RETROSPECTIVE SUMMARY APPRAISAL OF

EASTLAND MALL
1615 EAST EMPIRE STREET
BLOOMINGTON, ILLINOIS

AS OF

JANUARY 1, 2018

Prepared
at the Request of

Mark Stephens
CBL & Associates Properties
2030 Hamilton Place Boulevard, Suite 500
Chattanooga, Tennessee 37421

S&A Salisbury & Associates, Inc.
Real Estate Appraisers and Consultants

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November 19, 2018

Mark Stephens
CBL & Associates Properties
2030 Hamilton Place Boulevard, Suite 500
Chattanooga, Tennessee 37421

Re: Eastland Mall
1615 East Empire Street
Bloomington, Illinois 61701

Dear Mr. Stephens:

Pursuant to your request, we have prepared a retrospective summary appraisal report of the property located at the above referenced address.

The subject property is commonly known as Eastland Mall. It is located at 1615 East Empire Street in Bloomington, Illinois.

The following definition of Market Value was taken from the Dictionary of Real Estate Appraisal. The dictionary indicates that it includes the most widely accepted components of Market Value: 1. The most widely accepted components of market value are incorporated in the following definition: The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress. 2. Market value is described, not defined, in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal.

The appraisers signing this report made an interior and exterior inspection of this property on November 13, 2018.

In our opinion, the market value of the subject property, expressly subject to the Assumptions and Limiting Conditions contained in this report, as of January 1, 2018, was:

THREE MILLION THREE HUNDRED THOUSAND DOLLARS

$30,300,000

Respectfully submitted,

J. Edward Salisbury

J. Edward Salisbury, CAE
State Certified Real Estate Appraiser
No. 553.000137

Robert D. Becker, MAI, SRA
State Certified Real Estate Appraiser
No. 553.002223

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SUMMARY OF SALIENT FACTS

Purpose of Appraisal	Market Value
Property Rights Appraised	Unencumbered Fee Simple Interest
Address	1615 East Empire Street Bloomington, Illinois
Improvements	Regional Mall
Land Size	54.32 Acres (Two Parcels)
Gross Building Area	851,135 Square Feet
Leasable Area	735,491 Square Feet
Zoning	C-3, Community/Regional Shopping District
Assessed Value	$17,813,673 (Two Parcels)
Highest and Best Use	Present Use
Built	1966-2000
Age	41 Years (Weighted Age)
Value Indications	
Income Approach	$30,300,000
Sales Comparison Approach	$29,400,000
Final Opinion of Value	$30,300,000
Date of Value Estimate	January 1, 2018
Date of Inspection	November 13, 2018

PHOTOGRAPHS OF SUBJECT PROPERTY

Mall Entrance- South East Side of Subject

Sears Anchor – South Side

PHOTOGRAPHS OF SUBJECT PROPERTY

Former Bergner’s Anchor – East Side

View of Mall and Parking- South Side of Subject

PHOTOGRAPHS OF SUBJECT PROPERTY

Kohl’s Anchor – West Side

Former JC Penney Anchor Now Planet Fitness & H&M – North Side

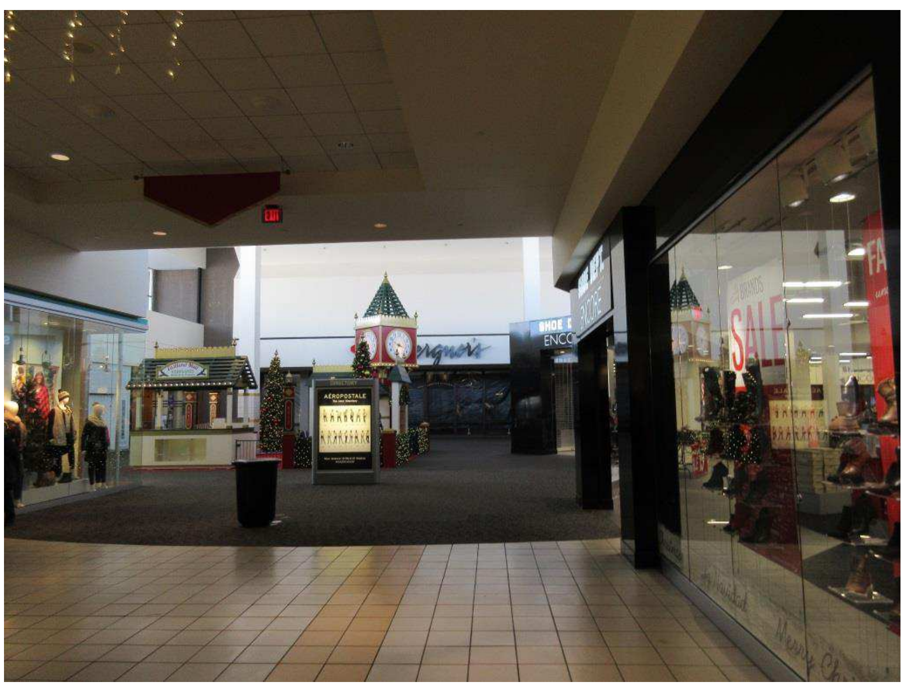
PHOTOGRAPHS OF SUBJECT PROPERTY

Applebee's Outparcel – Southeast Corner

Talbots Outparcel – Northwest Corner

PHOTOGRAPHS OF SUBJECT PROPERTY

Former Anchor Macy’s (now vacant) - South Side of Subject



Interior Mall Entrance to Former Anchor Bergner’s

PHOTOGRAPHS OF SUBJECT PROPERTY

Interior Mall – Main Corridor

Interior Mall Available Inline Space

PHOTOGRAPHS OF SUBJECT PROPERTY

Anchor Sears (closing in November 2018) - East Side of Subject

Interior Mall Entrance to Former Anchor Macy's

PHOTOGRAPHS OF SUBJECT PROPERTY

Interior Mall Corridor

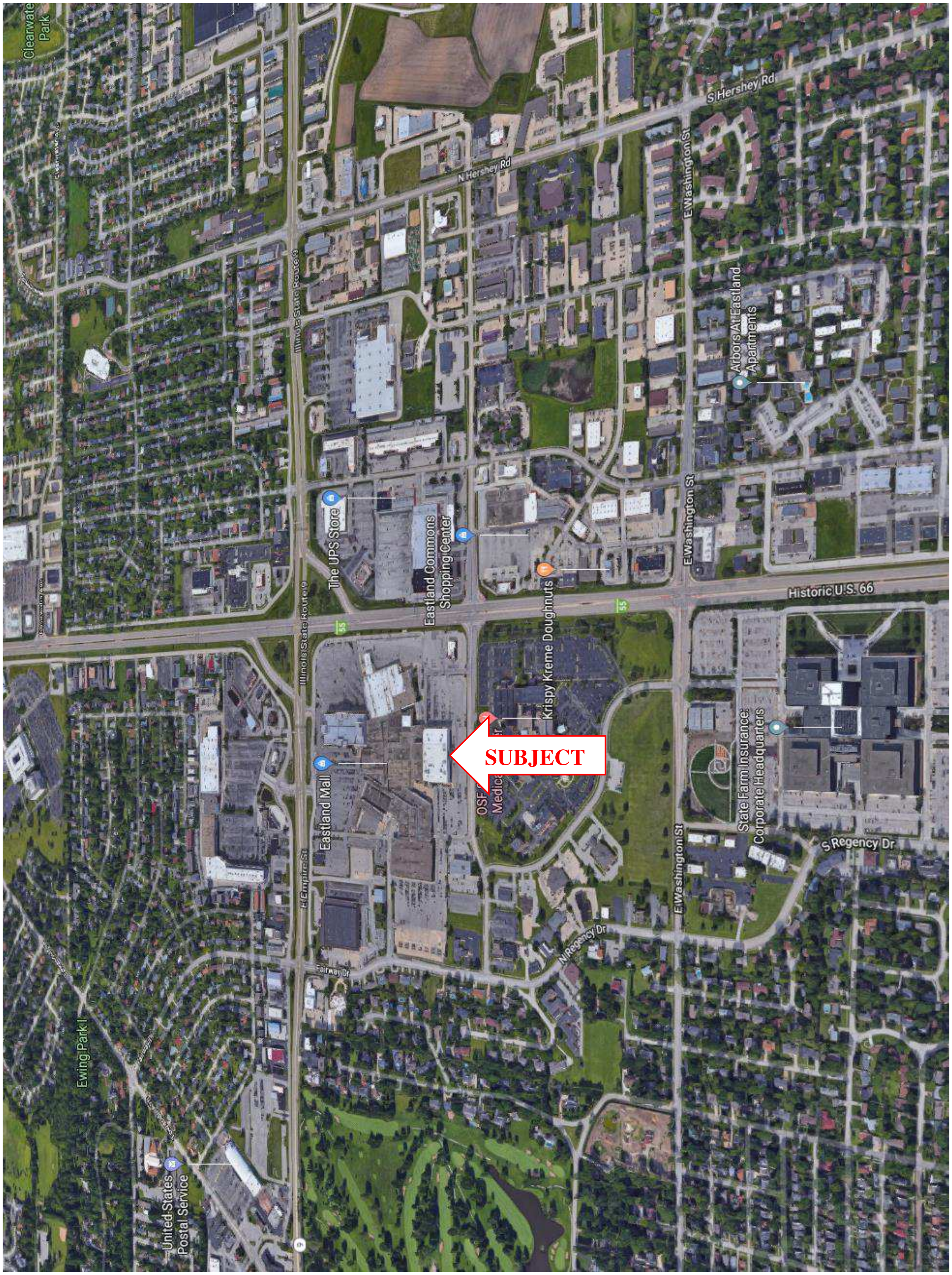
Interior Mall Inline Store Space

PHOTOGRAPHS OF SUBJECT PROPERTY

Redeveloped Anchor JC Penney Store – H&M Entrance

Inline Store

AREA MAP



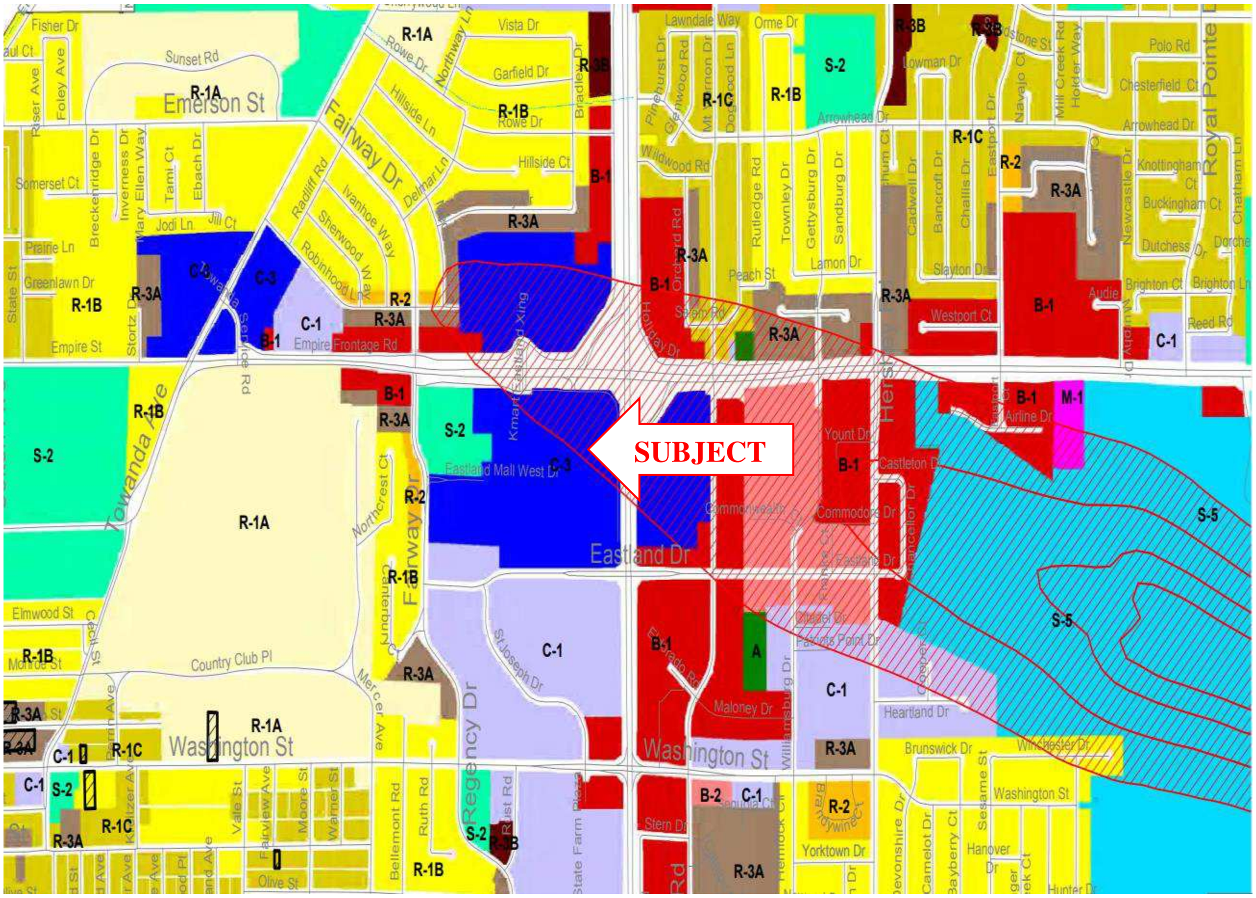
S Hershey Rd
N Hershey Rd
Illinois State Route 9
E Washington St
Arbors At Eastland Apartments
The UPS Store
Eastland Commons Shopping Center
Krispy Kreme Doughnuts
Historic U.S. 66
55
SUBJECT
Eastland Mall
E Empire St
State Farm Insurance: Corporate Headquarters
S Regency Dr
N Regency Dr
Fairway Dr
Ewing Park I
United States Postal Service

AERIAL MAP

10/23/2018

McLean County GIS Consortium

ZONING MAP



Legend

- Streets
- Railroads
- Streams
- S-3 Airport Noise Impact Disctrict
- S-4 Historic District

Zoning Classifications

- A Agricultural
- B-1 Highway Business District
- B-2 General Business District
- B-3 Central Business District
- C-1 Office District
- C-2 Neighborhood Shopping District
- C-3 Community / Regional Shopping District
- M-1 Restricted Manufacturing District
- M-2 General Manufacturing District
- R-1A Low Density Single-Family Residence District
- R-1B Medium Density Single-Family Residence District
- R-1C High Density Single-Family Residence District
- R-1H Single-Family Manufactured Home Residence District
- R-2 Mixed Residence District
- R-3A Medium Density Multiple-Family Residence District
- R-3B High Density Multiple-Family Residence District
- R-4 Manufactured Home Park District
- GAP-1 Estate House, Manor
- GAP-2 House, Estate House, Manor
- GAP-3 Iconic, House, Manor, Apt on corners
- GAP-4 Iconic, House, Manor, Rowhouse, Apt on corners
- GAP-5 Commercial, Cottage Commercial, Iconic, Apt
- GAP-6 Warehouse
- S-1 University District
- S-2 Public Lands and institutions District
- S-5 Airport District
- W-1 Warehouse District

FLOOD PLAIN MAP

FloodInsights Report For:

1615 E EMPIRE ST, BLOOMINGTON,IL 61701

Geocoding Accuracy: S8 (Most Accurate) - single valid address match, point located at a single known address point candidate (Parcel)

Original Input Address: 1615 E EMPIRE ST, BLOOMINGTON,IL 61701

Flood Zone Determinations (Non-Guaranteed)

SFHA	Within 250 feet of multiple flood zones?
Out	No

Map Number

17113C0502E

Community	Community_Name	Zone	Panel	Panel_Dte	COBRA
170490	BLOOMINGTON, CITY OF	X	0502E	July 16, 2008	COBRA_OUT

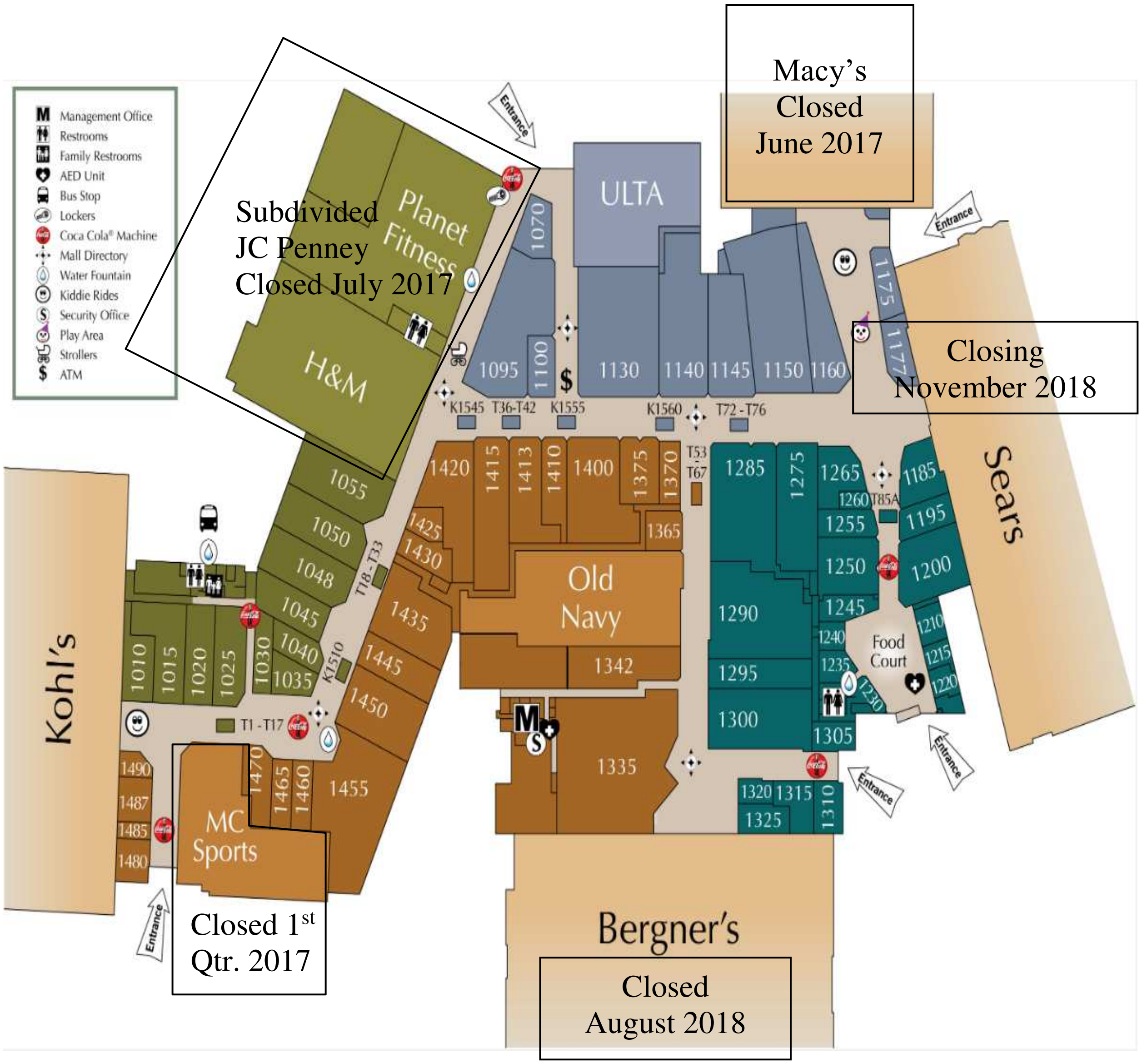
FIPS	CensusTract
17113	0018.00

FloodMap Legend

Flood Zones

- Areas inundated by 500-year flooding
- Areas outside of the 100- and 500-year floodplains
- Areas inundated by 100-year flooding
- Areas inundated by 100-year flooding with velocity hazard
- Floodway areas
- Floodway areas with velocity hazard
- Areas of undetermined but possible flood hazards
- Areas not mapped on any published FIRM

MALL DIAGRAM



IDENTIFICATION OF THE SUBJECT PROPERTY

The subject property consists of two parcels of land with two anchor stores and three former anchor stores and the inline stores. One of the open anchor stores, Sears, is closing in November 2018 after the date of appraisal and date of inspection. The site contains approximately 54.32 acres with improvements. Parcel number 21-02-126-012 contains 52.11 acres. Parcel number 21-02-126-010 contains 2.21 acres. The property is located at 1615 East Empire Street, Bloomington, McLean County, Illinois. This property is commonly known as Eastland Mall and it is operated as a regional mall. Improvements were constructed and completed on the subject site between 1966 and 2000.

Maps showing the relative location of the subject property are on the preceding pages.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to estimate the Market Value of the property rights of the subject property as of January 1, 2018.

INTENDED USE AND INTENDED USER

The intended use of this appraisal is to provide an estimate of market value for property tax purposes. The intended user is Eastland Mall LLC and it representatives.

PROPERTY RIGHTS APPRAISED

The value estimate in this report is for the Fee Simple Estate; a fee without limitations to any particular class of errors or restrictions, but subject to the limitations of eminent domain, escheat, police power and taxation.

DEFINITION OF MARKET VALUE

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HISTORY OF THE SUBJECT

The subject property is owned by Eastland Mall LLC. The owners purchased parcel number 21-02-126-010, Macy's, in January 2017 for $2,000,000. There have been no other recorded transfers since the 2017 sale.

[1] The Dictionary of Real Estate Appraisal, 6th Edition. Published by Appraisal Institute. 2015. Page 141.

SCOPE OF THE APPRAISAL

The scope of the appraisal includes the following: describing the subject property and its immediate environs; conducting an analysis of the immediate environs; conducting an inspection of the subject property; conducting a search for and analysis of pertinent data necessary for the completion of the three approaches to value, this includes comparable sales, comparable lease data, expenses and capitalization rate information, land sales and construction cost information; preparing an appraisal report based upon the information gathered in the appraisal process.

- The appraisers have prepared appraisal reports of similar properties and considers himself competent in the preparation of this report.

- The scope of the appraisal report involves the collection, research and analysis of data necessary to prepare an appraisal report in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP).

- Information necessary to complete the Cost Approach, the Income Approach, and the Sales Comparison Approach have been reviewed and considered. An estimate of value from each approach, as determined to be appropriate, will be calculated using the typical appraisal standards.

- The appraisers have not been furnished with an environmental study nor are the appraisers qualified to detect and identify hazardous materials. It is assumed that the subject property is not contaminated by any hazardous materials.

- The intended use of this appraisal is to estimate the market value of the real estate for the purpose of valuing the property for property tax purposes. The intended user of the report is Eastland Mall LLC and its representatives.

- Income information from various sources was searched to obtain the data included in the report. The data was verified with the financial records of the management company.

- The Cost Approach was not utilized in this appraisal. The subject property is a regional mall. These properties depreciate rapidly during the early years of their economic life. As a result, accurate calculation of depreciation is difficult. In addition, no commercial land sales (40 – 60 acre tracts) similar to the subject could be found in Bloomington. As a result, the Cost Approach is determined to be of little probative value.

TAX AND ASSESSMENT DATA

Tax and assessment data on the property has been obtained from the official records of the McLean County Supervisor of Assessments Office. The following assessment data is for the 2018 assessment year, but the tax rate is for 2017.

Parcel Number	21-02-126-012	21-02-126-010
Land	$ 2,862,297	$ 123,787
Improvements	$13,088,821	$ 1,738,768
Total	$15,951,118	$ 1,862,555
Tax Rate	8.4190%	8.4190%

ZONING

According to the City of Bloomington Zoning Ordinance, the subject property is zoned C-3, Community/Regional Shopping District. The C-3 District "is to facilitate the development of community and region serving retail trade centers. The development contemplated in this district has such distinguishing characteristics as: (1) unified site planning and development that promotes a safe and conducive atmosphere for large volumes of shoppers; (2) site accessibility such that the high volumes of traffic generated create minimal congestion and adverse impact upon surrounding land use; (3) unified architectural treatment of buildings rather than an assemblage of separate, conflicting store and structural types; and (4) a trade area that includes the entire community at a minimum and may include the entire county and surrounding areas outside the county. While recognizing the potential monetary benefits accruing from the development of a large shopping center within the City and the flexibility necessary for such a development, these regulations are intended to insure that a proper location be selected and site planning be performed to better accomplish the purposes of zoning."

Permitted uses in C-3 include: amusement centers; apparel shops; appliance stores; auto service stations; bakery products sales; banking services; barber shops, beauty shops; book, stationery stores, newsstands; business schools; candle shops; candy confectionary sales; catering services; china, glassware, metalware stores; clinics; college-university classrooms; computer services; currency exchanges; dairy products; delicatessens; dental services; department stores; donut stores, ice cream stores; draperies, curtains, upholstery; drug stores; dry goods, piece goods stores; farm supply stores; financial services; floor covering stores; florist shops; furniture stores; general merchandise stores; gift shops; government services; greeting card shops; grocery stores, supermarkets; hardware stores; health clubs; hobby shops, toy stores; laundering services; liquor stores; motion picture theaters; offices; paint, glass, wallpaper stores; painting, decorating services; commercial and noncommercial parking lot; pharmacy; radio, television stores; real estate services; restaurants, cafeterias; shoe stores; sporting goods, bicycle sales; and variety stores.

Permitted special uses in C-3 include: airports and landing fields; car wash; heliports, heliport terminals; hotels, motels, motor hotels; and sewage treatment plants.

The current use of the subject property is a legal and conforming use of the land.

STATEMENT OF ASSUMPTIONS AND CONTINGENT CONDITIONS

It is assumed that the legal descriptions as obtained from public records, or as furnished, are correct. No responsibility is assumed for matters which are legal in nature, nor is any opinion on the title rendered herewith. This report assumes good title, responsible ownership, and competent management. Any items or encumbrances which may now exist have been considered, however, the property has been analyzed as though unencumbered unless otherwise stated.

Any plot plans, sketches, drawings, or other exhibits in this report are included only to assist the reader in visualizing the property. We have made no survey for this report, and assume no responsibility for such.

Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or other violations of any regulations affecting the subject property.

Except as noted, this analysis assumes the land to be free of adverse soil conditions, which would prohibit development of the property to its Highest and Best Use, including subsurface or hazardous waste conditions. This report assumes the property to be free of any contamination.

This analysis is of surface rights only and no analysis has been made of the value of subsurface rights, if any.

No responsibility is assumed for the accuracy of any descriptions of physical materials and conditions pertaining to the property, or for any damages sustained in connection with actual or potential deficiencies or hazards such as, but not limited to, inadequacies or defects in the structure, design, mechanical equipment or utility services associated with the improvements; air or water pollution, noise, flooding, storms or wind, traffic and other neighborhood hazards, radon gas, asbestos, natural or artificial radiation, or toxic substances of any description, whether on or off the premises.

The value estimates are based on the status of the national business economy and the current purchasing power of the dollar.

We assume that the subject property as improved will remain in conformance with the applicable zoning requirements and building restrictions over the remaining economic life of the property.

STATEMENT OF ASSUMPTIONS AND CONTINGENT CONDITIONS (CONTINUED)

This appraisal assumes that the subject property will be competently and efficiently managed during the remaining economic life of the property.

No liability is assumed because of inaccuracies or errors in said estimate and opinions.

The appraisal is to be used in whole and not in part. No part of it shall be used in conjunction with any other appraisal, and is invalid if so used.

The signatories shall not be required to give further consultation or testimony, or appear in court or at any public hearing with reference to the property appraised, unless prior arrangements have been made with the client.

Disclosure of the contents of the appraisal report is governed by the Uniform Standards of Professional Appraisal Practice (USPAP). Possession of this report, or a copy thereof or any part thereof, does not carry with it the right of publication, nor may it be used by anyone but the party for whom it has been prepared without the prior consent and approval of Salisbury & Associates, Inc.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the subject property, was not observed by the appraisers. The appraisers have no knowledge of the existence of such materials on or in the property. The appraisers, however, are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, underground fuel storage tanks, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there are no such materials on or in the property that would cause a loss in value. No responsibility is assumed for such conditions, or for expertise or engineering knowledge required to discover potentially hazardous materials. The client is urged to obtain an expert in this field, if desired.

AREA AND CITY ANALYSIS

The following information was obtained from the City of Bloomington, Mclean County 2018 Demographics Profile and United States Census Bureau in November 2018.

<u>Location</u>
The City of Bloomington is located in central Illinois in McLean County.

<u>Government</u>
Bloomington is governed by a Mayor, City Manager and City Council form of government.

<u>Comprehensive Plan</u>
Bloomington has a comprehensive plan that was revised in 2015. Municipal and county zoning are in effect. There is a subdivision ordinance that stipulates design standards.

<u>U.S Census Bureau Statistics</u>
Population:
In 2010, the city had a population of 76,610. The 2017 population estimate increased to 77,934. The county saw a population of 169,572 in 2010. The 2017 population estimate increased to 172,290.
Median Value of Housing:
The median value of owner-occupied housing units from 2012-2016 was $164,100 in Bloomington and was $161,800 in McLean County.
Median Household Income:
The median household income from 2012-2016 was $63,115 for Bloomington and $63,420 for McLean County.

<u>Utilities</u>
Ameren Illinois provides electricity to the community. Nicor Gas provides natural gas. Local telecommunications needs are served by Comcast and Frontier Telephone. The City of Bloomington supplies water to the community.

<u>Air Transportation</u>
Commercial and public air service is provided by Central Illinois Regional Airport at Bloomington-Normal. Charter service along with private aircraft storage and maintenance are available and furnished by this airport.

<u>Highways</u>
U.S. Route 150 and Illinois Route 9 serve Bloomington. Interstate 55, Interstate 74 and Interstate 39 serve Bloomington-Normal.

Educational Facilities

There are six elementary schools, one junior high and one high school in Bloomington. There is an early education center. There is also a career center. There is one university in Bloomington. In addition, there are two community colleges and one university in Normal.

Major Employers in Bloomington-Normal

McLean County, Illinois 2018 Demographic Profile

Employer	Product/Service	Employees
State Farm Insurance Co.	Insurance	14,731
Illinois State University	Education	3,281
Country Financial	Insurance	1,972
Unit 5 Schools	Education	1,761
Advocate BroMenn Healthcare	Healthcare	1,305
OSF St. Joseph Medical Center	Healthcare	860
McLean County Government	Government	835
Afni, Inc.	Business Management	830
District 87 Schools	Education	680
City of Bloomington	Government	679
Illinois Wesleyan University	Education	508

Summary

Bloomington and McLean County have a broad based economy that offers employment opportunities. Population statistics indicate increases in population for Bloomington and McLean County between 2010 and 2017. Community commercial and municipal services, transportation needs, utilities, health services and recreational facilities are all available and adequately serve the needs of the community.

NEIGHBORHOOD DATA

A neighborhood is described as a group of complementary land uses in which there is exhibited a greater degree of uniformity than what is found in a larger area. The uniformity of features in a neighborhood can be expressed by similar building types and styles, population characteristics, economic profiles of the occupants and zoning regulations that affect land use. The presence and workings of social, economic, governmental and environmental forces contribute to the shaping and definition of a neighborhood. These forces influence property values in the area of the subject property and because the subject property is located in the neighborhood the social, economic, governmental and environmental forces also affect its value. Neighborhood boundaries are identified when it is determined that the subject property and all surrounding properties are being influenced in the same way by these forces.

The subject property has an address of 1615 East Empire Street in Bloomington. Empire Street is also Illinois Route 9. The mall is at the corner of Empire and Veterans Parkway. The mall is located just west of Interstate 55. The subject is located 1.37 miles east of U.S. Route 150. The subject is located 3.65 miles west of Interstate 74. The subject is located 4.38 miles southeast of Interstate 39. The area is a main commercial district in Bloomington.

Social forces in a commercial district relate to the motivations for working in this neighborhood. Bloomington is close to major highways and interstates and has been growing in recent years. The subject property has been operating in this location since 1967.

Governmental forces exerted in a neighborhood pertain to the regulations and taxes imposed on property and the administrative agencies required to enforce legal compliance. Zoning regulations have been developed by the City of Bloomington for the purpose of commercial land use. The subject neighborhood conforms to the applicable zoning C-3, Community/Regional Shopping District.

Economic considerations in a neighborhood assess the occupants' financial ability to own and rent property and to maintain and rehabilitate the property. The subject neighborhood represents an established commercial neighborhood. Existing improvements appear to be in average to good condition. There appears to be an oversupply of large retail space in the neighborhood.

NEIGHBORHOOD DATA (CONTINUED)

Environmental characteristics that have an impact on a neighborhood are identified as natural or man-made factors that have an effect on a neighborhood. Environmental considerations include land use patterns, lot size and shape, street patterns and width, building density and amount of open space, property maintenance, the adequacy of utilities and time-distance linkages. The subject neighborhood is positively affected by these environmental forces and the connecting state and federal highway system.

Summary

Social, economic, governmental, and environmental services influence the value of properties in a neighborhood. A major concern of neighborhood analysis is to determine if the four previously mentioned factors are having a positive, negative, or any influence on the subject neighborhood. At present, the subject neighborhood appears to be stable with a mix of complementary land uses. The appraisers are not aware of any contributing factors that would necessitate alternate uses for existing properties. The location of the subject property within the neighborhood and its location and proximity to state, federal, and interstate highway transportation all indicate that commercial uses, as currently represented in the subject neighborhood, will continue.

SITE DATA

The subject site is irregular in shape and consists of two land parcels that contain approximately 54.32 acres. Parcel number 21-02-126-012 contains 52.11 acres. Parcel number 21-02-126-010 contains 2.21 acres. The site contains approximately 54.32 acres with improvements. The site has been developed with a regional mall. It was constructed in 1966 with several additions through 2000. The mall contains one level with five anchor stores. Two anchor stores have two levels. With Sears scheduled to close in November 2018, Kohl’s will be the only remaining anchor.

Asphalt parking areas have been provided around the improvements. The parking areas are located around the perimeter of the building and are striped and lighted. Concrete sidewalks are located on all sides of the mall. Landscaping is considered to be average with grass, shrubbery and trees utilized to enhance the site appearance. Lighting has been installed at the doors and in the parking areas.

The site does not appear to be in a designated Flood Hazard Area. According to the Federal Emergency Management Agency Flood Insurance Program for City of Bloomington, Illinois; the subject property lies within Zone X (areas of 500-year flood; areas of 100-year flood with average depths of less than one foot or width drainage areas less than one square mile and areas protected by levees from 100-year flood). There do not appear to be any adverse easements, restrictions, or encumbrances that would affect the utility or marketability of the property. The community number for this map is Panel Number 17113C0502E with a date of July 16, 2008.

Public utilities are available at the site and are supplied as follows: Electricity- Ameren Illinois; Natural Gas- Nicor Gas; Water and Sewer- City of Bloomington; Telephone-, Comcast and Frontier Communications.

The subject site is suitable and adequate for its current improvements.

IMPROVEMENT DESCRIPTION

The subject property is a regional mall. Originally constructed in 1966, the mall had multiple additions through 2000. The total gross building area of the subject property is 851,135 square feet. This includes the mall and two out parcels. The total leasable area of the subject is 735,491 square feet. Initially constructed with two anchors, the mall had a total of five anchors at the peak. In January 2017 Macy's announced its closing at Eastland Mall. The Macy's space containing 121,231 square feet of leasable space remains vacant. In March 2017 JC Penney announced its closing at the mall. H&M and Planet Fitness now occupy approximately 85% of the JC Penney's space. Bergner's announced in April 2018 it would close, and Sears notified the mall in 2017 it would vacate sometime in 2018. In August 2018, Sears announced it would close in November 2018. Kohl's remains the only anchor space. The following is a summary of the anchor space within the mall:

Anchors				
	Unit ID	Area (LSF)	Area Occupied (LSF)	Area Vacant (LSF)
Former Macy's (1st & 2nd Floor)	1170, 1170B	121,231	0	121,231
Kohl's	1005, 1010	92,683	92,683	0
Sears	1180	122,958	0	122,958
Former Bergner's (1st Floor)	1330 & 1330 B	131,616	0	65,808
Total Anchor Space:		**468,488**	**92,683**	**375,805**

In addition to the anchor space the mall has several junior anchor stores and various in-line stores. The former JC Penney was redeveloped into three tenant spaces. The redevelopment also deconstructed the second floor. H&M and Planet Fitness occupy the former JC Penney space. There are a total of 73 junior and inline spaces with 257,371 of leasable space. A summary of the spaces begins on the following page.

Junior Anchors and In-line Stores				
	Unit ID	Area (LSF)	Area Occupied (LSF)	Area Vacant (LSF)
Aeropostale	1055	4,211	4,211	0
Allstate	1315	998	998	0
American Eagle Outfitters	1095	6,651	6,651	0
Arcade	1030	1,181	1,181	0
Auntie Anne's	1040	978	978	0
Bath & Body Works / The White Barn Candle Co.	1400	5,079	5,079	0
Beck's Popcorn	1320	691	691	0
BNZ Trading	1305	1,014	1,014	0
Brow Arch	1425	751	751	0
Buckle	1415	4,374	4,374	0
Charlotte Russe	1140	6,062	6,062	0
Christopher & Banks	1048	3,400	3,400	0
Claire's	1365	1,138	1,138	0
Custom Junkeez	1175	1,328	1,328	0
Earthbound Trading Co	1200	3,566	3,566	0
Express Factory	1290	7,116	7,116	0
F.Y.E.	1275	3,080	3,080	0
Fannie May	1177	1,338	1,338	0
Finish Line	1450	3,176	3,176	0
Foot Locker	1160	3,878	3,878	0
GameStop	1465	1,120	1,120	0
Gloria Jean's Coffees	1370	1,136	1,136	0
GNC Live Well	1430	1,382	1,382	0
Go! Calendars/Go! Games/Go! Toys	1150	7,932	7,932	0
Gold Star Jewelers	1545	160	160	0
Great Steak & Potato	1210	839	839	0
H&M	1058	19,636	19,636	0
Hallmark Gold Crown	1145	3,957	3,957	0
Hibbett Sports	1135	4,715	4,715	0
Home Spa	1325	1,142	1,142	0
Icing	1255	1,307	1,307	0

IMPROVEMENT DESCRIPTION (CONTINUED)

	Unit ID	Area (LSF)	Area Occupied (LSF)	Area Vacant (LSF)
JC Sales	E-02	2,633	2,633	0
Journeys	1375	2,188	2,188	0
Justice	1420	4,203	4,203	0
Kay Jewelers	1185	1,817	1,817	0
Kobe Japanese Restaurant	1235	880	880	0
La Nails	1487	1,207	1,207	0
MasterCuts	1460	1,120	1,120	0
Mattress Liquidators	1455	7,912	7,912	0
Maurices	1300	5,095	5,095	0
Mrs. Fields Cookies	1035	688	688	0
Old Navy	E-01	15,267	15,267	0
Payless ShoeSource	1250	2,791	2,791	0
Planet Fitness	1062	20,119	20,119	0
Pretzelmaker	1260	449	449	0
Pro Image Sports	1445	2,315	2,315	0
Rogers & Hollands Jewelers	1100	1,293	1,293	0
Rue21	1435	4,237	4,237	0
Seno Formal Wear	1310	1,171	1,171	0
Shoe Dept. Encore	1335	12,198	12,198	0
Spencer's	1045	2,201	2,201	0
The Mole Hole	1050	3,359	3,359	0
Tina Alterations	1485	446	446	0
Tradehome	1295	2,560	2,560	0
Ulta Beauty	1107	11,140	11,140	0
Victoria's Secret	1280-85	7,628	7,628	0
Wacky Rentals Fun Time Center	1474	12,863	12,863	0
Zales Jewelers	1265-70	2,006	2,006	0
Vacant Space	1060B	7,260	0	7,260
Vacant Space	1070	1,505	0	1,505
Vacant Space	1130	3,387	0	3,387
Vacant Space	1195	1,048	0	1,048

	Unit ID	Area (LSF)	Area Occupied (LSF)	Area Vacant (LSF)
Vacant Space	1215	585	0	585
Vacant Space	1220	699	0	699
Vacant Space	1230	597	0	597
Vacant Space	1240	608	0	608
Vacant Space	1245	1,097	0	1,097
Vacant Space	1410	1,791	0	1,791
Vacant Space	1413	3,036	0	3,036
Vacant Space	1470	1,711	0	1,711
Vacant Space	1490	605	0	605
Vacant Space	1510	160	0	160
Vacant Space	1570	160	0	160
Total Space:		**257,371**	**233,122**	**24,249**

In addition, to the primary mall building the subject property has two out lots. They include an Applebee's and Talbots. The outparcels are summarized as follows:

Outparcels				
	Unit ID	**Area (LSF)**	**Area Occupied (LSF)**	**Area Vacant (LSF)**
Applebee's	1610	5,432	5,432	0
Talbots	1605	4,200	4,200	0
Total outparcel space:		**9,632**	**9,632**	**0**

A summary of the gross leasable square footage is as follows:

Total Leasable Square Feet			
	Area	**Occupied Area**	**Vacant Area**
Total anchor:	468,488	92,683	375,805
Total junior and in-line:	257,371	233,122	24,249
Total outparcel:	9,632	9,632	0
Total leasable space:	**735,491**	**335,437**	**400,054**

IMPROVEMENT DESCRIPTION (CONTINUED)

The improvements were constructed during various periods between 1962 and 2000. While the main mall structure was constructed in 1966, a former bank building was on site prior to the mall's construction. That building is currently occupied by Talbots. A weighted age of the building follows:

Weighted Age Calculation					
Name	Year Built	Size/SF	Age	% of Total	Weighted age
Talbots	1962	4,571	56	0.54%	0.30
Original Mall	1966	216,716	52	25.46%	13.24
Sears	1966	92,481	52	10.87%	5.65
JC Penney	1966	47,015	52	5.52%	2.87
Bergner's	1973	134,396	45	15.79%	7.11
Inline Store Addition	1973	33,000	45	3.88%	1.74
Kohl's	1984	63,540	34	7.47%	2.54
Food Court/Inline Stores	1984	86,110	34	10.12%	3.44
Sears Addition	1997	24,753	21	2.91%	0.61
Macy's	1999	123,292	19	14.49%	2.75
Applebee's	1994	5,437	24	0.64%	0.15
Kohl's Addition	2000	19,824	18	2.33%	0.42
	Total:	**851,135**	**Weighted Age:**		**40.83**
			Rounded:		**41.00**

*Gross building area provided by Bloomington Township Assessor. The GBA differs from gross leasable area which is typically measured from the interior whereas GBA is measured from the exterior.

The improvements have been constructed with a reinforced concrete foundation supported by reinforced concrete footings. Steel framing supports concrete block walls. The roof has concrete decking and steel joists under a built-up composition cover. Mall entrances are glass doors and windows in aluminum frames.

The interior of the mall consists of largely open spaces with common walkways, restrooms, and partitioning for individual stores. Its design conforms to other regional malls and was constructed with average quality materials and workmanship. The improvements are well designed for this purpose and are in average to good condition.

IMPROVEMENT DESCRIPTION (CONTINUED)

The interior of the mall has a variety of finishes in the public mall areas. The flooring is a combination of ceramic tile and carpet. The ceilings are a mixture of drywall and suspended acoustical tiles. Lighting is a combination of natural light from windows and skylights and artificial light from recessed or suspended fluorescent fixtures. The walls in the public areas which provide entry to the individual stores are a complementary mixture of painted drywall with ceramic tile or wood trim.

Likewise, the interior of each retail store differed. The walls are painted drywall. The flooring is mostly ceramic tile with some carpet. However, some stores had vinyl tile or laminated wood. Most of the ceilings are suspended acoustical tile, but some are painted drywall and others are open with painted metal decking. The lighting is a combination of mostly fluorescent with some metal halide lights.

The mall is heated and cooled with individual roof top units for each inline space. Rooftop units also provide conditioned air for the common areas. The permanent inline stores are metered and generally tenants are responsible for their owner electric and gas. A sprinkler system and a fire alarm system have been installed to offer fire protection.

The mall has seven public restrooms; three men, three women, and one family. The restrooms have a typical finish with partial ceramic tile and painted drywall walls and ceramic tile floors. Additionally, there are public restrooms in the other anchor stores.

A children's play area is also provided in the northeast corner and kiddie rides are located in the northeast and southwest corners.

The parking area surrounding the mall complex offers asphalt drives and parking spaces. This has been striped into parking spaces and traffic signage has been installed to assist the mall shoppers. Other site improvements include landscaping of grass, shrubs, bushes and trees and exterior lighting.

IMPROVEMENT DESCRIPTION (CONTINUED)

In order to properly identify the subject property, we have included a number of definitions of types of malls. We reviewed the Kor*p*acz Real Estate Investor Survey, published by PricewaterhouseCoopers LLP, First Quarter 2018 report which differentiates malls into categories and defines them as follows.

> <u>Fortress Mall</u>- The dominant performing Class-A+ malls in the country whose inline stores generate at least $650 per square foot of retail sales; they contain inline and anchor stores that are both well established and unmatched in the trade area.
>
> <u>Lifestyle Center</u>- Most often located near affluent residential neighborhoods, this center type caters to the retail needs and “lifestyle” pursuits of consumers in its trading area. It has an open-air configuration and typically includes at least 50,000 square feet of space occupied by upscale national chain specialty stores. Other elements, such as, restaurants and entertainment, design ambience and amenities like fountains and street furniture, make the lifestyle center serve as a multi-purpose leisure-time destination. One or more conventional or fashion specialty department stores often act as anchors.
>
> <u>Outlet Center</u> – This center is consisting mostly of manufacturers’ outlet stores selling their own brands at a discount, usually located in rural or occasionally in tourist locations. A strip configuration is most common, although some are enclosed or arranged in a “village” format.
>
> <u>Power Center</u> – An open center dominated by a least 75.0% large, big-box anchors, including discount stores, warehouse clubs, and value-oriented category stores; a minimal amount of inline store space.
>
> <u>Regional Mall</u> – An enclosed shopping center that contains at least two department stores and has climate-controlled walkways that are lined with smaller retail shops.

The subject property consists of an enclosed mall with five anchors and 73 junior and inline stores. Analysis of the preceding definitions indicates the subject property would be properly categorized as a regional mall.

On the following page is information regarding classifications of regional malls.

IMPROVEMENT DESCRIPTION (CONTINUED)

We reviewed The Valuation of Underperforming Regional Malls webinar presented by Peter F. Korpacz, MAI, CRE, FRICS of Kor*p*acz Realty Advisors, Inc.

Class	Inline Retail Sales PSF
Trophy	$850 and up
A+	$685 to $849
A	$520 to $684
B+	$440 to $519
B	$365 to $439
C+	$300 to $364
C	$260 to $299
D	Less than $260

Next, it is necessary to review the subject property's inline stores retail sales per square foot. The figures below were provided by Eastland Mall management.

The grid below shows the inline retail sales per square foot of the subject property from 2014-2018 (Jan-Oct).

Year	Inline Retail Sales/Sq. Ft
2014	$294.27
2015	$312.58
2016	$301.99
2017	$281.64
2018 (Jan-Oct)	$256.69

Using the historical data shown above, the average of the subject property's retail sales of inline stores would fall into the $260 to $299 square foot category. In 2018 the sales dropped significantly, and based upon the class rating system developed by Peter F. Korpacz, the subject would fall into the lowest classification of D Class. However, prior to 2018, the mall has been considered to be in the C or C+ category. This will be fully explained later in this report in the Income Approach section.

HIGHEST AND BEST USE

Highest and best use analysis is a market-driven concept. As economic forces interact with real estate markets, the highest and best use analysis becomes critical in determining an appropriate estimate of market value. The 6th Edition of The Dictionary of Real Estate Appraisal, published by the Appraisal Institute defines "highest and best use" as follows: 1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. 2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS) 3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions.)[2]

A distinction must be made between the land as though vacant and the property as improved. As economic and market forces effect the demand for specific types of property, the highest and best use of vacant land or improved property can change to an alternate use. As these forces affect market values they can create a situation where the land as though vacant will have a different highest and best use than the improved property. It is therefore necessary that a separate analysis be performed to determine the appropriate highest and best use.

Analysis of the highest and best use requires that the property meet four criteria. The use must be physically possible. While a particular use may represent the most profitable use, it may not represent the property's highest and best use if the size, shape, area, or terrain prohibits its development. Any use being considered must also be legally permissible. Zoning, private restrictions, and other legal restrictions may prohibit many uses. After making a determination of those uses that are both legal and physically possible, an analysis must be performed to determine if they are financially feasible. If the net return is adequate to satisfy the rate of return, the use can be considered to be financially feasible. Of these uses, the one that produces the highest value consistent with the other criteria represents the highest and best use. Proper determination of the subject property's highest and best use requires analysis of the site as though vacant and as improved.

[2] The Dictionary of Real Estate Appraisal, 6th Edition. Published by Appraisal Institute. 2015. Page 109.

HIGHEST AND BEST USE OF THE LAND

To identify the highest and best use of a site as though vacant, it must first be assumed that the site is vacant. Proposed uses of the site as though vacant are considered and analyzed. The four tests of legal permissibility, physical possibility, financial feasibility, and maximum productivity are then applied to determine the best potential use for the site. Analysis and elimination draw to a conclusion the highest and best use of the site as though vacant.

The subject property consists of two parcels of land that contains approximately 54.32 acres. Improvements have been constructed on this land. Details of the buildings can be found in the Improvement Description section of this report. The remainder of the site is allocated mostly to asphalt paving. Currently, the building is utilized as Eastland Mall.

Legal permissibility is determined by regulations pertaining to land use and the current zoning code as enforced by the controlling governmental agency. The present zoning classification, C-3, Community/Regional Shopping District, allows for a wide range of commercial uses. The current mix of complementary land uses supports the zoning classification and its future continuance. There do not appear to be any deed restrictions on the subject property that would impede development or marketability of the property. No city ordinances, state laws, or federal laws have any adverse effect on the utility of the subject site. The subject property conforms to the present zoning and is located in an area of similar commercial uses. Therefore, a commercial type use is considered the legally permissible use and the most consistent use in the area of the subject.

Physical possibility is determined by whether the physical attributes of the site can adequately support the improvements or if an alternative use would be maximally productive. Consideration is also given to the availability of utilities and community services. There are 54.32 acres of land in the subject site. As described in the Site Data section of this report, the subject site displays adequate size, shape, topography, and access for development of the site. All major utilities are available at the site. Consequently, the subject site is physically able to provide for the improvements.

Financial feasibility analyzes the effective demand in the subject market area for the contemplated use of the site. A potential buyer is concerned with the present worth of future benefits which is the quality, quantity, and durability of the income stream. The subject has been operating as a regional mall on this site for approximately 52 years. The total mall contains 851,135 square feet and originally had five anchors. Kohl's is the only remaining anchor. The original JC Penney has been redeveloped into two junior anchor spaces.

HIGHEST AND BEST USE OF THE LAND (CONTINUED)

The area under appeal contains 851,135 square feet of gross building area and 735,491 square feet of net leasable area which is five anchor stores and 73 junior anchors and inline stores. Of the possible financially feasible uses of the site, the use that produces the highest price or value that is consistent with market expectations for that use is the highest and best of the site as though vacant. Zoning restricts the use of the subject site to that of commercial utilization. Access to nearby I-55 and Illinois Route 9 and major arterial roads through Bloomington supports the current use of the subject site in its commercial operation.

Legal, physical and financial analysis results in the conclusion that the present use of the site indicates maximum productivity for the subject site. Therefore, the present use of the site as though vacant is the highest and best use.

HIGHEST AND BEST USE OF THE IMPROVED PROPERTY

A determination of the highest and best use of the improved property is an analysis to define the ideal improvement for the property. An ideal improvement would take maximum advantage of the site's potential and conformity to the current market standards. Criteria utilized to define the ideal improvement include an analysis of the neighborhood, existing zoning regulations, and building codes. Modification might also be imposed because of private or public deed restrictions. The existing improvements on the site are compared to the ideal improvement to determine whether any repairs, remodeling, or renovation are needed. This also gives an indication of how the existing improvements should be utilized and who should use them. The criteria of legally permissible, physically possible, financially feasible, and maximally productive must be analyzed to produce the highest and best use of the improved property.

The subject property is zoned C-3, Community/Regional Shopping. Its current utilization as a regional mall is considered to be a legal and conforming use as defined by the City of Bloomington zoning regulations.

The subject property, as improved, is a regional mall that utilizes one building in its operation. To satisfy the needs of the subject property, these improvements need to provide for adequate display floor space, retail space, customer service areas, employee lounges, restrooms, storage, receiving and offices. All of these needs are satisfactorily met by the current improvements. The subject building compares with other commercial buildings in the neighborhood.

From the data analyzed, it appears there is no more legally permissible, physically appropriate development of the subject property than the present use as a regional mall. The existing improvements have produced a financial return that has decreased during the past decade.

The value of the subject property as currently improved exceeds the value of the land if it were vacant. The present building and site improvements contribute substantially to the total property value. Conversion of the improvements to an alternative use is not likely since the cost to convert would exceed any value added. In the appraisers' opinion the property will be used as a regional mall until the end of its economic life.

Therefore, the highest and best use of the improved property is for continued commercial use.

MARKETABILITY

The subject property is located in an established commercial district. The makeup of the area indicates a continued demand for commercial properties in this area.

The subject improvements have been designed and constructed for use as a regional mall. Approximately 41 years old (weighted), the subject improvements conform well to the other retail buildings in this neighborhood. C-3, Community/Regional Shopping District, zoning is the designated zoning for the subject neighborhood and the subject complies with this zoning. The subject improvements are currently being utilized for their designed purpose and are providing a return for the investment in the improvements.

In the subject neighborhood, occupancy levels appear to be stable. A highest and best use analysis of the subject property has determined that the current use is the highest and best use of the subject due to the fact that it was designed and constructed for its current use and has been operating as a regional mall for 52 years. Conformity of the subject property to the subject neighborhood and competing properties, occupancy and rent levels and the operation of the subject for its intended use all indicate fair marketability for the subject property.

MARKETING PERIOD

The subject property is a regional mall designed and constructed for its current use. If placed for sale on the open market, the open design would allow for continued use as it is currently utilized. Currently, there appears to be some demand for retail buildings in the area. The Kor*p*acz Real Estate Survey, published by PricewaterhouseCoopers LLP, First Quarter 2018 report analyzes the National Regional Mall Market. The marketing time range is four months to eighteen months. The average is nine months.

The subject is an older mall with some vacancy issues. Therefore, it should fall at the higher end of the range. The estimated marketing time for this property is eighteen months to two years.

APPROACHES TO VALUE

In determining an estimate of value for the subject property, the three generally accepted approaches have been considered. The Cost Approach, the Income Approach and the Sales Comparison Approach require different criteria and market derived data in the development of a value estimate. An estimate of value from each approach, as determined to be appropriate, is calculated using the typical appraisal standards. The value found in each approach is then analyzed and reconciled into a final estimate of value for the subject property.

The Cost Approach involves a determination of cost to reproduce or replace the improvement. Accrued depreciation must then be deducted from the cost new. The appraisers must measure the amount of this value loss caused by physical deterioration, functional obsolescence, and external obsolescence. The market value of the land is then added to the depreciated cost to render an estimate of value. The Cost Approach was not utilized in this appraisal. The subject property is a regional mall. These properties depreciate rapidly during the early years of their economic life. As a result, accurate calculation of depreciation is difficult. In addition, no larger, commercial land sales (40-60 acre tracts) similar to the subject could be found in Bloomington. As a result, the Cost Approach is determined to be of little probative value.

The Income Approach estimates the present value of an income stream. The net income must first be determined. This income is then capitalized into an estimate of value. The capitalization rate is abstracted from the market based on investors' requirements for various types of income producing properties. The appropriate capitalization rate is then applied to the estimated stabilized net income to arrive at an estimate of market value.

The Sales Comparison Approach is based on the principle of substitution, which indicates that no prudent investor would pay more for a property than the amount which a similar site can be acquired. When comparable properties are identified, adjustments must be made to the comparable for any differences between that property and the subject. An estimate of value is then determined for the subject property based on an analysis of the adjusted sale prices of the comparables.

COST APPROACH TO VALUE

The Cost Approach to Value is a method in which the value of the subject property is derived by estimating the market value of the land as if vacant and then adding thereto the market value of the building. The market value of the building is calculated by estimating the cost of constructing a new building offering the same utility as the subject building and deducting therefrom estimated depreciation or loss in value from any and all causes.

This approach to value is predicated upon the principle of substitution which states no one will pay any more for a piece of property than it would cost them to purchase an equally desirable site and erect an equally desirable set of improvements.

The application of this approach is divided into four separate parts.

A. An estimate of the value of the land as if vacant.

B. An estimate of the construction cost new of the buildings and improvements.

C. An estimate of the accrued depreciation suffered by the improvements.

D. A summary of the above estimates into a final value conclusion.

The Cost Approach was not utilized in this appraisal. The subject property is a regional mall. These properties depreciate rapidly during the early years of their economic life. As a result, accurate calculation of depreciation is difficult. In addition, no larger, commercial land sales (40–60 acre tracts) similar to the subject could be found in Bloomington. As a result, the Cost Approach is determined to be of little probative value.

INCOME APPROACH TO VALUE

The Income Approach is a procedure that converts future anticipated benefits to be derived from the ownership of property into an estimate of present value. The Income Approach is most applicable on property purchased for its income producing capabilities.

The value estimate is measured by capitalizing the net income expectation of the property. The reliability of the technique is dependent upon four conditions:

1. The reasonableness of the estimate of the anticipated net annual return.
2. The duration of the net annual income, usually indicated by the economic life of the improvements.
3. The capitalization rate.
4. The method used to convert the income to a capitalized rate.

The first step in the process is the determination of the appropriate income. Market rent and contract rent must both be considered. Market rent is used when the property rights being appraised represent the unencumbered fee simple real estate. Contract rent represents the actual rental income specified in a lease. When the effects of the lease on the value of the property are to be considered it is necessary to take into consideration the terms of the lease.

After selection of the appropriate rent, stabilized expenses must be deducted to arrive at an estimate of net operating income. The next step in the process is the capitalization rate selection and the determination of the capitalization process. After completion of these steps, the net income is capitalized into an indication of value.

The subject property is part of a regional mall. It includes Kohl’s, the former Macy’s, the former JC Penney store, the former Bergner’s, the soon vacated Sears, all the inline stores and two out-lots which are Applebee’s and Talbots. The leasable square footage of the inline space will vary slightly from year to year. Since the individual leases specify the square footage, the change, if any, is recorded when the new lease is signed.

Real estate taxes have been removed both as income and expenses since it is built into the capitalization rate. The income and expenses to the property are shown on the following page.

INCOME AND EXPENSES

The owners provided income and expense statements for 2014, 2015, 2016 and 2017. In 2017 revenues decreased significantly as Macy's announced closing in January 2017 and JC Penney in March 2017. Net Operating Income shown below does not include reserves for replacement or real estate taxes. Those will be treated separately. The numbers listed below represent actual income and expenses to the property being appraised.

Actual Income	2017	2016	2015	2014
Base Rent	4,965,499	6,086,837	5,793,113	5,988,817
Specialty Leasing LTR	459,474	652,464	732,389	679,899
Percentage in Lieu	210,007	100,753	106,102	133,534
Free Rent	{12,178}	{23,728}	{23,083}	{22,022}
Lease Termination Revenue	246,000	0	13,880	0
Percentage Rent	{7,759}	33,355	21,957	46,403
Specialty Leasing STR	93,693	111,169	116,406	142,450
Brand Development	142,917	221,074	224,909	174,226
Tenant Late Charges	0	200	2,600	3,400
Marketing	31,837	44,464	103,179	119,844
CAM	1,658,924	1,886,140	1,827,222	1,819,589
Utilities	850	2,363	3,239	3,290
Corp. Sponsorship Income	293	896	107	0
Marketing Admin Fee	0	3,106	5,556	8,069
Advertising Admin Fee	0	0	3,300	3,300
Miscellaneous Income	4,376	19,841	1,254	1,676
Total Effective Gross Income	**7,793,933**	**9,138,934**	**8,932,130**	**9,102,475**
Actual Expenses	**2017**	**2016**	**2015**	**2014**
Energy Expense	8,620	8,620	8,620	4,440
Utility Expenses	167,995	163,434	166,021	160,438
Payroll Expenses	239,325	295,339	316,706	365,674
Interior Contract	297,347	377,671	403,357	430,534
Exterior Contract	41,561	65,309	73,899	77,125
Interior Non-Contract	94,805	105,108	64,311	68,989
Exterior Non-Contract	186,211	115,586	147,334	155,077
Maintenance and Repair	222,448	251,690	273,010	296,401
General/Administration	18,947	25,030	34,620	36,069
Non-Billable General/Admin	132,945	47,474	130,212	74,672
Insurance & Consulting	42,835	38,666	46,892	40,557
Marketing	84,071	60,461	102,450	119,844
Total Expenses	**1,537,110**	**1,554,388**	**1,767,432**	**1,829,820**
NOI Before Reserves and Real Estate Taxes	6,256,823	7,584,546	7,164,698	7,272,655

TENANT AND LEASE INFORMATION

The subject property is utilized as a regional mall. The property has five anchor stores and 73 inline and junior anchor stores. However, some of the spaces are vacant. Out of the 73 junior and inline stores, 58 of the spaces are leased. Two of the four anchors are vacant and one anchor is currently liquidating inventory to leave. The fifth anchor was redeveloped into three tenant spaces. The property contains a total of 735,491 leasable square foot. There is a total of 400,054 square feet of vacant space or a 54.40% vacancy rate for the mall. The following lists the tenants and leased spaces beginning with the anchors spaces, followed by junior anchor and inline stores, and finally the two outparcels. Kiosks are not included.

Anchors					
	Lease From	Lease To	Unit ID	Area Occupied	Yearly Rent/LSF
Former Macy's (1st & 2nd Floor)			1170, 1170B		
Kohl's	Sep-83	Dec-19	1005, 1010	92,683	$1.87
Sears			1180		
Former Bergner’s (1st Floor)			1330		
Total Anchor Space:				**92,683**	

TENANT AND LEASE INFORMATION (CONTINUED)

Junior Anchors and Inline Stores					
	Lease From	Lease To	Unit ID	Area Occupied	Yearly Rent/LSF
Aeropostale	Sep-00	Jan-20	1055	4,211	$9.50
Allstate	Aug-13	Jul-19	1315	998	$7.21
American Eagle Outfitters	Oct-00	Jan-21	1095	6,651	$31.08
Arcade	Mar-17	Mar-19	1030	1,181	$10.16
Auntie Anne's	Oct-16	Oct-26	1040	978	$36.86
Bath & Body Works / The White Barn Candle	Dec-99	Jan-26	1400	5,079	0
Beck's Popcorn	Oct-16	Dec-18	1320	691	$1.30
BNZ Trading	Oct-14	Jan-19	1305	1,014	$8.28
Brow Arch	Oct-16	Dec-18	1425	751	$9.59
Buckle	Sep-98	Jan-20	1415	4,374	$24.14
Charlotte Russe	Jul-15	Jul-25	1140	6,062	$21.45
Christopher & Banks	Feb-15	Jan-20	1048	3,400	$27.22
Claire's	Oct-99	Apr-20	1365	1,138	$46.19
Custom Junkeez	Aug-17	Jan-19	1175	1,328	$3.61
Earthbound Trading Co	Oct-10	Jan-21	1200	3,566	$17.64
Express Factory	Feb-04	Jan-19	1290	7,116	$33.31
F.Y.E.	Jul-13	Jan-24	1275	3,080	$30.47
Fannie May	Sep-15	Jan-26	1177	1,338	$69.14
Finish Line	May-96	Feb-19	1450	3,176	$34.65
Foot Locker	Aug-00	Jan-19	1160	3,878	0
GameStop	Oct-00	Jan-19	1465	1,120	$50.58
Gloria Jean's Coffees	May-00	Jun-20	1370	1,136	$66.33
GNC Live Well	Dec-94	Dec-19	1430	1,382	$63.67
Go! Calendars/Go! Games/Go! Toys	Jul-17	Jan-19	1150	7,932	$4.54
Gold Star Jewelers	Jan-00	Jan-21	1545	160	$240.00
Great Steak & Potato	Jun-15	Jun-25	1210	839	$42.91

TENANT AND LEASE INFORMATION (CONTINUED)

	Lease From	Lease To	Unit ID	Area Occupied	Yearly Rent/LSF
H&M			1058	19,636	PIL
Hallmark Gold Crown	Nov-07	Jan-20	1145	3,957	$26.50
Hibbett Sports	Sep-18	Sep-28	1135	4,715	$19.09
Home Spa	Oct-15	Jan-26	1325	1,142	$39.90
Icing	Aug-99	May-19	1255	1,307	$10.03
JC Sales	Jun-05	Jan-19	E-02	2,633	$8.20
Journeys	Jul-97	Jun-21	1375	2,188	$40.20
Justice	Apr-95	Jan-22	1420	4,203	0
Kay Jewelers	Nov-99	Dec-25	1185	1,817	$136.22
Kobe Japanese Restaurant	May-18	May-23	1235	880	$40.91
La Nails	Mar-00	Jan-20	1487	1,207	$45.25
MasterCuts	Oct-02	Jan-19	1460	1,120	$24.19
Mattress Liquidators	Oct-17	Nov-18	1455	7,912	$2.58
Maurices	Nov-98	Jun-25	1300	5,095	0
Mrs. Fields Cookies	Jan-01	Jan-21	1035	688	$69.92
Old Navy	Mar-00	Mar-19	E-01	15,267	$6.43
Planet Fitness	Sep-18	Sept-28	1062	20,119	$12.43
Payless ShoeSource	Jan-00	Dec-19	1250	2,791	$28.21
Pretzelmaker	Mar-98	Dec-19	1260	449	$53.45
Pro Image Sports	Oct-08	Jan-19	1445	2,315	$7.78
Rogers & Hollands Jewelers	Jul-93	Dec-28	1100	1,293	$117.21
rue21	Jun-11	Jan-22	1435	4,237	0
Seno Formal Wear	Mar-03	Jan-19	1310	1,171	$14.50
Shoe Dept. Encore	Jul-10	Sep-25	1335	12,198	$5.36
Spencer's	Mar-01	Jan-25	1045	2,201	$27.82
The Mole Hole	Jun-16	Jan-20	1050	3,359	$20.84
Tina Alterations	Mar-18	Feb-20	1485	446	$24.48
Tradehome	Jul-01	Jan-22	1295	2,560	$15.79
Ulta Beauty	Sep-10	Sep-20	1107	11,140	$11.55
Victoria's Secret	Jun-00	Jan-21	1280-85	7,628	0
Wacky Rentals Fun Time Center	May-18	Apr-19	1474	12,863	0
Zales Jewelers	Jul-00	Jan-19	1265-70	2,006	$44.87

TENANT AND LEASE INFORMATION (CONTINUED)

	Lease From	Lease To	Unit ID	Area Occupied	Yearly Rent/LSF
Vacant Space			1070		
Vacant Space			1130		
Vacant Space			1195		
Vacant Space			1215		
Vacant Space			1220		
Vacant Space			1230		
Vacant Space			1240		
Vacant Space			1245		
Vacant Space			1410		
Vacant Space			1413		
Vacant Space			1470		
Vacant Space			1490		
Vacant Space			1510		
Vacant Space			1570		
Vacant Space			1060B		
Total Inline Occupied Space:				**233,122**	

The following chart summarizes outparcels:

Outparcels					
	Lease From	Lease To	Unit ID	Area Occupied	Yearly Rent/LSF
Applebee's	Nov-94	Dec-19	1610	5,432	$20.07
Talbots	Feb-93	Jan-21	1605	4,200	$23.00
Total Outparcels:				**9,632**	

The total occupied space is 335,437 square feet with total leasable square feet at 735,491.

Total Leasable Square Feet			
	Area	**Occupied Area**	**Vacant Area**
Total anchor:	468,488	92,683	375,805
Total junior and in-line:	257,371	233,122	24,249
Total outparcel:	9,632	9,632	0
Total leasable space:	**735,491**	**335,437**	**400,054**

INCOME ANALYSIS

The primary source of income to a regional mall is rental income. Traditionally anchor stores, when leased, occupy large spaces and rent for significantly less than inline stores. There are a number of factors that influence the rent charged to inline stores. Things like location in the mall, size of the leased area and even store name recognition can influence the leased amount.

In addition, the type of lease and lease term influence the total rent amount. Tenant improvements necessary to fulfill the requirements can also vary significantly. The various types of leases used at the subject property are described below.

> Base Rent- This is rent charged on a per square foot basis for permanent tenants. Permanent tenants are those that agree to a term in excess of one year.
>
> Base Rent License Agreements- These are leases on a per square foot basis with kiosk carts and inline stores that are on agreements of less than twelve months. These rents do not include any contributions to CAM, utilities or real estate taxes.
>
> Percent In Lieu (PIL)- This type of lease is based on the tenant's sales volume instead of on a rent per square foot basis. The percentage is negotiated between the owner and the tenant. Typically, PIL tenants pay less on this basis than they would on a per square foot basis.
>
> Percentage Rent- This is a lease where the tenant agrees to pay a certain amount per square foot and then a percentage of sales above a certain point.
>
> Short Term Rent- These are leases of 90 days or less. They are typically for kiosks and carts and are usually written during holiday seasons.
>
> Co-Tenancy Clause- "Rental reduction for a small tenant in a retail center or right of a tenant to vacate the property, usually without penalty, if one or more anchors vacate and the anchor space is not tenanted within a specified period of time by a similar-quality, traffic-generating tenant. After the period ends, the tenant usually must return to the previous rent or terminate the lease."[3]

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[3] The Dictionary of Real Estate, 6th Edition, Appraisal Institute. Published by Appraisal Institute. 2015 Page 55.

2017 EFFECTIVE GROSS INCOME

The 2017 income is reflective of the performance of the subject property. The property is owned by CBL Properties, a publicly traded real estate investment trust, which has been developing and managing malls since 1978. The 2017 revenue serves as the basis for the income analysis. Income from all sources for 2017 was $7,793,933. After analysis, we believe the 2017 effective gross income represents market income and vacancies for the subject property. To determine the stabilized projected effective gross income several adjustments must be considered.

ANCHOR LOSS ANALYSIS

First, an adjustment for anchor store loss is required. In mid-2017, JC Penney and Macy’s vacated the mall. In addition, Sears notified the mall in late 2017 it would be closing. Bergner’s closed in August 2018. The following table estimates the loss that should be considered in the estimate of income for the appraisal.

Anchor Tennant Loss						
Closed	**Tenant Name**	**Base Rent**	**CAM**	**Total Income**	**% of 2017 Occupied**	**Loss of Income to Mall**
Jun-17	JC Penney	$78,340	$35,609	$113,949	50%	$56,975
Jun-17	Macy's	$0	$36,369	$36,369	50%	$18,185
Aug-18	Bergner's	$0	$315,878	$315,878	100%	$315,878
Nov-18	Sears	$368,874	$45,494	$414,368	100%	$414,368
					Total Loss:	**$805,406**

JC Penney closed in June 2017. JC Penney paid rent of $1.10 per square foot and CAM charges of $0.50 per square foot. The total income contribution was $113,949. The 2017 income reflects rents received for 50% of the year. An appropriate income estimate for this report requires reducing the remaining 50% to reflect the space as vacant for the entire year.

Similarly, Macy’s closed approximately 50% through the year. At the time Macy’s owned the building and contributed no rent to the mall. However, it paid an easement fee toward CAM of $0.30 per square foot for a total of $36,369.

Bergner’s closed in August 2018. No income was lost in 2017 as Bergner’s occupied the space 100% of 2017. Therefore, it is appropriate to subtract the entire rent and CAM charges paid. Bergner’s paid no rent but paid $2.40 in CAM chargers. The total income loss to the mall was $315,878.

ANCHOR LOSS ANALYSIS (CONTINUED)

Sears notified the mall in 2017 it would be closing, but continued to pay rent. It is appropriate to deduct 100% of Sears income. Sears paid a base rent of $3.00 per square foot and a CAM charge of $0.37 per square foot. The total contribution was $414,368.

It is appropriate to deduct $805,405 from 2017 to consider the anchor vacancies.

ADDITIONAL TENANT ANALYSIS

The next step of the process is to add any new tenants which have committed to the mall. Also, an analysis was made of any speculative tenants. Consideration was given of the probability of the potential tenant executing a lease agreement. The appraisers found two tenants which have either executed a lease agreement or are likely to execute a lease agreement. No other tenants are on the horizon, according to mall management. Both tenants were negotiated after JC Penney left in 2017 but before the announced departure of Bergner's and Sears. In addition, substantial concessions were given to entice the tenants. H&M negotiated a pure percentage rent with no CAM charges. H&M will pay a flat 7.5% of gross sales. To further entice H&M, the mall owner provided approximately $1,963,600 in tenant improvements and concessions. The other tenant, Planet Fitness, will pay a flat $12.43 per square foot with no CAM charges. The mall owners provided Planet Fitness with $575,000.

While H&M has not yet provided certified sales report to CBL, the appraisers estimated rental income based on the average sales per store for H&M's United States based stores. This average is $5,726,763. H&M is estimated to generate $429,507 ($5,726,763 x 7.5% = $429,507) in rental income. Planet Fitness will generate $250,079 (12.43 x 20,119 = $250,079) in rental income. The total generated from new tenants is $679,586.

CO-TENANCY ANALYSIS

Next, the effects of co-tenancy must be considered. Each co-tenancy agreement is slightly different. Numerous variables impact when the tenant can invoke their co-tenancy clause and what impact it has to the lease. The following chart summarizes this analysis:

CO-TENANCY ANALYSIS (CONTINUED)

Co-Tenancy Loss Analysis				
Tenant Name	**Date Invoked**	**% of 2017**	**Total Rent Loss**	**2017 Rent Loss**
Bath & Body	17-Jun	50%	$126,833	$63,417
Buckle	17-Sep	75%	$64,681	$48,511
Foot Locker	17-Sep	75%	$66,195	$49,646
Justice	10-Jul	100%	$98,514	$98,514
Hallmark	17-Sep	75%	$51,778	$38,834
Maurice’s	17-Sep	75%	$180,687	$135,515
Old Navy	17-Sep	75%	$125,971	$94,478
Shoe Dept. Encore	17-Sep	75%	$10,094	$7,571
Ultra	17-Jun	50%	$128,667	$64,334
Victoria Secret	17-Jun	50%	$271,306	$135,653
Rue 21	2018	100%	$23,778	$23,778
Shoe Dept. Encore	2018	100%	$10,094	$10,094
F.Y.E	2018	100%	$61,723	$61,723
			Total Loss:	**$832,068**

Based on the co-tenancy analysis above, it is appropriate to reduce the 2017 income by $832,068 for the projected income analysis. The above tenants have invoked their co-tenancy clause. Other tenants chose not to invoke the co-tenancy clause because it negates the kick-out clause. A kick-out clause allows the tenant to terminate its lease if sales fall below a set breakpoint. If the tenant invokes the co-tenancy clause, it cannot invoke the kick-out clause.

RENEGOTIATED LEASES ANALYSIS

Another impact to the income for the mall is that several tenants have renegotiated their leases. Each tenant remained in the same space but decreased its rent from 2017 to 2018. Some of the most notable tenants were Charlotte Russe, Kobe's Japanese Restaurant, and Icing. Charlotte Russe negotiated a lease drop from $30.60 per square foot to $21.45 per square foot. With regard to Kobe's Japanese Restaurant, the original owners vacated the property. Another owner group came in, reoccupied the space, and kept the same name. In doing so, they negotiated a lease reduction from $84.81 to $40.91 over the previous owners. Icing's parent company fell into bankruptcy. As a result of the bankruptcy the retailer could vacate their lease. Instead, the retailer negotiated a reduced rate of $10.03 from $26.78.

After considering the impact of renegotiated leases, the appraisers considered the natural increases of tenants who have not renegotiated and have not invoked their co-tenancy clause. While all leases are unique and specific to each tenant, we believe the renegotiated leases will be offset by income received from new tenants and natural increases as a result of existing leases. The final effective gross income estimate considers the impact on both renegotiated leases and natural rent increases.

VACANCY AND COLLECTION LOSS

This section of the report is generally reserved for an estimate of vacancies once gross potential income is estimated. However, the current vacancies represent stabilized vacancy. Therefore, the preceding income estimate represents effective gross income. To illustrate this point, various malls from around Central Illinois were analyzed.

White Oaks Mall in Springfield for example was originally constructed with four anchors. Each anchor space has two floors. Currently, two anchors are vacant, one anchor is occupied, and one anchor is partially vacant. The inline stores have moderate occupancy.

Hickory Point Mall in Forsyth was originally constructed with four anchors. In 2014, JC Penney and Sears closed. The JC Penney space was partially filled with Hobby Lobby. In 2018, Bergner’s closed. Bergner’s and Sears remain vacant. According to mall management, the inline store occupancy is substantially below average.

Most Class C and D malls throughout central Illinois have lost anchor tenants. Malls in Quincy and Alton have lost all their anchors. Typically, the malls have had little success in finding new tenants for these spaces. When anchor stores close, it impacts the traffic flow through the mall. Inline stores either renegotiate their lease, if they can, or they leave the mall at the end of their lease. All but a few of the inline stores had a reduction in sales per square foot between 2016 and 2017. With more anchors now gone, 2018 is expected to show a further reduction for the inline stores in sales per square foot.

EFFECTIVE GROSS INCOME

Effective Gross Income (EGI) is Potential Gross Income less vacancy and credit loss plus miscellaneous income. It is the amount of income the owner of the property could expect to effectively collect in a typical year under current market conditions. The subject's 2017 income is considered to be market rents. In order to project an appropriate effective gross income for the income capitalization approach, the 2017 effective gross income provides the basis. The 2017 effective gross income considers the property operating at market rent and at stabilized occupancy. Appropriate adjustments are then applied. Considered in this adjustment are the anchor store loss, additional new tenant rental income, and co-tenancy loss. The results of this analysis are summarized as follows:

2017 Effective Gross Income	$7,793,933
Income Adjustment for Loss of Anchors	-$805,406
Additional Income from H&M and Planet Fitness	+$679,586
Income Loss for Co-tenancy Clause	-$832,068
Effective Gross Income	$6,836,045

EXPENSES

Income and expense data for fiscal years 2014, 2015, 2016 and 2017 were obtained. The actual expenses for the subject property are shown below. The grid shows all expenses that are attributable to the subject property with the exception of real estate taxes and reserves for replacement. These two expenses will be treated separately.

EASTLAND MALL
ACTUAL EXPENSES

Expenses	2017	2016	2015	2014
Energy Expense	8,620	8,620	8,620	4,440
Utility Expenses	167,995	163,434	166,021	160,438
Payroll Expenses	239,325	295,339	316,706	365,674
Interior Contract	297,347	377,671	403,357	430,534
Exterior Contract	41,561	65,309	73,899	77,125
Interior Non-Contract	94,805	105,108	64,311	68,989
Exterior Non-Contract	186,211	115,586	147,334	155,077
Maintenance and Repair	222,448	251,690	273,010	296,401
General/Administration	18,947	25,030	34,620	36,069
Non-Billable General/Admin	132,945	47,474	130,212	74,672
Insurance & Consulting	42,835	38,666	46,892	40,557
Marketing	84,071	60,461	102,450	119,844
Total Expenses	**1,537,110**	**1,554,388**	**1,767,432**	**1,829,820**

EXPENSE LINE ITEMS

Management has made an effort to reduce expenses due to decreasing income.

Central Energy Expense- This line item represents the cost of an energy consultant which monitors energy usage.

This expense was $4,440 in 2014, and has remained stable at $8,620 since.

Utilities- This line item represents electricity, water, sewer and fire protection/sprinkler service.

This expense was $160,438 in 2014, $166,021 in 2015, $163,434 in 2016, and $167,995 in 2017. Utilities expense is likely to increase as vacancies have increased year over year.

EXPENSE LINE ITEMS (CONTINUED)

Payroll- These expenses include payroll expenses, payroll expenses for temporary help, employment taxes, payroll group insurance, payroll workers compensation, federal/state unemployment and 401 K Plan.

This expense was $365,674 in 2014, 316,706 in 2015, 295,339 in 2016, and $239,325 in 2017. Payroll expense has declined as management has tried to reduce expenses.

Interior Contract- This line item includes janitorial contract, HVAC contract, landscaping, alarm contract and exterminating.

This expense was $430,534 in 2014, $403,357 in 2015, $377,671 in 2016, and $297,347 in 2017.

Exterior Contract- This line item includes janitorial contract, HVAC contract, landscaping, and exterminating and container rental.

This expense was $77,125 in 2014, $73,899 in 2015, $65,309 in 2016, and $41,561 in 2017.

Interior Non-Contract- This line item includes HVAC non-contract, floor maintenance, electrical/plumbing/painting non-contract, and container rental.

This expense was $68,989 in 2014, $64,311 in 2015, $105,108 in 2016, and $94,805 in 2017.

Exterior Non-Contract- This line item includes landscaping non-contract, parking area, electrical/plumbing non-contract, roof, vehicle auto and truck, maintenance vehicle leases, regional vehicles and snow removal.

This expense was $155,077 in 2014, $147,334 in 2015, $115,586 in 2016, and $186,211 in 2017.

Other Maintenance/Repair- This line item is for general building supplies, equipment repairs and maintenance, equipment rental, equipment rental-NC, reader board sign, doors, facilities repair and maintenance, security contract, security supplies, and security supplies-NLC.

These expenses were $296,401 in 2014, $273,010 in 2015, $251,690 in 2016, and $222,448 in 2017.

EXPENSE LINE ITEMS (CONTINUED)

Billable General/Administrative- These expenses include postage, telephone, travel expenses, copy machine expense, office supplies, dues and subscriptions, printing and duplicating, office equipment leases/purchases/repairs, advertising and communication expense. These expenses are generally reimbursed through CAM charges.

This line item was $36,069 in 2014, $34,620 in 2015, $25,030 in 2016, and $18,947 in 2017.

Non-Billable General/Administrative- These expenses include printing and duplicating and supplies, architect fees, audit account fees, banking charges, legal fees, marketing fees, tenant utilities and tenant maintenance and repair.

This line item was $74,672 in 2014, $130,212 in 2015, $47,474 in 2016 and $132,945 in 2017.

Insurance- This line item is for liability and fire insurance for the subject property.

This expense was $40,557 in 2014, $46,892 in 2015, $38,666 in 2016, and $42,835 in 2017.

Marketing- This line item is for liability insurance for the subject property.

This expense was $119,844 in 2014, $102,450 in 2015, $60,461 in 2016, and $84,071 in 2017.

These expenses represent all allowable reported expenses with the exception of reserves for replacement and real estate taxes.

EXPENSE LINE ITEMS (CONTINUED)

A review of the total expenses for each of the four years shows that expenses have decreased between 2014 and 2017. Interviews with the owners and the manager of the mall indicate that an effort has been made to reduce expenses since income to the mall has been decreasing. During this four year period, the number of mall employees has been reduced. In addition, use of the utilities has been more closely monitored and regulated to reduce costs. As a result of these efforts, expenses have decreases of the analyzed period. Based on an analysis of this data, we have estimated that total expenses with the exception of management, reserves for replacement and real estate taxes will stabilize at $1,500,000.

MANAGEMENT EXPENSE

No amount has been taken out for Management Expense. This expense is either an in-house expense or a cost paid to a third-party management company. The current ownership does not charge a management fee due to complications within the REIT structure. However, regional malls are typically purchased by large entities which expect a certain level of management expense. According to PricewaterhouseCoopers 1st Quarter 2018 Management survey, management expense ranges between 1% and 5% of effective gross income. The average fee is 2.97%. A fee of 3% is appropriate for this analysis. Management expense is estimated $205,000 ($6,836,045 x 3% = $205,081 rounded to $205,000).

RESERVES FOR REPLACEMENT

No amount has been taken out for Reserves for Replacement. This reserve account is set up to replace short lived items that will wear out before the end of the economic life of the building. The Koryaks Real Estate Survey, published by PricewaterhouseCoopers LLP, First Quarter 2018, analyzes Reserves for Replacement of all types of property. The table provided by Koryaks lists each property type, the annual range and the average for replacement reserves. The National Regional Mall shows a range of $0.15 to $0.50 per gross building area. The reported average is $0.33 per square foot. Based on this study and a review of the subject property, we have estimated this expense to be $0.33 per square foot. The calculation of the Reserves for Replacement is shown below.

$0.33 x 851,135 = $280,875 (Rounded $281,000)

NET OPERATING INCOME

Derivation of the annual Net Operating Income of the subject property follows:

Total Income	$7,793,933
Less Anchor Tenant Loss	-$805,406
More New Tenants	+$679,586
Less Co-Tenant Loss	-$832,068
Effective Gross Income	$6,836,045
Less Stabilized Operating Expenses	-$1,500,000
Less Management Expense	-$205,000
Less Reserve for Replacement	-$281,000
Net Operating Income	$4,850,045

CAPITALIZATION RATE AND METHOD

The next step in the Income Approach is to develop a capitalization rate and select a capitalization method which will convert the net operating income into an indication of value for the subject property. The capitalization rate for the subject property reflects the rate of return the owner can expect to receive on the investment in the property. This rate is the ratio expressing the relationship between the income and the value of the property.

The appraisers have chosen the development of an overall capitalization rate from the market and the use of the direct capitalization method. This method is appropriate since it reflects actions of buyers and sellers in the market. The capitalization rate developed by this method is known as an overall capitalization rate (OAR) since it takes into account the overall rate of return owners of comparable properties are receiving on their investments. It is developed by dividing the net operating income of comparable properties by their respective selling prices.

In the direct capitalization technique, the overall rate developed from the direct market comparison is a strong indicator of the overall rate when the following conditions are satisfied: the locational and physical characteristics of the comparable properties are similar to the appraised property; the sales are transacted in market conditions similar to those affecting the appraised property; the terms of sale, financing and buyer motivations are similar; the income streams exhibit similar quantity, quality and durability characteristics.

We reviewed the sales contained in the Sales Comparison Approach. Of the sales listed below, we were able to obtain sufficient information to calculate the actual rate of return when the property sold with the exception of Sale 5. These sales are shown below.

Sale No.	Overall Rate
Sale 1	20.00%
Sale 2	16.50%
Sale 3	15.59%
Sale 4	18.10%
Sale 5	N/A
Sale 6	20.69%
Sale 7	17.26%
Sale 8	15.13%

CAPITALIZATION RATE AND METHOD (CONTINUED)

The range established by these sales was 15.13% to 20.69%. These sale properties were all similar to the subject property and would be considered C or D quality malls. The individual characteristics of each of these sales will be considered when selecting an appropriate overall capitalization rate to apply to the subject.

Therefore, based on the market indicators as discussed and the locational and physical characteristics of the subject property, the appraisers feel an overall capitalization rate of 15.0% would be appropriate.

EFFECTIVE TAX RATE

Instead of deducting taxes as an expense, we have elected to include the effective tax rate into our capitalization rate. A portion of the taxes paid are paid by the tenants. As with CAM charges, many tenants are required by the lease to pay a proportional percentage of the real estate taxes. Not all tenants have a real estate charge in their lease and other tenant spaces are vacant. This portion of the real estate taxes is the responsibility of the owner. In 2017, the owner was responsible for 35.5% of the total taxes. Since taxes were not deducted as an expense, the owner contribution will be added as a percentage to the overall tax rate.

To calculate the effective tax rate we must multiply the tax rate times the level of assessment. The applicable tax rate is 8.4190% and the assessment level is 33.33%. The calculation of the effective tax rate is shown below.

Tax Rate	x	Assessment Level	=	Effective Tax Rate
.084190	x	.3333	=	.0281

The next step is to multiply the effective tax rate times the percentage paid by the owner. This requires multiplying 2.81% times 35.5% to get the adjusted effective rate.

Effective Tax Rate	x	Owner’s Obligation	=	Adjusted Effective Tax Rate
.0281	x	35.5%	=	1%

We then add the capitalization rate of 15% to the adjusted effective tax rate of 1.00% together to the get the total overall rate of 16%.

EFFECTIVE TAX RATE (CONTINUED)

The value of the subject property by the income approach can be found as shown below.

Net Operating Income	Divided By	Overall Capitalization Rate		= Market Value
$4,850,045	÷	16%		= $30,312,781
			rounded	$30,300,000

It is the appraisers' opinion that the market value of the subject property, as of January 1, 2018, as indicated by the Income Approach to Value was:

$30,300,000

SALES COMPARISON APPROACH

The analysis of the comparative sales approach to value involves the realization that the indication of sales, namely, prices, must be critically analyzed to indicate the value of property under appraisal and all conditions of the term Market Value must be satisfied. This approach to value utilizes application of data from the market and is frequently called the Market Data Approach to Value.

This comparative sales approach rests on the principle of substitution, which states no commodity has a value greater than that for which a similar commodity, offering similar uses, similar utility, and similar function, can be purchased within reasonable time limits that the buyers' market demands. Properties subjected to the comparison process, both subject and comparable, must have at least the potential of a similar, if not identical, highest and best use, if a valid value estimate is to result. This appraisal uses the four basic steps of the comparative sales approach, which are:

1. Collecting and analyzing the data.

2. Selecting appropriate units of comparison.

3. Making reasonable adjustments based on the market.

4. Applying the data to the subject of this appraisal.

On the following pages are the sales which the appraisers have found to be comparable.

SALE NUMBER ONE

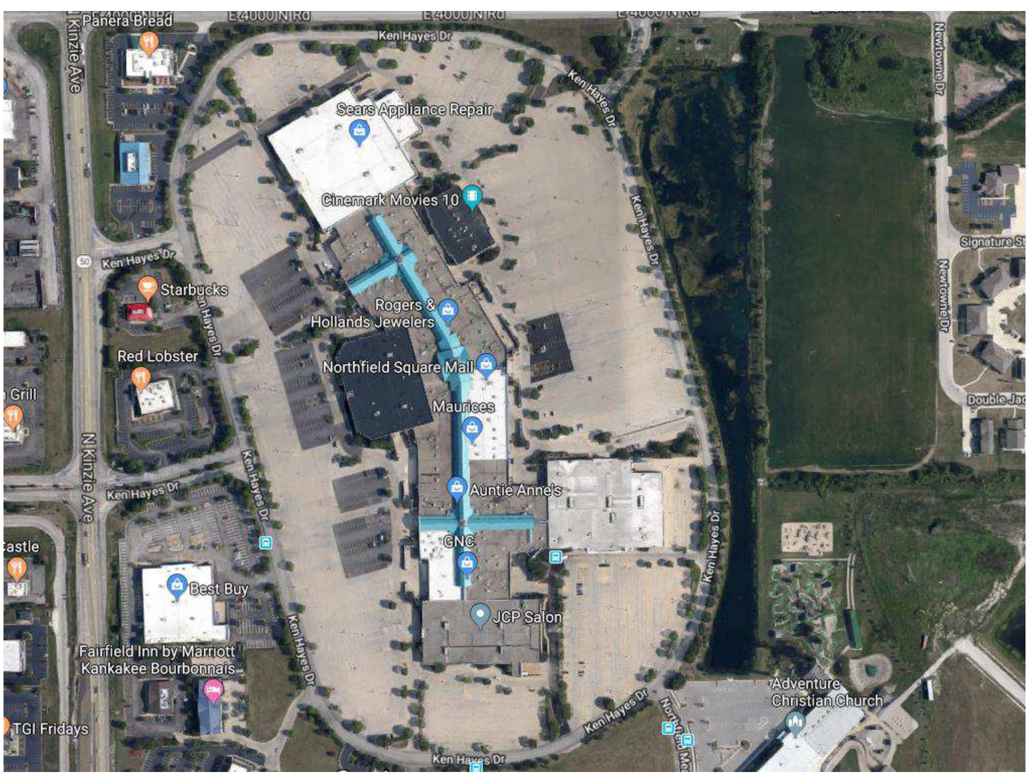
Location:	Northfield Square Mall 1600 North Illinois Route 50 Bourbonnais, Illinois
Sale Date:	July 2016
Sale Price:	$9,600,000
Year Built:	1990
Age:	26 Years
Sold Gross Leasable Square Foot:	384,975 Square Feet
Land Size:	33.54 Acres
Sale Price Per Sold Gross Leasable Square Foot:	$24.94

SALE NUMBER ONE (CONTINUED)

Northfield Square Mall is located at 1600 North Illinois Route 50 in Bourbonnais, Illinois. This mall was constructed in 1990. Sears, and Carson Pirie Scott for Women were included in the sale. The parcel numbers included in the sale are 17-09-16-101-004, 17-09-16-101-005, 17-09-16-101-011, 17-09-16-101-012, 17-09-16-101-014, 17-09-16-101-015 and 17-09-16-201-006. The occupancy rate was 88% at the time of sale. JC Penney, Carson Pirie Scott for Home, Men and Children, and Cinemark Movies were not included in the sale.

This one-level mall has four anchor stores- Sears, JC Penney, Carson Pirie Scott for Women and Carson Pirie Scott for Home, Men and Children. There is also a theater. There are over 75 inline stores. There are a total of 384,975 square feet of leasable area represented in this sale. The inline sales for this mall were $275 per square foot and the overall rate established by the sale was 20%.

Northfield Square Mall Realty, LLC purchased this mall from 1600 North State Route 50 Holdings, LLC for $9,600,000 in July 2016. This indicates a unit sale price of $24.94 per square foot.



SALE NUMBER TWO

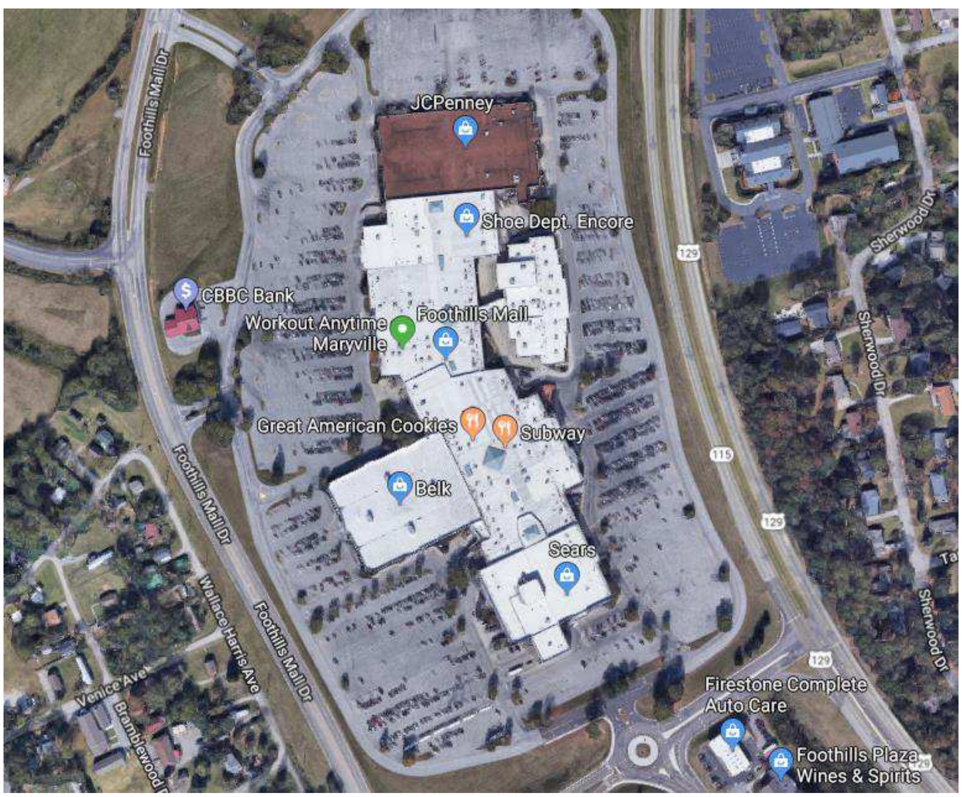
Location:	Foothills Mall 197 Foothills Plaza Maryville, Tennessee
Sale Date:	May 2017
Sale Price:	$16,500,000
Year Built:	1983
Age:	34 Years
Sold Gross Leasable Square Foot:	397,431 Square Feet
Land Size:	29.19 Acres
Sale Price Per Sold Gross Leasable Square Foot:	$41.52

SALE NUMBER TWO (CONTINUED)

Foothills Mall is located at 197 Foothills Plaza in Maryville, Tennessee. This mall was constructed in 1983. JC Penney was included in the sale. The parcel numbers included in the sale are 057JD001.01 and 057JD008.00. The occupancy rate was 99% at the time of sale. Sears, TJ Maxx, and Belk were not included in the sale.

This one-level mall has three anchor stores- Sears, JC Penney and Belk. There is also a theater and TJ Maxx. There are approximately 70 stores. The mall contains a total of 530,111 square feet with 397,431 square foot of leasable area represented in this sale. The inline sales for this mall were $283 per square foot and the overall rate established by the sale was 16.5%.

Foothills Mall Equities LLC purchased this mall from CBL & Associates LLC for $16,500,000 in May of 2017. This indicates a unit sale price of $41.52 per square foot.



SALE NUMBER THREE

Location:	Crossroads Mall 2060 Crossroads Boulevard Waterloo, Iowa
Sale Date:	January 2017
Sale Price:	$10,260,000
Year Built:	1969-2006
Age:	47 Years (Weighted)
Sold Gross Leasable Square Foot:	385,709 Square Feet
Land Size:	38.30 Acres
Sale Price Per Sold Gross Leasable Square Foot:	$26.60

SALE NUMBER THREE (CONTINUED)

Crossroads Mall is located at 2060 Crossroads Boulevard in Waterloo, Iowa. This mall was constructed in stages between 1969 and 2006. Younkers, At Home, Dillard's, Gordmans and Sears were included in the sale. The parcel numbers included in the sale are 8813-02-426-001 and 8813-02-426-074. The occupancy rate was 90% at the time of sale.

This two-level mall has five anchor stores- Sears, Dillard's Younkers, At Home and Gordmans. There is also a theater. There are approximately 56 stores. The mall contains a total of 826,436 square feet with 385,709 square foot of leasable area represented in this sale. The inline sales for this mall were $241 per square foot and the overall rate established by the sale was 15.59%.

Crossroads CH LLC, Waterloo Center LLC, and Crossroads NASSIM LLC purchased the property from Waterloo Owner LLC for $10,260,000 in January 2017. This indicates a unit sale price of $26.60 per leasable square foot.

SALE NUMBER FOUR

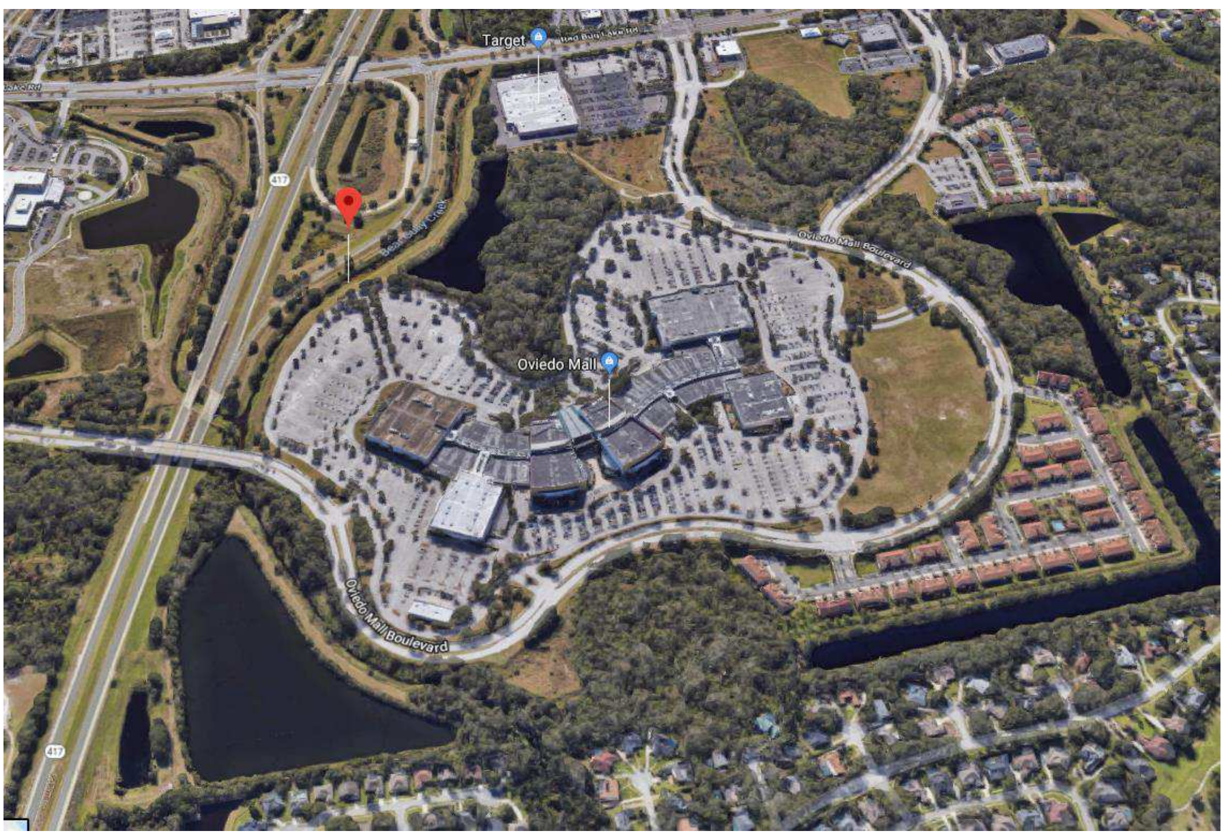
Location:	Oviedo Mall 1700 Oviedo Mall Blvd. Oviedo, Florida
Sale Date:	February 2017
Sale Price:	$15,300,000
Year Built:	1998
Age:	19 Years
Sold Gross Leasable Square Foot:	554,973 Square Feet
Land Size:	43.13 Acres
Sale Price Per Sold Gross Leasable Square Foot:	$27.57

SALE NUMBER FOUR (CONTINUED)

Oviedo Mall is located at 1700 Oviedo Mall Blvd, Florida. This mall was constructed in 1998. Sears was included in the sale. The parcel numbers included in the sale are 17-21-31-514-0500-0000. The occupancy rate was 89% at the time of sale. Sears, Dillard's, and Macy's were not included in the sale.

This one-level mall has three anchor stores- Sears, Dillard's, and Macy's. There is also a theater. There are over 85 inline stores. The mall contains a total of 893,575 square feet with 554,973 square feet of leasable area represented in this sale. The inline sales for this mall were $236 per square foot and the overall rate established by the sale was 18.10%.

Oviedo Mall Holdings, LLC purchased this mall from Oviedo Fund, LLC for $15,350,000 in February 2017. This indicates a unit sale price of $27.57 per square foot.



SALE NUMBER FIVE

Location:	Alton Square Mall 200 Alton Square Alton, Illinois
Sale Date:	July 2015
Sale Price:	$1,750,000
Year Built:	1987-1997
Age:	28 Years (Weighted)
Sold Gross Leasable Square Foot:	411,912 Square Feet
Land Size:	39.316 Acres
Sale Price Per Sold Gross Leasable Square Foot:	$4.25

SALE NUMBER FIVE (CONTINUED)

Alton Square Mall is located at 200 Alton Square in Alton, Illinois. This mall was constructed in in phases between 1987 and 1997. Ross, and JC Penney were anchors included in the sale. The parcel numbers included in the sale are 23-1-01-36-00-000-027 and 23-1-01-36-00-000-030. The occupancy rate was 40% at the time of sale. The sale did not include Macy's or the former Sears.

This two-level mall has four anchor stores- Sears, JC Penney, Macy's and Ross. There is also a theater. There are over 30 inline stores. The mall contains a total of 634,181 square feet with 411,912 square foot of leasable area represented in this sale.

The mall sold in two transactions. Marquette Realty Capital, LLC sold the property to Alton Mall, LLC and James M Hull for $1,487,500 in July 2015. In the second transaction, Marquette Realty Capital, LLC sold a restaurant parcel to Alton Mall, LLC for $262,500 in July 2015. The total consideration was $1,750,000. This indicates a unit sale price of $4.25 per square foot.

SALE NUMBER SIX

Location:	Lycoming Mall 300 Lycoming Mall Circle Penn dale, Pennsylvania
Sale Date:	March 2016
Sale Price:	$22,968,964
Year Built:	1978, 1990
Age:	37 Years (Weighted)
Sold Gross Leasable Square Foot:	795,436 Square Feet
Land Size:	129.58 Acres
Sale Price Per Sold Gross Leasable Square Foot:	$28.88

SALE NUMBER SIX (CONTINUED)

Lycoming Mall is located at 300 Lycoming Mall Circle in Penn dale, Pennsylvania. This mall was constructed in 1978 and 1990. Gee Bee, Hess's, Sears, and JC Penney were included in the sale. The parcel numbers included in the sale are 41-352.0-0111.00-000, 41-352.0-0111.00-100, and 41-352-111.16. The occupancy rate was 88% at the time of sale. Macy's was not included in the sale.

This one-level mall has five anchor stores- Gee Bee, Hess's, Sears and JC Penney were included in the sale. There are over 56 inline stores. The mall contains a total of 795,436 square feet of leasable area that are represented in this sale. The inline sales for this mall were $274 per square foot and the overall rate established by the sale was 20.69%.

Lycoming Mall Realty Holding, LLC purchased this mall from PR Financing LTD Partnership for $22,968,964 in March 2016. This indicates a unit sale price of $28.88 per square foot.

SALE NUMBER SEVEN

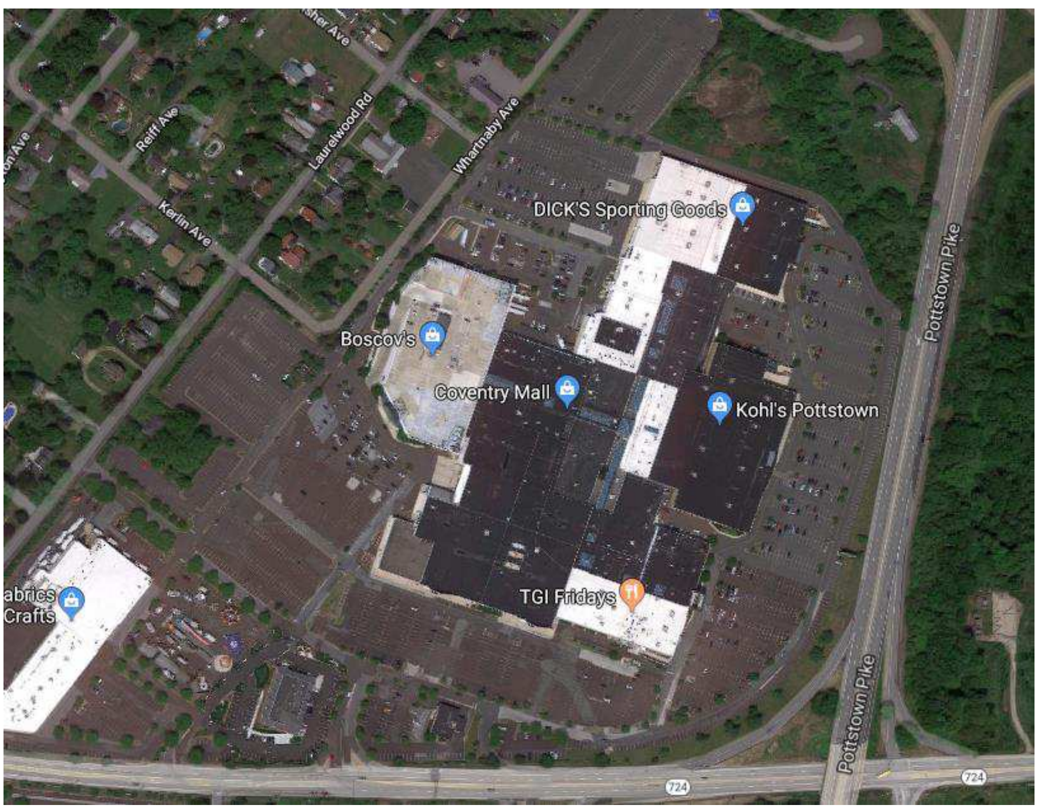
Location:	Coventry Mall 351 W Schuylkill Pottstown, Pennsylvania
Sale Date:	April, 2016
Sale Price:	$15,550,000
Year Built:	1967
Age:	49 Years
Sold Gross Leasable Square Foot:	693,993 Square Feet
Land Size:	75.86 Acres
Sale Price Per Sold Gross Leasable Square Foot:	$22.41

SALE NUMBER SEVEN (CONTINUED)

Coventry Mall is located at 351 West Schuylkill Road in Pottstown, Pennsylvania. This mall was constructed in 1967. Sears, Gabe's, Kohl's, and Boscov's were included in the sale. The parcel numbers included in the sale are 17-3-14, 17-3-14.1, 17-3-14.2, 17-3-14.3, 17-3-17.1, 17-3-80, 17-3-81, 17-3-82, 17-3-83, 17-3F-7, 17-3F-8, 17-3F-9, and 17-3F-10. The occupancy rate was 82% at the time of sale.

This one level mall has four anchor stores. Boscov's is a two-story anchor with rooftop parking. There are over 80 inline stores. The mall contains a total of 693,993 square feet. The inline sales for this mall were $250 per square foot and the overall rate established by the sale was 17.26%.

GOB Coventry Holdings, LLC purchased this mall from U.S. Bank National Association for $15,550,000 in April 2016. This indicates a unit sale price of $22.41 per square foot.



SALE NUMBER EIGHT

Location:	New River Valley Mall 782 New River Road Christiansburg, Virginia
Sale Date:	March 2016
Sale Price:	$27,000,000
Year Built:	1988, 1998
Age:	28 Years (Weighted)
Sold Gross Leasable Square Foot:	599,328 Square Feet
Land Size:	56.117 Acres
Sale Price Per Sold Gross Leasable Square Foot:	$45.05

SALE NUMBER EIGHT (CONTINUED)

New River Valley Mall is located at 782 New River Road in Christiansburg, Virginia. The mall was constructed in 1988 with additions in 1998 and 2007. The mall contains 599,328 square feet. The anchors- Belk, Kohl's and Dick's Sporting Goods and a vacant anchor, were included in the sale. Regal New River Valley Stadium 14 & RPX and IHOP were also included in the sale. The parcel numbers included in the sale are 007741, 034898 and 240019. The occupancy rate was 75.3% at the time of sale.

This one level mall has four anchor stores- Belk, Kohl's, Dick's Sporting Goods and a vacant former J.C. Penney. There are over 50 inline stores. The mall contains a total of 599,328 square feet of leasable area that are represented in the sale. The inline sales for this mall were $294 per square foot and the overall rate established by the sale was 15.13%. J.C. Penney closed in 2017.

PR Financing Limited Partnership sold the mall to NRV Mall Associates, LLC for $27,000,000 in March 2016. This indicates a unit sale price of $45.05 per square foot.

COMPARABLE SALES

No.	Location	Sale Date	Sale Price	Year Built	Leasable Area Sold	Inline Sales/ Sq. Ft.	Sale Price/ Sq. Ft.	OAR
1	Northfield Square Mall 1600 N. Illinois Rt. 50 Bourbonnais, IL	7/16	$9,600,000	1990	384,975	$275	$24.94	20%
2	Foothills Mall 197 Foothills Plaza Maryville, TN	5/17	$16,500,000	1983	397,431	$283	$41.52	16.5%
3	Crossroads Mall 2060 Crossroads Blvd. Waterloo, IA	1/17	$10,260,000	1969-2006	385,709	$241	$26.60	15.59%
4	Oviedo Mall 1700 Oviedo Mall Blvd Oviedo, FL	2/17	$15,300,000	1998	554,973	$236	$27.57	18.10%
5	Alton Square Mall 200 Alton Square Alton, IL	7/15	$1,750,000	1987-1997	411,912	N/A	$4.25	N/A
6	Lycoming Mall 300 Lycoming Mall Circle Penn dale, PA	3/16	$22,968,964	1978, 1990	795,436	$274	$28.88	20.69%
7	Coventry Mall 351 W. Schuylkill Pottstown, PA	4/16	$15,550,000	1967	693,993	$250	$22.41	17.26%
8	New River Mall 782 New River Road Christiansburg, VA	3/16	$27,000,000	1988, 1998	599,328	$294	$45.05	15.13%
Subj.	Eastland Mall 1615 E. Empire St. Bloomington, IL	—	—	1966, 2000	735,491	$256		

ANALYSIS OF SALES DATA

In the Sales Comparison Approach, the comparative analysis concentrates on the differences between the subject property and comparable properties that can account for variations in price. Elements of comparison utilized in this analysis are as follows: property rights conveyed, financing terms, conditions of sale, market conditions (changes over time), location, and physical characteristics. Each comparable improved sale is compared to the subject utilizing the comparative elements in order that appropriate adjustments can be made to the comparables' sale prices. If the comparison indicates the comparable property is superior to the subject, a downward adjustment is applied and when the comparable is inferior to the subject, an upward adjustment is made to the selling price.

The following grid shows the general adjustment process for the comparable sales. A plus indicates the comparable needs to be adjusted upward and a minus indicates the comparable needs to be adjusted downward.

Sale No.	Sale Date	Location	Size	Age	Sales Per SF	Overall
1	=	=	-	-	-	-
2	=	=	-	-	-	-
3	=	+	-	=	=	+
4	=	=	=	-	=	-
5	-	+	-	-	n/a	+
6	=	+	=	=	-	+
7	=	+	=	=	=	+
8	=	+	=	-	-	-

ANALYSIS OF SALES DATA (CONTINUED)

Property Rights Conveyed- The property rights conveyed in each of the comparable sales were for the fee simple interest. No adjustments are required for property rights conveyed.

Financing- All of the sales transactions were considered to be for cash or the equivalent of cash. No adjustments are made for financing.

Conditions of Sale- The comparable sales represent arms-length transaction with no known special circumstances affecting the negotiated sales prices. No adjustments were made.

Market Conditions- Sale dates for these comparable sales range from July 2015 to May 2017. Resales of the same property and paired sales are the best indicators of the presence of appreciation or depreciation in a market over a period of time. Our data banks show that values have gone down between 2015 and the date of appraisal. A negative adjustment is required for Sale Five. The remaining sales are considered similar, no adjustment is required.

Location- The subject property is located in the City of Bloomington. It has frontage on Veterans Parkway. The location of Sales Three, Five, Six, Seven, and Eight is considered inferior and require a positive adjustment. The locations of Sales One, Two, and Four are considered equal.

Size- Economies of scale dictates that the larger the building the lower the price per square foot. Sale One, Two, Three, and Five are smaller than the subject and require negative adjustments. Sales Four, Six, Seven, and Eight are similar and size and require no adjustment.

Age- Physical depreciation is represented by the age of a property's improvements. Newer properties have a lesser depreciated value than older properties. Sales Three, Six and Seven are considered equal in age and would require no adjustment. Sales One, Two, Four, Five and Eight require a negative adjustment.

Sales Per Leasable Square Foot- This is a performance matrix used by mall buyers and sellers to determine the strength of the mall. As indicated in the Improvement Section of this report this matrix is used to determine the class of mall. In the adjustment process Sales One, Two, Six, and Eight have higher sales per square foot and require negative adjustments. Sales Three, Four, and Seven have similar sales and require no adjustment.

ANALYSIS OF SALES DATA (CONTINUED)

After analysis of the factors affecting value as presented by the comparable sales adjusted for in the Sales Comparison Approach, a price per square foot of gross building area of $40.00 is considered appropriate. Applying that to the 735,491 square feet contained in the subject building yields a total market value of $29,419,640, rounded to $29,420,000.

It is the appraisers' opinion that the market value of the subject property, as of January 1, 2018, as indicated by the Sales Comparison Approach to Value was:

$29,400,000

CORRELATION

Three standard approaches to value have been considered and two approaches were completed in this appraisal. The values indicated by these methods are as follows:

Income Approach	$30,300,000
Sales Comparison Approach	$29,400,000

The values indicated by these approaches are within an expected range indicating the data utilized was reliable. However, these estimates must be weighed in order to justify the final value estimate. Greater weight must be given to the appraisal method considered more reliable because of the quantity and quality of data and its appropriateness to the particular property.

The Cost Approach involves these factors: land value, replacement cost of improvements, and depreciation. The Cost Approach was not utilized in this appraisal. The subject property is a regional mall. These properties depreciate rapidly during the early years of their economic life. As a result, accurate calculation of depreciation is difficult. In addition, no commercial land sales (40 – 60 acre tracts) similar to the subject could be found in Bloomington. As a result, the Cost Approach was determined to be of little probative value.

The Income Approach to value analyzes the income produced by properties as well as the return on invested capital generally expected by investors of income producing properties. A rent analysis was conducted to establish market rent for the subject property. Utilizing market rent, Potential Gross Income for the subject property was calculated. An allowance for vacancy and credit loss and operating expenses were subtracted from PGI to indicate the Net Operating Income for the subject property. This was then capitalized at an appropriate rate justified by market data to arrive at a final conclusion of the present worth of the future benefits of ownership. This type of property is typically sold based on its ability to produce net operating income. Since investors rely on this approach to make investment decisions, the Income Approach will be given the greater weight.

The Sales Comparison Approach is based on the principle of substitution and is a method which involves the extraction and analysis of sales data pertaining to properties of similar utility. Sales of property with varying degrees of comparability to the subject were found, analyzed, and adjusted to reflect the market value of the subject. They have produced appropriate units of comparison and variations have been taken into consideration. This approach will be afforded some weight since it reflects the actions of typical buyers and sellers in the market place.

FINAL CONCLUSION OF VALUE

In summarizing, three approaches to value have been considered and two were processed. Each of these approaches provided an indication of value for the subject that was within an expected range of the other.

Therefore, after careful consideration of the facts and data which influence the value of the subject property as defined in this report and subject to the limiting conditions of this report, it is our opinion that the market value of the subject property, as of January 1, 2018, was:

THIRTY MILLION THREE HUNDRED THOUSAND DOLLARS

$30,300,000

CERTIFICATION

The appraisers certify that:

1. We have researched the subject market area and have selected recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, we have made a negative adjustment to reduce the adjusted sale price of the comparable. If a significant item in a comparable property is inferior to, or less favorable than the subject property, we have made a positive adjustment to increase the adjusted sale price of the comparable.

2. We have taken into consideration the factors that have an impact on value in our development of the estimate of market value in the appraisal report. We have not knowingly withheld any significant information from the appraisal report and we believe, to the best of our knowledge, that all statements and information in the appraisal report are true and correct.

3. We stated in the appraisal report our personal, unbiased, and professional analyses, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this report.

4. We have no present or prospective interest in the property that is the subject of this report, and we have no present or prospective personal interest or bias with respect to the participants in the transaction. We did not base, either partially or completely, our analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.

5. We have no present or contemplated future interest in the subject property, and neither our current or future employment nor our compensation for performing this appraisal is contingent on the appraised value of the property.

6. We were not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive our compensation and/or employment for performing the appraisal. We did not base the appraisal report on a requested minimum valuation, a specific valuation or the need to approve a specific mortgage loan.

7. We performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal. We acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate we developed is consistent with the exposure time noted in the marketability section of this report, unless we have otherwise stated in the

CERTIFICATION (CONTINUED)

reconciliation section. Additionally, our analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of Uniform Standards of Professional Appraisal Practice (USPAP).

8. We have personally inspected the interior and exterior areas of the subject property. We further certify that we have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which we are aware and have made adjustments for these adverse conditions in our analysis of the property value to the extent that we had market evidence to support them. We have also commented about the effect of the adverse conditions on the marketability of the subject property.

9. We personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If we relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, we have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. We certify that any individual so named is qualified to perform the tasks. We have not authorized anyone to make a change to any item in the report; therefore, if any unauthorized change is made to the appraisal report, we will take no responsibility for it.

10. We have not appraised the subject property during the three year period preceding the date of the assignment.

11. The report analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and 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, Robert D. Becker, MAI, SRA has completed the continuing education program for Designated Members of the Appraisal Institute.

Based upon the information contained within this report and our experience as appraisers, it is our opinion that the market value of the subject property, as defined herein, as of January 1, 2018, was:

$30,300,000

J. Edward Salisbury

J. Edward Salisbury, CAE
State Certified Real Estate Appraiser
No. 553.000137

Robert D. Becker, MAI, SRA
State Certified Real Estate Appraiser
No. 553.002223

ADDENDUM

Salisbury & Associates, Inc.

QUALIFICATIONS OF THE APPRAISER

J. EDWARD SALISBURY

EDUCATION

Bachelors of Science Degree, Eastern Illinois University, Charleston, Illinois, May 1973.

PROFESSIONAL DESIGNATIONS

CIAO

Certified Illinois Assessing Officer, awarded by the Illinois Property Assessment Institute

CAE

Certified Assessment Evaluator, awarded by the International Association of Assessing Officers

APPRAISAL COURSES

International Association of Assessing Officers

- Course 1 - Basic Appraisal Principles
- Course 2 - Income Approach to Value
- Course 201- Land Valuation
- Course 3 - Appraisal Report Writing
- Course 302- Mass Appraising of Income Producing Properties

American Institute of Real Estate Appraisers

- Real Estate Appraisal Principles
- Basic Valuation Procedures
- Capitalization Theory and Techniques - Part A
- Capitalization Theory and Techniques - Part B
- Case Studies in Real Estate Valuation
- Valuation Analysis and Report Writing
- Standards of Professional Practice

TEACHING EXPERIENCE

I currently teach for the following organizations.

- Senior Instructor-- IAAO
- Senior Instructor—Illinois Property Assessment Institute

APPRAISAL EXPERIENCE

Appraisal Specialist, Illinois Department of Local Government Affairs, Springfield, Illinois, 1975-1977

Executive Hearing Officer, Illinois Property Tax Appeal Board, Springfield, Illinois, 1977-1991

Principal, Salisbury & Associates, Inc., Real Estate Appraisers and Consultants, Taylorville, Illinois, 1991-Present

APPRAISAL ASSIGNMENTS

Various appraisal assignments include:

Heavy and Light Industrial Facilities	Warehouse Distribution Centers
Hotel Properties	Strip Malls
Fast Food Restaurants	Regional Malls
Strip Mine/Coal Mine	Office Buildings
Apartment Buildings	Commercial Buildings
Subsidized Housing Projects	Landfills/Value Impact Studies
Farm Land	Transitional Land Studies

STATE OF ILLINOIS CERTIFICATION

Certified by the State of Illinois, Department of Financial and Professional Regulation as a "Certified General Real Estate Appraiser", License No. 553.000137. Expiration Date: September 30, 2019.

QUALIFICATIONS OF THE APPRAISER

ROBERT D. BECKER, MAI, SRA

EDUCATION

Bachelors of Science Degree in Finance, Eastern Illinois University, Charleston, Illinois, 2000-2004.

APPRAISAL COURSES

Standards of Professional Appraisal Practice
Foundations of Real Estate Appraisal
Appraising the Single-Family Residence
Appraising Factory Built Homes
Residential Report Writing
Valuation Techniques and Applications
Appraising for Fannie Mae & Freddie Mac
2-4 Family Finesse
Construction Details & Trends
FHA 7 Hour Update
Regression Analysis
USPAP Update (Every Two Years)

Appraisal Institute

Market Analysis & Highest and Best Use
Income Approach Part 1
Income Approach Part 2
Business Practices & Ethics
Real Estate Finance & Statistics and Valuation Modeling
General Report Writing and Case Study
General Site Valuation & Cost Approach
General Appraiser Sales Comparison
General Demonstration Report- Capstone Program
UAD After Effects: Are You Really UAD Compliant
Reducing Appraiser Liability
Advanced Income Capitalization
Advanced Residential Applications & Case Studies Part 1
Advanced Residential Applications & Case Studies Part 2
Advanced Concepts & Case Studies
Advanced Market Analysis & Highest and Best Use

APPRAISAL EXPERIENCE

Staff Appraiser, Corrie Appraisal and Consulting, Inc., Charleston, Illinois, 2004-Present

Appraiser, Salisbury & Associates, Inc., Real Estate Appraisers and Consultants, Taylorville, Illinois, 2018

Commercial and Industrial Property Analysis for the Coles County Supervisor of Assessments and Board of Review, 2016-Present

APPRAISAL ASSIGNMENTS

Various appraisal assignments include:

Heavy and Light Manufacturing Facilities	Automobile Dealership
Distribution Warehouses	Bank Branch
Agricultural Related	Grain Elevator
Office Buildings	Vacant Land
Commercial Buildings	Market Feasibility Studies
Retail Buildings	Subdivisions
Hotel Properties	Single-Unit Residential
Bulk Fuel Facility	Multi-Unit Residential

STATE OF ILLINOIS CERTIFICATION

Certified by the State of Illinois, Department of Financial and Professional Regulation as a "Certified General Real Estate Appraiser", License No. 553.002223. Expiration Date: September 30, 2019.