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Quality Assurance

At IRR, delivering a quality report is a top priority. Integra has an internal Quality Assurance Program in which managers review material and pass an exam in order to attain IRR Certified Reviewer status. By policy, every Integra assignment is assessed by an IRR Certified Reviewer who holds the MAI designation, or is, at a minimum, a named Director with at least ten years of valuation experience.

This quality assurance assessment consists of reading the report and providing feedback on its quality and consistency. All feedback from the IRR Certified Reviewer is then addressed internally prior to delivery. The intent of this internal assessment process is to maintain report quality.

Designated IRR Certified Reviewer

The IRR Certified Reviewer who provided the quality assurance assessment for this assignment is Michael C. Lady, MAI, SRA, ASA, CCIM, FRICS.

Executive Summary

Introduction

The purpose of this consulting assignment is to analyze the potential impact, if any, of the proposed data center project on the values of surrounding residential properties.

For this particular assignment, the following analyses were completed:

Analysis of Value Change

- Do values for homes surrounding a data center project increase more slowly?

Analysis of Days on Market and Sale-to-List Price

- Do homes surrounding a data center project require longer marketing periods, and do they sell at a deeper discount, relative to market norms?

Analysis of Academic Research

- Which studies are relevant and what were the conclusions?

Analysis of Value Change

Procedure

We conducted a search for data center projects using the following parameters and criteria:

- Project Type: Data center
- Construction: Single and multi-building configurations
- Site Size: 20+ acres
- Status: Proposed, under construction, complete, or operational
- Location: Indiana
- Residential Density: At least (20) homes within a 1.5-mile radius

Sample sets of surrounding residential properties were then selected, based primarily on geographic proximity. Using Zillow's Zestimate data, changes in value were measured over the five-year period spanning January 2021 through January 2026. The rates of value change for the surrounding residential properties were then compared to benchmarks for corresponding local market areas, as indicated by the Zillow Home Value Index (ZHVI).

Conclusions

The data observed in this analysis suggests that the proposed Data Center Project will not affect the values of surrounding residential properties in a substantially adverse manner:

- Overall, between 2021 and 2026, the average total value increase observed for (100) homes surrounding the (5) selected data center projects in Indiana was 41%. The average total value increase observed for the corresponding market areas was 42%.

- Over the same 5-year time period, the average compound annual rate of value increase for the same data set of (100) homes was 7.0%. The average compound annual rate of value increase observed for the corresponding market areas was 7.2%.

- The minor differences in value increase may be explained by a nearly 20% difference in average home value. For the set of (100) homes surrounding the data center projects, the average home value as of 2026 was $289,595. The average home value for the corresponding market areas was $242,532. In recent years, according to Zillow, higher priced homes have been increasing in value at a lower rate than lower priced homes.

Our analysis is summarized in the following table.

Analysis of Residential Property Value Impact

Comparable Facility	AWS Project Ranier	Microsoft Data Center	META Data Center	Google Project Zodiac	Lifeline Data Center
Location	St. Joseph County, IN	LaPorte County, IN	Clark County, IN	Allen County, IN	Marion County, IN
Current Status	Partially Complete and Operating	Planning Stages, Nearing Construction	Under Construction	Partially Complete and Operating	Complete and Operating
Start of Operations	2025	-	-	2025	2009
Distance Between Projects and Surrounding Homes (feet)	2,000 - 7,900	1,000 - 5,000	4,000 - 5,000	1,500 - 3,500	1,000 - 2,500
Total Value Increase, 2021 - 2026 (%)					
Surrounding Residential Properties	49%	42%	28%	47%	36%
Benchmark for County	48%	44%	34%	46%	37%
Compound Annual Increase, 2021 - 2026 (%)					
Surrounding Residential Properties	8.2%	7.2%	5.1%	8.0%	6.3%
Benchmark for County	8.1%	7.6%	6.1%	7.8%	6.5%

Summary (All Data Sets)

Total Value Increase, 2021 - 2026 (%)	
Surrounding Residential Properties	41%
Benchmark for Local Market Area	42%
Compound Annual Increase, 2021 - 2026 (%)	
Surrounding Residential Properties	7.0%
Benchmark for Local Market Area	7.2%
Average Home Value, 2026	
Surrounding Residential Properties	$289,595
Benchmark for Local Market Area	$242,532

Analysis of Days on Market and Sale-to-List Price

Procedure

Using Zillow, we conducted a search for recent sales of single-family homes located within a 1.5-mile radius of the data center projects used in the prior analysis.

A total of (10) sales were selected. For each, we calculated the total days on market (marketing time) and a sale-to-list price ratio. These indicators were then compared to corresponding benchmarks for the Indiana housing market as a whole.

Conclusions

The data observed in this analysis suggests that the proposed Data Center Project will not affect the marketing times or sale prices for surrounding residential properties in a substantially adverse manner:

- For the selected set of (10) homes, which sold in 2025, the average days on market was 53 days. The average days on market for all Indiana homes in 2025, as reported by Realtor.com, was 50 days.

- For the same set of (10) sales, the average sale-to-list price ratio was 96.8%. This ratio is similar to recent benchmarks for the Indiana housing market reported by Redfin and Zillow, which range from 97.3% to 98.7%. Given the small sample size and the seasonal fluctuations that typically occur, the minor discrepancy is not considered to be significant.

Our analysis is summarized in the following table.

Analysis of Days on Market and Sale-to-List Price

	Surrounding Homes	Indiana
Average Days on Market	53	50
Average Sale-to-List Price	96.8%	97.3% - 98.7%

Analysis of Academic Research

Procedure

We reviewed a recent academic research paper entitled "Data Centers and 2023 Home Sales in Northern Virginia", published by the Center for Regional Analysis at the Schar School of Policy and Government at George Mason University. The research, published in August of 2025, analyzes the impact of data centers on adjacent residential property values. The data set was comprised of homes in northern Virginia and utilized robust multiple regression procedures to isolate the influence of proximity to a data center.

Conclusions

The authors' findings and conclusions suggest that the proposed Data Center Project will not affect the values of surrounding residential properties in a substantially adverse manner:

- According to the authors, their regression analysis of home sale transactions in Northern Virginia failed to "demonstrate statistical evidence that proximity to a data center negatively impacts housing values."

- The authors also concluded that "there is no evidence that, on average, proximity to data centers negatively impact housing values in Northern Virginia."

Scope of Work

Inspection

An inspection of the site for the proposed Data Center Project was conducted by David Hall, MAI, AICP, on May 1, 2026. Photographs were taken from various points along public roads and have been included in this report for reference.

Project Information

Descriptive project and location information for the set of (5) data center projects in Indiana was obtained from a variety of online databases and websites, including Renewablesinfo.org, Cleanview, Data Center Map, and Datacenters World Map.

Potential Data Sources for Value and Pricing Information

The following data sources were considered for use in the Analysis of Value Change:

Historical Sale Prices

For any one property, value change can be measured directly with "paired sales" – a sale and a subsequent re-sale. However, for most homes, sales are relatively infrequent and the time span between sales can extend for many years. Both factors tend to limit the availability of data. Further, the negotiated price for any one sale can be impacted by numerous variables that aren't directly related to real estate or changes in market conditions, such as seller or buyer motivation, mortgage interest rates, and the extent of market exposure. For these reasons, a "paired sales" analysis is frequently problematic and not necessarily a reliable indicator of value change over time.

Assessments

Across the U.S., assessment methodologies vary widely by state and county. Most assessors rely on generalized mass appraisal techniques, which are designed for efficiency rather than precision. The models often incorporate assumptions about property characteristics and condition, and they may fail to account for property-specific factors that materially impact value – such as a recent renovation, a unique lot configuration, or some other physical factor. As a result, two homes with the same assessed value may command very different prices in the market.

Additionally, depending on the jurisdiction, assessment practices may be impacted by statutory caps, exemptions, or equalization factors that further distort comparability. For example, homestead caps or limits can suppress taxable value growth for long-term owners, while recently sold properties may be reassessed at market value. This can create inconsistencies even within the same neighborhood.

Assessments are designed to allocate tax burden fairly, not to provide reliable indications of current market value for each individual property. As such, they prioritize uniformity and administrative efficiency over accuracy at the individual property level.

For these reasons, assessment data would not provide the most reliable basis for our analyses.

Zillow

Zillow's "Zestimates" are derived from actual sale prices, MLS listings, and agent-submitted transaction data. Zestimates also incorporate property-specific information from public sources, locational data, and market trends.

The Zillow Home Value Index (ZHVI) is a smoothed, seasonally adjusted index that reflects `typical values for single-family residences, condos, and co-ops in a given market area. It is a broad measure of home values and has become a widely used benchmark in the housing industry. It is also used by the Federal Reserve Bank of St. Louis (FRED) to conduct economic analysis and research.

For this assignment, Zillow's Zestimates and the Zillow Home Value Index (ZHVI) provide the most reliable basis for our Analysis of Value Change and Analysis of Value by Distance:

- Zillow is the largest and most widely-use real estate database in the U.S.
- 80% of U.S. home transactions involve agents who rely on at least one of Zillow's products
- Approximately 2/3 of U.S. home buyers use Zillow's websites and apps
- Zillow's "Zestimates" incorporate actual transaction data (historical sale and listing prices)
- Zillow's website is publicly available, allowing for transparency and verification
- Most properties in a given market area can be analyzed (not just ones that happened to sell)
- Changes in value can be measured uniformly over a specified time period (e.g. prior 5 years)
- Allows for direct comparison with benchmarks (e.g. ZHVI for larger market areas)

Additional Data Sources

All other data and information used to develop our analysis was obtained from publicly available sources, inclusive of the following:

- Renewablesinfo.org (website)
- Cleanview (website)
- Data Center Map (website)
- Datacenters World Map (website)
- Corporate websites
- News media

- Google (search)
- Google Maps
- Google Earth
- Gemini
- GIS websites (various counties in Indiana)
- Realtor.com (website)
- Redfin (website)
- Schar School of Policy and Government, George Mason University (website)

Methodologies and Procedures

Descriptions of each analysis are provided in the corresponding sections of this report:

- Analysis of Value Change
- Analysis of Days on Market and Sale-to-List Price
- Analysis of Academic Research

Applicable Assignment Requirements

Introduction

This report does not contain any opinions of value and is not an Appraisal or Appraisal Review, as defined by USPAP. However, the scope of work for this assignment falls within the range of services defined as Appraisal Practice. Thus, our analysis and report have been developed in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), the Appraisal Institute's Code of Professional Ethics, and applicable Indiana law.

Uniform Standards of Professional Appraisal Practice (USPAP)

Developed by the Appraisal Standards Board (ASB) of The Appraisal Foundation, the Uniform Standards of Professional Appraisal Practice is intended to promote and maintain public trust in appraisal practice. To achieve that end, USPAP establishes ethical and performance obligations for appraisal services through definitions, rules, standards, standards rules, and statements.

Preamble

An appraiser must comply with USPAP when the provided service (or the appraiser) is required by law, regulation, or agreement with the client. For this assignment, the following portions of USPAP apply:

> "An appraiser must act competently and in a manner that is independent, impartial, and objective.
>
> An appraiser must comply with the ETHICS RULE in all aspects of appraisal practice.
>
> An appraiser must comply with the COMPETENCY RULE and JURISDICTIONAL EXCEPTION RULE for all assignments."
>
> - *Page 2, Uniform Standards of Professional Appraisal Practice, 2024 Edition*

Ethics Rule

The Conduct section of the Ethics Rule provides the following guidance:

> "An appraiser:
>
> - must not perform an assignment with bias;
> - must not advocate the cause or interest of any party or issue;
> - must not agree to perform an assignment that includes the reporting of predetermined opinions and conclusions;
> - must not misrepresent his or her role when providing valuation services that are outside of appraisal practice;

- must not communicate assignment results with the intent to mislead or defraud;
- must not use or communicate a report or assignment results known by the appraiser to be misleading or fraudulent;
- must not knowingly permit an employee or other person to communicate a report or assignment results that are misleading or fraudulent;
- must not engage in criminal conduct;
- must not knowingly or willingly violate the requirements of the RECORD KEEPING RULE; and
- must not perform an assignment in a grossly negligent manner."

  - *Page 9, Uniform Standards of Professional Appraisal Practice, 2024 Edition*

Additionally, the Management section of the Ethics Rule states as follows:

"An appraiser must not agree to perform an assignment, or have a compensation arrangement for an assignment, that is contingent on any of the following:

1. the reporting of a predetermined result;
2. a direction in assignment results that favors the cause of the client;
3. the amount of a value opinion;
4. the attainment of a stipulated result;
5. the occurrence of a subsequent event directly related to the appraiser's opinions and specific to the assignment purpose."

  - *Page 10, Uniform Standards of Professional Appraisal Practice, 2024 Edition*

Competency Rule

This rule states as follows:

"An appraiser must: (1) be competent to perform the assignment; (2) acquire the necessary competency to perform the assignment; or (3) decline or withdraw from the assignment. In all cases, the appraiser must perform competently when completing the assignment.

Perfection is impossible to attain, and competence does not require perfection. However, an appraiser must not render appraisal services in a careless or negligent manner. This Rule requires an appraiser to use due diligence and due care."

  - *Page 13, Uniform Standards of Professional Appraisal Practice, 2024 Edition*

Jurisdictional Exception Rule

This rule states that "if any applicable law or regulation precludes compliance with any part of USPAP, only that part of USPAP becomes void for that assignment."

- *Page 17, Uniform Standards of Professional Appraisal Practice, 2024 Edition*

Code of Professional Ethics, Appraisal Institute

To promote ethical and competent professional appraisal practice, the Appraisal Institute has adopted a Code of Professional Ethics. The Code applies to Designated Members of the Appraisal Institute (e.g. appraisers with the MAI designation) and is comprised of the following:

- Definitions;
- Canons (statements of fundamental ethical principles)
- Ethical Rules (enforceable statements of required and prohibited conduct)

Summaries of the most relevant Ethical Rules are noted below.

- It is unethical to knowingly act in a misleading or fraudulent manner.
- It is unethical to lack the knowledge and experience necessary for the assignment to be completed competently.
- It is unethical to knowingly participate in, develop, prepare, or use an analysis, opinion, or conclusion that is biased.
- It is unethical to provide a service that is contingent upon reporting a predetermined analysis, opinion, or conclusion.

IRR Qualifications

Licensing and Designations

The appraisers contributing to this report are licensed certified general appraisers in the State of Indiana and they are designated members of the Appraisal Institute. Appraisal qualifications and current licensing information are summarized in the addenda to this report.

Relevant Prior Experience

David Hall, MAI, AICP and Michael C. Lady, MAI, SRA, ASA, CCIM, FRICS, have recently completed prior consulting assignments in Indiana that analyzed the impact of a proposed project on the use and/or value of surrounding residential properties. No steps were necessary to meet the competency provisions established under USPAP.

Zoning Administration and Development Review

David Hall, MAI, AICP has prior professional experience in zoning administration and development review, and he is a designated member of the American Institute of Certified Planners. Relevant prior employment and work experience is summarized below.

Department of Metropolitan Development, City of Columbus (Ohio)

- Approximately 5 years of work experience
- Zoning administration
- Variance review and approval
- Zoning ordinance development and amendment
- Neighborhood planning
- Advisor to Plan Commission, Board of Zoning Appeals, Columbus City Council

Monroe County Planning Department, Bloomington, Indiana

- Approximately 5 years of work experience
- Zoning administration
- Development review and approval
- Zoning ordinance development and amendment
- Advisor to Plan Commission, Board of Zoning Appeals, Monroe County Commissioners

Data Center Demand

National Market Overview

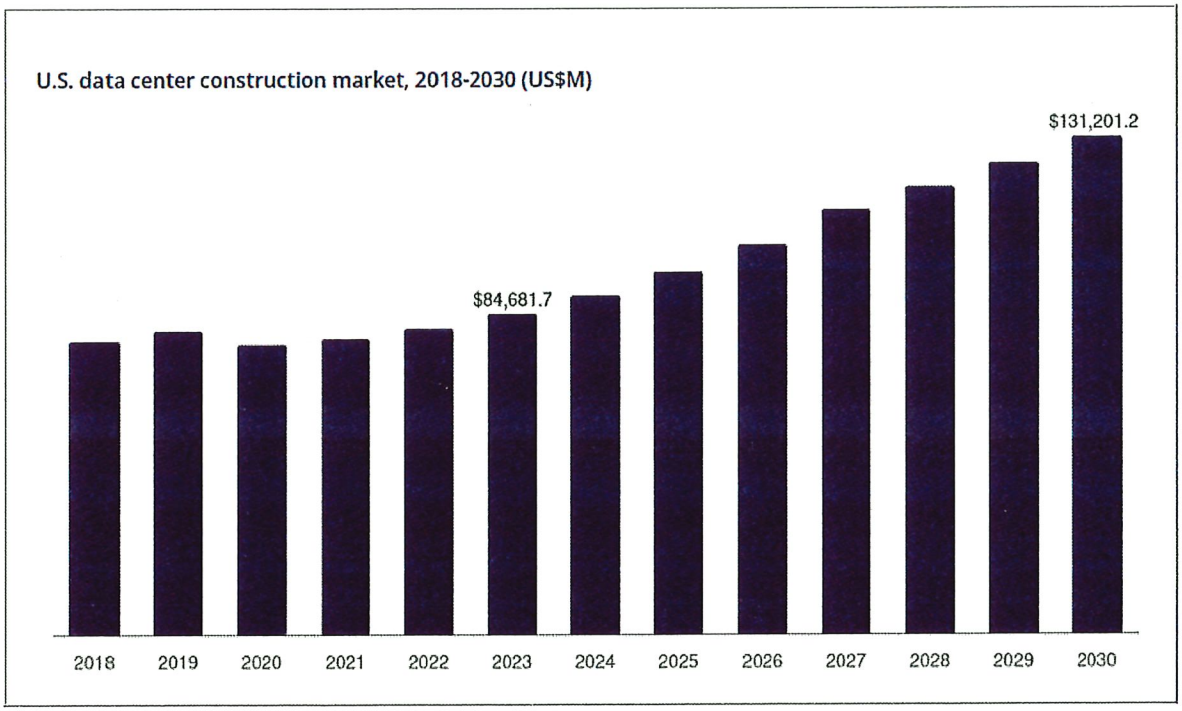
As of 2026, the U.S. data center market is experiencing an unprecedented "investment supercycle," with annual spending projected to peak at $89 billion this year—a nearly 800% increase since 2022. The surge reflects the massive computing requirements of generative AI, which has become the primary driver of new development.

The scale of demand has effectively exhausted the available supply, with vacancy rates in primary U.S. markets like Northern Virginia and Dallas-Fort Worth collapsing to below 1%. Nationwide, roughly 73% to 77% of the entire construction pipeline is already pre-leased before completion.

As of 2026, developers are expanding their geographic reach into secondary markets and increasingly incorporating on-site power generation—including natural gas turbines and battery storage—to bypass grid bottlenecks and meet the U.S. data center load, which is expected to consume nearly 10% of the nation's electricity by the end of the decade.

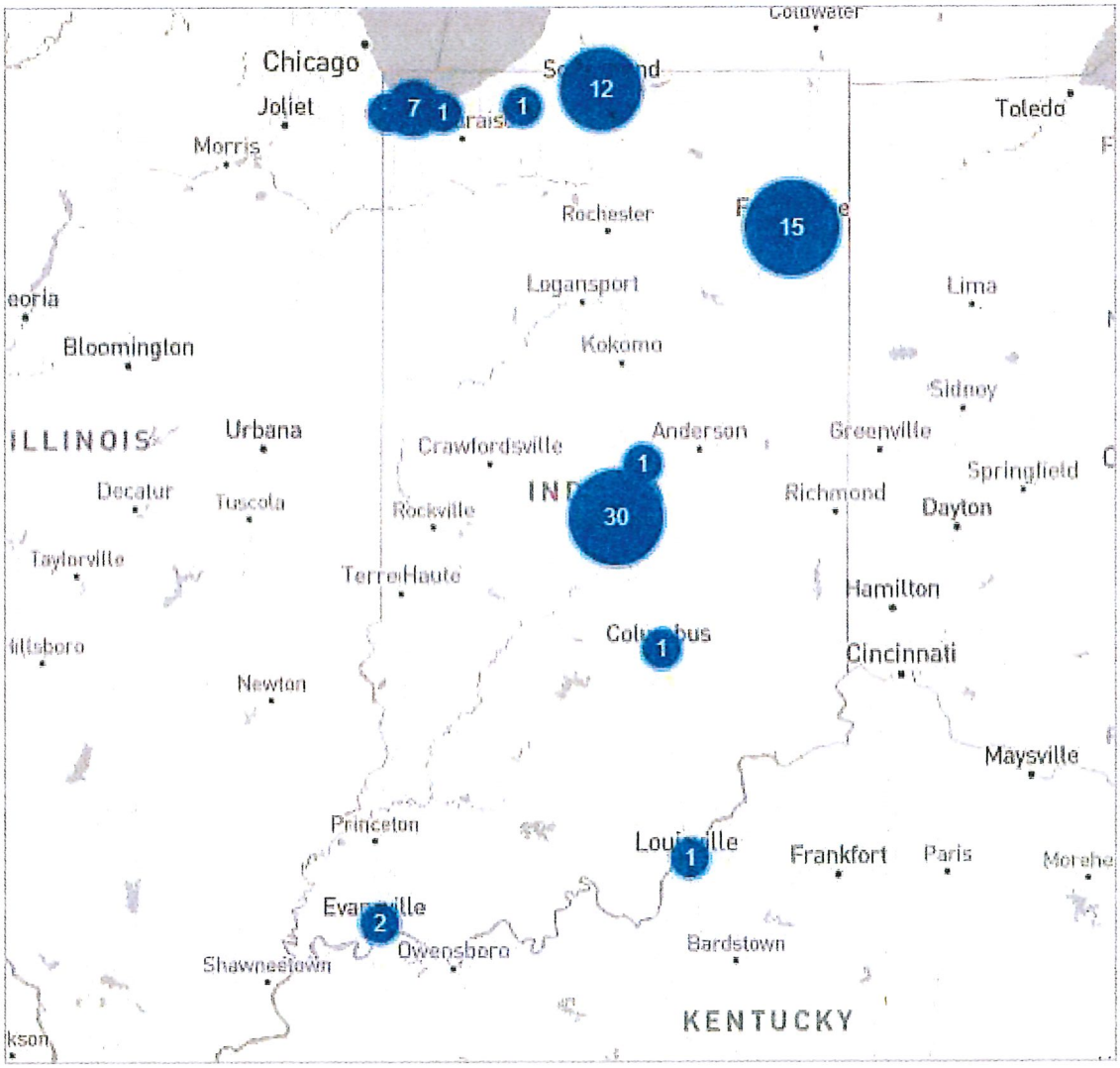
U.S. Data Center Construction Market

According to Grand View Research, a market research and consulting company that provides market intelligence for a wide variety of academic institutions and Fortune 500 companies, the data center construction market is expected to increase at a compound annual rate of more than 10% between 2025 and 2030. Recent and forecasted totals are summarized in the following chart:



Data Centers in Indiana

Indiana has emerged as hub for data center construction, with dozens of facilities now in operation and many more in various stages of planning and development. According to Data Center Map, an online database of data center projects, most of the data center construction in Indiana has been occurring in the Indianapolis, Fort Wayne, South Bend, and suburban Chicago metropolitan areas. The locations of known projects, including those still in the planning stages, are shown below.



Indiana Data Center Projects

Recent large-scale data center projects in Indiana include the following:

AWS Project Rainier (New Carlisle, IN)

This massive data center project by Amazon is located in St. Joseph County, along the State Road 2 corridor. Plans for the facility were publicly announced in 2024, with construction commencing later that same year. The first phase of construction is now complete and became operational in late 2025. The campus is expected to continue its buildout with full capacity achieved by 2030. According to Amazon, the facility contains "the world's largest concentration of non-Invidia AI chips".

Microsoft Data Center (LaPorte, IN)

Plans for this data center project were publicly announced in June of 2024. The site, approximately 500 acres in size, is located within the Radius Industrial Park, to the east of State Road 35. The project is still in the planning and permitting stages, with construction expected to commence in early 2026. The facility will be used to expand Microsoft's cloud computing infrastructure and support AI computing workloads.

META Data Center (Jeffersonville, IN)

This data is currently under construction in the River Ridge Commerce Center, approximately 10 miles northeast of downtown Louisville, Kentucky. Announced in 2024, the $800 million facility will be developed on more than 600 acres of land and will be used to support Meta's AI computing needs and its emerging "Metaverse".

Google Project Zodiac (Fort Wayne, IN)

This facility is located on the southeast side of Fort Wayne. Plans for the facility were publicly revealed in 2024, and the first phase of construction became operational in late 2025. The project is intended to serve as a critical hub for Google's global infrastructure, including Gemini and Google Cloud.

Google Project Louie (Monrovia, IN)

This data center project will be located in Morgan County, to the northeast of Monrovia. A zoning change and development agreement were approved for the project in early 2025. A new 1,200-megawatt substation is proposed as part of the project, which will be developed on approximately 500 to 600 acres of land. Construction is expected to commence in 2026.

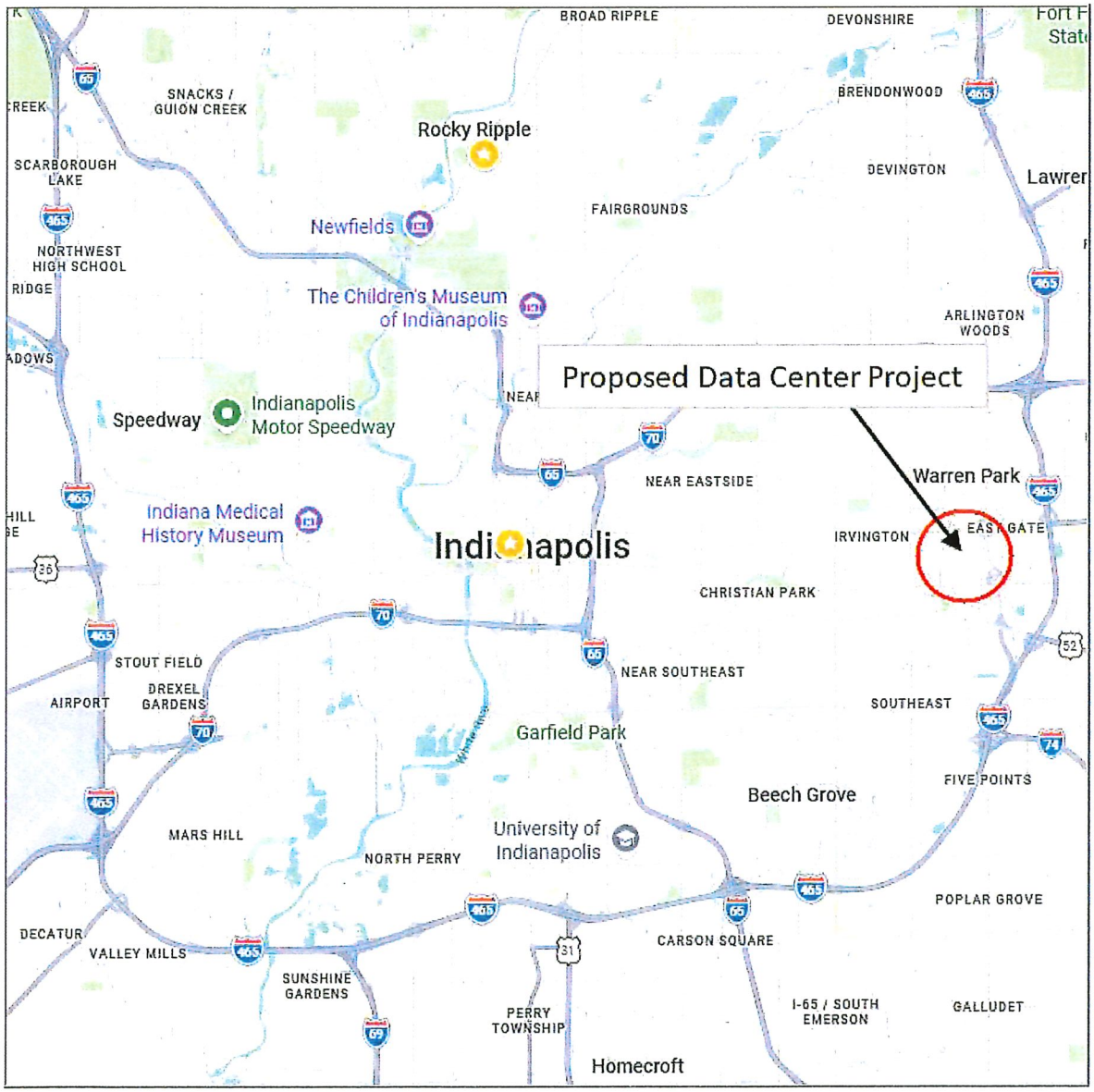
Microsoft Data Center (Granger, IN)

Microsoft purchased land for this project in 2024. The project will be located south of Interstate 90 and east of Highway 331, on a site than contains more than 900 acres of land. The facility will be used to expand Microsoft's cloud infrastructure and support growth in cloud computing and AI workload. As of early 2026, Microsoft is moving forward with plans for construction. Project timelines are still being developed, but according to some sources, construction is likely to commence in 2026.

Description of Proposed Data Center Project

Location

The site for the proposed Data Center Project is located at the southwest quadrant of Shadeland Avenue and E. Washington Street, on the far east side of Indianapolis, Indiana. A map illustrating the location of the project site is shown below.



Project Overview

According to information provided by the client and the client's website for the project, the proposed Data Center Project will comprise and incorporate a total of (3) buildings, constructed in (2) phases:

- Building 1 80,000 +/- square feet, one-story configuration
- Building 2 140,000 +/- square feet, two-story configuration
- Building 3 190,000 +/- square feet, two-story configuration

The first phase of construction will consist of the 80,000 +/- square foot building, which is expected to be completed in approximately 24 months. The second phase will include Buildings 2 and 3 and will commence after Phase 1.

Surrounding Residential Development

Existing concentrations of residential development are located to the north, west, and east of the proposed Data Center Project, as shown in the aerial photo below. The homes closest to the project site are located approximately 1,200 feet to the north and west.