

BLUFFTON, INDIANA REDEVELOPMENT COMMISSION

TAX INCREMENT REPORT

ADAMS STREET #1 ALLOCATION AREA

ADAMS STREET #2 ALLOCATION AREA

MIDLAND ALLOCATION AREA

LANCASTER ALLOCATION AREA

OCTOBER 18, 2021



MUNICIPAL ADVISORS

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October 18, 2021

Members of Bluffton, Indiana
Redevelopment Commission
128 East Market Street
Bluffton, Indiana 46714

Re: Tax Increment Report
Adams Street #1 Allocation Area
Adams Street #2 Allocation Area
MidLand Allocation Area
Lancaster Allocation Area

Dear Members of the Commission:

We have, at your request, prepared this Special Purpose Report (the "Report") to provide the Bluffton, Indiana, Redevelopment Commission ("the "Commission") with information about the above-named areas, including schedules of historical and estimated Tax Increment (defined below), comparisons of estimated Tax Increment with outstanding debt obligations, and additional information about account balances.

Definition of Tax Increment. Tax Increment consists of all real and designated depreciable personal property tax proceeds attributable to the assessed valuation in a tax allocation area as of the assessment date in excess of the base assessed valuation described in IC 36-7-14-39(b)(1) multiplied by the current property tax rate (referred to throughout this report as the "Tax Increment"). The base assessed value means the net assessed value of all the property in the allocation area as finally determined for the assessment date immediately preceding the effective date of a declaratory resolution pursuant to IC 36-7-14-39 establishing an allocation area.

Forward-looking statements. This Report contains forward-looking statements. The schedules and underlying assumptions are based upon information currently available from the Wells County Auditor's and Assessor's offices and information provided to us by The City of Bluffton (the "City") officials and representatives. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the developers and the Tax Increment to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Refer also to "Tax

Increment, Property Taxes and Recent Legislation" and "Risks of Tax Increment and Estimates" contained in Appendix A.

In the preparation of these schedules, certain assumptions were made as noted regarding certain future events. As in the case with such assumptions regarding future events and transactions, some or all may not occur as expected and the resulting differences could be material. We have not examined the underlying assumptions nor have we audited or reviewed the historical data. Consequently, we express no opinion thereon nor do we have a responsibility to prepare subsequent reports.

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ADAMS STREET ECONOMIC DEVELOPMENT AREA

**ADAMS STREET #1
ALLOCATION AREA**

**ADAMS STREET #2
ALLOCATION AREA**

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street Economic Development Area

GENERAL COMMENTS

Background Information Concerning the Adams Economic Development Area and the Tax Increment

The Bluffton Redevelopment Commission (the "Commission") adopted a declaratory resolution on December 31, 2007 (the "Original Resolution") establishing the Adams Street Redevelopment Area (the "Original Area") and the Adams Street #1 Allocation Area (the "Allocation Area #1") for the purposes of capturing Tax Increment on the incremental assessed value of real property in the Allocation Area #1. The base assessment date of the Original Allocation Area #1 is March 1, 2007. The Allocation Area #1 will expire on December 31, 2037.

The Commission adopted an amending resolution on June 24, 2008 (the "2008 Amending Resolution"), expanding the boundaries of the Original Area (collectively, the "Expanded Area"), and establishing the Adams Street #2 Allocation Area (the "Allocation Area #2") for the purposes of capturing Tax Increment on the incremental assessed value of real property in Allocation Area #2. The base assessment date of Allocation Area #2 is March 1, 2008. Allocation Area #2 will expire on June 24, 2038.

The Commission adopted an amending resolution on October 9, 2018 (the "2018 Amending Resolution"), amending the Plan to include the 20/20 Project, as herein defined.

The Commission adopted an amending resolution on March 26, 2019 (as defined herein), to remove parcel 90-05-32-300-003.003-011 (the "MidLand Parcel") from Allocation Area #2 (as defined herein).

The Commission adopted an amending resolution on September 29, 2020 (the "2020 Amending Resolution"), expanding the boundaries of the Expanded Area (the "Area") and expanding the Allocation Area #1 (the "Allocation Area #1 Expansion") for the purposes of capturing Tax Increment on the incremental assessed value of real property in the Allocation Area #1 Expansion. The base assessment date of the Allocation Area #1 Expansion is January 1, 2020. The Allocation Area #1 Expansion will expire 25 years after the date on which the first obligation is incurred to pay principal and interest on bonds or lease rentals on leases payable from Tax Increment, or as otherwise required by law.

Outstanding Bonds: Sources of Repayment and Security

On November 21, 2018, the Commission issued \$1,700,000 of Economic Development Revenue Bonds of 2018 (20/20 Project) (the "2018 20/20 Bonds") to finance a portion of the construction of the 20/20 expansion project, including the cost of infrastructure, ditch improvements, piping, storage slab, machine foundations, machine hooks and other necessary construction and equipment costs (the "20/20 Project") and to pay issuance costs. The 20/20 Project includes a 224,940 square foot expansion to the existing 20/20 Custom Molded Plastics, LLC facility.

The 2018 20/20 Bonds are payable solely from the 20/20 TIF Revenues, which consist of the Tax Increment collected from parcel number 90-08-05-300-007.000-004 (the "20/20 Parcel"), located in Allocation Area #1. The 2018 20/20 Bonds mature on February 1, 2031.

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street #1 Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT - ADAMS STREET #1
Bluffton City - Harrison Township

	2022 Amount Abated	Length of Abatement	First Tax Payable Year of Abatement	Taxes Payable Year					
				2021	2022	2023	2024	2025	2026
Abated assessed value (1)									
Giampaolo (Indiana) Realty, LLC	\$242,400	10	2013	\$234,180	\$230,280	\$242,400	\$242,400	\$242,400	\$242,400
Gerber Development LLC	525,700	10	2017	253,800	315,420	367,990	420,560	473,130	499,415
Metaldyne M & A Bluffton INC	20,015	10	2022		0	1,001	4,003	7,005	10,008
Unabated assessed value (2)				59,382,332	59,240,411	59,240,411	59,240,411	59,240,411	59,240,411
Estimated Net Assessed Value (2)				59,870,312	59,786,111	59,851,802	59,907,374	59,962,946	59,992,234
Less: Base Assessed Value (2)				(37,723,075)	(37,677,294)	(37,677,294)	(37,677,294)	(37,677,294)	(37,677,294)
Estimated Incremental Assessed Value				22,147,237	22,108,817	22,174,508	22,230,080	22,285,652	22,314,940
Times: Tax Rate (3)				\$1.7240	\$1.7240	\$1.7240	\$1.7240	\$1.7240	\$1.7240
Estimated Tax Increment				381,820	381,160	382,290	383,250	384,200	384,710
Less: Estimated Circuit Breaker Credit (4)				0	0	0	0	0	0
Estimated Net Tax Increment				\$381,820	\$381,160	\$382,290	\$383,250	\$384,200	\$384,710

(1) Per abatement information provided by the Wells County Auditor's Office.

(2) Per the Wells County Auditor's office. Does not include the 20/20 Parcel.

(3) Represents the certified pay 2021 tax rate for the Bluffton City-Harrison Township taxing district of \$1.7240.

(4) Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial property taxes are limited to 3.0% of gross assessed value.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street #1 Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT - ADAMS STREET #1 (Cont'd)
Bluffton City - Harrison Township

	2021 Amount Abated	Length of Abatement	First Tax Payable Year of Abatement	Taxes Payable Year					
				2027	2028	2029	2030	2031	2032
Abated assessed value (1)									
Giampaolo (Indiana) Realty, LLC	\$242,400	10	2013	\$242,400	\$242,400	\$242,400	\$242,400	\$242,400	\$242,400
Gerber Development LLC	525,700	10	2017	525,700	525,700	525,700	525,700	525,700	525,700
Metaldyne M & A Bluffton INC	\$20,015	10	2022	12,009	14,011	16,012	18,014	19,014	20,015
Unabated assessed value (2)				59,240,411	59,240,411	59,240,411	59,240,411	59,240,411	59,240,411
Estimated Net Assessed Value (2)				60,020,520	60,022,522	60,024,523	60,026,525	60,027,525	60,028,526
Less: Base Assessed Value (2)				(37,677,294)	(37,677,294)	(37,677,294)	(37,677,294)	(37,677,294)	(37,677,294)
Estimated Incremental Assessed Value				22,343,226	22,345,228	22,347,229	22,349,231	22,350,231	22,351,232
Times: Tax Rate (3)				\$1.7240	\$1.7240	\$1.7240	\$1.7240	\$1.7240	\$1.7240
Estimated Tax Increment				385,200	385,230	385,270	385,300	385,320	385,340
Less: Estimated Circuit Breaker Credit (4)				0	0	0	0	0	0
Estimated Net Tax Increment				<u>\$385,200</u>	<u>\$385,230</u>	<u>\$385,270</u>	<u>\$385,300</u>	<u>\$385,320</u>	<u>\$385,340</u>

(1) Per abatement information provided by the Wells County Auditor's Office.

(2) Per the Wells County Auditor's office.

(3) Represents the certified pay 2021 tax rate for the Bluffton City-Harrison Township taxing district of \$1.7240.

(4) Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial property taxes are limited to 3.0% of gross assessed value.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street #1 Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT - ADAMS STREET #1 ***Harrison Township***

	Year Payable
	2022
Estimated Net Assessed Value (1)	\$812,620
Less: Estimated Base Assessed Value	(776,860)
Estimated Incremental Assessed Value	35,760
Times: Net Tax Rate (2)	\$1.3127
Estimated Tax Increment	470
Less: Circuit Breaker Tax Credit (3)	0
Estimated Net Tax Increment	\$470

- (1) Per the Wells County Auditor's office.
- (2) Represents the certified pay 2021 tax rate for the Harrison Township taxing district of \$1.3127.
- (3) Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial property taxes are limited to 3.0% of gross assessed value.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street #1 Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT - 20/20 PARCEL

	Year Payable	
	2021	2022
Estimated Net Assessed Value (1)	\$6,537,400	\$10,583,300
Less: Estimated Base Assessed Value	(2,851,438)	(2,499,253)
Estimated Incremental Assessed Value	3,685,962	8,084,047
Times: Tax Rate (2)	\$1.7240	\$1.7240
Estimated Tax Increment	63,550	139,370
Less: Circuit Breaker Tax Credit (3)	0	0
Estimated Net Tax Increment	<u>\$63,550</u>	<u>\$139,370</u>

- (1) Per the Wells County Auditor's office.
- (2) Represents the pay 2021 certified tax rate for the Bluffton City - Harrison Township taxing district of \$1.7240.
- (3) Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial property taxes are limited to 3.0% of gross assessed value.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION***Adams Street #1 Allocation Area*****AMORTIZATION OF \$1,615,000 OUTSTANDING PRINCIPAL AMOUNT OF
ECONOMIC DEVELOPMENT REVENUE BONDS OF 2018 (20/20 PROJECT)****Bonds dated November 21, 2018**

<u>Payment Date</u>	<u>Principal Outstanding</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Year Debt Service</u>
02/01/22	\$1,615,000	\$85,000	0.00%	\$0	\$85,000	\$85,000
08/01/22	1,530,000	85,000	0.00%	0	85,000	
02/01/23	1,445,000	85,000	0.00%	0	85,000	170,000
08/01/23	1,360,000	85,000	0.00%	0	85,000	
02/01/24	1,275,000	85,000	0.00%	0	85,000	170,000
08/01/24	1,190,000	85,000	0.00%	0	85,000	
02/01/25	1,105,000	85,000	0.00%	0	85,000	170,000
08/01/25	1,020,000	85,000	0.00%	0	85,000	
02/01/26	935,000	85,000	0.00%	0	85,000	170,000
08/01/26	850,000	85,000	0.00%	0	85,000	
02/01/27	765,000	85,000	0.00%	0	85,000	170,000
08/01/27	680,000	85,000	0.00%	0	85,000	
02/01/28	595,000	85,000	0.00%	0	85,000	170,000
08/01/28	510,000	85,000	0.00%	0	85,000	
02/01/29	425,000	85,000	0.00%	0	85,000	170,000
08/01/29	340,000	85,000	0.00%	0	85,000	
02/01/30	255,000	85,000	0.00%	0	85,000	170,000
08/01/30	170,000	85,000	0.00%	0	85,000	
02/01/31	85,000	85,000	0.00%	0	85,000	170,000
Totals		<u>\$1,615,000</u>		<u>\$0</u>	<u>\$1,615,000</u>	<u>\$1,615,000</u>

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street #1 Allocation Area

COMPARISON OF ESTIMATED ANNUAL 20/20 TIF REVENUES AND ANNUAL 2018 20/20 BONDS DEBT SERVICE

Taxes Payable Year	Estimated 20/20 TIF Revenues	2018 20/20 Bonds Debt Service	Estimated 20/20 TIF Revenues Remaining	Estimated 20/20 TIF Revenues Coverage
	(1)	(2)	(3)	
2021	\$63,550	(\$170,000)	(\$106,450)	37%
2022	139,370	(170,000)	(30,630)	82%
2023	139,370	(170,000)	(30,630)	82%
2024	139,370	(170,000)	(30,630)	82%
2025	139,370	(170,000)	(30,630)	82%
2026	139,370	(170,000)	(30,630)	82%
2027	139,370	(170,000)	(30,630)	82%
2028	139,370	(170,000)	(30,630)	82%
2029	139,370	(170,000)	(30,630)	82%
2030	139,370	(170,000)	(30,630)	82%
Totals	<u>\$1,317,880</u>	<u>(\$1,700,000)</u>	<u>(\$382,120)</u>	

(1) See page 5.

(2) See page 6.

(3) The City's obligation to the repayment of the 2018 20/20 Bonds is limited to the TIF Revenues generated by the 20/20 Parcel. The City is under no obligation to utilize other revenues of the City to make payments on the 2018 20/20 Bonds to the extent that the 20/20 TIF Revenues are insufficient.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street #2 Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT

Bluffton City - Lancaster NW

	Year Payable	
	2021	2022
Estimated Net Assessed Value (1)	\$4,671,000	\$4,669,900
Less: Estimated Base Assessed Value	(1,886,215)	(1,885,442)
Estimated Incremental Assessed Value	2,784,785	2,784,458
Times: Net Tax Rate (2)	\$1.6294	\$1.6294
Estimated Tax Increment	45,380	45,370
Less: Circuit Breaker Tax Credit (3)	0	0
Estimated Net Tax Increment	<u>\$45,380</u>	<u>\$45,370</u>

- (1) Per the Wells County Auditor's office.
- (2) Represents the pay 2021 certified tax rate for the Bluffton City - Lancaster NW taxing district of \$1.7341 less the Northern Wells Community School Corporation's Post-2009 referendum rate of \$0.1047.
- (3) Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial property taxes are limited to 3.0% of gross assessed value.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street #2 Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT - ADAMS STREET #2
Bluffton City - Harrison Township

	2022 Amount Abated	Length of Abatement	First Tax Payable Year of Abatement	Taxes Payable Year					
				2021	2022	2023	2024	2025	2026
Abated assessed value (1) Gerber Development LLC	\$221,639	10	2021	\$0	\$11,082	\$44,328	\$77,574	\$110,820	\$132,983
Unabated assessed value (2)				1,207,561	1,206,261	1,206,261	1,206,261	1,206,261	1,206,261
Estimated Net Assessed Value (2)				1,207,561	1,217,343	1,250,589	1,283,835	1,317,081	1,339,244
Less: Base Assessed Value (2)				(658,457)	(658,186)	(658,186)	(658,186)	(658,186)	(658,186)
Estimated Incremental Assessed Value				549,104	559,157	592,403	625,649	658,895	681,058
Times: Tax Rate (3)				\$1.7240	\$1.7240	\$1.7240	\$1.7240	\$1.7240	\$1.7240
Estimated Tax Increment				9,470	9,640	10,210	10,790	11,360	11,740
Less: Estimated Circuit Breaker Credit (4)				0	0	0	0	0	0
Estimated Net Tax Increment				<u>\$9,470</u>	<u>\$9,640</u>	<u>\$10,210</u>	<u>\$10,790</u>	<u>\$11,360</u>	<u>\$11,740</u>

(1) Per abatement information provided by the Wells County Auditor's Office.

(2) Per the Wells County Auditor's office.

(3) Represents the certified pay 2021 tax rate for the Bluffton City-Harrison Township taxing district of \$1.7240.

(4) Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial property taxes are limited to 3.0% of gross assessed value.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within.

(continued on next page)

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BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street #2 Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT - ADAMS STREET #2 (Cont'd)

Bluffton City - Harrison Township

	2021 Amount Abated	Length of Abatement	First Tax Payable Year of Abatement	Taxes Payable Year				
				2027	2028	2029	2030	2031
Abated assessed value (1) Gerber Development LLC	\$221,639	10	2021	\$155,147	\$177,311	\$199,475	\$210,557	\$221,639
Unabated assessed value (2)				1,206,261	1,206,261	1,206,261	1,206,261	1,206,261
Estimated Net Assessed Value (2)				1,361,408	1,383,572	1,405,736	1,416,818	1,427,900
Less: Base Assessed Value (2)				(658,186)	(658,186)	(658,186)	(658,186)	(658,186)
Estimated Incremental Assessed Value				703,222	725,386	747,550	758,632	769,714
Times: Tax Rate (3)				\$1.7240	\$1.7240	\$1.7240	\$1.7240	\$1.7240
Estimated Tax Increment				12,120	12,510	12,890	13,080	13,270
Less: Estimated Circuit Breaker Credit (4)				0	0	0	0	0
Estimated Net Tax Increment				<u>\$12,120</u>	<u>\$12,510</u>	<u>\$12,890</u>	<u>\$13,080</u>	<u>\$13,270</u>

(1) Per abatement information provided by the Wells County Auditor's Office.

(2) Per the Wells County Auditor's office.

(3) Represents the certified pay 2021 tax rate for the Bluffton City-Harrison Township taxing district of \$1.7240.

(4) Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial property taxes are limited to 3.0% of gross assessed value.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street #1 Allocation Area *Adams Street #2 Allocation Area*

HISTORICAL TAX INCREMENT COLLECTIONS

<u>Year Payable</u>	<u>Tax Increment (1)</u>
2012	\$233,529
2013	281,220
2014	330,354
2015	322,988
2016	516,649
2017	453,188
2018	466,849
2019	501,804
2020	488,801
2021	430,776 (2)

(1) Per the City of Bluffton, represents the combined collection from Adams Street #1 Allocation Area and Adams Street #2 Allocation Area.

(2) Includes the Spring Distribution only.

(Subject to comments in the attached Report dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street #1 Allocation Area

Adams Street #2 Allocation Area

FUND BALANCES

<u>Account</u>	<u>Balance</u>
Allocation Fund (1)	\$1,588,715.30
2018 Bond Fund (2)	14,708.43

(1) Per the City of Bluffton as of October 14, 2021.

(2) Per the Trustee, Old National Wealth Management, as of October 7, 2021.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

MIDLAND ALLOCATION AREA

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Adams Street Economic Development Area

GENERAL COMMENTS

Background Information Concerning the Adams Economic Development Area and the Tax Increment

The Commission adopted an amending resolution on March 26, 2019 (the "2019 Amending Resolution"), to remove parcel 90-05-32-300-003.003-011 (the "MidLand Parcel") from Allocation Area #2, to designate within the Expanded Area the MidLand Parcel as the MidLand Allocation Area (the "Midland Allocation Area") for the purposes of capturing Tax Increment on the incremental assessed value of real property in the MidLand Allocation Area, and to amend the Plan to include the MidLand Project, as herein defined.

The Commission adopted an amending resolution on March 17, 2020 (the "2020 Inteva Resolution"), to designate Inteva Products, LLC as a "designated taxpayer" ("Inteva Products") for purposes of capturing increases in depreciable personal property assessed value located in the MidLand Allocation Area and to amend the Plan to include the Inteva Project, as herein defined.

Outstanding Bonds: Sources of Repayment and Security

On May 9, 2019, the Commission issued \$835,000 of Economic Development Revenue Bonds of 2019 (MidLand Project) (the "2019 MidLand Bonds") to finance a portion of the construction of the MidLand expansion project, including the cost of site preparation and related infrastructure improvements, together with all necessary appurtenances, related improvements and equipment (the "MidLand Project") in, or physically connected to the Area and to pay issuance costs. The MidLand Project includes a 200,000 square foot expansion to the existing MidLand, LLC facility.

The 2019 MidLand Bonds are payable solely from the MidLand TIF Revenues, which consist of the Tax Increment collected in the MidLand Allocation Area. The 2019 MidLand Bonds mature on February 1, 2030.

On January 15, 2021, The Commission issued \$3,200,000 of Economic Development Revenue Bonds of 2021 (Inteva Project) (the "2021 Bonds") to finance a portion of the construction of a new automotive industry manufacturing and assembly operation (the "Inteva Project") in, or physically connected to the Area, and to pay issuance costs. The Inteva Project includes approximately \$4 million of investment in real property and approximately \$47 million of investment in depreciable personal property by Inteva Products.

The 2021 Bonds are payable solely from a pledge of Midland TIF Revenues, amended to include the personal property tax increment generated by the proposed Inteva Products investment, junior and subordinate to the 2019 MidLand Bonds. The 2021 Bonds mature on February 1, 2038.

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

MidLand Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT

	2022 Amount Abated	Length of Abatement	First Tax Payable Year of Abatement	Taxes Payable Year				
				2021	2022	2023	2024	2025
Abated assessed value (1)								
MidLand LLC	\$4,587,250	10	2017	\$2,005,600	\$2,752,350	\$3,211,075	\$3,669,800	\$4,128,525
Midland LLC	89,081	10	2021	0	4,454	17,816	31,178	44,541
Unabated assessed value (2)				4,247,400	4,970,669	4,970,669	4,970,669	4,970,669
Estimated Net Assessed Value				6,400,431	7,727,473	8,199,560	8,671,647	9,143,735
Less: Base Assessed Value (2)				(1,651,320)	(1,651,320)	(1,651,320)	(1,651,320)	(1,651,320)
Estimated Incremental Assessed Value				4,749,111	6,076,153	6,548,240	7,020,327	7,492,415
Times: Net Tax Rate (3)				\$1.6294	\$1.6294	\$1.6294	\$1.6294	\$1.6294
Estimated Tax Increment				77,380	99,000	106,700	114,390	122,080
Less: Estimated Circuit Breaker Credit (4)				0	0	0	0	0
Estimated Net Tax Increment				<u>\$77,380</u>	<u>\$99,000</u>	<u>\$106,700</u>	<u>\$114,390</u>	<u>\$122,080</u>

(1) Per abatement information provided by the Wells County Auditor's Office.

(2) Per the Wells County Auditor's office.

(3) Represents the certified pay 2021 tax rate for the Bluffton City-Lancaster NW taxing district of \$1.7341, reduced by the Northern Wells Community School Corporation's Post-2009 referendum rate of \$0.1047.

(4) Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial property taxes are limited to 3.0% of gross assessed value.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within.

(continued on next page)

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

MidLand Allocation Area

ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT (Cont'd)

	2022 Amount Abated	Length of Abatement	First Tax Payable Year of Abatement	Taxes Payable Year					
				2026	2027	2028	2029	2030	2031
Abated assessed value (1)									
MidLand LLC	\$4,587,250	10	2017	\$4,357,888	\$4,587,250	\$4,587,250	\$4,587,250	\$4,587,250	\$4,587,250
Midland LLC	89,081	10	2021	53,449	62,357	71,265	80,173	84,627	89,081
Unabated assessed value (2)				4,970,669	4,970,669	4,970,669	4,970,669	4,970,669	4,970,669
Estimated Net Assessed Value				9,382,006	9,620,276	9,629,184	9,638,092	9,642,546	9,647,000
Less: Base Assessed Value (2)				(1,651,320)	(1,651,320)	(1,651,320)	(1,651,320)	(1,651,320)	(1,651,320)
Estimated Incremental Assessed Value				7,730,686	7,968,956	7,977,864	7,986,772	7,991,226	7,995,680
Times: Net Tax Rate (3)				\$1.6294	\$1.6294	\$1.6294	\$1.6294	\$1.6294	\$1.6294
Estimated Tax Increment				125,960	129,850	129,990	130,140	130,210	130,280
Less: Estimated Circuit Breaker Credit (4)				0	0	0	0	0	0
Estimated Net Tax Increment				\$125,960	\$129,850	\$129,990	\$130,140	\$130,210	\$130,280

(1) Per abatement information provided by the Wells County Auditor's Office.

(2) Per the Wells County Auditor's office.

(3) Represents the certified pay 2021 tax rate for the Bluffton City-Lancaster NW taxing district of \$1.7341, reduced by the Northern Wells Community School Corporation's Post-2009 referendum rate of \$0.1047.

(4) Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial property taxes are limited to 3.0% of gross assessed value.

Note: There has been no assumption of additional growth or trending of real property assessed values beyond what is outlined in this analysis. Changes to the assumptions used in this analysis may have a material effect on the tax increment revenue estimates contained within.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

MidLand Allocation Area

ESTIMATED ANNUAL PERSONAL PROPERTY TAX INCREMENT

Taxes Payable Year	Estimated Net	Base	Estimated Incremental	Tax Rate	Estimated Tax Increment		
	Assessed Value				Gross Tax Increment	Circuit Breaker Tax Credit	Net Tax Increment
	(1)	(2)		(3)		(4)	
2022	\$27,170 (5)	\$0	\$27,170	\$1.6294	\$440	\$0	\$440
2023	14,002,832	0	14,002,832	1.6294	228,160	0	228,160
2024	11,489,619	0	11,489,619	1.6294	187,210	0	187,210
2025	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2026	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2027	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2028	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2029	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2030	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2031	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2032	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2033	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2034	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2035	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2036	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
2037	9,547,832	0	9,547,832	1.6294	155,570	0	155,570
Totals					<u>\$2,438,220</u>	<u>\$0</u>	<u>\$2,438,220</u>

(1) Based on the investment information provided by Company representatives.

(2) Per the Wells County Auditor's office.

(3) Represents the certified pay 2021 tax rate for the Bluffton City-Lancaster NW taxing district of \$1.7341, reduced by the Northern Wells Community School Corporation's Post-2009 referendum rate of \$0.1047.

(4) Residential homestead property taxes are limited to 1.0% of gross assessed value, other residential, agricultural land, and long-term care facilities property taxes are limited to 2.0% of gross assessed value, and commercial property taxes are limited to 3.0% of gross assessed value.

(5) Per the Wells County Auditor's Office.

Note: No assumption has been made for future personal property investments beyond what has been provided by company officials, nor is there an assumption of future equipment retirement/replacement. Changes to the assumptions outlined above may have a material effect on the tax increment revenue estimates contained in this analysis.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

MidLand Allocation Area

ESTIMATED ANNUAL TIF REVENUES

Taxes Payable Year	Estimated TIF Revenues		
	Real Property	Personal Property	Total
	(1)	(2)	
2021	\$77,380		\$77,380
2022	99,000	\$440	99,440
2023	106,700	228,160	334,860
2024	114,390	187,210	301,600
2025	122,080	155,570	277,650
2026	125,960	155,570	281,530
2027	129,850	155,570	285,420
2028	129,990	155,570	285,560
2029	130,140	155,570	285,710
2030	130,210	155,570	285,780
2031	130,280	155,570	285,850
2032	130,280	155,570	285,850
2033	130,280	155,570	285,850
2034	130,280	155,570	285,850
2035	130,280	155,570	285,850
2036	130,280	155,570	285,850
2037	130,280	155,570	285,850
Totals	<u>\$2,000,280</u>	<u>\$2,438,220</u>	<u>\$4,438,500</u>

(1) See pages 14 and 15.

(2) See page 16.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION***MidLand Allocation Area*****AMORTIZATION OF \$797,000 OUTSTANDING PRINCIPAL AMOUNT OF
ECONOMIC DEVELOPMENT REVENUE BONDS OF 2019 (MIDLAND PROJECT)****Bonds dated May 9, 2019**

<u>Payment Date</u>	<u>Principal Outstanding</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Year Debt Service</u>
02/01/22	\$797,000	\$39,000	0.00%	\$0	\$39,000	\$39,000
08/01/22	758,000	\$41,000	0.00%	0	41,000	
02/01/23	717,000	41,000	0.00%	0	41,000	82,000
08/01/23	676,000	43,000	0.00%	0	43,000	
02/01/24	633,000	44,000	0.00%	0	44,000	87,000
08/01/24	589,000	45,000	0.00%	0	45,000	
02/01/25	544,000	46,000	0.00%	0	46,000	91,000
08/01/25	498,000	48,000	0.00%	0	48,000	
02/01/26	450,000	48,000	0.00%	0	48,000	96,000
08/01/26	402,000	49,000	0.00%	0	49,000	
02/01/27	353,000	50,000	0.00%	0	50,000	99,000
08/01/27	303,000	50,000	0.00%	0	50,000	
02/01/28	253,000	51,000	0.00%	0	51,000	101,000
08/01/28	202,000	50,000	0.00%	0	50,000	
02/01/29	152,000	51,000	0.00%	0	51,000	101,000
08/01/29	101,000	50,000	0.00%	0	50,000	
02/01/30	51,000	51,000	0.00%	0	51,000	101,000
Totals		<u>\$797,000</u>		<u>\$0</u>	<u>\$797,000</u>	<u>\$797,000</u>

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

MidLand Allocation Area

**AMORTIZATION OF \$3,200,000 OUTSTANDING PRINCIPAL AMOUNT OF
ECONOMIC DEVELOPMENT REVENUE BONDS OF 2021 (INTEVA PROJECT)**

Bonds dated January 15, 2021

<u>Payment Date</u>	<u>Principal Outstanding</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Illustrative Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Year Debt Service</u>
02/01/22	\$3,200,000			\$0	\$0	\$0
08/01/22	3,200,000			0	0	
02/01/23	3,200,000			0	0	0
08/01/23	3,200,000	\$107,000	0.00%	0	107,000	
02/01/24	3,093,000	107,000	0.00%	0	107,000	214,000
08/01/24	2,986,000	90,000	0.00%	0	90,000	
02/01/25	2,896,000	90,000	0.00%	0	90,000	180,000
08/01/25	2,806,000	76,000	0.00%	0	76,000	
02/01/26	2,730,000	76,000	0.00%	0	76,000	152,000
08/01/26	2,654,000	76,000	0.00%	0	76,000	
02/01/27	2,578,000	76,000	0.00%	0	76,000	152,000
08/01/27	2,502,000	77,000	0.00%	0	77,000	
02/01/28	2,425,000	77,000	0.00%	0	77,000	154,000
08/01/28	2,348,000	77,000	0.00%	0	77,000	
02/01/29	2,271,000	77,000	0.00%	0	77,000	154,000
08/01/29	2,194,000	77,000	0.00%	0	77,000	
02/01/30	2,117,000	77,000	0.00%	0	77,000	154,000
08/01/30	2,040,000	127,000	0.00%	0	127,000	
02/01/31	1,913,000	128,000	0.00%	0	128,000	255,000
08/01/31	1,785,000	127,000	0.00%	0	127,000	
02/01/32	1,658,000	128,000	0.00%	0	128,000	255,000
08/01/32	1,530,000	127,000	0.00%	0	127,000	
02/01/33	1,403,000	128,000	0.00%	0	128,000	255,000
08/01/33	1,275,000	127,000	0.00%	0	127,000	
02/01/34	1,148,000	128,000	0.00%	0	128,000	255,000
08/01/34	1,020,000	127,000	0.00%	0	127,000	
02/01/35	893,000	128,000	0.00%	0	128,000	255,000
08/01/35	765,000	127,000	0.00%	0	127,000	
02/01/36	638,000	128,000	0.00%	0	128,000	255,000
08/01/36	510,000	127,000	0.00%	0	127,000	
02/01/37	383,000	128,000	0.00%	0	128,000	255,000
08/01/37	255,000	127,000	0.00%	0	127,000	
02/01/38	128,000	128,000	0.00%	0	128,000	255,000
Totals		<u>\$3,200,000</u>		<u>\$0</u>	<u>\$3,200,000</u>	<u>\$3,200,000</u>

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

MidLand Allocation Area

COMPARISON OF ESTIMATED ANNUAL TIF REVENUES AND ANNUAL DEBT SERVICE

Taxes Payable Year	Estimated TIF Revenues	Obligations		Estimated Total Debt Service	Estimated TIF Revenues Remaining	Estimated TIF Revenues Coverage
		Outstanding 2019 Bonds	Outstanding 2021 Bonds			
	(1)	(2)	(3)			
2021	\$77,380	(\$77,000)		(\$77,000)	\$380	100%
2022	99,440	(82,000)		(82,000)	17,440	121%
2023	334,860	(87,000)	(\$214,000)	(301,000)	33,860	111%
2024	301,600	(91,000)	(180,000)	(271,000)	30,600	111%
2025	277,650	(96,000)	(152,000)	(248,000)	29,650	112%
2026	281,530	(99,000)	(152,000)	(251,000)	30,530	112%
2027	285,420	(101,000)	(154,000)	(255,000)	30,420	112%
2028	285,560	(101,000)	(154,000)	(255,000)	30,560	112%
2029	285,710	(101,000)	(154,000)	(255,000)	30,710	112%
2030	285,780		(255,000)	(255,000)	30,780	112%
2031	285,850		(255,000)	(255,000)	30,850	112%
2032	285,850		(255,000)	(255,000)	30,850	112%
2033	285,850		(255,000)	(255,000)	30,850	112%
2034	285,850		(255,000)	(255,000)	30,850	112%
2035	285,850		(255,000)	(255,000)	30,850	112%
2036	285,850		(255,000)	(255,000)	30,850	112%
2037	285,850		(255,000)	(255,000)	30,850	112%
Totals	<u>\$4,438,500</u>	<u>(\$758,000)</u>	<u>(\$3,200,000)</u>	<u>(\$3,958,000)</u>	<u>\$480,500</u>	

- (1) See page 17. With respect to the real property component of the TIF Revenues, the pledge to the 2021 Bonds is junior and subordinate to the pledge to the outstanding 2019 Bonds.
- (2) See page 18.
- (3) See page 19.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

MidLand Allocation Area

HISTORICAL TAX INCREMENT COLLECTIONS

<u>Year Payable</u>	<u>Tax Increment</u>
	(1)
2020	\$9,460
2021	38,691 (2)

(1) Per the City of Bluffton, represents the collection from the MidLand Allocation Area.

(2) Includes the Spring Distribution only.

(Subject to comments in the attached Report dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

MidLand Allocation Area

FUND BALANCES

<u>Account</u>	<u>Balance</u>
Allocation Fund (1)	\$9,263.65
2019 Bond Fund (2)	0.53
2019 Bond Issuance Fund (2)	10,291.92
2021 Bond Fund (2)	0.00
2021 Bond Issuance Fund (2)	<u>6,251.07</u>
Total Current Balances	<u><u>\$25,807.17</u></u>

(1) Per the City of Bluffton as of October 14, 2021.

(2) Per the Trustee, Old National Wealth Management, as of October 7, 2021.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

LANCASTER ECONOMIC DEVELOPMENT AREA

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Lancaster Economic Development Area

GENERAL COMMENTS

Background Information Concerning the Lancaster Economic Development Area and the Tax Increment

The Commission adopted a declaratory resolution on September 29, 2020 (the "Resolution") establishing the Lancaster Economic Development Area (the "Area"), establishing a coterminous allocation area, to be known as the Lancaster Allocation Area (the "Allocation Area"), for the purposes of capturing Tax Increment on the incremental assessed value of real property in the Allocation Area, and establishing the Plan. The base assessment date of the Allocation Area is January 1, 2020. The Allocation Area will expire on November 18, 2045.

Outstanding Bonds: Sources of Repayment and Security

On November 18, 2020, the Commission issued \$2,600,000 of Economic Development Revenue Bonds of 2020 (Premier Flats Project) (the "Premier Flats Bonds") to finance a portion of the construction of a new market rate, multi-family, residential development (the "Premier Flats Project") and to pay issuance costs.

Pursuant to the Tax Increment Pledge Resolution adopted by the Commission on October 27, 2020, debt service is payable solely and only out of Tax Increment collected from the Allocation Area (the "TIF Revenues"), provided, however, that the pledge of TIF Revenues will be limited to either: (i) \$130,000, on an annual basis, or (ii) 50% of the TIF Revenues, whichever is greater (the "Pledged TIF Revenues") and provided, further, however, that should an amount of TIF Revenues generated in a given year be greater than the applicable (i) or (ii), the Commission shall have the option to utilize such TIF Revenues to prepay a portion of the Bonds. The TIF Revenues are to include the Tax Increment generated by the Premier Flats Development and any other future developments that may occur in the Allocation Area. The Premier Flats Bonds mature on February 1, 2043.

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION***Lancaster Allocation Area*****ESTIMATED ANNUAL REAL PROPERTY TAX INCREMENT**

	Estimated Sq. Ft./Acre (1)	Estimated Assessed Value per Sq. Ft./Acre (2)	Taxes Payable Year	
			2022	2023
Existing Net Assessed Value (3)			\$6,821,870	\$6,821,870
Premier Flats Project (4)				
Apartments	231,300	\$75		17,347,500
Garages	14,400	10		144,000
Total Estimated Net Assessed Value			6,821,870	24,313,370
Less: Base Assessed Value (3)			(5,746,825)	(5,746,825)
Estimated Incremental Assessed Value			1,075,045	18,566,545
Times: Net Tax Rate (5)			\$1.6294	\$1.6294
Estimated Tax Increment			17,520	302,520
Less: Estimated Circuit Breaker Credit (6)			0	0
Total Estimated Net TIF Revenue			<u>\$17,520</u>	<u>\$302,520</u>

- (1) Per local officials. Assumes the Premier Flats Project is comprised of 10 apartment buildings that each include 6 attached garage bays.
- (2) The estimated assessed value is based upon comparable properties in the State of Indiana. Actual assessed values will be determined by the Wells County Assessor upon completion, and the actual assessed values may be materially different from the values used in this analysis.
- (3) Per the Wells County Auditor's office.
- (4) Per local officials, assumes the Premier Flats Project is completed and first assessed by January 1, 2022 for taxes payable in 2023.
- (5) Represents the pay 2021 certified tax rate for the Bluffton City - Lancaster NW taxing district of \$1.7341 less the Northern Wells Community School Corporation's Post-2009 referendum rate of \$0.1047.
- (6) Accounts for the application of the Circuit Breaker Tax Credit, which limits property tax liability to 2.0% of gross assessed value for rental residential properties and 3.0% of gross assessed value for commercial properties.

Note: There are no assumptions for additional development beyond what is included above. Changes to the assumptions outlined above may have a material effect on the tax increment revenue estimates included in this analysis.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

**AMORTIZATION OF \$2,600,000 PRINCIPAL AMOUNT OF
ECONOMIC DEVELOPMENT REVENUE BONDS OF 2020 (PREMIER FLATS PROJECT)**
Bonds dated November 18, 2020

<u>Payment Date</u>	<u>Principal Outstanding</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Year Debt Service</u>
02/01/22	\$2,600,000			\$0	\$0	\$0
08/01/22	2,600,000			0	0	
02/01/23	2,600,000			0	0	0
08/01/23	2,600,000	\$65,000	0.00%	0	65,000	
02/01/24	2,535,000	65,000	0.00%	0	65,000	130,000
08/01/24	2,470,000	65,000	0.00%	0	65,000	
02/01/25	2,405,000	65,000	0.00%	0	65,000	130,000
08/01/25	2,340,000	65,000	0.00%	0	65,000	
02/01/26	2,275,000	65,000	0.00%	0	65,000	130,000
08/01/26	2,210,000	65,000	0.00%	0	65,000	
02/01/27	2,145,000	65,000	0.00%	0	65,000	130,000
08/01/27	2,080,000	65,000	0.00%	0	65,000	
02/01/28	2,015,000	65,000	0.00%	0	65,000	130,000
08/01/28	1,950,000	65,000	0.00%	0	65,000	
02/01/29	1,885,000	65,000	0.00%	0	65,000	130,000
08/01/29	1,820,000	65,000	0.00%	0	65,000	
02/01/30	1,755,000	65,000	0.00%	0	65,000	130,000
08/01/30	1,690,000	65,000	0.00%	0	65,000	
02/01/31	1,625,000	65,000	0.00%	0	65,000	130,000
08/01/31	1,560,000	65,000	0.00%	0	65,000	
02/01/32	1,495,000	65,000	0.00%	0	65,000	130,000
08/01/32	1,430,000	65,000	0.00%	0	65,000	
02/01/33	1,365,000	65,000	0.00%	0	65,000	130,000
08/01/33	1,300,000	65,000	0.00%	0	65,000	
02/01/34	1,235,000	65,000	0.00%	0	65,000	130,000
08/01/34	1,170,000	65,000	0.00%	0	65,000	
02/01/35	1,105,000	65,000	0.00%	0	65,000	130,000
08/01/35	1,040,000	65,000	0.00%	0	65,000	
02/01/36	975,000	65,000	0.00%	0	65,000	130,000
08/01/36	910,000	65,000	0.00%	0	65,000	
02/01/37	845,000	65,000	0.00%	0	65,000	130,000
08/01/37	780,000	65,000	0.00%	0	65,000	
02/01/38	715,000	65,000	0.00%	0	65,000	130,000
08/01/38	650,000	65,000	0.00%	0	65,000	
02/01/39	585,000	65,000	0.00%	0	65,000	130,000
08/01/39	520,000	65,000	0.00%	0	65,000	
02/01/40	455,000	65,000	0.00%	0	65,000	130,000
08/01/40	390,000	65,000	0.00%	0	65,000	
02/01/41	325,000	65,000	0.00%	0	65,000	130,000
08/01/41	260,000	65,000	0.00%	0	65,000	
02/01/42	195,000	65,000	0.00%	0	65,000	130,000
08/01/42	130,000	65,000	0.00%	0	65,000	
02/01/43	65,000	65,000	0.00%	0	65,000	130,000
Totals		<u>\$2,600,000</u>		<u>\$0</u>	<u>\$2,600,000</u>	<u>\$2,600,000</u>

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Lancaster Allocation Area

COMPARISON OF ESTIMATED ANNUAL TIF REVENUE AND ANNUAL DEBT SERVICE

Taxes Payable Year	Estimated TIF Revenues	Allowance for Administration Fees	Estimated Net TIF Revenue	Outstanding 2020 Bonds	Estimated TIF Revenue Remaining	Estimated Tax Increment Coverage
	(1)	(2)	(3)	(4)		
2022	\$17,520		\$17,520		\$17,520	N/A
2023	302,520	(\$5,000)	297,520	(\$130,000)	167,520	229%
2024	302,520	(5,000)	297,520	(130,000)	167,520	229%
2025	302,520	(5,000)	297,520	(130,000)	167,520	229%
2026	302,520	(5,000)	297,520	(130,000)	167,520	229%
2027	302,520	(5,000)	297,520	(130,000)	167,520	229%
2028	302,520	(5,000)	297,520	(130,000)	167,520	229%
2029	302,520	(5,000)	297,520	(130,000)	167,520	229%
2030	302,520	(5,000)	297,520	(130,000)	167,520	229%
2031	302,520	(5,000)	297,520	(130,000)	167,520	229%
2032	302,520	(5,000)	297,520	(130,000)	167,520	229%
2033	302,520	(5,000)	297,520	(130,000)	167,520	229%
2034	302,520	(5,000)	297,520	(130,000)	167,520	229%
2035	302,520	(5,000)	297,520	(130,000)	167,520	229%
2036	302,520	(5,000)	297,520	(130,000)	167,520	229%
2037	302,520	(5,000)	297,520	(130,000)	167,520	229%
2038	302,520	(5,000)	297,520	(130,000)	167,520	229%
2039	302,520	(5,000)	297,520	(130,000)	167,520	229%
2040	302,520	(5,000)	297,520	(130,000)	167,520	229%
2041	302,520	(5,000)	297,520	(130,000)	167,520	229%
2042	302,520	(5,000)	297,520	(130,000)	167,520	229%
Totals	<u>\$6,067,920</u>	<u>(\$100,000)</u>	<u>\$5,967,920</u>	<u>(\$2,600,000)</u>	<u>\$3,367,920</u>	

(1) See page 24.

(2) Includes annual fees and expenses incurred by the City or the Commission related to monitoring Tax Increment, filing required annual reports, post-issuance questions related to the 2020 Bonds, and annual trustee fees.

(3) The Pledged TIF Revenues are limited to either: (i) \$130,000 on an annual basis, or (ii) 50% of the TIF Revenues, whichever is greater.

(4) See page 25.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

BLUFFTON (INDIANA) REDEVELOPMENT COMMISSION

Lancaster Allocation Area

FUND BALANCES

<u>Account</u>	<u>Balance</u>
Allocation Fund (1)	\$0.00
2020 Bond Fund (2)	0.00

(1) Per the City of Bluffton as of October 14, 2021.

(2) Per the Trustee, Old National Wealth Management, as of October 7, 2021.

(Subject to comments in the attached Report
dated October 18, 2021 of Baker Tilly Municipal Advisors, LLC.)

APPENDIX A

APPENDIX A

TAX INCREMENT, PROPERTY TAXES, LEGISLATION AND EXECUTIVE ACTION

Tax Increment consists of the tax proceeds attributable to all real property and (if designated) certain designated depreciable personal property assessed value within the Allocation Areas, as of the assessment date, in excess of the base assessed value as defined in IC 36-7-14-39(a). The base assessed value means the net assessed value of all the property in the allocation areas as finally determined for the assessment date immediately preceding the effective date of a declaratory resolution adopted pursuant to IC 36-7-14-39 establishing the allocation areas.

Personal property values are assessed January 1 of every year and are self-reported by property owners to assessors using prescribed forms. The completed personal property return must be filed with the assessors no later than May 15. Pursuant to State law, personal property is assessed at its actual historical cost less depreciation, in accordance with 50 IAC 4.2, the DLGF's Rules for the Assessment of Tangible Personal Property. Pursuant to IC 6-1.1-3-7.2, State law automatically exempts from property taxation the acquisition cost of a taxpayer's total business personal property in a county if the total business personal property is less than forty thousand dollars (\$40,000) for that assessment date.

Pursuant to State law, real property is valued for assessment purposes at its "true tax value" as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2011 Real Property Assessment Guidelines, Version A ("Guidelines"), as adopted by the DLGF. P.L. 204-2016, SEC. 3, enacted in 2016, retroactive to January 1, 2016, amended State law to provide that "true tax value" for real property does not mean the value of the property to the user and that true tax value shall be determined under the rules of the DLGF. As a result of P.L. 204-2016, the DLGF has begun the process of amending the Manual. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and IC 6-1.1-4, as amended by P.L. 180-2016. Except for agricultural land, as discussed below, the Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce "accurate and uniform values throughout the jurisdiction and across all classes of property". The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of any alternative appraisal method. "Net Assessed Value" or "Taxable Value" represents the "Gross Assessed Value" less certain deductions for mortgages, veterans, the aged, the blind, economic revitalization areas, resource recovery systems, rehabilitated residential property, solar energy systems, wind power devices, hydroelectric systems, geothermal devices and tax-exempt property. The "Net Assessed Value" or "Taxable Value" is the assessed value used to determine tax rates.

Changes in assessed values of real property occur periodically as a result of the county's reassessment plan, as well as when changes occur in the property value due to new construction or demolition of improvements. Since July 1, 2013, and before May 1 of every fourth year thereafter, the county assessor is required to prepare and submit to the DLGF a reassessment plan for the county. Since 2015, the DLGF must complete its review and approval of the reassessment plan before January 1 of the year following the year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year, and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed. The county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels shall be reassessed under the county's current reassessment plan once during each reassessment cycle. The reassessment of the first group of parcels

APPENDIX A

TAX INCREMENT, PROPERTY TAXES, LEGISLATION AND EXECUTIVE ACTION (Cont'd)

under a county's reassessment plan began on May 1, 2018 and was to be completed on or before January 1, 2019. Since 2007, all real property assessments are revalued annually to reflect market value based on comparable sales data ("Trending"). When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner may file a petition requesting a review of the action. This petition must be filed with the county assessor in which the property is located within 45 days after the written notification is given to the taxpayer or May 10 of that year, whichever is later. While the appeal is pending, the taxpayer may pay taxes based on the current year's tax rate and the previous or current year's assessed value. Since 2018, the County Auditor is required to submit to the DLGF, parcel level data of certified net assessed values as required by and according to a schedule provided by the DLGF.

The DLGF is required to adjust the base net assessed value after a general reassessment of property and after each annual trending of property values for the purpose of neutralizing the effects on Tax Increment. In making such an adjustment, the DLGF is required to exclude any appealed assessed values until such appeals are resolved. Delays in the reassessment or the trending process, the inability to neutralize the effect of reassessment, trending or appeals, could adversely affect the Tax Increment. No adjustment has been made for future general reassessments or for the annual trending of assessed values to the Tax Increment estimates contained in this report.

The incremental assessed values are determined by subtracting the base net assessed values from the current net assessed values as of the assessment dates. The incremental assessed values are then multiplied by the current property tax rate to determine the Tax Increment. After property taxes are paid to the County Treasurer on or before each May 10 and November 10, such taxes are paid over to the County Auditor who, based on previous year's certification, pays the portion of property tax receipts which represents Tax Increment into the Allocation Fund on or before June 30 or December 31.

IC 6-1.1-21.2 allows for several methods to replace Tax Increment decreases resulting from actions of the Indiana General Assembly or the DLGF (to the extent legislative or DLGF changes cause Tax Increment to be inadequate to pay debt service and contractual obligations), including a property tax levy imposed on the District (the "TIF Replacement Levy"). It is not currently anticipated that such a shortfall will occur, and, therefore, no TIF Replacement Levy was assumed in the Tax Increment estimates contained in this report.

Article 10, Section 1 of the Constitution of the State of Indiana (the "Constitutional Provision") provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer's property tax liability to a specified percentage of the gross assessed value of the taxpayer's real and personal property. IC 6-1.1-20.6 (the "Statute") authorizes such limits in the form of a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (the "Circuit Breaker Tax Credit"). For property assessed as a homestead (as defined in IC 6-1.1-12-37), the Circuit Breaker Tax Credit is equal to the amount by which the property taxes attributable to the homestead exceed 1% of the gross assessed value of the homestead. Property taxes attributable to the gross assessed value of other residential property, agricultural property, and long-term care facilities are limited to 2% of the gross assessed value, property taxes attributable to other non-residential real property and personal property are limited to 3% of the gross assessed value. The Statute provides additional property tax limits for property taxes paid by certain senior citizens.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. A political subdivision may not increase its property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Circuit Breaker Tax Credit is estimated to reduce the Tax Increment revenues within the Allocation Areas by the amounts shown in this Report.

APPENDIX A

RISKS OF TAX INCREMENT AND ESTIMATES

General Risks Related to Tax Increment Collection include: (i) destruction of property in the Allocation Areas caused by natural disaster; (ii) delinquent taxes or adjustments of or appeals on assessments by property owners in the Allocation Areas; (iii) a decrease in the assessed value of properties in the Allocation Areas due to increases in depreciation, obsolescence, legislative changes affecting the assessment, or other factors by the assessor; (iv) acquisition of property in the Allocation Areas by a tax-exempt entity; (v) removal or demolition of real property improvements by property owners in the Allocation Areas; (vi) a decrease in property tax rates; (vii) the General Assembly, the courts, the DLGF or other administrative agencies with jurisdiction in the matter could enact new laws or regulations or interpret, amend, alter, change or modify the laws or regulations governing the calculation, collection, definition or distribution of Tax Increment including laws or regulations relating to reassessment, or a revision in the property tax system; or (viii) a change in any of the civil unit's funding mechanisms (i.e., no longer funded by property taxes) could adversely affect the Tax Increment. Any such changes could cause the Tax Increment to fall below the levels set forth in the estimates shown in this Report.

Reduction of Tax Rates or Tax Collection Rates. The Tax Increment estimates assume that the property tax rates will remain at approximately the same level in the future. Any substantial increase in State funding, federal aid or other sources of local revenues which would reduce local required fiscal support for certain public programs or any substantial increase in assessments outside the Allocation Areas could reduce the rates of taxation by the taxing bodies levying taxes upon property with the Allocation Area and have an adverse effect on the amount of Tax Increment received by the Commission. Economic conditions or administrative action could reduce the collection rate achieved by the City within its jurisdiction, including the Allocation Areas.

Designated Personal Property: Estimates of the Tax Increment derived from designated personal property in the Allocation Areas are based upon assessment information provided by the designated taxpayer(s) and/or the county Auditor's office. Assessments of depreciable personal property are self-reported on an annual basis by the designated taxpayer. The assessed value of the designated depreciable personal property located in the Allocation Areas may change materially due to changes in the reported acquisition cost, in-service date, depreciation pooling schedule utilized by the designated taxpayer, or due to the retirement or removal of all or a portion of the designated depreciable personal property. These changes may adversely affect the Tax Increment estimated in this Report.

Effects of Property Tax Relief LIT. Eligible uses for LIT taxes include credits against property taxes, and this use provides for a reduction in effective tax rates for property taxpayers resulting in a reduction in the amount of Tax Increment received by the Commission. If there is an adjustment in the property tax relief LIT, then the change could have an impact on the amount of Tax Increment generated in the Allocation Areas.

Circuit Breaker Tax Credit. The Circuit Breaker Tax Credit provides different levels of tax caps for various classes of property taxpayers. (See "Circuit Breaker Tax Credit" herein.) The Tax Increment is estimated to be reduced by the Circuit Breaker Tax Credit as shown in this Report. There can be no assurance that the levies and tax rates of the City and overlapping taxing units will not increase in some future year to the point of causing the Circuit Breaker Tax Credit to be further applied to property taxpayers' tax bills.

Reassessment and trending. Property values change periodically due to reassessment and trending. The DLGF is required by law to annually neutralize the effect of a reassessment on property within tax increment allocation areas, including the Allocation Areas. Delays in the reassessment and trending process, the inability to neutralize the effect of reassessment, or appeals of reassessments could adversely affect Tax Increment.

Future Developments. Estimates of the Tax Increment assume that certain levels of development will occur at certain times. If this development does not occur, is delayed, is changed in size and scope, or if the actual assessed values are less than estimated, the Tax Increment collected may be less than projected.

Delayed Tax Distribution. In the event of delinquent taxes and delayed billing, collection or distribution by the County of ad valorem property taxes levied in the District, sufficient funds may not be available to the Commission in time to pay the Lease Rentals when due. This risk is inherent in all property tax-supported obligations.

APPENDIX A

RISKS OF TAX INCREMENT AND ESTIMATES (Cont'd)

Designated Personal Property. Estimates of the Tax Increment derived from designated personal property in the Allocation Areas are based upon assessment information provided by the designated taxpayer(s) and/or the county Auditor's office. Assessments of depreciable personal property are self-reported on an annual basis by the designated taxpayer. The assessed value of the designated depreciable personal property located in the Allocation Areas may change materially due to changes in the reported acquisition cost, in-service date, depreciation pool of the depreciable personal property, or due to the retirement or removal of all or a portion of the designated depreciable personal property. These changes may adversely affect the Tax Increment estimated in this Report.