

January 30, 2026

Bristol Redevelopment Commission
c/o Mr. Mike Yoder, Town Manager
303 East Vistula Street
Bristol, IN 46507

Baker Tilly Municipal Advisors, LLC
9229 Delegates Row, Suite 400
Indianapolis, IN 46240
United States of America

Re: Proposed Bristol Commons Residential Project

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Dear Mr. Yoder and Members of the Redevelopment Commission:

We have prepared the attached feasibility analysis to assist you in the discussion and consideration of the Proposed Bristol Commons Residential Project. This report provides an estimate of the Tax Increment (TIF) from the proposed development that could be available to repay bonds or provide incentives. The attached schedules (listed below) present unaudited and limited information. The use of these schedules should be restricted to this purpose as the information is subject to future revision and final report.

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In the preparation of these schedules, certain assumptions were made as noted regarding certain future events. As is 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. No assurance is provided on this financial analysis.

We would appreciate your questions or comments on this information and would provide additional information upon request.

Very truly yours,

BAKER TILLY MUNICIPAL ADVISORS, LLC

DRAFT

Heidi L. Amspaugh, Principal

BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

For-Sale Homes

Proposed Bristol Commons Residential Project

**ESTIMATED ANNUAL TAX INCREMENT REVENUES FROM
THE PROPOSED RESIDENTIAL HOUSING DEVELOPMENT - PHASE 1**

January 1 Completion Date (1)	Number of Homes (1)	Estimated Assessed Value (2)			
		Taxes Year Payable			
		2028	2029	2030	2031
2027	8	\$2,016,000	\$2,016,000	\$2,016,000	\$2,016,000
2028	8		2,016,000	2,016,000	2,016,000
2029	8			2,016,000	2,016,000
Total Estimated Gross Assessed Value (2)		2,016,000	4,032,000	6,048,000	6,048,000
Less: Standard and Supplemental Deductions (3)		(1,163,520)	(2,435,840)	(3,840,960)	(4,034,016)
Estimated Net Assessed Value		852,480	1,596,160	2,207,040	2,013,984
Times: Net tax rate (4)		\$2.3068	\$2.3068	\$2.3068	\$2.3068
Estimated Tax Increment		\$19,670	\$36,820	\$50,910	\$46,460
Less: Estimated Circuit Breaker Credit (5)		0	0	0	0
Less: Supplemental Homestead Credit (6)		(1,970)	(3,680)	(5,090)	(4,650)
Estimated Net Tax Increment		<u>\$17,700</u>	<u>\$33,140</u>	<u>\$45,820</u>	<u>\$41,810</u>

(1) Per information provided by Developer representatives.

(2) Assumes the homes are purchased at \$280,000 and assessed at 90% of the purchase price.

(3) Homestead residential property will have the following assessed value standard and supplemental deductions applied:
\$30,000 and 52% in 2028, \$20,000 and 57% in 2029, \$10,000 and 62% in 2030, and \$0 and 66.7% in 2031 and thereafter.

(4) Represents the certified pay 2026 tax rate for the Bristol Civil Town taxing district less the Elkhart Community School Corporation referendum rate of \$0.0211.

(5) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 1% of gross assessed value for homesteads.

(6) Represents the Supplemental Homestead Credit for the lesser of \$300 or 10% of the property tax liability for each home.

(Subject to the attached letter dated January 30, 2026)
(Preliminary - Subject to Change)
(For Internal Use Only)

BRISTOL (INDIANA) REDEVELOPMENT COMMISSION***For-Sale Homes******Proposed Bristol Commons Residential Project*****ESTIMATED ANNUAL TAX INCREMENT REVENUES FROM
THE PROPOSED RESIDENTIAL HOUSING DEVELOPMENT - PHASE 2**

January 1 Completion Date (1)	Number of Homes (1)	Estimated Assessed Value (2)	
		Taxes Year Payable	
		2032	2033
2031	6	\$1,512,000	\$1,512,000
2032	6		1,512,000
Total Estimated Gross Assessed Value (2)		1,512,000	3,024,000
Less: Standard and Supplemental Deductions (3)		(1,008,504)	(2,017,008)
Estimated Net Assessed Value		503,496	1,006,992
Times: Net tax rate (4)		\$2.3068	\$2.3068
Estimated Tax Increment		\$11,610	\$23,230
Less: Estimated Circuit Breaker Credit (5)		0	0
Less: Supplemental Homestead Credit (6)		(1,160)	(2,320)
Estimated Net Tax Increment		<u>\$10,450</u>	<u>\$20,910</u>

(1) Per information provided by Developer representatives.

(2) Assumes the homes are purchased at \$280,000 and assessed at 90% of the purchase price.

(3) Homestead residential property will have the following assessed value standard and supplemental deductions applied: \$0 and 66.7% in 2032 and thereafter.

(4) Represents the certified pay 2026 tax rate for the Bristol Civil Town taxing district less the Elkhart Community School Corporation referendum rate of \$0.0211.

(5) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 1% of gross assessed value for homesteads.

(6) Represents the Supplemental Homestead Credit for the lesser of \$300 or 10% of the property tax liability for each home.

(Subject to the attached letter dated January 30, 2026)

(Preliminary - Subject to Change)

(For Internal Use Only)

BRISTOL (INDIANA) REDEVELOPMENT COMMISSION***For-Sale Homes******Proposed Bristol Commons Residential Project*****ESTIMATED ANNUAL COMBINED TAX INCREMENT REVENUES**

Taxes Payable Year	Estimated Tax Increment Revenues		
	Phase 1	Phase 2	Total
	(1)	(2)	
2028	\$17,700		\$17,700
2029	33,140		33,140
2030	45,820		45,820
2031	41,810		41,810
2032	41,810	\$10,450	52,260
2033	41,810	20,910	62,720
2034	41,810	20,910	62,720
2035	41,810	20,910	62,720
2036	41,810	20,910	62,720
2037	41,810	20,910	62,720
2038	41,810	20,910	62,720
2039	41,810	20,910	62,720
2040	41,810	20,910	62,720
2041	41,810	20,910	62,720
2042	41,810	20,910	62,720
2043	41,810	20,910	62,720
2044	41,810	20,910	62,720
2045	41,810 (3)	20,910	62,720
2046		20,910	20,910
2047		20,910	20,910
2048		20,910	20,910
2049		20,910 (4)	20,910
Totals	<u>\$723,810</u>	<u>\$365,920</u>	<u>\$1,089,730</u>

(1) See page 2.

(2) See page 3.

(3) Assumes Phase 1 Bonds are issued in 2026.

(4) Assumes Phase 2 Bonds are issued in 2030.

Note: Assumes the creation of two new Housing TIF Allocation Areas each with a 20-year TIF life starting with the issuance of Bonds.

(Subject to the attached letter dated January 30, 2026)

(Preliminary - Subject to Change)

(For Internal Use Only)

BRISTOL (INDIANA) REDEVELOPMENT COMMISSION

Rental Homes

Proposed Bristol Commons Residential Project

**ESTIMATED ANNUAL TAX INCREMENT REVENUES FROM
THE PROPOSED RESIDENTIAL HOUSING DEVELOPMENT - PHASE 1**

January 1 Completion Date (1)	Number of Homes (1)	Estimated Assessed Value (2)			
		Taxes Year Payable			
		2028	2029	2030	2031
2027	8	\$2,016,000	\$2,016,000	\$2,016,000	\$2,016,000
2028	8		2,016,000	2,016,000	2,016,000
2029	8			2,016,000	2,016,000
Total Estimated Gross Assessed Value (2)		2,016,000	4,032,000	6,048,000	6,048,000
Less: Standard Deduction (3)		(383,040)	(1,008,000)	(1,814,400)	(2,020,080)
Estimated Net Assessed Value		1,632,960	3,024,000	4,233,600	4,027,920
Times: Net tax rate (4)		\$2.3068	\$2.3068	\$2.3068	\$2.3068
Estimated Tax Increment		\$37,670	\$69,760	\$97,660	\$92,920
Less: Estimated Circuit Breaker Credit (5)		0	0	0	0
Estimated Net Tax Increment		<u>\$37,670</u>	<u>\$69,760</u>	<u>\$97,660</u>	<u>\$92,920</u>

(1) Per information provided by Developer representatives.

(2) Assumes the rental homes are assessed at \$252,000 per unit similarly to if they were for-sale units.

(3) Pursuant to SEA 1-2025, rental residential property will have the following assessed value deductions applied:
19% in 2028, 25% in 2029, 30% in 2030, and 33.4% in 2031 and thereafter.

(4) Represents the certified pay 2026 tax rate for the Bristol Civil Town taxing district less the Elkhart Community School Corporation referendum rate of \$0.0211.

(5) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 2% of gross assessed value for rental properties.

(Subject to the attached letter dated January 30, 2026)
(Preliminary - Subject to Change)
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BRISTOL (INDIANA) REDEVELOPMENT COMMISSION***Rental Homes******Proposed Bristol Commons Residential Project*****ESTIMATED ANNUAL TAX INCREMENT REVENUES FROM
THE PROPOSED RESIDENTIAL HOUSING DEVELOPMENT - PHASE 2**

January 1 Completion Date	Number of Homes	Estimated Assessed Value (2)	
		Taxes Year Payable	
		2032	2033
(1)	(1)		
2031	6	\$1,512,000	\$1,512,000
2032	6		1,512,000
Total Estimated Gross Assessed Value (2)		1,512,000	3,024,000
Less: Standard and Supplemental Deductions (3)		(505,020)	(1,010,040)
Estimated Net Assessed Value		1,006,980	2,013,960
Times: Net tax rate (4)		\$2.3068	\$2.3068
Estimated Tax Increment		\$23,230	\$46,460
Less: Estimated Circuit Breaker Credit (5)		0	0
Estimated Net Tax Increment		\$23,230	\$46,460

(1) Per information provided by Developer representatives.

(2) Assumes the rental homes are assessed at \$252,000 per unit similarly to if they were for-sale units.

(3) Pursuant to SEA 1-2025, rental residential property will have the following assessed value deductions applied: 33.4% in 2032 and thereafter.

(4) Represents the certified pay 2026 tax rate for the Bristol Civil Town taxing district less the Elkhart Community School Corporation referendum rate of \$0.0211.

(5) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 2% of gross assessed value for rental properties.

(Subject to the attached letter dated January 30, 2026)

(Preliminary - Subject to Change)

(For Internal Use Only)

BRISTOL (INDIANA) REDEVELOPMENT COMMISSION***Rental Homes******Proposed Bristol Commons Residential Project*****ESTIMATED ANNUAL COMBINED TAX INCREMENT REVENUES**

Taxes Payable Year	Estimated Tax Increment Revenues		
	Phase 1	Phase 2	Total
	(1)	(2)	
2028	\$37,670		\$37,670
2029	69,760		69,760
2030	97,660		97,660
2031	92,920		92,920
2032	92,920	\$23,230	116,150
2033	92,920	46,460	139,380
2034	92,920	46,460	139,380
2035	92,920	46,460	139,380
2036	92,920	46,460	139,380
2037	92,920	46,460	139,380
2038	92,920	46,460	139,380
2039	92,920	46,460	139,380
2040	92,920	46,460	139,380
2041	92,920	46,460	139,380
2042	92,920	46,460	139,380
2043	92,920	46,460	139,380
2044	92,920	46,460	139,380
2045	92,920 (3)	46,460	139,380
2046		46,460	46,460
2047		46,460	46,460
2048		46,460	46,460
2049		46,460 (4)	46,460
Totals	<u>\$1,598,890</u>	<u>\$813,050</u>	<u>\$2,411,940</u>

(1) See page 5.

(2) See page 6.

(3) Assumes Phase 1 Bonds are issued in 2026.

(4) Assumes Phase 2 Bonds are issued in 2030.

Note: Assumes the creation of two new Housing TIF Allocation Areas each with a 20-year TIF life starting with the issuance of Bonds.

(Subject to the attached letter dated January 30, 2026)

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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 area, 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 area 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 area.

Personal property values are assessed January 1 of every year and are self-reported by property owners to county assessors using prescribed forms. The completed personal property return must be filed with the county 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, as amended, 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 (i) eighty thousand dollars (\$80,000) for assessment dates before 2026; and (ii) two million dollars (\$2,000,000) for the 2026 assessment date and each assessment date thereafter.

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 2021 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2021 Real Property Assessment Guidelines ("Guidelines"), as published by the DLGF. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and IC 6-1.1-4-13, as amended, which shall mean the "market value-in-use" of a property for its current use, as reflected by the utility received by the owner or by a similar user from the property. Except for agricultural land and rental residential property with rental periods longer than thirty (30) days the Manual permits assessing officials in each county to choose one of three standard approaches to determine market value-in-use, which are the cost approach, the sales comparison approach or the income approach. The Guidelines provide each of the approaches to determine "market value-in-use and the reconciliation of these approaches shall be applied in accordance with generally recognized appraisal principals." In accordance with IC 6-1.1-4-4.2(a), as amended, the county assessor is required to submit a reassessment plan to the DLGF before May 1 every four (4) years, and the DLGF has to approve the reassessment plan before January 1 of the following year.

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 a 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. All real property assessments are revalued annually to reflect market value based upon comparable sales ("Trending"). "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 general reassessments, as well as when changes occur in the property value due to new construction or demolition of improvements. 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 by June 15 of the assessment year if the written notification is provided to the taxpayer before May 1 of that year, or June 15 of the year in which the tax bill is mailed by the county treasurer if the notice is provided on or after May 1 of the assessment year, whichever is earlier. 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. For all appeals except an appeal on the assessed value of the property, the taxpayer may appeal not later than three years after the taxes were first due.

APPENDIX A

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

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 and other additional Indiana laws provide additional property tax credits for property taxes paid by homesteads and certain real property owners based on certain demographic categories.

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 area 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 Area caused by natural disaster; (ii) delinquent taxes or adjustments of or appeals on assessments by property owners in the Allocation Area; (iii) a decrease in the assessed value of properties in the Allocation Area due to increases in depreciation, obsolescence, legislative changes affecting the assessment, or other factors by the assessor; (iv) acquisition of property in the Allocation Area by a tax-exempt entity; (v) removal or demolition of real property improvements by property owners in the Allocation Area; (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 analysis.

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 throughout the term of this analysis. 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 Area 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 Commission within its jurisdiction, including the Allocation Area.

Effects of Property Tax Relief Local Income Tax ("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 Area. Pursuant to SEA 1-2025, the Property Tax Relief LIT will expire following calendar year 2027.

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 Commission 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 area, including the Allocation Area. 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 Development. 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 Debt Service when due. This risk is inherent in all property tax-supported obligations.

Assessment Risk. The actual assessments are determined by the assessor based on replacement cost using the assessment manual, the income approach provided by developers, and/or trended based on comparable sales data. There is no assurance that assessed values will or will not remain at the taxes payable 2026 level.