

**BLIGHT STUDY
FOR**

**US 50 HIGHWAY AND SE TODD GEORGE ROAD/SE RANSON ROAD
& US 50 HIGHWAY AND NE BLACKWELL ROAD
LEE'S SUMMIT, MISSOURI 64086**

**EFFECTIVE DATE OF THE REPORT
AUGUST 9, 2007**

**DATE OF THE REPORT
AUGUST 24, 2007**

PREPARED BY
SHANER APPRAISALS, INC.

SHANER FILE NUMBER: 7289

August 24, 2007

Mr. Ron Cox
Director of Redevelopment
City of Lee's Summit, Missouri
220 SE Green
Lee's Summit, Missouri 64063

Re: Blight study of seventeen parcels of which seven of the seventeen parcels make up the four project areas at US 50 Highway and SE Todd George Road / SE Ranson Road & US 50 Highway & NE Blackwell Road.

Dear Mr. Cox:

We are pleased to transmit the attached Blight Study Report that has been prepared for the above referenced property. The purpose of this Report is to determine whether the subject property is blighted, as defined in Section 99.805 (1) Revised Statutes of Missouri. This analysis represents an accumulation of our findings based on research and investigations performed as of the report's effective date, August 9, 2007. The attached report sets forth the data, research, investigations, analyses, and conclusions for this report.

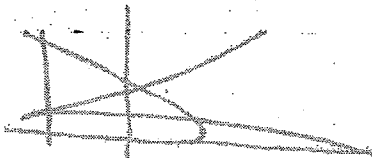
The subject redevelopment area is composed of seventeen parcels of which seven of the seventeen parcels make up the four project areas. The four project areas contain approximately 197.95 acres of land. The redevelopment area is mostly unimproved with the exception of a bank, a large daycare, a medical center and a McDonalds restaurant.

As determined in the following study, it is our opinion that the subject area represents a "blighted area" which is defined in Missouri Statute Section 99.805 (1). Primary blighting factors include:

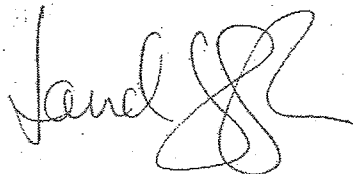
- Inadequate street layout which results in economic liability
- Endangerment by fire or other causes which results in a menace to public health
- Unsanitary or unsafe conditions which results in a menace to the public health

We have concluded these facts based on the current condition of the redevelopment area, general access and visibility of the area and the potential redevelopment opportunities existing for the site.

Sincerely,
Shaner Appraisals, Inc.



Daniel Kann
Real Estate Analyst



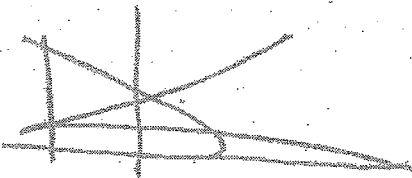
Laird Goldsborough, MAI
State Certified General Appraiser, Missouri No. RA 002834

East US 50 Highway Corridor Improvement Tax Increment Financing Plan

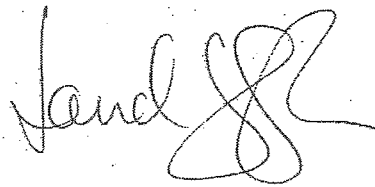
CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development of a predetermined conclusion that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this blight study.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- No one provided significant professional assistance to the person(s) signing this report.
- Daniel Kann made a personal inspection of the property that is the subject of this report. Laird Goldsborough, MAI also made a personal inspection of the property.
- As of the date of this report, Laird Goldsborough, MAI has completed the continuing education program of the Appraisal Institute.



Daniel Kann
Real Estate Analyst



Laird Goldsborough, MAI
State Certified General Appraiser, Missouri No. 002834

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

This blight study is also subject to the following general assumptions and limiting conditions.

1. Title to the property is assumed to be good and marketable and the legal description correct.
2. No responsibility for legal matters is assumed. All existing liens, mortgages, or other encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management.
3. All sketches in this report are intended to be visual aids and should not be construed as surveys of engineering reports.
4. All information in this report has been obtained from reliable sources. We cannot, however, guarantee or be responsible for the accuracy of information furnished by others.
5. This opinion of value applies to land and improvements only. The value of trade fixtures, furnishings and other equipment has not been included with the value of the real estate.
6. Possession of this report or a copy thereof does not imply the right of publication or use for any purpose by any other than the addressee, without the written consent of the appraiser. This appraisal report was prepared for the sole and exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express written consent of the appraiser.
7. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless prior agreements have been made in writing.
8. The land, and particularly the soil, of the area under appraisal appears firm and solid. Subsidence in the area is unknown or uncommon, but we do not warrant against this condition or occurrence.
9. Subsurface rights (minerals and oil) were not considered in making this blight study.
10. We inspected the buildings involved, if any, in this blight study report and damage, if any, by termites, dry rot, wet rot, or other infestations was reported as a matter of information, and no guarantee of the amount or degree of damage, if any, is implied.
11. We inspected, as far as possible, by observation the land and the improvements thereon; however, it was not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore, no representations are made herein as to these matters and unless specifically considered in the report. Condition of heating, cooling, ventilating electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

East US 50 Highway Corridor Improvement Tax Increment Financing Plan

12. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to our attention nor did we become aware of such during our inspection. We have no knowledge of the existence of such materials on or in the property unless otherwise stated. However, we are not qualified to test such substances or conditions. If the presence of substances such as asbestos, urea formaldehyde foam insulation, radon gas or other hazardous substances or environmental conditions may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field or environmental impacts upon real estate if so desired.
13. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. Unless otherwise noted within the blight study, we have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of the ADA in estimating the value of the property.
14. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the author, particularly as to the valuation conclusions, the identity of the appraiser or firm with which he is connected, or any reference to the Appraisal Institute.
15. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data) and has noted in the blight study whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

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

There are no extraordinary assumptions assumed in this blight study.

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

There are no hypothetical conditions assumed in this blight study.

OTHER CONDITIONS

1. None.

INTRODUCTION

Identification of the Property

The subject property consists of seventeen parcels of land of which seven parcels make up the four project areas which are located at US 50 Highway & Southeast Todd George Road / Southeast Ranson Road and US 50 Highway & Northeast Blackwell Road, Lee's Summit, Jackson County, Missouri. The redevelopment area is mostly vacant with the exception of a church, a bank, a medical center and a McDonalds restaurant. The four project areas contain approximately 197.95 acres or 8,622,702 square feet. Project Area 1 has a medical center occupying the east portion and Project Area 4 is improved with an inhabitable single-family house and shed.

Please see maps in the following sections.

Identification of the Problem

Purpose

The purpose of the blight study is to investigate and determine if blight conditions exist in the proposed redevelopment area according to Missouri's Tax Increment Financing statutes (please see definition of blighted area below.)

Definition

R.S.Mo. 99.805 (1) - An area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use.

Effective Date

The effective date of this blight study is August 9, 2007. The property was inspected by Daniel Kann and Laird Goldsborough, MAI on August 9, 2007.

Date of Report

The date of this report is August 24, 2007. A comparison of the date of the report to the effective date of the blight study indicates that our conclusions are reflective of current market conditions.

East US 50 Highway Corridor Improvement Tax Increment Financing Plan

Use or Function

This blight study was prepared for the sole and exclusive use of the City of Lee's Summit, Missouri to assist in determining if the subject property is eligible for tax increment financing (TIF). It is not to be relied upon by any third parties for any purposes, whatsoever.

Appraiser Competency

No steps were necessary to meet the competency provisions established under USPAP. Please refer to the Appraiser Qualifications at the end of our report.

Sources of Information

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

- Aquila Electric Company
- The City of Lee's Summit, Missouri Planning and Zoning department
- The City of Lee's Summit, Missouri Chamber of Commerce
- The City of Lee's Summit, Missouri Public Works department
- Lee's Summit, Missouri City Hall
- The City of Lee's Summit, Missouri's website
- Jackson County Assessor's website
- Multiple Listing Service (MLS) and in-house database
- Real estate brokers and appraisers familiar with the subject area
- Loopnet, CoStar, Xceligent Databases
- Missouri Department of Transportation
- Missouri Gas and Energy
- Lee's Summit Preliminary Hospital/Medical Development Plan
- US Census Bureau

AREA AND NEIGHBORHOOD

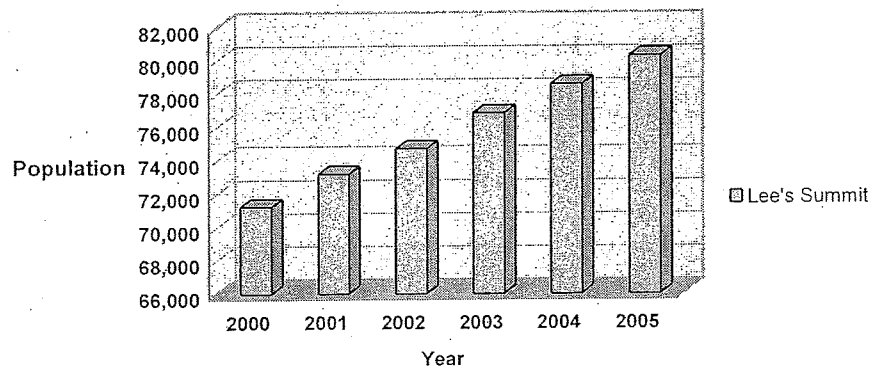
Area

The subject property is located in Lee's Summit, Jackson County, Missouri, and is in the SE quadrant of the Kansas City Metropolitan Area. Please see table and graphs below pertaining to the population of Lee's Summit and Jackson County, Missouri. Lee's Summit's close proximity to the greater Kansas City area allows many residents to commute into the Kansas City area for employment via Highway 350 and Interstate 470. Highway 350 and Interstate 470 connect to other larger highways and interstates within the Kansas City area.

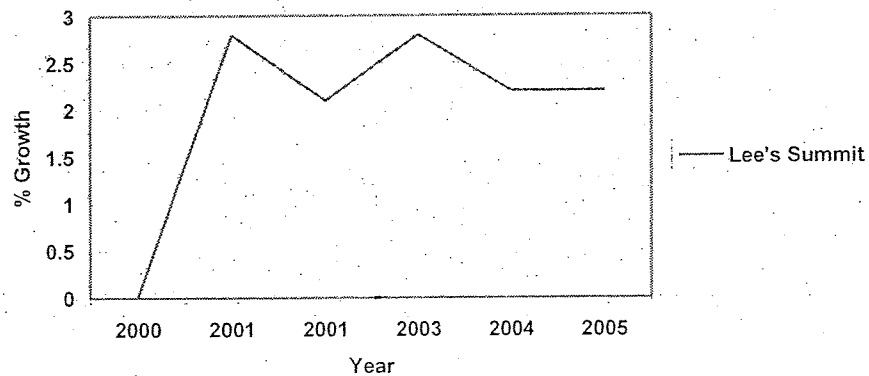
	2000	2001	2002	2003	2004	2005
Lee's Summit	71,225	73,190	74,694	76,820	78,548	80,250
Jackson County	655,652	658,274	660,822	661,063	661,433	662,133

Source: 2000 US Census Bureau

Lee's Summit Population Growth



Percentage of Population Growth

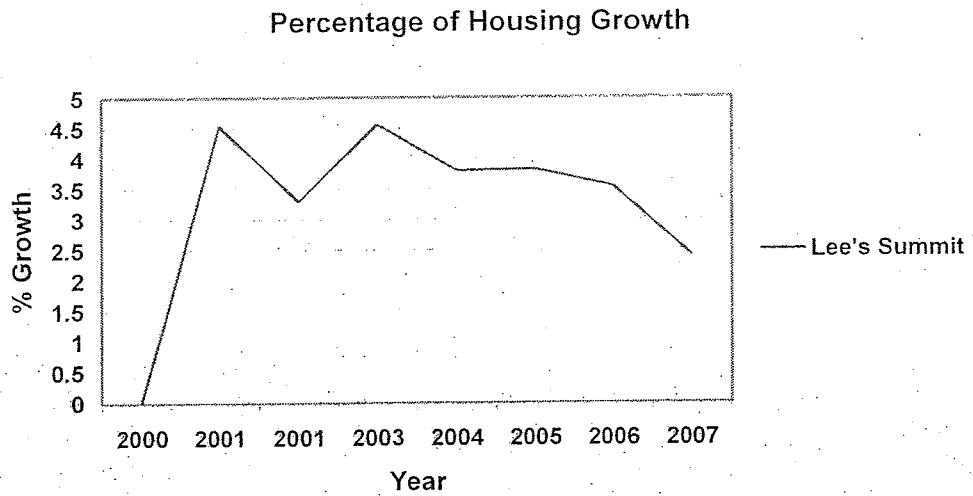
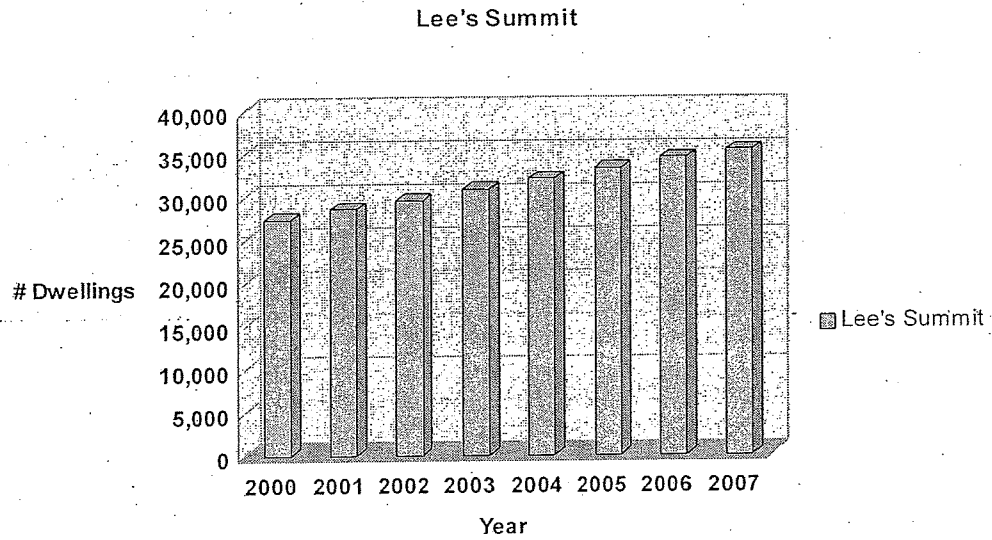


East US 50 Highway Corridor Improvement Tax Increment Financing Plan

2006 Commercial Developments in Lee's Summit

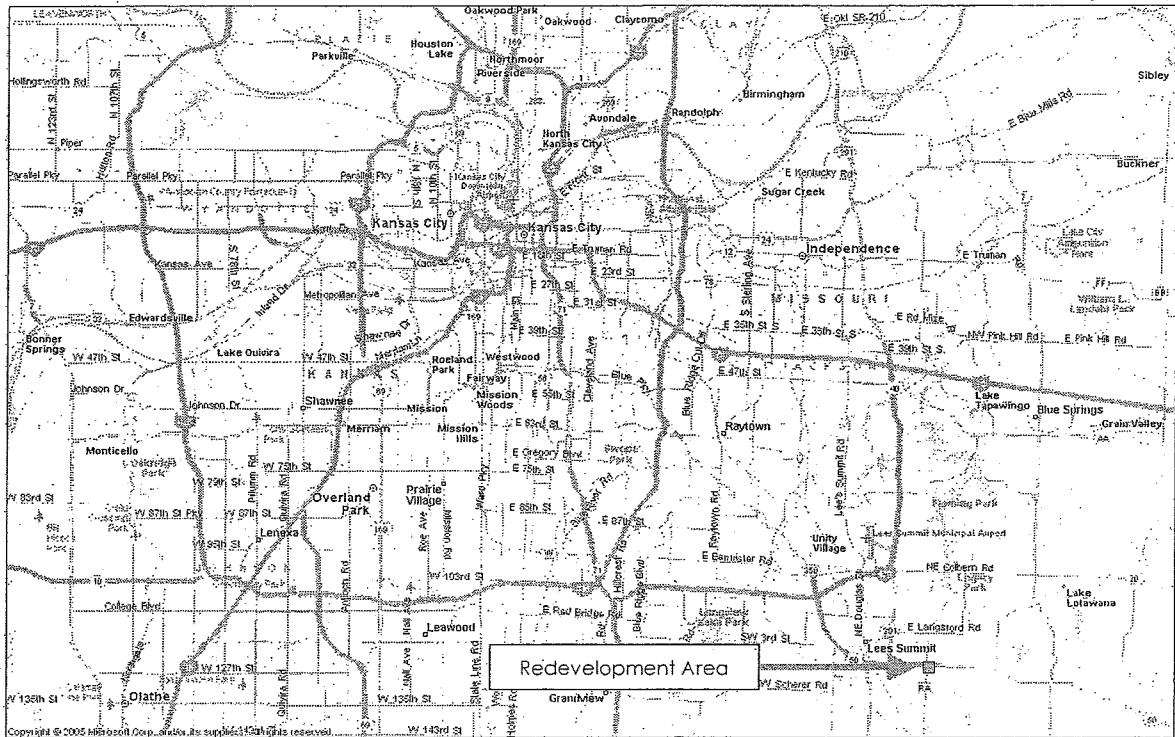
Address	Development	Square Footage	Acreage	Land Use	Map #
953 A SE Oldham Pkwy	50 Hwy Self Storage Office	1,358	4.00	Industrial	1
50 SE 30th St	Shamrock Shell Building	5,188	0.50	Industrial	2
2751 NE Douglas St	Lee's Summit Airport	8,400	0.23	Industrial	3
2751 NE Douglas St	Starbel Hanger	6,400	0.23	Industrial	4
100 SE 30th St	U.G. Building Products Inc.	6,800	0.57	Industrial	5
1280 SE Century Dr	Eastside Business Park	8,000	0.85	Industrial	6
128 SE 30th St	S&P Building	10,772	0.73	Industrial	7
1181 SE Hambleton Rd	JCI Industries	18,000	4.75	Industrial	8
1600 SW Jefferson St	Jefferson Street Mini Storage (2 units/permits)	19,050	1.69	Industrial	9
2650 NE Hagan Rd	LBP II Office/Warehouse	29,310	—	Industrial	10
8 SW Industrial Dr	Jefferson Street Mini Storage (6 units/permits)	29,580	2.94	Industrial	11
953 SE Oldham Pkwy	50 Hwy Self Storage (12 units/permits)	29,580	4.00	Industrial	12
3820 SW M-291 Hwy	South M-291 Safety Mini Storage (3 units/permits)	30,800	3.00	Industrial	13
2885 NE Hagan Rd	Subtechnologies	38,835	4.58	Industrial	14
1250 NW Main St	Ditac Expansion	909	1.28	Industrial	15
821 NE Columbus St	RMJC Office Building	3,838	0.28	Office	16
1110 SE Broadway Dr	Castle Grinding Building Addition	5,400	0.77	Office	17
3151 NE Carnegie Dr	Plastic Surgery Center	8,913	1.15	Office	18
915 SW Lemans Ln	Macnamara Office Building	8,970	1.05	Office	19
3570 NE Ralph Powell Rd	Chapel Ridge Corporate Center	12,050	1.54	Office	20
3280 NE Ralph Powell Rd	Kansas City Cardiology Clinic	12,327	2.58	Office	21
3735 SW Raintree Dr	Shops of Raintree Building	20,067	2.44	Office	22
3295 NE Ralph Powell Rd	Dermatology and Skin Cancer Center	21,316	3.53	Office	23
3170 NE Carnegie Dr	Chapel Ridge Corporate Center 5	8,000	3.09	Office	24
777 NW Blue Pkwy	Fabtec Hydrogen Generator	280	—	Other	25
4309 Park Ridge Blvd	Park Ridge Clubhouse	15,167	—	Other	26
1501 NE Legacy Park Dr	Legacy Park	144	—	Public	27
200 NW Ward Rd	Westview Elementary School	1,440	—	Public	28
3651 SW Windemere Dr	Lee's Summit R-7 Schools	1,440	—	Public	29
400 SE Blue Pkwy	Lee's Summit High School	1,440	0.17	Public	30
801 NE Douglas St	Lee's Summit North High School	2,880	4.00	Public	31
3361 SW Longview Rd	Longview Mansion Pavilion	3,028	—	Public	32
108 SE 4th St	Lee's Summit Social Services	4,880	0.45	Public	33
801 NE Douglas St	Lees Summit North Multi Purpose	4,710	4.00	Public	34
4729 NE Lakewood Wy	Woods Chapel Church Youth Center	7,590	20.00	Public	35
1121 SW Hook Rd	South Summit Christian Church	7,852	9.89	Public	36
2150 SW Scherer Rd	Lee's Summit Fire Station #7	14,005	5.38	Public	37
414 S Persels Rd	Abundant Life Educational Wing	17,438	—	Public	38
301 NE Tudor Rd	Lee's Summit High School	39,043	3.67	Public	39
1580 SW Jefferson St	Lee's Summit Community Christian Church	44,095	118.51	Public	40
2100 SE Blue Pkwy	Lee's Summit Hospital	175,248	39.00	Public	41
128 NE Saint Lukes Blvd	Saint Lukes Building E	18,682	—	Public	42
301 SE Douglas St	Hartley Building Shell Rehab	520	0.07	Retail	43
3161 SE M-291 Hwy	Shamrock Hills Golf Club	740	—	Retail	44
813 S Lemans Ln	Raintree Village Coffee Shop	955	—	Retail	45
300 SE 3rd St	Sonic	1,528	0.33	Retail	46
800 SW Lemans Ln	Commerce Bank Building	3,838	—	Retail	47
1305 SW Ardenwalk Blvd	First National Bank	3,981	0.78	Retail	48
625 NW Murray Rd	Houlihan's	5,805	0.99	Retail	49
817 S Lemans Ln	Raintree Village Shell Building	5,850	—	Retail	50
1808 NW Chipman Rd	Summitwoods Crossing Shell Building	7,500	1.60	Retail	51
1685 NE Rice Rd	McIntyre-Mann Carpet	10,000	1.29	Retail	52
1485 NE Douglas St	Douglas Square Center Retail	12,000	1.54	Retail	53
330 S Ward Rd	Walgreens	12,908	—	Retail	54
837 S Lemans Ln	Raintree Village Shell Building	25,827	—	Retail	55
2101 NE Independence Ave.	Lees Summit Subaru	16,205	3.08	Retail	56
TOTAL:		813,960	262.79		

Lee's Summit Housing Growth



East US 50 Highway Corridor Improvement Tax Increment Financing Plan

Area Map

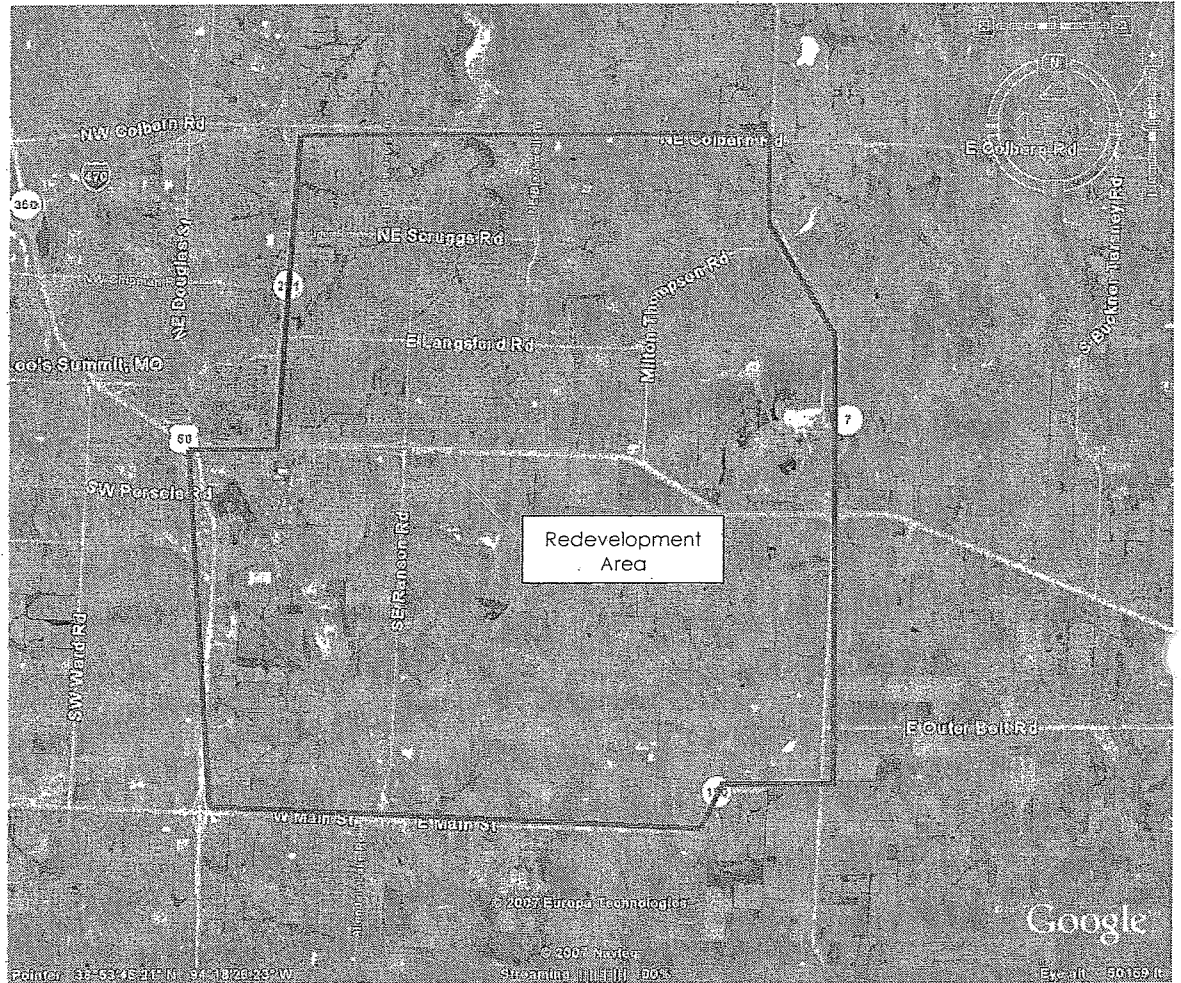


Neighborhood Boundaries

For purposes of this report, the neighborhood boundaries are best described as follows:

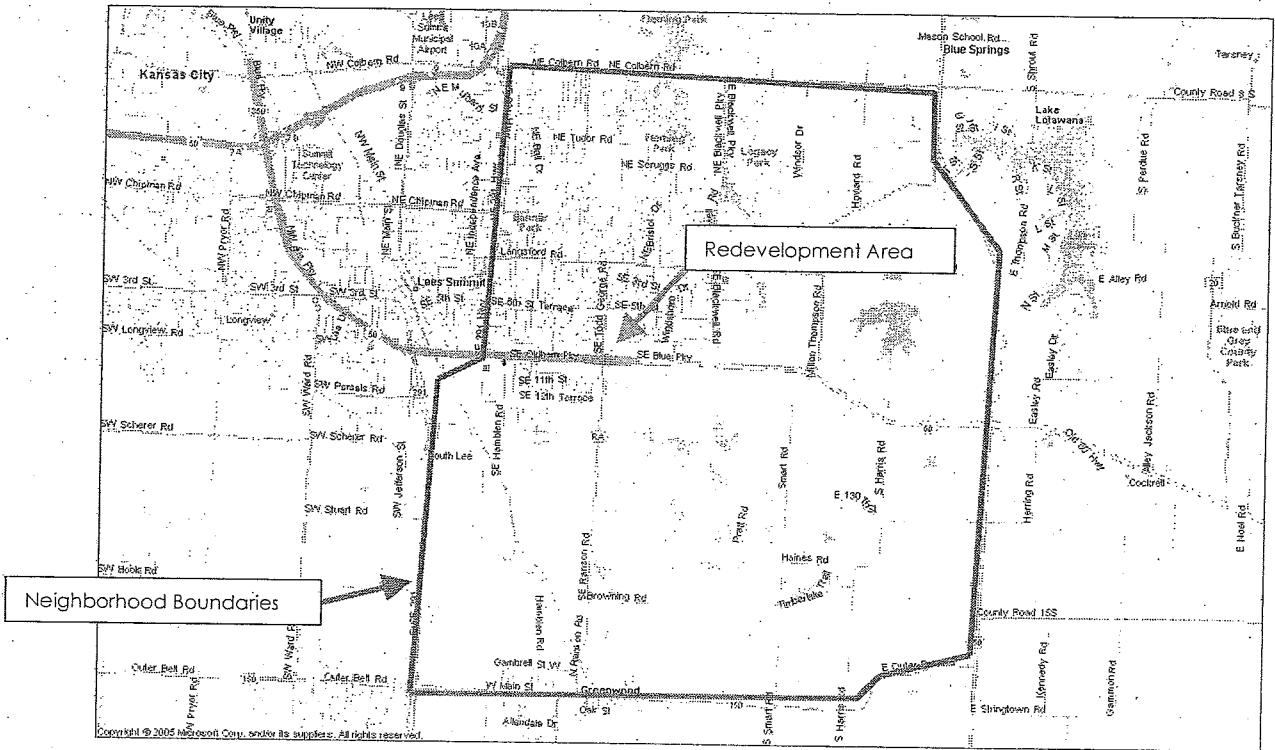
North	Northeast Colburn Road
South	150 Highway
East	Highway 7
West	Northeast 291 Highway

Neighborhood Aerial



East US 50 Highway Corridor Improvement Tax Increment Financing Plan

Neighborhood Map



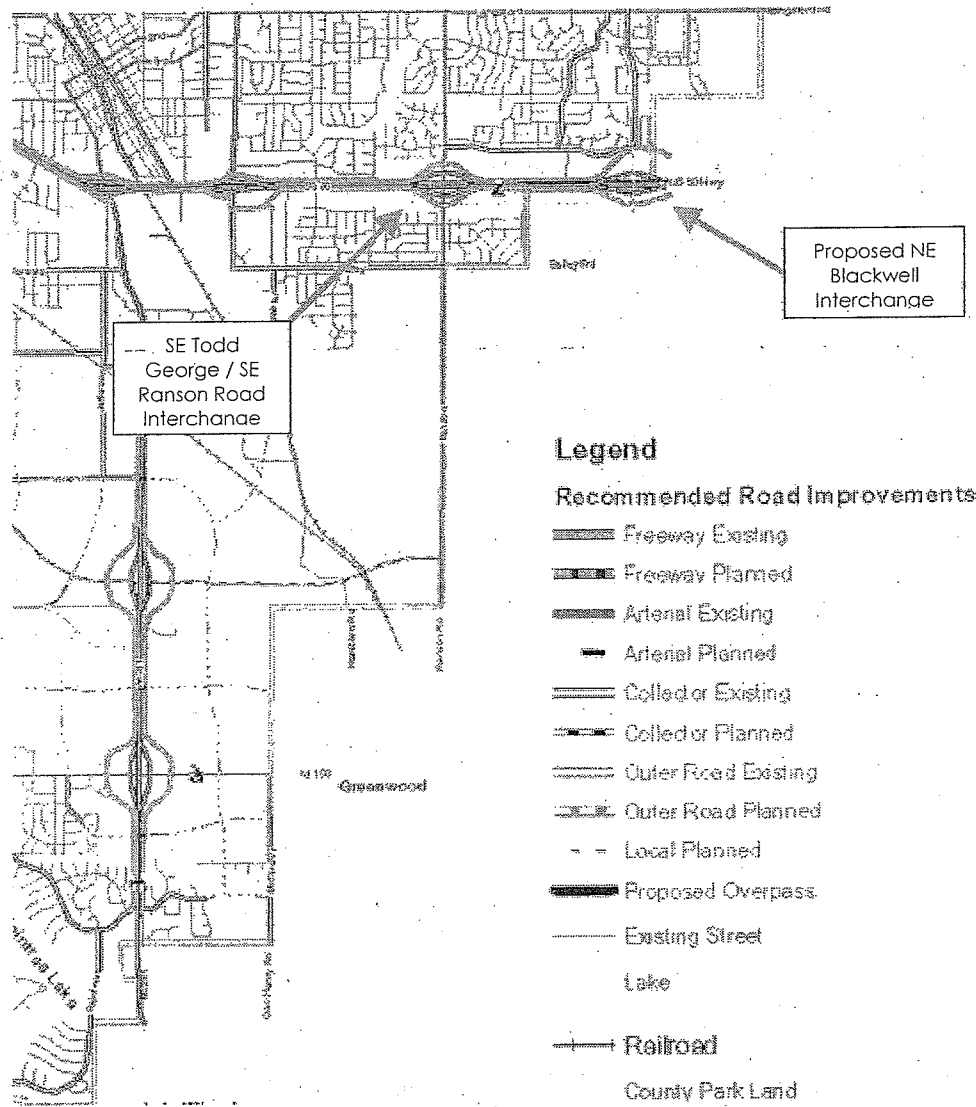
Redevelopment Area Traffic Issues

The redevelopment area is served by US 50 Highway which has an off ramp at SE Todd George Road / SE Ranson Road. This exit serves the western portion of the redevelopment area. The eastern portion of the redevelopment area must be accessed via frontage roads (SE Blue Parkway and SE Oldham Parkway) or through residential neighborhoods to the north and south. The two frontage roads are unable to handle an increase in traffic flow if future development were to take place. Routing traffic along SE Shenandoah Drive would be an inconvenience to drivers as well as a safety hazard to the existing citizens who live in the surrounding homes. The City of Lee's Summit has proposed to construct a diamond interchange at NE Blackwell Road as well as improve the existing interchange at SE Todd George Road / Ranson Road. This improvement is estimated to cost approximately \$45,000,000 and would relieve any future traffic congestion and safety issues that might stem from a future development.

Please see table below for a more detailed breakdown of the proposed improvements.

Improvement	Cost
NE Blackwell Road Interchange	\$17,103,134
SE Todd George Road Interchange	\$18,087,042
Outer Roads	\$10,079,057
Total Cost	\$45,269,234

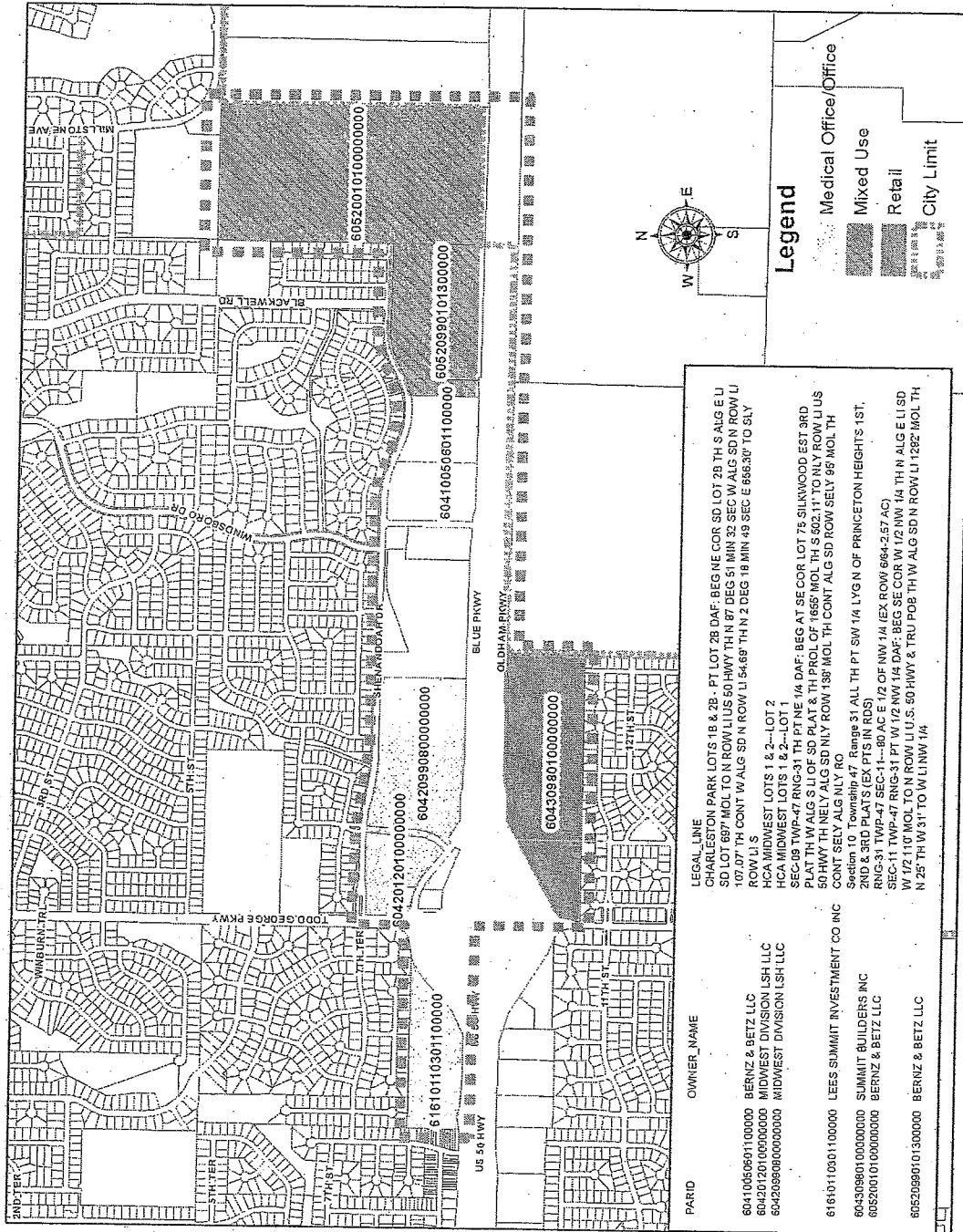
Conceptual Traffic Network



SITE DESCRIPTION

Legal Description

Please see map below for a legal description and outline of the redevelopment area.



Location and Access

The subject property is surrounded by a mix of commercial and residential land uses. There are several large, vacant tracts of land in the immediate vicinity of the subject property. North and south of the redevelopment area are several subdivisions. Highway 50 is peppered with several car dealerships, retail centers, churches and various other commercial uses.

The redevelopment area has decent access. Todd George/Ranson Road is a four lane road with a one lane on and off ramp from Highway 50. There are two frontage roads, SE Blue Parkway to the north and SE Oldham Parkway to the south, to access Project Areas 1,3, and 4. These frontage roads only offer partial access to each of these project areas. Shenandoah Drive borders Project Area 1 and 2 to the north.

The redevelopment area is in the first stage of its life cycle, a stage of growth. There are several new surrounding land uses and the redevelopment area is located on the eastern edge of the city limits of Lee's Summit. The outlook for the area is good given the visibility, traffic flow and surrounding land uses. This positive outlook assumes that all necessary traffic issues and roadway construction will be addressed.

Subject Photos



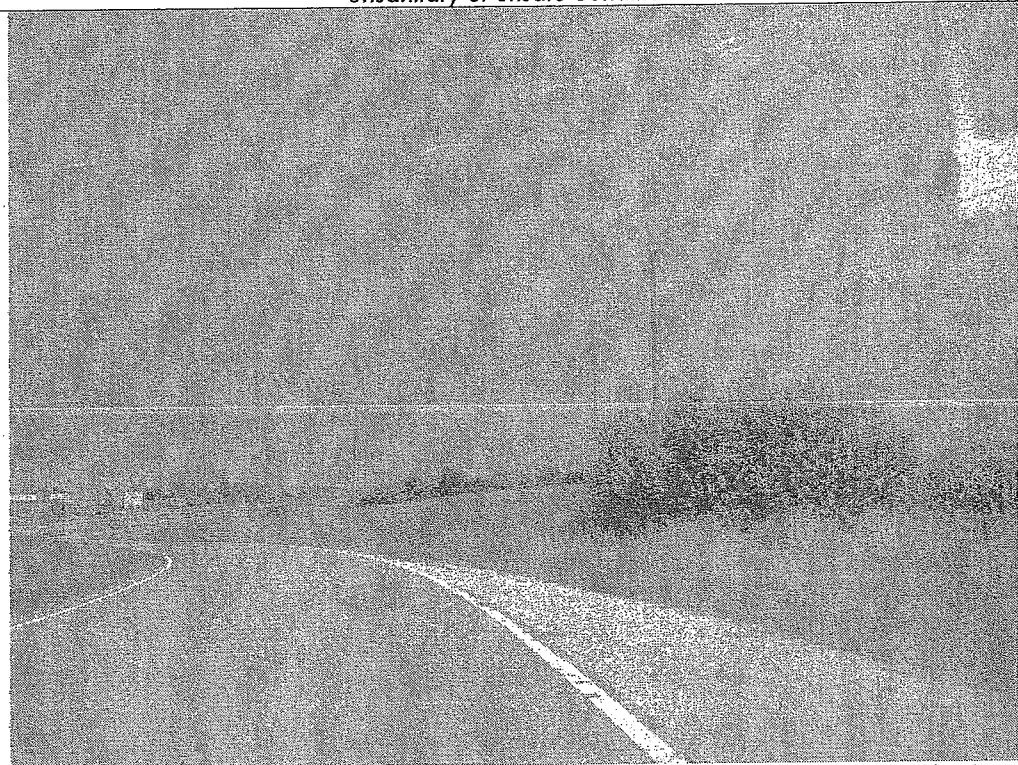
Project Area 4 looking northeasterly
***Inadequate street layout**



Project Area 4 looking northwesterly
***Inadequate street layout**



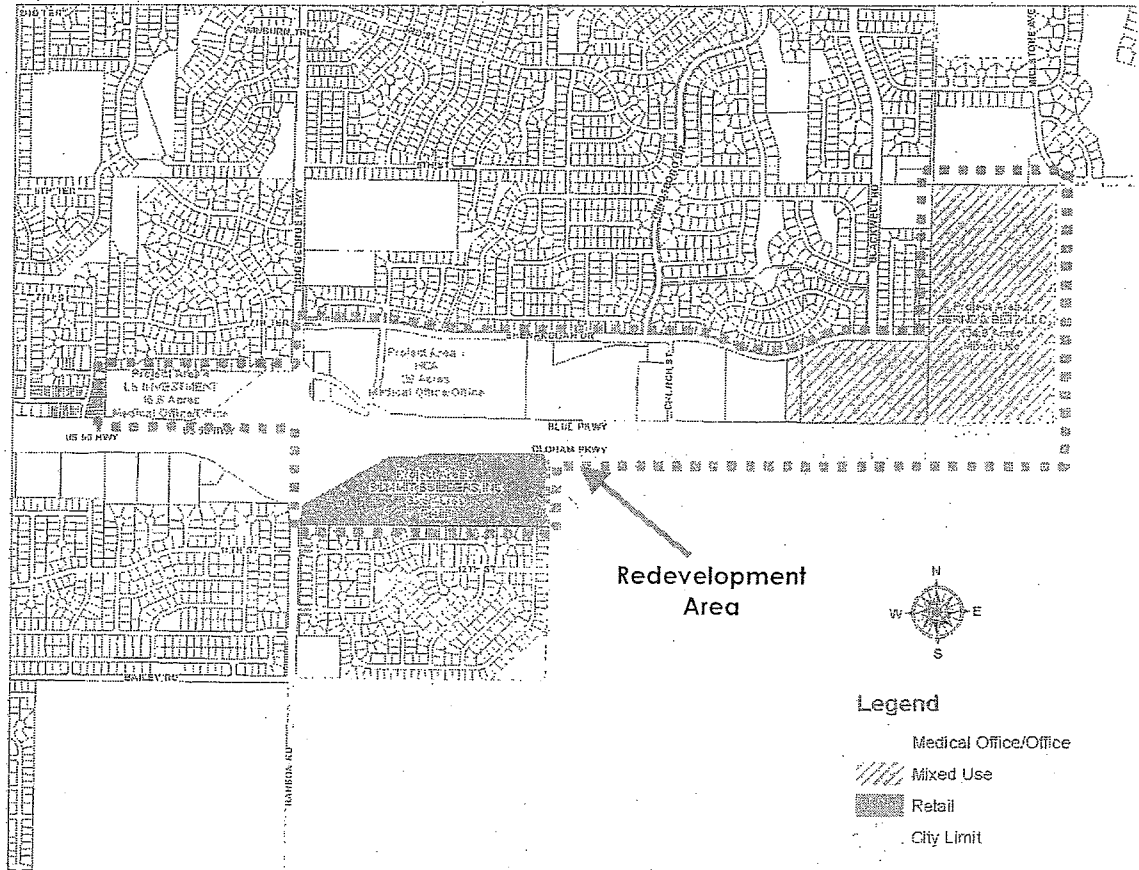
Project Area 4
*Unsanitary or unsafe conditions



Project Area 3 looking east
*Inadequate street layout

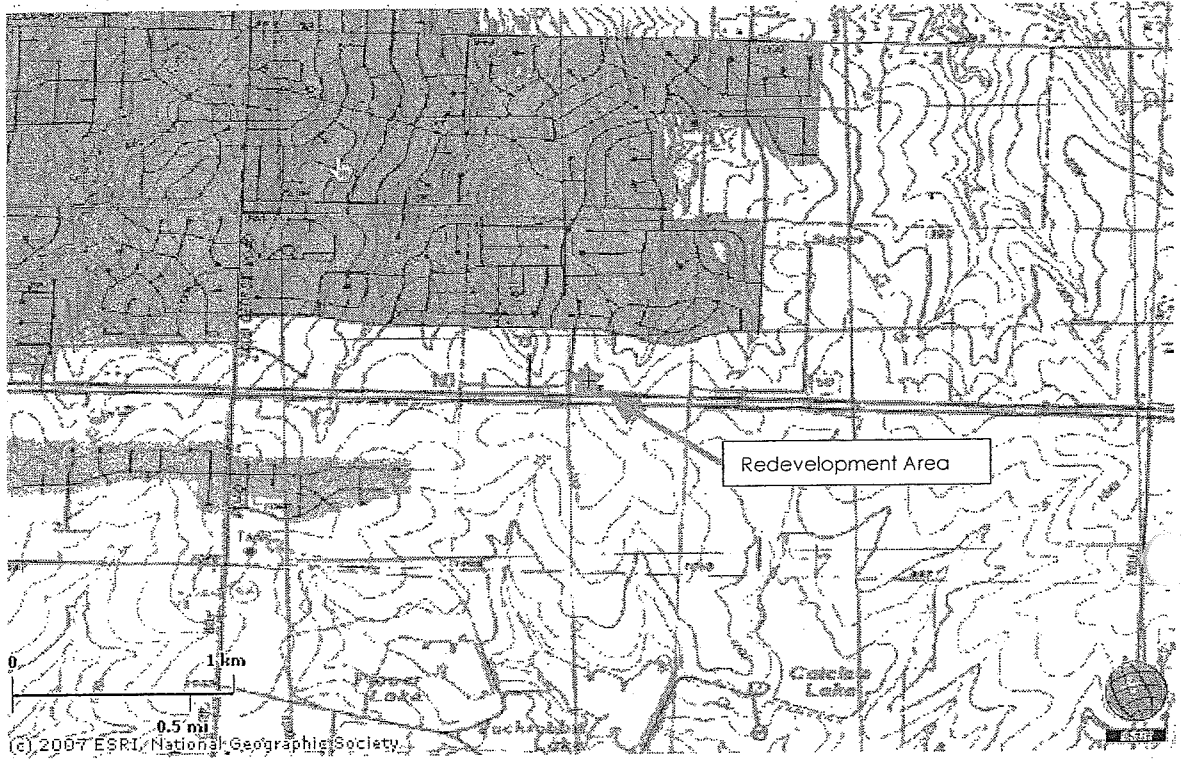
Redevelopment Area

The land area of the four project areas (currently proposed and projected) in the redevelopment area is approximately 197.95 acres or 8,622,702 SF (please see map below).



Topography Map

The redevelopment area is characterized by gently rolling topography. Please see map below.

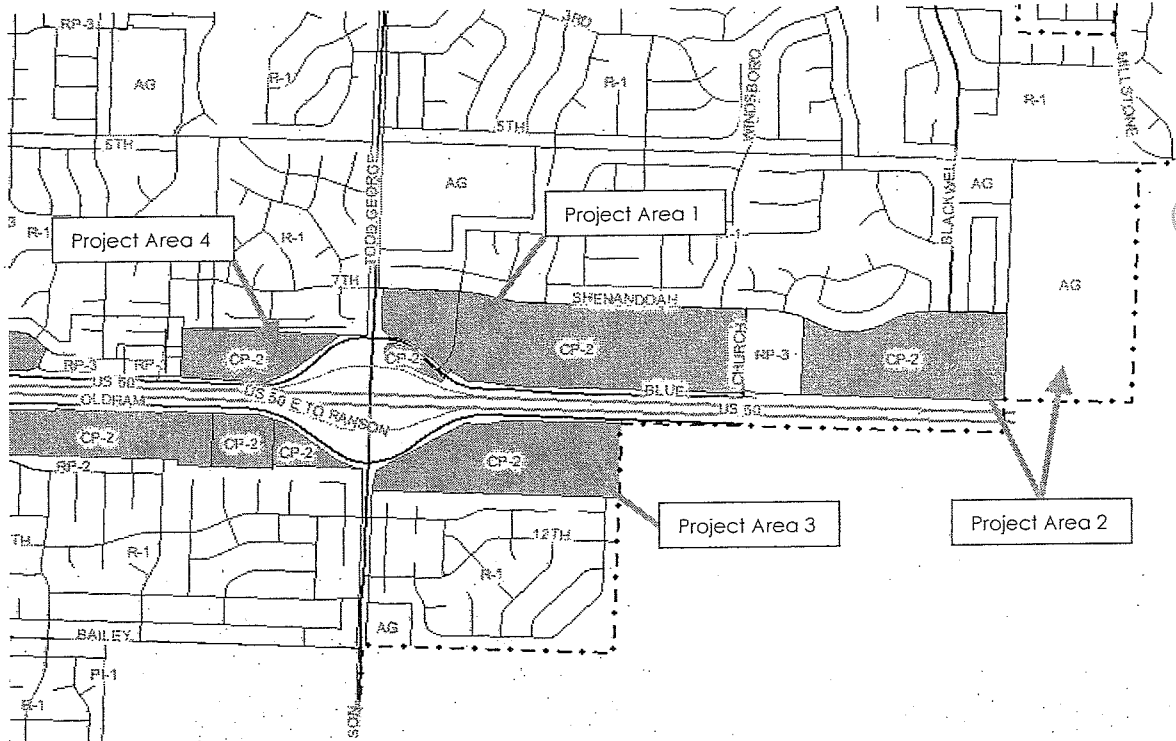


Redevelopment Area Aerial

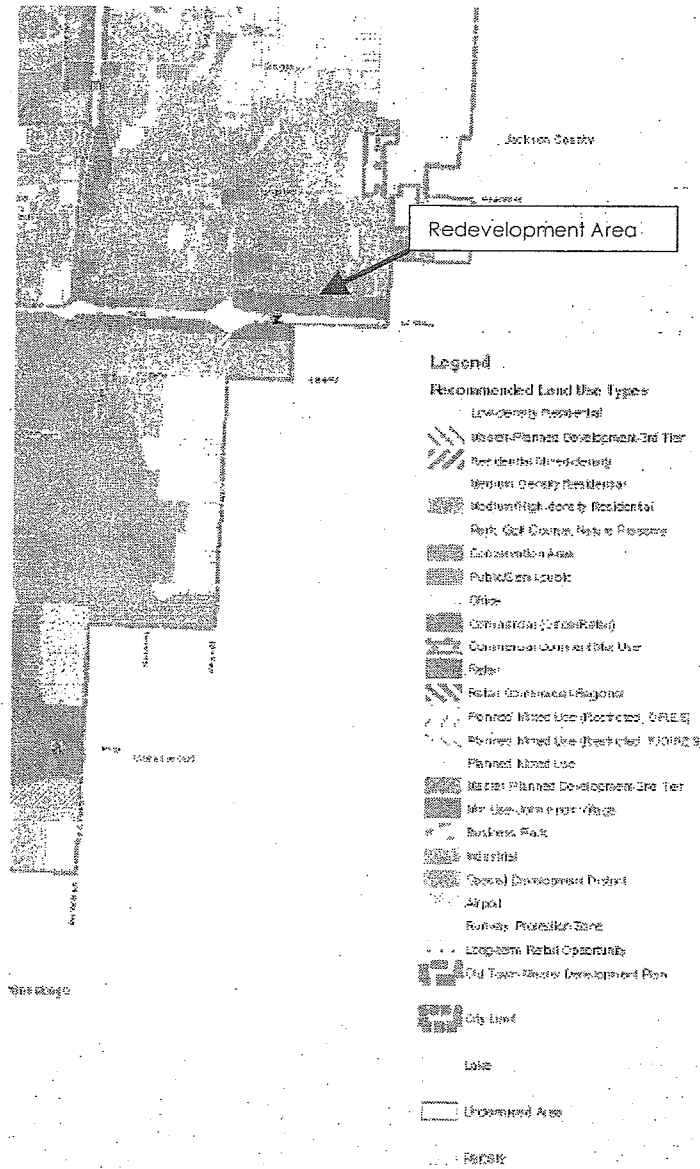


Zoning

The project areas are currently zoned CP-2 (general commercial) and AG (agriculture). CP-2 zoning allows a variety of retail and office development. However, the city of Lee's Summit has mentioned that due to current traffic flow patterns, the only real use for the redevelopment area "as is" is to build large, single-family estate homes or the additional development of churches. Typical commercial properties will not be allowed to be developed until traffic issues are resolved with the exception of part of Project Area 4. Current road configurations will only support a marginal increase in traffic flow which prevents most future commercial development. Please see Page 6 in the Area and Neighborhood description for an explanation of the above referenced traffic issues.



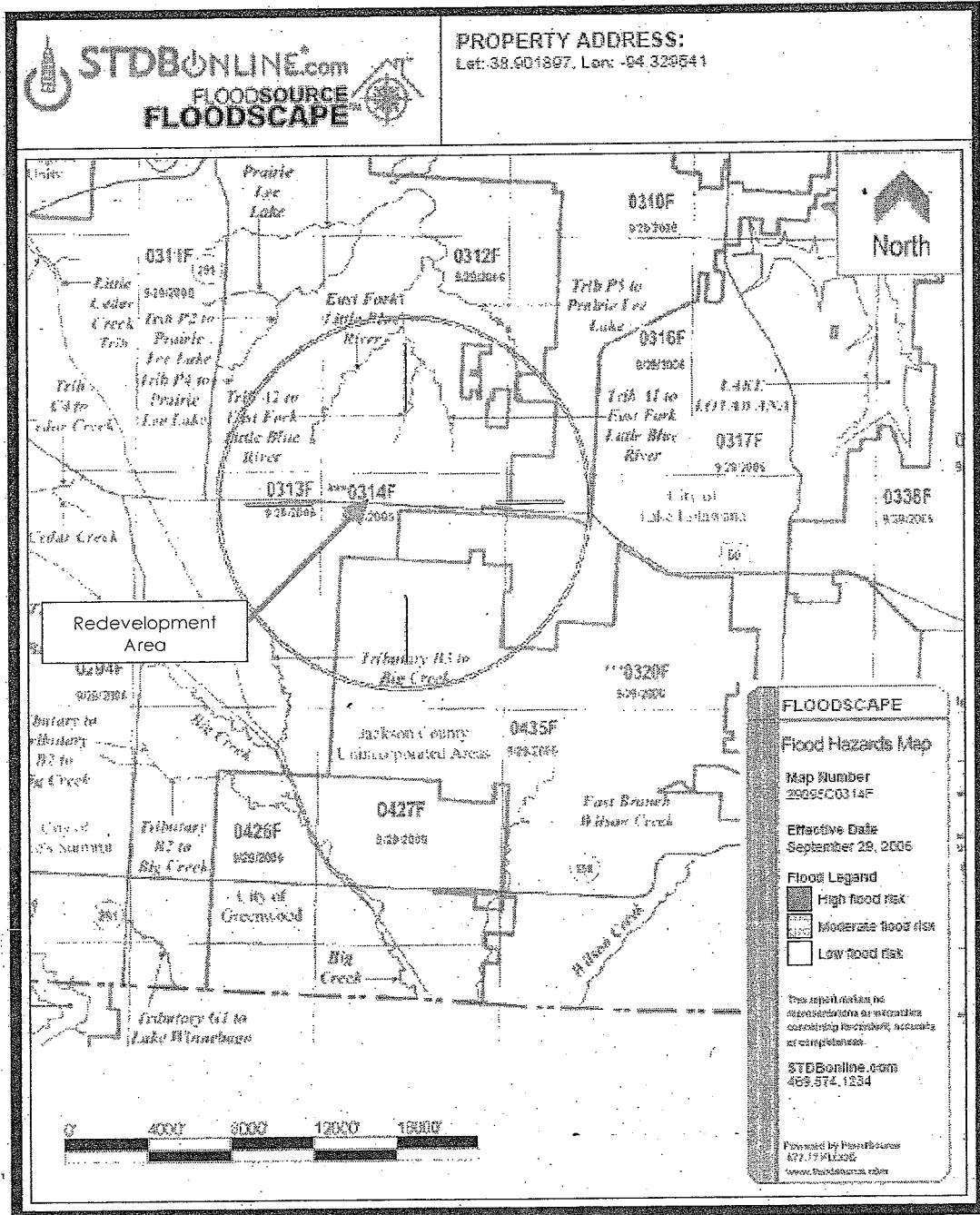
Future Land Use Map



East US 50 Highway Corridor Improvement Tax Increment Financing Plan

Flood Map

The subject properties are outside the 100 year and 500 year flood zone as evidenced by the map below.



East US 50 Highway Corridor Improvement Tax Increment Financing Plan

Utilities

According to the City of Lee's Summit Public Works department, water, sewer, electric and gas are all available within close proximity to the subject properties. Therefore, all necessary utilities are considered to be available for development. Please see water and sewer map on Page 16.

Utility	Provider
Water	City of Lee's Summit
Electric	Aquila
Gas	Missouri Gas and Energy
Sewer	City of Lee's Summit

Real Estate Taxes

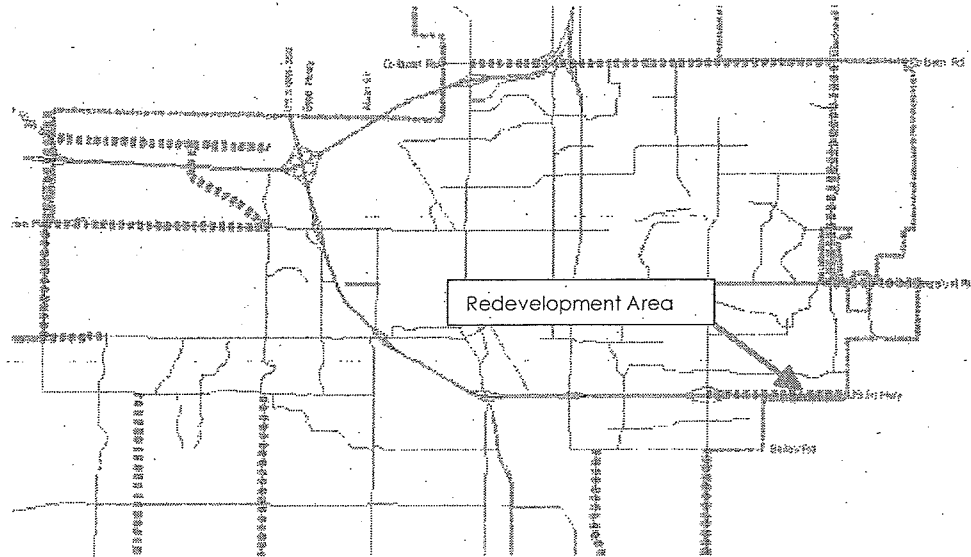
The 2006 real estate assessment status of the proposed redevelopment area is summarized below.

Tax Year	2006
Assessed Value	\$1,623,000
Total Taxes	\$37,465.87

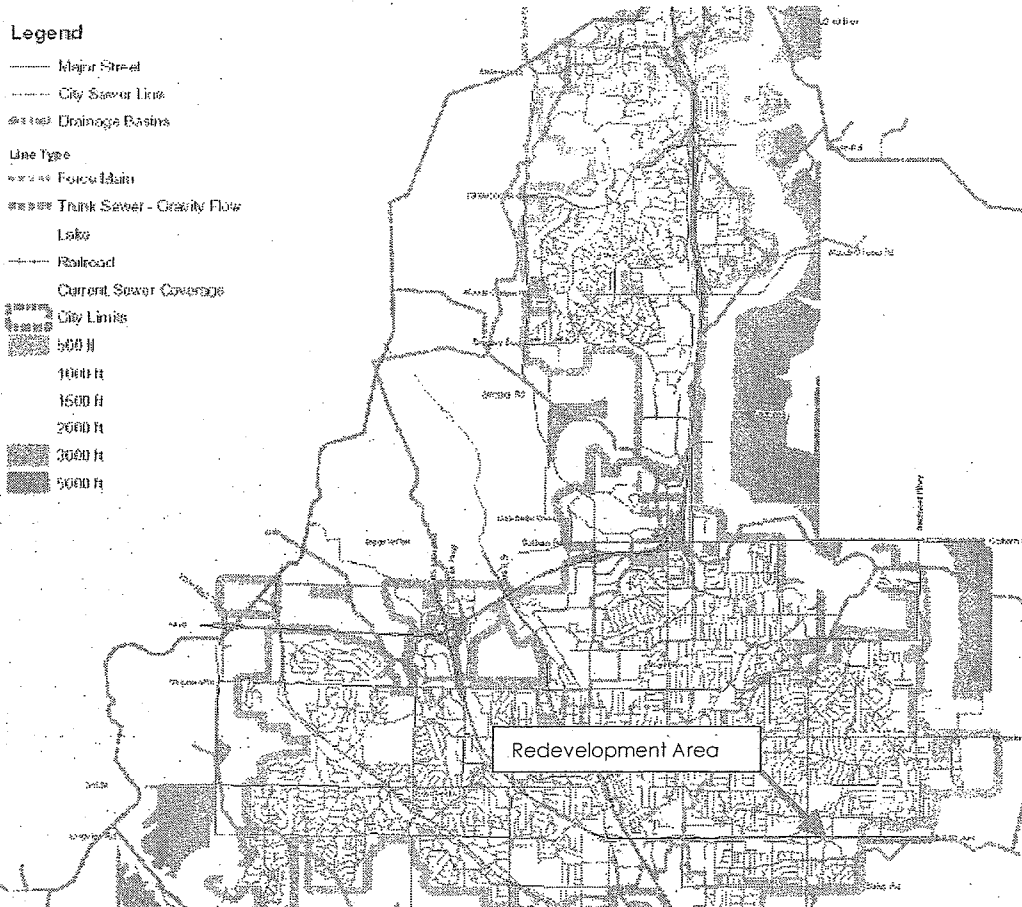
The 2007 real estate assessment status of the proposed redevelopment area is summarized below.

Tax Year	2007
Assessed Value	\$4,364,239
Total Taxes	\$37,512.15

Map of Existing Water Mains



Map of Existing Sewer Lines



East US 50 Highway Corridor Improvement Tax Increment Financing Plan

Proposed Improvement Description

Only two of the four preliminary development plans for the project areas were available. The development plan for Project Area 4 has reportedly been approved. The other project areas have submitted preliminary development plans that have yet to be approved by the City of Lee's Summit. Please see following tables for preliminary development plans.

Project Area 1

Phase	Type	Size SF
1	Hospital – 64 beds	123,460
	Medical office building	66,296
2	Second floor of hospital. (additional 96 beds)	102,000
	Medical office building	30,000
3	Medical office building	40,000
	Medical office building	40,000
Total		401,756

Project Area 2

Type	Size SF
Retail shopping center	120,000
Fast food restaurant	5,000
Sit-down restaurant	6,000
Bank	5,000
Large office building	100,000
Total	236,000

Project Area 3

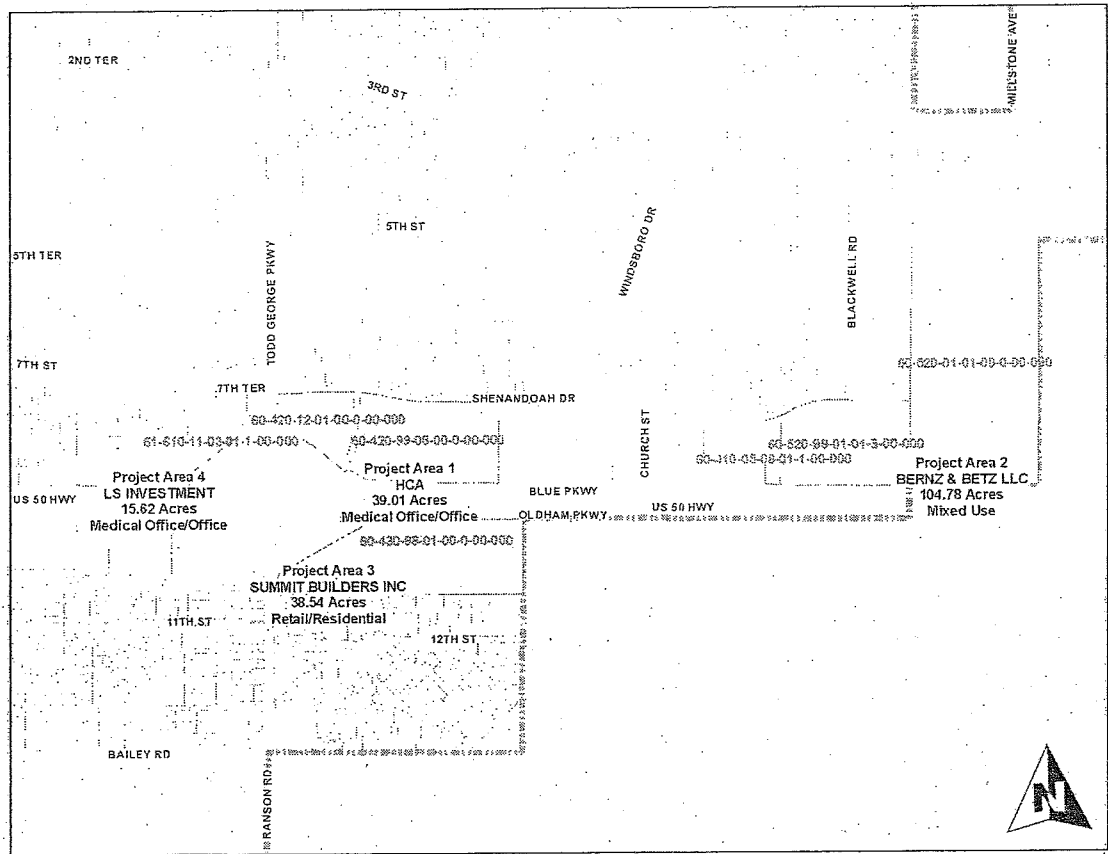
Phase	Type	Size SF
1	Restaurant	3,500
	Retail	3,500
	Restaurant	3,500
	Restaurant	3,500
	Retail	16,800
	Office	16,800
	Restaurant	24,000
	Retail	17,500
	Office	17,500
	Hotel	66,000
	Retail	117,500
	Office	12,000
	Bank	16,000
2	Assisted living (7 buildings)	153,500
Total		471,600

East US 50 Highway Corridor Improvement Tax Increment Financing Plan

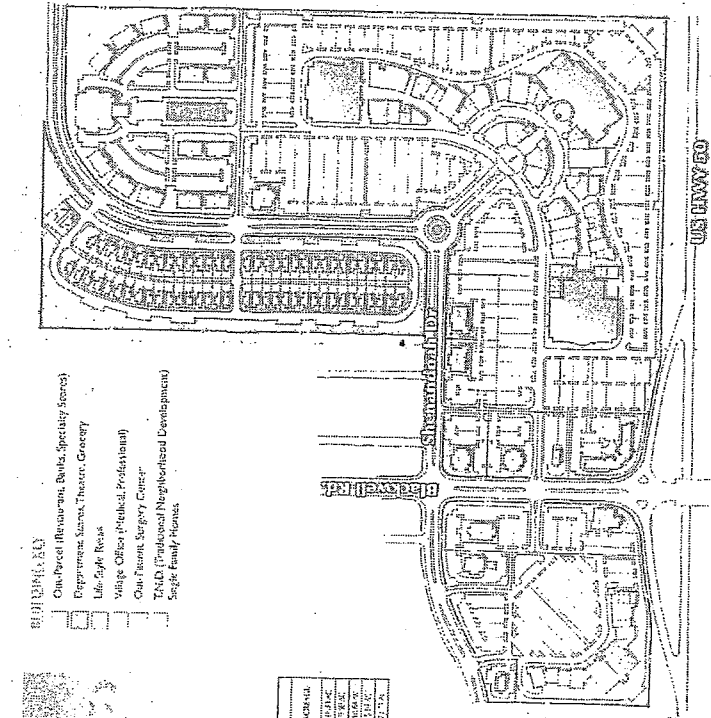
Project Area 4

Phase	Type	Size SF
1	Medical office building	12,000
	Medical office building	12,000
	Medical office building	12,000
	Medical office building	12,000
	Medical office building	12,000
	Convenience store	6,000
	Sit-down restaurant	8,400
	Drive-thru service building	4,000
	Fast food restaurant	4,000
	Fast food restaurant	4,000
Total		86,400

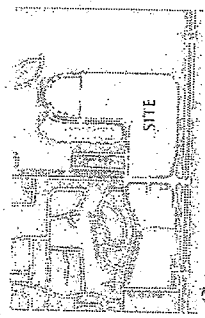
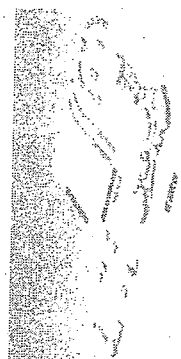
Project Area Map



Site Map for Project Area 2



- 明軒咖啡、茶館
- One-Parcel Restaurant, Bank, Specialty Store
- Refrigerated Storage, Theatrical, Grocery
- Life Cycle Retail
- Village Office (Medical, Professional)
- One Parcel Surgery Center
- TMD (Enhanced Neighborhood Development)
- Single Family Homes



AERIAL VIEW OF PROJECT AREA

RETAIL DEVELOPMENT SUMMARY

DESCRIPTION	AREA (SQ. FT.)	PERCENTAGE	ADDITIONAL
RETAIL DEVELOPMENT	10,000	100%	0%
TOTAL DEVELOPMENT	10,000	100%	0%

OFFICE DEVELOPMENT SUMMARY

DESCRIPTION	AREA (SQ. FT.)	PERCENTAGE	ADDITIONAL
OFFICE DEVELOPMENT	0	0%	0%
TOTAL DEVELOPMENT	0	0%	0%

TMD DEVELOPMENT SUMMARY

DESCRIPTION	AREA (SQ. FT.)	PERCENTAGE	ADDITIONAL
TMD DEVELOPMENT	0	0%	0%
TOTAL DEVELOPMENT	0	0%	0%

EAST RETAIL AREA CALCULATIONS

AREA	AREA (SQ. FT.)	PERCENTAGE	ADDITIONAL
RETAIL DEVELOPMENT	10,000	100%	0%
OFFICE DEVELOPMENT	0	0%	0%
TMD DEVELOPMENT	0	0%	0%
TOTAL DEVELOPMENT	10,000	100%	0%

Lee's Summit Landing

Site Map for Project Area 4

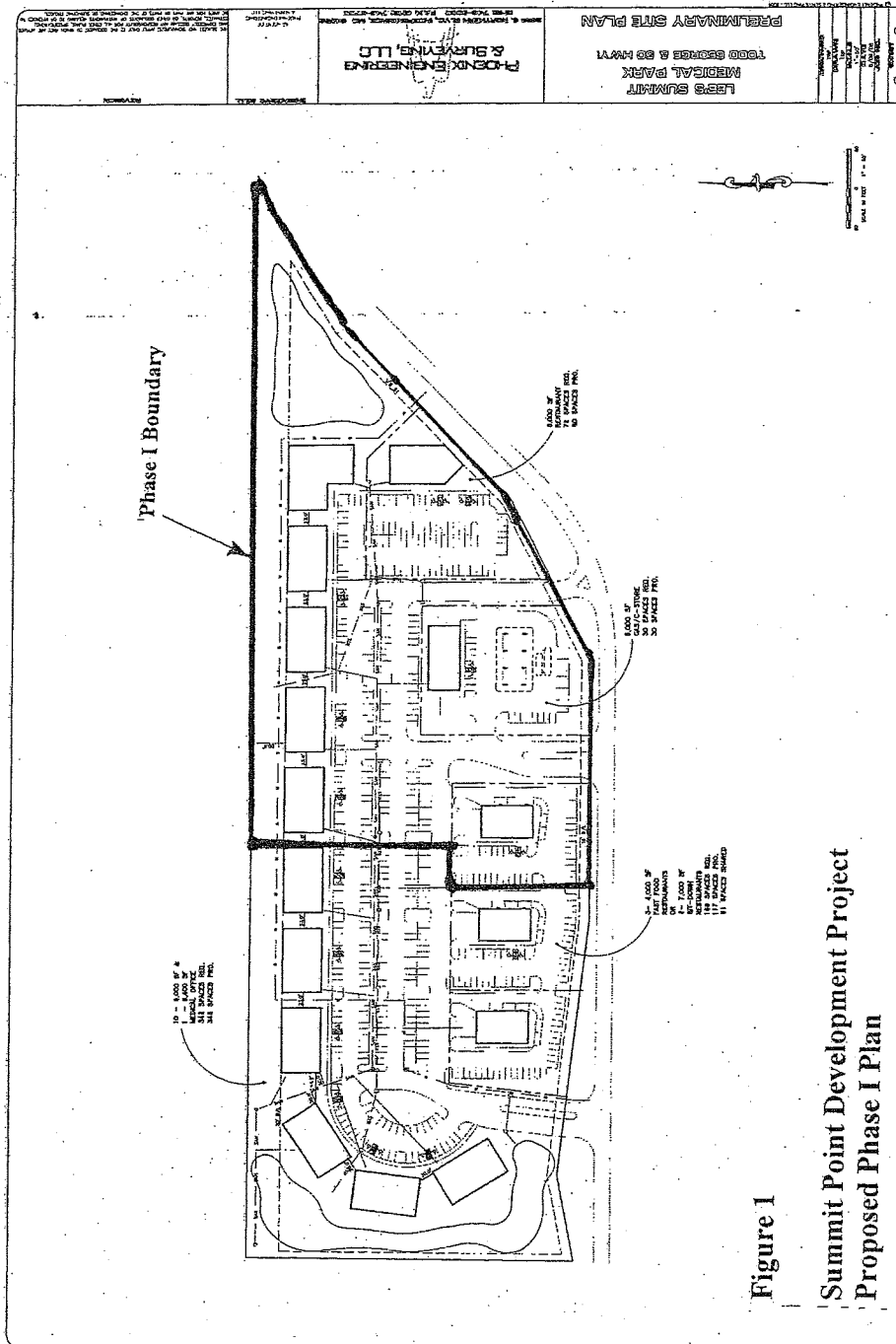


Figure 1
Summit Point Development Project
Proposed Phase I Plan

BLIGHT ANALYSIS

Blight Defined

As presented earlier, Section 99.805 (1) R.S. M.O. of Missouri's Tax Increment Financing Statute defines a "blighted area" as follows:

An area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use.

The components of the definition serve as the basis for further discussion concerning whether the proposed redevelopment area is blighted.

Component # 1 – Inadequate Street Layout

Defective or inadequate street layout is evident throughout the subject property, largely by the absence of interior roads, lack of access to the northern portion of Project Area 4, lack of access to the southern portion of Project Area 3, lack of access to all of Project Area 2, no street improvements on SE Blue Parkway and SE Oldham Parkway (beyond basic pavement), and an inadequate configuration of SE Todd George Parkway and SE Ranson Road. The indications of blight resulting from inadequate street layout are summarized below and discussed in more detail.

- Lack of adequate street access to Project Areas 2, 3 and 4.
- There are no public or private interior roads on all four project areas.
- SE Blue Parkway and SE Oldham Parkway lack storm sewers, curbs, gutters and street lights.
- Inadequate configuration of SE Todd George parkway and SE Ranson Road

East US 50 Highway Corridor Improvement Tax Increment Financing Plan

The proposed redevelopment area is served by what appears to be an inadequate network of roads leading to and within the properties. There is a one lane on and off ramp from Highway 50 at SE Todd George Parkway / SE Ranson Road. More lanes would be required for the on and off ramps to accommodate an increase in traffic. SE Oldham Parkway travels east/west along the northern boundary of Project Area 3 and is a two lane, dead-end road. SE Blue Parkway travels east/west along the southern boundary of Project Area 1 and 4. SE Blue Parkway is a two lane road which becomes a one way road when trying to re-enter SE Todd George Parkway. Drivers are redirected to Cumberland Road and must travel up and around to access Todd George Parkway or Highway 50. Project Area 2 is not served by any paved road except Shenandoah Drive to the north. The southern boundary of this area is served by a two lane gravel road.

The interior of the tracts have no access for conventional vehicles. If these tracts were to be redeveloped there would have to be more infrastructure put into place to access portions of the property that are not in the direct travel of current access roads. Furthermore, SE Blue Parkway and SE Oldham Parkway lack necessary street improvements to allow an increase in traffic flow. These two frontage roads currently do not have any storm sewers, curb, gutters or street lights. All of these components are necessary to provide safe and efficient travel. The lack of interior roads and street improvements severely limits the development potential of the properties. A future developer will have to construct all necessary road improvements to allow development to take place. These improvements will be very costly and could restrict future development all together from a cost-benefit standpoint.

The City of Lee's Summit is currently restricting most of the future commercial development in the redevelopment area due to an inadequate street layout. The redevelopment area is mostly zoned CP-2 which allows retail and office development. However, the City of Lee's Summit is allowing the development of large single-family homes, churches and phase one of Project Area 4 at this time. Once necessary street improvements are completed (please see Page 6 in the Area and Neighborhood description), the City of Lee's Summit will allow future development to fit with the current zoning classification.

Component # 2 – Unsanitary Or Unsafe Conditions

There does not appear to be any probable ground contamination actively present on the subject property. To our knowledge there has not been an environmental audit performed for the subject property as of this date, so it is not known what conditions, if any, exist that would be considered unsanitary or unsafe. The subject is mostly vacant and is not known to be in the immediate vicinity of any influences that might pose an environmental hazard or unsafe condition.

East US 50 Highway Corridor Improvement Tax Increment Financing Plan

Project Area 4 is improved with a single family house and shed (please see picture on Page 4 in the Site Description). Both of these structures are deteriorated to a condition that we believe is unsafe and could pose a potential threat to anyone who might try to enter the premises.

SE Blue Parkway and SE Oldham Parkway are unsignalized intersections allowing access to Project Area 1,3 and 4. These two frontage roads are too close to the on and off ramps of Highway 50 to allow safe and efficient travel. As more development occurs, traffic flow will increase and this increase in traffic flow could potentially cause a congestion of traffic in or around the on and off ramps of Highway 50.

The subject property does not appear to suffer from any unsanitary conditions. However, if any ground contamination is present within the subject property, such contamination would be a component of blight. The subject property does appear to suffer from unsafe conditions from deteriorating structures and frontage roads within close proximity to on and off ramps. These items are considered to be a indication of blight.

Component # 3 – Deterioration Of Site Improvements

The redevelopment area does not appear to suffer from any deterioration of site improvements. All of the project areas have very little, if any, site improvements. Therefore, this does not appear to be a significant indication of blight.

Component # 4 – Improper Subdivision Or Obsolete Platting

This component of blight generally applies to urban settings where fractioned interests prohibit coherent development of modern, functional facilities. In this case, however, the redevelopment area is primarily larger tracts of unplatted land.

The properties will need to be platted for development to occur, but the lack of existing platting is not considered to be a significant indication of blight.

Component # 5 – Endangerment By Fire Or Other Causes

The redevelopment area is conveniently located near police and fire service. Please see table below for addresses and distances from the subject property. However, as mentioned earlier, the close proximity of SE Blue Parkway and SE Oldham Parkway to the Highway 50 interchange could potentially be an endangerment to local residents if future development should occur. An endangerment could be caused by cars stacking up in or around the Highway 50 interchange while waiting to turn, thus restricting movement of emergency vehicles. For this and other reasons outlined above, endangerment by fire or other causes is considered to be a significant indication of blight.

Public Service	Address	Distance From Subject
Lee's Summit Police Department	10 NE Tudor	4.6 miles
Lee's Summit Fire Department	207 SE Douglas Street	3.2 miles

CONCLUSION

The following components of the blight definition are present in the proposed redevelopment area. The following is a summary of the blight determinations.

Blight Component	Yes	No
Inadequate Street Layout	X	
Unsanitary or Unsafe Conditions	X	
Deterioration of Site Improvements		X
Improper Subdivision or Obsolete Platting		X
Endangerment by Fire or other Causes	X	

The foregoing analysis demonstrates that blight, as a whole, is present throughout the proposed redevelopment area. The consultant is of the opinion that three of the five components of blight are present. In accordance with Missouri's Tax Increment Financing statutes definition of Blight (Section 99.805 (1) R.S. Mo.), the redevelopment area is blighted if, by reason of the preponderance of these three factors, "the area constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition or use."

The consultant is of the opinion that because of a preponderance of the three present blight factors above, the area, in its present condition and use, constitutes (1) an economic liability, and (2) a menace to the public health, safety, and welfare.

Economic Liability

The Redevelopment Area consists of a vacant and underutilized property and has not been subject to acceptable growth and development through private enterprise. The existence of the blighting factors present (inadequate street layout, unsanitary or unsafe conditions and endangerment to life or property by fire or other causes), when taken as a whole, clearly indicates that the Redevelopment Area constitutes an economic liability in its present condition and use. Because of this, it is unlikely that the Study Area will develop without assistance. As a result, the Study Area constitutes an economic liability.

The Missouri Supreme Court has determined that "the concept of urban redevelopment has gone far beyond 'slum clearance' and the concept of economic underutilization is a valid one." Blight exists to the extent an area is operating less than its potential. The community is harmed by the foregone tangible and intangible benefits resulting from underperformance. Please see reference to the Missouri Supreme Court Cases below.

East US 50 Highway Corridor Improvement Tax Increment Financing Plan

1. Parking Systems, Inc. v. Kansas City Downtown Redevelopment Corporation, 518 S.W.2d 11, 15 (Mo.1974). The courts determined that it is not necessary for an area to be what commonly would be considered a "slum" in order to be blighted.
2. Crestwood Commons Redevelopment Corporation v. 66 Drive-In, Inc., 812 S.W. 2d 903, 910 (MO. App. E.D.1991). Determined that an otherwise viable use of a property may be considered blighted if it is an economic under utilization of the property.
3. State ex. Rel Atkinson v. Planned Industrial Expansion Authority, 517 S.W.2d 36 at 46 (Mo. banc 1975). Blight may also be found if the redevelopment of an area "could promote a higher level of economic activity, increased employment, and greater services to the public." Tierney, 742 S.W.2d at 151.

Earlier in the study it was shown that the proposed redevelopment area has a 2007 assessed valuation of \$4,364,239. The redevelopment area is mostly unimproved and therefore not generating significant real estate taxes. Once completion of all four project areas has occurred, the total assessed value will be significantly more than the current assessed value. We were not provided with any revenue or cost projections but based on prior knowledge and experience, construction of approximately 1,200,000 square feet of vertical improvements will be assessed at a much greater value than the current assessment.

It is concluded that the existing infrastructure is inadequate to promote any future development and according to Missouri's Tax Increment Financing statutes (Section 99.805 (1) R.S. Mo.) constitutes an economic liability. However, once the City of Lee's Summit corrects the current infrastructure, the subject property will have adequate roadways and access to spur future development. The completion of this infrastructure will reportedly be funded by the City of Lee's Summit. The cost to construct adequate roadways to allow new development (please refer to Page 6 in the Area and Neighborhood description) is estimated at approximately \$45,000,000, and it is unfeasible for any single developer to incur these costs in order to complete their individual development. These costs are a detriment to developers from a cost-benefit standpoint, as the increase in land value that will result to their respective properties from the improvements will not offset the infrastructure expenses. For this and other reasons outlined above, an inadequate street layout for the subject property is considered to be a significant indication of blight and therefore an economic liability.

A Menace to the Public Health, Safety, and Welfare

As seen in the foregoing analysis, in addition to the Redevelopment Area constituting an economic liability in its present condition and use because of the predominance of the three stated blighting factors, the predominance of these same three blighting factors also present a menace to the public health, safety, and welfare in its present condition and use. The inability of the infrastructure to handle an increase in traffic flow, the deteriorating structure and the close proximity of SE Blue Parkway and SE Oldham Parkway to the interchange, pose substantial risks to the public health, safety and welfare of the public.

Therefore, the consultants have determined that as of August 9, 2007, the Study Area is a "blighted area" according to the definition provided in Missouri's Tax Increment Financing statutes (Section 99.805 (1) R.S. Mo.).

ADDENDA

**Appraiser Qualifications
Glossary
Additional Information**

Shaner Appraisals, Inc.

APPRAISER QUALIFICATIONS

APPRAISER'S QUALIFICATIONS

H. LAIRD GOLDSBOROUGH, MAI

EDUCATION

Graduate 1990 - Master's Degree in Real Estate
University of Denver, Denver, Colorado

Graduate 1984 - Bachelor of Arts in Communications
University of Virginia, Charlottesville, Virginia

PROFESSIONAL EDUCATION

Seminars and Continuing Education

Real Estate Appraisal Principles
Basic Valuation Procedures
Capitalization Theory
Standards of Professional Practice
Case Studies in Real Estate Valuation
Narrative Report Writing
Americans with Disabilities Act
Feasibility Analysis & Highest and Best Use
Appraisal Practices for Litigation
Easement Valuation
Comprehensive Appraisal Workshop
Demonstration Report Writing - Non Residential
The Internet and Appraising
Valuation of Partial Interests - Undivided
Valuation of Detrimental Conditions
Appraisal Review - Commercial
GIS Applications for Real Estate Appraisals
Analyzing Operating Expenses
Advanced Sales and Cost Approaches
Business Practices and Ethics

PROFESSIONAL AFFILIATIONS

Member, Appraisal Institute, (MAI) #11335
2004 President - Kansas City Chapter of the Appraisal Institute

Certified General Real Property Appraiser #G-834 - Kansas

Certified General Real Estate Appraiser #RA002834 - Missouri

Licensed real estate agent - Kansas

EXPERIENCE

October, 1990 - Present
President, Shaner Appraisals, Inc.

PROPERTY TYPES APPRAISED

Industrial buildings	Underground storage facilities
Commercial buildings	Radio towers
Office buildings	All types of vacant land
Shopping centers	Residential subdivisions
Apartment complexes	Special use properties
Nursing homes	Manufactured home parks
Business parks	Blight studies

APPRAISAL PURPOSES AND USES

New loans	Acquisition / disposition
Refinancing	Development & construction
Condemnation	Feasibility studies
Litigation support	Highest and best use studies
Estate planning & settlements	Marketability studies
Ad valorem tax issues	Rent surveys
Expert witness testimony	Collateral assessment

APPRAISER'S QUALIFICATIONS

DANIEL J. KANN

EDUCATION

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

PROFESSIONAL EDUCATION

Seminars and Continuing Education

Basic Appraisal Principals
Basic Appraisal Procedures
Uniform Standards of Appraisal Practice
General Market Analysis & Highest and Best Use
Listing Practices
Buying Practices
CCIM Intro
Real Estate Principals
Real Estate Law
Real Estate Finance
Real Estate Investments & Appraisal

PROFESSIONAL AFFILIATIONS

Associate Member - Appraisal Institute
MAI Candidate – Appraisal Institute
CCIM Candidate – CCIM Institute

EXPERIENCE

March 2007 - Present
Shaner Appraisals, Inc.
Real Estate Analyst

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

PROPERTY TYPES APPRAISED

Office Buildings
Residential Homes
Vacant Land
MUH – 4 Units
Industrial buildings
Intermodal Transportation Facility
Shopping centers

APPRAISAL PURPOSES AND USES

Mortgage financing
Equity analysis
Acquisition / Disposition

**COMPANY PROFILE
SHANER APPRAISALS, INC.**

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

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

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

LIST OF SERVICES	VALUATION / COUNSELING PURPOSES
<ul style="list-style-type: none"> Commercial property appraisals Residential property appraisals Eminent domain appraisals Expert witness testimony Property tax appeals Market studies Feasibility studies Litigation support Due diligence research Appraisal review Partial interest valuation Conservation easement valuation Rent studies General real estate counseling Blight studies 	<ul style="list-style-type: none"> Financing Ad valorem tax disputes Trusts and estates Condemnation Investment analysis Arbitration Portfolio valuation Collateral assessment Right of way acquisition Financial structuring
PROPERTY TYPES APPRAISED	
<ul style="list-style-type: none"> Office buildings – single/multi-tenant, standard office, medical office, surgery centers Retail centers – single/multi-tenant, neighborhood, community, regional shopping centers Industrial buildings – flex, R&D, distribution, manufacturing, underground, self-storage Land – All types Multi-family apartment complexes, LIHTC, HUD Nursing homes Hotels, motels, extended stay facilities Single family homes, condominiums, duplexes Churches Easement corridors 	

PARTIAL CLIENT LIST

Government Agencies/Municipalities

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

Lending Institutions

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

Corporations, Developers and Institutional Clients

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

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

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

Accounting and Law Firms

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

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

Shaner Appraisals, Inc.

GLOSSARY

GLOSSARY

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

Accrued Depreciation

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

Appraisal

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

Extraordinary Assumption

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

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

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

Fee Simple Estate

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

Highest and Best Use

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

Hypothetical Condition

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

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

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

Investment Value

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

Leased Fee Interest

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

Leasehold Interest

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

Market Value

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

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

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

Negative Leasehold

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

Neighborhood

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

Positive Leasehold

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

Replacement Cost

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

Reproduction Cost

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

Use Value

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

Shaner Appraisals, Inc.

ADDITIONAL INFORMATION

Laird Goldsborough

Jackson County

8/14/2007 9:26 A.M.

Tax ID # 60-430-98-01-00-0-00-000

Full Report

Property Information

COUNTY APPRAISER SITE

Update: 3/16/2007

Property Address: NO ADDRESS ASSIGNED BY CITY
 Property City: LEES SUMMIT Zip: Property Class: Agriculture Vacant Land / 4000
 Subdivision: Section 10 Township 47 Range

Owner Information

Owner Name: SUMMIT BUILDERS INC

In Care Of:
 Mailing Address: PO BOX 346
 City, St Zip LEES SUMMIT, MO 64063

Land Information

Acres: 0
 Front: 0
 Depth: 0

Building Information

Building Type:	Total Bldg Sq Ft: 0	Bedrooms: 0
Year Built: 0	Base Sq Ft: 0	Bathrooms: 0
Exterior Wall:	Stories:	Units: 0

Tax Assessment Information

Total Appraised Value:	\$23,555	Assessment Year:	2007
Total Assessed Value:	\$2,827		
Total Taxable Value:	\$2,827		
Tax District:	049	Exempt Amount:	

Legal Description

Section 10 Township 47 Range 31 ALL TH PT SW 1/4 LYG N OF PRINCETON HEIGHTS 1ST, 2ND & 3RD PLATS (EX PTS IN RDS)

Taxes

Taxes: \$246 Balance Amt: \$0 Tax Year: 2007

PLEASE NOTE:

The Bedroom and Bathroom Information were supplied by the county in the year 2000.

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Laird Goldsborough

Jackson County

8/14/2007 9:24 A.M.

Tax ID # 60-410-05-06-01-1-00-000

Full Report

Property Information

COUNTY APPRAISER SITE

Update: 3/16/2007

Property Address: NO ADDRESS ASSIGNED BY CITY
Property City: LEES SUMMIT Zip: Property Class:Agriculture Vacant Land / 4000
Subdivision: CHARLESTON PARK LOTS 1B & 2B -

Owner Information

Owner Name: BERNZ & BETZ LLC

In Care Of:

Mailing Address: 2703 MCKINLEY
City, St Zip GREAT BEND, KS 67530

Land Information

Acres:
Front:
Depth:

Building Information

Building Type: Total Bldg Sq Ft: Bedrooms:
Year Built: Base Sq Ft: Bathrooms:
Exterior Wall: Stories: Units:

Tax Assessment Information

Total Appraised Value: \$1,260 Assessment Year: 2007
Total Assessed Value: \$151
Total Taxable Value: \$151
Tax District: 049 Exempt Amount:

Legal Description

CHARLESTON PARK LOTS 1B & 2B - PT LOT 2B DAF: BEG NE COR SD LOT 2B TH S ALG E LI SD LOT 697' MOL TO N ROW LI US 50 HWY TH N 87 DEG 51 MIN 32 SEC W ALG SD N ROW LI 107.07' TH CONT W ALG SD N ROW LI 54.69' TH N 2 DEG 18 MIN 49 SEC E 656.30' TO SLY ROW LI SHENANDOAH DR TH NELY ALG SD SLY ROW 172.20' TO POB

Taxes

Taxes: \$13 Balance Amt: \$0 Tax Year: 2007

PLEASE NOTE:

The Bedroom and Bathroom Information were supplied by the county in the year 2000.

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Laird Goldsborough

Jackson County

8/14/2007 9:23 A.M.

Tax ID # 60-520-99-01-01-3-00-000**Full Report****Property Information**

COUNTY APPRAISER SITE

Update: 3/16/2007

Property Address: NO ADDRESS ASSIGNED BY CITY
 Property City: LEES SUMMIT Zip: Property Class: Residential Vacant Land / 1000
 Subdivision: SEC-11 TWP-47 RNG-31

Owner Information

Owner Name: BERNZ & BETZ LLC

In Care Of:
 Mailing Address: 2703 MCKINLEY
 City, St Zip GREAT BEND, KS 67530

Land Information

Acres: 0
 Front: 0
 Depth: 0

Building Information

Building Type:	Total Bldg Sq Ft: 0	Bedrooms: 0
Year Built: 0	Base Sq Ft: 0	Bathrooms: 0
Exterior Wall:	Stories:	Units: 0

Tax Assessment Information

Total Appraised Value:	\$180,202	Assessment Year:	2007
Total Assessed Value:	\$34,238		
Total Taxable Value:	\$34,238		

Tax District: 049

Exempt Amount:

Legal Description

SEC-11 TWP-47 RNG-31 PT W 1/2 NW 1/4 DAF: BEG SE COR W 1/2 NW 1/4 TH N ALG E LI SD W 1/2 110' MOL TO N ROW LI U.S. 50 HWY & TRU POB TH W ALG SD N ROW LI 1292' MOL TH N 25' TH W 31' TO W LI NW 1/4

Taxes

Taxes: \$2,959

Balance Amt: \$0

Tax Year: 2007

PLEASE NOTE:

The Bedroom and Bathroom Information were supplied by the county in the year 2000.

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Laird Goldsborough

Jackson County

8/14/2007 9:25 A.M.

Tax ID # 60-520-01-01-00-0-00-000

Full Report

Property Information

COUNTY APPRAISER SITE

Update: 3/16/2007

Property Address: NO ADDRESS ASSIGNED BY CITY
 Property City: LEES SUMMIT Zip: Property Class: Agriculture Improved / 4010
 Subdivision: RNG-31 TWP-47 SEC-11--80 AC E

Owner Information

Owner Name: BERNZ & BETZ LLC

In Care Of:

Mailing Address: 13721 GOODMAN
 City, St Zip OVERLAND PARK, KS 66223

Land Information

Acres: 0
 Front: 0
 Depth: 0

Building Information

Building Type: Total Bldg Sq Ft: 0 Bedrooms: 0
 Year Built: 0 Base Sq Ft: 0 Bathrooms: 0
 Exterior Wall: Stories: Units: 0

Tax Assessment Information

Total Appraised Value: \$40,631 Assessment Year: 2007
 Total Assessed Value: \$4,876
 Total Taxable Value: \$4,876

Tax District: 049

Exempt Amount:

Legal Description

RNG-31 TWP-47 SEC-11--80 AC E 1/2 OF NW 1/4 (EX ROW 6/64-2.57 AC)

Taxes

Taxes: \$425

Balance Amt: \$0

Tax Year: 2007

PLEASE NOTE:

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Laird Goldsborough

Jackson County

8/14/2007 9:21 A.M.

Tax ID # 60-420-12-01-00-0-00-000**Full Report****Property Information**

Update: 3/16/2007

Property Address: NO ADDRESS ASSIGNED BY CITY
 Property City: LEES SUMMIT Zip: Property Class: Commercial Vacant / 2000
 Land
 Subdivision: HCA MIDWEST LOTS 1 & 2--LOT 2

Owner Information

Owner Name: MIDWEST DIVISION LSH LLC
 In Care Of: %HCA INC, ATTN: HCA TAX DEPT
 Mailing Address: PO BOX 1504
 City, St Zip: NASHVILLE, TN 37202

Land Information

Acres:
 Front:
 Depth:

Building Information

Building Type:	Total Bldg Sq Ft:	Bedrooms:
Year Built:	Base Sq Ft:	Bathrooms:
Exterior Wall:	Stories:	Units:

Tax Assessment Information

Total Appraised Value:	\$1,924,000	Assessment Year:	2007
Total Assessed Value:	\$615,680		
Total Taxable Value:	\$615,680		
Tax District:	049	Exempt Amount:	

Legal Description

HCA MIDWEST LOTS 1 & 2--LOT 2

Taxes

Taxes:	Balance Amt:	Tax Year: 2007
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PLEASE NOTE:

The Bedroom and Bathroom Information were supplied by the county in the year 2000.

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Laird Goldsborough

Jackson County

8/14/2007 9:22 A.M.

Tax ID # 60-420-99-08-00-0-00-000

Full Report

Property Information

Update: 3/16/2007

Property Address: NO ADDRESS ASSIGNED BY CITY

Property City: LEES SUMMIT Zip: Property Class: Commercial Vacant / 2000
Land

Subdivision: HCA MIDWEST LOTS 1 & 2---LOT 1

Owner Information

Owner Name: MIDWEST DIVISION LSH LLC

In Care Of: %HCA INC, ATTN: HCA TAX DEPT

Mailing Address: PO BOX 1504
City, St Zip NASHVILLE, TN 37202

Land Information

Acres:
Front:
Depth:

Building Information

Building Type: Total Bldg Sq Ft: Bedrooms:
Year Built: Base Sq Ft: Bathrooms:
Exterior Wall: Stories: Units:

Tax Assessment Information

Total Appraised Value: \$5,047,000 Assessment Year: 2007
Total Assessed Value: \$1,615,040
Total Taxable Value: \$1,615,040

Tax District: 049 Exempt Amount:

Legal Description

HCA MIDWEST LOTS 1 & 2---LOT 1

Taxes

Taxes: Balance Amt: Tax Year: 2007

PLEASE NOTE:

The Bedroom and Bathroom Information were supplied by the county in the year 2000.

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Laird Goldsborough

Jackson County

8/14/2007 9:26 A.M.

Tax ID # 61-610-11-03-01-1-00-000

Full Report

Property Information

COUNTY APPRAISER SITE

Update: 3/16/2007

Property Address: NO ADDRESS ASSIGNED BY CITY
 Property City: LEES SUMMIT Zip: Property Class: Residential Vacant Land / 1000
 Subdivision: SEC-09 TWP-47 RNG-31

Owner Information

Owner Name: LEES SUMMIT INVESTMENT CO INC

In Care Of:

Mailing Address: 500 SW MARKET STE 3
 City, St Zip LEES SUMMIT, MO 64063

Land Information

Acres:
 Front:
 Depth:

Building Information

Building Type:	Total Bldg Sq Ft:	Bedrooms:
Year Built:	Base Sq Ft:	Bathrooms:
Exterior Wall:	Stories:	Units:

Tax Assessment Information

Total Appraised Value:	\$1,248,455	Assessment Year:	2007
Total Assessed Value:	\$237,206		
Total Taxable Value:	\$237,206		
Tax District:	049	Exempt Amount:	

Legal Description

SEC-09 TWP-47 RNG-31 TH PT NE 1/4 DAF: BEG AT SE COR LOT 75 SILKWOOD EST 3RD PLAT TH W ALG S LI OF SD PLAT & TH PROL OF 1655' MOL TH S 502.11' TO NLY ROW LI US 50 HWY TH NELY ALG SD NLY ROW 138' MOL TH CONT ALG SD ROW SELY 95' MOL TH CONT SELY ALG NLY ROW LI 250.82' TH E 450' TH IN A NELY DIR ALG SD NLY ROW LI TO POB

Taxes

Taxes: \$19,535 Balance Amt: \$0 Tax Year: 2007

PLEASE NOTE:

The Bedroom and Bathroom Information were supplied by the county in the year 2000.

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**CITY INITIATED TIF
50 HWY BETWEEN TODD GEORGE RD AND BLACKWELL ROAD**

PROPOSED TIMELINE

DATE	EVENT
Week of August 6th	Draft TIF Plan sent to project team for review.
Week of August 13, 2007	Meet with Property owners within proposed TIF area, but not within Project Area
August 27, 2007	Notices of the TIF hearing sent to Taxing Jurisdictions
September 21, 2007	1 st Notice in the Newspaper of Proposed TIF project
Week of Sept 24 th	Notices of the TIF Hearing sent to Property Owners
October 5, 2007	2 nd Notice in the Newspaper of Proposed TIF project.
October 8, 2007	TIF Packet sent to TIF Commission
October 15, 2007	TIF Commission hearing
October 24, 2007	Council Packet sent to City Council
November 1, 2007	City Council hearing and (Consultant/Staff) Presentation
November 8, 2007	Ordinance approving TIF project and activation of HCA project area

Items needed for TIF Plan

- Cost/Benefit Analysis
- Blight Study
- Reasonable basis for using TIF
- Improvements to be funded by TIF and cost of such improvements

Drafted 6-5-07
Revised 6-29-07
Revised 7-3-07
Revised 7-20-07

Demo 2 Latitude: 38.903249 Longitude: -94.339754	987 Todd George Rd Lee's Summit, MO 64063 Radius: 1.0 mile	987 Todd George Rd Lee's Summit, MO 64063 Radius: 3.0 mile	987 Todd George Rd Lee's Summit, MO 64063 Radius: 5.0 mile
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1990 Households by Income

Household Income Base	1,788	10,565	16,645
< \$15,000	7.5%	13.7%	15.8%
\$15,000 - \$24,999	8.9%	15.2%	15.8%
\$25,000 - \$34,999	16.5%	17.2%	16.1%
\$35,000 - \$49,999	31.7%	25.4%	22.7%
\$50,000 - \$74,999	29.1%	22.8%	22.2%
\$75,000 - \$99,999	4.3%	4.0%	4.8%
\$100,000 - \$149,999	1.4%	1.3%	1.7%
\$150,000+	0.6%	0.5%	1.0%
Median Household Income	\$41,837	\$36,725	\$36,277

2000 Households by Income

Household Income Base	3,331	14,962	24,260
< \$15,000	3.7%	7.8%	8.1%
\$15,000 - \$24,999	4.4%	6.8%	7.8%
\$25,000 - \$34,999	6.1%	10.0%	9.5%
\$35,000 - \$49,999	11.0%	15.6%	15.2%
\$50,000 - \$74,999	32.1%	28.4%	26.5%
\$75,000 - \$99,999	22.9%	17.8%	16.7%
\$100,000 - \$149,999	16.4%	10.4%	11.8%
\$150,000 - \$199,999	2.5%	2.3%	2.8%
\$200,000+	1.0%	0.9%	1.6%
Median Household Income	\$68,041	\$56,927	\$57,892

2007 Households by Income

Household Income Base	3,977	16,493	27,980
< \$15,000	2.3%	5.2%	4.9%
\$15,000 - \$24,999	3.1%	5.1%	5.5%
\$25,000 - \$34,999	3.7%	6.2%	6.6%
\$35,000 - \$49,999	7.0%	11.6%	10.8%
\$50,000 - \$74,999	20.7%	23.6%	21.6%
\$75,000 - \$99,999	23.2%	19.4%	18.8%
\$100,000 - \$149,999	28.2%	20.4%	20.1%
\$150,000 - \$199,999	8.9%	5.8%	7.0%
\$200,000+	3.0%	2.8%	4.7%
Median Household Income	\$86,933	\$73,029	\$75,556

2012 Households by Income

Household Income Base	4,335	17,351	30,086
< \$15,000	1.9%	4.2%	3.9%
\$15,000 - \$24,999	2.3%	4.2%	4.3%
\$25,000 - \$34,999	2.4%	4.2%	4.4%
\$35,000 - \$49,999	4.6%	9.4%	8.9%
\$50,000 - \$74,999	12.8%	17.4%	16.4%
\$75,000 - \$99,999	19.9%	18.6%	17.0%
\$100,000 - \$149,999	33.7%	27.0%	26.1%
\$150,000 - \$199,999	12.9%	8.3%	9.1%
\$200,000+	9.4%	6.7%	9.9%
Median Household Income	\$105,654	\$87,318	\$91,109

2000 - 2007 Median Household Income Annual Rate	4%	4.07%	4.35%
2007 - 2012 Median Household Income Annual Rate	3.98%	3.64%	3.81%

Data Note: Detail may not sum to totals due to rounding. Income represents annual income for the preceding year. Income for 2007 and 2012 is expressed in current dollars, including an adjustment for inflation.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI converted 1990 Census data into 2000 Geography. ESRI forecasts for 2007 and 2012.

Demo 2	987 Todd George Rd	987 Todd George Rd	987 Todd George Rd
Latitude: 38.903249	Lee's Summit, MO 64063	Lee's Summit, MO 64063	Lee's Summit, MO 64063
Longitude: -94.339754	Radius: 1.0 mile	Radius: 3.0 mile	Radius: 5.0 mile

2007 Households by Net Worth			
Total	3,975	16,491	27,979
< \$15,000	13.3%	17.9%	15.2%
\$15,000 - \$34,999	9.7%	8.6%	7.5%
\$35,000 - \$49,999	4.8%	4.4%	4.4%
\$50,000 - \$74,999	6.5%	5.9%	6.1%
\$75,000 - \$99,999	3.4%	4.4%	5.1%
\$100,000 - \$149,999	7.3%	8.1%	7.9%
\$150,000 - \$249,999	11.2%	11.3%	11.9%
\$250,000 - \$499,999	20.4%	18.5%	18.1%
\$500,000+	23.5%	20.7%	23.8%
Median Net Worth	\$186,896	\$153,523	\$173,696
Average Net Worth	\$629,763	\$564,495	\$630,066

2007 Households by Disposable Income			
Total	3,977	16,490	27,980
< \$15,000	3.0%	6.3%	6.1%
\$15,000 - \$24,999	3.9%	6.6%	7.1%
\$25,000 - \$34,999	6.1%	9.8%	9.6%
\$35,000 - \$49,999	14.3%	18.1%	16.8%
\$50,000 - \$74,999	35.9%	32.6%	30.9%
\$75,000 - \$99,999	21.3%	15.3%	15.1%
\$100,000 - \$149,999	12.7%	8.7%	10.2%
\$150,000 - \$199,999	1.5%	1.4%	2.3%
\$200,000+	1.3%	1.2%	2.0%
Median Disposable Income	\$62,497	\$54,452	\$55,673
Average Disposable Income	\$72,953	\$63,516	\$68,000

2000 Housing Units			
Total	3,426	15,378	25,145
Owner Occupied Housing Units	88.5%	72.2%	71.6%
Renter Occupied Housing Units	9.7%	25.2%	24.7%
Vacant Housing Units	1.8%	2.7%	3.7%

2007 Housing Units			
Total	4,139	17,257	29,765
Owner Occupied Housing Units	87.3%	72.2%	72.6%
Renter Occupied Housing Units	8.8%	23.3%	21.4%
Vacant Housing Units	3.9%	4.4%	6.0%

2012 Housing Units			
Total	4,558	18,312	32,331
Owner Occupied Housing Units	86.2%	71.3%	72.2%
Renter Occupied Housing Units	8.9%	23.5%	20.9%
Vacant Housing Units	4.9%	5.2%	6.9%

Data Note: Disposable Income is after-tax household income. Disposable income forecasts are based on the Current Population Survey, U.S. Census Bureau. Net Worth is total household wealth minus debt, secured and unsecured. Net Worth includes the home equity, equity in pension plans, net equity in vehicles, IRAs and Keogh accounts, business equity, interest-earning assets and mutual fund shares, stocks, etc. Examples of secured debt include home mortgages and vehicle loans; examples of unsecured debt include credit card debt, certain bank loans, and other outstanding bills. Forecasts of net worth are based on the Survey of Consumer Finances, Federal Reserve Board. Detail may not sum to totals due to rounding.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2007 and 2012.