

DOWNTOWN
REVITALIZATION &
ECONOMIC
ASSISTANCE FOR
MISSOURI

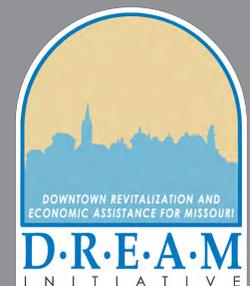
AUGUST 2012

RESIDENTIAL DEMAND ANALYSIS

Lamar, Missouri



PGA **PLANNERS**



DOWNTOWN
REVITALIZATION &
ECONOMIC
ASSISTANCE FOR
MISSOURI

ACKNOWLEDGMENTS



DOWNTOWN REVITALIZATION AND ECONOMIC
ASSISTANCE FOR MISSOURI (DREAM)
PROGRAM SPONSORS:



PLANNING CONSULTANT:



This page intentionally left blank.

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Report Preparation Information	1
I. Conclusions and Recommendations	3
II. Market Area Description.....	5
III. Review of Previous Downtown Housing Market Studies.....	13
IV. Economic Profile.....	15
V. Demographic Profile.....	17
VI. Existing Housing	25
• Downtown Housing	25
• Single Family Housing	28
• Market Rate Rental Housing	28
• Senior Affordable Rental Housing.....	30
• Family Affordable Rental Housing	31
VII. Identification of Primary and Secondary Market Areas	33
VIII. Potential Residential Downtown Housing Demand.....	35
• Overview	35
• Downtown Market-Rate Rental Housing Demand Analysis	44
• Downtown Affordable Senior Rental Housing Demand Analysis.....	47
• Downtown Affordable Family Rental Housing Demand Analysis.....	50
• Conclusions	52
IX. Downtown Residential Implementation.....	55
X. Assumptions and Limiting Conditions	59
XI. Appraisers Certification.....	61

This Page Intentionally Left Blank

REPORT PREPARATION INFORMATION

CONSULTING REPORT PREPARATION

This consulting report has been prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) and standards adopted by the National Council of Affordable Housing Market Analyst (NCHMA).

IDENTIFICATION OF THE MARKET ANALYST

Steve Sillimon, Market Analyst, is the staff appraiser for the Missouri Housing Development Commission.

INTENDED USE OF REPORT

The intended use of this report is to assist Lamar in its effort to revitalize its Downtown through the DREAM Initiative by analyzing possible demand for housing that would support that effort.

THE IDENTITY OF THE CLIENT AND THE INTENDED USERS OF REPORT

The client of the report is the Missouri Housing Development Commission (appraiser's employer), and the intended users are the City of Lamar, Barton County, Missouri and parties interested in development of residential housing units in Downtown Lamar, Missouri.

ANALYSIS, RECOMMENDATION, OR OPINION TO BE DEVELOPED

The analysis, recommendations, or opinions will include:

- A review of previous housing market studies or consumer surveys;
- Identification of primary and secondary market areas;
- Identification of existing housing inventory and competitive locations;
- Demographic profile for the area;
- Economic profile of the market; and
- Opinions regarding the household demand for residential units in the Downtown market area of Lamar that could complement Downtown revitalization efforts.

IDENTIFICATION OF THE SUBJECT AREA

The subject of this report is the DREAM Downtown market area of the City of Lamar, within the specific geographic boundaries as described within this report.

EFFECTIVE DATE OF THE REPORT

The effective date of the report is May 4, 2012.

EXTRAORDINARY ASSUMPTIONS

In preparing this report the appraiser has relied on physical, economic, demographic data and information from various sources, including market studies submitted to MHDC from other analysts, and believes the information to be credible, reliable, and critical to the preparation of this report. The use of this information will affect the assignment results.

SCOPE OF WORK

Following is the scope of work completed for this report.

- Physical survey of the report subject area;
- Physical survey of existing housing options in the market;
- Economic survey and competitive analysis of existing housing options in the market;
- Review of general and historical information about the market;
- Review of housing related studies prepared for the market;
- Review of current information regarding activities in the market that could affect the marketability of housing;
- Analysis of demographic information for the primary and secondary market areas;
- Estimate of the current and future household demand in the primary and secondary market areas that could be attracted to housing options in the Downtown market area; and
- Quantitative market analysis for affordable, market rate, and for-sale housing in the primary market area for family and senior households, if applicable.

INFORMATION USED, METHODS AND TECHNIQUES EMPLOYED, AND REASONING THAT SUPPORTS THE CONCLUSIONS

The information used in the report comes from local sources, market surveys, and public and proprietary information. The techniques employed in the report are industry standard demand analysis techniques based on estimating the number of target households that can be captured in the Downtown housing market. The reasoning that will support the conclusions is based on the benefit that additional residential housing can make to Downtown revitalization efforts.

SECTION I

CONCLUSIONS AND RECOMMENDATIONS

- A baseline assessment of current residential land uses within the DREAM Study Area indicated there are relatively few residential units in Downtown Lamar.
- Unlike other downtowns in communities around Missouri, Lamar's does not appear to be in steep decline due to a loss of economic activity.
- Downtown Lamar is centrally located in the community and primarily serves local consumers.
- Lamar has one of the largest county courthouse squares in Missouri. Known as Constitution Square, it is bounded by wide streets that allow easy flow of vehicular traffic around Downtown, but may be difficult at times for pedestrians to traverse. Improving the walkability of Downtown would help to increase the economy of Downtown.
- Lamar would benefit from an increase in the number of residential units in and around Downtown. The more households that live Downtown, the more consumers there would be in the market to help support existing Downtown businesses. This increase in Downtown's population could also help to induce new businesses to move to Downtown.
- Demographic data indicates that Lamar's population and household totals have been stable from 2000 to 2010 and are projected to remain stable over the next few years. Although the population and household growth are not projected to change much in the near future, a small amount of positive population and household growth is expected. Some of that new household growth could be attracted to new housing in or near Downtown, which would help to increase the economic strength of Downtown.
- A quantitative analysis concluded there could be demand from approximately 36 households for market-rate rental housing in Downtown. These would generally be small households with either no or very few children.
- A quantitative analysis concluded there could be demand from approximately 17 senior households (age 62+) for affordable senior rental housing in Downtown. These would generally be empty nesters looking for housing more suitable for their needs at this stage in their lives.
- A quantitative analysis concluded there could be demand from approximately 61 lower income households for affordable family rental housing in the Lamar Primary Market Area. Because downtowns generally lack play space like backyards or parks desired by households with very young children, any inclusion of affordable family rental units as part of the Downtown revitalization strategy should bear this in mind when formulating a marketing strategy.
- Potential residential development sites may include vacant upper-floor space in commercial buildings around Constitution Square, underutilized land and buildings at the Gilkey Complex, and infill sites in neighborhoods adjacent to Downtown.
- The City should review its development approval process to minimize unnecessary barriers to Downtown residential development.

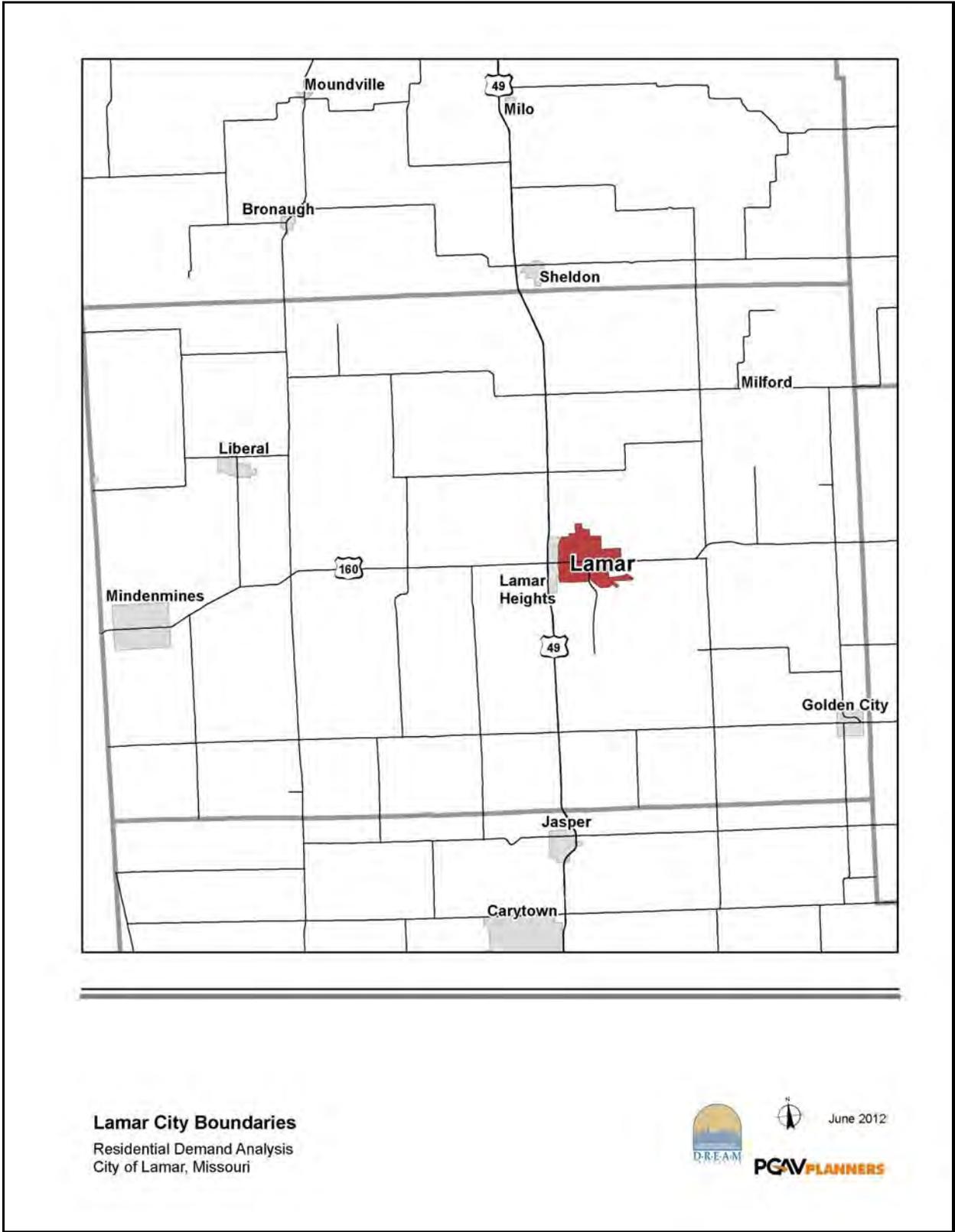
This Page Intentionally Left Blank

SECTION II

MARKET AREA DESCRIPTION

The area of study is Downtown Lamar, in Barton County, Missouri. The following maps show the location of the City within the State of Missouri, the primary traffic arteries through the City, the general area within the city, and the DREAM study area that is the subject of this report.







OVERVIEW

Incorporated in 1867, Lamar is the county seat and largest community in Barton County, Missouri. It is located along Interstate 49, approximately 110 miles south of the Kansas City metro area and 30 miles north of Joplin, Missouri.

Lamar is generally an agricultural community serving the many farms in the area. It also has a number of manufacturers that employ residents of the City and smaller communities nearby. Lamar had a major economic setback a few years ago when furniture maker O'Sullivan Industries, which employed about 700 employees, closed. That closure left a large manufacturing plant with over one million square feet of vacant space in the City. It also removed several hundred consumers, many of whom commuted to Lamar from outside of the City on a daily basis during the workweek.

Today, Lamar's largest employers are: Tamko, which makes building products; Barton County Memorial Hospital; and Thorco Industries, which makes wire products. The community also has a number of agricultural businesses such as farm implement dealers.

Lamar's greatest claim to fame is that it is the birthplace of former President Harry Truman. The former President's home is located four blocks from downtown and is a large tourist draw for the community.

Downtown Lamar is located in the central area of the community, bounded to the south by U.S. Highway 160, and about one mile east of U.S. Highway 71. The boundaries of the DREAM Study Area are West 9th and East 10th Streets to the north, 12th Street to the south, Parry Street to the east and Walnut Street to the west.

Like many downtowns, Lamar's is the center of local government. The Lamar County Courthouse, which has one of the largest courthouse squares in the State (known locally as Constitution Square), is located at 1007 Broadway Street. Lamar City Hall is located at 1104 Broadway Street. Also located Downtown are the United States Post Office and Lamar Police and Fire Departments.

In addition to the government uses, Downtown Lamar contains a variety of office, small retail, and service businesses. Many are located around Constitution Square, which appears to be an economically vibrant area during the weekdays. There are very few vacancies in the street-level commercial space around the Square; however, the majority of the upper-floor space appears to be vacant.

The north, west, and east sides of Constitution Square contain two- or three-story buildings. Most of the buildings on the south side are only one level.

Most of the multi-story buildings around Constitution Square that are vacant on the upper floors have wooden window coverings that are painted to blend in with the building. The window covers minimize the vacant space look that uncovered windows would present. Downtown area buildings without window coverings may be considered eyesores that could detract from the marketability of the area. Downtown buildings with window coverings may look better, but still indicate vacant space. Much of that vacant upper-floor space represents opportunities for either commercial or residential development.

Downtown Lamar was the major shopping district in the community until the City began to grow and more businesses, including Wal-Mart, began to sprout along 12th Street and closer to Highway 49. Although many retail and service businesses are located outside of Downtown Lamar, the businesses that remain Downtown continue to generate a fair amount of pedestrian and vehicular traffic.

The Downtown business mix includes attorneys, accountants, insurance agents, barber and beauty salons, banks, eating establishments, consignment stores, an art studio, a shoe store, clothing stores, a photography studio, a Hallmark store, an equine supply store, a hardware and lumber store, furniture stores, an auto parts store, an office supply store, antique shops, a jewelry store, and a first-run movie theater.

Within the Dream Study Area, there is a considerable amount of residential land use. In contrast, Constitution Square has very few residential units. There are many single-family homes just east of the Square between Poplar Street and Parry Street, between 10th and 12th Streets. There are additional residential land uses within the Dream Study Area about one block west and northwest of Constitution Square. The homes are a mix of one to three stories and most appear to be in average to fair condition. The homes in Downtown appear to be some of the more moderately priced homes in the community. Downtown did not appear to contain any apartment buildings.

The Dream Study Area contains a few upper-floor residential units. Some upper-floor vacancies lack private entrances or an adequate number of emergency exits.

TRAFFIC ARTERIES

The major east/west traffic artery through Lamar is Highway 160, which is located one block south of Constitution Square. A roadway with two-way traffic bounds the Square on all four sides.

EXISTING LAND USES

The land use within the DREAM Downtown Study Area is a mix of government, commercial service and retail, and residential. A relatively small amount of land in the DREAM Downtown Study Area is vacant. Most of the commercial buildings in the Downtown area are occupied with limited vacancies, including several contiguous buildings near the northeast corner of Constitution Square.

ADJACENT AREAS

Land uses adjacent to the DREAM Study Area are predominately residential and commercial. The eastern boundary of the DREAM Study Area consists of rail lines that carry approximately four trains per day according to the U.S. Department of Transportation.

PARKING

The large roadway around Constitution Square features three modes of parking. There is parallel parking along the curb of the courthouse grounds. A median of perpendicular parking separates the two-way lanes carrying vehicular traffic. Finally, angled parking is provided along the curb of the commercial buildings facing Constitution Square. While Downtown has a lot of traffic during the weekdays there appears to be ample parking to handle a large number of visitors. In addition to on-street parking, there is a large covered area known as the Moore Pavilion that is used for parking during the week. This space is also used for Downtown events.

RETAIL SHOPPING

There are limited retail shopping venues in Downtown Lamar. They include furniture stores, a jewelry store, a Hallmark store, antique stores, a donut shop, a shoe store, a gift shop, a thrift store, and a hardware and lumber store.

ENTERTAINMENT

Rehabilitated a few years ago, the Plaza Theater on the south side of Constitution Square is a historic venue that shows first-run movies.

DINING ESTABLISHMENTS

Downtown Lamar does not have many dining establishments. The Peppermill Restaurant is located on the west side of Constitution Square and serves breakfast, lunch, and dinner. Daylight Donuts is a donut and coffee shop that is also located on the west side of the Square.

PARKS AND RECREATION

Lamar City Park is located approximately ½ mile south of Downtown and contains the Lamar Aquatic Park, an RV park, eight baseball/softball diamonds, walking trails, play equipment, and shelter houses.

SCHOOLS

Lamar's public elementary, middle, and high schools are located a few blocks north of the DREAM Study Area.

HISTORIC DESIGNATIONS

The only registered historic property within the DREAM Study Area, located at the corner of 11th and Truman Street, is the birthplace of Lamar's hometown hero, former President Harry Truman.

PUBLIC TRANSPORTATION

The City of Lamar is served by a local public transportation system called the Truman Area Transportation Service (TATS). TATS is operated by the City of Lamar. The City and Barton County are also served by OATS, a not-for-profit public transportation service. Lamar has taxi service. The closest Amtrak station is in Lee's Summit, Missouri, approximately 110 miles north of Lamar. Lamar has a municipal airport located approximately 2.5 miles west of Downtown. The nearest national airport is in Joplin, MO, 40 miles away. The nearest international airport is in Kansas City, MO, 120 miles away.

DOWNTOWN STRENGTHS AND WEAKNESSES

From a residential market perspective, Downtown has positive attributes:

- **Government Center:** Downtown is the center of government, which brings employees and people conducting business (potential consumers) to the area on a daily basis throughout the workweek.
- **Active Commercial District:** Downtown has a significant amount of vehicular and pedestrian traffic, which is drawn by the existing businesses and government offices.
- **Location:** Downtown is centrally located in the community.
- **Potential Development Space:** Underutilized land and buildings in the Gilkey complex, and other buildings near the northeast corner of Constitution Square along the streets of Broadway and East 10th are vacant. Other potential development space exists on the upper floors of many of the buildings located on the north, east, and west sides of Constitution Square.
- **Neighborhood Amenities:** Many of the typical neighborhood amenities and services that are important to residents are located in close proximity to Downtown.
- **Momentum:** Downtown seems to be stable and improving, demonstrating both public and private investment.
- **Walkable Area:** Downtown, with its relatively dense mix of retail shops and businesses clustered around Constitution Square, is a unique neighborhood amenable to pedestrians.
- **Parking:** Downtown appears to have adequate parking to accommodate both visitors and employees.
- **Traffic Arteries:** Downtown is located just a block off 12th Street (Highway 160), the primary traffic artery carrying an annualized average of nearly 4,000 vehicles through the community according to the Missouri Department of Transportation.

From a residential market perspective, current weaknesses of Downtown also exist, including:

- **Lack of an Upper-floor Residential Market:** There are single-family homes that are owned and rented, and single-family homes that have been converted to multi-unit rentals within the DREAM downtown footprint, but there are very few residential units on the upper floors of the commercial buildings around Constitution Square.
- **Lack of Street Safety Features:** Primarily designed for vehicles, the traffic arteries around Constitution Square could be enhanced for pedestrian safety.
- **Lack of Eating Establishments:** There is an opportunity to increase the dining establishments around Constitution Square and strengthen the appeal of Downtown Lamar.

This Page Intentionally Left Blank

SECTION III

REVIEW OF PREVIOUS DOWNTOWN HOUSING MARKET STUDIES

The following plan was reviewed with a focus on housing related issues that could complement Downtown revitalization efforts. The Next Step 2030 Plan was developed for Lamar in 2006. Significant points from the Plan include:

- Create opportunities for mixed-use buildings in order to encourage nightlife and make the Constitution Square a central hub for living, shopping, dining, and working in Lamar.
- Utilize residential lofts to increase the resident population around the Constitution Square around the clock.
- Lofts are a marketable option for the younger demographic and have helped revive numerous downtown areas in Missouri and throughout the United States. As people move to Constitution Square, everyday commodity stores will also move onto the Square.

This Page Intentionally Left Blank

SECTION IV ECONOMIC PROFILE

OVERVIEW

The following section includes an analysis of the economy of the market area. The analysis will focus on employment by industry, major employers, area employment, unemployment, and labor force trends. MHDC has obtained economic information from the Missouri Department of Economic Development, Bureau of Labor Statistics, U.S. Census Bureau, Lamar Chamber of Commerce, and Nielsen.

MAJOR EMPLOYERS

Major Employers - Lamar, Missouri Area		
Employers	Type of Business	Employees
Tamko	Manufacturing	100
Barton County Memorial Hospital	Healthcare	150
Thorco	Manufacturing	70

Source: City of Lamar

The economy of Lamar took a heavy hit a few years ago when O’Sullivan Industries closed its production plant that employed a little over 700 employees. Some of the community’s other employers picked up a small number of the employees, but most of the jobs were permanently lost to the community. Today, Lamar’s largest employers are Tamko, which makes building products, Barton County Memorial Hospital, and Thorco Industries, which makes wire products. The community also has a number of businesses that cater to the agricultural market like farm implement dealers.

LOCAL AREA EMPLOYMENT

Local Area Employment - Barton County, Missouri					
				Barton County Unemployment Rate	Missouri Unemployment Rate
Year	Labor Force	Employment	Unemployment		
2011	5,035	4,535	500	9.9%	9.6%
2010	5,199	4,631	568	10.9%	9.6%
2009	5,247	4,688	559	10.7%	9.3%
2008	5,353	4,858	495	9.2%	6.1%
2007	5,748	5,254	494	8.6%	5.1%

Source: Missouri Department of Economic Development

The unemployment rates of Barton County were higher than the state as a whole between 2007 and 2010. In 2011 the unemployment rate for the County was pretty close to the rate for the State as a whole.

EMPLOYMENT BY OCCUPATION

2012 Estimated Civilian Employed Population 16+ by Occupation		
Lamar, Missouri		
Occupation	Number	Percentage
Manufacturing	289	14.2%
Office/Administrative Support	268	13.1%
Transportation/Moving	194	9.5%
Sales/Related	161	7.9%
Management	131	6.4%
Education/Training/Library	120	5.9%
Health Practitioner/Technical	120	5.9%
Maintenance Repair	95	4.7%
Food Preparation/Serving	79	3.9%
Personal Care/Service	79	3.9%
Building Grounds Maintenance	76	3.7%
Community/Social Services	70	3.4%
Construction/Extraction	70	3.4%
Business/Financial Operations	54	2.6%
Protective Services	53	2.6%
Arts/Entertainment/Sports	48	2.4%
Computer/Mathematical	46	2.3%
Healthcare Support	39	1.9%
Architect/Engineer	23	1.1%
Legal	18	0.9%
Farm/Fish/Forestry	9	0.4%

Source: Nielsen

Residents of Lamar are employed in various occupations, but the largest groups of Lamar’s residents are employed in office and administrative support, manufacturing, and transportation.

CIVILIAN EMPLOYED CLASS OF WORKER

2012 Estimated Civilian Employed Population 16+ by Class of Worker		
Lamar, Missouri		
Type	Number	Percentage
For-Profit Private Workers	1,203	58.9%
Self-Employed Workers	374	18.3%
Local Government Workers	207	10.1%
Non-Profit Private Workers	137	6.7%
State Government Workers	105	5.1%
Federal Government Workers	12	0.6%
Unpaid Family Workers	4	0.2%

Source: Nielsen

SECTION V DEMOGRAPHIC PROFILE

TOTAL POPULATION

Total Population						
Year	Lamar	Change %	Barton County	Change %	Missouri	Annual Change %
2000	4,425		12,541		5,595,211	
2012	4,431	0.1%	12,411	-1.0%	6,056,580	8.2%
2017	4,512	1.8%	12,442	0.2%	6,258,505	3.3%

Source: Nielsen

Between year 2000 and 2012, the population of Lamar remained about the same. A small amount of population growth is projected between 2012 and 2017. The population of Barton County also remained about the same between 2000 and 2012 and is projected to remain about the same between 2012 and 2017. Population growth in Lamar and Barton County are significantly less than the population growth rate for the State.

POPULATION CHANGE COMPARISON

Population Change Comparison 2000-2012				
Community	Population		Change	% Change
	2000	2012		
Lamar	4,425	4,431	6	0%
Carthage	12,668	14,528	1,860	15%
Neosho	10,505	12,060	1,555	15%
Mount Vernon	4,017	4,519	502	12%
Nevada	8,607	8,471	(136)	-2%

Source: Nielsen

Some of the communities that are located in close proximity to Lamar had population growth that was significantly higher than Lamar.

POPULATION BY AGE GROUP

Population By Age Group						
Lamar, Missouri						
Age Cohort	2000	Percent	2012	Percent	2017	Percent
0-20	1,346	30%	1,304	29%	1,321	29%
21-24	210	5%	155	3%	232	5%
25-34	508	11%	529	12%	470	10%
35-44	594	13%	519	12%	516	11%
45-54	555	13%	636	14%	576	13%
55-64	306	7%	528	12%	580	13%
65-74	392	9%	319	7%	374	8%
75-84	345	8%	301	7%	290	6%
85+	169	4%	140	3%	153	3%

Source: Nielsen

The population that drives the housing market is generally between the ages of 21 and 35. There are 718 residents in that age cohort that comprises about 15% of the population. The size of that age cohort is expected to remain about the same through 2017.

AVERAGE AGE OF POPULATION

Average Age of Population	
Lamar, Missouri	
Year	Average Age
2000	39.2
2012	39.7
2017	40.1

Source: Nielsen

Lamar’s average age is trending higher, but at a relatively slow pace.

AVERAGE AGE COMPARISON

Average Age Comparison	
Community	2012
Lamar	39.7
Carthage	36.9
Mount Vernon	42.2
Nevada	38.6
Neosho	37.7

Source: Nielsen

The average age of the population of Lamar is generally higher than most of the surrounding communities.

POPULATION BY GENDER

Population By Gender						
Lamar, Missouri						
Gender	2000	Percent	2012	Percent	2017	Percent
Male	2,061	47%	2,144	48%	2,182	48%
Female	2,364	53%	2,287	52%	2,330	52%

Source: Nielsen

The gender distribution in Lamar shows a majority of females and that balance is expected to remain about the same through 2017.

EDUCATIONAL ATTAINMENT

2012 Estimated Population (Age 25+ by Educational Attainment)		
Lamar, Missouri		
Type	Population	Percentage
Less than 9th grade	156	6%
Some High School, no diploma	258	10%
High School Graduate (or GED)	1,230	46%
Some College, no degree	357	13%
Associate Degree	168	6%
Bachelor's Degree	283	11%
Master's Degree	149	6%
Professional School Degree	70	3%
Doctorate Degree	1	0%

Source: Nielsen

MARITAL STATUS

2012 Estimated Population (Age 15+ by Marital Status)		
Lamar, Missouri		
Type	Population	Percentage
Total, Never Married	617	15%
Married, Spouse present	2209	54%
Married, Spouse absent	174	4%
Widowed	240	6%
Divorced	244	6%
Males, Never Married	306	7%
Females, Never Married	311	8%

Source: Nielsen

TOTAL HOUSEHOLDS

Total Households				
Lamar, Missouri				
Year	Lamar	Change %	Barton County	Change %
2000	1,835		4,895	
2012	1,823	-0.7%	4,957	1.3%
2017	1,881	3.2%	5,014	1.1%

Source: Nielsen

Between year 2000 and 2012 the number of households in Lamar decreased slightly, but is expected to grow by 3% between 2012 and 2017.

AVERAGE HOUSEHOLD SIZE

Average Household Size	
Lamar, Missouri	
Year	Average
2000	2.35
2012	2.39
2017	2.36

Source: Nielsen

The average household size in Lamar did not change much between 2000 and 2012 and is not expected to change much between 2012 and 2017.

HOUSEHOLDS BY AGE OF HOUSEHOLDER

Households by Age of Householder						
Lamar, Missouri						
Age Cohort	2000	Percent	2012	Percent	2017	Percent
Under 25	122	7%	97	5%	126	7%
25-34	249	14%	254	14%	226	12%
35-44	356	19%	298	16%	300	16%
45-54	326	18%	363	20%	335	18%
55-64	192	10%	318	17%	357	19%
65-74	246	13%	195	11%	235	12%
75-84	241	13%	207	11%	203	11%
85+	103	6%	91	5%	99	5%

Source: Nielsen

HOUSEHOLDS BY SIZE

Households By Size						
Lamar, Missouri						
	2000		2012		2017	
Household Size	Number	Percent	Number	Percent	Number	Percent
1 Person	611	33.3%	574	31.5%	604	32.1%
2 Persons	577	31.4%	580	31.8%	600	31.9%
3 Persons	267	14.6%	285	15.6%	293	15.6%
4 Persons	239	13.0%	235	12.9%	237	12.6%
5 Persons	92	5.0%	98	5.4%	96	5.1%
6 Persons	33	1.8%	36	2.0%	37	2.0%
7+ Persons	16	0.9%	15	0.8%	14	0.7%
Total	1,835	100%	1,823	100%	1,881	100%

Source: Nielsen

HOUSEHOLD TYPE AND PRESENCE OF OWN CHILDREN

2012 Estimated Households (By Type, Presence of Own Children)		
Lamar, Missouri		
Type	Households	Percentage
Married-Couple Family, own children	487	41%
Married-Couple Family, no own children	514	43%
Male Householder, own children	74	6%
Male Householder, no own children	19	2%
Female Householder, own children	47	4%
Female Householder, no own children	46	4%

Source: Nielsen

HOUSEHOLDS BY INCOME DISTRIBUTION

Households by Income Distribution						
Lamar, Missouri						
	2000		2012		2017	
Income Cohort	Number	Percent	Number	Percent	Number	Percent
< than \$15,000	534	28.8%	400	21.9%	403	21.4%
\$15,000-\$24,999	285	15.4%	281	15.4%	287	15.3%
\$25,000-\$34,999	281	15.2%	216	11.8%	220	11.7%
\$35,000-\$49,999	359	19.4%	327	17.9%	336	17.9%
\$50,000-\$74,999	241	13.0%	358	19.6%	374	19.9%
\$75,000-\$99,999	92	5.0%	124	6.8%	132	7.0%
\$100,000 +	60	3.2%	117	6.4%	129	6.9%
Total	1,852	100.0%	1,823	100.0%	1,881	100.0%

Source: Nielsen

TENURE BY OCCUPANCY OF HOUSING UNITS

Tenure by Occupancy of Housing Units				
Lamar, Missouri				
Bedrooms	2000	%	2012	%
Owner Occ.	1,201	65%	1280	70%
Renter Occ.	634	35%	543	30%

Source: Nielsen, U.S. Census Bureau

UNITS IN STRUCTURE

Units in Structure (2012 Estimated)		
Lamar, Missouri		
Type	Number	Percentage
1, attached	10	0.5%
1, detached	1,711	83.6%
2	46	2.2%
3 or 4	69	3.4%
5 to 19	14	0.7%
20 to 49	10	0.5%
50 or more	-	0.0%
Mobile Home	186	9.1%
Total	2,046	100.0%

Source: Nielsen

YEAR STRUCTURE BUILT

Year Structure Built (2012 Estimated)		
Lamar, Missouri		
Year	Number	Percentage
2005 or later	62	3.0%
2000-2004	126	6.2%
1990-1999	261	12.8%
1980-1989	110	5.4%
1970-1979	372	18.2%
1960-1969	279	13.6%
1950-1959	326	15.9%
1939 or earlier	510	24.9%

Source: Nielsen

OWNER-OCCUPIED HOUSING VALUES

2012 Estimated All Owner-Occupied Housing Values		
Lamar, Missouri		
Values	Number	Percentage
< \$20,000	32	3%
\$20,000 - \$39,999	115	9%
\$40,000 - \$59,999	152	12%
\$60,000 - \$79,999	187	15%
\$80,000 - \$99,999	198	15%
\$100,000 - \$149,999	386	30%
\$150,000 - \$199,999	103	8%
\$200,000 - \$299,999	76	6%
\$300,000 - \$399,999	13	1%
\$400,000 - \$499,999	9	0.7%
\$500,000 or more	9	1%

Source: Nielsen

AREA MAXIMUM AFFORDABLE HOUSING INCOME AND RENTS

Maximum Income and Rents for HOME and Housing Tax Credit Programs for Barton County, Missouri											
(based on Median Income of \$50,700)											
Income %	Maximum Incomes (\$)						HUD Fair Market Rents (\$)				
	by Persons in Household						by Number of Bedrooms				
	1	2	3	4	5	6	0	1	2	3	4
50%	17,600	20,100	22,600	25,100	27,150	29,150					
60%	21,120	24,120	27,120	30,120	32,580	34,980	361	455	555	672	738

Source: HUD, Novogradac

The table above illustrates the maximum income and rents for the Federal HOME and Housing Tax Credit programs for Barton County. These programs are used to increase the housing opportunities for low and moderate-income families.

BUILDING PERMITS

Building Permits - Lamar, Missouri				
Units in Bldg.	Units			
	2010	2009	2008	2007
1	7	0	4	5
2	0	2	0	0
3 to 4	0	0	0	0
5 +	0	0	0	0
Total	7	2	4	5

Source: US Census Bureau

Lamar appears to have had a very sluggish residential construction market over the last few years. No single-family housing building permits were reported in 2009, but seven were reportedly issued in 2010.

COUNTY MIGRATION PATTERNS

Following are tables that show the migration patterns in and out of Barton County and the net migration totals between 2006 and 2009.

Gross Annual Household In-Migration								
County of Origin	2009		2008		2007		2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total In-Migration	284	100%	257	100%	271	100%	290	100%
Total In-Migration, Same State	178	63%	147	57%	152	56%	178	61%
Total In-Migration, Out of State	106	37%	110	43%	119	44%	112	39%
Jasper County, MO	61	21%	39	15%	41	15%	56	19%
Crawford County, KS	27	10%	26	10%	26	10%	26	9%
Vernon County, MO	25	9%	16	6%	29	11%	29	10%
Dade County, MO	19	7%	23	9%	12	4%	16	6%
Greene County, MO	13	5%	10	4%	10	4%	13	4%
All Other Counties	139	49%	143	56%	153	56%	150	52%

Source: Internal Revenue Service

Gross Annual Household Out-Migration								
Destination County	2009		2008		2007		2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Out-Migration	313	100%	340	100%	338	100%	331	100%
Total Out-Migration Same State	198	63%	201	59%	220	65%	202	61%
Total Out-Migration, Out of State	115	37%	139	41%	118	35%	129	39%
Jasper County, MO	74	24%	81	24%	74	22%	71	21%
Crawford County, KS	31	10%	30	9%	29	9%	34	10%
Vernon County, MO	32	10%	33	10%	33	10%	19	6%
Dade County, MO	13	4%	12	4%	20	6%	21	6%
Greene County, MO	20	6%	25	7%	30	9%	24	7%
All Other Counties	143	46%	159	47%	152	45%	162	49%

Source: Internal Revenue Service

Net Annual Household Migration				
County	2009	2008	2007	2006
	Number	Number	Number	Number
Jasper County, MO	-13	-42	-33	-15
Crawford County, KS	-4	-4	-3	-8
Vernon County, MO	-7	-17	-4	10
Dade County, MO	6	11	-8	-5
Greene County, MO	-7	-15	-20	-11
All Other Counties	-4	-16	1	-12
Net Migration	-29	-83	-67	-41

Source: Internal Revenue Service

Between 2006 and 2008, more households moved out of Barton County, Missouri than households that moved into the County. About half of the households moving out of Barton County moved into nearby Jasper County, which has the area’s largest community, Joplin.

SECTION VI EXISTING HOUSING

DOWNTOWN HOUSING

Residential housing options in Downtown Lamar are limited to a small number of single-family homes, a single-family home conversion to apartments, and a couple of apartments on the upper floors of some commercial buildings around Constitution Square.

The single-family homes are located on the north, east, and west sides of the Downtown. Most are in average condition and some appear to be in fair and poor condition. The single home conversion located Downtown appears to contain approximately four units. One of the upper-floor units located on the east side of the Square is occupied and the other is a vacant unit on the second floor of a law office on the north side of the Square.

Following are photos of some of the typical single-family homes in and around Downtown:





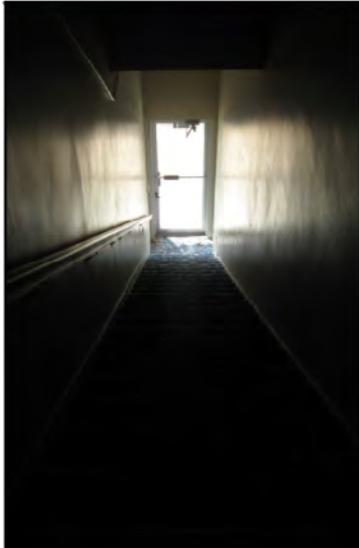
Single-family conversion to apartments located Downtown

Small Duplex located Downtown



Commercial building on Constitution Square with habitable upper floor residential unit

One Downtown residential unit is located on the upper floor of a commercial building located at 100 W. 10th Street. A local attorney has offices on the street level of the building and a few years ago renovated the upper floor into an upscale rental unit. At the time this report was prepared, the open, loft-style unit was vacant and reportedly rented for around \$600. Following are pictures of the unit:



SINGLE-FAMILY HOUSING

Presently, the single-family housing market in Lamar is sluggish, which is similar to residential real estate markets in other parts of Missouri and the United States.

There are currently fifty properties listed for sale in Lamar according to the site www.Realtor.com. They range from an asking price of around \$30,000 to as high as \$470,000. Homes in and around Downtown seem to range in value from \$60,000 to \$80,000.

There were some newer subdivisions noted in the community, but none that have been developed over the last year or two.

MARKET-RATE RENTAL HOUSING

A survey was made of market-rate rental housing in Lamar. Following are representative market-rate rental housing options in Lamar.



9th and Oak Street Apartments

9th and Oak Street

Lamar, Missouri

417-624-5552

Duplex Units

14th and Hagney Streets

Lamar, Missouri





Duplex Units

14th and Hagney Streets
Lamar, Missouri

A market inspection of Lamar revealed very limited market-rate multi-family housing options. Prospective tenants are limited to primarily market-rate single-family home rentals, some duplex units, the multi-family development located at 9th and Oak, and at least one upper-floor rental unit on Constitution Square.

Typical Rent Range

The typical rent for market-rate rental units ranges from a low of approximately \$300 to a high of near \$600.

Occupancy

The overall occupancy rate for market-rate rentals is generally good.

Under Construction/Consideration

The analyst is unaware of any new market-rate rental developments that are under construction or under consideration.

SENIOR AFFORDABLE RENTAL HOUSING

A survey was made of senior affordable rental housing options in Lamar. Following is basic information regarding the developments:



Scottsdale Apartments

1705 Lexington Avenue
Lamar, Missouri
417-682-3589
20 Units
Section 8
Good occupancy

Lamar Housing

906 Oak Street
Lamar, Missouri
417-682-3755
20 Units
Some rent subsidy
Good occupancy



Typical Rent Range

Most of the affordable senior units in Lamar are rent subsidized, where tenants generally pay no more than 30% of their income for rent.

Occupancy

All of the affordable senior housing developments are reported to have good occupancy and some waiting lists.

Under Construction/Consideration

The analyst is unaware of any other affordable senior housing developments under consideration or under construction in Lamar.

FAMILY AFFORDABLE RENTAL HOUSING

A survey was made of affordable family rental housing options in Lamar. Affordable housing is a development that has income and rent limitations that are financed with Federal, State, or local subsidy.



Divine Estates Apartments

801 E. 19th Street
Lamar, Missouri
417-624-4144
36 Units
Funded by Tax Credit
Good occupancy

Lamar Plaza Apartments

600 E. 20th Street
Lamar, Missouri
417-682-2670
28 Units
Funded by Tax Credit
Good occupancy



Prairie Plains Apartments

700 W. 8th Street
Lamar, Missouri
417-682-3694
50 Units
Funded by Tax Credit
Good occupancy



Southern Meadows I Apartments

601 E. 19th Street
Lamar, Missouri
417-388-4205
20 Units
Funded by Rural Development
Good occupancy

Southern Meadows II Apartments

701 E. 19th Street
Lamar, Missouri
417-388-4205
12 Units
Funded by Rural Development
Good occupancy



Typical Rent Range

Most of the affordable family units in Lamar were developed with federal and/or state subsidies that allow for rents that are 10% or more below market-rate rents in the market.

Occupancy

All of the affordable family housing developments are reported to have good occupancy.

Under Construction/Consideration

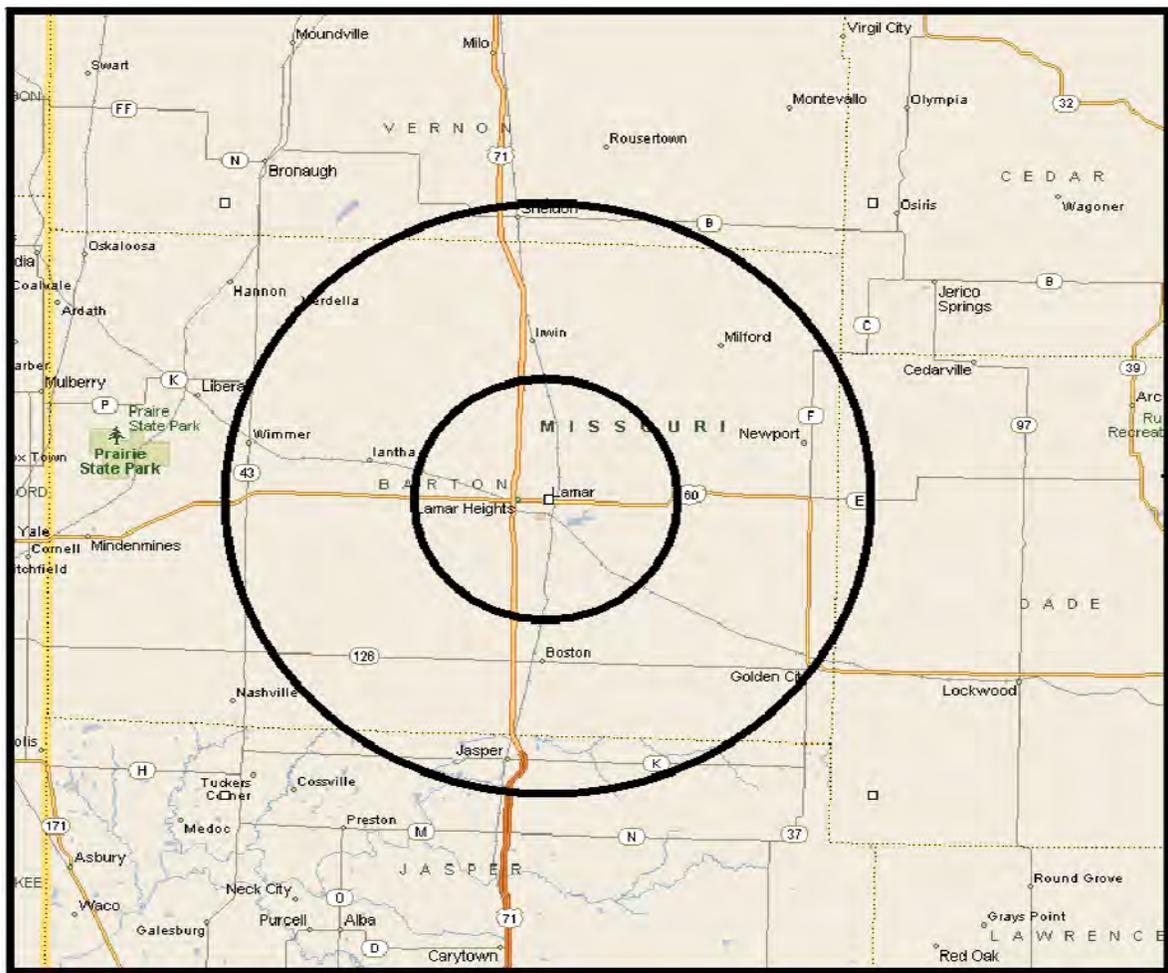
The analyst is unaware of any affordable family housing developments that are under construction or under consideration.

SECTION VII

IDENTIFICATION OF PRIMARY AND SECONDARY MARKET AREAS

The Primary Market Area (PMA) is where the majority of market demand for Downtown housing in Lamar is expected to be drawn. After surveying the area and taking into consideration the opinions of local market participants, it is the opinion of the analyst that the PMA of the Lamar Downtown Housing Market is generally the city limits of the City of Lamar and an area of about five miles surrounding the City. The Secondary Market Area (SMA) is from where a smaller percentage of market demand is expected. The SMA, for purposes of this study, is generally considered an area that extends approximately 7 miles beyond the PMA boundary and 12 miles outside of the city of Lamar.

Following is a map of the primary (inner ring) and secondary (outer ring) market areas for housing in the Downtown Lamar market.



This Page Intentionally Left Blank

SECTION VIII

POTENTIAL RESIDENTIAL DOWNTOWN HOUSING DEMAND

OVERVIEW

The key to a thriving downtown is people. They may be local resident users, employees, visitors, or permanent downtown residents. Retail, services, government business, jobs, attractions, event venues, or housing brings people to downtown. Together, these things contribute to economic viability. This study focuses on housing in an attempt to answer the questions of whether more housing would complement the revitalization of Downtown Lamar, what types of housing markets can be served Downtown, and how many new households could reasonably be expected to be drawn to housing in Downtown over the next few years.

The downtowns of many small rural communities have suffered as consumers and residents have been attracted to new shopping and residential choices developed outside of the central business district. As a result, the retail and housing demand in downtown areas across the country decreased dramatically. This drop in demand has yielded empty and underutilized buildings. Downtown Lamar seems to have fared better compared to many other smaller communities. While there is some vacant building space Downtown, most buildings are occupied and Downtown appears to have a lot of economic activity.

Would additional residential units complement the efforts to revitalize Downtown?

In many urban communities across the country, the revitalization of downtowns has involved an increase in the population of permanent residents. They provide a neighborhood energy that has positive social and economic benefits. High-density downtowns promote greater interaction as people take advantage of the walkability that downtown offers. It can offer a lifestyle not found in other areas of a community, especially if downtown offers a concentrated mix of dining, entertainment, and retail venues. From an economic point of view, a population increase downtown provides a customer base for existing and new businesses. It can have positive impacts on the demand, value, and consequently, the tax base of real estate. It motivates existing property owners to improve their property as well as vacant or deteriorated buildings.



The positive benefits of an increase in the population of Downtown Lamar may not be as dramatic as in larger communities, but should make a positive contribution to Downtown revitalization efforts.

Constitution Square is the heart of the community of Lamar. Such an important and historic area of the City should be preserved and improved whenever possible. The creation of more housing opportunities in and around Constitution Square will help to ensure the long-term viability of the business, entertainment, and civic center of the community.

What types of housing should be considered in the Lamar Downtown Market Area?

When thinking about the impact of demographic structures and changes in housing demand, it is important to watch trends with respect to four critical age groups, which tend to represent the major stages of a household's life cycle:

- 18-24:- includes the largest tenant group, which is comprised of young individuals and couples that have recently left their parents' home to start their adult lives, demanding low frills and low cost rental housing in single-family units or apartments.
- 25-34:- includes mostly young, married households, generally with children, demanding rental housing or home ownership units.
- 35-54:- encompasses maturing (move-up) families, demanding mostly owner-occupied housing and larger, higher quality, single-family units, depending on income (referred to as the full nest stage).
- 55 and older:- includes older households with no children, demanding mostly owner-occupied housing and smaller, single-family units, condominiums, or apartments, depending on income (referred to as the empty-nest stage).

To complement Downtown Lamar revitalization efforts, housing units marketable to households with no children should be added to the Downtown housing inventory. Generally, these households would be young individuals, couples, and older empty nester households looking for low or no maintenance housing. Other things to consider are whether the units should be for-sale or rental, new construction or rehab, affordable housing for lower income tenants or market rate, or for seniors or non-senior households.

For-sale housing would not be recommended because the mortgage crisis has significantly limited the availability of mortgage funding, which would make speculative building very risky. Another reason is the lack of a strong single-family housing market Downtown. Although there are some single-family homes in Downtown, they appear to be modest in terms of value, which would probably limit the financial feasibility of building any newly constructed homes.

Consideration should be given to the possibility of residential infill construction in the neighborhoods adjoining Downtown. Such infill may be marketable to households with children. New residential housing in the neighborhoods adjacent to Downtown would have an indirect benefit to Downtown revitalization efforts.

Where should any new housing in Downtown be located?

Downtown Lamar, around Constitution Square, has a few multistory buildings with vacant upper floors. The feasibility of improving this type of space for residential occupancy depends on the condition of the space, access issues, and whether residential space and commercial space can coexist in the same building without one being a nuisance to the other.

Below are images of vacant or underutilized upper floors in buildings around Constitution Square that may be suitable for residential use:



New Downtown area housing development could also be considered at the location of the former Gilkey auto dealership around the intersection of 9th and Broadway. The southwest corner of this intersection is a large level asphalt covered vacant lot. The northeast corner of the same intersection is improved with a vacant building and another large asphalt parking surface.



Southwest corner of 9th and Broadway



Northeast corner of 9th and Broadway

Part of the Gilkey Complex is also vacant or underutilized buildings near 10th and Broadway. Below are images of some of these buildings:



Following is a map that shows the potential development locations around 9th and 10th and Broadway Street in Lamar, Missouri.



From where are the households that form the potential market for housing in the Lamar Downtown Market Area likely to come?

Most of the demand for units in Downtown should come from individuals/households that live in and around Lamar. Some demand should also come from individuals/households that currently live in communities and areas that surround Lamar. Lamar draws people from outside of the community for the various employers in the City. It is possible that some of those individuals that are employed in Lamar, but live outside of the city, could be attracted to new housing options in a unique Downtown neighborhood.

What is the estimated number of households that could create residential household demand in the Lamar Downtown Market Area?

To estimate the housing demand in Downtown, it is necessary to first estimate residential demand for Lamar as a whole. Next, a Downtown capture rate is applied to the total number of households that form residential demand in Lamar. The Downtown capture rate is a percentage of households in the Lamar residential market that could create the demand for housing Downtown.

Nielsen Claritas, Inc., a leading national demographic data provider, working with another company, Ribbon Demographics, has a unique data product designed for housing analysis that breaks Households down by Income, Size, Tenure and broad Age groups (HISTA).

On the following pages are HISTA tables for the Primary market area.

OWNER AND RENTER HOUSEHOLDS 2011

Owner Households – Under Age 55 Years						
Current Year Estimates - 2011						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	12	8	10	6	13	49
\$10,000-20,000	41	17	19	13	9	99
\$20,000-30,000	47	33	44	31	37	192
\$30,000-40,000	22	65	65	56	21	229
\$40,000-50,000	3	50	64	64	49	230
\$50,000-60,000	4	58	56	89	83	290
\$60,000+	21	163	183	134	102	603
Total	150	394	441	393	314	1,692

Owner Households – Aged 55-61 Years						
Current Year Estimates - 2011						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	31	7	5	0	0	43
\$10,000-20,000	30	14	6	0	0	50
\$20,000-30,000	36	30	6	0	0	72
\$30,000-40,000	7	41	25	0	0	73
\$40,000-50,000	0	63	3	4	3	73
\$50,000-60,000	0	53	6	5	0	64
\$60,000+	7	77	28	0	6	118
Total	111	285	79	9	9	493

Owner Households – Aged 62+ Years						
Current Year Estimates - 2011						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	125	46	2	0	3	176
\$10,000-20,000	172	110	6	0	3	291
\$20,000-30,000	83	129	8	7	0	227
\$30,000-40,000	45	102	7	14	7	175
\$40,000-50,000	36	67	29	0	0	132
\$50,000-60,000	7	71	6	0	0	84
\$60,000+	27	86	22	8	0	143
Total	495	611	80	29	13	1,228

Renter Households – Under Age 55 Years						
Current Year Estimates - 2011						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	67	32	18	6	8	131
\$10,000-20,000	91	42	15	24	11	183
\$20,000-30,000	49	34	24	39	28	174
\$30,000-40,000	27	37	42	30	17	153
\$40,000-50,000	4	18	23	33	7	85
\$50,000-60,000	0	20	5	11	18	54
\$60,000+	0	20	16	14	28	78
Total	238	203	143	157	117	858

Renter Households – Aged 55-61 Years						
Current Year Estimates - 2011						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	33	0	0	0	0	33
\$10,000-20,000	10	17	0	0	0	27
\$20,000-30,000	17	0	0	0	0	17
\$30,000-40,000	7	5	0	0	0	12
\$40,000-50,000	0	4	0	0	0	4
\$50,000-60,000	11	0	0	0	0	11
\$60,000+	0	7	0	0	8	15
Total	78	33	0	0	8	119

Renter Households – Aged 62+ Years						
Current Year Estimates - 2011						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	117	2	0	0	0	119
\$10,000-20,000	68	27	0	0	0	95
\$20,000-30,000	10	12	4	0	0	26
\$30,000-40,000	5	3	10	0	0	18
\$40,000-50,000	0	0	9	0	0	9
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	7	6	5	0	0	18
Total	207	50	28	0	0	285

OWNER AND RENTER HOUSEHOLDS 2016

Owner Households – Under Age 55 Years						
Projections for 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	12	4	7	4	11	38
\$10,000-20,000	33	13	15	13	7	81
\$20,000-30,000	42	27	38	26	32	165
\$30,000-40,000	19	52	58	49	19	197
\$40,000-50,000	3	40	57	58	44	202
\$50,000-60,000	3	49	50	82	75	259
\$60,000+	21	150	179	136	100	586
Total	133	335	404	368	288	1,528

Owner Households – Aged 55-61 Years						
Projections for 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	28	7	4	0	0	39
\$10,000-20,000	30	12	6	0	0	48
\$20,000-30,000	35	26	6	0	0	67
\$30,000-40,000	8	40	25	0	0	73
\$40,000-50,000	0	67	4	3	4	78
\$50,000-60,000	0	53	6	6	0	65
\$60,000+	9	87	32	0	7	135
Total	110	292	83	9	11	505

Owner Households – Aged 62+ Years						
Projections for 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	122	41	3	0	3	169
\$10,000-20,000	172	106	6	0	3	287
\$20,000-30,000	89	129	8	7	0	233
\$30,000-40,000	46	111	8	15	8	188
\$40,000-50,000	39	69	34	0	0	142
\$50,000-60,000	8	80	7	0	0	95
\$60,000+	32	97	26	11	0	166
Total	508	633	92	33	14	1,280

Renter Households – Under Age 55 Years						
Projections for 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	61	28	17	7	7	120
\$10,000-20,000	81	35	11	22	10	159
\$20,000-30,000	44	30	24	37	27	162
\$30,000-40,000	26	32	40	29	16	143
\$40,000-50,000	3	16	21	31	7	78
\$50,000-60,000	0	18	4	10	18	50
\$60,000+	0	22	16	16	29	83
Total	215	181	133	152	114	795

Renter Households – Aged 55-61 Years						
Projections for 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	33	0	0	0	0	33
\$10,000-20,000	12	17	0	0	0	29
\$20,000-30,000	19	0	0	0	0	19
\$30,000-40,000	8	5	0	0	0	13
\$40,000-50,000	0	6	0	0	0	6
\$50,000-60,000	12	0	0	0	0	12
\$60,000+	0	9	0	0	11	20
Total	84	37	0	0	11	132

Renter Households – Aged 62+ Years						
Projections for 2016						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	122	3	0	0	0	125
\$10,000-20,000	74	26	0	0	0	100
\$20,000-30,000	12	15	4	0	0	31
\$30,000-40,000	6	4	11	0	0	21
\$40,000-50,000	0	0	10	0	0	10
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	9	7	7	0	0	23
Total	223	55	32	0	0	310

DOWNTOWN MARKET-RATE RENTAL HOUSING DEMAND ANALYSIS

The purpose of this analysis is to quantify the potential market-rate rental housing demand in Downtown Lamar over the next few years. The analysis considers typical rents, the number of households that can create market-rate rental housing demand, and the number or percentage of households in the Lamar market that is reasonably expected to create demand for new market-rate rental housing in Downtown.

Following is the quantitative analysis and an explanation of the process used in the analysis:

Market-Rate Family Rental Potential Demand Analysis				
	PMA Qualified Household Demand (2011)	1BR	2BR	3BR
1	Gross Rent (includes utility costs paid by tenants)	\$500	\$600	\$800
2	Percentage of Income to Housing	25%	25%	25%
3	Minimum Income (Affordability)	\$ 24,000	\$ 28,800	\$ 38,400
4	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-61 (2011)	153	146	127
5	Percentage of Annual Turnover of Existing HH	25%	25%	25%
	Number of Renter HH Turnover	38	37	32
6	Number of Non-Head of Household Potential Tenants	11	11	10
7	PMA Qualified Household Demand (2011)	50	47	41
8	SMA Qualified Household Demand (2011)	10	9	8
9	PMA and SMA Market Rate Rental Potential Household Demand (2011)	60	57	50
	PMA Qualified Households (2016)	1BR	2BR	3BR
10	Gross Rent (includes utility costs paid by tenants)	\$550	\$660	\$880
11	Percentage of Income to Housing	25%	25%	25%
12	Minimum Income (Affordability)	\$ 26,400	\$ 31,680	\$ 42,240
13	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-61 (2016)	131	124	113
14	Percentage of Annual Turnover of Existing HH	25%	25%	25%
15	Number of Renter HH Turnover	33	31	28

16	Number of Non-Head of Household Potential Tenants	10	9	8
17	PMA Qualified Household Demand (2016)	43	40	37
18	SMA Qualified Household Demand (2016)	9	8	7
19	PMA and SMA Market Rate Rental Potential Household Demand (2016)	51	48	44
20	PMA and SMA Qualified Household Growth/Decline (2011-2016)	-9	-9	-5
21	PMA and SMA Average Annual Potential Demand (2011-2016)	58	55	48
22	Downtown Market Area (DMA) Capture Rates	30%	30%	5%
		1BR	2BR	3BR
23	DMA Annual Market Rate Family Rental Potential Demand (2011-2016)	17	17	2

Line 7 is a current estimate (2011) of the total number of existing households that form the potential market-rate rental housing demand from the primary market area. The estimate was determined by considering the gross market rents (including utility costs), the level of income to housing costs, estimated annual turnover rate of renter households, estimated interest from non-head of household seniors, and the HISTA data.

Line 8 is a current estimate of the total number of households that form the potential market-rate rental housing demand from the secondary market area. The estimate considers that 15% to 20% of the demand for most rental housing developments typically comes from the secondary market area.

Line 9 is an estimate of the potential market rate rental housing demand from households from the primary and secondary market areas in 2011.

Line 17 is a projection (2016) of the total number of households that form the potential market-rate rental housing demand from the primary market area. The projection was determined by considering the gross market rents (including utility costs), the level of income to housing costs, estimated annual turnover rate of renter households, estimated interest from non-head of household individuals, and the HISTA data.

Line 18 is a projection of the total number of households that form the potential market-rate rental housing demand from the secondary market area. The projection considers that 15% to 20% of the demand for most rental housing developments typically comes from the secondary market area.

Line 19 is a projection of the potential market-rate rental housing demand from households from the primary and secondary market areas in 2016.

Line 20 is a projection of qualified household growth or decline between 2011 and 2016 and calculated by subtracting the 2016 household demand projection from the 2011 estimate.

Line 21 is the average annual potential demand calculated by considering the current demand in 2011 and the annual growth or decline between 2011 and 2016.

Line 22 is the estimated capture rates for the Downtown market area. These are percentages of qualified households in the primary and secondary market areas that would consider market-rate rental units in Downtown by bedroom size.

Line 23 is an annual projection of the number of qualified households in the primary and secondary market areas between 2011 and 2016 that could be attracted to market-rate rental units in Downtown. This is a point-in-time estimate and could change based on supply and demand between this point in time and 2016.

The analysis concludes that there is a potential household demand for market-rate rental housing in Downtown by bedroom size as follows:

One Bedroom	17
Two Bedroom	17
<u>Three Bedroom</u>	<u>2</u>
Total	36

DOWNTOWN AFFORDABLE SENIOR RENTAL HOUSING DEMAND ANALYSIS

The purpose of this analysis is to quantify the potential affordable senior rental housing demand in Downtown Lamar over the next few years. The analysis considers typical rents, the number of households that can create affordable senior rental housing demand, and the number or percentage of households in Lamar that are reasonably expected to create demand for new affordable senior rental housing in Downtown.

Following is the quantitative analysis of the affordable senior rental household demand and an explanation of the process used in the analysis:

Affordable Senior Rental Potential Demand Analysis		
	PMA Qualified Household Demand (2011)	1BR/2BR
1	Gross Rent (includes utility costs paid by tenants)	\$500
2	Percentage of Income to Housing	50%
3	Minimum Income (Affordability)	\$12,000
4	Maximum Income (Tax Credit Limit)	\$22,620
5	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2011)	82
6	Percentage of Existing Senior Renter Households Likely to Move if New Affordable Housing Were Available	15%
7	Number of Existing Senior Renter Households Likely to Move if New Affordable Housing Were Available	12
8	Appropriate-Sized, Income-Qualified, Owner Households, Age 62+ (2011)	282
9	Percentage of Existing Senior <u>Owner</u> Households Likely to Move if New Affordable Rental Housing Were Available	5%
10	Number of Existing Senior <u>Owner</u> Households Likely to Move If New Affordable Rental Housing Were Available	14
11	Number of Existing Senior Non-Head of Households Likely to Move If New Affordable Rental Housing Were Available	3
12	PMA Qualified Household Demand (2011)	29
13	SMA Qualified Household Demand (2011)	6
14	PMA and SMA Affordable Senior Housing Potential Household Demand (2011)	35

	PMA Projected Qualified Household Growth 2011-2016	1BR/2BR
15	Gross Rent (includes utility costs paid by tenants)	\$550
16	Percentage of Income to Housing	50%
17	Minimum Income (Affordability)	\$13,200
18	Maximum Income (Tax Credit Limit)	\$24,882
19	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2016)	80
20	Percentage of Projected Senior Renter Households Likely to Move if New Affordable Housing Were Available	15%
21	Number of Projected Senior Renter Households Likely to Move if New Affordable Housing Were Available	12
22	Appropriate Sized, Income Qualified, Owner Households, Age 62+ (2016)	296
23	Percentage of Projected Senior <u>Owner</u> Households Likely to Move if New Affordable Rental Housing Were Available	5%
24	Number of Projected Senior <u>Owner</u> Households Likely to Move If New Affordable Rental Housing Were Available	15
	Number of Projected Senior Non-Head of Households Likely to Move If New Affordable Rental Housing Were Available	3
25	PMA Qualified Household Demand (2016)	29
26	SMA Qualified Household Demand (2016)	6
27	PMA and SMA Affordable Senior Housing Potential Household Demand (2016)	35
28	PMA and SMA Qualified Household Growth/Decline (2011-2016)	1
29	PMA and SMA Average Annual Potential Demand (2011-2016)	35
30	DMA Capture Rate	50%
31	DMA Annual Affordable Senior Rental Potential Demand (2011-2016)	17

Line 12 is a current estimate (2011) of the total number of existing senior households that forms the potential senior rental housing demand from the primary market area. The estimate was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income

limits, estimated annual turnover rate of existing senior renter households, estimated interest from senior homeowner households, estimated interest from non-head of household seniors, and the HISTA data.

Line 13 is a current estimate of the total number of existing senior households that form the potential affordable rental housing demand from the secondary market area. The estimate considers that 15% to 20% of the demand for most rental housing developments typically comes from the secondary market area.

Line 14 is an estimate of the potential affordable senior rental housing demand from households from the primary and secondary market area in 2011.

Line 25 is a projection (2016) of the total number of existing senior households that form the potential senior rental housing demand from the primary market area. The projection was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income limits, estimated annual turnover rate of existing senior renter households, estimated interest from senior homeowner households, estimated interest from non-head of household seniors, and the HISTA data.

Line 26 is a projection of the total number of existing senior households that form the potential affordable rental housing demand from the secondary market area. The projection was made by considering that 15% to 20% of the demand for most rental housing developments typically comes from the secondary market area.

Line 27 is a projection of the potential affordable senior rental housing demand from households from the primary and secondary market areas in 2016.

Line 28 is a projection of qualified household growth/decline between 2011 and 2016 and is calculated by subtracting the 2016 household demand projection from the 2011 estimate.

Line 29 is the average annual potential demand that is calculated by considering the current demand in 2011 and the annual growth or decline between 2011 and 2016.

Line 30 is the estimated capture rate for the downtown market area. It is an estimate of the percentage of qualified households in the primary and secondary market areas that would consider affordable senior rental units in the downtown market area.

Line 31 is an annual projection of the number of qualified households in the primary and secondary market areas between 2011 and 2016 expected to be attracted to affordable senior rental units in Downtown. This is a point-in-time estimate and could change based on supply and demand between this point in time and 2016

The analysis concludes that there could be a potential household demand for affordable senior rental housing in the Downtown as follows:

One Bedroom	5
<u>Two Bedroom</u>	<u>12</u>
Total	17

DOWNTOWN AFFORDABLE FAMILY RENTAL HOUSING DEMAND ANALYSIS

The purpose of this analysis is to quantify the potential affordable family rental housing demand in the Downtown Lamar over the next few years. The analysis considers typical rents, the number of households that can create affordable family rental housing demand, and the number or percentage of households in the Lamar market that could reasonably be expected to create demand for new affordable family rental housing in Downtown.

Following is the quantitative analysis of the affordable family rental household demand and an explanation of the process used in the analysis:

Affordable Family Rental Potential Demand Analysis				
PMA Qualified Household Demand (2011)		1BR	2BR	3BR
1	Gross Rent (includes utility costs paid by tenants)	\$450	\$500	\$700
2	Percentage of Income to Housing	35%	35%	35%
3	Minimum Income (Affordability)	\$ 15,429	\$ 17,143	\$ 24,000
4	Maximum Income (Tax Credit Limits)	\$ 22,620	\$ 25,620	\$ 31,350
5	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-61 (2011)	79	35	48
6	Percentage of Annual Turnover of Existing HH	<u>25%</u>	<u>25%</u>	<u>25%</u>
7	Number of Renter HH Turnover	20	9	12
8	Number of Non-Head of Household Potential Tenants	6	3	4
9	PMA Qualified Household Demand (2011)	26	11	16
10	SMA Qualified Household Demand (2011)	5	2	3
11	PMA and SMA Affordable Family Rental Potential Household Demand (2011)	31	14	19
PMA Qualified Household Demand (2016)		1BR	2BR	3BR
12	Gross Rent (includes utility costs paid by tenants)	\$495	\$550	\$770
13	Percentage of Income to Housing	35%	35%	35%
14	Minimum Income (Affordability)	\$ 16,971	\$ 18,857	\$ 26,400
15	Maximum Income (Tax Credit Limits)	\$ 24,972	\$ 28,284	\$ 34,610
16	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-61 (2016)	62	36	34

17	Percentage of Annual Turnover of Existing HH	25%	25%	25%
18	Number of Renter HH Turnover	16	9	9
19	Number of Non-Head of Household Potential Tenants	5	3	3
20	PMA Qualified Household Demand (2016)	20	12	11
21	SMA Qualified Household Demand (2016)	4	2	2
22	PMA and SMA Affordable Family Rental Potential Household Demand (2016)	24	14	13
23	PMA and SMA Qualified Household Growth/Decline (2011-2016)	-7	0	-5
24	PMA and SMA Average Annual Potential Demand (2011-2016)	29	14	18
25	Downtown Market Area (DMA) Capture Rates	0%	0%	0%
		1BR	2BR	3BR
26	DMA Annual Affordable Family Rental Potential Demand (2011-2016)	0	0	0

Line 9 is a current estimate (2011) of the total number of existing limited income households that form the potential affordable rental housing demand from the primary market area. The estimate was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income limits, estimated annual turnover rate of renter households, estimated interest from non-head of household individuals, and the HISTA data.

Line 10 is a current estimate of the total number of limited income households that form the potential affordable housing demand from the secondary market area. The estimate was made by considering that 15% to 20% of the demand for most rental housing developments typically comes from the secondary market area.

Line 11 is an estimate of the potential affordable housing demand from households from the primary and secondary market area in 2011.

Line 20 is a projection (2016) of the total number of limited income households that form the potential affordable rental housing demand from the primary market area. The projection was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income limits, estimated annual turnover rate of renter households, estimated interest from non-head of household individuals, and the HISTA data.

Line 21 is a projection of the total number of limited income households that form the potential affordable housing demand from the secondary market area. The projection considers that 15% to 20% of the demand for most rental housing developments typically comes from the secondary market area.

Line 22 is a projection of the potential affordable housing demand from households from the primary and secondary market areas in 2016.

Line 23 is a projection of qualified household growth/decline between 2011 and 2016 and is calculated by subtracting the 2016 household demand projection from the 2011 estimate.

Line 24 is the average annual potential demand that is calculated by considering the current demand in 2011 and the annual growth or decline between 2011 and 2016.

Line 25 is the estimated capture rates for the downtown market area. It is an estimate of the percentages of qualified households in the primary and secondary market areas that would consider affordable rental units in the downtown market area by bedroom size.

Line 26 is an annual projection of the number of qualified households that could be expected in the primary and secondary market areas between 2011 and 2016 that could be attracted to affordable rental units in the downtown market area. This is a point in time estimate and could change based on changes in supply and demand between this point in time and 2016.

While there appears to be a demand for affordable housing for families in Lamar, the Downtown area is not considered an ideal location for households with very young children because of the high density of vehicular traffic and the lack of suitable play areas for children. An affordable housing family development aimed at these families may be located in an area of the city with less vehicular traffic and more appropriate spaces for play. It is worth noting that of the household demand for affordable housing, families with teenaged children may find Downtown a more appealing neighborhood with its higher variety and density of amenities compared to nearby residential neighborhoods dominated by single-family homes.

CONCLUSIONS

Lamar has an active Downtown that is centrally located. Unlike other downtowns in communities of similar size in Missouri, it has managed to stay economically vibrant even though it is no longer the retail center of the community.

There are few residential options Downtown but a diversity of housing types. Within the DREAM Study Area, there are single-family homes, small duplex units, and a few residential units on the upper floors of Downtown businesses around Constitution Square.

Most of the neighborhood amenities desired by residents are located in or near Downtown Lamar. They include a first-run movie theater, beauty and barber shops, banks, furniture stores, book stores, post office, library, shoe store, hardware store, clothing stores, and art gallery. Grocers, convenience stores, pharmacies, parks, and schools are located just outside the Downtown Study Area.

Constitution Square is one of the largest county courthouse squares in the state of Missouri. It allows easy flow of vehicular traffic, but may be difficult at times for pedestrians to traverse. Improving the walkability of the Square would help to attract and retain Downtown visitors and thereby increase the economy of Downtown.

Lamar stands to benefit from an increase in the number of residential units in and around Downtown. The more households that live Downtown, the more consumers there are to support Downtown businesses and attract new business.

The population and number of households in Lamar are generally stable, but increasing very slightly. Between 2012 and 2016, the number of households is expected to increase by approximately 60 new households. It would benefit revitalization efforts if Downtown captured some of the new household growth. An increased number of households yield more consumers to support existing businesses and to attract new businesses.

This study concludes that there could be a current market demand for housing in Downtown from approximately 36 market-rate tenant households and 17 lower income seniors based on the proposed rents assumed. Additionally, there could be a current market demand from approximately 61 lower income family households in Lamar's Primary Market Area. The target market for housing Downtown should be small households of one or two people. Families with teenaged children may find the more active Downtown environment appealing. For families with younger children, affordable family housing in neighborhoods adjacent to Downtown may be more appropriate.

Potential development sites for new housing Downtown could include the vacant Gilkey complex and land, and buildings near 9th and 10th and Broadway, and vacant or underutilized upper-floor space in the commercial buildings around Constitution Square. Other potential residential development sites could be infill lots within the residential neighborhoods that are adjacent to Downtown.

Finally, this study does not see housing as being the sole key to Downtown Lamar's revitalization, but as one of many important strategies to consider.

This Page Intentionally Left Blank

SECTION IX

DOWNTOWN RESIDENTIAL IMPLEMENTATION

Strategies and financial programs to consider include:

- Plan for a multifunctional Downtown in which housing complements other uses, such as employment, shopping, culture, entertainment, government, and possibly tourism.
- Identify and give high priority to projects that have the ability to be catalysts for further improvement in Downtown.
- Identify available building and land space that could accommodate new residential units in Downtown.
- Identify owners, builders, developers, and investors that would be willing to produce or improve residential space in Downtown. Request developer lists from agencies like Missouri Housing Development Commission. Contact companies in the development industry and make them aware of opportunities that may exist to produce housing in Downtown Lamar.
- Review applicable zoning and building codes to ensure they do not present barriers to Downtown residential development.
- Provide technical assistance and financial incentives where possible to support Downtown residential development.
- Obtain historic designations for buildings in Downtown so that historic tax credits can be considered to help finance development costs.
- Identify and try to mitigate all adverse conditions, such as lack of parking, traffic patterns, and vacant feel to buildings that may adversely affect the Downtown residential market.
- Encourage existing property owners in Downtown to properly maintain their property through code enforcement.
- Implement Downtown beautification programs and consider improvements that would help to increase visitor appeal. This could include sidewalk repair, planter boxes, new ornamental street lights, building murals, and decorative trash receptacles.
- Attract commercial businesses to Downtown that serve residents and visitors needs.
- Historic Federal and State Tax Credit – These are one time federal and state tax credits that help to raise development equity through the sale of the tax credits to investors.
- Federal and State Affordable Housing Tax Credit – These are 10 year federal and state tax credits that help to raise development equity through the sale of tax credits to investors for affordable housing developments.

- Federal and State New Markets Tax Credit – This is a federal and state tax program that was intended to increase businesses and jobs in areas of low income concentration.
- Missouri Housing Development Commission Multifamily Loan Programs – The Commission administers both federal and state funds that can be used as loans or grants for the production of affordable housing.
- Hope VI Main Street Grants – This is a HUD administered grant program specifically designed to foster residential production in Downtown areas. Initial tenants must be low income, but subsequent tenants can be non-low income.
- 353 Property Tax Abatement – This is a 25 year tax abatement program that reduces the property taxes over a 25 year period for developments located in blighted areas.
- Tax Increment Financing – This program allow for the future real property taxes generated by a new development to be used to help to retire the debt required to finance the improvement.
- Brownfield Redevelopment Program – Is intended to provide incentives for the redevelopment of commercial/industrial sites that may have contamination caused by hazardous substances.
- Community Development Block Grant Program (CDBG) – This is a grant program to local communities to improve local facilities and to develop greater capacity for growth.
- Community Development Corporation (CDC) Grant Program – This is a state program where the Department of Economic Development will issue grants to a CDC to cover expenses directly linked to administering neighborhood initiatives.
- Enterprise Zone Tax Benefit – This is a state tax program that is designed to provide tax incentives to businesses that are creating new jobs.
- Industrial Development Bonds – Provides funding through the sale of tax exempt bonds for projects.
- Neighborhood Assistance Program – This is a program administered by Missouri Department of Economic Development that provides state tax credits to donors who make donations to local neighborhood project.
- MODESA – This is a program administered by Missouri Department of Economic Development that is intended to help facilitate the redevelopment of Downtown areas by diverting taxes from community projects to help pay for related infrastructure costs.
- Neighborhood Preservation Act – This is a state tax credit that is provided to a home owner or developer that either rehabilitates or builds a home that will be located in a distressed community.
- First Place Loan Program – This is a low interest loan and down payment assistance program designed for first time homebuyers.
- HeRO Program – This is a program administered by Missouri Housing Development Commission that provides home repair grants for owner occupied homes.
- Missouri Housing Trust Fund – This is a program administered by MHDC that provides funding for a variety of housing needs, such as homeless prevention, rehab or new construction of rental housing, rental assistance and home repair.

- Community Improvement Districts – This is a program that creates special districts that are able to assess special tax assessments to fund infrastructure and other improvements that would benefit the property owners in the district.

In order to fund larger developments or more expensive historic renovation projects it may be necessary to utilize various government subsidy and incentive programs.

This Page Intentionally Left Blank

SECTION X

ASSUMPTIONS AND LIMITING CONDITIONS

- 1.** The area description supplied to the appraiser is assumed to be correct;
- 2.** No survey of the area has been made or reviewed by the appraiser, and no responsibility is assumed in connection with such matters. Illustrative material, including maps and plot plans, utilized in this report are included only to assist the reader in visualizing the property. Area dimensions and sizes are considered to be approximate;
- 3.** No responsibility is assumed for matters of a legal nature affecting title to properties in the area, nor is any opinion of title rendered. Property titles are assumed to be good and merchantable unless otherwise stated;
- 4.** Information furnished by others is believed to be true, correct, and reliable. However, no responsibility for its accuracy is assumed by the appraiser;
- 5.** All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property in the area is assumed to be under responsible, financially sound ownership and competent management;
- 6.** It is assumed that there are no hidden or unapparent conditions to the subsoil or structures which would render the properties more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies which may be required to discover them;
- 7.** Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present in the area, was not observed by the appraiser.

However, the appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The conclusions in this report are predicated on the assumption that there are no such materials on or in the area that would cause a loss of value. No responsibility is assumed for any such conditions, or for the expertise required to discover them. The client is urged to retain an expert in this field if desired. The analysis and demand conclusions in this report are null and void should any hazardous material be discovered;
- 8.** Unless otherwise stated in this report, no environmental impact studies were either requested or made in conjunction with this report. The appraiser reserves the right to alter, amend, revise, or rescind any opinions of demand based upon any subsequent environmental impact studies, research, or investigation;
- 9.** It is assumed that there is full compliance with all applicable federal, state. And local environmental regulations and laws unless noncompliance is specified, defined, and considered in this report;
- 10.** It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless non-conformity has been specified, defined and considered in this report;

- 11.** It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or federal governmental or private entity or organization have been or can be obtained or renewed for any use on which the demand estimate is based;
- 12.** The appraiser will not be required to give testimony or appear in court because of having made this report, unless arrangements have previously been made;
- 13.** Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the intended users without the written consent of the appraiser, and in any event, only with properly written qualification and only in its entirety;
- 14.** The liability of the appraiser is limited to the intended users only. There is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the intended users, they shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions; and
- 15.** Acceptance and/or use of this report constitutes acceptance of the foregoing assumptions and limiting conditions.

SECTION XI

APPRAISER'S 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 is my personal, impartial, and unbiased professional analyses, opinions, conclusions, and recommendations.
- I have no interest in the market that is the subject of this report, and I have no personal interest with respect to the parties involved.
- I have no bias with respect to any property that is the within the market 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.
- 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 consulting assignment.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the market that is the subject of this report.
- No one provided significant real property appraisal or appraisal consulting assistance to the person signing this certification.

By: **Steve Sillimon**-Certified General Real Estate Appraiser # RA003250
Missouri Housing Development Commission
May 4, 2012