

NINTH AMENDMENT
BRIARCLIFF WEST
TAX INCREMENT FINANCING PLAN
KANSAS CITY, MISSOURI

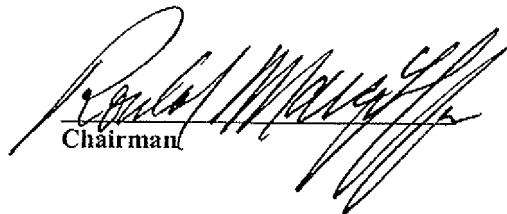
TIF Commission Consideration:

December 13, 2006 12-46-06
Date Resolution No.

City Council Approval:

January 18, 2007 070047
Date Ordinance No.

Attached herewith is a true and correct copy of the Ninth Amendment to the Briarcliff TIF Plan that was approved by the Tax Increment Financing Commission of Kansas City, Missouri by Resolution No. 12-46-06. on December 13, 2006.


Chairman

**NINTH AMENDMENT
TO THE
BRIARCLIFF WEST
TAX INCREMENT FINANCING PLAN**

I. Introduction

The purpose of the Ninth Amendment to the Briarcliff West Tax Increment Financing Plan (hereinafter the "Ninth Amendment") is to change the Briarcliff West Tax Increment Financing Plan as adopted by the City Council of Kansas City, Missouri by way of Ordinance No. 65497 (hereinafter the "Plan") and subsequently amended by Ordinance No. 911387 (hereinafter the "First Amendment"), Ordinance No. 941342 (hereinafter the "Second Amendment"), Ordinance No. 970713 (hereinafter the "Third Amendment"), Ordinance No. 001595 (hereinafter the "Fourth Amendment"), Ordinance No. 040806 (hereinafter the "Fifth Amendment"), Ordinance No. 050093 (hereinafter the "Sixth Amendment") Ordinance No. 060067 (hereinafter the "Seventh Amendment") and Ordinance No. 060826 (hereinafter the "Eight Amendment"). The Ninth Amendment adds Super TIF funding to Phases 8 and 9. Phase 8 will consist of a 216,000 sq ft office building, 200 room hotel, 10 condominium units and a parking garage. The Ninth Amendment also proposes to amend the TIF budget line item amounts keeping the total TIF budget unchanged and increasing the Super TIF budget.

II. Specific Amendments

In accordance with this Ninth Amendment, the Plan shall be amended as follows:

Amendment No. 1: Delete Objective #2 of Exhibit 3 of the Plan, "Specific Objectives of the Redevelopment Plan," and insert the following language in its stead:

2. To construct approximately 700,000 square feet of office space; 85,000 square feet of retail space; 151 single family dwellings; 84 villas; 263 condominiums; 120 multi-family units; 200 room hotel and a structured parking garage, together with all necessary utilities, street improvements and appurtenances.

Amendment No. 2: Delete Exhibit 7 of the Plan, entitled "Estimated Redevelopment Project Costs," and insert Revised Exhibit 7, attached hereto.

Amendment No. 3: Insert the attached "Super TIF Revenue Projections," as a supplement to Exhibit 9 of the Plan.

Amendment No. 4: Insert the attached "Evidence of But For-supplement" as a supplement to Exhibit 11 of the Plan.

Amendment No. 5: A new exhibit entitled "Construction and Employment Information for Phase 8" shall be added as Exhibit 14 of the Plan.

AMENDMENT NO. 2

EXHIBIT 7: ESTIMATED REDEVELOPMENT PROJECT COSTS

**BRIARCLIFF WEST TIF PLAN
NINTH AMENDMENT BUDGET**

	TIF Reimbursement from PILOTS, EATS or Bond Proceeds	STIF Reimbursement from EATS
TIF PUBLIC IMPROVEMENT PHASES		
1 Land Acquisition	1,711,840	
2 Demolition	100,000	
3 Construction	47,087,595	
4 Mine Stabilization	9,636,920	
5 Land Reclamation	6,451,236	
6 Legal/Financial Fees & Project Contingencies (1)	1,700,000	
7 Construction Contingencies (1)	1,358,849	
8 TIF Bond Debt Service Payments	26,695,663	
9 Developer Bond Expenses & Financing Costs (Est.)	21,824,935	
TOTAL PROJECT COSTS	<u><u>116,567,038</u></u>	
RECAPITULATION OF REIMBURSABLE COSTS		
LAND	1,711,840	
TOTAL LAND	<u>1,711,840</u>	
DEMOLITION	100,000	
TOTAL DEMOLITION	<u>100,000</u>	
PUBLIC WORKS PROJECTS		
CITY:		
Briarcliff West Parkway (East)	748,483	
Briarcliff West Utilities (Under 169 Hwy)	107,765	
Briarcliff West Parkway (West)	3,157,796	
Briarcliff West Utilities Relocations (Within ROW)	419,654	
Utilities Relocation: KCP&L Power Lines, KCMO Sanitary Sewer Force Main & Life Station, Raw Water Line	2,492,538	
Mulberry South	4,206,641	
Mulberry North	938,156	
N. Platte Road (Hwy 9)	1,335,070	
Vivion Road (1/2 of street improvement. Cost)	411,513	
Vivion Road (Apartments)	2,200,000	
North Drainage Ditch	344,389	
Parkway Fountain	940,975	
Permits (7% of City Work - New Interchange: \$7,821,283)	547,490	
Roadways, Commercial, Retail, Industrial (Total of \$7,252,002 Detailed by next 4 lines)		
Hilltop Office Site - Grading, Excavation, Utilities, Sitework, Retaining Walls, Hardscapes	12,950,000	15,000,000
Retail Site - Grading, Excavation, Utilities, Sitework, Waterlines, Retaining Walls, Hardscapes/Paving	4,008,579	
Industrial Site (3.05 Acres) - Fill Material, Grading, Wetlands, Storm Sewer Extensions, KCP&L Utility Relocation	300,000	
Riverfront Industrial Site (41 Acres) - Roadways, Utilities, Site Work	1,745,939	
Riverfront-Wetland Mitigation & Wetland Construction	562,123	
Riverfront-Fill Material, Compaction & Testing	2,991,699	
STATE:		
Briarcliff West Interchange	4,101,647	
Southbound Missouri Highway 9 Off Ramp to Briarcliff Pkwy	2,538,000	
I-29/Vivion Road Ramp (1/2 Project Cost)	39,138	
TOTAL CONSTRUCTION (PUBLIC WORKS PROJECTS)	<u>47,087,595</u>	<u>15,000,000</u>
UNDERGROUND REPAIRS:		
In Public ROW	9,361,920	
In Other Underground Areas	275,000	
TOTAL MINE STABILIZATION (UNDERGROUND REPAIRS)	<u>9,636,920</u>	
LAND RECLAMATION		
Land Reclamation	3,024,416	
Slope Stabilization	1,593,670	
Storm Water Detention	1,833,150	
TOTAL LAND RECLAMATION	<u>6,451,236</u>	
LEGAL/FINANCIAL FEES		
TOTAL LEGAL /FINANCIAL FEES	<u>1,700,000</u>	
CONTINGENCIES:		
Contingencies - Approximately 3% of Construction Costs	1,358,849	
TOTAL CONSTRUCTION CONTINGENCIES	<u>1,358,849</u>	
DEVELOPER BOND EXPENSE & FINANCING COSTS		
Developer Bond Expense & Financing Costs	21,538,931	
TIF Administrative Fees	286,004	
TOTAL DEVELOPER BOND EXPENSE	<u>21,824,935</u>	
TIF BOND INTEREST		
TOTAL TIF BOND INTEREST	<u>26,695,663</u>	
TOTAL REIMBURSABLE COSTS	<u><u>116,567,038</u></u>	<u><u>15,000,000</u></u>

(1) In the original budget these totals were spread throughout with the construction, mine stabilization and land reclamation costs.
In the revised numbers these costs are listed separately.

AMENDMENT NO. 3

EXHIBIT 9: SUPER TIF REVENUE PROJECTIONS

Briarcliff SUPER TIF Calculations:

Year	% of Super TIF Collected				Total Potential Super TIF
	100%	75%	75%	75%	
	Phase 8 Hilltop Office Space EATS	Phase 8 Room Hotel EATS	Phase 9 Briarcliff Village Office EATS	Phase 9 Briarcliff Village Retail EATS	
2006	\$ -	\$ -	\$ -	\$ -	\$ -
2007	\$ -	\$ -	\$ 28,875	\$ 367,350	\$ 396,225
2008	\$ 69,825	\$ 649,000	\$ 29,741	\$ 378,371	\$ 1,126,937
2009	\$ 139,650	\$ 730,000	\$ 30,633	\$ 389,722	\$ 1,290,005
2010	\$ 143,840	\$ 794,000	\$ 31,552	\$ 401,414	\$ 1,370,806
2011	\$ 148,155	\$ 810,000	\$ 32,499	\$ 413,456	\$ 1,404,110
2012	\$ 152,600	\$ 835,000	\$ 33,474	\$ 425,860	\$ 1,446,934
2013	\$ 157,178	\$ 860,000	\$ 34,478	\$ 438,636	\$ 1,490,292
2014	\$ 161,893	\$ 885,000	\$ 35,512	\$ 451,795	\$ 1,534,200
2015	\$ 166,750	\$ 911,000	\$ 36,577	\$ 465,349	\$ 1,579,676
2016	\$ 171,753	\$ 939,000	\$ 37,674	\$ 479,309	\$ 1,627,736
2017	\$ 176,906	\$ 968,000	\$ 38,804	\$ 493,688	\$ 1,677,398
2018	\$ 182,213	\$ 996,000	\$ 39,968	\$ 508,499	\$ 1,726,680
2019	\$ 187,679	\$ 1,025,000	\$ 41,167	\$ 523,754	\$ 1,777,600
2020	\$ 193,309	\$ 1,056,000	\$ 42,402	\$ 539,467	\$ 1,831,178
2021	\$ 199,108	\$ 1,087,000	\$ 43,674	\$ 555,651	\$ 1,885,433
2022	\$ 205,081	\$ 1,119,000	\$ 44,984	\$ 572,321	\$ 1,941,386
2023	\$ 211,233	\$ 1,152,000	\$ 46,334	\$ 589,491	\$ 1,999,058
TOTALS:	\$ 2,667,173	\$ 14,816,000	\$ 628,348	\$ 7,994,133	\$ 26,105,654

	Total Dollars
Retail & Office STIF	\$11,289,654
Hotel STIF	\$14,816,000
Total STIF	\$26,105,654

AMENDMENT NO. 4

EXHIBIT 11: EVIDENCE OF BUT FOR-SUPPLEMENT

CONSULTING SERVICE

**BRIARCLIFF WEST TIF PLAN
9TH AMENDMENT
KANSAS CITY, CLAY COUNTY, MISSOURI 64105**

PREPARED FOR:

**KELLEE WOOD
ECONOMIC DEVELOPMENT CORPORATION
OF KANSAS CITY, MISSOURI
10 PETTICOAT LANE, SUITE 250
KANSAS CITY, MISSOURI 64106-2103**

**EFFECTIVE DATE OF THE ASSIGNMENT:
DECEMBER 13, 2006**

**INTEGRA REALTY RESOURCES - KANSAS CITY
FILE NUMBER: 119-2006-0780**



December 6, 2006

Kellee Wood
Economic Development Corporation
Of Kansas City, Missouri
10 Petticoat Lane, Suite 250
Kansas City, Missouri 64106-2103

RE: Consulting Service: Review of TIF Submission
Briarcliff West TIF Plan
9th Amendment
Kansas City, Clay County, Missouri 64105
Integra Realty Resources – Kansas City File No. 119-2006-0780

Dear Ms. Wood:

Pursuant to your authorization, I have completed a consulting service relating to the above-captioned development project. This consulting service has been completed in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Standards of Professional Practice of the Appraisal Institute. The effective date of my consulting service is December 13, 2006. All pertinent exhibits to this assignment and my qualifications are included in the body of report or the addenda.

The proposed building improvements of the 9th amendment of the Briarcliff West TIF Plan consists of a 210,000 SF office building, 200 room full service hotel, structured and surface parking, and on and off-site improvements. Parking will total 196 surface spaces and 477 garage spaces. The proposed office building, Briarcliff IV, is just 36% pre-leased, though the tenant and the full lease terms have not been provided. The extraordinary site costs associated with this project include the 477 space parking garage.

The Applicant has previously requested and received approval for regular TIF. However, the Applicant is requesting Super TIF due to construction costs and the need for a parking garage and other on and off-site improvements. Super TIF allows the developer to capture PILOTS as per regular TIF, 100% of the EATS to the project, and also 75% of the remaining EATS from Phase 9 with retail and existing office uses.

IRR.

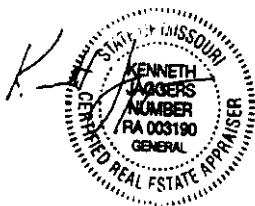
Kellee Wood
Economic Development Corporation
Of Kansas City, Missouri
December 6, 2006
Page 2

The Application I reviewed includes cash flow projections, construction budgets, and the Applicant's estimate of TIF benefits accruing to the property over the remaining period of the TIF Plan. The Applicant has also provided a preliminary bond payment schedule. The Applicant is requesting Tax Increment Financing Revenue Bonds with \$26,960,000 in gross proceeds. The TIF reimbursement of a portion of these bonds has previously been approved. Net proceeds to the project are \$22,300,000. The bonds will go toward the garage and public off-site improvements as well as the reimbursable components described in the previous amendment.

My financial analysis in the following pages will demonstrate that certainly by the measure typically employed for private development, the project does not generate adequate cash flow without the benefits of Super TIF. The IRR without any TIF is 5.85%. The IRR to the project recognizing all of the components of Super TIF is 8.50%. Given the mixed use nature of this project and the level of pre-leasing, the appropriate IRR should range from 9.0% to 10.0%. The analysis shows that these benefits described herein are necessary to recoup the reimbursable costs and provide an adequate level of debt service for the Tax Increment Financing Bonds as described. My analysis demonstrates that but for the non-realty benefits of PILOTS and EATS accruing to the project the subject with both hotel and office components would not likely occur.

If you have any questions or comments regarding my analysis or this report, please contact the undersigned. Thanking you for the opportunity to be of service, I remain,

Very truly yours,
INTEGRA REALTY RESOURCES – KANSAS CITY



Kenneth Jaggers, MAI
Managing Director
Certified General Real Estate Appraiser
Missouri Certificate #RA 003190

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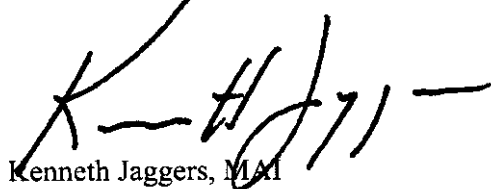
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CERTIFICATION

The analyst certifies that, to the best of his knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are the analyst's personal, unbiased professional analyses, opinions and conclusions.
3. The analyst has no present or prospective interest in the property that is the subject of this report and no personal interest or bias with respect to the parties involved. The services performed herein are intended to result in an analysis, opinion or conclusion of a disinterested third party. This analysis has been conducted on an arms-length basis subject to the Standards of Professional Practice (USPAP) and the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
4. The analyst's compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.
5. Receipt of the assignment was not based upon a requested minimum value, a specific value or result or approval of a loan.
6. The analyst's analyses, opinions and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP). The analyst has not relied upon any departure provision of USPAP.
7. The analyst's analyses, opinions and conclusions were developed and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. The context of the consulting service and the scope of the assignment do not require an inspection of the improvements currently existing on the subject site. Kenneth Jagers has personally inspected the redevelopment area on several occasions over the past year, most recently on December 2, 2006

10. No one provided significant professional assistance to the person signing this report.

A handwritten signature in black ink, appearing to read 'K. Jagers', with a horizontal line extending to the right.

Kenneth Jagers, MAI
Certified General Real Estate Appraiser
Missouri Certificate #RA 003190

ASSUMPTIONS AND LIMITING CONDITIONS

This consulting report is 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 or engineering reports.
4. All information in this report has been obtained from reliable sources. I 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 we.
7. I am not required to give testimony or attendance in court by reason of this appraisal, unless prior agreements have been made in writing.
8. The distribution of the total valuation in this report between land and improvements applies only to the existing utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
9. The land, and particularly the soil, of the area under appraisal appears firm and solid. Subsidence in the area is unknown or uncommon, but I do not warrant against this condition or occurrence.
10. Subsurface rights (minerals and oil) were not considered in making this appraisal.

11. The market data relied upon in this assignment is believed to be from reliable sources; however, it was not possible to inspect the comparables completely, and it was necessary to rely on information furnished by others as to said data, therefore, the cash flow and yield conclusions are subject to the correctness and verification of said data.
12. 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 authors, particularly as to valuation conclusions, the identity of me or this firm with which they are connected or any reference to the Appraisal Institute.
13. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation, asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did I become aware of such during inspection. I have no knowledge of the existence of such materials on or in the property unless otherwise stated. We, however, are not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde, foam insulation 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, nor for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field of environmental impacts upon real estate if so desired.
14. I am not considered expert with regard to compliance with the Americans with Disabilities Act (ADA) of 1991. Unless otherwise stated, no responsibility is assumed for any non-compliance with the provision of the ADA. The client is urged to retain an expert in the field of ADA assessment impacts upon real estate if so desired. As the improvements will be new construction, I presume them to be ADA compliant upon completion.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

The following extraordinary assumptions and hypothetical conditions have been specifically established for this consulting report:

1. It is assumed that any reader of this consulting report is familiar with the applicant's TIF submission and the redevelopment project.
2. Development of my estimate of IRR for this project involves an extraordinary assumption. The use of an extraordinary assumption imposes additional reporting requirements to insure a report user clearly understands that: a) the project as described in this report is assumed to be completed in a timely and workmanlike manner as described by the Applicant; b) the analyses performed to report the anticipated IRR is based on an expectation, specifically, that the project is assumed to have certain occupancy and income potential; and c) the appraisal does not address unforeseeable events that alter the property improvements and/or the market conditions reflected in the analyses.

GENERAL INFORMATION

PURPOSE AND EFFECTIVE DATE

The purpose of the consultation is report to the client the reasonableness of the Applicant's request for Tax Increment Financing and to develop and report my opinion of the Applicant's internal rate of return, applying the "but for" test to the Project. The effective date of this consultation is December 13, 2006. Unless otherwise stated, all factors pertinent to a determination of value have been considered as of this date.

INTENDED USE AND INTENDED USER

This report has been prepared for the Economic Development Corporation of Kansas City Missouri for use in the client's consideration of the aforementioned redevelopment project.

SCOPE OF APPRAISAL

As part of this consulting assignment, I have taken the following steps to gather, confirm, and analyze relevant data.

- Although a physical inspection of the property is not a requirement of this type of report, I have, since receiving this assignment inspected the subject property from the street and the surrounding neighborhood. My most recent inspection of the Project Area was on December 2, 2006.
- Collected factual information about the project area and reviewed the Applicant's submission.
- Collected, confirmed and analyzed market information.
- Prepared a consulting report setting forth the conclusions developed in this analysis as well as the information upon which the conclusions are based.

This is a consulting assignment reported in a summary report that conforms to the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

REVIEW OF THE APPLICANT'S ANALYSIS

The first step in performing my duties as outlined in the scope of services above is to review the Plan submitted by the Applicant and comment on its relation to the Commission's objectives as outlined to me.

In my opinion the plan 1) enhances the tax base and encourages private development. 2) increases employment opportunities, and 3) stimulates development which will not occur without the Tax Increment Financing Assistance.

In keeping with my scope of services I have completed a financial analysis on Briarcliff West TIF Plan, 9th Amendment. I have reviewed the project cost estimates and the applicant's operating projections. I have retained all aspects of the applicant's forecast that are market-supported and reasonable. If necessary, I have amended or supplemented unreasonable assumptions with reasonable, market-oriented assumptions. The following is a summary of my analysis:

PROJECT COST DETAIL

I have been provided a detailed construction budget for the office building described as Briarcliff IV. This is a Class A suburban office property with 210,000 square feet of net rentable area. The construction budget indicates a cost of \$44,000,000 or \$209.53 per net rentable square foot and is shown on the following page. Considering the off-site improvements and the parking garage, and trends in construction costs, the budgeted costs are considered reasonable.

I was provided abbreviated cost information on the 200 room full service hotel. It is difficult to view the costs of the lodging component with significant precision because the franchise affiliation has not been disclosed. Franchise start-up costs, FF&E and some soft costs are not typically found in construction for other types of commercial properties. The owner budgets \$200,000 per room for the construction costs which totals \$40,000,000. I consider this estimate to be supported by Marshall Valuation and by budgeted construction costs for lodging properties now under consideration.

BRIARCLIFF WEST TIF PLAN

DESCRIPTION	QTY	UNIT	UNIT COST	COST	COST /RSF
LAND	5.00	Acres			
10000 Land Purchase	210,000	RSF	\$ 10.00	\$ 2,100,000	\$ 10.00
TOTAL LAND COST				\$ 2,100,000	\$ 10.00
PROFESSIONAL FEES					
20100 Survey	1	Unit	\$ 7,500	\$ 7,500	\$ 0.04
20200 Soils Report	1	Unit	\$ 6,500	\$ 6,500	\$ 0.03
20250 Environmental Report	1	Unit	\$ 1,000	\$ 1,000	\$ 0.00
20400 Traffic Engineering	1	Unit	\$ 5,000.00	\$ 5,000	\$ 0.02
20500 Civil Engineering	217,800	Site Are	\$ 0.50	\$ 108,900	\$ 0.52
20900 Architectural-Concept Design	1	Unit	\$ 75,000	\$ 75,000	\$ 0.36
21000 Construction Documents:A&E	210,000	RSF	\$ 4.00	\$ 840,000	\$ 4.00
21100 Inspect & Mtl. Testing (% of Hard Construction Costs)	5,000,000	% of \$	1.00%	\$ 50,000	\$ 0.24
21200 Printing & Reimbursibles (% of A&E Budgets)	948,900	% of \$	4.00%	\$ 37,956	\$ 0.18
29999 TOTAL PROFESSIONAL FEES				\$ 1,131,856	\$ 5.39
CONSTRUCTION COSTS					
30100 Building Permit **f (x) of Hard Construction Costs	26,590,000		0.40%	\$ 106,360	\$ 0.51
30100 Plan Review **f (x) of Hard Construction Costs	26,590,000		0.25%	\$ 66,475	\$ 0.32
30200 Development Impact Fees **Gross Sq. Ft.	220,000	RSF	\$ -	\$ -	\$ -
31100 Offsite Improvements (\$1.2 Million)	1	Allow	\$ 5,000,000	\$ 5,000,000	\$ 23.81
31200 Landscaping (\$500k)	-	Allow	\$ 500,000	\$ -	\$ -
31201 Retaining Walls, Utilities, Grading Cost	-	Allow	\$ 500,000	\$ -	\$ -
32000 Infrastructure Including Parking	-	Allow	\$ 7,100,000	\$ -	\$ -
32001 Parking (Included in 32000)	-	-	\$ -	\$ -	\$ -
30900 Building Shell Construction	220,000	RSF	\$ 98.00	\$ 21,560,000	\$ 102.67
32200 Furnishings, Equipment & Artwork	1	Unit	\$ 30,000	\$ 30,000	\$ 0.14
39999 TOTAL CONSTRUCTION COSTS				\$ 26,762,835	\$ 127.44
CONSTRUCTION PERIOD CARRYING COSTS					
40100 Construction Period Interest (% of Const & Engineering)	21,880,015	% of \$	7.00%	\$ 1,531,601	\$ 7.29
40120 Loan Administration Fee (Points) (% of Construction Loan)	21,880,015	% of \$	0.50%	\$ 109,400	\$ 0.52
40300 Improvement Surveys	1	Unit	\$ 5,000	\$ 5,000	\$ 0.02
40400 Inspection Service Fees	12	Unit	\$ 1,000	\$ 12,000	\$ 0.06
40500 Appraisal Fees	1	Unit	\$ 5,000	\$ 5,000	\$ 0.02
40600 Title Fees/Loan Closing (% of Construction Loan)	1	Unit	\$ 27,350	\$ 27,350	\$ 0.13
40700 Loan Commitment Fee	21,880,015	% of \$	0.75%	\$ 164,100	\$ 0.78
40800 Loan Legal Fees	1	Unit	\$ 10,000	\$ 10,000	\$ 0.05
49999 TOTAL CONST.PERIOD CARRYING COSTS				\$ 1,864,451	\$ 8.88
MARKETING					
50100 Consulting Fees - Tenant Finish Design Costs	1	Unit	10,000.00	\$ 10,000	\$ 0.05
50400 Legal Fees-Leasing	-	\$	1,500	\$ -	\$ -
50200 Leasing Commissions	210,000	6%	\$ 7.50	\$ 1,575,000	\$ 7.50
50200 Leasing Commissions Credit for Leasing with out Broker	40,000	6%	\$ (7.50)	\$ (300,000)	\$ -
50300 Promotional Costs	1	\$	-	\$ -	\$ -
50500 Marketing, Misc.	1	\$	10,000	\$ 10,000	\$ 0.05
50600 Printing & Reproduction	1	\$	15,000	\$ 15,000	\$ 0.07
50700 Travel & Meetings	1	\$	-	\$ -	\$ -
59999 TOTAL MARKETING				\$ 1,310,000	\$ 6.24
TENANT FINISH ALLOWANCE					
70100 Tenant Finish Budget - Floor to Ceiling	210,000	\$	30.00	\$ 6,300,000	\$ 30.00
Tenant Finish Budget - Premium for Building Anchor	50,000	100%	\$ 10.00	\$ 500,000	\$ 2.38
70200 Space Planning	210,000	\$	0.15	\$ 31,500	\$ 0.15
70300 T.F.Const.Documents	210,000	\$	0.85	\$ 178,500	\$ 0.85
TI Prestock	210,000	\$	1.20	\$ 252,000	\$ 1.20
70400 Printing & Reimbursibles	210,000	\$	-	\$ -	\$ -
70499 TOTAL TENANT FINISH ALLOWANCE			\$ 42.20	\$ 7,262,000	\$ 34.58
DEVELOPMENT COORDINATION					
90010 Development fees	38,790,141		3.00%	\$ 1,163,704	\$ 5.54
TOTAL DEVELOPMENT COORDINATION				\$ 1,163,704	\$ 5.54
CONTINGENCY					
92010 Contingency	41,594,846		3.50%	\$ 1,455,820	\$ 6.93
94999 TOTAL CONTINGENCY				\$ 1,455,820	\$ 6.93
TOTAL PROJECT COST BEFORE START-UP LOSSES				\$ 43,050,666	\$ 205.00
		Test		\$ 43,050,666	
OPERATING LOSSES THROUGH STAB. & PERM.LOAN					
96100 Perm. Loan Costs			1.00%	\$ -	\$ -
96200 Initial Op. Losses through Stabilization	20,000		1.00	\$ 950,000	\$ 4.52
96999 TOTAL OP.LOSS & PERM.LOAN				\$ 950,000	\$ 4.52
TOTAL PROJECT COSTS AFTER START-UP LOSSES				\$ 44,000,666	\$ 209.53
TOTAL PROJECT COSTS EXCLUDING PARKING GARAGE				\$ 44,000,666	\$ 209.53

OPERATING PROFORMA

I have reviewed the Applicant's operating proforma. Aside from minor adjustment to the real estate tax forecast for the hotel, I have made no material revision to the proforma provided by the owners. The occupancy, ADR, and departmental, undistributed expenses, and fixed charges are supported by existing properties and market standard indicators provided by Smith Travel Research. The market rents and operating expenses for the office building are likewise appropriate given current market conditions.

On the following pages I show the individual proformas for 10 year holding periods for Briarcliff IV and for the full-service hotel.

BRIARCLIFF WEST TIF PLAN

Briarcliff IV – 210,000 SF

	FY1	FY2	FY3	FY4	FY5	FY6	FY7	FY8	FY9	FY10
Building Anchor Lease Rate	23.50	23.50	23.50	23.50	23.50	25.85	25.85	25.85	25.85	25.85
Building Anchor Sq. Ft. (Leased)	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Spec Space Lease Rate	25.00	25.00	25.00	25.00	25.00	25.75	26.52	27.32	28.14	28.98
Spec Space Sq. Footage (Leased)	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000
Average % Occupied (18M Absorption)	33.3%	69.4%								
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Building Anchor Rent	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500	1,938,750	1,938,750	1,938,750	1,938,750	1,938,750
Spec Space Rent	1,125,000	2,343,750	3,375,000	3,375,000	3,375,000	3,476,250	3,580,538	3,687,954	3,798,592	3,912,550
Potential Rental Income	2,887,500	4,106,250	5,137,500	5,137,500	5,137,500	5,415,000	5,519,288	5,626,704	5,737,342	5,851,300
Less: Vacancy & Credit Loss (5%)	-	-	(256,875)	(256,875)	(256,875)	(270,750)	(275,964)	(281,335)	(286,867)	(292,565)
Effective Rental Income	2,887,500	4,106,250	4,880,625	4,880,625	4,880,625	5,144,250	5,243,323	5,345,368	5,450,475	5,558,735
Plus: Garage Income	-	-	38,903	76,907	114,088	150,516	186,260	221,385	255,955	290,030
Plus: Expense Recovery	-	-	-	-	-	-	-	-	-	-
Gross Operating Income	2,887,500	4,106,250	4,919,528	4,957,532	4,994,713	5,294,766	5,429,583	5,566,753	5,706,430	5,848,765
Less: Operating Expenses	708,750	945,000	973,350	1,002,551	1,032,627	1,063,606	1,095,514	1,128,379	1,162,231	1,197,098
Less: Property Taxes	472,500	630,000	642,600	655,452	668,561	681,932	695,571	709,482	723,672	738,145
Total Operating Expenses	1,181,250	1,575,000	1,615,950	1,658,003	1,701,188	1,745,538	1,791,085	1,837,862	1,885,903	1,935,243
NOI	1,706,250	2,531,250	3,303,578	3,299,530	3,293,525	3,549,228	3,638,498	3,728,892	3,820,527	3,913,522

BRIARCLIFF WEST TIF PLAN

Briarcliff Hotel – 200 Rooms, Full Service

	FY1	FY2	FY3	FY4	FY5	FY6	FY7	FY8	FY9	FY10
REVENUES										
ROOMS	\$5,314,400	\$6,238,215	\$7,051,800	\$7,451,840	\$7,675,395	\$7,905,631	\$8,142,548	\$8,386,660	\$8,638,481	\$8,897,497
FOOD & BEVERAGE	\$2,125,760	\$2,495,286	\$2,820,720	\$2,980,736	\$3,070,158	\$3,162,252	\$3,257,019	\$3,354,664	\$3,455,392	\$3,558,999
COMMUNICATIONS	\$53,144	\$62,382	\$70,518	\$74,518	\$76,754	\$79,056	\$81,425	\$83,867	\$86,385	\$88,975
RENT & OTHER INCOME	\$186,004	\$218,338	\$246,813	\$260,814	\$268,639	\$276,697	\$284,989	\$293,533	\$302,347	\$311,412
TOTAL REVENUES	\$7,679,508	\$9,014,231	\$10,189,851	\$10,767,908	\$11,090,946	\$11,423,636	\$11,765,981	\$12,118,724	\$12,482,605	\$12,856,883
DEPARTMENT EXPENSES										
ROOMS	\$1,594,320	\$1,871,465	\$2,115,540	\$2,235,552	\$2,302,619	\$2,371,689	\$2,442,764	\$2,515,998	\$2,591,544	\$2,669,249
FOOD & BEVERAGE	\$1,541,176	\$1,809,082	\$2,045,022	\$2,161,034	\$2,223,865	\$2,292,633	\$2,361,339	\$2,432,131	\$2,505,159	\$2,580,274
COMMUNICATIONS	\$76,634	\$89,955	\$101,687	\$107,455	\$110,679	\$113,999	\$117,415	\$120,936	\$124,567	\$128,302
RENT & OTHER INCOME	\$46,501	\$54,585	\$61,703	\$65,204	\$67,160	\$69,174	\$71,247	\$73,383	\$75,587	\$77,853
TOTAL DEPARTMENT EXPENSES	\$3,258,631	\$3,825,087	\$4,323,952	\$4,569,245	\$4,706,323	\$4,847,495	\$4,992,765	\$5,142,448	\$5,296,857	\$5,455,678
DEPARTMENT PROFITS										
ROOMS	\$3,720,080	\$4,366,750	\$4,936,260	\$5,216,288	\$5,372,726	\$5,533,959	\$5,699,978	\$5,870,977	\$6,047,106	\$6,228,519
FOOD & BEVERAGE	\$584,584	\$686,204	\$775,698	\$819,702	\$844,293	\$869,622	\$895,711	\$922,582	\$950,259	\$978,767
COMMUNICATIONS	\$23,490	\$27,573	\$31,169	\$32,937	\$33,925	\$34,943	\$35,991	\$37,071	\$38,183	\$39,328
RENT & OTHER INCOME	\$139,503	\$163,753	\$185,110	\$195,610	\$201,479	\$207,523	\$213,749	\$220,161	\$226,766	\$233,569
TOTAL DEPARTMENT PROFITS	\$4,430,677	\$5,189,134	\$5,865,899	\$6,198,663	\$6,384,623	\$6,576,161	\$6,773,447	\$6,976,649	\$7,185,948	\$7,401,527
UNDISTRIBUTED DEPARTMENTS										
ADMINISTRATIVE & GENERAL	\$698,817	\$719,782	\$741,375	\$763,616	\$786,534	\$810,120	\$834,424	\$859,457	\$885,241	\$911,798
COMMISSIONS	\$161,265	\$166,103	\$171,086	\$176,219	\$181,506	\$186,951	\$192,560	\$198,337	\$204,287	\$210,416
ADVERTISING & SALES	\$875,441	\$901,704	\$928,755	\$956,618	\$985,317	\$1,014,877	\$1,045,323	\$1,076,683	\$1,108,983	\$1,142,252
REPAIRS & MAINTENANCE	\$518,353	\$518,353	\$533,904	\$549,921	\$566,419	\$583,412	\$600,914	\$618,941	\$637,509	\$656,634
UTILITIES	\$440,792	\$517,416	\$584,897	\$618,078	\$636,620	\$655,717	\$675,367	\$695,615	\$716,502	\$737,983
TOTAL DEDUCTS FROM INCOME	\$2,694,668	\$2,823,358	\$2,960,017	\$3,064,452	\$3,156,386	\$3,251,077	\$3,348,588	\$3,449,033	\$3,552,522	\$3,659,085
GROSS OPERATING PROFIT	\$1,726,009	\$2,365,776	\$2,905,882	\$3,134,211	\$3,228,237	\$3,325,084	\$3,424,859	\$3,527,616	\$3,633,426	\$3,742,442
FIXED CHARGES										
INSURANCE	\$125,000	\$128,750	\$132,613	\$136,591	\$140,689	\$144,910	\$149,257	\$153,735	\$158,347	\$163,097
PROPERTY TAXES	\$374,571	\$382,062	\$389,703	\$397,497	\$405,447	\$413,556	\$421,827	\$430,264	\$438,869	\$447,646
LEASES & MISC	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,963	\$59,702	\$61,493	\$63,338	\$65,238
MANAGEMENT FEES	\$230,379	\$270,427	\$305,696	\$332,037	\$358,728	\$385,709	\$413,979	\$443,652	\$473,827	\$504,506
TOTAL FIXED EXPENSES	\$779,950	\$832,739	\$881,057	\$911,761	\$935,139	\$959,138	\$983,765	\$1,009,054	\$1,035,032	\$1,061,687
EBITDA	\$946,059	\$1,533,037	\$2,024,825	\$2,222,450	\$2,293,098	\$2,365,946	\$2,441,094	\$2,518,562	\$2,598,394	\$2,680,755
FF&E RESERVE	\$307,172	\$360,549	\$407,594	\$430,716	\$443,638	\$456,945	\$470,639	\$484,749	\$499,304	\$514,275
NET INCOME	\$638,887	\$1,172,468	\$1,617,231	\$1,791,734	\$1,849,460	\$1,909,001	\$1,970,455	\$2,033,813	\$2,099,090	\$2,166,480

TAX INCREMENTS/OTHER NON-REALTY BENEFITS

Shown on the following page is a summary of my forecast of TIF and Super TIF revenue expectations. I have amended the Applicant's projections where necessary to reflect the market and the demonstrated history of the assessing authority. I include here all non-realty benefits that are reasonably available and can be identified as expected to accrue to the project.

I show the PILOTS generated by both the hotel and office property which accrue to the Applicant under regular TIF. Regular TIF provides for 50% of the EATS generated by the office property and the hotel property to be reimbursed to the Applicant. Super TIF adds the lodging tax component and the other half of the regular TIF EATS and finally, 75% of the remainder of the EATS generated by the office and retail component of Briarcliff Phase 9. I expect it will take 17 to 18 years to repay the bonds based on the preliminary schedule provided.

BRIARCLIFF WEST TIF PLAN

TIF and Super TIF

EATS

PILOTS

Total

Year	Office	Hotel	Phase 9	Total	Hotel	Office	Gross	Admin.	Net
0									TIF and Super TIF
1	\$299,250	\$649,000	\$396,225	\$1,344,475	\$374,571	\$472,500	\$2,191,546	\$109,577	\$2,081,969
2	\$308,228	\$757,000	\$408,112	\$1,473,340	\$382,062	\$630,000	\$2,485,402	\$124,270	\$2,361,132
3	\$317,475	\$852,000	\$420,355	\$1,589,830	\$389,703	\$642,600	\$2,622,133	\$131,107	\$2,491,026
4	\$326,999	\$901,000	\$432,966	\$1,660,965	\$397,497	\$655,452	\$2,713,914	\$135,696	\$2,578,218
5	\$336,809	\$926,000	\$445,955	\$1,708,764	\$405,447	\$668,561	\$2,782,772	\$139,139	\$2,643,633
6	\$346,913	\$955,000	\$459,334	\$1,761,247	\$413,556	\$681,932	\$2,856,735	\$142,837	\$2,713,898
7	\$357,320	\$983,000	\$473,114	\$1,813,434	\$421,827	\$695,571	\$2,930,832	\$146,542	\$2,784,290
8	\$368,040	\$1,042,000	\$487,307	\$1,897,347	\$430,264	\$709,462	\$3,037,093	\$151,855	\$2,885,238
9	\$379,081	\$1,073,000	\$501,926	\$1,954,007	\$438,869	\$723,672	\$3,116,548	\$155,827	\$2,960,721
10	\$390,453	\$1,105,000	\$516,983	\$2,012,436	\$447,646	\$738,145	\$3,198,227	\$159,911	\$3,038,316
11	\$402,167	\$1,139,000	\$532,492	\$2,073,659	\$456,599	\$752,908	\$3,283,166	\$164,158	\$3,119,008
12	\$414,232	\$1,172,000	\$548,467	\$2,134,699	\$465,731	\$767,966	\$3,368,396	\$168,420	\$3,199,976
13	\$426,659	\$1,206,000	\$564,921	\$2,197,580	\$475,046	\$783,325	\$3,455,951	\$172,798	\$3,283,153
14	\$439,459	\$1,244,000	\$581,869	\$2,265,328	\$484,547	\$798,992	\$3,548,867	\$177,443	\$3,371,424
15	\$452,643	\$1,280,000	\$599,325	\$2,331,968	\$494,238	\$814,972	\$3,641,178	\$182,059	\$3,459,119
16	\$466,222	\$1,280,000	\$617,305	\$2,363,527	\$504,123	\$831,271	\$3,698,921	\$184,946	\$3,513,975

TESTS OF REASONABLENESS

YIELD MEASUREMENT (METHODOLOGY)

Often, the best measure of yield in my opinion is the “internal rate of return”, which takes into account both the annual income derived as cash flow as well as the potential return from a hypothetical sale of the land and building improvements at the end of the forecast period. Definitions from the third edition of *The Dictionary of Real Estate Appraisal* are included below:

Yield: A rate of return on capital, usually expressed as a compound annual percentage rate. A yield rate considers all expected property benefits including the proceeds from sale at the termination of the investment. Yield rates include the interest rate, discount rate, internal rate of return (IRR), overall yield rate (Y sub o) and equity yield rate.

Overall Yield Rate: The rate of return on the total capital invested, including both debt and equity. The overall yield takes into consideration changes in the net income over the investment period and net reversion at the end of the holding period; it is applied to cash flow before debt service.

Internal rate of return (IRR): The annualized yield rate or rate of return on capital that is generated or capable of being generated within an investment or portfolio over a period of ownership. The IRR discounts all returns from the investment, including returns from its termination, to equal the original capital outlay.

In the “but for” analysis I determine the subject’s IRR, that rate of discount that makes all returns from the investment, including its termination, equal to the original capital outlay. I then measure that IRR against the overall yield rate from the market. The overall yield rate is the rate of return used by buyers to determine the present worth or purchase price of an investment. The overall yield includes consideration of the cost and availability of permanent financing. Whether determining overall yield or internal rate of return, the entire project costs are used.

Definitions necessary to segregate between the overall yield and the equity yield are shown below:

Equity: 1) Equity investors assume greater risk and their earnings are subordinate to operating expenses and debt service. 2) Equity refers to the net value of the property by subtracting from its total value all liens or other charges against it; the owner’s interest in property in excess of all claims and liens. Total project costs less financing equals equity.

Equity Yield Rate: A rate of return on equity capital as distinguished from the rate of return on debt capital (the interest rate or mortgage constant); the equity investor’s internal rate of return. The equity yield considers the effect of debt financing on the cash flow to the equity investor.

Cash on Cash: The ratio of annual equity income to the equity investment. The cash on cash is a capitalization rate that presumes a stable cash flow and reflects a single year's pre-tax cash flow as a percentage of the equity in a project.

Mortgage Constant: The capitalization rate for debt; the ratio of the annual debt service to the principal amount of the mortgage loan. This rate includes principle and interest.

Loan to Value Ratio: The ratio between a mortgage loan and the property pledged as security; usually expressed as a percentage. For EDC projects this is determined based on the loan as a percentage of total development costs.

CONCLUSION

In the all cash analyses I determined yield to the owner with and without the PILOTS and EATS as described herein. The internal rates of return are stated below. I base the IRR on a holding period of ten years after completion. This is typical of mixed use investors and the basis on which market yield indicators are generated. The net TIF and Super TIF are from the previous exhibit. The cash flow is the combined cash flow of the hotel and office components taken from the previous exhibits. Finally, the construction costs are taken from budgets provided and incurred over the next two years. The reversion is the Year 11 NOI capitalized at 8.0% with the appropriate deductions for cost of sales.

Net Cash Flow and IRR

Year	Net TIF and Super TIF	Cash Flow	Hotel Cost	Office Cost	Reversion	Net Cash Flow	IRR With TIF	IRR Without TIF
0		\$0	-\$15,000,000	-\$35,000,000		-\$50,000,000	8.50%	5.85%
1	\$0	\$0	-\$25,000,000	-\$9,000,066		-\$34,000,066		
2	\$2,081,969	\$2,345,137	\$0	\$0		\$4,427,106		
3	\$2,361,132	\$3,703,718				\$6,064,850		
4	\$2,491,026	\$4,920,809				\$7,411,835		
5	\$2,578,218	\$5,091,264				\$7,669,482		
6	\$2,643,633	\$5,142,985				\$7,786,618		
7	\$2,713,898	\$5,458,229				\$8,172,127		
8	\$2,784,290	\$5,608,953				\$8,393,243		
9	\$2,885,238	\$5,762,705				\$8,647,943		
10	\$2,960,721	\$5,919,617				\$8,880,338		
11	\$3,038,316	\$6,080,002			\$90,102,593	\$99,484,003		
12	\$3,119,008	\$6,262,402						
13	\$3,199,976							
14	\$3,283,153							
15	\$3,371,424							
16	\$3,459,119							
17	\$3,513,975							

The exhibit above shows the cash flow to the project for a period of ten years after completion. I forecast the reversion sale price for 10 years after the project is completed for original occupancy. This reversion price is adjusted for the selling costs and also includes the then net present value of the Super TIF benefit for the remaining Years 14 – 17. The value of the remaining TIF is estimate to total \$13,400,000. The project’s IRR without TIF is 5.85% which falls far short of the return of 9.0% to 10.0% which the market would expect. With Super TIF, the project yields 8.5% which is slightly below the level necessary to attract market participants, but the project does generate TIF revenues adequate to service the bond debt as described. I find the Briarcliff West TIF Plan does meet the “but for” test.

ADDENDUM A
ANALYST'S QUALIFICATIONS

**PROFESSIONAL QUALIFICATIONS
 KENNETH JAGGERS, MAI**

EXPERIENCE:	<p>Mr. Jagers, Managing Director, has been with Integra Realty Resources – Kansas City, since May 1993. He started his career in commercial real estate in 1987 as an investment officer with a subsidiary of Metropolitan Life in Overland Park, Kansas then in the Washington D.C., and Boston, Massachusetts's offices. In 1991, Mr. Jagers joined BankBoston and served as a review and field appraiser for two years. Duties included quality control over two acquired banks in Maine and Vermont.</p> <p>In 1993 Mr. Jagers returned to Kansas City as a Senior Analyst for Integra Realty Resources – Kansas City. Since that time he has completed appraisals on commercial properties of all types, primarily for institutional investors and litigation support. Significant appraisal assignments in 2003 and 2004 include the 1,140,000 SF IRS Processing facility and 2345 Grand Avenue in Kansas City's Crown Center, Sprint's former corporate headquarters in Shawnee Mission, Kansas, and the Black & Veatch headquarters in Overland Park, Kansas. Mr. Jagers completed major eminent domain assignments in 2004. He appraised a total of 53 Kansas City CBD tracts for acquisition of sites for the H&R Block/Kansas City Live project and for the Sprint Arena Project. He also completed an appraisal assignment totaling 57 industrial properties in the Kansas City area in 2003 and 2004. In 2005, Mr. Jagers managed a 36 property industrial portfolio for a major investment bank. The properties were located from Arizona to New Jersey and totaled 6.2 million square feet.</p>
LITIGATION EXPERIENCE:	<p>Mr. Jagers has performed appraisal services and/or provided expert trial or deposition testimony in many legal proceedings, including the following: State of Kansas vs. Westgate, LC 04 C 214, Moore v. United States No. 93-134 L, Illig v. United States 98-934L, Randolph and Kelly Akers v. City of Oak Grove, MO 02CV233809, Colliers v. City of Oak Grove, MO 03CV223403, NT Realty v. APW CV 1986 749CC, Gailloyd Enterprises v Centertainment 98-CV-5115, Allen v. Zuvers et al 00CV218291.</p>
EXPERIENCE WITH MUNICIPALITIES/ ADMINISTRATIVE BODIES:	<p>Mr. Jagers has provided expert testimony to a number of taxing authorities, city councils, boards of planning and zoning, commissioners' hearings, and bodies providing public finance (TIF and Tax Abatement). His expertise is sought by the administrative bodies and by the private developers. Major projects include the 597 acre proposed Parvin Road Corridor TIF Plan for Hunt Midwest in Clay County; the Performing Arts District and Kansas City Public Library Central Library Projects, both in Kansas City, Missouri.</p>
PROFESSIONAL ACTIVITIES:	<p>Member of the Appraisal Institute 2004, Director Kansas City Chapter Westwood City Planning Commission</p>
STATE LICENSES:	<p>State of Iowa Certified General Real Property Appraiser (CG02446) State of Kansas Certified General Real Property Appraiser (G-969) State of Missouri Certified General Real Estate Appraiser (RA 003190) State of Nebraska Certified General Real Estate Appraiser (CG970204)</p>
EDUCATION:	<p>Bachelor of Arts (1983) Chadron State College, Chadron, Nebraska Economics and Marketing, Minor in Business Administration</p>
APPRAISAL TRAINING:	<p>Mr. Jagers has successfully completed numerous Appraisal Institute courses and attended seminars in keeping current, the educational and professional work product requirements of the Appraisal Institute and states in which he is licensed. Completed 3rd Party Multifamily Accelerated Processing (MAP), September 18, 2002.</p>

October 20, 2006

State of Missouri


Department of Economic Development
Division of Professional Registration
Real Estate Appraisers Commission
Real Estate Appraiser

State Certified General

VALID THROUGH JUNE 30, 2008
ORIGINAL CERTIFICATE/LICENSE NO. RA003190

KENNETH JAGGERS
INTEGRA NUNNINK & ASSOCIATES
1901 WEST 47TH PLACE
WESTWOOD KS 66205
USA


EXECUTIVE DIRECTOR


DIVISION DIRECTOR

AMENDMENT NO. 5

Exhibit 11: CONSTRUCTION AND EMPLOYMENT INFORMATION FOR PHASE 8

AMENDMENT NO. 5

Exhibit 11: CONSTRUCTION AND EMPLOYMENT INFORMATION FOR PHASE 8

CONSTRUCTION TOTALS BY PROJECT AREA – Phase 8

	New Construction	Existing Structures to REMAIN as is	Existing Structures to be REHABBED	Total	Existing Structures to be DEMOLISHED
Square feet of <u>Office</u> space	216,000			216,000	
Square feet of <u>Retail</u> space					
Square feet Institutional space					
Square feet <u>Industrial</u> Space					
Total Square Feet					

Number of Dwelling Units	10			10	
Number of Motel Rooms	200			200	
Number of Parking Spaces	960			960	

EMPLOYMENT INFORMATION – Phase 8

Please provide employment information for each Project Area. Reproduce this chart for each Project Area.

Permanent jobs to be CREATED IN Kansas City	175
Permanent jobs to be RELOCATED TO Kansas City	745
Permanent jobs to be RETAINED IN Kansas City	95
TOTAL	1,015
Anticipated Annual Payroll	\$37,975,000
Estimated number of construction workers to be hired during construction phase	