



A Historic building renovation in Downtown Neosho, Missouri that includes affordable senior housing units.

A Historic building rehabilitation in Downtown Chillicothe, Missouri that includes affordable housing for small working households.



Rear view of a rehabilitated commercial building in Downtown West Plains, Missouri.

New infill attached condominium units in the Downtown area of Hermann, Missouri.





A Former shirt factory adapted for affordable housing in Downtown Kennett, Missouri.

The Arborwalk condominium infill development near Downtown Sikeston, Missouri



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

The demand for units in Downtown will come from households that live in and around the City, some of which are presently residing in housing that may be in substandard condition, or more expensive than they can easily afford. Demand may also come from households with larger housing than they want at this stage in their life or from households that are attracted to the unique housing options in Downtown.

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

In order to estimate the number of households that could create residential housing demand in the Boonville Downtown Market Area it is necessary to estimate demand for the Boonville residential market as a whole. The next step is to apply a Downtown capture rate to the total number of households that form the Boonville residential demand. The Downtown capture rate represents the percentage of households in the Boonville residential market that could create the residential demand in the Downtown Market Area.

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

The following tables are HISTA tables for the Primary Market Area. As previously stated, the Primary Market Area for Boonville is larger than the geographic boundaries of the City and includes some households from nearby communities and rural areas.

**Owner and Renter Households 2009**

Owner Households Under Age 55 Years Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	43	8	11	12	5	79
\$10,000-20,000	23	21	36	15	5	100
\$20,000-30,000	96	45	18	13	12	184
\$30,000-40,000	34	60	61	57	23	235
\$40,000-50,000	37	91	52	77	47	304
\$50,000-60,000	14	76	66	109	14	279
\$60,000+	8	247	198	323	180	956
<b>Total</b>	<b>255</b>	<b>548</b>	<b>442</b>	<b>606</b>	<b>286</b>	<b>2,137</b>

Owner Households Aged 55-61 Years Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	14	8	3	1	4	30
\$10,000-20,000	16	10	1	1	0	28
\$20,000-30,000	44	10	9	2	2	67
\$30,000-40,000	12	33	3	1	3	52
\$40,000-50,000	0	58	20	0	0	78
\$50,000-60,000	4	80	8	3	1	96
\$60,000+	0	163	15	25	6	209
<b>Total</b>	<b>90</b>	<b>362</b>	<b>59</b>	<b>33</b>	<b>16</b>	<b>560</b>

Owner Households Aged 62+ Years Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	76	15	3	0	0	94
\$10,000-20,000	160	62	3	3	0	228
\$20,000-30,000	116	128	4	0	3	251
\$30,000-40,000	44	143	22	3	0	212
\$40,000-50,000	67	123	11	0	0	201
\$50,000-60,000	33	95	39	7	0	174
\$60,000+	51	200	47	0	0	298
<b>Total</b>	<b>547</b>	<b>766</b>	<b>129</b>	<b>13</b>	<b>3</b>	<b>1,458</b>

Renter Households Under Age 55 Years Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	101	36	23	23	3	186
\$10,000-20,000	91	22	34	9	6	162
\$20,000-30,000	103	76	51	6	16	252
\$30,000-40,000	57	36	71	18	35	217
\$40,000-50,000	15	18	20	5	37	95
\$50,000-60,000	0	48	12	10	62	132
\$60,000+	8	80	27	68	19	202
<b>Total</b>	<b>375</b>	<b>316</b>	<b>238</b>	<b>139</b>	<b>178</b>	<b>1,246</b>

Renter Households Aged 55-61 Years Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	42	2	2	2	2	50
\$10,000-20,000	23	3	0	1	0	27
\$20,000-30,000	16	5	0	0	0	21
\$30,000-40,000	0	18	4	0	1	23
\$40,000-50,000	0	2	0	0	0	2
\$50,000-60,000	2	2	1	1	2	8
\$60,000+	0	13	0	0	0	13
<b>Total</b>	<b>83</b>	<b>45</b>	<b>7</b>	<b>4</b>	<b>5</b>	<b>144</b>

Renter Households Aged 62+ Years Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	120	0	0	0	0	120
\$10,000-20,000	125	8	3	0	0	136
\$20,000-30,000	26	20	10	0	4	60
\$30,000-40,000	10	10	0	5	0	25
\$40,000-50,000	0	8	0	0	0	8
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	8	21	0	7	0	36
<b>Total</b>	<b>289</b>	<b>67</b>	<b>13</b>	<b>12</b>	<b>4</b>	<b>385</b>

Owner and Renter Households 2014

Owner Households Under Age 55 Years Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	40	7	9	9	3	68
\$10,000-20,000	21	16	28	12	4	81
\$20,000-30,000	77	32	11	10	10	140
\$30,000-40,000	31	45	51	44	19	190
\$40,000-50,000	35	74	48	70	43	270
\$50,000-60,000	13	54	54	92	10	223
\$60,000+	10	264	226	371	211	1,082
<b>Total</b>	<b>227</b>	<b>492</b>	<b>427</b>	<b>608</b>	<b>300</b>	<b>2,054</b>

Owner Households Aged 55-61 Years Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	15	6	4	2	4	31
\$10,000-20,000	16	9	1	1	1	28
\$20,000-30,000	42	5	8	1	1	57
\$30,000-40,000	9	39	3	1	4	56
\$40,000-50,000	0	59	20	0	0	79
\$50,000-60,000	3	71	5	3	1	83
\$60,000+	0	239	24	36	8	307
<b>Total</b>	<b>85</b>	<b>428</b>	<b>65</b>	<b>44</b>	<b>19</b>	<b>641</b>

Owner Households Aged 62+ Years Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	67	12	2	0	0	81
\$10,000-20,000	140	45	2	2	0	189
\$20,000-30,000	123	120	4	0	3	250
\$30,000-40,000	58	147	25	3	0	233
\$40,000-50,000	78	127	10	0	0	215
\$50,000-60,000	45	96	51	9	0	201
\$60,000+	77	266	67	0	0	410
<b>Total</b>	<b>588</b>	<b>813</b>	<b>161</b>	<b>14</b>	<b>3</b>	<b>1,579</b>

Renter Households Under Age 55 Years Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	97	31	21	22	3	174
\$10,000-20,000	91	18	32	8	5	154
\$20,000-30,000	91	63	44	5	13	216
\$30,000-40,000	56	32	66	16	34	204
\$40,000-50,000	17	18	20	5	40	100
\$50,000-60,000	0	42	12	11	63	128
\$60,000+	10	97	33	90	23	253
<b>Total</b>	<b>362</b>	<b>301</b>	<b>228</b>	<b>157</b>	<b>181</b>	<b>1,229</b>

Renter Households Aged 55-61 Years Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	49	1	1	1	2	54
\$10,000-20,000	25	3	1	1	1	31
\$20,000-30,000	21	5	0	0	0	26
\$30,000-40,000	1	14	6	1	1	23
\$40,000-50,000	0	1	0	0	0	1
\$50,000-60,000	1	1	0	1	0	3
\$60,000+	0	19	0	0	0	19
<b>Total</b>	<b>97</b>	<b>44</b>	<b>8</b>	<b>4</b>	<b>4</b>	<b>157</b>

Renter Households Aged 62+ Years Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ -Person Household	Total
\$0-10,000	114	0	0	0	0	114
\$10,000-20,000	122	8	2	0	0	132
\$20,000-30,000	35	18	11	0	4	68
\$30,000-40,000	16	11	0	10	0	37
\$40,000-50,000	0	9	0	0	0	9
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	13	32	0	12	0	57
<b>Total</b>	<b>300</b>	<b>78</b>	<b>13</b>	<b>22</b>	<b>4</b>	<b>417</b>

**MARKET RATE RENTAL HOUSING DEMAND ANALYSIS**

The purpose of this analysis is to quantify the potential market rate rental housing demand in the Downtown area of Boonville over the next few years. Generally, rental housing is the first type of housing to be developed in reviving downtown areas because there are more tenant households willing to make a short term financial commitment in a newly formed housing market than there are homebuyers willing to make a long term financial commitment in an unproven market.

In Boonville, the market rate rental housing market shows good occupancy, including the units in Downtown. Downtown also has a space that can produce new market rate rental units.

The following quantitative analysis of the potential Market Rate Family Rental housing demand includes an explanation of the process.

Market Rate Family Rental Potential Demand Analysis				
PMA Qualified Household Demand (2009)		1BR	2BR	3BR
1	Gross Rent (includes utility costs paid by tenants)	\$ 500	\$ 600	\$ 800
2	Percentage of Income to Housing	25%	25%	25%
3	Minimum Income (Affordability)	\$ 24,000	\$ 28,800	\$ 38,400
4	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-62+ (2009)	345	280	220
5	Annual Turnover of Existing Renter HH	<u>25%</u>	<u>25%</u>	<u>20%</u>
6	Owner HH, age 62+	- 582	- 407	- 8
7	Percentage of Owner HH (Empty Nesters) that could enter rental market	<u>2%</u>	<u>2%</u>	<u>2%</u>
8	<b>PMA Qualified Household Demand (2009)</b>	<b>98</b>	<b>78</b>	<b>44</b>
9	<b>SMA Qualified Household Demand (2009)</b>	<b>20</b>	<b>16</b>	<b>9</b>

10	<b>PMA and SMA Market Rate Rental Potential Household Demand (2009)</b>	117	94	53
	<b>PMA Qualified Households (2014)</b>	1BR	2BR	3BR
11	Gross Rent (includes utility costs paid by tenants)	\$ 552	\$ 662	\$ 883
12	Percentage of Income to Housing	25%	25%	25%
13	Minimum Income (Affordability)	\$ 26,496	\$ 31,795	\$ 42,394
14	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-62+ (2014)	266	242	222
15	Annual Turnover of Existing Renter HH	<u>25%</u>	<u>25%</u>	<u>20%</u>
16	Owner HH, age 62+	- 689	- 503	- 9
17	Percentage of Owner HH (Empty Nesters) that could enter rental market	- <u>2%</u>	- <u>2%</u>	- <u>2%</u>
18	<b>PMA Qualified Household Demand (2014)</b>	80	71	45
19	<b>SMA Qualified Household Demand (2014)</b>	16	14	9
20	<b>PMA and SMA Market Rate Rental Potential Household Demand (2014)</b>	96	85	53
21	<b>PMA and SMA Qualified Household Growth/Decline (2009-2014)</b>	-21	-9	1
22	<b>Boonville Market Rate Family Rental Demand</b>	113	92	53
23	<b>Downtown Boonville Market Area Capture Rates</b>	15%	15%	7%
24	<b>Downtown Boonville Market Rate Family Rental Demand</b>	1BR 17	2BR 14	3BR 4

Line 8 is a current estimate (2009) of the total number of existing income qualified households that form the potential rental housing demand from the primary market area. The estimate was determined by considering gross market rents (including utility costs), income level, housing costs, estimated annual turnover rate of renter households, and HISTA data.

Line 9 is a current estimate of the total number of income qualified households that form the potential housing demand from the secondary market area. The estimate was made by considering that 10% to 15% of the demand for rental housing developments could come from the secondary market area.

Line 10 is an estimate of the potential rental housing demand in the market area in 2009.

Line 18 is a projection (2014) of the total number of income qualified households that could form the potential rental housing demand from the primary market area. The projection was determined by considering gross market rents (including utility costs), income levels, housing costs, estimated annual turnover rate of renter households, and HISTA data.

Line 19 is a projection of the total number of income qualified households that form the potential rental housing demand from the secondary market area. The projection was made by considering that 10% to 15% of the demand for rental housing units could come from the secondary market area.

Line 20 is a projection of the potential rental housing demand in the market area in 2014.

Line 21 is a projection of household growth/decline between 2009 and 2014.

Line 22 is the average annual potential demand that is calculated by considering the current demand in 2008 and the annual growth or decline between 2009 and 2014.

Line 23 is the estimated capture rates for the Downtown Boonville market area. It is an estimate of the percentages of households in the primary and secondary market areas that would consider rental units in the Downtown Boonville market area by bedroom size.

Line 24 is an annual projection of the number of households that are expected to be in the market area between 2009 and 2014 that could be attracted to market rate rental units in the Downtown Boonville market area. This estimate is subject to changes in housing supply and market conditions and could change between now and 2014.

**Market Rate Rental Housing**

<u>Bedroom Size</u>	<u>Potential Household Demand</u>
One Bedroom .....	17
Two Bedrooms .....	14
Three Bedrooms.....	4
<b>Total .....</b>	<b>35</b>

**AFFORDABLE SENIOR RENTAL HOUSING DEMAND ANALYSIS**

The purpose of this analysis is to quantify the potential affordable senior rental housing demand in Downtown Boonville over the next few years. As noted earlier, in many downtowns in the midst of a revitalization process, rental housing can start the repopulation of the area by offering housing options to pioneering households. In many unproven markets affordable rental housing is one of the first types of new housing that is developed because the various subsidy programs help to ensure project feasibility in risky markets.

In Boonville, good quality, affordable senior housing units could complement Downtown revitalization efforts by adding consumers to the market and curing some of the vacant and dilapidated building conditions.

The following quantitative analysis of Affordable Senior Rental Household Demand includes an explanation of the process.

Affordable Senior Rental Potential Demand Analysis		
		1BR/2BR
	<b>PMA Qualified Household Demand (2009)</b>	
1	Gross Rent (includes utility costs paid by tenants)	\$ 500
2	Percentage of Income to Housing	50%
3	Minimum Income (Affordability)	\$ 12,000
4	Maximum Income (Tax Credit Limit)	\$ 25,260
5	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2009)	131
6	Percentage of Existing Senior Renter Households Likely to Move if New Affordable Housing Were Available	10%
7	Number of Existing Senior Renter Households Likely to Move if New Affordable Housing Were Available	13
8	Appropriate Sized, Income Qualified, <u>Owner Households, Age 62+ (2009)</u>	294
9	Percentage of Existing Senior <u>Owner</u> Households Likely to Move if New Affordable Rental Housing Were Available	5%
10	Number of Existing Senior <u>Owner</u> Households Likely to Move If New Affordable Rental Housing Were Available	15
11	<b>PMA Qualified Household Demand (2009)</b>	28
12	<b>SMA Qualified Household Demand (2009)</b>	6
13	<b>PMA and SMA Affordable Senior Housing Potential Hsld Demand (2009)</b>	33

	PMA Projected Qualified Household Growth 2009-2014	1BR/2BR
14	Gross Rent (includes utility costs paid by tenants)	\$ 552
15	Percentage of Income to Housing	50%
16	Minimum Income (Affordability)	\$ 13,248
17	Maximum Income (Tax Credit Limit)	\$ 27,887
18	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2014)	130
19	Percentage of Projected Senior Renter Households Likely to Move if New Affordable Housing Were Available	10%
20	Number of Projected Senior Renter Households Likely to Move if New Affordable Housing Were Available	13
21	Appropriate Sized, Income Qualified, <u>Owner Households, Age 62+ (2014)</u>	318
22	Percentage of Projected Senior <u>Owner</u> Households Likely to Move if New Affordable Rental Housing Were Available	5%
23	Number of Projected Senior <u>Owner</u> Households Likely to Move If New Affordable Rental Housing Were Available	16
24	PMA Qualified Household Demand (2014)	29
25	SMA Qualified Household Demand (2014)	6
26	PMA and SMA Affordable Senior Housing Potential Hsld Demand (2014)	35
27	PMA and SMA Qualified Household Growth/Decline (2009-2014)	1
28	Boonville Affordable Senior Rental Potential Demand	34
29	Downtown Boonville Market Area Capture Rate	70%
30	Downtown Market Area Affordable Senior Rental Potential Demand	24

Line 11 is a current estimate (2009) of the total number of existing senior households that forms the potential senior rental housing demand from the Primary Market Area. The estimate was determined by considering gross market rents (including utility costs), income levels, housing costs, tax credit income limits, estimated annual turnover rate of existing senior renter households, estimated interest from senior homeowner households, and HISTA data.

Line 12 is a current estimate of the total number of existing senior households that form the potential affordable rental housing demand from the Secondary Market Area. The estimate was made by considering that 15% to 20% of the demand for most rental housing developments typically comes from the Secondary Market Area.

Line 13 is an estimate of the potential affordable senior rental housing demand from households in the market areas in 2009.

Line 24 is a projection (2014) of the total number of existing senior households that form the potential senior rental housing demand from the Primary Market Area. The projection was determined by considering gross market rents (including utility costs), income levels, housing costs, tax credit income limits, estimated annual turnover rate of existing senior renter households, estimated interest from senior homeowner households, and HISTA data.

Line 25 is a projection of the total number of existing senior households that form the potential affordable rental housing demand from the Secondary Market Area. The projection was made by considering that 15% to 20% of the demand for most rental housing developments typically comes from the Secondary Market Area.

Line 26 is a projection of the potential affordable senior rental housing demand from households in the market areas in 2014.

Line 27 is a projection of qualified household growth/decline between 2009 and 2014.

Line 28 is an annual projection of the number of qualified senior households that are expected to be in the market area between 2009 and 2014 that could be attracted to affordable senior rental units in the Boonville market area.

Line 29 is the estimated capture rate for the Downtown market area. It is an estimate of the percentage of qualified senior households in the market areas that would consider affordable rental units in the Downtown market area by bedroom size. Because the occupancy levels at the existing affordable senior developments in Boonville is strong it is reasonable to assume that any new, high quality senior affordable units that would become available in the Boonville market, and in particular Downtown, should be able to capture a significant portion of the available household demand.

Line 30 is a projection of the number of qualified senior households that are expected to be in the market areas between 2009 and 2014 that could be attracted to affordable senior rental units in Downtown Boonville. This estimate is subject to housing supply and market conditions and could change between now and 2014.

**Affordable Senior Rental Housing**

<u>Bedroom Size</u>	<u>Potential Household Demand</u>
One Bedroom .....	4
Two Bedrooms .....	20
<b>Total .....</b>	<b>24</b>

**CONCLUSION**

Between 2000 and 2009 the number of households in Boonville grew by approximately 300. It is projected that the number of households between 2009 and 2014 will increase by another 150 households. Some of those households will fit the profile of Downtown residents, which are generally households with no children, or very few children. Because other market rate and affordable rental developments in the community have strong occupancy it is reasonable to assume that some of the new households in the market can be served by new units in Downtown.

The demand analyses that were produced indicate Downtown could capture approximately 35 households for market rate rental units and 24 units for affordable senior housing. These are conservative estimates and the actual demand could vary.

Residential development on both a small and large scale effort would benefit Downtown Boonville revitalization efforts and the City should offer encouragement, technical assistance, and financial support to interested investors and developers.

## SECTION IX

### DOWNTOWN RESIDENTIAL IMPLEMENTATION

Strategies and financial programs to consider in order to implementing Downtown residential development include:

- Plan for a multifunctional Downtown in which housing complements other uses such as employment, shopping, culture, entertainment, government, and possibly tourism.
- Identify and give high priority to catalyst projects that have the ability to energize or raise the awareness level of Downtown.
- In order to develop residential momentum in Downtown, early focus should be on the production of high quality rental units.
- Identify available building and land space that could accommodate new residential units in Downtown and consult with the owners regarding their plans for the use, improvement, or sale of the building or land. The upper floors of many of the buildings in Downtown Boonville have the potential to be converted into unique rental housing space.
- Identify builders, developers, and investors that would be willing to produce or improve residential space in Downtown. Request developer lists from agencies like Missouri Housing Development Commission. Contact companies in the development industry and make them aware of opportunities that may exist to produce housing in Downtown Boonville.
- Encourage building designs and improvements that are comparable and complimentary to the existing architectural building designs in Downtown.
- Review applicable zoning and building codes to ensure they do not present barriers to Downtown residential development.
- Provide technical assistance and financial incentives where possible to support Downtown residential development. The proposed Downtown revolving loan program to assist owners with repairs to their buildings is a good example of the types of initiatives the community may have to implement to make improvements financially feasible. Consideration should also be given to seeking historic designations to buildings in Downtown whereby much needed historic tax credits would be made available to help finance development costs.
- Identify and try to mitigate all adverse conditions, such as lack of parking, traffic patterns, and vacant feel to buildings that may adversely affect the Downtown residential market.
- Through active code enforcement, require that Downtown property owners maintain their properties.

- Implement Downtown beautification programs and maintain streetscape improvements in top condition. Replacement or repairs of sidewalks, planters, decorative lighting, street art, pavement, benches, and trash receptacles is critical to maintain visitor appeal.
- Attract commercial businesses to Downtown that serve the needs of residents and visitors.

In order to fund larger developments or more expensive historic renovation projects it may be necessary to utilize various government subsidy and incentive programs. Financial programs and incentives that could help to produce Downtown residential housing include:

- Historic Federal and State Tax Credit – These are one time federal and state tax credits that help to raise development equity through the sale of the tax credits to investors.
- Federal and State Affordable Housing Tax Credit – These are 10 year federal and state tax credits that help to raise development equity through the sale of tax credits to investors for affordable housing developments.
- Federal and State New Markets Tax Credit – This is a federal and state tax program that was intended to increase businesses and jobs in areas of low income concentration.
- Missouri Housing Development Commission Multifamily Loan Programs – The Commission administers both federal and state funds that can be used as loans or grants for the production of affordable housing.
- Hope VI Main Street Grants – This is a HUD administered grant program specifically designed to foster residential production in Downtown areas. Initial tenants must be low income, but subsequent tenants can be non-low income.
- 353 Property Tax Abatement – This is a 25 year tax abatement program that reduces the property taxes over a 25 year period for developments located in blighted areas.
- Tax Increment Financing – This program allow for the future real property taxes generated by a new development to be used to help to retire the debt required to finance the improvement.
- Brownfield Redevelopment Program – Is intended to provide incentives for the redevelopment of commercial/industrial sites that may have contamination caused by hazardous substances.
- Community Development Block Grant Program (CDBG) – This is a grant program to local communities to improve local facilities and to develop greater capacity for growth.
- Community Development Corporation (CDC) Grant Program – This is a state program where the Department of Economic Development will issue grants to a CDC to cover expenses directly linked to administering neighborhood initiatives.
- Enterprise Zone Tax Benefit – This is a state tax program that is designed to provide tax incentives to businesses that are creating new jobs.

- Industrial Development Bonds – Provides funding through the sale of tax exempt bonds for projects.
- Neighborhood Assistance Program – This is a program administered by Missouri Department of Economic Development that provides state tax credits to donors who make donations to local neighborhood project.
- MODESA – This is a program administered by Missouri Department of Economic Development that is intended to help facilitate the redevelopment of Downtown areas by diverting taxes from community projects to help pay for related infrastructure costs.
- Neighborhood Preservation Act – This is a state tax credit that is provided to a home owner or developer that either rehabilitates or builds a home that will be located in a distressed community.
- First Place Loan Program – This is a low interest loan and down payment assistance program designed for first time homebuyers.
- HeRO Program – This is a program administered by Missouri Housing Development Commission that provides home repair grants for owner occupied homes.
- Missouri Housing Trust Fund – This is a program administered by MHDC that provides funding for a variety of housing needs, such as homeless prevention, rehab or new construction of rental housing, rental assistance and home repair.
- Community Improvement Districts – This is a program that creates special districts that are able to assess special tax assessments to fund infrastructure and other improvements that would benefit the property owners in the district.

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## SECTION X

### ASSUMPTIONS AND LIMITING CONDITIONS

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

However, the appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The conclusions in this report are predicated on the assumption that there are no such materials on or in the area that would cause a loss of value. No responsibility is assumed for any such conditions, or for the expertise required to discover them. The client is urged to retain an expert in this field if desired. The analysis and demand conclusions in this report are null and void should any hazardous material be discovered;

8. Unless otherwise stated in this report, no environmental impact studies were either requested or made in conjunction with this report. The appraiser reserves the right to alter, amend, revise, or rescind any opinions of demand based upon any subsequent environmental impact studies, research, or investigation;
9. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is specified, defined, and considered in this report;

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

## SECTION XI

### APPRAISER'S CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, impartial, and unbiased professional analyses, opinions, conclusions, and recommendations.
- I have no interest in the market that is the subject of this report, and I have no personal interest with respect to the parties involved.
- I have no bias with respect to any property that is the within the market of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal consulting assignment.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the market that is the subject of this report.
- No one provided significant real property appraisal or appraisal consulting assistance to the person signing this certification.

By: **Steve Sillimon**-Certified General Real Estate Appraiser # RA003250  
Missouri Housing Development Commission  
November 4, 2009

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