



AGENDA
BASEHOR CITY COUNCIL
FEBRUARY 27, 2012, 7:00 p.m.
Basehor City Hall

1. **Roll Call** by Mayor Terry Hill and Pledge of Allegiance
2. **Consent Agenda** *(Items to be approved by Council in one motion, unless objections raised)*
 - a. Approve January 16, 2012, Minutes
 - b. Approve Treasurer's Report
 - c. Approve Falcon Lakes & Bleacher's Drinking Establishment Licenses

3. Call to Public

Members of the public are welcome to use this time to comment about any matter relating to City business that is listed on this Agenda. The comments that are discussed under "Call to Public" may or may not be acted upon by the Council during this meeting. There is a five-minute time limit. (Please wait to be recognized by the Mayor then proceed to the podium; state your name and address).

4. Unfinished Business - (None at this time)

New Business

5. Consider South Side Village Apartments Request for Support
6. Consider Country Place Living Sewer Connection Fee Variance Request
7. **City Administrator's Report**
8. **Mayor's Report**
9. **Council Members Report**
10. **Executive Session** (if needed)
11. **Adjournment**

Basehor City Council reserves the right to amend the agenda following its publication in the Basehor Sentinel newspaper. Citizens are encouraged to attend all public meetings. Updates to the agenda may be viewed at www.cityofbasehor.org



Basehor City Council Meeting Minutes Basehor City Hall, January 16, 2012

1. Roll Call by Mayor Terry Hill and Pledge of Allegiance

Mayor Terry Hill called the meeting to order at 7:00 p.m. and led the audience in the Pledge of Allegiance.

Council Members present: Mayor Terry Hill, Council President Dennis Mertz, Iris Dysart, Fred Box, David Breuer and Travis Miles.

Staff Present: City Administrator Interim/Police Chief, Lloyd Martley, City Superintendent, Gene Myracle, Mitch Pleak, City Engineer and Assistant City Clerk, Katherine Renn.

2. Consent Agenda

- a. Approve December 19, 2011 Minutes
- b. Approve Treasurer's Report
- c. Accident Reporting Database

Council Member Mertz motioned to approve the Consent Agenda with Council Member Miles seconding. The motion passed unanimously, 5-0.

3. Call to Public

Jim Washington – 1901 N 160th St. – Washington asked why a discussion surrounding the former Wolf Creek retail development was not on the December 19, City Council Agenda. Washington also expressed concern about City attorney fees.

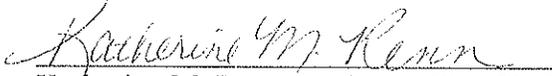
4. **Unfinished Business** – There was none.
5. **New Business** – There was none.
6. **City Administrator's Report** – There was none.
7. **Mayor's Report** – There was none.
8. **Council Members Report** – There was none.
9. **Executive Session** – There was none.

10. Adjournment

Council Member Mertz moved to adjourn the meeting at approximately 7:08 p.ms with Council Member Miles seconding. The motion passed unanimously, 5-0.

Terry Hill, Mayor

Attest:



Katherine M. Renn, Assistant City Clerk



The City of Basehor

Date: February 21, 2012

To: Basehor City Council

From: Corey Swisher, City Clerk/Finance Director

Re: January 2012, Treasurer's Report

The attached report contains the financial summaries of the revenue and expenditure activities of the City of Basehor for the month ending January 31, 2011. One highlight is:

1. Sales tax collections increased in January for the fourth straight month. This is very encouraging.

CITY OF BASEHOR

JANUARY 2012 FINANCIAL SNAPSHOT

Funds

Fund	Budget	Revenues	Expenditures	% Utilized
General	\$1,867,561	\$625,774	\$102,087	5%
Special Park	\$25,000	\$633	\$0	0%
Sewer	\$1,379,625	\$188,246	\$10,770	1%
Cedar Lake Maintenance	\$40,000	\$15,507	\$0	0%
Bond & Interest	\$702,234	\$485,507	\$27,519	4%
Solid Waste	\$280,897	\$24,857	\$0	0%
Special Highway	\$715,000	\$66,733	\$19,006	3%
Municipal Equipment Reserve	\$8,840	\$86	\$0	0%
Capital Improvement	\$0	\$7,661	\$0	100%
Employee Benefit	\$489,630	\$238,998	\$41,075	8%
LCSD#3	\$33,000	\$20,556	\$0	0%

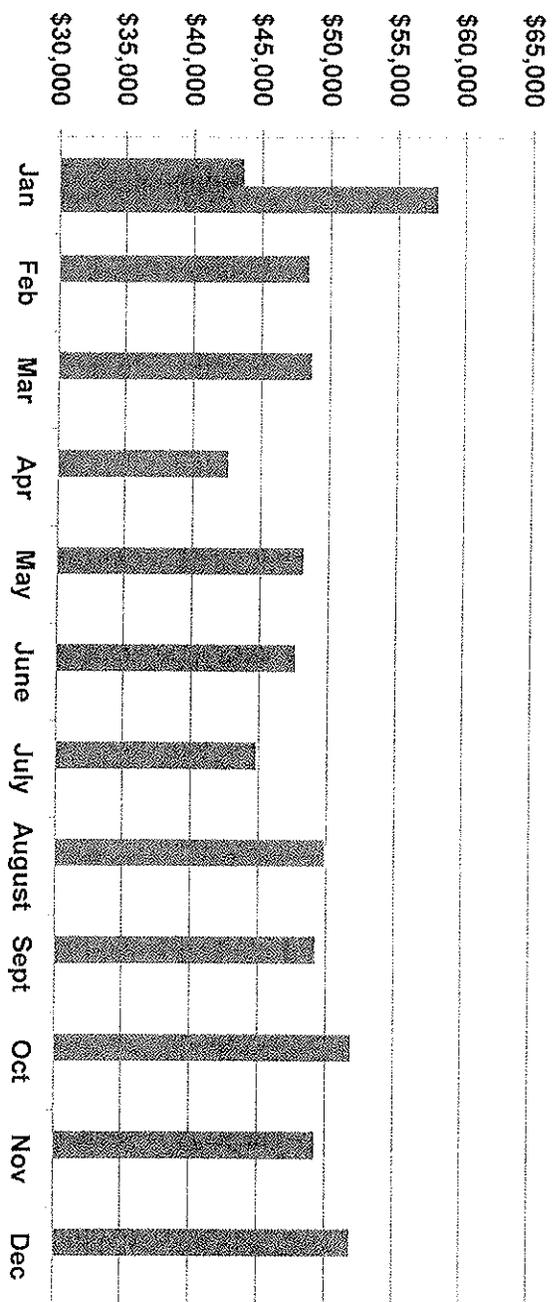
Department

Department	Budget	Expenditures	Remaining Balance	% Utilized
General				
Clerk	\$306,950	\$17,183	\$289,767	6%
Street	\$183,100	\$17,112	\$165,988	9%
Governing Body	\$44,614	\$4,045	\$40,569	9%
Police	\$771,650	\$50,234	\$721,416	7%
Facilities	\$131,775	\$567	\$131,208	0%
Administrator	\$141,600	\$5,034	\$136,566	4%
Park & Recreation	\$32,955	\$318	\$32,637	1%
Miscellaneous	\$85,518	\$0	\$85,518	0%
HR	\$16,000	\$426	\$15,574	3%
Planning	\$153,400	\$7,168	\$146,232	5%

ACTUAL SALES TAX COLLECTIONS 2008-2012

	2008	2009	2010	2011	2012	Monthly Diff. '11 - '12	% Difference	2011 YTD	2012 YTD	Diff. '11 - '12	% Difference
Jan	43,516.85	43,726.32	44,933.16	43,677.78	57,962.61	14,284.83	32.7%	43,677.78	57,962.61	14,284.83	32.7%
Feb	46,544.07	49,937.92	59,338.25	48,453.55							
Mar	46,125.81	59,417.29	44,064.14	48,692.52							
Apr	41,298.70	41,900.26	46,686.51	42,633.11							
May	44,634.80	41,070.02	47,865.00	48,186.99							
June	52,647.16	43,320.60	48,059.05	47,682.94							
July	47,720.81	46,612.85	43,151.43	44,834.43							
Aug	47,209.53	50,284.61	52,935.19	49,903.11							
Sept	50,855.51	52,550.48	52,062.71	49,250.84							
Oct	48,068.36	52,382.92	47,483.47	51,883.08							
Nov	43,264.92	47,111.87	44,789.92	49,270.35							
Dec	43,884.31	56,073.14	46,693.70	51,874.96							
	555,770.83	584,388.28	578,062.53	576,343.66	57,962.61			43,677.78	57,962.61	14,284.83	

2011-12 Month to Month Comparison



■ 2011 ■ 2012



SOLID WASTE FUND HIGHLIGHTS

For the month of January, 2012

MONTH	2011 SOLID WASTE COUNT	2012 SOLID WASTE COUNT	% DIFFERENCE
January	1,639	1,653	0.85%
February	1,635		
March	1,633		
April	1,638		
May	1,639		
June	1,642		
July	1,639		
August	1,639		
September	1,645		
October	1,647		
November	1633		
December	1639		
AVERAGE	1,639	1,653	

MONTH	2011 SOLID WASTE BILLED	2012 SOLID WASTE BILLED	% DIFFERENCE
January	\$16,413.01	\$23,276.77	29.49%
February	\$23,010.32		
March	\$22,959.12		
April	\$23,033.99		
May	\$23,040.15		
June	\$23,065.60		
July	\$23,017.69		
August	\$23,030.35		
September	\$23,112.81		
October	\$23,166.10		
November	\$23,016.61		
December	\$14,899.96		
TOTAL	\$261,765.71	\$23,276.77	

MONTH	2011 AVERAGE BILL	2012 AVERAGE BILL	% DIFFERENCE
January	\$10.01	\$14.08	28.91%
February	\$14.07		
March	\$14.06		
April	\$14.06		
May	\$14.06		
June	\$14.05		
July	\$14.04		
August	\$14.05		
September	\$14.05		
October	\$14.07		
November	\$14.09		
December	\$14.06		
AVERAGE	\$13.72	\$14.08	



SEWER FUND HIGHLIGHTS

For the month of January, 2012

MONTH	2011 SWR COUNT	2012 SWR COUNT	% DIFFERENCE
January	1679	1789	6.15%
February	1676		
March	1679		
April	1774		
May	1781		
June	1779		
July	1778		
August	1781		
September	1774		
October	1777		
November	1770		
December	1776		
AVERAGE	1752	1789	

MONTH	2011 SWR BILLED	2012 SWR BILLED	% DIFFERENCE
January	\$80,781.73	\$89,188.63	10.41%
February	\$80,627.21		
March	\$80,471.02		
April	\$80,010.76		
May	\$90,216.49		
June	\$89,998.38		
July	\$89,284.06		
August	\$90,683.38		
September	\$91,270.81		
October	\$91,521.37		
November	\$86,644.10		
December	\$86,654.61		
TOTAL	\$1,038,163.92	\$89,188.63	10.41%

MONTH	2011 AVERAGE SWR BILL	2012 AVERAGE SWR BILL	% DIFFERENCE
January	\$48.11	\$49.85	3.61%
February	\$48.11		
March	\$47.93		
April	\$45.10		
May	\$50.65		
June	\$50.59		
July	\$50.22		
August	\$50.92		
September	\$51.45		
October	\$51.50		
November	\$48.95		
December	\$48.79		
AVERAGE	\$49.36	\$49.85	

Check Register Report

Date: 01/27/2012

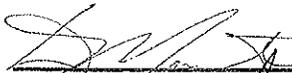
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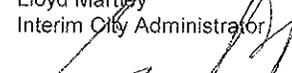
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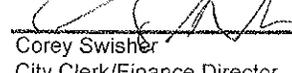
City Of Basehor

BANK First State Bank

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
First State Bank Checks							
19403	01/17/2012	Printed		AFFINIS	AFFINIS CORP	WOLF CREEK PKWY IMPROVEMNTS	18,962.68
19404	01/17/2012	Printed		ICC MEMBER	INTERNATIONAL CODE COUNCIL INC	MEMBERSHIP/LEE, MARK/1 YR	125.00
19405	01/17/2012	Printed		KBI LAB	KANSAS BUREAU OF INVESTIGATION	LAB FEES/LAVERTY	1,600.00
19406	01/17/2012	Printed		KS MAYORS	KANSAS MAYORS ASSOCIATION	MBRSH/ HILL, TERRY/1 YR	50.00
19407	01/17/2012	Printed		KS MUNCINS	KANSAS MUNC INSURANCE TRUST	2012 WORK COMP INS PREMIUM	20,510.00
19408	01/17/2012	Printed		LCDC	LCDC	ANNUAL MTG/4 CITY STAFF	100.00
19409	01/17/2012	Printed		LEAGUE KM	LEAGUE OF KS MUNICIPALITIES	CITY MEMBERSHIP	2,595.17
19410	01/17/2012	Printed		LOWENTHAL	LOWENTHAL WEBB & ODERMAN	PROGRESS BILLING/AUDIT	2,650.00
19411	01/17/2012	Printed		MIDWEST PU	MIDWEST PUBLIC RISK	GROUP DENTAL INS/JAN 2012	1,066.00
19412	01/17/2012	Printed		PENLAND	CHARLES PENLAND	REIMB OVERPAYMENT	25.00
19413	01/17/2012	Printed		PRAY	WILLIAM E. PRAY	MUNICIPAL JUDGE SERVICES	300.00
19414	01/17/2012	Printed		SPENCER	JOHN D SPENCER	REIMB BOND/TICKET #012306	1,000.00
19415	01/17/2012	Printed		US POSTAL	UNITED STATES POSTAL SERVICE	REPLENISH PERMIT #12	1,000.00
19416	01/27/2012	Printed		COX/TYSON	TYSON COX	REIMB CITATION OVERPAY	30.00
19417	01/27/2012	Printed		CREATIVE	CREATIVE PROMOTIONS	6 BLACK POLOS/PUBLIC WORKS	250.88
19418	01/27/2012	Printed		HUMAN RESO	HUMAN RESOURCE SOLUTION	HR SUPPORT/LAST PYMT	175.00
19419	01/27/2012	Printed		IDEAL LAWN	IDEAL LAWN & LANDSCAPE	MOWING BASEHOR BLVD	43.00
19420	01/27/2012	Printed		ING LIFE	ING LIFE INSURANCE & ANNUITY	EMPLOYEE RETIREMENT CONTRIB	400.00
19421	01/27/2012	Printed		JOHNSON CL	JOHNSON COUNTY GOVERNMENT	BI MONTH FACILITY FLOW	293.50
19422	01/27/2012	Printed		KS DEPT OF	KANSAS DEPT OF TRANSPORTATION	INT PYMNT + SERVICE FEE	27,519.12
	01/27/2012	Printed		LOI TECH	LOI TECHNOLOGY INC	FIX PHONETREE/VOICEMAIL	180.00
	01/27/2012	Printed		MCBRATNEY	KIANN MCBRATNEY	CITY PROSECUTOR FEES	400.00
19425	01/27/2012	Printed		MUN CODE	MUNICIPAL CODE CORPORATION	PROOF FEE/RECODIFICATION	1,985.00
19426	01/27/2012	Printed		OMNI-SITE	OMNI-SITE.NET	WIRELESS MONITOR SERVICE/1 YR	2,917.96
19427	01/27/2012	Printed		REGISTER	REGISTER OF DEEDS	LAREDO BILLING/DEC 2011	60.00
19428	01/27/2012	Printed		RIESCHICK	ALFRED RIESCHICK	REIMB CITATION OVERPAYMENT	5.00
19429	01/27/2012	Printed		SELECT SEC	SELECT SECURITY SYSTEMS	MONITOR SVC/WWTF BLDG	68.00
19430	01/27/2012	Printed		SONNTAG	SONNTAG LAW OFFICE	COURT APPOINTED ATTORNEY FEE	400.00
19431	01/27/2012	Printed		SPECTRA	SPECTRA	(6) CASES TRASH BAGS	406.68
19432	01/27/2012	Printed		HEART BUIL	STEPHEN R MARSDEN	JANITORIAL SERVICE/JAN 2012	387.00
19433	01/27/2012	Printed		SULLIVAN &	SULLIVAN & GANG	ARTWORK/BANNERS/BUS CARDS	3,723.00
19434	01/27/2012	Printed		WESTAR GRP	WESTAR ENERGY	ELECTRIC USAGE	5,861.06
19435	01/27/2012	Printed		WRIGHT EX	WRIGHT EXPRESS	CITY FUEL USAGE/DEC 2011	2,462.00
Total Checks: 33							Checks Total (excluding void checks): 97,551.05
Total Payments: 33							Bank Total (excluding void checks): 97,551.05
Total Payments: 33							Grand Total (excluding void checks): 97,551.05


 Lloyd Martley
 Interim City Administrator
 Date: 1/27/2012


 Corey Swisher
 City Clerk/Finance Director
 Date: 1/27/2012


 Kristi Olson
 Accounting Clerk
 Date: 1/27/2012

Check Register Report

Date: 02/14/20

Time: 1:30 P

Page:

City Of Basehor

BANK: First State Bank

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
First State Bank Checks							
19474	02/14/2012	Printed		KS TREASUR	KANSAS STATE TREASURER	INT PYMT/GO BONDS	44,672.00
19475	02/14/2012	Printed		MERCHANT S	MERCHANT SERVICES GROUP	CITYWIDE CREDIT CARD FEES	459.00
19476	02/14/2012	Printed		MIDWEST PU	MIDWEST PUBLIC RISK	GROUP DENTAL INS/FEB 2012	1,018.00
19477	02/14/2012	Printed		WESTAR GRP	WESTAR ENERGY	ELECTRIC USAGE	5,713.00

Total Checks: 4

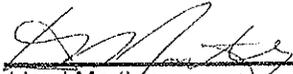
Checks Total (excluding void checks): 51,864.00

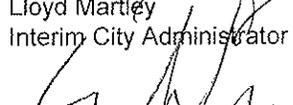
Total Payments: 4

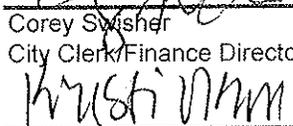
Bank Total (excluding void checks): 51,864.00

Total Payments: 4

Grand Total (excluding void checks): 51,864.00


 _____ 02-14-12
 Lloyd Martley Date
 Interim City Administrator


 _____ 02/14/12
 Corey Swisher Date
 City Clerk/Finance Director


 _____ 2/14/12
 Kristi Olson Date
 Accounting Clerk

Check Register Report

Date: 02/13/2012

Time: 4:04 PM

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City Of Basehor

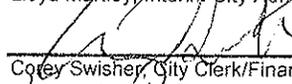
BANK: First State Bank

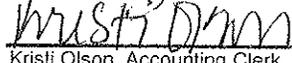
Check r Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
First State Bank Checks						
19436	02/13/2012	Printed	ADVANCE IN	ADVANCE INSURANCE COMPANY	GROUP ADD/LIFE/LTD/STD	1,116.56
19437	02/13/2012	Printed	AFFINIS	AFFINIS CORP	WOLF CRK PKWY IMPROVMENTS	15,604.20
19438	02/13/2012	Printed	AFLAC	AFLAC	EMP CAFETERIA PLAN/JAN 2012	890.52
19439	02/13/2012	Printed	ATMOS ENER	ATMOS ENERGY	GAS SERVICES	1,028.02
19440	02/13/2012	Printed	BASEHOR VF	BASEHOR VFW POST 11499	2012 CARE COUNCIL DONATION	1,500.00
19441	02/13/2012	Printed	BLUE CROSS	BLUE CROSS & BLUE SHIELD OF KS	GROUP MEDICAL INSURANCE	25,506.84
19442	02/13/2012	Printed	BRANDT FAB	BRANDT FABRICATING	(2) INLET GAURDS/STORM BOXET	218.54
19443	02/13/2012	Printed	BROWN J	JOANN BROWN	REIMB POSTAGE	5.75
19444	02/13/2012	Printed	CLAIBORN/D	DANIEL C CLAIBORN	PSYCH EVAL/POTENTIAL NEW EMP	425.00
19445	02/13/2012	Printed	COLEMAN	COLEMAN EQUIPMENT INC	MISC SHOP SUPPLIES/OILS	512.76
19446	02/13/2012	Printed	CONS WATER	CONS RURAL WATER DISTRICT #1	WATER SERVICES	155.87
19447	02/13/2012	Printed	COURT OF T	COURT OF TAX APPEALS	FILING FEE/TAX EXEMPT STATUS	400.00
19448	02/13/2012	Printed	CREATIVE	CREATIVE PROMOTIONS	2 SHIRTS W/ EMBROID. TRAINING	99.77
19449	02/13/2012	Printed	DLT SOLUTI	DLT SOLUTIONS INC	AUTOCAD CIVIL 3D 2012 RENEW	945.29
19450	02/13/2012	Printed	ESRI	ENVIRONMENTAL SYSTEMS	ARC VIEW CONCURRENT USE	700.00
19451	02/13/2012	Printed	HARTFORD	HARTFORD RETIREMENT PLANS	401A/457 RETIREMENT CONTRIB	5,425.15
19452	02/13/2012	Printed	HR HAVEN	HR-HAVEN INC	HR SUPPORT SERVICES	2,250.00
19453	02/13/2012	Printed	ING LIFE	ING LIFE INSURANCE & ANNUITY	EMPLOYEE RETIRE CONTRIB	200.00
19454	02/13/2012	Printed	JOHNSON CL	JOHNSON COUNTY GOVERNMENT	BI MONTHLY FACILITY FLOW TEST	179.00
19455	02/13/2012	Printed	KACM(MARK)	KACM	MBRSHP/MARTLEY, LLOYD	70.00
	02/13/2012	Printed	KS DEPT OF	KANSAS DEPT OF TRANSPORTATION	LEASE PYMT/POLICE RADIOS	7,614.66
19456	02/13/2012	Printed	KANSAS ONE	KANSAS ONE-CALL SYSTEMS, INC.	MONTHLY LOCATE SVC (48)/JAN	75.40
19458	02/13/2012	Printed	KANSAS PAY	KANSAS PAYMENT CENTER	PAYROLL DIRECTED DEDUCTION	879.78
19459	02/13/2012	Printed	KS TREASUR	KANSAS STATE TREASURER	ST OF KS MANDATED COURT FEES	936.00
19460	02/13/2012	Printed	KS TREASUR	KANSAS STATE TREASURER	INT PYMT/GO BONDS	42,000.63
19461	02/13/2012	Printed	KPF EFT	KPF EFT PROGRAM	POLICE RETIRE CONTRIBUTION	8,676.22
19462	02/13/2012	Printed	LEE	MARK LEE	MILEAGE REIMBURSEMENT	187.90
19463	02/13/2012	Printed	LOI TECH	LOI TECHNOLOGY INC	FIX MTG RM MIC/FIX MISC PHONE	129.00
19464	02/13/2012	VOID	MIDWEST PU	MIDWEST PUBLIC RISK	WRONG AMOUNT	0.00
19465	02/13/2012	Printed	PRAY	WILLIAM E. PRAY	MUNICIPAL JUDGE SERVICES	300.00
19466	02/13/2012	Printed	ROSS'S CAT	ROSS'S CATERING	BASEHOR CHAMBER LUNCHEON	313.50
19467	02/13/2012	Printed	SELECT IMA	SELECT IMAGING	FILEBOUND HOST FEE	300.00
19468	02/13/2012	Printed	SELECT SEC	SELECT SECURITY SYSTEMS	MONTHLY MONITOR/WWTF/FEB	68.00
19469	02/13/2012	Printed	SPOTS OFF	SPOTS OFF LLC	CAR WASHES/PLANNING	72.51
19470	02/13/2012	Printed	US POSTAL	UNITED STATES POSTAL SERVICE	RENEW POLICE PO BOX	110.00
19471	02/13/2012	Printed	VISION SER	VISION SERVICES PLAN	GROUP VISION INSURANCE	722.16
19472	02/13/2012	Printed	WESTAR GRP	WESTAR ENERGY	ELECTRIC USAGE	9,726.09
19473	02/13/2012	Printed	WHITE GOSS	WHITE GOSS BOWERS MARCH	LEGAL SVCS THRU JAN 15, 2012	1,000.00

Total Payments: 38

Grand Total 130,345.12


 Lloyd Martley, Interim City Administrator Date 2-14-12


 Corey Swisher, City Clerk/Finance Director Date 02/13/12


 Kristi Olson, Accounting Clerk Date 2/13/12

City of sehor
Outstanding Accounts Receivable

<u>Invoice Mailed to</u>	<u>Amount Owed</u>	<u>Invoice Date</u>	<u>Bill Services</u>	<u>Address</u>	<u>Status</u>	<u>Last Action</u>
Jason Gorup	2572.14	7/24/2007	Engineer Fees	Funeral Home		Collections
Gregory Chism	80.73	9/14/2007	Mowing fees	Code Enfcmnt.		Collections
Mike Falkner	348.75	4/8/2008	Engineer Fees	Pinehurst Est.		Collections
Option One	366.75	6/4/2008	Mowing fees	Code Enfcmnt.		Collections
Benchmark-Code Enf.	538.85	12/4/2009	Mowing fees	Code Enfcmnt.	Bankruptcy (can not collect	
RAKD LLC	498.00	7/9/2009	Mowing fees	Code Enfcmnt.	Assessed	1/22/2010
Melody Gorup	268.50	7/9/2009	Mowing fees	Code Enfcmnt.	Bankruptcy (can not collect	
Quinton's Properties	294.00	7/9/2009	Mowing fees	Code Enfcmnt.	Assessed	1/22/2010
Red Barn Homes	294.00	7/9/2009	Mowing fees	Code Enfcmnt.	Assessed	1/22/2010
John & Heather Frank	247.00	8/25/2009	Mowing fees	Code Enfcmnt.	Assessed	1/22/2010
Metzger Meadows, LLC	945.00	5/25/2010	Mowing fees	Code Enfcmnt.	Assessed	8/31/2010
RAKD LLC	598.00	5/25/2010	Mowing fees	Code Enfcmnt.	Assessed	8/31/2010
CodeEnf.Abatnt./Haye	1125.71	5/25/2010	Code Violations	Code Enfcmnt.	Assessed	8/31/2010
David Hall-1503 150th	1475.25	6/1/2010	Code Violations	1503 N. 150th S	Assessed	8/31/2010
Quinton's Properties	267.75	6/1/2010	Code Violations	Honey Creek	Assessed	8/31/2010
Basehor Properties LL	2054.75	6/1/2010	Code Violations	Wolf Creek/MM	Assessed	8/31/2010
Erin Drozinski	321.75	6/24/2010	Code Violations	157th St.	Assessed	8/31/2010
Xa Phouaher	350.00	7/19/2010	Code Violations	15609 Parallel	Assessed	8/31/2010
John & Heather Frank	834.50	8/4 & 10/18	Code Violations	2917 N. 156th S	Assessed	12/30/2011
Xa Phouaher	1375.50	9/9/2010	Code Violations	15609 Parallel	Assessed	12/30/2011
Quinton's Properties	602.25	9/16/2010	Code Violations	Honey Creek	Assessed	12/30/2011
RAKD LLC	1083.75	9/16/2010	Code Violations	Honey Creek	Assessed	12/30/2011
HUD	602.25	9/1/2010	Code Violations	15905 Cedar St	HOLD	
Hazel Hayes	635.00	10/7/2010	Code Violations	15821 Willow St	HOLD	
Catherine DeRuse	555.50	10/7/2010	Code Violations	3601 N 155th	Assessed	12/30/2011
Mutual Savings Assoc	1271.00	10/7/2010	Code Violations	Cedar Falls	Assessed	12/30/2011
Four J Enterprises	635.00	10/7/2010	Code Violations	2805 N 155th	Assessed	12/30/2011
Corvan Properties	374.00	10/11/2010	Code Violations	Pinehurst	Assessed	12/30/2011
Magaha, Ken & Nancy	661.50	10/14/2010	Code Violations	1919 N 152	Assessed	12/30/2011

City of sehor
Outstanding Accounts Receivable

Corvan Properties	2,664.73	5/17/2011	Code Violations	Pines of Pinehur	Assessed	12/30/2011
Mutual Savings Assoc	2,409.15	6/2/2011	Code Violations	Cedar Falls	Assessed	12/30/2011
RAKD LLC	2,946.20	6/2/2011	Code Violations	Honey Creek	Assessed	12/30/2011
Four J Enterprises	660.92	6/7/2011	Code Violations	2805 N 155th	Assessed	12/30/2011
Xa Phou-Deutsche Bank	1,383.23	6/7/2011	Code Violations	15609 Parallel	Assessed	12/30/2011
Albert Hoelting	46.24	6/21/2011	Late fees	Pr. Gardens	HOLD	
Kurt Dallman	588.83	8/18/2011	Code Violations	14113 Belrive Ct	Assessed	12/30/2011
New Beginnings Church	197.50	12/22/2011	Code Violations	2706 N 155th	Assessed	12/30/2011
Accts. Receivable						
Balance	\$ 32,173.98					



The City of Basehor

Date: February 21, 2012

To: Basehor City Council
Lloyd Martley, Interim City Administrator

From: Corey Swisher, City Clerk/Finance Director

Re: Drinking Establishment License Renewal

Background:

Falcon Lakes Golf Club and Bleachers Bar & Grill have paid all necessary drinking establishment license fees to the City Clerk/Finance Office necessary for renewal of the now biennial (as of July 1, 2011) Drinking Establishment License (allows the licensee to offer for sale, sell and serve alcoholic liquor for consumption on licensed premises, which may be open to the public). The Police Department and City Building Inspector have also given approval to the renewal.

<u>Business</u>	<u>Type of License</u>	<u>License Fee</u>
Falcon Lakes Golf Club	Drinking Establishment	\$500.00
Bleachers Bar & Grill	Drinking Establishment	\$500.00

Staff Recommendation:

Approve Drinking Establishment License Renewal

Attachments:

Business Licenses.
Drinking Establishment Licenses.
State of Kansas Liquor Licenses.

2620 N. 155th Street
P.O. Box 406
Basehor, KS 66007-0406

913-724-1370
FAX 913-724-3388
www.cityofbasehor.org

Kansas Alcoholic Beverage Control Division
Liquor License

DRINKING ESTABLISHMENT

OWNER NAME: FALCON LAKES GOLF CLUB LLC
DBA NAME: FALCON LAKES GOLF CLUB
ADDRESS: 4605 CLUBHOUSE
CITY, ZIP: BASEHOR 66007

LICENSE NO: 10-007-1042-04

The licensee named above has been granted a liquor license by the Kansas Department of Revenue, Alcoholic Beverage Control Division. This license is neither transferable nor assignable and is subject to suspension or revocation.

PRIVILEGES:

Allows the licensee to sell and serve alcoholic liquor for consumption on the licensed premises and other activities as authorized by K.S.A. 41-2642.

AGREEMENT:

By accepting this license, the licensee agrees to conduct business in compliance with all applicable federal, state, county and city statutes and regulations.



Dean Reynoldson
Director, Alcoholic Beverage Control



Nick Jordan
Secretary of Revenue

EFFECTIVE: 03/10/2011 EXPIRES: 03/09/2012

THIS LICENSE MUST BE FRAMED AND POSTED ON THE PREMISES IN A CONSPICUOUS PLACE

IMPORTANT INFORMATION

Contact the ABC Licensing Unit at 785-296-7015 or email abc_licensing@kdor.state.ks.us if you have any

- questions regarding this license
- changes to your business name, location, ownership or officers
- questions about filing gallonage tax; if applicable

Contact your local ABC Enforcement Agent at 785-296-7015 or visit our website at <http://www.ksrevenue.org/abccontact.htm>

Contact the Miscellaneous Tax Segment at 785-368-2222 or e-mail miscellaneous_tax@kdor.state.ks.us if you:

- need assistance with liquor drink or liquor enforcement taxes
- have questions about liquor drink tax bonds, bond relief or bond release

CLOSING YOUR BUSINESS

If you are closing your business, you must surrender your liquor license and complete the information on the back of the license.

KEEP THIS POSTED CONSPICUOUSLY AT ALL TIMES

Fee, \$ 250.00

OCCUPATION OR

TO ALL WHOM IT MAY CONCERN:

Occupation of License is hereby granted to FALCON LAKES GOLF CLUB LLC

at 4605 Clubhouse Dr.

for year beginning March 10

holder of
20 11

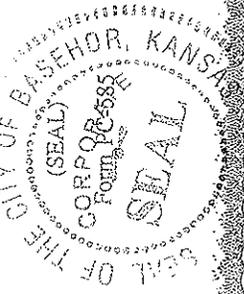
No. BC 2011-01

Retail Liquor License No. 10-007-1042-0

(Give exact location, with street number, if any.)

in the City of Basehor in Leavenworth County, Kansas
same having been approved by the governing body of said City as provided by the Laws of Kansas, K.S.A. 41-2622, and the rules, regulations and
ordinances pertaining thereto.

This License will expire March 9, 2012, unless sooner revoked, is not transferable, nor will any refund of the
fee be allowed thereon.



Given under our hands and the corporate seal of said City, this 21st
day of March, 20 11

Countersigned:

Terry L. Hill Mayor

City Treasurer

Corey Swisher City Clerk

Kansas Alcoholic Beverage Control Division
Liquor License

DRINKING ESTABLISHMENT

OWNER NAME: BLEACHERS BILLIARDS BAR & GRILL LLC
DBA NAME: BLEACHERS BILLIARDS BAR & GRILL
ADDRESS: 15510 STATE AVE #11
CITY, ZIP: BASEHOR, 66007

LICENSE NO: 10-007-1064-04

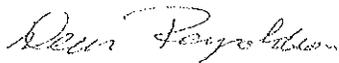
The licensee named above has been granted a liquor license by the Kansas Department of Revenue, Alcoholic Beverage Control Division. This license is neither transferable nor assignable and is subject to suspension or revocation.

PRIVILEGES:

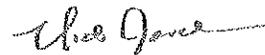
Allows the licensee to sell and serve alcoholic liquor for consumption on the licensed premises and other activities as authorized by K.S.A. 41-2642.

AGREEMENT:

By accepting this license, the licensee agrees to conduct business in compliance with all applicable federal, state, county and city statutes and regulations.



Dean Reynoldson
Director, Alcoholic Beverage Control



Nick Jordan
Secretary of Revenue

EFFECTIVE: 03/17/2011 EXPIRES: 03/16/2012

THIS LICENSE MUST BE FRAMED AND POSTED ON THE PREMISES IN A CONSPICUOUS PLACE

IMPORTANT INFORMATION

Contact the ABC Licensing Unit at 785-296-7015 or email abc_licensing@kdor.state.ks.us if you have any:

- questions regarding this license
- changes to your business name, location, ownership or officers
- questions about filing gallonage tax; if applicable

Contact your local ABC Enforcement Agent at 785-296-7015 or visit our website at <http://www.ksrevenue.org/abccontact.htm>

Contact the Miscellaneous Tax Segment at 785-368-2222 or e-mail miscellaneous_tax@kdor.state.ks.us if you:

- need assistance with liquor drink or liquor enforcement taxes
- have questions about liquor drink tax bonds, bond relief or bond release

CLOSING YOUR BUSINESS

If you are closing your business, you must surrender your liquor license and complete the information on the back of the license.

KANSAS DEPARTMENT OF REVENUE
Division of Taxation

LIQUOR DRINK TAX CERTIFICATE



BLEACHERS BILLIARDS BAR & GRILL LLC
BLEACHERS BILLIARDS BAR & GRILL
15510 STATE AVE #11
BASEHOR KS 66007

Tax Account #: 7-1064 L004
Inception Date: 03/17/2011
Filing Frequency: Monthly

This Registration Certificate is valid until surrendered or revoked and is not transferable.

DISPLAY CONSPICUOUSLY AT THE PLACE OF BUSINESS FOR WHICH ISSUED

This is your Kansas Liquor Drink tax certificate. To sell alcoholic beverages, you must also have a state liquor license. If this certificate is lost or destroyed, request a duplicate from the Department of Revenue. Should you decide to cease selling alcoholic liquor or close or sell your business, please complete the information requested below, return this document and surrender your state liquor license so that we may be able to close your tax account.

DISCONTINUATION OF BUSINESS
OR
NO LONGER SELLING ALCOHOLIC LIQUOR

To cancel your state liquor license, on the back of the license:

1. Indicate the date liquor sales ceased
2. Signature of an owner or officer is required
3. Include your current mailing address
4. Include a contact phone number

To cancel your tax certificate, sign below and indicate the date the business ceased to sell alcoholic liquor or ceased to operate under this ownership.

Mail this document to Customer Relations, Attention: Miscellaneous Segment, Kansas Department of Revenue, Topeka, KS 66625-5000. If you have any questions, please call at 785-368-8222.

Date liquor sales ceased: _____

Date business ceased to operate under this ownership _____

Signature of Owner, Partner, or Principal Corporate Officer

Date

KEEP THIS POSTED CONSPICUOUSLY AT ALL TIMES

Fee, \$ 250.00

OCCUPATION OR

No. 2011-02
Retail Liquor License No. 10-007-1064-04

TO ALL WHOM IT MAY CONCERN:

Occupation or License is hereby granted to Bleachers Billiards Bar & Grill, LLC holder of
Bleachers Billiards Bar & Grill for year beginning March 17, 2011

at 15510 State Ave #11
(Drinking Establishment / Caterer)

(Give exact location, with street number, if any.)

in the City of Basehor in Leavenworth County, Kansas
same having been approved by the governing body of said City as provided by the Laws of Kansas, K.S.A. 41-2622, and the rules, regulations and
ordinances pertaining thereto.

This License will expire March 16, 2012, unless sooner revoked, is not transferable, nor will any refund of the
fee be allowed thereon.

(SEAL) Given under our hands and the corporate seal of said City, this 21st
day of March, 20 11

Form PC-585

Countersigned:

Terry L. Hill Mayor

City Treasurer

Corey Swisher City Clerk

City of Basehor
Agenda Item Cover Sheet

Agenda Item No. 5

Topic: South Side Village Apartments

Action Requested: Approve resolution 2012-01 that replaces resolution 2010-03 which expired on January 22, 2012.

Narrative: The South Side Village Apartments is a planned affordable family housing project that will be located on four acres at 155th and Pinehurst Drive. The project will total approximately 6.8 million dollars and will be partially funded by Low Income Housing Tax Credits if the city approves the resolution indicating support from the city.

Presented by: Garrison (Gary) L. Hassenflu/Lloyd Martley

Administration Recommendation: Review project narrative and plans for Basehor Apartments, if the city is willing to support the project, approve resolution 2012-01 as written.

Committee Recommendation:

Attachments: Project narrative, South Side Village plans, Resolution 2012-01, Market Study (provided by developer)

Projector needed for this item?

No

LEA & COMPANY

Affordable Housing Valuation & Consulting Solutions

Byron N. Lea, MAI
Richard A. Ribacchi, MAI

January 31, 2012

Gary Hassenflu
Garrison Construction Company
416 E 3rd Street
Kansas City, MO 64106

Re: Market Study of South Side Village Apartments
155th Street and Pinehurst Drive
Basehor, Kansas 66007

Dear Gary:

We prepared a market study of the property referenced above dated February 5, 2010. Per your request we have performed market research to evaluate market conditions since the date of the original market study. Possession of the original market study is necessary and assumed. The intended users include Garrison Construction Company and KHRC. The scope of work included updating rental information and research of changes in local market conditions. Our research indicates generally market conditions are similar as reported in the original market study. Attached are revised comparable rental data sheets and the overall vacancy rate table.

We appreciate this opportunity to be of service. Please contact us if you have any comments or questions.

Respectfully submitted,



Byron N. Lea, MAI



Jay Wortmann

Project Summary

The Subject will contain a total of 46 one, two, and three-bedroom apartment units. All of the units will be income-restricted, as per LIHTC guidelines, offered to households with income levels at 30, 40 and 50 percent of the area median income (AMI) or less; the 30% AMI unit will be restricted to homeless households. The Subject's unit mix and rent schedule is detailed in the following table.

Unit Mix, Size, Rents						
Unit Type	Number	Unit Size	Net Rents	Utility Allowance	Gross Rents	2012 Max Allowable LIHTC Rents
30% AMI-Homeless						
1BR/1BA	1	693	\$150	\$99	\$249	\$412
40% AMI						
1BR/1BA	2	693	\$451	\$99	\$550	\$550
2BR/2BA	5	973	\$537	\$123	\$660	\$660
3BR/2BA	2	1,078	\$616	\$146	\$762	\$762
50% AMI						
1BR/1BA	9	693	\$550	\$99	\$649	\$688
2BR/2BA	17	973	\$620	\$123	\$743	\$825
3BR/2BA	10	1,078	\$680	\$146	\$826	\$953
Total	46					

Market Vacancy

The chart below shows the current overall vacancy rates among the comparable properties included in the survey.

Vacancy					
Comp#	Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
1	Bonner Highlands Apartments I	LIHTC	48	1	2.1%
2	Bonner Highlands Apartments II	LIHTC	36	0	0.0%
3	Lansing Heights	LIHTC	130	5	3.8%
4	Villa at the Gardens	Market	56	1	1.8%
5	The Summit At Creek Ridge	Market	38	1	2.6%
6	River City Rentals/Tinner Properties	Market	56	0	0.0%
7	Cedar Hill Apartments	Market	53	10	18.9%
8	Bo Ridge Apartments	Market	6	0	0.0%
9	Sandstone Apartments	Market	76	0	0.0%
Average					3.6%

The average vacancy rate of 3.6 percent is lower than the average illustrated in the previous report of 4.1 percent. Cedar Hill Apartments reported the highest vacancy rate of 18.9 percent. The current management company stated the high vacancy rate is due to the previous management company, which recently changed, and there has been re-tenanting taking place. This is a property related condition rather than market related, and therefore not representative of overall market conditions.

Rent Survey Summary											
No.	Project/ Proximity	Type/ Yr. Built	Market/ Subsidy	Bed/ Bath	Size (SF)	Units	%	Rent (Ask)	Restriction	Units Vacant	Vacancy Rate
1	Bonner Highlands Apartments I 13152 Kansas Avenue Bonner Springs, KS	Garden (3 Story) 1999	LIHTC	1/1	765	4	8%	\$489	60%	0	0.0%
				2/1.5	810	20	42%	\$560	60%	0	0.0%
				3/1.5	1,010	24	50%	\$639	60%	1	4.2%
				Total		48	100%			1	2.1%
2	Bonner Highlands Apartments II 13130 Kansas Avenue Bonner Springs, KS	Garden (3 Story) 2006	LIHTC	1/1	765	2	6%	\$448	40%	0	0.0%
				1/1	765	5	14%	\$569	60%	0	0.0%
				2/1.5	840	3	8%	\$535	40%	0	0.0%
				2/1.5	840	14	39%	\$625	60%	0	0.0%
				3/1.5	1,010	3	8%	\$610	40%	0	0.0%
				3/1.5	1,010	9	25%	\$690	60%	0	0.0%
Total		36	100%			0	0.0%				
3	Lansing Heights 329 West Mary Street Lansing, KS	Garden/HI (2 Story) 2003	LIHTC	2/2	923	32	25%	\$720	60%	1	3.1%
				2/2	1,122	33	25%	\$720	60%	2	6.1%
				3/2	1,162	32	25%	\$795	60%	1	3.1%
				3/2	1,350	33	25%	\$795	60%	1	3.0%
Total		130	100%			5	3.8%				
4	Valla at the Gardens 16028 Prairie Way Basehor, KS	Townhomes (2 Story) 2003	Market	3/2	1,000	56	100%	\$900 - \$925	Market	1	1.8%
				Total		56	100%			1	1.8%
5	The Summit At Creek Ridge 1918 157th Street Basehor, KS	Townhome (2 Story) 2005	Market	2/1	1,000	12	32%	\$845	Market	0	0.0%
				2/2	1,300	7	18%	\$945	Market	0	0.0%
				3/2	1,400	12	32%	\$1,045	Market	1	8.3%
				3/2.5	1,700	7	18%	\$1,145	Market	0	0.0%
Total		38	100%			1	2.6%				
6	River City Rentals/Finner Properties 13125 Richland Bonner Springs, KS	Garden & Townhomes (2 Story) 1980s	Market	1/1	680	8	14%	\$495	Market	0	0.0%
				2/1	910	24	43%	\$605	Market	0	0.0%
				2/1.5	1,050	12	21%	\$805	Market	0	0.0%
				3/2	1,600	12	21%	\$925	Market	0	0.0%
Total		56	100%			0	0.0%				
7	Cedar Hill Apartments 1198 Ridge Cr Tonganoxie, KS	Garden (2 Story) 1980s	Market	1/1	600	2	4%	\$415-\$450	Market	-	-
				1/1	957	3	6%	\$415-\$450	Market	-	-
				2/1	825	16	30%	\$545	Market	-	-
				2/1	957	16	30%	\$565	Market	-	-
				3/2	960	8	15%	\$665	Market	-	-
				3/2	1,050	8	15%	\$715	Market	-	-
Total		53	100%			0	18.9%				
8	Bo Ridge Apartments 301 Ridge Circle Tonganoxie, KS	Garden (2 Story) 1985	Market	1/1	650	2	33%	\$450	Market	0	0.0%
				2/2	1,000	2	33%	\$550	Market	0	0.0%
				3/2	1,200	2	33%	\$625	Market	0	0.0%
Total		6	100%			0	0.0%				
9	Sandstone Apartments 550 S 4th St Kansas City, KS	Garden (2 Story) 1984	Market	1/1	640	56	74%	\$475	Market	0	0.0%
				2/1	720	20	26%	\$575	Market	0	0.0%
Total		76	100%			0	0.0%				

Comparable #1

Survey Date 12/29/2011

Property Name Bonner Highlands Apartments I
 Street 13132 Kansas Avenue
 City, State Bonner Springs, KS
 County Wyandotte County
 Phone Number 913-441-5152
 Contact Name Olivia
 Type Multifamily
 ("M"arket/"L"ow Income) LHHC
 Proximity 4.23 miles
 Structure Garden (3 Story)
 Section 8 Vouchers Yes - # N/Av
 Yearly Turnover % 23%
 Leasing Pace 1 wk
 Waiting List Yes on IBR's - 2 HH
 Concessions None
 Change in Rent \$10 inc in Nov. 2008
 Year Built/Renovated 1999



Property Description:

Bcd/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
1/1	765	4	\$489	\$0	60%	0	0.0%
2/1.5	840	20	\$560	\$0	60%	0	0.0%
3/1.5	1,010	24	\$639	\$0	60%	1	4.2%
Total Units		48				1	2.1%

Utilities:

	Included In Rent Y or N	Gas/Electric G=Gas E=Electric
A/C	N	E
Heat	N	E
Water Heat	N	E
Cooking	N	E
Water	Y	
Sewer	Y	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security :

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Comparable #2 **Survey Date** 12/29/2011

Property Name Bonner Highlands Apartments II
 Street 13130 Kansas Avenue
 City, State Bonner Springs, KS
 County Wyandotte County
 Phone Number 913-441-5152
 Contact Name Olivia
 Type Multifamily
 ("M"arket/"L"ow Income) LIHTC
 Proximity 4.23 miles
 Structure Garden (3 Story)
 Section 8 Vouchers Yes - # N/Av
 Yearly Turnover % 23%
 Leasing Pace 1 wk
 Waiting List Yes on 1BR's
 Concessions None
 Change in Rent Increase
 Year Built/Renovated 2006



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
1/1	765	2	\$448	\$0	40%	0	0.0%
1/1	765	5	\$569	\$0	60%	0	0.0%
2/1.5	840	3	\$535	\$0	40%	0	0.0%
2/1.5	840	14	\$625	\$0	60%	0	0.0%
3/1.5	1,010	3	\$610	\$0	40%	0	0.0%
3/1.5	1,010	9	\$690	\$0	60%	0	0.0%
Total Units		36				0	0.0%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	E
Water Heat	N	E
Cooking	N	E
Water	Y	
Sewer	Y	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security:

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Bonner Highlands II shares a leasing office and playground with Bonner Highlands Phase I. This development was complete in August 2006 and was fully occupied by September 30, 2006. This equates to a two month leasing period or 18 units per month.

Comparable #3

Survey Date 12/29/2011

Property Name Lansing Heights
 Street 329 West Mary Street
 City, State Lansing, KS
 County Leavenworth County
 Phone Number 913-250-1306
 Contact Name Monica
 Type Family
 ("M"arket/"L"ow Income) LIHTC
 Proximity 8.97 miles
 Structure Garden/TH (2 Story)
 Section 8 Vouchers Yes - #N/Av
 Yearly Turnover % 25%
 Leasing Pace 2 weeks
 Waiting List None
 Concessions Yes - 2 bed
 Change in Rent Increase
 Year Built/Renovated 2003



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
2/2	923	32	\$720	\$55	60%	1	3.1%
2/2	1,122	33	\$720	\$55	60%	2	6.1%
3/2	1,162	32	\$795	\$0	60%	1	3.1%
3/2	1,350	33	\$795	\$0	60%	1	3.0%
Total Units		130				5	3.8%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	E
Water Heat	N	E
Cooking	N	E
Water	Y	
Sewer	Y	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input checked="" type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input checked="" type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input checked="" type="checkbox"/>
Swimming Pool	<input checked="" type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input checked="" type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input checked="" type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input checked="" type="checkbox"/>
Business Center	<input checked="" type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security :

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Lansing Heights is a LIHTC property offering two and three-bedroom units at 60 percent AMI levels. The property is currently 96 percent occupied. Management is offering a special on the two-bedroom units of one month free with a 13 month lease.

Comparable #4

Survey Date 2/1/2010

Property Name Villa at the Gardens
 Street 16028 Prairie Way
 City, State Baschor, KS
 County Leavenworth County
 Phone Number 913-724-2646
 Contact Name Sara
 Type Family
 ("M"arket/"L"ow Income) Market
 Proximity 1.14 miles
 Structure Townhomes (2 Story)
 Section 8 Vouchers No
 Yearly Turnover % 11%
 Leasing Pace N/A
 Waiting List None
 Concessions None
 Change in Rent None
 Year Built/Renovated 2003

**Property Description:**

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
3/2	1000	56	\$900 - \$925	\$0	Market	1	1.8%
Total Units		56				1	1.8%

Utilities:

	Included In Rent Y or N	Gas/Electric G=Gas E=Electric
A/C	N	E
Heat	N	E
Water Heat	N	E
Cooking	N	E
Water	N	
Sewer	N	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input checked="" type="checkbox"/>
Washer/Dryer	<input checked="" type="checkbox"/>
Washer/Dryer Hook-up	<input type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input checked="" type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input checked="" type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security:

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

We made several attempts to update this information; however, we were unsuccessful. The data illustrated above is from our previous survey.

Comparable #5

Survey Date 12/29/2011

Property Name The Sununit At Creek Ridge
 Street 1918 157th Street
 City, State Basehor, KS
 County Leavenworth
 Phone Number 816-769-0354
 Contact Name Jeffrey
 Type Family
 ("M"arket/"L"ow Income) Market
 Proximity 0.98 miles
 Structure Townhome (2 Story)
 Section 8 Vouchers None
 Yearly Turnover % 5%
 Leasing Pace 2 weeks
 Waiting List Yes - Small
 Concessions None
 Change in Rent None
 Year Built/Renovated 2005



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
2/1	1,000	12	\$845	\$0	Market	0	0.0%
2/2	1,300	7	\$945	\$0	Market	0	0.0%
3/2	1,400	12	\$1,045	\$0	Market	1	8.3%
3/2.5	1,700	7	\$1,145	\$0	Market	0	0.0%
Total Units		38				1	2.6%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	G
Water Heat	N	G
Cooking	N	E
Water	N	
Sewer	N	
Trash	N	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input checked="" type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input checked="" type="checkbox"/>
Washer/Dryer	<input checked="" type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input type="checkbox"/>
Laundry Room	<input type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input checked="" type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security :

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

All units have basements. Only the two-bedroom units have the washer/dryers, while the three-bedrooms have only the connections.

Comparable #6

Survey Date 1/2/2012

Property Name River City Rentals/Tinner Properties
 Street 13125 Richland
 City, State Bonner Springs, KS
 County Leavenworth
 Phone Number 913-422-7368
 Contact Name Sandy
 Type Family
 ("M"arket/"L"ow Income) Market
 Proximity 3.15 miles
 Structure Garden & Townhomes (2 Story)
 Section 8 Vouchers Yes - # N/A
 Yearly Turnover % 25%
 Leasing Pace 30 days
 Waiting List Yes - 3 HH's
 Concessions None
 Change in Rent Inc. last year - Amt N/A
 Year Built/Renovated 1980s



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate	
1/1	680	8	\$495	\$0	Market	0	0.0%	
2/1	910	24	\$605	\$0	Market	0	0.0%	
2/1.5	1,050	12	\$805	\$0	Market	0	0.0%	Townhome Unit
3/2	1,600	12	\$925	\$0	Market	0	0.0%	Townhome Unit
Total Units		56				0	0.0%	

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	G
Water Heat	N	G
Cooking	N	E
Water	Y	
Sewer	Y	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input checked="" type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security :

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

13125 Richland is a market property offering one, two and three-bedroom units. The property is currently 100 percent occupied and maintains a waiting list. Washer/dryer hook-ups are in the two and three-bedroom townhomes only.

Comparable #7 **Survey Date** 1/2/2012

Property Name Cedar Hill Apartments
 Street 1198 Ridge Cr
 City, State Tonganoxi, KS
 County Leavenworth, KS
 Phone Number 913-417-7200
 Contact Name Ryan
 Type Family
 ("M"arket/"L"ow Income) Market
 Proximity 7.36 miles
 Structure Garden (2 Story)
 Section 8 Vouchers Yes
 Yearly Turnover % 23%
 Leasing Pace N/A
 Waiting List None
 Concessions Reduced rent on 2BR's
 Change in Rent 0% over last year
 Year Built/Renovated 1980s



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
1/1	600	2	\$415-\$450	\$0	Market	-	-
1/1	957	3	\$415-\$450	\$0	Market	-	-
2/1	825	16	\$545	\$15	Market	-	-
2/1	957	16	\$565	\$0	Market	-	-
3/2	960	8	\$665	\$0	Market	-	-
3/2	1,050	8	\$715	\$0	Market	-	-
Total Units		53				10	18.9%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	G
Water Heat	N	G
Cooking	N	E
Water	N	
Sewer	N	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input checked="" type="checkbox"/>
Washer/Dryer Hook-up	<input type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security :

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

The current management company stated the high vacancy rate is due to the previous management company, which recently changed, and there has been re-tenanting taking place. This is a property related condition rather than market related, and therefore not representative of overall market conditions.

Comparable #8

Survey Date 12/29/2011

Property Name Bo Ridge Apartments
 Street 301 Ridge Circle
 City, State Tonganoxie, KS
 County Leavenworth County
 Phone Number 913-233-9520
 Contact Name Floyd Dawn
 Type Multifamily
 ("M"arket/"L"ow Income) Market
 Proximity 7.36 miles
 Structure Garden (2 Story)
 Section 8 Vouchers N/A
 Yearly Turnover % N/A
 Leasing Pace N/A
 Waiting List None
 Concessions N/A
 Change in Rent Decrease
 Year Built/Renovated 1985



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
1/1	650	2	\$450	\$0	Market	0	0.0%
2/2	1000	2	\$550	\$0	Market	0	0.0%
3/2	1,200	2	\$625	\$0	Market	0	0.0%
Total Units		6				0	0.0%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	E
Water Heat	N	E
Cooking	N	E
Water	N	
Sewer	N	
Trash	N	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input type="checkbox"/>
Laundry Room	<input type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security:

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

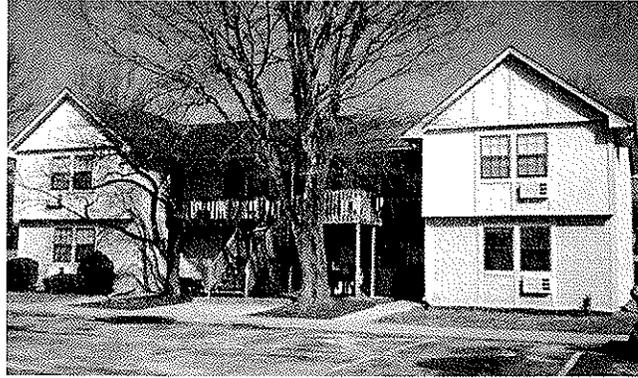
Notes:

Bo Ridge Apartments is a market property offering one, two and three-bedroom units. The property is currently 100 percent occupied. The owner/manager stated that he has had people there a long time and he keeps the rents lower to keep them rented.

Comparable #9

Survey Date 12/30/2011

Property Name Sandstone Apartments
 Street 550 S 4th St
 City, State Kansas City, KS
 County Leavenworth
 Phone Number 913-441-1477
 Contact Name Jamie
 Type Family
 ("M"arket/"L"ow Income) Market
 Proximity 6.96 miles
 Structure Garden (2 Story)
 Section 8 Vouchers None
 Yearly Turnover % 35%
 Leasing Pace 30 - 60 days
 Waiting List None
 Concessions None
 Change in Rent N/A
 Year Built/Renovated 1984



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
1/1	640	56	\$475	\$0	Market	0	0.0%
2/1	720	20	\$575	\$0	Market	0	0.0%
Total Units		76				0	0.0%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	G
Water Heat	N	G
Cooking	N	E
Water	N	
Sewer	N	
Trash	Y	

Unit Amenities:

Central Heat/Cool	
Blinds	✓
Carpet	✓
Ceiling Fan	✓
Skylight	
Storage Closet	
Coat Closet	✓
Walk-In Closet	
Fireplace	
Patio/Balcony	✓

Appliances:

Refrigerator	✓
Stove/Oven	✓
Dishwasher	✓
Garbage Disposal	✓
Microwave	
Washer/Dryer	
Washer/Dryer Hook-up	

Property Amenities:

Community Room	
Swimming Pool	
Spa/Jacuzzi	
Exercise Room	
Picnic Area	
Playground	
Tennis Court	
Basketball Court	
Volleyball Court	
On-Site Manager	✓
Laundry Room	✓
Computer Room	
Business Center	
Car Wash Area	
Additional Services	

Parking:

Surface Parking	✓
Carport	
Underground	
Detached Garage	
Attached Garage	
Tuck-under Garage	
Parking Garage	

Security:

Gated	
Courtesy Patrol	
Surveillance Cameras	

Notes:

Sandstone Apartments is a market property offering one and two-bedroom units. There are washer/dryer connections in 10 of the units.

Market Study of
South Side Village Apartments

**155th Street and Pinehurst Drive
Basehor, Kansas 66007**

Effective Date: February 2, 2010

Report Date: February 5, 2010

Gary Hassenflu

**Garrison Company
416 East 3rd Street
Kansas City, MO 64106**

LEA & COMPANY

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Sacramento, California 95827
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LEA & COMPANY

Affordable Housing Valuation & Consulting Solutions

Byron N. Lea, MAI
Richard A Ribacchi, MAI
Robin S. Weck, MAI
Adam G. Bursch, MBA

February 5, 2010

Gary Hassenflu
Garrison Company
416 East 3rd Street
Kansas City, MO 64106

Re: Market Study of South Side Village Apartments
155th Street and Pinehurst Drive
Basehor, Kansas 66007

Dear Mr. Hassenflu:

At your request, we have performed a study of the multifamily rental market relative to the above affordable housing development located in Basehor, Kansas.

The purpose of this market study is to assess the viability of South Side Village Apartments, a proposed 48-unit Low Income Housing Tax Credit (LIHTC) development to be located at 155th Street and Pinehurst Drive, in Basehor, Kansas. The property will offer affordable rental units restricted to households earning 40 and 60 percent of the area median income (AMI) or below.

The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. This report incorporates the LIHTC rent and income restrictions. The scope of this report meets the requirements of the Kansas Housing Resource Corporation (KHRC), or other agencies as designated, including the following:

- Inspecting the site of the proposed Subject and the general location.
- Establishing the Subject Primary Market Area.
- Demographic analysis of the number of income eligible households in the market area, which are income eligible and can afford to pay the rent.
- Investigating the health and conditions of the multifamily market.
- Calculating income bands, given the proposed Subject rents.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the proposed project.

- Surveying competing projects, both LIHTC and market rate with description of rent levels and vacancy rates with analysis of available operating expenses and turnover rates.
- Expected market absorption of the proposed rental housing, including a description of the effect on the market area.

This consulting engagement was conducted in accordance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which standards incorporate the Uniform Standards of Professional Appraisal Practice (USPAP). In accordance with these standards, we have reported our findings herein in a complete consulting report. The depth of discussion contained in the report is specific to the needs of the client, specifically the requirements of KHRC pursuant to 2010 market study requirements.

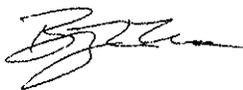
This market study has been prepared by Lea & Company, a member in good standing of the National Council of Affordable Housing Market Analysts (NCAHMA). This study has been prepared in conformance with the standards adopted by NCAHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects*, and *Model Content Standards for the Content of Market Studies for Affordable Housing Projects*. These Standards are designed to enhance the quality of market studies and to make them easier to understand and use. These Standards are voluntary only, and the National Council of Affordable Housing Market Analysts assumes no legal responsibility regarding their use.

Lea & Company is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCAHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Lea & Company is an independent market analyst. No principal or employee of Lea & Company has any financial interest whatsoever in the development for which this analysis has been undertaken. While the document specifies Lea & Company, the certification is always signed by the individual completing the study and attesting to the certification.

Please do not hesitate to contact us if there are any questions regarding the report or if we can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,

LEA & COMPANY



Byron N. Lea, MAI



Jay A. Wortmann

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ADDENDA

EXECUTIVE SUMMARY AND CONCLUSIONS

- South Side Village Apartments is a proposed construction of five, two-story apartment buildings that will contain 48 one, two, and three-bedroom apartment units. All of the units will be income-restricted, as per LIHTC guidelines, offered to households with income levels at 40 and 60 percent of the area median income (AMI) or less.
- The region offers a number of employment options for local area residents within close distance of the Subject as well as other major shopping, employment, and recreational amenities located in Kansas City, which is a short commute to the east. The Village West redevelopment area is located minutes from the Subject's site and has many employment opportunities for the Subject's tenants such as the International Speedway Corporation, Cabela's, Nebraska Furniture Mart, Legends at Village West, Great Wolf Lodge/Waterpark, Warren Theaters, Northern League, Community/America Ballpark (Home of the minor league baseball team the T-Bones in Kansas City, Kansas). Additionally, area is continuing to develop as we are aware of \$414 million redevelopment project that will include a 18,500 capacity soccer-specific-stadium will be located near the Kansas City Speedway and not far from CommunityAmerica Ballpark in Kansas City, Kansas and Cerner Corp, who are in the increasingly lucrative business of providing IT to the healthcare industry and have continued to grow rapidly over the last two years despite the economic hard times, plan to add 4,000 jobs at the Village West location in a new 600,000-square-foot office.
- This area provides a number of jobs for the rural communities located in the Subject's PMA, as well as Basehor because of the easy commute via US Highway 24/40. As the development from this area continues to push west toward Basehor, the city's demand for new businesses will increase.
- The Subject is located in the city of Basehor. The surrounding land uses range in condition from average to excellent. The city offers many small range shopping, employment, and recreational amenities within close proximity; however, only 6.0 miles east, households residing at the Subject have access to Kansas City via US Highway 24/40. This area offer major shopping, employment, and recreational amenities. The construction of the Subject, as proposed, will positively impact the neighborhood and the availability of affordable housing in Basehor. The site and neighborhood are well suited for this type of housing.
- The PMA is comprised of 16.7 percent renter households. Demand for multifamily rental units in the PMA is expected to come from natural population growth. The number of households has steadily increased in the PMA since 2000. As the total population and number of households continue to grow, the demand for housing units will continue to increase. The demographics presented above provide support that there is a strong renter population within the PMA. These factors support current and future demand for the Subject.
- If the Subject property is properly marketed, the Subject's 48 affordable units are anticipated to be completely absorbed into the market within seven to nine months of completion. This equates to an average absorption of approximately five to seven units per month.
- The Annual Demand Estimate calculates an annual capture rate of 19.3 percent.

PROJECT DESCRIPTION

Our description of the Subject is based upon information provided by the developer and our property inspection. We assume the information supplied is accurate.

Site Description

Existing Improvements:	The site is currently vacant.
Size:	The site contains approximately 4.74 acres or 206,474 square feet.
Zoning:	The Subject is currently zoned R-3, Multifamily Residential District. The proposed development would not be a legal and conforming use.
Topography:	The site has a rolling topography.
Vegetation:	The site has a heavy tree line on the east and south portions of the site.
Proximity to Adverse Conditions:	At this time, we are unaware of any detrimental influences that would impact the value of the Subject.
Drainage:	Appears adequate, however no specific tests were performed.
Soil and Subsoil Conditions:	We were not provided with soil surveys.
Environmental:	We were not provided with an environmental assessment report. We did not observe any obvious environmental hazards during our site inspection. However, we are not experts within this field.
Target Population and Occupancy Type:	The Subject will be a family project targeting income-qualified households ranging in size from one to six persons, with incomes ranging from \$21,280 and \$46,020.
Unit Mix:	The Subject will contain a total of 48 one, two, and three-bedroom apartment units. All of the units will be income-restricted, as per LIHTC guidelines, offered to households with income levels at 40 and 60 percent of the area median income (AMI) or less. The Subject's unit mix and rent schedule is detailed in the following table.

**LEA &
COMPANY**

Unit Mix, Size, Rents						
Unit Type	Number	Unit Size	Net Rents	Utility Allowance	Gross Rents	Max Allowable LIHTC Rents
40% AMI						
1BR/1BA	2	693	\$453	\$79	\$532	\$532
2BR/2BA	5	973	\$534	\$105	\$639	\$639
3BR/2BA	4	1,078	\$612	\$126	\$738	\$738
60% AMI						
1BR/1BA	6	693	\$530	\$79	\$609	\$798
2BR/2BA	19	973	\$615	\$105	\$720	\$958
3BR/2BA	12	1,078	\$675	\$126	\$801	\$1,107
Total	48					

Existing Assisted Housing Program / Special Needs

The Subject is proposed new construction; therefore, no assisted housing programs exist.

Proposed Unit/Property Amenities:

Detailed in the Chart below are the subject's proposed unit and property amenities.

Unit Amenities: Property Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Community Room	<input checked="" type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Courtyard/Picnic Area	<input checked="" type="checkbox"/>
Playground	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Other Services-Craftroom	<input type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher*	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Parking: Security:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Parking: Surface parking 84 spaces.

Utility Structure: The Subject's tenants will be responsible for all electrical expenses, which includes electric heat, hot water, and cooking. The landlord will pay the water, sewer, and trash expenses, as well as all common area expenses. The utility allowance schedule was obtained from the Leavenworth County Housing Authority. A copy of the schedule may be found in the Addendum.

Proposed Construction Details: Five, two-story garden style apartment buildings of wood frame construction on concrete slab with pitched roofs. The site will also be improved with a clubhouse, on-site laundry, surface parking, green area with picnic tables and BBQ grill, bike rack, and playground with equipment.

**Date of Construction/
Construction Timeline:**

The developer plans to start the construction in August 2010 and is anticipating a completion by June 2011.

Floorplans and Elevations:

See Addendum.

Access and Traffic Flow:

The site has frontage along the south side of US Highway 24/40, but will not have access from this major highway. The site will have access from the north side of Pinehurst Drive; Pinehurst Drive currently stops just west of the Subject and will be extended during site improvements. Pinehurst Drive is a two-lane neighborhood collector street which traverses east/west and provides access to 155th Street to the west. 155th Street traverses north/south through the city of Basehor and provides access to US Highway 24/40 approximately 0.2 miles to the west of the Subject. US Highway 24/40 is a four-lane highway which traverses east/south and provides access to Kansas City, KS to the east and Lawrence, KS to the southwest.

Visibility/Views:

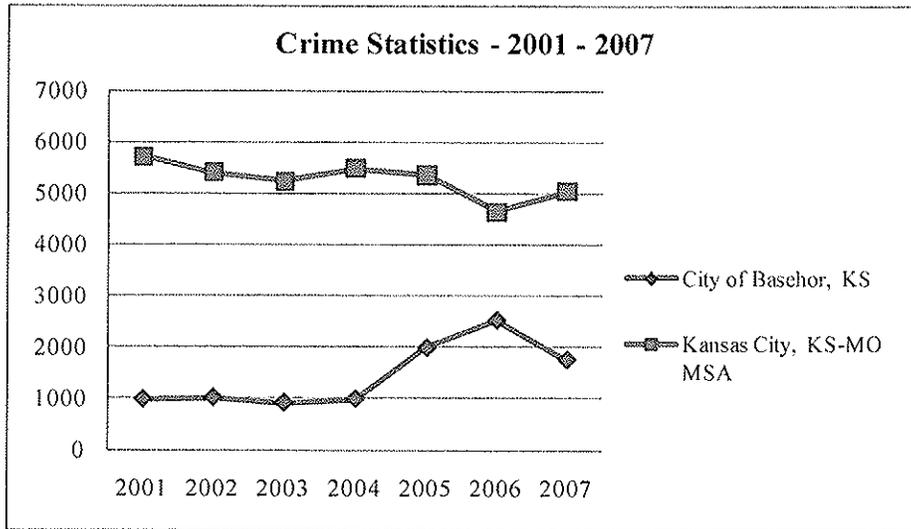
The site has good visibility from the south side of US Highway 24/40 and the north side of Pinehurst Drive. The views to the north of the Subject, beyond US Highway 24/40 are of the new Wolf Creek Market Place, Casey's General Store, and vacant land. The view to the west is of a small commercial/retail building and storage buildings. The view to the south is of a heavy tree line; beyond the heavy tree line is a subdivision of single family homes. All structures range in condition from average to excellent.

**Photographs of the Site
& Neighborhood**

See Addendum.

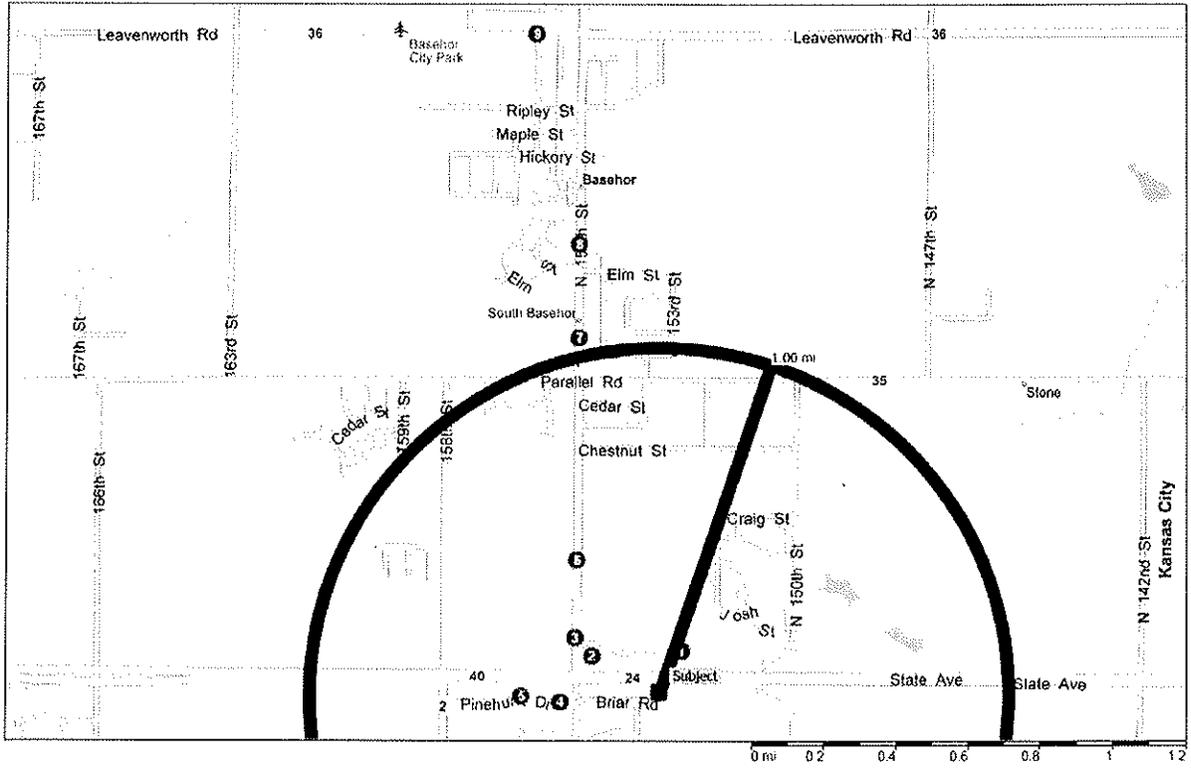
Crime Statistics

The chart below illustrates the crime statistic for the city of Basehor and the Kansas City, KS-MO MSA; the Kansas City MSA is comprised of nine counties in Missouri and six counties in Kansas. We obtained the data from the HUD State of the Cities Data System and the US Department of Justice. Statistics in the following tables reflect crimes per 100,000 populations to more accurately compare the two areas, which have differing population.



As the table illustrates the city has historically exhibited a lower crime rate than the MSA. After inspection and observation of the Subject's neighborhood we do not anticipate the overall Crime statistics will affect the marketability for the Subject.

Locational Amenities



DISTANCE FROM LOCAL SERVICES			
Map #	Name	Service	Distance
1	Wolf Creek Market Place	Grocery Store	0.01 miles
2	Casey's General Store	Gas Station	0.25 miles
3	Little Angels Learning Ctr	Day Care	0.28 miles
4	First State Bank & Trust	Bank	0.28 miles
5	Medicine Store	Pharmacy	0.39 miles
6	First Baptist Church-Basehor	Church	0.45 miles
7	Basehor-Linwood High School	School	1.05 miles
8	US Post Office	Mail	1.33 miles
9	Basehor Elementary School	School	1.96 miles

**Summary of Strengths &
Weaknesses of the site:**

STRENGTHS

- Good location within community area
- Units will be in excellent condition upon completion
- Located 0.20 miles from US Highway 24/40 which is a four-lane highway that provides access to Kansas City and other major employment and major retail amenities.
- Site has excellent visibility from US Highway 24/40.
- The Subject will be the only LIHTC family development in Basehor.

WEAKNESSES

- No apparent weaknesses

Conclusion

The Subject is located in the city of Basehor. The surrounding land uses range in condition from average to excellent. The city offers many small range shopping, employment, and recreational amenities within close proximity; however, only 6.0 miles east, households residing at the Subject have access to Kansas City via US Highway 24/40. This area offer major shopping, employment, and recreational amenities. The construction of the Subject, as proposed, will positively impact the neighborhood and the availability of affordable housing in Basehor. The site and neighborhood are well suited for this type of housing.

DELINEATION OF MARKET AREA

Primary Market Area

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much "neighborhood oriented" and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents. We included several surrounding communities which provide generally similar location and employment commuting aspects that are comparable to Basehor. All of these communities are located in the primary market area (PMA) for the Subject. These communities include Lansing, Basehor, Bonner Springs, De Soto, and Eudora, along with portions of Edwardsville and Shawnee. We have defined the boundaries below.

North: State Highway 10/34
South: State Highway 10
West: Leavenworth/Jefferson County line
East: Interstate 435

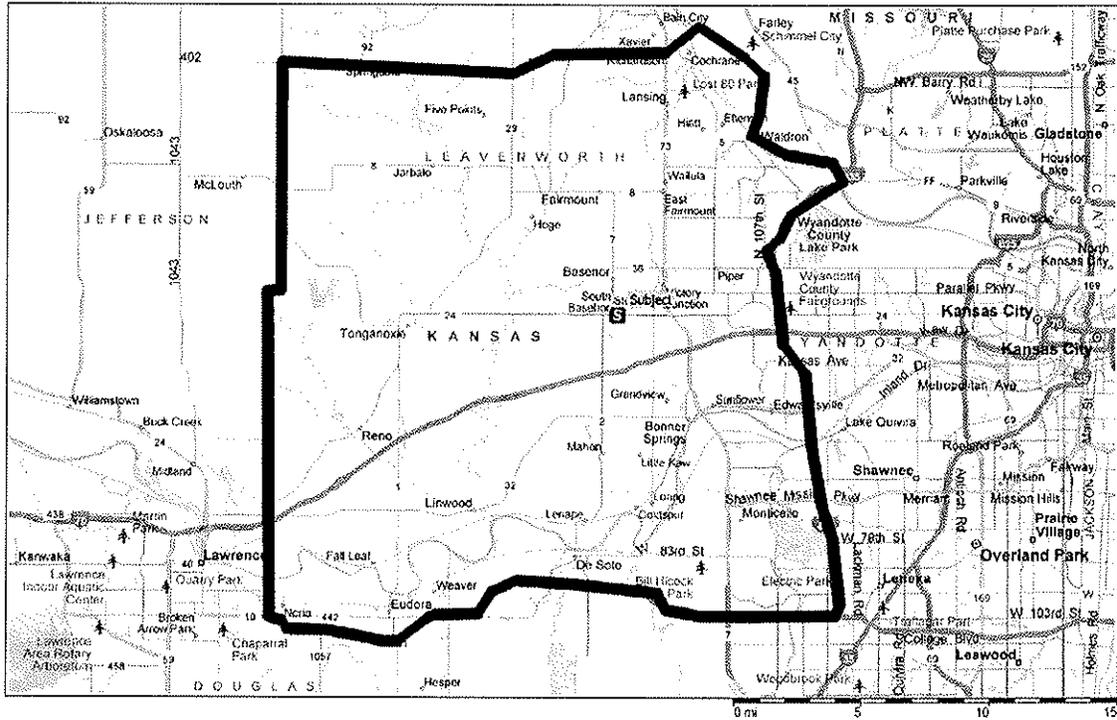
The PMA boundaries and overall market health assessment are based upon analyses of physical boundaries, which include traffic and commute patterns within the area, surveys of existing market rate and affordable apartment projects undertaken by Lea & Company, and insights gained from resident managers, area planning staff, and others familiar with the multifamily market. We recognize several sub-markets exist within this PMA; however, market data demonstrates that a significant amount of the renter base considers housing opportunities within these boundaries. Given the opportunity to locate good quality affordable housing, the renter base will move within these areas. We anticipate the majority of demand will be generated from this geographic area. However leakage is expected from outside the PMA from other parts of the Leavenworth County. The leakage factor will be further discussed in the Demand Analysis.

There are no natural boundaries in Basehor that would inhibit anyone from relocating to the Subject. The market area boundaries identified are a reasonable approximation regarding the potential renter market for the Subject. Rental housing of all types is in strong demand.

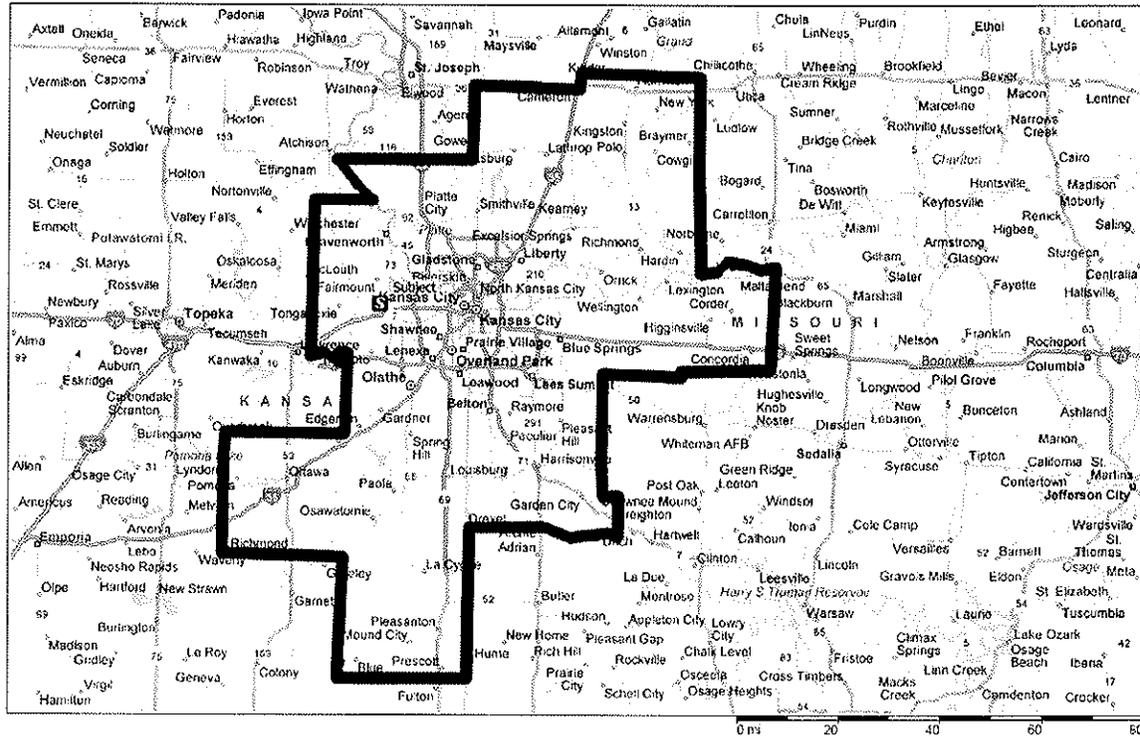
The secondary market area (SMA) for the Subject is considered to be Kansas City, KS-MO MSA which is comprised of nine counties in Missouri, Jackson, Clay, Cass, Platte, Lafayette, Ray, Clinton, Bates, and Caldwell, and six counties in Kansas, Johnson, Wyandotte, Leavenworth, Miami, Franklin, and Linn. Maps outlining the PMA and SMA can be found on the following pages.

Primary and Secondary Market Area Maps

PMA



SMA



MARKET AREA ECONOMY

Market Conditions

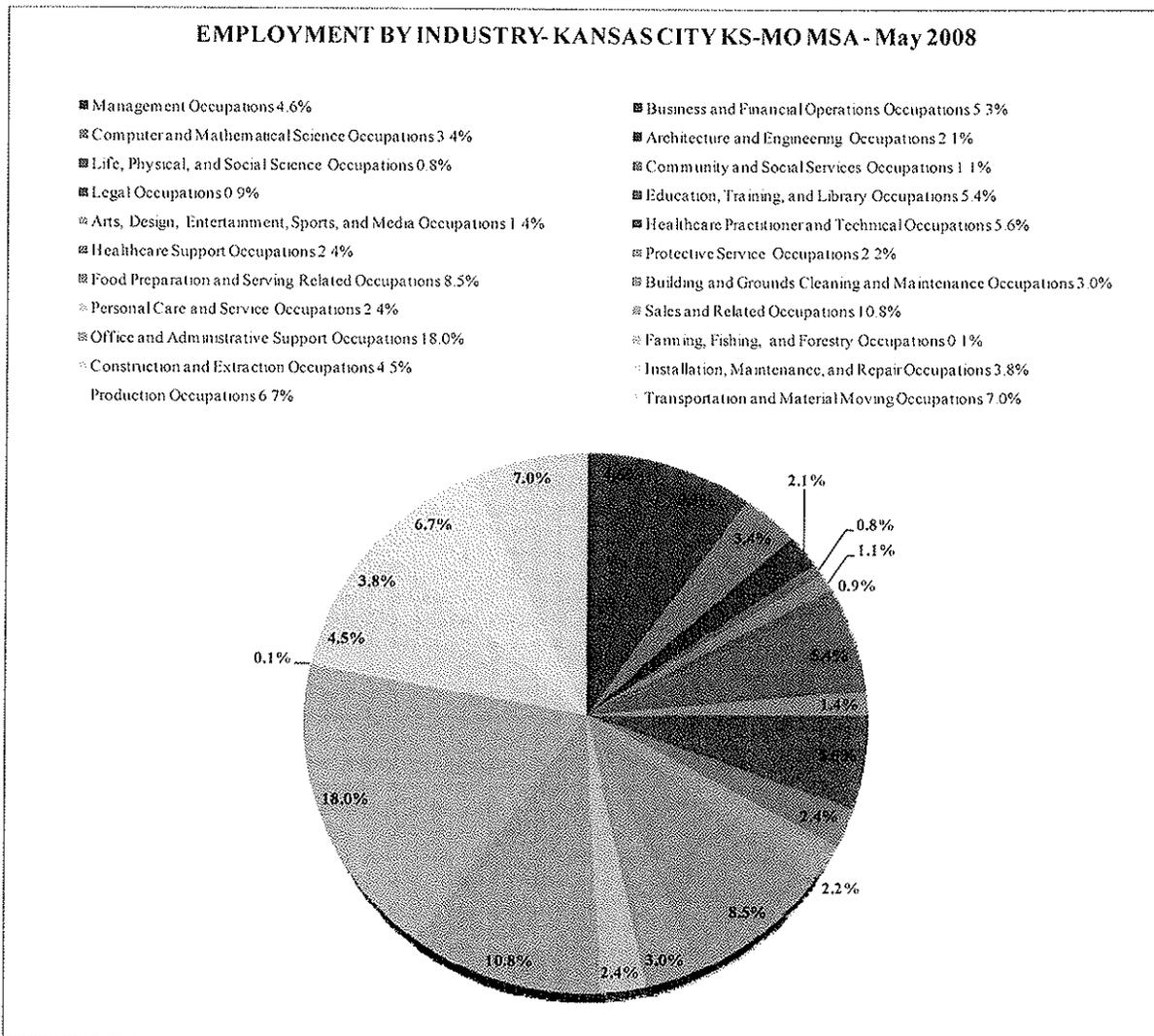
Nationally the economy and housing market has softened due to lack of consumer confidence, a weakened lending climate resulting from the sub-prime lending fallout, increased inventory levels of new unsold homes and lots, and diminished demand. Significantly, foreclosures are increasing, which is associated with increases in adjustable loans that buyers obtained during the market peak periods. The most prevalent type of employment in the area is in the commercial and industrial sectors, and services, providing job opportunities to the Subject's tenants. Poor economic conditions across most employment sectors are prevalent, and forecasts reflect weak conditions through 2010. Demographic data from Claritas is based upon historical and forecast data and its forecasts demonstrate less sensitivity to the current economic climate.

The following discussion includes an analysis of the local economy. This section will present and analyze information regarding employment by industry, the major employers, and unemployment trends. Information was provided, where available, for the Subject's Primary Market Area (PMA).

We obtained economic information from the Bureau of Labor Statistics, city of Basehor, the Basehor Chamber of Commerce, and Leavenworth County. These data sources are considered to be the most reliable and current

Employment by Industry

The following chart illustrates the distribution of employment sectors by industry within the Kansas City MSA during 2008.



As illustrated in the chart above, 18.0% of the MSA's workforce is employed in the office and administrative support occupations sector, followed by 10.8% in the sales and related occupations sector. The smallest sectors are the farming, fishing, and forestry occupation, life, physical, and social science occupation, and legal occupations sectors both with less than 1%.

Major Employers

A summary of the major employers in Leavenworth County is presented in the following table.

Leavenworth County, KS Major Employers			
Industry	Name of Business	Location	Number Employed
Military	Fort Leavenworth - Military/Civilian	Leavenworth	5,601
Education	Leavenworth Public Schools USD 453	Leavenworth	829
Corrections - State	Lansing Correctional Facility	Lansing	700
Healthcare	Eisenhower Veterans Affairs Medical Center	Leavenworth	650
Personal Communication Products	Hallmark Cards	Leavenworth	647
Research Consultants	Northrop Grumman	Leavenworth	589
Corrections - Federal	U.S. Penitentiary	Leavenworth	550
Computerized Simulation	Cubic Defense Applications Group	Leavenworth	380
Government	Leavenworth County Government	Leavenworth	370
Healthcare	Cushing Memorial Hospital	Leavenworth	350
Healthcare	Saint John Hospital	Leavenworth	292
Heating Elements	Heatron, Inc.	Leavenworth	253
Education	Tonganoxie Unified School District 464	Tonganoxie	250
Insurance - Military Exchange	Armed Forces Insurance	Leavenworth	230
Government	City of Leavenworth	Leavenworth	230
Education	Lansing Unified School District 469	Lansing	229
Education	Fort Leavenworth Schools USD 207	Leavenworth	225
Education	Baschior-Linwood Unified School District #458	Baschior	222
Commercial Bank	Armed Forces Bank	Leavenworth	204
Mail Order Pharmacy	VA-CMOP	Leavenworth	200
Corrections - Private	Corrections Corporation of America, Inc	Leavenworth	182
Concrete/Building Materials	Geiger Ready Mix Company	Leavenworth	180
Education	University of Saint Mary	Leavenworth	165
Commercial Roofing	American Roofing, Co	Leavenworth	120
Home Improvement Products	Home Depot	Leavenworth	105
Auto Sales	Rusty Eck Ford	Leavenworth	102
Wholesale Florist	Alex R. Masson	Lansing	100
Education	Easton Unified School District 449	Easton	100
Moving and Storage Warehouse	Studdard Transfer & Storage Co, Inc	Leavenworth	100
Concrete Construction	Leavcon	Lansing	98
Excavating/heavy Equipment	Larkin Excavating	Lansing	95
Education	Kansas City Kansas Community College	Leavenworth	90
Wholesale Clothing	Peruvian Connections	Tonganoxie	90
Commercial Bank	First National Bank & Trust	Tonganoxie	87
Education, Health, and Social Services	Sisters of Charity	Leavenworth	80
Commercial/Residential Rental Property	Development Inc	Leavenworth	72
Commercial Bank	Citizens National Bank	Lansing	70
Real Estate	Reece and Nichols-Cross Creek Realty	Baschior	70
Administration for Medical Offices	Associates in Family Health Care	Leavenworth	68
Uniform Service	Aramark Uniform Services	Leavenworth	65
Real Estate and Insurance	Reilly & Sons Insurance and Real Estate	Leavenworth	65
Snow Plow Equipment	Henke Manufacturing Corporation	Leavenworth	63
Locating Underground Utilities	Central Locating Service LTD	Baschior	61
Construction	Julius Kaaz Construction Co	Leavenworth	60
Excavating/Heavy Equipment	Lexeco, Inc	Leavenworth	60
Fabricated Metal	Zephyr Products Inc.	Leavenworth	59
Government	City of Tonganoxie	Tonganoxie	57
Construction	Baese's Roofing & Heating	Leavenworth	52
Government	City of Lansing	Lansing	52
New/Used Tire Wholesaler	Tire Town, Inc	Leavenworth	50
Fabric Uniform Emblem Manufacturer	CSE	Baschior	49
Daily Newspaper	Leavenworth Times	Leavenworth	49
Commercial Bank	MidAmerican Bank & Trust Company, N.A.	Leavenworth	49
Commercial Bank	Mutual Savings Association	Leavenworth	48
Gasoline, Groceries, Car Wash	Wood Oil Co.	Leavenworth	43
Commercial Business & Government Consultant	Booz Allen & Hamilton	Leavenworth	40
Commercial Bank	Citizens Savings and Loans Association, FSB	Leavenworth	38
Automobile Dealership	Kincaid Motors	Leavenworth	38
Information Technology	Summit Solutions	Leavenworth	38
Utility Company	Leavenworth Water Department	Leavenworth	35
Street Paving/Water/Sewer	Meadows Construction	Tonganoxie	35
Commercial Bank	Commerce Bank - Leavenworth	Leavenworth	34
Automobile Dealership	Speedway Chrysler Dodge-Jeep	Lansing	34

Employment Expansion/Contractions and Trends

We contacted Mark Lee, Building Official with the City of Basehor to obtain information about economic expansion within the city. According to Mr. Lee there has been several new small retail/commercial developments that have opened within the last two years. We have outlined these below.

- Pinehurst Retail Center is a new small retail strip mall that opened in 2008 and is located approximately 0.2 miles east of the Subject. This retail center currently has a Subway sandwich shop, nail salon, tanning salon, chiropractor office, and fitness center. The number of jobs this created was unknown.
- First State Bank & Trust built a new building on the southwest corner of Highway 24/40 and 155th Street approximately two years ago. This did not create any additional jobs because the business was moved from a different location already in Basehor.
- Wolf Creek Market Place is a large grocery retailer that opened in July 2009 and is located across US Highway 24/40 from the Subject. This created approximately 25 to 30 jobs.
- Medicine Store, which is a pharmacy, opened in the fourth quarter of 2008. The number of jobs created was unknown.
- Record News, which is a print and packaging company and is located approximately 147th Street and Parallel Avenue opened in 2006.

Furthermore, there has also been a large concentration of development located north of Interstate 70 and west of Interstate 435 off of US Highway 24/40 within Kansas City, KS over the last several years, called Village West. The largest and most notable was when the International Speedway Corporation chose 1,000 acres in the northwest quadrant of I-70 and I-435 to build a \$200-million, 1½-mile NASCAR race track; the track was complete in 1998; Other tenants that have since moved into this area are Cabela's, Nebraska Furniture Mart, Legends at Village West, Great Wolf Lodge/Waterpark, Warren Theaters, Northern League, Community/America Ballpark (Home of the minor league baseball team the T-Bones in Kansas City, Kansas).

This area is continuing to develop as we are aware of \$414 million, 18,500 capacity soccer-specific-stadium redevelopment project that will be located near the Kansas City Speedway and not far from CommunityAmerica Ballpark in Kansas City, Kansas. This is only one half of the larger economically desirable development plans for the Village West centered. Cerner Corp, who are in the increasingly lucrative business of providing IT to the healthcare industry and have continued to grow rapidly over the last two years despite the economic hard times, plan to add 4,000 jobs at the Village West location in a new 600,000-square-foot office project which will be key to the \$414 million redevelopment proposal. This entire site is located minutes from the Subject's site and will be a major employer for the area and the tenant residing at the Subject.

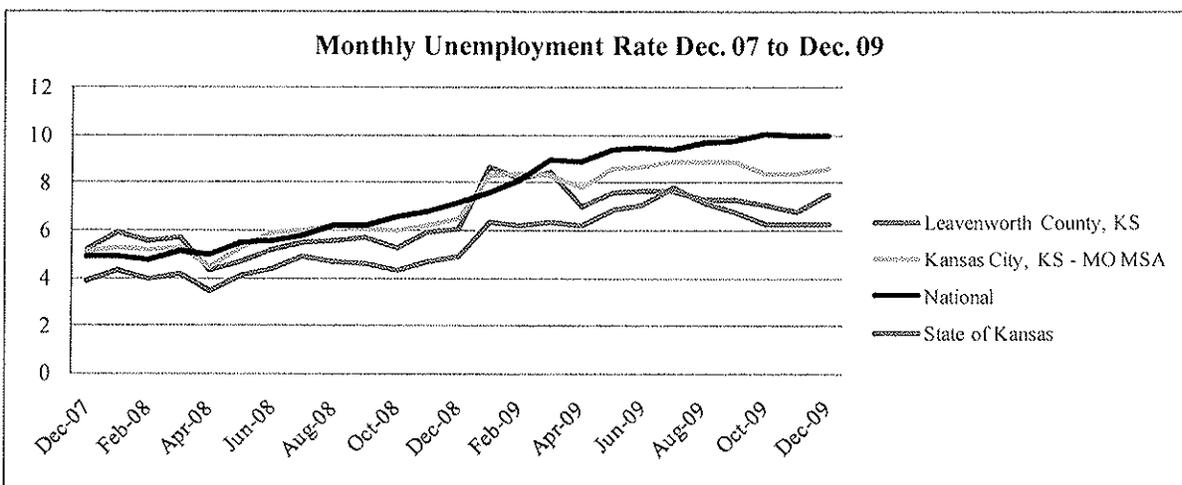
This area provides a number of jobs for the rural communities located in the Subject's PMA, as well as Basehor because of the easy commute via US Highway 24/40. As the development from this area continues to push west toward Basehor, the city's demand for new businesses will increase.

Workforce and Unemployment Trends

The table below illustrates the workforce and unemployment trends for Leavenworth County and the Kansas City, KS-MO MSA.

EMPLOYMENT TRENDS - 1996-2009								
Year	Leavenwoth County, KS				Kansas City, KS-MO MSA			
	Total Labor Force	Total Employment	Unemployment Rate (%)	Percentage Change	Total Labor Force	Total Employment	Unemployment Rate (%)	Percentage Change
1996	28,050	26,567	5.3	-	970,090	929,353	4.2	-
1997	28,231	26,928	4.6	-13.2%	985,870	948,334	3.8	-9.5%
1998	28,683	27,418	4.4	-4.3%	1,003,036	965,558	3.7	-2.6%
1999	28,964	27,878	3.7	-15.9%	1,012,183	981,200	3.1	-16.2%
2000	31,283	29,982	4.2	13.5%	999,659	966,316	3.3	6.5%
2001	31,511	29,886	5.2	23.8%	1,004,235	959,928	4.4	33.3%
2002	31,676	29,795	5.9	13.5%	1,002,839	947,784	5.5	25.0%
2003	32,329	30,322	6.2	5.1%	1,011,190	950,481	6.0	9.1%
2004	32,806	30,686	6.5	4.8%	1,019,882	957,775	6.1	1.7%
2005	33,161	31,098	6.2	-4.6%	1,025,477	967,646	5.6	-8.2%
2006	32,915	31,086	5.6	-9.7%	1,027,058	975,593	5.0	-10.7%
2007	32,879	31,187	5.1	-8.9%	1,038,110	986,500	5.0	0.0%
2008	33,149	31,343	5.4	5.9%	1,040,411	980,863	5.7	14.0%
2009 - YTD	33,799	31,271	7.5	38.9%	1,041,855	952,201	8.6	50.9%

The unemployment rate in the county has fluctuated between 3.7 and 6.5 percent from 1996 through 2008. The county reached the low of 3.7 percent in 1999. Between 2000 and 2004, the unemployment rate increased and then had a slight decrease from 2005 to 2007. The county's unemployment rate increased from 5.1 percent in 2007 to 7.5 percent in 2009. The MSA experienced a similar trend and has dramatically increased since 2007. Below we have compared the county, state, and national unemployment rates over the past 24 months to determine if the city and county's dramatic increase in unemployment is in line with the national trends.



As the table illustrates, Leavenworth County is consistent with what is occurring nationally.

Wages by Occupation

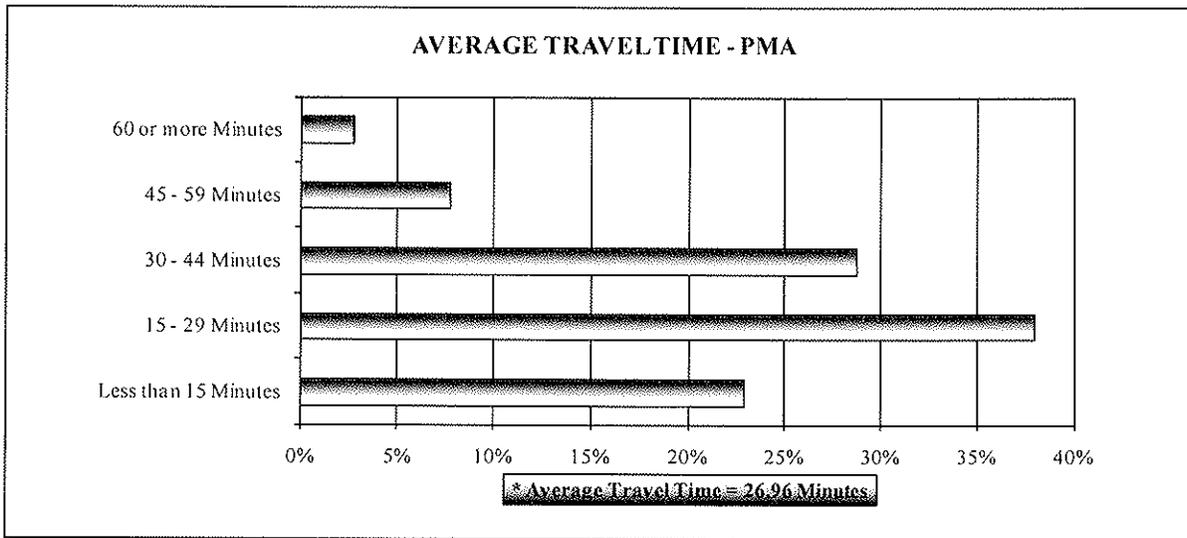
Wages By Occupation - Kansas City, KS-MO MSA - May 2008			
Occupational Title	Number Employed	Mean Hourly Wage	Mean Annual Wage
Management Occupations	46,420	\$41.19	\$96,780
Business and Financial Operations Occupations	54,140	\$27.11	\$61,280
Computer and Mathematical Science Occupations	34,960	\$31.61	\$67,850
Architecture and Engineering Occupations	20,920	\$30.70	\$67,600
Life, Physical, and Social Science Occupations	8,080	\$25.96	\$59,880
Community and Social Services Occupations	10,950	\$17.35	\$38,490
Legal Occupations	8,700	\$30.78	\$83,330
Education, Training, and Library Occupations	55,100	\$18.80	\$42,170
Arts, Design, Entertainment, Sports, and Media Occupations	14,380	\$20.26	\$48,090
Healthcare Practitioner and Technical Occupations	56,700	\$25.19	\$64,850
Healthcare Support Occupations	24,220	\$12.08	\$26,630
Protective Service Occupations	22,380	\$16.79	\$39,010
Food Preparation and Serving Related Occupations	85,930	\$8.37	\$19,730
Building and Grounds Cleaning and Maintenance Occupations	30,600	\$10.49	\$24,130
Personal Care and Service Occupations	24,620	\$9.46	\$22,470
Sales and Related Occupations	110,010	\$12.86	\$39,110
Office and Administrative Support Occupations	183,140	\$14.40	\$32,060
Farming, Fishing, and Forestry Occupations	690	\$10.25	\$24,570
Construction and Extraction Occupations	46,070	\$21.32	\$47,130
Installation, Maintenance, and Repair Occupations	38,810	\$19.29	\$42,380
Production Occupations	67,550	\$15.02	\$34,660
Transportation and Material Moving Occupations	71,300	\$13.71	\$31,670

The previous chart shows average hourly and annual wages by employment classification. The classification with the lowest average hourly wage was the food preparation and serving related occupations, at \$8.37 per hour. The highest average hourly wage of \$41.19 was in the management occupations.

The qualifying incomes for the Subject's tenants will be between \$21,280 and \$46,020, which encompasses a significant portion of the employment in the area. Utilizing the lower end of the wage range at \$8.37 per hour at 2,080 annual hours equates to \$17,410. The upper end of the qualifying income at \$46,020 corresponds to an approximate hourly wage rate of \$22.13. An element not reflected in the wage rate data is that many positions represent part-time employment, and the starting rates are typically lower than mean wage rates. With the recent economic downturn, we can anticipate the hourly wage rates to remain constant and possibly decrease which creates more household pressures to obtain affordable housing.

Commuting Patterns

The chart below shows the travel time to work for the PMA according to Claritas data.



As shown above, the average travel time for individuals in the PMA is 26.96 minutes. This data illustrates it is common for households residing in Basehor to make the short commute to Kansas City for other major shopping, employment, and recreational amenities.

Housing Authority

We contacted Patrick Tooley, Section 8 Coordinator for Leavenworth County Housing Authority to gather information pertaining to the use of Section 8 vouchers in Leavenworth County. According to Mr. Tooley, the agency funds 332 vouchers, of which all are currently being used. Currently the waiting list is closed and consists of approximately 300 households. The payment standard for one, two, and three-bedroom units are \$621, \$712, and \$963.

Proposed Construction

We contacted Mark Lee, Building Official with the City of Basehor to determine if there are any proposed multifamily developments in the Subject's area. According to Mr. Lee, there are no multifamily developments under construction in the City of Basehor. The most recent property to be built was The Summit at Creek Ridge, which is a market multifamily property. This complex was constructed in 2005 and consists of 38 two and three-bedroom townhome units. The property is currently 100 percent occupied and maintains a waiting list. We have utilized this property as a comparable in our *Competitive Rental Analysis* section.

We also reviewed the KHRC's website for recently funded projects to determine if there are any within the Subjects area. There are have not been any LIHTC property ever funded in the city of Basehor.

Housing Market Conditions

Nationally the housing market has softened due to increased inventory levels, diminished demand, and a weakened lending climate resulting from the sub-prime lending fallout. Significantly foreclosures are increasing, which is associated with increases in adjustable loans that buyers obtained during the market peak periods. Dramatic increases in foreclosures have been occurring. Unknown at this time include the timing of the lending industry recovery.

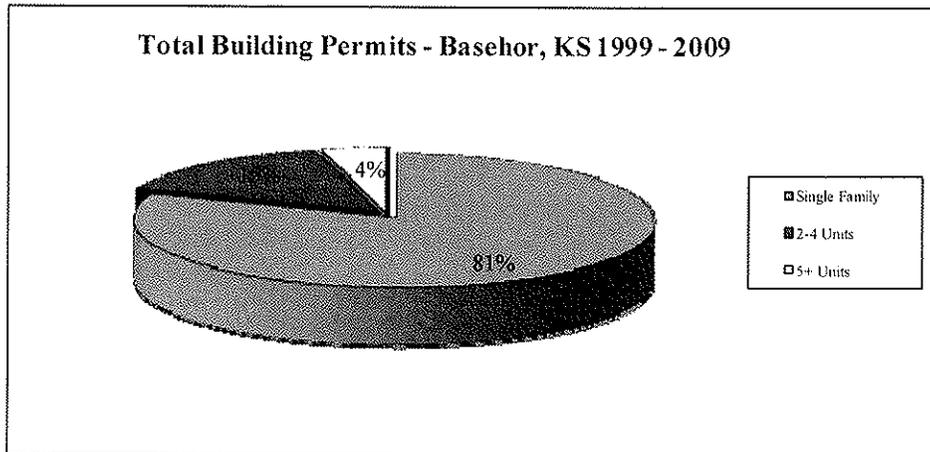
Rent Buy Analysis

The following chart depicts typical transaction. It is clear costs and income qualification exceed typical affordable housing tenant's transition to home ownership. Other hurdles within this market segment include amassing down payment requirements.

Rent Vs Buy Analysis		
	Loan To Value Ratio	90.00%
	<u>Mortgage Assumptions:</u>	
	Term (Years):	30
	Interest Rate: (Fixed)	5.00%
Average Home Price (est. by Lea & Company based on Reece & Nichols)	\$150,000	
Loan Amount	\$135,000	
Equity Required:	\$15,000	
<u>Monthly Pre-Tax Cost of Ownership</u>		
Mortgage Payment	\$732	
Real Estate Taxes A/	\$125	
MIP B/	\$56	
Insurance C/	<u>\$54</u>	
Total	\$967	
Monthly Rent Market 3 Br	\$850	
<u>Pre-Tax Cost to Own vs. Cost To Rent (Advantage)/Disadvantage</u>		
@ Market		\$117
<u>Minimum Income Requirements to Qualify</u>		
<u>On Monthly PITI</u>	33.00%	\$33,127
On Total Monthly Cost>	33.00%	\$35,173
On Total Monthly Cost>	28.00%	\$41,453
A/	Calculated: 1.0% of Purchase Price/12	
B/	.005% of mortgage amount	
C/	Estimated at \$650/yr. Three-bedroom units	

Building Permits

The following table demonstrates building permit information within Basehor from 1999 to Year to date 2009.



Housing Unit Building Permits for: Basehor, KS			
Year	Single Family	2-4 Units	5+ Units
1999	11	2	0
2000	24	0	0
2001	32	16	31
2002	78	16	0
2003	56	62	7
2004	86	30	0
2005	102	6	0
2006	95	7	0
2007	197	3	0
2008	59	0	0
2009	23	0	0
Total	763	142	38

Building permit information for the PMA was not available. Basehor has been dominated by single-family construction, which comprised 81.0 percent of overall construction activity; multifamily construction comprised of 19 percent. Therefore, there should not be a risk of overbuilding.

Conclusion

The region offers a number of employment options for local area residents within close distance of the Subject as well as other major shopping, employment, and recreational amenities located in Kansas City, which is a short commute to the east. While many employment opportunities exist in the PMA, the area remains heavily reliant upon the office and administrative support sector. Additionally, job opportunities within the PMA are also prevalent. However, due to the current economic conditions we do recognize that many industry sectors are currently in a contraction period. Furthermore, we can anticipate the hourly wage rates to remain constant and possibly decrease which is a positive indicator for an affordable housing development.

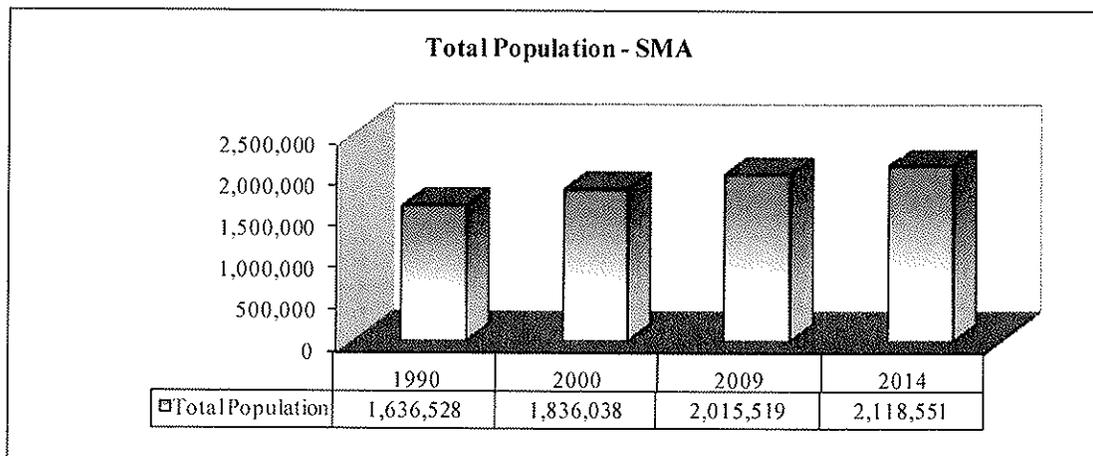
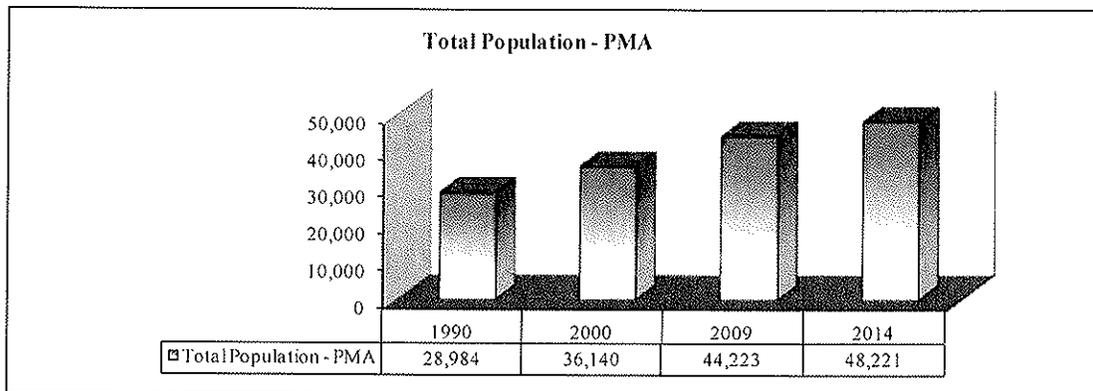
POPULATION & HOUSEHOLD TRENDS

In this section, we present population, household and income trends in the PMA and SMA. All information is provided to us by Claritas, which is a national proprietary data provider. Some tables reflect rounding from the data provided, however, it is nominal.

POPULATION TRENDS

Total Population

The chart below illustrates total population in the PMA and SMA from 1990 through 2014.



According to Claritas, the PMA and SMA have experienced an increasing population between 1990 and 2000. This trend is projected to continue through 2014. Both areas are considered areas of growth, and are a positive indicator for the need of additional affordable housing units.

Population by Age Group

The table below illustrates population by age group in the PMA from 2000 through 2014.

Population by Age Group			
PMA			
Age Cohort	2000	2009	2014
0-4	2,139	2,635	2,934
5-9	2,460	2,696	2,853
10-14	2,946	2,950	3,008
15-17	1,899	2,164	2,085
18-20	1,387	1,811	1,921
21-24	1,443	2,460	2,923
25-34	4,533	5,544	6,438
35-44	6,886	5,961	5,424
45-49	3,160	4,025	3,624
50-54	2,484	3,738	4,026
55-59	1,823	3,077	3,741
60-64	1,314	2,372	3,049
65-74	2,039	2,769	3,812
75-84	1,214	1,484	1,710
85+	412	536	674
Total	36,140	44,223	48,221

Population by Age Group			
SMA			
Age Cohort	2000	2009	2014
0-4	131,985	149,212	155,807
5-9	136,419	143,326	150,569
10-14	138,813	139,895	146,134
15-17	81,002	86,934	89,601
18-20	68,072	73,525	78,010
21-24	88,574	98,305	108,030
25-34	265,765	267,497	259,359
35-44	308,772	288,653	278,205
45-49	134,805	155,613	148,465
50-54	116,212	146,860	155,102
55-59	87,269	127,872	144,948
60-64	66,242	102,175	124,066
65-74	110,555	126,664	163,245
75-84	74,277	75,403	79,276
85+	27,276	33,585	37,734
Total	1,836,038	2,015,519	2,118,551

As demonstrated in the preceding charts, the PMA and SMA population appears to be the greatest in the 25 to 34 and the 35 to 44 year age groups during 2008 and 2013.

Number of Elderly and Non-elderly

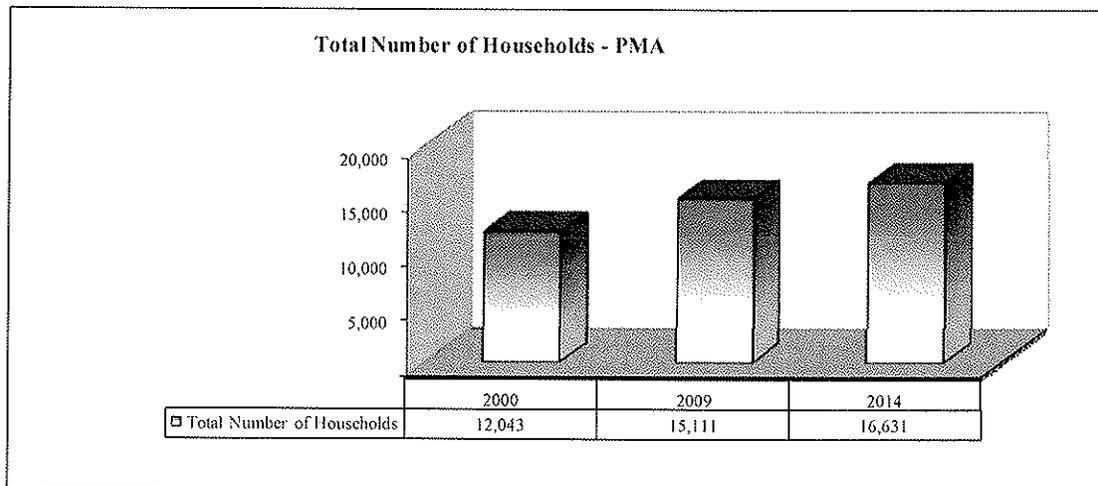
The table below is an illustration of the elderly and non-elderly population.

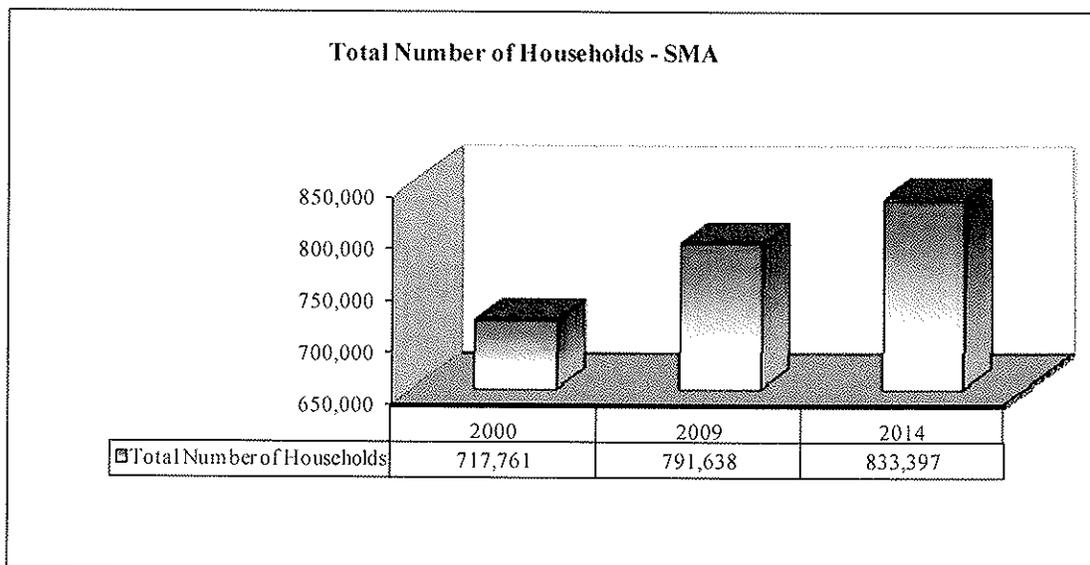
Number of Elderly and Non-Elderly						
Year	PMA			SMA		
	Total Population	Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
2000	36,140	29,338	6,802	1,836,038	1,470,419	365,619
2009	44,223	33,985	10,238	2,015,519	1,549,820	465,699
2014	48,221	35,235	12,986	2,118,551	1,569,282	549,269

As illustrated in the table above, population is greatest in the non-elderly population, those aged 55 or under. In 2009 the elderly population comprises 23.0 percent of the population in the PMA. The SMA consists of a similar senior population.

Total Number of Households

The chart below illustrates the total number of households in the PMA.





Similar to the growth in population in the PMA and SMA, growth in the number of households are expected to increase between 2000 and 2014, indicating both are areas of growth.

Average Household Size

The table below illustrates average household size.

Average Household Size				
Year	PMA		SMA	
	Number	Annual Change	Number	Annual Change
2000	2.78	-	2.51	-
2009	2.76	-0.17%	2.50	-0.06%
2014	2.75	-0.07%	2.50	-0.01%

As illustrated in the above table, average household sizes have remained relatively constant and are projected to continue to remain at 2.75 persons per households through 2014. Comparison to the national average household size of 2.59 indicates a slightly larger household size in the PMA.

Median Household Income Levels

The table below illustrates the median household income in the PMA and SMA from 2000 through 2014.

Median Household Income				
Year	PMA		SMA	
	Amount	Annual Change	Amount	Annual Change
2000	\$57,648	-	\$46,182	-
2009	\$71,586	2.7%	\$54,937	2.1%
2014	\$77,125	1.5%	\$59,678	1.7%

Household by Tenure

The table below illustrates total households by tenure for the total population and the elderly population in the PMA and SMA.

Tenure Patterns - Total Population								
Year	PMA				SMA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2000	9,903	82.2%	2,140	17.8%	489,543	68.2%	228,218	31.8%
2009	12,592	83.3%	2,519	16.7%	549,607	69.4%	242,031	30.6%
2014	13,911	83.7%	2,719	16.3%	582,828	69.9%	250,569	30.1%

As indicated, the total number of renter-occupied housing units within the PMA during 2009 is 16.7 percent of total households. This number is projected to decrease slightly to 16.3 percent through 2014. Comparatively, the total number of renter-occupied households within the SMA during 2009 is larger, at 30.6 percent.

Total Households by Number of Persons in the Household

The following tables show household size by renter tenure.

Total Households by Number of Persons - PMA						
	2000		2009		2014	
	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	2,048	17.0%	2,622	17.4%	2,918	20.6%
With 2 Persons	4,104	34.1%	5,148	34.1%	4,114	29.1%
With 3 Persons	2,326	19.3%	2,971	19.7%	2,339	16.5%
With 4 Persons	2,175	18.1%	2,700	17.9%	2,959	20.9%
With 5 Persons	980	8.1%	1,186	7.8%	1,290	9.1%
With 6 Persons	291	2.4%	358	2.4%	389	2.8%
With 7+ Persons	118	1.0%	125	0.8%	129	0.9%
Total Households	12,042	100.0%	15,110	100.0%	14,138	100.0%

Total Households by Number of Persons -SMA						
	2000		2009		2014	
	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	194,238	82.6%	214,986	27.2%	227,134	27.3%
With 2 Persons	33,913	14.4%	259,677	32.8%	271,921	32.6%
With 3 Persons	4,699	2.0%	131,148	16.6%	139,010	16.7%
With 4 Persons	1,435	0.6%	112,760	14.2%	118,684	14.2%
With 5 Persons	481	0.2%	48,751	6.2%	51,359	6.2%
With 6 Persons	158	0.1%	16,598	2.1%	17,578	2.1%
With 7+ Persons	114	0.0%	7,718	1.0%	7,711	0.9%
Total Households	235,038	100.0%	791,638	100.0%	833,397	100.0%

As illustrated in the table above, the largest category of renter households of PMA households have two persons. The Subject accommodates households consisting of one to five persons, and in 2009 the Subject will be able to accommodate approximately 96.8 percent of the households within the PMA.

Conclusion

The PMA is comprised of 16.7 percent renter households. Demand for multifamily rental units in the PMA is expected to come from natural population growth. The number of households has steadily increased in the PMA since 2000. As the total population and number of households continue to grow, the demand for housing units will continue to increase. The demographics presented above provide support that there is a strong renter population within the PMA. These factors support current and future demand for the Subject.

INCOME TRENDS

Assumptions of Income Projections

Our demographics data is obtained from Claritas, a national data provider. Data estimates and projections are based on the 2000 census.

Household Income Distribution

The following tables illustrate household income distribution in 2009 and 2014 in the PMA and SMA.

Household Income Distribution - PMA				
Income Cohort	2009		2014	
	Number	Percentage	Number	Percentage
<\$15,000	773	5.1%	772	4.6%
\$15,000-\$24,999	844	5.6%	815	4.9%
\$25,000-\$34,999	1,013	6.7%	1,023	6.2%
\$35,000-\$49,999	2,009	13.3%	1,894	11.4%
\$50,000-\$74,999	3,378	22.4%	3,547	21.3%
\$75,000-\$99,999	3,079	20.4%	3,117	18.7%
\$100,000-\$149,999	3,012	19.9%	3,889	23.4%
\$150,000-\$249,999	867	5.7%	1,316	7.9%
\$250,000-\$499,999	116	0.8%	215	1.3%
\$500,000+	21	0.1%	43	0.3%
Total	15,112	100%	16,631	100%

Household Income Distribution - SMA				
Income Cohort	2009		2014	
	Number	Percentage	Number	Percentage
<\$15,000	78,977	10.0%	75,622	9.1%
\$15,000-\$24,999	72,308	9.1%	68,442	8.2%
\$25,000-\$34,999	85,636	10.8%	81,160	9.7%
\$35,000-\$49,999	125,744	15.9%	124,881	15.0%
\$50,000-\$74,999	167,898	21.2%	172,016	20.6%
\$75,000-\$99,999	108,113	13.7%	117,412	14.1%
\$100,000-\$149,999	101,000	12.8%	123,608	14.8%
\$150,000-\$249,999	37,064	4.7%	50,072	6.0%
\$250,000-\$499,999	10,564	1.3%	14,047	1.7%
\$500,000+	4,334	0.5%	6,137	0.7%
Total	791,638	100%	833,397	100%

Renter Household Income Distribution

The following tables illustrate the household income distribution and the household income distribution, adjusted for tenure. Renter households comprise 16.7 percent of total households in the PMA.

Renter Household Income Distribution - PMA				
Income Cohort	2009		2014	
	Number	Percentage	Number	Percentage
<\$15,000	129	5.1%	126	4.6%
\$15,000-\$24,999	141	5.6%	133	4.9%
\$25,000-\$34,999	169	6.7%	167	6.2%
\$35,000-\$49,999	335	13.3%	310	11.4%
\$50,000-\$74,999	563	22.4%	580	21.3%
\$75,000-\$99,999	513	20.4%	510	18.7%
\$100,000-\$149,999	502	19.9%	636	23.4%
\$150,000-\$249,999	145	5.7%	215	7.9%
\$250,000-\$499,999	19	0.8%	35	1.3%
\$500,000+	4	0.1%	7	0.3%
Total	2,519	100%	2,719	100.0%

Renter Household Income Distribution - SMA				
Income Cohort	2009		2014	
	Number	Percentage	Number	Percentage
<\$15,000	24,146	10.0%	22,736	9.1%
\$15,000-\$24,999	22,107	9.1%	20,578	8.2%
\$25,000-\$34,999	26,182	10.8%	24,402	9.7%
\$35,000-\$49,999	38,444	15.9%	37,547	15.0%
\$50,000-\$74,999	51,332	21.2%	51,718	20.6%
\$75,000-\$99,999	33,054	13.7%	35,301	14.1%
\$100,000-\$149,999	30,879	12.8%	37,164	14.8%
\$150,000-\$249,999	11,332	4.7%	15,055	6.0%
\$250,000-\$499,999	3,230	1.3%	4,223	1.7%
\$500,000+	1,325	0.5%	1,845	0.7%
Total	242,031	100%	250,569	100.0%

As discussed, the previous table illustrates household income distribution extrapolated to reflect renter households. The percentage of renter occupied households was applied to the total number of households in each income level.

Renter Household Income Distribution by Household Size

The following tables illustrate renter household income distribution by household size.

Renter Household Income Distribution by Household Size - PMA							
2009							
Income Cohort	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Persons Plus
<\$15,000	22	44	25	23	10	3	1
\$15,000-\$24,999	24	48	28	25	11	3	1
\$25,000-\$34,999	29	58	33	30	13	4	1
\$35,000-\$49,999	58	114	66	60	26	8	3
\$50,000-\$74,999	98	192	111	101	44	13	5
\$75,000-\$99,999	89	175	101	92	40	12	4
\$100,000-\$149,999	87	171	99	90	39	12	4
\$150,000-\$249,999	25	49	28	26	11	3	1
\$250,000-\$499,999	3	7	4	3	2	0	0
\$500,000+	1	1	1	1	0	0	0
Total	437	858	495	450	198	60	21
2014							
Income Cohort	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Persons Plus
<\$15,000	26	26	37	21	26	12	3
\$15,000-\$24,999	28	28	39	22	28	12	4
\$25,000-\$34,999	35	35	49	28	35	15	5
\$35,000-\$49,999	64	64	90	51	65	28	9
\$50,000-\$74,999	120	120	169	96	121	53	16
\$75,000-\$99,999	105	105	148	84	107	46	14
\$100,000-\$149,999	131	131	185	105	133	58	17
\$150,000-\$249,999	44	44	63	36	45	20	6
\$250,000-\$499,999	7	7	10	6	7	3	1
\$500,000+	1	1	2	1	1	1	0
Total	561	561	791	450	569	248	75

Renter Household Income Distribution by Household Size - SMA							
2009							
Income Cohort	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Persons Plus
<\$15,000	6,557	7,920	4,000	3,439	1,487	506	235
\$15,000-\$24,999	6,004	7,252	3,662	3,149	1,361	464	216
\$25,000-\$34,999	7,110	8,588	4,337	3,729	1,612	549	255
\$35,000-\$49,999	10,440	12,611	6,369	5,476	2,367	806	375
\$50,000-\$74,999	13,940	16,838	8,504	7,312	3,161	1,076	500
\$75,000-\$99,999	8,976	10,842	5,476	4,708	2,036	693	322
\$100,000-\$149,999	8,386	10,129	5,116	4,398	1,902	647	301
\$150,000-\$249,999	3,077	3,717	1,877	1,614	698	238	110
\$250,000-\$499,999	877	1,059	535	460	199	68	31
\$500,000+	360	435	220	189	82	28	13
Total	65,729	79,392	40,096	34,475	14,905	5,075	2,360
2014							
Income Cohort	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Persons Plus
<\$15,000	6,197	7,418	3,792	3,238	1,401	480	210
\$15,000-\$24,999	5,608	6,714	3,432	2,930	1,268	434	190
\$25,000-\$34,999	6,650	7,962	4,070	3,475	1,504	515	226
\$35,000-\$49,999	10,233	12,251	6,263	5,347	2,314	792	347
\$50,000-\$74,999	14,095	16,875	8,627	7,365	3,187	1,091	479
\$75,000-\$99,999	9,621	11,518	5,888	5,027	2,175	745	327
\$100,000-\$149,999	10,129	12,126	6,199	5,293	2,290	784	344
\$150,000-\$249,999	4,103	4,912	2,511	2,144	928	318	139
\$250,000-\$499,999	1,151	1,378	704	601	260	89	39
\$500,000+	503	602	308	263	114	39	17
Total	68,290	81,756	41,795	35,684	15,442	5,285	2,318

Conclusion

The preceding tables stratify aggregate household income, renter household income, and renter household income by household size for the PMA for 2009 and 2014 forecast. The Demand Estimate section following utilizes this data in quantification of appropriate income qualified renter households adjusted by household size.

COMPETITIVE RENTAL ANALYSIS

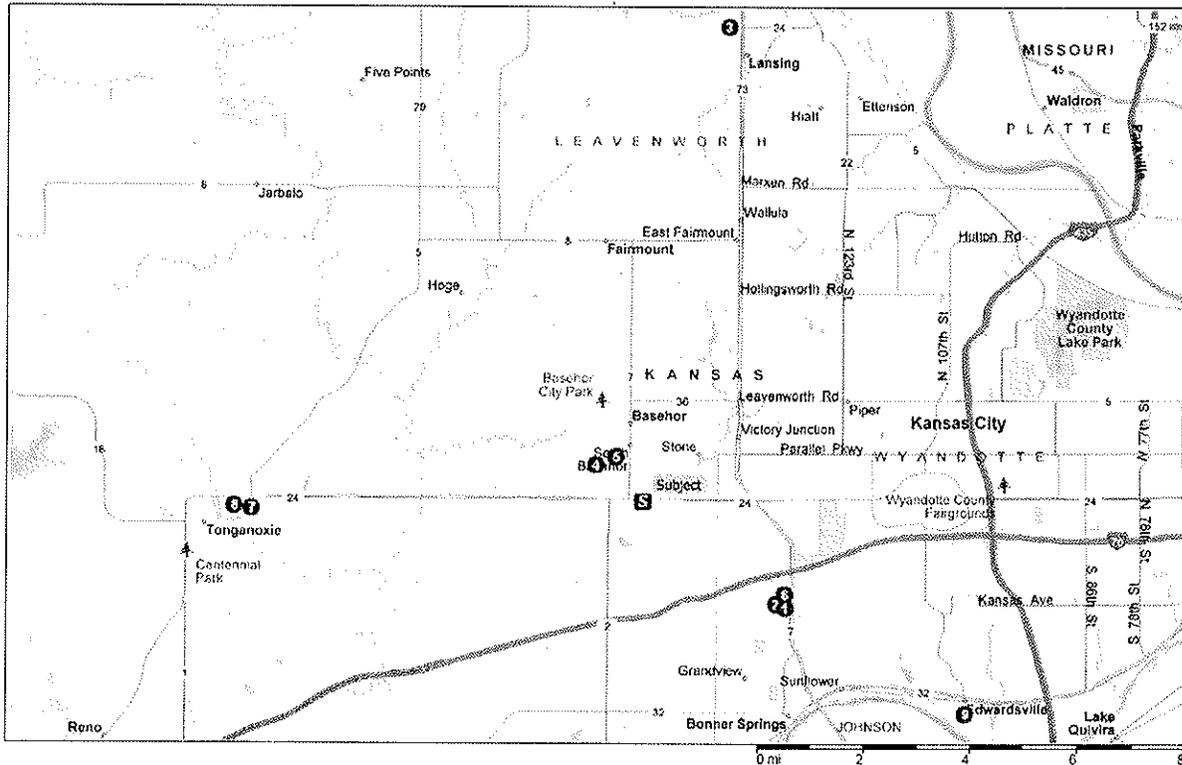
We performed a competitive rental analysis of the local market. We surveyed both market rate and affordable housing rental properties. Analysis of the comparable market rate and LIHTC properties is included in this section.

The Subject will consist of 48 one, two, and three-bedroom units. We performed an extensive search for comparable properties within the PMA. We were only able to located two comparable properties in Basehor; therefore, due to the lack of comparable properties within the city we had to expand our search area. We included seven properties from other surrounding communities which provide generally similar location and employment commuting aspects that are comparable to Basehor. These communities include Kansas City, KS, Tonganoxie, Lansing, Basehor, and Bonner Springs. All of these communities, along with portions of De Soto, Eudora, Edwardsville and Shawnee, are located in the primary market area (PMA) for the Subject.

Unit sizes are reported on a net basis for comparable properties, which is the typical basis reported within the apartment industry. Additionally, unit size may not be reflective of the appeal of the unit; an example being two apartments with differing floor plans wherein the smaller size unit may appear to be larger to the observer due to floor plan layout and lighting. In some cases where multiple floor plans were available for identical unit sizes, an average unit size and rent was applied.

Maps follow of the comparable market rate and LIHTC properties used in the rental analysis, in relation to the Subject. The individual comparable property summaries for both the market rate and LIHTC developments used in our analysis follow the maps.

Rent Comparables Maps



Comparable Properties - Map Legend			
Comp #	Comparable Name	Rent Structure	Proximity from Subject
1	Bonner Highlands Apartments I	LIHTC	4.23 miles
2	Bonner Highlands Apartments II	LIHTC	4.23 miles
3	Lansing Heights	LIHTC	8.97 miles
4	Villa at the Gardens	Market	1.14 miles
5	The Summit At Creek Ridge	Market	0.98 miles
6	River City Rentals/Finner Properties	Market	3.15 miles
7	Cedar Hill Apartments	Market	7.36 miles
8	Bo Ridge Apartments	Market	7.36 miles
9	Sandstone Apartments	Market	6.96 miles

Rent Survey Summary											
No.	Project/ Proximity	Type/ Yr. Built	Market/ Subsidy	Bed/ Bath	Size (SF)	Units	%	Rent (Ask)	Restriction	Units Vacant	Vacancy Rate
1	Bonner Highlands Apartments I 13132 Kansas Avenue Bonner Springs, KS	Garden (3 Story) 1999	LIHTC	1/1	765	4	8%	\$477	60%	0	0%
				2/1.5	840	20	42%	\$545	60%	1	5%
				3/1.5	1,010	24	50%	\$621	60%	0	0%
				Total		48	100%			1	2%
2	Bonner Highlands Apartments II 13130 Kansas Avenue Bonner Springs, KS	Garden (3 Story) 2006	LIHTC	1/1	765	2	6%	\$448	40%	0	0%
				1/1	765	5	14%	\$559	60%	0	0%
				2/1.5	840	3	8%	\$345	40%	0	0%
				2/1.5	840	14	39%	\$613	60%	2	14%
				3/1.5	1,010	3	8%	\$610	40%	0	0%
				3/1.5	1,010	9	25%	\$675	60%	2	22%
Total		36	100%			4	11%				
3	Lausing Heights 329 West Mary Street Lausing, KS	Garden/HH (2 Story) 2003	LIHTC	2/2	923	32	25%	\$692	60%	0	0%
				2/2	1,122	33	25%	\$692	60%	1	3%
				3/2	1,162	32	25%	\$743	60%	0	0%
				3/2	1,350	33	25%	\$743	60%	1	3%
Total		130	100%			2	2%				
4	Villa at the Gardens 16028 Prairie Way Basehor, KS	Townhomes (2 Story) 2003	Market	3/2	1,000	56	100%	\$900 - \$925	Market	1	2%
				Total		56	100%			1	2%
5	The Summit At Creek Ridge 1918 157th Street Basehor, KS	Townhome (2 Story) 2005	Market	2/1	1,000	12	32%	\$825	Market	0	0%
				2/2	1,300	7	18%	\$925	Market	0	0%
				3/2	1,400	12	32%	\$1,025	Market	0	0%
				3/2.5	1,700	7	18%	\$1,125	Market	0	0%
Total		38	100%			0	0%				
6	River City Rentals/Inner Properties 13125 Rialland Bonner Springs, KS	Garden & Townhomes (2 Story) 1980s	Market	1/1	680	8	14%	\$545	Market	0	0%
				2/1	910	24	43%	\$600	Market	0	0%
				2/1.5	1,050	12	21%	\$795	Market	1	8%
				3/2	1,600	12	21%	\$915	Market	1	8%
Total		56	100%			2	4%				
7	Cedar Hill Apartments Ridge Circle & Ridge Street Tonganoxie, KS	Garden (2 Story) 1980s	Market	1/1	600	2	4%	\$400	Market	0	0%
				1/1	957	3	6%	\$515	Market	0	0%
				2/1	825	16	30%	\$530	Market	2	13%
				2/1	957	16	30%	\$565	Market	0	0%
				3/2	960	8	15%	\$615	Market	1	13%
				3/2	1,050	8	15%	\$660	Market	1	13%
Total		53	100%			4	8%				
8	Bo Ridge Apartments 301 Ridge Circle Tonganoxie, KS	Garden (2 Story) 1985	Market	1/1	650	2	33%	\$450	Market	0	0%
				2/2	1,000	2	33%	\$600	Market	0	0%
				3/2	1,200	2	33%	\$650	Market	0	0%
				Total		6	100%			0	0%
9	Sandstone Apartments 550 S 4th St Kansas City, KS	Garden (2 Story) 1984	Market	1/1	640	40	63%	\$475	Market	6	15%
				2/1	720	24	38%	\$575	Market	0	0%
				Total		64	100%			6	9%

Comparable #1

Property Name Bonner Highlands Apartments I
 Street 13132 Kansas Avenue
 City, State Bonner Springs, KS
 County Wyandotte County
 Phone Number 913-441-5152
 Contact Name Olivia
 Type Multifamily
 ("M"arket/"L"ow Income) LIHTC
 Proximity 4.23 miles
 Structure Garden (3 Story)
 Section 8 Vouchers Yes - # N/Av
 Yearly Turnover % 23%
 Leasing Pace 1 wk
 Waiting List Yes on 3BR's - 2 HH
 Concessions None
 Change in Rent \$10 inc in Nov. 2008
 Year Built/Renovated 1999



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
1/1	765	4	\$477	\$0	60%	0	0%
2/1.5	840	20	\$545	\$0	60%	1	5%
3/1.5	1,010	24	\$621	\$0	60%	0	0%
Total Units		48				1	2%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	E
Water Heat	N	E
Cooking	N	E
Water	Y	
Sewer	Y	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security :

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Comparable #2

Property Name Bonner Highlands Apartments II
 Street 13130 Kansas Avenue
 City, State Bonner Springs, KS
 County Wyandotte County
 Phone Number 913-441-5152
 Contact Name Olivia
 Type Multifamily
 ("M"arket/"L"ow Income) LHTC
 Proximity 4.23 miles
 Structure Garden (3 Story)
 Section 8 Vouchers Yes - # N/Av
 Yearly Turnover % 23%
 Leasing Pace 1 wk
 Waiting List Yes on 3BR's - 2 HH
 Concessions None
 Change in Rent \$10 inc in Nov. 2008
 Year Built/Renovated 2006



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
1/1	765	2	\$448	\$0	40%	0	0%
1/1	765	5	\$559	\$0	60%	0	0%
2/1.5	840	3	\$545	\$0	40%	0	0%
2/1.5	840	14	\$613	\$0	60%	2	14%
3/1.5	1,010	3	\$610	\$0	40%	0	0%
3/1.5	1,010	9	\$675	\$0	60%	2	22%
Total Units		36				4	11%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	E
Water Heat	N	E
Cooking	N	E
Water	Y	
Sewer	Y	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security:

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Bonner Highlands II shares a leasing office and playground with Bonner Highlands Phase I. This development was complete in August 2006 and was fully occupied by September 30, 2006. This equates to a two month leasing period or 18 units per month.

Comparable #3

Property Name Lansing Heights
 Street 329 West Mary Street
 City, State Lansing, KS
 County Leavenworth County
 Phone Number 913-250-1306
 Contact Name Heather
 Type Family
 ("M"arket/"L"ow Income) LIHTC
 Proximity 8.97 miles
 Structure Garden/TH (2 Story)
 Section 8 Vouchers Yes - #N/Av
 Yearly Turnover % 25%
 Leasing Pace 2 weeks
 Waiting List None
 Concessions None
 Change in Rent Incr. since Jan 09 by \$30
 Year Built/Renovated 2003



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
2/2	923	32	\$692	\$0	60%	0	0%
2/2	1,122	33	\$692	\$0	60%	1	3%
3/2	1,162	32	\$743	\$0	60%	0	0%
3/2	1,350	33	\$743	\$0	60%	1	3%
Total Units		130				2	2%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	E
Water Heat	N	E
Cooking	N	E
Water	Y	
Sewer	Y	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input checked="" type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-in Closet	<input checked="" type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input checked="" type="checkbox"/>
Swimming Pool	<input checked="" type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input checked="" type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input checked="" type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input checked="" type="checkbox"/>
Business Center	<input checked="" type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

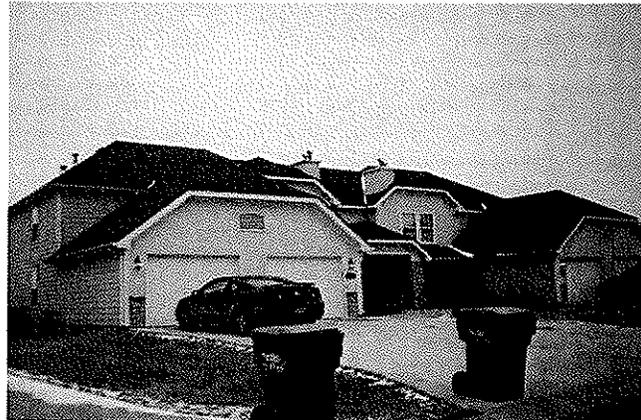
Security :

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Comparable #4

Property Name Villa at the Gardens
 Street 16028 Prairie Way
 City, State Basehor, KS
 County Leavenworth County
 Phone Number 913-724-2646
 Contact Name Sara
 Type Family
 ("M"arket/"L"ow Income) Market
 Proximity 1.14 miles
 Structure Townhomes (2 Story)
 Section 8 Vouchers No
 Yearly Turnover % 11%
 Leasing Pace N/A
 Waiting List None
 Concessions None
 Change in Rent None
 Year Built/Renovated 2003



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
3/2	1000	56	\$900 - \$925	\$0	Market	1	2%
Total Units		56				1	2%

Utilities:

	Included In Rent Y or N	Gas/Electric G=Gas E=Electric
A/C	N	E
Heat	N	E
Water Heat	N	E
Cooking	N	E
Water	N	
Sewer	N	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input checked="" type="checkbox"/>
Washer/Dryer	<input checked="" type="checkbox"/>
Washer/Dryer Hook-up	<input type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input checked="" type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input checked="" type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security :

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Comparable #5

Property Name The Summit At Creek Ridge
 Street 1918 157th Street
 City, State Basehor, KS
 County Leavenworth
 Phone Number 816-769-0354
 Contact Name Jeffrey
 Type Family
 ("Market"/"Low Income") Market
 Proximity 0.98 miles
 Structure Townhome (2 Story)
 Section 8 Vouchers None
 Yearly Turnover % 35%
 Leasing Pace 2 weeks
 Waiting List Yes - Small
 Concessions None
 Change in Rent None
 Year Built/Renovated 2005



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
2/1	1,000	12	\$825	\$0	Market	0	0%
2/2	1,300	7	\$925	\$0	Market	0	0%
3/2	1,400	12	\$1,025	\$0	Market	0	0%
3/2.5	1,700	7	\$1,125	\$0	Market	0	0%
Total Units		38				0	0%

Utilities:

	Included In Rent Y or N	Gas/Electric G=Gas E=Electric
A/C	N	E
Heat	N	G
Water Heat	N	G
Cooking	N	E
Water	N	
Sewer	N	
Trash	N	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input checked="" type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input checked="" type="checkbox"/>
Washer/Dryer	<input checked="" type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input type="checkbox"/>
Laundry Room	<input type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input checked="" type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security:

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Camera	<input type="checkbox"/>

Notes:

All units have basements. Only the two-bedroom units have the washer/dryers, while the three-bedrooms have only the connections.

Comparable #6

Property Name River City Rentals/Finner Properties
 Street 13125 Richland
 City, State Bonner Springs, KS
 County Leavenworth
 Phone Number 913-422-7368
 Contact Name Linda
 Type Family
 ("M"arket/"L"ow Income) Market
 Proximity 3.15 miles
 Structure Garden & Townhomes (2 Story)
 Section 8 Vouchers Yes - # N/Av
 Yearly Turnover % 54%
 Leasing Pace 30 days
 Waiting List Yes - 3 HH's
 Concessions None
 Change in Rent Inc. last year - Amt N/Av
 Year Built/Renovated 1980s



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate	
1/1	680	8	\$545	\$0	Market	0	0%	
2/1	910	24	\$600	\$0	Market	0	0%	
2/1.5	1,050	12	\$795	\$0	Market	1	8%	Townhome Unit
3/2	1,600	12	\$915	\$0	Market	1	8%	Townhome Unit
Total Units		56				2	4%	

Utilities:

	Included In Rent Y or N	Gas/Electric G=Gas E=Electric
A/C	N	E
Heat	N	G
Water Heat	N	G
Cooking	N	E
Water	Y	
Sewer	Y	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input checked="" type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security:

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Comparable #7

Property Name Cedar Hill Apartments
 Street Ridge Circle & Ridge Street
 City, State Tonganoxi, KS
 County Leavenworth, KS
 Phone Number 913-417-7200
 Contact Name Kristen - Midwest Property Mngmt
 Type Family
 ("M"arket/"L"ow Income) Market
 Proximity 7.36 miles
 Structure Garden (2 Story)
 Section 8 Vouchers No
 Yearly Turnover % 23%
 Leasing Pace N/A
 Waiting List None
 Concessions Reduced rent on 2BR's
 Change in Rent 0% over last year
 Year Built/Renovated 1980s



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
1/1	600	2	\$400	\$0	Market	0	0%
1/1	957	3	\$515	\$0	Market	0	0%
2/1	825	16	\$530	\$15	Market	2	13%
2/1	957	16	\$565	\$0	Market	0	0%
3/2	960	8	\$615	\$0	Market	1	13%
3/2	1,050	8	\$660	\$0	Market	1	13%
Total Units		53				4	8%

Utilities:

	Included In Rent Y or N	Gas/Electric G=Gas E=Electric
A/C	N	E
Heat	N	G
Water Heat	N	G
Cooking	N	E
Water	N	
Sewer	N	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input checked="" type="checkbox"/>
Washer/Dryer Hook-up	<input type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security:

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Comparable #8

Property Name Bo Ridge Apartments
 Street 301 Ridge Circle
 City, State Tonganoxie, KS
 County Leavenworth County
 Phone Number 913-233-9520
 Contact Name Floyd Dawn
 Type Multifamily
 ("M"arket/"L"ow Income) Market
 Proximity 7.36 miles
 Structure Garden (2 Story)
 Section 8 Vouchers N/A
 Yearly Turnover % N/A
 Leasing Pace N/A
 Waiting List None
 Concessions N/A
 Change in Rent N/A
 Year Built/Renovated 1985



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
1/1	650	2	\$450	\$0	Market	0	0%
2/2	1000	2	\$600	\$0	Market	0	0%
3/2	1,200	2	\$650	\$0	Market	0	0%
Total Units		6				0	0%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	E
Water Heat	N	E
Cooking	N	E
Water	N	
Sewer	N	
Trash	N	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input type="checkbox"/>
Laundry Room	<input type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

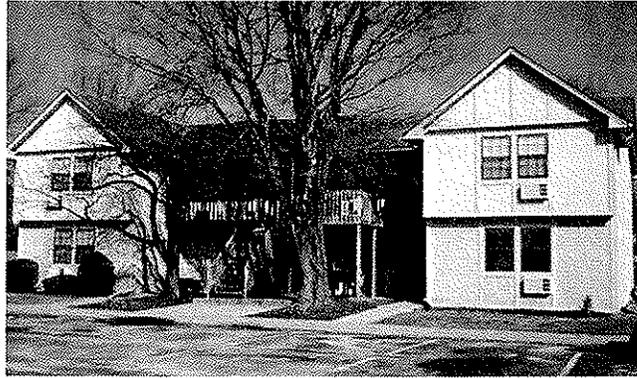
Security :

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Comparable #9

Property Name Sandstone Apartments
 Street 550 S 4th St
 City, State Kansas City, KS
 County Leavenworth
 Phone Number 913-441-1477
 Contact Name Karen G
 Type Family
 ("M"arket/"L"ow Income) Market
 Proximity 6.96 miles
 Structure Garden (2 Story)
 Section 8 Vouchers None
 Yearly Turnover % 35%
 Leasing Pace 30 - 60 days
 Waiting List None
 Concessions None
 Change in Rent N/A
 Year Built/Renovated 1984



Property Description:

Bed/Bath	Area (SF)	Units	Rent	Concession (monthly)	Restriction	Vacant Units	Vacancy Rate
1/1	640	40	\$475	\$0	Market	6	15%
2/1	720	24	\$575	\$0	Market	0	0%
Total Units		64				6	9%

Utilities:

	Included In Rent	Gas/Electric
	Y or N	G=Gas E=Electric
A/C	N	E
Heat	N	G
Water Heat	N	G
Cooking	N	E
Water	N	
Sewer	N	
Trash	Y	

Unit Amenities:

Central Heat/Cool	<input checked="" type="checkbox"/>
Blinds	<input checked="" type="checkbox"/>
Carpet	<input checked="" type="checkbox"/>
Ceiling Fan	<input checked="" type="checkbox"/>
Skylight	<input type="checkbox"/>
Storage Closet	<input type="checkbox"/>
Coat Closet	<input checked="" type="checkbox"/>
Walk-In Closet	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>
Patio/Balcony	<input checked="" type="checkbox"/>

Appliances:

Refrigerator	<input checked="" type="checkbox"/>
Stove/Oven	<input checked="" type="checkbox"/>
Dishwasher	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>
Washer/Dryer	<input type="checkbox"/>
Washer/Dryer Hook-up	<input checked="" type="checkbox"/>

Property Amenities:

Community Room	<input type="checkbox"/>
Swimming Pool	<input type="checkbox"/>
Spa/Jacuzzi	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>
Picnic Area	<input type="checkbox"/>
Playground	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>
Basketball Court	<input type="checkbox"/>
Volleyball Court	<input type="checkbox"/>
On-Site Manager	<input checked="" type="checkbox"/>
Laundry Room	<input checked="" type="checkbox"/>
Computer Room	<input type="checkbox"/>
Business Center	<input type="checkbox"/>
Car Wash Area	<input type="checkbox"/>
Additional Services	<input type="checkbox"/>

Parking:

Surface Parking	<input checked="" type="checkbox"/>
Carport	<input type="checkbox"/>
Underground	<input type="checkbox"/>
Detached Garage	<input type="checkbox"/>
Attached Garage	<input type="checkbox"/>
Tuck-under Garage	<input type="checkbox"/>
Parking Garage	<input type="checkbox"/>

Security :

Gated	<input type="checkbox"/>
Courtesy Patrol	<input type="checkbox"/>
Surveillance Cameras	<input type="checkbox"/>

Notes:

Washer/Dryer connections are only in the two-bedroom units.

Property Characteristics

Presented below are some of the major physical characteristics of the surveyed comparable properties. Each of these characteristics will be compared to the proposed physical attributes of the Subject in the following section.

Location

We included seven properties from other surrounding communities which provide generally similar location and employment commuting aspects that are comparable to Basehor. These communities include Kansas City, KS, Tonganoxie, Lansing, Basehor, and Bonner Springs. All of the comparables are located in the PMA. Tonganoxie is slightly inferior location than Basehor because they are located further away from Kansas City Metro area and the commute time for their tenants would be considerably more than households residing in the other communities; therefore, we have applied a upward adjustment to these comparables.

Unit Size

The following table illustrates the unit sizes of the Subject and the comparable properties.

Unit Size					
Unit Type	Subject	Surveyed	Surveyed	Surveyed	Advantage/
1 BR	693	600	957	722	-4.1%
2 BR	973	720	1,300	957	1.6%
3 BR	1,078	960	1,700	1,222	-11.8%

The data demonstrates that all of the Subject's unit sizes are within the range of the surveyed average; therefore, we anticipate the Subject's proposed unit sizes are in line with the market and should be sufficient.

Age, Condition, Quality

The comparables range in age from the 1980s to 2006 construction. Bonner Highlands Apartments II was built in 2006 and is the newest construction among the comparable properties; all of the comparables exhibit average to excellent condition.

Summary Physical Characteristics

The Subject's location appears competitive with properties within the region. The unit sizes are within the surveyed average and are in line with the market and should be sufficient. We anticipate the Subject will benefit from good market acceptance upon completion of construction.

MARKET CHARACTERISTICS

Following are relevant market characteristics of comparable properties surveyed:

Absorption

We were able to obtain absorption information from one of the comparable properties. Bonner Highland Apartments II consists of 36 one, two, and three-bedroom units. This development was complete in August 2006 and was fully occupied by September 30, 2006. This equates to a two month leasing period or 18 units per month. It should be noted, this development is the second phase; therefore, the absorption period is skewed upward due to the assistance of the first phase's waiting list.

We were also able to obtain absorption information from Sundance Apartment, a senior development located in Tonganoxie offering 24 two-bedroom units. This development opened in January 2006 and was fully occupied by May 2006. This equates to an absorption period of five months or five units per month.

According to our rent survey and the analysis of the low income housing demand, the demand for housing of all types is strong. If the Subject property is properly marketed and pre-leasing begins approximately three months prior to completion of construction, the Subject's 48 affordable units are anticipated to be completely absorbed into the market within seven to nine months of completion. This equates to an average absorption of approximately five to seven units per month.

Unit Mix

The unit mix for the Subject and comparable properties summation are shown in the following table.

Unit Mix				
Unit Type	Total Units (Subject)	Percent (Subject)	Total Units (Comps)	Percent (Comps)
1 BR	8	17%	66	13.6%
2 BR	24	50%	215	44.1%
3 BR	16	33%	206	42.3%
Total	48	100%	487	100.0%

Turnover

The comparable properties we surveyed indicated a turnover range from 11 to 54 percent, as illustrated on the table below.

Turnover			
Comp #	Property Name	Rent Structure	Turnover
1	Bonner Highlands Apartments I	LIHTC	23%
2	Bonner Highlands Apartments II	LIHTC	23%
3	Lansing Heights	LIHTC	25%
4	Villa at the Gardens	Market	11%
5	The Summit At Creek Ridge	Market	35%
6	River City Rentals/Tinner Properties	Market	54%
7	Cedar Hill Apartments	Market	23%
8	Bo Ridge Apartments	Market	N/A
9	Sandstone Apartments	Market	35%
Average Turnover			25%

Given the turnover rate in the market, the Subject's unit-mix and target market, assuming competent management, turnover is anticipated to be similar to the comparable properties. We estimate average turnover at the Subject should be 30 percent or less, annually.

Rent History

Due to the high occurrence of management and/or management company turnover at comparable properties, a three-year rent history could not be obtained from comparable properties.

Utility Structure

The Subject's tenants will be responsible for all electrical expenses, which includes electric heat, hot water, and cooking. The landlord will pay the water, sewer, and trash expenses, as well as all common area expenses. The utility allowance schedule was obtained from the Leavenworth County Housing Authority. A copy of the schedule may be found in the Addendum.

Concessions

None of the comparable developments are offering a concession. Concessions are considered temporary, and not part of an ongoing marketing strategy within the Subject's market. With the demand for affordable units in the PMA, we do not anticipate it will be necessary for the Subject to offer concessions.

Waiting Lists

In markets with high housing costs and a limited supply of affordable housing, waiting lists are common. A waiting list indicates a strong market with high occupancy and unmet demand. Properties that carry a waiting list typically enjoy easy lease-up on turnover. Four of the LIHTC comparables currently maintain waiting list; it should be noted, two of these developments share a leasing office. We do anticipate the Subject will maintain a small waiting list.

Waiting Lists			
Comp #	Property name	Rent Structure	Waiting List
1	Bonner Highlands Apartments I	LIHTC	Yes on 3BR's - 2 HH
2	Bonner Highlands Apartments II	LIHTC	Yes on 3BR's - 2 HH
3	Lansing Heights	LIHTC	None
4	Villa at the Gardens	Market	None
5	The Summit At Creek Ridge	Market	Yes - Small
6	River City Rentals/Tinner Properties	Market	Yes - 3 HH's
7	Cedar Hill Apartments	Market	None
8	Bo Ridge Apartments	Market	None
9	Sandstone Apartments	Market	None

Market Vacancy

The chart below shows overall vacancy rates, as well as vacancy by property and unit type, at the comparable properties included in the survey.

Vacancy					
Comp #	Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
1	Bonner Highlands Apartments I	LIHTC	48	1	2.1%
2	Bonner Highlands Apartments II	LIHTC	36	4	11.1%
3	Lansing Heights	LIHTC	130	2	1.5%
4	Villa at the Gardens	Market	56	1	1.8%
5	The Summit At Creek Ridge	Market	38	0	0.0%
6	River City Rentals/Tinner Properties	Market	56	2	3.6%
7	Cedar Hill Apartments	Market	53	4	7.5%
8	Bo Ridge Apartments	Market	6	0	0.0%
9	Sandstone Apartments	Market	64	6	9.4%
Average					4.1%

The vacancy rates among comparables range from 0.0 to 11.1 percent, with an overall average of 4.1 percent. Bonner Highlands Apartments II reported the highest vacancy rate of 11.1 percent; however, this property's vacancy rate is skewed upward because it only has a total of 36 units and 4 vacant units. When you combine Phase I and II the overall vacancy rate is 6.0 percent.

Reasonability of Rents

The table below shows the Subject's unit-mix, size, and rent structure.

Unit Mix, Size, Rents						
Unit Type	Number	Unit Size	Net Rents	Utility Allowance	Gross Rents	Max Allowable LIHTC Rents
40% AMI						
1BR/1BA	2	693	\$453	\$79	\$532	\$532
2BR/2BA	5	973	\$534	\$105	\$639	\$639
3BR/2BA	4	1,078	\$612	\$126	\$738	\$738
60% AMI						
1BR/1BA	6	693	\$530	\$79	\$609	\$798
2BR/2BA	19	973	\$615	\$105	\$720	\$958
3BR/2BA	12	1,078	\$675	\$126	\$801	\$1,107
Total	48					

The following charts compare the Subject's proposed rents with the LIHTC and market rents of surveyed properties.

Rent Adjustment Table For Multi-family Projects		
Characteristics	Adjustment	Comment
	Base BR	
Stories/Type		Apts=\$0, TH=\$15, Duplex=\$25, SF=\$50-100
Elevator (Yes/No)	\$10	
# of Bedrooms	\$100	Adjust for difference in number of rooms
# of Bathrooms	\$10	Adjust for difference in number of baths
Unit Size Adjustment	Varies	Difference in SF between Comp & Subj divided by 4, then multiplied by the Comp's rent/SF.
Rent Concessions		Actual Amount / Length of time (months)
Age (built or renovated)		Subjective Based Upon Condition
Tenant Paid Utilities		
Electricity	From U.A.	Use amount from the utility allowance schedule
Heat	From U.A.	Use amount from the utility allowance schedule
Hot Water	From U.A.	Use amount from the utility allowance schedule
Cooking--Power	From U.A.	Use amount from the utility allowance schedule
TV	From U.A.	Use amount from the utility allowance schedule
Water/Sewer/Trash	From U.A.	Use amount from the utility allowance schedule
Sewer	From U.A.	Use amount from the utility allowance schedule
Trash	From U.A.	Use amount from the utility allowance schedule
Unit Amenities		
Central Heat/Cool	\$20	Central VS Wall \$10
Bhnds	\$5	
Carpet	\$10	
Ceiling Fan	\$5	
Skylight/Vaulted Cielings	\$10	
Storage Closet	\$5	
Coat Closet	\$2	
Walk-In Closet	\$5	
Fireplace	\$10	
Emergency Pull Cords	\$10	
Patio/Balcony	\$5	
Appliances		
Refrigerator	\$20	
Stove/Oven	\$20	
Dishwasher	\$10	
Garbage Disposal	\$0	
Microwave	\$5	
Washer/Dryer	\$25	
Washer/Dryer Connection	\$10	
Parking/Transportation		
Surface Parking	\$10	Compare to off-site parking
Carport	\$10	Use actual amount if less than \$10
Underground Parking	\$25	Use actual amount if less than \$40
Detached Garage	\$25	Use actual amount if less than \$50
Attached Garage	\$25	Use actual amount if less than \$50
Tuck-Under Garage	\$25	Use actual amount if less than \$25
Parking Garage	\$40	Use actual amount if less than \$40
Project Amenities		
Clubhouse/Community Room	\$10	
Swimming Pool	\$10	
Spa/Jacuzzi	\$5	
Exercise Room	\$10	
Picnic Area	\$0	
Tot Lot/Playground	\$5	
Tennis Court	\$5	
Basketball Court	\$5	
Volleyball Court	\$5	
On-Site Manager	\$10	
Laundry Room	\$10	
Computer Room	\$10	
Intercom	\$5	
Business Center	\$5	
Car Wash Area	\$5	
Security		
Gated	\$10	
Courtesy Patrol	\$5	
Surveillance Cameras	\$5	

Adjustments Matrix: LHTC 1BR	Bonner Highlands Apartments I		Bonner Highlands Apartments II	
	Subject Highest Rent			
Prepared by: Lea & Company		13132 Kansas Avenue		13130 Kansas Avenue
Phone Number		913-441-5152		913-441-5152
February 2010	Char	Char	Adj	Char
Type ("M"arket, "L"ow Income)	L	L		L
Distance in Miles from Subject		4.23 miles		4.23 miles
Number of Units		4		5
Vacancy Rate		0%		0%
Waiting List ("Y"es or "N"o)		No		No
Turnover Rate		23%		23%
Unit Size in SF	693	765		765
AMI Level	60%	60%		60%
Base Rent	\$830	\$477		\$559
Value Ratio (S/SF)	\$0.76	\$0.62		\$0.73
# of stories	2	2		2
Elevator ("Y"es or "N"o)	N	N		N
# of Bedrooms	1	1		1
# of Bathrooms	1	1		1
Unit Size Adjustment	693	765		765
Rent Concessions		N		N
Age (built or last renovated)	2011	1999		2006
Utilities Paid by Tenant				
Electricity	T/E	T/E		T/E
Heat ("G"as or "E"lectricity)	T/E	T/E		T/E
Hot Water (G or E)	T/E	T/E		T/E
Cooking (G or E)	T/E	T/E		T/E
TV ("C"able or "S"atellite)	T	T		T
Water	L	L		L
Sewer	L	L		L
Trash	L	L		L
Unit Amenities				
Central Heat/Cool	✓	✓		✓
Blinds	✓	✓		✓
Carpet	✓	✓		✓
Ceiling Fan	☐	✓		✓
Skylight	☐	☐		☐
Storage Closet	☐	☐		☐
Coat Closet	✓	✓		✓
Walk-In Closet	☐	☐		☐
Fireplace	☐	☐		☐
Patio/Balcony	✓	☐		☐
Appliances				
Refrigerator	✓	✓		✓
Stove/Oven	✓	✓		✓
Dishwasher	✓	✓		✓
Garbage Disposal	✓	✓		✓
Microwave	☐	☐		☐
Washer/Dryer	☐	☐		☐
Washer/Dryer Hook-ups	✓	✓		✓
Parking/Transportation				
Surface Parking	✓	✓		✓
Carport	☐	☐		☐
Underground Parking	☐	☐		☐
Detached Garage	☐	☐		☐
Attached Garage	☐	☐		☐
Tuck-under Garage	☐	☐		☐
Parking Garage	☐	☐		☐
Project Amenities				
Clubhouse/Community Room	✓	☐		☐
Swimming Pool	☐	☐		☐
Spa/Jacuzzi	☐	☐		☐
Exercise Room	☐	☐		☐
Picnic Area	✓	☐		☐
Tot Lot/Playground	✓	✓		☐
Tennis Court	☐	☐		☐
Basketball Court	☐	☐		☐
Volleyball Court	☐	☐		☐
On Site Manager	✓	✓		✓
Laundry Room	✓	✓		✓
Computer Room	☐	☐		☐
Business Center	☐	☐		☐
Car Wash Area	☐	☐		☐
Additional Services	☐	☐		☐
Security				
Gated	☐	☐		☐
Courtesy Patrol	☐	☐		☐
Surveillance Camera	☐	☐		☐
Adjusted Rent	\$830	\$477		\$559
Minimum	\$477			
Maximum	\$859			
Average	\$518			
Concluded Rent	\$530			

Adjustments Matrix: LHHC 2BR	Bonner Highlands Apartments I		Bonner Highlands Apartments II		Lansing Heights		
	Subject Highest Rent	Char	Adj	Char	Adj	Char	Adj
Prepared by: Lea & Company		13132 Kansas Avenue		13130 Kansas Avenue		329 West Mary Street	
Phone Number		913-441-5152		913-441-5152		913-250-1306	
February 2010		Char	Adj	Char	Adj	Char	Adj
Type ("M"arket, "L"ow Income)	L	L		L		M	
Distance in Miles from Subject		4.23 miles		4.23 miles		8.97 miles	
Number of Units		20		14		33	
Vacancy Rate		5%		14%		3%	
Waiting List ("Y"es or "N"o)		No		No		None	
Turnover Rate		23%		23%		25%	
Unit Size in SF	973	840		840		1122	
AMI Level	60%	60%		60%		60%	
Base Rent	\$615	\$545		\$613		\$692	
Value Ratio (S/SF)	\$0.63	\$0.65		\$0.73		\$0.62	
# of stories	2	2		2		2	
Elevator ("Y"es or "N"o)	N	N		N		N	
# of Bedrooms	2	2		2		2	
# of Bathrooms	2	1.5		1.5		2	
Unit Size Adjustment	973	840		840		1122	
Rent Concessions		N		N		N	
Age (built or last renovated)	2011	1999		2006		2003	
Utilities Paid by Tenant							
Electricity	T/E	T/E		T/E		T/E	
Heat ("G"as or "E"lectric)	T/E	T/E		T/E		T/E	
Hot Water (G or E)	T/E	T/E		T/E		T/E	
Cooking (G or E)	T/E	T/E		T/E		T/E	
TV ("C"able or "S"atellite)	T	T		T		T	
Water	L	L		L		L	
Sewer	L	L		L		L	
Trash	L	L		L		L	
Unit Amenities							
Central Heat/Cool	✓	✓		✓		✓	
Blinds	✓	✓		✓		✓	
Carpet	✓	✓		✓		✓	
Ceiling Fan	☐	✓		✓		✓	
Skylight	☐	☐		☐		☐	
Storage Closet	☐	☐		☐		✓	
Coat Closet	✓	✓		✓		✓	
Walk-In Closet	☐	☐		☐		✓	
Fireplace	☐	☐		☐		☐	
Patio/Balcony	✓	☐		☐		✓	
Appliances							
Refrigerator	✓	✓		✓		✓	
Stove/Oven	✓	✓		✓		✓	
Dishwasher	✓	✓		✓		✓	
Garbage Disposal	✓	✓		✓		✓	
Microwave	☐	☐		☐		☐	
Washer/Dryer	☐	☐		☐		☐	
Washer/Dryer Hook-ups	✓	✓		✓		✓	
Parking/Transportation							
Surface Parking	✓	✓		✓		✓	
Carport	☐	☐		☐		☐	
Underground Parking	☐	☐		☐		☐	
Detached Garage	☐	☐		☐		☐	
Attached Garage	☐	☐		☐		☐	
Tuck-under Garage	☐	☐		☐		☐	
Parking Garage	☐	☐		☐		☐	
Project Amenities							
Clubhouse/Community Room	✓	☐		☐		✓	
Swimming Pool	☐	☐		☐		✓	
Spa/Jacuzzi	☐	☐		☐		☐	
Exercise Room	☐	☐		☐		✓	
Picnic Area	✓	☐		☐		☐	
Tot Lot/Playground	✓	✓		☐		✓	
Tennis Court	☐	☐		☐		☐	
Basketball Court	☐	☐		☐		✓	
Volleyball Court	☐	☐		☐		☐	
On Site Manager	✓	✓		✓		✓	
Laundry Room	✓	✓		✓		✓	
Computer Room	☐	☐		☐		✓	
Business Center	☐	☐		☐		✓	
Car Wash Area	☐	☐		☐		☐	
Additional Services	☐	☐		☐		☐	
Security							
Gated	☐	☐		☐		☐	
Courtesy Patrol	☐	☐		☐		☐	
Surveillance Camera	☐	☐		☐		☐	
Adjusted Rent	\$615	\$545		\$613		\$692	
Minimum	\$545						
Maximum	\$692						
Average	\$617						
Concluded Rent	\$615						

Adjustments Matrix: LIHTC 3BR	Bonner Highlands Apartments I		Bonner Highlands Apartments II		Lansing Heights	
	Subject Highest Rent	13132 Kansas Avenue 913-441-5152	13130 Kansas Avenue 913-441-5152	329 West Mary Street 913-250-1306		
Prepared by: Lea & Company						
Phone Number						
February 2010	Char	Char	Adj	Char	Adj	Char
Type ("M"arket, "L"ow Income)	L	L		L		M
Distance in Miles from Subject		4.23 miles		4.23 miles		8.97 miles
Number of Units		24		9		33
Vacancy Rate		0%		22%		3%
Waiting List ("Y"es or "N"o)		Yes on 3BR's - 2 HH		Yes on 3BR's 2 HH		None
Turnover Rate		23%		23%		25%
Unit Size in SF	1078	1010		1010		1350
AMI Level	60%	60%		60%		60%
Base Rent	\$675	\$621		\$675		\$743
Value Ratio (S/SF)	\$0.63	\$0.61		\$0.67		\$0.55
# of stories	2	2		2		2
Elevator ("Y"es or "N"o)	N	N		N		N
# of Bedrooms	3	3		3		3
# of Bathrooms	2	1.5		1.5		2
Unit Size Adjustment	1078	1010		1010		1350
Rent Concessions		N		N		N
Age (built or last renovated)	2011	1999		2006		2003
Utilities Paid by Tenant						
Electricity	T/E	T/E		T/E		T/E
Heat ("G"as or "E"lectric)	T/E	T/E		T/E		T/E
Hot Water (G or E)	T/E	T/E		T/E		T/E
Cooking (G or E)	T/E	T/E		T/E		T/E
TV ("C"able or "S"atellite)	T	T		T		T
Water	L	L		L		L
Sewer	L	L		L		L
Trash	L	L		L		L
Unit Amenities						
Central Heat/Cool	✓	✓		✓		✓
Blinds	✓	✓		✓		✓
Carpet	✓	✓		✓		✓
Ceiling Fan	☐	✓		✓		✓
Skylight	☐	☐		☐		☐
Storage Closet	☐	☐		☐		✓
Coat Closet	✓	✓		✓		✓
Walk-In Closet	☐	☐		☐		✓
Fireplace	☐	☐		☐		☐
Patio/Balcony	✓	☐		☐		✓
Appliances						
Refrigerator	✓	✓		✓		✓
Stove/Oven	✓	✓		✓		✓
Dishwasher	✓	✓		✓		✓
Garbage Disposal	✓	✓		✓		✓
Microwave	☐	☐		☐		☐
Washer/Dryer	☐	☐		☐		☐
Washer/Dryer Hook-ups	✓	✓		✓		✓
Parking/Transportation						
Surface Parking	✓	✓		✓		✓
Carport	☐	☐		☐		☐
Underground Parking	☐	☐		☐		☐
Detached Garage	☐	☐		☐		☐
Attached Garage	☐	☐		☐		☐
Tuck-under Garage	☐	☐		☐		☐
Parking Garage	☐	☐		☐		☐
Project Amenities						
Clubhouse/Community Room	✓	☐		☐		✓
Swimming Pool	☐	☐		☐		✓
Spa/Jacuzzi	☐	☐		☐		☐
Exercise Room	☐	☐		☐		✓
Picnic Area	✓	☐		☐		☐
Tot Lot/Playground	✓	✓		☐		✓
Tennis Court	☐	☐		☐		☐
Basketball Court	☐	☐		☐		✓
Volleyball Court	☐	☐		☐		☐
On Site Manager	✓	✓		✓		✓
Laundry Room	✓	✓		✓		✓
Computer Room	☐	☐		☐		✓
Business Center	☐	☐		☐		✓
Car Wash Area	☐	☐		☐		☐
Additional Services	☐	☐		☐		☐
Security						
Gated	☐	☐		☐		☐
Courtesy Patrol	☐	☐		☐		☐
Surveillance Camera	☐	☐		☐		☐
Adjusted Rent	\$675	\$621		\$675		\$743
Minimum	\$621					
Maximum	\$743					
Average	\$680					
Concluded Rent	\$675					

Adjustments Matrix: Market 1BR	River City Rentals/Tinner Properties		Sandstone Apartments		Bo Ridge Apartments		Cedar Hill Apartments	
	Subject Highest Rent							
Prepared by: Lea & Company	13125 Richland		550 S 4th St		301 Ridge Circle		Ridge Circle & Ridge Street	
Phone Number	913-422-7368		913-441-1477		913-233-9520		913-417-7200	
February 2010	Char	Adj	Char	Adj	Char	Adj	Char	Adj
Type ("M"arket, "L"ow Income)	L	M	M		M		M	
Distance in Miles from Subject		3.15 miles	6.96 miles		7.36 miles	\$25	7.36 miles	\$25
Number of Units		8	40		2		3	
Vacancy Rate		0%	15%		0%		0%	
Waiting List ("Y"es or "N"o)		Yes - 3 HH's	None		None		None	
Turnover Rate		54%	35%		N/A		23%	
Unit Size in SF	693	680	640		650		957	
Base Rent	\$530	\$545	\$475		\$480		\$515	
Value Ratio (\$/SF)	\$0.76	\$0.80	\$0.74		\$0.69		\$0.54	
# of stories	2	2	2		2		2	
Elevator ("Y"es or "N"o)	N	N	N		N		N	
# of Bedrooms	1	1	1		1		1	
# of Bathrooms	1	1	1		1		1	
Unit Size Adjustment	693	680 \$3	640 \$10		650 \$7		957 (\$36)	
Rent Concessions		N	N		N		N	\$0
Age (built or last renovated)	2011	1980s \$25	1984 \$25		1985 \$25		1980s \$25	
Utilities Paid by Tenant								
Electricity	T/E	T/E	T/E		T/E		T/E	
Heat ("G"as or "E"lectric)	T/E	T/G	T/G		T/E		T/G	
Hot Water (G or E)	T/E	T/G	T/G		T/E		T/G	
Cooking (G or E)	T/E	T/E	T/E		T/E		T/E	
TV ("C"able or "S"atellite)	T	T	T		T		T	
Water	L	L	T \$20		T \$20		T \$20	
Sewer	L	L	T \$12		T \$12		T \$12	
Trash	L	L	L		T \$15		L	
Unit Amenities								
Central Heat/Cool	✓	✓	✓		✓		✓	
Blinds	✓	✓	✓		✓		✓	
Carpet	✓	✓	✓		✓		✓	
Ceiling Fan	☐	✓ (\$5)	✓ (\$5)		☐		☐	
Skylight	☐	☐	☐		☐		☐	
Storage Closet	☐	☐	☐		☐		☐	
Coat Closet	✓	✓	✓		✓		✓	
Walk-In Closet	☐	☐	☐		☐		☐	
Fireplace	☐	☐	☐		☐		☐	
Patio/Balcony	✓	✓	✓		☐ \$5		✓	
Appliances								
Refrigerator	✓	✓	✓		✓		✓	
Stove/Oven	✓	✓	✓		✓		✓	
Dishwasher	✓	✓	✓		✓		✓	
Garbage Disposal	✓	✓	✓		✓		✓	
Microwave	☐	☐	☐		☐		☐	
Washer/Dryer	☐	☐	☐		☐		✓ (\$25)	
Washer/Dryer Hook-ups	✓	✓	☐ \$10		✓		☐ \$10	
Parking/Transportation								
Surface Parking	✓	✓	✓		✓		✓	
Carport	☐	☐	☐		☐		☐	
Underground Parking	☐	☐	☐		☐		☐	
Detached Garage	☐	✓ (\$25)	☐		☐		☐	
Attached Garage	☐	☐	☐		☐		☐	
Tuck-under Garage	☐	☐	☐		☐		☐	
Parking Garage	☐	☐	☐		☐		☐	
Project Amenities								
Clubhouse/Community Room	✓	☐ \$10	☐ \$10		☐ \$10		☐ \$10	
Swimming Pool	☐	☐	☐		☐		☐	
Spa/Jacuzzi	☐	☐	☐		☐		☐	
Exercise Room	☐	☐	☐		☐		☐	
Picnic Area	✓	☐ \$0	☐ \$0		☐ \$0		☐ \$0	
Tot Lot/Playground	✓	☐ \$5	☐ \$5		☐ \$5		✓	
Tennis Court	☐	☐	☐		☐		☐	
Basketball Court	☐	☐	☐		☐		☐	
Volleyball Court	☐	☐	☐		☐		☐	
On Site Manager	✓	✓	✓		☐ \$10		✓	
Laundry Room	✓	✓	✓		☐ \$10		✓	
Computer Room	☐	☐	☐		☐		☐	
Business Center	☐	☐	☐		☐		☐	
Car Wash Area	☐	☐	☐		☐		☐	
Additional Services	☐	☐	☐		☐		☐	
Security								
Gated	☐	☐	☐		☐		☐	
Courtesy Patrol	☐	☐	☐		☐		☐	
Surveillance Camera	☐	☐	☐		☐		☐	
Adjusted Rent	\$530	\$558	\$562		\$569		\$556	
Minimum	\$556							
Maximum	\$569							
Average	\$561							
Concluded Rent	\$560							

Adjustments Matrix: Market 3BR		The Summit At Creek Ridge	Villa at the Gardens	River City Rentals/Tinner Properties	Bo Ridge Apartments	Cedar Hill Apartments	
Prepared by: Lea & Company	Subject Highest Rent	1918 157th Street	16028 Prairie Way	13125 Richland	301 Ridge Circle	Ridge Circle & Ridge Street	
Phone Number		816-769-0354	913-724-2646	913-422-7368	913-233-9520	913-417-7200	
February 2010	Char	Char	Adj	Char	Adj	Char	Adj
Type ("M"arket, "L"ow Income)	L	L		L		M	M
Distance in Miles from Subject		0.98 miles		1.14 miles		3.15 miles	7.36 miles
Number of Units		12		56		12	8
Vacancy Rate		0%		2%		8%	0%
Waiting List ("Y"es or "N"o)		Yes - Small		None		Yes - 3 HH's	None
Turnover Rate		35%		11%		54%	N/A
Unit Size in SF	1078	1400		1000		1600	1200
Base Rent	\$675	\$1,025		\$925		\$915	\$650
Value Ratio (\$/SF)	\$0.63	\$0.73		\$0.93		\$0.57	\$0.54
# of stories	2	2		2		2	2
Elevator ("Y"es or "N"o)	N	N		N		N	N
# of Bedrooms	3	3		3		3	3
# of Bathrooms	2	2		2		2	2
Unit Size Adjustment	1078	1400	(\$59)	1000	\$18	1600	(\$75)
Rent Concessions		N		N		N	
Age (built or last renovated)	2011	2005	\$0	2003		1980s	\$25
Utilities Paid by Tenant							
Electricity	T/E	T/E		T/E		T/E	T/E
Heat ("G"as or "E"lectric)	T/E	T/G		T/G		T/G	T/G
Hot Water (G or E)	T/E	T/G		T/G		T/E	T/G
Cooking (G or E)	T/E	T/E		T/E		T/E	T/E
TV ("C"able or "S"atellite)	T	T		T		T	T
Water	L	T	\$30	T	\$30	L	T
Sewer	L	T	\$18	T	\$18	L	T
Trash	L	T	\$15	L		L	T
Unit Amenities							
Central Heat/Cool	✓	✓		✓		✓	✓
Blinds	✓	✓		✓		✓	✓
Carpet	✓	✓		✓		✓	✓
Ceiling Fan	□	✓	(\$5)	□		✓	(\$5)
Skylight	□	□		□		□	□
Storage Closet	□	□		□		□	□
Coat Closet	□	✓		□		✓	□
Walk-In Closet	□	□		□		□	□
Fireplace	□	✓	(\$5)	□		□	□
Patio/Balcony	✓	✓		✓		□	\$5
Appliances							
Refrigerator	✓	✓		✓		✓	✓
Stove/Oven	✓	✓		✓		✓	✓
Dishwasher	✓	✓		✓		✓	✓
Garbage Disposal	✓	✓		✓		✓	✓
Microwave	□	✓	(\$5)	✓	(\$5)	□	□
Washer/Dryer	□	□		✓	(\$25)	□	□
Washer/Dryer Hook-ups	✓	✓		□	\$10	✓	□
Parking/Transportation							
Surface Parking	✓	✓		✓		✓	✓
Carport	□	□		□		□	□
Underground Parking	□	□		□		□	□
Detached Garage	□	□		✓	(\$25)	✓	(\$25)
Attached Garage	□	✓	(\$25)	□		□	□
Tuck-under Garage	□	□		□		□	□
Parking Garage	□	□		□		□	□
Project Amenities							
Clubhouse/Community Room	✓	□	\$10	□	\$10	□	\$10
Swimming Pool	□	□		✓	(\$10)	□	□
Spa/Jacuzzi	□	□		□		□	□
Exercise Room	□	□		□		□	□
Picnic Area	✓	□	\$0	□	\$0	□	\$0
Tot Lot/Playground	✓	□	\$5	□	\$5	□	\$5
Tennis Court	□	□		□		□	□
Basketball Court	□	□		□		□	□
Volleyball Court	□	□		□		□	□
On Site Manager	✓	□	\$10	✓		□	\$10
Laundry Room	✓	□	\$10	□	\$10	□	\$10
Computer Room	□	□		□		□	□
Business Center	□	□		□		□	□
Car Wash Area	□	□		□		□	□
Additional Services	□	□		□		□	□
Security							
Gated	□	□		□		□	□
Courtesy Patrol	□	□		□		□	□
Surveillance Camera	□	□		□		□	□
Adjusted Rent	\$675	\$1,024		\$961		\$850	\$761
Minimum	\$757						
Maximum	\$1,024						
Average	\$871						
Concluded Rent	\$850						

Rent Comparison Market Adjusted					
Unit Type	Highest Proposed Rents	Survey Min. Rents	Survey Max Rents	Weighted Avg. Rents	Advantage/Disadvantage
1BR/1BA	\$530	\$556	\$569	\$561	-5.58%
2BR/2BA	\$615	\$663	\$865	\$751	-18.06%
3BR/2BA	\$675	\$757	\$1,024	\$871	-22.49%

As the previous tables illustrate, the Subject's proposed rents are lower than the adjusted average market rents surveyed, allowing the Subject to enter the market with a tenant rent advantage.

Achievable Market Rents

The market rents were determined by comparing the aesthetic quality, amenities, unit sizes, etc. to that of the market rate projects in the area. We concluded that the Subject will be competitive with the market rate competition and so achievable rents are within the market rental range. Achievable rents represent net market rate rent levels that we believe a project of the Subject's condition and quality could reasonably achieve.

Achievable Rents	
Unit Type	Market Rents
1BR/1BA	\$560
2BR/2BA	\$750
3BR/2BA	\$850

Summary Evaluation of the Project

According to our survey, the market for multifamily developments within Basehor is good. The area is experiencing good occupancy levels. Additionally, the following *Demand Estimate* section illustrates that demand in the area is good and supports the construction of the Subject. Upon completion, the Subject will provide good quality, affordable housing in Basehor.

DEMAND ESTIMATE

Introduction

South Side Village Apartments is proposed family development offering 48 one, two, and three-bedroom units. LIHTC income limitations will restrict eligibility for all of the units. We calculated the number of income eligible residents in this section of the analysis assuming LIHTC income guidelines. LIHTC rents are based upon a percentage of the area median gross income (AMI), adjusted for household size and utilities. HUD estimates the relevant income levels, with annual updates. The HUD rents are calculated assuming that the maximum net rent a household will pay is 35 percent of its household income at the appropriate AMI level.

Household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. Additionally they assume one-person households are accommodated in one-bedroom units. For LIHTC income purposes, the actual size of the household is used. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). However, the maximum income level will be based on the limit for a three-person household (actual size). If the tenant pays utilities in addition to the rent, the rent is reduced by a utility allowance, which is generally estimated by the local Housing Authority.

To assess the likely number of tenants in the market area eligible to live in the Subject, we used Census information as provided by Claritas.

Primary Market Area Defined

The Subject's PMA is defined as an irregular polygon, as defined in the demographic analysis section of this report. Seventy-five (75%) percent of the Subject's tenants are expected to originate from the PMA; demand estimates will be adjusted to reflect this potential for "leakage" of 25%. The leakage factor reflects the overall limited supply of affordable rental housing options within the region.

INCOME ELIGIBLE CALCULATIONS

To establish the number of income eligible potential tenants for the Subject, the calculations are as follows:

First, we estimate the Subject minimum and maximum income levels for the proposed LIHTC project. Minimum income levels were calculated based on the assumption that lower income household should pay no more than 35 percent of their income to rent. Often, lower income households pay a higher percentage of gross income toward housing costs. However, per KHRC market study requirements, minimum incomes must be calculated utilizing a 30 percent affordability factor.

Eligible Income Requirements Utilizing			
Unit Type	Minimum Eligible Income	Maximum Eligible Income	Proposed Gross Rent
40% AMI			
1BR/1BA	\$21,280	\$22,720	\$532
2BR/2BA	\$25,560	\$25,560	\$639
3BR/2BA	\$29,520	\$30,680	\$738
60% AMI			
1BR/1BA	\$24,360	\$34,080	\$609
2BR/2BA	\$28,800	\$38,340	\$720
3BR/2BA	\$32,040	\$46,020	\$801

Secondly, we illustrate the household population segregated by income band to determine those who are income qualified to reside in the Subject property. This income distribution is illustrated previously in the demographic analysis section of this report.

Third, we combine the allowable income range with the income distribution analysis to determine the number of potential income qualified households. In some cases the LIHTC income eligible band overlaps with more than one census income range. In those cases, the prorated share of more than one census range will be calculated. This provides an estimate of the total number of households that are income eligible. This also derives an estimate of the percentage of the households that are income eligible, illustrated by AMI threshold.

Income Distribution Table

The following tables illustrate the income distribution of income-qualified households in the PMA.

Calculation of Potential Household Demand By Income Cohort - PMA										
Percent of AMI Level		40% AMI			60% AMI			40% - 60%		
Minimum Income Limit		\$21,280			\$24,360			\$21,280		
Maximum Income Limit		\$30,680			\$46,020			\$46,020		
Income Category	Total Households PMA	Income Brackets	Percent within Cohort	Total HHs within Bracket	Income Brackets	Percent within Cohort	Total HHs within Bracket	Income Brackets	Percent within Cohort	Total HHs within Bracket
<\$15,000	773									
\$15,000-\$24,999	844	\$ 3,719	37%	314	\$ 639	6%	54	\$ 3,719	37%	314
\$25,000-\$34,999	1,013	\$ 5,680	57%	575	\$ 9,999	100%	1,013	\$ 10,000	100%	1,013
\$35,000-\$49,999	2,009			0	\$ 11,020	73%	1,476	\$ 11,020	73%	1,476
\$50,000-\$74,999	3,378			0			0			0
\$75,000-\$99,999	3,079			0			0			0
100,000-\$149,999	3,012			0			0			0
150,000-\$249,999	867			0			0			0
250,000-\$499,999	116			0			0			0
\$500,000+	21			0			0			0
Total	15,112			889			2,543			2,803
% of total HH within limits v. total number of HH				5.9%				16.8%	18.5%	

Capture Rate Analysis by Unit Type

In order to determine demand for the proposed market mix, we also analyzed the demand capture rates expected at the Subject by bedroom type. This analysis illustrates demand for the 40 and 60 percent AMI levels utilizing the 30% affordability factor.

The by unit type breakdown illustrates a strong level of demand at 40 and 60 percent of AMI level when considered on a by bedroom basis. The capture rates illustrated are low and indicative of ample demand and conservative captures rates.

The distribution of the total households by unit type is dependent on the following assumptions.

Household Distribution	
100%	Of one person households in 1BR units
25%	Of two person households in 1BR units
75%	Of two person households in 2BR units
25%	Of three person households in 2BR units
75%	Of three person household in 3BR units
20%	Of four person household in 2BR units
80%	Of four person households in 3BR units
25%	Of five person households in 3BR units
75%	Of five person households in 4BR units
25%	Of six person household in 3BR units
75%	Of six person household in 4BR units
100%	Of seven+ person household in 4BR units

Renter-Occupied Households

The table below illustrates total households by tenure for the total population in the PMA.

Year	Tenure Patterns - Total Population							
	PMA				SMA			
	Owner-Occupied Units		Renter-Occupied Units		Owner-Occupied Units		Renter-Occupied Units	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
2000	9,903	82.2%	2,140	17.8%	489,543	68.2%	228,218	31.8%
2009	12,592	83.3%	2,519	16.7%	549,607	69.4%	242,031	30.6%
2014	13,911	83.7%	2,719	16.3%	582,828	69.9%	250,569	30.1%

As indicated, the total number of renter-occupied housing units within the PMA during 2009 is estimated to be 16.7 percent of total households. We will utilize the renter-occupied household percentage in the following calculations.

40% AMI Demand

Projected Renter Household Demand by Bedroom Type				
Household Distribution				
Household Size Distribution		Total Number of Households		
1 person	17.4%	2,622		
2 persons	34.1%	5,148		
3 persons	19.7%	2,971		
4 persons	17.9%	2,700		
5 persons	7.8%	1,186		
6 persons	2.4%	358		
7+ persons	0.8%	125		
Total	100.0%	15,110		
Income-Qualified Renter Demand				
Total Number of Households	Percentage Renter Households	Percent Income-Qualified of Total Households	Number Qualified Renter Households	
1 person	2,622	x 16.7%	x 5.9%	26
2 persons	5,148	x 16.7%	x 5.9%	51
3 persons	2,971	x 16.7%	x 5.9%	29
4 persons	2,700	x 16.7%	x 5.9%	26
5 persons	1,186	x 16.7%	x 5.9%	12
6 persons	358	x 16.7%	x 5.9%	4
7+ persons	125	x 16.7%	x 5.9%	1
Total	15,110			148
Projected Renter Household Demand by Bedroom Size				
Number of Qualified Renter Households				
1BR/1BA	38			
2BR/2BA	45			
3BR/2BA	46			
Total	129			
Capture Rate Analysis - 40% AMI				
Developer's Unit Mix	Capture Rate			
1BR/1BA	2	5.2%		
2BR/2BA	5	11.1%		
3BR/2BA	4	8.7%		
Total/Overall	11	8.5%		
Adjusted for Leakage from Outside of the PMA			25%	
1BR/1BA	2	4.2%		
2BR/2BA	5	8.9%		
3BR/2BA	4	7.0%		
Total/Overall	11	6.8%		

The Subject's one, two, and three-bedroom capture rate at the 40 percent AMI are 4.2, 8.9, and 7.0 percent, respectively and the overall capture rate is 6.8 percent

60% AMI Demand

Projected Renter Household Demand by Bedroom Type						
Household Distribution						
Household Size Distribution		Total Number of Households				
1 person	17.4%	2,622				
2 persons	34.1%	5,148				
3 persons	19.7%	2,971				
4 persons	17.9%	2,700				
5 persons	7.8%	1,186				
6 persons	2.4%	358				
7+ persons	0.8%	125				
Total	100.0%	15,110				
Income-Qualified Renter Demand						
Total Number of Households		Percentage Renter Households		Percent Income-Qualified of Total Households		Number Qualified Renter Households
1 person	2,622	x	16.7%	x	16.8%	74
2 persons	5,148	x	16.7%	x	16.8%	144
3 persons	2,971	x	16.7%	x	16.8%	83
4 persons	2,700	x	16.7%	x	16.8%	76
5 persons	1,186	x	16.7%	x	16.8%	33
6 persons	358	x	16.7%	x	16.8%	10
7+ persons	125	x	16.7%	x	16.8%	4
Total	15,110					424
Projected Renter Household Demand by Bedroom Size						
Number of Qualified Renter Households						
1BR/1BA	110					
2BR/2BA	129					
3BR/2BA	131					
Total	370					
Capture Rate Analysis - 60% AMI						
Developer's Unit Mix		Capture Rate				
1BR/1BA	6	5.5%				
2BR/2BA	19	14.7%				
3BR/2BA	12	9.1%				
Total/Overall	37	10.0%				
Adjusted for Leakage from Outside of the PMA						25%
1BR/1BA	6	4.4%				
2BR/2BA	19	11.8%				
3BR/2BA	12	7.3%				
Total/Overall	37	8.0%				

The Subject's one, two, and three-bedroom capture rates at the 60 percent AMI are 4.4, 11.8, and 7.3 percent, respectively and the overall capture rate is 8.0 percent.

ANNUAL CAPTURE RATE ANALYSIS

The second calculation derives an estimated market penetration rate based on per annum demand. This is an indication of the percentage of the net demand penetration that the Subject must attract to reach stabilized occupancy. This measure essentially takes the available household demand searching for apartments in the market area and deducts competition to determine net demand available to the Subject. This analysis reflects leakage of 25%. The table below outlines the analysis of this methodology.

Annual Demand Year One - All Units		Primary Market
Existing Demand		
Number of Households 2009		15,111
Increase in Households		1,520
Number of Households 2014		16,631
Income Qualified		18.5%
Percentage Renter		16.7%
Number of Income Qualified Renter Households		514
Percent of households paying 35% or greater on housing		35.0%
Existing Income Qualified Renter Household Turnover		180
New Income Qualified Demand Stated Annually		
Increase in Households per Annum		304
Income Qualified		18.5%
Percent Renter		16.7%
New Rental Income Qualified Households		9
Total Demand (Existing & New) from within PMA		189
Households Originating from Outside the PMA		
% of Portion Originating outside the PMA		25%
Total Households coming from outside the PMA		47
Total Demand (Existing, New, and HH's from outside the PMA)		237
Annual Capture Rate Calculation		
Number of LIHTC Units in Subject		48
Stabilized Occupied Units at Subject With	5%	46
Units Pre-Leased	0%	0
Total Demand (Existing, New, and HH's from outside the PMA)		237
Less: LIHTC Projects Proposed or in Absorption Process		0
Total Demand after Competition (Turnover and Growth)		237
Yielded Annual Capture Rate		19.3%

This calculation derives an estimate of penetration required to lease the Subject. Total demand, both currently present and moving into the market, is adjusted for income eligibility and renter status, it is further adjusted by the number of units that are currently in lease-up. The demand estimate remaining is the number of units that will be unsatisfied in the market without the Subject. In this case it represents 237 units. These un-accommodated units of demand will be forced to leave the market without the addition of affordable housing units. The penetration rate is the percentage that the Subject will capture of this demand. A number below 100 percent is a positive indicator and represents an expected absorption rate of less than one year. A number greater than 100 percent indicates absorption pace longer than one year. The above calculation generates a penetration rate of 19.3 percent, which indicates an expected absorption rate of less than one year.

Rent Overburdened Households

Existing households that live in the area but move to a new home: This phenomenon occurs because people are searching for better, more affordable housing, or housing in a desired location. The calculation begins by determining the year 2009 base level eligible demand. This is calculated by adding project household growth to the 2009 eligible households. This is then adjusted by the percentage of renters in the Primary Market Area. In order to determine the number of these households that will be looking for units we multiply by an estimated turnover rate. We can calculate these two different ways. First is utilizing the surveyed statistics among our comparables. Our comparables illustrated a range of 11 to 54 percent for turnover, with an overall average of 25 percent. Below we have also illustrated the rent overburden statistics from the Census Department; this data is from the Census Department Selected Housing Characteristics 2005-2007 for Basehor, KS American Community Survey. The table below reflects 19.10% of households pay 35% or more of household income to housing.

Gross Rent as a % of Household Income - Basehor, KS		
Occupied units paying rent (excluding units where GRAP cannot be computed)		
Less than 15 percent	36	25.5
15 to 19 percent	25	17.7
20 to 24 percent	17	12.1
25 to 29 percent	14	9.9
30 to 34 percent	10	7.1
35 percent or more	27	19.1
Not computed	12	8.5

Taking into consideration the above data, we have estimated a conservative turnover rate of 35 percent in our analysis.

Total household population

The household population change as a result of new households moving in or out of the area: This was previously calculated, with the estimated household population to increase from 2009 to 2014.

New or Proposed Construction

The total annual demand estimate is reduced by the number of competitive properties existing and constructed during the indicated period. Currently there are no LIHTC properties under construction; therefore, we have not removed any units from our demand.

The calculations may underestimate the number of qualifying residents for the following reasons:

The households included in the census income tables include both renters and non-renters. Households with lower income levels are more likely to be renters. The above analysis takes the overall renter percentage and applies this percentage to lower income households. Therefore, the estimated percentage of renters may be low. The percentage of renters moving annually does not take into account any extraordinary events, such as the opening of a new, low-income apartment complex. It is likely that more renters would move in such circumstances.

Conclusion

The demand analysis illustrates demand for the Subject based on capture rates of eligible income households. The Annual Demand Estimate calculates an annual capture rate of 19.3 percent for the first year. The capture rate average for the Subject and the annual capture rate both appear to be reasonable indicating the Subject would be fully absorbed within one year of completion. The demographic data often underestimates the demand at lower income levels; it is possible that the Subject property could achieve a greater capture rate than illustrated in this analysis.

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ADDENDA A

Assumptions and Limiting Conditions & Certification

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
6. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
7. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.

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9. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.
10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.

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18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.
19. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The consultant does not warrant the condition or adequacy of such systems.
20. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
21. Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. This report is not valid for syndication purposes.

CERTIFICATION

The undersigned hereby certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, conclusions, and recommendations;
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved;
- We have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment;
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results;
- Our 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;
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice;
- Jay A. Wortmann inspected the Subject property and comparable market data incorporated in this report. Byron N. Lea, MAI did not inspect the property or comparable market data.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of this report, Byron N. Lea, MAI has completed the requirements of the continuing education program of the Appraisal Institute.



Byron N. Lea, MAI



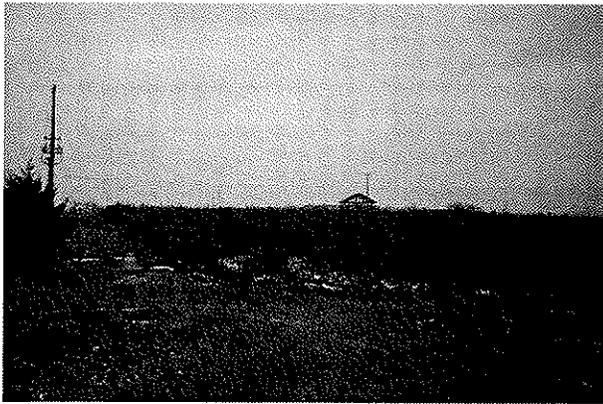
Jay A. Wortmann

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ADDENDA B

Photographs

SUBJECT PHOTOGRAPHS



View of the Subject facing northeast



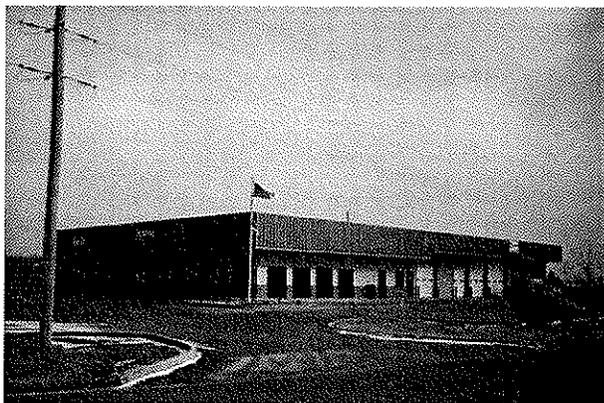
Another view of the Subject facing east



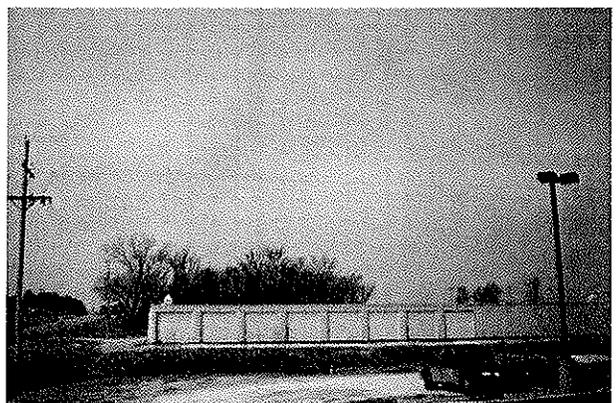
Another view of the Subject



View of the Subject from north side of US Highway 24/40



View of the building adjacent to the west

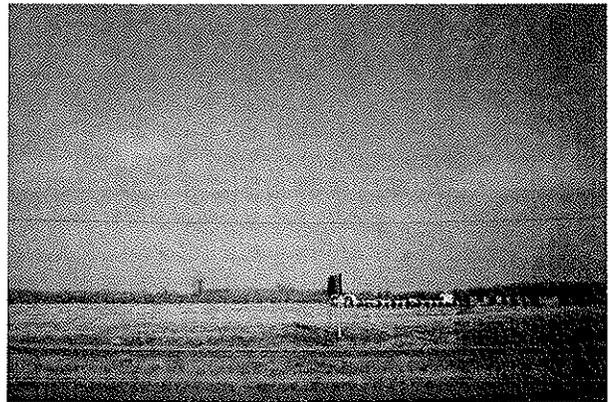


View of Storage further to the west

SUBJECT PHOTOGRAPHS



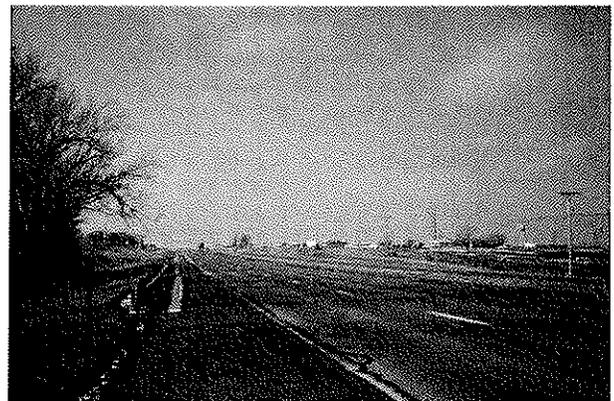
View of Wolf Creek Market Place to the north



View of vacant land to the north



View of US Highway 24/40 facing east



View of US Highway 24/40 facing west

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ADDENDA C

Data Sources

DATA SOURCES

Sources used in this study include data that is both written and oral, published and unpublished, and proprietary and non-proprietary. Real estate developers, housing officials, local housing and planning authority employees, property managers and other housing industry participants were interviewed. In addition, we conducted a survey of existing, comparable properties.

This report incorporates published data supplied by various agencies and organizations including:

- U.S. Census Bureau
- U.S. Bureau of Labor Statistics
- City of Basehor, KS
- Leavenworth County, KS
- HUD State of the Cities Data Systems
- Basehor Chamber of Commerce
- Claritas
- Department of Housing and Urban Development (HUD)
- Leavenworth County Utility Allowance Schedule
- Leavenworth County Housing Authority

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ADDENDA D
Utility Allowance Schedule

Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0189
(exp. 9/30/2010)

See Public Reporting Statement and Instructions on back

Locality		Unit Type					Date (mm/dd/yyyy)
City of Leavenworth		Apartment					01/01/2009
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	a. Natural Gas	20	25	35	45	55	65
	b. Bottle Gas						
	c. Oil / Electric	20	25	35	40	50	60
	d. Coal / Other						
Cooking	a. Natural Gas	6	6	8	10	12	14
	b. Bottle Gas						
	c. Oil / Electric	4	4	6	8	10	12
	d. Coal / Other						
Other Electric		18	20	26	32	40	46
Air Conditioning		10	12	16	19	24	26
Water Heating	a. Natural Gas	15	18	22	27	35	40
	b. Bottle Gas						
	c. Oil / Electric	15	18	22	27	35	40
	d. Coal / Other						
Water		20	20	25	30	35	40
Sewer		12	12	16	18	24	28
Trash Collection		15	15	15	15	15	15
Range/Microwave		10	10	10	10	10	10
Refrigerator		14	14	14	14	14	14
Other -- specify							

Actual Family Allowances To be used by the family to compute allowance.
Complete below for the actual unit rented.

Name of Family

Address of Unit

Number of Bedrooms

Utility or Service	per month cost
Heating	\$
Cooking	
Other Electric	
Air Conditioning	
Water Heating	
Water	
Sewer	
Trash Collection	
Range/Microwave	
Refrigerator	
Other	
Total	\$

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ADDENDA E
Floor plans and Elevations

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ADDENDA F

Qualifications of Consultants

LEA & COMPANY

Affordable Housing Valuation & Consulting Solutions

Byron N. Lea, MAI
Richard A Ribacchi, MAI
Robin S. Weck, MAI
Adam G. Eursch, MBA

Company Profile

LEA & COMPANY provides Affordable Housing Valuation and Consulting Solutions within the Affordable Housing Industry. Prior to establishing LEA & COMPANY in 2006, Byron N. Lea, MAI was a Partner with the national accounting firm of Novogradac & Company, LLP. From 2000 through 2006, he opened the firm's Midwest and Los Angeles Valuation Group offices, developing clientele and professional staff. During that time period, he and staff in the two offices performed over 1,200 market studies and appraisal assignments throughout the Midwest and Western States.

We provide a wide range of specialized services designed to meet the needs of our clients. The Partners of LEA & COMPANY are experienced in the interpretation of the myriad of rules, regulations and procedures affecting valuation issues within the dynamic affordable housing industry.

Our clients include developers, lenders, government agencies, investors, and tax-credit syndication firms. These services include tax credit application market studies and appraisals, lender appraisals, and feasibility consulting. We work extensively with proposed and existing family and senior LIHTC properties, USDA Rural Development properties, and HUD properties including the Mark-To-Market program providing Rent Comparability Studies, and MAP program valuation services.

Our work specializes within several programs that have specific reporting requirements that require specialized knowledge both of the program and property type. Our geographic areas of coverage are wide, and we are knowledgeable of reporting procedures for every State Allocating Agency we work with, as each agency has specific requirements for market studies format and presentation style for inclusion with a Low Income Housing Tax Credit (LIHTC) application.

While we work nationally, we incorporate local and regional market expertise through consulting agreements with Appraisal Institute members within regional markets to provide the "location specific knowledge" only available from local valuation experts. This unique collaboration combines the specialized expertise and competencies necessary within the affordable housing niche achieved only from years of specialization, with the local valuation perspective that only comes from years of experience within local markets.

Project Coordination, Consistency and Follow-Up

As an independent third party consultant provider, our focus is on providing unbiased, accurate, and reliable reports. We are always aware of the "11th hour modifications to projects" such as unit mix or AMI level changes that ripple throughout market studies and appraisals. Our teams of professionals are committed to being available to accommodate these last minute project revisions whenever and wherever they occur. Our ability to respond in a timely, efficient and accurate manner is one of the reasons why our clients rely upon LEA & COMPANY.

We recognize that our clients have complex assignments that often cover large geographic areas and also are very delivery timing sensitive. In order to maintain a consistent level of high quality service, the managing Partners of LEA & COMPANY recruit and train multi-disciplined teams that are capable of completing their assigned tasks accurately and on time. Our service to our clients begins with the selection and training of professionals capable of working in our specialized consulting environment.

Office Locations/Contact Person

Northern California
Robin S. Weck, MAI
10301 Placer Lane, #100
Sacramento, CA 95827
916-361-6600

Southern California
Byron N. Lea, MAI
3721 Wrightwood Drive
Studio City, CA 91604
818-914-1892

Midwest
Jay Wortmann
14252 Redick Avenue
Omaha, NE 68164
402-202-0771

References

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2878 Camino Del Rio
South, Suite 240
San Diego, CA 92108

Developer of Affordable Housing
jules@amerland.bz
619-260-5562

Ronald W. Bunn, MAI
Washington Mutual Bank
1301 Second Avenue, 38th
Floor
Seattle, WA 98101

Chief Appraiser
ronald.bunn@wamu.net
206-500-4543

Qualifications of Partners

The professionals at LEA & COMPANY have demonstrated expertise in real estate consulting and appraisal. Our Partners have over 72 years of combined experience in the real estate consulting and appraisal industry, and the majority hold MAI designations. In addition, we have endeavored to hire highly qualified and motivated individuals as represented by a staff that includes (6) MBA's and the completion of extensive Appraisal Institute coursework.

- Byron N. Lea, MAI
- Robin S. Weck, MAI
- Richard A. Ribacchi, MAI

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
BYRON N. LEA, MAI**

ASSOCIATION MEMBERSHIPS

Member of the Appraisal Institute (MAI) No. 10374

STATE CERTIFICATIONS

State of California Certified General Real Estate Appraiser (AG008505)

State of Colorado Certified General Appraiser (CG40039600)

State of Missouri Certified General Real Estate Appraiser (RA 002853)

State of Nebraska Certified General Real Estate Appraiser (CG290075R)

EDUCATION

California State University Sacramento, **Bachelor of Science** in Business Administration, 1985

All educational requirements successfully completed for the Appraisal Institute MAI designation and 100-hour/five year continuing education cycles.

EXPERIENCE

- | | |
|--------------------|--|
| 8/2006/ to Present | Establishment of Lea & Company, Partner of Firm. Commercial Valuation and Consulting Services within the Affordable Housing Industry. |
| 8/2000 to 8/2006 | Novogradac & Company LLP, Partner, established the Kansas City and Los Angeles Valuation Group offices. |
| 7/94 to 8/2000 | Relocated to Kansas City, Senior Appraiser, Nunnink & Associates, Inc., which transformed into Integra Realty Resources.
Performed narrative appraisals and review of appraisals. |
| 8/88 - 7/94 | Commercial Fee Appraiser, Lea & Associates, Sacramento, California
Principal of firm. Performed narrative appraisals on fee basis. |
| 8/86 - 5/88 | Commercial Appraiser, Urban Pacific Services, Newport Beach, California
Performed narrative appraisals. |
| 1/86 - 8/86 | Commercial Appraiser, Bank of America, Orange County, California
Staff commercial appraiser. |
| 4/85 - 9/85 | Financial Analyst, Financial Investment Advisors Associates (FIA), Inc., Sacramento, California. Financial analysis of multi-million dollar institutional grade real estate. |

REPRESENTATIVE SAMPLE OF ASSIGNMENTS

- On a national basis, conduct market studies and appraisals for proposed Low-Income Housing Tax Credit properties.
- On a national basis, conduct market studies and appraisals for preservation of affordable housing properties involving USDA and HUD programs, oftentimes with renovation using Low-Income Housing Tax Credits and/or Historic Tax Credits. Programs include USDA 515 and 538, and HUD 221D4, 236, and MAP.
- Team member in the valuation of a U.S. Air Force Base closure located in Northern California.

Statement of Professional Qualifications

Byron N. Lea, MAI

Page 2

- Rockhurst College, a Jesuit University located in Kansas City, Missouri.
- Rockhurst High School, a Jesuit High School located in Kansas City, Missouri.
- Student housing portfolios located in West Lafayette, Indiana, home of Purdue University.
- Fair Rental Market Analysis for General Services Agency consisting of a Federal Courthouse located in Kansas City, Kansas, Bannister Federal Complex, and Federal properties located in Leavenworth and Topeka, Kansas and Independence, Missouri.
- Industrial portfolio valuation of properties located throughout the United States.
- Residential subdivisions located in California and Midwest.
- Regional Malls located in California.
- Convenience Store properties located throughout the Midwest.
- Proposed Mixed Use Entertainment Center with Megaplex theaters and restaurant.
- Megaplex and Multiplex movie theaters.
- Proposed truck terminal facilities located in Kansas and Missouri.
- Bulk liquids transfer terminal located in Kansas.
- Assisted living and nursing home properties located in Kansas and Missouri.
- Institutional grade investment properties located throughout the United States.
- Portfolio valuation for Small Business Administration of properties located in California.
- Rent Comparability Studies of apartment properties for HUD programs.

STATEMENT OF PROFESSIONAL QUALIFICATIONS
ROBIN S. WECK, MAI

ASSOCIATION MEMBERSHIPS

Member of the Appraisal Institute (MAI) No. 10040

STATE CERTIFICATIONS

State of California Certified General Real Estate Appraiser (AG007101)

Licensed California Real Estate Broker #00976923

EDUCATION

California State University Fresno, Bachelor of Science in Business Administration, 1982

All educational requirements successfully completed for the Appraisal Institute MAI designation and 100-hour/five year continuing education cycles.

EXPERIENCE

9/06 to Present	Establishment of Lea & Company, Partner of Firm. Commercial Valuation and Consulting Services within the Affordable Housing Industry.
6/02 to Present	Establishment of Ribacchi-Weck, Inc., Partner of Firm. Commercial Appraisal Firm serving clients throughout Northern and Central California.
1/99 – 4/01	Investment Banker, The GMS Group, specializing in underwriting tax-exempt bond financing for senior housing and healthcare properties.
6/86 – 8/98	Fee appraiser/Partner with Corcoran & Seevers, Sacramento, CA

REPRESENTATIVE SAMPLE OF ASSIGNMENTS

- Perform market studies for both new and existing Low-Income Housing Tax Credit and market rate developments. Scope of work includes property screenings, market and demographic analysis, rent surveys, confirmation of land and improved sales and supply/demand analysis.
- Provided market study and appraisal of Sun City Tehama, a proposed 3,700-unit Age-Restricted Retirement Community to be located along Interstate 5 in Tehama County, California.
- Provided market study and appraisal of Cedar Gateway, a proposed five-story mixed-use residential and commercial development located at 5th Street and Cedar Avenue, San Diego, California.
- Facilitated the arrangement of a \$35,000,000 Tax-Exempt Bond Issue to finance the construction of a 156-unit independent/assisted living facility in the City of Millbrae, California.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
RICHARD A. RIBACCHI, MAI**

ASSOCIATION MEMBERSHIPS

Member of the Appraisal Institute (MAI #8550)
Past President - Sacramento Sierra Chapter Appraisal Institute
Region 1 Associate Guidance Representative - Appraisal Institute
Membership Development and Retention Committee - Appraisal Institute

STATE CERTIFICATION

State of California Certified General Real Estate Appraiser No. AG003669

EDUCATION

B.S. Degree in Business Administration/Finance from the University of Southern California

COURT RECOGNITION

Qualified as an expert witness in Superior Court of California, County of El Dorado, and U.S. Bankruptcy Court, Eastern District of California and Northern District of California.

EXPERIENCE

9/2006/ to Present	Establishment of Lea & Company, Partner of Firm. Commercial Valuation and Consulting Services within the Affordable Housing Industry.
6/02 to Present	Establishment of Ribacchi-Weck, Inc., Partner of Firm. Commercial Appraisal Firm serving clients throughout Northern and Central California.
1/91 to 6/02	Establishment of Ribacchi & Associates, Principal of Firm. Commercial Appraisal Firm serving clients throughout Northern and Central California.
8/88 – 12/90	Commercial Fee Appraiser, Clark-Wolcott Company, Inc., Sacramento, California. Commercial Appraiser. Performed narrative appraisals on fee basis.
5/84 - 7/88	Commercial Appraiser, Urban Pacific Services, Newport Beach, California. Performed narrative appraisals on fee basis.

AREAS OF EXPERTISE

Feasibility and Market Analysis	Financial profitability studies, supply & demand studies, and market penetration analysis.
Vacant Land	Residential, commercial, and industrial sites; multi-use holdings with acreage suitable for residential, commercial, industrial and other uses.
Residential	Residential subdivisions, condominiums, planned unit developments, mobile home parks, apartments and LIHTC developments, SFR's, and HUD Rent Comparability Studies.
Industrial	Industrial parks, business parks, warehouses, manufacturing plants, mini-warehouse projects, etc.
Special Purpose	Congregate care facilities, solid waste transfer station.
Litigation Support	Right of way taking, condemnation, partial interest, permanent agricultural easements, bankruptcy, tax appeal, estate planning.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
JAY A. WORTMANN**

EDUCATION

University of Nebraska, **Bachelor of Science** in Business Administration with an emphasis in Finance and Management, 2004

Consortium Institute of Management and Business Analysis (CIMBA) Undergraduate Program, Spring Semester 2004, Paderno del Grappa, Italy

General Commercial Appraisal Courses Completed:

- Basic Appraisal Procedures 10/2008
- Basic Appraisal Principles 12/2008
- National USPAP 15-Hour Course 12/2008

EXPERIENCE

01/2007 to Present	Lea & Company, Real Estate Analyst/Midwest Office Manager
11/2006 to 5/2008	Assumption-Guadalupe Catholic School - South Omaha CORE Development Director
06/2004 to 10/2006	Novogradac & Company LLP, Real Estate Analyst
11/2000 to 01/2004	Commercial Federal Bank, Customer Service Representative

REAL ESTATE ASSIGNMENTS

A representative sample of various types of projects involved with includes:

- On a national basis, assisted with market studies and appraisals for proposed Low-Income Housing Tax Credit properties. Includes property screenings, market and demographic analysis, comparable rent surveys, and supply and demand analysis.
- On a national basis, assisted with market studies and appraisals for preservation of affordable housing properties involving USDA and HUD programs, oftentimes with renovation using Low-Income Housing Tax Credits and/or Historic Tax Credits. Programs include USDA 515 and 538, and HUD 221D4, 236, and MAP.
- Prepare market studies for proposed new construction, conversion, and existing Low-Income Housing Tax Credit developments for special needs and age-restricted populations.

- Assist with appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties, Section 8 Mark-to-Market properties, and HUD Map Section 221D4 properties. Assistance includes rent comparability studies, determination of market rents and market analysis.
- Conduct rent comparable studies for properties encumbered by Section 8 contracts. Research included analysis of comparable properties and market analysis

Work assignments completed in various states include:

Arizona	Missouri
Arkansas	Montana
California	Nebraska
Colorado	New Mexico
Hawaii	North Dakota
Iowa	Oklahoma
Kansas	Texas
Michigan	Washington
Minnesota	Wyoming
Mississippi	

40% AMI Demand

Projected Renter Household Demand by Bedroom Type						
Household Distribution						
Household Size Distribution		Total Number of Households				
1 person	17.4%	2,622				
2 persons	34.1%	5,148				
3 persons	19.7%	2,971				
4 persons	17.9%	2,700				
5 persons	7.8%	1,186				
6 persons	2.4%	358				
7+ persons	0.8%	125				
Total	100.0%	15,110				
Income-Qualified Renter Demand						
	Total Number of Households	Percentage Renter Households			Percent Income-Qualified of Total Households	
						Number Qualified Renter Households
1 person	2,622	x	16.7%	x	5.9%	26
2 persons	5,148	x	16.7%	x	5.9%	51
3 persons	2,971	x	16.7%	x	5.9%	29
4 persons	2,700	x	16.7%	x	5.9%	26
5 persons	1,186	x	16.7%	x	5.9%	12
6 persons	358	x	16.7%	x	5.9%	4
7+ persons	125	x	16.7%	x	5.9%	1
Total	15,110					148
Projected Renter Household Demand by Bedroom Size						
Number of Qualified Renter Households						
1BR/1BA	38					
2BR/2BA	45					
3BR/2BA	46					
Total	129					
Capture Rate Analysis - 40% AMI						
Developer's Unit Mix		Capture Rate				
1BR/1BA	2	5.2%				
2BR/2BA	5	11.1%				
3BR/2BA	4	8.7%				
Total/Overall	11	8.5%				
Adjusted for Leakage from Outside of the PMA						
1BR/1BA	2	4.2%				
2BR/2BA	5	8.9%				
3BR/2BA	4	7.0%				
Total/Overall	11	6.8%				

The Subject's one, two, and three-bedroom capture rate at the 40 percent AMI are 4.2, 8.9, and 7.0 percent, respectively and the overall capture rate is 6.8 percent

60% AMI Demand

Projected Renter Household Demand by Bedroom Type			
Household Distribution			
Household Size Distribution		Total Number of Households	
1 person	17.4%	2,622	
2 persons	34.1%	5,148	
3 persons	19.7%	2,971	
4 persons	17.9%	2,700	
5 persons	7.8%	1,186	
6 persons	2.4%	358	
7+ persons	0.8%	125	
Total	100.0%	15,110	
Income-Qualified Renter Demand			
Total Number of Households	Percentage Renter Households	Percent Income-Qualified of Total Households	Number Qualified Renter Households
1 person	x 16.7%	x 16.8%	74
2 persons	x 16.7%	x 16.8%	144
3 persons	x 16.7%	x 16.8%	83
4 persons	x 16.7%	x 16.8%	76
5 persons	x 16.7%	x 16.8%	33
6 persons	x 16.7%	x 16.8%	10
7+ persons	x 16.7%	x 16.8%	4
Total	15,110		424
Projected Renter Household Demand by Bedroom Size			
Number of Qualified Renter Households			
1BR/1BA	110		
2BR/2BA	129		
3BR/2BA	131		
Total	370		
Capture Rate Analysis - 60% AMI			
Developer's Unit Mix	Capture Rate		
1BR/1BA	6 5.5%		
2BR/2BA	19 14.7%		
3BR/2BA	12 9.1%		
Total/Overall	37 10.0%		
Adjusted for Leakage from Outside of the PMA			
1BR/1BA	6 4.4%		
2BR/2BA	19 11.8%		
3BR/2BA	12 7.3%		
Total/Overall	37 8.0%		

The Subject's one, two, and three-bedroom capture rates at the 60 percent AMI are 4.4, 11.8, and 7.3 percent, respectively and the overall capture rate is 8.0 percent.

ANNUAL CAPTURE RATE ANALYSIS

The second calculation derives an estimated market penetration rate based on per annum demand. This is an indication of the percentage of the net demand penetration that the Subject must attract to reach stabilized occupancy. This measure essentially takes the available household demand searching for apartments in the market area and deducts competition to determine net demand available to the Subject. This analysis reflects leakage of 25%. The table below outlines the analysis of this methodology.

Annual Demand Year One - All Units		Primary Market
Existing Demand		
Number of Households 2009		15,111
Increase in Households		1,520
Number of Households 2014		16,631
Income Qualified		18.5%
Percentage Renter		16.7%
Number of Income Qualified Renter Households		514
Percent of households paying 35% or greater on housing		35.0%
Existing Income Qualified Renter Household Turnover		180
New Income Qualified Demand Stated Annually		
Increase in Households per Annum		304
Income Qualified		18.5%
Percent Renter		16.7%
New Rental Income Qualified Households		9
Total Demand (Existing & New) from within PMA		189
Households Originating from Outside the PMA		
% of Portion Originating outside the PMA		25%
Total Households coming from outside the PMA		47
Total Demand (Existing, New, and HH's from outside the PMA)		237
Annual Capture Rate Calculation		
Number of LIHTC Units in Subject		48
Stabilized Occupied Units at Subject With	5%	46
Units Pre-Leased	0%	0
Total Demand (Existing, New, and HH's from outside the PMA)		237
Less: LIHTC Projects Proposed or in Absorption Process		0
Total Demand after Competition (Turnover and Growth)		237
Yielded Annual Capture Rate		19.3%

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9. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.
10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums, except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.

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18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.
19. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The consultant does not warrant the condition or adequacy of such systems.
20. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
21. Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. This report is not valid for syndication purposes.

CERTIFICATION

The undersigned hereby certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, conclusions, and recommendations;
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved;
- We have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment;
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results;
- Our 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;
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice;
- Jay A. Wortmann inspected the Subject property and comparable market data incorporated in this report. Byron N. Lea, MAI did not inspect the property or comparable market data.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of this report, Byron N. Lea, MAI has completed the requirements of the continuing education program of the Appraisal Institute.



Byron N. Lea, MAI



Jay A. Wortmann

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ADDENDA B

Photographs

SUBJECT PHOTOGRAPHS



View of the Subject facing northeast



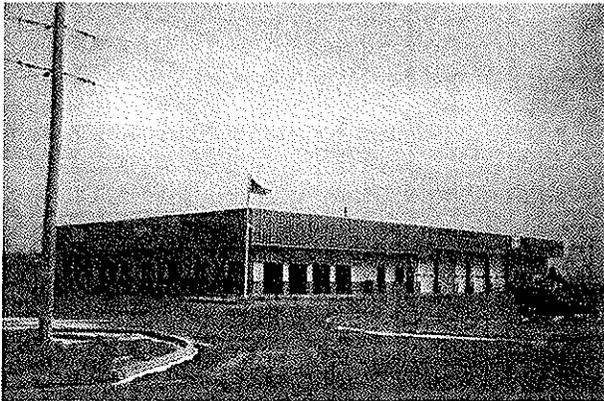
Another view of the Subject facing east



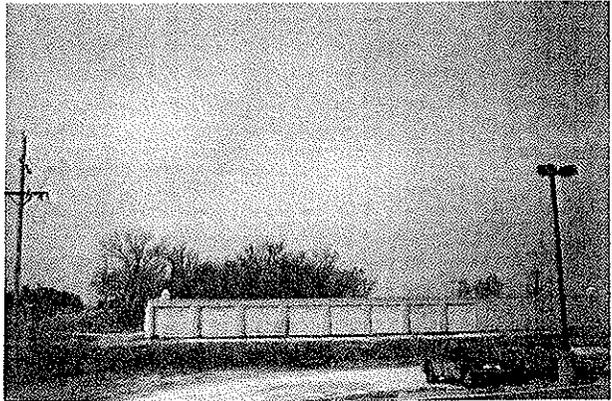
Another view of the Subject



View of the Subject from north side of US Highway 24/40

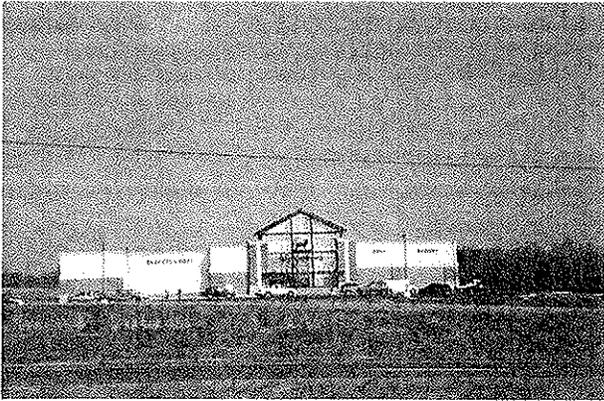


View of the building adjacent to the west

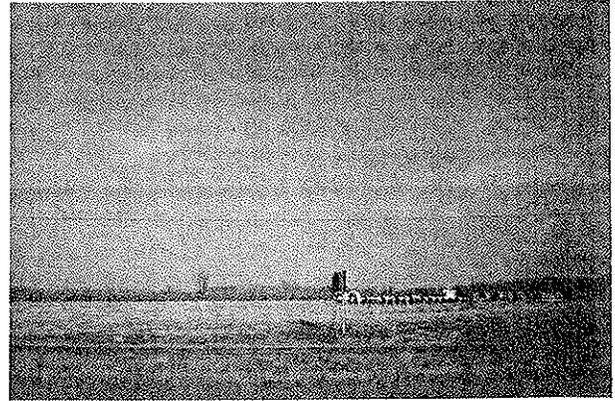


View of Storage further to the west

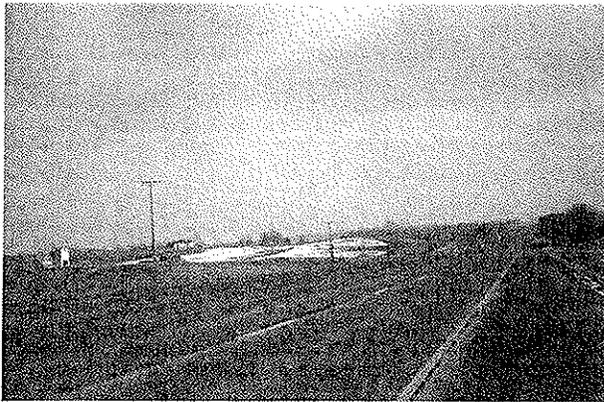
SUBJECT PHOTOGRAPHS



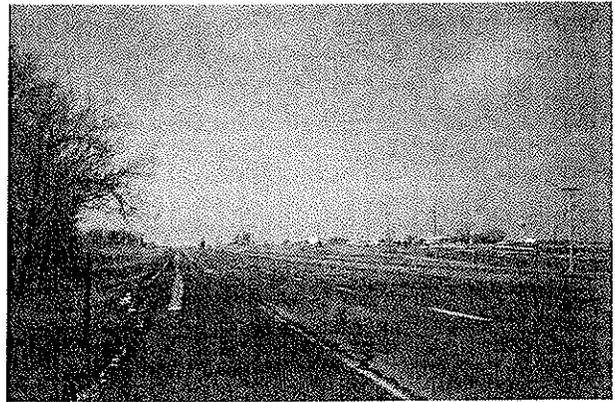
View of Wolf Creek Market Place to the north



View of vacant land to the north



View of US Highway 24/40 facing east



View of US Highway 24/40 facing west

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ADDENDA C

Data Sources

DATA SOURCES

Sources used in this study include data that is both written and oral, published and unpublished, and proprietary and non-proprietary. Real estate developers, housing officials, local housing and planning authority employees, property managers and other housing industry participants were interviewed. In addition, we conducted a survey of existing, comparable properties.

This report incorporates published data supplied by various agencies and organizations including:

- U.S. Census Bureau
- U.S. Bureau of Labor Statistics
- City of Basehor, KS
- Leavenworth County, KS
- HUD State of the Cities Data Systems
- Basehor Chamber of Commerce
- Claritas
- Department of Housing and Urban Development (HUD)
- Leavenworth County Utility Allowance Schedule
- Leavenworth County Housing Authority

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ADDENDA D
Utility Allowance Schedule

Allowances for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 9/30/2010)

See Public Reporting Statement and Instructions on back

Locality		Unit Type					Date (mm/dd/yyyy)
City of Leavenworth		Apartment					01/01/2009
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	a. Natural Gas	20	25	35	45	55	65
	b. Bottle Gas						
	c. Oil / Electric	20	25	35	40	50	60
	d. Coal / Other						
Cooking	a. Natural Gas	6	6	8	10	12	14
	b. Bottle Gas						
	c. Oil / Electric	4	4	6	8	10	12
	d. Coal / Other						
Other Electric		18	20	26	32	40	46
Air Conditioning		10	12	16	19	24	26
Water Heating	a. Natural Gas	15	18	22	27	35	40
	b. Bottle Gas						
	c. Oil / Electric	15	18	22	27	35	40
	d. Coal / Other						
Water		20	20	25	30	35	40
Sewer		12	12	16	18	24	28
Trash Collection		15	15	15	15	15	15
Range/Microwave		10	10	10	10	10	10
Refrigerator		14	14	14	14	14	14
Other -- specify							

Actual Family Allowances: To be used by the family to compute allowance.
Complete below for the actual unit rented.

Name of Family

Address of Unit

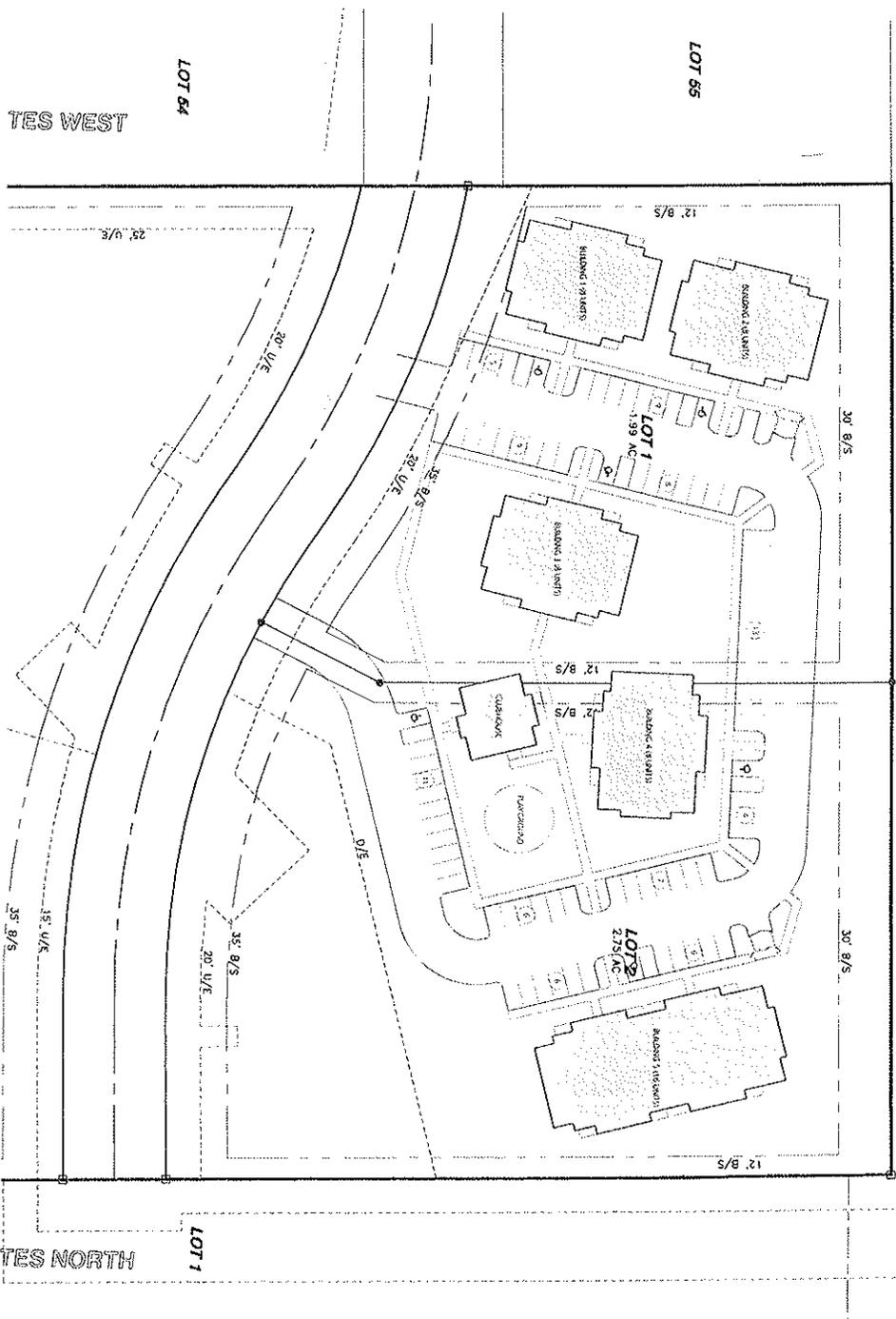
Number of Bedrooms

Utility or Service	per month cost
Heating	\$
Cooking	
Other Electric	
Air Conditioning	
Water Heating	
Water	
Sewer	
Trash Collection	
Range/Microwave	
Refrigerator	
Other	
Total	\$

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ADDENDA E
Floor plans and Elevations

1 SITE PLAN



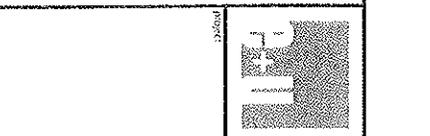
GENERAL NOTES:
 1. ALL DIMENSIONS ARE IN FEET AND INCHES.
 2. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
 3. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
 4. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
 5. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
 6. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
 7. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
 8. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
 9. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
 10. ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.

SD100

PROJECT:
 BASEHOR APARTMENTS
ADDRESS:
 1100 N. 1100th Street
 Basehor, MO 64007

OWNER:
 GRIFFIN DEVELOPMENT
 1100 N. 1100th Street
 Basehor, MO 64007

BASEHOR APARTMENTS
 1100th Street
 Basehor, MO 64007
Preliminary Development Plan



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ADDENDA F

Qualifications of Consultants

LEA & COMPANY

Affordable Housing Valuation & Consulting Solutions

Byron N. Lea, MAI

Richard A Ribacchi, MAI

Robin S. Weck, MAI

Adam G. Bursch, MBA

Company Profile

LEA & COMPANY provides Affordable Housing Valuation and Consulting Solutions within the Affordable Housing Industry. Prior to establishing LEA & COMPANY in 2006, Byron N. Lea, MAI was a Partner with the national accounting firm of Novogradac & Company, LLP. From 2000 through 2006, he opened the firm's Midwest and Los Angeles Valuation Group offices, developing clientele and professional staff. During that time period, he and staff in the two offices performed over 1,200 market studies and appraisal assignments throughout the Midwest and Western States.

We provide a wide range of specialized services designed to meet the needs of our clients. The Partners of LEA & COMPANY are experienced in the interpretation of the myriad of rules, regulations and procedures affecting valuation issues within the dynamic affordable housing industry.

Our clients include developers, lenders, government agencies, investors, and tax-credit syndication firms. These services include tax credit application market studies and appraisals, lender appraisals, and feasibility consulting. We work extensively with proposed and existing family and senior LIHTC properties, USDA Rural Development properties, and HUD properties including the Mark-To-Market program providing Rent Comparability Studies, and MAP program valuation services.

Our work specializes within several programs that have specific reporting requirements that require specialized knowledge both of the program and property type. Our geographic areas of coverage are wide, and we are knowledgeable of reporting procedures for every State Allocating Agency we work with, as each agency has specific requirements for market studies format and presentation style for inclusion with a Low Income Housing Tax Credit (LIHTC) application.

While we work nationally, we incorporate local and regional market expertise through consulting agreements with Appraisal Institute members within regional markets to provide the "location specific knowledge" only available from local valuation experts. This unique collaboration combines the specialized expertise and competencies necessary within the affordable housing niche achieved only from years of specialization, with the local valuation perspective that only comes from years of experience within local markets.

Project Coordination, Consistency and Follow-Up

As an independent third party consultant provider, our focus is on providing unbiased, accurate, and reliable reports. We are always aware of the “11th hour modifications to projects” such as unit mix or AMI level changes that ripple throughout market studies and appraisals. Our teams of professionals are committed to being available to accommodate these last minute project revisions whenever and wherever they occur. Our ability to respond in a timely, efficient and accurate manner is one of the reasons why our clients rely upon LEA & COMPANY.

We recognize that our clients have complex assignments that often cover large geographic areas and also are very delivery timing sensitive. In order to maintain a consistent level of high quality service, the managing Partners of LEA & COMPANY recruit and train multi-disciplined teams that are capable of completing their assigned tasks accurately and on time. Our service to our clients begins with the selection and training of professionals capable of working in our specialized consulting environment.

Office Locations/Contact Person

Northern California
Robin S. Weck, MAI
10301 Placer Lane, #100
Sacramento, CA 95827
916-361-6600

Southern California
Byron N. Lea, MAI
3721 Wrightwood Drive
Studio City, CA 91604
818-914-1892

Midwest
Jay Wortmann
14252 Redick Avenue
Omaha, NE 68164
402-202-0771

References

Jules Arthur
The Amerland Group
2878 Camino Del Rio
South, Suite 240
San Diego, CA 92108

Developer of Affordable Housing
jules@amerland.bz
619-260-5562

Ronald W. Bunn, MAI
Washington Mutual Bank
1301 Second Avenue, 38th
Floor
Seattle, WA 98101

Chief Appraiser
ronald.bunn@wamu.net
206-500-4543

Qualifications of Partners

The professionals at LEA & COMPANY have demonstrated expertise in real estate consulting and appraisal. Our Partners have over 72 years of combined experience in the real estate consulting and appraisal industry, and the majority hold MAI designations. In addition, we have endeavored to hire highly qualified and motivated individuals as represented by a staff that includes (6) MBA's and the completion of extensive Appraisal Institute coursework.

- Byron N. Lea, MAI
- Robin S. Weck, MAI
- Richard A. Ribacchi, MAI

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
BYRON N. LEA, MAI**

ASSOCIATION MEMBERSHIPS

Member of the Appraisal Institute (MAI) No. 10374

STATE CERTIFICATIONS

State of California Certified General Real Estate Appraiser (AG008505)

State of Colorado Certified General Appraiser (CG40039600)

State of Missouri Certified General Real Estate Appraiser (RA 002853)

State of Nebraska Certified General Real Estate Appraiser (CG290075R)

EDUCATION

California State University Sacramento, **Bachelor of Science** in Business Administration, 1985

All educational requirements successfully completed for the Appraisal Institute MAI designation and 100-hour/five year continuing education cycles.

EXPERIENCE

8/2006/ to Present	Establishment of Lea & Company, Partner of Firm. Commercial Valuation and Consulting Services within the Affordable Housing Industry.
8/2000 to 8/2006	Novogradac & Company LLP, Partner, established the Kansas City and Los Angeles Valuation Group offices.
7/94 to 8/2000	Relocated to Kansas City, Senior Appraiser, Nunnink & Associates, Inc., which transformed into Integra Realty Resources. Performed narrative appraisals and review of appraisals.
8/88 - 7/94	Commercial Fee Appraiser, Lea & Associates, Sacramento, California Principal of firm. Performed narrative appraisals on fee basis.
8/86 - 5/88	Commercial Appraiser, Urban Pacific Services, Newport Beach, California Performed narrative appraisals.
1/86 - 8/86	Commercial Appraiser, Bank of America, Orange County, California Staff commercial appraiser.
4/85 - 9/85	Financial Analyst, Financial Investment Advisors Associates (FIA), Inc., Sacramento, California. Financial analysis of multi-million dollar institutional grade real estate.

REPRESENTATIVE SAMPLE OF ASSIGNMENTS

- On a national basis, conduct market studies and appraisals for proposed Low-Income Housing Tax Credit properties.
- On a national basis, conduct market studies and appraisals for preservation of affordable housing properties involving USDA and HUD programs, oftentimes with renovation using Low-Income Housing Tax Credits and/or Historic Tax Credits. Programs include USDA 515 and 538, and HUD 221D4, 236, and MAP.
- Team member in the valuation of a U.S. Air Force Base closure located in Northern California.

Statement of Professional Qualifications

Byron N. Lea, MAI

Page 2

- Rockhurst College, a Jesuit University located in Kansas City, Missouri.
- Rockhurst High School, a Jesuit High School located in Kansas City, Missouri.
- Student housing portfolios located in West Lafayette, Indiana, home of Purdue University.
- Fair Rental Market Analysis for General Services Agency consisting of a Federal Courthouse located in Kansas City, Kansas, Bannister Federal Complex, and Federal properties located in Leavenworth and Topeka, Kansas and Independence, Missouri.
- Industrial portfolio valuation of properties located throughout the United States.
- Residential subdivisions located in California and Midwest.
- Regional Malls located in California.
- Convenience Store properties located throughout the Midwest.
- Proposed Mixed Use Entertainment Center with Megaplex theaters and restaurant.
- Megaplex and Multiplex movie theaters.
- Proposed truck terminal facilities located in Kansas and Missouri.
- Bulk liquids transfer terminal located in Kansas.
- Assisted living and nursing home properties located in Kansas and Missouri.
- Institutional grade investment properties located throughout the United States.
- Portfolio valuation for Small Business Administration of properties located in California.
- Rent Comparability Studies of apartment properties for HUD programs.

STATEMENT OF PROFESSIONAL QUALIFICATIONS
ROBIN S. WECK, MAI

ASSOCIATION MEMBERSHIPS

Member of the Appraisal Institute (MAI) No. 10040

STATE CERTIFICATIONS

State of California Certified General Real Estate Appraiser (AG007101)
Licensed California Real Estate Broker #00976923

EDUCATION

California State University Fresno, Bachelor of Science in Business Administration, 1982

All educational requirements successfully completed for the Appraisal Institute MAI designation and 100-hour/five year continuing education cycles.

EXPERIENCE

9/06 to Present	Establishment of Lea & Company, Partner of Firm. Commercial Valuation and Consulting Services within the Affordable Housing Industry.
6/02 to Present	Establishment of Ribacchi-Weck, Inc., Partner of Firm. Commercial Appraisal Firm serving clients throughout Northern and Central California.
1/99 – 4/01	Investment Banker, The GMS Group, specializing in underwriting tax-exempt bond financing for senior housing and healthcare properties.
6/86 – 8/98	Fee appraiser/Partner with Corcoran & Seevers, Sacramento, CA

REPRESENTATIVE SAMPLE OF ASSIGNMENTS

- Perform market studies for both new and existing Low-Income Housing Tax Credit and market rate developments. Scope of work includes property screenings, market and demographic analysis, rent surveys, confirmation of land and improved sales and supply/demand analysis.
- Provided market study and appraisal of Sun City Tehama, a proposed 3,700-unit Age-Restricted Retirement Community to be located along Interstate 5 in Tehama County, California.
- Provided market study and appraisal of Cedar Gateway, a proposed five-story mixed-use residential and commercial development located at 5th Street and Cedar Avenue, San Diego, California.
- Facilitated the arrangement of a \$35,000,000 Tax-Exempt Bond Issue to finance the construction of a 156-unit independent/assisted living facility in the City of Millbrae, California.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
RICHARD A. RIBACCHI, MAI**

ASSOCIATION MEMBERSHIPS

Member of the Appraisal Institute (MAI #8550)
Past President - Sacramento Sierra Chapter Appraisal Institute
Region 1 Associate Guidance Representative - Appraisal Institute
Membership Development and Retention Committee - Appraisal Institute

STATE CERTIFICATION

State of California Certified General Real Estate Appraiser No. AG003669

EDUCATION

B.S. Degree in Business Administration/Finance from the University of Southern California

COURT RECOGNITION

Qualified as an expert witness in Superior Court of California, County of El Dorado, and U.S. Bankruptcy Court, Eastern District of California and Northern District of California.

EXPERIENCE

9/2006/ to Present Establishment of Lea & Company, Partner of Firm. Commercial Valuation and Consulting Services within the Affordable Housing Industry.

6/02 to Present Establishment of Ribacchi-Weck, Inc., Partner of Firm. Commercial Appraisal Firm serving clients throughout Northern and Central California.

1/91 to 6/02 Establishment of Ribacchi & Associates, Principal of Firm. Commercial Appraisal Firm serving clients throughout Northern and Central California.

8/88 – 12/90 Commercial Fee Appraiser, Clark-Wolcott Company, Inc., Sacramento, California. Commercial Appraiser. Performed narrative appraisals on fee basis.

5/84 - 7/88 Commercial Appraiser, Urban Pacific Services, Newport Beach, California. Performed narrative appraisals on fee basis.

AREAS OF EXPERTISE

Feasibility and
Market Analysis Financial profitability studies, supply & demand studies, and market penetration analysis.

Vacant Land Residential, commercial, and industrial sites; multi-use holdings with acreage suitable for residential, commercial, industrial and other uses.

Residential Residential subdivisions, condominiums, planned unit developments, mobile home parks, apartments and LIHTC developments, SFR's, and HUD Rent Comparability Studies.

Industrial Industrial parks, business parks, warehouses, manufacturing plants, mini-warehouse projects, etc.

Special Purpose Congregate care facilities, solid waste transfer station.

Litigation Support Right of way taking, condemnation, partial interest, permanent agricultural easements, bankruptcy, tax appeal, estate planning.

STATEMENT OF PROFESSIONAL QUALIFICATIONS
JAY A. WORTMANN

EDUCATION

University of Nebraska, **Bachelor of Science** in Business Administration with an emphasis in Finance and Management, 2004

Consortium Institute of Management and Business Analysis (CIMBA) Undergraduate Program, Spring Semester 2004, Paderno del Grappa, Italy

General Commercial Appraisal Courses Completed:

- Basic Appraisal Procedures 10/2008
- Basic Appraisal Principles 12/2008
- National USPAP 15-Hour Course 12/2008

EXPERIENCE

01/2007 to Present	Lea & Company, Real Estate Analyst/Midwest Office Manager
11/2006 to 5/2008	Assumption-Guadalupe Catholic School - South Omaha CORE Development Director
06/2004 to 10/2006	Novogradac & Company LLP, Real Estate Analyst
11/2000 to 01/2004	Commercial Federal Bank, Customer Service Representative

REAL ESTATE ASSIGNMENTS

A representative sample of various types of projects involved with includes:

- On a national basis, assisted with market studies and appraisals for proposed Low-Income Housing Tax Credit properties. Includes property screenings, market and demographic analysis, comparable rent surveys, and supply and demand analysis.
- On a national basis, assisted with market studies and appraisals for preservation of affordable housing properties involving USDA and HUD programs, oftentimes with renovation using Low-Income Housing Tax Credits and/or Historic Tax Credits. Programs include USDA 515 and 538, and HUD 221D4, 236, and MAP.
- Prepare market studies for proposed new construction, conversion, and existing Low-Income Housing Tax Credit developments for special needs and age-restricted populations.

- Assist with appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties, Section 8 Mark-to-Market properties, and HUD Map Section 221D4 properties. Assistance includes rent comparability studies, determination of market rents and market analysis.
- Conduct rent comparable studies for properties encumbered by Section 8 contracts. Research included analysis of comparable properties and market analysis

Work assignments completed in various states include:

Arizona	Missouri
Arkansas	Montana
California	Nebraska
Colorado	New Mexico
Hawaii	North Dakota
Iowa	Oklahoma
Kansas	Texas
Michigan	Washington
Minnesota	Wyoming
Mississippi	

City of Basehor
Agenda Item Cover Sheet

Agenda Item No. 6

Topic: Country Place Senior Living – Sewer Connection Fees

Action Requested: Country Place Living is asking council to consider a variance from Ordinance 582 which requires a connection fee of \$3,450 per unit.

Narrative: Country Place Living is proposing to construct a 22-suite assisted living facility in the City of Basehor. During the process of completing construction documents to obtain building permits they were advised that per ordinance 582 the connection fees would be \$3,450 per unit totaling \$75,900. The building will be connecting to the existing main with a single tap and they are asking council to consider one connection fee for the building verses 22.

Presented by: Mark Breuer, P.E./Lloyd Martley

Administration Recommendation: This will be a single building with 22 units which will require only one connection to our sewer lines. Staff recommends considering some type of connection fee structure for building projects of this type.

Committee Recommendation:

Attachments: Country Place Senior Living request letter, letter dated 12-12-11 original request for reduced connection fees, letter dated 12-29-11 where staff rejected original request for reduction in connection fees, ordinance 582.

Projector needed for this item?

No



SCHLAGEL & ASSOCIATES, P.A.

Engineers • Planners • Surveyors • Landscape Architects

January 24, 2012

Lloyd Martley
Interim City Administrator/Chief of Police
City of Basehor
2620 N. 155th Street
Basehor, KS 66007

RE: COUNTRY PLACE SENIOR LIVING - SEWER CONNECTION FEE

Dear Mr. Martley:

As you are aware, Country Place Living (CPL) is proposing to construct Country Place Senior Living, a 22-suite assisted living facility in the City of Basehor. Currently, building permit construction documents for this facility are nearly complete. With this permitting process, it has come to the attention of CPL that the City of Basehor staff has considered this building to be a 22-unit multi-family dwelling and calculated the connection fee according to City Ordinance 582. This Ordinance states that multi-unit buildings shall be subject to a \$3,450.00 connection fee per unit. This results in a total connection fee for this single building of \$75,900.00.

This letter is to serve as an official request to be placed on the February 6th City Council agenda, and to have the Council hear CPL's request for a variance from Ordinance 582. In support of this request, we offer the following information for the Council's consideration:

1. The floor plan of the residence is similar to that of a large home, with one main kitchen and dining area. The CPL base care plan includes 3 meals per day. For convenience, each of the 22-suites will have a small sink and cabinet for snacks. Nearly all food preparation will be done by CPL staff in the main kitchen. Additionally, there is a single centralized laundry room. Only 4 of the suites will be double occupancy.
2. The intent of Ordinance 582 is to offset cost associated with the infrastructure impacts of multi-family developments. For instance, a 22-unit Apartment complex would have several 2 and 3-bedroom units that would each have similar sewer impacts of single-family housing. The proposed use is much different in that each suite, with the exception of the 4 double occupancy suites would be used by a single person and could be considered similar to a hospital for which there would only be a single connection fee.
3. The average per suite winter water usage for 4 similar residences operated by CPL in the State of Kansas is 1,256 gallons per month. This is less than the 1,500 gallon monthly minimum City sewer fee.

4. The building will connect to the existing main with a single tap. No main extension is required and no additional future connections will be made.
5. Comparable connection fees at the Cities of Tonganoxie and Lansing are \$2750 and \$2500, respectively for each building connection regardless of the number of units.

Please do not hesitate to contact me with any questions or concerns. Confirmation of our request may be sent to my attention.

Respectfully submitted,

SCHLAGEL & ASSOCIATES, PA



Mark A. Breuer, P.E.
Project Engineer

MAB/mdr

c: Country Place Living

Country Place[®] LIVING

Do Well While Doing Good.™

12/12/11

City of Basehor, KS
Attn: Mitch Pleak – City Engineer
2620 N. 155th Street
PO Box 406
Basehor, KS 66007

Re: Sewer Impact Fee

Mr. Pleak,

Country Place Living (CPL) is proposing to construct Country Place Senior Living in Basehor, KS. In talking through the utilities, we have been notified that each unit of our residence will require a tap fee of \$3450 (per the attached city ordinance) to cover all impact fees. We also understand based on the attached city ordinance that 6350 gallons is the standard monthly allowance for a standard unit.

CPL would like the City of Basehor, KS, to consider Country Place Living not as a 22 unit multi family unit facility, but as 1 large house that has 22 suites. We would like for our sewer tap fee to be based on the calculations below of the water usage of our existing residence throughout Northeast Kansas. Please note that we will only tap the sewer line 1 time and that the impact of our usage will be far less than a standard 22 unit multifamily complex.

I have compiled the information below from our existing residence.

Country Place Senior Living of Belleville, KS, Water Usage (18 suite residence)

January 2011 – 26,400 gallons
February 2011 – 24,300 gallons
March 2011 – 24,600 gallons
3 month average = 25,100 gallons
Average monthly consumption per suite = 1395 gallons

Country Place Senior Living of Clay Center, KS, water usage (18 suite residence)

January 2011 – 30,969 gallons
February 2011 – 24,985 gallons
March 2011 – 29,324 gallons
3 month average = 28,426 gallons
Average monthly consumption per suite = 1580 gallons

2250 N. Rock Road
Suite 118 260
Wichita, KS 67226
p. 817.545.5353
E. 866.539.9176
www.CountryPlaceLiving.com



Country Place Senior Living of Marysville, KS, water usage (18 suite residence)

January 2011 – 19,400 gallons

February 2011 – 15,200 gallons

March 2011 – 10,900 gallons

3 month average = 15,167 gallons

Average monthly consumption per suite = 843 gallons

Country Place Senior Living of Seneca, KS, water usage (18 suite residence)

January 2011 – 25,000 gallons

February 2011 – 20,000 gallons

March 2011 – 20,000 gallons

3 month average = 21,667 gallons

Average monthly consumption per suite = 1204 gallons

Average usage of existing residence

Belleville, KS = 1395 gallons per suite per month

Clay Center, KS = 1580 gallons per suite per month

Marysville, KS = 843 gallons per suite per month

Seneca, KS = 1204 gallons per suite per month

Average usage per suite over 4 residence = 1255.5 gallons per month

(Please note that these amounts were taken from the 3 coldest months of the year (January, February, March) to account for any lawn irrigation usage during the warmer month)

Basehor, KS, will be a 22 suite residence

22 suites times 1255.5 gallons per suite per month = 27,621 gallons per month for entire residence.

27,621 gallons per month divided by 6350 = 4.35 times the standard impact

Based on the calculations above we would like to propose that Country Place Senior Living of Basehor, KS, be charged a sewer tap fee of \$15,007.50 (4.35*\$3450)

Please call me to discuss this letter at your earliest convenience.

Sincerely,



Scott Holder

Director of Construction

Country Place Living

2250 N. Rock Road

Suite 118-260

Wichita, KS 67226

Phone: 785-447-1059

Fax: 866-210-0249

sholder@countryplaceliving.com

POLICE DEPARTMENT

CITY OF BASEHOR

December 29, 2011

Country Place Living
Attn: Scott Holder
2250 N. Rock Road
Wichita, KS 67226

Re: Sewer Impact Fee

Mr. Holder,

It is my understanding that Country Place Living (CPL) is proposing to construct Country Place Senior Living in the City of Basehor. I received a letter from you with some concerns about the \$3,450.00 fee per unit for connecting to our sewer system. This fee was established by council on January 1, 2011 under Ordinance 582. In Section 2, 15-240 the ordinance states that in the case of multi-unit buildings, a separate fee shall be charged for each separate unit and the fee shall be \$3,450.00

The ordinance also states that the monthly charge for residential sewage treatment will be \$10.61 per thousand gallons of water consumed, based on the average water consumption for the months of December of the previous year and the months of January and February of the current year. Each year thereafter, the average usage will be calculated utilizing the historical data in the same manner. The average monthly consumption rate of 6,350 would only apply to units that do not receive water service from Consolidated Rural Water District No. 1 or Suburban Water Company or units that water usage records are otherwise not available. Country Place Living would fall under Suburban Water Company therefore; the 6,350 average would not apply. Our current minimum monthly charge is \$15.92 and is based off of a consumption rate of 1500 gallons per month.

Sewer connection fees are one of many means in maintaining financial solidarity in our sewer treat operation. At this time the City has elected not to pursue Country Place Living's proposal to reduce the sewer connection fees to \$15,007.50 noting past developers in similar situations were required to meet the standard connection fees of \$3,450.00 per unit as adopted by ordinance.

Please feel free to contact me if you have additional questions or wish to discuss this further.

Sincerely,

Lloyd Martley
Interim City Admin/Chief of Police

2620 N 155th Street
PO Box 420
Basehor, Ks 66007

Basehor Police Department
Lloyd Martley, Chief of Police



913-724-3397 Office
913-724-3102 Fax
www.cityofbasehor.org

ORDINANCE NO. 582

AN ORDINANCE AMENDING SECTIONS 15-239 AND 15-240 OF ARTICLE 2 OF CHAPTER XV OF THE CITY CODE PERTAINING TO SEWER SERVICE RATES AND CONNECTION FEES, AND REPEALING ORDINANCE NO. 580

WHEREAS, the City previously adopted and published Ordinance No. 580 making changes to the City Code pertaining to monthly sewer rates and sewer connection fees; and

WHEREAS, following adoption and publication of Ordinance No. 580, City Staff discovered that a directive of Council pertaining to an annual increase of the monthly sewer rate was inadvertently not included in the Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF BASEHOR, KANSAS:

Section 1. Section 15-239 of Article 2 of Chapter XV of the Basehor City Code is amended to read as follows:

- 15-239. RESIDENTIAL SEWER SERVICE CHARGE. (a) As of January 1, 2011, the individual monthly charge for residential sewage treatment will be \$10.61 per thousand gallons of water consumed, based on the average water consumption for the month of December, and January and February of the next year. Said monthly rate per thousand gallons of water shall automatically increase by 2.5% effective January 1 of each year. Monthly water consumption records will be obtained by the city from Consolidated Rural Water District No. 1, Suburban Water Company, or any other water provider.
- (b) The average water consumption shall be based upon the average of the water consumed for the month of December of the previous year and the months of January and February of the current year. Each year thereafter, the average usage will be calculated utilizing the historical data in the same manner. Monthly billing changes will be effective May 1st of each year.
- (c) In the event that a customer establishes from reasonable evidence that the three month average is not representative of their actual usage, then the billing clerk with the consent of the city administrator is authorized to recalculate the appropriate usage based upon the information provided. Adjustments shall not be retroactive and will take effect with the next monthly billing cycle. No adjustments to utility accounts shall be made until the customer's account is paid in full.
- (d) Units that water consumption records may not be available for all of the months of December, January and February may be charged based on the average of one to three months preceding or following these months.

(e) Units that are connected to the sewer system after the effective date, or units that do not receive water service from Consolidated Rural Water District No. 1 or Suburban Water Company, or units that water usage records are otherwise not available, shall be assigned an average monthly water consumption of 6,350 gallons, until an actual average can be determined or the unit may be charged on a per capita basis of 100 gallons per day per occupant.

(f) The monthly charge for new units that will significantly exceed the monthly average of 6,350 gallons may be based on actual water usage, on a month-to-month basis, until an accurate average can be determined.

(g) The minimum monthly sewer rate charge will be equal to the charge per thousand gallons of water set forth in subsection (a) above multiplied by 1.5. Units that are vacant will be charged the minimum fee for each month they are vacant.

Section 2. Section 15-240 of Article 2 of Chapter XV of the Basehor City Code is amended to read as follows:

15-240 CONNECTION FEES; SERVICE OUTSIDE THE CITY. (a) Each individual unit connected to the city wastewater system shall be charged a connection fee at the time a building permit is issued for construction of the unit, or upon connection to the wastewater system in the case of existing units. In the case of multi-unit buildings, a separate fee shall be charged for each separate unit. Effective January 1, 2011, the connection fee shall be \$3,450.

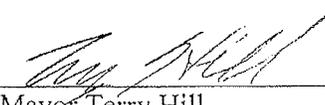
(b) The connection fees and the monthly wastewater treatment fees for development outside of the city shall be 150% of the established rates, unless otherwise determined by the city council. The connection fee shall be charged at the time a building permit is issued for construction of the unit, or upon connection to the wastewater system for existing units.

Section 3. This ordinance shall be in full force and effective from and after its passage and publication in the official city newspaper.

Section 4. Ordinance No. 580 is hereby repealed.

Approved by the City Council this 28th day of February, 2011.

Approved by the Mayor this 28th day of February, 2011.



Mayor Terry Hill

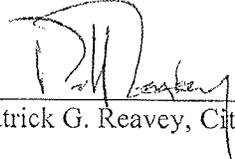
Attest:



Corey Swisher, City Clerk



APPROVED AS TO FORM:



Patrick G. Reavey, City Attorney