

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (the “Agreement”) is made and entered on July 19, 2022, by and between Lima Nominee LP (“Owner”), and the Elida Local School District Board of Education (the “District”) for the sole consideration set forth herein.

WHEREAS, on August 27, 2021, the Owner filed a Special COVID-19 Related Complaint Against the Valuation of Real Property with the Allen County Board of Revision (the “BOR”) requesting a decrease to the fair market and taxable values assigned to Allen County Permanent Parcel No. 36-2100-01-016.001, which has the street addresses of 2075 N. Eastown Rd. in American Township, Ohio (the “Property”) for tax year 2020 and the District filed a counter complaint on or about September 7, 2021, which were heard together by the BOR in case number 2020-000123 (the “2020 Complaints”); and

WHEREAS, on November 5, 2021, the BOR issued a decision on the 2020 Complaints reducing the property’s 2020 tax year value to \$2,030,500 (the “2020 Decision”),

WHEREAS, both the Owner and the District appealed the 2020 Decision to the Ohio Board of Tax Appeals (“BTA”) in cases numbered 2021-2512 and 2021-2485 (the “2020 Appeal”),

WHEREAS, on March 28, 2022, the Owner filed a Complaint Against the Valuation of Real Property with the BOR requesting a decrease to the fair market and taxable values assigned to the Property for tax year 2021 and the District filed a counter complaint on or about April 5, 2022, which were heard together by the BOR in case number 2021-000117 (the “2021 Complaints”); and

WHEREAS, on June 29, 2022, the BOR issued a decision on the 2021 Complaints reducing the property’s 2021 tax year value to \$1,811,300 (the “2021 Decision”),

WHEREAS, Lima Nominee LP is the owner of the Property and a party to this proceeding, and contests the Allen County Auditor’s valuations for tax years 2020 and 2021; and

WHEREAS, Owner and the District have each reviewed information concerning the property and retained separate real estate appraisers and/or consultants, and desire to agree to establish the value of the Property for tax years 2020, 2021, 2022 and 2023, subject to the following provisions; and

WHEREAS, Owner and the District, having taken into account (1) the potential for increase or decrease in real estate taxes upon the Property for tax years 2020, 2021, 2022 and 2023 that could

arise from the prosecution of the 2020 Complaints and the 2021 Complaints, (2) the additional legal and appraisal costs each party would respectively bear in such prosecution, (3) the risk of an adverse determination of each party's respective position in such prosecution, (4) the respective adverse effects the delay of the resolution of this dispute would have upon the parties, and (5) the net advantage to each of the respective parties and the District's students of the resolution embodied herein, wish to fully resolve and dispose of any and all matters and issues between them relating to the valuation of the Property for tax years 2021, 2022 and 2023 through this Agreement.

NOW THEREFORE, for the valuable consideration set forth herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Owner shall pay the District the sum of Four Thousand Dollars (\$4,000.00), which amount shall be paid to the District by check made payable to the "Elida Local School District Board of Education" and delivered to counsel of record for the District by August 31, 2022 or before the hearing on the 2020 Appeal.
2. In consideration for Owner's satisfaction of its payment obligation set forth in Paragraph 1 above, both the Owner and the District shall withdraw and/or dismiss their cases in the 2020 Appeal related to tax year 2020.
3. In further consideration, Owner and the District specifically agree not to file any appeal to the BTA related to the 2021 Complaints or the 2021 Decision.
4. The parties acknowledge that this Agreement was entered into prior to the effective date of Amended Substitute House Bill Number 126 and, as such, it is a valid and enforceable contract not rendered void and unenforceable by the language of Ohio Revised Code Section 5715.19(I).
5. Neither Owner nor the District shall file or in any way pursue an original Complaint Against the Valuation of Real Property against the Property for tax year 2022 and/or tax year 2023 unless one of the following events were to occur before April 1, 2024:
  - A. There is a breach or default of any term of the Agreement by either Owner or the District that is not cured within ten (10) days after notice of such breach or default is given to Owner or the District, respectively; or
  - B. One of the circumstances enumerated in R.C. 5715.19(A)(2)(a)-(d) occurs with respect to the Property; or

- C. The Allen County Auditor assigns an aggregate fair market value for the Property for tax year 2020 other than \$2,030,500 or \$1,811,300 for tax years 2021, 2022 and 2023. In that event, either party shall file a Complaint Against the Valuation of Real Property against the Property with the BOR, and both parties shall take all steps necessary to obtain an aggregate fair market value of either the 2020 Decision or the 2021 Decision for the Property.

Nothing in this Agreement shall preclude the District or Owner from filing a counter-complaint in response to an original Complaint Against the Valuation of Real Property that may be filed against the Property for tax year 2022 and/or tax year 2023 by any individual or entity entitled to file such a complaint under Section 5715.19(A) and/or 5715.13 of the Ohio Revised Code.

6. If and only if an aggregate fair market value exceeding \$2,030,500 is ultimately established for the Property for tax year 2020, the District shall refund to Owner the annual amount that would be distributed to the District through the real estate tax system up to, but not exceeding, the amounts paid by Owner specified in Paragraph 1 above, and no additional amounts shall be due from Owner to the District, notwithstanding anything herein to the contrary.
7. The parties hereto acknowledge that Owner was not delinquent in any payment of taxes and acknowledge that this Agreement in no way alters Owner's obligations to pay real estate taxes properly assessed and billed against the Property by the appropriate governmental authorities. The parties agree that the payment terms set forth above, the consideration given to the District and the entering into this Agreement are not to be construed in any manner as an admission by Owner of any real estate tax liability, as an admission to any past valuation of the Property, or as an admission to any future valuation of the Property.
8. The WHEREAS clauses are hereby incorporated into the Agreement by reference.
9. This Agreement sets forth the entire Agreement between the parties and fully supersedes any and all other prior agreements or understandings between the parties pertaining to the subject matter hereof. No provision of this Agreement may be modified, waived, or discharged unless the waiver, modification or discharge is agreed to in writing and signed by the parties. No agreements, or representations, oral or otherwise, express or implied, with respect to the subject matter hereof, have been made by either party that are not set forth expressly in this Agreement.

10. The parties agree they have read this Agreement, have retained legal counsel, understand its terms and voluntarily accept the consideration recited above for the purpose of making a full and complete compromise, adjustment and settlement of any and all claims related to the 2020 Complaints and the 2021 Complaints.
11. The parties represent that the persons signing the Agreement on behalf of Owner and the District do so with the authority to bind Owner and the District, respectively, to all the terms of the Agreement, and that all necessary action has been taken by both parties to empower Owner and the District, through their authorized representatives, to execute and deliver the Agreement and all other documents required to implement same.

WHEREFORE, the parties now voluntarily and knowingly execute this Agreement, consisting of four (4) pages.

**LIMA NOMINEE P**

7/20/22  
Date

Ryan Armstrong  
Signature  
Ryan Armstrong, Vice President, Tax  
Print Name Title

**ELIDA LOCAL SCHOOL DISTRICT BOARD  
OF EDUCATION**

7/20/22  
Date

By: Joel L. Parker  
Joel L. Parker, Treas.  
Print Name Title