

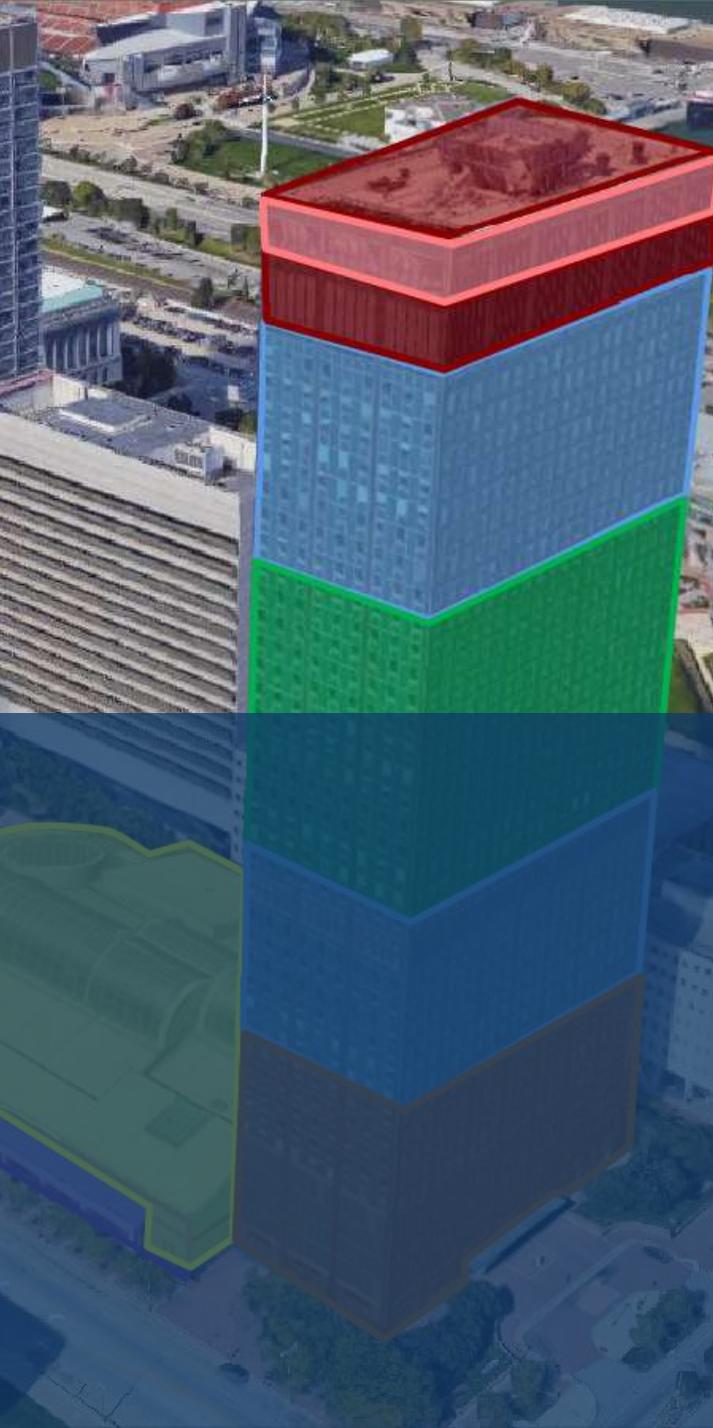


ERIEVIEW TOWER AND GALLERIA REDEVELOPMENT

Presentation of Potential Positive Impacts to Cleveland

Wednesday, August 16, 2023





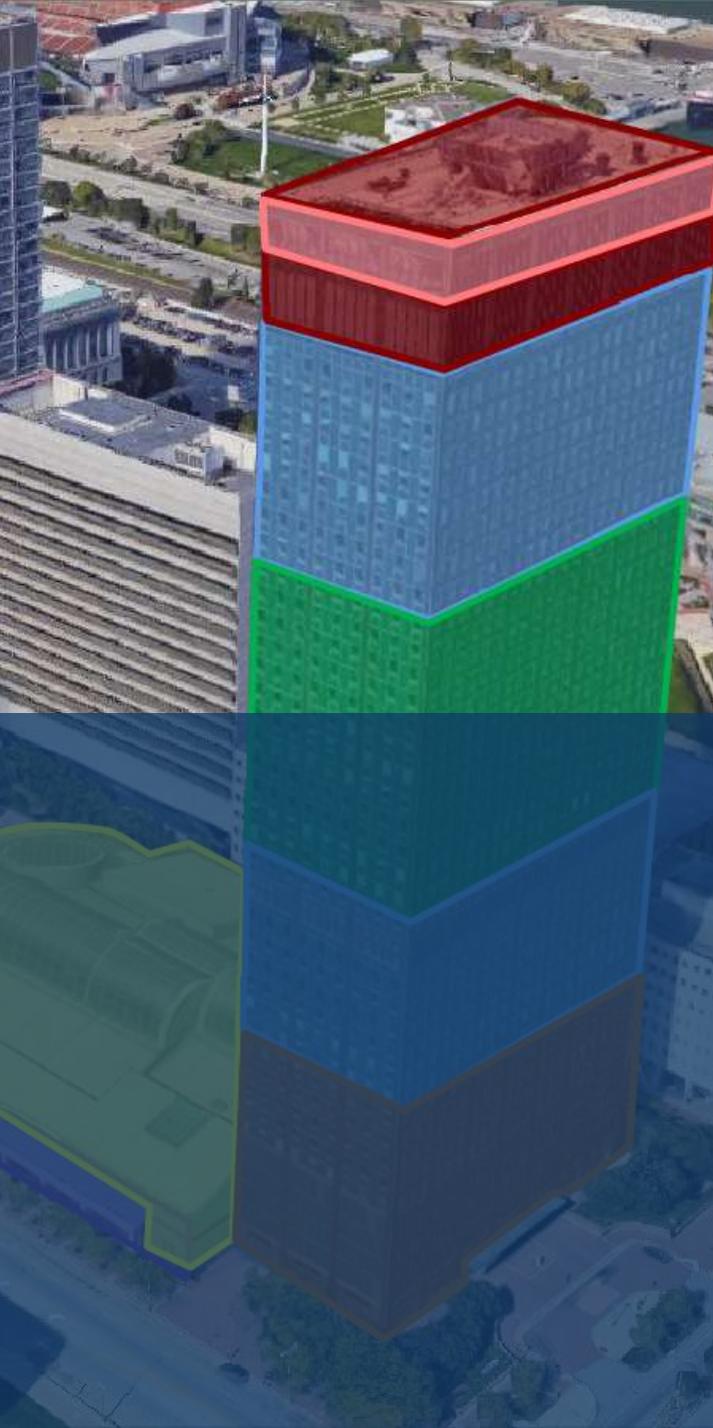
PROJECT SUMMARY

Erievew Tower (the "Tower")

- 40-story, 810,000 SF office tower
- At 529 feet, the 4th tallest building in Cleveland and the 9th tallest in the state of Ohio.
- Currently, the Tower is more than 50 percent vacant.

The Galleria

- ±210,000 square foot retail complex (including the YMCA)
- This project encompasses half of entire city block in the heart of the CBD.



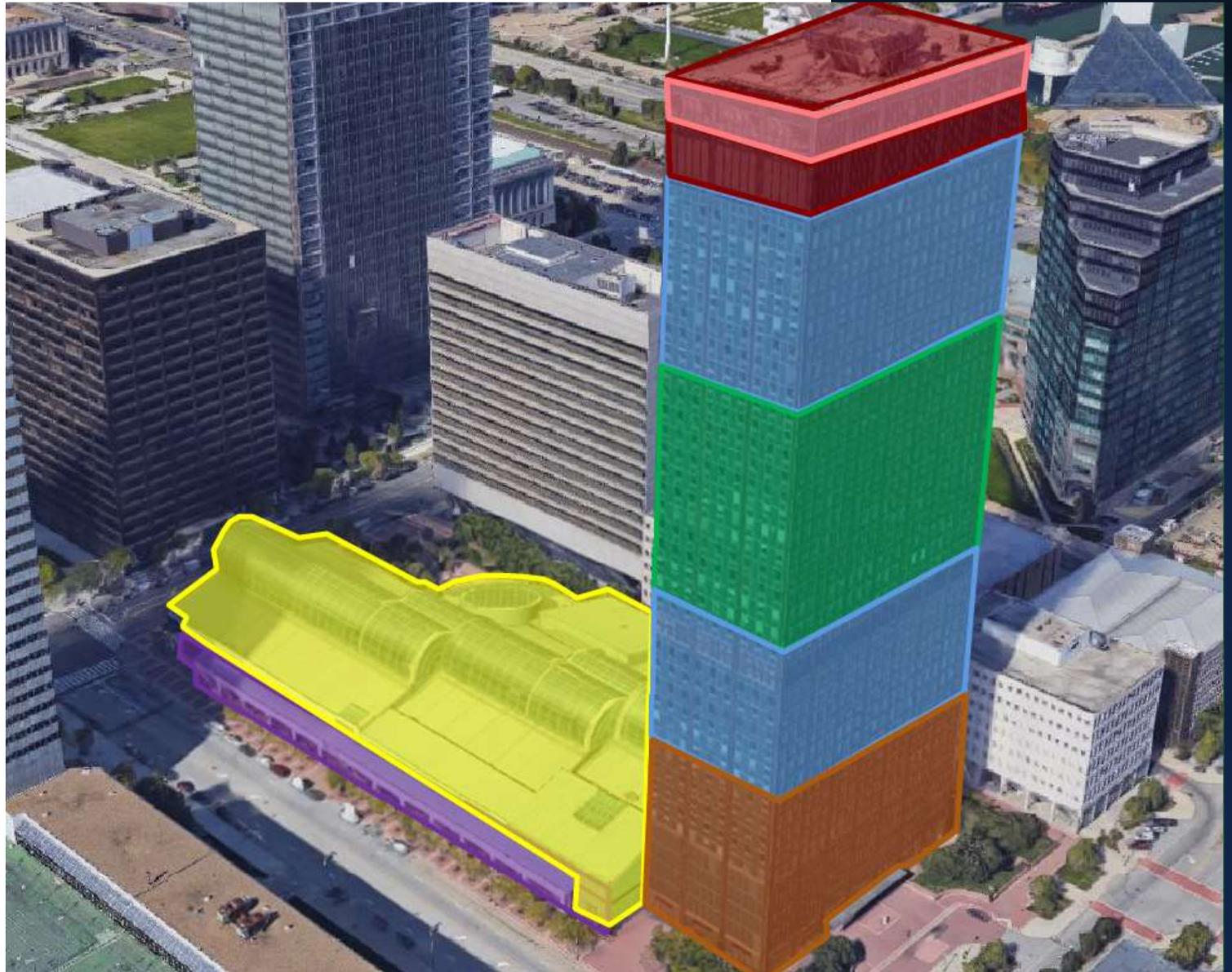
PROJECT SUMMARY

Mixed-use development of the site with:

- A 210-key luxury hotel managed and branded by the W Hotels (floors 5-12)
- A spa, restaurant, rooftop bar, refreshed lobby entrance with access to the Residences, Office and Hotel that will have a living room concept feel
- Approximately 227 luxury apartments branded by the W Residences on floors 17-28
 - Approximately 30 additional rental apartments on floors 39 and 40
- Retention of approximately 300,000 square feet of office space (floors 2, 13-15, and 29-37)
- Redeveloped Galleria could include fine dining, a new food court, indoor sports and entertainment spaces, and a second floor renovated ballroom for special events.

STACKING PLAN

-  Top Floor Rental Apartments (Floors 39-40)
-  Restaurant and Bar (Floor 38 and Rooftop Area)
-  Renovated Office (Floors 29-37, and 13-15)
-  The W Residences (Floors 17-28)
-  The W Hotel (Floors 5-12)
-  The Galleria
-  Parking (311 Nonresidential Spaces, 200 Residential Spaces)





DEVELOPMENT TEAM

The Kassouf Family

James Kassouf founded the family owned and operated real estate development and property management business in 1972. He has been in the Cleveland Central Business District for over 45 years. At the age of 28, INC. MAGAZINE rated his company to be one of top 100 fastest growing companies in the United States, which he maintained this status from 1980 to 1985. The Kassouf Family now controls more than 25 acres of prime real estate in the Central Business District of Cleveland, OH. They also own and operate more than 2,000 parking spaces in the Greater Cleveland area.

The Kassouf Family has experience in the development and management of mixed-use commercial properties, Class A office complex, parking management systems, retail & gas station properties, single-tenant investment grade NNN lease properties, development and management of multi-family residential properties, government leasing and owner representation asset management services.

Key Individuals:

- James Kassouf – Principal, President
- Catherine Kassouf – Executive Vice President
- Elias Kassouf – Vice President
- Joe Kassouf – Vice President
- Donovan Cleary – Chief Financial Officer

DEVELOPMENT TEAM, CONT.

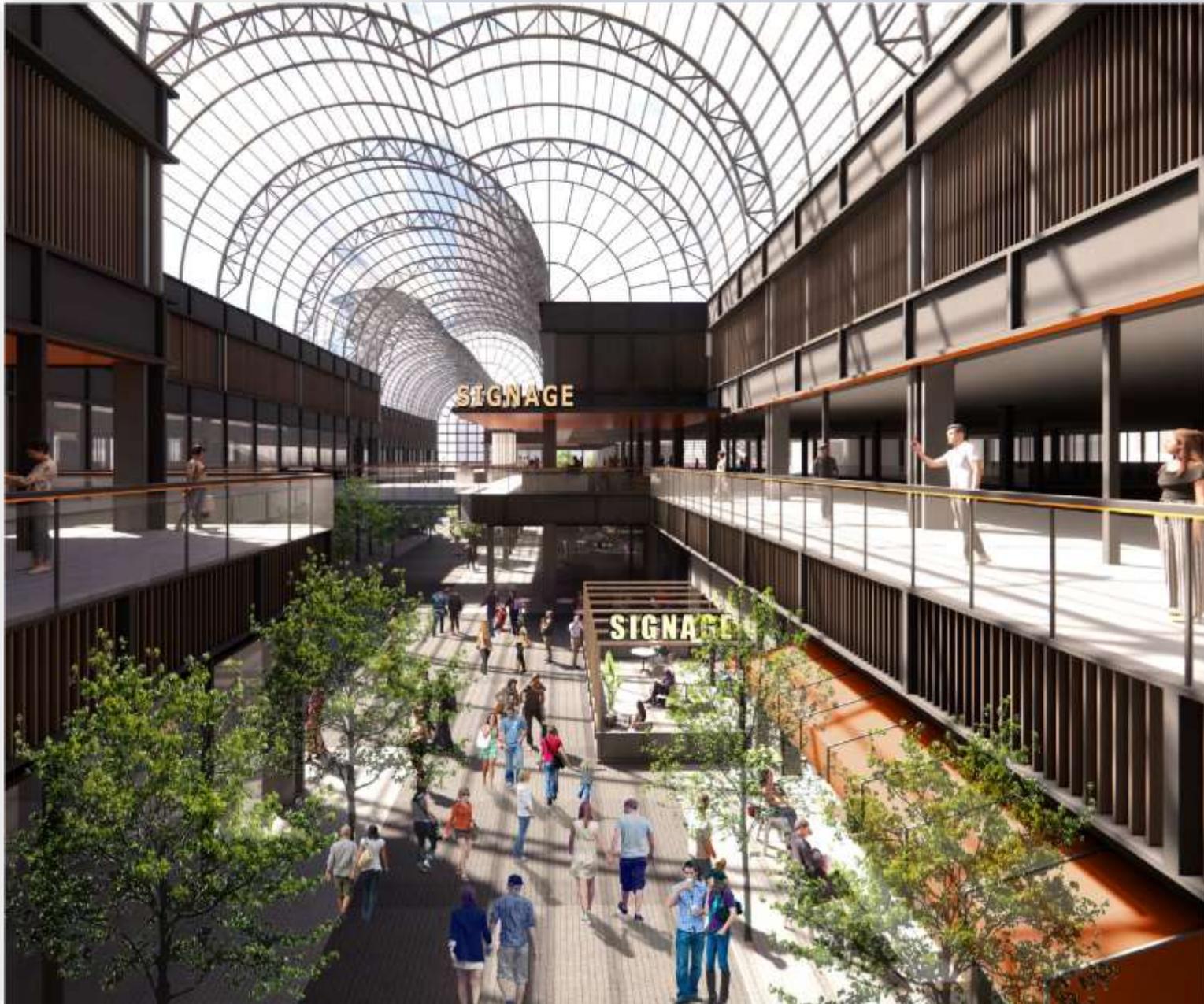
- Kassouf Family Past Projects: **1352 West 6th Street, FBI Northeast Ohio Regional Headquarters on Lakeside Avenue**, and the **Liberty Textile Building** in the Historic Warehouse District
- **Architectural Firm: Berardi**
 - Past projects include 1717 East Ninth Street, the Halle Building, and the Hanna Building
 - Key Personnel: George Berardi (President), Sarah Samiljan (Head of Interior Design), and Joe Berardi (Director of Historic Rehabilitation)
- **Construction Manager: Cleveland Construction Company**
 - Projects include City Club Apartments, Residences at 55 Public Square, Terminal Tower Residences, and the Halle Building
 - Key Personnel: Keith Ziegler (President, General Contracting), Dan Dietrich (Vice President), Jason Ziegler (Vice President)

BERARDI+

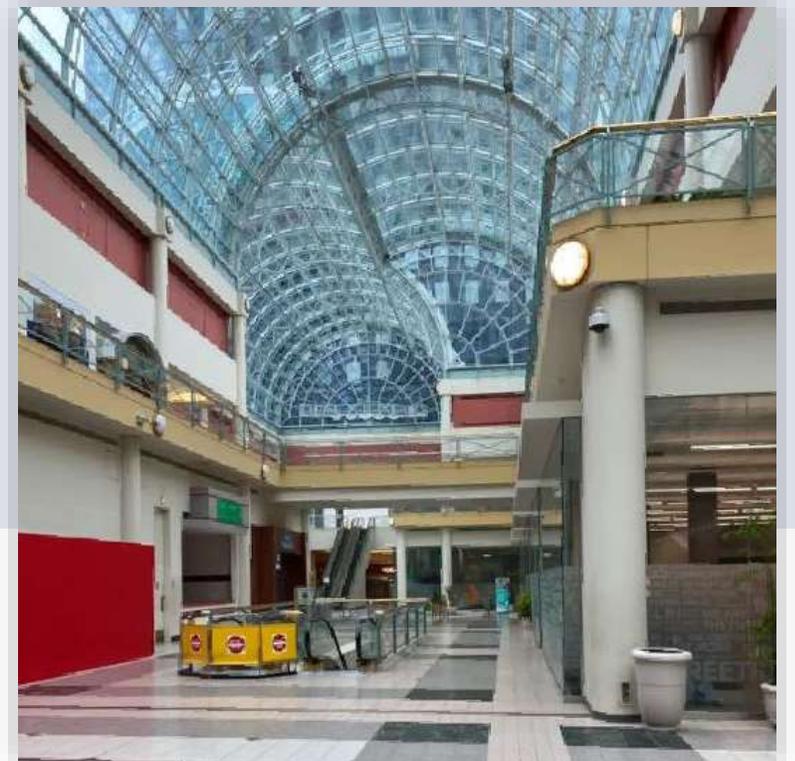


**CLEVELAND
CONSTRUCTION**
General Contracting & Construction Management

Proposed Redesign

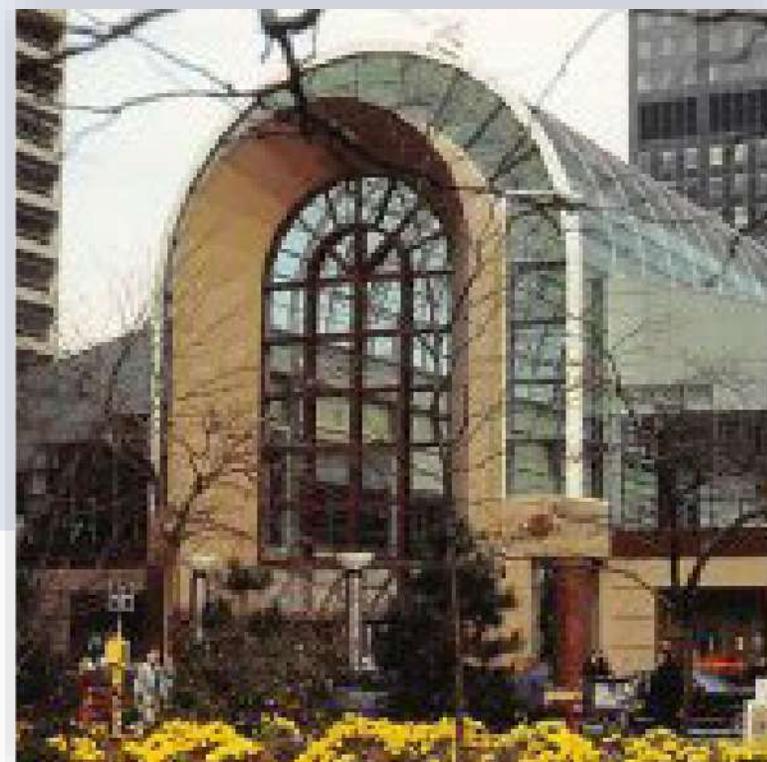


Before Image





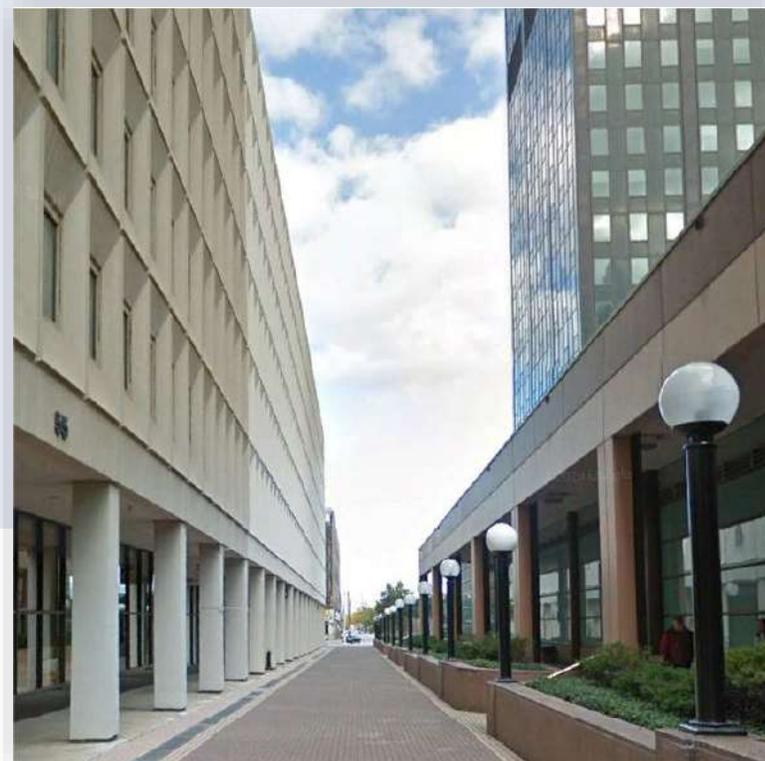
Before Image



Proposed Redesign



Before Image





SOURCES AND USES OF FUNDS

Sources

	Total	%	\$/ total SF*
Commercial Construction Loan	\$35,000,000	55.15%	\$43
Galleria Loan	\$17,500,000	27.58%	\$85
Office Loan	\$23,000,000	36.24%	\$28
Tax Credit Equity	\$39,220,560	61.80%	\$48
Sponsor Equity/ Deferred Fees	\$51,826,640	81.66%	\$64
Residential Construction Financing	\$45,000,000	70.91%	\$56
Top Floor Apartments Construction Financing	\$5,947,374	9.37%	\$7
TOTAL SOURCES	\$217,494,574	342.71%	\$214

Hotel Financial Closing	Construction Commencement	Construction Completion	Refinance Date
10/1/2023	12/15/23	6/30/25 (+/- 18 month)	5/31/29 (+/- 65 months)

Uses

	Total	%	\$/ total SF*
Hard Costs - Erieview Tower, Nonresidential	\$63,462,520	29.18%	\$78
Soft Costs - Erieview Tower, Nonresidential	\$10,530,224	4.84%	\$13
Contributed Land / Acquisition - Erieview Tower, Nonresidential	\$42,500,000	19.54%	\$52
Galleria Redevelopment (allocation of hard/soft costs TBD)	\$17,500,000	8.05%	\$85
Developer Fee - Erieview Tower, Nonresidential	\$6,615,000	3.04%	\$8
Contributed Value - Erieview Tower, Residential	\$9,000,000	4.14%	\$11
Hard Costs - Erieview Tower, Residential	\$55,145,675	25.35%	\$68
Soft Costs - Erieview Tower, Residential	\$7,856,156	3.61%	\$10
Developer Fee - Erieview Tower, Residential	\$4,885,000	2.25%	\$6
TOTAL SOURCES	\$217,494,575	100.00%	\$255

* \$ / total SF calculations assume 300,000 sq. ft. of Office Space and 172,000 sq.ft.of applicable hotel space



SOURCES AND USES OF FUNDS

- Project has received \$13 million in transformational mixed-use development credits
- \$10 million in state historic tax credits
- Expected \$15-20 million in federal historic tax credits based on qualified rehabilitation expenses
- Construction financing by Huntington Bank



DESCRIPTION OF ORDINANCE 789-2023 AND THE CURRENT DEVELOPER REQUEST

- **Ordinance 789-2023:** Authorizes the Director of Economic Development is authorized to enter into an Enterprise Zone Agreement with the Enterprise to provide for a ten-year, seventy-five percent (75%) tax abatement for certain real property improvements on Erieview Tower.
- **Current Developer Request:** In addition to the 10-year 75% abatement contained in Ordinance 789, add a back-end TIF until year 30 for real property at Erieview Tower and the Galleria, as permitted under R.C. 5709.41
- Project is shovel-ready but for this critical piece of assistance to satisfy debt service coverage ratio covenants set by Huntington National Bank and provide the Developer the confidence that this project can succeed.
- The Developer commits to including the Galleria in the scope of the project if the Current Developer Request is adopted.

SUMMARY MATRICES

Values Of Selected Incentive To Developer: 10-year 75% Abatement Followed By Back-End 20-year TIF

Project Component	Baseline Taxable Market Values	10-Year Baseline Taxes (before property improvements)	Future Stabilized Market Value After Project Completion	Value of 10-Year 75% Abatement (no TIF) to Nonresidential Only*	10-year 75% Abatement with 20-year Back-end TIF for Nonresidential; 15-year 100% Abatement for Residential with 15-year Back-end TIF	New Property Taxes Owed with Requested Incentives over 10 Years	New Property Taxes Owed with Requested Incentives over 30 Years	New Taxes to the School System with Requested Incentives over 30 Years	Total Taxes to the School System with Requested Incentives over 30 Years
Top Floor Apartments	\$748,054	\$261,071	\$6,151,249	N/A*	\$3,041,440	\$0	\$1,155,348	\$1,155,348	\$1,628,596
Office Portion	\$4,862,349	\$1,697,630	\$22,250,000	\$3,738,917	\$9,535,158	\$1,246,306	\$10,087,036	\$9,593,499	\$12,669,605
W Hotel Portion	\$3,366,241	\$1,175,283	\$20,110,000	\$3,711,972	\$8,722,898	\$1,237,324	\$8,880,251	\$8,390,271	\$10,519,883
Food & Beverage	\$748,054	\$261,174	\$3,662,741	\$587,256	\$1,906,832	\$195,752	\$2,208,438	\$2,130,921	\$2,604,168
Galleria Portion	\$1,099,200	\$383,772	\$5,000,000	\$1,039,343	\$2,570,208	\$346,448	\$2,681,404	\$2,544,210	\$3,239,606
Garage Portion – Commercial Spaces	\$2,445,641	\$853,886	\$3,110,000	\$185,10	\$650,093	\$61,700	\$770,930	\$746,497	\$2,293,702
Garage Portion - Residential Spaces	\$1,572,759	\$549,110	\$2,000,000	N/A*	\$538,120	\$0	\$375,772	\$375,722	\$1,370,709
W Residences Portion	\$4,488,322	\$1,567,044	\$31,741,696	N/A*	\$20,306,393	\$0	\$10,253,240	\$10,253,240	\$13,092,772
Buiding Systems	\$1,122,080	\$391,761	\$1,122,080	\$0	\$8,634	\$0	\$13,169	\$13,169	\$723,039
TOTAL	\$20,452,700	\$7,140,814	\$95,147,767	\$9,262,590	\$47,279,775	\$3,087,530	\$36,425,538	\$35,202,876	\$48,142,030

*Developer is pursuing a 15-year 100% abatement for residential property under existing law.

SUMMARY MATRICES

Matrices Of Tax Benefits to the City of Cleveland

Time Period	Ratable Share of New Property Taxes Received Over Baseline Taxes		City Income Tax Revenue: Hotel, Galleria, Construction Workers and Building Staff	City Income Tax Revenue: Office Tenants (Direct Impact of New Jobs Only)	City Bed Tax Revenues	City Parking Tax Revenues	City Income Tax Revenue: Hotel, Galleria, Construction Workers and Building Staff
15 Years	Top Floor Apartments	\$0	\$9,118,401	\$20,130,911	\$6,098,019	\$2,452,593	\$44,397,233
	Office Portion	\$2,516,302					
	W Hotel Portion	\$2,733,372					
	Galleria Portion	\$696,750					
	Garage Portion	\$153,737					
	W Residences Portion	\$0					
	Building Systems	\$0					
	F&B Portion	\$497,138					
	Total	\$6,597,300					
30 Years	Top Floor Apartments	\$951,453	\$22,383,052	\$50,614,332	\$15,599,684	\$6,104,685	\$124,698,920
	Office Portion	\$8,306,878					
	W Hotel Portion	\$7,313,067					
	Galleria Portion	\$2,208,190					
	Garage Portion	\$944,291					
	W Residences Portion	\$8,443,750					
	Building Systems	\$10,845					
	Food and Beverage	\$1,818,694					
	Total	\$29,997,168					

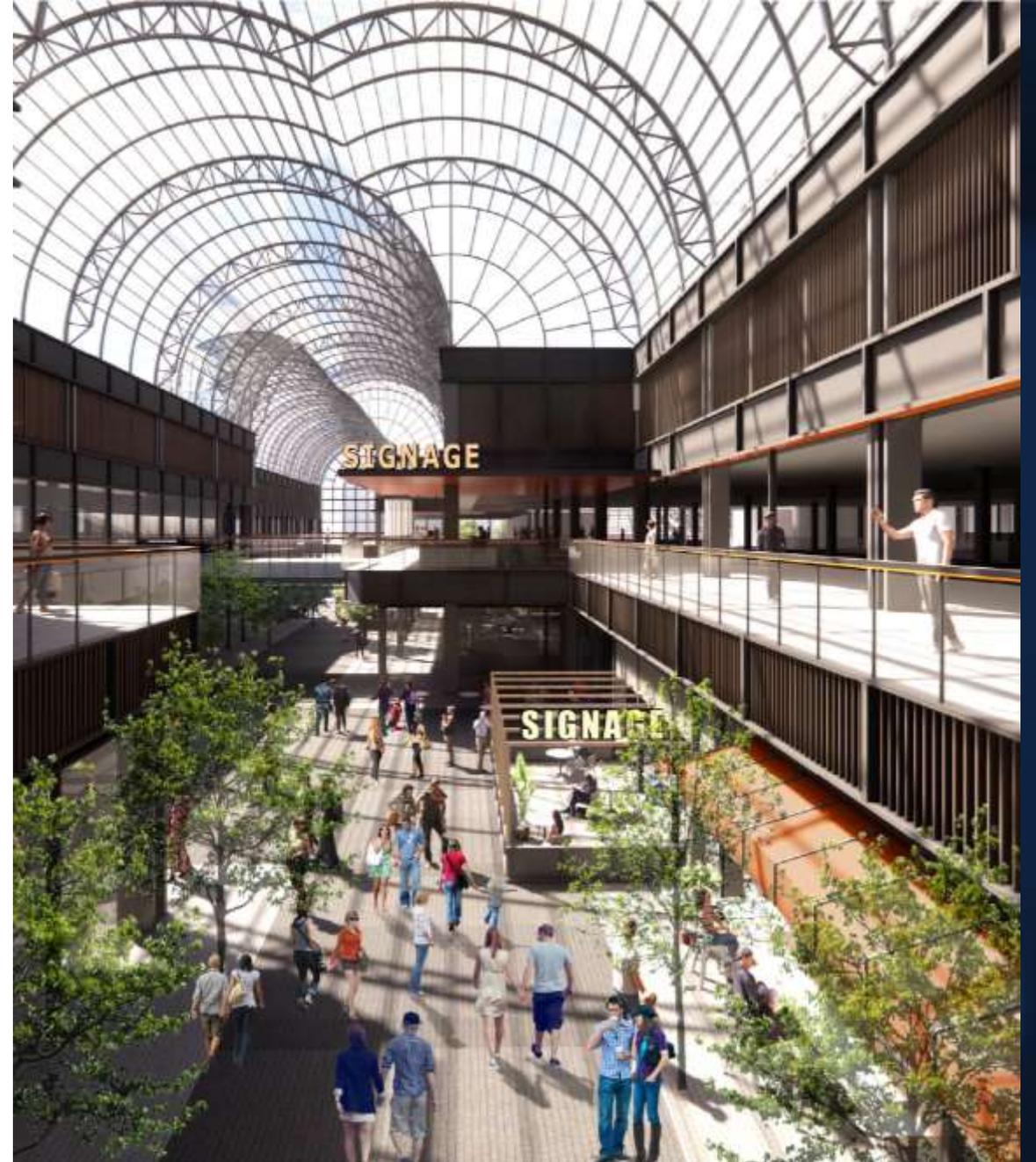
*Developer is pursuing a 15-year 100% abatement for residential property under existing law.

ROI ANALYSIS

Clearly a Positive “ROI” for all time frames:

- \$125 million projected to the City over 30 years from tax feedback effects
- The 10-year commercial abatement has an estimated value to Developer of \$9.26 million
- Benefits to the Developer (assuming a back-end TIF and a 100% residential abatement) total approximately \$47 million, less than half of the benefit to the city (\$125 million) over the same period.
- Total Retained and Attracted Jobs:

Year 1	Year 2	Year 3	Year 4	Year 5
1,462	1,504	1,545	1,586	1,627



A photograph showing three business professionals in an office environment. A woman in a light blue blouse and dark pants is holding a tablet and looking at it. A man in a dark suit and blue tie is standing next to her, also looking at the tablet. Another person's arm is visible on the left side of the frame.

SELECTED FINANCIAL ASSUMPTIONS

Rates and Square Footage for Each Section:

- Office:
 - 243,000 Sq. Ft. Renovated Rental Sq. Ft.
 - Renovated Office Rent per SF: \$22.50
- Hotel:
 - 172,000 Sq. Ft.
 - Guest Rooms: 210
 - Average Daily Rate (2025): \$200
- Galleria
 - 133,600 Sq. Ft.
 - Retail Rent per Sq. Ft.: TBD
- W Residences:
 - 173,471 Sq. Ft. for Apartments
 - Avg. Rent Per Unit (2025): \$1,910
 - Number of Units: 227
 - Avg. Sq. Ft. / Unit: 764
- Parking:
 - Nonresidential Parking Spaces: 311
 - Residential Parking Spaces: 200



CITY REQUIREMENTS

The Developer is committed to:

- City of Cleveland Office of Equal Opportunity and Other Equal Opportunity Requirements
- Community Benefits Agreement with the City of Cleveland
- Pursuing sustainable features throughout the Project
 - Enterprise Green Communities Criteria & Certification.



THANK YOU

for your Partnership and Consideration

Tuesday, August 15, 2023



APPENDIX

The Need for Erievew Tower

Tuesday, August 15, 2023

APPENDIX

Background Table 1. Current County Valuation Assessment of Property By Portion

	County Valuation
Current CC valuation of Erieview Tower (parcels 101-34-301 and 101-34-304)	\$14,879,800
Floors allocated to Future W Hotel (5-12, 1 / Lobby)	\$3,366,241
Floors allocated to Future Office (13-15, 29-37, 2)	\$4,862,349
Floors allocated to Future W Residences (17-28)	\$4,488,322
Floors allocated to Future Building Systems (3, 4, and 16)	\$1,122,080
Floors Allocated to Future Top Floor Apartments (39-40)	\$748,054
Floors allocated to Food & Beverage (38 and rooftop)	\$748,054
Current County Tax Valuation of the Galleria	\$1,099,200
Current County Tax Valuation of 200 Residential Parking Spots*	\$1,572,759
Current County Tax Valuation of 311 Commercial Parking Spots	\$2,445,641
Current Value of Property Subject to 75% Abatements	\$13,643,565
Current Value of Property Subject to 100% Abatements	\$6,809,135
Current value of property subject to abatements	\$20,452,700
Current CC valuation of Erieview Tower (parcels 101-34-301 and 101-34-304)	\$14,879,800

* The Developer is anticipating a 15-year 100% abatement on the residential portion.

Background Table 2. Valuation Projections of Each Portion of the Property as Completed

Future County Tax Valuation of Erieview Tower	2027 CC Valuation	2030 CC Valuation	2033 CC Valuation	2036 CC Valuation	2039 CC Valuation	2039 CC Valuation
Floors allocated to Future W Hotel (5-12, 1 / Lobby)	\$7,563,731	\$20,110,000	\$22,793,353	\$24,018,770	\$22,504,660	\$19,929,464
Floors allocated to Future Office (13-15, 29-37, 2)	\$8,505,000	\$22,250,000	\$26,173,045	\$20,625,983	\$22,951,581	\$24,576,966
Floors allocated to Future W Residences (17-28)	\$15,089,687	\$31,741,696	\$35,026,977	\$38,637,822	\$31,636,955	\$35,276,199
Floors allocated to Future Building Systems (3, 4, and 16)	\$1,122,080	\$1,122,080	\$1,122,080	\$1,122,080	\$1,122,080	\$1,122,080
Floors Allocated to Future Top Floor Apartments (39-40)	\$748,054	\$6,151,249	\$6,673,312	\$7,292,109	\$4,681,249	\$5,286,072
Floors allocated to Food & Beverage (38 and rooftop)	\$846,197	\$3,662,741	\$4,002,376	\$4,373,504	\$4,779,046	\$5,222,193
County Tax Valuation of the Galleria	\$4,711,612	\$5,000,000	\$5,306,040	\$5,630,812	\$5,975,463	\$6,341,209
County Tax Valuation of 200 Residential Parking Spots*	\$1,884,645	\$2,000,000	\$2,122,416	\$2,252,325	\$2,390,185	\$2,536,484
County Tax Valuation of 311 Commercial Parking Spots	\$2,930,622	\$3,110,000	\$3,300,357	\$3,502,365	\$3,716,738	\$3,944,232
Total Value of Property Subject to 75% Abatement	\$25,679,242	\$55,254,821	\$62,697,252	\$59,273,514	\$61,049,568	\$61,136,144
Total Value of Property Subject to 100% Abatement	\$17,722,386	\$39,892,945	\$43,822,705	\$48,182,256	\$38,708,389	\$43,098,754
Total value of property subject to abatements	\$43,401,628	\$95,147,767	\$106,519,957	\$107,455,770	\$99,757,956	\$104,234,899

* The Developer is anticipating a 15-year 100% abatement on the residential portion.

** Building systems primarily serve the hotel and residential portions of the property and are valued based on an equal weighting of these portions.

APPENDIX

Potential Income Tax Revenues from Construction Jobs (Source: Ice Miller)

Year	Employee Compensation ¹	City Income Taxes ²	Ohio Income Taxes ³	Total Income Taxes, City and State
Construction Year 1	\$16,776,774	\$251,652	\$419,419	\$671,071
Construction Year 2	\$8,388,387	\$125,826	\$209,710	\$335,535

1. Based on data from Ice Miller, LLP, and updated projections by Brown, Gibbons & Lang. See p. 10 of "Erievue Tower: Economic Impact Statement"
2. Based on an estimated 1.5% effective city income tax rate taking into account the RITA credit and a 2.5% effective state income rate
3. Represents the sum of taxes paid by 264 construction workers
4. Assumes an 18-month construction period.

APPENDIX

Potential Income Tax Revenues from W Hotel Employees

Year	Employee Compensation at W Hotel ¹	City Income Taxes ²	Ohio Income Taxes ³	Total Income Taxes on Hotel Employees
1	\$10,300,000	\$154,500	\$309,000	\$463,500
2	\$10,557,000	\$158,355	\$316,710	\$475,065
3	\$10,821,438	\$162,322	\$324,643	\$486,965
4	\$11,091,973	\$166,380	\$332,759	\$499,139
5	\$11,369,273	\$170,539	\$341,078	\$511,617
6	\$11,710,351	\$175,655	\$351,311	\$526,966
7	\$12,061,662	\$180,925	\$361,850	\$542,775
8	\$12,423,512	\$186,353	\$372,705	\$559,058
9	\$12,796,217	\$191,943	\$383,887	\$575,830
10	\$13,180,103	\$197,702	\$395,403	\$593,105
11	\$13,575,507	\$203,633	\$407,265	\$610,898
12	\$13,982,772	\$209,742	\$419,483	\$629,225
13	\$14,402,255	\$216,034	\$432,068	\$648,101
14	\$14,834,323	\$222,515	\$445,030	\$667,545
15	\$15,279,352	\$229,190	\$458,381	\$687,571
16	\$15,737,733	\$236,066	\$472,132	\$708,198
17	\$16,209,865	\$243,148	\$486,296	\$729,444
18	\$16,696,161	\$250,442	\$500,885	\$751,327
19	\$17,197,046	\$257,956	\$515,911	\$773,867
20	\$17,712,957	\$265,694	\$531,389	\$797,083
21	\$18,244,346	\$273,665	\$547,330	\$820,996
22	\$18,791,676	\$281,875	\$563,750	\$845,625
23	\$19,355,426	\$290,331	\$580,663	\$870,994
24	\$19,936,089	\$299,041	\$598,083	\$897,124
25	\$20,534,172	\$308,013	\$616,025	\$924,038
26	\$21,150,197	\$317,253	\$634,506	\$951,759
27	\$21,784,703	\$326,771	\$653,541	\$980,312
28	\$22,438,244	\$336,574	\$673,147	\$1,009,721
29	\$23,111,391	\$346,671	\$693,342	\$1,040,013
30	\$23,804,733	\$357,071	\$714,142	\$1,071,213
Total, 15 years	\$188,385,737	\$2,825,786	\$5,651,572	\$8,477,358
Total, 30 years	\$481,090,473	\$7,216,357	\$14,432,714	\$21,649,071

1. Based on data from Ice Miller, LLP, based on original projections by Brown, Gibbons & Lang. See p. 10 of "Erievue Tower: Economic Impact Statement"

2. Assumes 181 New Jobs at an average annual compensation of \$56,900 and 1.5% effective city income tax rate

3. Assumes average effective state income tax rate of 3.0% and 181 new jobs created at an average cost of \$56,900 per job

APPENDIX

Potential Income Tax Revenues from Galleria Employees

Year	Employee Compensation at the Galleria ¹	City Income Taxes ²	Ohio Income Taxes ³	Total Income Taxes
1	\$16,000,000	\$240,000	\$304,000	\$544,000
2	\$16,400,000	\$246,000	\$311,600	\$557,600
3	\$16,810,000	\$252,150	\$319,390	\$571,540
4	\$17,230,250	\$258,454	\$327,375	\$585,829
5	\$17,661,006	\$264,915	\$335,559	\$600,474
6	\$18,190,836	\$272,863	\$345,626	\$618,488
7	\$18,736,561	\$281,048	\$355,995	\$637,043
8	\$19,298,658	\$289,480	\$366,675	\$656,154
9	\$19,877,618	\$298,164	\$377,675	\$675,839
10	\$20,473,946	\$307,109	\$389,005	\$696,114
11	\$21,088,165	\$316,322	\$400,675	\$716,998
12	\$21,720,810	\$325,812	\$412,695	\$738,508
13	\$22,372,434	\$335,587	\$425,076	\$760,663
14	\$23,043,607	\$345,654	\$437,829	\$783,483
15	\$23,734,915	\$356,024	\$450,963	\$806,987
16	\$24,446,963	\$366,704	\$464,492	\$831,197
17	\$25,180,372	\$377,706	\$478,427	\$856,133
18	\$25,935,783	\$389,037	\$492,780	\$881,817
19	\$26,713,856	\$400,708	\$507,563	\$908,271
20	\$27,515,272	\$412,729	\$522,790	\$935,519
21	\$28,340,730	\$425,111	\$538,474	\$963,585
22	\$29,190,952	\$437,864	\$554,628	\$992,492
23	\$30,066,681	\$451,000	\$571,267	\$1,022,267
24	\$30,968,681	\$464,530	\$588,405	\$1,052,935
25	\$31,897,741	\$478,466	\$606,057	\$1,084,523
26	\$32,854,674	\$492,820	\$624,239	\$1,117,059
27	\$33,840,314	\$507,605	\$642,966	\$1,150,571
28	\$34,855,523	\$522,833	\$662,255	\$1,185,088
29	\$35,901,189	\$538,518	\$682,123	\$1,220,640
30	\$36,978,225	\$554,673	\$702,586	\$1,257,260
Total, 15 years	\$292,638,807	\$4,389,582	\$5,560,137	\$9,949,719
Total, 30 years				

1. Based on data from Ice Miller, LLP, based on original projections by Brown, Gibbons & Lang. See p. 10 of "Erievue Tower: Economic Impact Statement"
2. Assumes 400 New Jobs at an average annual compensation of \$40,000 (per Ice Miller LLP projection) and a 1.5% effective city tax rate due to the RITA credit
3. based on a projected average effective tax rate of 1.9% and per job and 400 expected new jobs created

APPENDIX

Expected Income Tax Revenues from Retained Office Tenant Employees

Year	Employee Compensation ¹	City Income Taxes ²	Ohio Income Taxes ³	Total Income Taxes, City and State
1	\$149,607,298	\$2,244,109	\$4,488,219	\$6,732,328
2	\$153,347,480	\$2,300,212	\$4,600,424	\$6,900,637
3	\$157,181,167	\$2,357,718	\$4,715,435	\$7,073,153
4	\$161,110,697	\$2,416,660	\$4,833,321	\$7,249,981
5	\$165,138,464	\$2,477,077	\$4,954,154	\$7,431,231
6	\$169,266,926	\$2,539,004	\$5,078,008	\$7,617,012
7	\$173,498,599	\$2,602,479	\$5,204,958	\$7,807,437
8	\$177,836,064	\$2,667,541	\$5,335,082	\$8,002,623
9	\$182,281,965	\$2,734,229	\$5,468,459	\$8,202,688
10	\$186,839,015	\$2,802,585	\$5,605,170	\$8,407,756
11	\$191,509,990	\$2,872,650	\$5,745,300	\$8,617,950
12	\$196,297,740	\$2,944,466	\$5,888,932	\$8,833,398
13	\$201,205,183	\$3,018,078	\$6,036,155	\$9,054,233
14	\$206,235,313	\$3,093,530	\$6,187,059	\$9,280,589
15	\$211,391,196	\$3,170,868	\$6,341,736	\$9,512,604
16	\$216,675,975	\$3,250,140	\$6,500,279	\$9,750,419
17	\$222,092,875	\$3,331,393	\$6,662,786	\$9,994,179
18	\$227,645,197	\$3,414,678	\$6,829,356	\$10,244,034
19	\$233,336,327	\$3,500,045	\$7,000,090	\$10,500,135
20	\$239,169,735	\$3,587,546	\$7,175,092	\$10,762,638
21	\$245,148,978	\$3,677,235	\$7,354,469	\$11,031,704
22	\$251,277,703	\$3,769,166	\$7,538,331	\$11,307,497
23	\$257,559,645	\$3,863,395	\$7,726,789	\$11,590,184
24	\$263,998,636	\$3,959,980	\$7,919,959	\$11,879,939
25	\$270,598,602	\$4,058,979	\$8,117,958	\$12,176,937
26	\$277,363,567	\$4,160,454	\$8,320,907	\$12,481,361
27	\$284,297,656	\$4,264,465	\$8,528,930	\$12,793,395
28	\$291,405,098	\$4,371,076	\$8,742,153	\$13,113,229
29	\$298,690,225	\$4,480,353	\$8,960,707	\$13,441,060
30	\$306,157,481	\$4,592,362	\$9,184,724	\$13,777,087
Total, 15 years	\$2,682,747,096	\$40,241,206	\$80,482,413	\$120,723,619
Total, 30 years	\$6,568,164,795	\$98,522,472	\$197,044,944	\$295,567,416

1. Based on data from Ice Miller, LLP, based on original projections by Brown, Gibbons & Lang. See p. 10 of "Erievue Tower: Economic Impact Statement"

2. Based on an estimated 1.5% effective city income tax rate taking into account the RITA credit and a 3.0% effective state income rate

3. Represents the sum of taxes paid by 153 expected employees

APPENDIX

Expected Income Tax Revenues from New Office Tenant Employees

Year	Employee Compensation ¹	City Income Taxes ²	Ohio Income Taxes ³	Total Income Taxes, City and State
1	\$54,250,000	\$813,750	\$1,627,500	\$2,441,250
2	\$61,906,250	\$928,594	\$1,857,188	\$2,785,781
3	\$69,757,656	\$1,046,365	\$2,092,730	\$3,139,095
4	\$77,900,058	\$1,168,501	\$2,337,002	\$3,505,503
5	\$86,373,988	\$1,295,610	\$2,591,220	\$3,886,829
6	\$88,533,338	\$1,328,000	\$2,656,000	\$3,984,000
7	\$90,746,671	\$1,361,200	\$2,722,400	\$4,083,600
8	\$93,015,338	\$1,395,230	\$2,790,460	\$4,185,690
9	\$95,340,722	\$1,430,111	\$2,860,222	\$4,290,332
10	\$97,724,240	\$1,465,864	\$2,931,727	\$4,397,591
11	\$100,167,346	\$1,502,510	\$3,005,020	\$4,507,531
12	\$102,671,529	\$1,540,073	\$3,080,146	\$4,620,219
13	\$105,238,318	\$1,578,575	\$3,157,150	\$4,735,724
14	\$107,869,276	\$1,618,039	\$3,236,078	\$4,854,117
15	\$110,566,007	\$1,658,490	\$3,316,980	\$4,975,470
16	\$113,330,158	\$1,699,952	\$3,399,905	\$5,099,857
17	\$116,163,412	\$1,742,451	\$3,484,902	\$5,227,354
18	\$119,067,497	\$1,786,012	\$3,572,025	\$5,358,037
19	\$122,044,184	\$1,830,663	\$3,661,326	\$5,491,988
20	\$125,095,289	\$1,876,429	\$3,752,859	\$5,629,288
21	\$128,222,671	\$1,923,340	\$3,846,680	\$5,770,020
22	\$131,428,238	\$1,971,424	\$3,942,847	\$5,914,271
23	\$134,713,944	\$2,020,709	\$4,041,418	\$6,062,127
24	\$138,081,792	\$2,071,227	\$4,142,454	\$6,213,681
25	\$141,533,837	\$2,123,008	\$4,246,015	\$6,369,023
26	\$145,072,183	\$2,176,083	\$4,352,165	\$6,528,248
27	\$148,698,988	\$2,230,485	\$4,460,970	\$6,691,454
28	\$152,416,462	\$2,286,247	\$4,572,494	\$6,858,741
29	\$156,226,874	\$2,343,403	\$4,686,806	\$7,030,209
30	\$160,132,546	\$2,401,988	\$4,803,976	\$7,205,965
Total, 15 years	\$1,342,060,737	\$20,130,911	\$40,261,822	\$60,392,733
Total, 30 years	\$3,374,288,812	\$50,614,332	\$101,228,664	\$151,842,997

1. Based on data from Ice Miller, LLP, based on original projections by Brown, Gibbons & Lang. See p. 10 of "Erievue Tower: Economic Impact Statement"

2. Based on an estimated 1.5% effective city income tax rate, and 425 new jobs by year 5 (260 in year 1)

3. Assuming a 3.0% effective state income tax rate based on recent changes enacted by the state of Ohio.

APPENDIX

Expected Parking Tax Revenues to the City from 511 Parking Spaces

Year	Revenues from Nonresidential Spaces ¹	Revenues from Residential Spaces ²	Projected Value of Lot	City Parking Tax Bill 8.0%
1	\$1,000,000	\$372,376	\$4,815,267	\$109,790
2	\$1,025,000	\$736,922	\$4,815,267	\$140,954
3	\$1,055,750	\$751,661	\$4,815,267	\$144,593
4	\$1,087,423	\$766,694	\$5,110,000	\$148,329
5	\$1,120,045	\$782,028	\$5,110,000	\$152,166
6	\$1,153,647	\$797,668	\$5,110,000	\$156,105
7	\$1,188,256	\$813,622	\$5,422,773	\$160,150
8	\$1,223,904	\$829,894	\$5,422,773	\$164,304
9	\$1,260,621	\$846,492	\$5,422,773	\$168,569
10	\$1,298,439	\$863,422	\$5,754,690	\$172,949
11	\$1,337,393	\$880,690	\$5,754,690	\$177,447
12	\$1,377,514	\$898,304	\$5,754,690	\$182,065
13	\$1,418,840	\$916,270	\$6,106,923	\$186,809
14	\$1,461,405	\$934,596	\$6,106,923	\$191,680
15	\$1,505,247	\$953,288	\$6,106,923	\$196,683
16	\$1,550,404	\$972,353	\$6,480,716	\$201,821
17	\$1,596,917	\$991,800	\$6,480,716	\$207,097
18	\$1,644,824	\$1,011,636	\$6,480,716	\$212,517
19	\$1,694,169	\$1,031,869	\$6,877,387	\$218,083
20	\$1,744,994	\$1,052,507	\$6,877,387	\$223,800
21	\$1,797,344	\$1,073,557	\$6,877,387	\$229,672
22	\$1,851,264	\$1,095,028	\$7,049,322	\$235,703
23	\$1,906,802	\$1,116,928	\$7,049,322	\$241,898
24	\$1,964,006	\$1,139,267	\$7,049,322	\$248,262
25	\$2,022,926	\$1,162,052	\$7,225,555	\$254,798
26	\$2,083,614	\$1,185,293	\$7,225,555	\$261,513
27	\$2,146,122	\$1,208,999	\$7,225,555	\$268,410
28	\$2,210,506	\$1,233,179	\$7,406,194	\$275,495
29	\$2,276,821	\$1,257,843	\$7,406,194	\$282,773
30	\$2,345,126	\$1,283,000	\$7,406,194	\$290,250
Total, 15 years	\$18,513,482	\$12,143,928	\$81,628,959	\$2,452,593
Total, 30 years	\$47,349,321	\$28,959,241	\$186,746,479	\$6,104,685

1. Consistent with 311 of the 511 total planned spots and revenue projections from Developer Pro Forma.
2. Consistent with 200 of the 511 total planned spots and revenue projections from Developer Pro Forma.

APPENDIX

Sales Taxes (Sources: Ice Miller IMPLAN report and BGL Pro Forma)

Year	Total Sales Activity	County Sales Tax 2.25%	Ohio Sales Tax 5.75%	Total Sales Taxes 8.0%
1	\$106,465,034	\$2,395,463	\$6,121,739	\$8,517,203
2	\$117,681,914	\$2,647,843	\$6,766,710	\$9,414,553
3	\$122,178,086	\$2,749,007	\$7,025,240	\$9,774,247
4	\$125,684,757	\$2,827,907	\$7,226,874	\$10,054,781
5	\$129,295,809	\$2,909,156	\$7,434,509	\$10,343,665
6	\$133,014,143	\$2,992,818	\$7,648,313	\$10,641,131
7	\$136,945,356	\$3,081,271	\$7,874,358	\$10,955,628
8	\$140,993,645	\$3,172,357	\$8,107,135	\$11,279,492
9	\$145,164,165	\$3,266,194	\$8,346,939	\$11,613,133
10	\$148,951,323	\$3,351,405	\$8,564,701	\$11,916,106
11	\$152,901,646	\$3,440,287	\$8,791,845	\$12,232,132
12	\$156,425,091	\$3,519,565	\$8,994,443	\$12,514,007
13	\$160,032,968	\$3,600,742	\$9,201,896	\$12,802,637
14	\$163,727,383	\$3,683,866	\$9,414,325	\$13,098,191
15	\$167,510,499	\$3,768,986	\$9,631,854	\$13,400,840
16	\$170,860,709	\$3,844,366	\$9,824,491	\$13,668,857
17	\$174,277,923	\$3,921,253	\$10,020,981	\$13,942,234
18	\$177,763,482	\$3,999,678	\$10,221,400	\$14,221,079
19	\$181,318,751	\$4,079,672	\$10,425,828	\$14,505,500
20	\$184,945,126	\$4,161,265	\$10,634,345	\$14,795,610
21	\$188,644,029	\$4,244,491	\$10,847,032	\$15,091,522
22	\$192,416,909	\$4,329,380	\$11,063,972	\$15,393,353
23	\$196,265,248	\$4,415,968	\$11,285,252	\$15,701,220
24	\$200,190,553	\$4,504,287	\$11,510,957	\$16,015,244
25	\$204,194,364	\$4,594,373	\$11,741,176	\$16,335,549
26	\$208,278,251	\$4,686,261	\$11,975,999	\$16,662,260
27	\$212,443,816	\$4,779,986	\$12,215,519	\$16,995,505
28	\$216,692,692	\$4,875,586	\$12,459,830	\$17,335,415
29	\$221,026,546	\$4,973,097	\$12,709,026	\$17,682,124
30	\$225,447,077	\$5,072,559	\$12,963,207	\$18,035,766
Total	\$5,061,737,296	\$113,889,089	\$291,049,895	\$404,938,984

*Based on economic impact study conducted by Ice Miller, LLP; sales detail figures updated by KJK and Brown Gibbons Lang & Co.