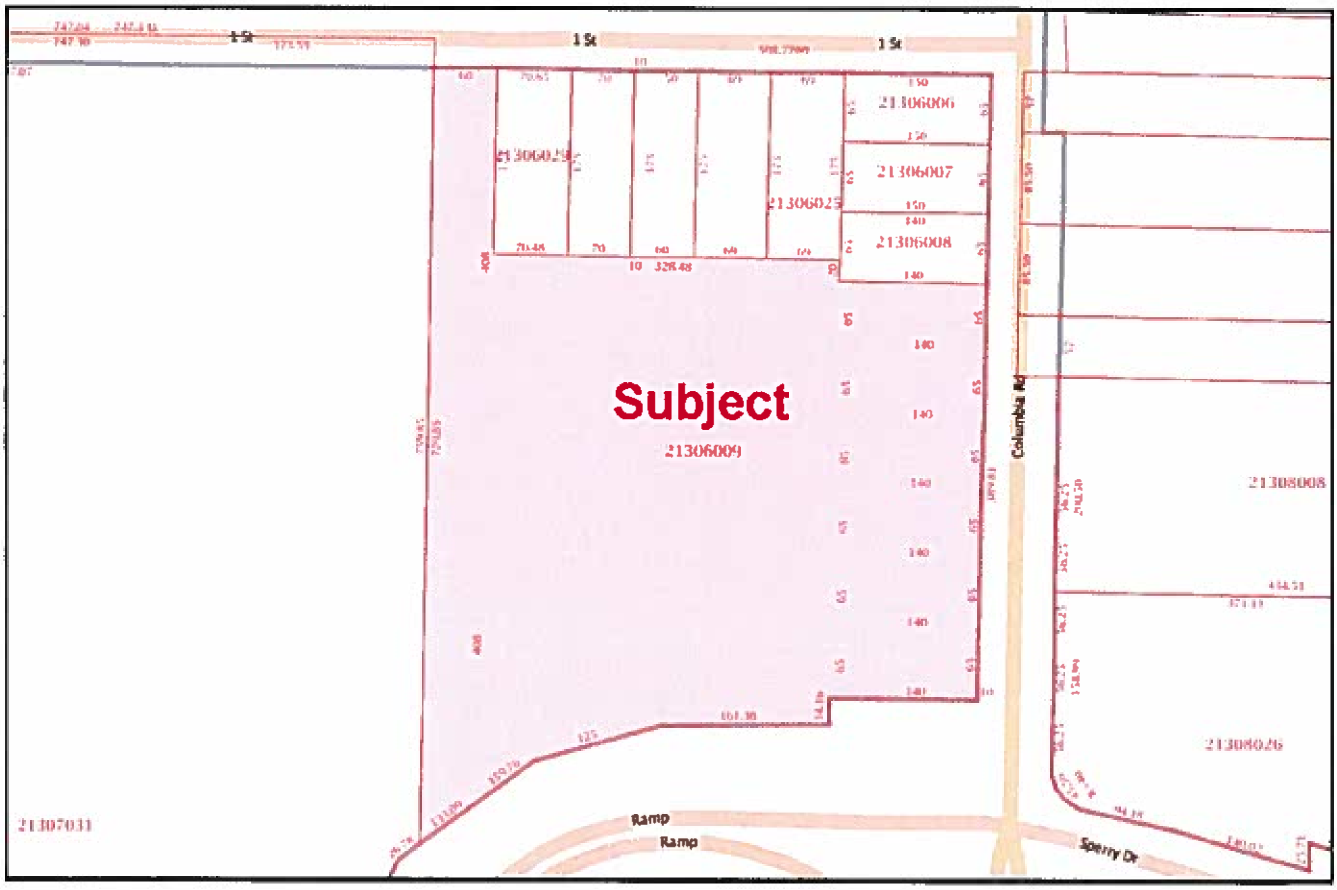
DESCRIPTION OF THE SUBJECT PROPERTY (Continued)

Aerial Plat Map



DESCRIPTION OF THE SUBJECT PROPERTY (Continued)

Plat Map



DESCRIPTION OF THE SUBJECT PROPERTY (Continued)

Land

The subject site is an irregularly-shaped parcel containing ±5.67 acres[1]. The site fronts ±390 feet along the west side of Columbia Road, ±60 feet along the south side of First Street and ±600 feet along the north side of the westbound entrance ramp from Columbia Road to Interstate 90. Please refer to the accompanying Plat Map for the site's size and shape characteristics. The parcel's topography is generally level and is at the grade of Columbia Road and First Street.

Building Improvements

The subject site is improved with a one, two and part three-story, medical office building containing ±103,755 square feet[1] of gross building area. The building was originally constructed in 1992 (±39,863 square feet) and was expanded in 2002 (±63,892 square feet). The subject contains ±95,831 square feet of rentable area and is 87.9% occupied.

The following is a summary description of the subject's construction characteristics and its interior finish based upon our inspection on April 30, 2015 and our review of Cuyahoga County records.

Building Improvements

Architecture	Contemporary
Foundation	Concrete and reinforced concrete foundation and slab.
Framing	Steel frame
Exterior Walls	Precast concrete panels and glass curtain walls. Some granite panels were observed near the main entrances. Windows are fixed, tinted, insulated glass set in aluminum frames.
Roof	A combination of flat, built-up composition and rubber membrane roof systems over a metal deck supported by steel bar joist construction. The rubber membrane roof system has a washed riverstone ballast.
Floor Construction	The ground floor/lower level is reinforced concrete slab while the upper floors are poured reinforced concrete on metal decking supported by steel bar joists, beams and columns. The floor heights are 12 feet.

1 Per our review of the accompanying legal description.

DESCRIPTION OF THE SUBJECT PROPERTY (Continued)

HVAC	Cool and warm air is provided by a rooftop mounted air handler and chiller equipment and boiler equipment that is located on the first and third floors. Pumps circulate the warmed and chilled water to heat exchangers throughout the building. The warm and cool air is distributed via duct work to variable volume ceiling diffusers. Some procedure rooms include separate Liebert units.

Interior Finish Details

Floors	Generally granite, vinyl tile and ceramic tile. Commercial grade carpeting and vinyl tile (primarily examination room and support areas) in physician offices. Clay tile in restrooms.
Walls	The interior walls are vinyl-covered or painted drywall over metal studs. Granite tile walls are found in the lobby areas. Some ceramic tile walls were observed in restrooms. Partial or full glass wall partitioning was observed in some transition areas. Higher quality, solid core hardwood doors.
Ceilings	Typically 2' by 2' and 2' by 4' lay-in acoustical tile in suspended metal grids with recessed fluorescent lighting fixtures. Some areas have drywall ceilings and soffits.
Hallway Finish	Carpet floors, vinyl covered walls, 2' by 4' lay-in acoustical ceiling tiles and recessed fluorescent lighting.
Restroom Finish	The typical common area restroom contains clay tile floors, ceramic tile and vinyl covered drywall walls and painted drywall ceilings. The typical men's restroom contains two wall mounted urinals, two toilets (one is handicap accessible) and three sinks.
Stairs	The typical stairwell finish consists of non-slip rubber treads on concrete filled metal pan steps and landings, painted drywall walls and ceilings, and painted steel handrails. Some stairs are carpet-covered with decorative, tubular polished handrails. The stairwells located adjacent to the subject's exterior walls feature glass curtain walls.
Elevators	The subject contains three elevators. Two of the elevators go from the lower level to the third floor. The other elevator is limited to the lower level, first and second floors.
Other	The subject has two supporting back-up generator systems. Some doctor's offices are equipped with secure medical equipment rooms.

DESCRIPTION OF THE SUBJECT PROPERTY (Continued)

Interior Finish Details (Continued)

Site Improvements

Site improvements include ±75,000 square feet[1] of asphalt- paved drive and parking areas located to the west and northeast of the building improvements. Landscaping surrounds the perimeter of the site and includes continuous, row-lined pine trees. Some end cap parking islands are landscaped with deciduous trees and shrubbery. A storm water retention pond with protective concrete and steel poles extends along the subject's Columbia Road frontage. Pole-mounted lighting surrounds the perimeter of the parcel and is strategically placed among the parking aisles. A drive found on the site's northerly 60 foot wide appendage provides access to First Street. A refuse container with a protective enclosure is located at the extreme southwest corner of the site. The subject's parking lot has striped parking for ±280 vehicles.

Condition and Comments

Although we do not have any specific knowledge as to the condition of portions of the heating, electrical and plumbing systems, etc., which were not readily visible at the time of our inspection, the subject property is judged to be in above average overall condition for its age and use. We did not inspect the subject's roof system[2]. As noted earlier, the tenants at the subject made significant leasehold improvements to their leased space. Their contract rental rates reflect the tenants' cost of the improvements. The space occupied by Cleveland Clinic and related entities is specialized space that would have limited utility for typical medical space occupants. An example is the Ambulatory Care space occupied by Fairview General Hospital. The subject also has 1,314 square feet of space on the third floor that is in "shell" condition and will require a complete buildout prior to occupancy. Several items of deferred maintenance were observed at the time of our inspection. We observed moisture intrusion along portions of the improvement's interior south wall at its window sills. These areas need to be scraped and painted. On the exterior, we observed extensive alligatoring of the asphalt-paved parking lot. The parking lot's wearing course should be repaved in the next year or so.

[1] Per Cuyahoga County records.

[2] This appraisal assumes the roof system to be in good condition with at least a 7 to 10 year remaining life. Please refer to our Assumptions and Limiting Conditions.

HIGHEST AND BEST USE

Highest and best use is defined as that "reasonable and probable use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria and highest and best use must meet are legal permissibility, physical possibility, financial feasibility and maximum profitability"[1]. Implied within these definitions is recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization of individual property owners.

This appraiser has considered a range of potential uses for the subject property in light of current zoning, the area's land use pattern, and the potential economic productivity of the land and then in combination with the improvements. Obviously, the first two considerations are significant delimiters in the range of potential uses while the third contains some subtle value shaping elements refining the range of uses even further.

The subject property consists of a ±5.67 acre parcel of land that was improved in 1992 and 2002 with a one, two and part three-story, precast concrete and glass curtain wall panel clad medical office building. The subject improvements are of good construction quality and are in above average overall condition. The subject is 87.9% occupied. It benefits from its good western suburban location as well as its convenient highway access and visibility at the Interstate 90 and Columbia Road interchange.

This accessibility and proximity to residents and labor markets makes the area ideal for commercial use. The subject's Interchange Services zoning allows for a variety of commercial uses including the subject's current medical arts building use. The extent of nearby commercial development near the subject property, as well as the nature and extent of the present improvements has set the stage for its most productive use.

A major realignment continues in the Northeast Ohio health care industry as institutions align with one another. Over the past ±15 years cost cutting and rationalization in the delivery of health care has resulted in only two major health care providers serving the region (i.e., Cleveland Clinic and University Hospitals). Moreover, due to technological advances, the average length of stay for in-patient care has been shrinking over the past decade. The effect of this shift has reduced the need for beds and therefore has required health care providers to become more efficient as they try to maintain or increase profitability. Among other things, this new paradigm means that the physical proximity of physicians' offices is critical to individual practitioner's and to each institution's economic well being.

Uncertainty concerning the full impact of the Affordable Care Act (ACA) continues as of this writing but, nonetheless, overall demand for medical space continues. Nationwide, medical office building vacancy rates are at the lowest levels since the onset of the Great Recession. However, a bifurcated market exists with higher rates of vacancy in older, less adaptable buildings. Well-located, modern medical buildings that are flexible and able to adapt to rapid technological changes are in the greatest demand. The amount of new medical supply and space under construction remains low, due, in part, to the aforementioned uncertainty associated with the ACA. However, investor demand for the medical office asset class remains strong for investment grade (or near investment-grade) properties. Lease rates for medical office space

[1] The Dictionary of Real Estate Appraisal, Fifth Edition 2010, published by the Appraisal Institute.

HIGHEST AND BEST USE (Continued)

have remained generally stable. Other factors that have contributed to the general stability in medical office space include typically longer term leases (7 to 10 years) due in part to the high costs associated with tenant improvements. These factors typically have reduced tenant turnover. A 14-building survey of medical office buildings in Northeast Ohio shows an overall 90% occupancy level. Please refer to a copy of the Survey which is presented in the Income Approach to Value section of this report. These medical properties contain ±841,483 square feet of rentable area.

In view of the existing land use pattern in the surrounding neighborhood, the area's history and the potential economic productivity of the site, we have determined that the use of the subject property, if it were vacant land, would be a speculative land holding to eventually be developed for commercial use, once an anchor tenant or single user has been secured.

The evolution of medical operations has resulted in a migration from solo or small group physician practices to larger, multi-physician practices. This change has resulted in more patients being seen in less time. Increased use of physician assistants and nurse practitioners have resulted in an increase in required medical space per physician. Improving economic conditions and demographic trends (baby boomers and millenials) will continue to have a positive impact on this sector. Therefore, based on the subject's current and historic occupancy levels and its location , it is our opinion that the highest and best use of the subject as improved is continued medical office building use.

EXPOSURE TIME AND MARKETING PERIOD

The market value reported herein presents the most probable selling price of the property on the effective date of the assignment assuming the property had been exposed (marketed) for a reasonable period of time prior to the effective appraisal date[1].

The subject property consists of a ±5.67 acre parcel of land that was improved in 1992 and 2002 with a one, two and part three-story, precast concrete and glass curtain wall panel clad medical office building. The subject improvements are of good quality construction and are in above average condition. The subject is 87.9% occupied. It is in a good western suburban location with excellent highway access and visibility at the Interstate 90 and Columbia Road interchange.

Judging from the nature of recent sale activity, we believe demand for medical office properties such as the subject is average. Based on the subject's locational characteristics, occupancy, age and condition it would likely generate investor interest. However, the subject's short term lease agreements as well as the dynamic and evolving healthcare industry may limit its attractiveness to a typical investor.

Based on the foregoing, we are of the opinion that ten to twelve months is a reasonable marketing period[2] for the subject property at the most probable selling price formulated in this appraisal report. Our appraisal further assumes that the subject was exposed to the market for a similar ten to twelve-month period prior to the effective date of the appraisal.

If one were to bring this property to market now, obviously the asking price would be higher than its estimated probable selling price. The marketing would occur after the effective date of the assignment and may, or may not, be directly related to the market value as presented. The actual sales price could increase, decrease, or remain static during the marketing period depending upon market conditions and the type of property being appraised. In this case, since no major changes in market conditions are expected and are projected to be stable over the next year or so, the estimated most probable selling price is forecast to remain the same.

1 Appraisal Standards Board of the Appraisal Foundation, Uniform Standards of Professional Appraisal Practice (Washington, D.C.; The Appraisal Foundation, 2014-2015), Statement on Appraisal Standards No. 6 (STMT-6) at U-79. Reasonable Exposure Time in Real Property and Personal Property Opinions of Value.

2 Appraisal Standards Board of the Appraisal Foundation, Uniform Standards of Professional Appraisal Practice (Washington, D.C.; The Appraisal Foundation, 2014-2015), Advisory Opinion 7 at A-13. Marketing Time Opinions.

SECTION III - VALUATION OF THE SUBJECT PROPERTY

METHODS OF VALUATION

Real Estate is generally appraised by three methods:

1) The Cost Approach to Value requires an estimate of costs based on current prices of labor and materials to reproduce the improvements under analysis or to replace the existing improvements with equally desirable facilities with similar utility. A deduction is made for observed depreciation which has three recognized forms:

   a) Physical depreciation is loss in value due to the natural wasting away of the improvements.
   b) Functional obsolescence is loss in value due to factors of disutility. This can be estimated by a cost-to-cure method or capitalization of loss in rent or capitalization of increased operating costs. Many functionally obsolescent items are curable while others are incurable.
   c) Economic obsolescence is seldom curable, and this loss in value is attributable to detrimental factors outside the property.

These deductions are applied to either the reproduction or replacement cost, and the net result is the current depreciated value of the improvements. The value of the land and any land improvements is then added to the net value of the improvements to arrive at the total value of the entire property. In each case, the land value is determined by an examination of sales of land capable of similar economic productivity.

Each component of the total value represents its estimated contribution and separate values assigned to each component of value are only considered as part of the whole.

2) The Sales Comparison Approach to Value is dependent upon an analysis of similar, recently sold properties adjusted for their differences with the subject property. These adjusted sales are correlated for a final estimate of value from the market. In many instances, this approach cannot be used because the subject property is designed for a special use or comparable sales are extremely difficult to find or correlate. In such cases, the Sales Comparison Approach is used to estimate the land value only.

3) The Income Approach to Value is based upon an actual or projected net cash flow from real estate, capitalized at a rate commensurate with risk in a given area, to yield market value. This method is generally used in valuing income-producing property. Because investors buy real estate based on net income yield, tax shelter, and security of investment, this approach has merit where income-producing property is involved.

METHODS OF VALUATION CONSIDERED

We have employed two of the three traditional methods of valuation in this appraisal assignment. After careful consideration of the basic characteristics of the subject property, it is the appraisers' conclusion that the development of the Cost Approach to Value is not appropriate since properties of this type are most often valued for their ability to produce income or to provide shelter for an owner's business. The market for this type of property is comprised of purchasers who are concerned with yield or utility, not historical cost. In assessing the Sales Comparison Approach, we have searched the market for recent sales of similar property which have sold in the Cleveland Metropolitan Area. In the Income Approach to Value, we have used a direct capitalization technique to convert its estimated net income potential into value. We found sufficient data through our research into income and expenses for comparable properties as well as mortgage terms and equity requirements in this market to conclude with a value estimate with this approach. We have placed greatest emphasis on the Income Approach as a primary indicator of value since properties of this type are valued for their ability to produce income.

SALES COMPARISON APPROACH TO VALUE

The Sales Comparison Approach to Value is considered to be an acceptable valuation technique for a property such as the subject when there is market data of sufficient quantity and quality upon which to base a value conclusion. That is, one should have a sufficient number of recent sales to analyze involving properties with a relatively high degree of comparability with the subject and for which details of the transaction are available.

The comparability of the market data is important since each transaction is a unique situation. It is necessary to analyze each sale by weighing such factors as location, quality of construction and condition, size, land area, efficiency of the building, equipment and systems, interior finish, functional characteristics of the facility as well as the economic elements of the transaction. The economic elements of the transaction include pertinent income and expense information, the terms of leases, vacancy statistics, service contracts and other historical information. It is also helpful that the appraiser have information concerning the nature of the transaction, including available primary and secondary financing, terms of the sale, and other information such as the motivation of both the buyer and seller.

With this criteria in mind, we have searched the Cleveland Metropolitan Area for sales of multi-tenant medical office buildings similar to the subject. Five sales and one current offering were found that afforded varying degrees of comparison with the subject property. No better sales are known to exist. The sales took place from April 2010 to August 2012 and ranged in size from 30,377 square feet to 96,054 square feet. The sales had unit prices ranging from $65.84 per square foot to $173.43 per square foot of gross building area. The current offering is a 52,870 square foot medical office building with an asking price of $4,500,000 or $85.11 per square foot. This offering is reportedly under contract as of this writing.

We have made a 50% adjustment for property rights in comparing the sales to the subject property. As noted elsewhere, tenants at the subject made significant leasehold improvements to their leased space. We have made an adjustment to the sales to reflect the tenant's leasehold interests at the subject. These interests are reflected in the tenants' rent. The average rental rate at the subject based on the April 1, 2015 tenant rent roll is $17.18 per square foot. We estimate the average market rent, based on the comparable rental information presented in the Income Approach, for the subject's space in its"As Is" condition to be $21.00 per square foot. The difference between the subject's average contract rent and market rent is roughly 22% ($21.00 - $17.18 / $17.18 = .222). However, it reflects a significantly higher percentage (54.3%) of estimated net operating income based on the estimated operating expenses and replacement reserves ($10.14 psf) used in the Income Approach (($21.00 psf - $10.14 psf or $10.86 psf) - ($17.18 psf - $10.14 psf or $7.04 psf))/$7.04 psf = 54.26%).

SALES COMPARISON APPROACH TO VALUE (Continued)

Comparable Building Sales

No.	Identification	Grantor/ Grantee	Sale Date/ Sale Price	Land Size L/B Ratio	Building Description	Unit Price
(1)	33001 Solon Rd. Solon, Ohio PPN 952-18-006	CSA St. Vincent Charity / NA	Under Contract $3,300,000	3.91 Acres 3.22:1	Two-story, masonry medical office building built in 1981 with ±52,870 square feet of gross building area. ±30% occupied.	$62.42
(2)	5555 Transportation Blvd. Garfield Hts., Ohio PPN 542-27-002	Marymount Half Building, LLC & Marymount Building, LLC/ Marymount Hospital, Inc.	August 2012 $5,480,299	3.92 Acres 3.30:1	Two-story, masonry medical office building built in 1997 with ±51,686 square feet of gross building area. 100% occupied.	$106.03
(3)	18780 E. Bagley Rd. Middleburg Hts., Ohio PPNs 371-09-002 & 003	Middleburg Heights Medical Partners, LLC/ 18780 Bagley Properties, LP	June 2011 $6,125,000	5.78 Acres 3.23:1	Three-story, multi-tenant medical office building built in 2007 with ±78,000 square feet of gross building area. 33% occupied.	$78.53
(4)	22750 Rockside Rd. Bedford, Ohio PPN 813-02-002	22750 Rockside Road, LLC/ John Kamau & Associates, LLC	March 2011 $2,000,000	3.29 Acres 4.72:1	Two-story, masonry medical office building built in 1988 with ±30,377 square feet of gross building area. 100% occupied.	$65.84
(5)	2322 E. 22nd St. Cleveland, Ohio PPN 103-26-012	Vincent MBL Investors LP / G & E HC REIT II St. Vincent Cleveland MOB LLC	June 2010 $10,100,000	4.80 Acres 3.59:1	Three story, masonry medical office building built in 1984 with ±58,236 square feet of gross building area. 91% occupied.	$173.43
(6)	3609 and 3619 Park East Dr. Beachwood, Ohio PPN 742-29-014	Parkway Medical Center, LLC / G & E HC Reit II Parkway Medical Center, LLC	April 2010 $10,900,000	5.07 Acres 2.30:1	A two-building, three and part five-story medical office development built in 1972 and 1989 with ±96,054 square feet of gross building area. ±94% occupied.	$113.48

SALES COMPARISON APPROACH TO VALUE (Continued)

Comparable Sales Map

SALES COMPARISON APPROACH TO VALUE (Continued)

Sale 1

Location:	33001 Solon Road Solon, Ohio
Permanent Parcel Number:	952-18-006
Date of Offering:	Under Contract
Offering Price:	$3,300,000
Grantor:	CSA St. Vincent Charity
Grantee:	NA
Gross Building Area:	±52,870 Square Feet
Land Size:	3.91 Acres
Year Built:	1981
Unit Price	$62.42 per square foot GBA

Sale 1 is the current offering of a two-story, masonry clad medical office building constructed in 1981. The building contains ±52,870 square feet of above grade gross building area. It is situated on 3.91 acres of land and its land-to-building area ratio is 3.22 to one. The building operates as the St. Vincent Charity Medical Center. The property includes an urgent care center and a helicopter pad at its east end. The asking price of $4,500,000 reflects a unit price of $85.11 per square foot. Our confirmation of the offering revealed that the building is under contract for $3,300,000 or $62.42 per square foot. The buyer, a developer, will lease ±16,000 square feet (30.3%) of space to St Vincent Charity Hospital. The other terms of the proposed lease agreement were not disclosed. In comparing this current offering/pending sale to the subject, a downward adjustment for property rights is needed to reflect the tenants' leasehold interests at the subject. Market conditions were similar at the time of this sale, therefore no adjustment is needed for this item. In further relating this sale to the subject property, downward adjustments are needed for size and land-to-building area ratio. Upward adjustments are needed for location, occupancy, age and condition. After adjustments, this current offering/pending sale suggests a unit value range for the subject property of $68 to $69 per square foot of gross building area with the value of the land and site improvements merged.

SALES COMPARISON APPROACH TO VALUE (Continued)

Sale 2

Location:	5555 Transportation Boulevard Garfield Heights, Ohio
Permanent Parcel Number:	542-27-002
Date of Sale:	August 2012
Sale Price:	$5,480,299
Grantor:	Marymount Half Building, LLC & Marymount Building, LLC
Grantee:	Marymount Hospital, Inc.
Gross Building Area:	±51,686 Square Feet
Land Size:	3.92 Acres
Year Built:	1997
Unit Price	$106.03 per square foot GBA

Sale 2 is the August 2012 sale of a two-story, masonry clad medical office building constructed in 1997. The building contains ±51,686 square feet of gross building area. It is situated on 3.92 acres of land and its land-to-building area ratio is 3.30 to one. The sale property was purchased by a related entity of Cleveland Clinic. The building was previously occupied by Marymount Hospital and now houses Cleveland Clinic's new sports health center which contains doctor offices, a clinic, radiology, six operating rooms, a rehabilitation clinic, a therapy pool and an indoor turf area. The sale price of $5,480,299 reflects a unit price of $106.03 per square foot. A downward adjustment is needed for property rights to reflect the tenants' leasehold interests at the subject. Market conditions were inferior at the time of this sale, therefore an upward adjustment is needed for this item. In further relating this sale to the subject property, downward adjustments are required for size and land-to-building area ratio. Upward adjustments are needed for construction quality and effective age. After adjustments, Sale 2 suggests a unit value range for the subject property of $66 to $67 per square foot of gross building area with the value of the land and site improvements merged.

SALES COMPARISON APPROACH TO VALUE (Continued)

Sale 3

Location:	18780 E. Bagley Road Middleburg Heights, Ohio
Permanent Parcel Number:	371-09-002 & 371-09-003
Date of Sale:	June 2011
Sale Price:	$6,125,000
Grantor:	Middleburg Heights Medical Partners, LLC
Grantee:	18780 Bagley Properties, LP
Gross Building Area:	±78,000 Square Feet
Land Size:	5.78 Acres
Year Built:	2007
Unit Price	$78.53 per square foot GBA

Sale 3 is the June 2011 sale of the Southwest General Middleburg Medical Center, a ±78,000 square foot, three-story, masonry medical office building with the street address of 18780 East Bagley Road, Middleburg Heights, Cuyahoga County, Ohio. The sale property is located on the north side of East Bagley Road across the street from Southwest General Hospital. The building was only 33% occupied at the time of sale. It was constructed in 2007 on 5.78 acres and has a land-to-building area ratio of 3.23 to 1. The sale price of $6,125,000 reflects a unit price of $78.53 per square foot. In comparing this sale to the subject, a downward adjustment for property rights is taken to reflect the tenants' leasehold interests at the subject. Market conditions were inferior at the time of this sale, therefore, an upward adjustment is required for this item. In further relating Sale 3 to the subject property, upward adjustments are necessary for location and occupancy. Downward adjustments are required for size, age and land-to-building area ratio. After adjustments, Sale 3 suggests a unit value range for the subject property of $68 to $69 per square foot of gross building area with the value of the land and site improvements merged.

SALES COMPARISON APPROACH TO VALUE (Continued)

Sale 4

Location:	22750 Rockside Road Bedford, Ohio
Permanent Parcel Number:	813-02-002
Date of Sale:	March 2011
Sale Price:	$2,000,000
Grantor:	22750 Rockside Road, LLC
Grantee:	John Kamau & Associates, LLC
Gross Building Area:	±30,377 Square Feet
Land Size:	3.29 Acres
Year Built:	1988
Unit Price	$65.84 per square foot GBA

Sale 4 is the March 2011 sale of a ±30,377 square foot, two-story masonry medical office building located on the north side of Rockside Road a short distance east of its intersection with Northfield Road. The building was constructed in 1988 and renovated in 2008. The property is situated on a 3.29 acre site and has a land-to-building area ratio of 4.72 to 1. The buyer purchased the sale property as an investment. The property was reported to be 100% occupied at the time of sale. The sale price of $2,000,000 reflects an unadjusted unit price of $65.84 per square foot. In comparing this sale to the subject, a downward adjustment for property rights is taken to reflect the tenants' leasehold interests at the subject. Market conditions at the time of this sale were inferior, therefore an upward adjustment is needed for this item. In further relating Sale 4 to the subject property, significant upward adjustments are needed for location, age and construction quality. Downward adjustments are required for size, land-to-building area ratio and occupancy. After adjustments, Sale 4 suggests a unit value range for the subject property of $63 to $64 per square foot of gross building area with the value of the land and site improvements merged.

SALES COMPARISON APPROACH TO VALUE (Continued)

Sale 5

Location:	2322 E. 22nd Street Cleveland, Ohio
Permanent Parcel Number:	103-26-012
Date of Sale:	June 25, 2010
Sale Price:	$10,100,000
Grantor:	Vincent MBL Investors LP
Grantee:	G & E HC REIT II St Vincent Cleveland MOB LLC
Gross Building Area:	±58,236 Square Feet
Land Size:	4.80 Acres
Year Built:	1984
Unit Price	$173.43 per square foot GBA

Sale 5 is the June 2010 sale of a three-story, masonry and aluminum panel clad medical office building containing ±58,236 square feet with a street address of 2322 East 22nd Street Cleveland, Cuyahoga County, Ohio. The buyer reported that the building was in good condition and 91% occupied at the time of sale. The building was constructed in 1984 on ±4.80 acres and has a land-to-building area ratio of 3.59 to 1. The sale price of $10,100,000 reflects a unit price of $173.43 per square foot. Approximately 50% of the building as well as the parking lot are leased by the adjacent St. Vincent Charity Medical Center. The buyer further reported that their purchase price was partially based on several older leases that had above market rents at the time of sale. In addition, the seller leased back 2,012 square feet for a three-year term at $27.57 per square foot. We have made downward adjustments for these items. In further comparing this sale to the subject, a downward adjustment for property rights is taken to reflect the tenants' leasehold interests at the subject. Market conditions were inferior at the time of this sale, therefore, an upward adjustment is needed for this item. In further relating this sale to the subject property, an upward adjustment is required for age. Downward adjustments are required for location and land-to-building area ratio. After adjustments, Sale 5 suggests a unit value range for the subject property of $72 to $73 per square foot of gross building area with the value of the land and site improvements merged.

SALES COMPARISON APPROACH TO VALUE (Continued)

Sale 6

Location:	3609 and 3619 Park East Drive Beachwood, Ohio
Permanent Parcel Number:	742-29-014
Date of Sale:	April 2010
Sale Price:	$10,900,000
Grantor:	Parkway Medical Center, LLC
Grantee:	G&E HC Reit II Parkway Medical Center, LLC
Gross Building Area:	±96,054 Square Feet
Land Size:	5.07 Acres
Year Built:	1972 and 1989
Unit Price	$113.48 per square foot GBA

Sale 6 is the April 2010 sale of a two-building, three and part five-story medical office facility located on the east side of Park East Drive in Beachwood, Ohio. The sale property is visible from I-271 and is just southwest of the I-271 and Chagrin Boulevard interchange. It was built in 1972 and 1989 on 5.07 acres and contains 96,054 square feet of gross building area. It was ±94% occupied at the time of sale. Tenants include University Hospitals, Rapid Medical Research Inc. and Metro Health System's Beachwood Health Center. The sale price of $10,900,000 reflects a unit price of $113.48 per square foot. In comparing this sale to the subject, a downward adjustment for property rights is taken to reflect the tenants' leasehold interests at the subject. Market conditions were inferior at the time of this sale, therefore an upward adjustment is needed for this item. In further relating this sale to the subject property, upward adjustments are required for age and construction quality. Downward adjustments are required for location and occupancy. After adjustments, Sale 6 suggests a unit value range for the subject property of $68 to $69 per square foot of gross building area with the value of the land and site improvements merged.

SALES COMPARISON APPROACH TO VALUE (Continued)

SALES ADJUSTMENT GRID

	Subject	Sale 1 33001 Solon Rd.	Sale 2 5555 Transportation Blvd.	Sale 3 18780 E. Bagley Rd.	Sale 4 22750 Rockside Rd.	Sale 5 2322 E. 22nd St.	Sale 6 3609 & 3619 Park East Dr.
Gross Building Area (GBA)	*103,755*	52,870	51,686	78,000	±30,377	±58,236	±96,054
Sale Price		$3,300,000	$5,480,299	$6,125,000	$2,000,000	$10,100,000	$10,900,000
Buyer Expenditures:							
Demolition		...	...	...	...	...	...
Environmental		...	...	...	...	...	...
Legal/Zoning	*Interchange Services*	...	...	...	...	...	...
Deferred Maintenance		...	...	...	...	...	...
Adjusted Price		3,300,000	$5,480,299	6,125,000	2,000,000	10,100,000	10,900,000
Property Rights	*Leased Fee*	Leased Fee -50%	Fee Simple -50%	Leased Fee -50%	Leased Fee -50%	Leased Fee -50%	Leased Fee -50%
Adjusted Price		1,650,000	2,740,150	3,062,500	1,000,000	5,050,000	5,450,000
Financing Adjustment		...	...	...	...	...	...
Conditions of Sale Adjustment		...	...	...	...	-10%	...
Adjusted Price		1,650,000	2,740,150	3,062,500	1,000,000	4,545,000	5,450,000
Market Conditions	*4/2015*	6/2015	8/2012	6/2011	3/2011	6/2010	4/2010
Adjustment		0%	5%	5%	5%	10%	10%
Adjusted Price		$1,650,000	$2,877,158	$3,215,625	$1,050,000	$4,999,500	$5,995,000
Adjusted sale price per square foot		$31.21	$55.67	$41.23	$34.57	$85.85	$62.41
Qualitative Adjustments:							
Location	*Above Average*	inferior (+)	similar (0)	inferior (+)	inferior (+)	superior (-)	superior (-)
Building Size	*103,755*	smaller (-)	smaller (-)	smaller (-)	smaller (-)	similar (0)	similar (0)
Condition/ Construction Quality	*Good*	inferior (+)	inferior (+)	similar (0)	inferior (+)	similar (0)	inferior (+)
Occupancy	*87.9%*	inferior (+)	similar (0)	inferior (+)	superior (-)	similar (0)	superior (-)
Age	*1992 and 2002*	inferior (+)	inferior (+)	superior (-)	inferior (+)	inferior (+)	inferior (+)
Land-to-Building Area Ratio	*2.38:1*	superior (-)	superior (-)	superior (-)	superior (-)	superior (-)	similar (0)
Reconciled Sale Price per square foot of GBA	(Say)	$68.66	$66.80	$68.03	$63.95	$72.97	$68.65

SALES COMPARISON APPROACH TO VALUE (Continued)

We also note the February 2015 sale of a nearby one story 16,020 square foot medical office building that was built in 1989. This property is located opposite the subject on the east side of Columbia Road. The property sold for $1,000,000 or $62.42 per square foot. The property was formerly part of Fairview Hospital. The property is significantly smaller than the subject and has inferior quality construction. A creek severs the building from its primary, easterly parking lot which is connected by a bridge spanning this water course. After adjustments for the tenant's leasehold interests at the subject, construction quality, age and size, this sale supports the indicated value range for the subject from the preceding five sales and current offering.

The five medical office building sales and current offering/pending sale provide good insight into the investor market for the subject property. After making the appropriate adjustments to reflect differences between the comparable sales and the subject property, the sales indicate a unit value range for the subject property between $63 to $73 per square foot of gross building area. After final consideration is given to the subject's age, condition and location, we judge that a unit value of $67 per square foot of gross building area near the middle of the overall range reflects its market value.

Accordingly:

±103,755 square feet at $67 per square foot is		$6,951,585
Estimated Value via the Sales Comparison Approach	**(Say)**	**$7,000,000**

INCOME APPROACH TO VALUE

The subject property is a multi-tenant medical office building. Thus, the income stream and the value of the subject are impacted by market forces and the property is an investment vehicle wherein the primary incentive for ownership is return on funds invested. Therefore, an appropriate method of estimating market value is an analysis of the economics of the potential investment opportunity. The economic terms of the encumbering lease agreements and its recent operating experience allow us to estimate the subject's potential gross income and operating expenses to arrive at the net income available before debt service. This net income is then converted into current value via the method believed to most accurately reflect the actions of prospective buyers and sellers in the market place.

In this instance, we were provided with copies of the lease agreements, a detailed tenant rent roll dated Aprial 1, 2015 and historical operating information for 2012, 2013 and 2014. We also had access to actual income and expense histories of somewhat comparable facilities. Further, the mortgage and equity requirements for this particular submarket are readily available, thus making it possible to develop a conclusion via the Income Approach to Value. In this instance the technique used to develop a value estimate under the Income Approach is direct capitalization, a static investment model.

The majority of the subject's tenants incurred the cost to build out their space and their rental rates reflect the condition of the space prior to these improvements. In addition, the space at the subject that is occupied by Cleveland Clinic and entities related to Cleveland Clinic have short term lease terms. The leases here were structured in this manner due to the owner's inability to fund the tenant improvements and Cleveland Clinic's desire to maintain organizational flexibility in the constantly evolving health care industry. Based on the foregoing, we anticipate that the subject will continue to operate in a similar manner (i.e., similar rental rate levels and occupancy levels by its present occupants with short term lease terms) over the near to intermediate term. This relationship maximizes the subject's value. If the Cleveland Clinic and/or its related entities vacate the subject at the end of their present lease terms, its value would suffer as the owner would be faced with incurring costs to release the vacated space. These costs would include reconfiguring portions of the space to accommodate new users, rent loss, holding costs over the absorption period and leasing commissions.

On the following pages are a tenant rent roll and summary of the subject's operating expenses from 2012 to 2014, followed by a documented Income Approach to Value which includes the appraiser's pro forma income and expense statement, an analysis of the capitalization process, and a justification of the income and expenses employed in this analysis.

INCOME APPROACH TO VALUE (Continued)

Tenant Rent Roll

WESTLAKE MEDICAL CAMPUS
850 Columbia Road
Westlake, Ohio 44145
RENT ROLL

April 1, 2015

TENANT	SUITE	SQ FT	TNT CTGRY	COMMENCEMENT DATE	LEASE TERM	RENT SF	RENT MONTHLY	RENT ANNUAL	BASE YEAR	% [2]	SECURITY DEPOSIT	RENEWAL OPTIONS/COMMENTS
Fairview Surgery Center	LL100	19,898	HA		06/01/14 - 09/30/15	18.00	29,847.00	358,164.00	OE 740,444 RE 287,546	20.70		
Available	LL200	1,529								2.11	0.00	
CCF (ENT)	100	5,562	CA		12/19/11 - 12/31/16	18.00	8,328.00	99,936.00	OE 715,868 RE 318,542	5.79	0.00	
CCF (Anesthesiology Institute)	101	2,548	CA	04/01/15	04/01/15 - 03/31/16	18.00	3,822.00	45,864.00	OE 2015 RE 2015	2.60	0.00	
CCF (Dept. of Vascular Surgery)	102	1,464	CA	10/01/10	10/01/14 - 09/30/17	18.00	2,196.00	26,352.00	OE 726,530 RE 283,053	1.49	0.00	Automatically extended for one year unless either party terminates on 30 days prior written notice. Either party has the right to terminate on 30 days prior written notice.
Cleveland Clinic Foundation (Edward Levy, M.D.)	103	1,432	CA		5/30/12 - 5/31/17	18.00	2,148.00	25,776.00	OE 678,885 RE 280,545	1.47	2,088.33	
CCF (OBGYN & Women's Health Institute)	104	1,293	CA	07/01/13	7/1/13 - 06/30/18	18.00	1,939.50	23,274.00	OE 679,131 RE 142,384	1.35	0.00	
Available	105	1,465								1.53		
Available	106	1,953								2.03		
CCF (Neurological Institute)	110	2,026	CA	08/09/10	09/01/14 - 08/31/15	20.00	3,376.67	40,520.00	OE 726,530 RE 283,053	2.11	0.00	Unless terminated by 30 days prior written notice, Lease Term is automatically extended for an additional one year Term at then current fair market value. Either party has the right to terminate on 30 days prior written notice.
Landlord Storage	115	134	HA							0.13		
CCF Regional Operations	120	3,908	CA		10/01/14 - 09/30/15	20.00	6,513.33	78,160.00	OE 726,530 RE 283,053	4.12	0.00	Unless terminated by 30 days prior written notice, Lease Term is automatically extended for an additional one year Term at then current fair market value. Either party has the right to terminate on 30 days prior written notice.
CCF (Imaging Institute)	130	3,020	CA	01/01/15	04/01/15 - 12/31/15	20.00	5,033.33	60,400.00	OE 2015 RE 2015	3.15	0.00	None
CCF (Pathology & Laboratory Medicine Institute)	130	1,282	CA	01/01/15	01/01/15 - 12/31/15	20.00	2,136.67	25,640.00		1.34	0.00	None
Available	130	5,335								5.57		
North Shore Gastroenterology, Inc. [4]	200	25,101	P	01/01/05	01/01/05 - 12/31/19	13.59	28,425.03	341,100.36	OE 680,570 RE 280,201	26.11	16,854.85	None
CCF (Dept. of Vascular Surgery)	202	1,400	CA	10/01/10	10/01/10 - 09/30/15	18.00	2,100.00	25,200.00	OE 726,530 RE 283,053	1.42	0.00	Automatically extended for one year unless either party terminates on 30 days prior written notice. Either party has the right to terminate on 30 days prior written notice.
Raj Plastic Surgery LLC	300	2,197	P	01/01/10	10/01/10 - 05/31/15	20.00	3,661.67	43,940.00	OE 660,570 RE 280,201	2.24	0.00	None
Available	310	1,314								1.34	0.00	

INCOME APPROACH TO VALUE (Continued)

Tenant Rent Roll (Continued)

WESTLAKE MEDICAL CAMPUS
850 Columbia Road
Westlake, Ohio 44145
RENT ROLL

April 1, 2015

TENANT	SUITE	SQ FT	TNT CTGRY	COMMENCEMENT DATE	LEASE TERM	RENT			BASE YEAR	% [2]	SECURITY DEPOSIT	RENEWAL OPTIONS/COMMENTS
						SF	MONTHLY	ANNUAL				
Fairview Hospital (Diagnostics)	320	3,492	HA	05/24/05	06/01/10 - 05/31/15	21.00	6,111.00	73,332.00	OE 726,530 RE 283,053	3.56	0.00	None
Fairview Hospital (Women's Health)	330	9,448	HA	05/09/05	06/01/10 - 05/31/15	18.90	14,880.60	178,567.20	OE 726,530 RE 283,053	9.65	0.00	None
TOTALS		95,831					120,518.80	1,446,225.56		101.81	18,943.18	

[1] Tenant also has the exclusive right to provide gastroenterology services in the Building. See Lease for details. Prorata Share is based upon 27,524 square feet and a total Building size of 97,312 sf.

[2] When the balance of the Building is leased, the prorata share for each tenant will be adjusted to coincide with the final total square footage for Phases I and II of the Westlake Medical Center.

Occupancy:			Totals:				Other:	
Total # of Suites	21		Total Actual Rent	$120,518.80 / month		$1,446,225.56 / year	Average Rent / SF (excl Hosp)	$17.18
Total # of Occupied Suites	16		Total Potential Rent	$137,174.85 / month		$1,646,098.24 / year	Month-to-Month Leases SF	0
Total # of Vacant Suites	5		Variance	($16,656.06) / month		($199,872.68) / year	SF Expiring in 2015	48,671
Total Square Feet	95,831						SF Expiring in 2016	8,100
Total SF Occupied	84,195	87.86%	Hosp. Affiliate SF (H)	32,972	34.41%		SF Expiring in 2017	2,896
Total SF Vacant	11,636	12.14%	CCF Affiliate SF (CA)	23,925	24.97%		SF Expiring in 2018+	26,528
			Private SF (P)	27,298	28.49%			

INCOME APPROACH TO VALUE (Continued)

Income and Expense Information - 2012 through 2014

Income and Expense Summary For the Years Ending December 31, 2011 through 2014	2012		2013		2014	
Rental Income	**$**	**Psf**	**$**	**Psf**	**$**	**Psf**
Base Rent	$0	$0.00	$0	$0.00	$1,713,018	$17.88
CAM	0	0.00	0	0.00	0	0.00
Total Rental Income	**$0**	**$0.00**	**$0**	**$0.00**	**$1,713,018**	**$17.88**
Expenses						
Repairs and Maintenance	$271,143	$2.83	$188,969	$1.97	$375,030	$3.91
Snow, Landscaping	36,272	0.38	32,762	0.34	25,486	0.27
Cleaning Services	139,146	1.45	155,056	1.62	93,525	0.98
Real Estate Taxes	135,973	1.42	142,381	1.49	61,100	0.64
Utilities	284,549	2.97	276,917	2.89	197,805	2.06
Management	59,100	0.62	51,212	0.53	39,211	0.41
Professional	0	0.00	0	0.00	24,480	0.26
Total Expenses	**$926,183**	**$9.66**	**$847,297**	**$8.84**	**$816,637**	**$8.52**
Non Operating Income	**-$926,183**	**-$9.66**	**-$847,297**	**-$8.84**	**$896,381**	**$9.35**

We were not provided with income information for 2012 and 2013 for this analysis.

INCOME APPROACH TO VALUE (Continued)

Pro Forma Income and Expense Statement

Rental Income		
Occupied Space - Per Tenant Rent Roll		$ 1,446,226
Vacant First Floor Space - 8,793 sf x $20.00 psf		175,860
Vacant Third Floor Shell Space - 1,314 sf x $17.00 psf		22,338
Vacant Lower Level Space - 1,529 sf x $14.00 psf)		+ 21,406
Gross Potential Income		$ 1,665,830
Less: Vacancy and Credit Loss (10%)		- 166,583
Effective Gross Income		$ 1,499,247
Less: Estimated Operating Expenses		
Repairs & Maintenance ($3.00 psf)	$287,500	
Landscaping/Snow Removal ($0.30 psf)	28,700	
Cleaning Services ($1.25 psf)	119,800	
Real Estate Taxes	164,200	
Insurance ($0.20 psf)	19,200	
Utilities ($2.50 psf)	239,600	
Management Fee/Administrative (4% of EGI)	60,000	
Professional Fees/Services	5,000	
Replacement Reserves ($0.50 psf)	47,900	
Total Expenses		- 971,900
Net Operating Income		$ 527,347

INCOME APPROACH TO VALUE (Continued)

Capitalization

A composite overall capitalization rate developed from typical mortgage terms and the expectations of investors in this submarket is judged to be the appropriate technique for the capitalization of the subject's net operating income. As of the effective date of this report, the subject property would most likely qualify for a loan at a 5.50% interest rate with a 25-year principal amortization term. This indicates a mortgage debt service constant of 7.37%. Our value conclusion is predicated on the availability of this type of financing and a 75% loan-to-value ratio plus an appropriate risk related return for the 25% equity position required under such financing. Realty Rates Second Quarter 2015 Investor Survey reports first year equity dividend requirements for Medical Office Buildings to range from 7.79% to 15.65% with an average of 11.33%. We have selected a first-year equity dividend rate of 10% due to the subject's shorter term lease agreements, its location, age and condition. Accordingly:

Mortgage Constant	7.37%	x	75%	=	5.53%
First-Year Equity Return	10.00%	x	25%	=	+ 2.50%
					8.03%
Indicated OAR				Say,	8.00%

$527,347 / 8.00% is		$6,591,838
Estimated Value via the Income Approach	**(Say)**	**$6,600,000**

INCOME APPROACH TO VALUE (Continued)

Justification of Overall Capitalization Rate

To support the OAR used in this analysis (8.00%) we have considered two other reference points; namely national investor surveys and rates abstracted from sales. However, our search of the market disclosed only one sale of a medical office building from which an OAR could be derived. Therefore, we have also included several sales of suburban office buildings with stabilized occupancy levels in the Cleveland Metropolitan Area. Several of these office buildings contain some medical office or dental space.

Presented in the below table are several market derived capitalization rates which provide support for the overall rates used in our direct capitalization analysis. The sales took place between December 2009 and April 2015 and had OAR's ranging from 8.13% to 10.2%.

No.	Location	Sale Date/Sale Price	Cap Rate
(1)	3800 Embassy Parkway Fairlwan, Ohio	April 2015 $22,200,000	9.07% (Before Reserves)
(2)	24100 Chagrin Boulevard Beachwood, Ohio	December 2012 $3,275,000	9.2% (Before Reserves)
(3)	14955 Sprague Road Strongsville, Ohio	September 2012 $3,950,000	9.6% (Before Reserves)
(4)	3609 - 3619 Park East Drive Beachwood, Ohio	April 2010 $10,900,000	8.13% (Before Reserves)
(5)	24950 - 25050 Country Club Boulevard North Olmsted, Ohio	October 2011 $26,650,000	10.2% (Before Reserves)
(6)	2603 W. Market Street Akron, Ohio	December 2009 $2,700,000	9.6%

PriceWaterhouseCoopers in their Korpacz Real Estate Investor Survey sets forth data on investor behavior regarding investor requirements including in-going capitalization rates (OAR's) and equity return rates in analyzing institutional grade commercial real estate investments. This study indicates capitalization rates currently utilized by investors for institutional grade medical office buildings during the First Quarter 2015 ranging from 4.75% to 10.00% with an average OAR of 6.98%. RealtyRates.com reports OAR's for medical buildings in their 2nd Quarter 2015 Investor Survey ranging from 6.03% to 12.82% with an average of 8.78%.

INCOME APPROACH TO VALUE (Continued)

Justification of Income and Expenses

Income

To estimate the subject's rental income, we have incorporated the rental income based on the existing lease terms for its occupied space and estimates of market rent for its vacant space. The present leases at the subject range from $13.59 to $21.00 per square foot for suites ranging in size from 1,282 square feet to 25,101 square feet. The subject's average rental rate is $17.18 per square foot. The majority of the rental rates for space at the subject are in the $18.00 to $21.00 per square foot range. We have estimated the market rent for the subject's vacant "shell" space on the third floor to be $17.00 per square foot. The market rent for the vacant first floor space is estimated to be $20.00 per square foot and the market rent for the vacant lower level space is $14.00 per square foot. Our estimates of market rent consider the subject's location, age and the level of finish of its varying types of vacant space in its "as is" condition. Our estimates of market rent appear to be appropriate based on the terms of the leases at the subject property as well as asking rents for available medical office space in this submarket.

On the following page is a schedule with actual and asking[1] rents from ten western suburban medical office buildings. These actual and asking rents range from $17.00 to $22.00 per square foot and provide support for the market estimates used in our analysis.

1 Based on information obtained from CoStar.

INCOME APPROACH TO VALUE (Continued)

Justification of Income and Expenses (Continued)

Comparable Asking and Actual Rents

No.	Location	Rental Rate PSF	Size	Description/Terms
1.	Westlake Physicians Center 805 Columbia Road Westlake, Ohio	$19.00 (Asking)	1,359 sf	±18,349 square feet built in 1989 Lease rate is $19.00 psf plus utilities
2.	Subject 850 Columbia Road Westlake, Ohio	$19.00 (Asking)	4,600 sf "As Is"	±100,000 square feet built in 1992 and 2002 Gross Lease
3.	Ridgepark Medical Center 7575 Northcliff Avenue Brooklyn, Ohio	$19.50 (Asking)	21,660 sf	±60,433 square feet built in 1992 Modified Gross Lease
4.	Avon Health and Wellness 38530 Chester Road Avon, Ohio	$21.00 (Asking)	3,000 sf	±10,000 square feet built in 2005 Modified Gross Lease
5.	Lakewood Hospital Professional Bldg. 14601 Detroit Avenue Lakewood, Ohio	$17.00 (Asking)	9,473 sf	±75,000 square feet built in 2005 Full Service Lease
6.	Lakewood Community Health Center 1450 Belle Avenue Lakewood, Ohio	$17.50 $19.13	5,319 sf 3,103 sf	±26,000 square feet built in 1991 Full Service Lease (5-year term through 4/16) (3-year term through 8/16)
7.	North Olmsted Patient Learning Center 24700 Lorain Road North Olmsted, Ohio	$17.50	5,680 sf	±27,000 square feet built in 1984 Plus Utilities (5-year term through 2/18)
8.	Westlake Physicians Center 805 Columbia Road Westlake, Ohio	$18.00	2,618 sf	±18,349 square feet built in 1989 Plus utilities (1-year term through 3/14)
9.	Lakewood Hospital Professional Bldg. 14601 Detroit Avenue Lakewood, Ohio	$17.00 $18.00	1,654 3,070	±75,000 square feet built in 2005 Full Service Lease (3-year term through 12/16) (2-year term through 8/16)
10.	Fairview Hospital Physicians Center 18099 Lorain Avenue Cleveland, Ohio	$19.00 $22.00	1,132 908	±805,000 square feet built in 1967 Full Service Lease (1-year term through 6/14) (3-year term through 7/15)

INCOME APPROACH TO VALUE (Continued)

Justification of Income and Expenses (Continued)

Vacancy and Credit Loss

A 10% Vacancy/Credit Loss Allowance is applied to the Rental Income. This estimate approximates the typical investor expectation in this market for this class of property. Our estimate for this item is supported by the subject property's current occupancy level of 87.9%. Further support for our estimate is shown below in a 14-building survey of larger medical office buildings (including the subject) in the Cleveland Metropolitan Area. This survey was prepared from information obtained from CoStar and reports an overall 90.0% occupancy level for 841,483 square feet of space. Our 10% estimate for these items is a reasonable, long-term projection and approximates the current typical investor expectation in this market for a newer multi-occupant medical office building.

	Name	Rentable Area (sf)	Vacant Space (sf)	Vacancy Level	Average Asking Rental Rate
1	St. Vincent Medical Office Building 2322 E 22nd St., Cleveland	51,481	3,500	6.8%	$25.00/fs
2	Middleburg Heights Medical Arts Building 2 18660 E Bagley Rd., Middleburg Heights	35,960	4,322	12.0%	$19.75/fs
3	Middleburg Heights Medical Arts Building 1 18660 E Bagley Rd., Middleburg Heights	29,960	8,479	28.3%	$19.75/fs
4	Brainard Place Medical Center 29001 Cedar Rd., Lyndhurst	120,000	22,942	19.1%	N/A
5	Lakewood Hospital Professional Building 14601 Detroit Ave., Lakewood	74,814	4,888	6.5%	$17.00/fs
6	Lake West Medical Building 36100 Euclid Ave., Willoughby	38,819	2,657	6.8%	$24.00/mg
7	Medical Arts Building 2 29101 Health Campus Dr., Westlake	61,000	0	0.0%	N/A
8	University Health Center of Landerbrook 5850 Landerbrook Dr., Mayfield Heights	75,000	0	0.0%	N/A
9	Hillcrest Medical Office Building 6770 Mayfield Rd., Mayfield Heights	45,000	0	0.0%	N/A
10	Hillcrest Medical Building 2 6801 Mayfield Rd., Mayfield Heights	60,000	6,142	10.2%	$22.00/fs
11	Hillcrest Medical Building 1 6803 Mayfield Rd., Mayfield Heights	60,000	8,292	13.8%	$22.00/fs
12	Simmons/Marymount Medical 12000 McCracken Rd, Garfield Heights	105,213	23,218	22.1%	$29.52/mg
13	University Hospital 3909 Orange Place, Orange	24,236	0	0.0%	N/A
14	South Pointe Medical Building A 4200 Warrensville Center Rd, Warrensville Hts.	60,000	0	0.0%	N/A
		841,483	84,440	10.0%	

INCOME APPROACH TO VALUE (Continued)

Justification of Income and Expenses (Continued)

Operating expenses before reserves for the subject property ($924,000 or $9.64 psf) are estimated based on its experience from 2012 through 2014. Operating expenses excluding reserves at the subject ranged from $8.52 to $9.66 per square foot from 2012 to 2014 with an average of $9.01 per square foot. We note that the 2014 operating expenses include only $61,100 ($.64 psf) in real estate taxes and require adjustment to reflect a full year's real estate tax expense ($164,200 or $1.71 psf). After adjusting for this item, the three-year average operating expenses at the subject are $9.36 per square foot and its adjusted 2014 operating expenses are $9.59 per square foot.

Our operating expense estimate is further supported by published operating expense data from The Institute of Real Estate Management (IREM) for 2014 which provides a range of operating costs for Suburban Medical Office Buildings. The IREM report for 2014 indicates a total operating cost range for medical office buildings in the subject's Region 5 submarket of $8.52 to $12.49 per square foot of rentable area with a median operating expense of $11.15 per square foot. Our estimate of operating expenses ($9.65 psf) after adjustment for its partial real estate tax exemption that equates to $2.00 psf ($7,394,100 x 2.59% = $191,507/95,831 sf is $2.00 psf) is within this range.

Presented below are operating expenses from several medical office buildings that provide further support for our operating expense estimates. Since the subject is partially exempt for real estate taxes, we have not included real estate taxes in these comparables. The subject's operating expenses excluding real estate taxes are $7.93 per square foot. Due to the confidential nature of this information, we did not identify these properties.

No.	Location	Size (sf)	Operating Expenses[1] (sf)
(1)	Euclid, Ohio	25,000	$8.39 - 2012
(2)	Mayfield Heights, Ohio	73,500	$10.13 - 2012 $9.45 - 2011
(3)	North Olmsted, Ohio	26,800	$6.96 - 2012 $7.35 - 2013
(4)	Lakewood, Ohio	76,500	$5.44 - 2012 $6.02 - 2013

Repairs and Maintenance

We have projected $3.00 per square foot for these expense items. We have considered the historical experience at the subject property, which ranged from $1.97 to $3.91 per square foot with an average of $2.90 per square foot from 2012 to 2014. Our estimate reflects the relative age of the subject property as well as operating expenses obtained from records of other building owners. Our expense for this item includes general repairs, maintenance and HVAC/mechanical repairs.

1 Excluding real estate taxes.

INCOME APPROACH TO VALUE (Continued)

Justification of Income and Expenses (Continued)

Landscaping/Snow Removal

We have projected $0.30 per square foot for these expense items. These items ranged from $0.27 to $0.38 per square foot with an average of $0.33 per square foot from 2012 to 2014.

Cleaning Services

We have estimated $1.25 per square foot for this expense item. These items ranged from $0.98 to $1.62 per square foot with an average of $1.35 per square foot from 2012 to 2014.

Real Estate Taxes

Real estate taxes ($164,200) are based on the subject's actual real estate taxes for 2014 (payable in 2015). Please also refer to the Assessed Valuation and Annual Taxation section of the appraisal.

Insurance

The owner's operating statements do not include insurance expenses. We have estimated insurance expense to be $0.20 per square foot or $19,200. Our expense estimate is supported by IREM that reports insurance expenses for medical office buildings ranging from $0.16 to $0.21 per square foot with a median insurance expense of $0.18 per square foot.

Utilities

We have projected $2.50 per square foot for this expense item. Utility expenses at the subject property were $2.97 per square foot 2012, $2.89 per square foot in 2013 and $2.06 per square foot in 2014 with an average expense for the three-year period of $2.64 per square foot.

Management Fee/Administrative

The property management fee is 4% of effective gross income. Note that this expense item is in line with what a typical professional management company would likely charge to manage a complex of this size and type. (i.e., a medical office building leased to medium-sized tenants). It also includes any minor miscellaneous administrative expenses.

Professional Services

We have projected $5,000 for these items that include accounting and legal services.

INCOME APPROACH TO VALUE (Continued)

Justification of Income and Expenses (Continued)

Replacement Reserves

We have taken $0.50 per square foot of rentable area (±95,831 square feet) or $47,900 is taken to provide for the periodic replacement of intermediate lived capital items such as the roof, paving, HVAC and structural repairs. This is an appropriate expense considered by the typical investor. The total reserves for replacements will accumulate to ±$549,100 over a typical ten-year holding period utilizing a "safe" reinvestment rate of 3%, assuming no interim withdrawals are taken. Our estimate for this item is supported by RealtyRates.com Investor Survey - 2nd Quarter 2015 that indicates average reserve requirements for office buildings to be $.52 per square foot.

RealtyRates.com INVESTOR SURVEY - 2nd Quarter 2015*
SURVEYED RESERVE REQUIREMENTS

	Per SF			Per Unit			% of EGI		
Property Type	Min.	Max.	Typical	Min.	Max.	Typical	Min.	Max.	Typical
Apartments				$155	$390	$362			
Golf				$1,250	$7,200	$3,320	2.0%	4.0%	3.0%
Health Care/Senior Housing				$255	$635	$388			
Industrial	$0.22	$0.62	$0.42						
Lodging							4.0%	8.0%	4.5%
Mobile Home/RV Park				$28	$282	$156	2.0%	5.0%	4.0%
Office	$0.28	$0.72	$0.52						
Restaurants							2.0%	5.0%	3.0%
Retail	$0.28	$0.88	$0.57						
Self-Storage	$0.22	$0.55	$0.51	$28	$185	$116			
Special Purpose	$0.24	$0.78	$0.56						

*1st Quarter 2015 Data

RECONCILIATION

Cost Approach	Not Applicable
Sales Comparison Approach	$ 7,000,000
Income Approach	$ 6,600,000

This appraiser has considered all three recognized valuation methods in the course of arriving at a value conclusion for the subject property and has made an effort to examine all available evidence of value in the course of this assignment. The Cost Approach was not applied for reasons discussed earlier in this report. The following is a brief discussion of the conclusions derived from the two approaches to value. The following is a brief reconciliation of the conclusions reached from the Sales Comparison and the Income Approaches to Value.

We have analyzed several recent transactions involving comparable properties and judge that there is sufficient market evidence to determine the subject property's market value via the Sales Comparison Approach. These sales of comparable properties involving informed buyers and sellers are considered good indicators of value for the subject property.

Likewise, the Income Approach to Value is considered a valuable indicator of the subject's value in this instance since it reflects the analytical process followed by prudent buyers and sellers. In the instance of the subject property, we were provided with copies of the tenant lease agreements, a detailed tenant rent roll and historical operating expense information for the subject. In addition we have analyzed comparable facilities and published sources which provide support for the income, expenses, and equity return information employed in our income analysis. This actual income and market data has enabled us to arrive at a supportable value conclusion via the Income Approach.

In our final analysis, we have placed equal weight on the Sales Comparison and Income Approaches. Accordingly, it is our opinion that the market value of this property as of April 30, 2015 is:

SIX MILLION EIGHT HUNDRED THOUSAND DOLLARS
($6,800,000)

ADDENDA

APPRAISER DISCLOSURE STATEMENT

In Compliance with Ohio Revised Code Section 4763.12 (C)

1. Name of Appraiser: James A. Huber, MAI

2. Class of Certification/Licensure:

   _X_ Certified General
   ___ Licensed Residential
   ___ Temporary ___ General ___ Licensed

   Certification/Licensure Number: 450141

3. Scope: This report

   _X_ is within the scope of my Certification or License.
   ___ is not within the scope of my Certification or License.

4. Service Provided By:

   _X_ Disinterested & Unbiased Third Party
   ___ Interested & Biased Third Party
   ___ Interested Third Party on Contingent Fee Basis

5. Signature of person preparing and reporting the appraisal

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

APPRAISER DISCLOSURE STATEMENT

In Compliance with Ohio Revised Code Section 4763.12 (C)

1. Name of Appraiser __A. J. Fisco__________________________

2. Class of Certification/Licensure:

   _X_ Certified General
   ___ Licensed Residential
   ___ Temporary ___ General ___ Licensed

   Certification/Licensure Number: ____2003017641____________

3. Scope: This report
   _X_ is within the scope of my Certification or License.
   ___ is not within the scope of my Certification or License.

4. Service Provided By:

   _X_ Disinterested & Unbiased Third Party
   ___ Interested & Biased Third Party
   ___ Interested Third Party on Contingent Fee Basis

5. Signature of person preparing and reporting the appraisal

   A. J. Fisco
   ____

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

DEED/ LEGAL DESCRIPTION

SPLIT

VOL. 88-3856 PAGE 31

RECORDED THIS DATE
FRANK RUSSO
CUYAHOGA CTY. RECORDER

(R) Deed 1488

610733

88 AUG -1 PM 3:30

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, that BATAC CORPORATION, an Ohio corporation ("the Grantor"), who claims title by or through instruments recorded in Volume 14282, Page 627, and Volume 14605, Page 201, Cuyahoga County Recorder's Office, for the consideration of Ten Dollars ($10.00) and other good and valuable consideration received to its full satisfaction of LAKEWOOD HOSPITAL ASSOCIATION, an Ohio non-profit corporation (the "Grantee"), whose tax mailing address will be 14519 Detroit Avenue, Lakewood, Ohio 44107, does give, grant, bargain, sell and convey unto the Grantee, its successors and assigns, that certain piece or parcel of real estate situated in the City of Westlake, County of Cuyahoga, State of Ohio, and more particularly described on Exhibit A attached hereto and made a part hereof.

TO HAVE AND TO HOLD the premises unto the Grantee, its successors and assigns, in fee simple forever.

And the Grantor, for itself and its successors and assigns, covenants with the Grantee, its successors and assigns, that at and until the ensealing of these presents the premises are free and clear from all liens and encumbrances whatsoever, except (i) taxes and assessments, both general and special, which are a lien but not yet due and payable, (ii) zoning regulations and ordinances, and (iii) conditions, restrictions, reservations, covenants, and easements of record, if any; and that the Grantor will

WARRANT AND DEFEND the premises with the appurtenances thereto, unto the Grantee, its successors and assigns, against all lawful claims of all persons, except as above set forth.

IN WITNESS WHEREOF, the Grantor has caused this Warranty Deed to be duly executed on this 25th day of July, 1988.

In the presence of:

Marlene Smejkal

Gary N. Bartet

BATAC CORPORATION, an Ohio corporation

By A. Arthur Bates, Pres.
A. Arthur Bates, President

And Clare Fahrer, Secy
Clare Fahrer, Secretary

STATE OF OHIO)
) SS.
COUNTY OF CUYAHOGA)

Before me, a Notary Public in and for said County and State, personally appeared the above-named BATAC CORPORATION, an Ohio corporation, by A. Arthur Bates, its president, and Clare Fahrer, its secretary, who acknowledged that they did sign the foregoing instrument on behalf of said corporation and that the same is the free act and deed of said corporation and their free act and deed individually and as such officers.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Cleveland, Ohio this 25th day of July, 1988.

Notary Public

GARY N. BAKST, Attorney
NOTARY PUBLIC - STATE OF OHIO
My commission has no expiration date.
Section 147.03 R. C.

This instrument prepared by:

Richard L. Reppert, Esq.
Thompson, Hine and Flory
Cleveland, Ohio 44114

Situated in the City of Westlake, County of Cuyahoga and State of Ohio: and known as being part of Original Dover Township Lot No. 77, and bounded and described as follows:

Beginning on the Southerly line of First Street (60 feet wide) at the Northwesterly corner of Sublot No. 6 in the Ferguson-Gillis Development Company's Subdivision No. 1, as shown by the recorded plat in Volume 131, Page 300 of Cuyahoga County Map Records;
Thence South 1° 33' 09" West along the Westerly line of said Sublot No. 6 a distance of 175.00 feet to the Southwesterly corner thereof;
Thence South 88° 58' 26" East along the Southerly line of Sublots Nos. 6 through 9 in the Ferguson-Gillis Development Company's Subdivision No. 1 a distance of 328.48 feet to a point in the Westerly line of Sublot No. 12;
Thence South 1° 36' 24" West a distance of 20.00 feet to the Southwesterly corner of said Sublot No. 12;
Thence South 88° 58' 26" East along the Southerly line of said Sublot No. 12 a distance of 140.00 feet to the Westerly line of Columbia Road;
Thence South 1° 36' 24" West along the Westerly line of Columbia Road a distance of 390.00 feet to a point;
Thence North 88° 58' 26" West along the Northerly line of Sublot No. 19 in the Ferguson-Gillis Development Company's Subdivision No. 1, a distance of 140.00 feet to a point;
Thence South 1° 36' 24" West along the Westerly line of said Sublot No. 19, a distance of 34.16 feet;
Thence North 88° 23' 38" West along the Northerly Right-of-Way of Interstate Route 90, a distance of 161.36 feet to an angle point;
Thence South 75° 06' 54" West along the Northerly Right-of-Way of Interstate Route 90, a distance of 125.00 feet to an angle point;
Thence South 54° 58' 44" West along the Northerly Right-of-Way of Interstate Route 90, a distance of 133.09 feet to a point;
Thence North 1° 33' 09" East a distance of 729.85 feet to the Southerly line of First Street;
Thence South 89° 02' 26" East along said Southerly line a distance of 60.00 feet to the place of beginning, be the same more or less, but subject to all legal highways.

PARCEL NO. 213-6-10, 11, 12, 13, 14, 30 + 41
CONVEYANCE IS IN COMPLIANCE WITH SEC. 319.202 O.R.C.
PAID

AUG 0 1 1988

Conveyance Fee —0— Receipt No. 124210
TYPE 0 ARMS LENGTH YES ( ) NO ( )
J. TIMOTHY McCORMACK, County Auditor By [signature] Deputy

Exhibit "A"

THOMAS J. NEFF P.E., P.S.
COUNTY ENGINEER
TAX MAP DIVISION

SPLIT

J. Timothy McCormack MAI
COUNTY AUDITOR

Ohio Title 87.1262 mckey

LAKEWOOD HOSPITAL ASSOCIATION

SITUATED IN THE CITY OF WESTLAKE, COUNTY OF CUYAHOGA, & STATE OF OHIO & KNOWN AS BEING PART OF ORIGINAL DOVER TOWNSHIP LOT No. 77

SCALE 1" = 100'

0 50 100 200

Plat Sl. 19, 24

RECEIVED FOR RECORD
Recorded in Cuyahoga County Records

On 6/26/92

At 1:37 P m

File # 28994 3

$ 2 60

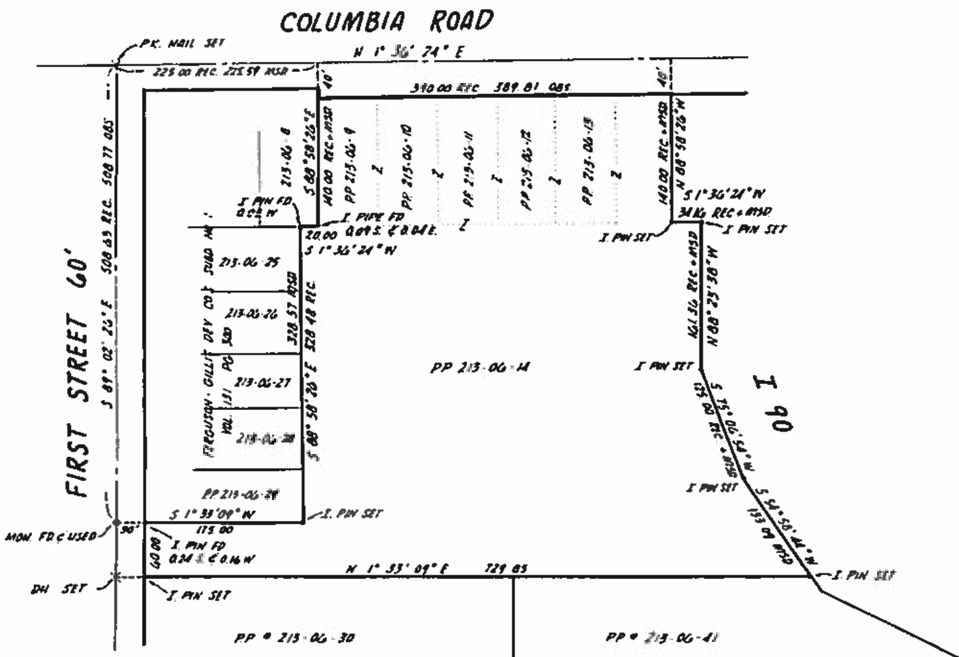
Vol. 259 Pg. 33

COUNTY RECORDER

DIMENSIONS SHOWN ON THIS PLAT ARE EXPRESSED IN FEET AND DECIMAL PARTS THEREOF. ALL BEARINGS ARE TO AN ASSUMED MERIDIAN AND ARE USED TO INDICATE ANGLES ONLY. PERMANENT MONUMENTS WERE FOUND OR SET AT ALL POINTS INDICATED HEREON. ALL OF WHICH I CERTIFY TO BE CORRECT.

RESAR & ASSOCIATES
CONSULTING ENGINEERS SURVEYORS
24629 DETROIT RD. WESTLAKE, OH 44145

JAMES A. RESAR, P.E.
REG. OHIO SURVEYOR 6361



ACCEPTANCE

WE, THE UNDERSIGNED OWNERS OF THE LAND SHOWN ON THIS PLAT, DO HEREBY ACCEPT THIS PLAT AND ASSEMBLY OF THE PARCELS SHOWN HEREON, AND DO HEREBY AGREE TO THE SAME.

LAKEWOOD HOSPITAL ASSOCIATION

PSahney 5/21/92
PAUL SAHNEY, VICE PRES. CHIEF FINANCIAL OFFICER

COUNTY OF CUYAHOGA
STATE OF OHIO S.S.

BEFORE ME, A NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE, PERSONALLY APPEARED THE ABOVE NAMED LAKEWOOD HOSPITAL ASSOCIATION BY PAUL SAHNEY, V.P., WHO ACKNOWLEDGED THAT HE DID SIGN THE FOREGOING INSTRUMENT ON BEHALF OF SAID CORPORATION AND THAT THE SAME WAS HIS FREE ACT AND DEED INDIVIDUALLY, AND AS SUCH OFFICER THE FREE ACT AND DEED OF SAID CORPORATION.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL AT Lakewood OHIO, THIS 21 DAY OF May 1992.

NOTARY PUBLIC Carol A. Klatrack
MY COMM. EXPIRES

APPROVALS

THIS PLAT APPROVED BY THE PLANNING COMMISSION OF THE CITY OF WESTLAKE FOR RECORDING PURPOSES ONLY THIS 16th DAY OF March 1992.

Marian Gabel
CLERK - PLANNING COMMISSION

THIS PLAT APPROVED BY THE DIRECTOR OF ENGINEERING OF THE CITY OF WESTLAKE FOR RECORDING PURPOSES ONLY THIS 25 DAY OF JUNE 1992.

Robert Kelly
ENGINEER

PARCEL NO. 213-06-009:014
CONVEYANCE IS IN COMPLIANCE WITH SEC. 319.202 O.R.C.
PAID

JUN 26 1992

Conveyance Fee 0 Receipt No. 127090
TYPE ARMS LENGTH YES ( ) NO ( )
J. TIMOTHY McCORMACK, Cuyahoga County Auditor By

J. TIMOTHY McCORMACK, COUNTY AUDITOR
APPROVED OWNERSHIP, ONLY, OF
PERM. PARCEL NO. 213-06-9-14
BY Kenneth A. [illegible]
Deputy Auditor

By Thomas M. Insek
Date 6-26-92

213-06-9-14

OPERATING INFORMATION

WESTLAKE MEDICAL CAMPUS
OPERATING EXPENSES
2011 - 2013

Account	2013	2012	2011
MEDICAL / SURGICAL SUPPLIES	$1,617	$175	$1,784
SUPPLIES OTHER	9,871	5,326	
PURCHASED SERVICES	76,393	81,438	58,374
PPRCH NON-MED SVC OTHER		3,014	40,199
CONSULTING FEES	3,500		
POSTAGE	4		
CLEANING SERVICES-SUPPLIES	155,056	139,146	1,031
UNIFORMS	7		
LOCAL MILEAGE REIMBURSEMENT	222		
LEASE - SPACE		1,715	2,940
FREIGHT / COURIER	12		
MAINTENANCE CONTRACTS			119,635
REPAIR / MAINT - EQUIPMENT	317		8
MINOR EQUIPMENT AND SOFTWARE		668	300
PLUMBING SERVICES	12,571	22,314	
PAINTING SERVICES	485	3,384	
ELECTRICAL SERVICES-SUPPLIES	39,303	41,322	
ELEVATOR SERVICES-SUPPLIES	12,116	11,752	
EXTERIOR PROPERTY SERVICES	9,595	5,563	
HVAC SERVICES-SUPPLIES	44,512	106,357	
SECURITY SERVICES	12,359	16,226	
RENT (SHORT TERM) - EQUIPMENT	129		
REPAIR / MAINT-BLDG FX EQUIP	57,341	61,842	186,415
LANDSCAPING / SNOW REMOVAL	32,762	36,272	28,318
REAL ESTATE TAXES	142,381	135,973	323,269
REBATES			(969)
MANAGEMENT COMPANY FEES	46,797	59,100	59,100
PROF SVC OTHER	4,415		
UTILITIES - CELLULAR	166		
UTILITIES - ELECTRIC	196,768	187,609	204,108
UTILITIES - GAS	60,437	52,052	76,975
UTILITIES - TELEPHONE	583	5,024	
UTILITIES - PAGERS	77	75	75
UTILITIES - WATER	15,673	37,644	13,842
UTILITIES - CABLE	3,213	2,145	
Total Operating Expenses	$938,680	$1,016,134	$1,115,403

Cleveland Clinic

User Profile

Data Dictionary

* Report data filtered for finance dashboard user profile LESTERC.

Operating Statement with Account Detail

617290999915 - WSTL MEDICAL CAMPUS 850 FAC/EX

	December 2014 MTD				December 2014 YTD			
	Actual	Budget	Var.	Var. %	Actual	Budget	Var.	Var. %
740000 - RENT	141,551	130,240	11,311	8.7%	1,713,018	1,562,880	150,138	9.6%
740005 - RENT - COMMON AREA MAINTENANCE	-	1,413	(1,413)	(100.0%)	-	16,956	(16,956)	(100.0%)
Other Revenue	141.551	131.653	9.898	7.5%	1.713.018	1.579.836	133.182	8.4%
Other Operating Revenue	141.551	131.653	9.898	7.5%	1.713.018	1.579.836	133.182	8.4%
Operating Revenue	141.551	131.653	9.898	7.5%	1.713.018	1.579.836	133.182	8.4%
910100 - MEDICAL / SURGICAL SUPPLIES	-	-	-	-	89	-	(89)	100.0%
910110 - MEDICAL SUPPLY REBATES	-	-	-	-	-	-	-	-
Medical Supplies	-	-	-		89	-	(89)	100.0%
915110 - NON-MEDICAL SUPPLY REBATES	-	-	-	-	(27)	-	27	100.0%
915300 - MINOR EQUIPMENT AND SOFTWARE	11	6	(6)	(103.0%)	12	67	55	81.9%
915400 - OFFICE SUPPLIES	16	2	(14)	(914.6%)	125	19	(107)	(561.7%)
915450 - BOOKS & PUBLICATIONS	-	1	1	100.0%	-	14	14	100.0%
915800 - UNIFORMS	2	47	45	95.6%	569	564	(5)	(0.9%)
915990 - SUPPLIES OTHER	-	-	-	-	3,411	-	(3,411)	100.0%
Non-Medical Supplies	29	55	26	46.8%	4.091	664	(3.427)	(516.1%)
Supplies	29	55	26	46.8%	4.179	664	(3.515)	(529.4%)
935100 - PURCHASED NON-MEDICAL SERVICES	12,314	16,290	3,976	24.4%	121,680	195,481	73,801	37.8%
935590 - TECHNOLOGY HARDWARE REPAIR SVCS	-	2	2	100.0%	-	29	29	100.0%
935650 - POSTAGE	4	-	(4)	(786.0%)	20	6	(14)	(231.0%)
935990 - PPRCH NON-MED SVC OTHER	54	207	153	74.1%	3,214	2,485	(729)	(29.3%)
Purchased Non-Medical Services	12.372	16.500	4.128	25.0%	124.914	198.001	73.087	36.9%
Purchased Services	12.372	16.500	4.128	25.0%	124.914	198.001	73.087	36.9%
940100 - CONSULTING FEES	228	240	13	5.2%	2,245	2,882	637	22.1%
940200 - LEGAL FEES	-	85	85	100.0%	-	1,020	1,020	100.0%
940400 - MANAGEMENT COMPANY FEES	(8,096)	1,986	10,083	507.6%	15,378	23,835	8,458	35.5%
940990 - PROF SVC OTHER	1,943	1,783	(160)	(9.0%)	22,235	21,394	(841)	(3.9%)
Professional Services	(5.926)	4.094	10.020	244.7%	39.857	49.131	9.274	18.9%
950450 - LOCAL MILEAGE REIMBURSEMENT	186	33	(153)	(470.0%)	744	391	(353)	(90.3%)
950990 - T&E OTHER	114	62	(52)	(83.3%)	386	749	363	48.5%
Travel & Education	300	95	(205)	(215.9%)	1.130	1.140	10	0.9%
Administrative Services	(5.626)	4.189	9.815	234.3%	40.987	50.271	9.284	18.5%
960170 - RENT (SHORT TERM) - EQUIPMENT	341	166	(174)	(104.7%)	1,412	1,997	585	29.3%
960210 - REPAIR / MAINT-BLDG & FX EQUIP	10,509	3,470	(7,039)	(202.9%)	23,186	41,637	18,451	44.3%
960230 - VEHICLE MAINTENANCE	132	62	(70)	(112.9%)	1,584	745	(839)	(112.7%)
960250 - LANDSCAPING / SNOW REMOVAL	2,100	1,783	(317)	(17.8%)	25,486	21,401	(4,084)	(19.1%)
960261 - CLEANING SERVICES-SUPPLIES	13,999	13,133	(867)	(6.6%)	93,525	157,590	64,065	40.7%
960262 - ELECTRICAL SERVICES-SUPPLIES	2,523	2,708	185	6.8%	17,105	32,496	15,391	47.4%
960263 - ELEVATOR SERVICES-SUPPLIES	493	1,114	621	55.7%	17,028	13,368	(3,660)	(27.4%)
960264 - HVAC SERVICES-SUPPLIES	20,569	5,081	(15,488)	(304.8%)	95,156	60,968	(34,188)	(56.1%)
960265 - SECURITY SERVICES	5,256	1,535	(3,720)	(242.3%)	44,424	18,425	(25,999)	(141.1%)
960266 - EXTERIOR PROPERTY SERVICES	2,575	150	(2,425)	(1,617.0%)	15,706	1,800	(13,906)	(772.7%)
960267 - CARPENTRY SERVICES	-	-	-	-	-	-	-	-
960268 - PAINTING SERVICES	-	250	250	100.0%	2,326	3,000	674	22.5%
960269 - PLUMBING SERVICES	1,372	700	(672)	(95.9%)	54,890	8,400	(46,490)	(553.4%)
960300 - REAL ESTATE TAXES	12,220	8,190	(4,030)	(49.2%)	61,100	98,276	37,176	37.8%
960400 - UTILITIES - ELECTRIC	13,805	8,517	(5,288)	(62.1%)	125,117	102,200	(22,917)	(22.4%)
960410 - UTILITIES - GAS	8,894	4,997	(3,897)	(78.0%)	41,256	59,968	18,712	31.2%
960420 - UTILITIES - WATER	2,819	1,805	(1,013)	(56.1%)	16,434	21,665	5,231	24.1%
960430 - UTILITIES - TELEPHONE	(6,631)	27	6,657	24,962.4%	11,242	320	(10,922)	(3,412.8%)
960440 - UTILITIES - PAGERS	2	4	1	35.2%	14	46	32	69.4%
960460 - UTILITIES - CELLULAR	74	102	29	28.0%	732	1,226	494	40.3%
960470 - UTILITIES - CABLE	381	-	(381)	100.0%	3,010	-	(3,010)	100.0%
Facilities	91.432	53.794	(37.638)	(70.0%)	650.734	645.528	(5.206)	(0.8%)
Other Opr Exp (Excl Sal& Ben)	98.208	74.539	(23.669)	(31.8%)	820.815	894.464	73.649	8.2%
EBIDA	43.344	57.114	(13.771)	(24.1%)	892.203	685.372	206.832	30.2%
965100 - DEPRECIATION - LAND IMP	185	185	-	-	2,219	2,219	-	-
965300 - DEPRECIATION - BUILDINGS	20,932	20,932	-	-	251,181	251,181	-	-
965350 - DEPRECIATION - BUILDINGS SVCS	12,447	12,447	-	-	149,367	149,367	-	-
965400 - DEPRECIATION - FIXED EQUIPMENT	36	36	-	-	433	433	-	-
965500 - DEPRECIATION - MAJOR MOVABLE	277	277	-	-	3,322	3,322	-	-
Depreciation	33.877	33.877	-		406.522	406.522	-	
Depreciation And Amortization	33.877	33.877	-		406.522	406.522	-	
Operating Expenses	132.085	108.416	(23.669)	(21.8%)	1.227.337	1.300.986	73.649	5.7%
Operating Income	9.467	23.237	(13.771)	(59.3%)	485.681	278.850	206.832	74.2%

Financial Data (Lawson): Thursday , April 16, 2015

FTEs (EPSI): Thursday , April 09, 2015

Results from current operations (Unaudited)

Cleveland Clinic
User Profile
Data Dictionary
* Report data filtered for finance dashboard user profile LESTERC.

Operating Statement with Account Detail
617290999915 - WSTL MEDICAL CAMPUS 850 FAC/EX

	December 2014 MTD				December 2014 YTD			
	Actual	Budget	Var.	Var. %	Actual	Budget	Var.	Var. %
Net Operating Income	9,467	23,237	(13,771)	(59.3%)	485,681	278,850	206,832	74.2%
Excess Revenues Over Expenses	9,467	23,237	(13,771)	(59.3%)	485,681	278,850	206,832	74.2%

REAL ESTATE TAX DETERMINATION

0000000202 00011

Ohio Department of
TAXATION
Office of the Tax Commissioner
30 E. Broad St., 21st Floor • Columbus, OH 43215
http://www.tax.ohio.gov/

FINAL DETERMINATION

Date: AUG 1 4 2013

RECEIVED
SEP 09 2013
CUYAHOGA COUNTY
FISCAL OFFICE

Lakewood Hospital Association
c/o Cleveland Clinic Foundation Law Department
Attn: David Sherriff, Esq.
3050 Science Park Drive, AC 321
Beachwood, OH 44122

Re:	DTE No.:	UE 3540
	Auditor's No.:	12-260
	County:	Cuyahoga
	School District:	Westlake CSD
	Parcel Number:	213-06-009

The Tax Commissioner previously issued a final determination in this matter on August 6, 2013. That determination is hereby vacated and the matter remains open for further administrative review, below.

Pursuant to the taxpayer's request and based upon information available to the Tax Commissioner, the Tax Commissioner finds that part of the property described in the application is used as medical facilities and is entitled to be exempt from taxation pursuant to R.C. 5709.12, charitable, and part of the property is not entitled to be exempt because it is not used for charitable purposes. Pursuant to R.C. 5713.04, the Tax Commissioner orders that the property be listed as follows:

Property exempt from taxation:

The balance of the subject property not listed as taxable below.

The Tax Commissioner orders that the portion of real property described above be entered upon the list of property in the county which is exempt from taxation for tax year 2012, and that taxes, penalties and interest for tax year(s) 2009, 2010, and 2011 be remitted in the manner provided by R.C. 5715.22. The subject property shall remain on the exempt list until either the county auditor or the Tax Commissioner restores the property to the tax list.

Property to remain on the tax list:

For tax year 2009: 52,028 square feet of the building.
For tax year 2010: 53,054 square feet of the building.
For tax year 2011: 51,654 square feet of the building.
For tax year 2012: 47,044 square feet of the building.

The Tax Commissioner further orders that penalties charged against this part of the property for these tax years be remitted.

000000203
AUG 1 4 2013

THIS IS THE TAX COMMISSIONER'S FINAL DETERMINATION WITH REGARD TO THIS MATTER. NOTICE WILL BE SENT PURSUANT TO R.C. 5715.27 TO THE COUNTY AUDITOR. UPON EXPIRATION OF THE SIXTY-DAY APPEAL PERIOD PRESCRIBED BY R.C. 5717.02, THIS MATTER WILL BE CONCLUDED AND THE FILE APPROPRIATELY CLOSED.

I CERTIFY THAT THIS IS A TRUE AND ACCURATE COPY OF THE FINAL DETERMINATION RECORDED IN THE TAX COMMISSIONER'S JOURNAL

JOSEPH W. TESTA
TAX COMMISSIONER

/s/ Joseph W. Testa

Joseph W. Testa
Tax Commissioner

cc: David Seed, Esq., Attorney for Westlake CSD

General Information | Transfer History | Certified Values | Land Record | Residential Bldg. Sketch | Taxes | Search Page

PARCEL ID	213-06-009
OWNERS NAME	LAKEWOOD HOSPITAL
ADDRESS	768 Columbia RD
CITY	Westlake
ZIP	44145

2014 Market Value

	LUC	LAND	BLDG	TOTAL
APPRAISED	4420	1,730,300	11,995,900	13,726,200
NET TAXABLE	4420	0	6,332,100	6,332,100
EXEMPT	6803	1,730,300	5,663,800	7,394,100
ABATED	0	0	0	0

TIF Values not available at this time

By state law, the Cuyahoga County Auditor is responsible to see that every parcel of land and the buildings thereon are fairly and uniformly appraised and assessed for tax purposes. The County Auditor maintains a detailed record of the appraisal on each parcel in Cuyahoga County. For further information on tax abatements, please contact your local city hall or the County Auditors Office at 216-443-7100.

Real Property Tax Abatements / Incentives

Abatements are tools used by Municipalities to encourage development and to create and preserve employment. In short, Tax Abatement is a temporary reduction of billable value on a parcel. The Tax Incentive Division handles the administration of these finite term exemptions and abatements. Currently over 15,000 parcels within Cuyahoga County receive some form of tax incentive.

To verify Abatement on a specific parcel please view the ?General Information? tab, in Property Information, where there is a field listed with the designation. To view the value of the Abatement, one must view the ?Certified Value? tab within the parcel record.

Exempt property which is assessed but not taxed. Generally, properties which are exempt from property taxes because they provide services for the public good, such as schools, churches, and hospitals.

Properties that show an assessed value but do not show value on the charge and payment detail may have abatement or an exemption.

General Information | Transfer History | Certified Values | Land Record | Residential Bldg. Sketch | Taxes | Search Page

PRIMARY OWNER	Lakewood Hospital
PROPERTY ADDRESS	768 Columbia RD, Westlake, OH 44145
TAX MAILING ADDRESS	ATTN CAROL LESTER CLEVELAND CLINIC, 1950 RICHMOND RD, TR103, CLEVELAND, OH 44124
LEGAL DESCRIPTION	77 21306010 TO21306014
PROPERTY CLASS	MEDICAL CLINICS AND OFFICES

Field Definitions

2014 (pay in 2015) TAXBILL SUMMARY

PARCEL NUMBER 213-06-009 TAXSET Westlake TAX YEAR 2014 (pay in 2015)

ASSESSED VALUES		MARKET VALUES		FLAGS	
LAND VALUE	0.00	LAND VALUE	0.00	OWNER OCCUPANCY CREDIT	N
BUILDING VALUE	2,216,240.00	BUILDING VALUE	6,332,100.00	HOMESTEAD	N
TOTAL VALUE	2,216,240.00	TOTAL VALUE	6,332,100.00	FORECLOSURE	N
HOMESTEAD VALUE	0			CERT. PEND.	N
				CERT. SOLD	N

HALF YEAR CHARGE AMOUNTS		RATES			
				PAYMENT PLAN	N
GROSS TAX	114,524.20	FULL RATE	103.35		
LESS 920 RED	32,525.60	920 RED. RATE	.284006		
SUB TOTAL	81,998.60	EFFECTIVE RATE	73.997941	ESCROW	
NON-BUSINESS CREDIT	0.00			ESCROW	N
OWNER OCCUPANCY CREDIT	0.00			PMT. AMOUNT	0.00
HOMESTEAD RED. AMOUNT	0.00			ACCOUNT	
TOTAL ASSESSMENTS	111.71				
HALF YEAR NET TAXES	82,110.31				

	CHARGES	PAYMENTS	BALANCE DUE
TAX BALANCE SUMMARY:	193,999.76	72,455.51	121,544.25

2014 (pay in 2015) CHARGE AND PAYMENT DETAIL

Tax Information is up to the hour - tell me more.

TAXSET	CHARGE TYPE	CHARGES	PAYMENTS	BALANCE
Westlake	Prior year interest - 2013	0.00	0.00	0.00
	Prior year penalty - 2012	0.00	0.00	0.00
	Prior year tax - 2013	19,035.08	19,035.08	0.00
	December interest - 2014	0.00	0.00	0.00
	Prior year penalty - 2013	0.00	0.00	0.00
	Prior year tax - 2012	10,744.06	10,744.06	0.00
	Prior year August interest - 2014	0.00	0.00	0.00
	DELQ BALANCE	29,779.14	29,779.14	0.00
	1st half penalty	0.00	0.00	0.00
	1st half tax	81,998.60	42,564.66	39,433.94
	1ST HALF BALANCE	81,998.60	42,564.66	39,433.94
	2nd half tax	81,998.60	0.00	81,998.60
	2ND HALF BALANCE	81,998.60	0.00	81,998.60
M126752G-DELQ SEWER	1st half SPA fee	1.11	1.11	0.00
	1st half tax	110.60	110.60	0.00
	1ST HALF BALANCE	111.71	111.71	0.00
	2nd half SPA fee	1.11	0.00	1.11
	2nd half tax	110.60	0.00	110.60
	2ND HALF BALANCE	111.71	0.00	111.71
TOTAL BALANCE		193,999.76	72,455.51	121,544.25

CUYAHOGA COUNTY BUILDING CARD

[redacted]

PERMANENT PARCEL NUMBER
MAP PAGE ITEM
213 | 06 | 009 |

PROPERTY RECORD
WESTLAKE

T.D. ____ CLASS OF PROPERTY C CE CARD NUMBER 01 OF 02

ADDRESS OF PROPERTY 850 COLUMBIA RD. 44145

NEIGHBORHOOD CODE Good [ ] PRIMARY LAND USE 434 2 0 [ ]

LEGAL IDENTIFICATION

OWNER: LAKEWOOD HOSPITAL

ORIG LOT DESC. 17
SUB LOT:
FRONTAGE: 0390.000
DEPTH: 0328.480
ACREAGE: 0005.670
ADDL PARCELS: 21306010 TO 21306014

P.P NO.	LAND AREA	LAND VALUE	IMP. VALUE	TOTAL VALUE
L				
A				
TOTAL PROPERTY				

TRANSFER OF OWNERSHIP

GRANTEE	DATE MO	DATE DAY	DATE YEAR	TYPE 1 LAND	TYPE 2 L & B	SALE PRICE	SOURCE 1 BUYER	SOURCE 2 SELLER	SOURCE 3 FEE	SOURCE 4 AGENT	VALIDITY 1 YES	VALIDITY 2 NO	OTHER INFORMATION
				1	2		1	2	3	4	1	2	
				1	2		1	2	3	4	1	2	
				1	2		1	2	3	4	1	2	

VALUATION CHANGES

PERMIT NUMBER	PETITION NUMBER	DESCRIPTION OF CHANGE	APPRAISER	DATE	ITEM	TRUE VALUE	TAX VALUE	TAX YEAR
					LAND	709300	248,260	
					IMPROVEMENTS	2038700	713,540	
					TOTAL	2748000	961,800	19 94
20014 22123	$ 58000	Bldg "B" Now 100% Comp. 1-1-95 +191380	D. Moore	3/20/95	LAND	709300	248260	
					IMPROVEMENTS	2585500	904930	
					TOTAL	3,294800	1,153,190	19 95
21307 22781 23140 23267	$ 200,000 750,000 60,000 50,000	Complex 100% Comp. VALUE Added in REAPPR. And 1995 N.C. LTB valued @ $83.00 mostly P.P. MEDICAL equip.	D.M.	2-7-96	LAND			
					IMPROVEMENTS			
					TOTAL			19
23461	$ 70,000	TENANT SPACE ALT. COMP 1-1-96 N.V.	D.M.	11/18/96	LAND			
					IMPROVEMENTS			
					TOTAL			
31396		ADDITION to existing MEDICAL BLDG & New MEDICAL BLDG (ATTACHED) 15% Comp 1/1/03 existing blg & Land reappraised + N/C = (+1,849,000)	Brown	3/03	LAND			
					IMPROVEMENTS			
					TOTAL			
					LAND			
					IMPROVEMENTS			
					TOTAL			

OCCUPANCY AND RENTAL DATA

	TENANT / OCCUPANT	AREA OCCUPIED	RENTAL MO / YEAR	LENGTH OF LEASE	EXPIRATION DATE	TENANT EXPENSE	COMMENTS
1	~~Lakewood Hospital~~						
2							
3							
4							
5							
6							

COMPARATIVE MARKET ANALYSIS

SALE	P.P. #	DATE	SALE PRICE	SALE PRICE PER UNIT	ADJUSTMENTS	ADJUSTED UNIT RATE
1						
2						
3						
SUMMARY MARKET ANALYSIS 19 ___ ___				@	=	
1						
2						
3						
SUMMARY MARKET ANALYSIS 19 ___ ___				@	=	
1						
2						
3						
SUMMARY MARKET ANALYSIS 19 ___ ___				@	=	

LAND VALUATION COMPUTATION & PARCEL SIZE

1. PRIMARY SITE 2. SECONDARY SITE 3. RESIDENTIAL LAND 4. UNDEVELOPED LAND 5. WASTE LAND 6. OTHER

TYPE	EFF. FRTG.	EFF. DEPTH	ACRES	SQ. FT.	ADJUSTMENTS	ADJUSTED RATE	VALUE
1			5.6746			125000	709300

SITE FACTOR
- ☐ COR INF
- ☐ ALLEY INF
- ☐ POOR TOPO
- ☐ UNDER IMP
- ☐ EXCESS FRTG
- ☐ SHAPE & SIZE
- ☐ MISIMPROVEMENT
- ☐ ______
- ☐ VIEW
- ☐ WATER FRTG
- ☐ REAR LOC
- ☐ DUAL FRTG
- ☐ FLOOD ZONE
- ☐ AIR RIGHT

NEIGHBORHOOD
- ☐ IMPROVING
- ☐ STATIC
- ☐ DECLINING
- ☐ BLIGHTED

STREET
- ☐ PAVED
- ☐ UNPAVED
- ☐ PROPOSED
- ☐ ALLEY
- ☐ SIDEWALK
- ☐ ______

TRANS FACILITIES
- ☐ INTERSTATE
- ☐ RAIL
- ☐ WATER
- ☐ ______

TOPOGRAPHY
- ☐ LEVEL
- ☐ HIGH
- ☐ LOW
- ☐ ROLLING
- ☐ SWAMPY

UTILITIES
- ☐ WATER
- ☐ SEWER
- ☐ GAS
- ☐ ELECTRIC
- ☐ ALL

19 ___ ___ TOTAL LAND VALUE ______
19 ___ ___ TOTAL LAND VALUE ______
19 ___ ___ ______

SUMMARY	JAN 1	LAND	IMPROVEMENTS	TOTAL
EST. PARCEL VALUE	19 94	709300	2038700	2748000
EST PROPERTY VALUE	19 95	709300	2585500	3294800
EST PARCEL VALUE	19 ___			
EST PROPERTY VALUE	19 ___			
EST PARCEL VALUE	19 ___			
EST PROPERTY VALUE	19 ___			

19 ___ APARTMENT RENTAL & ANALYSIS

___ EFF BATHS @ ___
___ 1 BDRM ___ @ ___
___ 1 BDRM ___ @ ___
___ ___ @ ___
___ 2 BDRM ___ @ ___
___ 2 BDRM ___ @ ___
___ 3 BDRM ___ @ ___
___ ___ @ ___

TOTAL UNITS ___

PARKING

___ CARPORTS @ ___
___ GARAGES @ ___
___ OPEN @ ___

ITEMS FURNISHED
- ☐ HEAT
- ☐ A/C
- ☐ ELECTRIC
- ☐ WATER
- ☐ STOVE
- ☐ REFRIGERATOR
- ☐ DISH WASHER
- ☐ FURNITURE

VACANCY FACTOR ______ %
DENSITY UNITS ______ per acre
DENSITY PER S.F. ______

ECONOMIC INCOME ANALYSIS

EST / ACT INCOME	19 ___ ___	19 ___ ___	19 ___ ___
GROSS POTENTIAL INCOME			
VAC & C.L.			
EFFECTIVE GROSS INCOME			
OPERATING EXPENSE RATIO			
EXPENSES			
N.O.I.			
RESERVES			
TAX ADDITOR			
CAP RATE			
INDICATED VALUE			

FINAL RECONCILIATION OF VALUE	Cost	Cost	
VALUE PER UNIT	19 94	19 95 $82.65	19 ___

INSPECTION CONTACT	DATE
APPRAISER (S) TJ	DATE 8/94
INSPECTION CONTACT	DATE
APPRAISER (S)	DATE
INSPECTION CONTACT	DATE
APPRAISER (S)	DATE

CONSTRUCTION DATA

FDTN. AND BSMT	A	B	C	D
AB	✓			
AWL SPACE				
SEMENT				
LL BASEMENT		✓		
NCRETE				
NCRETE BLOCK				
ASONRY				
NE / N.A				
ERS				
EXTERIOR WALLS				
ICK/BLOCK				
ICK VENEER				
ONE				
RRA COTTA				
AMEL STEEL				
ASS & MTL				
NCRETE BLOCK				
LE BLOCK				
URED CONCRETE				
ECAST CONCRETE	✓	✓		
LIT-BLOCK				
NDOW WALLS				
SUL. METAL PANELING				
UCCO OR SIMULATED				
OOD SIDING				
ETAL SIDING				
NYL SIDING				
SULATION				
ROOF TYPE				
AT / S.P	✓	✓		
P OR GABLE				
ONITOR-SAWTOOTH				
RCHED-BOW				
ROOF				
OMP / T&G BUILD-UP	✓	✓		
ETAL				
ATE, TILE OR CONC.				
ASS				
SULATION				
PEN				
ETAL DECK	✓	✓		
OOD DECK				
ONC. JOIST				
EEL JOIST	✓	✓		
OOD JOIST				
BSMT./GROUND FLOOR				
NCRETE	✓	✓		
ARTH				
NCRETE ABOVE GRADE				
STRUCTURAL FLOORS				
URED CONCRETE		✓		
ECAST CONCRETE				
OOD SUB				
ETAL PAN				
NCRETE JOIST				
EEL JOIST		✓		
OOD JOIST				
FRAMING				
OOD & TIMBER				
RE RESISTANT	✓	✓		
INF.CONCRETE				
RE PROOF STEEL				
E FAB STEEL				

USE	BSMT.	1	2
STORE			
OFFICE			
APARTMENT			
Med Offices	75B	B	B
WAREHOUSE			
Urgi Care Cnt		A	
UTIL	25B		
ABANDONED			
FINISH TYPE			
UNFINISHED	25B		
SEMI FINISHED			
FINISHED OPEN			
FINISHED DIVIDED	75B	A/B	B
PARTITIONS			
WOOD MILL STUD			
MASONRY			
MINIMUM			
FIREWALLS			
WALL FINISH			
PLASTER OR DRY WALL	75B	A/B	B
WOOD PANELING			
PAINTED MASONRY			
EXPOSED BRK.			
UNFINISHED	25B		
CEILING			
ACOUSTICAL TILE	75B	A/B	B
PLASTER OR DRYWALL			
UNFINISHED	25B		
FLOORING			
WOOD			
SOFT WOOD			
UNFINISHED	25B		
COMPOSITION TILE	75B	A/B	B
TERAZZO			
CERAMIC TILE			
QUARRY TILE			
MARBLE			
CARPETING			
LIGHTING			
NORMAL	B	A/B	B
ABUNDANT			
SCANT			
HEATING			
FORCED HOT AIR	B	A/B	B
HOT WATER OR STEAM			
UNIT HEATERS			
ELECTRIC BASEBOARD			
HEAT PUMP			
NO HEATING			
AIR COND.			
CENTRAL	B	A/B	B
PKG. W/DUCTS			
WALL UNITS			
SPRINKLER	B	A/B	B
PLUMBING	A	B	
BATH ROOMS			
TOILET ROOMS			
FIXTURES	22	18	
ADQ. PLBG	✓	✓	
NO PLUMBING			

BUILDING DATA

SQUARE FOOTAGE	BLDG. A	BLDG. B	BLDG.	BLDG.
BSMT		11862		
1st	5227	11520		
MEZZ				
2ND		11254		
UPP				
PENTHSE.				
ADD'N				
TOTAL	5227	34636		

GROSS FLOOR AREA	39863	
USEABLE FLOOR AREA	39863	
PROPERTY G.F.A.		
PROPERTY U.F.A.		
PROPERTY LAND SIZE		
COVERAGE FACTOR		

ITEM	A	B	C	D	ITEM	A	B	C	D
1 STORE FRONT					9 VAULT				
2 OHD DOORS					10 VAULT DOOR				
3 MEZZANINE					11 NIGHT DEPOSIT				
4 PASS. ELEVATOR		✓			12 DRIVE-IN WIND.				
5 FRT. ELEVATOR					13 COOLER				
6 S.W. ELEVATOR					14 FREEZER				
7 DUMB WAITER					15				
8 ESCALATOR					16				

FEATURES

BLDG.	DESCRIPTION	QUANTITY	RATE
4B	Dover Hyd 125 FPM 4500# 3 stops	1	

VALUE CONSIDERATIONS OR BUILDING RATING

	A	B	C	D
LAYOUT DESIGN				
INTERIOR CONDITION	Norm	Norm		
BAY SIZE				
CLEARANCE				
FRAMING				
CLEAR SPAN				
PARKING	Adq	Adq		

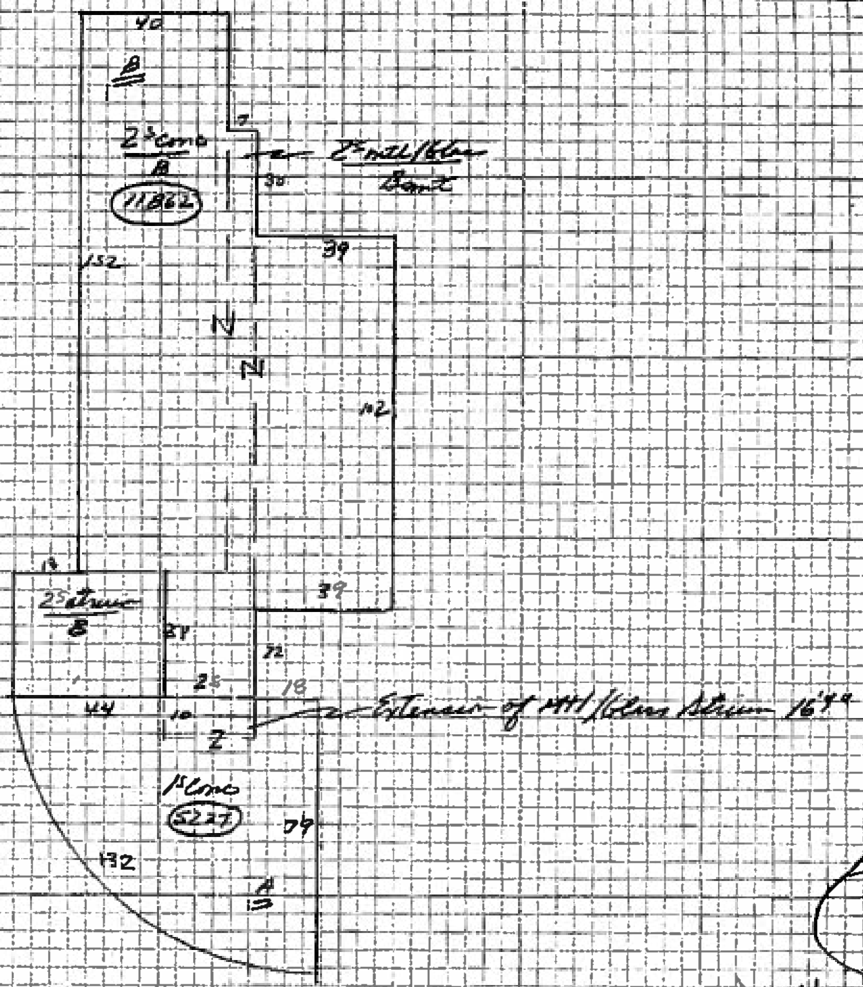
REPLACEMENT COST COMPUTATIONS

BUILDING/SECTION	A	B	C	D
S.F. AREA	5227	11862		
EFF. PERIMETER	298 L/F	521 L/F	L/F	L/F
PERIM./AREA RATIO	6	4		
NO. OF LIVING UNITS				
AVG. UNIT SIZE				
SCHEDULE KEY	GCM	GCM		
CONST. CODE				
BSMT %	—	100%		

FLOOR	A HGT.	A RATE	B HGT.	B RATE	C HGT.	C RATE	D HGT.	D RATE
BASEMENT			12	41.02				
FIRST	12	65.30	12	60.95				
SECOND			12	57.64				

	A	B	C	D
BASE PRICE	65.30	155.61		
B.P. ADJUSTMENT	100%	100%	%	%
SUB TOTAL	65.30	155.61		
PARTITIONS				
INTERIOR FINISH				
LIGHTING				
HTG/AIR COND				
SPRINKLER	6.15	6.15		
UNIT FINISH				
SF/CF PRICE	71.45	165.76		
AREA/CUBAGE	5227	11862		
SUB TOTAL	373470	1966250		
PLUMBING				
SPECIAL FEATURES / EXTERIOR FEATURES	9400	115650		
TOTAL BASE	382870	2081900		
GRADE FACTOR	105	105		
REPLACEMENT COST	402000	2186000		
TIME FACTOR				
REPLACEMENT COST				
TIME FACTOR				
REPLACEMENT COST				

B
Bsmt = 11862
1st = 11520
2nd = 11254
TTL = 34636 #



1" = 50'

Revis 1995 BLDG B
75% Complete For
1-1-94.
1-1-95 100% comp

N

See insert for addition

IMPROVEMENT DATA AND COMPUTATION

I.D.	USE	STORY HEIGHT	CONST	GRADE	DATE BUILT	REMOLD DATE	EFF AGE	COND	SIZE	RATE	REPLACEMENT COST	DEPRECIATION PHYS.	OBSOL.	TOTAL	19 94	DEPRECIATED VALUE 19 95	19__
	Card Center	1s	Precast Conc	C+	1992			GD	5227		402000	5	—	5	382000		
	Med offices	2s	Precast Conc	C+	1992			GD	11862		100% 1-1-95 2186000	5	25	5 30	1530200	2,077,000	
			Conc Apd		1992			AV	75000	2^{25}	168700	25	—	25	126500		

DEPRECIATED IMPROVEMENT VALUE TOTAL 2038700

CONSTRUCTION DATA

FDTN. AND BSMT.	A3	B4	C	D
SLAB				
CRAWL SPACE				
BASEMENT				
FULL BASEMENT	/			
partial bsmt		/		
CONCRETE	/	/		
CONCRETE BLOCK				
MASONRY				
STONE / N.A				
PIERS				
EXTERIOR WALLS				
BRICK/BLOCK				
BRICK VENEER				
STONE				
TERRA COTTA				
ENAMEL STEEL				
GLASS & MTL.				
CONCRETE BLOCK				
TILE BLOCK				
POURED CONCRETE				
PRECAST CONCRETE	/	/		
SPLIT-BLOCK				
WINDOW WALLS		/		
INSUL. METAL PANELING				
STUCCO OR SIMULATED				
WOOD SIDING				
METAL SIDING				
VINYL SIDING				
INSULATION				
ROOF TYPE				
FLAT / S.P.	/	/		
HIP OR GABLE				
MONITOR-SAWTOOTH				
ARCHED-BOW				
ROOF				
COMP / T&G BUILD-UP	/	/		
METAL				
SLATE, TILE OR CONC.				
GLASS				
INSULATION				
OPEN				
METAL DECK	/	/		
WOOD DECK				
CONC. JOIST				
STEEL JOIST	/	/		
WOOD JOIST				
BSMT./GROUND FLOOR				
CONCRETE	/	/		
EARTH				
CONCRETE ABOVE GRADE				
STRUCTURAL FLOORS				
POURED CONCRETE				
PRECAST CONCRETE	/	/		
WOOD SUB				
METAL PAN				
CONCRETE JOIST				
STEEL JOIST	/	/		
WOOD JOIST				
FRAMING				
WOOD & TIMBER				
FIRE RESISTANT	/	/		
REINF.CONCRETE				
FIRE PROOF STEEL				
PRE FAB STEEL				

USE	BSMT.	1	2	UPPER
STORE				
OFFICE MEDICAL	3,5,4	3,4	3,4	4
APARTMENT				
WAREHOUSE				
UTIL	3&4			
ABANDONED				
FINISH TYPE				
UNFINISHED				
SEMI FINISHED				
FINISHED OPEN				
FINISHED DIVIDED	3,4	3,4	3,4	4
PARTITIONS				
WOOD MILL STUD				
MASONRY				
MINIMUM				
FIREWALLS				
WALL FINISH				
PLASTER OR DRY WALL	3,4	3,4	3,4	4
WOOD PANELING				
PAINTED MASONRY				
EXPOSED BRK.				
UNFINISHED				
CEILING				
ACOUSTICAL TILE				
PLASTER OR DRYWALL				
UNFINISHED				
FLOORING				
WOOD				
SOFT WOOD				
UNFINISHED				
COMPOSITION TILE				
TERAZZO				
CERAMIC TILE				
QUARRY TILE				
MARBLE				
CARPETING				
LIGHTING				
NORMAL				
ABUNDANT				
SCANT				
HEATING				
FORCED HOT AIR	3,4	3,4	3,4	4
HOT WATER OR STEAM				
UNIT HEATERS				
ELECTRIC BASEBOARD				
HEAT PUMP				
NO HEATING				
AIR COND.				
CENTRAL	3,4	3,4	3,4	4
PKG. W/DUCTS				
WALL UNITS				
SPRINKLER	3,4	3,4	3,4	4
PLUMBING				
BATH ROOMS				
TOILET ROOMS				
FIXTURES				
ADQ. PLBG				
NO PLUMBING				

BUILDING DATA

SQUARE FOOTAGE	BLDG. 3	BLDG. 4	BLDG.	BLDG.
BSMT	2252	7300		
1st	2252	16612		
MEZZ				
2ND	2252	16612		
UPP		16612		
PENTHSE.				
ADD'N				
TOTAL	6756	57136		

GROSS FLOOR AREA	63,892	
USEABLE FLOOR AREA	60,892	
PROPERTY G.F.A.		
PROPERTY U.F.A.		
PROPERTY LAND SIZE		
COVERAGE FACTOR		

ITEM	A3	B4	C	D	ITEM	A	B	C	D
1 STORE FRONT					9 VAULT				
2 OHD DOORS					10 VAULT DOOR				
3 MEZZANINE					11 NIGHT DEPOSIT				
4 PASS. ELEVATOR		1			12 DRIVE-IN WIND.				
5 FRT. ELEVATOR					13 COOLER				
6 S.W. ELEVATOR					14 FREEZER				
7 DUMB WAITER					15				
8 ESCALATOR					16				

FEATURES

BLDG.	DESCRIPTION	QUANTITY	RATE

VALUE CONSIDERATIONS OR BUILDING RATING

	A	B	C	D
LAYOUT DESIGN				
INTERIOR CONDITION				
BAY SIZE				
CLEARANCE				
FRAMING				
CLEAR SPAN				
PARKING				

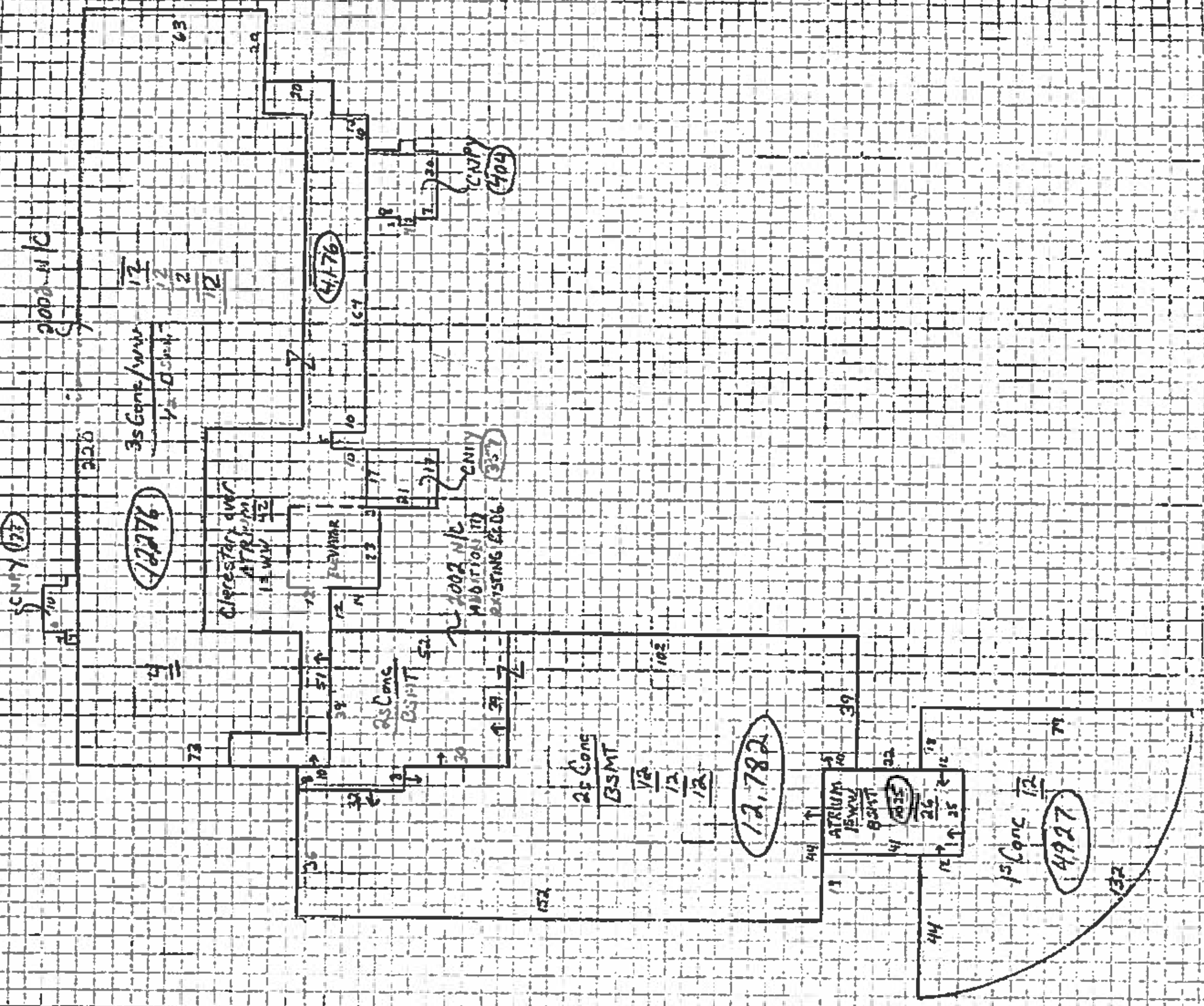
REPLACEMENT COST COMPUTATIONS

BUILDING/SECTION	A3	B4	C	D
S.F. AREA	2252	16612		
EFF. PERIMETER	108 LF	610 LF	LF	LF
PERIM./AREA RATIO	5	4		
NO. OF LIVING UNITS				
AVG. UNIT SIZE				
SCHEDULE KEY				
CONST. CODE				
BSMT %				

FLOOR	HGT.	RATE	HGT.	RATE	HGT.	RATE	HGT.	RATE
BASEMENT	12		12					
FIRST	12		12					
SECOND	12		12					

BASE PRICE				
B.P. ADJUSTMENT	%	%	%	%
SUB TOTAL				
PARTITIONS				
INTERIOR FINISH				
LIGHTING				
HTG/AIR COND				
SPRINKLER				
UNIT FINISH				
SF/CF PRICE				
AREA/CUBAGE				
SUB TOTAL				
PLUMBING				
SPECIAL FEATURES				
EXTERIOR FEATURES				
TOTAL BASE				
GRADE FACTOR				
REPLACEMENT COST				
TIME FACTOR				
REPLACEMENT COST				
TIME FACTOR				
REPLACEMENT COST				

APN# 213-06-009
1" = 50'
Klein 04 N/C
15% comp 1/1/03



02/03

IMPROVEMENT DATA AND COMPUTATION

I.D.	USE	STORY HEIGHT	CONST	GRADE	DATE BUILT	REMOLD DATE	EFF AGE	COND	SIZE	RATE	REPLACEMENT COST	DEPRECIATION PHYS.	DEPRECIATION OBSOL.	DEPRECIATION TOTAL	DEPRECIATED VALUE 19__	DEPRECIATED VALUE 19__	DEPRECIATED VALUE 19__
3		2		110	2002		2002	6D									
4		3		120	2002		2002	6D	1								

DEPRECIATED IMPROVEMENT VALUE TOTAL

MARKET INFORMATION

RealtyRates.com INVESTOR SURVEY - 2nd Quarter 2015*						
OFFICE - SUBURBAN						
Item	**Input**					**OAR**
Minimum						
Spread Over 10-Year Treasury	0.85%	**DCR Technique**	1.15	0.041791	0.90	4.33
Debt Coverage Ratio	1.15	**Band of Investment Technique**				
Interest Rate	2.83%	Mortgage	90%	0.041791	0.037612	
Amortization	40	Equity	10%	0.076935	0.007693	
Mortgage Constant	0.041791	OAR				4.53
Loan-to-Value Ratio	90%	**Surveyed Rates**				4.30
Equity Dividend Rate	7.69%					
Maximum						
Spread Over 10-Year Treasury	5.25%	**DCR Technique**	2.00	0.109408	0.60	13.13
Debt Coverage Ratio	2.00	**Band of Investment Technique**				
Interest Rate	7.23%	Mortgage	60%	0.109408	0.065645	
Amortization	15	Equity	40%	0.150534	0.060214	
Mortgage Constant	0.109408	OAR				12.59
Loan-to-Value Ratio	60%	**Surveyed Rates**				11.96
Equity Dividend Rate	15.05%					
Average						
Spread Over 10-Year Treasury	3.05%	**DCR Technique**	1.58	0.067200	0.75	7.94
Debt Coverage Ratio	1.58	**Band of Investment Technique**				
Interest Rate	5.03%	Mortgage	75%	0.067200	0.050400	
Amortization	28	Equity	25%	0.110055	0.027514	
Mortgage Constant	0.067200	OAR				7.79
Loan-to-Value Ratio	75%	**Surveyed Rates**				8.99
Equity Dividend Rate	11.01%					

*1st Quarter 2015 Data

RealtyRates.com INVESTOR SURVEY - 2nd Quarter 2015*						
OFFICE - MEDICAL						
Item	**Input**					**OAR**
Minimum						
Spread Over 10-Year Treasury	1.60%	**DCR Technique**	1.45	0.054423	0.75	5.92
Debt Coverage Ratio	1.45	**Band of Investment Technique**				
Interest Rate	3.58%	Mortgage	75%	0.054423	0.040817	
Amortization	30	Equity	25%	0.077935	0.019484	
Mortgage Constant	0.054423	OAR				6.03
Loan-to-Value Ratio	75%	**Surveyed Rates**				5.73
Equity Dividend Rate	7.79%					
Maximum						
Spread Over 10-Year Treasury	5.83%	**DCR Technique**	1.60	0.113331	0.50	9.07
Debt Coverage Ratio	1.60	**Band of Investment Technique**				
Interest Rate	7.81%	Mortgage	50%	0.113331	0.056666	
Amortization	15	Equity	50%	0.156534	0.078267	
Mortgage Constant	0.113331	OAR				13.49
Loan-to-Value Ratio	50%	**Surveyed Rates**				12.82
Equity Dividend Rate	15.65%					
Average						
Spread Over 10-Year Treasury	3.71%	**DCR Technique**	1.53	0.078915	0.63	7.52
Debt Coverage Ratio	1.53	**Band of Investment Technique**				
Interest Rate	5.69%	Mortgage	63%	0.078915	0.049322	
Amortization	23	Equity	38%	0.113305	0.042489	
Mortgage Constant	0.078915	OAR				9.18
Loan-to-Value Ratio	63%	**Survey**				8.78
Equity Dividend Rate	11.33%					

*1st Quarter 2015 Data

National Medical Office Buildings Market

The change in this quarter's average initial-year market rent change rate reveals compelling investor optimism for the national medical office buildings (MOB) market. This key figure, an indicator of investors' perception of future rent growth, leaps 49 basis points this quarter to 1.92%, the second-highest positive change for the 34 markets in our Survey (see Table 33). Despite this quarterly increase, the MOB market's average remains below the aggregate average of 2.90% for the 19 city-specific office markets in our Survey.

An increase in MOB transactions in 2014 further underscores the desire of investors to own assets in this niche market. Year-over-year sales volume rose nearly 25.0% in 2014, as per Real Capital Analytics. During this time, the amount of public capital (including REITs) flowing into the MOB market grew from 16.0% to 39.0% of total sales. During the first six weeks of 2015, public money represented 69.0% of the total capital invested in this asset class.

Our Survey participants unanimously believe current conditions in the MOB market favor sellers and that "cap rates continue to show downward pressure." As a result, certain investors note that finding product to "meet investment criteria" can be quite difficult. ✦

KEY 1Q15 SURVEY STATS*

Tenant Retention Rate:

Average	78.0%	=
Range	60.0% to 90.0%	

Months of Free Rent(1):

Average	3.0	=
Range	1 to 6	
% of participants using	67.0%	▼

Average Overall Cap Rates:

Market (as a whole)	6.98%	▼
On campus	6.60%	▼
Off campus	7.35%	▼

* ▼, ▲, = change from prior quarter
(1) on a ten-year lease

Table 33
NATIONAL MEDICAL OFFICE BUILDINGS MARKET
First Quarter 2015

	CURRENT	LAST QUARTER	1 YEAR AGO	3 YEARS AGO	5 YEARS AGO
DISCOUNT RATE (IRR)[a]					
Range	6.00% – 11.00%	6.00% – 11.00%	6.00% – 12.00%	6.50% – 13.00%	8.00% – 13.00%
Average	8.02%	8.30%	8.45%	8.94%	10.13%
Change (Basis Points)		– 28	– 43	– 92	– 211
OVERALL CAP RATE (OAR)[a]					
Range	4.75% – 10.00%	4.75% – 10.00%	5.50% – 11.00%	5.75% – 11.00%	7.50% – 11.50%
Average	6.98%	7.27%	7.68%	7.92%	8.78%
Change (Basis Points)		– 29	– 70	– 94	– 180
RESIDUAL CAP RATE					
Range	5.50% – 10.50%	5.50% – 10.50%	6.00% – 11.00%	6.25% – 12.00%	7.50% – 11.50%
Average	7.33%	7.59%	7.83%	8.19%	8.86%
Change (Basis Points)		– 26	– 50	– 86	– 153
MARKET RENT CHANGE[b]					
Range	0.00% – 3.00%	(5.00%) – 3.00%	(5.00%) – 3.00%	0.00% – 3.00%	0.00% – 3.00%
Average	1.92%	1.43%	1.53%	1.08%	1.11%
Change (Basis Points)		+ 49	+ 39	+ 84	+ 81
EXPENSE CHANGE[b]					
Range	1.00% – 4.00%	1.00% – 4.00%	0.00% – 4.00%	0.00% – 4.00%	0.00% – 4.00%
Average	2.46%	2.46%	2.33%	2.17%	2.50%
Change (Basis Points)		0	+ 13	+ 29	– 4
MARKETING TIME[c]					
Range	1 – 9	1 – 12	1 – 12	1 – 12	3 – 20
Average	4.4	5.1	5.3	5.4	7.7
Change (▼, ▲, =)		▼	▼	▼	▼

a. Rate on unleveraged, all-cash transactions b. Initial rate of change c. In months

2014 INCOME/EXPENSE ANALYSIS®

OFFICE BUILDINGS

IREM Institute of Real Estate Management *part six:*

MEDICAL OFFICE BUILDINGS

6

SUBURBAN OFFICE BUILDINGS — REGION 5

CHART OF ACCOUNTS	$/GROSS AREA OF ENTIRE BLG					$/GROSS RENTABLE OFFC AREA					$/NET RENTABLE OFFC AREA				
	BLGS	SQ FT (10000)	$ MED	RANGE LOW	RANGE HIGH	BLGS	SQ FT (10000)	$ MED	RANGE LOW	RANGE HIGH	BLGS	SQ FT (10000)	$ MED	RANGE LOW	RANGE HIGH
INCOME															
OFFICES	30	115	18.72	15.49	23.50	27	100	18.51	15.49	23.50	30	111	20.49	16.47	24.35
RETAIL															
PARKING															
OTHER	2	10	.22	.02	.22	2	10	.22	.02	.22	2	10	.22	.02	.22
PASS-THROUGHS	16	66	2.00	1.11	7.33	13	52	3.03	1.42	7.34	16	64	2.00	1.11	7.33
RETAIL % INCOME															
MISC INCOME	10	42	.02	.01	.57	10	42	.02	.01	.57	10	41	.02	.01	.57
VACANCY/DELIN RENTS	12	48	3.48	2.20	4.31	9	33	3.48	2.20	5.41	12	46	3.48	2.38	4.31
TOTAL COLLECTIONS	30	115	22.91	18.63	28.42	27	100	23.56	18.63	28.42	30	111	22.91	18.78	29.13
EXPENSES															
ELECTRICITY	7	25	1.03	.27	1.16	7	25	1.03	.27	1.16	7	24	1.11	.27	1.16
WATER & SEWER	33	133	.18	.11	.28	30	118	.19	.09	.28	33	129	.18	.11	.28
HVAC FUEL															
GAS	21	86	.14	.07	.26	20	80	.17	.07	.31	21	83	.14	.07	.31
FUEL OIL	1	4	.03	.03	.03	1	4	.03	.03	.03	1	4	.03	.03	.03
ELECTRICITY	27	112	1.45	1.02	1.95	24	97	1.44	1.02	1.71	27	110	1.45	1.17	2.05
STEAM															
OTHER	1	4	.05	.05	.05	1	4	.05	.05	.05	1	4	.05	.05	.05
COMBINATION ELECTRIC															
SUBTOTAL UTILITIES	34	137	1.81	1.14	2.29	31	122	1.62	1.10	2.24	34	133	1.94	1.21	2.32
JANITORIAL															
PAYROLL/CONTRACT	33	136	1.28	1.01	1.55	30	121	1.28	.84	1.64	33	132	1.32	1.14	1.60
CLEANING SUPPLIES	26	109	.20	.16	.29	23	94	.18	.14	.29	26	106	.20	.16	.29
MISCELLANEOUS	10	38	.02	.01	.03	8	30	.02	.02	.03	10	38	.02	.01	.03
MAINT. & REPAIR															
PAYROLL	24	109	.34	.13	.56	21	94	.36	.32	.60	24	105	.37	.13	.60
HTG/VEN & AC REPAIRS	33	134	.28	.12	.43	30	119	.31	.17	.55	33	130	.30	.12	.43
ELECTRIC REPAIRS	29	116	.06	.03	.09	26	101	.06	.03	.09	29	113	.06	.03	.09
PLUMBING REPAIRS	27	108	.02	.01	.05	24	93	.02	.01	.05	27	105	.02	.01	.06
ELEV REPR/MAINT	25	112	.10	.08	.14	23	100	.11	.07	.13	25	109	.11	.08	.15
GENERAL BUILDING EXTER	11	54	.07	.02	.07	10	47	.07	.02	.09	11	52	.07	.02	.08
ROOF REPAIRS	17	64	.03	.01	.05	17	63	.03	.01	.05	17	61	.03	.01	.06
PARKING LOT REPAIRS	19	69	.11	.03	.21	19	69	.11	.03	.21	19	68	.11	.03	.21
GENERAL BUILDING INTER	27	113	.22	.12	.29	26	106	.24	.13	.46	27	110	.22	.13	.33
MISC REPAIRS	28	107	.10	.03	.24	25	92	.05	.03	.14	28	103	.10	.03	.24
SUBTOTAL JAN/MAIN/RPR	34	137	2.85	2.22	4.02	31	122	2.93	2.22	4.02	34	133	2.88	2.22	4.02
ADMINISTRATIVE															
PAYROLL-ADMINIST	16	80	.76	.67	.93	13	66	.70	.60	.94	16	78	.76	.68	.99
ADVERTISING	6	31	.03	.02	.04	6	31	.03	.02	.04	6	29	.03	.02	.04
MANAGEMENT FEE	33	136	.92	.65	1.41	30	121	1.04	.68	1.46	33	132	.96	.65	1.41
OTHER ADMINISTRATIVE	33	136	.11	.07	.27	30	121	.13	.07	.28	33	132	.11	.07	.27
SUBTOTAL ADMIN/PAYROLL	33	136	1.53	1.33	1.97	30	121	1.53	1.17	2.03	33	132	1.53	1.42	2.15
SERVICES															
LANDSCAPE	30	120	.23	.14	.35	27	105	.21	.14	.35	30	116	.26	.15	.35
TRASH REMOVAL	33	135	.13	.07	.20	30	121	.13	.11	.21	33	132	.13	.07	.20
SECURITY-PAYROLL															
SECURITY-CONTRACTED	19	82	.11	.04	.13	16	67	.10	.04	.13	19	79	.11	.05	.13
WINDOWS WASHING	24	99	.04	.02	.06	23	96	.04	.02	.06	24	96	.04	.02	.06
SNOW REMOVAL	23	84	.66	.27	.76	23	84	.66	.27	.76	23	82	.67	.30	.76
MISCELLANEOUS	9	38	.11	.03	.13	6	24	.04	.03	.11	9	37	.11	.03	.13
SUBTOTAL SERVICES	34	137	.93	.67	1.39	31	122	1.02	.67	1.39	34	133	1.02	.76	1.44
NET OPERATING COSTS	34	137	7.49	6.06	8.52	31	122	7.33	6.00	8.52	34	133	7.65	6.51	8.61
INSURANCE	28	114	.17	.16	.21	25	100	.18	.15	.21	28	111	.18	.16	.21
REAL ESTATE TAXES	30	124	3.47	2.60	4.49	27	109	3.47	2.49	4.49	30	121	3.70	2.65	4.49
OTHER TAX/FEE/PERMIT	3	14	.01	.00	.01	3	14	.01	.00	.01	3	14	.01	.00	.01
TOTAL OPERATING COSTS	34	137	11.04	8.46	12.49	31	122	10.45	8.33	12.49	34	133	11.15	8.52	12.49

OCCUPANCY LEVEL	95%	E/I RATIO (TOC/TAC)	.46	TENANTS	3-YEAR	(11)	$3.00
VACANCY LEVEL	5%	CLEANING SERVICES (% YES)	0%	ALTERATIONS	5-YEAR	(5)	$6.00

FOOTNOTE SQUARE FOOTAGE FIGURES (SQ FT) ARE REPORTED IN MULTIPLES OF TEN THOUSAND SEE GUIDELINES SECTION FOR EXPLANATION OF REPORTS AND INTERPRETATION OF DATA

ZONING ORDINANCES

1216.01 PURPOSE.

Office Building, Executive Office Park, Shopping Center, General Business, Interchange Services, Recreation Business and Hotel/Motel Districts are established herein in order to achieve, among others, the following purposes:

(a) To provide in appropriate and convenient locations, zoning districts of sufficient size to serve and to promote the economic development of the community; more specifically:

(b) To provide Office Building Districts for both local and regional offices adjacent to business areas and accessible to residents and in which such uses are compatible with adjoining residential districts;

(c) To provide Executive Office Park Districts for offices located in a planned development of buildings on large parcels;

(d) To provide Shopping Center Districts of sufficient size and in highly accessible locations to encourage the development of planned, integrated shopping centers within the community;

(e) To provide General Business Districts in which individual businesses which supply convenience and shopping goods and services may locate;

(f) To provide Interchange Services Districts in convenient areas directly related to the freeway interchanges to serve the needs of through and local motorists;

(g) To provide Recreation Business Districts to serve the recreational needs of the public and to avoid establishing unrelated uses in other retail business districts;

(h) To provide Hotel/Motel Districts to serve the special and changing needs of the transient public.

(i) To protect adjacent residential and business properties by restricting the type of uses, particularly at the common boundaries, which would create hazards, noise, odors or other objectionable influences;

(j) To relieve traffic congestion on the streets by requiring off-street parking and loading facilities; and

(k) To promote the desirable and beneficial use of the land based upon the Guide Plan and directed to bring about eventual conformity with the Plan as it may be amended.

(Ord. 1986-121. Passed 9-4-86.)

1216.02 USE REGULATIONS.

Buildings and land shall be used and buildings shall be designed, erected, altered, moved or maintained in Office Building, Executive Office Park, Shopping Center, General Business, Interchange Services, Recreation Business and Hotel/Motel Districts only for the uses set forth in each district respectively, in the schedules and regulations of this Zoning Code.

(a) The main buildings and uses set forth in the Schedule, Section 1216.03 shall be permitted by right as the principal building or use of a zoning lot.

(b) Conditional uses are certain types of main uses, so classified because of their uncommon characteristics, infrequency of occurrence, large land area requirement or other features; they shall not be permitted in certain locations by right. Such uses require consideration and approval by the Planning Commission and Council according to procedures and standards set forth in Chapter 1227.

(c) The accessory buildings and uses set forth in the Schedule, Section 1216.03, shall be permitted as a subordinate building or use, if they are planned and developed integrally therewith, clearly incident thereto, and located on the same zoning lot as the main building or use.

(d) Except as permitted in subsection (h) below, a building designed and constructed as a residence cannot be occupied, in whole or in part, by another use unless the entire building is redesigned and reconstructed to express and serve the proposed use in regard to the exterior design, the building plan and the site plan. The reconstruction shall be made to conform to all requirements of the Building Code pertaining to commercial structures.

(e) A lot occupied by a structure containing a dwelling unit shall not be occupied by any other main use permitted herein or an accessory use other than accessory to the dwelling.

(f) Dwellings of all types shall be prohibited in all Executive Office Park, Shopping Center, Interchange Services, Recreation Business and General Business Districts.

(g) Existing one- and two-family houses within a General Business District shall be construed as nonconforming uses, but may be continued, extended, altered, enlarged, relocated and maintained, subject to all lot area, building area, lot coverage and yard regulations of the nearest residential district.

(Ord. 1989-221. Passed 11-16-89.)

(h) A building which is an historic landmark of 100 years of age or older and certified as an historic building by the Westlake Historical Society and listed on the Ohio Historic Inventory, may be occupied and used for the uses permitted in the district in which the historic building is located, but is limited by the following schedule:

(1) Institutional uses limited to: church, library, museum or art gallery; public or quasi-public nonprofit recreation or community center;

(2) Office uses including: professional, financial, governmental, administrative, real estate and insurance offices;

(3) Service establishments limited to: beauty, barber and hair salons, photographic studios, and decorating shops;

(4) Sale, teaching or creation of: arts, crafts, antiques, flowers, gifts or jewelry; and

(5) Any other main use otherwise permitted in the zoning district in which the historic building is located may be permitted as a conditional use only.

Said historic building may be used without a redesign and reconstruction with regard to exterior design, and shall be renovated and preserved to its original design and materials in a manner necessary to comply with the life, health and safety ordinances of the City.

Interior building design and facilities, including entrance and exit, shall comply with the applicable Building Code requirements as per Part 13 of the Codified

Ordinances. Site improvements shall comply with the applicable land improvement requirements and zoning requirements of Parts 11 and 12, respectively, including: drainage, parking and landscaping. Any conversion from residential use to business use or site improvements required by a change in use shall require the approval of a Development Plan as per Chapter 1220.

(Ord. 1996-177. Passed 11-7-96.)

1216.03 SCHEDULE OF PERMITTED BUILDINGS AND USES.

The following schedule enumerates all main, conditional and accessory buildings and uses that are permitted in an Office Building, Executive Office Park, Shopping Center, General Business, Interchange Services, Recreation Business and Hotel/Motel Districts.

Those buildings and uses that are permitted and regulated as main, conditional and accessory uses in these districts are designated as an "M", "C" or "A", respectively, placed opposite the use and in the column under the district.

Schedule of Permitted Buildings and Uses

	District						
Permitted Buildings and Uses	**Off. Bldg.**	**Exec. Off. Park**	**Shop. Cntr.**	**Gen. Bus.**	**Intch. Serv.**	**Rec. Bus.**	**Hotel/ Motel**
(a) Institutional Uses:							
(1) Park, playground or other public recreation use	M	M	M	M	M	M	
(2) Church	M	M	M	M	M	M	
(3) Public and parochial primary or secondary school and public and private college or university	M	C	M	M	M	M	
(4) Public buildings;							
A. Police and fire stations, City Hall, Post Office	M	M	M	M	M	M	
B. Library, museum and art gallery	M	M	M	M			
C. Public or quasi-public nonprofit recreation or community center	M	M	M	M		M	
D. Hospital or medial arts building	M	M	M	M			
(b) Offices:							
(1) Professional, financial, governmental, public utility, administrative sales	M	M	M	M	M	M	
(2) Professional, finamncial, administrative and sales within the same building containing a main recreational business use specified in subsection (g) hereof						M	
(c) Retail sale in enclosed buildings:							
(1) Groceries, meats, fruits, vegetables			M	M			
(2) All general merchandise, dry goods, notions			M	M			
(3) Wearing apparel, shoes, hats			M	M			
(4) Household hardware, wallpaper, paint			M	M			
(5) Furniture, appliances, floor coverings			M	M			
(6) Sporting goods			M	M		A	
(7) Drugs, periodicals, tobacco			M	M			

(8) Flowers, gifts, jewelry			M	M			
(9) State liquor stores			M	M			
(10) Large retail stores			C(l)				
(11) Bakeries, candy, bread, ice cream shops for retail sales			M	M			
(d) Other Retail Sales Outlet:							
(1) Automotive service station for the sale of gasoline, oil and auto accessories; for auto lubrication, routine maintenance and minor repair work within enclosed buildings				M(h)	M(h)		
Canopies over gasoline pumps				A	A		
(2) Garage for the repair of automobile motors and bodies within a wholly enclosed building				M	M		
(3) Sale of new automobiles and new car rental agency				C(a)(c)(t)	C(a)(c)(t)		
(4) Second-hand automobile sales				A(b)(c)(t)	A(b)(c)(t)		
(5) Sale of farm and garden supplies				C(t)			
(6) Camping trailer and boat sales				MC(t)		MC(t)	
(7) Drive-in restaurant			Ci		Ci		
(8) Automobile car wash				C	C		
(9) Service of lawn and garden equipment entirely within enclosed buildings on the premises				M			
(10) Convenient food sales, not to exceed 1,000 square feet of sales floor within a building which may not exceed 3,000 square feet					A(m)		
(e) Serivce Establishments:							
(1) Beauty and barber shops		A(d)	M	M			
(2) Laundry and/or dry cleaning agencies provided no work shall be done on the premises for other outlets, self-service laundry			M	M			
(3) Shoe, hat repair shop			M	M			
(4) Radio and television repair			M	M			
(5) Photographic studios		A(d)	M	M			
(6) Tin shop, plumbing shop, furnace repair shop, sign display or decorating shop				M			
(f) Recreational Uses:							
(1) Bowling alley			M	M		M	
(2) Dance hall						M	

(3) Roller skating or ice skating rink						M	
(4) Swimming, tennis, boccie ball and volleyball	C	C		C		M	
(5) Golf driving range	C					M	
(6) Par 3 or miniature golf course	C			M	A	M	
(7) Regulation golf course						M	
(8) Theater - indoor			M		C	M	
(9) Gynmastics, gymnastics training school and body conditioning	C	C	M(z)C(z)	C		M	
(10) Racquetball, handball and indoor tennis	C	C		C		M	
(11) Indoor Soccer Facility	C					M	
(g) Other Business Uses:							
(1) Printing shop, newspaper printing establishment employing not more than five employees				M			
(2) Radio ro television station				M			
(3) Pet shop, animal hospital and animal day care establishment provided noise and odors are effectively limited to the premises				C(y)			
(4) Bus station				M			
(5) Mortuary				M			
(6) Motel or hotel					M		M
(7) Heliport, helistop			C				
(8) Commercial or municipal parking facilities for licensed automobiles	A	A	A	M	M	A	
(9) Training schools of a private, technical or professioanl nature	C	C		M			
(10) Banks	C	C	M	M	M		
(11) Conference center		C					
(12) Printing and copy center		A(d)	M	M			
(13) Nursery/landscaping	C			C(t)			
(14) Extended Stay Hotel							M(g)
(15) Animal Hospital	C						
(16) Licensed child day care, preschool or adult day care facility	C(k)(n)	C/A(n)	C(n)(o)	C(n)(o)			
(17) (EDITOR'S NOTE: Former subsection (g)(17) was repealed by Ordinance 2003-26, passed April 17, 2003.)							
(18) Service and consumption of food and all beverages on the premises within an enclosed building on the premises		C(e)	M	M	M	M	
(19) Self service storage established				C(x)			

(h) Accessory Uses Incidental to Permitted Buildings and Uses:							
(1) All storage shall be wholly enclosed within the main or other approved building	A		A	A	A	A	A
(2) Incinerator	A		A	A	A	A	A
(3) Restaurant and/or assembly room in connection with a motel or hotel					A	A	A
(4) Beauty and barber shop	A				A	A	A
(5) Swimming pool and/or other recreational facility in connection with a motel or hotel					A		A
(6) Restaurant or snack bar wholly enclosed within and in connection with an office building, public building, or motel or hotel	A	A(d)	A	A	A	A	A
(7) Pharmacy limited to the sale of pharmaceuticals and medical supplies and wholly enclosed within and in connection with a permitted main building or use	A	A(d)	A	A			
(8) Shoe repair	A						
(9) Copy centers	A						
(10) Gym and health facilities	A						
(11) Photo studios	A						
(12) Off-street parking and loading facilities as permitted and as regulated in Chapter 1221	A	A	A	A	A	A	A
(13) Signs as permitted and as regulated in Chapter 1223	A	A	A	A	A	A	A
(14) All accessory uses permitted within any residential district in connection with a permitted dwelling	A						
(15) One Satellite Receiving Dish	A(f)	A(f)	A(f)	A(f)	A(f)	A(f)	A(f)
(16) Trash and material storage enclosed in main buidling or in an approved structure (j)	A	A	A	A	A	A	A
(17) Drugs, periodicals, tobacco		A(d)			A	A	
(18) Flowers, gifts, jewelry and notions		A(d)			A		
(19) Outdoor retail sales of live plants, flowers and farm produce			A(q)	A(q)			
(20) Outdoor sales of home garden materials, equipment and supplies			A(s)	A(s)			
(21) Recreational facilities and mechanical amusement devices as an accessory use to a restaurant			A(u)(v)		A(u)(v)	A(u)	A(u)(v)

(Ord. 1989-134. Passed 6-15-89; Ord. 1993-76. Passed 7-15-93; Ord. 1993-77. Passed 7-15-93; Ord. 1993-138. Passed 12-2-93; Ord. 1995-40. Passed 4-20-95; Ord. 1995-43. Passed 5-4-95; Ord. 1996-18. Passed 7-9-96; Ord. 1996-155. Passed 11-7-96; Ord. 1997-33. Passed 6-19-97;

1216.04 LOT AREA REGULATIONS.

Every lot occupied by a main building or use in an Office Building, Executive Office Park, Shopping Center, General Business, Interchange Services, Recreation Business or Hotel/Motel District shall comply with the requirements of lot area as indicated in the following schedule:

Schedule of Minimum Lot Area Requirements

District	Main Building or Use	Lot Area - Minimum Acres
Office Building	Any permitted use	(a) 1 acre
Executive Office Park	Any permitted use	4.0 acres (c)
Shopping Center	Large retail store	20 acres
	Drive-in Restaurant	2.5 acres
	Any other permitted use	3 acres
General Business	Service Station	1.5 acres
	Automatic car wash	1 acre (b)
	Any other permitted use	1 acre
	New car franchise dealers (conditional use)	4.0
	Drive-in Restaurant	2.5
Interchange Services	Service station	1.5 acres
	Auto garage	1.5
	Service station with garage	2.0
	Hotel or motel (separate)	3.0
	Hotel or motel (combined with eating, assembly or recreation uses)	4.5
	Restaurant (separate)	2.0
	Office building	2.0
	New car franchise dealer (conditional use)	4.0
	Drive-In Restaurant	2.5
Recreation Business	Any permitted use	1.0
Hotel/Motel	Hotel or Motel or Extended Stay Hotel (separate)	3.0
	Hotel or Motel or Extended Stay Hotel (combined with eating, assembly or recreation uses)	4.5

(a) A lot not meeting the minimum lot area may be developed if:

(1) It was a lot of record at the time of the Zoning Amendment (1987-220), and

(2) No adjacent land is commonly owned, and

(3) All other standards can be met.

(b) Provided it is demonstrated on the development plan that an area is shown for temporary storage of not less than twenty automobiles in waiting lanes.

(c) The minimum development area, i.e., the minimum area zoned for Executive Office Park District, shall be not less than 12 contiguous acres under common ownership or control. Upon recommendation of the Planning Commission and approval by Council, a site of less than 12 acres if found to be suitable for an Executive Office Park District because of location, configuration, surrounding uses or other similar conditions may be zoned Executive Office Park District. Further, upon recommendation of the Planning Commission and approval by Council, a lot of less than 4 acres may be approved for development within an Executive Office Park District if the developer submits to the Planning Commission with his development plans as required under Chapter 1220, a plan as required under Section 1125.07.

(d) The lot area upon which a motel-hotel or extended stay hotel is situated shall be not less than set forth in the above schedule or not less than 1500 square feet of lot area for each lodging unit, whichever is greater. Each lodging unit shall contain at least 275 square feet of floor area and except in the case of an extended stay hotel shall not contain cooking facilities. For purposes of determining compliance with this section, the number of lodging units shall equal the number of bedrooms within the development. (Ord. 1987-220. Passed 3-17-88; Ord. 1993-73. Passed 7-15-93; Ord. 1997-246. Passed 2-19-98; Ord. 2000-152. Passed 11-16-00.)

1216.05 LOT WIDTH REGULATIONS.

Every lot in an Office Building, Executive Office Park, Shopping Center, General Business, Interchange Services, Recreation Business or Hotel/Motel District occupied by a main building or use shall have a minimum lot width not less than the standard set forth in the following schedule:

Schedule of Minimum Lot Width Requirements

District	Main Building or Use	Lot Width - Minimum (ft.)
Office Building	Any permitted use	150
Executive Office Park	Any permitted use	300
Shopping Center	Any permitted use	300
	Drive-in Restaurant	250
General Business	Service station	150(a)
	Automatic car wash	100
	Any other permitted use	150
	New car franchise dealers (conditional use)	300
Interchange Services	Service station	200
	Auto garage	200
	Service station with garage	250
	Hotel or motel (separate)	200
	Hotel or motel (combined with eating, assembly, recreation uses)	300
	Restaurant (separate)	200
	Office building	200
	New car franchise dealers (conditional use)	300
	Drive-in Restaurant	250
Recreation Business	Any permitted use	150
Hotel/Motel	Hotel or Motel or Extended Stay Hotel Separate	200
	Hotel or Motel or Extended Stay Hotel (combined with eating, assembly recreation uses)	300

(a) In a General Business District, all gasoline stations shall have not less than 150 feet frontage on each of two intersecting streets.

(b) (1) Except for parcels of land consisting of no less than fifteen (15) contiguous acres located in Interchange Services District the main buildings and uses set forth in the schedule of

Buildings and Uses, Section 1216.03, shall be located on such zoning lot having access to and frontage on a dedicated public street. Such public street shall contain utilities required to serve the proposed development or the utilities shall be available to the lot through an established easement. Such access and frontage shall be not less than 100 feet as measured at the public street line unless otherwise approved by the Planning Commission and Council.

(2) In Interchange Services Zoning Districts for parcels of land consisting of no less than fifteen (15) contiguous acres private streets are acceptable in lieu of a right of way dedicated for use by the public, if the applicant agrees that the new lots will be subject to all zoning and development ordinances, standards and regulations and agrees to maintain said private streets. The area of the private street will be deducted from the overall development area in the calculation of any maximum lot coverage, density, or landscaping, but will be included as part of the physical limits of one or multiple lots that make up the subdivision and will include access easements for the City and the public onto the private street to adjacent lots.

(Ord. 2010-76. Passed 9-2-10.)

(c) Access to public streets within 600 feet of freeway ramps and within 400 feet of the following major street intersections shall be controlled in the interest of public safety and reasonable access:

(I-90 & Crocker, I-90 & Columbia, I-90 & Clague, Detroit & Clague, Detroit & Columbia, Detroit & Canterbury, Detroit & Dover, Detroit and Bassett, Detroit & Crocker, Detroit and Bradley, Center Ridge & Bradley, Center Ridge & Dover Center, Center Ridge & Canterbury, Center Ridge & Columbia, Center Ridge & Clague and Crocker Road & Center Ridge Road). Developments within 1,000 feet of the above streets intersections shall be planned so that the first driveway or access street shall be not less than 600 feet from the interchange ramp centerline or 400 feet from the arterial interchange centerlines. Access to parcels within this frontage may be accomplished by marginal service roads, parallel service roads, combined or shared access drives, driveway connections between properties or other approved facilities. The Planning Commission may require driveway connections serving adjacent parcels within 1,000 feet of the above intersection to accomplish these objectives. Whenever is it not feasible to provide such facilities, the Planning Commission may approve temporary access at lesser distances, provided the development and future facilities are planned to meet the objectives of this section. (Ord. 2009-70. Passed 9-3-09.)

(d) A lot or parcel not meeting the minimum lot width in the Office Building, Shopping Center or General Business Districts may be developed if:

(1) It was a lot of record at the effective date of the Zoning Amendment 1987- 221, and
(2) No adjacent land is commonly owned, and
(3) All other standards of this section can be met.

(Ord. 1987-221. Passed 3-17-88; Ord. 1997-246. Passed 2-19-98.)

1221.05 SCHEDULE OF PARKING REQUIREMENTS.

The number of off-street parking spaces for each permitted use shall be not less than provided in the following schedule unless modified in other sections of this Zoning Code:

Building, Use or Activity	Minimum Spaces Required
(a) Residential.	
(1) One-family and Two-family dwellings	2 spaces per dwelling unit, of which not less than one space per unit shall be enclosed
(2) Apartment dwellings	2 spaces per dwelling unit, of which not less than one space per unit shall be enclosed
(3) Rented rooms	1 space per rented room plus 1 space per resident family
(4) Hotel, motels	1 space per rental unit plus 1 space for each employee (see also the requirements of subsections (b)(4) and (d)(2))
(5) Home for the aging	1 space per each 3 dwelling units in apartment building plus 1 space per each dwelling unit in other dwelling types
(b) Community Facilities.	
(1) Governmental. Municipal, County, State and Federal buildings, principally administrative functions	1 space per 4 seats of area used for public assembly, plus 1 space for each 2 employees; plus 1 space per 500 sq. ft. of other parts of the building
(2) Civic. Art galleries, libraries, museums, churches, club and community centers	1 space per 3 seats of seating capacity of largest area used for assembly, plus 1 space for each 2 employees
(3) Educational. Public and private, primary and secondary schools	1 space per 3 seats of seating capacity of largest area used for public assembly, plus 1 space per full-time faculty and staff member
(4) Places of Assembly. Auditoriums, lodge halls, theaters, gymnasiums and stadiums	1 space per 3 seats of seating capacity of area used for assembly
(5) Health and welfare.	
(a) General and special hospitals	1 space per 2 beds, plus 1 space for each 2 employees
(b) Nursing home	1 space per each 3 patients, plus 1 space for each 2 employees
(c) Recreation: Community and Commercial.	
(1) Skating rink, swimming pools	1 space per 50 sq. ft. of the area devoted to recreation activity and to spectators
(2) Racquetball, handball, tennis courts	4 spaces per court

(3) Playing fields	1 space per 4000 sq. ft. of area devoted to play field and 1 space per 3 seats of seating capacity of area used for assembly
(4) Bowling alleys	6 spaces per lane
(5) Golf driving ranges	3 spaces per tee
(6) Offices in the same building as a main recreation business use	1 space per 200 sq. ft. of floor area
(7) Gymnastics, gymnastics training school and body conditioning	1 space per 225 sq. ft. of floor area
(8) Storage of goods on premises	No requirement presently in force
(9) Snack bar	1 space per 50 sq. ft. of indoor customer service area
(10) Pro shop	1 space per 200 sq. ft. of floor area
(11) Party room	1 space per 50 sq. ft. of floor area
(12) Game room	1 space per 50 sq. ft.
(d) <u>Business and Offices.</u>	
(1) Retail stores, services	
A. Less than 4000 sq. ft. per unit	1 space per 200 sq. ft. of floor area
B. 4000 to 10,000 sq. ft. per unit	20 spaces, plus 1 space per 150 sq. ft. of floor area over 4000 sq. ft.
C. 10,000 sq. ft. or greater per unit	60 spaces, plus 1 space per 125 sq. ft. of floor area over 10,000 sq. ft.
(2) Places serving food and drinks	1 space per 50 sq. ft. of indoor customer service area or 1 space per two seats, whichever is greater
(3) Offices	
A. Medical and dental offices	5 spaces for each doctor and/or dentist or 1 space per every 250 sq. ft., whichever is greater
B. All other offices, above and below first floor	1 space per 300 sq. ft. of office floor area
C. Office floor area on first floor	1 space per 250 sq. ft. of office floor area
D. Executive Office Park buildings sharing common drives and parking facilities	floor area greater than 50,000 sq. ft. plus one landbanked parking space for each six parking spaces so required. Landbanked spaces shall not be located in the

	required parking setbacks or required landscape areas. For office floor area below 50,000 sq. ft. standards in (3)A., B. and C. above shall apply
(4) Mortuaries	1 space per 30 sq. ft. of assembly rooms, or 1 space per each 4 seats whichever requires the greater number, but in no case, shall there be less than 20 spaces
(5) New Automobile Sales Agencies	1 space for each 200 square feet of building area
(e) Service and Manufacturing.	
Wholesale, distribution, laboratories, general services, machine shops, manufacturing plants	1 space per 1.5 employees on the two largest successive shifts, or 1 space per every 350 sq. ft. of building area, whichever is the greater (see also, Sec. 1221.08(d))

(f) Other Buildings or Uses. For specific buildings or uses not scheduled above, the Director of Planning shall apply the unit of measurement set forth in the schedule in this section which is deemed to be most similar to the proposed building or use.
(Ord. 1990-27. Passed 4-5-90.)

(g) Drive-in Facilities. Drive-in facilities serving or selling food and drinks shall provide not less than either one space per 50 square feet of indoor customer service area, one space per two seats, or one space per 100 square feet of floor area, whichever is greater.
(Ord. 2012-50. Passed 3-21-13.)

Drive-in windows, pick-up and control stations, ticket booths and similar facilities shall provide spaces in a waiting line to accommodate at least six vehicles on the lot occupied by the facility. Driveways to such service and parking areas shall be located in accordance with the provisions of Section 1221.11.

(Ord. 1990-27. Passed 4-5-90.)

APPRAISER QUALIFICATIONS

PROFESSIONAL QUALIFICATIONS

JAMES ALAN HUBER, MAI

EDUCATION
- Bachelor of Science
  Major in 1) Finance and 2) Real Estate and Urban Land Economics;
  The Ohio State University, Columbus, Ohio (December 1988)
- Master of Business Administration
  Cleveland State University, Cleveland Ohio (June 1997)

PROFESSIONAL AFFILIATIONS
Appraisal Institute, MAI[1] (No. 11698) since 2001
Past President - Northern Ohio Chapter of the Appraisal Institute
President - Northern Ohio Chapter of the Appraisal Institute (2009)
General Guidance Committee Chair - Northern Ohio Chapter of the Appraisal Institute
Board of Directors - Northern Ohio Chapter of the Appraisal Institute (2003 through 2005)
Licensed General Real Estate Appraiser, State of Ohio (No. 450141)

CONTINUING EDUCATION
Appraisal Institute Course 110 - Real Estate Appraisal Principles
Appraisal Institute Course 120 - Basic Valuation Procedures
Appraisal Institute Course 310 - Capitalization Theory and Techniques
Appraisal Institute Course 410 - Standards of Professional Practice, Part A
Appraisal Institute Course 420 - Standards of Professional Practice, Part B
Appraisal Institute Course 430 - Standards of Professional Practice, Part C
Appraisal Institute Course 510 - Advanced Capitalization Applications
Appraisal Institute Course 540 - Report Writing and Valuation Analysis
Appraisal Institute Course 550 - Advanced Applications
Appraisal Institute Course - Litigation Appraising
Appraisal Institute Seminar - Litigation Skills for the Appraiser
Appraisal Institute Seminar - Partial Interest Valuation - Undivided
Appraisal Institute Course - Investment Analysis for Appraisers
Appraisal Institute Seminar - Dynamics of Office Building Valuation
Appraisal Institute Seminar - Real Estate Fraud: The Appraiser's Responsibility
Appraisal Institute Seminar - Appraising Historic and High Value Homes
Appraisal Institute Seminar - Regression Analysis in Appraisal Practice
National USPAP Update Course
Ohio Real Estate Licensing Courses

[1] Continuing Education - recertified through December 31, 2016, in accordance with the regulations of the Appraisal Institute.

PROFESSIONAL QUALIFICATIONS

JAMES ALAN HUBER, MAI
(Continued)

PROFESSIONAL EXPERIENCE
June 1991 to Present

Vice President and Partner - Charles M. Ritley Associates LLC
Specializing in the appraisal and analysis of income producing commercial real estate including office, hotel, apartment, retail, industrial, vacant land, mixed use and special purpose properties.

November 1989 through June 1991

Investment Analyst - Martin & Associates Equity Investments
Developed valuations and detailed financial analysis on various investment grade real estate properties. Responsible for preparing mortgage and acquisition marketing prospectus which were submitted to institutional debt and equity sources. Performed detailed analyses of Northeast Ohio commercial real estate markets. Provided selected clients with comprehensive financial real estate consulting services relative to specified portfolio assets.

June 1988 through November 1989

Investment Analyst - Weber, Wood, Medinger, Inc.
Similar responsibilities as indicated above for Martin & Associates Equity Investments. In addition, designed and implemented a computerized database used for tracking office leasing/sales data as well as maintained property and prospect databases. Assisted in various leasing activities for the company's portfolio of office buildings.

STATE OF OHIO
DIVISION OF REAL ESTATE
AND PROFESSIONAL LICENSING

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

NAME: James Alan Huber
LIC/CERT NUMBER: 000450141
LIC LEVEL: Certified General Real Estate Appraiser
CURRENT ISSUE DATE: 10/18/2014
EXPIRATION DATE: 10/10/2015
USPAP DUE DATE: 10/10/2015

PROFESSIONAL QUALIFICATIONS

A. J. FISCO

EDUCATION

Appraisal Institute Courses:

(A) Course 110, Real Estate Appraisal Principles
(2) Course 120, Real Estate Appraisal Procedures
(3) Course 310, Income Capitalization
(4) Course 320, General Applications
(5) Course 410, Standards of Professional Practice - Part A
(6) Course 520, Highest & Best Use and Market Analysis
(7) Course 540, Report Writing and Valuation Analysis
(8) Fair Housing
(9) Real Estate Principles and Practices, Ohio Licensing Course
(10) Real Estate Law, Ohio Licensing Course
(11) Real Estate Appraisal, Ohio Licensing Course
(12) Real Estate Finance, Ohio Licensing Course
(13) IRWA, Reviewing Appraisals in Eminent Domain, Continuing Education
(14) Eminent Domain, CLE International, Continuing Education

Bachelor of Science in Business Administration, John Carroll University, Major in Finance

CERTIFICATION

State of Ohio, Certified General Real Estate Appraiser

EMPLOYMENT

1999 to Present	Staff Appraiser, Charles M. Ritley Associates LLC
1985 - 1999	American Greetings Corporation, Cleveland, Ohio Financial Cost Analyst Specializing in Inventory Control

PROFESSIONAL EXPERIENCE

Experience specializing in all types of commercial properties, including industrial (i.e., warehouses, manufacturing and distribution facilities, etc.), retail, restaurants, automobile dealerships, shopping centers, land, office and medical buildings, and special use properties, including sports, recreation and religious facilities. Appraisals for fair market value, Board of Revision, partial takings in condemnation and other realty interests.