

Fourth & Walnut Centre

Cincinnati, Ohio





Fourth &
Walnut
Centre

THE OPPORTUNITY



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Cushman & Wakefield is proud to offer the opportunity to acquire Fourth & Walnut Centre. Designed by Daniel Burnham of Chicago, the Tower Building (Building A) was constructed in 1903. The 19-story building was originally home to First National Bank, one of the first 50 banks chartered under the National Banking Act of 1863. It was placed on the National Register of Historic Places in 2017. Expanded along Walnut Street in 1937 and along 4th Street in 1961, the offering of three connected buildings totals 518,625 gross SF. By taking advantage of the ongoing momentum in Downtown Cincinnati and pursuing an adaptive re-use plan, including the ability to convert a portion of the building into multi-family, hospitality, and/or structured parking, the opportunity affords an investor the ability to reposition the iconic property.

OPPORTUNITY AT A GLANCE

Address:	101-105 East Fourth Street, Cincinnati, Ohio 45202
Gross Square Feet:	Building A: 285,055 SF Building B: 39,160 SF Building C: 194,410 SF Total: 518,625 SF
Year Built:	Building A: 1903 Building B: 1937 Building C: 1961
Number of Floors:	Building A: Nineteen (19) Building B: Four (4) Building C: Six (6)
Parking:	38 current garage spaces (260 projected additional spaces)

Investment Highlights

1

Credits, Incentives, and Abatements - The owner of Fourth & Walnut Centre can apply for a variety of incentive programs, including but not limited to state and federal tax incentives, sales tax exemptions for construction materials, and real estate tax abatements on the improved value. **A summary of some of these programs and the property's status is on page 6.**

2

Fourth Street Momentum - With multiple conversions and recently completed new construction, Fourth Street continues to evolve into a vibrant residential and hospitality corridor within Downtown Cincinnati. Fourth & Walnut Centre's proximity to The Banks, a preeminent mixed-use development along the Ohio River, and Fountain Square, the social heart of Downtown, positions it well for either a residential or hospitality adaptive reuse.

3

Walkable and Transit-Oriented Location - Fourth & Walnut Centre is located within a half-block of the Fountain Square Station for The Connector, a 3.6-mile streetcar line operating throughout the city's urban core and connecting The Banks with Over-the-Rhine. Cincinnati is also one of the most walkable downtown areas in the country with a walkability index of 18.6 out of 20 and a walk-score of 95%. Holding true to this high index, Fourth & Walnut Centre is within a 10-minute walk of dozens of amenities and points of interest, as detailed in the Investment Memorandum.

4

Dominant Ohio MSA - At more than 2.2 million residents, the Greater Cincinnati MSA, comprised of 16 counties in three states, is the largest within the State of Ohio and the 30th largest in the United States. 7 Fortune 500 companies are headquartered in the Greater Cincinnati MSA including 5 located in the CBD.





5

Over 11,000 Cincinnatians call Downtown Home -

Downtown Cincinnati supports a richly compact community with abundant amenities. With increased demand to live in the area and new housing options under construction or planned, this number is expected to grow for the foreseeable future. Downtown's population balloons several times over during and after work hours. When work is over, the entertainment corridors light up with residents and visitors alike.

6

Strong Market Fundamentals for New Multi-Family Construction -

New Class-A multi-family product in the downtown Cincinnati market has recently outperformed the rest of the Cincinnati MSA. Pairing an average of 97% occupancy with an impressive \$2.26/sf, these fundamentals present an exciting opportunity to redevelop Fourth & Walnut Centre into market-rate apartments.

7

Outstanding Rent Growth in Downtown Market -

In the Cincinnati downtown market, rent growth for Class-A properties in the last 5 years has been over 13%. The remaining downtown properties experienced rent growth around 8% in that same time period. The average asking rent for Class A properties downtown is \$2,102/month.

1 CREDITS, INCENTIVES, AND ABATEMENTS

The owner of Fourth & Walnut Centre can apply for a variety of incentive programs, including but not limited to state and federal tax incentives, sales tax exemptions for construction materials, and real estate tax abatements on the improved value.

Ohio Historic Tax Credit Program - Fourth and Walnut Centre was awarded Historical Tax Credits in December 2018. Due to the COVID pandemic the project was not able to start, and the credits expired. An application was resubmitted in Round 28 and Round 29. In each application, Fourth and Walnut Centre placed second in the jurisdiction and was not awarded the credits. An application has been made for Round 30 Schedule: Spring 2023.

Federal Historic Preservation Tax Incentives - Fourth and Walnut Centre was listed on the National Register of Historic Places in 2017 and qualifies for the available incentives.

Community Reinvestment Area Tax Exemption - Fourth and Walnut Centre applied for and was awarded the tax exemption in 2019 -- Contract No. 95X2019-265. Voluntary Tax Incentive Contribution Agreement for Neighborhood Services (VTICA) was implemented in July 2019.

Transformational Mixed-Use Development Program - This program provides a tax credit against development costs incurred during the construction of a project that will be a catalyst for future development in its area. The project must be a combination of retail, office, residential, recreation, structured parking, and other similar uses into one mixed-use development. Fourth and Walnut Centre applied for tax credits against development costs through the TMUD program in July 2022 for FY 2023. At that time, a multifamily component was incorporated into the project. The project was not awarded the tax credit but will apply again for FY 2024.

Structured Lease through The Port - The Port's tax-exempt status can be deployed to help developers control costs of construction through sales tax exemption. In summary, The Port takes ownership in the property for a defined period and the developer simultaneously enters into a lease. The developer saves on the sales tax attributed to the construction materials.



2

FOURTH STREET MOMENTUM

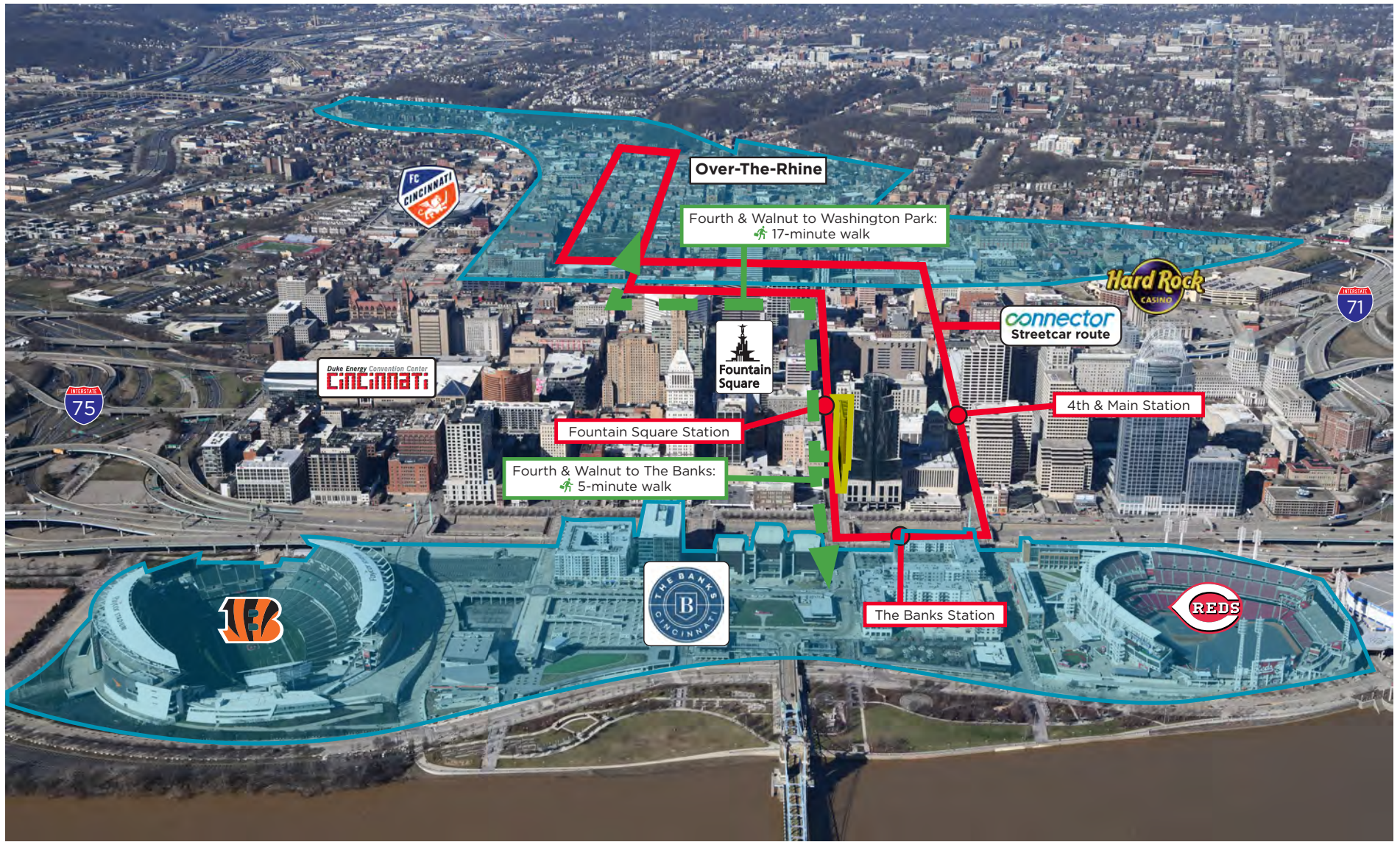
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30TH LARGEST MSA IN THE UNITED STATES AND THE LARGEST MSA IN OHIO.



2.22 MILLION PEOPLE IN THE 16-COUNTY, 3-STATE MSA.



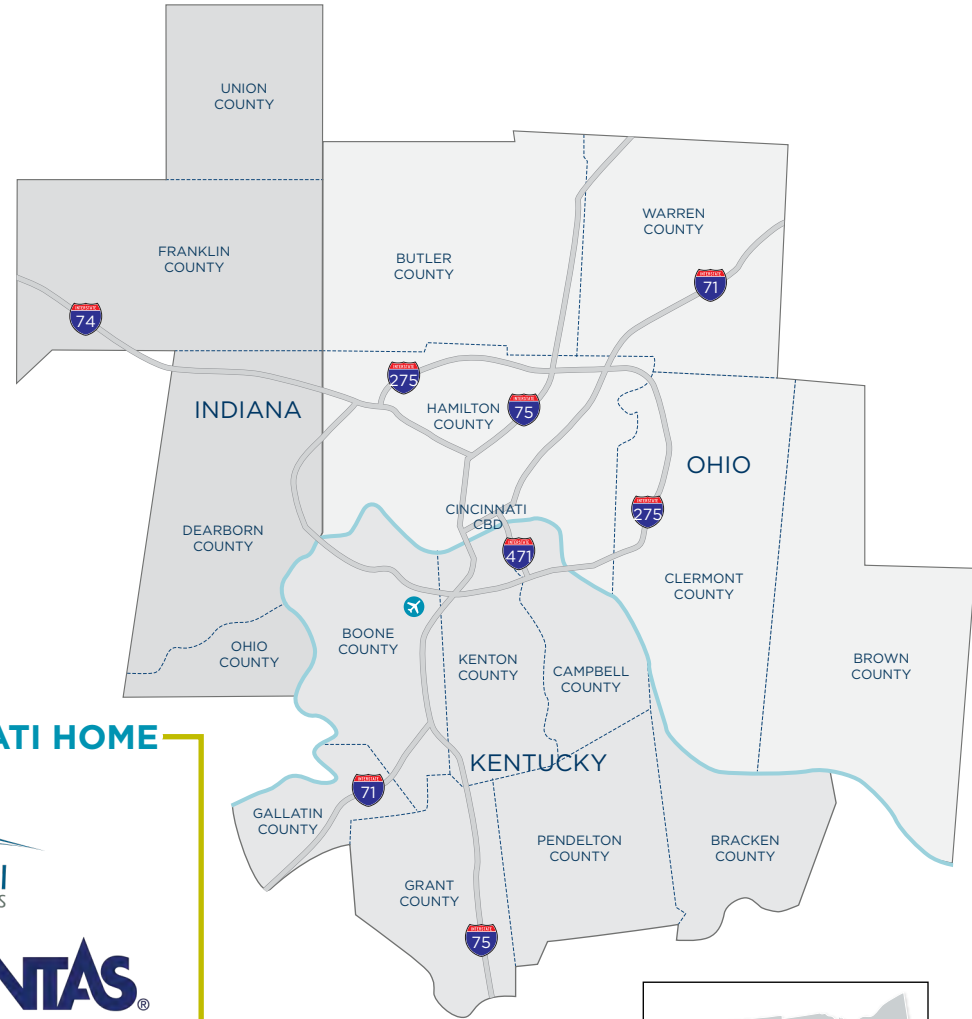
LOCATED WITHIN A ONE HOUR FLIGHT OR A DAY'S DRIVE OF 60% OF THE U.S. POPULATION.



+450,000 JOBS WITHIN GREATER CINCINNATI'S CORE INDUSTRIES.



HOME TO COUNTLESS AMENITIES AND ACTIVITIES INCLUDING THE NFL, MLB, MLS, COLLEGIATE TEAMS, A WORLD-CLASS ZOO, FINE ARTS PROGRAMMING AND MUSEUMS.



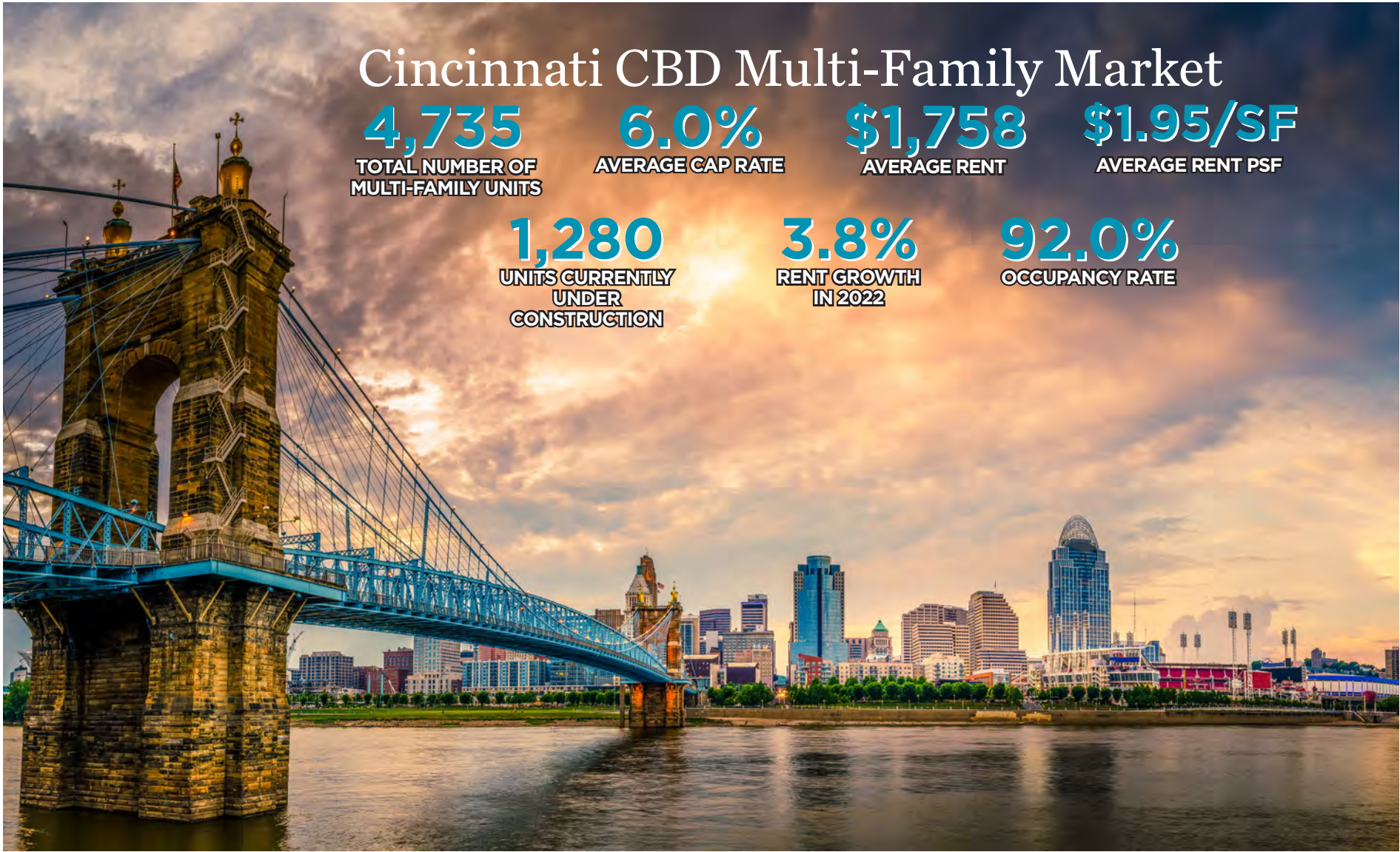
THESE HEADQUARTERED COMPANIES CALL CINCINNATI HOME



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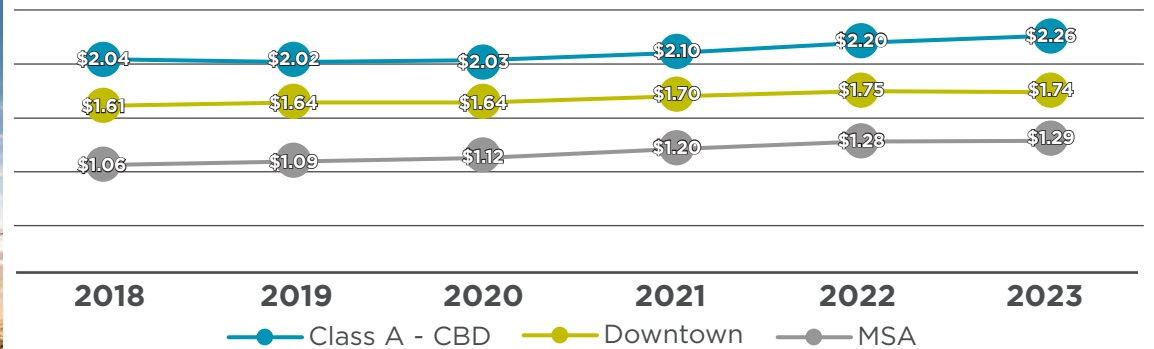
STRONG MARKET FUNDAMENTALS FOR NEW MULTI-FAMILY CONSTRUCTION

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Occupancy



Rent PSF

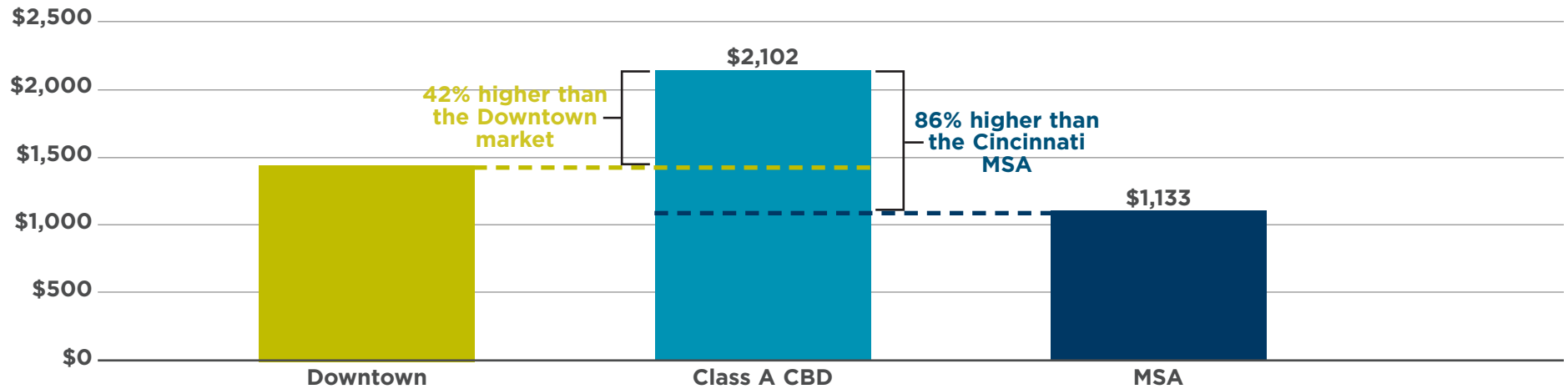


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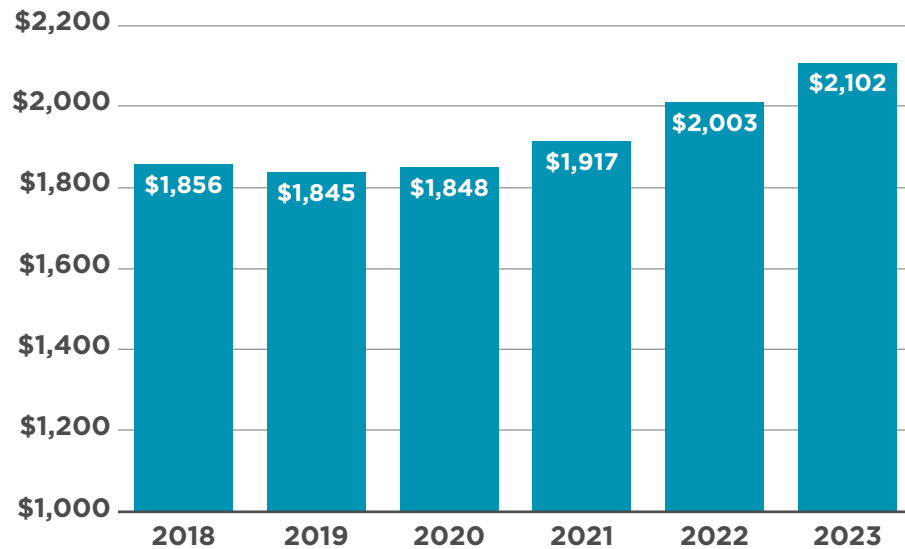
RECORD RENT GROWTH IN CBD

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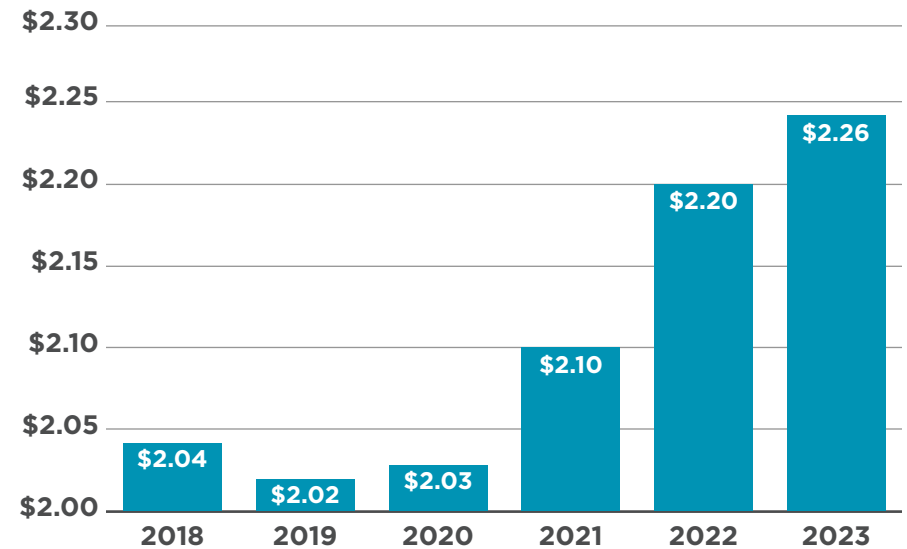
Average Asking Rent



CBD Class A: Average Asking Rent



CBD Class A: Rent/SF





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