

DOWNTOWN
REVITALIZATION &
ECONOMIC
ASSISTANCE FOR
MISSOURI

Brookfield, Missouri

RESIDENTIAL DEMAND ANALYSIS

DOWNTOWN
MARKET AREA

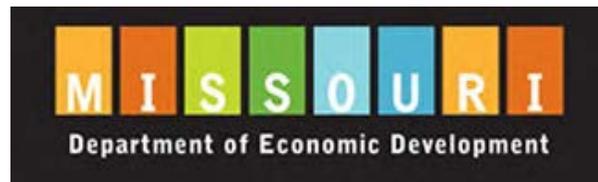
LINN COUNTY
NOVEMBER 2012



ACKNOWLEDGMENTS



DOWNTOWN REVITALIZATION AND ECONOMIC
ASSISTANCE FOR MISSOURI (DREAM)
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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 Brookfield 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 Brookfield, Linn County, Missouri and parties interested in development of residential housing units in Downtown Brookfield, 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;
- Opinions regarding the household demand for residential units in the Downtown market area of Brookfield 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 Brookfield, within the specific geographic boundaries as described within this report.

EFFECTIVE DATE OF THE REPORT

The effective date of the report is September 28, 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. The appraiser 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 performed to complete this report.

- Physical survey of the area that is the subject of the report;
- 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;
- 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.

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SECTION I

CONCLUSIONS AND RECOMMENDATIONS

- Downtown Brookfield is centrally located in the community and primarily serves local consumers.
- A baseline assessment of current residential land uses within the DREAM Downtown footprint was made that indicated there are relatively few residential units that currently exist in Downtown Brookfield. The current housing stock includes a commercial building that has been converted into residential units, a couple of single family homes that have been converted into multi-unit dwellings, a small four-plex, a small number of upper floor units over downtown commercial buildings, and a small number of single family homes.
- Downtown Brookfield is the location of city hall, the police, and fire departments, a U.S. Post Office, public library, places of worship, a Burlington Northern Railway yard, a lumber yard, gas station convenience store, a small national retail store (Sears), a couple of eating establishments, public parks, a grain elevator, and numerous small businesses.
- The economic activity of Downtown Brookfield has diminished over time as new businesses, including national chain stores, began to develop south of Downtown closer to the highway.
- Any plans to reinvent or revitalize Downtown Brookfield should include the idea of increasing the number of residential units in and around Downtown. The more people that live in or near Downtown Brookfield translates to more potential consumers there would be to support Downtown businesses. An increase in the Downtown population could also encourage new businesses to move to Downtown.
- Demographic data indicates that Brookfield is currently on a declining population trend. Between the years 2000 and 2011, the population of Brookfield declined by approximately 260 people or 5%. Between 2011 and 2016, the population of Brookfield is projected to decrease by 40 more persons or 1%.
- Housing in or around Downtown could be part of a larger strategy to change the declining population trend by creating housing that could attract people from outside the community or help retain current residents that otherwise may consider migrating out of the community due to a lack of quality housing choices. Many times, due to age, some senior residents find that their home is no longer suitable because of their diminishing physical capacity. Because suitable independent or assisted housing is limited in Brookfield, many senior residents are unable to stay in their homes and may find themselves moving out of the community to find suitable housing elsewhere. The creation of housing more suitable for senior households especially in or near Downtown Brookfield would serve the dual purpose of helping retain and attract senior households and revitalize Downtown Brookfield. New downtown housing options should also be attractive to households with no children or teenagers that could be attracted to the unique loft-style units that can be found in Downtown Brookfield. Housing in or near downtown has been popular in other communities as empty nesters and young households value the walkable environment in addition to being located in close proximity to many community services.

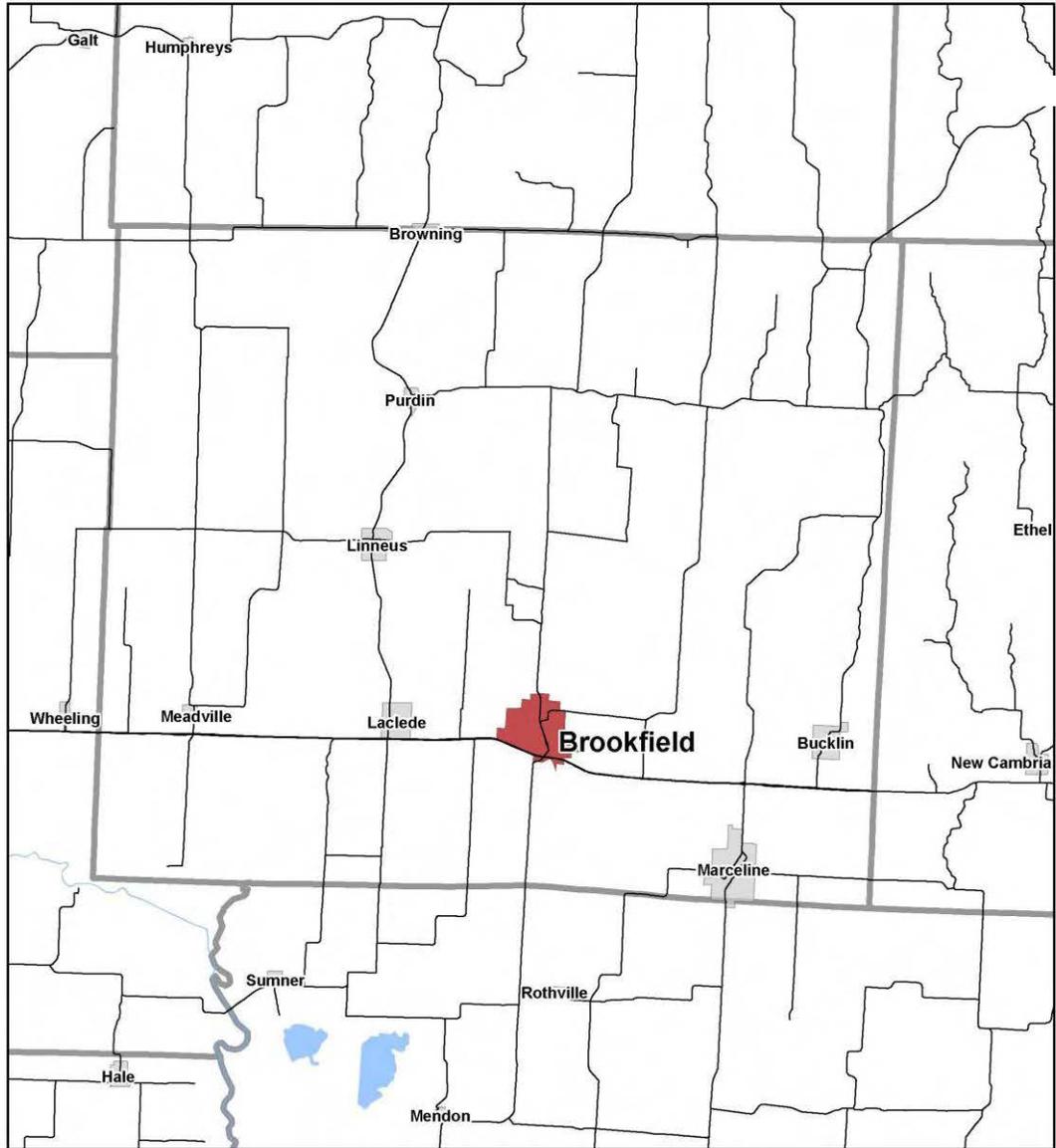
- A quantitative analysis concluded there could be demand from approximately 14 households for market-rate rental housing in Downtown Brookfield. These would generally be smaller households with either no children or teenagers.
- A quantitative analysis concluded there could be demand from approximately 9 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 34 lower income households for affordable family rental housing in Brookfield. Because downtown areas are generally not good locations for households with younger children, this study will not recommend affordable family rental units as part of the Downtown revitalization strategy.
- In addition to vacant tracts of land in and around Downtown Brookfield, there is a large amount of vacant space on the upper floors of some commercial buildings Downtown along Main Street that could be improved for residential use as loft-style apartments.
- Consideration should be given to requiring owners of vacant commercial buildings to provide window covering on the windows of vacant areas. This could help mitigate negative market perceptions of Downtown Brookfield.
- The city should review its development approval process to ensure that the process does not include unnecessary barriers to Downtown residential development.

SECTION II

MARKET AREA DESCRIPTION

The area of study is Downtown Brookfield, in Linn 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 of study within the city, and the DREAM study area that is the subject of this report.



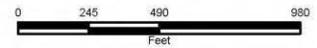
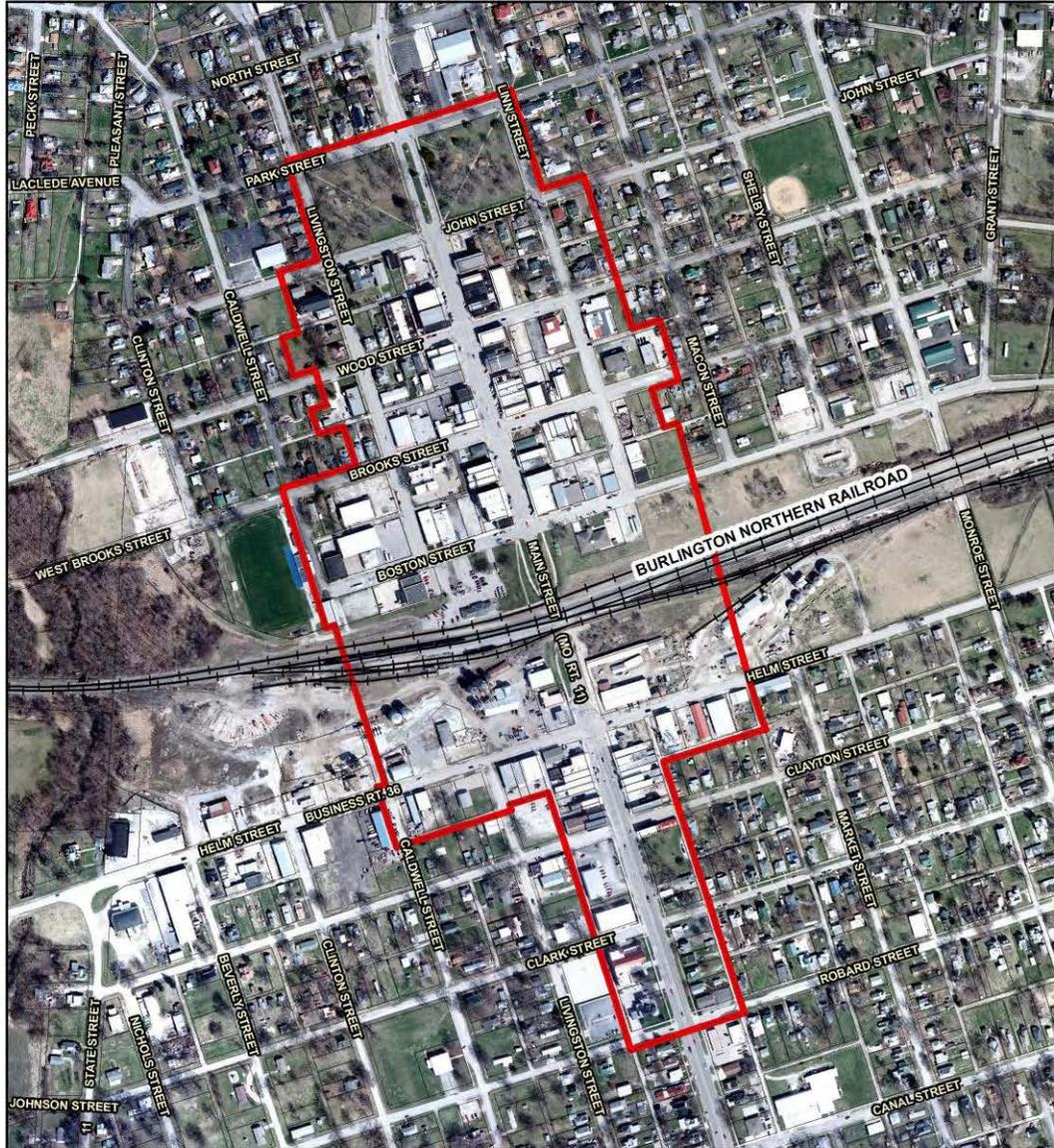


Brookfield City Boundaries
Residential Demand Analysis
City of Brookfield, Missouri



October 2012





DREAM Boundary Map
Residential Demand Analysis
City of Brookfield, Missouri



October 2012



OVERVIEW

Brookfield was incorporated in 1859 and is the largest community in Linn County, Missouri. It is located along US Highway 36, approximately 115 miles northeast of Kansas City and 180 miles northwest of St. Louis, Missouri. Brookfield is also located approximately 55 miles north of Interstate 70.

Settlers were first drawn to the Linn County area because of the rich agricultural land and the abundance of good hunting land. The richness of the soil in the Linn County area was unsurpassed in the State and allowed growth of all types of crops.

Brookfield became the economic center of Linn County. By 1859, a railroad line was built that extended between Hannibal to the east and St. Joseph to the west of Brookfield. The line ran through Brookfield, which soon became the division headquarters for the rail line. Many of the community's streets are named for John Woods Brooks, a civil engineer from Boston who first surveyed Brookfield.

During the early 1900's Brookfield became known as the metropolis of north central Missouri and boasted a population of approximately 16,000 people. In addition to agriculture and the railroad, Brookfield attracted small manufacturers that brought well-paying jobs to the area.

In the early 1900's the population of Brookfield was almost 6,000 persons, but by the mid 1900's the City lost a large portion of its population due to reductions in rail stops and a trend towards moving production and manufacturing jobs to other parts of the State, the Country, and off-shore. In 2004, the sudden closure of Dura Automotive resulted in the loss of over 240 jobs, which was a severe blow to Brookfield's economy. Since that time, the community has aggressively tried to rebound by focusing on grassroots entrepreneurship.

Although it has been unable to reach the economic summits of the past, Brookfield today appears to be an economically stable community that is still dependent on agriculture and local manufacturing.

Downtown Brookfield is centrally located in the community, approximately one mile north of US Highway 36. The boundaries of the DREAM Downtown Revitalization Area are generally Park Street to the north, Robard Street to the south, Macon and Market Streets, and Caldwell Street to the west. The downtown area is split into northern and southern sections by the Burlington Northern train tracks that run from east to west along an elevated bridge built over Main Street. The downtown area north of the tracks most resembles a traditional downtown area. The Downtown area south of the tracks has less commercial building density and although it still contains some older commercial buildings it has a different feel than the Downtown north of the tracks.

Like many downtown areas, Brookfield's is the center of local government. The Brookfield City Hall is located at 116 W. Brooks Street. Also located downtown are the United States Post Office and the Brookfield Police and Fire Departments.

In addition to the government uses, Brookfield's Downtown also contains a variety of offices, and small retail and service businesses. Most Downtown businesses are concentrated along Main Street between Park Street to the north and Robard Street on the south.

Most of the original buildings built in the Downtown area are still standing and due to their age most appear to be in fair condition. Most of the commercial buildings along Main Street contain two stories and a few are one or three story buildings. Some of the building facades have been altered with building materials that were not original to the buildings, which contributes to an inconsistent look on many of the downtown building facades.

Though the majority of street level building space downtown appeared to be occupied, there were a small number of vacancies. The majority of the upper floor space in the downtown buildings appears to be vacant.

Downtown Brookfield was the major shopping district in the community until the City began to grow and more businesses, including Wal-Mart, began to sprout outside of Downtown. Although many retail and service businesses are located in other areas of the community, the businesses that are located Downtown still generate a fair amount of local pedestrian and vehicular traffic.

Businesses located Downtown include professional offices (attorneys, accountants, doctors, dentists, insurance, realtors, etc.), barber and beauty salons, banks, eating establishments, a clothing and shoe store, the local newspaper, a jeweler, music store, photography studio, pharmacy, gas stations and convenience store, auto parts store, hardware store, and a lumber yard. There is a Sears retail outlet located just east of Main Street on the north side of Boston Street.

There appears to be a very limited amount of residential land uses within the DREAM area footprint in Downtown. The only residential uses noted were some units in a converted commercial building called "The Woodridge" at 112 West Wood, some upper floor units in a downtown commercial building located at the corner of Main and Wood Streets, rental units in some converted single family homes on Wood Street just west of Main Street and a very small number of single family homes.

The upper floor space in most Downtown commercial buildings that used for residential purposes now sits vacant. The decline of the Downtown as the economic and social center of the community also meant the decline of the Downtown upper floor space as marketable residential space. Although housing opportunities are limited in Downtown there are many homes in the neighborhoods surrounding Downtown.

TRAFFIC ARTERIES

The primary traffic artery through Downtown Brookfield is Main Street, which runs north/south. Helm Street is a primary traffic artery that runs through Downtown east/west.

EXISTING LAND USES

The land use within the footprint of the DREAM Downtown Study Area is a mix of commercial service and retail, and a very small amount of residential. There is also land in the area that is improved with government buildings, offices, churches, and parking surfaces. A small amount of land in the DREAM Downtown Study Area is vacant.

ADJACENT AREAS

Land uses adjacent to the DREAM Downtown Study Area are predominately residential. Bisecting the DREAM downtown study area is an active Burlington Northern rail line. The line runs east/west and traverses a bridge over Main Street between Boston and Helm Streets. A large grain elevator is located just south of the rail line. The location of the grain elevator and railroad tracks splits Downtown Brookfield into two sections.

PARKING

Diagonal parking spaces are located in front of most buildings along Main Street, and parallel parking spaces are located along the rest of the streets in Downtown. There is also a small amount of parking available behind most commercial buildings Downtown. Not much public area off street parking was noted.

ENTERTAINMENT

The only entertainment venue noted in the Downtown area is the Brookfield Bowling Alley, which is located at 124 W. Boston Street. Brookfield also has a first-run movie theater that is located about a mile south of the Downtown on the north outer road of US Highway 36.

DINING ESTABLISHMENTS

Eating establishments located Downtown include the Helm Street Inn, which is a sit-down style restaurant and the Tastee Treat Drive In, a fast food eatery with no seating.

PARKS AND RECREATION

There are three parks located within the DREAM Study area. At the north end of Downtown are two park areas that are split by Main Street and known as the "Twin Parks". The section to the west of Main Street is used as a play area and is improved with playground equipment. The section to the east of Main Street is used for festivals and other public gatherings. Tormey Park is also located Downtown in the 200 block of South Main. It is the home of Brookfield's Farmer's Market.

SCHOOLS

Brookfield's public elementary, middle, and high schools are located on or near Pershing Drive, approximately one mile west of the DREAM Downtown Study Area.

HISTORIC DESIGNATIONS

There are no buildings or areas in or near Downtown that have an approved historic designation.

PUBLIC TRANSPORTATION

Brookfield is not served by a local public transportation system. The closest Amtrak station is located in La Plata, Missouri, approximately 48 miles northeast of Brookfield. The community of Marceline, which is located about 7 miles southeast of Brookfield, does have a small airport. Brookfield is served by taxi companies.

DOWNTOWN AREA STRENGTHS AND WEAKNESSES

From a residential market perspective, Downtown has positive attributes:

- **Government Center:** Downtown is the local center of government, which brings employees and people conducting business to the area throughout the work week.
- **Active Commercial District:** Downtown Brookfield has a significant amount of vehicular and pedestrian traffic, which are drawn to the downtown businesses and government offices.
- **Location:** Downtown Brookfield is centrally located in the community.
- **Potential Development Space:** Most Downtown buildings contain at least two stories, but most of the upper floor space is vacant. Two buildings in particular that should be considered are located in the 100 block of North Main. On the west side, the Linn County Leader (newspaper) occupies the street level of a three-story building that has two vacant upper floors. It was originally the Lapierre Hotel and later served as a boarding house for many years. On the east side of the 100 block of North Main is a two-story building called the Francis Building.
- **Neighborhood Amenities:** Neighborhood amenities and services are located within a mile or two of Downtown.
- **Limited Residential Choices:** Because of the limited residential choices in Brookfield, new residential units produced Downtown should be able to capture a good portion of potential homebuyer or tenant interest.
- **Walkable Area:** The heart of Downtown with all of its shops, businesses, and restaurants is a pleasant area to walk and is a unique neighborhood in the City.
- **Traffic Arteries:** The Downtown area has good traffic arteries that allow relatively easy access to Downtown from all directions.

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

- **Lack of Entertainment:** The lack of venues for young and older persons limits the marketability of Downtown to potential residents seeking a more exciting and vibrant neighborhood.
- **Condition of Existing Housing Stock:** A large portion of the housing stock in and around Downtown appears to be in poor condition due to lack of proper and timely maintenance. This condition adversely affects the marketability of all housing in the Downtown market.
- **Lower Income Market:** The relatively lower income levels in rural markets makes new housing development difficult because the amount of rent or mortgage payments necessary for project feasibility in many cases exceeds what potential tenants or homeowners can afford to pay for the housing.

- Lack of Vacant Land: There do not appear to be any large vacant tracts of ground in or around Downtown that has residential development potential.
- Railroad Location: The proximity of the active rail line adjacent to Downtown limits the marketability of the area for residential purposes because State and Federal funding sources could be limited because of noise concerns.
- Lack of Parking Space: There is a limited amount of off-street parking Downtown. No significantly sized public parking lot was noted in the area.

Following are photos of Downtown Brookfield:



Looking south down Main Street toward Downtown Brookfield from Park Street

Looking north up Main Street at BNSF elevated rail line that bisects Downtown Brookfield



Downtown buildings located on the east side of Main Street between John and Wood Streets



Downtown buildings located on the west side of Main Street between John and Wood Streets

Building at the northwest corner of Main and Wood Street



Looking south down Main Street from John Street

Buildings at the southwest corner of Main and Wood Streets





Building on the west side of Main Street between
Wood and Brooks Streets

Buildings on the east side of Main Street between
Brooks and Woods Streets



Buildings near the southeast corner of Main and
Wood Streets

Buildings on the east side of Main Streets between
Brooks and Woods Streets





Business at the southwest corner of Main and Brooks Streets

Buildings on the west side of Main Street between Brooks and Boston Streets



Vest pocket park at the southeast corner of Main and Brooks Streets

Buildings on the east side of Main Street between Boston and Brooks Streets





Brookfield Bowling Alley at 124 W. Boston Street



Brookfield Public Library at 102 E. Boston Street



Looking north up Main Street from Boston Street

United States Post Office in Downtown Brookfield
at 201 W. Boston Street





Sears Store at 111 E. Boston Street

Entrance to Tormey Park, which is located in the South 200 Block of Main Street. The park is the Site of Brookfield's Farmer's Market.



Brookfield's Burlington Northern Santa Fe rail yard located near Main and Boston Streets

Trinity United Methodist Church and Activity Center at 300 S. Main Street





United Missouri Bank Downtown at 117 West Brooks Street

Casey's gas station and convenience store at 401 S. Main Street



Immaculate Conception Catholic Church at 313 N. Livingston Street

Phillips 66 gas station and convenience store at the northwest corner of Main and Helm Streets





Helm Street Inn at the southwest corner of Main and Helm Streets

Citizens Bank and Trust at 322 S. Main Street was previously a large home that was converted to a bank



O'Reilly Auto Parts at 200 W. Main Street

Buildings on the east side of Main Street between Helm and Clayton Streets





Buildings on the west side of Main Street between Helm and Clayton Streets

Pepsi Bottling Operation at 224 West Boston Street



Refurbished building at the southeast corner of Main and Clayton Streets (1 of 2)

Refurbished building at the southeast corner of Main and Clayton Streets (2 of 2)



SECTION III

REVIEW OF PREVIOUS DOWNTOWN HOUSING MARKET STUDIES

Following are select points from studies or reports that were previously prepared for the city of Brookfield that relate to housing in the downtown market area:

Reconnecting Brookfield

Prepared by Drury University, 2008

- "What is currently an 8-10 hour business district has the potential of becoming a walkable 24-hour live/work/play village center."
- "Rezone downtown to exclude industry and encourage multi-use retail, housing, and park space."
- "Strengthen Brookfield and the city's parks so they may serve as a catalyst for future growth and as an incentive for improving neighboring homes and businesses."
- "New housing options that include revived loft living above downtown businesses and affordable rental properties would create a true live/work/play community that will revitalize the downtown area."
- "Rethink the industrial zone adjacent to the railroad tracks as a possible location for future parks, housing complexes, and pedestrian oriented business opportunities."
- "The upper level of many buildings, which were once prime spaces for offices and businesses, now has much potential as lofts and apartments with their abundant source of natural light from skylights and exterior window off of Main Street."
- "Rezoning the historic industrial core of downtown Brookfield and moving industry outside of the downtown area would allow the area to be reclaimed for commercial and residential use."

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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, and the Brookfield Chamber of Commerce.

Major Employers

Major Employers - Brookfield, Missouri Area		
Employers	Type of Business	Employees
Walsworth Publishing	Manufacturing	700
Wal Mart Super Center	Retail	200
Brookfield Public School District	Education	200
Stanbury Uniforms	Manufacturing	168
Pershing Health System	Healthcare	147
Life Care	Healthcare	120
Brookfield Fabricating	Manufacturing	150
Excelsior Manufacturing	Manufacturing	50
Apex Plastics	Manufacturing	50
City of Brookfield	Government	50

Source: Brookfield Area Growth Partnership

In 2004, Brookfield lost one of its largest employers when Dura Automotive closed a plant that made brake lines and employed approximately 250 people. A portion of those jobs have been recouped by new businesses that have come to the city since that time.

Employment by Occupation

Average Employment and Wages - Linn County, Missouri								
Industry	2011		2010		2009		2008	
	Avg. Empl.	Avg. Mthly. Wages						
31 - Manufacturing	970	\$3,545	1,026	\$3,298	1,106	\$3,207	1,089	\$3,028
44 - Retail Trade	496	\$2,260	487	\$1,890	493	\$1,755	496	\$1,661
61 - Educational	485	\$2,537	506	\$2,551	519	\$2,492	526	\$2,415
62 - Health care, social	466	\$2,281	459	\$2,243	472	\$2,227	465	\$2,122
72 - Accom. & food srvc	326	\$830	273	\$837	302	\$851	361	\$909
51 - Information	295	\$3,771	310	\$3,555	335	\$3,400	328	\$3,333
Public Administration	238	\$1,722	232	\$1,775	237	\$1,701	238	
81 - Other services	197	\$1,308	198	\$1,213	180	\$1,165	175	\$1,191
52 - Finance & Ins.	173	\$3,045	176	\$3,050	187	\$3,042	185	\$2,928
48 - Transportation and warehousing	165	\$3,498	153	\$3,501	171	\$3,290	139	\$3,413
55 - Mgmt. (companies)	123	\$3,880	130	\$3,668	69	\$3,526	132	\$3,409
23 - Construction	98	\$2,329	96	\$2,288	99	\$2,129	89	\$2,081
42 - Wholesale trade	77	\$4,337	80	\$4,626	102	\$4,208	102	\$3,663
54 - Professional and technical services	71	\$2,763	73	\$3,065	74	\$3,299	71	\$2,550
56 - Administrative, etc.	32	\$1,520	33	\$1,652	27	\$1,218	32	\$1,189
22 - Utilities	26	\$2,511	26	\$2,430	26	\$2,321	25	\$2,554
71 - Arts, etc.	17	\$1,717	16	\$1,738	18	\$1,803	16	\$1,863
53 - Real estate	16	\$1,313	15	\$1,050	18	\$1,086	16	\$1,207
11 - Agriculture, Etc.		\$541		\$2,066		\$2,500		\$2,514
21 - Mining								

Source: Nielsen

In Linn County, Missouri, the occupation with the largest number of employees is manufacturing, followed by retail, education, and health care. The average monthly wage for manufacturing jobs in Linn County is \$3,545, which equates to an average annual salary of approximately \$42,500.

Civilian Employed Class of Worker

2012 Estimated Civilian Employed Population (aged 16+, by Occupation)		
Brookfield, Missouri		
Occupation	Number	Percentage
Sales/Related	228	12.10%
Production	223	11.80%
Office/Administrative Support	207	11.00%
Health Practitioner/Technician	191	10.10%
Food Preparation/Serving	150	8.00%
Transportation/Moving	130	6.90%
Building Grounds Maintenance	126	6.70%
Management	98	5.20%
Healthcare Support	94	5.00%
Education/Training/Library	72	3.80%
Construction/Extraction	66	3.50%
Maintenance Repair	59	3.10%
Personal Care/Services	56	3.00%
Community/Social Services	40	2.10%
Business/Financial Operations	36	1.90%
Protective Services	28	1.50%
Farm/Fish/Forestry	23	1.20%
Life/Physical/Social Science	21	1.10%
Legal	14	0.70%
Arts/Entertainment/Sports	11	0.60%
Computer/Mathematical	8	0.40%
Architect/Engineer	1	0.10%

Source: Nielsen

In Brookfield, Missouri, the occupations with the largest numbers of employees are retail, manufacturing, office/administration support, and health care.

Labor Force and Unemployment

Local Area Employment - Linn County, Missouri					
Year	Labor Force	Employment	Unemployment	Unempl. Rate	Missouri Unempl. Rate
2011	5,867	5,232	635	10.8%	9.6%
2010	6,138	5,477	661	10.8%	9.6%
2009	6,690	6,041	649	9.7%	9.3%
2008	6,578	6,139	439	6.7%	6.1%
2007	6,483	6,074	409	6.3%	5.1%

Source: Missouri DED

The unemployment rate for Linn County over the last few years has generally been slightly higher than the State, which is not unusual for rural counties in Missouri. The estimated labor force (individuals available for work) of Linn County has decreased by approximately 600 individuals from 2007 to 2011.

SECTION V DEMOGRAPHIC PROFILE

Population

Total Population						
Year	Brookfield	Change %	Linn County	Change %	Missouri	Annual Change %
2000	4,769		13,754		5,595,211	
2012	4,511	-5.4%	12,700	-7.7%	6,056,580	8.2%
2017	4,471	-0.9%	12,553	-1.2%	6,258,505	3.3%

Source: Nielsen

Between year 2000 and 2012 the population of Brookfield decreased by approximately 5.5%. The population of Linn County also declined during that period, but at a slightly higher pace. This indicates that the rural areas of Linn County and the other smaller cities are losing population at a slightly faster pace than Brookfield.

Population Change Comparison

Population Change Comparison 2000-2012				
Community	Population		Change	% Change
	2000	2012		
Brookfield	4,769	4,511	(258)	-5%
Trenton	6,216	5,955	(261)	-4%
Chillicothe	8,968	8,440	(528)	-6%
Macon	5,538	5,502	(36)	-1%
Moberly	11,945	13,932	1,987	17%

Source: Nielsen

Brookfield, like most northern counties in Missouri is experiencing a decline in population. That declining trend is expected to continue into the near future.

Population by Age

Population By Age Group						
Brookfield, Missouri						
Age Cohort	2000	Percent	2012	Percent	2017	Percent
0-20	1,311	27%	1,257	28%	1,253	28%
21-24	179	4%	168	4%	233	5%
25-34	494	10%	417	9%	398	9%
35-44	608	13%	494	11%	452	10%
45-54	561	12%	640	14%	533	12%
55-64	430	9%	544	12%	580	13%
65-74	485	10%	425	9%	462	10%
75-84	480	10%	349	8%	331	7%
85+	221	5%	217	5%	229	5%

Source: Nielsen

The age cohorts between 21 and 34 represent approximately 14% of the population of Brookfield. That age group is the typical age range of the most transient households in a community that drives the local housing markets. That age range is expected to remain stable in terms of market share over the next 5 years.

Average Age of Population

Average Age of Total Population	
Brookfield, Missouri	
Year	Average Age
2000	42.5
2012	42.2
2017	42.2

Source: Nielsen

Population by Gender

Population By Gender						
Brookfield, Missouri						
Gender	2000	Percent	2012	Percent	2017	Percent
Male	2,169	45%	2,089	46%	2,079	46%
Female	2,600	55%	2,422	54%	2,392	54%

Source: Nielsen

Educational Attainment

2012 Estimated Population (Aged 25+, by Educational Attainment)		
Brookfield, Missouri		
Educational Attainment	Population	Percentage
Less than 9th grade	225	7%
Some High School, no diploma	282	9%
High School Graduate (or GED)	1376	45%
Some College, no degree	501	16%
Associate Degree	151	5%
Bachelor's Degree	277	9%
Master's Degree	106	3%
Professional School Degree	134	4%
Doctorate Degree	34	1%

Source: Nielsen

Marital Status

2012 Estimated Population (Aged 15+, by Marital Status)		
Brookfield, Missouri		
Marital Status	Population	Percentage
Total, Never Married	646	15%
Married, Spouse present	1893	45%
Married, Spouse absent	104	2%
Widowed	530	13%
Divorced	418	10%
Males, Never Married	370	9%
Females, Never Married	276	7%

Source: Nielsen

Total Households

Total Households				
Brookfield, Missouri				
Year	Brookfield	Change %	Linn County	Change %
2000	2,058		5,697	
2012	1,896	-7.9%	5,335	-6.4%
2017	1,908	0.6%	5,360	0.5%

Source: Nielsen

Between 2000 and 2012 the City of Brookfield lost approximately 160 households. Between 2012 and 2017 the number of households in Brookfield is expected to increase slightly.

Average Household Size

Average Household Size	
Brookfield, Missouri	
Year	Average Household Size
2000	2.23
2012	2.31
2017	2.38

Source: Nielsen

Households by Age of Head of Household

Households by Age of Head of Household						
Brookfield, Missouri						
Age Cohort	2000	Percent	2012	Percent	2017	Percent
Under 25	106	5%	87	5%	102	5%
25-34	260	13%	217	11%	212	11%
35-44	358	17%	289	15%	271	14%
45-54	339	16%	379	20%	328	17%
55-64	251	12%	316	17%	346	18%
65-74	314	15%	278	15%	309	16%
75-84	319	16%	229	12%	228	12%
85+	111	5%	101	5%	112	6%

Source: Nielsen

Households by Size

Households By Size						
Brookfield, Missouri						
Household Size	2000		2012		2017	
	Number	Percent	Number	Percent	Number	Percent
1 Person	726	35.3%	623	32.9%	645	33.8%
2 Persons	698	33.9%	640	33.8%	639	33.5%
3 Persons	271	13.2%	275	14.5%	275	14.4%
4 Persons	225	10.9%	206	10.9%	202	10.6%
5 Persons	98	4.8%	103	5.4%	102	5.3%
6 Persons	31	1.5%	34	1.8%	34	1.8%
7+ Persons	9	0.4%	15	0.8%	11	0.6%
Total	2,058	100%	1,896	100%	1,908	100%

Source: Nielsen

Household Type and Presence of Own Children

2012 Estimated Households (By Type, Presence Own Children)			
Brookfield, Missouri			
Type	Presence Own Children	Households	Percentage
Married-Couple Family	Own Children	320	28%
Married-Couple Family	No Own Children	623	54%
Male Householder	Own Children	15	1%
Male Householder	No Own Children	23	2%
Female Householder	Own Children	102	9%
Female Householder	No Own Children	69	6%

Source: Nielsen

Households by Income Distribution

Households by Income Distribution						
Brookfield, Missouri						
Income Cohort	2000		2012		2017	
	Number	Percent	Number	Percent	Number	Percent
< than \$15,000	573	28.0%	402	21.2%	394	20.6%
\$15,000-\$24,999	424	20.7%	328	17.3%	328	17.2%
\$25,000-\$34,999	337	16.4%	336	17.7%	331	17.3%
\$35,000-\$49,999	369	18.0%	337	17.8%	344	18.0%
\$50,000-\$74,999	257	12.5%	316	16.7%	319	16.7%
\$75,000-\$99,999	43	2.1%	97	5.1%	104	5.5%
\$100,000 +	47	2.3%	80	4.2%	88	4.6%
Total	2,050	100.0%	1,896	100.0%	1,908	100.0%

Source: Nielsen

Tenure of Occupied Units

Tenure of Occupied Housing Units				
Brookfield, Missouri				
Tenure Type	2000	%	2012	%
Owner Occupied	1469	71%	1279	67%
Renter Occupied	589	29%	617	33%

Source: Nielsen, U.S. Census Bureau

Housing Types by Number of Units in Structure

Number of Housing Types (2012 Estimate)		
Brookfield, Missouri		
Housing Type by # of Units in Structure	Number	Percentage
1, attached	50	2.2%
1, detached	1,931	84.5%
2	47	2.1%
3 or 4	64	2.8%
5 to 19	52	2.3%
20 to 49	-	0.0%
50 or more	25	1.1%
Mobile Home	116	5.1%
Total	2,285	100.0%

Source: Nielsen

Housing by Year Structure Built

Year Structure Built (2012 Estimate)		
Brookfield, Missouri		
Year Structure Built	Number	Percentage
2005 or later	46	2.0%
2000-2004	123	5.4%
1990-1999	117	5.1%
1980-1989	87	3.8%
1970-1979	357	15.6%
1960-1969	337	14.7%
1950-1959	291	12.7%
1939 or earlier	927	40.6%

Source: Nielsen

Owner-Occupied Housing Values

Owner-Occupied Housing Values (2012 Estimate)		
Brookfield, Missouri		
Values	Number	Percentage
< \$20,000	114	9%
\$20,000 - \$39,999	157	12%
\$40,000 - \$59,999	221	17%
\$60,000 - \$79,999	186	15%
\$80,000 - \$99,999	124	10%
\$100,000 - \$149,999	262	20%
\$150,000 - \$199,999	97	8%
\$200,000 - \$299,999	94	7%
\$300,000 - \$399,999	20	2%
\$400,000 - \$499,999	2	0.2%
\$500,000 or more	2	0%

Source: Nielsen

Area Maximum Affordable Housing Income and Rents

Maximum Income and Rents for HOME and Housing Tax Credit Programs											
For Linn County, Missouri - Median Income: \$49,700											
Income %	Persons in Household						Bedroom Sizes				
	Maximum Incomes						HUD Fair Market Rents				
	1	2	3	4	5	6	0Br	1Br	2Br	3Br	4Br
50%	\$17,400	\$19,900	\$22,400	\$24,850	\$26,850	\$28,850	\$408	\$421	\$555	\$687	\$809
60%	\$20,880	\$23,880	\$26,880	\$29,820	\$32,220	\$34,620					

Source: HUD, Novogradac

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

Migration Patterns

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

Gross Annual Household In-Migration								
Linn County, Missouri								
County of Origin	2009		2008		2007		2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total In-Migration	285	100%	274	100%	229	100%	241	100%
Total In-Migration Same State	207	73%	205	75%	168	73%	183	76%
Total In-Migration Out of State	78	27%	69	25%	61	27%	58	24%
Chariton	28	10%	24	9%	18	8%	35	15%
Sullivan	17	6%	10	4%	12	5%	9	4%
Clay	15	5%	10	4%	12	5%	10	4%
Macon	15	5%	17	6%	14	6%	18	7%
Jackson	12	4%	11	4%	13	6%	9	4%
Livingston	11	4%	31	11%	18	8%	16	7%
Randolph	10	4%	10	4%	12	5%	9	4%
All Other Counties	177	62%	161	59%	130	57%	135	56%

Source: Internal Revenue Service

Gross Annual Household Out-Migration								
Linn County, Missouri								
Destination County	2009		2008		2007		2006	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Out-Migration	315	100%	311	100%	283	100%	354	100%
Total Out-Migration Same State	250	79%	234	75%	228	81%	272	77%
Total Out-Migration Out of State	65	21%	77	25%	55	19%	82	23%
Chariton	14	4%	23	7%	12	4%	29	8%
Sullivan	9	3%	12	4%	11	4%	9	3%
Clay	13	4%	14	5%	29	10%	20	6%
Macon	15	5%	14	5%	14	5%	15	4%
Jackson	15	5%	13	4%	10	4%	10	3%
Livingston	34	11%	45	14%	21	7%	40	11%
Randolph	9	3%	12	4%	9	3%	9	3%
All Other Counties	206	65%	178	57%	177	63%	222	63%

Source: Internal Revenue Service

Net Annual Household Migration				
Linn County, Missouri				
County	2009	2008	2007	2006
	Number	Number	Number	Number
Chariton	14	1	6	6
Sullivan	8	-2	1	0
Clay	2	-4	-17	-10
Macon	0	3	0	3
Jackson	-3	-2	3	-1
Livingston	-23	-14	-3	-24
Randolph	1	-2	3	0
All Other Counties	-29	-17	-47	-87
Net Migration	-30	-37	-54	-113

Source: Internal Revenue Service

Between 2006 and 2009, Linn County lost more households than it gained. It is assumed the same trend has continued to decline over the last three years and should continue to decline into the near future.

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SECTION VI

EXISTING HOUSING

DOWNTOWN HOUSING

Housing options in Downtown Brookfield are limited to some small apartment developments, a few single family rentals, and a few homeowner occupied single family homes. There is an upper floor unit under construction in a building on Main Street that is being sponsored by the Brookfield Area Growth Partnership. It is being rehabbed with volunteer labor and donations. It is meant to be a catalyst that could encourage other upper floor residential development Downtown.

The downtown area of Brookfield does not appear to have had much residential land use since the area ceased to be the social and economic center of the community some time ago. The residential units that were on the upper floors of the Downtown commercial buildings have been vacant a long time. Over the last few years there was a building at the southeast corner of Main and Clayton Streets that was restored to look like the drugstore and soda fountain it was in the past. The upper floor was also rehabbed into a private residence.

Following are photos of some of the existing Downtown housing options:



House in Downtown Brookfield that has been converted into rental units.

Recent historic renovation of building with commercial space on street level and residential space on the upper level.





Small rental property located in Downtown Brookfield.

Downtown commercial building that was renovated into residential rental units.



This building, which is located at the northwest corner of Main and Brooks Street, is one of the few buildings in Downtown Brookfield with rental residential units on its upper floor.

A survey of the community outside of Downtown Brookfield was made to determine the existence of rental housing options in other parts of the city. Brookfield is a relatively small rural community that appears to have limited rental development. Following are select rental housing options:



Brookfield Village is an affordable housing development for families. It is located at 638 S. Clinton Street and has good occupancy.

Converted Motel located just north of Highway 36 off S. Main Street is now a market-rate rental development primarily intended for senior households looking for low maintenance housing.



Brookfield Housing Authority has an affordable housing development located at 61 Joyce Place with rent-subsidized units for lower income seniors and families.

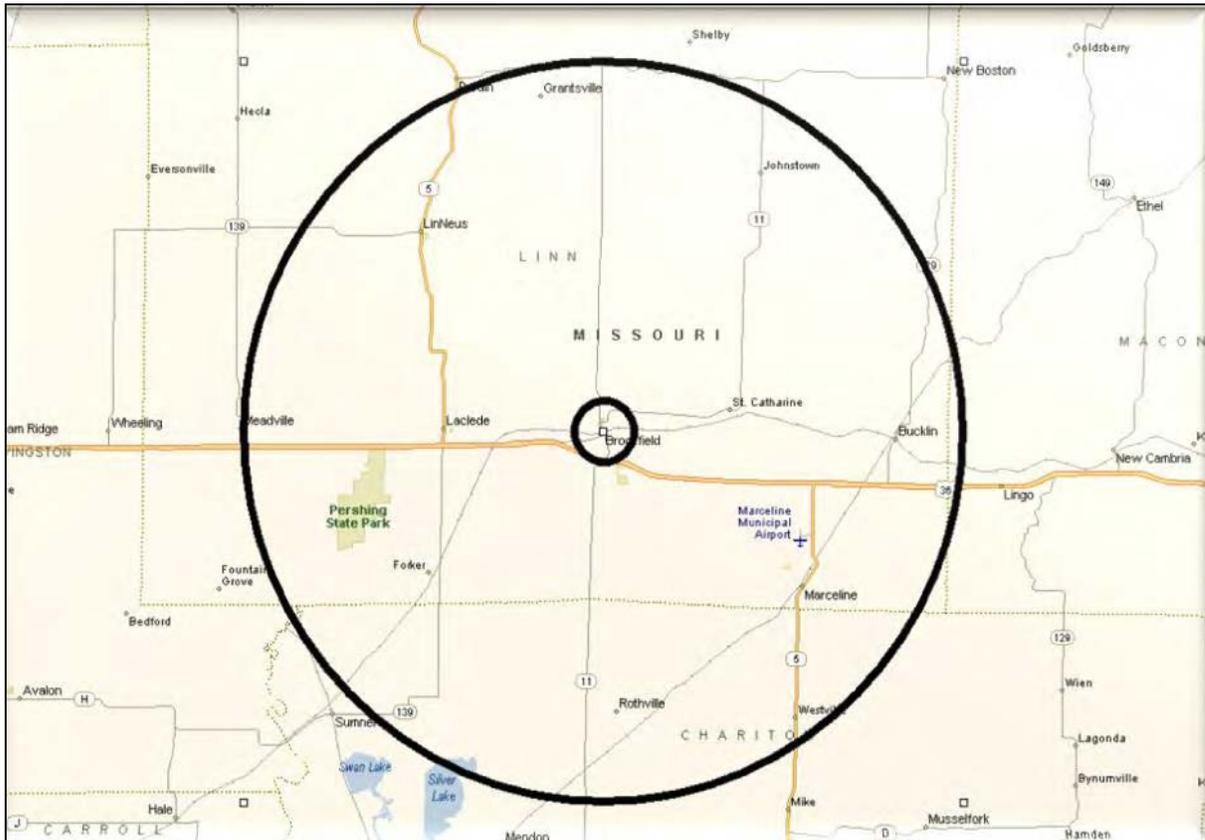
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SECTION VII

IDENTIFICATION OF PRIMARY AND SECONDARY MARKET AREAS

The Primary Market Area is the geographic area from which the majority of market demand for Downtown housing in Brookfield 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 Primary Market Area of the Downtown Brookfield Housing Market is generally the city limits of the City of Brookfield and some areas just outside the City limits. The Secondary Market Area is the area from which a smaller percentage of Downtown housing market demand is expected. The Secondary Market Area for this study extends approximately 12 miles around the city of Brookfield.

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



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SECTION VIII

POTENTIAL RESIDENTIAL DOWNTOWN HOUSING DEMAND

OVERVIEW

People are the key to a thriving downtown and the types of people found in downtown are local resident users, employees, visitors, or permanent downtown residents. Retail, services, government, business, jobs, attractions/venues, or housing all brings people downtown. Downtowns that lack these things may have trouble with economic viability. This study focuses on housing's role in Downtown Brookfield and attempts to answer the questions of whether more housing would complement Downtown revitalization, which housing markets can be served Downtown, and how many new households could reasonably be expected to be drawn to housing in the Downtown market over the next few years.

In many communities, downtowns have suffered from urban sprawl as new shopping and residential choices developed outside of the central business district. As downtown consumers and residents became attracted to shopping destinations and housing outside of Downtown, the retail and housing demand in downtown areas across the country decreased dramatically. The result in many cases has been empty and underutilized buildings. Brookfield seems to have fared better than many other smaller communities in terms of its Downtown vitality. There is some vacant building space Downtown, but most buildings appear to be occupied and the Downtown area appears to have a lot of economic activity.

Would additional residential units complement the efforts to revitalize Downtown?

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

Smaller communities like Brookfield should also benefit from an increase in the permanent Downtown population. The results may not be as dramatic as in a larger community, but any increase in the permanent population should make a positive contribution to Downtown revitalization efforts.

What types of housing should be considered in the Brookfield 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 are 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 (this is 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 (this is referred to as the empty nest stage)

The type of housing units added to the housing inventory in Downtown Brookfield that complement revitalization efforts should be units that are marketable to households with teenagers or no children. Those households are 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, market-rate, or for senior households.

Newly constructed for sale housing is not recommended for Downtown Brookfield at this time because the residential market does not appear to be strong enough to support much interest in Downtown homeownership. Many of the existing single-family homes in Downtown Brookfield suffer from deferred maintenance. The poor condition of many of the existing single-family homes adversely affects the marketability of the area to new prospective homeowners.

Rental housing in some markets will succeed even if homeownership does not because of the transient nature of rental housing. Tenants are not required to make a large, long term financial commitment, so the entry into rental housing is easier than the homeownership market. In addition, the number of prospective tenant households in most markets is higher than the number of prospective homebuyers. This larger pool of prospective rental households should ensure the demand for rental units exceeds the demand from potential homeowners.

Brookfield, like many rural communities, has the beginning of a mismatch of housing due to an aging population and out-migration of younger households. Older residents that find that their home is no longer suitable for their needs are unable to find suitable independent or assisted living options. Young adults may also have trouble finding housing suitable for their lifestyles in Brookfield. Expanded housing options for older and younger households would help retain residents that may choose to out-migrate for housing choices. It would also help reinvigorate Downtown Brookfield by increasing the density of people in the area.

In terms of new construction or renovation, the analyst noted several parcels and buildings in Downtown Brookfield that could support future residential development. Following are sites to be considered:

The vacant upper floor of the Frances Building at the corner of N. Main and Boston Streets.



The upper two floors of the LaPierre Hotel building, a former boarding house.

The vacated Brookfield High School on Main Street, a few blocks north of Downtown.





Vacant parcel at the southeast corner of Brooks and Linn Streets

Vacant parcel at the northwest corner of Brooks and Linn Streets.



Vacant parcel with frontage along the north side of Boston Street between Linn and Macon Street.



The upper floors of commercial buildings in Downtown Brookfield.



Consideration should also be given to new residential development in the neighborhoods adjacent to Downtown Brookfield that offer the possibility of in-fill residential construction. Housing that may be marketable to households with younger children could be feasible in these neighborhoods and have an indirect benefit to revitalization efforts in Downtown Brookfield.

Where are the households that form the potential market demand for housing in the Brookfield Downtown Market Area likely to come from?

Most of the demand for units in Downtown Brookfield should come from individuals and households living in and around Brookfield. Demand should also come from individuals and households currently living in communities in close proximity to Brookfield.

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

To estimate the number of households that could create residential housing demand in Downtown Brookfield, it will first be necessary to estimate demand for the Brookfield residential market as a whole. The next step is to apply a Downtown capture rate to the total number of households that form the Brookfield residential demand. The Downtown capture rate represents the percentage of households in the Brookfield residential market that could create the residential demand in Downtown Brookfield.

Nielsen Claritas, Inc., a leading national demographic data provider, working with another company, Ribbon Demographics, has a unique data product designed specifically for housing analysis called HISTA. HISTA breaks Households down by Income, Size, Tenure, and broad Age groups. It is a custom four-way cross tabulation of household data; not extrapolations of SF3 data and eliminates the need for the analyst to perform various extrapolation steps, which is not as accurate as cross tabulation.

On the following pages are HISTA tables for the Primary market area, which includes all households within the city limits of Brookfield and in the immediate area surrounding the city limits.

Current Year Estimates (2011) for Renter Households

Renter Households						
Under Age 55 Years						
Current Year Estimates - 2011						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	28	7	18	13	0	66
\$10,000-20,000	56	17	17	10	12	112
\$20,000-30,000	31	8	10	16	10	75
\$30,000-40,000	6	15	17	5	0	43
\$40,000-50,000	0	6	9	3	17	35
\$50,000-60,000	0	32	0	6	0	38
\$60,000+	9	14	0	20	0	43
Total	130	99	71	73	39	412

Renter Households						
Aged 55-61 Years						
Current Year Estimates - 2011						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	19	6	0	0	0	25
\$10,000-20,000	5	0	0	4	12	21
\$20,000-30,000	0	0	0	0	0	0
\$30,000-40,000	0	6	0	0	0	6
\$40,000-50,000	0	0	0	0	0	0
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	0	0	0	0	0	0
Total	24	12	0	4	12	52

Renter Households						
Aged 62+ Years						
Current Year Estimates - 2011						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	53	11	0	0	0	64
\$10,000-20,000	45	20	0	0	0	65
\$20,000-30,000	22	7	0	0	0	29
\$30,000-40,000	0	6	0	0	0	6
\$40,000-50,000	0	4	0	0	0	4
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	6	0	0	0	0	6
Total	126	48	0	0	0	174

Current Year Estimates (2011) for Owner Households

Owner Households						
Under Age 55 Years						
Current Year Estimates - 2011						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	7	3	5	0	3	18
\$10,000-20,000	19	16	11	3	9	58
\$20,000-30,000	24	36	12	15	14	101
\$30,000-40,000	50	12	43	25	12	142
\$40,000-50,000	11	31	11	23	21	97
\$50,000-60,000	5	17	20	65	4	111
\$60,000+	7	41	46	88	66	248
Total	123	156	148	219	129	775

Owner Households						
Aged 55-61 Years						
Current Year Estimates - 2011						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	6	15	0	0	0	21
\$10,000-20,000	4	12	25	0	0	41
\$20,000-30,000	14	18	6	0	0	38
\$30,000-40,000	13	29	0	0	0	42
\$40,000-50,000	0	25	0	0	0	25
\$50,000-60,000	0	2	11	3	0	16
\$60,000+	0	76	0	0	0	76
Total	37	177	42	3	0	259

Owner Households						
Aged 62+ Years						
Current Year Estimates - 2011						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	74	13	0	0	0	87
\$10,000-20,000	105	51	0	0	0	156
\$20,000-30,000	66	61	14	0	0	141
\$30,000-40,000	31	82	0	0	0	113
\$40,000-50,000	15	45	10	2	0	72
\$50,000-60,000	15	28	18	0	0	61
\$60,000+	11	58	29	8	0	106
Total	317	338	71	10	0	736

Five-Year Projections (2016) for Renter Households

Renter Households						
Under Age 55 Years						
Five Year Projections - 2016						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	26	6	16	12	0	60
\$10,000-20,000	50	15	16	8	10	99
\$20,000-30,000	27	7	8	16	8	66
\$30,000-40,000	4	14	16	5	0	39
\$40,000-50,000	0	6	9	4	17	36
\$50,000-60,000	0	26	0	5	0	31
\$60,000+	9	14	0	21	0	44
Total	116	88	65	71	35	375

Renter Households						
Aged 55-61 Years						
Five Year Projections - 2016						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	18	5	0	0	0	23
\$10,000-20,000	6	0	0	5	14	25
\$20,000-30,000	0	0	0	0	0	0
\$30,000-40,000	0	6	0	0	0	6
\$40,000-50,000	0	0	0	0	0	0
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	0	0	0	0	0	0
Total	24	11	0	5	14	54

Renter Households						
Aged 62+ Years						
Five Year Projections - 2016						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	52	10	0	0	0	62
\$10,000-20,000	47	19	0	0	0	66
\$20,000-30,000	24	8	0	0	0	32
\$30,000-40,000	0	8	0	0	0	8
\$40,000-50,000	0	4	0	0	0	4
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	7	0	0	0	0	7
Total	130	49	0	0	0	179

Five-Year Projections (2016) for Owner Households

Owner Households						
Under Age 55 Years						
Five Year Projections - 2016						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	5	3	5	0	2	15
\$10,000-20,000	15	11	10	2	8	46
\$20,000-30,000	20	25	11	12	13	81
\$30,000-40,000	44	10	38	23	10	125
\$40,000-50,000	10	27	9	20	18	84
\$50,000-60,000	4	12	16	54	4	90
\$60,000+	7	37	44	85	64	237
Total	105	125	133	196	119	678

Owner Households						
Aged 55-61 Years						
Five Year Projections - 2016						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	5	17	0	0	0	22
\$10,000-20,000	4	11	22	0	0	37
\$20,000-30,000	16	15	6	0	0	37
\$30,000-40,000	12	31	0	0	0	43
\$40,000-50,000	0	25	0	0	0	25
\$50,000-60,000	0	2	14	3	0	19
\$60,000+	0	80	0	0	0	80
Total	37	181	42	3	0	263

Owner Households						
Aged 62+ Years						
Five Year Projections - 2016						
Income	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	70	11	0	0	0	81
\$10,000-20,000	98	47	0	0	0	145
\$20,000-30,000	69	60	15	0	0	144
\$30,000-40,000	30	81	0	0	0	111
\$40,000-50,000	16	51	10	3	0	80
\$50,000-60,000	19	30	18	0	0	67
\$60,000+	12	61	33	10	0	116
Total	314	341	76	13	0	744

DOWNTOWN MARKET-RATE RENTAL HOUSING DEMAND ANALYSIS

The purpose of this analysis is to quantify the potential market-rate rental housing demand in Downtown Brookfield over the coming years. The analysis considers typical rents; the numbers of households that can create market rate rental housing demand, and the number or percentage of households in the Brookfield market that are 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)	\$450	\$550	\$750
2	Percentage of Income to Housing	25%	25%	25%
3	Minimum Income (Affordability)	\$ 21,600	\$ 26,400	\$ 36,000
4	Appropriate Sized (1-5+ Person HH) , Income Qualified, Renter Households, Ages 18-61 (2011)	81	68	48
5	Percentage of Annual Turnover of Existing HH	25%	25%	25%
	Number of Renter HH Turnover	20	17	12
6	Number of Non-Head of Household Potential Tenants	6	5	4
7	PMA Qualified Household Demand (2011)	26	22	16
8	SMA Qualified Household Demand (2011)	5	4	3
9	Total Qualified Household Demand (2011)	31	26	19
PMA Qualified Household Projected Demand (2016)		1BR	2BR	3BR
10	Gross Rent (includes utility costs paid by tenants)	\$495	\$605	\$825
11	Percentage of Income to Housing	25%	25%	25%
12	Minimum Income (Affordability)	\$ 23,760	\$ 29,040	\$ 39,600
13	Appropriate Sized (1-5+ Person HH) , Income Qualified, Renter Households, Ages 18-61 (2016)	70	59	47
14	Percentage of Annual Turnover of Existing HH	25%	25%	25%
15	Number of Renter HH Turnover	18	15	12
16	Number of Non-Head of Household Potential Tenants	5	4	4
17	PMA Qualified Household Projected Demand (2016)	23	19	15
18	SMA Qualified Household Projected Demand (2016)	5	4	3
19	Total Qualified Household Projected Demand (2016)	28	23	18
20	PMA & SMA Qualified Household Growth/Decline (2011-2016)	-4	-4	0
21	PMA & SMA Average Annual Potential Demand (2011-2016)	30	25	19
22	Downtown Marked Area (DMA) Capture Rates	25%	25%	0%
		1BR	2BR	3BR
23	DMA Annual Market-Rate Rental Potential Demand (2011-2016)	8	6	0

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 was made by considering 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 was made by considering 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/decline between 2011 and 2016 and is calculated by subtracting the 2016 household demand projection from the 2011 estimate.

Line 21 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 22 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 market rate rental units in the downtown market area by bedroom size.

Line 23 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 market rate rental units in the downtown market area. This is an estimate of the total number of households on an annual basis that could provide the potential market demand for a market rate family rental development 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.

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

One Bedroom	8
Two Bedroom	6
Three Bedroom	0
Total	14

DOWNTOWN AFFORDABLE SENIOR RENTAL HOUSING DEMAND ANALYSIS

The purpose of this analysis is to quantify the potential affordable senior rental housing demand in Downtown Brookfield over the coming 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 the Brookfield market that could reasonably be 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)	\$ 22,380
5	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2011)	59
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	9
8	Appropriate Sized, Income Qualified, Owner Households, Ages 62+ (2011)	156
9	Percentage of Existing Senior <u>Owner</u> Households Likely to Move if New Affordable Rental Housing Were Available	3%
10	Number of Existing Senior <u>Owner</u> Households Likely to Move If New Affordable Rental Housing Were Available	5
11	Number of Existing Senior Non-Head of Households Likely to Move If New Affordable Rental Housing Were Available	2
12	PMA Qualified Household Demand (2011)	16
13	SMA Qualified Household Demand (2011)	3
14	PMA & SMA Affordable Senior Housing Household Demand (2011)	19

	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)	\$24,618
19	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2016)	60
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	9
22	Appropriate Sized, Income Qualified, Owner Households, Ages 62+ (2016)	159
23	Percentage of Projected Senior Owner Households Likely to Move if New Affordable Rental Housing Were Available	3%
24	Number of Projected Senior <u>Owner</u> Households Likely to Move If New Affordable Rental Housing Were Available	5
	Number of Projected Senior Non-Head of Households Likely to Move If New Affordable Rental Housing Were Available	2
25	PMA Qualified Household Demand (2016)	16
26	SMA Qualified Household Demand (2016)	3
27	PMA & SMA Affordable Senior Housing Household Demand (2016)	19
28	PMA and SMA Qualified Household Growth/Decline (2011-2016)	0
29	PMA and SMA Average Annual Potential Demand (2011-2016)	19
30	DMA Capture Rate	50%
31	DMA Annual Affordable Senior Rental Potential Demand (2011-2016)	9

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 was made by considering 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 that could be expected in the primary and secondary market areas between 2011 and 2016 that could be attracted to affordable senior rental units in the downtown market area. This is an estimate of the total number of senior households on an annual basis that could provide the potential market demand for an affordable senior development 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

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

One Bedroom	4
Two Bedroom	5
Total	9

AFFORDABLE FAMILY RENTAL HOUSING DEMAND ANALYSIS

The purpose of this analysis is to quantify the potential affordable family rental housing demand in the Downtown Brookfield 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 Brookfield 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)	\$ 400	\$ 500	\$ 650
2	Percentage of Income to Housing	35%	35%	35%
3	Minimum Income (Affordability)	\$ 13,714	\$ 17,143	\$ 22,286
4	Maximum Income (Tax Credit Limits)	\$ 22,380	\$ 26,880	\$ 31,020
5	Appropriate-Sized (1-5+ Person HH), Income Qualified, Renter HH, Age 18-61 (2011)	51	17	21
6	Percentage of Annual Turnover of Existing HH	25%	25%	25%
7	Number of Renter HH Turnover	13	4	5
8	Number of Non-Head of Household Potential Tenants	4	1	2
9	PMA Qualified Household Demand (2011)	17	6	7
10	SMA Qualified Household Demand (2011)	3	1	1
11	PMA & SMA Affordable Rental HH Demand (2011)	20	7	8

	PMA Qualified Household Projected Demand (2016)	1BR	2BR	3BR
12	Gross Rent (includes utility costs paid by tenants)	\$440	\$550	\$715
13	Percentage of Income to Housing	35%	35%	35%
14	Minimum Income (Affordability)	\$ 15,086	\$ 18,857	\$ 24,514
15	Maximum Income (Tax Credit Limits)	\$ 24,708	\$ 29,676	\$ 34,246
16	Appropriate Sized (1-5+ Person HH), Income Qualified, Renter HH, Age 18-61 (2016)	46	13	15
17	Percentage of Annual Turnover of Existing HH	25%	25%	25%
18	Number of Renter HH Turnover	12	3	4
19	Number of Non-Head of Household Potential Tenants	3	1	1
20	PMA Qualified Household Demand (2016)	15	4	5
21	SMA Qualified Household Demand (2016)	3	1	1
22	PMA & SMA Affordable Rental Projected Demand (2016)	18	5	6
23	PMA and SMA Qualified Household Growth/Decline (2011-2016)	-2	-2	-2
24	PMA and SMA Average Annual Potential Demand (2011-2016)	16	3	4
25	Downtown Market Area (DMA) Capture Rates	0%	0%	0%
		1BR	2BR	3BR
26	DMA Annual Affordable 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 was made by considering 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.

Downtown is not an ideal location for households with younger children because of the high density of vehicular traffic in the area that would be a safety risk and the lack of suitable play areas for children. Another reason that affordable housing for families is not recommended for Downtown Brookfield is the lack of suitable building sites.

CONCLUSIONS

Downtown Brookfield has been in decline for a number of years as it transitioned from being the economic and social center of the community to an area that has declined physically and economically. Part of the decline is due to the growth of businesses closer to U.S. 36 Highway and the decline of agri-business. This study concludes that new housing development may play an important role in the revitalization of Downtown Brookfield. Housing development can help retain population and stimulate in-migration.

Brookfield is currently in a declining population trend. Much of that is due to a decline in the economy, but a small part could be due to a lack of suitable housing options. Rental housing options for older seniors looking to downsize from larger homes is very limited. Rental housing options for young adults with no children is also very limited. It is possible that an increase in suitable housing options for those two market segments could help minimize the population loss.

Downtown Brookfield contains a lot of vacant space on the upper floors of commercial buildings that have the potential to be converted into housing. A couple buildings in the 100 block of North Main Street have a large amount of vacant upper floor space. One is the former LaPierre Hotel, which currently houses the Linn County Leader newspaper offices on the ground floor and is vacant on the upper two floors. The other is the Frances Building, which also has a business on the street level and vacant space on the upper floor.

Zoning permitting, there are a few vacant parcels of land in Downtown Brookfield suitable for new residential purposes. They are located a block east of North Main Street near the intersection of Linn and Brooks.

A quantitative housing demand analysis was prepared for market-rate rental housing, affordable family rental housing, and affordable senior rental housing, which concluded that there could be a demand from approximately 14 households for market-rate rental housing, 9 households for affordable senior rental housing, and 34 households for affordable family rental housing. New housing options for market-rate rental households and senior households are recommended for Downtown Brookfield. This report would not recommend the production of affordable family rental housing in Downtown Brookfield for households with younger children. Generally, downtowns with numerous businesses and vehicular traffic are not an ideal location for families with younger children.

SECTION IX

DOWNTOWN RESIDENTIAL IMPLEMENTATION

Strategies and financial programs to consider include:

- Plan for housing that complements other uses, such as employment, shopping, culture, entertainment, government, and possibly tourism.
- 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 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 Brookfield.
- 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 may be considered to help finance development costs.
- Identify and try to mitigate conditions such as lack of parking, traffic patterns, and vacant feel to buildings that may adversely affect the Downtown residential market.
- Encourage property owners in Downtown Brookfield to 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 streetlights, 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 25-year tax abatement program reduces the property taxes for developments located in blighted areas.
- Tax Increment Financing – This program allow for the future real property taxes generated by a new development to help retire the debt required to finance the improvement.
- Brownfield Redevelopment Program – Provides 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 state tax program 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 state tax credit is provided to a homeowner 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 program, administered by Missouri Housing Development Commission, provides home repair grants for owner-occupied homes.

- Missouri Housing Trust Fund – This program, administered by MHDC, provides funds for a variety of housing needs, such as homeless prevention, rehab, and new construction of rental housing, rental assistance, and home repair.
- Community Improvement Districts – This program creates special districts that levy 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.

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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;
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
September 28, 2012