

MARKET STUDY

WOODSIDE VILLAGE APARTMENTS
2000 WEST 47TH PLACE
WESTWOOD, JOHNSON COUNTY, KANSAS 66205



Effective Date of the Report
June 14, 2011

Date of the Report
August 15, 2011

Prepared for

Mr. Blair Tanner
Tanner & White Properties, Inc.

Prepared by

 **SHANER APPRAISALS, INC.**
real value

August 15, 2011

Mr. Blair Tanner
Tanner & White Properties, Inc.
1545 Stone Canyon Road
Los Angeles, California 90077

Re: Market Study
Woodside Village Apartments
2000 West 47th Place
Westwood, Kansas 66205

Shaner File No. 11323

Dear Mr. Tanner:

In accordance with your authorization, we have conducted a detailed study of the apartment market located in northeast Johnson County, Kansas. Our study has focused on market supply and demand for both existing and proposed apartments.

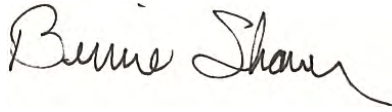
The report that follows sets forth a brief identification of the property, the assumptions and limiting conditions, pertinent facts and demographics for the area, comparable market data and statistics, the results of the investigation, and the reasoning leading to the conclusions set forth. We encourage the reader to pay particular attention to the Special Assumptions and Limiting Conditions regarding the feasibility of the project.

The market study was prepared in accordance with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice. The report was prepared by Daniel Kann under the supervision of Bernie Shaner, MAI SRA.

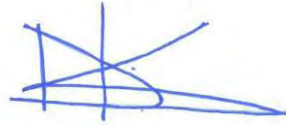
The subject will be a 330-unit apartment complex with the primary tenants being young professionals, singles, divorcees, and empty nesters. Our analysis has concluded that there is sufficient demand in the market for the subject property without negatively impacting the existing rental market. Demand from rental household growth is present in the PMA, although minimal due to the area being fully built-out. Household growth in the PMA is projected to be 0.25% per year with rental household growth projected to comprise 100% of the new household growth. Market area absorption is concluded to be at least 20-units per month with stabilized occupancy of 95% forecasted in month-16. According to our estimate of market rents, approximately 71% of the PMA and 75% of the SMA households will be able to afford renting a unit in the subject. We project that approximately 20% of the residents will be empty nesters with the remaining 80% being young professionals consisting of singles and couples.

Our recommendations for the subject property are summarized in the following Executive Summary and detailed in the attached report. This letter is invalid if detached from the report, which contains the text, exhibits and addenda.

Sincerely,
Shaner Appraisals, Inc.

A handwritten signature in blue ink that reads "Bernie Shaner". The signature is fluid and cursive, with the first name "Bernie" and last name "Shaner" clearly distinguishable.

Bernie Shaner, MAI SRA
State Certified General Appraiser, Kansas G-431

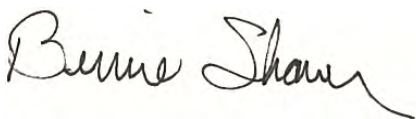
A handwritten signature in blue ink that reads "Daniel Kann". The signature is more angular and less cursive than the one to its left, with sharp lines and a distinct "K" shape.

Daniel Kann
State Certified General Appraiser, Kansas G-2762

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results. Furthermore, my engagement was not conditioned upon the appraisal producing a specific value, a value within a given range, or the approval of a loan.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- No one provided significant professional assistance to the person(s) signing this report.
- Daniel Kann made a personal inspection of the property that is the subject of this report. Bernie Shaner, MAI SRA also made a personal inspection of the subject property.
- As of the date of this report, Bernie Shaner, MAI SRA has completed the continuing education program of the Appraisal Institute. Daniel Kann has completed the Standard and Ethics Education Requirement of the Appraisal Institute for Associate Members.
- Shaner Appraisals, Incorporated performed services regarding the subject property on May, 13, 2010, which is within the three-year period immediately preceding acceptance of the assignment.



Bernie Shaner, MAI SRA
State Certified General Appraiser, Kansas G-4310



Daniel Kann
State Certified General Appraiser, Kansas G-2762

EXECUTIVE SUMMARY



NAME	Woodside Village Apartments
LOCATION	2000 West 47th Place, Westwood, Kansas 66205
TYPE OF PROPERTY	Mixed-Use Development
EFFECTIVE DATE OF VALUE	June 14, 2011
INTEREST APPRAISED	Fee simple estate
LAND AREA SQUARE FEET ACRES	571,686 (per plans) 13.12 (per plans)
BUILDING AREA GROSS BUILDING AREA NET RENTABLE AREA (APARTMENTS) NET RENTABLE AREA (COMMERCIAL) UNITS	344,358 (per plans) 316,755 (per plans) 36,854 (per plans) 330 (per plans)
YEAR CONSTRUCTED	Proposed
ZONING	CP-1 – Planned Commercial
OWNER OF RECORD	City of Westwood
CURRENT OCCUPANCY	Proposed

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PROJECT RECOMMENDATIONS

General Conclusions - Market Area

- The subject is located in Westwood, Kansas, which is located in northeast Johnson County, Kansas, near The Country Club Plaza. Westwood, Kansas is a mature city that is fully built-out and has been for some time. The built-out nature is a barrier to entry due to there being very few, if any, parcels of vacant land available for future development.
- The service and government sectors are the two main employment industries in the PMA and SMA. Service employment accounts for 50.5% of all employment in the PMA with government employment accounting for 13.2%. Service employment is an excellent source of tenants for apartment dwellers.
- The PMA is mainly comprised of The Country Club Plaza, Roeland Park, Westwood, Westwood Hills, north Overland Park, Mission Hills, Mission Woods, Mission, north Leawood, and Prairie Village, Kansas. The PMA has a 2010 population of 108,438 people in 51,254 households, and a median household income of \$67,489.

General Conclusions - Apartment Market

- The most recently stabilized development, Briarcliff City Apartments, located north of downtown Kansas City, started pre-leasing units in June 2010 with the first building available for occupancy on September 29, 2010. The property was 95% occupied by early June 2011 for an absorption rate of 33-units per month, excluding pre-leasing. We project the subject will absorb at least 20-units per month due to its design and location.

Name	Location	# Units	Began Leasing	Absorption Rate
The Briarcliff City Apartments	Kansas City, MO	263	Jun-10	33
West Edge at City Center	Lenexa	309	Apr-09	16
Market Station	River Market - KCMO	323	Sep-09	17
Villas at Carrington Square	Overland Park	278	Nov-08	18
Average		293	-	21

- Based on our analysis, we have determined that renter households currently represent 28.5% of the households in the PMA and 33.0% of the households in the SMA, compared to the national average at 34.2% and the metro average of 32.1%. The lower percentage of renter households is a result of the high concentration of single family homes, resulting in pent-up demand for multifamily housing.
- According to our survey of competing properties that are stabilized, vacancy rates are between 1% and 5% with an average of 3%. Our survey concluded that vacancy and collection loss for market-rate apartments is approximately 5% in the PMA.

Survey	Comp #1	Comp #2	Comp #3	Comp #4	Comp #5	Average
4%	10%*	1%	1%	5%	3%	3%

*In lease-up

- The PMA has seen very little multifamily development in the last several years due to the area being mature and fully built-out. The lack of new multifamily construction is a positive for a future multifamily development. Our demand analysis has concluded there to be pent-up demand in the PMA, resulting in the additional demand for 1,310-income qualified renter households.

General Conclusions - Subject

Based on the supply and demand projections, we have arrived at the following conclusions.

- The subject is located in Westwood, Kansas, which is an attractive residential area. The subject is within close proximity to local area amenities including The Country Club Plaza, which is located 0.75-miles east of the property.
- The subject is located within close proximity to Interstate 35 and downtown Kansas City. The Country Club Plaza is located east of the subject, which is major draw and attraction for potential tenants due to it offering several shopping and entertainment destinations.
- The subject will be a 330-unit, Class A apartment complex with two, four-story apartment buildings. The project will also have 36,854 square feet of street level commercial space as well as thirteen live/work units. The project will be designed based on the following themes: sustainability, art, town center, luxury, and health & wellness.
- The subject will be most heavily weighted with two-bedroom units comprising 48.18% of the units, with one-bedroom units comprising 44.24% of the units. Three-bedroom units comprise the fewest number of units totaling 7.58%, or 25-units.
- Complex amenities include one free membership per unit to Woodside Health and Tennis Club, which features a fitness facility, spa, tennis courts (8), wellness center, yoga rooms, indoor lap pool, outdoor pools (4), steam room, whirlpool, juice and smoothie bar, and an on-site café and bar. Additional memberships will be available to other residents at a reduced price of \$50 per person.
- As part of Phase II, The Woodside Health and Tennis Club will be expanded with an additional 40,000 square feet of health and wellness space consisting of two stories. The addition will include a yoga room, several multipurpose rooms, a spinning studio, a stretching area, a group exercise class, offices, a gymnasium, and an indoor pool and pool lounge. No other properties in the metro have access to comparable facilities and are LEED certified.

Unit Mix

The following table is a breakdown of the various units that are proposed for the subject.

UNIT SUMMARY					
No.	Model	Type	% of Units	Size (SF)	NRA (SF)
38	1	1BR 1BA	11.52%	615	23,370
83	1	1BR 1BA	25.15%	730	60,590
12	1	1BR 1BA	3.64%	830	9,960
13	1	1BR 1.5BA	3.94%	1,100	14,300
25	2	2BR 2BA	7.58%	950	23,750
22	2	2BR 2BA	6.67%	1,050	23,100
90	2	2BR 2BA	27.27%	1,100	99,000
22	2	2BR 2BA	6.67%	1,230	27,060
25	3	3BR 2BA	7.58%	1,425	35,625
330	-	Total/Avg	100%	960	316,755

Estimated Market Rent

The table below shows our projected market rents for the subject, based on rents from similar properties in the market area adjusted to the appropriate subject unit. Market rental rates do not include ancillary or additional parking income and do take into consideration concessions currently being offered by competing properties.

MARKET RENTAL RATES						
No.	Type	Size (SF)	Rent/Mo.	Rent/SF	Monthly Rent	Yearly Rent
38	1BR 1BA	615	\$995	\$1.62	\$37,810	\$453,720
83	1BR 1BA	730	\$1,115	\$1.53	\$92,545	\$1,110,540
12	1BR 1BA	830	\$1,185	\$1.43	\$14,220	\$170,640
13	1BR 1.5BA	1,100	\$1,400	\$1.27	\$18,200	\$218,400
25	2BR 2BA	950	\$1,300	\$1.37	\$32,500	\$390,000
22	2BR 2BA	1,050	\$1,355	\$1.29	\$29,810	\$357,720
90	2BR 2BA	1,100	\$1,415	\$1.29	\$127,350	\$1,528,200
22	2BR 2BA	1,230	\$1,575	\$1.28	\$34,650	\$415,800
25	3BR 2BA	1,425	\$1,950	\$1.37	\$48,750	\$585,000
330	Total/Average	960	\$1,321	\$1.38	\$435,835	\$5,230,020

Amenity Package

The subject's amenity package is contained in the following table with the amenities split between unit and common area. All of the units will have superior quality and amenities than other competing properties in the local market. The subject will have several high-end complex and unit amenities with specific items such as granite counters, and access to a luxury fitness and wellness center being unique to the Kansas City apartment market. Furthermore, the subject will be the only project in the Kansas City metro with a design emphasis on health & wellness and sustainability.

Amenity Package	
Unit Amenities	Complex Amenities
Fire sprinklers in each unit	Access to Woodside Health & Tennis Club:
Walk-in closets	Fitness facility
9' ceilings	Spa
Ceiling fan in bedroom and living room	Tennis courts (8)
Balcony/patio	Wellness center
Individual, split system HVAC unit	Yoga rooms
Refrigerator with ice maker	Indoor pool (1)
Microwave with hood	Juice and smoothie "Earth Bar"
Dishwasher	Indoor lap pool
Washer/dryer in each unit	Outdoor pools (4)
Intrusion alarm	Steam room & whirlpool
Hardwood flooring	On-site café and bar
Granite counters	LEED certified
	Walking paths
	Outdoor common areas for residents
	Individual storage units (4x6)

EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS

Extraordinary Assumption: An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

This market study is subject to the following special assumptions and limiting conditions:

- We have placed limited reliance upon demographic data from ESRI as their projections are based on 2000 Census data. Due to the rapidly changing climate, some of the demographic data provided is outdated and does not accurately reflect the changing market. Due to the changing market in downtown Kansas City, the best available information was used from various sources.

Hypothetical Condition: That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

- This market study is based on the hypothetical condition that the improvements are completed in a competent, workmanlike manner that is substantially consistent with the plans, specifications and descriptions provided by the developer. This descriptive information is summarized in the Property Section of the attached report. If the improvements are not completed in accordance with the information provided, or the quality of construction is substandard, our conclusions could require revision.

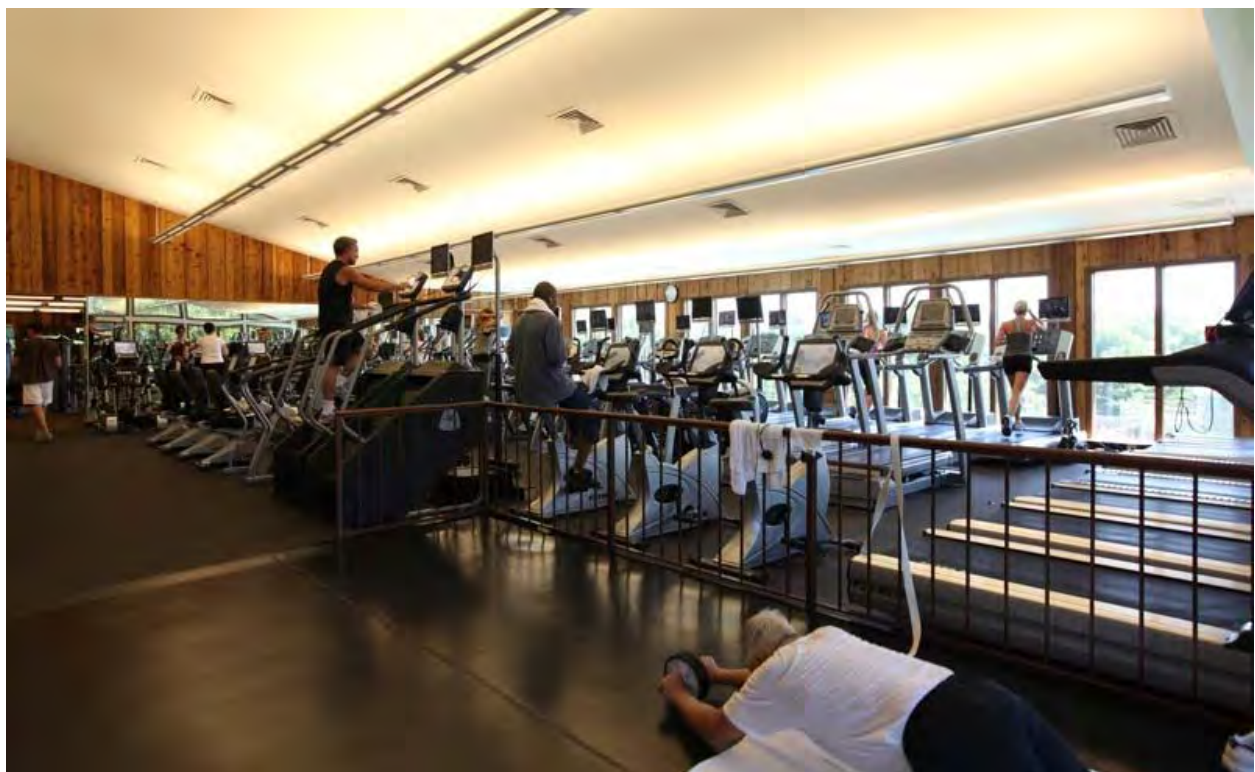
OTHER ASSIGNMENT CONDITIONS:

1. None

SUBJECT PHOTOS



Monument to the Woodside Health & Tennis Club



View of fitness area



View of tennis court



View of outdoor pool area



View of the indoor pool area



View of the club lobby area

INTRODUCTION

Description

The subject property will be a four-story, mixed-use development in two phases, consisting of 330-apartment units in two-buildings. The development will be commonly known as the Woodside Village Apartments and located at 2000 West 47th Place, Westwood, Johnson County, Kansas. The improvements will contain approximately 344,358 square feet of gross building area and 316,755 square feet of net rentable area. The subject will be located on four-contiguous parcels with a total site area of 13.12 acres, or 571,686 square feet. The development will also have 36,854 square feet of street level commercial space available for lease, thirteen live/work units, and a multi-level parking structure containing a total of 678-spaces.

Purpose of Study

The purpose of the market study is to evaluate the property and the general market to determine the market demand for apartment units. Among other things, this study is to determine market rents, occupancy, and absorption for the subject property. The study will also be used to determine the appropriate unit mix and unit sizes, as well as the level of unit and complex amenities for the proposed project.

Effective Date

The effective date of this study is June 14, 2011. Daniel Kann inspected the site on June 14, 2011. Bernie Shaner, MAI also made a personal inspection.

Date of Report

The date of this report is August 15, 2011. A comparison of the date of the report to the effective date of the study indicates that our conclusions are reflective of current market conditions.

User(s) and Function

This study was prepared for the sole and exclusive use of Tanner & White Properties, Inc. to assist in a proposed real estate development. It is not to be relied upon by any third parties for any purposes, whatsoever.

Definitions

Pertinent definitions, including the definition of market value, are included in the Glossary, included as an addendum to this report.

Competency

No steps were necessary to meet the competency provisions established under USPAP. We have analyzed many apartment properties in the past several years. We certify that we have adequate experience and qualifications to prepare this market study. Please refer to the qualifications at the end of our report.

Scope of the Investigation

As part of this market study, we completed a thorough investigation and analysis of the data considered pertinent to evaluating the Westwood, Kansas and north Johnson County apartment market area. The primary market area (PMA) mainly consists of The Country Club Plaza, Roeland Park, Westwood, Westwood Hills, north Overland Park, Mission Hills, Mission Woods, Mission, north Leawood, and Prairie Village, Kansas, which are all located in the state of Kansas, with the exception of The Country Club Plaza. This report was prepared to conform to the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP).

There are six basic steps to performing a market study:

- Define the property
- Define the user of the property (market delineation)
- Forecast demand factors
- Inventory and forecast competitive supply
- Analysis of supply and demand
- Forecast subject capture

The investigation included, but was not limited to, the following:

- Inspection of the site
- Review of the plans and specifications
- Gathering of information on local market conditions and trends including population, income, employment levels, growth rates, and market rents
- Confirmation and analysis of the data

Sources of Information

Market, rental, and reporting data was obtained from a number of sources, including but not limited to the following:

- The Site-To-Do Business, a service for demographic and analytic data
- Marcus Millichap 2011 National Apartment Report
- National Apartment Association 2011 Report
- 2011 Cassidy Turley Market Report
- Johnson County Appraiser's Office
- Johnson County online databases
- The City of Westwood, Kansas
- Loopnet, CoStar, Multiple Listing Service (MLS) and in-house database

PROJECT DESCRIPTION

The subject property is a proposed mixed-use project consisting of 330-units in two four-story buildings. The buildings will contain one, two, and three-bedroom units.

General Characteristics

Location	2000 West 47th Place, Westwood, Johnson County, Kansas 66205
Site	The site area totals approximately 13.12 acres, or 571,686 square feet

Improvement Description

Our description of the subject property is based on a review of the preliminary architectural plans and conversations with the developer. We have also relied upon additional market data to determine several of the design characteristics such as the unit mix, unit sizes, and unit and complex amenities. Due to the market study being used to determine several design components of the development, we have assumed that several of the improvements will be completed in a manner similar to other recently developed competing properties in the general area. The subject improvements are described in the following outline format.

General

Name of Property	Woodside Village Apartments
Use	Mixed-use development
Design	Apartments with interior access to each unit
Year Built	Proposed
Building Size	NRA (apartments) 316,755 square feet (per plans) NRA (commercial) 36,854 square feet (per plans) Units: 330 (per plans)
Number of Buildings	Two
Building Height	Four-stories
Est. Effective Age	Proposed
Est. Economic Life	60 years (per Marshall Valuation Service)
Construction Type	Class C apartments (per Marshall Valuation Service)
Quality	Good - The proposed quality will be superior to all of the properties in north Johnson County, including the properties that are located east of the subject near The Country Club Plaza in Kansas City, Missouri. The subject will be most similar to a proposed project called The Village at Mission Farms, which is currently under construction at Mission Road and Interstate 435 in south Johnson County. Upon completion, the subject and The Village at Mission Farms will be the nicest properties in the Kansas City metro with similar target markets.

Exterior/Structural

Framing	Concrete
Foundation	Concrete
Basement	None
Exterior Walls	Wood, stucco, stone, and pre-finished panels
Windows	Single, hung, double pane glass in vinyl frame
Roof	The subject will feature a flat, rubber membrane roof

Interior Descriptions

Floor Plans	Unit floor plans feature an entry into the living area, a kitchen with an island, a separate mechanical room, a master bedroom with walk-in closet, and an open living area layout. Please the individual floor plans starting on Page 15.
Interior Finish	Bedrooms will be carpeted with the living areas having hardwood flooring, walls will be painted, and ceilings will be lightly textured. Quality of finish will be good.
Bathrooms	Ceramic tile flooring, under counter storage, fiberglass tub with shower, wood cabinets and granite counter tops. Bathroom fixtures appear to be of good quality.
Kitchens	All units will have kitchens with wood cabinets, hardwood flooring, and granite counter tops. Appliances include stainless steel refrigerator with ice maker, electric oven/range combination, double sink with disposal, dishwasher, and a microwave with a hood. Quality of appliances will be good.
Unit Amenities	Microwave, dishwasher, washer/dryer, balcony or patio, 9'ceilings, walk-in closets, ceiling fans, granite counter tops, hardwood flooring, double sinks, kitchen islands, and upgraded fixtures.

Mechanical

HVAC & Plumbing	Individual, split system, electric HVAC in each unit. Each unit will have an individual, 40-gallon, electric hot water heater.
Fire Protection	Each unit will be wet sprinklered with a hard wired fire alarm
Elevators	It is assumed that the subject will have elevators in each building
Condition	New

Parking and Site Improvements

Parking	
Surface Spaces	293 surface spaces
Covered Parking	678 structured spaces with 499 spaces allocated for residents
Total Parking	971-total spaces
Parking Ratio	2.94 spaces per unit
Adequacy	The proposed parking ratio will meet zoning requirements and appears to be adequate. According to the Multifamily Housing Development Handbook published by the Urban Land Institute, a parking ratio of 1.75 to 2.00-spaces per unit is recommended.
Surface Type	Asphalt with the parking structure being concrete
Condition	New
Landscaping	Landscaping will includes several trees, shrubs, flowers, planter boxes, and a lawn with above average design. The subject will feature several outdoor common areas such as a landscaped walking trail for the residents to use.
Drainage and Retention	Adequate at the time of inspection

Improvement Analysis

Condition/Deferred Maintenance	The condition of the improvements will be new
Functional Utility	Our inspection of the preliminary architectural plans did not reveal any functional problems due to the subject being proposed construction.

Green Building Techniques

The subject was built with green design and materials. Developed by the U.S. Green Building Council (USGBC), LEED provides building owners and operators a concise framework for identifying and implementing practical and measurable green building design, construction, operations and maintenance solutions. LEED is an internationally recognized green building certification system, providing third-party verification that a building or community was designed and built using strategies aimed at improving performance across all the metrics that matter most: energy savings, water efficiency, CO₂ emissions reduction, improved indoor environmental quality, and stewardship of resources and sensitivity to their impacts. LEED applies to all building types and works throughout the building lifecycle – design and construction, operations and maintenance, tenant build-out, and significant retrofit. LEED has seven categories that it rates to determine the level of certification (Certified-40+ points, Silver-50+ points, Gold 60+points, and Platinum-80+ points). The areas of ranking are listed below:

- **Sustainable Sites** - Choosing a building's site and managing that site during construction are important considerations for a project's sustainability. The Sustainable Sites category discourages development on previously undeveloped land; minimizes a building's impact on ecosystems and waterways; encourages regionally appropriate landscaping; rewards smart transportation choices; controls stormwater runoff; and reduces erosion, light pollution, heat island effect and construction-related pollution.
- **Water Efficiency** - Buildings are major users of our potable water supply. The goal of the Water Efficiency credit category is to encourage smarter use of water, inside and out. Water reduction is typically achieved through more efficient appliances, fixtures and fittings inside and water-wise landscaping outside.
- **Energy & Atmosphere** - According to the U.S. Department of Energy, buildings use 39% of the energy and 74% of the electricity produced each year in the United States. The Energy & Atmosphere category encourages a wide variety of energy strategies: commissioning; energy use monitoring; efficient design and construction; efficient appliances, systems and lighting; the use of renewable and clean sources of energy, generated on-site or off-site; and other innovative strategies.
- **Materials & Resources** - During both the construction and operations phases, buildings generate a lot of waste and use a lot of materials and resources. This credit category encourages the selection of sustainably grown, harvested, produced and transported products and materials. It promotes the reduction of waste as well as reuse and recycling, and it takes into account the reduction of waste at a product's source.
- **Indoor Environmental Quality** – The U.S. Environmental Protection Agency estimates that Americans spend about 90% of their day indoors, where the air quality can be significantly worse than outside. The Indoor Environmental Quality credit category promotes strategies that can improve indoor air as well as providing access to natural daylight and views and improving acoustics.
- **Innovation in Design** - The Innovation in Design credit category provides bonus points for projects that use new and innovative technologies and strategies to improve a building's performance well beyond what is required by other LEED credits or in green building considerations that are not specifically addressed elsewhere in LEED. This credit category

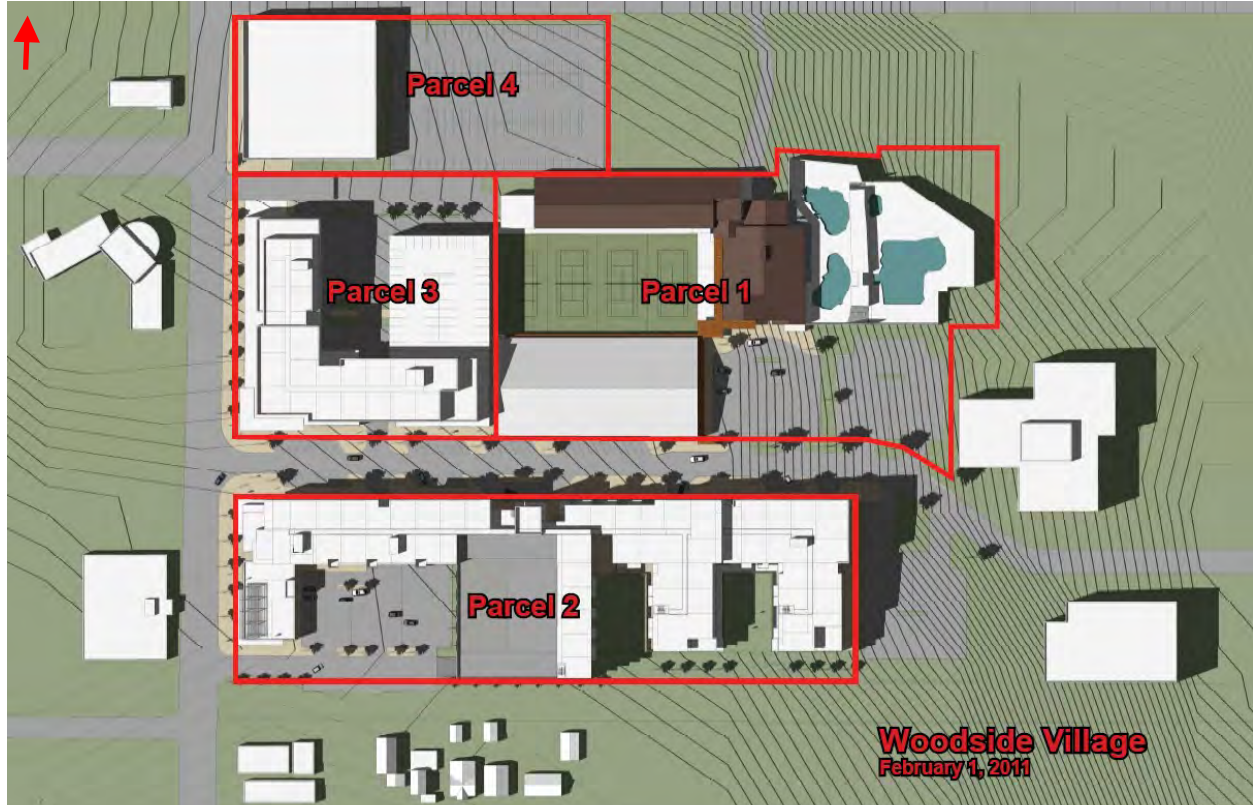
also rewards projects for including a LEED Accredited Professional on the team to ensure a holistic, integrated approach to the design and construction phase.

- **Regional Priority** – USGBC’s regional councils, chapters and affiliates have identified the environmental concerns that are locally most important for every region of the country, and six LEED credits that address those local priorities were selected for each region. A project that earns a regional priority credit will earn one bonus point in addition to any points awarded for that credit. Up to four extra points can be earned in this way.

The main areas of “Sustainable Strategies” the subject will follow are:

- Avoiding flood plains, wetlands, and prime agricultural land
- Pedestrian oriented development
- Compact development
- Reduce parking footprint
- Certified green buildings (at least one building will be certified)
- Energy efficiency
- Water efficient
- Mass transit
- Bicycle network & storage
- Mixed-use provides goods and service
- Street level activity
- Live-work spaces
- Recycling
- Access to civic public spaces
- Access to recreating facilities
- Universal design for accessibility and livability
- Community involvement
- Local food production (farmer’s market)
- Tree-lined and shaded streets
- Vehicle charging
- Salvage buildings
- Heat island reduction (white roofs and shaded parking)
- Solar orientation

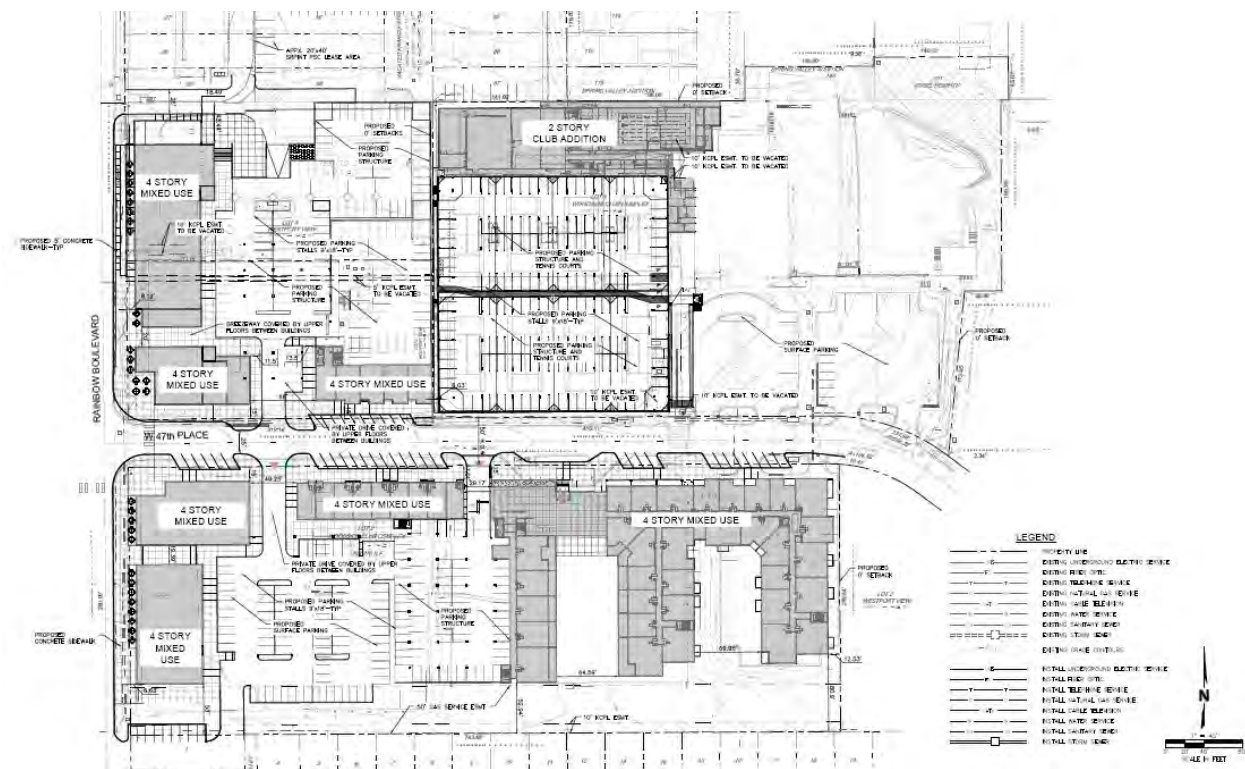
Parcel Plan



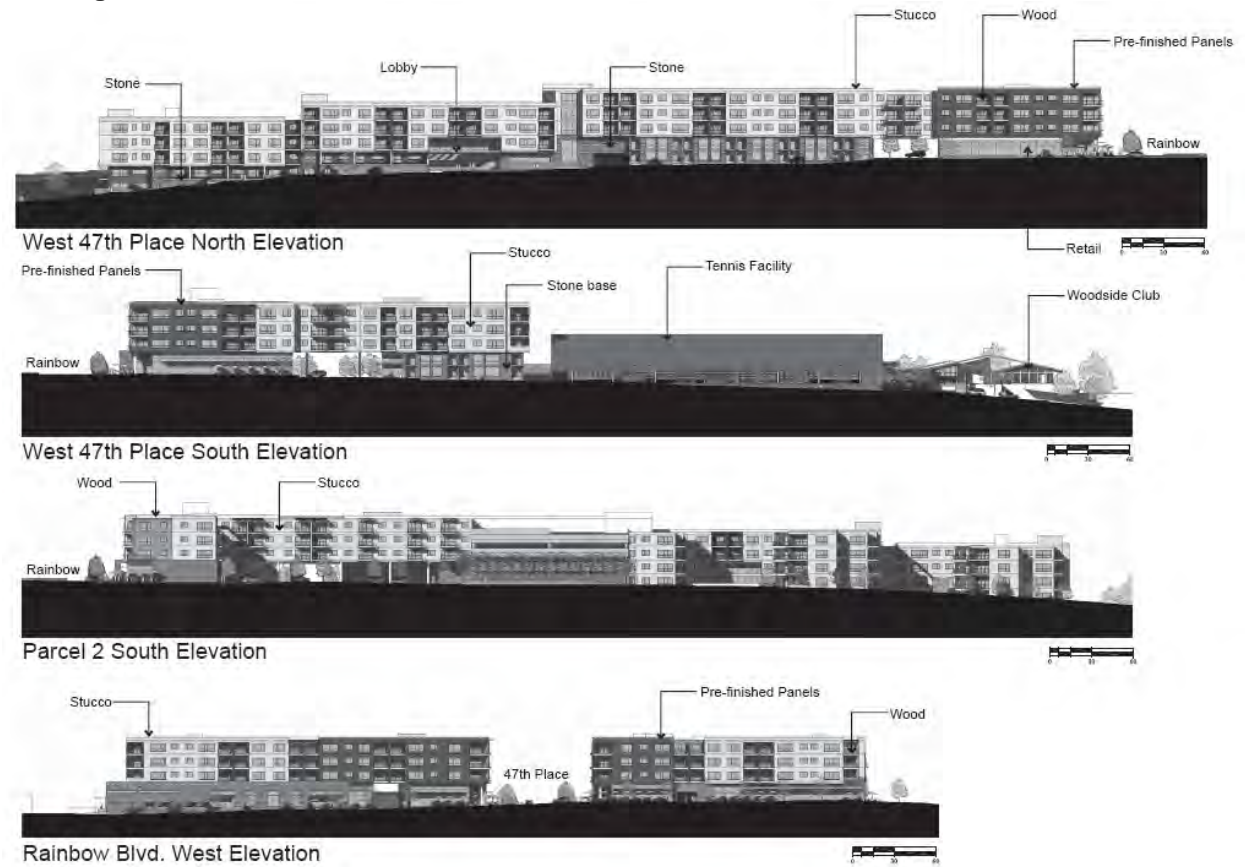
Landscaping Plan



Site Plan



Building Elevations



Exterior Rendering



Exterior Rendering



Updated Pool and Outdoor Amenities



Updated Pool and Outdoor Amenities

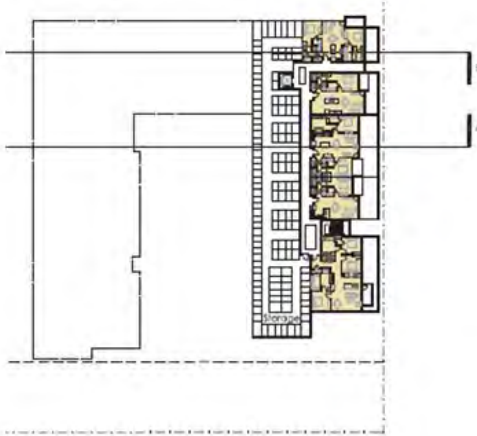
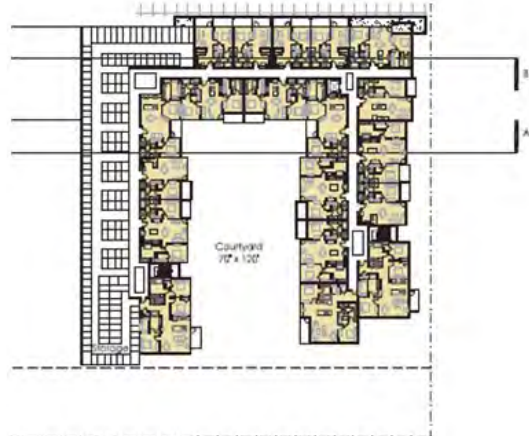


Individual Storage Units

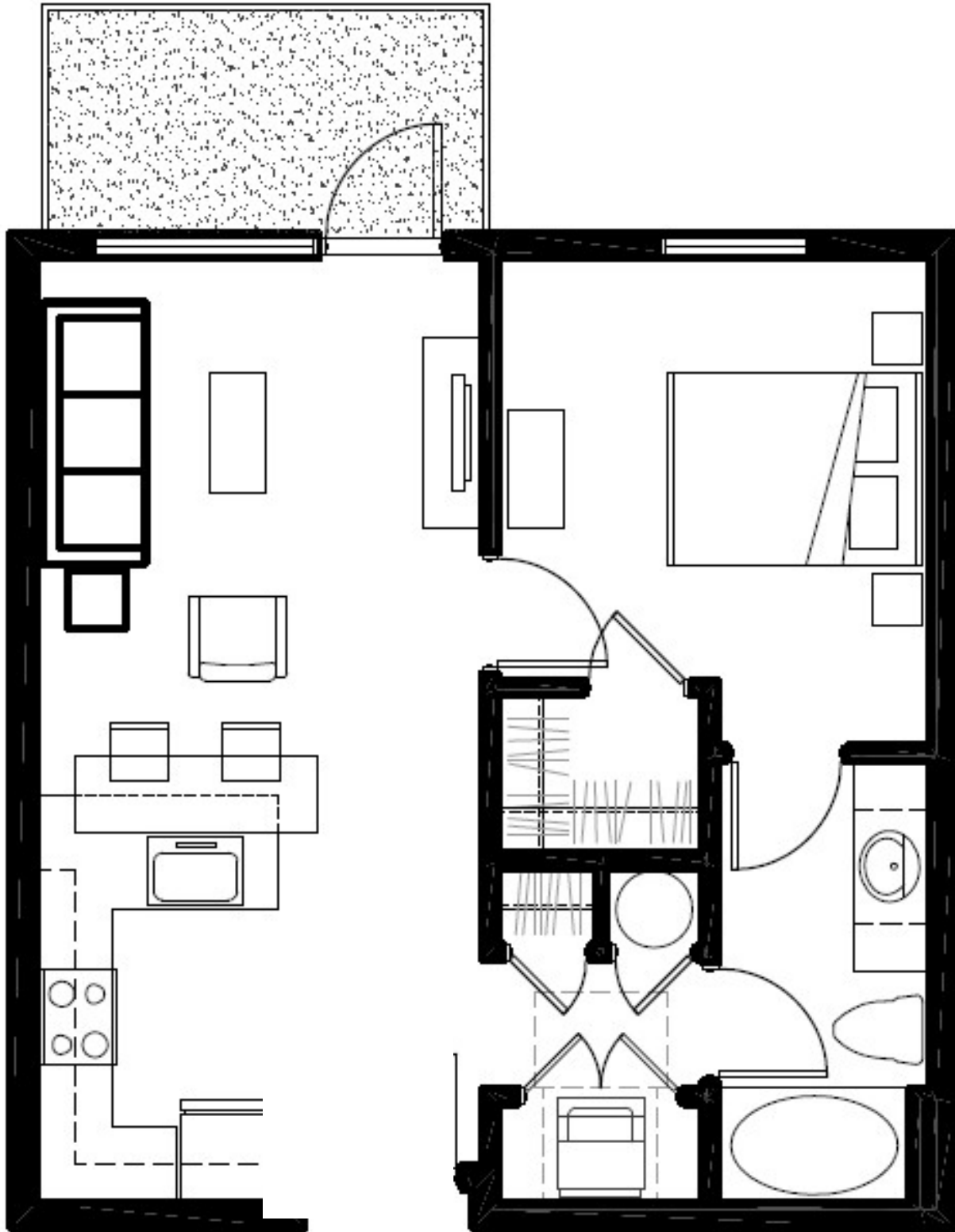
The subject will have 300 individual storage units that are four feet by six feet in size. Market Station Apartments currently charges \$15 to \$50 per month for storage lockers with there being a total of 50 units and eight currently vacant.

Woodside Village South

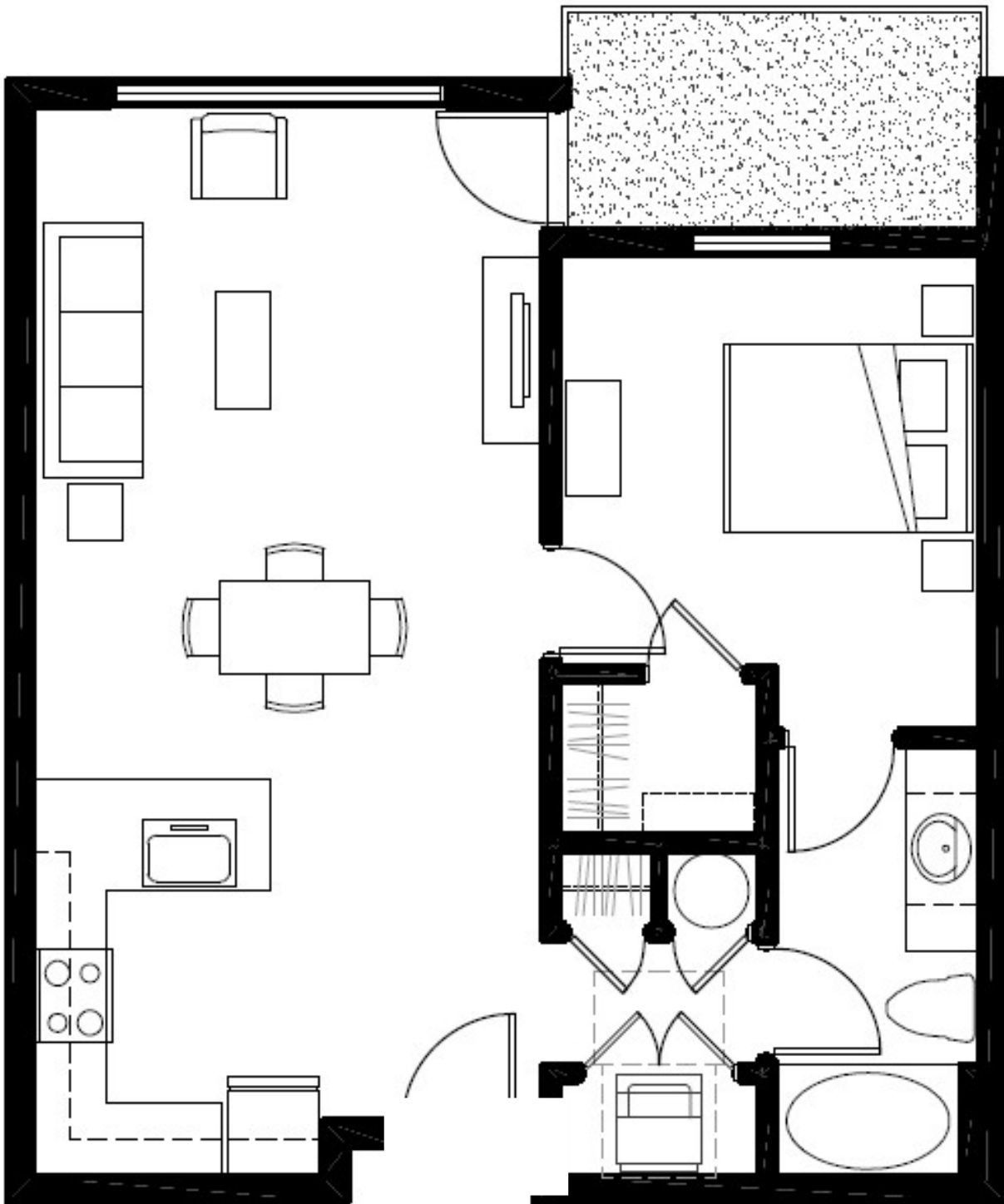
- 242 Residences
- 300 Storage Units

**Basement Level 1 - Elevation 940****Basement Level 2 - Elevation 950**

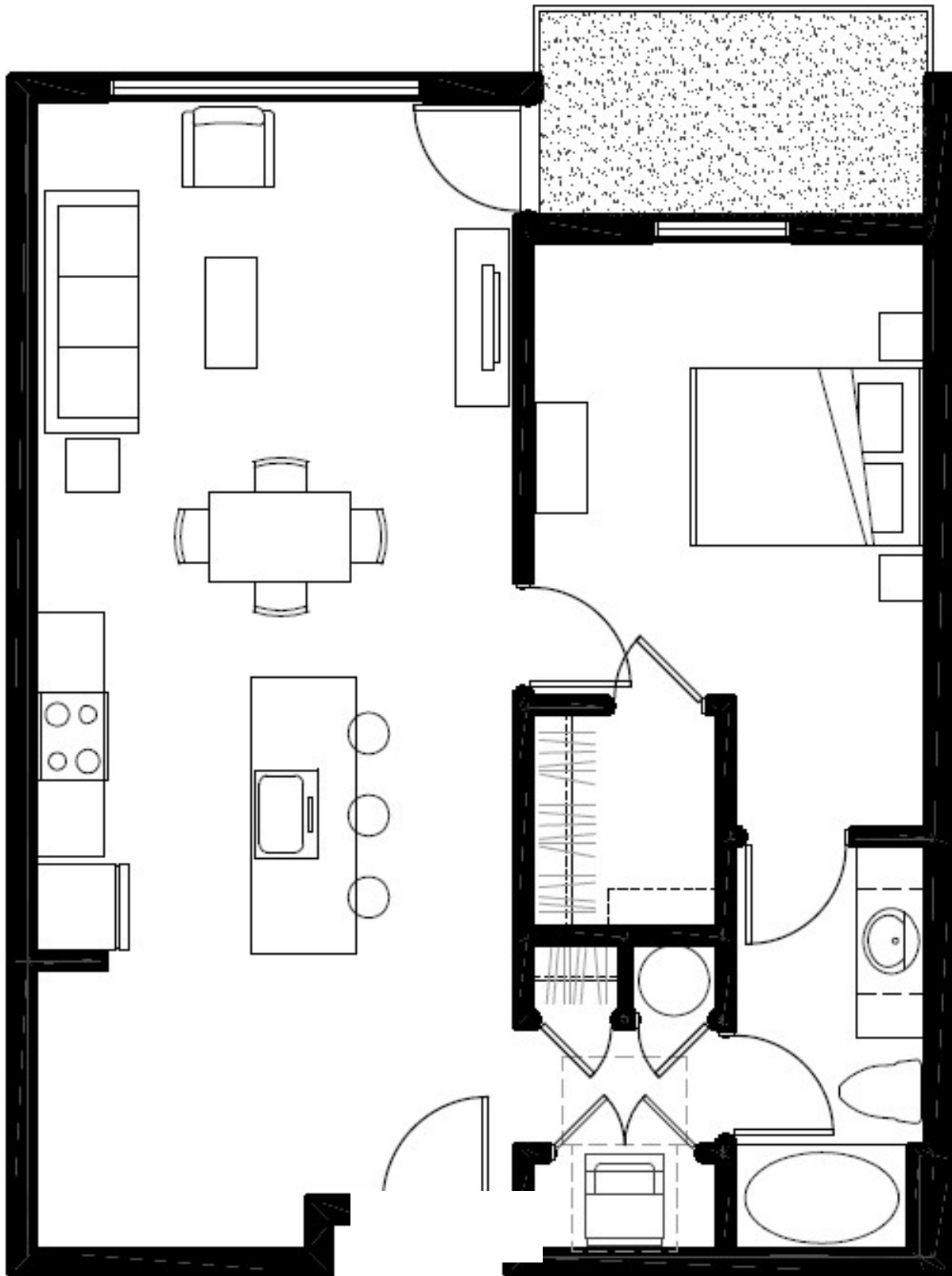
One Bedroom, One Bath Floor Plan – 615 Square Feet (A1)



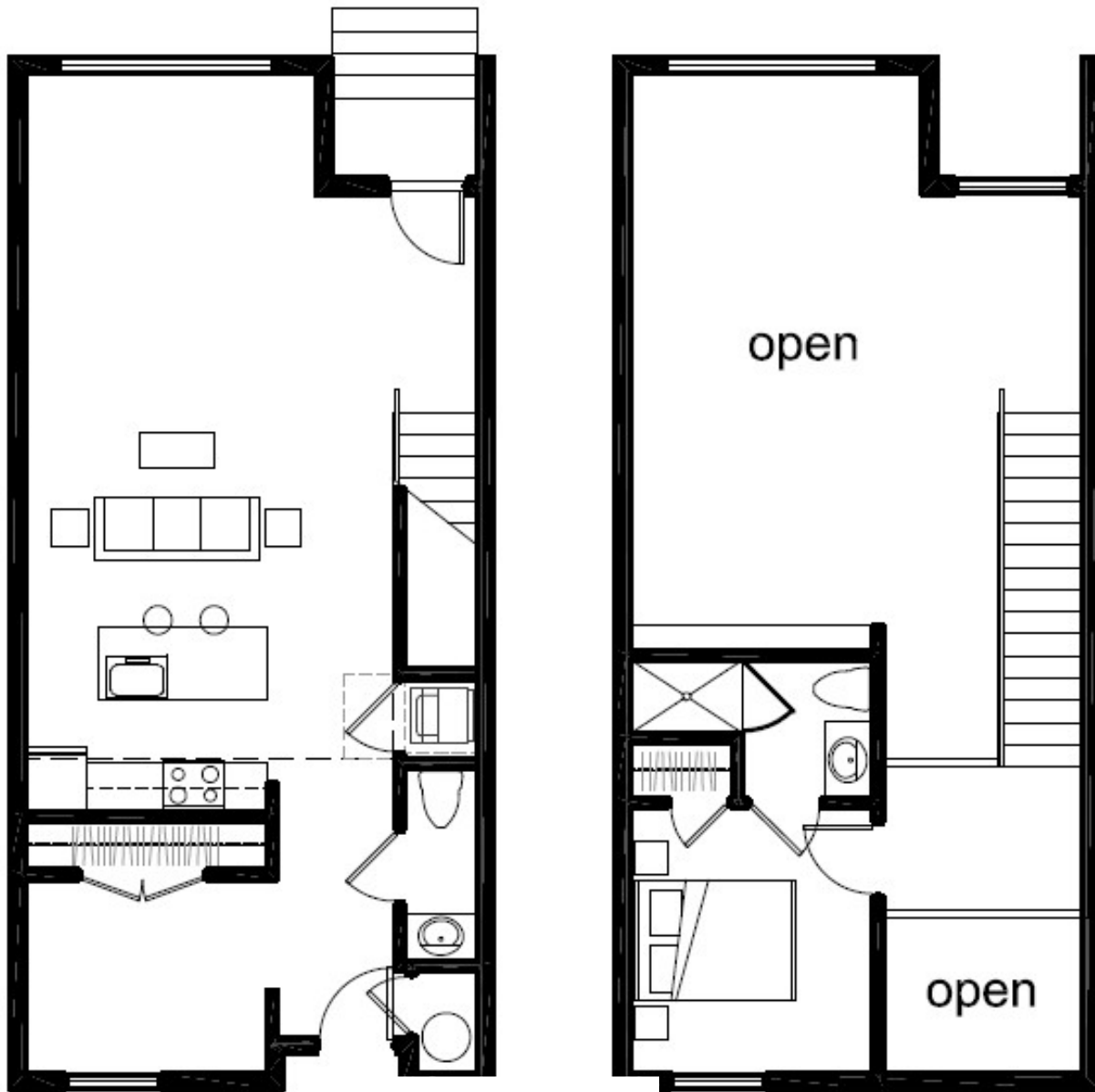
One Bedroom, One Bath Floor Plan – 730 Square Feet (A2)



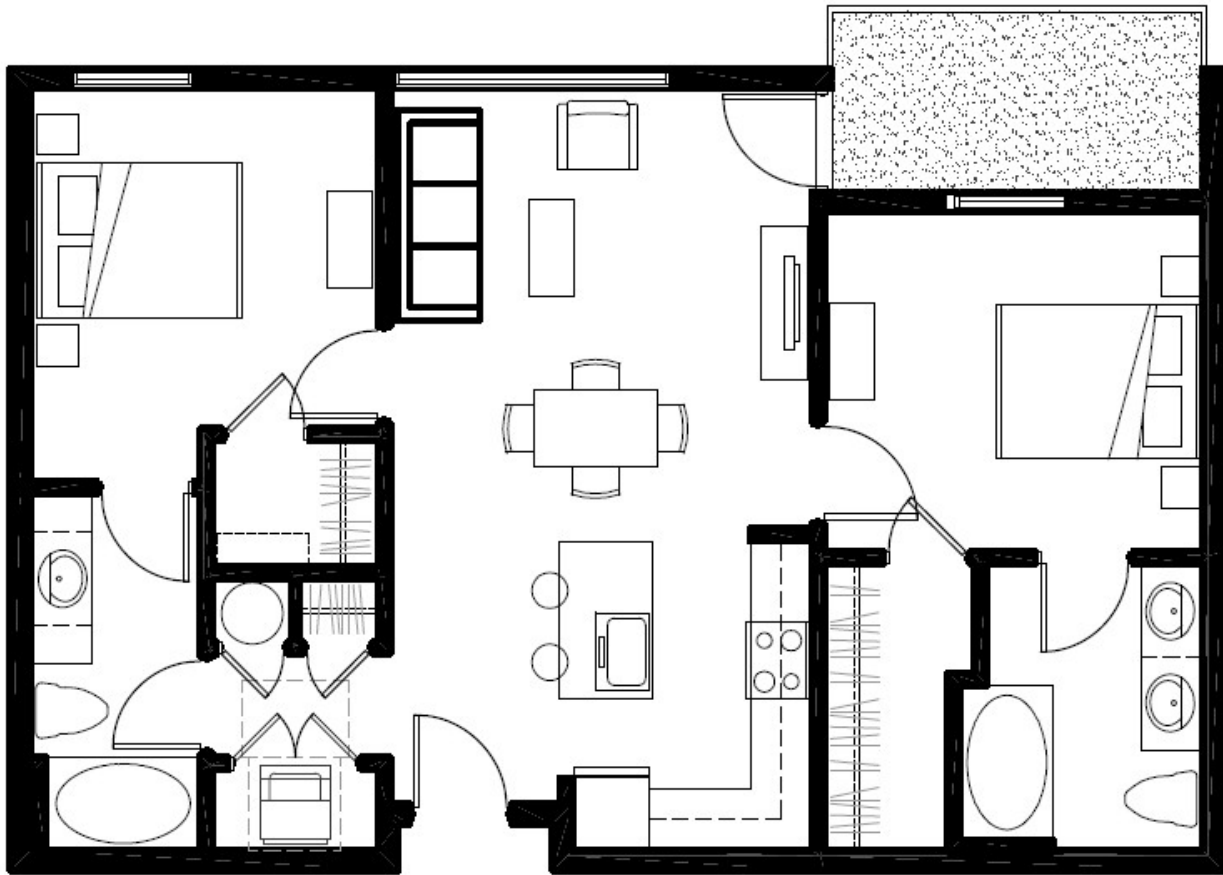
One Bedroom, One Bath Floor Plan – 830 Square Feet (A3)



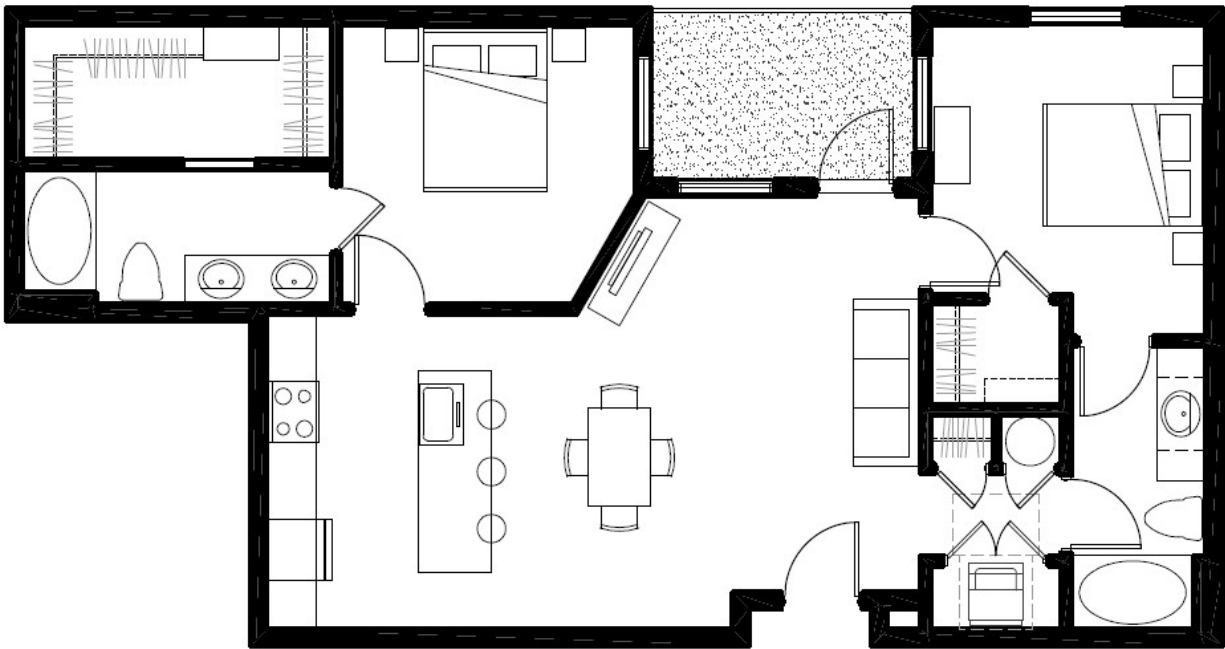
One Bedroom, One and a Half Bath Floor Plan – 1,100 Square Feet (Live/Work Unit)



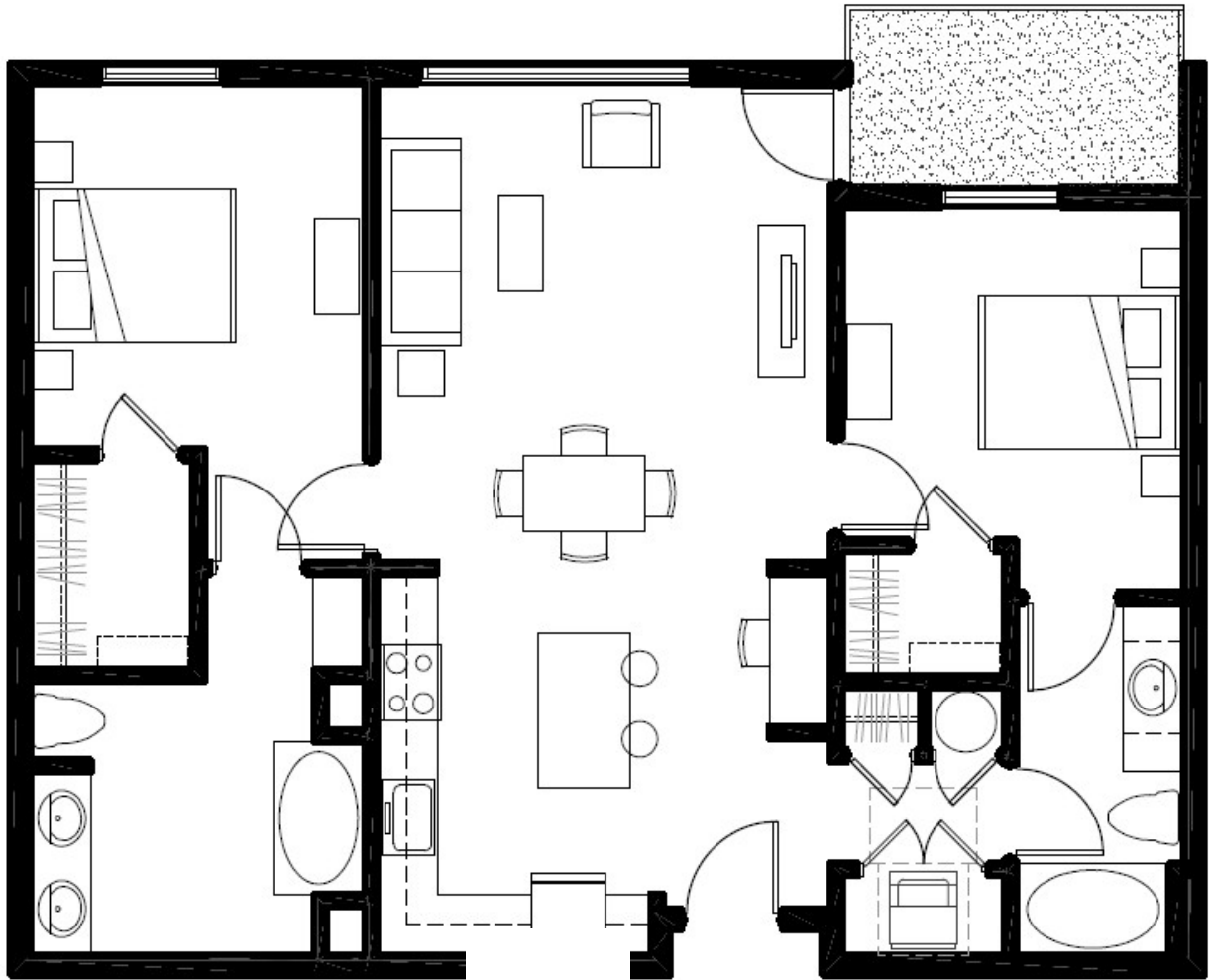
Two Bedroom, Two Bath Floor Plan – 950 Square Feet (B1)



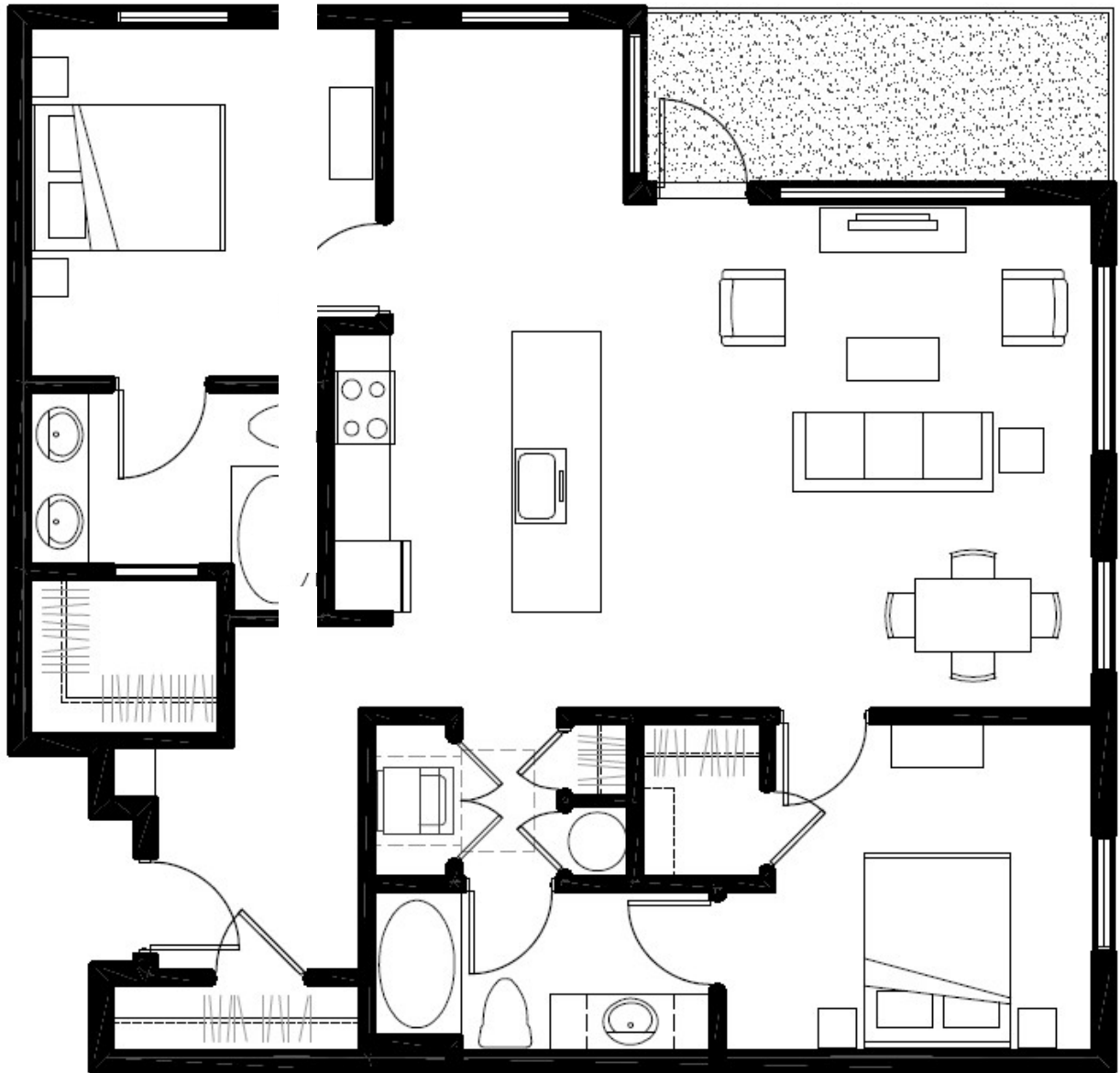
Two Bedroom, Two Bath Floor Plan – 1,050 Square Feet (B2)



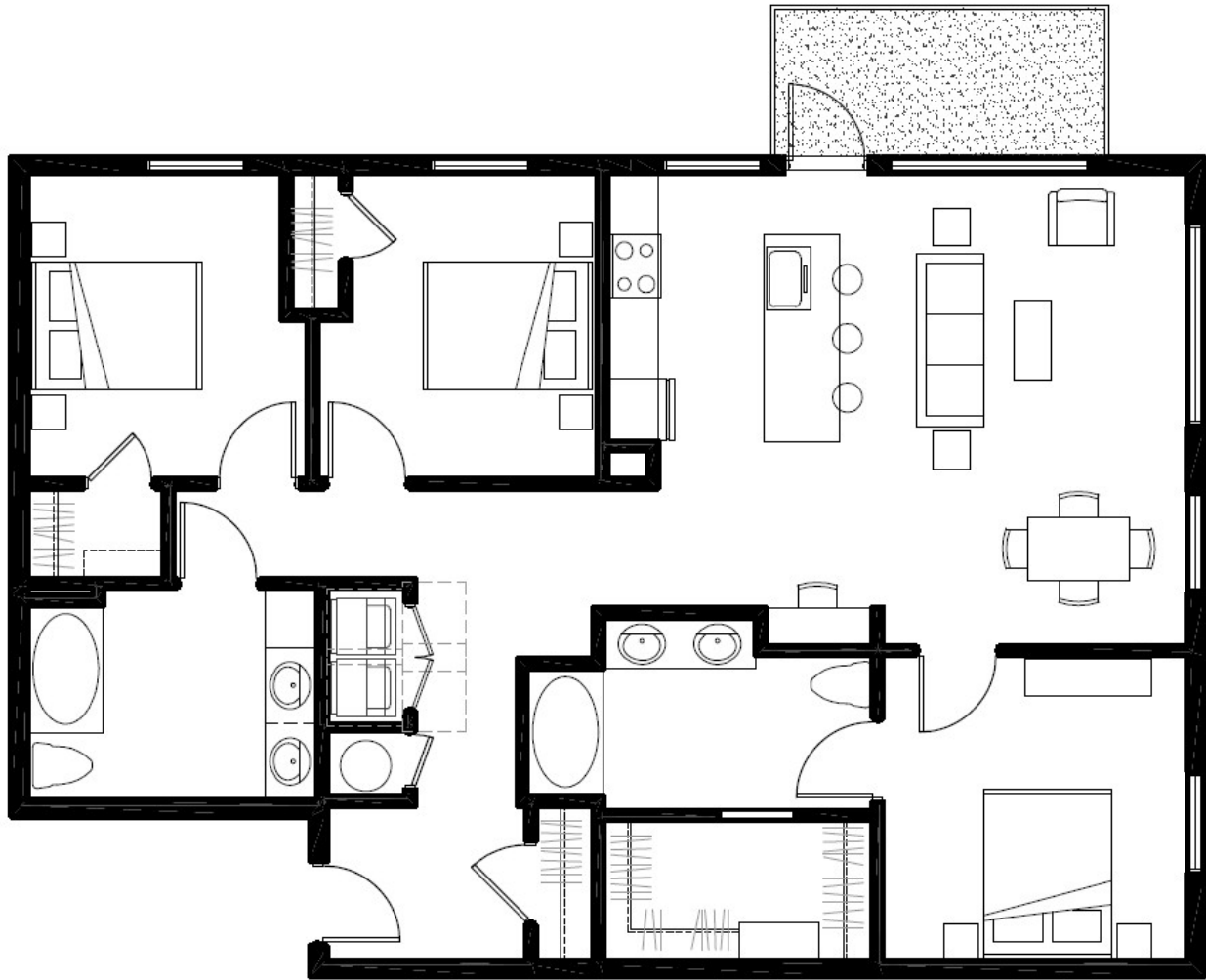
Two Bedroom, Two Bath Floor Plan – 1,100 Square Feet (B3)



Two Bedroom, Two Bath Floor Plan – 1,230 Square Feet (B4)



Three Bedroom, Two Bath Floor Plan – 1,425 Square Feet (C1)



UNIT MIX AND UNIT SIZE ANALYSIS

The following paragraphs address what an appropriate unit mix for a low-rise, mixed-use project typically consists of as well as the appropriate unit size for each unit type.

Unit Mix

Garden Apartments

A typical unit mix for a garden apartment project consists of one, two, and three-bedroom units with more weight being given to the one and two-bedroom units. Studio units are not typically found in garden properties. Three-bedroom units are the least popular floor plan due to the large size of the unit, which tends to attract families. Furthermore, the higher per month rent that three-bedroom units command is generally similar to a mortgage payment for a first time homebuyer, thus enticing families to purchase a home instead of rent an apartment. A minimal amount of three-bedroom units are typical within a project to capture divorcees, families transitioning into homeownership, and temporary corporate and professional workers.

Urban Apartments (low-rise, high-rise & mixed-use)

A typical unit mix for an urban project consists of an increased number of one and two-bedroom units as well as the addition of a studio unit. Urban projects tend to attract tenants such as young professionals, couples without children, and empty nesters.

- **Young Professionals**

The term young professional generally refers to a young person not in school who is employed in a profession or a white-collar occupation. Young professionals tend to be career oriented thus delaying marriage, educated, technology savvy, and have a higher median income. Furthermore, Generation Y, the largest cohort in history with approximately 80 million people and recently surpassing the baby boomer generation in terms of population, are people who were born between 1980 and 2000, with many of them being in their twenties. According to The Wall Street Journal, 88% of this demographic group wants to be in an urban setting with shopping, dining, and transit being in close proximity. It was also noted that outdoor space is a priority with places to congregate being more important than having a larger apartment unit. Young professionals are typically in the 20 to 34 years of age cohort.

- **Empty Nesters**

Empty nesters no longer have children that demand a single family house with top notch schools and ample living space. Residents are typically willing to make a trade-off of living space in favor of increased convenience and proximity to entertainment and restaurant options. According to Kyle Ezell, author of *Retire Downtown* as well as being a city planner for the City of Columbus, Ohio, "Ruppies - Retired Urban People - are cropping up all over the country. The populations of city downtowns are exploding nationwide. Also known as "active retirees," Ruppies are quickly becoming a big part of that population. Downtown living can help them stay active both physically and mentally while keeping them entertained in the process." Empty nesters want turn-key lifestyles allowing them to travel, spend time with their grandchildren without worrying about security and leaving. Empty nesters who give-up square footage still desire an open floor plan, one level living, gourmet kitchen, large master suite, and ample outdoor space such as a patio/balcony and courtyard. Empty nesters are typically in the 55 to 74 years of age cohort.

Existing Properties

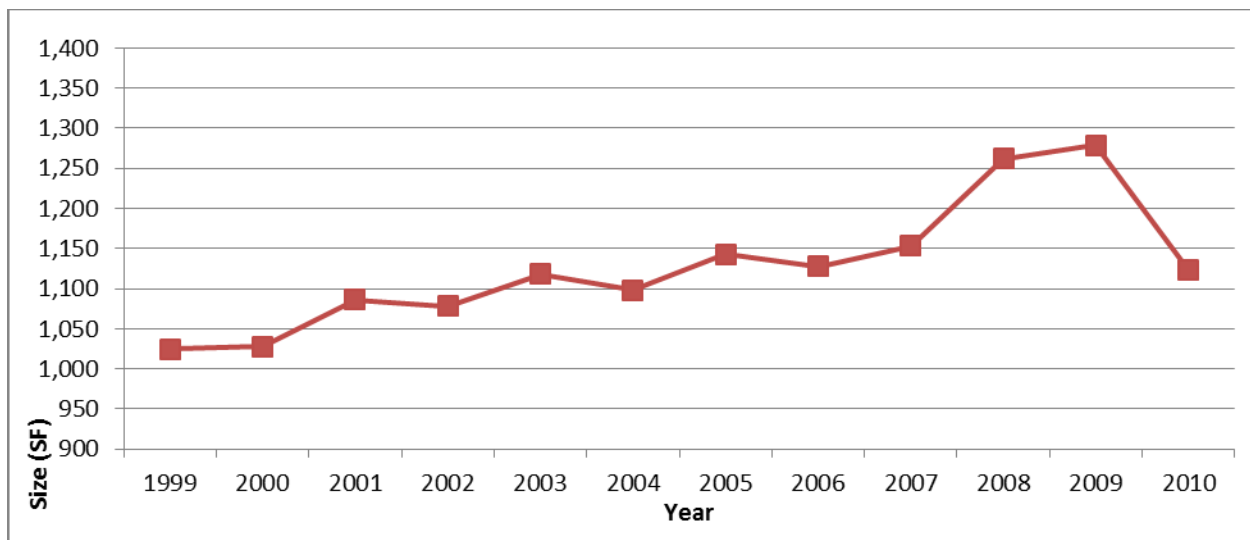
Information pertaining to an appropriate unit mix was obtained from seven comparables located in the Kansas City metro. Due to there being very few mixed-use projects in the metro, we have also included a project that is currently in the initial construction stage. Please see the following table.

Property	Built	Total Units	Studio	One Bedroom	Two Bedroom	Three Bedroom
Briarcliff City Apartments	2010	263	NA	151	64	48
The Village at Mission Farms	2012	212	20	112	80	NA
Fountain View on the Plaza	1999	396	NA	208	164	24
Market Station Apartments	2009	323	NA	175	148	NA
45 Madison	2006	132	NA	58	66	8
Montreux on the Plaza	1985	103	NA	92	6	5
City Place at Westport	2002	288	NA	157	131	NA
Total / Average	2003	1,717	20	953	659	85
Percentage of Total	-	-	1.16%	55.50%	38.38%	4.95%

As shown below, one-bedroom units comprise the majority of the units accounting for 55.50% of the 1,717-units sampled, with two-bedroom units comprising 38.38% of all of the units. Three-bedroom units were the least popular unit type accounting for 4.95% or 85-units out of the 1,717-units that were surveyed.

Unit Size

For garden apartments, one-bedroom units typically range from 700 to 900 square feet, two-bedroom units typical range from 900 to 1,100 square feet, and three-bedroom units typically range from 1,100 to 1,300 square feet. As previously mentioned, urban projects tend to feature slightly smaller unit sizes due to space issues as well as higher living costs resulting in tenants make a trade-off between living space and convenience. Furthermore, due to the current economic downturn, a trend favoring smaller living spaces has emerged. According to the US Census Bureau, the average size of an apartment unit in the Midwest has declined from 1,279-square feet in 2009 to 1,123-square feet in 2010, representing a 12% decrease. This trend is also apparent in newly constructed single family homes, where the average house size in the Midwest has declined from 2,331-square feet in 2009 to 2,216-square feet in 2010. Please see the following chart reporting the average apartment size over the last 10-years, according to the US Census Bureau.



According to Humphreys and Partners Architects, L.P, a nationwide multifamily architectural firm, smaller apartments are appealing to younger professionals. Humphrey's has two current multifamily products it markets for urban development, the e-Urban and the e-Max. The e-Urban has a typical

unit size ranging from 776 to 1,086 square feet depending on the design. The e-Max has a typical unit size of 630 square feet with one-bedroom units ranging from 340 to 610 square feet and two-bedroom units ranging from 781 to 1,080 square feet.

The following table shows the range of unit sizes for comparable properties in the subject market.

Property	Built	Total Units	Studio SF	One Bedroom (SF)	Two Bedroom (SF)	Three Bedroom (SF)
Briarcliff City Apartments	2010	263	NA	749 - 858	1,004 - 1,135	1,279 - 1,330
The Village at Mission Farms	2012	212	553	595 - 1,048	1,072 - 1,197	1,411 - 1482
Fountain View on the Plaza	1999	396	NA	608 - 806	906 - 1,228	1,327
Market Station Apartments	2009	323	NA	553 - 956	1,085 - 1,264	NA
45 Madison	2006	178	NA	660 - 1,008	974 - 1,187	1,294
Montreux on the Plaza	1985	103	NA	530 - 640	950	1,890
City Place at Westport	2002	288	NA	644 - 863	1,111 - 1,261	NA
Minimum	1985	103	553	530	906	1,279
Maximum	2012	396	553	1,048	1,264	1,890
Average (not weighted)	2002	251	553	795	1,141	1,428

As shown above, one-bedroom units range from 530 square feet to 1,048 square feet with an average unit size of 795 square feet. Two-bedroom units range from 906 square feet to 1,264 square feet with an average unit size of 1,141 square feet. Three-bedroom units range from 1,279 square feet to 1,890 square feet (townhome) with an average unit size of 1,428 square feet.

Number of Floor Plans

Furthermore, newer projects typically have multiple floor plans of each unit type in order to appeal to a wide range of tenants. Typically, newer projects will have a minimum of five different floor plans with some projects having as many as ten to twelve floor plans. For example, The Village at Mission Farms, the newest project current under construction, has seventeen floor plans consisting of one, studio floor plan, nine, one-bedroom floor plans, seven, two-bedroom floor plans, and three, three-bedroom floor plans that are marketed as two-bedroom units with a den that could be used as a third bedroom. Furthermore, The Briarcliff City Apartments, the most recently built project, offers nine floor plans consisting of four, one-bedroom units, three, two-bedroom units, and two, three-bedroom units that are marketed as a two-bedroom unit with a den that could be used as a third bedroom.

Summary

After a review of the unit mix and unit sizes for the competing properties in the local area, we have concluded that the subject should contain one, two, and three-bedroom units with more weight being given to the one, and two-bedroom units. A minimal amount of three bedroom units are suggested due to the close proximity of several affluent neighborhoods allowing for empty nesters to house their possessions when they downsize. We propose a unit mix of 50% - 60% one-bedroom units, 40% - 50% two-bedroom units, and 5% - 10% three-bedroom units.

As reported above, there is a very wide range of unit sizes among the properties that were surveyed. Since the subject will have a higher density (25-units per acre), and a target market of empty nesters and young professionals, smaller sized units with an emphasis on higher quality construction is suggested. Our conclusion is for the majority of one-bedroom units to be between 700 and 800 square feet, the majority of two-bedroom units to be between 1,050 and 1,150 square feet, and the three-bedroom units to be between 1,350 and 1,550 square feet. We believe the range of unit sizes will be adequate for the market that it will serve.

PRIMARY & SECONDARY MARKET AREAS

Description of the Primary Market Area (PMA)

Based on our analysis of population, demographics, housing, employment and commuting patterns, the primary market area (PMA) for the subject property is primarily north Johnson County, Kansas including the Cities of Westwood, Prairie Village, Roeland Park, Overland Park, Leawood, Mission Hills, and Mission, Kansas. The PMA contains an area that extends west to Metcalf Avenue, south to Interstate 435, east to Wornall Road, and north to West 43rd Avenue. The PMA extends into east Kansas City, Missouri due to the proximity and similar demographics that The Country Club Plaza exhibits. The diameter of the PMA is approximately three-miles east and west and approximately seven-miles north and south.

The PMA boundaries characterize an area that will directly affect the subject given the relatively small size of the PMA, the attractive demographics, the short drive-time to the subject, and the lack of similar competitive properties. The PMA is a very desirable area that includes some of the most prestigious residential neighborhoods in the metropolitan area. There are few good quality apartments in the area except for The Country Club Plaza and Westport areas, and even there, there are few developments less than 20-years old. The primary tenant for the subject will be young professionals and empty nesters who are looking for a high quality living option with less maintenance responsibility. We project that approximately 20% of the residents will be empty nesters with the remaining 80% being young professionals consisting of singles and couples.

The PMA has a 2010 population of 108,438 people in 51,254 households. The population growth rate from 2000 to 2010 was 1.20%. Approximately 28.5% of the occupied housing units in PMA are renter occupied with a 2010 median household income of \$67,489 and an average household income of \$90,763 (due to the close proximity of Mission Hills).

Description of the Secondary Market Area (SMA)

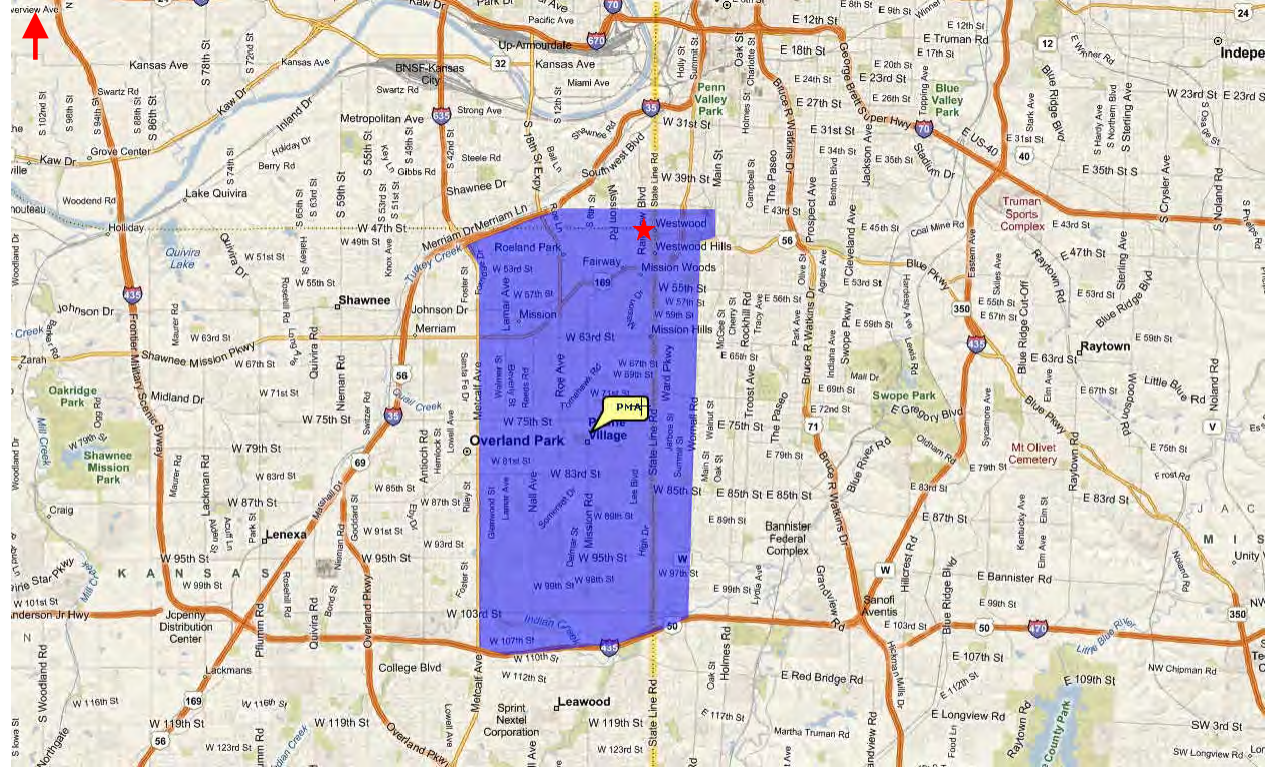
The secondary market area (SMA) is primarily defined as north and south Johnson County, Kansas and a small part of western Kansas City, Missouri to include The Country Club Plaza. The SMA is bound to the north by West 43rd Avenue, to the south by West 135th Street, to the east by Wornall Road, and to the west by Interstate 35. The diameter of the SMA is approximately seven-miles east and west and approximately 11-miles north and south.

The SMA includes the PMA and a portion of south Johnson County, including the eastern portion of City of Olathe, Kansas. The SMA extends primarily south and west from the PMA. We have not extended the SMA north from the subject due to the rapidly changing, inferior demographics of Wyandotte County, Kansas. South Johnson County is rapidly growing with several areas of new development, including multiple single family subdivisions and large retail centers. Due to the easy access from south Johnson County to the subject, and the lack of a similar facility in the area for the existing residents, we believe that current residents would be willing to relocate north to the subject.

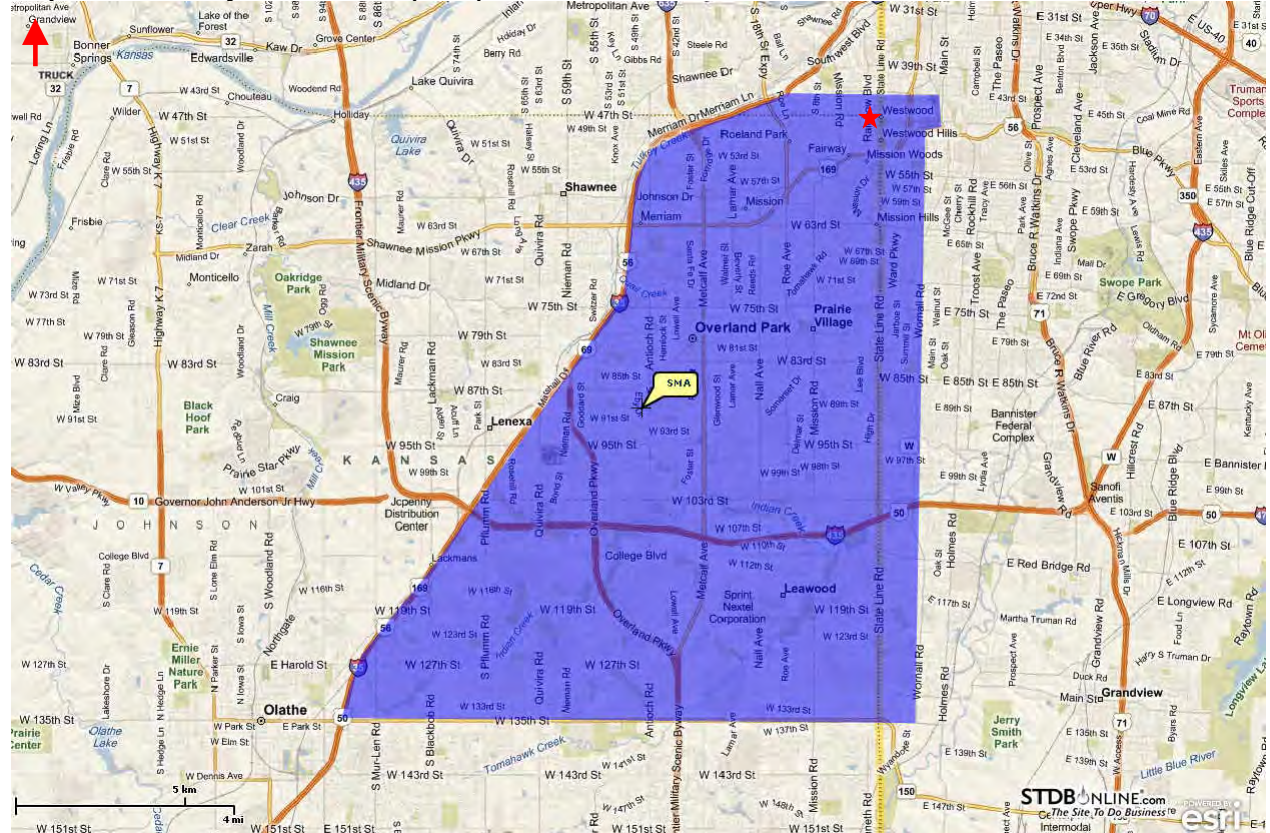
The SMA has a 2011 population of 279,866 people in 122,219 households. The population growth rate from 2000 to 2010 was 6.09%. Approximately 33.0% of the occupied housing units in the SMA are renter occupied with a 2010 median household income of \$73,845.

The maps on the following page delineate both the PMA and SMA.

Map of Primary Market Area (PMA)



Map of Secondary Market Area (SMA)

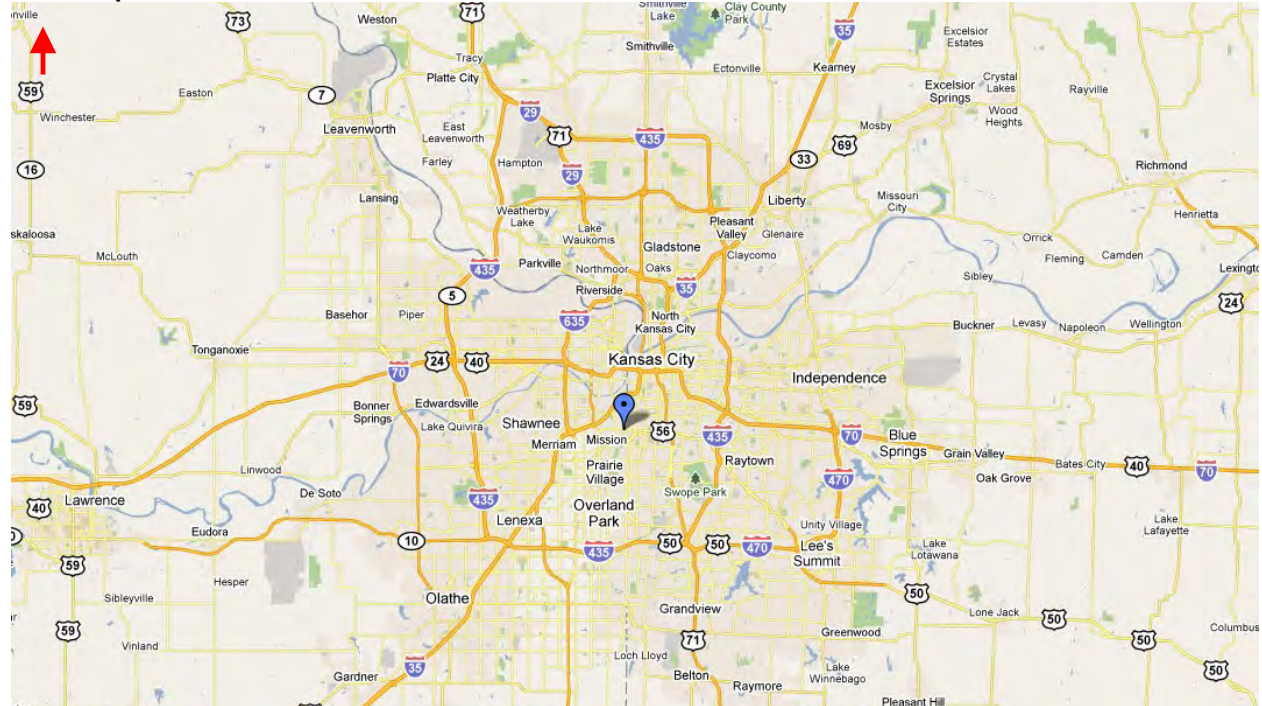


ANALYSIS OF THE MARKET

Location

The subject is located in Westwood, Johnson County, Kansas. Westwood, Kansas is located in the urban core of the Kansas City Metropolitan Area. Downtown Kansas City is located approximately 4.5-miles northeast, the Kansas City International Airport is located approximately 20-miles northwest, and Missouri/Kansas state line is located approximately one-block east. As of the 2010, there were 1,551 people and 744 households residing in the City of Westwood, Kansas, with a 2010 median household income of \$68,505. Please see the following area map with the subject being highlighted in blue.

Area Map



Land Use

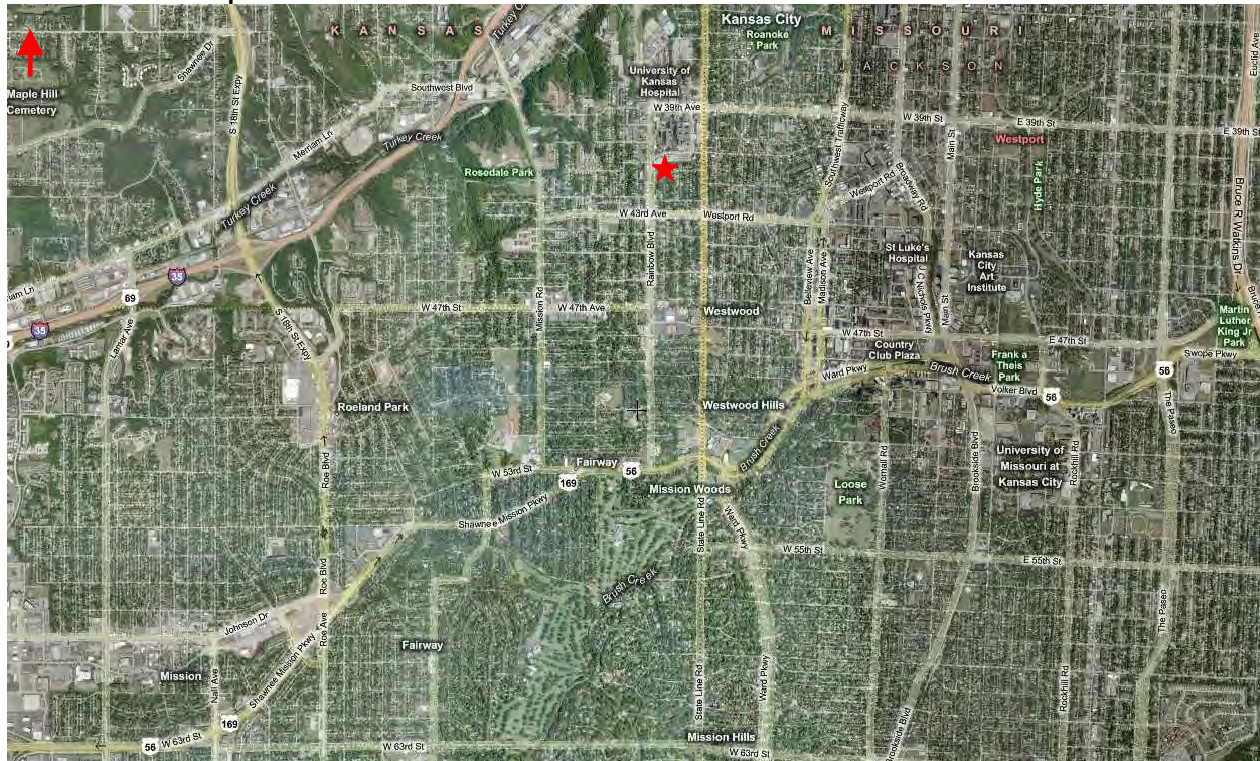
Land use in the PMA consists of a typical urban area with a large percentage of residential uses and appropriate commercial support uses. The PMA is fully built-out with very few vacant parcels of land available. In the immediate area of the subject, single family homes are scattered throughout the area with commercial development being located throughout the area on most arterial streets. There is a significant concentration of commercial development located east of the subject at The Country Club Plaza. Significant land use characteristics are summarized in the following table.

Significant Land Use Characteristics (PMA)

Predominant Age of Improvements	30+ years with several homes being renovated and sites redeveloped with new properties
Predominant Quality and Condition	Average to very good, with properties being located in the immediate vicinity of the subject being good to very good

Approximate Percent Developed (estimate)	98% with some in-fill sits available throughout the area
Percentage of Renters	28.50% (per ESRI)
Prevailing Single Family Price Range (per MLS)	\$200,000 to \$500,000 with several neighborhoods featuring homes that are \$1,000,000 plus
Median Year Structure Built	1957 (per ESRI)
Median Home Value	\$181,389
Median Household Income	\$67,489
Median Age	43.0-years
Population 25+ by Educational Attainment	35.3% - bachelor degree (per ESRI)
Life Cycle Stage	Second – Period of Stability
Infrastructure/Planning	Average
Prevailing Direction of Growth	South
Predominant Location of Undeveloped Land	Fully built-out
Immediate Surrounding Land Use	
North	Commercial
South	Single family homes
East	Commercial / Single family homes
West	Commercial

Land Use Aerial Map



Access

Access to and from the local market area is average with Interstate 35 being located approximately two-miles north and accessed via Rainbow Boulevard. Interstate 435 is the southern boundary of the PMA and is a beltway that encircles the Kansas City metropolitan area and provides access to

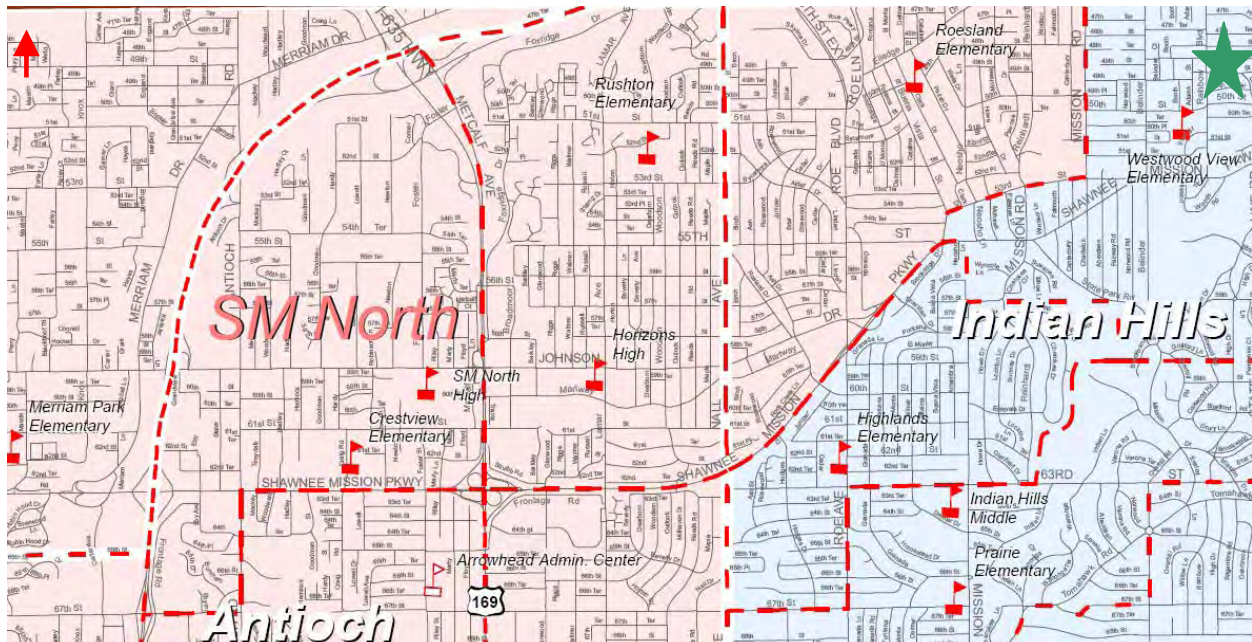
Housing Mix

According to the 2000 Census of Population and Housing, 74.2% of the housing units in the PMA and 64.8% of the housing units in the SMA are single-family detached. The second most prevalent housing option in the PMA is multifamily housing with 20 plus units, similar to the subject due to the more urban area. Both the PMA and SMA are very fragmented markets with several different housing types. Please see the following table per ESRI and the 2000 Census data.

	PMA - Total Housing Units		SMA - Total Housing Units	
	Number	Percent	Number	Percent
Total	51,243	100.0%	118,003	100.0%
1, Detached	38,022	74.2%	76,466	64.8%
1, Attached	1,384	2.7%	7,788	6.6%
2	717	1.4%	1,888	1.6%
3 to 4	1,332	2.6%	4,956	4.2%
5 to 9	2,767	5.4%	9,204	7.8%
10 to 19	2,767	5.4%	7,788	6.6%
20+	4,151	8.1%	9,794	8.3%
Mobile Home / Other	102	0.2%	118	0.1%

Education

The subject is located in the Shawnee Mission School District (Kansas Unified School District #512). The Shawnee Mission School District is one of the major school districts in the Kansas City Metropolitan Area with a 2010/2011 enrollment of 27,876 students. The school district has five-high schools, seven-middle schools, and 35-elementary schools. Please see the following map showing the location of the nearest schools to the subject.



Student enrollment has been slowly declining over the last ten-years due to the school district being located in an area that is almost fully developed and land-locked with no room for expansion. Enrollment in 1992/1993 was 31,599 representing an 11.78% decline.

University of Missouri-Kansas City

The University of Missouri-Kansas City (often referred to as UMKC) is an institution of higher learning located in Kansas City, Missouri. Its main campus is in Kansas City's Rockhill neighborhood east of the County Club Plaza. The university serves more than 14,000 undergraduate, graduate, and professional students. Today, the academic divisions of UMKC are the College of Arts and Sciences, the School of Education, the School of Nursing, the Henry W. Bloch School of Business and Public Administration, the School of Medicine, the School of Law, the School of Computing and Engineering, the School of Biological Sciences, the Conservatory of Music and Dance, the School of Dentistry, the School of Graduate Studies, and the School of Pharmacy. Most of UMKC's main campus is located inside a square formed by Volker Boulevard (north), Oak Street (west), 53rd Street (south), and Troost Avenue (east).

Rockhurst University

Rockhurst University is a private, co-educational Jesuit university located in Kansas City, Missouri. The university serves more than 3,000 students. Rockhurst University adheres to a traditional Ignatian philosophy of educating students not only in academics, but in leadership and service as well. The university stresses values and ethics based education with an emphasis on lifelong learning. Graduates from Rockhurst University receive two transcripts: one for academics and another for community service. Of the undergraduate students, 96% participate in community service. Rockhurst sits on a 55-acre campus located in Kansas City's cultural district, a short distance from the popular Country Club Plaza.

Commercial Developments

Development activity in the subject neighborhood has been limited due to its built-up nature. The majority of recent development has taken place north of the subject in downtown Kansas City. There have been several older buildings in and around The Country Club Plaza that have been renovated into condominiums during the housing boom of 2001 through 2007.

One notable development located at the southern boundary of the PMA is Mission Farms. Mission Farms is located at 106th Street and Mission Road in Leawood, Kansas. Phase one of the lifestyle center development, east side of Mission Road, consists of upscale retail, luxury condominiums, and office space. Phase Two, which is currently under construction, will include 212 luxury apartment units.



Residential Development – Johnson County, Kansas

The following table highlights residential and multifamily development in terms of permits issued from 2001 through 2010 in Johnson County, Kansas.

Building Permits - Johnson County

Type	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Singe Family	3,576	3,450	3,612	3,554	3,098	2,489	1,860	937	657	877
Multifamily (total)	2,565	586	1,607	760	1,210	1,416	710	698	820	168
Total	6,141	4,036	5,219	4,314	4,308	3,905	2,570	1,635	1,477	1,045

As shown above, single family and multifamily building started to decline in 2007 as the housing crisis began. In 2008, total permits issued were down 36.38% from 2007 and 73.37% from their high in 2001. The number of multifamily and single family permits issued has been relatively stable from 2008 through 2010 with the majority of the development occurring in south Johnson County.

Employment by Industry

According to ESRI, 2010 employment is estimated to be 51,380-people in the PMA and 136,790-people in the SMA. Please see the following table highlighting employment by industry according to ESRI.

EMPLOYMENT BY INDUSTRY		
Industry	PMA	SMA
Agriculture/Mining	0.2%	0.2%
Construction	4.1%	4.3%
Manufacturing	6.4%	6.8%
Wholesale Trade	3.7%	4.3%
Retail Trade	10.0%	10.5%
Transportation/Utilities	2.8%	3.4%
Finance/Insurance/Real Estate	5.0%	5.7%
Government	13.2%	13.0%
Services	50.5%	48.1%
Other	4.0%	3.7%

The service sector (50.5%) is the largest employment category in the PMA followed by government (13.2%) and retail trade (10.0%). The SMA mirrors the PMA in terms of the largest employment categories.

Major Employers in Kansas City

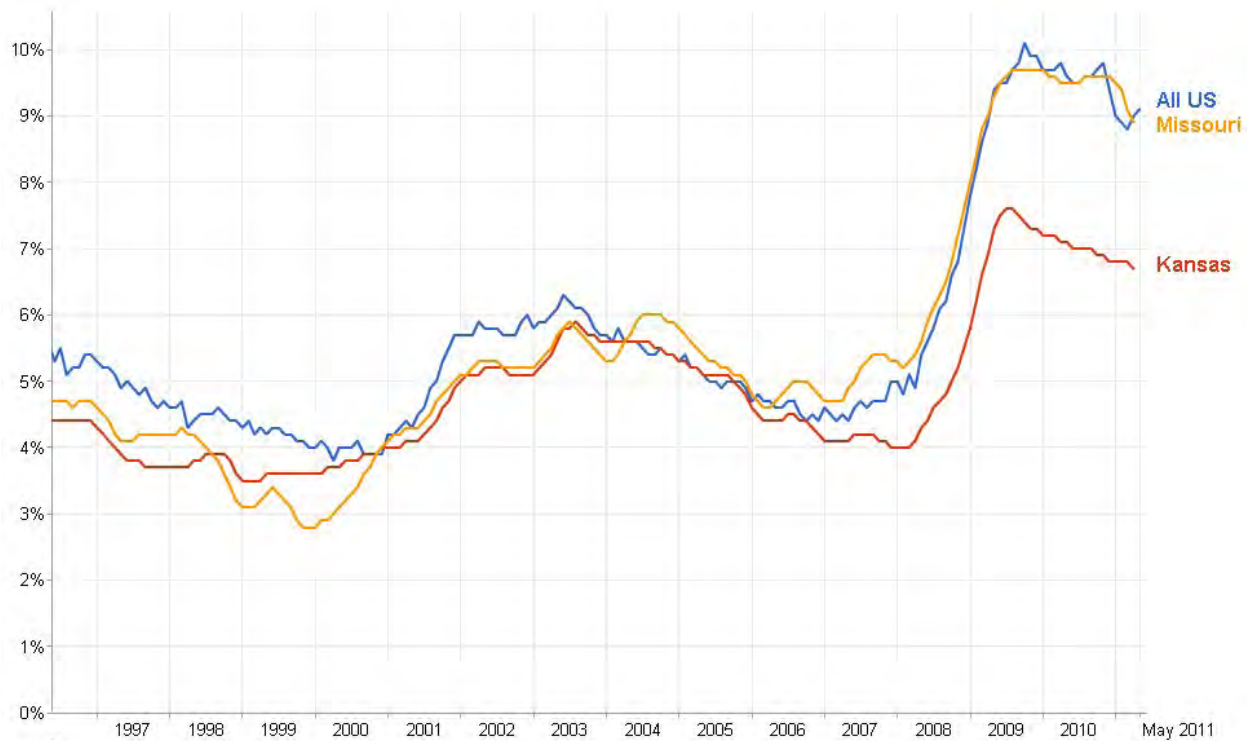
The following table reports the largest employers in the Kansas City metro. As shown below, the Federal Government is the largest employer, with data processing, telecommunications, and health services all contributing significantly to the workforce.

Employer	Industry	Number of Employees
Federal Government	Government	5,000+
DST Systems	Data Processing	5,000+
AT&T Corporation	Telecommunications	5,000+
HCA, Midwest Division	Health Services	5,000+
Cerner Corporation	Healthcare Information	3,000+
H&R Block	Tax Services	3,000+

Source: Economic Development Corporation of Kansas City

Unemployment – Bureau of Labor Statistics

As of May 2011, national unemployment was 9.1% with unemployment in Kansas being 6.7%, unemployment in Missouri being 8.9%, and unemployment in Kansas City being 8.9%. According to the Kansas Labor Information Center, unemployment in Johnson County is 5.7%. Unemployment in Johnson County is much lower than the metro, state, and nation as a whole due to favorable demographic and several large businesses having local presence. The lower unemployment rate supports a healthy and stable economy, which is attractive for a multifamily development as housing demand follows employment growth.



Labor Force (2010)

The labor force is the sum of all employed and unemployed adults in a given area. *The Bureau of Labor Statistics* estimates the approximate size of the labor force including each individual age 16 or above as being employed, unemployed, or not in the labor force. The most common reasons for a non-child to be classified not in the labor forces are to be retired, a student, or institutionalized. As shown below, employment in Johnson County is second only to Jackson County, and accounts for 28.9% of all employment in the metropolitan area.

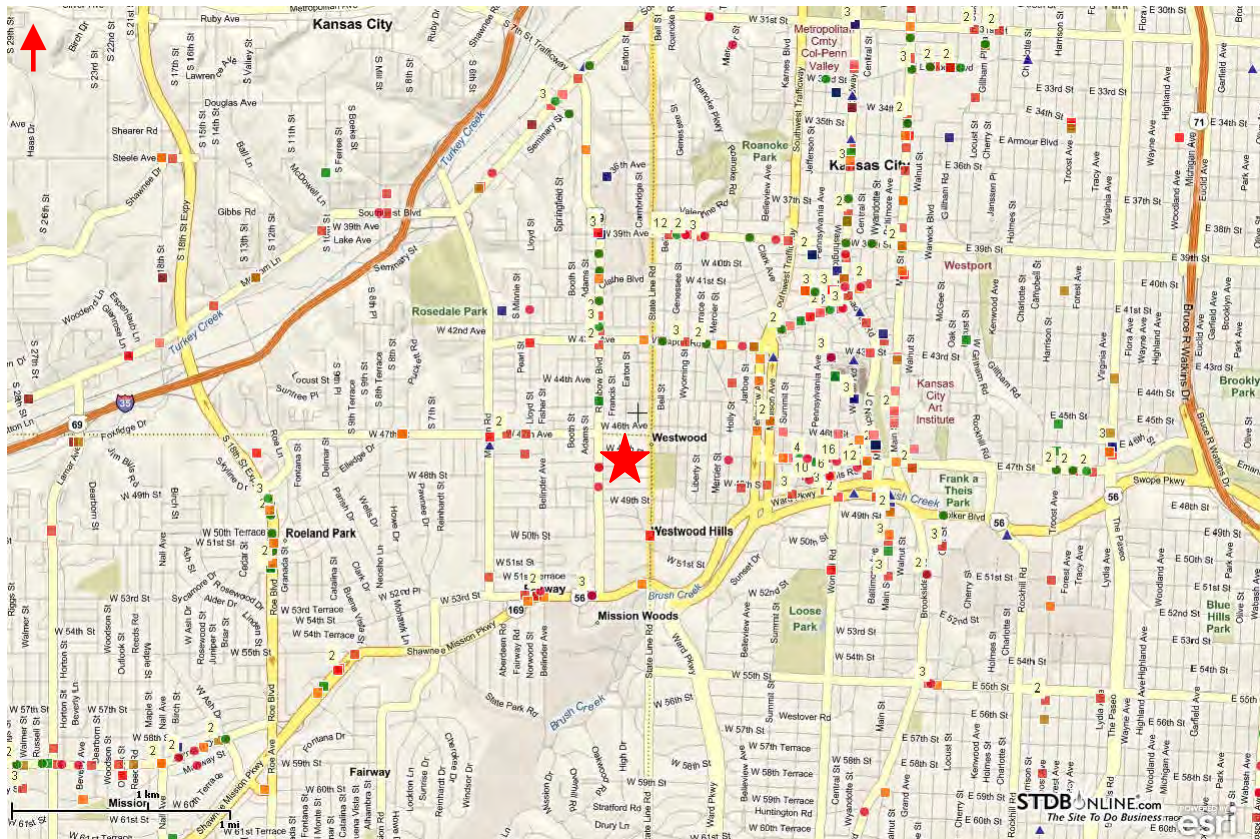
Area	Labor Force	Employment	Unemployment	Unemployment Rate	% of Total Labor Force
Kansas City MSA	1,047,722	957,789	89,933	8.6%	100%
Johnson County	302,922	283,891	19,031	6.3%	28.9%
Wyandotte County	71,940	64,543	7,397	10.3%	6.9%
Jackson County	336,424	301,975	34,449	10.2%	32.1%
Clay County	117,697	107,728	9,969	8.5%	11.2%
Cass County	50,732	45,946	4,786	9.4%	4.8%

Source: City of Overland Park

Support Services

The following map highlights local area support services that would be used by a tenant living at the subject property. As shown below, there are several support services including restaurants, health

care, entertainment destinations, community services, financial institutions, and health care providers. The majority of the service amenities are located east of the subject in and around The County Club Plaza. Please see the following map with the subject being highlighted as a red star.



The Country Club Plaza (0.75-miles east of the subject)

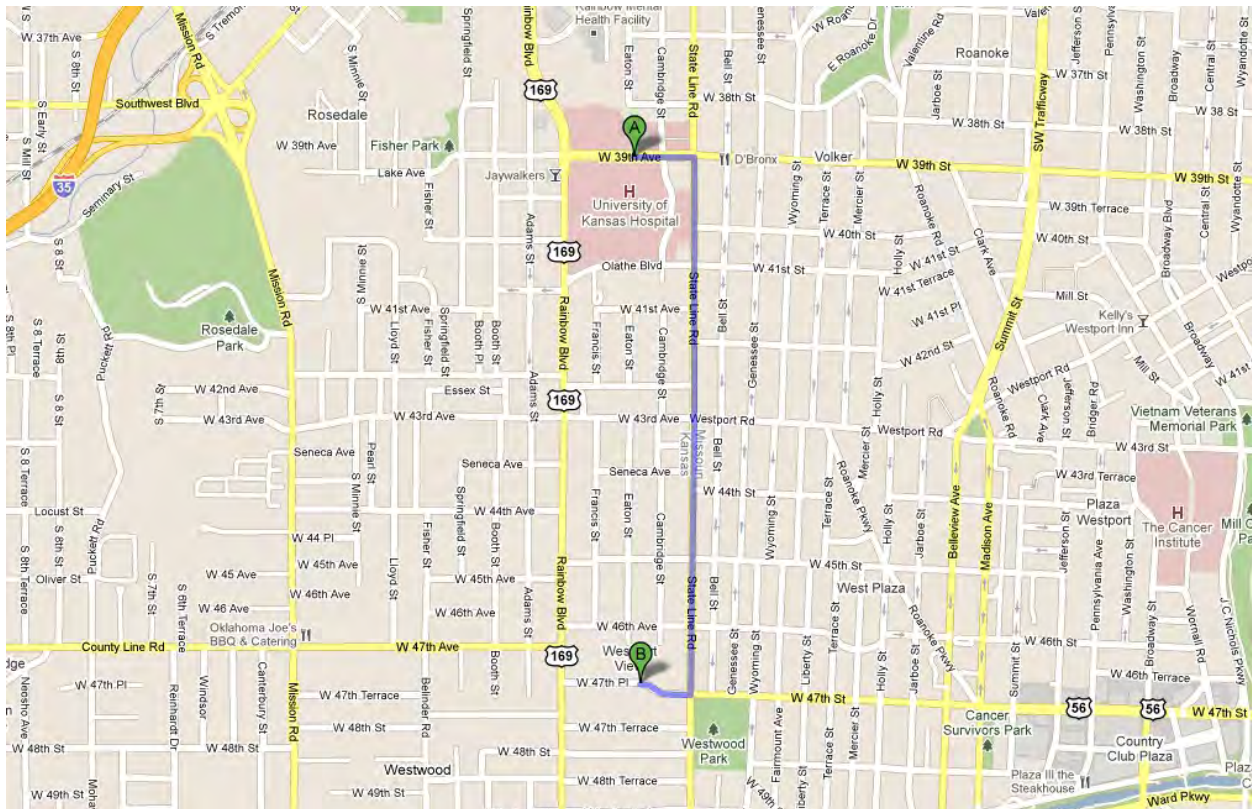
The most prestigious shopping district in the Kansas City Metropolitan Area is The County Club Plaza, which lies just east of the subject. It was the first shopping center in the world designed to accommodate shoppers arriving by automobile. The 55-acre site is about four-miles south of downtown Kansas City between 45th and 51st street to the north and south and between JC Nichols Parkway and Madison Street to the east and west. Established in 1923 and designed architecturally after Seville, Spain, the Plaza comprises high-end retail establishments, restaurants, and entertainment venues, as well as offices. The neighborhoods surrounding the Plaza consist of apartment buildings and upscale homes. Due to its desirability of location, many of the apartment buildings have been converted to condominiums. As the price of housing escalates in the Plaza area, a significant portion of the apartment dwellers are being driven northward into the Downtown and Midtown areas.

Nelson-Atkins Museum of Art (1.6-miles east of the subject)

The museum was designed by prominent Kansas City architects Wight and Wight. The museum opened December 11, 1933. The building cost approximately \$2.75 million in 1933. The museum was originally two museums until 1983 when it was formally named the Nelson-Atkins Museum of Art. In 2005, the museum opened the Ford Learning Center, home to classes and workshops. In 2007, the museum completed a \$95,000,000 expansion and was named by Time Magazine as one of "The 10 Best New and Upcoming Architectural Marvels."

Health Care Facility

The subject is located approximately 1.2-miles from the University of Kansas Hospital, which is part of the University of Kansas Medical Center. The medical center should be a significant source of tenants for the subject. The hospital treats over 19,000 patients per year. Kansas University Medical Center consists of three basic schools: The School of Medicine, The School of Nursing, and The School of Allied Health. Furthermore, each of the three schools has its own programs of graduate study. As of fall 2009, enrollment was 3,178-students, with a faculty of 879-educators, and a staff of 3,008-employees. The campus is composed of academic units operating alongside the University of Kansas Hospital, which provides opportunities for clinical experience and residency positions. The hospital is currently under construction on a \$50 million heart center expansion which will add 123,000 square feet and approximately 100 new jobs upon completion in 2012.

**Crime**

The subject is located in a relatively crime free area of the metro. Westwood and Johnson County, Kansas both exhibit very little violent crime with the majority of the crime being minor infractions such as petty theft, etc. As you travel north from the subject towards downtown Kansas City and Wyandotte County, Kansas, the level of crime increases as the area becomes less attractive with inferior demographics.

Transportation

The metro area is served by typical transportation options. Please see the following paragraphs.

- **Car** - Three interstates (I-70, I-35, I-29), four interstate linkages (I-435, I-635, I-470, I-670), and ten federal highways service the area.

- **Air** - The metropolitan area is served by 11-major commercial airlines and their connection partners. These carriers offer approximately 200-daily departures, with nonstop service to over 50-destinations. In 2004, Kansas City International Airport completed one of the biggest capital projects in the airport's history. A \$258 million "Terminal Improvement Project" renovated all three terminals and added new shops, updated flight information displays. Kansas City International Airport is located approximately 25-miles northwest of the subject.
- **Rail** - Kansas City is generally regarded to be the second largest rail center in the U.S. and ranked first by freight volume. Four of eight Class I rail carriers, three regional lines, and a local switching carrier (Kansas City Terminal) serve the area. Amtrak passenger trains serve the city four times per day.
- **Public Transit** - The metro area is served by three transit organizations, the Kansas City Area Transportation Authority—The Metro, the Johnson County Transit—The Jo, and the Unified Government Transit—The Bus. The three transit organizations maintain integrated routes and services across the bi-state metro and participate with the Mid-America Regional Council in the region's SmartMoves transit planning effort.

Target Market

The target market for the subject will be predominately young professionals and empty nesters that are looking for a high quality living option with less maintenance responsibility. Primary areas of employment will be downtown Kansas City, The Country Club Plaza, north/south Johnson County, The University of Kansas Medical Center, and or retired persons. The subject will be a unique concept featuring a full-service health club and spa, on-site parking garages, LEED certificated construction, and superior quality and amenities than other competing properties in the area.

Outlook and Conclusions

In light of the social and economic attributes, we are optimistic about both the short and long-term outlooks of the PMA. The subject is located in a fully built-out, attractive area with minimal land available for future development. The local area is void of newer, large scale multifamily developments with the exception of 45 Madison and City Place at Westport. 45 Madison was built in 2006 and is located east of the subject near The County Club Plaza. Overall, we believe an in-fill multifamily development would be a favorable use of the site and compete very well with the existing, older stock apartments.

DEMOGRAPHIC ANALYSIS

Population

Total Population

The demographic information below shows population within both the PMA and SMA.

Total Population	PMA	SMA
1990 Total Population	111,088	234,445
2000 Total Population	107,155	263,801
2010 Total Population	108,438	279,866
2015 Total Population	109,236	287,067

As shown above, the SMA is 2.58-times the size of the PMA, but it is also much larger in geography. Both the PMA and SMA become more sparsely populated as you travel south from the subject and more densely populated as you travel north towards downtown Kansas City. The southwest portion of the PMA includes the NEC of Overland Park, Kansas, which is the second largest city in the Kansas City Metropolitan Area behind Kansas City, Missouri.

Percentage of Population Growth

The table below reports the population growth on a percent basis. Growth in the PMA was negative 3.54% from 1990 to 2000 according to US Census Data with SMA population growth over the same period of 12.52%. ESRI projects growth from 2000 to 2010 at 1.20% in the PMA and at 6.09% in the SMA. ESRI's 2010 to 2015 growth forecast is 0.74% in the PMA and 2.57% in the SMA, both of which are lower than metro growth rate of 4.53%. Population growth in the PMA is less than the SMA due to the PMA having been fully built-out for some time, and in our opinion, no growth in the PMA is likely in the foreseeable future. The SMA includes portions of south Johnson County, which is a rapidly growing area and accounts for the faster population growth in the SMA.

Population Growth	PMA	SMA
1990	-	-
2000	-3.54%	12.52%
2010	1.20%	6.09%
2015	0.74%	2.57%

Annual Population Growth

Growth rates of annual persons are shown in the table below. Growth was estimated at 128-people per year from 2000 to 2010 in the PMA and 1,607-people per year in the SMA, with the total forecasted to increase slightly in the PMA and decrease slightly in the SMA between 2010 and 2015. The declining or stagnant projected annual population growth in the PMA and SMA is a trend that is common for built-out and older neighborhoods.

Annual Population Growth	PMA	SMA
1990	-	-
2000	-393	2,936
2010	128	1,607
2015	160	1,440

Population by Age

The table below reports population by age group in the PMA for 2000, 2010, and 2015 according to ESRI projections. In the PMA, most age groups are relatively stable with minor fluctuations, with populations increasing through age 85+. The greatest positive change in population is between 55 to 64 years of age, empty nesters, with this age group increasing from 9.2% in 2000 to 14.2% in 2015, representing a 54% increase. Persons in the 35 to 44 age group reported the largest decrease, representing a 30% decrease from 2000 to 2015 as more baby boomers age. The 20 to 34 age group in the PMA represents 17.5% of the population, or 18,977 people, which includes young professionals. Furthermore, empty nesters aged 55 to 75 years of age total 23,206 people in the PMA. Both age groups are prime tenants for the subject.

AGE STRATA: PMA						
Age	Year-2000	Percent	Year-2010	Percent	Year-2015	Percent
0 - 4	6,001	5.6%	5,639	5.2%	5,462	5.0%
5 - 9	5,894	5.5%	5,747	5.3%	5,680	5.2%
10 - 14	6,215	5.8%	6,398	5.9%	6,226	5.7%
15 - 19	5,465	5.1%	5,856	5.4%	6,117	5.6%
20 - 24	5,358	5.0%	6,723	6.2%	6,554	6.0%
25 - 34	16,395	15.3%	12,253	11.3%	13,873	12.7%
35 - 44	16,823	15.7%	14,856	13.7%	12,016	11.0%
45 - 54	15,752	14.7%	16,916	15.6%	16,276	14.9%
55 - 64	9,858	9.2%	14,639	13.5%	15,512	14.2%
65 - 74	8,680	8.1%	8,567	7.9%	11,142	10.2%
75 - 84	7,715	7.2%	6,832	6.3%	6,336	5.8%
85+	2,893	2.7%	4,121	3.8%	4,042	3.7%
18+	85,403	79.7%	86,967	80.2%	88,044	80.6%

The SMA table shows a decrease in population of 35 to 44 years of age with this age group decreasing from 16.6% in 2000 to 13.0% in 2015, representing a 21% decrease. The 55 to 64 age group, empty nesters, is projected to increase from 8.5% in 2000 to 13.0% in 2015, representing a 53% increase. As with the PMA, populations are projected to increase slightly with 18+ age groups through 2015. The 20 to 34 age group represent 19.0% of the population or 53,175 people with the 55 to 75 age group representing 54,014 people.

AGE STRATA: SMA						
Age	Year-2000	Percent	Year-2010	Percent	Year-2015	Percent
0 - 4	16,883	6.4%	17,072	6.1%	17,224	6.0%
5 - 9	17,147	6.5%	17,072	6.1%	17,511	6.1%
10 - 14	17,675	6.7%	17,911	6.4%	18,085	6.3%
15 - 19	15,300	5.8%	16,512	5.9%	16,650	5.8%
20 - 24	14,509	5.5%	17,352	6.2%	16,937	5.9%
25 - 34	40,098	15.2%	35,823	12.8%	39,615	13.8%
35 - 44	43,791	16.6%	39,741	14.2%	37,319	13.0%
45 - 54	39,570	15.0%	43,659	15.6%	41,051	14.3%
55 - 64	22,423	8.5%	35,263	12.6%	37,319	13.0%
65 - 74	17,411	6.6%	18,751	6.7%	24,975	8.7%
75 - 84	13,718	5.2%	13,434	4.8%	12,918	4.5%
85+	5,276	2.0%	7,556	2.7%	7,751	2.7%
18+	201,808	76.5%	217,456	77.7%	223,912	78.0%

Median Age of Population

The median age in the PMA is 43.0-years, which is older than the SMA at 39.7-years and the metro at 36.8-years. The PMA and SMA are projected to age slightly through 2015. The older median age in the PMA is attributed to the area being fully built-out, the large concentration of single family homes (74.2%), and the higher than average median home price (\$181,389). A higher median age is attractive for a project with empty nesters being a key target demographic. The increasing median

age is typical of population trends as there is significant growth among the aging population of the 55 to 64 age group. Furthermore, according to the Department of Health and Human Services, the number of births per 1,000 people in the 1950's was approximately 25, with the birth rate in 2008 being 14 births per 1,000 people. Also, the average life expectancy in 1950 was 68.5-years compared to 77.0-years in 2000, representing a 12.04% increase.

Median Age		
Year	PMA	SMA
2000	39.9	37.4
2010	43.0	39.7
2015	44.1	40.1

Households

Household Composition

The primary source of demand for new multifamily housing in most areas is the formation of new households from population and employment growth. In the subject area we anticipate that little demand will come from household growth, due to the area being fully-built out. The turnover of existing multifamily properties and empty nesters selling their single family homes will provide most of the demand and growth of households. The following table reports household composition in the PMA.

HOUSEHOLD COMPOSITION: PMA				
	1990	2000	2010	2015
No. Households	49,273	49,342	51,254	52,020
Annual Household Growth	-	0.01%	0.39%	0.30%
Average Household Size	2.24	2.14	2.09	2.07
Percentage Renters	28.2%	28.0%	28.5%	28.4%
Number of Renter Households	13,890	13,816	14,607	14,774
Annual Renter Household Growth	-	-0.05%	0.57%	0.23%

According to Census data, households in the PMA grew at a rate of 0.39% per year between 2000 and 2010. ESRI projects slightly slower growth in the PMA between 2010 and 2015 at 0.30% per year. Given that the PMA is fully built-out, continued growth is expected, but at a conservative rate.

ESRI reports 0.57% annual growth in renter households from 2000 to 2010, which is slightly faster than the total household growth rate of 0.39%. The faster renter household growth rate is reasonable due to the PMA having a slightly lower percentage of renter households (28.5%) than the metropolitan area (32.1%). We project that renter households will continue to grow at a faster pace than total households as exhibited later in the report.

The following table reports household composition in the SMA.

HOUSEHOLD COMPOSITION: SMA				
	1990	2000	2010	2015
No. Households	98,273	113,029	122,219	126,051
Annual Household Growth	-	1.50%	0.81%	0.63%
Average Household Size	2.37	2.31	2.26	2.25
Percentage Renters	32.8%	32.3%	33.0%	32.9%
Number of Renter Households	32,234	36,452	40,308	41,433
Annual Renter Household Growth	-	1.31%	1.06%	0.56%

Household growth in the SMA from 2000 to 2010 was slightly faster than the PMA at 0.81% due to the SMA including more suburban areas, most notably south Johnson County. As with the PMA, household growth in the SMA from 2010 to 2015 is projected to be slightly slower than from 2000 to 2010 at 0.63% per year.

Household Growth Conclusions

We project renter households will continue to grow at a faster pace than total households due to foreclosures continuing to rise, unemployment continues to hover around 10%, and people continue to be more frugal with their money, a shift from homeownership to renting is starting to take place. Owner occupied household growth cannot occur in the PMA due to the lack of available land to build houses. Without available land to construct single family homes, a redevelopment of existing sites with a multifamily project is the only method for household growth. **We project that households in the PMA will grow at a rate of 0.25% per year. Of the household growth, we project that 100% will be renter households due to the shift away from homeownership and the lack of available sites for single family construction. Household growth in the SMA is projected to be 0.50% per year, of which 50% is projected to be renter households due to the SMA being more suburban, which leads to higher homeownership rates and greater availability of vacant land.**

Housing Units

ESRI projects that the number of housing units in the PMA grew 6.42% from 2000 to 2010 with growth in the SMA totaling 10.15%. According to ESRI, housing units are forecasted to grow 2.31% through 2015 in the PMA and 3.86% in the SMA. The PMA has experienced slower growth than the metro (16.28%) due to its more urban location and built-out nature, which is supported by the Concentric Zone Theory. The Concentric Zone Theory states that an urban area usually expands outwards from a principal node or nucleus, such as downtown Kansas City. Please see the following table highlighting the number of housing units in both the PMA and SMA according to ESRI.

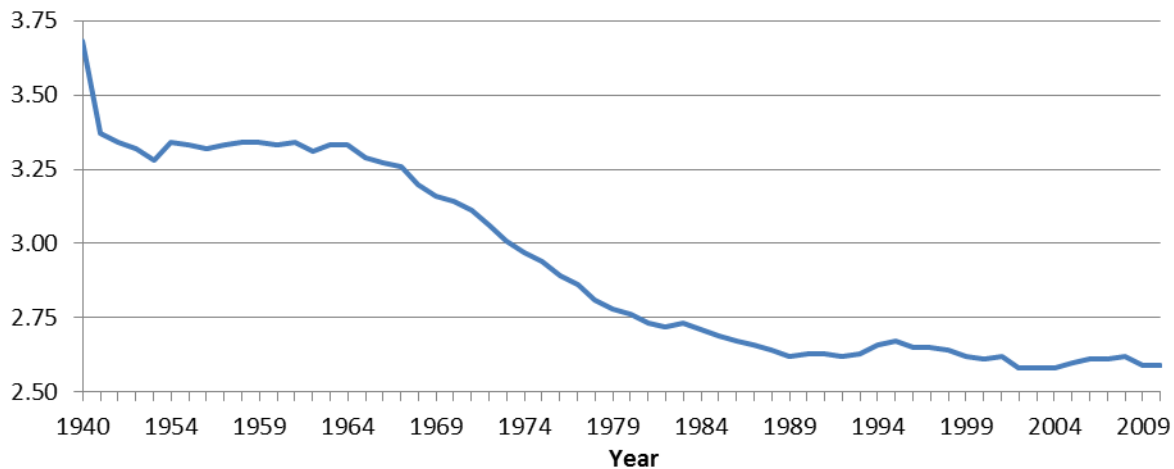
Housing Units	PMA	% Change	SMA	% Change
1990 Housing Units	52,008	-	104,704	-
2000 Housing Units	51,261	-1.44%	118,030	12.73%
2010 Housing Units	54,554	6.42%	130,011	10.15%
2015 Housing Units	55,812	2.31%	135,027	3.86%

Household Size

The following table shows and projects the average household size in the PMA and SMA from 1990 to 2015. The average household size in the PMA has been slowly declining from 1990 to 2010 and is projected to continue to decline through 2015. The slow decline in the average household size results in more demand for rental housing as less people are living together. In 2010 the average household size in the PMA was 2.09 people and in the SMA it was 2.26 people. The average household size in the State of Missouri is 2.46 people, the State of Kansas is 2.49 people, and the United States has an average household size of 2.59 people. The PMA and SMA both have a slightly smaller household size than the state and nation due to its more urban location, which tends to consist of more singles and less families.

Average Household Size		
Year	PMA	SMA
1990	2.24	2.37
2000	2.14	2.31
2010	2.09	2.26
2015	2.07	2.25

The following graph shows the decline in the average household size in the United State from 1940 through 2010. As shown below, the household size in 1940 was 3.68 people with it being 2.59 in 2010, representing a 29.6% decline.



The following table shows the household composition in terms of number of persons per household.

Household Composition		
	PMA	SMA
1 Person	35.6%	31.6%
2 Persons	36.9%	35.2%
3 Persons	12.3%	13.8%
4 Persons	9.6%	12.3%
5 Persons	4.0%	5.1%
6 Persons	1.2%	1.5%
7+ Persons	0.4%	0.6%

In the PMA, the predominate household size is one and two-persons comprising 35.6% and 36.9%, respectively, with 72.5% of the households having one or two-people. In the SMA, one-person households account for 31.6% of all households with two-person households accounting for 35.2% of all households. Only 12.3% of the households in the PMA are three-person households with the SMA being 13.8%. **The larger percentage of one and two-person households in the PMA and SMA support a multifamily project having more one and two-bedroom units and fewer three-bedroom units, as previously projected.**

Renter Households

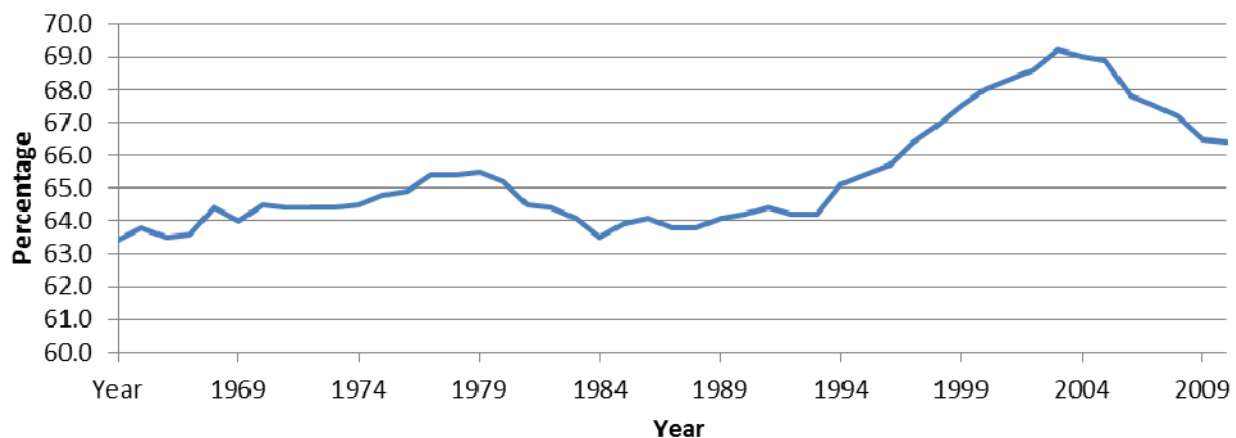
Percentage of Renters

The table below shows that there are a higher percentage of renters in the SMA than in the PMA due to the PMA being an older area that is fully built-out with a large concentration of single family homes.

Percentage of Renters		
	PMA	SMA
1990 Percent of Renter Housing	28.2%	32.8%
2000 Percent of Renter Housing	28.0%	32.3%
2010 Percent of Renter Housing	28.5%	33.0%
2015 Percent of Renter Housing	28.4%	32.9%

According to ESRI, the percentage of renters living in the PMA is expected to remain stable through 2015. However, all other indicators suggest that the percentage of renters as a whole in the US is going to increase as more people continue to rent due to the current housing crisis, as well as first-time home buyers being priced out of the market due to increased lending requirements. Furthermore, Generation Y, or people in the 20's such as young professionals, are making a lifestyle choice to rent instead of own due to the instability of the housing market, as well as focusing on their career, thus delaying marriage and the need to own a home.

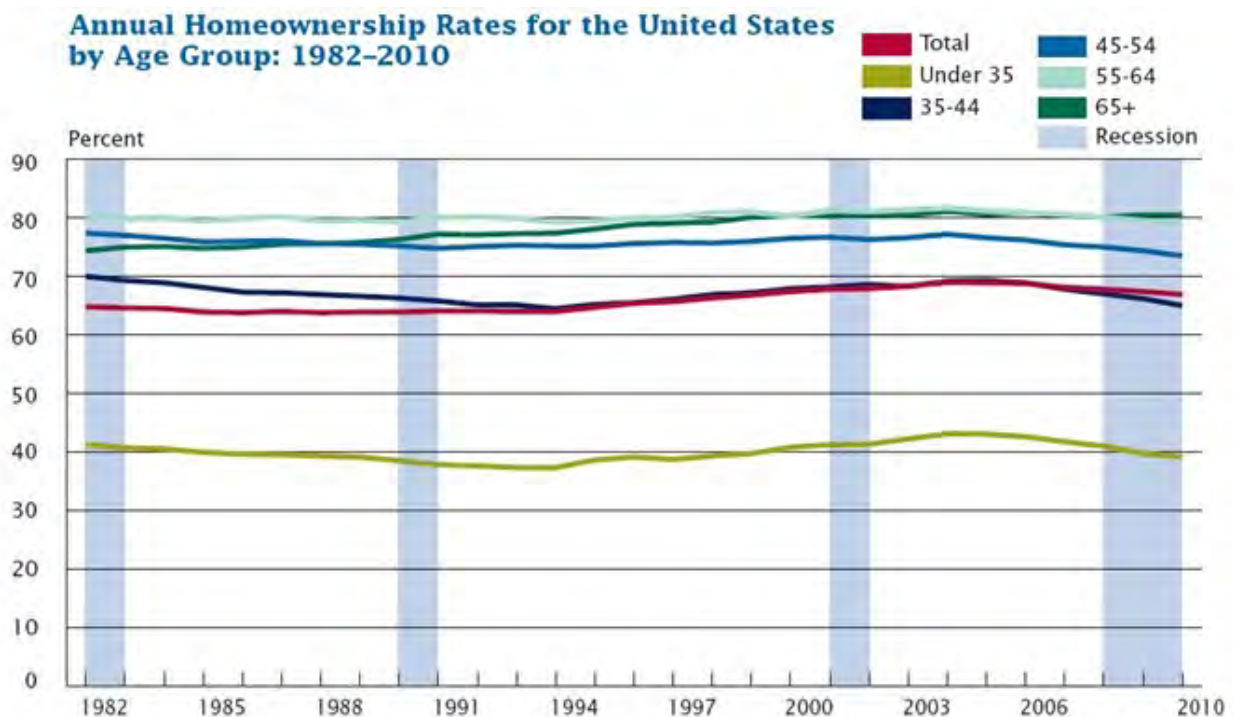
The PMA is comprised of 28.5% renters, which is below the metro average of 32.1%, suggesting pent-up demand for rental units. There has not been a significant apartment complex (100+ units) built in the immediate area for some time, with the exception of 45 Madison, which was built in 2006 and City Place at Westport, which was built in 2002. As foreclosures continue to rise, unemployment continues to hover around 10%, and people continue to be more frugal with their money, a shift from homeownership to renting is starting to take place. According to Marcus and Millichap, homeownership is projected to decrease to 56% between 2010 and 2015, and renting is projected to increase to 44%, an increase resulting in an additional 11.8-million renters, which is very attractive for multifamily developments, thus strengthening market fundamentals. The following chart reports the historical percentage of homeowners in the United States. As shown below, the homeownership rate peaked in 2004 at 69.2% and has been declining since.



The statistics in both the PMA and SMA were provided based on models from ESRI, and use dated information. Since then, the housing market nationwide has fallen into disarray because of the sub-prime lending market meltdown. Housing starts have slowed dramatically and there is a smaller inventory of available new housing than what was previously available. Former homeowners have lost homes to foreclosure and are unable to buy homes because of their damaged credit which has helped multifamily occupancy rates. Tightening credit standards and changing loan requirements have also put home ownership out of reach of many that would have been considered under the previous system. Therefore, the percentage of actual renters in the PMA and SMA may be slightly higher than the forecasted number as reported by ESRI.

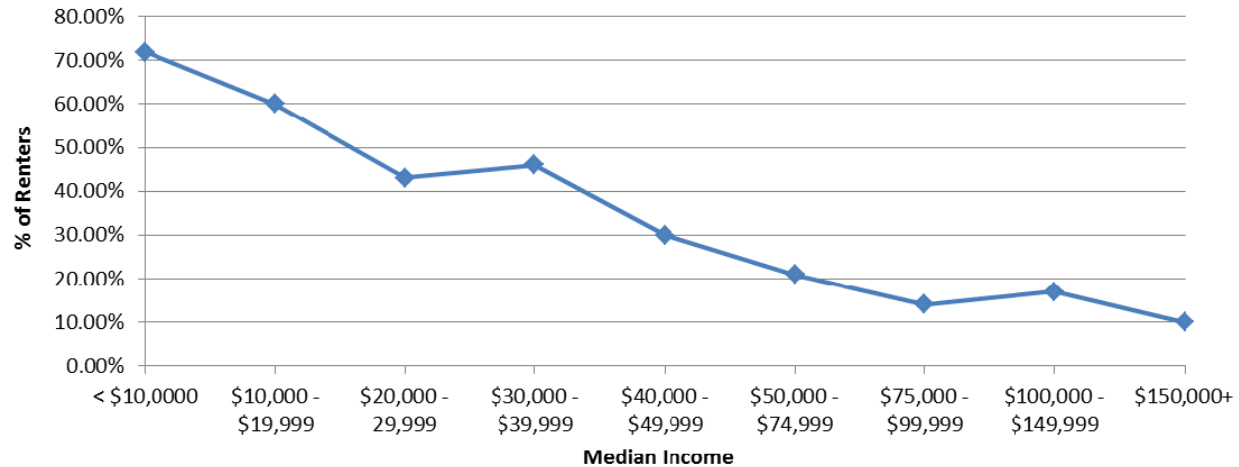
Renter Households Based on Age

According to the National Bureau of Economic Research, the percentage of renters peaks at age 35 and is lowest at ages 65 plus due to increasing personal wealth as a person ages. Based on this data, the percentage of renters that are young professionals, 20 to 35 years old, comprises approximately 40% of the households in the market area, with empty nesters, 55 to 75 years old, comprising approximately 20% of the households in the PMA and SMA.



Renter Households Based on Median Household Income

The following chart reports that the percentage of renters decreases as household income increases and increases as household income declines. Households with a median income greater than \$150,000 per year are comprised of approximately 10% renter households and 90% owner occupied households. Households making less than \$10,000 per year are comprised of approximately 72% renter households and 28% owner occupied households.



Income Qualified Renters in the Market

Income Levels

The following table shows the income levels for the PMA and the SMA.

HOUSEHOLD INCOME: PMA						
Income	Year-2000	Percent	Year-2010	Percent	Year-2015	Percent
< \$15,000	3,750	7.6%	2,716	5.3%	2,081	4.0%
\$15,000 - \$24,999	4,687	9.5%	3,024	5.9%	2,289	4.4%
\$25,000 - \$34,999	5,773	11.7%	3,126	6.1%	2,289	4.4%
\$35,000 - \$49,999	8,586	17.4%	8,713	17.0%	5,826	11.2%
\$50,000 - \$74,999	10,707	21.7%	10,763	21.0%	12,589	24.2%
\$75,000 - \$99,999	6,168	12.5%	8,201	16.0%	8,063	15.5%
\$100,000 - \$149,999	5,033	10.2%	8,713	17.0%	11,496	22.1%
\$150,000 - \$199,000	1,727	3.5%	2,614	5.1%	3,329	6.4%
\$200,000+	2,862	5.8%	3,383	6.6%	4,006	7.7%
Median Household Income	\$53,456	-	\$67,489	-	\$77,089	-

The largest annual income bracket for the PMA is the \$50,000 – \$74,999 bracket accounting for 21.0% of the households. Approximately 44.7% of the households in the PMA earn over \$75,000 per year with approximately 5% of the households being below the poverty line. In the SMA the largest annual income bracket is \$50,000 – \$74,999, accounting for 20.1% of the households, which is slightly less than the PMA.

HOUSEHOLD INCOME: SMA						
Income	Year-2000	Percent	Year-2010	Percent	Year-2015	Percent
< \$15,000	7,686	6.8%	5,744	4.7%	4,412	3.5%
\$15,000 - \$24,999	9,381	8.3%	6,478	5.3%	4,790	3.8%
\$25,000 - \$34,999	12,546	11.1%	6,844	5.6%	5,042	4.0%
\$35,000 - \$49,999	18,311	16.2%	18,333	15.0%	11,849	9.4%
\$50,000 - \$74,999	24,640	21.8%	24,566	20.1%	28,614	22.7%
\$75,000 - \$99,999	15,146	13.4%	19,922	16.3%	19,538	15.5%
\$100,000 - \$149,999	14,242	12.6%	24,444	20.0%	32,395	25.7%
\$150,000 - \$199,000	4,634	4.1%	7,455	6.1%	9,328	7.4%
\$200,000+	6,330	5.6%	8,433	6.9%	10,084	8.0%
Median Household Income	\$57,728	-	\$73,845	-	\$83,766	-

According to the chart above, households with a median income up to \$49,999 comprise the highest percentage of renters. In the PMA, there are 17,580 household making less than \$49,999 per year with the SMA totaling 37,399 households.

Median Household Income

Median household incomes in 2010 were \$67,489 in the PMA and \$73,845 in the SMA. The 2010 median household income in the metropolitan area is \$60,442 with State of Kansas being \$52,386. Both the PMA and SMA have a higher median household income than the metro and state, which is attractive for a high-end mixed-use development. The higher median household income allows for potential residents to spend more on housing than a typical household, thus increasing demand for higher quality rental housing. The median household income is higher in the SMA than the PMA due to the PMA being more urban and the SMA being more suburban and including several high growth areas.

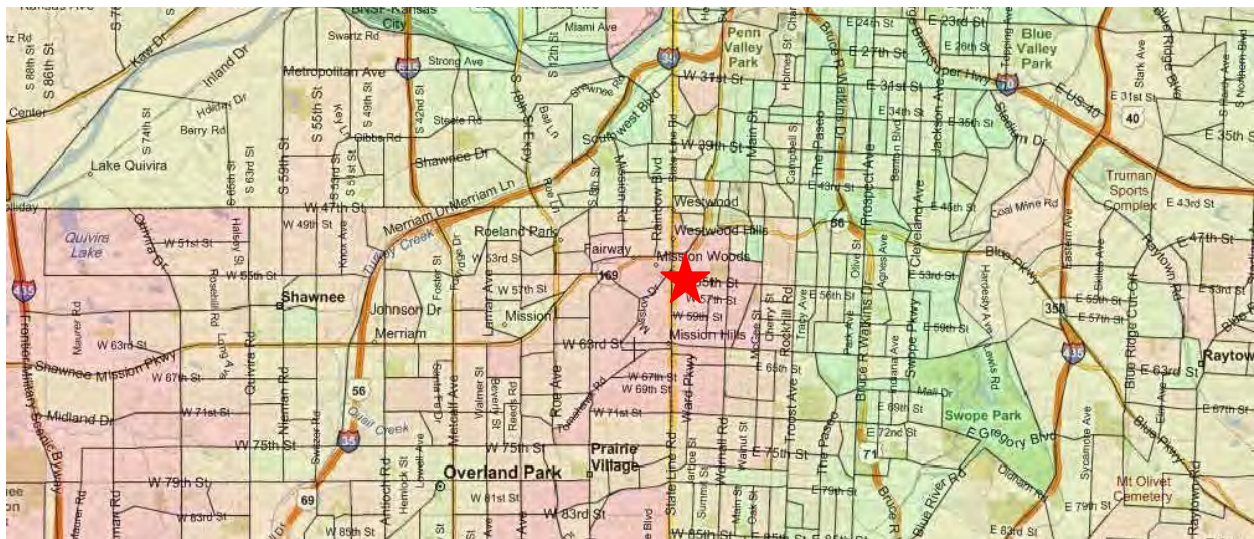
Median Household Income	PMA	SMA
1990 Median Household Income	\$39,863	\$41,861
2000 Median Household Income	\$53,456	\$57,728
2010 Median Household Income	\$67,489	\$73,845
2015 Median Household Income	\$77,089	\$83,766

Based on the above table, median income in the PMA grew at a 3.41% annual rate between 1990 and 2000, at a slower 2.63% annual rate between 2000 and 2010, and is forecasted to grow at a 2.84% annual rate from 2010 to 2015. Median income in the SMA grew at a 3.79% annual rate between 1990 and 2000, at a 2.79% annual rate between 2000 and 2010, and is forecasted to grow at a 2.69% annual rate from 2010 to 2015.

Median Household Income Yearly Growth Rate		
Year	PMA	SMA
1990	-	-
2000	3.41%	3.79%
2010	2.63%	2.79%
2015	2.84%	2.69%

Map of Median Household Income

As shown in the following thematic map separated by block group, 2010 median household income is greatest as your travel south from the subject in Johnson County (highlighted in red) and is lowest near the urban core and north of the subject in Jackson County (highlighted in green). Just south of the subject is Mission Hills, Mission Woods, and Fairway, which are some of the wealthiest areas of the metro.



Cost of Living Index

A cost-of-living index is a theoretical price index that measures relative cost of living over time. It is an index that measures differences in the price of goods and services, and allows for substitutions to other items as prices change. An index of 100 is the national average with an index of more than 100 representing an area that is more expensive to live. Kansas City has a cost of living index of 95.7, which is below the national average. In comparison, Dallas, Texas has an index of 92.1, Denver, Colorado has an index of 103.4, and San Diego, California has an index of 133.5, representing that it is 39.49% more expensive to live in San Diego than Kansas City. Cost of living is important when determining where to live, with cities that have a lower cost of living having an advantage over cities with a higher cost of living.

Housing Affordability

Median income levels are important for determining housing affordability. Housing is considered affordable when the base rent does not exceed 30% of a household's total income. For projection purposes, the median income levels in an area are used as the basis of the calculation with the 30% affordability factor applied. The table below contains calculations used to determine if median income levels in the PMA and SMA exceed the minimums necessary to afford a unit within the subject.

Based on the calculations on the previous page, approximately 71% of the PMA and 75% of the SMA households will be able to afford renting a unit in the subject.

Unit Type	Unit Size (SF)	Market Rent	Affordability Rate	Income Required Monthly	Income Required Annually
1BR 1BA	615	\$995	30%	\$3,317	\$39,800
1BR 1BA	730	\$1,115	30%	\$3,717	\$44,600
1BR 1BA	830	\$1,185	30%	\$3,950	\$47,400
1BR 1.5BA	1,100	\$1,400	30%	\$4,667	\$56,000
2BR 2BA	950	\$1,300	30%	\$4,333	\$52,000
2BR 2BA	1,050	\$1,355	30%	\$4,517	\$54,200
2BR 2BA	1,100	\$1,415	30%	\$4,717	\$56,600
2BR 2BA	1,230	\$1,575	30%	\$5,250	\$63,000
3BR 2BA	1,425	\$1,950	30%	\$6,500	\$78,000

Conclusions

The PMA is an attractive market due to the nearby presence of The Country Club Plaza, the convenient access to downtown Kansas City, and the attractive Shawnee Mission School District. The PMA has a lower percentage of renter household than the metro, which typically results in pent-up demand for multifamily housing, which is attractive for a future multifamily development. The PMA has an absence of vacant land available for development, which further limits future multifamily development and competition. The PMA has a higher median household income and median home value than the metro as a whole. The subject will be a unique concept that will incorporate green living with an emphasis on health, coupled with a free membership to the adjacent Woodside Health & Tennis Club. The PMA has not seen a large scale multifamily development occur in the last several years due to the area being fully built-out. Overall we believe that the subject will be an attractive development in a favorable location with strong demographics.

NATIONAL APARTMENT MARKET OVERVIEW

2011 National Apartment Report

The following information was taken from the 2011 National Apartment Report prepared by *Marcus & Millichap, Real Estate Investment Services*.

National Economy

The U.S. economic recovery has unfolded in anything but a linear fashion, as tenuous, and occasionally erratic, economic growth has tested the durability of the recovery and sparked concerns of a double-dip recession. This scenario remains improbable, however, as today's low interest rate and minimal inflation environment differs from conditions 30 years ago, when the U.S. experienced its last double-dip recession. Furthermore, recent government actions, such as the extension of Bush-era tax cuts and the resumption of quantitative easing by the Fed, signal a willingness to take strong, albeit controversial, measures to reinforce economic recovery. Several trends suggest the recovery will gain more traction, including moderate private-sector job growth, improving consumption, lower initial unemployment claims, robust temporary hiring, strong and sustained corporate profitability, and easing bond spreads.

While overall employment growth disappointed through the latter half of 2010, job creation among the prime renter age cohort of 20- to 34-year-olds significantly outpaced the broader market. This trend helped jump-start a recovery in the apartment market, boosting absorption to levels unseen since 2000, when job growth and household formations boomed, a sharp contrast to current conditions. Both employment and household growth will accelerate in 2011, but the rate of gains depends on improving corporate confidence, which is essential to increasing investment and hiring. The Fed's ability to keep inflation at bay by recalibrating monetary policy in response to economic expansion may not be fully tested in 2011 but remains paramount to the recovery staying on course. The housing market, saddled with foreclosures, will not be a contributor to the expansion until 2012.

- **Employment Growth to Accelerate** - The U.S. economy is projected to add 2 million jobs in 2011, double the amount created in 2010. The extension of Bush-era tax cuts and the addition of new incentives for businesses should stimulate hiring driven by export-related industries, a cyclical rebound in technology goods and services, and the business and professional services sector. Tax-cut extensions will add 50 to 75 basis points to GDP.
- **U.S. Economy Transitioning to Private Sector** - GDP is projected to rise by between 2.5 percent and 3.0 percent this year as growth shifts from government initiatives and inventory restocking to the still-wary private sector. Corporations will likely utilize a share of their cash stockpiles on new equipment and software, lending a boost to the headline rate of growth.
- **Elevated Unemployment, Weak Housing Create Drag** - While foreclosures are projected to slow as irregularities in the process are examined, distress sales will remain an enduring theme, holding down prices in harder-hit markets. At the same time, unemployment will stay elevated, hovering in the high-9 percent range through at least the first half of the year.

- **Commercial Mortgage Maturities (Pose Risk)** - Five-year loans made at the peak of the commercial real estate market in 2006 will mature in 2011, creating risk for lenders holding high-leverage notes on underperforming assets. Banks hold approximately \$1.5 trillion in commercial real estate loans, or roughly 45 percent of the total, while CMBS accounts for 20 percent.

National Apartment Overview

Apartments staged a strong recovery in 2010 well ahead of expectations, despite modest job creation and stubbornly high unemployment. Net absorption surged, with occupied stock rising by nearly 200,000 units, double the number of apartments constructed and the highest level on record since 2000. Several factors contributed to high levels of absorption, including the release of pent-up renter demand as households de-bundled in the wake of the recession. In addition, apartments benefited from private-sector job growth in the critical 20- to 34-year-old cohort, expiration of the homebuyer tax credit, displaced foreclosed homeowners entering the renter pool, immigration and lower unit turnover. Renting also became a lifestyle and economic choice for many households as the effects of the housing collapse and recession persisted. Continued recovery in 2011 depends more heavily on improvements in the job market, which should gain momentum as the year progresses.

All 44 markets in the Marcus & Millichap National Apartment Index will post employment growth, vacancy declines and effective rent gains in 2011, confirming a sweeping recovery and expansion in the U.S. apartment sector above expectations. This year will mark the first across-the-board reduction in vacancy recorded since at least 1990; the strongest previous performance played out in 2005, when all but three apartment markets registered declining vacancy rates. The last time all markets exhibited positive employment trends occurred in 1999, and not since 2006 have all markets posted effective rent growth. Further, new apartment supply will decline in all but six markets in 2011, the first time such broad-based reductions have emerged in 20 years. At the national level, new supply dropped to sub-trend levels last year and completions will slip further in 2011, as tight credit conditions stalled construction projects and delayed new starts through much of the past few years.

- **Demand Outstrips New Supply** - Apartment completions are projected to total 53,000 units this year, 46 percent fewer than delivered in 2010. New supply will again fall critically short of demand, which is expected to reach 158,000 units.
- **Surging Demand Drives Vacancies Lower** - U.S. apartment vacancy are projected to decrease 110 basis points in 2011 to 5.8 percent, matching the decline recorded in 2010. Strong demand drivers and expectations for increased availability of debt this year, however, elevate the likelihood of a construction cycle ramping up in 2012.
- **Rents Rise, Concession Ease** - With vacancy in 2011 expected to align closely with pre-recession levels, owners will regain pricing power, particularly in tight core markets. At the national level, asking rents will rise 3.5 percent to \$1,067 per month, while effective rates will increase 4.5 percent to \$1,002 per month. Last year, asking and effective rents gained 1.5 percent and 2.3 percent, respectively.
- **Demographic Trends Support Positive Outlook** - Stronger job growth is projected to spur new household formation over the next few years, as will the progression of echo boomers into their prime renter years. Over the next five years, the 20- to 34-year-old cohort will expand by 3.2 million individuals. Rising interest rates, large down-payment requirements and tight lending standards will bias young households toward renting.

Capital Markets

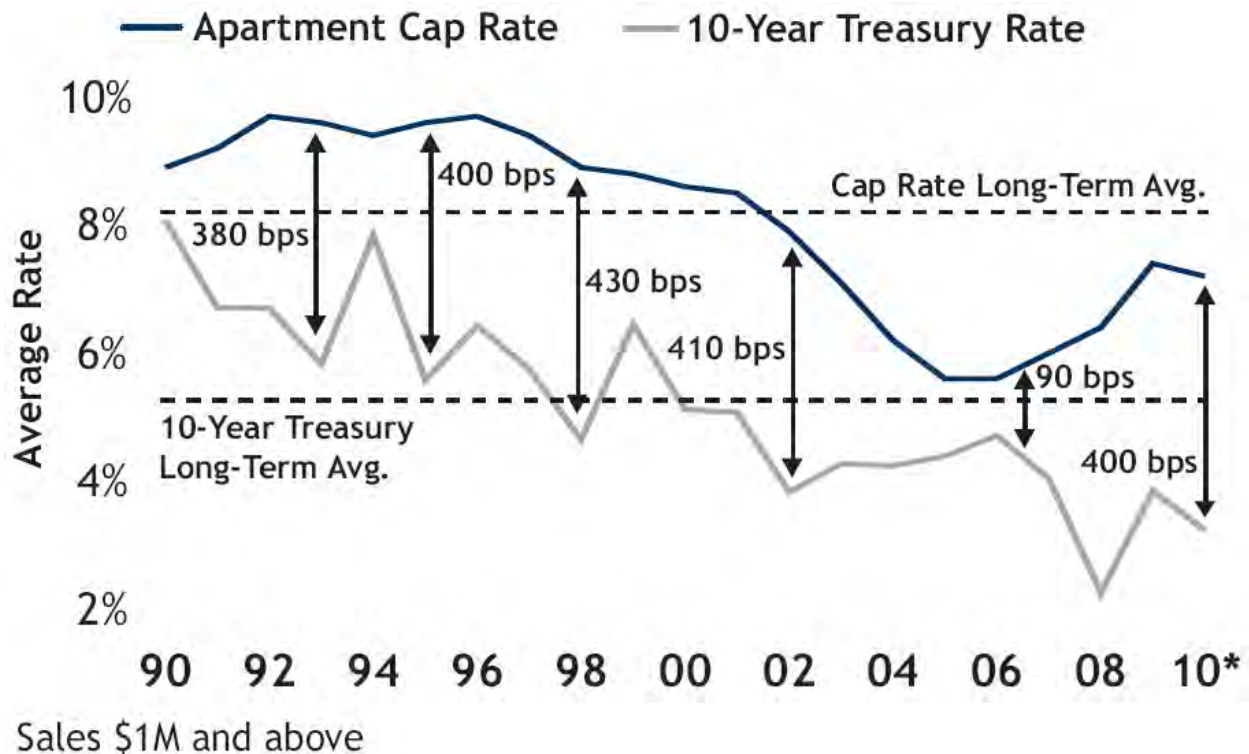
Debt availability has increased dramatically from the trough two years ago, but the overall supply remains limited and selective. Institutional debt sources share a preference for low-risk, higher-quality assets in top-tier markets with strong sponsors. This mandate leaves the majority of the transaction bell-curve, which includes sales of \$5 million to \$20 million in the B-minus to C-quality range, with fewer financing options. Transactions of this type can get funding, but the process and qualifications are more challenging, with a significant focus on sponsorship. A large number of properties remain in limbo with respect to refinancing without recapitalization or lender write-downs. An estimated \$77 billion of maturing multifamily mortgages will weigh on the market in 2011 as reduced market values in the B- to C- categories and higher loan-to-values (LTVs) create shortfalls for owners in need of refinancing. This may result in more acquisition opportunities as many owners opt for a quick sale over additional equity contributions.

Fannie Mae and Freddie Mac provide apartments a financing advantage relative to other property types, though more commercial banks and life insurance companies are stepping up with competitive terms. Lending by life insurance companies increased nearly 150 percent last year, while GSE volume declined 55 percent. In perspective, the GSEs currently hold 37 percent of the \$843 billion in total multifamily mortgage debt outstanding, while life companies account for 6 percent. Multifamily delinquencies held in the GSEs' portfolios remain below 1 percent, supporting expectations for the agencies to remain active, despite talk of reform in Washington, D.C. CMBS apartment loans continue to post high levels of distress, with delinquency in this sector hovering around 8.5 percent. Economic growth and increases in apartment property values, particularly for high-quality assets, will relieve some pressure and lead to more sales and refinancing. Some level of distress at the local and regional-bank level with high exposure to lower-quality assets and construction loans will persist into 2013

- **10-Year Treasury Yields Remain Low** - The extension of quantitative easing by the Fed is projected to help restrain interest rates in the near term, holding the 10-year Treasury yield in the 3.4 percent to 4.0 percent range through most of 2011.
- **All-in Rates Attractive; Lender Requirement Hurdles Remain** - All-in rates for smaller apartment loans range from 3.75 percent to 4.5 percent for five-year terms, with 10-year notes pricing 100 basis points higher. For larger, high-quality deals, the GSEs quote all-in rates of 3.75 percent to 4.6 percent, 100 basis points to 200 basis points lower than portfolio lenders. While rates are relatively low, stringent credit qualifications and higher LTVs will remain challenges for many potential borrowers.
- **Seller Financing, Assumable Loans Prevalent** - Seller financing and loan assumptions accounted for nearly 30 percent of all commercial real estate transactions last year and will remain common in 2011. For more broad-based easing in traditional lending sources to occur, the economy will need to post several consecutive quarters of solid employment growth and overall expansion.
- **Life Companies Ramp up; CMBS Re-Emerges** - Motivated life insurance companies will offer low all-in rates on top-tier assets with good credit characteristics this year, regardless of asset size. CMBS issuance will continue to rise, but its next iteration will include new regulation, oversight of ratings' agencies and more conservative underwriting than at the peak of CMBS dominance.

Investment Outlook

Pricing for quality apartment assets in primary markets turned aggressive in 2010, leapfrogging property fundamentals. As REIT and institutional activity fueled momentum in the \$20 million-plus category, the average price per unit increased and cap rates fell, though both measures are still down from levels achieved at the market's peak. A prevailing flight to quality and attractive returns over other investment alternatives prompted buyers to compete more intensely for top-quality deals. Last year, the spread between the average cap rate in the apartment sector and the 10-year Treasury yield widened to the largest gap on record in at least 20 years before edging back to 400 basis points. For comparison, the difference between the long-term average cap rate and 10-year Treasury yield is 290 basis points.



Improving occupancies and rising rents, along with stabilized cash flows and strong demand for quality income-producing properties, will continue to lend support to market pricing this year, helping assuage lingering trepidation about values. Yield compression and limited inventory in the upper end of the market will lead to more sales of Class B and C properties in 2011, spurring greater activity among private and opportunity investors. As the year progresses, more buyers will move down the quality chain in search of stronger yields, encouraging price discovery in the lower tiers and in secondary/tertiary markets. At the end of 2010, cap rates for mid-tier assets in tertiary markets exceeded those in primary markets by approximately 200 basis points, with secondary markets falling in the middle. This arbitrage offers attractive return spreads when viewed with properly assessed risks and a longer, five-plus-year investment horizon.

- **Sales Volume Rising, Still Well Below Peak Levels** - Dollar volume is projected to rise further this year as the economy gains momentum, apartment fundamentals improve and debt markets loosen. During 2010, apartment sales volume totaled an estimated \$40 billion, up nearly 65 percent from the cyclical low in 2009 but less than one-third of the 2006 peak.

- **Apartment Buyer Composition Shifting** - REITs and institutions are projected to increase acquisitions in 2011. Last year, approximately 80 percent of all transactions fell below \$10 million, reflecting a highly active private buyer segment; however, public and institutional investors nearly quadrupled their share of transactions, while equity funds tripled their share.
- **Cap Rates Recompress** - The average cap rate is projected to decline in 2011 after slipping 20 basis points in 2010 to 7.2 percent, led by recompression of the most sought-after deals. Since peaking in 2009, cap rates for top-quality properties have fallen by as much as 100 basis points. Additional support for prices derives from historically light construction and emerging demographic shifts that favor rental housing.
- **Distress Creating Opportunities (In Moderation)** - Distressed-property sales increased dramatically in recent quarters, led by gains in deals over \$20 million, but distressed activity still accounts for just 12 percent of all apartment sales. While demand for high-quality distress deals will continue to outpace supply, a shortage of apartment construction, combined with a positive demand-side outlook and firming values, may turn more investor attention to unfinished multifamily developments.

APARTMENT INDUSTRY ECONOMIC REVIEW

The following information was taken from the Landmarks 2010 yearly report prepared by the *National Apartment Association*.

Over the 2010 calendar year, the apartment industry has observed, experienced and responded to a shift from recession to recovery, from reacting to accommodating economic realities and from fear of the unknown to a concern of the known.

The impact of the economic recession, which began December 2007 and officially ended June 2009, lingered throughout most of 2010. Continued high unemployment, lack of net job creation, continued business and consumer de-leveraging, unprecedented federal government deficit spending, restricted credit, the likelihood of higher taxes and a lower standard of living contributed to lower consumer confidence and significant political shifts.

One of the few beneficiaries of an economic and consumer downsizing has been the apartment industry. Declining homeownership (down to a range of 62 percent to 64 percent from its peak of 69.2 percent), lower household incomes, loss of net worth and a recovery that is likely to be geographically-based mandates a more mobile, flexible and accessible workforce.

Some startling statistics emerged in 2010, yet for the apartment industry, they are promising. According to a May 2010 Harris survey, 76 percent of U.S. adults deemed renting to be a more favorable option to owning a home. Nearly one-third of Americans, according to a recent survey by Zillow, could not qualify for a home mortgage due to poor credit scores. Only 12 percent of renters now have plans to buy a home. The home equity loss of approximately \$6.1 trillion has made “Mommy and Daddy” money scarce for Gen X or Gen Y to use in the purchase of a home. There are now 20.3 million adults aged 18 to 34 living with their parents. According to the U.S. Census Bureau, the median age for first-time marriages is increasing, the growth of nonfamily households is increasing, and the age of women giving birth for the first time is also increasing. The number of homeowners/borrowers underwater is likely to increase over the next six to 12 months. Within the past 24 months, the United States has shifted to a growing renter market.

Vacancy Rates

Overall vacancy levels continued their decline in 2010. From a peak of 13.1 percent in Q3 2009, the national vacancy rate for all 5+ apartment buildings dropped to just over 12 percent. Vacancy levels for institutional grade apartments in 2010 declined to approximately 6.5 percent. Concessions continued to hover around 5 percent to 7 percent of asking rent. Traffic counts were up slightly over 2009 as the renter market adjusted to the new economic realities.

Rent Growth

Overall rents, down in 2009, reversed their steady decline in 2010 and will likely end the year up around 2.6 percent. Effective rents are expected to increase approximately 1.2 percent over the second half of the year. While 2010 was a “bottoming-out” year in the apartment industry, concerns over jobs, income/wages, credit and uncertainty about market recovery kept rental rates down. The foreclosure pace of over-leveraged homeowners seesawed due to shifting political pressure. However, the Q3 and Q4 trending data in 2010 shows a continuing increase in rental rates through 2011. The lack of new supply coming online combined with an improving economy indicates rents are likely to continue to rise in 2011.

Operating Expenses

In a very challenging time for the apartment industry, the 2010 NAA Survey of Operating Income & Expenses revealed that apartment operators were able to hold their own amidst continued declining revenues and rising fixed and variable costs. Nationally, total operating expenses decreased by 0.2 percentage points, while NOI declined by 0.6 percentage points to 53.3 percent of EGI.

Renter Households

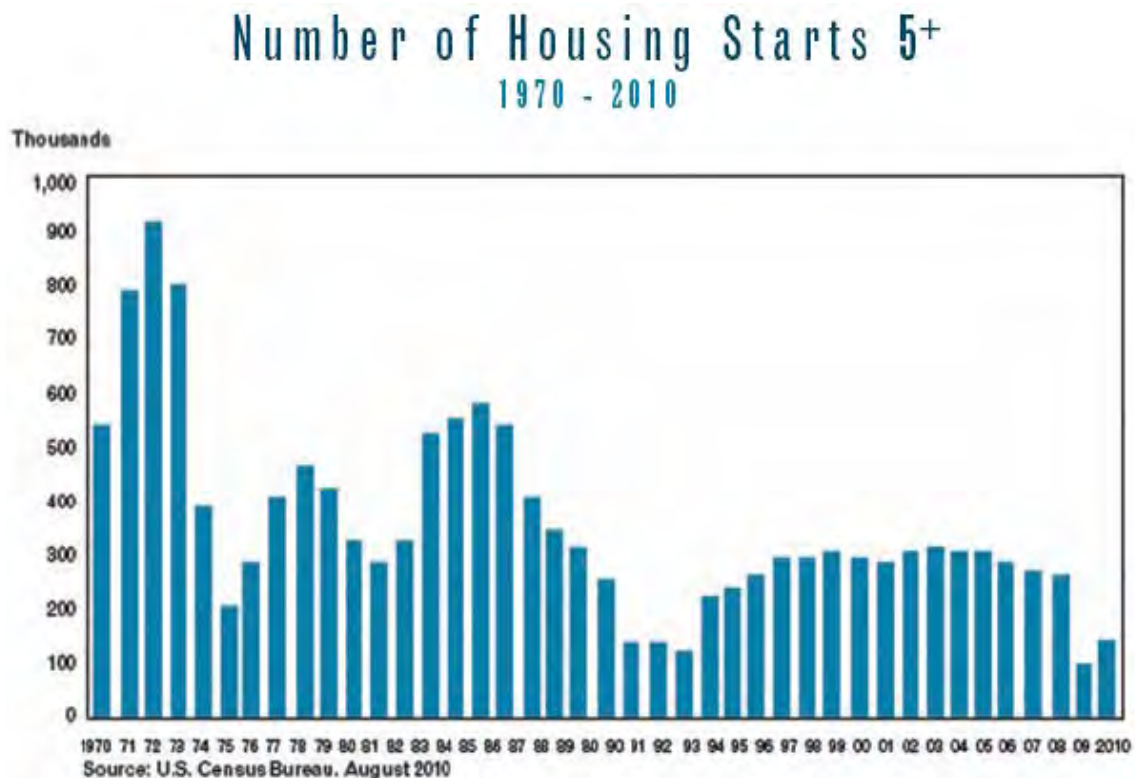
Renters are now approximately 33 percent of non-owner occupied housing units in the United States. There are approximately 17.5 million apartment units (5+ units). Homeownership in the U.S. has declined to 66.9 percent as of mid-year 2010 and in what is projected to be a very long jobless recovery, the number of renters is expected to increase throughout 2011—a trend likely to continue for nearly a decade. It is estimated that 11 million homeowners/borrowers are underwater and another 2.4 million homeowners/borrowers have less than 5 percent equity. With further declines in home values likely in 2011, the apartment industry will benefit from this decline.

Labor Markets

More than 8.3 million jobs have been lost at the peak since the recession started. Unemployment is hovering just below 10 percent, and with part-time or discouraged workers included, underemployment is closer to 17 percent. With a seven- to 10-year supply of available workers and a forecast for continued high unemployment through 2011, the net impact long-term will be a rise in apartment renters.

New Construction

Permits (for 5+ units), as of September 2010, are currently at a seasonally-adjusted basis of 111,000 units. Apartment starts will likely be at 100,000 units at year-end. Completions have fluctuated over the year, but are expected to close at approximately 175,000 units, with approximately 60 percent of these as investment grade properties.



Conclusions

- The percentage of homeowners is declining and the percentage of renters is increasing and is forecasted to continue to be this way for the next several years
- Vacancy levels are likely to improve due to the shift away from homeownership and back to renting
- Rental rates are expected to continue to grow in 2011 as vacancy rates tighten up and concessions are reduced
- Consumer confidence is low which is making renting more favorable than owning a home
- Lending standards have been increased, which has resulted in many first-time homebuyers from entering the housing market and having to continue to rent

KANSAS CITY APARTMENT MARKET OVERVIEW

Property and Investment Classification

For the purpose of analysis, we separate apartment complexes into three categories: Classes A, B and C. These categories are defined as follows:

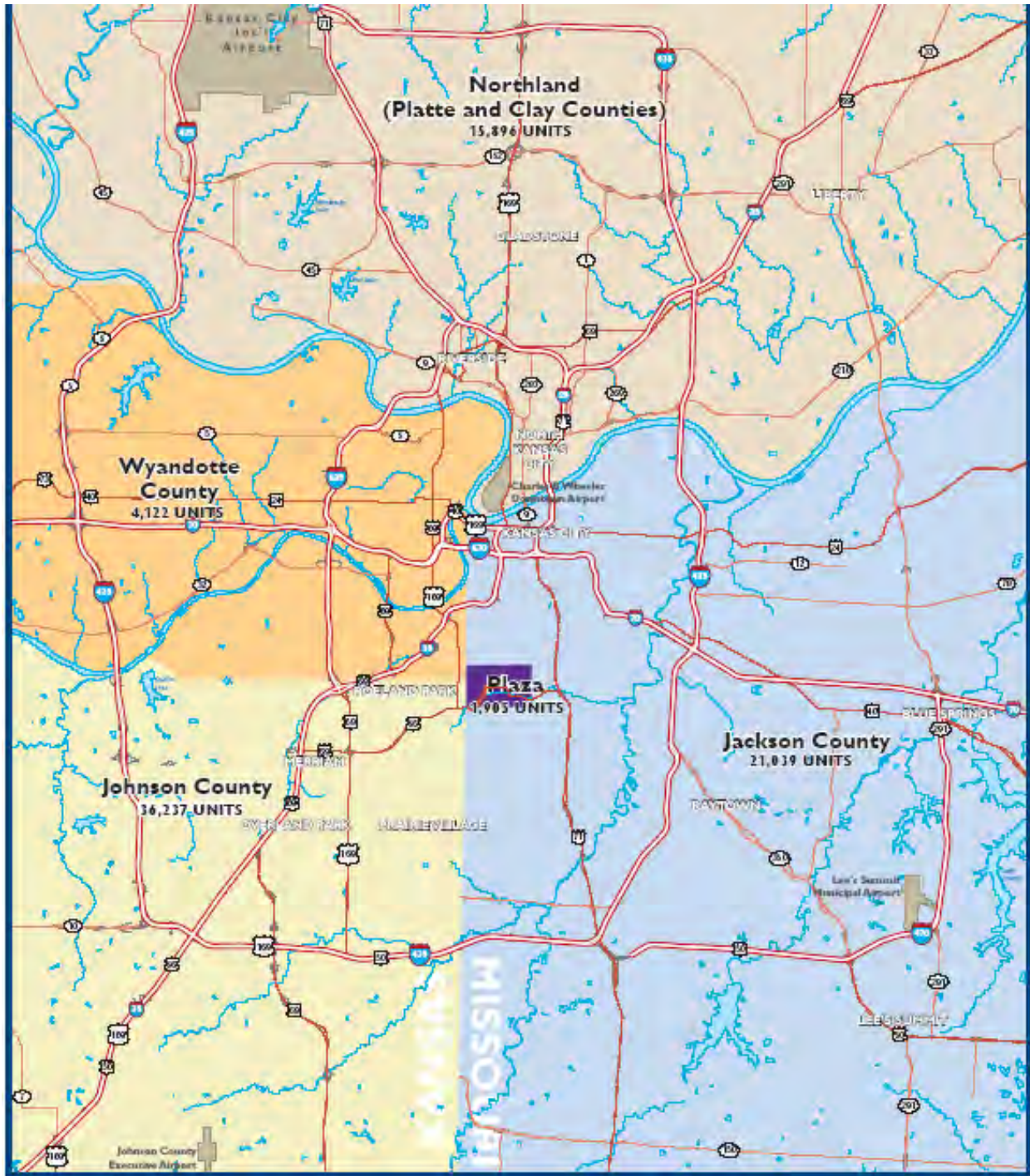
- **Class A** - Generally regarded as the highest quality space available in the marketplace, Class A buildings are typically of recent construction and are situated in prime locations. They are characterized by high quality construction and finishes, sophisticated amenities and top rental rates. A+ properties would suggest "trophy" properties with the above noted characteristics.
- **Class B** - Regarded as modern (although not necessarily new) buildings, or old (i.e. Class C) structures recently renovated to modern standards. These buildings are characterized by good locations, reasonably high occupancy levels and competitive rental rates.
- **Class C** - Lowest quality space available in the marketplace that is used for apartment activity. These buildings are generally old, but in fair condition. Rental rates are the lowest within the market and amenities are minimal.

The subject is a proposed apartment complex that will feature an attractive level of amenities and finish. Given the quality of finish and complex amenities, the market would generally consider the subject to be a Class A rental property. Each class is indirectly affected by the other classes. Although we considered all apartments in the subject's sub-market, our focus was on the subject's similar class of competition.

During the late 1990s through 2001, the Kansas City apartment market experienced a period of significant new construction, the majority of which occurred in Johnson County, Kansas. In fact, nearly 50% of all multifamily permits issued between 1994 and 1999 were in Johnson County. During the peak of the construction period, strong occupancy rates were maintained. However, by 1999 the market began to experience declining occupancy as overbuilding ensued and concessions became prevalent. It was in 1999 that absorption began to lag multifamily permits, although a significant level of new construction continued for two more years. Occupancy and absorption rates continued to decline through 2004, dipping to a low of 90% at year-end. As new construction slowed in recent years, the apartment market has continued to show signs of recovery. At year-end 2010, occupancy for the MSA was reported to be 92%, up from 91% at mid-year 2009 and 89% at year-end 2009.

The basis of our multifamily analysis is survey data provided by Cassidy Turley, formerly CTMT, which tracks and reports on apartment rents and vacancies in the Kansas City metropolitan market since year-end 2000. The survey data is segregated into five major sub-markets (please see map on the following page) and is updated bi-annually. Information from the Cassidy Turley Report is supplemented with data provided by Reis, Inc. as well as Marcus & Millichap.

As of year-end 2010, the survey includes a total of 80,855 apartment units in 389 properties. Please see the map below delineating each sub-market.



Vacancy Rates

One of the primary measures of the supply and demand relationship is the number of vacant apartment units available in the market. Like most other metropolitan areas, the Kansas City apartment market was impacted by overbuilding in the late 1990's and early 2000's that resulted in downward pressure on rental rates and occupancy levels. Occupancy levels were stable throughout the late 1990's near 95%. Occupancy rates declined through 2004 enjoyed a slight up-tick through mid-year 2008, or until the housing crisis began and then declined through year-end 2009. Occupancy rebounded in 2010 finishing the year at 92% due to a renewed interest in renting from

stricter lending standards, high unemployment and under-employment, and eroding personal wealth making first time home ownership more difficult to obtain.

The strongest sub-market is consistently the Plaza, followed closely by Johnson County, both of which are considered the primary institutional investment markets in the metropolitan area. Wyandotte County typically has the lowest occupancy rates of all of the sub-markets that are tracked.

Occupancy by Sector and Class-KC MSA

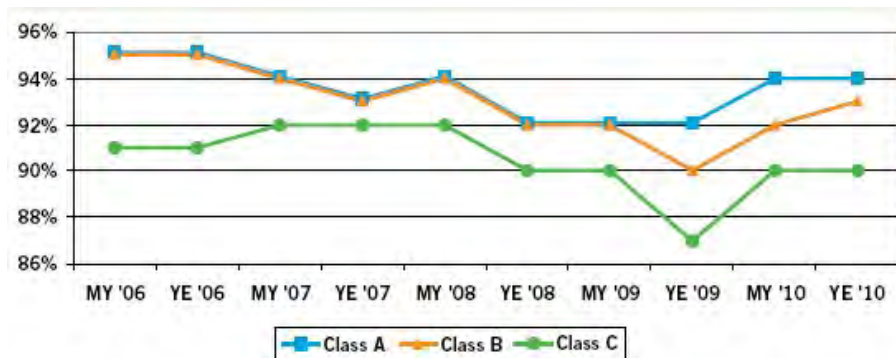
Sectors	Bldg Class	YE 2000	YE 2001	YE 2002	Mid 2003	YE 2003	Mid 2004	YE 2004	Mid 2005	YE 2005	Mid 2006	YE 2006	Mid 2007	YE 2007	Mid 2008	YE 2008	Mid 2009	YE 2009	Mid 2010	YE 2010
Jackson	A	91%	89%	93%	95%	89%	89%	93%	86%	89%	94%	95%	94%	93%	93%	92%	92%	94%	94%	91%
	B	96%	94%	92%	95%	94%	93%	91%	92%	91%	93%	93%	93%	92%	93%	91%	91%	91%	93%	92%
	C	96%	93%	92%	91%	87%	90%	87%	88%	89%	88%	89%	91%	92%	92%	90%	90%	85%	88%	87%
Jackson Total		96%	93%	92%	93%	89%	91%	89%	89%	90%	90%	91%	92%	92%	93%	90%	91%	88%	91%	90%
North	A	93%	99%	91%	93%	92%	93%	94%	94%	95%	91%	92%	93%	90%	93%	90%	91%	90%	93%	93%
	B	93%	95%	90%	91%	91%	91%	90%	93%	92%	94%	94%	94%	93%	93%	91%	91%	90%	92%	94%
	C	96%	94%	92%	92%	92%	89%	89%	90%	90%	92%	92%	92%	92%	93%	91%	91%	87%	90%	90%
North Total		95%	94%	91%	92%	92%	90%	90%	92%	92%	92%	92%	93%	92%	93%	91%	91%	89%	91%	92%
Wyandotte	B	97%	89%	95%	95%	90%	88%	88%	86%	88%	91%	91%	91%	91%	90%	91%	91%	91%	88%	89%
	C	97%	93%	93%	92%	91%	89%	89%	90%	88%	93%	93%	91%	90%	90%	86%	86%	77%	89%	89%
Wyandotte Total		97%	92%	94%	93%	91%	89%	89%	89%	88%	92%	92%	91%	90%	90%	88%	88%	81%	89%	89%
Johnson	A	91%	93%	91%	93%	90%	92%	91%	93%	94%	96%	96%	95%	94%	94%	93%	93%	93%	95%	95%
	B	95%	96%	91%	92%	91%	93%	91%	92%	94%	96%	96%	95%	94%	95%	93%	93%	90%	92%	94%
	C	96%	93%	93%	93%	92%	93%	91%	93%	91%	93%	93%	94%	92%	93%	92%	91%	91%	93%	92%
Johnson Total		95%	94%	92%	93%	91%	93%	91%	93%	93%	95%	95%	95%	94%	94%	93%	93%	91%	93%	94%
Plaza	A	93%	92%	91%	98%	94%	94%	93%	98%	95%	91%	91%	92%	92%	96%	88%	94%	93%	97%	97%
	B	97%	97%	95%	95%	94%	97%	100%	99%	99%	97%	97%	99%	98%	-	97%	97%	94%	89%	93%
	C	98%	94%	94%	95%	93%	96%	94%	96%	97%	95%	95%	96%	96%	95%	95%	95%	93%	91%	92%
Plaza Total		97%	94%	94%	95%	93%	96%	94%	97%	97%	94%	94%	95%	94%	96%	94%	95%	93%	93%	94%
Overall	A	92%	96%	91%	93%	90%	92%	91%	93%	94%	95%	95%	94%	93%	94%	92%	92%	92%	94%	94%
	B	95%	93%	91%	93%	92%	92%	91%	92%	92%	95%	95%	94%	93%	94%	92%	92%	90%	92%	93%
	C	96%	94%	92%	92%	90%	91%	89%	90%	90%	91%	91%	92%	92%	92%	90%	90%	87%	90%	90%
Overall Total		95%	94%	92%	93%	91%	92%	90%	91%	92%	93%	93%	93%	93%	93%	91%	91%	89%	92%	92%

The following table shows the occupancy history for Class A, B, and C properties throughout the entire Metro area. While not graphed, the trend has been for Class A and B properties to have higher occupancy rates than Class C properties. At year-end 2010, Class A occupancy was 94%, Class B occupancy was 93%, and Class C occupancy was 90%, all relatively unchanged from mid-year 2010 and higher than year-end 2009.

Occupancy by Class

Bldg Class	YE 2000	YE 2001	YE 2002	Mid 2003	YE 2003	Mid 2004	YE 2004	Mid 2005	YE 2005	Mid 2006	YE 2006	Mid 2007	YE 2007	Mid 2008	YE 2008	Mid 2009	YE 2009	Mid 2010	YE 2010
A	92%	96%	91%	93%	90%	92%	91%	93%	94%	95%	95%	94%	93%	94%	92%	92%	92%	94%	94%
B	95%	93%	91%	93%	92%	92%	91%	92%	92%	95%	95%	94%	93%	94%	92%	92%	90%	92%	93%
C	96%	94%	92%	92%	90%	91%	89%	90%	90%	91%	91%	92%	92%	92%	90%	90%	87%	90%	90%
Overall	95%	94%	92%	93%	91%	92%	90%	91%	92%	93%	93%	93%	93%	93%	91%	91%	89%	92%	92%

The following table shows how rental rates and vacancies have interacted since 2000. Rents have steadily increasing since 2000 with the exception of 2003. Per square foot rental rates at year-end 2010 are down slightly from year-end 2009, even though occupancy rates have increased slightly. Rents per square foot at year-end 2010 were unchanged from mid-year 2010 with an overall metro rental rate of \$0.80 per square foot.



Economic Factors

The drop in apartment occupancy from mid-2008 through year-end 2009 was not expected. Many first time home buyers cannot obtain a mortgage in the current lending climate forcing them to continue to rent. Also, it is generally considered that home foreclosures would increase the population of renters as former homeowners re-enter the rental market. However, home foreclosures have been less common in the Kansas City metropolitan area than in many parts of the country. In addition, those who have lost an owned home may prefer to rent a house rather than an apartment. With a large volume of homes already for sale, some foreclosed homes have been offered on the rental market and dubbed “shadow rentals.”

Meanwhile, uncertainty about the economy may have affected household formation. It has been difficult for recent graduates to find employment. This may be keeping some would be renters in their parents’ homes. Others have been seeking roommates, thus reducing the number of occupied units. On top of this, ongoing and much-repeated bad news about the crisis in banking, layoffs, unemployment, the value of 401k’s, the auto industry, and other economic woes has created a fear factor. Even young persons with jobs may prefer the security of the family home. With these factors in play the population of renters in the Kansas City metro did not grow as anticipated.

Concessions

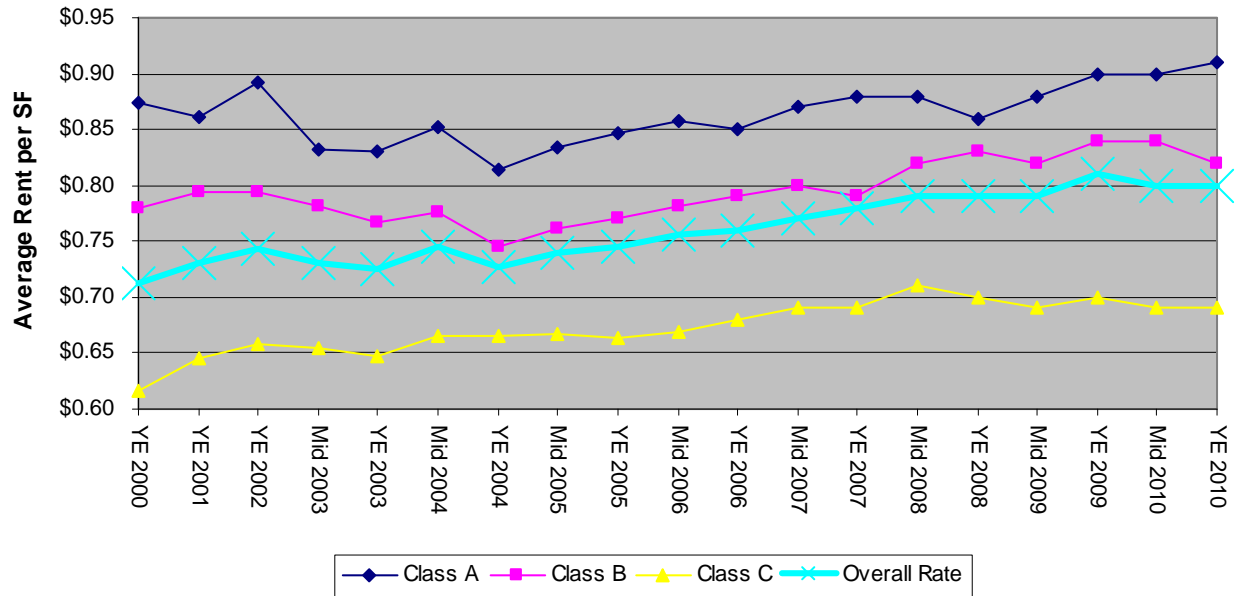
Concessions have become an important part of the Kansas City’s apartment market. Since 2000, concessions have fluctuated from a low of 40%, year-end 2000, to a high of 81%, year-end 2009. The following table shows that concessions are being offered by 75% of the Metro properties at year-end 2010, a 417 basis point increase from year-end 2009 when 72% of all properties were offering concessions. The overall level of concessions increased dramatically as economic fundamentals started to deteriorate during 2008 and landlords became more competitive to allure new tenants.

Concessions by Sector and Class

Sectors	Bldg Class	YE 2000	YE 2001	YE 2002	Mid 2003	YE 2003	Mid 2004	YE 2004	Mid 2005	YE 2005	Mid 2006	YE 2006	Mid 2007	YE 2007	Mid 2008	YE 2008	Mid 2009	YE 2009	Mid 2010	YE 2010
Jackson	A	0%	100%	50%	20%	60%	50%	63%	88%	75%	88%	50%	35%	51%	46%	71%	60%	54%	59%	55%
	B	27%	39%	36%	94%	49%	64%	75%	65%	73%	73%	68%	74%	59%	67%	59%	76%	87%	67%	81%
	C	37%	41%	73%	91%	62%	69%	78%	77%	75%	64%	64%	37%	53%	51%	61%	79%	81%	70%	91%
Jackson Total		33%	41%	63%	88%	59%	66%	76%	75%	74%	68%	64%	47%	54%	55%	62%	76%	80%	68%	83%
North	A	100%	33%	100%	100%	75%	100%	75%	75%	85%	56%	80%	50%	70%	58%	64%	85%	79%	75%	83%
	B	61%	56%	100%	100%	78%	100%	71%	91%	91%	77%	69%	81%	79%	81%	65%	93%	76%	92%	84%
	C	22%	49%	63%	68%	66%	88%	79%	77%	82%	68%	60%	18%	39%	52%	43%	67%	73%	65%	66%
North Total		32%	49%	72%	76%	69%	91%	77%	79%	84%	68%	64%	34%	51%	58%	50%	75%	75%	72%	72%
Wyandotte	B	20%	40%	20%	70%	100%	70%	100%	50%	80%	60%	40%	50%	70%	78%	33%	56%	70%	70%	70%
	C	25%	17%	39%	42%	36%	65%	69%	60%	73%	72%	58%	37%	51%	64%	64%	68%	88%	80%	70%
Wyandotte Total		24%	22%	35%	48%	51%	66%	75%	58%	74%	69%	55%	39%	54%	67%	57%	65%	84%	78%	70%
Johnson	A	90%	83%	100%	61%	46%	51%	34%	41%	42%	64%	57%	55%	59%	82%	76%	66%	74%	67%	59%
	B	75%	46%	70%	81%	54%	97%	82%	61%	73%	63%	77%	27%	69%	65%	51%	77%	90%	97%	83%
	C	23%	48%	77%	74%	64%	80%	84%	74%	76%	58%	54%	55%	73%	54%	42%	77%	92%	74%	78%
Johnson Total		58%	55%	79%	73%	55%	78%	70%	60%	65%	62%	63%	45%	67%	67%	56%	73%	86%	80%	74%
Plaza	A	100%	100%	100%	100%	100%	100%	100%	0%	50%	0%	50%	100%	100%	100%	100%	33%	33%	67%	25%
	B	0%	0%	25%	50%	0%	33%	0%	0%	0%	0%	0%	0%	0%	0%	0%	50%	50%	0%	50%
	C	0%	35%	35%	18%	72%	43%	80%	45%	36%	25%	10%	11%	23%	21%	11%	36%	74%	13%	66%
Plaza Total		5%	31%	36%	30%	58%	45%	66%	32%	33%	18%	14%	22%	31%	34%	22%	37%	63%	22%	54%
Overall		40%	46%	67%	75%	59%	75%	73%	67%	71%	64%	61%	42%	58%	60%	56%	73%	81%	72%	75%

Rental Rates

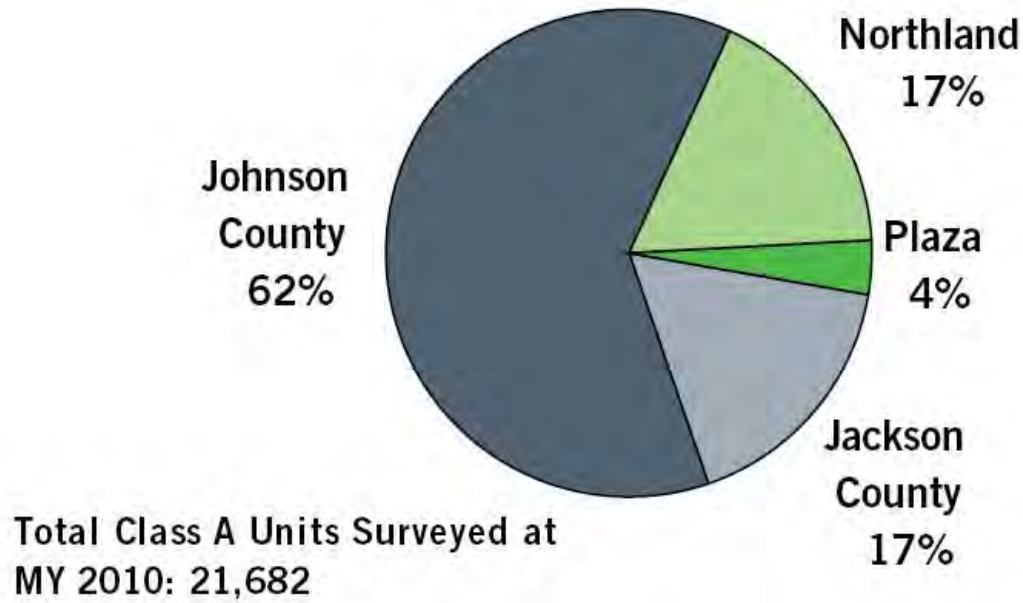
As shown in the chart below, rental rates (per square foot) increased from \$0.71 in 2000 to \$0.75 in mid-year 2004, a 5.6% increase. Rental rates dipped slightly in 2005 and 2006 and have since ticked upward each successive year. Due to the economic woes rental rates declined slightly from their ten-year high of \$0.81 in 2009 to \$0.80 per square foot at year-end 2010. Class A and B rental rates far outpace those of Class C properties, which is typical within most rental market nationwide.



Each sub-market has experienced varying degrees of rental-rate growth per class type over time. Overall, the strongest growth in rents has been in the Wyandotte County sub-market, which has realized an increase of 17.7% since 2000, but this is the result of a weak homeowners market, an abundance of low paying retail jobs recently added around the Speedway and the Legends Shopping District, and a lack of new home construction historically tied to excessive real estate taxes. Although this sub-market has experienced the largest rent increases, the average rental rate in Wyandotte County is still one of the lowest of all the sub-markets. The following table shows average rental rates by property class and sub-market.

Per Square Foot Rents by Sector and Class																				
Sectors	Bldg Class	YE 2000	YE 2001	YE 2002	Mid 2003	YE 2003	Mid 2004	YE 2004	Mid 2005	YE 2005	Mid 2006	YE 2006	Mid 2007	YE 2007	Mid 2008	YE 2008	Mid 2009	YE 2009	Mid 2010	YE 2010
Jackson	A	\$ 1.03	\$ 1.04	\$ 0.93	\$ 0.82	\$ 0.83	\$ 0.92	\$ 0.88	\$ 0.80	\$ 0.79	\$ 0.82	\$ 0.81	\$ 0.84	\$ 0.80	\$ 0.85	\$ 0.83	\$ 0.82	\$ 0.85	\$ 0.86	\$ 0.94
	B	\$ 0.71	\$ 0.76	\$ 0.76	\$ 0.75	\$ 0.72	\$ 0.74	\$ 0.69	\$ 0.72	\$ 0.72	\$ 0.76	\$ 0.76	\$ 0.74	\$ 0.78	\$ 0.75	\$ 0.78	\$ 0.79	\$ 0.80	\$ 0.80	\$ 0.76
	C	\$ 0.59	\$ 0.63	\$ 0.64	\$ 0.64	\$ 0.64	\$ 0.65	\$ 0.67	\$ 0.66	\$ 0.66	\$ 0.66	\$ 0.69	\$ 0.69	\$ 0.68	\$ 0.70	\$ 0.69	\$ 0.68	\$ 0.67	\$ 0.66	\$ 0.67
Jackson Total		\$ 0.64	\$ 0.68	\$ 0.69	\$ 0.69	\$ 0.68	\$ 0.71	\$ 0.70	\$ 0.69	\$ 0.70	\$ 0.72	\$ 0.73	\$ 0.73	\$ 0.73	\$ 0.75	\$ 0.74	\$ 0.74	\$ 0.75	\$ 0.74	\$ 0.76
North	A	\$ 0.82	\$ 0.81	\$ 0.81	\$ 0.82	\$ 0.81	\$ 0.83	\$ 0.80	\$ 0.82	\$ 0.85	\$ 0.88	\$ 0.85	\$ 0.85	\$ 0.88	\$ 0.87	\$ 0.85	\$ 0.86	\$ 0.89	\$ 0.88	\$ 0.88
	B	\$ 0.75	\$ 0.76	\$ 0.75	\$ 0.75	\$ 0.78	\$ 0.77	\$ 0.73	\$ 0.75	\$ 0.74	\$ 0.76	\$ 0.77	\$ 0.77	\$ 0.79	\$ 0.81	\$ 0.78	\$ 0.81	\$ 0.80	\$ 0.82	\$ 0.79
	C	\$ 0.58	\$ 0.61	\$ 0.62	\$ 0.61	\$ 0.59	\$ 0.62	\$ 0.60	\$ 0.61	\$ 0.62	\$ 0.63	\$ 0.63	\$ 0.62	\$ 0.65	\$ 0.66	\$ 0.64	\$ 0.65	\$ 0.66	\$ 0.64	\$ 0.63
North Total		\$ 0.65	\$ 0.67	\$ 0.68	\$ 0.68	\$ 0.68	\$ 0.70	\$ 0.67	\$ 0.69	\$ 0.70	\$ 0.72	\$ 0.71	\$ 0.71	\$ 0.74	\$ 0.75	\$ 0.73	\$ 0.75	\$ 0.76	\$ 0.75	\$ 0.74
Wyandotte	A	\$ 0.74	\$ 0.75	\$ 0.77	\$ 0.75	\$ 0.76	\$ 0.77	\$ 0.74	\$ 0.77	\$ 0.77	\$ 0.77	\$ 0.78	\$ 0.76	\$ 0.78	\$ 0.77	\$ 0.80	\$ 0.80	\$ 0.79	\$ 0.80	\$ 0.80
	B	\$ 0.59	\$ 0.65	\$ 0.65	\$ 0.62	\$ 0.63	\$ 0.64	\$ 0.66	\$ 0.68	\$ 0.66	\$ 0.69	\$ 0.68	\$ 0.69	\$ 0.68	\$ 0.69	\$ 0.70	\$ 0.71	\$ 0.74	\$ 0.73	\$ 0.71
	C	\$ 0.62	\$ 0.67	\$ 0.68	\$ 0.66	\$ 0.67	\$ 0.68	\$ 0.68	\$ 0.71	\$ 0.69	\$ 0.71	\$ 0.70	\$ 0.71	\$ 0.71	\$ 0.71	\$ 0.73	\$ 0.74	\$ 0.76	\$ 0.75	\$ 0.73
Wyandotte Total		\$ 0.62	\$ 0.67	\$ 0.68	\$ 0.66	\$ 0.67	\$ 0.68	\$ 0.68	\$ 0.71	\$ 0.69	\$ 0.71	\$ 0.70	\$ 0.71	\$ 0.71	\$ 0.71	\$ 0.73	\$ 0.74	\$ 0.76	\$ 0.75	\$ 0.73
Johnson	A	\$ 0.86	\$ 0.85	\$ 0.90	\$ 0.82	\$ 0.82	\$ 0.83	\$ 0.79	\$ 0.82	\$ 0.84	\$ 0.85	\$ 0.84	\$ 0.87	\$ 0.88	\$ 0.87	\$ 0.86	\$ 0.88	\$ 0.90	\$ 0.89	\$ 0.89
	B	\$ 0.81	\$ 0.81	\$ 0.81	\$ 0.80	\$ 0.77	\$ 0.79	\$ 0.77	\$ 0.78	\$ 0.80	\$ 0.80	\$ 0.79	\$ 0.84	\$ 0.80	\$ 0.85	\$ 0.87	\$ 0.84	\$ 0.88	\$ 0.86	\$ 0.86
	C	\$ 0.66	\$ 0.67	\$ 0.69	\$ 0.68	\$ 0.68	\$ 0.71	\$ 0.70	\$ 0.70	\$ 0.68	\$ 0.68	\$ 0.70	\$ 0.71	\$ 0.71	\$ 0.74	\$ 0.72	\$ 0.71	\$ 0.74	\$ 0.74	\$ 0.74
Johnson Total		\$ 0.77	\$ 0.77	\$ 0.79	\$ 0.77	\$ 0.76	\$ 0.78	\$ 0.76	\$ 0.77	\$ 0.78	\$ 0.78	\$ 0.79	\$ 0.81	\$ 0.80	\$ 0.83	\$ 0.83	\$ 0.82	\$ 0.85	\$ 0.84	\$ 0.85
Plaza	A	\$ 1.26	\$ 1.25	\$ 1.09	\$ 1.13	\$ 1.14	\$ 1.15	\$ 1.21	\$ 1.18	\$ 1.21	\$ 1.17	\$ 1.23	\$ 1.22	\$ 1.20	\$ 1.26	\$ 1.24	\$ 1.19	\$ 1.25	\$ 1.26	\$ 1.22
	B	\$ 1.10	\$ 1.03	\$ 1.12	\$ 1.03	\$ 1.12	\$ 1.11	\$ 1.23	\$ 1.27	\$ 1.29	\$ 1.23	\$ 1.31	\$ 1.34	\$ 1.30	-	\$ 1.29	\$ 1.33	\$ 1.24	\$ 1.30	\$ 1.17
	C	\$ 0.82	\$ 0.86	\$ 0.87	\$ 0.87	\$ 0.85	\$ 0.88	\$ 0.92	\$ 0.94	\$ 0.96	\$ 1.00	\$ 0.97	\$ 0.97	\$ 1.08	\$ 1.02	\$ 1.01	\$ 1.04	\$ 1.00	\$ 0.78	\$ 1.00
Plaza Total		\$ 0.99	\$ 0.98	\$ 0.97	\$ 0.97	\$ 0.97	\$ 0.98	\$ 1.03	\$ 1.07	\$ 1.09	\$ 1.10	\$ 1.11	\$ 1.11	\$ 1.15	\$ 1.13	\$ 1.11	\$ 1.14	\$ 1.13	\$ 1.05	\$ 1.12
Overall		\$ 0.71	\$ 0.73	\$ 0.74	\$ 0.73	\$ 0.72	\$ 0.75	\$ 0.73	\$ 0.74	\$ 0.74	\$ 0.76	\$ 0.76	\$ 0.77	\$ 0.78	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.81	\$ 0.80	\$ 0.80

The Plaza sub-market which historically achieves the highest rental rates in the metropolitan area, represents a very limited sub-market in its scope and multifamily inventory encompassing only 3% of the market inventory. The Johnson County sub-market consistently ranks second only to the Plaza and represents the largest sector of the market with 62% of the Class A apartment inventory. As stated previously, the Plaza and Johnson County markets are considered the most desirable sub-markets for institutional investors. Please see the following table highlighting the various sub-markets in terms of Class A inventory.



Construction

Multifamily development surged in the late 1990's. The level of new multifamily permits rose to 5,215 in 1999, and eventually peaked in 2001 with 5,287 permits. Permits fell to about 3,500 per year between 2002 and 2006, falling dramatically in 2007 to approximately 1,524 permits. The last time the annual volume of permits fell below 2,000 was in 1994, when 1,571 permits were issued. Multifamily permits rebounded slightly in 2008 with 1,830 permits, but are still well below the level in 2006. Multifamily permits for 2010 totaled 253, its lowest level in more than ten-years.



Conclusions

In 2010 the Kansas City apartment market saw slightly increasing occupancy and slightly decreasing rental rents. Concessions decreased from 81% in 2009 to 75% as of year-end 2010, representing a 740 basis point decrease as occupancy stabilized. Multifamily construction in 2010 was severely down from 2008 and 2009 as the market absorbed formally vacant units due to renters doubling-up and moving back home. Job growth was flat in 2010 and is projected to increase in 2011 further helping market fundamentals. Investment sales were slow in 2010 with only one Class A property trading. However, it appears that there will be renewed interest for quality multifamily properties from lenders, life insurance companies, and investments groups in 2011. Overall, we are optimistic about the Kansas City apartment market for the year 2011.

COUNTRY CLUB PLAZA APARTMENT MARKET OVERVIEW

The subject is located near The Country Club Plaza sub-market and is expected to compete in this sub-market. The Plaza sub-market has consistently been the strongest performing market in the metro over the last several years.

Vacancy

Vacancy in the Plaza sub-market remains lower than any sub-market in the metro with the exception of Johnson County as of year-end 2010. The Plaza has consistently been one of the top performing sub-markets in the metro, due to its desirable location, and numerous shopping and entertainment options. Year-end 2010 vacancy was 6%, down from 7% at year-end 2009 and mid-year 2010, and still well below the metro year-end vacancy rate of 8%. The lack of recent development in the sub-market has helped to keep vacancy low with the most recently built project occurring in 2006.

Occupancy by Sector and Class-KC MSA

Sectors	Bldg Class	YE 2000	YE 2001	YE 2002	Mid 2003	YE 2003	Mid 2004	YE 2004	Mid 2005	YE 2005	Mid 2006	YE 2006	Mid 2007	YE 2007	Mid 2008	YE 2008	Mid 2009	YE 2009	Mid 2010	YE 2010
Plaza	A	93%	92%	91%	98%	94%	94%	93%	98%	95%	91%	91%	92%	92%	96%	88%	94%	93%	97%	97%
	B	97%	97%	95%	95%	94%	97%	100%	99%	99%	97%	97%	99%	98%	-	97%	97%	94%	89%	93%
	C	98%	94%	94%	95%	93%	96%	94%	96%	97%	95%	95%	96%	96%	95%	95%	95%	93%	91%	92%
Plaza Total		97%	94%	94%	95%	93%	96%	94%	97%	97%	94%	94%	95%	94%	96%	94%	95%	93%	93%	94%

Rental Rates

Overall rental rates at year-end 2010 were \$1.12 per square foot, the highest in the metro. Class A rental rates have declined significantly since year-end 2009 as renters are becoming more frugal due to the uncertain economy. Class B properties have seen the largest decline in rental rates from mid-end 2010 when they were \$1.30 per square foot representing a 1,000-basis point drop. Overall rental rates for Class B properties at year-end 2010 were \$1.17 per square foot, the lowest since year-end 2004. Rental rates for Class C properties tend to drop off significantly from Class A and B properties, but are still higher than any Class A rental rate in any of the other metro sub-markets. Class C rental rates at year-end 2010 were \$1.12 per square foot, up from \$1.05 per square foot as residents are opting for slightly cheaper housing alternatives.

Per Square Foot Rents by Sector and Class

Sectors	Bldg Class	YE 2000	YE 2001	YE 2002	Mid 2003	YE 2003	Mid 2004	YE 2004	Mid 2005	YE 2005	Mid 2006	YE 2006	Mid 2007	YE 2007	Mid 2008	YE 2008	Mid 2009	YE 2009	Mid 2010	YE 2010
Plaza	A	\$1.26	\$1.25	\$1.09	\$1.13	\$1.14	\$1.15	\$1.21	\$1.18	\$1.21	\$1.17	\$1.23	\$1.22	\$1.20	\$1.26	\$1.24	\$1.19	\$1.25	\$1.26	\$1.22
	B	\$1.10	\$1.03	\$1.12	\$1.03	\$1.12	\$1.11	\$1.23	\$1.27	\$1.29	\$1.23	\$1.31	\$1.34	\$1.30	-	\$1.29	\$1.33	\$1.24	\$1.30	\$1.17
	C	\$0.82	\$0.86	\$0.87	\$0.87	\$0.85	\$0.88	\$0.92	\$0.94	\$0.96	\$1.00	\$0.97	\$0.97	\$1.08	\$1.02	\$1.01	\$1.04	\$1.00	\$0.78	\$1.00
Plaza Total		\$0.99	\$0.98	\$0.97	\$0.97	\$0.97	\$0.98	\$1.03	\$1.07	\$1.09	\$1.10	\$1.11	\$1.11	\$1.15	\$1.13	\$1.11	\$1.14	\$1.13	\$1.05	\$1.12

Multifamily Development

The Plaza sub-market has not experienced any significant multifamily development since 2006 when 45 Madison was constructed. Two proposals are working there way through planning and zoning, Woodside Village Apartments located in Westwood, Kansas that will contain 328-units upon completion and 46 Penn, located at 46th Street and Pennsylvania. 46 Penn is being developed by Price Brothers, who owns several thousand apartment units' metro wide. The following table reports the most recent large scale developments in The Plaza sub-market.

Property	Built	Total Units
Montreux on the Plaza	1985	103
Fountain View on the Plaza	1999	396
City Place at Westport	2002	288
45 Madison	2006	132
Woodside Village Apartments*	2011	330
46 Penn*	2012	188
Total / Average	2003	1,437

*Proposed projects

Absorption

Due to the lack of recent construction in The Plaza sub-market, absorption data is unavailable. The most recently stabilized development, Briarcliff City Apartments, located north of downtown Kansas City, started pre-leasing units in June 2010 with the first building available for occupancy on September 29, 2010. The property was 95% occupied by early June 2011 for an absorption rate of 33-units per month, excluding pre-leasing. The Villas at Carrington Square located in south Overland Park, Kansas opened in November 2008 and was 95% occupied by January 15, 2010, resulting in an absorption rate of 18-units per month. As shown in the following table, absorption for recently built projects metro wide ranges from 16 to 33-units per month with an overall average of 21-units per month.

Name	Location	# Units	Began Leasing	Absorption Rate
The Briarcliff City Apartments	Kansas City, MO	263	Jun-10	33
West Edge at City Center	Lenexa	309	Apr-09	16
Market Station	River Market - KCMO	323	Sep-09	17
Villas at Carrington Square	Overland Park	278	Nov-08	18
Average		293	-	21

Plaza Sub-Market Conclusions

- The Plaza sub-market is the smallest sub-market in the metro with approximately 1,900-units. However, the area is one of the most sought after due to proximity to The Country Club Plaza, which contains multiple eating and shopping destinations.
- Occupancy rates for apartments have increased from 2009 and 2010. The overall occupancy rate for The Plaza sub-market at year-end 2010 was reported to be 94%, up from 93% as of mid-year 2010 and year-end 2009. The Plaza sub-market has the highest occupancy rate in the Kansas City metro along with the Johnson County sub-market.
- Rental rates in The Plaza sub-market are the highest in the Kansas City metro with Class A properties reporting an average rate of \$1.22 per square foot and an overall rate of \$1.12 per square foot. The second highest sub-market in terms of rental rates is Johnson County with an overall rate of \$0.85 per square foot.
- No new multifamily construction has occurred since 2006 with 45 Madison was built. However, two proposed projects are in the planning process which would add an additional 518-units or 27% of the existing apartment stock.

ESTIMATE OF MARKET RENTS

Competing Multifamily Projects – Rent Comparables

We have included a brief description of the properties considered most competitive to the subject in terms of size, age, and location. We have also included two properties, Market Station Apartments and Briarcliff City Apartments, which are considered to be comparable, but not competitive due to their varying locations. A detailed write-up of each property is included in the Addenda section of this report. Not all of the comparables are applicable in each unit-type comparison because of differences in their unit mix when compared to the subject.

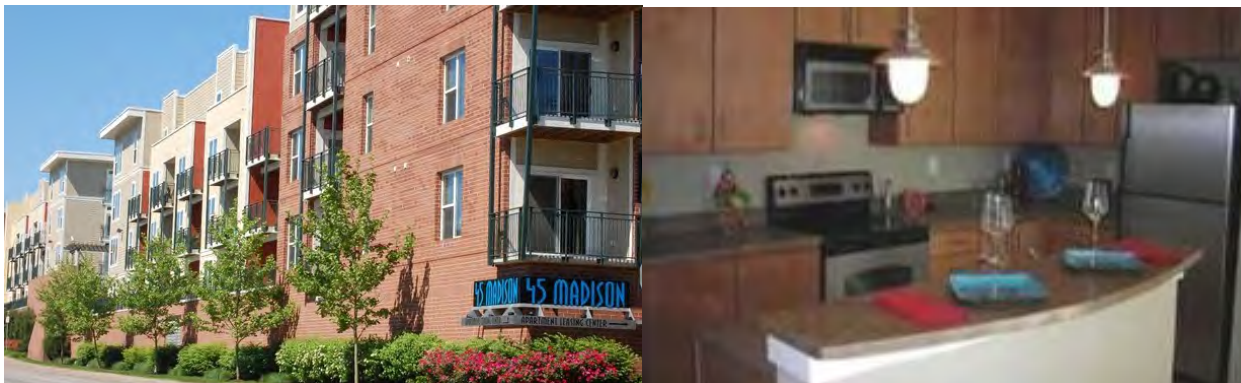
A. Market Station Apartments – 240 West 2nd Street, Kansas City, Missouri

Market Station Apartments is a 323-unit apartment complex that was built in 2009. The property consists of one and two-bedroom units ranging in size from 553 to 1,264 square feet. Surveyed rents range from \$830 to \$1,655 per month, or \$1.26 to \$1.52 per square foot. Complex amenities include an outdoor pool and spa, fitness center, and an internet café. Unit amenities include a dishwasher, microwave, washer/dryer, walk-in closets, laminate wood flooring, a kitchen island, and a patio/balcony (select). One garage parking space is included in the rent.



B. 45 Madison – 4445 Madison Avenue, Kansas City, Missouri

45 Madison is a 132-unit apartment complex that was built in 2006. The property consists of one, two, and three-bedroom units ranging in size from 660 to 1,294 square feet. Surveyed rents range from \$999 to \$1,819 per month, or \$1.24 to \$1.54 per square foot. Complex amenities include a fitness center, business center, and an outdoor pool. Unit amenities include a washer/dryer, a dishwasher, ceiling fans, a balcony/patio, a microwave, stainless steel appliances, slate flooring (select), ceramic tile flooring, controlled access, a computer desk, a wardrobe system, and 9' ceilings. Covered parking is available for \$75 per month.



C. City Place at Westport – 701 Westport Road, Kansas City, Missouri

City Place at Westport is a 288-unit apartment complex that was built in 2002. The property consists of one and two-bedroom units ranging in size from 644 to 1,261 square feet. Surveyed rents range from \$895 to \$1,255 per month, or \$1.04 to \$1.39 per square foot. Complex amenities include a clubhouse, a business center, an outdoor pool, and a fitness center. Unit amenities include a washer/dryer, a dishwasher, ceiling fans, a microwave, 9' ceilings, a refrigerator with an ice maker, a fireplace (select), oversized closets, cherry cabinets, a garden tub, vaulted ceilings (select), and a balcony/patio. Garages are available for lease for \$100 per month with ramp parking being \$75 per month.

**D. Briarcliff City Apartments – 3880 North Mulberry Drive, Kansas City, Missouri**

Briarcliff City Apartments is a 263-unit apartment complex that was built in 2010. The property consists of one, two, and three-bedroom units. Units range in size from 749 to 1,330 square feet. Surveyed rents range from \$950 to \$1,500 per month, or \$1.10 to \$1.27 per square foot. Complex amenities include an outdoor saltwater pool, a fitness area, secured entry, an elevator, a fire pit and grilling area, a concierge service, a movie theater, a game room, a business center, and a clubhouse. Unit amenities include washer/dryer, dishwasher, microwave, granite counter tops, stainless steel appliances, ceramic top stove, composite wood flooring, cherry cabinets, wood blinds, patio/balcony, extra storage, and a garden tub. Detached garage parking is \$85 per month, carports are \$35 per month, and attached garage parking is \$125 per month.

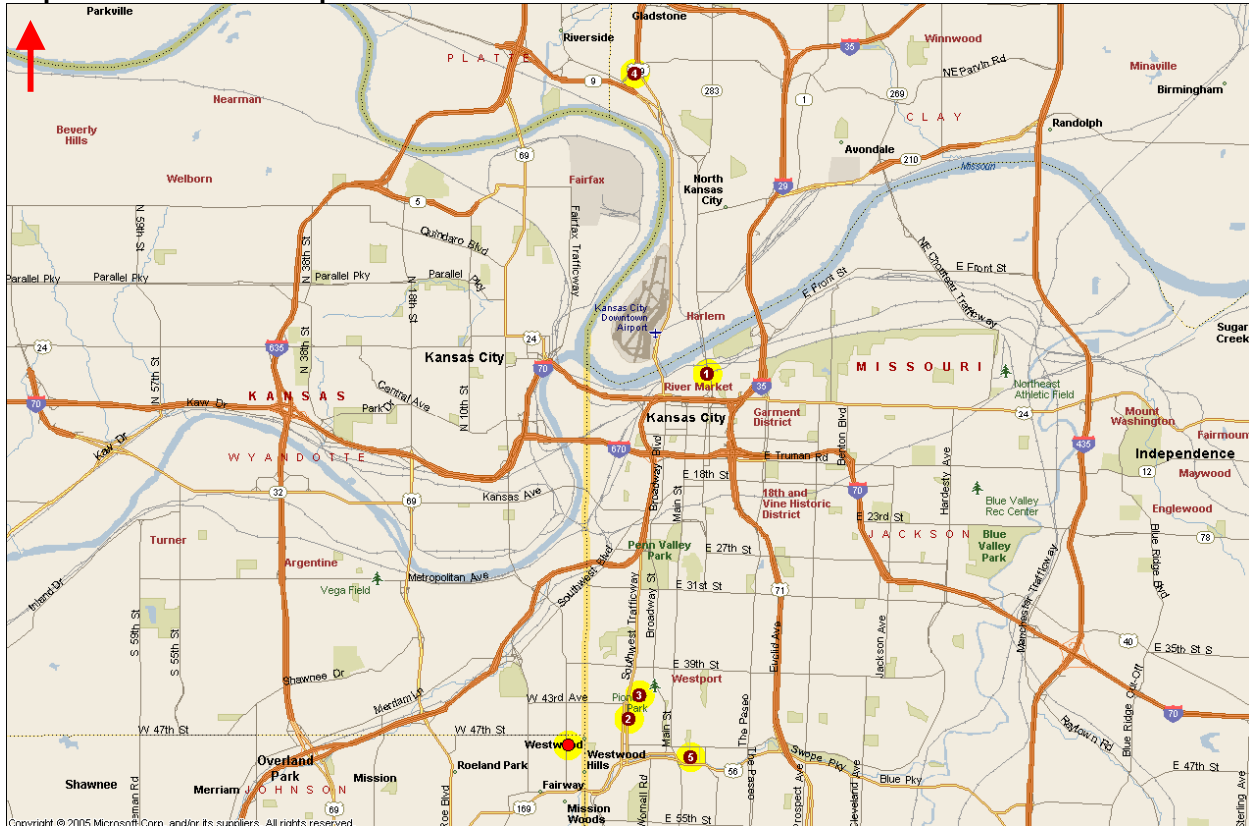


E. Fountain View on the Plaza – 4800 Oak Street, Kansas City, Missouri

Fountain View on the Plaza is a 396-unit apartment complex that was built in 1999. The property consists of one, two, and three-bedroom units ranging in size from 608 to 1,327 square feet. Surveyed rents range from \$917 to \$1,890 per month, or \$1.18 to \$1.51 per square foot. Complex amenities include a clubhouse, a sauna, a heated pool and spa, a fitness center, a steam room, and a business center. Unit amenities include a washer/dryer, a dishwasher, ceiling fans, a microwave, 9' ceilings, a refrigerator with an ice maker, a kitchen island, walk-in closets, bookshelves, a fireplace (select), crown molding, a garden tub, a computer desk, and a balcony/patio. One garage space is included in the asking rent with additional spaces available for lease at \$95 per month with top-floor (uncovered) ramp parking being \$65 per month.



Map of Market Rent Comparables



Explanation of Adjustments for 1BR 1BA - 615 Square Feet

Line 7 (Concessions) – Rental rates and concessions change on an ongoing basis as units become available or leased. Floor plans that have more vacant units typically have a larger concession than floor plans that have fewer vacant units. Comparable A is offering one-month of free rent with a 12-month lease. Comparables B and D are not offering any concessions. Comparables C and E do not offer concessions due to YieldStar, which changes rental rates daily based on occupancy, existing leases, etc. Specific adjustments were made for actual concessions being offered for each specific floor plan. For example, Comparable A is offering one-month of free rent with a 12-month lease and was adjusted downwards \$69 for being superior (\$830 / 12-months).

Line 8 (Year Built) – The subject is a proposed property with construction estimated to commence in 2011 or early 2012. All of the comparables are of older vintage than the subject except for Briarcliff City Apartments, which was built in late 2010 and Market Station Apartments, which were built in 2009. We have made an upward adjustment of \$15 to Comparable C for being built in 2002 and an upward adjustment of \$25 to Comparable E for being built in 1999. Comparables A, B and D were not adjusted due to the recent construction.

Line 9 (Sq. Ft. Area) – Comparables were adjusted for unit sizes. Our examination of market rents show that differences in size do not equate to a difference in rent on a dollar-for-dollar basis since the rental rate reflects many physical characteristics (e.g. unit amenities, number of bedrooms, floor, view, appliances). Additional size only accounts for living space, but not additional features. We have adjusted the total rent per square foot by 75% of the rent per square foot. For example, a comparable that rents for \$1.00 per square foot would be adjusted 75% of that amount, or \$0.75 per square foot. Please see the following table for support of our size adjustment.

Comparable	Unit Type	Size (SF)	Rent / Month	Rent / SF
Market Station Apartments	One-Bedroom	553	\$830	\$1.50
Market Station Apartments	One-Bedroom	956	\$1,270	\$1.33
Difference	-	403	\$440	\$1.09
45 Madison	One-Bedroom	660	\$999	\$1.51
45 Madison	One-Bedroom	1008	\$1,335	\$1.32
Difference	-	348	\$336	\$0.97
City Place at Westport	One-Bedroom	644	\$895	\$1.39
City Place at Westport	One-Bedroom	863	\$907	\$1.05
Difference	-	219	\$12	\$0.05
Briarcliff City Apartments	One-Bedroom	749	\$950	\$1.27
Briarcliff City Apartments	One-Bedroom	858	\$1,025	\$1.19
Difference	-	109	\$75	\$0.69
Fountain View on the Plaza	One-Bedroom	608	\$917	\$1.51
Fountain View on the Plaza	One-Bedroom	806	\$1,106	\$1.37
Difference	-	198	\$189	\$0.95

Line 13 (Patio/Balcony) – The subject will have a patio/balcony for each unit. All of the comparables offer a patio/balcony except Comparable A. Select units in Comparable A have a patio/balcony with this property being adjusted upwards \$20 for being inferior.

Line 14 (Garage/Carport) – The subject will include one parking space per unit in the rental rate and charge for additional parking spaces. Comparables A and E include free parking in the rental rate and were not adjusted. Comparables B, C, and D do not include free parking in the rental rate

and were adjusted upwards \$100 for being inferior. Our adjustment is based on the comparables offering covered parking ranging from \$75 to \$125 per month.

Line 15i (Pool/Recreation Area) – The subject will provide one free pass to the adjacent Woodside Health and Tennis Club valued at \$75 per month. All of the comparables have on-site fitness centers with an outdoor pool that are inferior in quality and offerings when compared to the subject. We have made an upward adjustment of \$25 to each of the comparables due to the subject offering a superior level of amenities.

Line 16d (Services) – The subject will not offer any utilities in the rental rate. Comparables A, B, C, and D do not include any utilities in the rental rate and were not adjusted. Comparable E provides water, sewer, and trash in the rental rate and was adjusted downwards \$30 for being inferior. Our adjustment is based on sewer and water costing on average \$20 per month with trash being an additional \$10 per month.

Line 18 (Project Location) – The subject is located in an attractive area within close proximity to The Country Club Plaza. Comparable A is located just north of downtown Kansas City in the River Market area, is inferior in terms of demographics and was adjusted upwards for being inferior. Comparables B and E are located within close proximity to The Country Club Plaza and were not adjusted. Comparable C is located north of The Plaza near Westport, is inferior in terms of demographics, and was adjusted upwards for being slightly inferior. Comparable D is located north of downtown Kansas City within the Briarcliff Development, is located in a more suburban area, has similar demographics, and was adjusted upwards for being inferior.

Line 19 (Condition/Curb Appeal) – The subject is proposed construction, with an attractive design, and will be in excellent condition upon completion. All of the comparables except Comparable E are of newer construction with an attractive design and were not adjusted. Comparable E is a slightly older property, is in above average condition, features an above average level of curb appeal, and was adjusted upwards \$10 for being inferior.

Line 19a (Quality) – Upon completion the subject will be one of the nicest properties in the metro with an emphasis on sustainability, will be LEED certified, and will feature several upgraded amenities. Comparables A, B, C, and D are all of above average quality, feature several design upgrades, and were adjusted upwards \$10 for being slightly inferior. Comparable E is of average quality construction, features a basic level of amenities, and was adjusted upwards \$25 for being inferior.

Market Rent Conclusion


The subject will contain 38, one-bedroom units that are 615-square feet in size, which comprises 11.52% of all the units. After adjustments the comparables show a rental rate ranging from \$911 to \$1,083 per month with a 60% range of \$945 to \$1,049 per month. Comparables A, B, D, and E were adjusted the least, have an average adjusted rental rate of \$989 per month, and were given the most weight in our analysis. We have projected market rent for the subject to be \$995 per month, or \$1.62 per square foot, which is within the range of the comparables.

Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0507
(exp. 7/31/2001)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address) Woodside Village Apartments 2000 West 47th Place Westwood, Kansas 66205		A. Comparable Property No. 1 (address) Market Station Apartments 2400 West 2nd Street Kansas City, Missouri 64105		B. Comparable Property No. 2 (address) 45 Madison 4445 Madison Avenue Kansas City, Missouri 64111		C. Comparable Property No. 3 (address) City Place at Westport 701 Westport Road Kansas City, Missouri 64111		D. Comparable Property No. 4 (address) Briarcliff City Apartments 3880 North Mulberry Drive Kansas City, Missouri		E. Comparable Property No. 5 (address) Fountain View on the Plaza 4800 Oak Street Kansas City, Missouri 64112		
Characteristics	Data	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +
3. Effective Date of Rental	06/2011	06/2011		06/2011		06/2011		06/2011		06/2011		06/2011	
4. Type of Project/Stories	Low rise/4	Low rise/4		Low rise/4		Low rise/3		Low rise/4		Low rise/3		Low rise/3	
5. Floor of Unit in Building	Any	Any		Any		Any		Any		Any		Any	
6. Project Occupancy %	Proposed	90%		99%		99%		95%		97%		97%	
7. Concessions	None	One month free	\$69	None		Included in rent		None		Included in rent		Included in rent	
8. Year Built	Proposed	2009		2006		2002	\$15	2010		1999			\$25
9. Sq. Ft. Area	615	553	\$70	660	\$51	644	\$30	749	\$128	608			\$8
10. Number of Bedrooms	1	1		1		1		1		1		1	
11. Number of Baths	1.0	1.0		1.0		1.0		1.0		1.0		1.0	
12. Number of Rooms	3	3		3		3		3		3		3	
13. Balc./Terrace/Patio	Yes	Select	\$20	Yes		Yes		Yes		Yes		Yes	
14. Garage or Carport	Included in rent	Included in rent		Extra	\$100	Extra	\$100	Extra	\$100	Included in rent			
15. Equipment a. A/C	Yes	Yes		Yes		Yes		Yes		Yes		Yes	
b. Range/Oven	Yes	Yes		Yes		Yes		Yes		Yes		Yes	
c. Refrigerator	Yes	Yes		Yes		Yes		Yes		Yes		Yes	
d. Disposal	Yes	Yes		Yes		Yes		Yes		Yes		Yes	
e. Microwave	Yes	Yes		Yes		Yes		Yes		Yes		Yes	
f. Dishwasher	Yes	Yes		Yes		Yes		Yes		Yes		Yes	
g. Washer/Dryer	Yes	Yes		Yes		Yes		Yes		Yes		Yes	
h. Carpet/Blinds	Yes	Yes		Yes		Yes		Yes		Yes		Yes	
i. Pool/Rec. Area	Yes / Yes	Yes / Yes	\$25	Yes / Yes	\$25	Yes / Yes	\$25	Yes / Yes	\$25	Yes / Yes		Yes / Yes	\$25
16. Services a. Heat/Type	No / Electric	No / Electric		No / Electric		No / Electric		No / Electric		No / Electric		No / Electric	
b. Cook/Type	No / Electric	No / Electric		No / Electric		No / Electric		No / Electric		No / Electric		No / Electric	
c. Electricity	No	No		No		No		No		No		No	
d. Services	No	No		No		No		No		W, S, T	\$30		
17. Storage	Good	Good		Good		Good		Good		Good		Good	
18. Project Location	Good	Average	\$25	Good		Above average	\$10	Average	\$25	Good		Good	
19. Condition/Curb Appeal	Good	Good		Good		Good		Good		Above average		Above average	\$10
19.a. Quality	Good	Above average	\$10	Above average	\$10	Above average	\$10	Above average	\$10	Average		Average	\$25
20. Unit Rent Per Month		\$830		\$999		\$895		\$950		\$917			
21. Total Adjustment		\$81		\$84		\$130		\$32		\$63			
22. Indicated Rent		\$911		\$1,083		\$1,025		\$982		\$980			
23. Correlated Subject Rent	\$995	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.											
	high rent	\$1,083	low rent	\$911	60% range	\$945	to	\$1,049					
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.				Appraiser's Signature		Date (mm/dd/yy)		Reviewer's Signature		Date (mm/dd/yyyy)			
						06/14/11							

Previous editions are obsolete

form HUD-92273 (3/95)

Explanation of Adjustments for 1BR 1BA - 730 Square Feet

Line 7 (Concessions) – Rental rates and concessions change on an ongoing basis as units become available or leased. Floor plans that have more vacant units typically have a larger concession than floor plans that have fewer vacant units. Comparable A is offering one-month of free rent with a 12-month lease. Comparables B and D are not offering any concessions. Comparables C and E do not offer concessions due to YieldStar, which changes rental rates daily based on occupancy, existing leases, etc. Specific adjustments were made for actual concessions being offered for each specific floor plan. For example, Comparable A is offering one-month of free rent with a 12-month lease and was adjusted downwards \$69 for being superior (\$830 / 12-months).

Line 8 (Year Built) – The subject is a proposed property with construction estimated to commence in 2011 or early 2012. All of the comparables are of older vintage than the subject except for Briarcliff City Apartments, which was built in late 2010 and Market Station Apartments, which were built in 2009. We have made an upward adjustment of \$15 to Comparable C for being built in 2002 and an upward adjustment of \$25 to Comparable E for being built in 1999. Comparables A, B and D were not adjusted due to the recent construction.

Line 9 (Sq. Ft. Area) – Comparables were adjusted for unit sizes. Our examination of market rents show that differences in size do not equate to a difference in rent on a dollar-for-dollar basis since the rental rate reflects many physical characteristics (e.g. unit amenities, number of bedrooms, floor, view, appliances). Additional size only accounts for living space, but not additional features. We have adjusted the total rent per square foot by 75% of the rent per square foot. For example, a comparable that rents for \$1.00 per square foot would be adjusted 75% of that amount, or \$0.75 per square foot. Please see the following table for support of our size adjustment.

Comparable	Unit Type	Size (SF)	Rent / Month	Rent / SF
Market Station Apartments	One-Bedroom	553	\$830	\$1.50
Market Station Apartments	One-Bedroom	956	\$1,270	\$1.33
Difference	-	403	\$440	\$1.09
45 Madison	One-Bedroom	660	\$999	\$1.51
45 Madison	One-Bedroom	1008	\$1,335	\$1.32
Difference	-	348	\$336	\$0.97
City Place at Westport	One-Bedroom	644	\$895	\$1.39
City Place at Westport	One-Bedroom	863	\$907	\$1.05
Difference	-	219	\$12	\$0.05
Briarcliff City Apartments	One-Bedroom	749	\$950	\$1.27
Briarcliff City Apartments	One-Bedroom	858	\$1,025	\$1.19
Difference	-	109	\$75	\$0.69
Fountain View on the Plaza	One-Bedroom	608	\$917	\$1.51
Fountain View on the Plaza	One-Bedroom	806	\$1,106	\$1.37
Difference	-	198	\$189	\$0.95

Line 13 (Patio/Balcony) – The subject will have a patio/balcony for each unit. All of the comparables offer a patio/balcony except Comparable A. Select units in Comparable A have a patio/balcony with this property being adjusted upwards \$20 for being inferior.

Line 14 (Garage/Carport) – The subject will include one parking space per unit in the rental rate and charge for additional parking spaces. Comparables A and E include free parking in the rental rate and were not adjusted. Comparables B, C, and D do not include free parking in the rental rate

and were adjusted upwards \$100 for being inferior. Our adjustment is based on the comparables offering covered parking ranging from \$75 to \$125 per month.

Line 15i (Pool/Recreation Area) – The subject will provide one free pass to the adjacent Woodside Health and Tennis Club valued at \$75 per month. All of the comparables have on-site fitness centers with an outdoor pool that are inferior in quality and offerings when compared to the subject. We have made an upward adjustment of \$25 to each of the comparables due to the subject offering a superior level of amenities.

Line 16d (Services) – The subject will not offer any utilities in the rental rate. Comparables A, B, C, and D do not include any utilities in the rental rate and were not adjusted. Comparable E provides water, sewer, and trash in the rental rate and was adjusted downwards \$30 for being inferior. Our adjustment is based on sewer and water costing on average \$20 per month with trash being an additional \$10 per month.

Line 18 (Project Location) – The subject is located in an attractive area within close proximity to The Country Club Plaza. Comparable A is located just north of downtown Kansas City in the River Market area, is inferior in terms of demographics and was adjusted upwards for being inferior. Comparables B and E are located within close proximity to The Country Club Plaza and were not adjusted. Comparable C is located north of The Plaza near Westport, is inferior in terms of demographics, and was adjusted upwards for being slightly inferior. Comparable D is located north of downtown Kansas City within the Briarcliff Development, is located in a more suburban area, has similar demographics, and was adjusted upwards for being inferior.

Line 19 (Condition/Curb Appeal) – The subject is proposed construction, with an attractive design, and will be in excellent condition upon completion. All of the comparables except Comparable E are of newer construction with an attractive design and were not adjusted. Comparable E is a slightly older property, is in above average condition, features an above average level of curb appeal, and was adjusted upwards \$10 for being inferior.

Line 19a (Quality) – Upon completion the subject will be one of the nicest properties in the metro with an emphasis on sustainability, will be LEED certified, and will feature several upgraded amenities. Comparables A, B, C, and D are all of above average quality, feature several design upgrades, and were adjusted upwards \$10 for being slightly inferior. Comparable E is of average quality construction, features a basic level of amenities, and was adjusted upwards \$25 for being inferior.

Market Rent Conclusion

The subject will contain 83, one-bedroom units that are 730-square feet in size, which comprises 25.15% of all the units. After adjustments the comparables show a rental rate ranging from \$1,021 to \$1,255 per month with a 60% range of \$1,068 to \$1,208 per month. Comparable E has the fewest total adjustments, has an average adjusted rental rate of \$1,107 per month, and was given the most weight in our analysis. We have projected market rent for the subject to be \$1,115 per month, or \$1.53 per square foot, which is within the range of the comparables.

Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

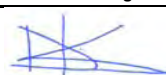
OMB Approval No. 2502-0507
(exp. 7/31/2001)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)			B. Comparable Property No. 2 (address)			C. Comparable Property No. 3 (address)			D. Comparable Property No. 4 (address)			E. Comparable Property No. 5 (address)		
1BR-1BA	Woodside Village Apartments 2000 West 47th Place Westwood, Kansas 66205	Market Station Apartments 240 West 2nd Street Kansas City, Missouri 64105			45 Madison 4445 Madison Avenue Kansas City, Missouri 64111			City Place at Westport 701 Westport Road Kansas City, Missouri 64111			Briarcliff City Apartments 3880 North Mulberry Drive Kansas City, Missouri			Fountain View on the Plaza 4800 Oak Street Kansas City, Missouri 64112		
Characteristics		Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +
3. Effective Date of Rental	06/2011	06/2011			06/2011			06/2011			06/2011			06/2011		
4. Type of Project/Stories	Low rise/4	Low rise/4			Low rise/4			Low rise/3			Low rise/4			Low rise/3		
5. Floor of Unit in Building	Any	Any			Any			Any			Any			Any		
6. Project Occupancy %	Proposed	90%			99%			99%			95%			97%		
7. Concessions	None	One month free	\$86		None			Included in rent			None			Included in rent		
8. Year Built	Proposed	2009			2006			2002		\$15	2010			1999		\$25
9. Sq. Ft. Area	730	738	\$8		712	\$21		729			749	\$18		707		\$25
10. Number of Bedrooms	1	1			1			1			1			1		
11. Number of Baths	1.0	1.0			1.0			1.0			1.0			1.0		
12. Number of Rooms	3	3			3			3			3			3		
13. Balc./Terrace/Patio	Yes	Select	\$20		Yes			Yes			Yes			Yes		
14. Garage or Carport	Included in rent	Included in rent			Extra	\$100		Extra		\$100	Extra		\$100	Included in rent		
15. Equipment a. A/C	Yes	Yes			Yes			Yes			Yes			Yes		
b. Range/Oven	Yes	Yes			Yes			Yes			Yes			Yes		
c. Refrigerator	Yes	Yes			Yes			Yes			Yes			Yes		
d. Disposal	Yes	Yes			Yes			Yes			Yes			Yes		
e. Microwave	Yes	Yes			Yes			Yes			Yes			Yes		
f. Dishwasher	Yes	Yes			Yes			Yes			Yes			Yes		
g. Washer/Dryer	Yes	Yes			Yes			Yes			Yes			Yes		
h. Carpet/Blinds	Yes	Yes			Yes			Yes			Yes			Yes		
i. Pool/Rec. Area	Yes / Yes	Yes / Yes	\$25		Yes / Yes	\$25		Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25
16. Services a. Heat/Type	No / Electric	No / Electric			No / Electric			No / Electric			No / Electric			No / Electric		
b. Cook/Type	No / Electric	No / Electric			No / Electric			No / Electric			No / Electric			No / Electric		
c. Electricity	No	No			No			No			No			No		
d. Services	No	No			No			No			No			W, S, T	\$30	
17. Storage	Good	Good			Good			Good			Good			Good		
18. Project Location	Good	Average	\$25		Good			Above average		\$10	Average		\$25	Good		
19. Condition/Curb Appeal	Good	Good			Good			Good			Good			Above average		\$10
19.a. Quality	Good	Above average	\$10		Above average	\$10		Above average		\$10	Above average		\$10	Average		\$25
20. Unit Rent Per Month		\$1,035			\$1,099			\$955			\$950			\$1,027		
21. Total Adjustment			(\$14)			\$156			\$160			\$142			\$80	
22. Indicated Rent		\$1,021			\$1,255			\$1,115			\$1,092			\$1,107		
23. Correlated Subject Rent	\$1,115	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.														
	high rent	\$1,255	low rent	\$1,021	60% range	\$1,068	to	\$1,208								

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.

Appraiser's Signature



Date (mm/dd/yy)

06/14/11

Reviewer's Signature

Date (mm/dd/yyyy)

Explanation of Adjustments for 1BR 1BA - 830 Square Feet

Line 7 (Concessions) – Rental rates and concessions change on an ongoing basis as units become available or leased. Floor plans that have more vacant units typically have a larger concession than floor plans that have fewer vacant units. Comparable A is offering one-month of free rent with a 12-month lease. Comparables B and D are not offering any concessions. Comparables C and E do not offer concessions due to YieldStar, which changes rental rates daily based on occupancy, existing leases, etc. Specific adjustments were made for actual concessions being offered for each specific floor plan. For example, Comparable A is offering one-month of free rent with a 12-month lease and was adjusted downwards \$69 for being superior (\$830 / 12-months).

Line 8 (Year Built) – The subject is a proposed property with construction estimated to commence in 2011 or early 2012. All of the comparables are of older vintage than the subject except for Briarcliff City Apartments, which was built in late 2010 and Market Station Apartments, which were built in 2009. We have made an upward adjustment of \$15 to Comparable C for being built in 2002 and an upward adjustment of \$25 to Comparable E for being built in 1999. Comparables A, B and D were not adjusted due to the recent construction.

Line 9 (Sq. Ft. Area) – Comparables were adjusted for unit sizes. Our examination of market rents show that differences in size do not equate to a difference in rent on a dollar-for-dollar basis since the rental rate reflects many physical characteristics (e.g. unit amenities, number of bedrooms, floor, view, appliances). Additional size only accounts for living space, but not additional features. We have adjusted the total rent per square foot by 75% of the rent per square foot. For example, a comparable that rents for \$1.00 per square foot would be adjusted 75% of that amount, or \$0.75 per square foot. Please see the following table for support of our size adjustment.

Comparable	Unit Type	Size (SF)	Rent / Month	Rent / SF
Market Station Apartments	One-Bedroom	553	\$830	\$1.50
Market Station Apartments	One-Bedroom	956	\$1,270	\$1.33
Difference	-	403	\$440	\$1.09
45 Madison	One-Bedroom	660	\$999	\$1.51
45 Madison	One-Bedroom	1008	\$1,335	\$1.32
Difference	-	348	\$336	\$0.97
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City Place at Westport	One-Bedroom	863	\$907	\$1.05
Difference	-	219	\$12	\$0.05
Briarcliff City Apartments	One-Bedroom	749	\$950	\$1.27
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Difference	-	109	\$75	\$0.69
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Fountain View on the Plaza	One-Bedroom	806	\$1,106	\$1.37
Difference	-	198	\$189	\$0.95

Line 13 (Patio/Balcony) – The subject will have a patio/balcony for each unit. All of the comparables offer a patio/balcony except Comparable A. Select units in Comparable A have a patio/balcony with this property being adjusted upwards \$20 for being inferior.

Line 14 (Garage/Carport) – The subject will include one parking space per unit in the rental rate and charge for additional parking spaces. Comparables A and E include free parking in the rental rate and were not adjusted. Comparables B, C, and D do not include free parking in the rental rate

and were adjusted upwards \$100 for being inferior. Our adjustment is based on the comparables offering covered parking ranging from \$75 to \$125 per month.

Line 15i (Pool/Recreation Area) – The subject will provide one free pass to the adjacent Woodside Health and Tennis Club valued at \$75 per month. All of the comparables have on-site fitness centers with an outdoor pool that are inferior in quality and offerings when compared to the subject. We have made an upward adjustment of \$25 to each of the comparables due to the subject offering a superior level of amenities.

Line 16d (Services) – The subject will not offer any utilities in the rental rate. Comparables A, B, C, and D do not include any utilities in the rental rate and were not adjusted. Comparable E provides water, sewer, and trash in the rental rate and was adjusted downwards \$30 for being inferior. Our adjustment is based on sewer and water costing on average \$20 per month with trash being an additional \$10 per month.

Line 18 (Project Location) – The subject is located in an attractive area within close proximity to The Country Club Plaza. Comparable A is located just north of downtown Kansas City in the River Market area, is inferior in terms of demographics and was adjusted upwards for being inferior. Comparables B and E are located within close proximity to The Country Club Plaza and were not adjusted. Comparable C is located north of The Plaza near Westport, is inferior in terms of demographics, and was adjusted upwards for being slightly inferior. Comparable D is located north of downtown Kansas City within the Briarcliff Development, is located in a more suburban area, has similar demographics, and was adjusted upwards for being inferior.

Line 19 (Condition/Curb Appeal) – The subject is proposed construction, with an attractive design, and will be in excellent condition upon completion. All of the comparables except Comparable E are of newer construction with an attractive design and were not adjusted. Comparable E is a slightly older property, is in above average condition, features an above average level of curb appeal, and was adjusted upwards \$10 for being inferior.

Line 19a (Quality) – Upon completion the subject will be one of the nicest properties in the metro with an emphasis on sustainability, will be LEED certified, and will feature several upgraded amenities. Comparables A, B, C, and D are all of above average quality, feature several design upgrades, and were adjusted upwards \$10 for being slightly inferior. Comparable E is of average quality construction, features a basic level of amenities, and was adjusted upwards \$25 for being inferior.

Market Rent Conclusion

The subject will contain 12, one-bedroom units that are 830-square feet in size, which comprises 3.64% of all the units. After adjustments the comparables show a rental rate ranging from \$1,041 to \$1,370 per month with a 60% range of \$1,107 to \$1,304 per month. Comparable E has the fewest total adjustments, has an average adjusted rental rate of \$1,186 per month, and was given the most weight in our analysis. We have projected market rent for the subject to be \$1,185 per month, or \$1.43 per square foot, which is within the range of the comparables.

Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0507
(exp. 7/31/2001)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)			B. Comparable Property No. 2 (address)			C. Comparable Property No. 3 (address)			D. Comparable Property No. 4 (address)			E. Comparable Property No. 5 (address)		
1BR-1BA	Woodside Village Apartments 2000 West 47th Place Westwood, Kansas 66205	Market Station Apartments 240 West 2nd Street Kansas City, Missouri 64105			45 Madison 4445 Madison Avenue Kansas City, Missouri 64111			City Place at Westport 701 Westport Road Kansas City, Missouri 64111			Briarcliff City Apartments 3880 North Mulberry Drive Kansas City, Missouri			Fountain View on the Plaza 4800 Oak Street Kansas City, Missouri 64112		
Charateristics		Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +
3. Effective Date of Rental	06/2011	06/2011			06/2011			06/2011			06/2011			06/2011		
4. Type of Project/Stories	Low rise/4	Low rise/4			Low rise/4			Low rise/3			Low rise/4			Low rise/3		
5. Floor of Unit in Building	Any	Any			Any			Any			Any			Any		
6. Project Occupancy %	Proposed	90%			99%			99%			95%			97%		
7. Concessions	None	One month free	\$105		None			Included in rent			None			Included in rent		
8. Year Built	Proposed	2009			2006			2002		\$15	2010			1999		\$25
9. Sq. Ft. Area	830	797		\$35	712		\$136	863		\$26	858		\$25	806		\$25
10. Number of Bedrooms	1	1			1			1			1			1		
11. Number of Baths	1.0	1.0			1.0			1.0			1.0			1.0		
12. Number of Rooms	3	3			3			3			3			3		
13. Balc./Terrace/Patio	Yes	Select		\$20	Yes			Yes			Yes			Yes		
14. Garage or Carport	Included in rent	Included in rent			Extra		\$100	Extra		\$100	Extra		\$100	Included in rent		
15. Equipment a. A/C	Yes	Yes			Yes			Yes			Yes			Yes		
b. Range/Oven	Yes	Yes			Yes			Yes			Yes			Yes		
c. Refrigerator	Yes	Yes			Yes			Yes			Yes			Yes		
d. Disposal	Yes	Yes			Yes			Yes			Yes			Yes		
e. Microwave	Yes	Yes			Yes			Yes			Yes			Yes		
f. Dishwasher	Yes	Yes			Yes			Yes			Yes			Yes		
g. Washer/Dryer	Yes	Yes			Yes			Yes			Yes			Yes		
h. Carpet/Blinds	Yes	Yes			Yes			Yes			Yes			Yes		
i. Pool/Rec. Area	Yes / Yes	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25
16. Services a. Heat/Type	No / Electric	No / Electric			No / Electric			No / Electric			No / Electric			No / Electric		
b. Cook/Type	No / Electric	No / Electric			No / Electric			No / Electric			No / Electric			No / Electric		
c. Electricity	No	No			No			No			No			No		
d. Services	No	No			No			No			No			W, S, T		\$30
17. Storage	Good	Good			Good			Good			Good			Good		
18. Project Location	Good	Average		\$25	Good			Above average		\$10	Average		\$25	Good		
19. Condition/Curb Appeal	Good	Good			Good			Good			Good			Above average		\$10
19.a. Quality	Good	Above average		\$10	Above average		\$10	Above average		\$10	Above average		\$10	Average		\$25
20. Unit Rent Per Month		\$1,118			\$1,099			\$907			\$1,025			\$1,106		
21. Total Adjustment			\$10			\$271			\$134			\$135			\$80	
22. Indicated Rent		\$1,128			\$1,370			\$1,041			\$1,160			\$1,186		
23. Correlated Subject Rent	\$1,185	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.														
	high rent	\$1,370	low rent	\$1,041	60% range		\$1,107	to	\$1,304							

Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.	Appraiser's Signature 	Date (mm/dd/yy) 06/14/11	Reviewer's Signature	Date (mm/dd/yyyy)
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Explanation of Adjustments for 1BR 1.5BA – 1,100 Square Feet (live/work)

Line 4 (Type of Project/Stores) – The subject will have 13 live/work units in separate two-story building. The units will be designed with the first floor being open for a gallery or small shop and the second floor being a one-bedroom apartment. All of the comparables are two-bedroom apartment units and were not adjusted. The second bedroom is considered to be offsetting to the subject's lower level commercial space.

Line 7 (Concessions) – Rental rates and concessions change on an ongoing basis as units become available or leased. Floor plans that have more vacant units typically have a larger concession than floor plans that have fewer vacant units. Comparable A is offering one-month of free rent with a 12-month lease. Comparables B and D are not offering any concessions. Comparables C and E do not offer concessions due to YieldStar, which changes rental rates daily based on occupancy, existing leases, etc. Specific adjustments were made for actual concessions being offered for each specific floor plan. For example, Comparable A is offering one-month of free rent with a 12-month lease and was adjusted downwards \$69 for being superior (\$830 / 12-months).

Line 8 (Year Built) – The subject is a proposed property with construction estimated to commence in 2011 or early 2012. All of the comparables are of older vintage than the subject except for Briarcliff City Apartments, which was built in late 2010 and Market Station Apartments, which were built in 2009. We have made an upward adjustment of \$15 to Comparable C for being built in 2002 and an upward adjustment of \$25 to Comparable E for being built in 1999. Comparables A, B and D were not adjusted due to the recent construction.

Line 9 (Sq. Ft. Area) – Comparables were adjusted for unit sizes. Our examination of market rents show that differences in size do not equate to a difference in rent on a dollar-for-dollar basis since the rental rate reflects many physical characteristics (e.g. unit amenities, number of bedrooms, floor, view, appliances). Additional size only accounts for living space, but not additional features. We have adjusted the total rent per square foot by 75% of the rent per square foot. For example, a comparable that rents for \$1.00 per square foot would be adjusted 75% of that amount, or \$0.75 per square foot. Please see the following table for support of our size adjustment.

Comparable	Unit Type	Size (SF)	Rent / Month	Rent / SF
Market Station Apartments	One-Bedroom	553	\$830	\$1.50
Market Station Apartments	One-Bedroom	956	\$1,270	\$1.33
Difference	-	403	\$440	\$1.09
45 Madison	One-Bedroom	660	\$999	\$1.51
45 Madison	One-Bedroom	1008	\$1,335	\$1.32
Difference	-	348	\$336	\$0.97
City Place at Westport	One-Bedroom	644	\$895	\$1.39
City Place at Westport	One-Bedroom	863	\$907	\$1.05
Difference	-	219	\$12	\$0.05
Briarcliff City Apartments	One-Bedroom	749	\$950	\$1.27
Briarcliff City Apartments	One-Bedroom	858	\$1,025	\$1.19
Difference	-	109	\$75	\$0.69
Fountain View on the Plaza	One-Bedroom	608	\$917	\$1.51
Fountain View on the Plaza	One-Bedroom	806	\$1,106	\$1.37
Difference	-	198	\$189	\$0.95

Line 11 (Bathroom) – The subject will have one and half baths. All of the comparables have two bathrooms and were adjusted downwards \$15 for being superior. Our adjustment is based on a full bath being an extra \$30 per month with a half bath being an extra \$15 per month.

Line 13 (Patio/Balcony) – The subject will have a patio/balcony for each unit. All of the comparables offer a patio/balcony except Comparable A. Select units in Comparable A have a patio/balcony with this property being adjusted upwards \$20 for being inferior.

Line 14 (Garage/Carport) – The subject will include one parking space per unit in the rental rate and charge for additional parking spaces. Comparables A and E include free parking in the rental rate and were not adjusted. Comparables B, C, and D do not include free parking in the rental rate and were adjusted upwards \$100 for being inferior. Our adjustment is based on the comparables offering covered parking ranging from \$75 to \$125 per month.

Line 15i (Pool/Recreation Area) – The subject will provide one free pass to the adjacent Woodside Health and Tennis Club valued at \$75 per month. All of the comparables have on-site fitness centers with an outdoor pool that are inferior in quality and offerings when compared to the subject. We have made an upward adjustment of \$25 to each of the comparables due to the subject offering a superior level of amenities.

Line 16d (Services) – The subject will not offer any utilities in the rental rate. Comparables A, B, C, and D do not include any utilities in the rental rate and were not adjusted. Comparable E provides water, sewer, and trash in the rental rate and was adjusted downwards \$30 for being inferior. Our adjustment is based on sewer and water costing on average \$20 per month with trash being an additional \$10 per month.

Line 18 (Project Location) – The subject is located in an attractive area within close proximity to The Country Club Plaza. Comparable A is located just north of downtown Kansas City in the River Market area, is inferior in terms of demographics and was adjusted upwards for being inferior. Comparables B and E are located within close proximity to The Country Club Plaza and were not adjusted. Comparable C is located north of The Plaza near Westport, is inferior in terms of demographics, and was adjusted upwards for being slightly inferior. Comparable D is located north of downtown Kansas City within the Briarcliff Development, is located in a more suburban area, has similar demographics, and was adjusted upwards for being inferior.

Line 19 (Condition/Curb Appeal) – The subject is proposed construction, with an attractive design, and will be in excellent condition upon completion. All of the comparables except Comparable E are of newer construction with an attractive design and were not adjusted. Comparable E is a slightly older property, is in above average condition, features an above average level of curb appeal, and was adjusted upwards \$10 for being inferior.

Line 19a (Quality) – Upon completion the subject will be one of the nicest properties in the metro with an emphasis on sustainability, will be LEED certified, and will feature several upgraded amenities. Comparables A, B, C, and D are all of above average quality, feature several design upgrades, and were adjusted upwards \$10 for being slightly inferior. Comparable E is of average quality construction, features a basic level of amenities, and was adjusted upwards \$25 for being inferior.

Market Rent Conclusion


The subject will contain 13, one-bedroom live/work units that are 1,100-square feet in size, which comprises 3.94% of all the units. After adjustments the comparables show a rental rate ranging from \$1,339 to \$1,465 per month with a 60% range of \$1,364 to \$1,440 per month. Comparable E was adjusted the least, has an adjusted rental rate of \$1,386 per month, and was given the most weight in our analysis. We have projected market rent for the subject to be \$1,400 per month, or \$1.27 per square foot, which is within the range of the comparables.

Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0507
(exp. 7/31/2001)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)			B. Comparable Property No. 2 (address)			C. Comparable Property No. 3 (address)			D. Comparable Property No. 4 (address)			E. Comparable Property No. 5 (address)		
1BR-1.5BA	Woodside Village Apartments 2000 West 47th Place Westwood, Kansas 66205	Market Station Apartments 240 West 2nd Street Kansas City, Missouri 64105			45 Madison 4445 Madison Avenue Kansas City, Missouri 64111			City Place at Westport 701 Westport Road Kansas City, Missouri 64111			Briarcliff City Apartments 3880 North Mulberry Drive Kansas City, Missouri			Fountain View on the Plaza 4800 Oak Street Kansas City, Missouri 64112		
Characteristics		Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +
3. Effective Date of Rental	06/2011	06/2011			06/2011			06/2011			06/2011			06/2011		
4. Type of Project/Stories	Low rise/4	Low rise/4			Low rise/4			Low rise/3			Low rise/4			Low rise/3		
5. Floor of Unit in Building	Any	Any			Any			Any			Any			Any		
6. Project Occupancy %	Proposed	90%			99%			99%			95%			97%		
7. Concessions	None	One month free	\$125		None			Included in rent			None			Included in rent		
8. Year Built	Proposed	2009			2006			2002		\$15	2010			1999		\$25
9. Sq. Ft. Area	1,100	1,085		\$14	1,051		\$46	1,111		\$9	1,086		\$12	1,107		\$4
10. Number of Bedrooms	1	2			2			2			2			2		
11. Number of Baths	1.5	2.0		\$15	2.0		\$15	2.0		\$15	2.0		\$15	2.0		\$15
12. Number of Rooms	4	5			5			5			5			5		
13. Balc./Terrace/Patio	Yes	Select		\$20	Yes			Yes			Yes			Yes		
14. Garage or Carport	Included in rent	Included in rent			Extra		\$100	Extra		\$100	Extra		\$100	Included in rent		
15. Equipment a. A/C	Yes	Yes			Yes			Yes			Yes			Yes		
b. Range/Oven	Yes	Yes			Yes			Yes			Yes			Yes		
c. Refrigerator	Yes	Yes			Yes			Yes			Yes			Yes		
d. Disposal	Yes	Yes			Yes			Yes			Yes			Yes		
e. Microwave	Yes	Yes			Yes			Yes			Yes			Yes		
f. Dishwasher	Yes	Yes			Yes			Yes			Yes			Yes		
g. Washer/Dryer	Yes	Yes			Yes			Yes			Yes			Yes		
h. Carpet/Blinds	Yes	Yes			Yes			Yes			Yes			Yes		
i. Pool/Rec. Area	Yes / Yes	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25
16. Services a. Heat/Type	No / Electric	No / Electric			No / Electric			No / Electric			No / Electric			No / Electric		
b. Cook/Type	No / Electric	No / Electric			No / Electric			No / Electric			No / Electric			No / Electric		
c. Electricity	No	No			No			No			No			No		
d. Services	No	No			No			No			No			W, S, T		\$30
17. Storage	Good	Good			Good			Good			Good			Good		
18. Project Location	Good	Average		\$25	Good			Above average		\$10	Average		\$25	Good		
19. Condition/Curb Appeal	Good	Good			Good			Good			Good			Above average		\$10
19.a. Quality	Good	Above average		\$10	Above average		\$10	Above average		\$10	Above average		\$10	Average		\$25
20. Unit Rent Per Month		\$1,385			\$1,299			\$1,255			\$1,200			\$1,350		
21. Total Adjustment			(\$46)			\$166			\$136			\$157			\$36	
22. Indicated Rent		\$1,339			\$1,465			\$1,391			\$1,357			\$1,386		
23. Correlated Subject Rent	\$1,400	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.														
	high rent	\$1,465	low rent	\$1,339	60% range	\$1,364	to	\$1,440								
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.		Appraiser's Signature						Date (mm/dd/yy)			Reviewer's Signature			Date (mm/dd/yyyy)		
					06/14/11											

Previous editions are obsolete

form HUD-92273 (3/95)

Explanation of Adjustments for 2BR 2BA - 950 Square Feet

Line 7 (Concessions) – Rental rates and concessions change on an ongoing basis as units become available or leased. Floor plans that have more vacant units typically have a larger concession than floor plans that have fewer vacant units. Comparable A is offering one-month of free rent with a 12-month lease. Comparables B and D are not offering any concessions. Comparables C and E do not offer concessions due to YieldStar, which changes rental rates daily based on occupancy, existing leases, etc. Specific adjustments were made for actual concessions being offered for each specific floor plan. For example, Comparable A is offering one-month of free rent with a 12-month lease and was adjusted downwards \$69 for being superior (\$830 / 12-months).

Line 8 (Year Built) – The subject is a proposed property with construction estimated to commence in 2011 or early 2012. All of the comparables are of older vintage than the subject except for Briarcliff City Apartments, which was built in late 2010 and Market Station Apartments, which were built in 2009. We have made an upward adjustment of \$15 to Comparable C for being built in 2002 and an upward adjustment of \$25 to Comparable E for being built in 1999. Comparables A, B and D were not adjusted due to the recent construction.

Line 9 (Sq. Ft. Area) – Comparables were adjusted for unit sizes. Our examination of market rents show that differences in size do not equate to a difference in rent on a dollar-for-dollar basis since the rental rate reflects many physical characteristics (e.g. unit amenities, number of bedrooms, floor, view, appliances). Additional size only accounts for living space, but not additional features. We have adjusted the total rent per square foot by 75% of the rent per square foot. For example, a comparable that rents for \$1.00 per square foot would be adjusted 75% of that amount, or \$0.75 per square foot. Please see the following table for support of our size adjustment.

Comparable	Unit Type	Size (SF)	Rent / Month	Rent / SF
Market Station Apartments	One-Bedroom	553	\$830	\$1.50
Market Station Apartments	One-Bedroom	956	\$1,270	\$1.33
Difference	-	403	\$440	\$1.09
45 Madison	One-Bedroom	660	\$999	\$1.51
45 Madison	One-Bedroom	1008	\$1,335	\$1.32
Difference	-	348	\$336	\$0.97
City Place at Westport	One-Bedroom	644	\$895	\$1.39
City Place at Westport	One-Bedroom	863	\$907	\$1.05
Difference	-	219	\$12	\$0.05
Briarcliff City Apartments	One-Bedroom	749	\$950	\$1.27
Briarcliff City Apartments	One-Bedroom	858	\$1,025	\$1.19
Difference	-	109	\$75	\$0.69
Fountain View on the Plaza	One-Bedroom	608	\$917	\$1.51
Fountain View on the Plaza	One-Bedroom	806	\$1,106	\$1.37
Difference	-	198	\$189	\$0.95

Line 13 (Patio/Balcony) – The subject will have a patio/balcony for each unit. All of the comparables offer a patio/balcony except Comparable A. Select units in Comparable A have a patio/balcony with this property being adjusted upwards \$20 for being inferior.

Line 14 (Garage/Carport) – The subject will include one parking space per unit in the rental rate and charge for additional parking spaces. Comparables A and E include free parking in the rental rate and were not adjusted. Comparables B, C, and D do not include free parking in the rental rate

and were adjusted upwards \$100 for being inferior. Our adjustment is based on the comparables offering covered parking ranging from \$75 to \$125 per month.

Line 15i (Pool/Recreation Area) – The subject will provide one free pass to the adjacent Woodside Health and Tennis Club valued at \$75 per month. All of the comparables have on-site fitness centers with an outdoor pool that are inferior in quality and offerings when compared to the subject. We have made an upward adjustment of \$25 to each of the comparables due to the subject offering a superior level of amenities.

Line 16d (Services) – The subject will not offer any utilities in the rental rate. Comparables A, B, C, and D do not include any utilities in the rental rate and were not adjusted. Comparable E provides water, sewer, and trash in the rental rate and was adjusted downwards \$30 for being inferior. Our adjustment is based on sewer and water costing on average \$20 per month with trash being an additional \$10 per month.

Line 18 (Project Location) – The subject is located in an attractive area within close proximity to The Country Club Plaza. Comparable A is located just north of downtown Kansas City in the River Market area, is inferior in terms of demographics and was adjusted upwards for being inferior. Comparables B and E are located within close proximity to The Country Club Plaza and were not adjusted. Comparable C is located north of The Plaza near Westport, is inferior in terms of demographics, and was adjusted upwards for being slightly inferior. Comparable D is located north of downtown Kansas City within the Briarcliff Development, is located in a more suburban area, has similar demographics, and was adjusted upwards for being inferior.

Line 19 (Condition/Curb Appeal) – The subject is proposed construction, with an attractive design, and will be in excellent condition upon completion. All of the comparables except Comparable E are of newer construction with an attractive design and were not adjusted. Comparable E is a slightly older property, is in above average condition, features an above average level of curb appeal, and was adjusted upwards \$10 for being inferior.

Line 19a (Quality) – Upon completion the subject will be one of the nicest properties in the metro with an emphasis on sustainability, will be LEED certified, and will feature several upgraded amenities. Comparables A, B, C, and D are all of above average quality, feature several design upgrades, and were adjusted upwards \$10 for being slightly inferior. Comparable E is of average quality construction, features a basic level of amenities, and was adjusted upwards \$25 for being inferior.

Market Rent Conclusion


The subject will contain 25, two-bedroom units that are 950-square feet in size, which comprises 7.58% of all the units. After adjustments the comparables show a rental rate ranging from \$1,220 to \$1,372 per month with a 60% range of \$1,250 to \$1,342 per month. Comparables A, D, and E were adjusted the least, have an average adjusted rental rate of \$1,295 per month, and were given the most weight in our analysis. We have projected market rent for the subject to be \$1,300 per month, or \$1.37 per square foot, which is within the range of the comparables.

Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0507
(exp. 7/31/2001)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)			B. Comparable Property No. 2 (address)			C. Comparable Property No. 3 (address)			D. Comparable Property No. 4 (address)			E. Comparable Property No. 5 (address)					
2BR-2BA	Woodside Village Apartments 2000 West 47th Place Westwood, Kansas 66205	Market Station Apartments 240 West 2nd Street Kansas City, Missouri 64105			45 Madison 4445 Madison Avenue Kansas City, Missouri 64111			City Place at Westport 701 Westport Road Kansas City, Missouri 64111			Briarcliff City Apartments 3880 North Mulberry Drive Kansas City, Missouri			Fountain View on the Plaza 4800 Oak Street Kansas City, Missouri 64112					
Characteristics	Data	Data	Adjustments - +		Data	Adjustments - +		Data	Adjustments - +		Data	Adjustments - +		Data	Adjustments - +				
3. Effective Date of Rental	06/2011	06/2011			06/2011			06/2011			06/2011			06/2011					
4. Type of Project/Stories	Low rise/4	Low rise/4			Low rise/4			Low rise/3			Low rise/4			Low rise/3					
5. Floor of Unit in Building	Any	Any			Any			Any			Any			Any					
6. Project Occupancy %	Proposed	90%			99%			99%			95%			97%					
7. Concessions	None	One month free	\$115		None			Included in rent			None			Included in rent					
8. Year Built	Proposed	2009			2006			2002		\$15	2010			1999		\$25			
9. Sq. Ft. Area	950	1,085	\$130		928		\$22	1,111	\$136		1,004	\$51		906		\$42			
10. Number of Bedrooms	2	2			2			2			2			2					
11. Number of Baths	2.0	2.0			2.0			2.0			2.0			2.0					
12. Number of Rooms	5	5			5			5			5			5					
13. Balc./Terrace/Patio	Yes	Select		\$20	Yes			Yes			Yes			Yes					
14. Garage or Carport	Included in rent	Included in rent			Extra		\$100	Extra		\$100	Extra		\$100	Included in rent					
15. Equipment a. A/C	Yes	Yes			Yes			Yes			Yes			Yes					
b. Range/Oven	Yes	Yes			Yes			Yes			Yes			Yes					
c. Refrigerator	Yes	Yes			Yes			Yes			Yes			Yes					
d. Disposal	Yes	Yes			Yes			Yes			Yes			Yes					
e. Microwave	Yes	Yes			Yes			Yes			Yes			Yes					
f. Dishwasher	Yes	Yes			Yes			Yes			Yes			Yes					
g. Washer/Dryer	Yes	Yes			Yes			Yes			Yes			Yes					
h. Carpet/Blinds	Yes	Yes			Yes			Yes			Yes			Yes					
i. Pool/Rec. Area	Yes / Yes	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25			
16. Services a. Heat/Type	No / Electric	No / Electric			No / Electric			No / Electric			No / Electric			No / Electric					
b. Cook/Type	No / Electric	No / Electric			No / Electric			No / Electric			No / Electric			No / Electric					
c. Electricity	No	No			No			No			No			No					
d. Services	No	No			No			No			No			W, S, T		\$30			
17. Storage	Good	Good			Good			Good			Good			Good					
18. Project Location	Good	Average		\$25	Good			Above average		\$10	Average		\$25	Good					
19. Condition/Curb Appeal	Good	Good			Good			Good			Good			Above average		\$10			
19.a. Quality	Good	Above average		\$10	Above average		\$10	Above average		\$10	Above average		\$10	Average		\$25			
20. Unit Rent Per Month		\$1,385			\$1,215			\$1,255			\$1,250			\$1,150					
21. Total Adjustment			(\$165)			\$157			\$24			\$109			\$97				
22. Indicated Rent		\$1,220			\$1,372			\$1,279			\$1,359			\$1,247					
23. Correlated Subject Rent	\$1,300	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.																	
	high rent	\$1,372		low rent	\$1,220		60% range	\$1,250		to	\$1,342								
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.		Appraiser's Signature						Date (mm/dd/yy)			06/14/11			Reviewer's Signature			Date (mm/dd/yyyy)		

Previous editions are obsolete

form HUD-92273 (3/95)

Explanation of Adjustments for 2BR 2BA – 1,050 Square Feet

Line 7 (Concessions) – Rental rates and concessions change on an ongoing basis as units become available or leased. Floor plans that have more vacant units typically have a larger concession than floor plans that have fewer vacant units. Comparable A is offering one-month of free rent with a 12-month lease. Comparables B and D are not offering any concessions. Comparables C and E do not offer concessions due to YieldStar, which changes rental rates daily based on occupancy, existing leases, etc. Specific adjustments were made for actual concessions being offered for each specific floor plan. For example, Comparable A is offering one-month of free rent with a 12-month lease and was adjusted downwards \$69 for being superior (\$830 / 12-months).

Line 8 (Year Built) – The subject is a proposed property with construction estimated to commence in 2011 or early 2012. All of the comparables are of older vintage than the subject except for Briarcliff City Apartments, which was built in late 2010 and Market Station Apartments, which were built in 2009. We have made an upward adjustment of \$15 to Comparable C for being built in 2002 and an upward adjustment of \$25 to Comparable E for being built in 1999. Comparables A, B and D were not adjusted due to the recent construction.

Line 9 (Sq. Ft. Area) – Comparables were adjusted for unit sizes. Our examination of market rents show that differences in size do not equate to a difference in rent on a dollar-for-dollar basis since the rental rate reflects many physical characteristics (e.g. unit amenities, number of bedrooms, floor, view, appliances). Additional size only accounts for living space, but not additional features. We have adjusted the total rent per square foot by 75% of the rent per square foot. For example, a comparable that rents for \$1.00 per square foot would be adjusted 75% of that amount, or \$0.75 per square foot. Please see the following table for support of our size adjustment.

Comparable	Unit Type	Size (SF)	Rent / Month	Rent / SF
Market Station Apartments	One-Bedroom	553	\$830	\$1.50
Market Station Apartments	One-Bedroom	956	\$1,270	\$1.33
Difference	-	403	\$440	\$1.09
45 Madison	One-Bedroom	660	\$999	\$1.51
45 Madison	One-Bedroom	1008	\$1,335	\$1.32
Difference	-	348	\$336	\$0.97
City Place at Westport	One-Bedroom	644	\$895	\$1.39
City Place at Westport	One-Bedroom	863	\$907	\$1.05
Difference	-	219	\$12	\$0.05
Briarcliff City Apartments	One-Bedroom	749	\$950	\$1.27
Briarcliff City Apartments	One-Bedroom	858	\$1,025	\$1.19
Difference	-	109	\$75	\$0.69
Fountain View on the Plaza	One-Bedroom	608	\$917	\$1.51
Fountain View on the Plaza	One-Bedroom	806	\$1,106	\$1.37
Difference	-	198	\$189	\$0.95

Line 13 (Patio/Balcony) – The subject will have a patio/balcony for each unit. All of the comparables offer a patio/balcony except Comparable A. Select units in Comparable A have a patio/balcony with this property being adjusted upwards \$20 for being inferior.

Line 14 (Garage/Carport) – The subject will include one parking space per unit in the rental rate and charge for additional parking spaces. Comparables A and E include free parking in the rental rate and were not adjusted. Comparables B, C, and D do not include free parking in the rental rate

and were adjusted upwards \$100 for being inferior. Our adjustment is based on the comparables offering covered parking ranging from \$75 to \$125 per month.

Line 15i (Pool/Recreation Area) – The subject will provide one free pass to the adjacent Woodside Health and Tennis Club valued at \$75 per month. All of the comparables have on-site fitness centers with an outdoor pool that are inferior in quality and offerings when compared to the subject. We have made an upward adjustment of \$25 to each of the comparables due to the subject offering a superior level of amenities.

Line 16d (Services) – The subject will not offer any utilities in the rental rate. Comparables A, B, C, and D do not include any utilities in the rental rate and were not adjusted. Comparable E provides water, sewer, and trash in the rental rate and was adjusted downwards \$30 for being inferior. Our adjustment is based on sewer and water costing on average \$20 per month with trash being an additional \$10 per month.

Line 18 (Project Location) – The subject is located in an attractive area within close proximity to The Country Club Plaza. Comparable A is located just north of downtown Kansas City in the River Market area, is inferior in terms of demographics and was adjusted upwards for being inferior. Comparables B and E are located within close proximity to The Country Club Plaza and were not adjusted. Comparable C is located north of The Plaza near Westport, is inferior in terms of demographics, and was adjusted upwards for being slightly inferior. Comparable D is located north of downtown Kansas City within the Briarcliff Development, is located in a more suburban area, has similar demographics, and was adjusted upwards for being inferior.

Line 19 (Condition/Curb Appeal) – The subject is proposed construction, with an attractive design, and will be in excellent condition upon completion. All of the comparables except Comparable E are of newer construction with an attractive design and were not adjusted. Comparable E is a slightly older property, is in above average condition, features an above average level of curb appeal, and was adjusted upwards \$10 for being inferior.

Line 19a (Quality) – Upon completion the subject will be one of the nicest properties in the metro with an emphasis on sustainability, will be LEED certified, and will feature several upgraded amenities. Comparables A, B, C, and D are all of above average quality, feature several design upgrades, and were adjusted upwards \$10 for being slightly inferior. Comparable E is of average quality construction, features a basic level of amenities, and was adjusted upwards \$25 for being inferior.

Market Rent Conclusion


The subject will contain 22, two-bedroom units that are 1,050-square feet in size, which comprises 6.67% of all the units. After adjustments the comparables show a rental rate ranging from \$1,316 to \$1,434 per month with a 60% range of \$1,340 to \$1,410 per month. Comparable E was adjusted the least, has an adjusted rental rate of \$1,353 per month, and was given the most weight in our analysis. We have projected market rent for the subject to be \$1,355 per month, or \$1.29 per square foot, which is within the range of the comparables.

Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0507
(exp. 7/31/2001)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)			B. Comparable Property No. 2 (address)			C. Comparable Property No. 3 (address)			D. Comparable Property No. 4 (address)			E. Comparable Property No. 5 (address)		
Charateristics	Data	Data	Adjustments - +		Data	Adjustments - +		Data	Adjustments - +		Data	Adjustments - +		Data	Adjustments - +	
2BR-2BA	Woodside Village Apartments 2000 West 47th Place Westwood, Kansas 66205	Market Station Apartments 240 West 2nd Street Kansas City, Missouri 64105			45 Madison 4445 Madison Avenue Kansas City, Missouri 64111			City Place at Westport 701 Westport Road Kansas City, Missouri 64111			Briarcliff City Apartments 3880 North Mulberry Drive Kansas City, Missouri			Fountain View on the Plaza 4800 Oak Street Kansas City, Missouri 64112		
3. Effective Date of Rental	06/2011	06/2011			06/2011			06/2011			06/2011			06/2011		
4. Type of Project/Stories	Low rise/4	Low rise/4			Low rise/4			Low rise/3			Low rise/4			Low rise/3		
5. Floor of Unit in Building	Any	Any			Any			Any			Any			Any		
6. Project Occupancy %	Proposed	90%			99%			99%			95%			97%		
7. Concessions	None	One month free	\$115		None			Included in rent			None			Included in rent		
8. Year Built	Proposed	2009			2006			2002		\$15	2010			1999		\$25
9. Sq. Ft. Area	1,050	1,085	\$34		1,051			1,111	\$52		1,086	\$30		1,107	\$52	
10. Number of Bedrooms	2	2			2			2			2			2		
11. Number of Baths	2.0	2.0			2.0			2.0			2.0			2.0		
12. Number of Rooms	5	5			5			5			5			5		
13. Balc./Terrace/Patio	Yes	Select		\$20	Yes			Yes			Yes			Yes		
14. Garage or Carport	Included in rent	Included in rent			Extra		\$100	Extra		\$100	Extra		\$100	Included in rent		
15. Equipment	a. A/C	Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes	
	b. Range/Oven	Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes	
	c. Refrigerator	Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes	
	d. Disposal	Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes	
	e. Microwave	Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes	
	f. Dishwasher	Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes	
	g. Washer/Dryer	Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes	
	h. Carpet/Blinds	Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes		Yes	Yes	
	i. Pool/Rec. Area	Yes / Yes	Yes / Yes	\$25	Yes / Yes	Yes / Yes	\$25	Yes / Yes	Yes / Yes	\$25	Yes / Yes	Yes / Yes	\$25	Yes / Yes	Yes / Yes	\$25
16. Services	a. Heat/Type	No / Electric	No / Electric		No / Electric	No / Electric		No / Electric	No / Electric		No / Electric	No / Electric		No / Electric	No / Electric	
	b. Cook/Type	No / Electric	No / Electric		No / Electric	No / Electric		No / Electric	No / Electric		No / Electric	No / Electric		No / Electric	No / Electric	
	c. Electricity	No	No		No	No		No	No		No	No		No	No	
	d. Services	No	No		No	No		No	No		No	No		W, S, T	\$30	
17. Storage	Good	Good			Good			Good			Good			Good		
18. Project Location	Good	Average	\$25		Good			Above average	\$10		Average	\$25		Good		
19. Condition/Curb Appeal	Good	Good			Good			Good			Good			Above average	\$10	
19.a. Quality	Good	Above average	\$10		Above average	\$10		Above average	\$10		Above average	\$10		Average	\$25	
20. Unit Rent Per Month		\$1,385			\$1,299			\$1,255			\$1,200			\$1,350		
21. Total Adjustment			(\$69)			\$135			\$108			\$130			\$3	
22. Indicated Rent		\$1,316			\$1,434			\$1,363			\$1,330			\$1,353		
23. Correlated Subject Rent	\$1,355	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.														
	high rent	\$1,434	low rent	\$1,316	60% range	\$1,340	to	\$1,410								
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.					Appraiser's Signature			Date (mm/dd/yy)		Reviewer's Signature			Date (mm/dd/yyyy)			
								06/14/11								

Previous editions are obsolete

form HUD-92273 (3/95)

Explanation of Adjustments for 2BR 2BA – 1,100 Square Feet

Line 7 (Concessions) – Rental rates and concessions change on an ongoing basis as units become available or leased. Floor plans that have more vacant units typically have a larger concession than floor plans that have fewer vacant units. Comparable A is offering one-month of free rent with a 12-month lease. Comparables B and D are not offering any concessions. Comparables C and E do not offer concessions due to YieldStar, which changes rental rates daily based on occupancy, existing leases, etc. Specific adjustments were made for actual concessions being offered for each specific floor plan. For example, Comparable A is offering one-month of free rent with a 12-month lease and was adjusted downwards \$69 for being superior (\$830 / 12-months).

Line 8 (Year Built) – The subject is a proposed property with construction estimated to commence in 2011 or early 2012. All of the comparables are of older vintage than the subject except for Briarcliff City Apartments, which was built in late 2010 and Market Station Apartments, which were built in 2009. We have made an upward adjustment of \$15 to Comparable C for being built in 2002 and an upward adjustment of \$25 to Comparable E for being built in 1999. Comparables A, B and D were not adjusted due to the recent construction.

Line 9 (Sq. Ft. Area) – Comparables were adjusted for unit sizes. Our examination of market rents show that differences in size do not equate to a difference in rent on a dollar-for-dollar basis since the rental rate reflects many physical characteristics (e.g. unit amenities, number of bedrooms, floor, view, appliances). Additional size only accounts for living space, but not additional features. We have adjusted the total rent per square foot by 75% of the rent per square foot. For example, a comparable that rents for \$1.00 per square foot would be adjusted 75% of that amount, or \$0.75 per square foot. Please see the following table for support of our size adjustment.

Comparable	Unit Type	Size (SF)	Rent / Month	Rent / SF
Market Station Apartments	One-Bedroom	553	\$830	\$1.50
Market Station Apartments	One-Bedroom	956	\$1,270	\$1.33
Difference	-	403	\$440	\$1.09
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Difference	-	198	\$189	\$0.95

Line 13 (Patio/Balcony) – The subject will have a patio/balcony for each unit. All of the comparables offer a patio/balcony except Comparable A. Select units in Comparable A have a patio/balcony with this property being adjusted upwards \$20 for being inferior.

Line 14 (Garage/Carport) – The subject will include one parking space per unit in the rental rate and charge for additional parking spaces. Comparables A and E include free parking in the rental rate and were not adjusted. Comparables B, C, and D do not include free parking in the rental rate

and were adjusted upwards \$100 for being inferior. Our adjustment is based on the comparables offering covered parking ranging from \$75 to \$125 per month.

Line 15i (Pool/Recreation Area) – The subject will provide one free pass to the adjacent Woodside Health and Tennis Club valued at \$75 per month. All of the comparables have on-site fitness centers with an outdoor pool that are inferior in quality and offerings when compared to the subject. We have made an upward adjustment of \$25 to each of the comparables due to the subject offering a superior level of amenities.

Line 16d (Services) – The subject will not offer any utilities in the rental rate. Comparables A, B, C, and D do not include any utilities in the rental rate and were not adjusted. Comparable E provides water, sewer, and trash in the rental rate and was adjusted downwards \$30 for being inferior. Our adjustment is based on sewer and water costing on average \$20 per month with trash being an additional \$10 per month.

Line 18 (Project Location) – The subject is located in an attractive area within close proximity to The Country Club Plaza. Comparable A is located just north of downtown Kansas City in the River Market area, is inferior in terms of demographics and was adjusted upwards for being inferior. Comparables B and E are located within close proximity to The Country Club Plaza and were not adjusted. Comparable C is located north of The Plaza near Westport, is inferior in terms of demographics, and was adjusted upwards for being slightly inferior. Comparable D is located north of downtown Kansas City within the Briarcliff Development, is located in a more suburban area, has similar demographics, and was adjusted upwards for being inferior.

Line 19 (Condition/Curb Appeal) – The subject is proposed construction, with an attractive design, and will be in excellent condition upon completion. All of the comparables except Comparable E are of newer construction with an attractive design and were not adjusted. Comparable E is a slightly older property, is in above average condition, features an above average level of curb appeal, and was adjusted upwards \$10 for being inferior.

Line 19a (Quality) – Upon completion the subject will be one of the nicest properties in the metro with an emphasis on sustainability, will be LEED certified, and will feature several upgraded amenities. Comparables A, B, C, and D are all of above average quality, feature several design upgrades, and were adjusted upwards \$10 for being slightly inferior. Comparable E is of average quality construction, features a basic level of amenities, and was adjusted upwards \$25 for being inferior.

Market Rent Conclusion

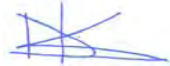
The subject will contain 90, two-bedroom units that are 1,100-square feet in size, which comprises 27.27% of all the units. After adjustments the comparables show a rental rate ranging from \$1,364 to \$1,511 per month with a 60% range of \$1,393 to \$1,482 per month. Comparable E was adjusted the least, has an adjusted rental rate of \$1,399 per month, and was given the most weight in our analysis. We have projected market rent for the subject to be \$1,415 per month, or \$1.29 per square foot, which is within the range of the comparables and slightly higher than Comparable E due to Comparable E being at the low-end of the 60% range.

Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0507
(exp. 7/31/2001)

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1. Unit Type	2. Subject Property (Address)	A. Comparable Property No. 1 (address)			B. Comparable Property No. 2 (address)			C. Comparable Property No. 3 (address)			D. Comparable Property No. 4 (address)			E. Comparable Property No. 5 (address)		
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Characteristics		Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +	Data	Data	Adjustments - +
3. Effective Date of Rental	06/2011	06/2011			06/2011			06/2011			06/2011			06/2011		
4. Type of Project/Stories	Low rise/4	Low rise/4			Low rise/4			Low rise/3			Low rise/4			Low rise/3		
5. Floor of Unit in Building	Any	Any			Any			Any			Any			Any		
6. Project Occupancy %	Proposed	90%			99%			99%			95%			97%		
7. Concessions	None	One month free	\$115		None			Included in rent			None			Included in rent		
8. Year Built	Proposed	2009			2006			2002		\$15	2010			1999		\$25
9. Sq. Ft. Area	1,100	1,085		\$14	1,072		\$26	1,111		\$9	1,086		\$16	1,107		\$6
10. Number of Bedrooms	2	2			2			2			2			2		
11. Number of Baths	2.0	2.0			2.0			2.0			2.0			2.0		
12. Number of Rooms	5	5			5			5			5			5		
13. Balc./Terrace/Patio	Yes	Select		\$20	Yes			Yes			Yes			Yes		
14. Garage or Carport	Included in rent	Included in rent			Extra		\$100	Extra		\$100	Extra		\$100	Included in rent		
15. Equipment a. A/C	Yes	Yes			Yes			Yes			Yes			Yes		
b. Range/Oven	Yes	Yes			Yes			Yes			Yes			Yes		
c. Refrigerator	Yes	Yes			Yes			Yes			Yes			Yes		
d. Disposal	Yes	Yes			Yes			Yes			Yes			Yes		
e. Microwave	Yes	Yes			Yes			Yes			Yes			Yes		
f. Dishwasher	Yes	Yes			Yes			Yes			Yes			Yes		
g. Washer/Dryer	Yes	Yes			Yes			Yes			Yes			Yes		
h. Carpet/Blinds	Yes	Yes			Yes			Yes			Yes			Yes		
i. Pool/Rec. Area	Yes / Yes	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25	Yes / Yes		\$25
16. Services a. Heat/Type	No / Electric	No / Electric			No / Electric			No / Electric			No / Electric			No / Electric		
b. Cook/Type	No / Electric	No / Electric			No / Electric			No / Electric			No / Electric			No / Electric		
c. Electricity	No	No			No			No			No			No		
d. Services	No	No			No			No			No			W, S, T	\$30	
17. Storage	Good	Good			Good			Good			Good			Good		
18. Project Location	Good	Average		\$25	Good			Above average		\$10	Average		\$25	Good		
19. Condition/Curb Appeal	Good	Good			Good			Good			Good			Above average		\$10
19a. Quality	Good	Above average		\$10	Above average		\$10	Above average		\$10	Above average		\$10	Average		\$25
20. Unit Rent Per Month		\$1,385			\$1,350			\$1,255			\$1,200			\$1,350		
21. Total Adjustment			(\$21)			\$161			\$151			\$176			\$49	
22. Indicated Rent		\$1,364			\$1,511			\$1,406			\$1,376			\$1,399		
23. Correlated Subject Rent	\$1,415	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.														
	high rent	\$1,511	low rent	\$1,364	60% range	\$1,393	to	\$1,482								
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.					Appraiser's Signature 			Date (mm/dd/yy) 06/14/11		Reviewer's Signature			Date (mm/dd/yyyy)			

Previous editions are obsolete

form HUD-92273 (3/95)

Explanation of Adjustments for 2BR 2BA – 1,230 Square Feet

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Comparable	Unit Type	Size (SF)	Rent / Month	Rent / SF
Market Station Apartments	One-Bedroom	553	\$830	\$1.50
Market Station Apartments	One-Bedroom	956	\$1,270	\$1.33
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Line 14 (Garage/Carport) – The subject will include one parking space per unit in the rental rate and charge for additional parking spaces. Comparables A and E include free parking in the rental rate and were not adjusted. Comparables B, C, and D do not include free parking in the rental rate

and were adjusted upwards \$100 for being inferior. Our adjustment is based on the comparables offering covered parking ranging from \$75 to \$125 per month.

Line 15i (Pool/Recreation Area) – The subject will provide one free pass to the adjacent Woodside Health and Tennis Club valued at \$75 per month. All of the comparables have on-site fitness centers with an outdoor pool that are inferior in quality and offerings when compared to the subject. We have made an upward adjustment of \$25 to each of the comparables due to the subject offering a superior level of amenities.

Line 16d (Services) – The subject will not offer any utilities in the rental rate. Comparables A, B, C, and D do not include any utilities in the rental rate and were not adjusted. Comparable E provides water, sewer, and trash in the rental rate and was adjusted downwards \$30 for being inferior. Our adjustment is based on sewer and water costing on average \$20 per month with trash being an additional \$10 per month.

Line 18 (Project Location) – The subject is located in an attractive area within close proximity to The Country Club Plaza. Comparable A is located just north of downtown Kansas City in the River Market area, is inferior in terms of demographics and was adjusted upwards for being inferior. Comparables B and E are located within close proximity to The Country Club Plaza and were not adjusted. Comparable C is located north of The Plaza near Westport, is inferior in terms of demographics, and was adjusted upwards for being slightly inferior. Comparable D is located north of downtown Kansas City within the Briarcliff Development, is located in a more suburban area, has similar demographics, and was adjusted upwards for being inferior.

Line 19 (Condition/Curb Appeal) – The subject is proposed construction, with an attractive design, and will be in excellent condition upon completion. All of the comparables except Comparable E are of newer construction with an attractive design and were not adjusted. Comparable E is a slightly older property, is in above average condition, features an above average level of curb appeal, and was adjusted upwards \$10 for being inferior.

Line 19a (Quality) – Upon completion the subject will be one of the nicest properties in the metro with an emphasis on sustainability, will be LEED certified, and will feature several upgraded amenities. Comparables A, B, C, and D are all of above average quality, feature several design upgrades, and were adjusted upwards \$10 for being slightly inferior. Comparable E is of average quality construction, features a basic level of amenities, and was adjusted upwards \$25 for being inferior.

Market Rent Conclusion

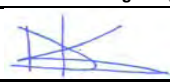
The subject will contain 22, two-bedroom units that are 1,230-square feet in size, which comprises 6.67% of all the units. After adjustments the comparables show a rental rate ranging from \$1,418 to \$1,859 per month with a 60% range of \$1,506 to \$1,771 per month. Given the wide range in adjusted rental rates weight was given to all of the comparables, with the adjusted comparables having an average adjusted rental rate of \$1,574 per month. We have projected market rent for the subject to be \$1,575 per month, or \$1.28 per square foot, which is within the range of the comparables.

Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0507
(exp. 7/31/2001)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type		2. Subject Property (Address)		A. Comparable Property No. 1 (address)		B. Comparable Property No. 2 (address)		C. Comparable Property No. 3 (address)		D. Comparable Property No. 4 (address)		E. Comparable Property No. 5 (address)			
2BR-2BA		Woodside Village Apartments 2000 West 47th Place Westwood, Kansas 66205		Market Station Apartments 240 West 2nd Street Kansas City, Missouri 64105		45 Madison 4445 Madison Avenue Kansas City, Missouri 64111		City Place at Westport 701 Westport Road Kansas City, Missouri 64111		Briarcliff City Apartments 3880 North Mulberry Drive Kansas City, Missouri		Fountain View on the Plaza 4800 Oak Street Kansas City, Missouri 64112			
Charateristics		Data		Data		Adjustments - +		Data		Adjustments - +		Data		Adjustments - +	
3. Effective Date of Rental	06/2011	06/2011			06/2011				06/2011				06/2011		
4. Type of Project/Stories	Low rise/4	Low rise/4			Low rise/4				Low rise/3				Low rise/4		
5. Floor of Unit in Building	Any	Any			Any				Any				Any		
6. Project Occupancy %	Proposed	90%			99%				99%				95%		
7. Concessions	None	One month free	\$125		None				Included in rent				None		
8. Year Built	Proposed	2009			2006				2002		\$15		2010		
9. Sq. Ft. Area	1,230	1,189		\$39	1,187		\$45		1,148		\$64		1,135		\$85
10. Number of Bedrooms	2	2			2				2				2		
11. Number of Baths	2.0	2.0			2.0				2.0				2.0		
12. Number of Rooms	5	5			5				5				5		
13. Balc./Terrace/Patio	Yes	Select		\$20	Yes				Yes				Yes		
14. Garage or Carport	Included in rent	Included in rent			Extra		\$100		Extra		\$100		Extra		\$100
15. Equipment a. A/C	Yes	Yes			Yes				Yes				Yes		
b. Range/Oven	Yes	Yes			Yes				Yes				Yes		
c. Refrigerator	Yes	Yes			Yes				Yes				Yes		
d. Disposal	Yes	Yes			Yes				Yes				Yes		
e. Microwave	Yes	Yes			Yes				Yes				Yes		
f. Dishwasher	Yes	Yes			Yes				Yes				Yes		
g. Washer/Dryer	Yes	Yes			Yes				Yes				Yes		
h. Carpet/Blinds	Yes	Yes			Yes				Yes				Yes		
i. Pool/Rec. Area	Yes / Yes	Yes / Yes		\$25	Yes / Yes		\$25		Yes / Yes		\$25		Yes / Yes		\$25
16. Services a. Heat/Type	No / Electric	No / Electric			No / Electric				No / Electric				No / Electric		
b. Cook/Type	No / Electric	No / Electric			No / Electric				No / Electric				No / Electric		
c. Electricity	No	No			No				No				No		
d. Services	No	No			No				No				No		W, S, T
17. Storage	Good	Good			Good				Good				Good		
18. Project Location	Good	Average		\$25	Good				Above average		\$10		Average		\$25
19. Condition/Curb Appeal	Good	Good			Good				Good				Good		
19.a. Quality	Good	Above average		\$10	Above average		\$10		Above average		\$10		Above average		\$10
20. Unit Rent Per Month		\$1,500			\$1,679				\$1,194				\$1,350		
21. Total Adjustment				(\$6)			\$180				\$224				\$245
22. Indicated Rent		\$1,494			\$1,859				\$1,418				\$1,595		
23. Correlated Subject Rent	\$1,575	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.													
	high rent	\$1,859	low rent	\$1,418	60% range	\$1,506	to	\$1,771							
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.					Appraiser's Signature 			Date (mm/dd/yy) 06/14/11		Reviewer's Signature			Date (mm/dd/yyyy)		

Explanation of Adjustments for 3BR 2BA – 1,425 Square Feet

Line 7 (Concessions) – Rental rates and concessions change on an ongoing basis as units become available or leased. Floor plans that have more vacant units typically have a larger concession than floor plans that have fewer vacant units. Comparable A is offering one-month of free rent with a 12-month lease. Comparables B and D are not offering any concessions. Comparables C and E do not offer concessions due to YieldStar, which changes rental rates daily based on occupancy, existing leases, etc. Specific adjustments were made for actual concessions being offered for each specific floor plan. For example, Comparable A is offering one-month of free rent with a 12-month lease and was adjusted downwards \$69 for being superior (\$830 / 12-months).

Line 8 (Year Built) – The subject is a proposed property with construction estimated to commence in 2011 or early 2012. All of the comparables are of older vintage than the subject except for Briarcliff City Apartments, which was built in late 2010 and Market Station Apartments, which were built in 2009. We have made an upward adjustment of \$15 to Comparable C for being built in 2002 and an upward adjustment of \$25 to Comparable E for being built in 1999. Comparables A, B and D were not adjusted due to the recent construction.

Line 9 (Sq. Ft. Area) – Comparables were adjusted for unit sizes. Our examination of market rents show that differences in size do not equate to a difference in rent on a dollar-for-dollar basis since the rental rate reflects many physical characteristics (e.g. unit amenities, number of bedrooms, floor, view, appliances). Additional size only accounts for living space, but not additional features. We have adjusted the total rent per square foot by 75% of the rent per square foot. For example, a comparable that rents for \$1.00 per square foot would be adjusted 75% of that amount, or \$0.75 per square foot. Please see the following table for support of our size adjustment.

Comparable	Unit Type	Size (SF)	Rent / Month	Rent / SF
Market Station Apartments	One-Bedroom	553	\$830	\$1.50
Market Station Apartments	One-Bedroom	956	\$1,270	\$1.33
Difference	-	403	\$440	\$1.09
45 Madison	One-Bedroom	660	\$999	\$1.51
45 Madison	One-Bedroom	1008	\$1,335	\$1.32
Difference	-	348	\$336	\$0.97
City Place at Westport	One-Bedroom	644	\$895	\$1.39
City Place at Westport	One-Bedroom	863	\$907	\$1.05
Difference	-	219	\$12	\$0.05
Briarcliff City Apartments	One-Bedroom	749	\$950	\$1.27
Briarcliff City Apartments	One-Bedroom	858	\$1,025	\$1.19
Difference	-	109	\$75	\$0.69
Fountain View on the Plaza	One-Bedroom	608	\$917	\$1.51
Fountain View on the Plaza	One-Bedroom	806	\$1,106	\$1.37
Difference	-	198	\$189	\$0.95

Line 10 (Number of Bedrooms) – The subject will have a small amount of three-bedroom units. Comparables B, D, and E all have three-bedroom units and were not adjusted. Comparables A and C do not have any three bedroom units and were adjusted upwards \$50 for being inferior.

Line 13 (Patio/Balcony) – The subject will have a patio/balcony for each unit. All of the comparables offer a patio/balcony except Comparable A. Select units in Comparable A have a patio/balcony with this property being adjusted upwards \$20 for being inferior.

Line 14 (Garage/Carport) – The subject will include one parking space per unit in the rental rate and charge for additional parking spaces. Comparables A and E include free parking in the rental rate and were not adjusted. Comparables B, C, and D do not include free parking in the rental rate and were adjusted upwards \$100 for being inferior. Our adjustment is based on the comparables offering covered parking ranging from \$75 to \$125 per month.

Line 15i (Pool/Recreation Area) – The subject will provide one free pass to the adjacent Woodside Health and Tennis Club valued at \$75 per month. All of the comparables have on-site fitness centers with an outdoor pool that are inferior in quality and offerings when compared to the subject. We have made an upward adjustment of \$25 to each of the comparables due to the subject offering a superior level of amenities.

Line 16d (Services) – The subject will not offer any utilities in the rental rate. Comparables A, B, C, and D do not include any utilities in the rental rate and were not adjusted. Comparable E provides water, sewer, and trash in the rental rate and was adjusted downwards \$30 for being inferior. Our adjustment is based on sewer and water costing on average \$20 per month with trash being an additional \$10 per month.

Line 18 (Project Location) – The subject is located in an attractive area within close proximity to The Country Club Plaza. Comparable A is located just north of downtown Kansas City in the River Market area, is inferior in terms of demographics and was adjusted upwards for being inferior. Comparables B and E are located within close proximity to The Country Club Plaza and were not adjusted. Comparable C is located north of The Plaza near Westport, is inferior in terms of demographics, and was adjusted upwards for being slightly inferior. Comparable D is located north of downtown Kansas City within the Briarcliff Development, is located in a more suburban area, has similar demographics, and was adjusted upwards for being inferior.

Line 19 (Condition/Curb Appeal) – The subject is proposed construction, with an attractive design, and will be in excellent condition upon completion. All of the comparables except Comparable E are of newer construction with an attractive design and were not adjusted. Comparable E is a slightly older property, is in above average condition, features an above average level of curb appeal, and was adjusted upwards \$10 for being inferior.

Line 19a (Quality) – Upon completion the subject will be one of the nicest properties in the metro with an emphasis on sustainability, will be LEED certified, and will feature several upgraded amenities. Comparables A, B, C, and D are all of above average quality, feature several design upgrades, and were adjusted upwards \$10 for being slightly inferior. Comparable E is of average quality construction, features a basic level of amenities, and was adjusted upwards \$25 for being inferior.

Market Rent Conclusion


The subject will contain 25, three-bedroom units that are 1,425-square feet in size, which comprises 7.58% of all the units. After adjustments the comparables show a rental rate ranging from \$1,620 to \$2,093 per month with a 60% range of \$1,715 to \$1,998 per month. Comparables A and E were adjusted the least, have an average adjusted rental rate of \$1,927 per month, and were given the most weight in our analysis. We have projected market rent for the subject to be \$1,950 per month, or \$1.37 per square foot, which is within the range of the comparables.

Estimates of Market Rent by Comparison

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

OMB Approval No. 2502-0507
(exp. 7/31/2001)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required by the Housing Appropriation Act of 9/28/1994. The information is needed to analyze the reasonableness of the Annual Adjustment Factor formula, and will be used where rent levels for a specific unit type, in a Substantial Rehabilitation or New Construction Contract, exceed the existing FMR rent. The information is considered nonsensitive and does not require special protection. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

1. Unit Type	2. Subject Property (Address) Woodside Village Apartments 2000 West 47th Place Westwood, Kansas 66205	A. Comparable Property No. 1 (address) Market Station Apartments 240 West 2nd Street Kansas City, Missouri 64105	B. Comparable Property No. 2 (address) 45 Madison 4445 Madison Avenue Kansas City, Missouri 64111	C. Comparable Property No. 3 (address) City Place at Westport 701 Westport Road Kansas City, Missouri 64111	D. Comparable Property No. 4 (address) Briarcliff City Apartments 3880 North Mulberry Drive Kansas City, Missouri	E. Comparable Property No. 5 (address) Fountain View on the Plaza 4800 Oak Street Kansas City, Missouri 64112					
Characteristics	Data	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +	Data	Adjustments - +
3. Effective Date of Rental	06/2011	06/2011		06/2011		06/2011		06/2011		06/2011	
4. Type of Project/Stories	Low rise/4	Low rise/4		Low rise/4		Low rise/3		Low rise/4		Low rise/3	
5. Floor of Unit in Building	Any	Any		Any		Any		Any		Any	
6. Project Occupancy %	Proposed	90%		99%		99%		95%		97%	
7. Concessions	None	One month free	\$138	None		Included in rent		None		Included in rent	
8. Year Built	Proposed	2009		2006		2002	\$15	2010		1999	\$25
9. Sq. Ft. Area	1,425	1,264	\$158	1,294	\$139	1,148	\$216	1,330	\$81	1,327	\$104
10. Number of Bedrooms	3	2	\$50	3		2	\$50	3		3	
11. Number of Baths	2.0	2.0		2.0		2.0		2.0		2.0	
12. Number of Rooms	6	5		6		5		6		6	
13. Balc./Terrace/Patio	Yes	Select	\$20	Yes		Yes		Yes		Yes	
14. Garage or Carport	Included in rent	Included in rent		Extra	\$100	Extra	\$100	Extra	\$100	Included in rent	
15. Equipment	a. A/C	Yes		Yes		Yes		Yes		Yes	
	b. Range/Oven	Yes		Yes		Yes		Yes		Yes	
	c. Refrigerator	Yes		Yes		Yes		Yes		Yes	
	d. Disposal	Yes		Yes		Yes		Yes		Yes	
	e. Microwave	Yes		Yes		Yes		Yes		Yes	
	f. Dishwasher	Yes		Yes		Yes		Yes		Yes	
	g. Washer/Dryer	Yes		Yes		Yes		Yes		Yes	
	h. Carpet/Blinds	Yes		Yes		Yes		Yes		Yes	
	i. Pool/Rec. Area	Yes / Yes	\$25	Yes / Yes	\$25	Yes / Yes	\$25	Yes / Yes	\$25	Yes / Yes	\$25
16. Services	a. Heat/Type	No / Electric		No / Electric		No / Electric		No / Electric		No / Electric	
	b. Cook/Type	No / Electric		No / Electric		No / Electric		No / Electric		No / Electric	
	c. Electricity	No		No		No		No		No	
	d. Services	No		No		No		No		W, S, T	\$30
17. Storage	Good	Good		Good		Good		Good		Good	
18. Project Location	Good	Average	\$25	Good		Above average	\$10	Average	\$25	Good	
19. Condition/Curb Appeal	Good	Good		Good		Good		Good		Above average	\$10
19.a. Quality	Good	Above average	\$10	Above average	\$10	Above average	\$10	Above average	\$10	Average	\$25
20. Unit Rent Per Month		\$1,655		\$1,819		\$1,194		\$1,500		\$1,890	
21. Total Adjustment		\$150		\$274		\$426		\$241		\$159	
22. Indicated Rent		\$1,805		\$2,093		\$1,620		\$1,741		\$2,049	
23. Correlated Subject Rent	\$1,950	<input type="checkbox"/> If there are any Remarks, check here and add the remarks to the back of page.									
	high rent	\$2,093	low rent	\$1,620	60% range	\$1,715	to	\$1,998			
Note: In the adjustments column, enter dollar amounts by which subject property varies from comparable properties. If subject is better, enter a "Plus" amount and if subject is inferior to the comparable, enter a "Minus" amount. Use back of page to explain adjustments as needed.											
Appraiser's Signature						Date (mm/dd/yy)		Reviewer's Signature		Date (mm/dd/yyyy)	
						06/14/11					

Previous editions are obsolete

form HUD-92273 (3/95)

Estimated Market Rent Conclusions

Following are the concluded market rents for the subject property:

MARKET RENTAL RATES						
No.	Type	Size (SF)	Rent/Mo.	Rent/SF	Monthly Rent	Yearly Rent
38	1BR 1BA	615	\$995	\$1.62	\$37,810	\$453,720
83	1BR 1BA	730	\$1,115	\$1.53	\$92,545	\$1,110,540
12	1BR 1BA	830	\$1,185	\$1.43	\$14,220	\$170,640
13	1BR 1.5BA	1,100	\$1,400	\$1.27	\$18,200	\$218,400
25	2BR 2BA	950	\$1,300	\$1.37	\$32,500	\$390,000
22	2BR 2BA	1,050	\$1,355	\$1.29	\$29,810	\$357,720
90	2BR 2BA	1,100	\$1,415	\$1.29	\$127,350	\$1,528,200
22	2BR 2BA	1,230	\$1,575	\$1.28	\$34,650	\$415,800
25	3BR 2BA	1,425	\$1,950	\$1.37	\$48,750	\$585,000
330	Total/Average	960	\$1,321	\$1.38	\$435,835	\$5,230,020

The Village at Mission Farms

The following table reports the proposed asking rents at The Village at Mission Farms. Upon completion, this project will be the nicest apartment complex in the metro. As shown below, our estimate of market rents on a per square foot basis are slightly higher than the proposed asking rents at Mission Farms due to the inclusion of parking, with both projects being similar in quality/design.

MARKET RENTAL RATES						
No.	Type	Size (SF)	Rent/Mo.	Rent/SF	Monthly Rent	Yearly Rent
20	0BR 1BA	553	\$774	\$1.40	\$15,480	\$185,760
19	1BR 1BA	595	\$833	\$1.40	\$15,827	\$189,924
4	1BR 1BA	699	\$909	\$1.30	\$3,636	\$43,632
4	1BR 1BA	655	\$852	\$1.30	\$3,408	\$40,896
29	1BR 1BA	709	\$922	\$1.30	\$26,738	\$320,856
4	1BR 1BA	725	\$943	\$1.30	\$3,772	\$45,264
29	1BR 1BA	893	\$1,160	\$1.30	\$33,640	\$403,680
15	1BR 1BA (Den)	983	\$1,258	\$1.28	\$18,870	\$226,440
4	1BR 1BA (Den)	1,048	\$1,341	\$1.28	\$5,364	\$64,368
4	1BR 1BA (Den)	1,003	\$1,283	\$1.28	\$5,132	\$61,584
20	2BR 2BA	1,072	\$1,329	\$1.24	\$26,580	\$318,960
4	2BR 2BA	1,193	\$1,479	\$1.24	\$5,916	\$70,992
4	2BR 2BA	1,197	\$1,484	\$1.24	\$5,936	\$71,232
28	2BR 2BA	1,197	\$1,484	\$1.24	\$41,552	\$498,624
12	2BR 2BA (Den)	1,411	\$1,665	\$1.18	\$19,980	\$239,760
4	2BR 2BA (Den)	1,413	\$1,667	\$1.18	\$6,668	\$80,016
8	2BR 2BA (Den)	1,482	\$1,749	\$1.18	\$13,992	\$167,904
212	Total/Average	939	\$1,191	\$1.27	\$252,491	\$3,029,892

Vacancy

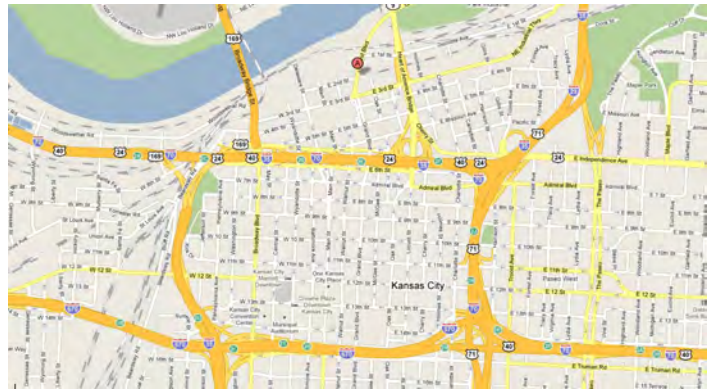
Occupancy rates in the subject area range from 90% (still in lease-up) to 99% with an average of 97%. Due to the lack of new multifamily housing in the immediate area, we have estimated stabilized vacancy to 4%, which is similar to the comparables.

Survey	Comp #1	Comp #2	Comp #3	Comp #4	Comp #5	Average
4%	10%*	1%	1%	5%	3%	3%

*In lease-up

Collection Loss

Collection loss typically ranges from 1% to 5% of potential gross income depending on the quality of tenants. Due to subject being located in an attractive part of the metro with a higher than typical median household income, along with the target market being young professionals and empty nesters, we have estimated collection loss to be at the low-end of the range, or 1% per year. Our total estimate of vacancy and collection loss for the subject is 5.0% of potential gross income.



Location

Property Name	Market Station Apartments	State	Missouri
Address	240 West 2nd Street	Zip Code	64105
City/Municipality	Kansas City	Property Use	Garden/Low-Rise
County	Jackson	MSA	Kansas City, MO-KS
Additional Location Info	Property is located in the River Market on the north side of East 2nd Street, west of Grand Boulevard		

Building

Construction Quality	Average	Year Built	2009
Fire Sprinkler Type	Yes, but type not specified	No. of Stories	4
Roof Type	Flat	No. of Units	323
Heating Type	Electricity	Parking Description	Garage
Air-Conditioning Type	Package Units	No. of Parking Spaces	490
Investment Class	A	No. of Parks in Structure	490
Building Condition	Excellent	Parking Ratio (Spaces/Unit)	1.5
Current Use	Multifamily		
Additional Building Info	Unit amenities include 9' ceilings, garden bathtubs, laminate wood flooring, walk-in closets, dishwasher, microwave, kitchen island, washer/dryer, and patio/balcony (select). Complex amenities include an outdoor pool and spa, outdoor kitchen with lounge/entertainment area, internet cafe, and a fitness center. Property has a garden apartment feel.		

Multi-Family Unit Mix

MF Unit Description	No. of BR	No. of BA	No. of Units	Avg Unit SF	Avg Rent/Mo (\$/Unit)	Avg Rent/Mo (\$/SF)	% of Total MF Units
S1	1.0	1.0	12.0	553	\$830	\$1.50	4%
S1a*	1.0	1.0	9.0	553	\$838	\$1.52	3%
A1	1.0	1.0	14.0	738	\$1,035	\$1.40	4%
A2	1.0	1.0	40.0	797	\$1,118	\$1.40	12%
A2a*	1.0	1.0	12.0	797	\$1,125	\$1.41	4%
A3	1.0	1.0	69.0	926	\$1,255	\$1.36	21%
A3a*	1.0	1.0	9.0	926	\$1,270	\$1.37	3%
A3b*	1.0	1.0	1.0	926	\$1,240	\$1.34	
A3c	1.0	1.0	9.0	956	\$1,270	\$1.33	3%
B1	2.0	2.0	38.0	1,085	\$1,385	\$1.28	12%
B2	2.0	2.0	34.0	1,170	\$1,495	\$1.28	11%
B2a*	2.0	2.0	26.0	1,170	\$1,505	\$1.29	8%
B2b*	2.0	2.0	1.0	1,170	\$1,475	\$1.26	
B2c*	2.0	2.0	12.0	1,157	\$1,490	\$1.29	4%
B2d*	2.0	2.0	16.0	1,189	\$1,500	\$1.26	5%
B2e*	2.0	2.0	1.0	1,170	\$1,475	\$1.26	
B4*	2.0	2.0	20.0	1,264	\$1,655	\$1.31	6%
* Totals *	25.0	25.0	323.0	982	\$1,305	\$1.33	100%

Multi-Family Related

Clubhouse?	Yes	Whirlpool/Sauna?	Yes
Indoor Tennis Courts?	No	Washer/Dryer Hookups?	Yes
Outdoor Tennis Courts?	No	Other Unit Amenities	See above
No. of Outdoor Pools	1	Subsidized or Restricted Project?	No
Exercise/Fitness Facilities?	Yes	Subsidy / Restriction Description	Market rate

Lease Transaction

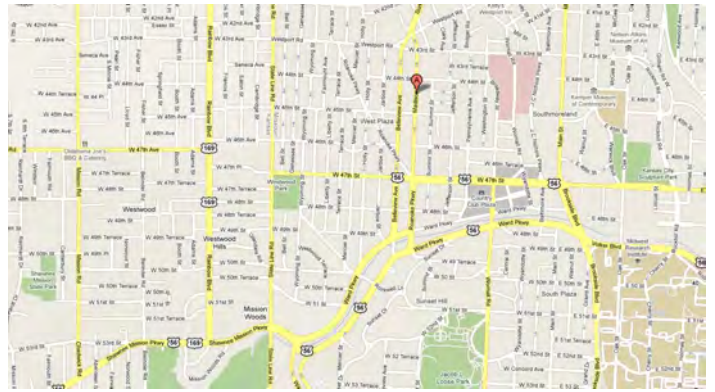
Survey Date	06-21-2011	Lease Confirmed By	Daniel Kann
Lease Occupancy	90.0%		
Lease Confirmed With	Management (Shelby) - 816.421.2232		
Lease ID	14824		
Expense Structure	Tenants pay for electricity in the all electric units. Landlord bills the tenant \$5 per month for trash and \$2 per month for pest control.		
Lease Remarks	Units with an * have a patio/balcony. Asking rent per unit ranges with an approximate \$60 per month spread depending on the floor and view, with each successive floor increasing the rent \$15 per month. Rent shown above is the average of the range. Pre-leasing began in September 2009 with the first move-in occurring on October 31, 2009. The property was 26% occupied by April 15, 2010 indicating an absorption rate of 11.2-units per month (84-units / 7.5-months). Absorption through August 2010 was 15.24 units per month, which is reflective of summer being a stronger leasing period. Management reported that stabilization was scheduled to occur in June 2011. Absorption based on the current survey is 17-units per month (excluding pre-leasing). Units with a patio/balcony are preferred by tenants and tend to lease first.		

Expense Reimbursement

Expense Reimb. Comments www.marketstationapts.com

Remarks

Property Remarks Current concession is one month of free rent with a new lease. Additionally, concessions are reflected in the current asking rent, which changes often based on unit availability. One parking space is included in the rent with additional garage parking (roof-top only) being \$25 per month. There is a \$60 application fee and a \$125 administrative fee upon signing a lease. Property has 57 storage units ranging in price from \$15 to \$50 per month with the largest unit being four by seven. Management reported there to be eight vacant storage units.



Location

Property Name	45 Madison	State	Missouri
Address	4445 Madison Avenue	Zip Code	64111
City/Municipality	Kansas City	Property Use	Garden/Low-Rise
County	Jackson	MSA	Kansas City, MO-KS
Additional Location Info	Property is located two blocks north of 47th on Madison, just north of the Plaza.		

Building

GBA	114,614	Building Condition	Good
Construction Quality	Average	Construction Class	B
Exterior Walls	Brick and stucco	Construction Description	Frame
Foundation Type	Concrete	Year Built	2006
Basement Type	Partial	No. of Stories	4
Fire Sprinkler Type	Wet	No. of Units	132
Roof Type	Flat	No. of Elevators	2
Heating Type	Electricity	Parking Description	Underground garage and surface
Air-Conditioning Type	Package Units	No. of Parking Spaces	208
Roof and HVAC Comments	No	No. of Parks in Structure	178
Investment Class	A	Parking Ratio (Spaces/Unit)	1.6
Additional Building Info	Complex amenities include a fitness center, elevator access from the underground garage, a business center, and an outdoor pool. Unit amenities include a balcony, stainless steel appliances, slate flooring (select), ceramic tile flooring in kitchen and bath, washer/dryer, dishwasher, controlled key access, microwave, computer area, enclosed interior hallways, wardrobe system, and 9'ceilings.		

Multi-Family Unit Mix

MF Unit Description	No. of BR	No. of BA	No. of Units	Avg Unit SF	Avg Rent/Mo (\$/Unit)	Avg Rent/Mo (\$/SF)	% of Total MF Units
One Bedroom (A1)	1.0	1.0	48.0	660	\$999	\$1.51	36%
One Bedroom (E1)	1.0	1.0	2.0	712	\$1,099	\$1.54	2%
One Bedroom (H1)	1.0	1.0	8.0	1,008	\$1,335	\$1.32	6%
Two Bedroom (C1)	2.0	2.0	16.0	928	\$1,215	\$1.31	12%
Two Bedroom (F1)	2.0	2.0	16.0	974	\$1,230	\$1.26	12%
Two Bedroom (B1)	2.0	2.0	16.0	1,051	\$1,299	\$1.24	12%
Two Bedroom (D1)	2.0	2.0	14.0	1,072	\$1,350	\$1.26	11%
Two Bedroom (J1)	2.0	2.0	4.0	1,187	\$1,679	\$1.41	3%
Three Bedroom (G1)	3.0	2.0	8.0	1,294	\$1,819	\$1.41	6%
* Totals *	16.0	15.0	132.0	898	\$1,219	\$1.36	100%

Multi-Family Related

Clubhouse?	Yes	Whirlpool/Sauna?	Yes
Indoor Tennis Courts?	No	Washer/Dryer Hookups?	Yes
Outdoor Tennis Courts?	No	Other Unit Amenities	See above
No. of Outdoor Pools	1	Subsidized or Restricted Project?	No
Exercise/Fitness Facilities?	Yes	Subsidy / Restriction Description	Market rate

Lease Transaction

Survey Date	06-20-2011	Lease Confirmed By	Daniel Kann
Lease Occupancy	99.0%		

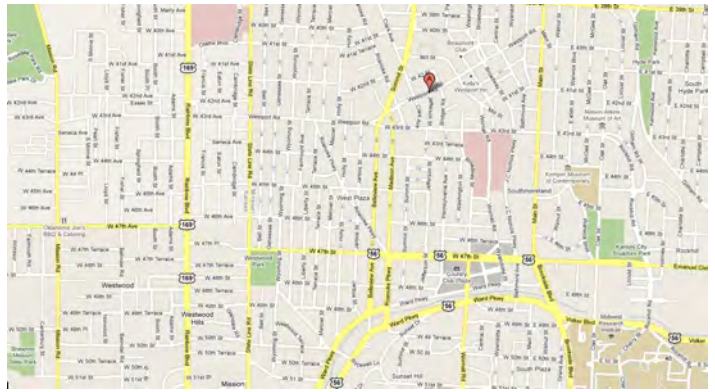
Lease Confirmed With	Management (Ashley) - 816.561.5445
Lease ID	14679
Expense Structure	Tenants pay for all utilities in the all electric units.
Lease Remarks	Current occupancy is 99.2%, which according to management is high with typical operations at 94% to 96%. Concessions are not currently being offered. The rental rate shown above is the average of the range. The asking rents have a spread of approximately \$50 depending on the floor and view.

Expense Reimbursement

Expense Reimb. Comments	www.madison45.com
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Remarks

Property Remarks	Occupancy reported at 95% in November 2008, 90% in January 2010, and at 93% in March 2010. Overall rental rates have remained steady over the last several months with some units reporting an increase and other units reporting a decrease depending on the occupancy of the unit type. Underground garage parking is available for \$75 per month with there being 178 spaces. According to management, approximtely 75% to 80% of the residents rent a garage space due to the inconvenience of street parking and the lack of surface parking (approxitely 30 total spaces). Property has a \$100 administrative fee and a \$40 application fee. Pet deposit is \$300 with \$150 being non-refundable. Monthly pet fee is \$15 for one pet and \$25 for two pets. Additional storage is available for \$20 per month. Management stated that the F1 floor plan was the most popular.
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Location

Property Name	City Place at Westport	State	Missouri
Address	701 Westport Road	Zip Code	64111
City/Municipality	Kansas City	Property Use	Garden/Low-Rise
County	Jackson		
Additional Location Info	The property is located at 43rd Street and Westport Road, between Southwest Trafficway and Broadway. Just north of the recently updated St. Lukes Hospital.		

Building

Rentable Area	264,096	Investment Class	A
Construction Quality	Average	Building Condition	Good
Exterior Walls	Stucco and brick	Construction Description	Frame
Foundation Type	Concrete	Year Built	2002
Basement Type	Partial	No. of Buildings	12
Roof Type	Flat	No. of Stories	3
Heating Type	Electricity	No. of Units	288
Air-Conditioning Type	Package Units		
Additional Building Info	Some of the units have attached, direct access garage. Unit amenities include 9' ceilings, washer/dryer, refrigerator with ice maker, cherry cabinets, garden tub, vaulted ceilings (select), patio/balcony, dishwasher, fireplace, oversized closets, microwave, and ceiling fans (select). Complex amenities include covered parking, fitness center, outdoor swimming pool, business center, and a clubhouse.		

Multi-Family Unit Mix

MF Unit Description	No. of BR	No. of BA	No. of Units	Avg Unit SF	Avg Rent/Mo (\$/Unit)	Avg Rent/Mo (\$/SF)	% of Total MF Units
One Bedroom	1.0	1.0	47.0	644	\$895	\$1.39	16%
One Bedroom	1.0	1.0	38.0	729	\$955	\$1.31	13%
One Bedroom	1.0	1.0	24.0	774	\$912	\$1.18	8%
One Bedroom	1.0	1.0	48.0	863	\$907	\$1.05	17%
Two Bedrooms	2.0	2.0	78.0	1,111	\$1,255	\$1.13	27%
Two Bedrooms	2.0	2.0	53.0	1,148	\$1,194	\$1.04	18%
* Totals *	8.0	8.0	288.0	922	\$1,059	\$1.15	100%

Multi-Family Related

Clubhouse?	Yes	Whirlpool/Sauna?	Yes
Indoor Tennis Courts?	No	Washer/Dryer Hookups?	Yes
Outdoor Tennis Courts?	No	Other Unit Amenities	See above
No. of Outdoor Pools	1	Subsidized or Restricted Project?	No
Exercise/Fitness Facilities?	Yes		

Lease Transaction

Survey Date	06-20-2011	Lease Confirmed By	Daniel Kann
Lease Occupancy	99.0%		
Lease Confirmed With	Management (Ashley) - 816.931.9004		
Lease ID	14678		
Expense Structure	Units are all electric with tenant responsible for all utilities.		
Lease Remarks	According to the management, typical occupancy is 95% in the summer with occupancy dropping to the high 80's in the winter due to a large percentage of the tenants being students and doctors performing residency. The property is currently 99% occupied with one vacant unit. There are no set premiums for view, floor, upgrades or location of the unit within the building but some units have built-in premiums in the rental rates that range from		

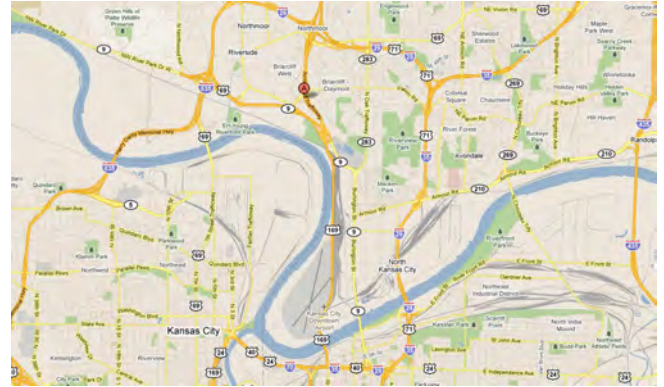
\$10 to \$100 per month. The rent shown above is the current asking rent based on a 12-month lease.

Expense Reimbursement

Expense Reimb. Comments www.cityplaceatwestport.com

Remarks

Property Remarks Occupancy reported at 91% in October 2008, at 86% in December 2008, at 86% in January 2010, and at 87% in March 2010. Concessions are not longer offered due to the property using YieldStar, which is a revenue management system that changes the asking rates daily based on supply and demand. Garages are available for lease at \$100 per month with parking in the parking ramp available for \$75 per month. The property is managed by Lincoln Property Company.



Location

Property Name	The Briarcliff City Apartments	Zip Code	64116
Address	3880 North Mulberry Drive	Property Use	Garden/Low-Rise
City/Municipality	Kansas City	MSA	Kansas City, MO-KS
County	Clay	Plat Book/Map No.	0
State	Missouri		
Additional Location Info	Property is located in the SWC of 169 Highway and Briarcliff Parkway.		

Building

Rentable Area	257,081	Roof and HVAC Comments	No
Rentable Area Source	Offering Package	Investment Class	A
Rentable Estimated?	No	Building Condition	Excellent
Ceiling Height	9	Current Use	Multifamily
Construction Quality	Average	Construction Class	D
Exterior Walls	Brick and stucco	Construction Description	Wood frame
Foundation Type	Concrete	Year Built	2010
Basement Type	None	Property Renovations?	No
Fire Sprinkler Type	Wet	Effective Age	1
Roof Type	Arched	No. of Stories	3
Heating Type	Electricity	No. of Units	263
Air-Conditioning Type	Package Units	Parking Description	Surface and garages
Additional Building Info	Unit amenities include granite counter tops, breakfast bar, cherry cabinets, stainless steel appliances, ice maker, ceramic top stove, dishwasher, washer/dryer, computer desk, composite wood flooring, wood window blinds, patio/balcony, extra storage space, and a garden tub. Complex amenities include a clubhouse, elevators, secured entry corridors, attached and detached parking, fitness center, salt water outdoor pool, fire pit and grilling area, movie theater, concierge service, game room, coffee bar, business center, and on-site management.		

Multi-Family Unit Mix

MF Unit Description	No. of BR	No. of BA	No. of Units	Avg Unit SF	Avg Rent/Mo (\$/Unit)	Avg Rent/Mo (\$/SF)	% of Total MF Units
One Bedroom (A4)	1.0	1.0	3.0	749	\$950	\$1.27	1%
One Bedroom (A1)	1.0	1.0	112.0	784	\$975	\$1.24	43%
One Bedroom (A3)	1.0	1.0	18.0	840	\$1,000	\$1.19	7%
One Bedroom (A2)	1.0	1.0	18.0	858	\$1,025	\$1.19	7%
Two Bedroom (B2)	2.0	2.0	3.0	1,004	\$1,250	\$1.25	1%
Two Bedroom (B3)	2.0	2.0	9.0	1,086	\$1,200	\$1.10	3%
Two Bedroom (B1)	2.0	2.0	52.0	1,135	\$1,350	\$1.19	20%
Three Bedroom (C1)	3.0	2.0	20.0	1,279	\$1,450	\$1.13	8%
Three Bedroom (C2)	3.0	2.0	28.0	1,330	\$1,500	\$1.13	11%
* Totals *	16.0	14.0	263.0	971	\$1,157	\$1.19	100%

Multi-Family Related

Clubhouse?	Yes	Washer/Dryer Hookups?	Yes
Indoor Tennis Courts?	No	Other Unit Amenities	See above
Outdoor Tennis Courts?	No	Subsidized or Restricted Project?	No
No. of Outdoor Pools	1	Subsidy / Restriction Description	Market rate
Fireplace In Units?	No	Project Avg Unit SF	971
Exercise/Fitness Facilities?	Yes	Project Avg Rent/Mo (\$/Unit)	\$1,157
Whirlpool/Sauna?	Yes	Project Avg Rent/Mo (\$/SF)	\$1.19

Lease Transaction

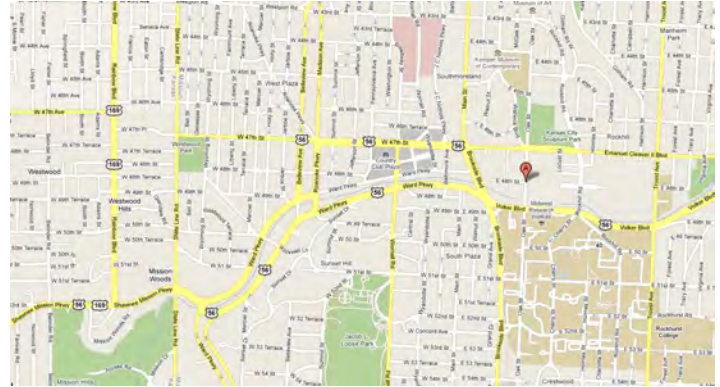
Survey Date	06-20-2011	Lease Confirmed By	Daniel Kann
Lease Occupancy	95.0%		
Lease Confirmed With	Management (Elizabeth) - 816.442.8833		
Lease ID	15746		
Expense Structure	Tenants pay for all utilities in the all electric units.		
Lease Remarks	No concessions are currently being offered due to the property operating at stabilization. Previous concessions during lease-up were a 48-hour look and lease and one month of free rent. Storage units rent for \$20 per month, carports lease for \$35 per month, detached garages lease for \$85 per month, and attached garage parking leases for \$125 per month. Premium view is an additional \$75 per month with 12' ceilings being an additional \$50 per month. Pet rent is \$10 per month with a \$200 non-refundable deposit.		

Expense Reimbursement

Expense Reimb. Comments	www.thebriarcliffapartments.com
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Remarks

Property Remarks	Property started pre-leasing June 1, 2010 with the first building coming online September 29, 2010. According to management the property reached 95% occupancy in early June 2011 for an absorption rate of 33-units per month, excluding pre-leasing. Management reported that most residents are moving from downtown with its major competition being other properties on 152 Highway such as Riverstone, Cordillera Ranch, etc. Management reported that very little interest was coming from residents in Johnson County, Kansas.
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Location

Property Name	Fountain View on the Plaza	Zip Code	64112
Address	4800 Oak Street	Property Use	Garden/Low-Rise
City/Municipality	Kansas City	MSA	Kansas City, MO-KS
County	Jackson	Plat Book/Map No.	St.
State	Missouri		
Additional Location Info	Property is located just east of Brookside Boulevard and north of Volker Boulevard. Property was formally known as Jefferson on the Plaza.		

Building

Construction Quality	Good	Construction Class	D
Exterior Walls	Stucco	Construction Description	Wood frame
Foundation Type	Concrete	Year Built	1999
Roof Type	Arched	No. of Buildings	14
Roof Material	Spanish tile	No. of Stories	4
Heating Type	Electricity	No. of Units	396
Air-Conditioning Type	Package Units	Parking Description	Garage
Roof and HVAC Comments	No	No. of Parking Spaces	596
Investment Class	A	No. of Parks in Structure	596
Building Condition	Good	Parking Ratio (Spaces/Unit)	1.5
Additional Building Info	Unit amenities include island kitchen, tile flooring, 9' ceilings, walk-in closet, bookshelves, fireplace (select), crown molding, garden tub, patio/balcony, computer desk, dishwasher, microwave, and a refrigerator with an ice maker. Complex amenities include a clubhouse, sauna, heated pool and spa, parking garages, fitness center, steam room, and a business center.		

Multi-Family Unit Mix

MF Unit Description	No. of BR	No. of BA	No. of Units	Avg Unit SF	Avg Rent/Mo (\$/Unit)	Avg Rent/Mo (\$/SF)	% of Total MF Units
Seville	1.0	1.0	68.0	608	\$917	\$1.51	17%
Cypress	1.0	1.0	88.0	707	\$1,027	\$1.45	22%
Sicily	1.0	1.0	52.0	806	\$1,106	\$1.37	13%
Florence	2.0	1.0	32.0	906	\$1,150	\$1.27	8%
Barcelona	2.0	2.0	84.0	1,107	\$1,350	\$1.22	21%
Valencia	2.0	2.0	48.0	1,228	\$1,450	\$1.18	12%
Tuscany	3.0	2.0	24.0	1,327	\$1,890	\$1.42	6%
* Totals *	12.0	10.0	396.0	905	\$1,201	\$1.33	100%

Multi-Family Related

Clubhouse?	Yes	Other Unit Amenities	See above
Indoor Tennis Courts?	No	Subsidized or Restricted Project?	No
Outdoor Tennis Courts?	No	Subsidy / Restriction Description	Market rate
No. of Outdoor Pools	1	Project Avg Unit SF	905
Exercise/Fitness Facilities?	Yes	Project Avg Rent/Mo (\$/Unit)	\$1,201
Whirlpool/Sauna?	Yes	Project Avg Rent/Mo (\$/SF)	\$1.33
Washer/Dryer Hookups?	Yes		

Lease Transaction

Survey Date	06-21-2011	Lease Confirmed By	Daniel Kann
Lease Occupancy	97.0%		
Lease Confirmed With	Management (Matt) - 816.561.4800		
Lease ID	6922		
Expense Structure	Landlord pays for water, sewer, and trash in the all electric units.		
Lease Remarks	Concessions are included in the asking rent using YieldStar, a revenue management system with prices changing daily based on availability, etc. The rent shown above is based on future available units as of the date of the survey with rental premiums for floor and view. Garage parking is included in the asking rent with additional parking available for \$65 per month (top floor uncovered) and \$95 per month (covered). Management reported there to be approximately 596 garage parking spaces with zero surface spaces (the exact number of was not known). It was mentioned that approximately 50% of the residents rent a second parking space.		

Expense Reimbursement

Expense Reimb. Comments	www.fountainviewontheplaza.com
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Remarks

Property Remarks	Occupancy in October 2008 was 95% with it being 95% in March 2010. Rents in October 2008 were \$802, \$885, \$989, \$912, \$1,100, \$1,231, and \$1,406. Rents in March 2010 were \$865, \$920, \$1,000, \$1,140, \$1,340, \$1,407, and \$1,890. Management stated that the most popular floorplans are the Cypress (806 SF) and the Barcelona (1,107 SF). Property is managed by Lincoln Property Company.
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DEMAND ESTIMATE AND ANALYSIS

Demand from Household Growth

Households grow from several ways: positive migration, increasing family sizes, and the process of children moving out of family housing into the housing market for their own dwellings. The primary source of demand for new multifamily housing is the formation of new households from employment and population growth due to all of these factors. In the subject area we anticipate that little demand will come from household growth, due to the area being fully-built out. The turnover of existing multifamily properties and empty nesters selling their single family homes will provide most of the demand and growth of households.

Total Population

The first of the growth factors is population growth. The table below shows historical and projected population within both the PMA and SMA.

Total Population	PMA	SMA
1990 Total Population	111,088	234,445
2000 Total Population	107,155	263,801
2010 Total Population	108,438	279,866
2015 Total Population	109,236	287,067

Percentage of Population Growth

The table below reports the population growth on a percent basis. Growth in the PMA was negative 3.54% from 1990 to 2000 according to US Census Data with SMA population growth over the same period of 12.52%. ESRI projects growth from 2000 to 2010 at 1.20% in the PMA and at 6.09% in the SMA. ESRI's 2010 to 2015 growth forecast is 0.74% in the PMA and 2.57% in the SMA, both of which are lower than metro growth rate of 4.53%. Population growth in the PMA is less than the SMA due to the PMA having been fully built-out for some time, and in our opinion, no growth in the PMA is likely in the foreseeable future. The SMA includes portions of south Johnson County, which is a rapidly growing area and accounts for the faster population growth in the SMA.

Population Growth	PMA	SMA
1990	-	-
2000	-3.54%	12.52%
2010	1.20%	6.09%
2015	0.74%	2.57%

Number of Households and Household Growth

Since not every person lives alone, the next step in the demand analysis involves filtering population growth by households. The following table shows the total number of households in the PMA and SMA as projected by ESRI.

Households	PMA	SMA
1990 Households	49,273	98,273
2000 Households	49,342	113,029
2010 Households	51,254	122,219
2015 Households	52,020	126,051

According to Census data, households in the PMA grew at a rate of 0.39% per year between 2000 and 2010. ESRI projects slightly slower growth in the PMA between 2010 and 2015 at 0.30% per year. Given that the PMA is fully built-out, continued growth is expected, but at a conservative rate. Household growth in the SMA from 2000 to 2010 was slightly faster than the PMA at 0.81% due to the SMA including more suburban areas, most notably south Johnson County. As with the PMA, household growth in the SMA from 2010 to 2015 is projected to be slightly slower than from 2000 to 2010 at 0.63% per year.

Annual Household Growth	PMA	SMA
1990	-	-
2000	0.01%	1.50%
2010	0.39%	0.81%
2015	0.30%	0.63%

Renter Housing vs. Owner Housing

The table below shows that there is a higher percentage of renters in the PMA than in the SMA due to the SMA including more suburban areas south of the PMA. Please see the following table.

Percentage of Renters		
	PMA	SMA
1990 Percent of Renter Housing	28.2%	32.8%
2000 Percent of Renter Housing	28.0%	32.3%
2010 Percent of Renter Housing	28.5%	33.0%
2015 Percent of Renter Housing	28.4%	32.9%

According to ESRI, the percentage of renters living in the PMA is expected to remain stable through 2015. However, all other indicators suggest that the percentage of renters as a whole in the US is going to increase as more people continue to rent due to the current housing crisis, as well as first-time home buyers being priced out of the market due to increased lending requirements. Furthermore, Generation Y, or people in the 20's such as young professionals, are making a lifestyle choice to rent instead of own due to the instability of the housing market, as well as focusing on their career, thus delaying marriage and the need to own a home.

The PMA is comprised of 28.5% renters, which is below the metro average of 32.1%, suggesting pent-up demand for rental units. There has not been a significant apartment complex (100+ units) built in the immediate area for some time, with the exception of 45 Madison, which was built in 2006 and City Place at Westport, which was built in 2002. As foreclosures continue to rise, unemployment continues to hover around 10%, and people continue to be more frugal with their money, a shift from homeownership to renting is starting to take place. According to Marcus and Millichap, homeownership is projected to decrease to 56% between 2010 and 2015, and renting is projected to increase to 44%, an increase resulting in an additional 11.8-million renters, which is very attractive for multifamily developments, thus strengthening market fundamentals.

Household Growth Conclusions

We project renter households will continue to grow at a faster pace than total households due to foreclosures continuing to rise, unemployment continues to hover around 10%, and people continue to be more frugal with their money, a shift from homeownership to renting is starting to take place. Owner occupied household growth cannot occur in the PMA due to the lack of available land to build houses. Without available land to construct single family homes, a redevelopment of existing sites with a multifamily project is the only method for household growth. **We project that**

households in the PMA will grow at a rate of 0.25% per year. Of the household growth, we project that 100% will be renter households due to the shift away from homeownership and the lack of available sites for single family construction. Household growth in the SMA is projected to be 0.50% per year, of which 50% is projected to be renter households due to the SMA being more suburban, which leads to higher homeownership rates and greater availability of vacant land.

Market Information

Renter household growth in the PMA over the next two-years (typical time allotted to complete construction and stabilization of a project) is estimated to be 256-units based on a 0.25% household growth rate and 100% of the household growth being renters. Renter household growth in the SMA over the next two-years is estimated to be 356-units (excluding the household growth from the PMA) based on a 0.50% household growth rate and 50% of the household growth being renters. Total renter household growth is estimated to be 524-units.

MARKET INFORMATION - TOTAL HOUSEHOLD GROWTH	
Number of Households in PMA as of 2010	51,254 units
Household Growth Rate	0.25%
Number of Households After Growth (2 years)	51,510 units
Minus Existing Households	51,254 units
Equals New Household Growth	256 units
Percentage of New Households as Renters	100.0%
Equals Renter Household Growth	256 units
Number of Households in SMA as of 2010	122,219 units
Minus Number of Households in the PMA	51,254 units
Equals Number of Households in the SMA not in the PMA	70,965 units
Household Growth Rate (2 years)	0.50%
Number of Households After Growth	71,676 units
Minus Existing Households	70,965 units
Equals New Household Growth	711 units
Percentage of New Households as Renters	50.0%
Equals Renter Household Growth	356 units

Affordability

Approximately 71% of the residents in the PMA and 75% of the residents in the SMA are shown to have sufficient incomes to afford a unit within the subject, meaning that demand from household growth in the PMA is reduced from 256-units to 182-units and in the SMA from 356-units to 267-units. Total income qualified renter household demand is estimated to be 448-units from renter household growth.

AFFORDABILITY	
Renter Household Growth in PMA	256 units
Income Qualified Renter Households in the PMA (71%)	182 units
Renter Household Growth in SMA	356 units
Income Qualified Renter Households in the SMA (75%)	267 units
Total Income Qualified Renter Households in the PMA & SMA	448 units

Concluded Demand from Household Growth

Based on the absence of multifamily housing in the immediate area (the majority of the existing properties are located north and east of the subject), we conclude that the subject will capture 25% of the income qualified renters in the PMA due to its size, location, design, amenities, and lack of

competition. Due to the larger geographic area of the SMA, we estimate that the subject will capture approximately 5% of the new income-qualified renter households in the SMA. At a 25% capture rate of the 212-income-qualified renters in the PMA and a 5% capture rate of the 299-income-qualified renter households in the SMA, the subject is estimated to fill approximately 59-units from household growth. Please see the table below summarizing demand from household growth.

DEMAND FROM HOUSEHOLD GROWTH	
Multifamily Demand from PMA Growth	256 units
Proportion of Income Qualified Households in PMA	71.0%
Estimated Income Qualified New Renter Households in PMA	182 units
Capture Rate for New Households in PMA	25%
Subject's Capture of New Households in PMA	45 units
Multifamily Demand from SMA	356 units
Proportion of Income Qualified Households in SMA	75.0%
Estimated Income Qualified New Renter Households in SMA	267 units
Capture Rate for New Households in SMA	5%
Subject's Capture of New Households in SMA	13 units
Equals Total Demand from Household Growth	59 units

Pent-Up Demand

Pent-up demand for multifamily housing exists due to the shortage of new, good quality rental housing in the PMA. Presently, 14,607 renter households in the PMA and 40,308 renter households in the SMA exist, which account for 28.5% and 33.0% of the housing market, respectively. While the secondary market is slightly above the Kansas City Metropolitan Statistical Area (MSA) average of 32.1%, the primary market area is well below. If the proportion of renters in the PMA were consistent with the MSA average, 16,453 renter households would exist, an increase of 1,845-renter households.

The PMA has a significant number of mid-wage workers; the majority (54%) of the population has incomes between \$35,000 and \$99,000 with a median household income of \$67,948 per year. Typically, these factors result in a significant proportion of renter households suggesting pent-up demand exists from a shortage of good quality rental housing. Due to the lack of new construction, much of the existing rental housing is also of older vintage, tenants of which would likely opt for newer construction. Of the 1,845-units of pent-up demand in the PMA, 71% would be able to afford renting a unit within the subject, thereby reducing the number of units to 1,310. Much of the pent-up demand has already been accommodated by other means such as affordable single-family homes, older vintage apartments, or residents opting to travel farther. We have estimated a capture rate of 25%, resulting in 328-units from pent-up demand.

PENT-UP DEMAND - PERCENTAGE OF RENTER HOUSEHOLDS	
Percentage of Renter Households in MSA as of 2010	32.1%
Percentage of Renter Households in PMA as of 2010	28.5%
Renter Households in PMA at MSA Rate	16,453 units
Renter Households in PMA at PMA Rate	14,607 units
Shortfall of Renter Households in PMA	1,845 units
Income Qualified Households in PMA from Shortfall	1,310 units
Capture Rate of Shortfall of Households in PMA	25%
Pent-Up Demand in PMA	328 units

Demand from Turnover

ESRI reports that there are approximately 14,607-rental households in the PMA and 40,308-rental households in the SMA that are not included in the PMA. According to the *2008 National Apartment Association* report, the apartment renter market in general, represents a very transient population typically realizing a turnover rate of approximately 50% per year, as shown below.

Market	# Properties	# Units	Avg SF per Unit	Turnover Rate
Kansas City, MO/KS	8	2,628	945	58%
St. Louis, MO/IL	15	4,220	875	47%
Region V (total/avg)	23	6,848	910	53%

Source: 2008 National Apartment Association

We previously showed that there is pent-up demand for 328-units in the PMA. Given the subject's advantageous location, high quality design, and lack of new multifamily construction in the immediate area, a capture rate of 10% in the PMA and 1.0% in the SMA is forecasted. Based on the subject capture rates, demand from turnover is estimated to be 259-units in the PMA and 88-units in the SMA, totaling 347-units.

DEMAND FROM TURNOVER	
Number of Rental Households in the PMA	14,607 units
Turnover in the PMA @ 50% per Year	7,304 units
Proportion of Income Qualified Households in PMA	71.0%
Estimated Income Qualified Households from Turnover	5,186 units
Capture Rate for Turnover in PMA	5.0%
Subject's Capture of Turnover in PMA	259 units
Number of Rental Households in the SMA not in the PMA	23,404 units
Turnover in the SMA @ 50% per Year	11,702 units
Proportion of Income Qualified Households in SMA	75.0%
Estimated Income Qualified households from turnover	8,777 units
Capture Rate for Turnover in SMA	1.0%
Subject's Capture of Turnover in SMA	88 units
Total Demand from Turnover	347 units

Required Penetration

The subject is a proposed 330-unit apartment complex. According to ESRI, the subject property at stabilization will comprise 3.03% of the income qualified rental households in the PMA. Given the lack of multifamily units that are currently on the market, the demand for multifamily housing, the penetration rate is not projected to negatively impact the current occupancy of competing properties.

SUBJECT'S REQUIRED PENETRATION	
Income Qualified Renter Households in the PMA	10,371 units
Number of Subject Units @ 95% Occupancy	314 units
Required Penetration Rate of the Subject in the PMA	3.03%

Competitive Supply

This section of the report examines the supply of new construction in the market that is competitive to the subject, either approved or in advanced planning stages. As previously mentioned there has been no new multifamily construction of significant size in the immediate area since 2006. Two projects are currently being planned for development, one at 46th Street and Pennsylvania Avenue (46 Penn) and another at 39th Street and State Line Road (District 39). Both projects are being

proposed by Price Development Group, a local development and management company. If approved, 46 Penn will add an additional 188-units to the market. However, the developer is requesting a zoning variance in regards to building height to make the project financially feasible. District 39 is proposed to include 3,900 square feet of retail space and 70 luxury apartment units with an estimated start date of early 2012. Please refer to the Addenda for an article pertaining to each project. Based on the zoning request, the probability of the project being completed is speculative.

According to the Planning and Zoning department of the City of Overland Park, Kansas, there is one project that is currently under construction in the PMA, The Village at Mission Farms. The project will total 212-units consisting of one and two-bedroom floor plans. Please see the Addenda of this report for a recent article.

Summary of Housing Demand

As shown in the table below, it is estimated that there is demand for an additional 997-units in the once the subject is stabilized. Please note that the demand estimate shown below does not take into consideration capture rates due to the subjective nature of estimating a capture rate. Instead, it projects total estimated market demand for all types of multifamily housing with specific projects having different capture rates and varying degrees of income qualified tenants. Please see the following table.

SUMMARY OF DEMAND IN SUBJECT MARKET	
Total Income Qualified Demand from Household Growth (PMA and SMA)	448 units
Pent-Up Demand (Income Qualified in the PMA)	1,310 units
Equals Total Estimated Demand (before capture)	1,758 units
Minus Subject Units @ 95% Occupancy	314 units
Minus Planned or Units Under Construction in PMA & SMA @ 95% Occupancy	447 units
Equals Number of Units Needed or Oversupplied in PMA & SMA	997 units

Demand Conclusions

The PMA is a mature area that has not seen a great deal of multifamily construction in the last 20-years. There have only been three multifamily projects developed in the last 20-years, all of which are located east of the subject near The Country Club Plaza. These developments include 45 Madison (2006), City Place at Westport (2002), and Fountain View on the Plaza (1999). There is currently one project in the PMA that has been approved for development, The Village at Mission Farms, which is currently under construction and will contain 212-units upon completion. This project is located at the very southern border of the PMA. The subject's close proximity to The Country Club Plaza is a major draw for potential tenants, as well as is the subject's unique concept and numerous complex amenities. It is our opinion that the overall apartment market in the PMA is in need of a new multifamily project due to the lack of recent construction (the more recent being in 2006), and the high occupancy rates (mid-90s). Therefore, we conclude that there is sufficient and excess demand for the subject's multifamily development of 330-units.

ADDENDA

- Appraiser Qualifications
- Area Demographics
- Glossary
- Articles

APPRAISER QUALIFICATIONS

COMPANY PROFILE

SHANER APPRAISALS, INC.

10990 Quivira, Suite 100
Overland Park, Kansas 66210
Phone (913) 451-1451 / Fax (913) 529-4121
www.shanerappraisals.com

Shaner Appraisals, Inc. is a full-service real estate valuation and consulting firm located in Overland Park, Kansas. Founded by Bernie Shaner in 1978, Shaner Appraisals has established a solid reputation for professional real estate services. The firm employs twelve full-time appraisers, including two MAI and one SRA designated member of the Appraisal Institute. Our professionals represent over 100 years of valuation and related experience, and two of our members are past presidents of the Kansas City Chapter of the Appraisal Institute.

The firm's primary market is Kansas and Missouri, but Shaner Appraisals has also completed assignments throughout the United States. The firm provides Market Studies, Feasibility Analyses, Litigation Support and Valuation Services for all types of property from multi-family residences to shopping centers, office buildings and industrial complexes. Shaner Appraisals also has extensive experience in eminent domain matters and in valuing special purpose properties such as nursing homes, underground storage facilities, microwave towers, and rock quarries. All assignments are completed or reviewed by an MAI designated appraiser.

LIST OF SERVICES	VALUATION / COUNSELING PURPOSES
Commercial property appraisals Residential property appraisals Eminent domain appraisals Expert witness testimony Property tax appeals Market studies Feasibility studies Litigation support Due diligence research Appraisal review Partial interest valuation Conservation easement valuation Rent studies General real estate counseling Blight studies	Financing Ad valorem tax disputes Trusts and estates Condemnation Investment analysis Arbitration Portfolio valuation Collateral assessment Right of way acquisition Financial structuring

PROPERTY TYPES APPRAISED
Office buildings – single/multi-tenant, standard office, medical office, surgery centers Retail centers – single/multi-tenant, neighborhood, community, regional shopping centers Industrial buildings – flex, R&D, distribution, manufacturing, underground, self-storage Land – All types Multi-family apartment complexes, LIHTC, HUD Nursing homes Hotels, motels, extended stay facilities Single family homes, condominiums, duplexes Churches Easement corridors

PARTIAL CLIENT LIST

Government Agencies/Municipalities

City of Kansas City	DeSoto School District
City of Gardner	Gardner School District
City of Overland Park	Shawnee Mission School District
City of Leawood	Johnson County Airport Commission
City of Lee's Summit	Johnson County Appraiser's Office
City of Lenexa	Johnson County Board of County Commissioners
City of Merriam	Johnson County Parks and Recreation Dept.
City of Olathe	Johnson County Wastewater District
City of Shawnee	Kansas Department of Transportation
City of Wichita	Kansas Highway Patrol
Dept. of Housing & Urban Development (HUD)	U.S. Department of Justice
Olathe School District	U.S. Postal Service
Blue Valley School District	GSA

Lending Institutions

Bank One	Commerce Bank
Bank Midwest, N.A.	Country Club Bank
Bank of America	Credit Suisse First Boston
Bank of Blue Valley	EF&A Funding
Blue Ridge Bank & Trust	First Federal Bank
Berkshire Mortgage Financial	First Kansas Bank
Bridger Commercial Funding	First Mortgage Investment Corporation
Capitol Federal Savings	First National Bank of Olathe
Central Bank of Kansas	GMAC Commercial Mortgage
Collateral Mortgage	Gold Bank
Great Southern Bank	Quantum First Capital
Heartland Bank	Red Mortgage Capital, Inc.
Hillcrest Bank	Security Bank of Kansas
Intrust Bank	Southern Pacific Bank
Key Bank Commercial Mortgage	Southwest Bank
LaSalle Bank	Triad Mortgage & Realty
Metcalf Bank	UMB Bank
Midland Loan Services	Union Bank
Missouri Bank & Trust	United Missouri Bank
MuniMae Midland, LLC	US Bank
Newman Financial Services	Valley View State Bank
North American Savings Bank	Washington Mortgage
Northmarq Capital, Inc.	Wells Fargo
Peoples Bank	

Corporations, Developers and Institutional Clients

Allianz Life Insurance Company	American States Insurance
Allstate Insurance	Property Tax Research Company
Associates Relocation	Protective Life Insurance Company
Boy Scouts of America	Salvation Army
Burlington Northern	Savage & Browning
CALPERS	Sentinel Real Estate Company
Cessna Aircraft Company	Shawnee Mission Medical Center
Colliers Turley Martin Tucker	Shelter Insurance
Copaken, White & Blitt	Jeffrey Smith Company
Excel Corporation	State Farm Fire and Casualty Insurance

FMC Corporation
GE Capital
General Services Administrations
Grubb & Ellis
Hallmark Cards
Hunt Midwest
J.A. Peterson Company
Price Brothers Realty
Principal Life Insurance Company
Principal Mutual Life

Stern Brothers
Stephens & Company, Inc.
Terra Venture, Inc.
TRI Capital
Wal-Mart Stores, Inc.
Washington Capital
Weingart Foundation
Yarco Companies
YWCA
Zimmer Real Estate Services

Accounting and Law Firms

Armstrong Teasdale Schlafly & Davis
Blackwell, Sanders, Peper, Martin
Craft, Fridkin & Rhyne
Deloitte & Touche
Ferree, Bunn, O'Grady & Runberg
Husch & Epenberger
Lathrop & Gage
McAnany VanCleave & Phillips, P.A.
MHM Property Tax Consultants
Mitchell, Kristl & Lieber
Ernst & Young

Norton, Hubbard, Ruzicka & Kaeamer
Payne & Jones
Parkinson, Foth, Orrick & Brown
Polsinelli Shalton & Welte
Pricewaterhouse Coopers
Shook Hardy & Bacon
Shugart Thompson & Kilroy
Spencer Fayne Britt & Browne
Stinson Morrison Hecker
Wallace, Saunders, Austin, Brown & Enochs
Williams Law Office

APPRAISER'S QUALIFICATIONS

BERNIE C. SHANER, SRA, MAI

EDUCATION

Graduate 1970 - B.S. in Business Administration
University of Kansas, Lawrence, Kansas

PROFESSIONAL EDUCATION

Completed and passed all required courses to obtain SRA and MAI designations.

Courses and Seminars Attended:

Eminent Domain and Condemnation
Case Studies in Commercial Highest and Best Use
U.S. Dept. of Housing, Multifamily Accelerated Processing
Multifamily Trends Conference
Section 8/HUD: Rent Comparability Studies
Appraisal Consulting; A Solutions Approach for Professionals
Instructor Certification Course, Appraisal Foundation
Condemnation Appraising: Advanced Topics and Applications
AQB Awareness Training for Appraisal Institute Instructors
Eminent Domain and Condemnation
USPAP Instructor Recertification Course
Litigation Appraising: Specialized Topics and Applications

Appraisal Courses Taught in the Past Five Years:

Real Estate Appraisal Principles, 2002, 2003, 2004, 2005, 2006, 2007, 2008
Uniform Standards of Professional Appraisal Practice – 15 hour course;
2002, 2003, 2008
Uniform Standards of Professional Appraisal Practice – 7 Hour Update;
2003, 2004, 2005, 2006, 2007, 2008, 2009

EXPERIENCE

Founder and Director, Shaner Appraisals, Inc.
Overland Park, Kansas
January 2009 - Present, Director
February 1978 – December 2008, Owner and Chairman

April 1972 - February 1978
Associate Appraiser, Bliss Associates, Inc.
Kansas City, Missouri

Reviewer for Kansas Real Estate Appraisal Board and
Missouri Real Estate Appraisers Commission

Has completed appraisals involving the valuation of land, residential property
and all types of commercial and industrial property.

Qualified in Kansas, Missouri, Texas, Nebraska,
Colorado and Washington D.C. courts as an expert witness.

PROFESSIONAL AFFILIATIONS

Member of Appraisal Institute, MAI # 7268
Designation awarded 1985, currently certified
through December 31, 2012.
SRA designation awarded 1978, currently certified
through December 31, 2012.

Certified General Real Estate Appraiser
State of Missouri, # RA 001153
State of Kansas, # G-431
State of Nebraska, CG 280104 R

OFFICES HELD

President, Kansas City Chapter of the Appraisal Institute, 1992
President, Kansas City Chapter of the
Society of Real Estate Appraisers, 1987 - 1988
American Institute of Real Estate Appraisers:
Chairman, Candidate Guidance Committee 1986
Chairman, Admissions Committee 1987
Chairman, Program Committee 1990 - 1991
Secretary, Treasurer, Vice-President

Society of Real Estate Appraisers:
Chairman, Education Committee 1986
Chairman, Program Committee 1987
Secretary, Second Vice-President, First Vice-President

OTHER ACTIVITIES

Approved instructor for Appraisal Institute 1987 – Present
Approved instructor for Appraisal Foundation 2002 – Present
Overland Park Chamber of Commerce Board 1997-2004
Chairman, Overland Park Chamber of Commerce 2003
Swope Parkway Health Center Foundation Board 1990 – 2000
Chairman of Board 1992, 1993, 1995
Midtown Community Development Corporation Board 1992 – 2000
Vice President 1998 – 2000
Blue Valley Educational Foundation Board 1992 – 1998
Alliance of Community Educators 2002 - 2006

APPRAISER'S QUALIFICATIONS

DANIEL J. KANN

EDUCATION

Graduate 2005 – BA in Marketing & Real Estate Finance
University of Northern Iowa, Cedar Falls, IA

PROFESSIONAL EDUCATION

Basic Appraisal Principals (AI)
Basic Appraisal Procedures (AI)
Uniform Standards of Appraisal Practice (AI)
General Appraiser Income Approach Part 1 and II (AI)
General Market Analysis and Highest & Best Use (AI)
General Appraiser Sales Comparison Approach (AI)
General Appraiser Site Valuation & Cost Approach (AI)
Real Estate Finance, Statistics and Valuation Modeling (AI)
Report Writing and Valuation Analysis (AI)
Advanced Sales Comparison & Cost Approaches (AI)
Advanced Income Capitalization (AI)
Advanced Applications (AI)
Advanced Sales Comparison & Cost Approaches (AI)
Business Practices and Ethics (AI)
Residential Market Analysis and Highest and Best Use (AI)
Apartment Appraisal, Concepts & Application (AI)
General Appraiser Report Writing and Case Studies (AI)
GIS: The Executive Overview (AI)
Analyzing Operating Expenses (AI)
Real Estate Listing and Buying Practices (Iowa Ass. of Realtors)
CCIM Introduction (CCIM)
Real Estate Principals (*University of Northern Iowa*)
Real Estate Law (*University of Northern Iowa*)
Real Estate Finance (*University of Northern Iowa*)
Real Estate Investments & Appraisal (*University of Northern Iowa*)
CS 101: Overview of Cost Segregation

PROFESSIONAL AFFILIATIONS

Associate Member and MAI Candidate - Appraisal Institute (AI)
CCIM Candidate – CCIM Institute
Licensed Real Estate Agent (Iowa)
Certified General Real Property Appraiser No. G-2762 (Kansas)

EXPERIENCE

March 2007 - Present
Shaner Appraisals, Incorporated
Real Estate Analyst

June 2005– December 2006
Iowa Realty Commercial
Commercial Real Estate Agent

PROPERTY TYPES APPRAISED

Apartment complexes	Special use properties
LIHTC & Section 8 properties	Office buildings
Vacant land & land development	Mixed use developments
Shopping centers	Industrial buildings

APPRAISAL PURPOSES AND USES

Mortgage financing	Condemnation
Equity analysis	Feasibility analysis
Blight studies	FHA financing (221(d)4 / 223(f))
Leased fee analysis	Market studies
Tax appeal	Rent comparability studies (RCS)

AREA DEMOGRAPHICS



PMA

Custom Polygon



2000 Total Population	107,155
2000 Group Quarters	1,360
2010 Total Population	108,438
2015 Total Population	109,236
2010 - 2015 Annual Rate	0.15%



2000 Households	49,343
2000 Average Household Size	2.14
2010 Households	51,254
2010 Average Household Size	2.09
2015 Households	52,020
2015 Average Household Size	2.07
2010 - 2015 Annual Rate	0.3%
2000 Families	28,155
2000 Average Family Size	2.83
2010 Families	27,868
2010 Average Family Size	2.79
2015 Families	27,815
2015 Average Family Size	2.78
2010 - 2015 Annual Rate	-0.04%



2000 Housing Units	51,261
Owner Occupied Housing Units	69.3%
Renter Occupied Housing Units	26.9%
Vacant Housing Units	3.8%
2010 Housing Units	54,554
Owner Occupied Housing Units	67.1%
Renter Occupied Housing Units	26.8%
Vacant Housing Units	6.0%
2015 Housing Units	55,812
Owner Occupied Housing Units	66.7%
Renter Occupied Housing Units	26.5%
Vacant Housing Units	6.8%

Median Household Income

2000	\$53,456
2010	\$67,489
2015	\$77,089

Median Home Value

2000	\$141,665
2010	\$181,389
2015	\$207,964

Per Capita Income

2000	\$35,999
2010	\$43,042
2015	\$48,214

Median Age

2000	39.9
2010	43.0
2015	44.1

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by total population. Detail may not sum to totals due to rounding.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



PMA

Custom Polygon

**2000 Households by Income**

Household Income Base	49,298
< \$15,000	7.6%
\$15,000 - \$24,999	9.5%
\$25,000 - \$34,999	11.7%
\$35,000 - \$49,999	17.4%
\$50,000 - \$74,999	21.7%
\$75,000 - \$99,999	12.5%
\$100,000 - \$149,999	10.2%
\$150,000 - \$199,999	3.5%
\$200,000+	5.8%
Average Household Income	\$77,440

2010 Households by Income

Household Income Base	51,253
< \$15,000	5.3%
\$15,000 - \$24,999	5.9%
\$25,000 - \$34,999	6.1%
\$35,000 - \$49,999	17.0%
\$50,000 - \$74,999	21.0%
\$75,000 - \$99,999	16.0%
\$100,000 - \$149,999	17.0%
\$150,000 - \$199,999	5.1%
\$200,000+	6.6%
Average Household Income	\$90,763

2015 Households by Income

Household Income Base	52,020
< \$15,000	4.0%
\$15,000 - \$24,999	4.4%
\$25,000 - \$34,999	4.4%
\$35,000 - \$49,999	11.2%
\$50,000 - \$74,999	24.2%
\$75,000 - \$99,999	15.5%
\$100,000 - \$149,999	22.1%
\$150,000 - \$199,999	6.4%
\$200,000+	7.7%
Average Household Income	\$100,899

2000 Owner Occupied HUs by Value

Total	35,594
<\$50,000	2.0%
\$50,000 - 99,999	20.1%
\$100,000 - 149,999	33.2%
\$150,000 - 199,999	18.3%
\$200,000 - \$299,999	12.9%
\$300,000 - 499,999	8.9%
\$500,000 - 999,999	3.9%
\$1,000,000+	0.6%
Average Home Value	\$191,075

2000 Specified Renter Occupied HUs by Contract Rent

Total	13,638
With Cash Rent	96.8%
No Cash Rent	3.2%
Median Rent	\$600
Average Rent	\$684

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest, dividends, net rents, pensions, SSI and welfare payments, child support and alimony. Specified Renter Occupied Housing Units exclude houses on 10+ acres. Average Rent excludes units paying no cash rent.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



PMA

Custom Polygon



2000 Population by Age

Total	107,157
Age 0 - 4	5.6%
Age 5 - 9	5.5%
Age 10 - 14	5.8%
Age 15 - 19	5.1%
Age 20 - 24	5.0%
Age 25 - 34	15.3%
Age 35 - 44	15.7%
Age 45 - 54	14.7%
Age 55 - 64	9.2%
Age 65 - 74	8.1%
Age 75 - 84	7.2%
Age 85+	2.7%
Age 18+	79.7%

2010 Population by Age

Total	108,438
Age 0 - 4	5.2%
Age 5 - 9	5.3%
Age 10 - 14	5.9%
Age 15 - 19	5.4%
Age 20 - 24	6.2%
Age 25 - 34	11.3%
Age 35 - 44	13.7%
Age 45 - 54	15.6%
Age 55 - 64	13.5%
Age 65 - 74	7.9%
Age 75 - 84	6.3%
Age 85+	3.8%
Age 18+	80.2%

2015 Population by Age

Total	109,237
Age 0 - 4	5.0%
Age 5 - 9	5.2%
Age 10 - 14	5.7%
Age 15 - 19	5.6%
Age 20 - 24	6.0%
Age 25 - 34	12.7%
Age 35 - 44	11.0%
Age 45 - 54	14.9%
Age 55 - 64	14.2%
Age 65 - 74	10.2%
Age 75 - 84	5.8%
Age 85+	3.7%
Age 18+	80.6%

2000 Population by Sex

Males	47.4%
Females	52.6%

2010 Population by Sex

Males	47.7%
Females	52.3%

2015 Population by Sex

Males	48.0%
Females	52.0%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



PMA

Custom Polygon



2000 Population by Race/Ethnicity

Total	107,153
White Alone	92.9%
Black Alone	2.2%
American Indian Alone	0.3%
Asian or Pacific Islander Alone	1.8%
Some Other Race Alone	1.5%
Two or More Races	1.4%
Hispanic Origin	4.2%
Diversity Index	20.6

2010 Population by Race/Ethnicity

Total	108,439
White Alone	89.3%
Black Alone	3.1%
American Indian Alone	0.4%
Asian or Pacific Islander Alone	2.5%
Some Other Race Alone	2.6%
Two or More Races	2.1%
Hispanic Origin	7.5%
Diversity Index	31.2

2015 Population by Race/Ethnicity

Total	109,238
White Alone	87.9%
Black Alone	3.4%
American Indian Alone	0.4%
Asian or Pacific Islander Alone	2.9%
Some Other Race Alone	3.0%
Two or More Races	2.3%
Hispanic Origin	9.2%
Diversity Index	35.4



2000 Population 3+ by School Enrollment

Total	103,349
Enrolled in Nursery/Preschool	2.0%
Enrolled in Kindergarten	1.1%
Enrolled in Grade 1-8	9.6%
Enrolled in Grade 9-12	4.7%
Enrolled in College	4.3%
Enrolled in Grad/Prof School	2.4%
Not Enrolled in School	75.9%

2010 Population 25+ by Educational Attainment

Total	78,170
Less than 9th Grade	0.9%
9th - 12th Grade, No Diploma	2.4%
High School Graduate	14.2%
Some College, No Degree	20.2%
Associate Degree	5.3%
Bachelor's Degree	35.3%
Graduate/Professional Degree	21.7%

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



PMA

Custom Polygon



2010 Population 15+ by Marital Status

Total	90,695
Never Married	28.1%
Married	52.1%
Widowed	7.3%
Divorced	12.5%



2000 Population 16+ by Employment Status

Total	87,749
In Labor Force	67.7%
Civilian Employed	66.1%
Civilian Unemployed	1.5%
In Armed Forces	0.0%
Not in Labor Force	32.3%

2010 Civilian Population 16+ in Labor Force

Civilian Employed	93.7%
Civilian Unemployed	6.3%

2015 Civilian Population 16+ in Labor Force

Civilian Employed	94.8%
Civilian Unemployed	5.2%

2000 Females 16+ by Employment Status and Age of Children

Total	47,169
Own Children < 6 Only	6.5%
Employed/in Armed Forces	4.1%
Unemployed	0.1%
Not in Labor Force	2.3%
Own Children < 6 and 6-17 Only	4.5%
Employed/in Armed Forces	2.7%
Unemployed	0.1%
Not in Labor Force	1.7%
Own Children 6-17 Only	13.6%
Employed/in Armed Forces	10.5%
Unemployed	0.1%
Not in Labor Force	3.0%
No Own Children < 18	75.4%
Employed/in Armed Forces	41.9%
Unemployed	1.0%
Not in Labor Force	32.5%



2010 Employed Population 16+ by Industry

Total	51,380
Agriculture/Mining	0.2%
Construction	4.1%
Manufacturing	6.4%
Wholesale Trade	3.7%
Retail Trade	10.0%
Transportation/Utilities	2.8%
Information	5.0%
Finance/Insurance/Real Estate	13.2%
Services	50.5%
Public Administration	4.0%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



PMA

Custom Polygon

2010 Employed Population 16+ by Occupation

Total	51,382
White Collar	80.2%
Management/Business/Financial	21.0%
Professional	30.9%
Sales	15.4%
Administrative Support	12.9%
Services	11.3%
Blue Collar	8.5%
Farming/Forestry/Fishing	0.1%
Construction/Extraction	2.7%
Installation/Maintenance/Repair	1.4%
Production	2.5%
Transportation/Material Moving	1.9%



2000 Workers 16+ by Means of Transportation to Work

Total	57,397
Drove Alone - Car, Truck, or Van	86.2%
Carpooled - Car, Truck, or Van	5.5%
Public Transportation	1.0%
Walked	1.4%
Other Means	0.6%
Worked at Home	5.3%

2000 Workers 16+ by Travel Time to Work

Total	57,395
Did Not Work at Home	94.7%
Less than 5 minutes	2.5%
5 to 9 minutes	11.3%
10 to 19 minutes	38.8%
20 to 24 minutes	20.1%
25 to 34 minutes	16.2%
35 to 44 minutes	2.1%
45 to 59 minutes	1.7%
60 to 89 minutes	0.9%
90 or more minutes	1.1%
Worked at Home	5.3%
Average Travel Time to Work (in min)	19.2

2000 Households by Vehicles Available

Total	49,263
None	4.7%
1	38.5%
2	44.0%
3	9.6%
4	2.4%
5+	0.7%
Average Number of Vehicles Available	1.7

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



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2000 Households by Type

Total	49,345
Family Households	57.1%
Married-couple Family	47.6%
With Related Children	18.9%
Other Family (No Spouse)	9.4%
With Related Children	5.3%
Nonfamily Households	42.9%
Householder Living Alone	35.6%
Householder Not Living Alone	7.3%
Households with Related Children	24.2%
Households with Persons 65+	26.7%

2000 Households by Size

Total	49,343
1 Person Household	35.6%
2 Person Household	36.9%
3 Person Household	12.3%
4 Person Household	9.6%
5 Person Household	4.0%
6 Person Household	1.2%
7+ Person Household	0.4%

2000 Households by Year Householder Moved In

Total	49,265
Moved in 1999 to March 2000	19.0%
Moved in 1995 to 1998	27.3%
Moved in 1990 to 1994	14.9%
Moved in 1980 to 1989	15.2%
Moved in 1970 to 1979	10.6%
Moved in 1969 or Earlier	13.0%
Median Year Householder Moved In	1994



2000 Housing Units by Units in Structure

Total	51,243
1, Detached	74.2%
1, Attached	2.7%
2	1.4%
3 or 4	2.6%
5 to 9	5.4%
10 to 19	5.4%
20+	8.1%
Mobile Home	0.1%
Other	0.1%

2000 Housing Units by Year Structure Built

Total	51,207
1999 to March 2000	0.3%
1995 to 1998	1.1%
1990 to 1994	1.6%
1980 to 1989	7.1%
1970 to 1979	10.4%
1969 or Earlier	79.6%
Median Year Structure Built	1957

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.



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Top 3 Tapestry Segments

1.	Prosperous Empty Nesters
2.	Metropolitans
3.	Connoisseurs



2010 Consumer Spending shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue.

Apparel & Services: Total \$	\$112,876,688
Average Spent	\$2,202.30
Spending Potential Index	92
Computers & Accessories: Total \$	\$14,718,609
Average Spent	\$287.17
Spending Potential Index	130
Education: Total \$	\$85,745,772
Average Spent	\$1,672.96
Spending Potential Index	137
Entertainment/Recreation: Total \$	\$218,694,998
Average Spent	\$4,266.89
Spending Potential Index	132
Food at Home: Total \$	\$293,063,968
Average Spent	\$5,717.88
Spending Potential Index	128
Food Away from Home: Total \$	\$215,527,403
Average Spent	\$4,205.08
Spending Potential Index	131
Health Care: Total \$	\$247,382,355
Average Spent	\$4,826.60
Spending Potential Index	130
HH Furnishings & Equipment: Total \$	\$121,320,970
Average Spent	\$2,367.05
Spending Potential Index	115
Investments: Total \$	\$119,770,477
Average Spent	\$2,336.80
Spending Potential Index	134
Retail Goods: Total \$	\$1,573,818,025
Average Spent	\$30,706.25
Spending Potential Index	124
Shelter: Total \$	\$1,077,232,998
Average Spent	\$21,017.54
Spending Potential Index	133
TV/Video/Audio: Total \$	\$82,107,110
Average Spent	\$1,601.96
Spending Potential Index	129
Travel: Total \$	\$131,078,014
Average Spent	\$2,557.42
Spending Potential Index	135
Vehicle Maintenance & Repairs: Total \$	\$62,834,214
Average Spent	\$1,225.94
Spending Potential Index	130

Data Note: The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

Source: Consumer Spending data are derived from the 2005 and 2006 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.



1990-2000 Comparison Profile

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	1990		Census 2000		1990-2000
	Number	Percent	Number	Percent	Annual Rate
Total Population	111,088	-	107,155	-	-0.36%
Total Households	49,273	100.0%	49,343	100.0%	0.01%
Average Household Size	2.24	-	2.14	-	-0.46%
Total Families	31,263	63.4%	28,155	57.1%	-1.04%
Average Family Size	2.83	-	2.83	-	0.00%
Per Capita Income	\$25,422	-	\$35,999	-	3.54%
Total Housing Units	52,008	-	51,261	-	-0.14%
Population by Sex					
Male	52,087	46.9%	50,804	47.4%	-0.25%
Female	58,999	53.1%	56,351	52.6%	-0.46%
Population by Age					
Total	111,088	100.0%	107,155	100.0%	-0.36%
Age 0 - 4	7,250	6.5%	6,028	5.6%	-1.83%
Age 5 - 9	6,393	5.8%	5,901	5.5%	-0.80%
Age 10 - 14	5,582	5.0%	6,224	5.8%	1.09%
Age 15 - 19	5,324	4.8%	5,430	5.1%	0.20%
Age 20 - 24	5,827	5.2%	5,399	5.0%	-0.76%
Age 25 - 29	9,871	8.9%	8,516	7.9%	-1.47%
Age 30 - 34	10,103	9.1%	7,901	7.4%	-2.43%
Age 35 - 39	9,226	8.3%	8,330	7.8%	-1.02%
Age 40 - 44	8,331	7.5%	8,498	7.9%	0.20%
Age 45 - 49	6,288	5.7%	8,296	7.7%	2.81%
Age 50 - 54	5,375	4.8%	7,429	6.9%	3.29%
Age 55 - 59	5,444	4.9%	5,484	5.1%	0.07%
Age 60 - 64	6,109	5.5%	4,348	4.1%	-3.34%
Age 65 - 69	6,408	5.8%	4,130	3.9%	-4.30%
Age 70 - 74	5,131	4.6%	4,559	4.3%	-1.18%
Age 75 - 79	3,824	3.4%	4,552	4.2%	1.76%
Age 80 - 84	2,552	2.3%	3,211	3.0%	2.32%
Age 85+	2,050	1.8%	2,919	2.7%	3.60%
Median Age	37.8		39.9		0.54%
Age 18+	88,453	79.6%	85,387	79.7%	-0.35%
Age 65+	19,965	18.0%	19,371	18.1%	-0.30%
Households by Household Income					
Household Income Base	49,489	100.0%	49,298	100.0%	-0.04%
<\$15,000	6,348	12.8%	3,765	7.6%	-5.09%
\$15,000 - \$24,999	7,151	14.4%	4,699	9.5%	-4.11%
\$25,000 - \$34,999	7,705	15.6%	5,778	11.7%	-2.84%
\$35,000 - \$49,999	9,319	18.8%	8,555	17.4%	-0.85%
\$50,000 - \$74,999	9,605	19.4%	10,703	21.7%	1.09%
\$75,000 - \$99,999	3,783	7.6%	6,171	12.5%	5.02%
\$100,000 - \$149,999	2,820	5.7%	5,052	10.2%	6.00%
\$150,000+	2,758	5.6%	4,575	9.3%	5.19%
Median Household Income	\$39,863		\$53,456		2.98%
Average Household Income	\$56,857		\$77,440		3.14%

Data Note: Detail may not sum to totals due to rounding. Census 2000 medians are computed from reported data distributions. The "1990-2000 Annual Rate" is an annual compound rate.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri converted 1990 Census data into 2000 geography.



1990-2000 Comparison Profile

Prepared by Laird GoldsboroughMAI

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	1990		Census 2000		1990-2000
	Number	Percent	Number	Percent	Annual Rate
Families by Family Income					
Family Income Base	31,906	100.0%	28,230	100.0%	-1.22%
<\$15,000	1,676	5.3%	670	2.4%	-8.76%
\$15,000 - \$24,999	3,151	9.9%	1,387	4.9%	-7.88%
\$25,000 - \$34,999	4,461	14.0%	2,253	8.0%	-6.60%
\$35,000 - \$49,999	6,599	20.7%	4,044	14.3%	-4.78%
\$50,000 - \$74,999	7,817	24.5%	6,853	24.3%	-1.31%
\$75,000 - \$99,999	3,248	10.2%	4,827	17.1%	4.04%
\$100,000 - \$149,999	2,404	7.5%	4,082	14.5%	5.44%
\$150,000+	2,550	8.0%	4,114	14.6%	4.90%
Median Family Income	\$50,136		\$70,077		3.41%
Average Family Income	\$69,629		\$100,220		3.71%
Households by Poverty Status and Household Type					
Total	49,488	100.0%	49,298	100.0%	-0.04%
Below Poverty Level	2,245	4.5%	2,106	4.3%	-0.64%
Married-couple Family	401	0.8%	286	0.6%	-3.32%
Other Family - Male Householder, No Wife	67	0.1%	36	0.1%	-6.02%
Other Family - Female Householder, No Husband	218	0.4%	187	0.4%	-1.52%
Nonfamily Households	1,559	3.2%	1,597	3.2%	0.24%
At or Above Poverty Level	47,243	95.5%	47,192	95.7%	-0.01%
Married-couple Family	26,695	53.9%	23,374	47.4%	-1.32%
Other Family - Male Householder, No Wife	895	1.8%	967	2.0%	0.78%
Other Family - Female Householder, No Husband	3,148	6.4%	3,380	6.9%	0.71%
Nonfamily Households	16,505	33.4%	19,471	39.5%	1.67%
Households by Type					
Total	49,273	100.0%	49,345	100.0%	0.01%
Family Households	31,263	63.4%	28,156	57.1%	-1.04%
Married-couple Families	26,680	54.1%	23,508	47.6%	-1.26%
With Related Children	10,187	20.7%	9,343	18.9%	-0.86%
Other Family (No Spouse Present)	4,583	9.3%	4,648	9.4%	0.14%
With Related Children	2,357	4.8%	2,594	5.3%	0.96%
Nonfamily Households	18,010	36.6%	21,189	42.9%	1.64%
Householder Living Alone	15,217	30.9%	17,571	35.6%	1.45%
Householder not Living Alone	2,793	5.7%	3,618	7.3%	2.62%
Households with Related Children	12,544	25.5%	11,937	24.2%	-0.49%
Households by Vehicles Available					
Total	49,327	100.0%	49,263	100.0%	-0.01%
None	2,551	5.2%	2,336	4.7%	-0.88%
1	17,474	35.4%	18,988	38.5%	0.83%
2	21,948	44.5%	21,676	44.0%	-0.12%
3	5,705	11.6%	4,719	9.6%	-1.88%
4	1,342	2.7%	1,204	2.4%	-1.08%
5+	307	0.6%	340	0.7%	1.03%
Average Number of Vehicles Available	1.7		1.7		0.00%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri converted 1990 Census data into 2000 geography.



1990-2000 Comparison Profile

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	1990		Census 2000		1990-2000
	Number	Percent	Number	Percent	Annual Rate
Housing Units by Occupancy					
Total	52,046	100.0%	51,302	100.0%	-0.14%
Occupied Housing Units	49,273	94.7%	49,342	96.2%	0.01%
Owner Occupied Housing Units	35,397	68.0%	35,561	69.3%	0.05%
Renter Occupied Housing Units	13,876	26.7%	13,781	26.9%	-0.07%
Vacant Housing Units	2,773	5.3%	1,960	3.8%	-3.41%
For Rent	1,413	2.7%	861	1.7%	-4.83%
For Sale Only	733	1.4%	344	0.7%	-7.29%
Rented or Sold, not Occupied	216	0.4%	198	0.4%	-0.87%
For Seasonal/Recreational/Occasional Use	109	0.2%	190	0.4%	5.71%
For Migrant Workers	1	0.0%	0	0.0%	-100.00%
Other Vacant	301	0.6%	367	0.7%	2.00%
Housing Units by Units in Structure					
Total	52,009	100.0%	51,243	100.0%	-0.15%
1, Detached	38,496	74.0%	37,999	74.2%	-0.13%
1, Attached	1,376	2.6%	1,382	2.7%	0.04%
2	658	1.3%	707	1.4%	0.72%
3 or 4	1,390	2.7%	1,356	2.6%	-0.25%
5 to 9	2,810	5.4%	2,792	5.4%	-0.06%
10 to 19	3,216	6.2%	2,773	5.4%	-1.47%
20+	3,825	7.4%	4,149	8.1%	0.82%
Mobile Home	14	0.0%	50	0.1%	13.58%
Other	224	0.4%	35	0.1%	-16.94%
Specified Owner Occupied Housing Units by Value					
Total	32,777	100.0%	33,557	100.0%	0.24%
<\$50,000	2,369	7.2%	655	2.0%	-12.06%
\$50,000 - \$99,999	17,281	52.7%	6,593	19.6%	-9.19%
\$100,000 - \$149,999	7,046	21.5%	11,313	33.7%	4.85%
\$150,000 - \$199,999	2,371	7.2%	6,175	18.4%	10.05%
\$200,000 - \$299,999	1,906	5.8%	4,314	12.9%	8.51%
\$300,000 - \$499,999	1,259	3.8%	2,958	8.8%	8.92%
\$500,000+	545	1.7%	1,549	4.6%	11.01%
Median Home Value	\$89,922		\$141,801		4.66%
Average Home Value	\$119,508		\$191,263		4.81%
Specified Renter Occupied Housing Units by Rent					
Total	13,767	100.0%	13,638	100.0%	-0.09%
With Cash Rent	13,442	97.6%	13,201	96.8%	-0.18%
<\$200	261	1.9%	143	1.0%	-5.84%
\$200 - \$499	8,775	63.7%	3,578	26.2%	-8.58%
\$500 - \$749	3,463	25.2%	6,081	44.6%	5.79%
\$750 - \$999	551	4.0%	2,129	15.6%	14.47%
\$1,000+	392	2.8%	1,270	9.3%	12.47%
No Cash Rent	325	2.4%	437	3.2%	3.01%
Median Rent	\$426		\$600		3.48%
Average Rent	\$473		\$684		3.76%

Data Note: Specified owner occupied Housing Units include only single family units on less than 10 acres, with no business or medical office on site. Specified renter occupied HUs exclude single family units on 10+ acres. Average Rent excludes units paying no cash rent. Rent, Home Value, and Units in Structure data are complete counts in 1990 and sample counts in 2000, so changes in enumeration can affect comparability.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri converted 1990 Census data into 2000 geography.



1990-2000 Comparison Profile

Prepared by Laird GoldsboroughMAI

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	1990		Census 2000		1990-2000
	Number	Percent	Number	Percent	Annual Rate
Population 16+ by Employment Status					
Total	91,154	100.0%	87,749	100.0%	-0.38%
In Labor Force	61,890	67.9%	59,382	67.7%	-0.41%
Civilian Employed	59,786	65.6%	58,042	66.1%	-0.30%
Civilian Unemployed	1,984	2.2%	1,335	1.5%	-3.88%
In Armed Forces	120	0.1%	5	0.0%	-27.23%
Not in Labor Force	29,264	32.1%	28,367	32.3%	-0.31%
Workers 16+ by Place of Work					
Total	59,065	100.0%	57,397	100.0%	-0.29%
Worked in State of Residence	37,294	63.1%	38,533	67.1%	0.33%
Worked in County of Residence	31,976	54.1%	33,573	58.5%	0.49%
Worked outside County of Residence	5,318	9.0%	4,960	8.6%	-0.69%
Worked outside State of Residence	21,771	36.9%	18,864	32.9%	-1.42%
Workers 16+ by Transportation to Work					
Total	59,065	100.0%	57,397	100.0%	-0.29%
Drove Alone - Car, Truck, or Van	50,095	84.8%	49,479	86.2%	-0.12%
Carpooled - Car, Truck, or Van	4,627	7.8%	3,161	5.5%	-3.74%
Public Transportation	725	1.2%	573	1.0%	-2.33%
Walked	1,011	1.7%	808	1.4%	-2.22%
Other Means	393	0.7%	359	0.6%	-0.90%
Worked at Home	2,214	3.7%	3,017	5.3%	3.14%
Workers 16+ by Travel Time to Work					
Total	59,066	100.0%	57,395	100.0%	-0.29%
Did not Work at Home	56,852	96.3%	54,378	94.7%	-0.44%
Less than 5 minutes	1,465	2.5%	1,420	2.5%	-0.31%
5 to 9 minutes	6,738	11.4%	6,500	11.3%	-0.36%
10 to 19 minutes	22,906	38.8%	22,264	38.8%	-0.28%
20 to 24 minutes	12,372	20.9%	11,549	20.1%	-0.69%
25 to 34 minutes	10,206	17.3%	9,315	16.2%	-0.91%
35 to 44 minutes	1,182	2.0%	1,195	2.1%	0.11%
45 to 59 minutes	1,099	1.9%	960	1.7%	-1.34%
60 to 89 minutes	524	0.9%	523	0.9%	-0.02%
90 or more minutes	360	0.6%	652	1.1%	6.12%
Worked at Home	2,214	3.7%	3,017	5.3%	3.14%
Average Travel Time to Work (in minutes)	18.2		19.2		0.54%
Population 15+ by Sex and Marital Status					
Total	91,862	100.0%	88,840	100.0%	-0.33%
Females	49,521	53.9%	47,732	53.7%	-0.37%
Never Married	10,505	11.4%	11,051	12.4%	0.51%
Married, not Separated	27,100	29.5%	24,841	28.0%	-0.87%
Married, Separated	462	0.5%	452	0.5%	-0.22%
Widowed	6,141	6.7%	5,440	6.1%	-1.20%
Divorced	5,313	5.8%	5,948	6.7%	1.14%
Males	42,341	46.1%	41,108	46.3%	-0.30%
Never Married	10,899	11.9%	11,621	13.1%	0.64%
Married, not Separated	27,098	29.5%	24,565	27.7%	-0.98%
Married, Separated	313	0.3%	324	0.4%	0.35%
Widowed	1,074	1.2%	1,162	1.3%	0.79%
Divorced	2,957	3.2%	3,436	3.9%	1.51%

Data Note: Marital status data are complete counts in 1990 and sample counts in Census 2000, so changes in enumeration can affect comparability.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri converted 1990 Census data into 2000 geography.



1990-2000 Comparison Profile

Prepared by Laird GoldsboroughMAI

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Custom Polygon

	1990		Census 2000		1990-2000
	Number	Percent	Number	Percent	Annual Rate
Population by Race					
Total	111,088	100.0%	107,153	100.0%	-0.36%
White Alone	105,118	94.6%	99,509	92.9%	-0.55%
Black or African American Alone	1,771	1.6%	2,311	2.2%	2.70%
American Indian or Alaskan Native Alone	281	0.3%	298	0.3%	0.59%
Asian Alone	1,380	1.2%	1,854	1.7%	3.00%
Pacific Islander Alone	22	0.0%	36	0.0%	5.05%
Some Other Race Alone	1,115	1.0%	1,605	1.5%	3.71%
Two or More Races	1,401	1.3%	1,540	1.4%	0.95%
Diversity Index	15.0		20.6		3.22%
Hispanic Population by Race					
Total	2,944	100.0%	4,458	100.0%	4.24%
White Alone	1,791	60.8%	2,480	55.6%	3.31%
Black or African American Alone	29	1.0%	77	1.7%	10.26%
American Indian or Alaskan Native Alone	24	0.8%	32	0.7%	2.92%
Asian or Pacific Islander Alone	23	0.8%	17	0.4%	-2.98%
Some Other Race Alone	1,043	35.4%	1,491	33.4%	3.64%
Two or More Races	34	1.2%	361	8.1%	26.65%
Population 3+ by School Enrollment					
Total	106,400	100.0%	103,349	100.0%	-0.29%
Enrolled in Public Preschool/Kindergarten	910	0.9%	1,278	1.2%	3.45%
Enrolled in Private Preschool/Kindergarten	1,460	1.4%	1,956	1.9%	2.97%
Enrolled in Public Elementary/High School	9,926	9.3%	10,790	10.4%	0.84%
Enrolled in Private Elementary/High School	3,418	3.2%	3,939	3.8%	1.43%
Enrolled in Public College	6,350	6.0%	5,112	4.9%	-2.15%
Enrolled in Private College	1,588	1.5%	1,812	1.8%	1.33%
Not Enrolled in School	82,748	77.8%	78,462	75.9%	-0.53%
Population 25+ by Educational Attainment					
Total	81,178	100.0%	78,216	100.0%	-0.37%
Less than 9th Grade	1,991	2.5%	892	1.1%	-7.72%
9th - 12th Grade, No Diploma	3,689	4.5%	2,538	3.2%	-3.67%
High School Graduate	14,362	17.7%	11,714	15.0%	-2.02%
Some College, No Degree	18,976	23.4%	17,353	22.2%	-0.89%
Associate Degree	4,053	5.0%	3,612	4.6%	-1.15%
Bachelor's Degree	24,703	30.4%	26,435	33.8%	0.68%
Master's/Professional/Doctorate Degree	13,404	16.5%	15,672	20.0%	1.58%

Data Note: The 1990 Census reported population by single races only. Esri estimates the multiracial population from 1990 Census data for the total population. In the 1990 Census, "Asian" and "Pacific Islander" were not reported separately for the Hispanic Origin population. To compare the data, "Asian" and "Pacific Islander" are combined in 2000. The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri converted 1990 Census data into 2000 geography.



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2000 Total Population	263,801
2000 Group Quarters	3,036
2010 Total Population	279,866
2015 Total Population	287,067
2010 - 2015 Annual Rate	0.51%



2000 Households	113,029
2000 Average Household Size	2.31
2010 Households	122,219
2010 Average Household Size	2.26
2015 Households	126,051
2015 Average Household Size	2.25
2010 - 2015 Annual Rate	0.62%
2000 Families	69,537
2000 Average Family Size	2.96
2010 Families	72,145
2010 Average Family Size	2.94
2015 Families	73,391
2015 Average Family Size	2.93
2010 - 2015 Annual Rate	0.34%



2000 Housing Units	118,030
Owner Occupied Housing Units	64.9%
Renter Occupied Housing Units	30.9%
Vacant Housing Units	4.2%
2010 Housing Units	130,011
Owner Occupied Housing Units	63.0%
Renter Occupied Housing Units	31.0%
Vacant Housing Units	6.0%
2015 Housing Units	135,027
Owner Occupied Housing Units	62.6%
Renter Occupied Housing Units	30.7%
Vacant Housing Units	6.6%

Median Household Income

2000	\$57,728
2010	\$73,845
2015	\$83,766

Median Home Value

2000	\$152,122
2010	\$195,347
2015	\$230,484

Per Capita Income

2000	\$34,233
2010	\$41,811
2015	\$46,566

Median Age

2000	37.4
2010	39.7
2015	40.1

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by total population. Detail may not sum to totals due to rounding.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



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**2000 Households by Income**

Household Income Base	112,990
< \$15,000	6.8%
\$15,000 - \$24,999	8.3%
\$25,000 - \$34,999	11.1%
\$35,000 - \$49,999	16.2%
\$50,000 - \$74,999	21.8%
\$75,000 - \$99,999	13.4%
\$100,000 - \$149,999	12.6%
\$150,000 - \$199,999	4.1%
\$200,000+	5.6%
Average Household Income	\$79,212

2010 Households by Income

Household Income Base	122,220
< \$15,000	4.7%
\$15,000 - \$24,999	5.3%
\$25,000 - \$34,999	5.6%
\$35,000 - \$49,999	15.0%
\$50,000 - \$74,999	20.1%
\$75,000 - \$99,999	16.3%
\$100,000 - \$149,999	20.0%
\$150,000 - \$199,999	6.1%
\$200,000+	6.9%
Average Household Income	\$95,459

2015 Households by Income

Household Income Base	126,052
< \$15,000	3.5%
\$15,000 - \$24,999	3.8%
\$25,000 - \$34,999	4.0%
\$35,000 - \$49,999	9.4%
\$50,000 - \$74,999	22.7%
\$75,000 - \$99,999	15.5%
\$100,000 - \$149,999	25.7%
\$150,000 - \$199,999	7.4%
\$200,000+	8.0%
Average Household Income	\$105,733

2000 Owner Occupied HUs by Value

Total	76,575
<\$50,000	1.4%
\$50,000 - 99,999	16.4%
\$100,000 - 149,999	31.2%
\$150,000 - 199,999	21.2%
\$200,000 - \$299,999	18.0%
\$300,000 - 499,999	8.4%
\$500,000 - 999,999	2.9%
\$1,000,000+	0.5%
Average Home Value	\$191,743

2000 Specified Renter Occupied HUs by Contract Rent

Total	36,309
With Cash Rent	97.8%
No Cash Rent	2.2%
Median Rent	\$639
Average Rent	\$711

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest, dividends, net rents, pensions, SSI and welfare payments, child support and alimony. Specified Renter Occupied Housing Units exclude houses on 10+ acres. Average Rent excludes units paying no cash rent.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



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2000 Population by Age

Total	263,800
Age 0 - 4	6.4%
Age 5 - 9	6.5%
Age 10 - 14	6.7%
Age 15 - 19	5.8%
Age 20 - 24	5.5%
Age 25 - 34	15.2%
Age 35 - 44	16.6%
Age 45 - 54	15.0%
Age 55 - 64	8.5%
Age 65 - 74	6.6%
Age 75 - 84	5.2%
Age 85+	2.0%
Age 18+	76.5%

2010 Population by Age

Total	279,866
Age 0 - 4	6.1%
Age 5 - 9	6.1%
Age 10 - 14	6.4%
Age 15 - 19	5.9%
Age 20 - 24	6.2%
Age 25 - 34	12.8%
Age 35 - 44	14.2%
Age 45 - 54	15.6%
Age 55 - 64	12.6%
Age 65 - 74	6.7%
Age 75 - 84	4.8%
Age 85+	2.7%
Age 18+	77.7%

2015 Population by Age

Total	287,066
Age 0 - 4	6.0%
Age 5 - 9	6.1%
Age 10 - 14	6.3%
Age 15 - 19	5.8%
Age 20 - 24	5.9%
Age 25 - 34	13.8%
Age 35 - 44	13.0%
Age 45 - 54	14.3%
Age 55 - 64	13.0%
Age 65 - 74	8.7%
Age 75 - 84	4.5%
Age 85+	2.7%
Age 18+	78.0%

2000 Population by Sex

Males	48.1%
Females	51.9%

2010 Population by Sex

Males	48.3%
Females	51.7%

2015 Population by Sex

Males	48.5%
Females	51.5%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



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2000 Population by Race/Ethnicity

Total	263,801
White Alone	91.0%
Black Alone	2.7%
American Indian Alone	0.3%
Asian or Pacific Islander Alone	3.1%
Some Other Race Alone	1.5%
Two or More Races	1.4%
Hispanic Origin	4.1%
Diversity Index	23.5

2010 Population by Race/Ethnicity

Total	279,867
White Alone	86.1%
Black Alone	4.5%
American Indian Alone	0.4%
Asian or Pacific Islander Alone	4.5%
Some Other Race Alone	2.5%
Two or More Races	2.0%
Hispanic Origin	7.2%
Diversity Index	35.4

2015 Population by Race/Ethnicity

Total	287,065
White Alone	84.2%
Black Alone	5.0%
American Indian Alone	0.4%
Asian or Pacific Islander Alone	5.2%
Some Other Race Alone	2.9%
Two or More Races	2.3%
Hispanic Origin	8.7%
Diversity Index	39.9



2000 Population 3+ by School Enrollment

Total	253,849
Enrolled in Nursery/Preschool	2.3%
Enrolled in Kindergarten	1.5%
Enrolled in Grade 1-8	11.1%
Enrolled in Grade 9-12	5.3%
Enrolled in College	4.2%
Enrolled in Grad/Prof School	1.9%
Not Enrolled in School	73.8%

2010 Population 25+ by Educational Attainment

Total	194,232
Less than 9th Grade	1.1%
9th - 12th Grade, No Diploma	2.3%
High School Graduate	14.1%
Some College, No Degree	20.3%
Associate Degree	6.2%
Bachelor's Degree	35.5%
Graduate/Professional Degree	20.5%

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



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**2010 Population 15+ by Marital Status**

Total	227,922
Never Married	27.8%
Married	54.7%
Widowed	5.9%
Divorced	11.5%

**2000 Population 16+ by Employment Status**

Total	208,808
In Labor Force	70.9%
Civilian Employed	69.3%
Civilian Unemployed	1.6%
In Armed Forces	0.0%
Not in Labor Force	29.1%

2010 Civilian Population 16+ in Labor Force

Civilian Employed	93.9%
Civilian Unemployed	6.1%

2015 Civilian Population 16+ in Labor Force

Civilian Employed	94.8%
Civilian Unemployed	5.2%

2000 Females 16+ by Employment Status and Age of Children

Total	110,360
Own Children < 6 Only	7.6%
Employed/in Armed Forces	4.7%
Unemployed	0.1%
Not in Labor Force	2.8%
Own Children < 6 and 6-17 Only	5.6%
Employed/in Armed Forces	3.2%
Unemployed	0.1%
Not in Labor Force	2.3%
Own Children 6-17 Only	16.4%
Employed/in Armed Forces	12.5%
Unemployed	0.2%
Not in Labor Force	3.7%
No Own Children < 18	70.4%
Employed/in Armed Forces	41.1%
Unemployed	1.0%
Not in Labor Force	28.4%

**2010 Employed Population 16+ by Industry**

Total	136,790
Agriculture/Mining	0.2%
Construction	4.3%
Manufacturing	6.8%
Wholesale Trade	4.3%
Retail Trade	10.5%
Transportation/Utilities	3.4%
Information	5.7%
Finance/Insurance/Real Estate	13.0%
Services	48.1%
Public Administration	3.7%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



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2010 Employed Population 16+ by Occupation

Total	136,789
White Collar	80.2%
Management/Business/Financial	21.2%
Professional	30.0%
Sales	16.1%
Administrative Support	13.0%
Services	10.8%
Blue Collar	9.0%
Farming/Forestry/Fishing	0.1%
Construction/Extraction	2.6%
Installation/Maintenance/Repair	1.5%
Production	2.5%
Transportation/Material Moving	2.3%



2000 Workers 16+ by Means of Transportation to Work

Total	142,873
Drove Alone - Car, Truck, or Van	86.6%
Carpooled - Car, Truck, or Van	6.1%
Public Transportation	0.7%
Walked	1.0%
Other Means	0.5%
Worked at Home	5.0%

2000 Workers 16+ by Travel Time to Work

Total	142,873
Did Not Work at Home	95.0%
Less than 5 minutes	2.3%
5 to 9 minutes	11.3%
10 to 19 minutes	39.5%
20 to 24 minutes	17.4%
25 to 34 minutes	17.4%
35 to 44 minutes	3.1%
45 to 59 minutes	2.1%
60 to 89 minutes	1.1%
90 or more minutes	0.8%
Worked at Home	5.0%
Average Travel Time to Work (in min)	19.2

2000 Households by Vehicles Available

Total	112,963
None	4.4%
1	35.0%
2	46.0%
3	11.2%
4	2.8%
5+	0.7%
Average Number of Vehicles Available	1.8

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015.



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2000 Households by Type

Total	113,030
Family Households	61.5%
Married-couple Family	51.8%
With Related Children	23.6%
Other Family (No Spouse)	9.7%
With Related Children	5.9%
Nonfamily Households	38.5%
Householder Living Alone	31.6%
Householder Not Living Alone	6.9%
Households with Related Children	29.5%
Households with Persons 65+	21.6%

2000 Households by Size

Total	113,029
1 Person Household	31.6%
2 Person Household	35.2%
3 Person Household	13.8%
4 Person Household	12.3%
5 Person Household	5.1%
6 Person Household	1.5%
7+ Person Household	0.6%

2000 Households by Year Householder Moved In

Total	112,965
Moved in 1999 to March 2000	22.6%
Moved in 1995 to 1998	29.7%
Moved in 1990 to 1994	16.6%
Moved in 1980 to 1989	15.3%
Moved in 1970 to 1979	7.9%
Moved in 1969 or Earlier	7.8%
Median Year Householder Moved In	1995



2000 Housing Units by Units in Structure

Total	118,003
1, Detached	64.8%
1, Attached	6.6%
2	1.6%
3 or 4	4.2%
5 to 9	7.8%
10 to 19	6.6%
20+	8.3%
Mobile Home	0.1%
Other	0.0%

2000 Housing Units by Year Structure Built

Total	117,995
1999 to March 2000	1.2%
1995 to 1998	7.2%
1990 to 1994	7.3%
1980 to 1989	20.2%
1970 to 1979	15.1%
1969 or Earlier	49.0%
Median Year Structure Built	1971

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.



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Top 3 Tapestry Segments

1.	Prosperous Empty Nesters
2.	Young and Restless
3.	Connoisseurs



2010 Consumer Spending shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue.

Apparel & Services: Total \$	\$284,249,225
Average Spent	\$2,325.74
Spending Potential Index	97
Computers & Accessories: Total \$	\$37,369,800
Average Spent	\$305.76
Spending Potential Index	139
Education: Total \$	\$214,680,757
Average Spent	\$1,756.53
Spending Potential Index	144
Entertainment/Recreation: Total \$	\$548,527,231
Average Spent	\$4,488.07
Spending Potential Index	139
Food at Home: Total \$	\$731,527,746
Average Spent	\$5,985.38
Spending Potential Index	134
Food Away from Home: Total \$	\$541,795,419
Average Spent	\$4,432.99
Spending Potential Index	138
Health Care: Total \$	\$602,097,309
Average Spent	\$4,926.38
Spending Potential Index	132
HH Furnishings & Equipment: Total \$	\$305,458,571
Average Spent	\$2,499.27
Spending Potential Index	121
Investments: Total \$	\$287,303,880
Average Spent	\$2,350.73
Spending Potential Index	135
Retail Goods: Total \$	\$3,942,010,111
Average Spent	\$32,253.66
Spending Potential Index	130
Shelter: Total \$	\$2,715,417,325
Average Spent	\$22,217.64
Spending Potential Index	141
TV/Video/Audio: Total \$	\$205,543,861
Average Spent	\$1,681.77
Spending Potential Index	135
Travel: Total \$	\$327,283,597
Average Spent	\$2,677.85
Spending Potential Index	141
Vehicle Maintenance & Repairs: Total \$	\$157,110,510
Average Spent	\$1,285.48
Spending Potential Index	136

Data Note: The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

Source: Consumer Spending data are derived from the 2005 and 2006 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.



1990-2000 Comparison Profile

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	1990		Census 2000		1990-2000
	Number	Percent	Number	Percent	Annual Rate
Total Population	234,445	-	263,801	-	1.19%
Total Households	98,273	100.0%	113,029	100.0%	1.41%
Average Household Size	2.37	-	2.31	-	-0.26%
Total Families	64,561	65.7%	69,537	61.5%	0.75%
Average Family Size	2.95	-	2.96	-	0.03%
Per Capita Income	\$23,721	-	\$34,233	-	3.74%
Total Housing Units	104,704	-	118,030	-	1.21%
Population by Sex					
Male	111,280	47.5%	126,934	48.1%	1.32%
Female	123,167	52.5%	136,866	51.9%	1.06%
Population by Age					
Total	234,445	100.0%	263,802	100.0%	1.19%
Age 0 - 4	16,634	7.1%	16,788	6.4%	0.09%
Age 5 - 9	15,713	6.7%	17,105	6.5%	0.85%
Age 10 - 14	13,925	5.9%	17,771	6.7%	2.47%
Age 15 - 19	12,548	5.4%	15,354	5.8%	2.04%
Age 20 - 24	13,977	6.0%	14,528	5.5%	0.39%
Age 25 - 29	22,210	9.5%	20,484	7.8%	-0.81%
Age 30 - 34	22,257	9.5%	19,570	7.4%	-1.28%
Age 35 - 39	21,197	9.0%	21,846	8.3%	0.30%
Age 40 - 44	19,191	8.2%	22,053	8.4%	1.40%
Age 45 - 49	14,128	6.0%	21,078	8.0%	4.08%
Age 50 - 54	11,074	4.7%	18,481	7.0%	5.25%
Age 55 - 59	10,211	4.4%	12,891	4.9%	2.36%
Age 60 - 64	10,597	4.5%	9,617	3.6%	-0.97%
Age 65 - 69	10,409	4.4%	8,617	3.3%	-1.87%
Age 70 - 74	7,760	3.3%	8,708	3.3%	1.16%
Age 75 - 79	5,634	2.4%	8,092	3.1%	3.69%
Age 80 - 84	3,761	1.6%	5,597	2.1%	4.06%
Age 85+	3,219	1.4%	5,222	2.0%	4.96%
Median Age	35.0		37.4		0.67%
Age 18+	180,234	76.9%	201,883	76.5%	1.14%
Age 65+	30,783	13.1%	36,236	13.7%	1.64%
Households by Household Income					
Household Income Base	98,380	100.0%	112,990	100.0%	1.39%
<\$15,000	10,943	11.1%	7,724	6.8%	-3.42%
\$15,000 - \$24,999	13,576	13.8%	9,372	8.3%	-3.64%
\$25,000 - \$34,999	14,987	15.2%	12,576	11.1%	-1.74%
\$35,000 - \$49,999	18,930	19.2%	18,344	16.2%	-0.31%
\$50,000 - \$74,999	20,782	21.1%	24,659	21.8%	1.73%
\$75,000 - \$99,999	8,540	8.7%	15,185	13.4%	5.92%
\$100,000 - \$149,999	5,963	6.1%	14,195	12.6%	9.06%
\$150,000+	4,659	4.7%	10,935	9.7%	8.91%
Median Household Income	\$41,861		\$57,728		3.27%
Average Household Income	\$56,298		\$79,212		3.47%

Data Note: Detail may not sum to totals due to rounding. Census 2000 medians are computed from reported data distributions. The "1990-2000 Annual Rate" is an annual compound rate.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri converted 1990 Census data into 2000 geography.



1990-2000 Comparison Profile

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	1990		Census 2000		1990-2000
	Number	Percent	Number	Percent	Annual Rate
Families by Family Income					
Family Income Base	65,097	100.0%	69,668	100.0%	0.68%
<\$15,000	3,044	4.7%	1,856	2.7%	-4.83%
\$15,000 - \$24,999	5,725	8.8%	3,056	4.4%	-6.08%
\$25,000 - \$34,999	8,544	13.1%	4,935	7.1%	-5.34%
\$35,000 - \$49,999	13,296	20.4%	9,064	13.0%	-3.76%
\$50,000 - \$74,999	17,248	26.5%	16,498	23.7%	-0.44%
\$75,000 - \$99,999	7,632	11.7%	12,045	17.3%	4.67%
\$100,000 - \$149,999	5,287	8.1%	12,218	17.5%	8.74%
\$150,000+	4,321	6.6%	9,996	14.3%	8.75%
Median Family Income	\$51,880		\$73,910		3.60%
Average Family Income	\$68,203		\$98,803		3.78%
Households by Poverty Status and Household Type					
Total	98,381	100.0%	112,989	100.0%	1.39%
Below Poverty Level	3,883	3.9%	4,503	4.0%	1.49%
Married-couple Family	726	0.7%	773	0.7%	0.63%
Other Family - Male Householder, No Wife	98	0.1%	101	0.1%	0.30%
Other Family - Female Householder, No Husband	534	0.5%	618	0.5%	1.47%
Nonfamily Households	2,525	2.6%	3,011	2.7%	1.78%
At or Above Poverty Level	94,498	96.1%	108,486	96.0%	1.39%
Married-couple Family	55,580	56.5%	58,487	51.8%	0.51%
Other Family - Male Householder, No Wife	1,690	1.7%	2,506	2.2%	4.02%
Other Family - Female Householder, No Husband	6,157	6.3%	7,183	6.4%	1.55%
Nonfamily Households	31,071	31.6%	40,310	35.7%	2.64%
Households by Type					
Total	98,273	100.0%	113,030	100.0%	1.41%
Family Households	64,561	65.7%	69,537	61.5%	0.75%
Married-couple Families	55,421	56.4%	58,576	51.8%	0.56%
With Related Children	24,786	25.2%	26,658	23.6%	0.73%
Other Family (No Spouse Present)	9,140	9.3%	10,961	9.7%	1.83%
With Related Children	5,122	5.2%	6,675	5.9%	2.68%
Nonfamily Households	33,712	34.3%	43,493	38.5%	2.58%
Householder Living Alone	27,974	28.5%	35,663	31.6%	2.46%
Householder not Living Alone	5,738	5.8%	7,830	6.9%	3.16%
Households with Related Children	29,908	30.4%	33,333	29.5%	1.09%
Households by Vehicles Available					
Total	98,275	100.0%	112,963	100.0%	1.40%
None	4,139	4.2%	4,939	4.4%	1.78%
1	32,495	33.1%	39,506	35.0%	1.97%
2	46,064	46.9%	51,926	46.0%	1.21%
3	12,081	12.3%	12,661	11.2%	0.47%
4	2,883	2.9%	3,137	2.8%	0.85%
5+	613	0.6%	794	0.7%	2.62%
Average Number of Vehicles Available	1.8		1.8		0.00%

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri converted 1990 Census data into 2000 geography.



1990-2000 Comparison Profile

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	1990		Census 2000		1990-2000
	Number	Percent	Number	Percent	Annual Rate
Housing Units by Occupancy					
Total	104,708	100.0%	118,037	100.0%	1.21%
Occupied Housing Units	98,273	93.9%	113,029	95.8%	1.41%
Owner Occupied Housing Units	65,972	63.0%	76,555	64.9%	1.50%
Renter Occupied Housing Units	32,301	30.8%	36,474	30.9%	1.22%
Vacant Housing Units	6,435	6.1%	5,008	4.2%	-2.48%
For Rent	3,424	3.3%	2,677	2.3%	-2.43%
For Sale Only	1,541	1.5%	628	0.5%	-8.59%
Rented or Sold, not Occupied	399	0.4%	381	0.3%	-0.46%
For Seasonal/Recreational/Occasional Use	207	0.2%	593	0.5%	11.10%
For Migrant Workers	1	0.0%	2	0.0%	7.18%
Other Vacant	863	0.8%	727	0.6%	-1.70%
Housing Units by Units in Structure					
Total	104,705	100.0%	118,003	100.0%	1.20%
1, Detached	68,134	65.1%	76,428	64.8%	1.16%
1, Attached	7,357	7.0%	7,747	6.6%	0.52%
2	1,491	1.4%	1,881	1.6%	2.35%
3 or 4	4,149	4.0%	4,979	4.2%	1.84%
5 to 9	7,968	7.6%	9,243	7.8%	1.50%
10 to 19	7,660	7.3%	7,801	6.6%	0.18%
20+	7,444	7.1%	9,785	8.3%	2.77%
Mobile Home	23	0.0%	102	0.1%	16.06%
Other	479	0.5%	37	0.0%	-22.59%
Specified Owner Occupied Housing Units by Value					
Total	61,143	100.0%	72,087	100.0%	1.66%
<\$50,000	3,242	5.3%	904	1.3%	-11.99%
\$50,000 - \$99,999	30,882	50.5%	11,181	15.5%	-9.66%
\$100,000 - \$149,999	14,367	23.5%	22,840	31.7%	4.74%
\$150,000 - \$199,999	6,030	9.9%	15,477	21.5%	9.88%
\$200,000 - \$299,999	3,938	6.4%	13,186	18.3%	12.85%
\$300,000 - \$499,999	1,951	3.2%	6,013	8.3%	11.91%
\$500,000+	733	1.2%	2,486	3.4%	12.99%
Median Home Value	\$94,345		\$153,296		4.97%
Average Home Value	\$121,095		\$193,105		4.78%
Specified Renter Occupied Housing Units by Rent					
Total	32,054	100.0%	36,309	100.0%	1.25%
With Cash Rent	31,529	98.4%	35,527	97.8%	1.20%
<\$200	706	2.2%	534	1.5%	-2.75%
\$200 - \$499	19,491	60.8%	6,293	17.3%	-10.69%
\$500 - \$749	9,195	28.7%	17,871	49.2%	6.87%
\$750 - \$999	1,262	3.9%	6,978	19.2%	18.65%
\$1,000+	875	2.7%	3,851	10.6%	15.97%
No Cash Rent	525	1.6%	782	2.2%	4.07%
Median Rent	\$447		\$639		3.64%
Average Rent	\$486		\$711		3.88%

Data Note: Specified owner occupied Housing Units include only single family units on less than 10 acres, with no business or medical office on site. Specified renter occupied HUs exclude single family units on 10+ acres. Average Rent excludes units paying no cash rent. Rent, Home Value, and Units in Structure data are complete counts in 1990 and sample counts in 2000, so changes in enumeration can affect comparability.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri converted 1990 Census data into 2000 geography.



1990-2000 Comparison Profile

Prepared by Laird GoldsboroughMAI

SMA

Custom Polygon

	1990		Census 2000		1990-2000
	Number	Percent	Number	Percent	Annual Rate
Population 16+ by Employment Status					
Total	185,672	100.0%	208,807	100.0%	1.18%
In Labor Force	133,940	72.1%	148,135	70.9%	1.01%
Civilian Employed	129,714	69.9%	144,701	69.3%	1.10%
Civilian Unemployed	3,975	2.1%	3,355	1.6%	-1.68%
In Armed Forces	251	0.1%	79	0.0%	-10.92%
Not in Labor Force	51,732	27.9%	60,672	29.1%	1.61%
Workers 16+ by Place of Work					
Total	127,916	100.0%	142,873	100.0%	1.11%
Worked in State of Residence	85,606	66.9%	102,314	71.6%	1.80%
Worked in County of Residence	74,692	58.4%	91,538	64.1%	2.05%
Worked outside County of Residence	10,914	8.5%	10,776	7.5%	-0.13%
Worked outside State of Residence	42,310	33.1%	40,559	28.4%	-0.42%
Workers 16+ by Transportation to Work					
Total	127,915	100.0%	142,873	100.0%	1.11%
Drove Alone - Car, Truck, or Van	109,759	85.8%	123,781	86.6%	1.21%
Carpooled - Car, Truck, or Van	9,996	7.8%	8,661	6.1%	-1.42%
Public Transportation	1,048	0.8%	980	0.7%	-0.67%
Walked	1,812	1.4%	1,479	1.0%	-2.01%
Other Means	816	0.6%	762	0.5%	-0.68%
Worked at Home	4,484	3.5%	7,210	5.0%	4.86%
Workers 16+ by Travel Time to Work					
Total	127,918	100.0%	142,873	100.0%	1.11%
Did not Work at Home	123,434	96.5%	135,663	95.0%	0.95%
Less than 5 minutes	3,328	2.6%	3,231	2.3%	-0.30%
5 to 9 minutes	15,278	11.9%	16,089	11.3%	0.52%
10 to 19 minutes	48,738	38.1%	56,482	39.5%	1.49%
20 to 24 minutes	23,718	18.5%	24,926	17.4%	0.50%
25 to 34 minutes	23,474	18.4%	24,818	17.4%	0.56%
35 to 44 minutes	4,129	3.2%	4,463	3.1%	0.78%
45 to 59 minutes	2,770	2.2%	2,952	2.1%	0.64%
60 to 89 minutes	1,093	0.9%	1,512	1.1%	3.30%
90 or more minutes	906	0.7%	1,190	0.8%	2.76%
Worked at Home	4,484	3.5%	7,210	5.0%	4.86%
Average Travel Time to Work (in minutes)	18.6		19.2		0.32%
Population 15+ by Sex and Marital Status					
Total	188,173	100.0%	212,096	100.0%	1.20%
Females	100,463	53.4%	112,044	52.8%	1.10%
Never Married	21,780	11.6%	25,361	12.0%	1.53%
Married, not Separated	56,501	30.0%	61,943	29.2%	0.92%
Married, Separated	1,055	0.6%	1,113	0.5%	0.54%
Widowed	10,299	5.5%	10,737	5.1%	0.42%
Divorced	10,828	5.8%	12,890	6.1%	1.76%
Males	87,710	46.6%	100,052	47.2%	1.33%
Never Married	22,550	12.0%	27,703	13.1%	2.08%
Married, not Separated	56,561	30.1%	61,473	29.0%	0.84%
Married, Separated	712	0.4%	807	0.4%	1.26%
Widowed	1,657	0.9%	2,220	1.0%	2.97%
Divorced	6,230	3.3%	7,849	3.7%	2.34%

Data Note: Marital status data are complete counts in 1990 and sample counts in Census 2000, so changes in enumeration can affect comparability.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri converted 1990 Census data into 2000 geography.



1990-2000 Comparison Profile

Prepared by Laird GoldsboroughMAI

SMA

Custom Polygon

	1990		Census 2000		1990-2000
	Number	Percent	Number	Percent	Annual Rate
Population by Race					
Total	234,445	100.0%	263,801	100.0%	1.19%
White Alone	220,270	94.0%	239,972	91.0%	0.86%
Black or African American Alone	4,648	2.0%	7,227	2.7%	4.51%
American Indian or Alaskan Native Alone	641	0.3%	731	0.3%	1.32%
Asian Alone	3,955	1.7%	8,137	3.1%	7.48%
Pacific Islander Alone	61	0.0%	94	0.0%	4.42%
Some Other Race Alone	1,861	0.8%	3,850	1.5%	7.54%
Two or More Races	3,009	1.3%	3,790	1.4%	2.33%
Diversity Index	15.7		23.5		4.12%
Hispanic Population by Race					
Total	5,471	100.0%	10,716	100.0%	6.95%
White Alone	3,499	64.0%	6,079	56.7%	5.68%
Black or African American Alone	76	1.4%	160	1.5%	7.73%
American Indian or Alaskan Native Alone	49	0.9%	78	0.7%	4.76%
Asian or Pacific Islander Alone	69	1.3%	39	0.4%	-5.55%
Some Other Race Alone	1,724	31.5%	3,565	33.3%	7.54%
Two or More Races	54	1.0%	795	7.4%	30.86%
Population 3+ by School Enrollment					
Total	224,337	100.0%	253,849	100.0%	1.24%
Enrolled in Public Preschool/Kindergarten	2,639	1.2%	4,530	1.8%	5.55%
Enrolled in Private Preschool/Kindergarten	3,555	1.6%	5,059	2.0%	3.59%
Enrolled in Public Elementary/High School	26,660	11.9%	32,605	12.8%	2.03%
Enrolled in Private Elementary/High School	6,253	2.8%	8,868	3.5%	3.56%
Enrolled in Public College	13,812	6.2%	11,744	4.6%	-1.61%
Enrolled in Private College	3,213	1.4%	3,779	1.5%	1.64%
Not Enrolled in School	168,205	75.0%	187,264	73.8%	1.08%
Population 25+ by Educational Attainment					
Total	161,984	100.0%	182,727	100.0%	1.21%
Less than 9th Grade	3,350	2.1%	2,380	1.3%	-3.36%
9th - 12th Grade, No Diploma	6,974	4.3%	5,646	3.1%	-2.09%
High School Graduate	28,938	17.9%	27,351	15.0%	-0.56%
Some College, No Degree	38,287	23.6%	40,830	22.3%	0.65%
Associate Degree	9,801	6.1%	9,981	5.5%	0.18%
Bachelor's Degree	50,322	31.1%	61,926	33.9%	2.10%
Master's/Professional/Doctorate Degree	24,312	15.0%	34,613	18.9%	3.60%

Data Note: The 1990 Census reported population by single races only. Esri estimates the multiracial population from 1990 Census data for the total population. In the 1990 Census, "Asian" and "Pacific Islander" were not reported separately for the Hispanic Origin population. To compare the data, "Asian" and "Pacific Islander" are combined in 2000. The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri converted 1990 Census data into 2000 geography.

GLOSSARY

GLOSSARY

Unless otherwise noted, the following definitions are taken from The Dictionary of Real Estate Appraisal, Fourth Edition, published by the Appraisal Institute in 2002.

Accrued Depreciation

The difference between the reproduction or replacement cost of the improvements on the effective date of the appraisal and the market value of the improvements on the same date. (p. 4)

Appraisal

(*n.*) The act or process of developing an opinion of value; an opinion of value. (*adj.*) Of or pertaining to appraising and related functions such as appraisal practice or appraisal services. (USPAP, 2002 ed.) (p. 15)

Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

(USPAP, 2002 ed.) (p. 107)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (p. 113)

Highest and Best Use

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability. (p. 135)

Hypothetical Condition

That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. A hypothetical condition may be used in an assignment only if:

- Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- Use of the hypothetical condition results in a credible analysis; and

- The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.
(USPAP, 2002 ed.) (p.141)

Investment Value

The specific value of an investment to a particular investor or class of investors based on individual investment requirements; distinguished from market value, which is impersonal and detached. *See also* Market value (p. 152)

Leased Fee Interest

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leasee are specified by contract terms contained within the lease. (p. 161)

Leasehold Interest

The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions. *See also* Negative leasehold; Positive leasehold. (p. 162)

Market Value

The most probable price which a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in US. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994) (p. 177)

Negative Leasehold

A lease situation in which the market rent is less than the contract rent. (p. 193)

Neighborhood

A group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises. (p. 193)

Positive Leasehold

A lease situation in which the market rent is greater than the contract rent.
(p. 215)

Replacement Cost

The estimated cost to construct, at current prices as of the effective appraisal date, a building with utility equivalent to the building being appraised, using modern materials and current standards, design and layout. (p. 244)

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building. (p. 244)

Use Value

The value a specific property has for a specific use; may be the highest and best use of the property or some other use specified as a condition of the appraisal; may be used where legislation has been enacted to preserve farmland, timberland, or other open space land on urban fringes. (p. 303)

ARTICLES

From the Kansas City Business Journal:

<http://www.bizjournals.com/kansascity/print-edition/2011/03/25/on-the-edge-of-a-new-start-kansas.html>

Kansas City's West Edge project needs 'collaborative effort' to restart

Premium content from Kansas City Business Journal - by Krista Klaus, Staff Writer

Date: Friday, March 25, 2011, 5:00am CDT

Related:

[Commercial Real Estate](#)

The view from Kansas City's half-finished **West Edge** hotel is spectacular, but getting to the vantage point requires climbing eight flights in a dusty concrete stairwell.

David Harrison, the newly hired construction manager for the mixed-use project on the fringe of the **Country Club Plaza**, leads an informal tour of the building in his white hard hat and business suit.

"Don't step on any wood," he warns. "We're not sure what's underneath it."

TOUR: *See the inside of West Edge in the video posted with this story*

The top terrace of the hotel, with 180-degree views spanning Plaza rooftops to the east and Shawnee Mission Parkway to the west, is worth the trek.

"It's a great urban feel," Harrison said, overlooking the rooftop eternity swimming pool.

But one pivot tells a very different story, one of daunting challenge: the remaining unfinished shell of the 130-room hotel and, beyond that, the West Edge's 200,000-square-foot, roughed-in office tower.

"This is going to be a real collaborative effort," Harrison said from a plywood balcony covered in orange construction netting. "I need a group of talented people to be on the team. We need to figure out how you take it from this point to the next step."

The West Edge project, on 48th Street between Roanoke Parkway and Belleview Avenue, was the vision of ad executive **Bob Bernstein** and the brainchild of world-renowned architect **Moshe Safdie**. But work on the project ground to a halt in 2008 because of disagreements between Bernstein's Trilogy Development Co. LLC and general contractor **JE Dunn Construction**.

VA West Properties LLC, backed by businessman **Cecil Van Tuyl**, bought Bernstein's \$80 million vision out of bankruptcy for \$9.5 million. VA West brought in Harrison's Caymus

Real Estate LLC last month after a legal dispute between Van Tuyl and former associate **B.B. Andersen**.

Harrison likens finding the right user for the office building — originally designed to be the headquarters of advertising agency Bernstein-Rein — to finding a high-end buyer for a millionaire's customized home.

"There's a dramatic opportunity here. We just have to match the opportunity with users," he said. "The office building design opportunity and challenges are separate from the hotel."

Issues to be worked out include varying floor plates designed to create a "tornadic" visual effect from the lobby, a bank of restrooms located only on one end of the building, a "raised-floor" mechanical system and irregular windows that in some cases span two floors.

The hotel, which will feature 130 rooms, two atria and two restaurants, appears to be the least of Harrison's worries. But there's plenty to be done with it, too.

"There's a 99 percent chance all this stuff is going to come out," he said, surveying electrical wiring in one of the hotel's guest rooms. "It's all been exposed."

Harrison plans to assemble a team to clean up and, where necessary, modify the project. Communications firm Global Prairie joined the team to help reposition the project, which most likely includes replacing the West Edge name.

Harrison said it's all part of handling one of the most challenging development opportunities of his career.

"We want to do what's right for the dirt," he said. "We want to put the history in the rearview mirror."



Krista Klaus reports about real estate and development for the [Kansas City Business Journal](#). Contact her at kklaus@bizjournals.com or 816-777-2242. Read her blog postings at [KCBizBeat](#) or follow her on [Twitter](#).

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Kansas City Business Journal - April 12, 2010
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KANSAS CITY BUSINESS JOURNAL

Friday, April 9, 2010

Mission Farms plows on, expands

Successful project hoes a new row

Kansas City Business Journal - by [Rob Roberts](#) Staff Writer

Driving by the **Mission Farms** development on Interstate 435, you'd have to say, "It's a great location, but you can't get there from here."

Despite its lack of quick highway access, the Leawood project has been successful and now is expanding from the east side to the west side of Mission Road.

The first developers to mix residential, retail and office uses in one Johnson County location, Mission Farms owners Doug Weltner and Mark Sutherland have sold 3.5 acres to local apartment developers Terry O'Leary and Steve Coon of **Land Development Strategies LLC**. O'Leary and Coon plan to break ground later this year for The Village at Mission Farms, a 215-apartment complex with secured parking and other upscale amenities for monthly rates between \$700 and \$1,500. It will kick off a 20-acre expansion west of Mission Road that will include 17 town houses, a 120-room hotel, 100,000 square feet of retail space and as much as 90,000 square feet of offices.

"The thing people don't understand today is that we've only built 15 or 20 percent of this project," said Weltner, a broker and principal with **Grubb & Ellis/The Winbury Group**. "We've got a lot more to build."

Construction in Mission Farms began in 2006 on 27 acres along the east side of Mission Road near 107th Street — a site formerly occupied by the Saddle and Sirloin Club. Three buildings on that site now house 60,000 square feet of retail space, which is 100 percent occupied; 30,000 square feet of office space, which is 85 percent leased; and 60 condominiums, 45 of which have been sold or leased.

Three more buildings housing roughly 150,000 square feet of additional office space are planned on the original 27-acre Mission Farms site, Weltner said. And because that mixed-use development — ultimately a \$200 million project — is doing so well, Weltner has launched another one a few blocks west, between Roe and Nall avenues.

That project, Highlands Village, is being developed on 53 acres by Weltner and Perry Sutherland, Mark Sutherland's cousin.

As part of the infrastructure work for Highland Village and Mission Farms' expansion, the developers are extending Indian Creek Parkway west from Mission Road to Nall Avenue.

That will allow quicker access to and from I-435 for Mission Farms patrons and residents. But David Block, a principal of **Block & Co. Inc. Realtors**, said the development seems to be doing fine without it. Three reasons for Mission Farms' success, Block said, are its visibility from the interstate, the neighborhood feel the developers have created via traditional building designs and materials, and the high-caliber regional restaurateurs and boutique retailers they have attracted.

"But the main reason they're doing well and expanding in this economy is they have no competition over there," Block said. "That makes it conducive for folks who want to get out in that part of the north Johnson County market because it's the only place you can go."

Weltner agreed, adding that O'Leary and Coon "get to build 215 units here, and their closest competitor can't get (a new development site) within three or four miles of them."

O'Leary, a former managing principal for the Kansas City brokerage office of Colliers Turley Martin (now Cassidy Turley), said most suburban apartment projects average about 13 units an acre. His four-story project in Mission Farms will accommodate 60 to 70 units an acre thanks to the dense MXD zoning category that Weltner helped Overland Park and Leawood officials add to their development arsenals. MXD zoning also is in place in Highlands Village, Weltner said.

Both developments also benefit from the Sutherland family lumber fortune. Weltner and the Sutherlands are developing the retail and office portions with 100 percent private financing, and partners with residential experience are being brought in to complete the housing elements.

That practice began with the original 60 condos in Mission Farms, which were developed by **Robben Development Co.** of Leawood. In addition, land on the north side of the existing Mission Farms buildings has been sold to local developer Mike Fox, who plans the Manors of Mission Farms, including 20 town houses and six lakefront homes.

"The residential feel is huge for us because of where we're located, in the middle of a residential neighborhood," Weltner said. "This is a true in-fill market, and we were able to take advantage of that by creating a more quality destination than north Johnson County had seen in some time."

MEDIA



MISSION FARMS EXPANDS



Had there been a highway interchange there, he said, residents of the area probably would have been subjected to a cookie-cutter power retail center rather than the existing blend of shops and gathering spots, which range in local color from Blanc Burgers + Bottles to the Blue Koi.

"This is truly a place where you can live, work and have dinner," Mark Sutherland said, "and when Terry's (apartment) project goes in, it's really going to enhance that atmosphere."

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Kansas City Business Journal - July 13, 2010
[/kansascity/stories/2010/07/12/daily22.html](#)

KANSAS CITY BUSINESS JOURNAL

Tuesday, July 13, 2010, 2:58pm CDT | Modified: Tuesday, July 13, 2010, 3:17pm

University of Kansas Hospital plans \$50M heart center expansion

Kansas City Business Journal

The **University of Kansas Hospital** Authority Board on Tuesday approved a \$50 million expansion to the hospital's Center for Advanced Heart Care.

The plan will add three patient-care floors — 123,000 square feet — to the 238,000-square-foot center, according to a release. **JE Dunn Construction** and **RTKL** of Dallas will work on the project.

The project, which could add 60 to 100 jobs, is expected to be completed by 2012.

The plan would add a seventh floor for a 32-bed telemetry unit, as well as eighth and ninth floors. Although plans for the top two floors have not yet been finalized, the release said the floors could hold a 32-bed unit and a 24-bed unit, respectively.

The plan also will expand the mechanical functions of the center's sixth floor and add additional conference room space.

The project came about because of record patient volumes, which increased 8 percent in the past fiscal year.

"Each time we add beds, we will increase the staff of nurses, allied health and support staff to ensure the quality of the patient experience," Tammy Peterman, KU Hospital's COO and chief nursing officer, said in the release. "We will add staff prior to the opening of the new patient-care area in 2012."

KU Hospital offers 583 staffed beds and serves more than 24,000 inpatients annually.



UNIVERSITY OF KANSAS
HOSPITAL

The University of Kansas Hospital plans a \$50 million expansion, depicted in this rendering, of the hospital's Center for Advanced Heart Care.

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From the Kansas City Business Journal:
<http://www.bizjournals.com/kansascity/stories/2010/06/07/story5.html>

Briarcliff aims to lap up luxury

Market may validate optimism on new rental units

Premium content from Kansas City Business Journal - by Rob Roberts, Staff Writer

Date: Sunday, June 6, 2010, 11:00pm CDT

Related:

[Residential Real Estate](#)

Early indications support **Briarcliff Development Co.**'s bet on strong demand for luxury apartments in the Northland.

The first apartments in The Briarcliff, a \$26 million, 263-unit project near Briarcliff Parkway and North Mulberry Drive, won't be done until August or September. But more than 30 people who have toured the first roughed-in building already have selected units, Briarcliff Development COO Nathaniel Hagedorn said.

"While we're not building in the best financial environment, it doesn't look like we're going to have any problem on the demand side," Hagedorn said.

Neighbors Construction Co. Inc. of Lenexa won the contract to build The Briarcliff, which will include six apartment buildings, a clubhouse and a saltwater swimming pool on a bluff overlooking the Kansas City skyline.

Hagedorn said the "amazing" construction pricing will allow the developers to offer one- to three-bedroom units with high-end finishes and "over the top" extras for \$900 to \$1,600 a month.

Tom Trabon, a longtime downtown housing developer, said The Briarcliff got a boost when the developer of the downtown luxury apartments at 909 Walnut St. recently decided to sell the tower's 159 rental units as condos.

Despite that, he said, Downtown's condo market remains extremely slow — another reason The Briarcliff seems to make sense.

Briarcliff Development originally planned a 280-unit condo project on the site. But The Pauls Corp. of Denver built just two of eight planned condo buildings in a two-year period, and Briarcliff bought the site back in 2008. The recession and financing problems stalled the next developer, San Antonio-based Embry Partners Ltd., and Briarcliff decided to develop the apartments itself.

Hagedorn said The Briarcliff has been attracting young professionals and older buyers “downsizing from \$500,000 homes.” Both like being next door to Downtown while enjoying “a green, clean and safe suburban setting,” he said.

Briarcliff, a 600-acre master-planned community, also includes 575,000 square feet of office space, 100,000 square feet of shops, 400 upper-bracket condos and single-family homes, and the 120-unit Province at Briarcliff apartments.

“Their location obviously is a good alternative to being in the heart of Downtown,” Trabon said, “unless you have to cross the Broadway Bridge in the morning or afternoon. That traffic is horrible.”

Phillip Brimble, an associate partner with **Hendricks & Partners**, a national apartment brokerage, said The Briarcliff also faces challenges from a soft rental market in the Northland, which has had more new apartment construction the past three years than Johnson County, he said.

According to Hendricks & Partners, vacancy in the Downtown/East Kansas City/North Kansas City apartment submarket was 9 percent in the first quarter, up from 6.7 percent a year earlier.

Still, Kelly Milan, property manager for The Briarcliff, said she is confident it would lease up in 10 to 12 months.

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Rezoning needed for \$30 million apartment complex near Plaza

By KEVIN COLLISON
The Kansas City Star

A local developer proposing the biggest apartment project in more than a decade for the Country Club Plaza area is seeking rezoning at City Hall.

The \$30 million plan, called 46 Penn, needs the rezoning in a neighborhood still rattled by the recent controversy over a proposed Highwoods Properties office development.

Price Development Group wants to build the 188-unit upscale project north of 46th Street between Washington Street and Pennsylvania Avenue. It would be the largest in the area since the 396-unit Jefferson at the Plaza was built east of the Plaza in 1999.

"With so many former rental properties now condo, and the Plaza still being a large employer in Kansas City, we believe there's a market for rental housing that will attract a consumer who could afford a home but doesn't choose to," said Monte Wendler of Price Development.

The developer also plans to build the project without the help of tax incentives, which means it would immediately generate an estimated \$250,000 annually in additional property tax revenues.

But to make the numbers work, Price Development wants the city to rezone the property to permit more units. The 2.8-acre site, half of which is now a parking lot, is zoned for medium-density residential use, allowing up to 78 apartments and limiting building heights to three stories.

The 46 Penn project proposed by Price Development calls for a four-story, 188-unit apartment building wrapped around a five-level garage with 322 parking spaces. Thirteen single-family bungalows would be demolished for the project. All but one are rentals.

The north side of the development would border the home of Erik Heitman, president of the Plaza-Westport Neighborhood Association.

"I'm still wrestling with the idea of a four-story apartment building directly next door to me, one story taller than zoning allows," Heitman said. "This is coming on the heels of the Highwoods proposal for the Neptune site.

"We're always concerned about the impact of projects on the character of our neighborhood and the residential nature of our neighborhood."

Heitman was referring to the 96-unit Neptune Apartments at 333 W. 46th Terrace, about one block southeast of the proposed 46 Penn project.

A plan by Highwoods Properties, the owner of the Plaza, to demolish the Neptune and replace it with a 200,000-square-foot office building has heightened concerns about the intensity of development in the area.

The Kansas City Council approved rezoning for the Highwoods plan in early May, but opponents seeking to repeal that action have submitted enough signatures to force a citywide referendum in November.

The neighborhood abutting the proposed 46 Penn development site has many bungalow-style homes built after World War I. It lies between the St. Luke's Hospital campus, Southwest Trafficway, Westport and the Plaza.

The area was the subject of a Plaza-Westport development plan approved by the City Council eight years ago. The plan was intended to maintain the scale and residential characteristics of the area.

There also are other apartment and condominium projects in the area, including a 132-unit, four-story development called 45 Madison that opened in 2007.

"We're not introducing a foreign land use here. We just want to add another floor," Wendler said.

Sherill Mulhern, who has some smaller apartment buildings and other properties next to the proposed 46 Penn development, said the Plaza-Westport plan emphasized the transition between the single-family homes and nearby larger developments.

"This thing is hitting the neighborhood as opposed to transitioning into it," she said of the 46 Penn plan.

Wendler said his firm was sensitive to the neighborhood and wanted to design a project that wouldn't be intrusive. BGO Architects of Dallas is the primary architect, but Helix Architecture & Design of Kansas City was hired to assist on the plan.

BGO also is designing another apartment development being pursued by Price Development at 39th Street and State Line Road.

"The challenges are, how do you bring high-quality, urban apartments to an infill site?" Wendler said. "If you reduce density to match everything there today, you reduce income and the quality of the project.

"This type of density is allowed in many cities around the country to allow redevelopment."

One design feature intended to help the project blend with the neighborhood calls for apartments on the ground level to have their own entrances off the sidewalk. The first-floor units, as all the apartments, also would have decks.

The side of the project facing north also would have a 20-foot setback from the property line. The other frontages would have 11-foot setbacks. Washington and Pennsylvania are one-way streets bordering the project, and the garage would have entrances from both streets.

Wendler said the apartment interiors would be high-quality and include hardwood floors, granite countertops and stainless steel appliances. Unit sizes would range from 657 to 1,505 square feet. Rents would be from \$1,200 to \$2,200 a month.

The development is being proposed at a time when residential building activity, including multifamily projects, is down throughout the metropolitan area.

Earlier this month the Home Builders Association of Greater Kansas City reported there were permits for 212 apartment units issued in Overland Park in April, the first multifamily permits of the year in the area. Only 55 multifamily permits were issued all last year.

"The fundamentals for apartments are good, and vacancies are low, but there's not a lot occurring in the way of new construction," said Eric Enloe, an analyst with Integra Realty Resources.

Price Development introduced its apartment proposal to city planners last week and plans to spend the next 45 days meeting with nearby property owners and institutions to discuss its plan.

The City Plan Commission could take up the rezoning request in early August.

The City Council members representing the neighborhood are taking a wait-and-see attitude.

"I'm happy to see the investment coming forward in Kansas City and look forward to the public hearing," said Councilman Jim Glover. "I'm glad they're giving us some work to do."

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District 39 Retail & Residential



An in-fill project located next KU Medical Center at the northeast corner of 39th Street and State Line Road, District 39 will feature 3,900 S.F. of retail space and 70 luxury apartments. Using an innovative design by Beeler Guest & Owens Architects, this podium building will have two levels of parking garage with four stories of retail shops and apartments. The retail shops will provide

space for specialty retailers along 39th Street along with dedicated parking for retail shoppers. The 70 residential units will boast luxury amenities including custom cabinets, hard wood flooring, stainless steel appliances, pendant lighting and many more features establishing the property as the best multifamily property in the market.

Along with providing ample parking for residential tenants, the project will include a 5,000 SF outdoor courtyard on the 2nd level featuring an outdoor kitchen, water feature, resort style furniture, outdoor televisions and other amenities.

The project has an extraordinary location across from the KU Medical Center and a vibrant, eclectic neighborhood along 39th Street featuring superb cuisine from over a dozen restaurants along with shopping and entertainment venues. Development of the project is projected to begin in early 2012 and be completed in Spring 2013.

