

PROJECT NAME ADDRESS:

**INTERURBAN LOFTS
SOUTHWEST CORNER
79th ST. & CONSER ST.
OVERLAND PARK, KANSAS 66204**

APPLICANT:

**REAL Property Group LLC
2601 Truman Rd.
Kansas City, MO 64127**

CONTACT:

**Hal Shapiro (816) 918.8517
hal.shapiro@realpropertygrp.com**

(A) PROPOSED PROJECT.

1) Detailed Description of the project including site plans and renderings; proposed uses and zoning; Proposed project schedule; and project phasing (if applicable);

The proposed project is a redevelopment of a .863 acre site into a mixed-use property containing 41 rental apartments, 6,715 sq. ft. of office space and 53 on-site, structured parking spaces. The proposed improvements consist of a below grade, concrete parking structure and an elevated, concrete “podium” slab. On top of the podium will be a 4-story, wood-frame structure. The apartments will be designed with common use amenities including an outdoor courtyard with lounges, BBQ grills and a big screen TV. Also planned is an indoor lounge, public Wifi, private storage and controlled access lockers for private parcel delivery and pick-up. Parking is considered as an amenity as it will be covered, secured, heated and assigned. Unit amenities will include granite countertops, stainless steel appliances, Bluetooth built-in speakers and smartphone controlled thermostats and door locks. The office space will be designed to accommodate users who prefer open, flexible and communal workspace configurations. The project is expected to break ground in October, 2015 and be ready for occupancy in July, 2016. The project will be completed without phasing and will offer the first new rental apartment units in Downtown Overland Park in over 31 years. Please see the attached Site Plan and Renderings provided as Exhibit A.

The property is currently located within the Downtown Form Based Code. The Regulating Plan of the DFBC currently designates the property for General Urban and Townhouse/Small Apartment use.

2) Map and legal description of the proposed Redevelopment District and Project Plan area showing the boundaries the Project and each Project Area within the Redevelopment District;

Exhibit B provides a map and current legal description of the proposed Project Site and Redevelopment District.

3) Description of existing uses and condition of the site of the proposed project (include photographs and other information);

The current use of both properties is single-family residential. Both structures are being rented on a month-to-month basis. 7904 Conser is rented to residents on a month-to-month basis who have been given the courtesy of a three month notice. It is anticipated the residents will vacate the property on or before September 30, 2015. 7908 Conser is occupied by residents who will vacate the property on June 30, 2015. Please see Exhibit C for photos showing the condition of the existing structures.

4) Provide an explanation of how the condition of the property fulfills the statutory criteria for a finding that the property is blighted or constitutes a conservation area:

The property constitutes a Conservation Area based on the following:

The Project Site meets the first and second requirements to qualify for designation as a Conservation Area set forth in K.S.A 12-1770a(d). The first requirement is that the Project Site constitutes less than 15% of the City of Overland Park, Kansas. Overland Park, KS contains 48,384 acres of land. The Project Site is .863 acres, which is less than 15% of the area of Overland Park. The second requirement is that 50% of the structures are at least 35 years old. Johnson County Land Records shown in Exhibit D indicate that both of the structures were built in 1948. The age of both structures is 67 years. The second requirement is met because 100% of the structures are older than 35 years.

Further, the Project Site meets three of the seven factors set forth in K.S.A. 12-1770a(d) for designation of a Conservation Area including:

1. Dilapidation, obsolescence or deterioration of the structures.
2. Presence of structures below minimum code standards.
3. Inadequate utilities and infrastructure.

K.S.A 12-1770a(d) requires that at least two of the criteria be satisfied. The Project Site satisfies three such criteria. Please see the Conservation Study attached as Exhibit C for photos and more information pertaining to qualification as Conservation Area, existing use and current condition of the Project Site.

In conclusion, the Project Site satisfies the requirements for designation as a Conservation Area under the requirements of K.S.A 12-1770a(d).

- 5) **List of all parcels within the within the Proposed Redevelopment District and/or Project Area including:**
- a. **Property owner’s name and address,**
 - b. **legal description for each parcel;**
 - c. **Johnson County parcel identification number;**
 - d. **Current market and assessed value for all land and improvements on each parcel.**

Ad Valorem Taxes - Pre Development				
Parcel Address	Parcel ID	Gross Bldg Area	Appraisal Value (2015)	Assessed Value (2015)
7904 Conser	NP62400002 0002	1,043	\$ 130,300	\$ 14,985
7908 Conser	NP62400002 0003A	768	\$ 83,800	\$ 9,637
Total		1,811	\$ 214,100	\$ 24,622

Please see Exhibit D for Johnson County Land Records for the Project Site parcels.

- 6) **A list of all businesses within the Proposed Redevelopment District and Project Area within the Redevelopment District including:**
- a. **Business name and address,**
 - b. **Business owner / contact and address;**

There are no businesses operating within proposed Redevelopment Area or Project Area.

- 7) **Information regarding the businesses and/or facilities that will be relocated as a result of the proposed project.**

No businesses will be relocated within proposed Redevelopment Area or Project Area.

- 8) **Description of proposed uses and zoning including plan for submitting zoning application to the City of Overland Park. A condition of TIF, if approved, will be completion of all project elements outlined in any land use or zoning approval of the City of Overland Park. TIF will not be approved in advance of finalization of land use actions; Land use Actions will not be approved in advance of a final development agreement outlining terms of TIF approval.**

The project site is located within the Downtown Form Based Code. The Regulating Plan of the DFBC currently designates the property for General Urban and Townhouse/Small Apartment use. The proposed use as described above in #1 is consistent with the Illustrations and Intent described under the General Urban and Townhouse/Small Apartment descriptions in the Form Based Code. A Certificate of

Conformity with the Downtown Form Based Code will be provided in connection with the redevelopment.

(B) PROJECT SOURCES AND USES.

- 1) Project Costs (Uses) – Provide detailed development cost estimates including detailed hard and soft costs broken out by type and funding source. Each cost estimate and /or cost assumption should be supported by an explanation and supporting documentation. Special costs of redevelopment should be identified as part of this detail. Costs of Land/Property Acquisition should be supported by an independent appraisal and copy of deed / other documentation regarding sale price.**

Please see Exhibit E for Project Costs, TIF Reimbursement Schedule and Sources and Uses of Funds

- 2) Private Financing (Sources) – Provide information regarding sources of private project financing as follows:**

- a. Amount and source of equity to be provided;**

Private financing will be provided by a direct equity contribution into the project. This equity will be provided by the principals of REAL Property Group. No outside investors or equity partners will need to be sought to raise the equity for the project. It is anticipated that 25% of Total Development Costs, or \$2,411,836, will be placed into the project by principals of REAL Property Group.

- b. Information regarding project construction loan including:**

- i. Amount and terms of construction loan(s);**
- ii. Name of Lender(s) and contact information;**
- iii. A copy of the Loan Application provided to Lender(s);**
- iv. Evidence of commitment to provide funds from the lending institution(s) signed by the Lender(s) and noting conditions and contingencies, if any.**

A construction/mini-permanent loan in the amount of 75% of Total Development Costs will be provided by a local bank. Loan term is expected to be 5-7 years. Currently, there are three construction lenders who have expressed interest in providing this type of loan to the principals of REAL Property Group for this project. They are US Bank, Commerce Bank and 1st National Bank of Kansas. Please see the letter from US Bank attached as Exhibit F. Loan application and commitment from construction lender can only be made after results of the public financing request are known.

3) Public Financing (Sources) – Provide the total amount of ALL Public Funding sources proposed to fund project costs and the proposed method of assistance, Pay-As-You-Go or Bonds. Information should include the calculation and assumptions used in determining the amount of public funds available for use should include:

Eligible project costs are anticipated to be reimbursed to the Developer/Owner from TIF financing proceeds on a Pay-As-You-Go basis over the life of the TIF.

a. For TIF

- i. Base year taxes. Information should be supported by a copy of the current tax statement from the Johnson County Appraiser.**
- ii. Incremental taxes. Estimated increment should be supported by an explanation of the assumptions used to establish the new tax basis (e.g. estimated valuation, total sales) and demonstrate calculation of the increment.**

Please see Exhibit G

- iii. Reimbursement schedule. A schedule should be provided for eligible costs proposed for reimbursement with TIF funds, and the proposed reimbursement time frame.**

Please see Exhibit E – Project Costs and TIF Reimbursement Schedule

- iv. TIF Bond Proceeds. If issuance of TIF bonds is proposed, the estimate of TIF Bond Proceeds proposed to be applied to the project should be supported by assumptions used regarding interest rate, coverage, capitalized interest, debt service reserve, estimated issuance expenses, coverage and any other factor taken into consideration in calculating available TIF Bond Proceeds.**

TIF Bonds are not applicable to the proposed financing structure.

- b. For All other Public Financing Sources provide estimated revenues supported by an explanation of assumptions used in making revenue assumptions and calculation of available revenues.**

Developer/Owner will be requesting Economic Development Revenue Bonds for sales tax exemption of construction materials and equipment. It is anticipated that the amount of funds that will be available from this source will be \$303,600. Application for EDRB will be submitted separately.

(C) **PROJECT PRO FORMA.**

A ten-year operating pro forma should be submitted which provides information indicating expected revenue and expenses and projected net operating income.

- 1) Operating Income and Expenses. All assumptions must be supported by detailed information and explanation regarding each assumption and include detailed market and other information supporting rents or sales per s.f. and all expenses.**

To be provided upon submission of Project Plan

- 2) Debt Expense. Information regarding permanent loan financing should be provided including:**

- a. Amount and terms loan(s);**
- b. Name of Lender(s) and contact information;**
- c. A copy of the Loan Application provided to Lender(s);**
- d. Evidence of commitment to provide funds from the lending institution(s) signed by the Lender(s) and noting conditions and contingencies, if any;**

It is anticipated that within 1-3 years of stabilization of the project that a permanent loan will be placed on the project to pay off the construction/mini-permanent loan from the bank. Lender will be determined at that time, but is expected to be sourced from a life insurance company or CMBS debt provider.

- 3) Internal Rate of Return (IRR). Calculation of IRR on equity with and without the proposed TIF assistance should be provided. In addition, explanation of the basis for the expected rate of return, including market and other information that supports the expected IRR on equity.**

To be provided upon submission of Project Plan

(D) **PROJECT FEASIBILITY.**

- 1) Analysis if market and feasibility of the proposed project. If a formal feasibility or comparable studies have been prepared, please provide**

Please reference Exhibit H for the source information for the following summary:

According to Reis Information Services there have been no new market rate, rental apartments built in the North Overland Park submarket since 2008. Since 2005 - 184 units have been added to the inventory of rental apartments in this submarket, and 420 units were removed from inventory. The North Overland Park submarket had a vacancy rate of 1.9% for the 4th quarter of

2014. Typically, markets in supply and demand equilibrium witness a 4-5% vacancy rate as a result of normal turnover. For the same period the overall Kansas City area metro average vacancy rate was 4.3%. From this information it is reasonable to conclude that a shortage of new, modern rental apartment units currently exists in this submarket. Moreover, the rental apartment market is currently experiencing a major shift in locational attributes. The concept of living in a “walkable” location is certainly not new. But locating new multifamily construction in close proximity to places where people “want to be” is making a strong resurgence in urban areas around the country and more recently in the Kansas City area.

REAL Property Group has an investment philosophy of locating its projects within 1 to 2 blocks “*from where people want to be.*” The InterUrban Lofts Project Site is located 1½ blocks from the historic and current heart of downtown Overland Park. The InterUrban Lofts project is in close proximity to take advantage of the walkable shops, restaurants and other amenities offered by being in close proximity to Downtown Overland Park.

2) Identify proposed tenants and mix of tenant types expected for the project.

The proposed mix of residential tenants is anticipated to range from 24 to 75 years of age. The proposed target market for the office tenants is predominantly small technology companies, professionals, services and design type office users. Retail use is not anticipated.

3) Provide information about leases that have been signed and or are being negotiated.

Project occupancy is expected to be available in March, 2017. Leases on rental apartment units are not anticipated to be signed until within 90-120 days of project completion. Office marketing will be commenced in 2015. It is anticipated that leases will be signed for the office space during the construction period as early as within 120 days of occupancy.

4) Summarize the potential risks, market and otherwise and the plan for addressing and mitigating these risks.

The potential risks associated with this project are typical in many real estate developments. They are:

i) Construction Risk

The Owner/Developer will mitigate construction risk on this project in several ways. First, the Owner/Developer will partner with a highly-competent, bondable, experienced, multifamily and office construction general contractor. The contractor and/or key subcontractors will be required to provide performance and payment bonds. The contractor will be required to provide a project manager and field superintendent who are both experienced in mixed-use and multifamily construction projects. Another way the principals of REAL Property Group plan to mitigate construction risk is to be

actively involved in the construction process. This began by actively participating in the design process, selection of architect and engineers and will continue with selection of the GC, subcontractors, materials and project management personnel. A significant portion of the construction risk involves payment management. Closely managing the payment approval, administration and warranty process will also mitigate construction risk. Payments will only be issued once work has been completed and the architect, engineer, owner and lender have approved the work. Once payments are approved and the contractor or subcontractor has provided a signed lien waiver, payment less retainage will be issued. Principals of REAL Property Group will administer and monitor compliance with payment procedures to ensure payments are made only upon satisfaction of the above requirements and to ensure timely payments are made with appropriate retainage.

ii) Rental Market and Interest Rate Risk

The rental apartment and office markets reflect changing dynamics of supply and demand factors. These factors have an effect on vacancy, rental rates and operating expenses. Principals of REAL Property Group have experienced several real estate and interest rate cycles over the last 33 years. They believe that underwriting projects conservatively helps lead to successful projects and underwriting them more aggressively is not a good idea. RPG uses relatively conservative underwriting standards to help reduce future market and interest rate risks. For example, in today's low interest rate environment, we underwrite construction and permanent interest rates at levels that are 100 to 150 basis points higher than exist today. We do not assume interest rates will remain constant or go lower. We build in a margin for rising interest rates into our budget calculations. We build into our financial models similar measures of conservatism when estimating market rents and expenses.

Another way to manage market risk is to design a project that has location, features and amenities that are desirable and sustainable over time. There are many features designed into the InterUrban lofts that are intended to provide a highly desirable and sustainable property for people to live and work in over a long period of time.

iii) Ownership

Many developers build projects with the intent to complete it, lease it and then sell it as soon as possible. This strategy has inherent risks associated with it. For example, this strategy does not encourage developers to design-in sustainable, energy and operationally efficient buildings. Nor does it encourage them to become a part of the community in which they are built simply because they do not intend to be the long term owners and operators. RPG plans to hold the InterUrban Lofts in its investment portfolio for the long term and continue to be a part of the community. Principals of RGP have a

history of doing this in other areas in the greater Kansas City area. This is one way the City of Overland Park may be more comfortable that its investment in the InterUrban Lofts will be well managed, locally owned and managed by members of the community.

- iv) Environmental
Prior to commencement of construction an environmental audit of the property will be performed. Although there is currently no information which leads RPG to believe there are environmental concerns associated with this property, a complete Phase I environmental audit will be performed on the subject property prior to commencement of construction.

(E) DEVELOPER AND DEVELOPMENT TEAM.

- 1) Describe the Developer/Development Company, its ownership and affiliated/partner companies. Describe the specific legal entity that will act as the developer and/or owner of the project (e.g. LLC, LP, Corporation) and include a copy of the development company's organizational structure.**

In the event of public finance approval, the development company will be a single-purpose LLC owned by the four principals of REAL Property Group LLC. Principals of REAL Property Group LLC have owned and managed commercial and residential property in the greater Kansas City area since 1992. Prior to that time the principals worked with family members who owned and operated commercial and multifamily properties dating back four generations, to the 1930s. Prior to this application the principals of RPG have been focused on owning and managing properties in urban neighborhoods in Kansas City, MO such as 39th St. West (across from KU Med. Center), the West Bottoms and midtown KC, MO. Currently, the four principals of REAL Property Group own and manage over 142,000 sq. ft. of commercial and residential properties in the greater Kansas City and Lee's Summit areas. These property types include restaurant, retail, office, industrial, multifamily and single-family rental properties.

- 2) Provide a profile/resume of the principal member(s) of the development team which describes the background and development experience of each individual on the team and the relevant experience of each in creating developments similar to the one proposed. Information should include the address, telephone number(s) and email address of each team member.**

The principals of REAL Property Group LLC are:
Hal S. Shapiro
David E. Shapiro
Steven B. Shapiro
David S. Shapiro

See Business Biographies below

Business Biography

Hal S. Shapiro

hal.shapiro@realpropertygrp.com

Cell: 816.918.8517

Hal S. Shapiro grew up in Kansas City, MO and graduated Center High School in 1978. He earned a bachelor's degree in Real Estate and Urban Land Economics from the University of Texas at Austin in 1982. He practiced commercial mortgage banking and brokerage with First Bank System and Commonwealth Mortgage in Houston, TX and then with Southwest Capital Investment Corporation in Austin TX. Arranging conventional, permanent loans on commercial property and specialized financings using tax-exempt, multi-family housing revenue bonds was a focus of his work in the mortgage business. From 1984 – 1986 Hal was on a team of mortgage and bond professionals that originated more than \$250,000,000 in tax-exempt, multifamily housing revenue bonds for 18 projects located in the states of Texas, Oklahoma, Missouri, Virginia and California.

In 1987 Hal joined the family business in Kansas City, Walker Towel and Uniform Service, an industrial laundry serving western Missouri and eastern Kansas. Hal focused in the areas of production, facilities, environmental and medical regulatory compliance. Hal remains an owner and Board Member of Walker today with his brother, David E. and cousins, Steven and David S.

In 1992 Hal began acquiring income property in the Kansas City area. A portfolio of properties was assembled and is owned by closely held affiliates. All properties are managed internally. These properties have prospered over the years by value added through aggressive leasing and highly effective management. Highly effective management focuses on very responsive communications, efficient operations and taking pride in tenant satisfaction. This has always been a source of pride for Hal in the real estate business. Properties types include restaurant, retail, office, multifamily and industrial. Presently, the portfolio contains properties totally over 130,000 sq. ft. of leasable area. REAL Property Group LLC is the formal legal entity under which real estate development and management activities are performed. Today, REAL Property Group is focused on vertical, in-fill, mixed-use redevelopments in urban cores. Demographic trends point to more demand for these product types and becoming expert in the multiplicity of tasks needed to identify sites and get these projects done is what Hal is passionate about at work.

In 2003 Hal was involved in the formation of the 39th Street Community Improvement District in Kansas City, MO. This CID was formed to provide security, beautification and marketing for the members of business between Southwest Trafficway and State line Rd. on 39th St. near the KU Medical Center. Hal continues to serve on that board as it Chairman. Hal currently serves on the board of the InterUrban Arthouse, a 501c(3) organization located in Downtown Overland Park, KS. As President. The mission of the InterUrban Arthouse is to create a hub for artists, arts-based businesses and creative industries to cause a positive cultural and economic impact in the community. The mission of IUAH is accomplished by promoting creative placemaking in Downtown Overland Park, KS to promote artistic expression, cultural expansion and economic development in the heart of Johnson County, KS.

Business Biography

David E. Shapiro

david.e.shapiro@walkeruniform.com

Cell 816.918.2115

David E. Shapiro is a lifelong resident of the Kansas City area. Growing up in south KCMO David attended and graduated from Center High School in 1984. He earned a Bachelor of Science degree in Business Administration from Arizona State University.

In 1992 David joined the family business, Walker Towel and Uniform Service, an industrial textile company servicing western Missouri and eastern Kansas. Presently serving as Walkers CIO and Director of Facilities, he oversees the acquisition, management and maintenance of all facilities, equipment and electronic assets. David's strengths are information management, Industrial layout and systems design and building design. David is an owner and Board Member of Walker today with his brother, Hal and cousins, Steven and David S.

In 1994 David began participating in the acquisition and management of income property in the Kansas City area. A portfolio of properties was assembled and is owned by closely held affiliates. For nearly 20 years David has been responsible for the property maintenance of all properties in the portfolio. Exceptional tenant relations have been the focus of the group since its inception. One of the keys to tenant retention is being accessible and addressing issues in a very timely manner. David has taken great pride in addressing and resolving tenant repair and maintenance needs with the highest of priority.

David has been actively involved in the design, design review, pre-construction, construction and delivery of several new commercial and residential projects dating back to 1996.

STEVEN B. SHAPIRO

stheb@aol.com

Cell: 816.918.8155

STEVEN B. SHAPIRO GREW UP IN ST. LOUIS MISSOURI AND GRADUATED FROM CLAYTON HIGH SCHOOL. AFTER HIGH SCHOOL, STEVEN BECAME A TRUE KANSAS JAYHAWK IN LAWRENCE KANSAS. AT KANSAS UNIVERSITY, HE EARNED A BACHELOR'S DEGREE IN BUSINESS WITH A CONCENTRATION IN ACCOUNTING. WHILE AT KANSAS HE WAS A MEMBER OF PHI KAPPA PSI FRATERNITY WHERE HE IS STILL VERY ACTIVE IN THE CHAPTER.. STEVEN WAS ALSO THE SCHOLARSHIP CHAIRMAN AND SERGEANT AT ARMS DURING HIS FOUR YEARS LIVING IN THE PHI KAPPA PSI FRATERNITY.

TODAY, STEVEN IS CHIEF FINANCIAL OFFICER AT WALKER TOWEL AND UNIFORM SERVICE, INC. AND REAL PROPERTY GROUP LLC WHERE HE IS RESPONSIBLE FOR ALL DAILY FINANCES, ACCOUNTING, CASH MANAGEMENT, TAXES AND AUDIT. STEVEN IS ALSO RESPONSIBLE FOR THE MANAGEMENT OF SOME OF WALKER'S "BLUE-CHIP ACCOUNTS", PROVIDING LEADERSHIP IN THE RELATIONSHIP BUILDING AND RETENTION OF THESE CUSTOMER'S..

OVER THE PAST 20 YEARS, STEVEN HAS BEEN VERY INVOLVED IN REAL PROPERTY GROUP'S GROWTH AND SUCCESS. HIS CONTRIBUTIONS HAVE BEEN IN THE FOLLOWING AREA'S:

- *ALL ACCOUNTING, TAX STRATEGY AND PREPARATION
- *FINANCING AND REFINANCING OF PROPERTY DEBT
- *TENANT RELATIONS
- *PROPERTY MAINTENANCE
- *LEASE NEGOTIATIONS
- *MARKETING
- *COLLECTIONS
- *SECURITY

David S. Shapiro

david.s.shapiro@walkeruniform.com

Cell: 816.918.1883

David S. Shapiro grew up in St. Louis, Missouri and graduated from Clayton High School in 1979. After high school David attended the University of Kansas and earned a bachelor's degree in Business Administration and a minor in Economics. After graduating from University of Kansas, David joined his family business, Walker Towel and Uniform Service where he is currently the Chief Operating Officer. Walker is a textile rental service company that provided uniforms, linens, mats, and mops to more than 2000 industrial and commercial customers in the Kansas and Missouri area. Since David joined Walker it has grown over 500% with his leadership. Today, David leads Walker in strategic planning and goal setting with a heavy emphasis on building a strong management team. David is one of four shareholders in Walker Towel and Uniform Service.

David Also serves in an advisory role to Real Property Group which is led by Hal Shapiro. Real Property Group owns a portfolio of properties in the Kansas City area. David advises on property development and strategic planning for future projects.

David is active in Harvesters, Kaw Valley Center and has served on the Kansas City Hospice and Palliative Care gala committee for the past five years. David is passionate about helping others who are in need.

3) Describe experience of the development team and/or its members with projects involving public financing.

Hal Shapiro has been involved with public finance of commercial and residential real estate projects for many years. Below is a list of the projects in which he participated in the arrangement of public financing for real estate developments as an owner, lender:

<u>PROPERTY</u>	<u>PUBLIC FINANCE TYPE</u>	<u>ISSUER</u>
1801-1823 W. 39 th St. KCMO	Community Improvement District	City of Kansas City, MO
2601 Truman Rd. Walker Indust.	Tax Abatement	City of Kansas City, MO
2601 Truman Rd. Walker Medical	Tax Abatement	City of Kansas City, MO
1550 Liberty St., KCMO	Tax Abatement	Planned Industrial Expansion Authority
1600 Liberty St., KCMO	Tax Abatement	Planned Industrial Expansion Authority
Various	Multifamily Housing Rev. Bonds	Various

4) Identify the project team consultants involved or proposed to be involved in the project and the experience of each team member on similar projects (i.e. architect, engineer, contractor, legal counsel, financial consultant.)

Architect:	Finkle Williams	John Gaar, AIA
Civil Engineer:	Renaissance Infrastructure	Chip Corcoran
MEP Engineer:	Lattimer, Somers	Rich Beardemore
Structural Eng.:	Bob D. Campbell & Co.	Mike Falbe
Contractor:	tbd	
Legal Counsel:	Polsinelli	John Petersen

5) Provide documentation regarding the development team’s financial strength and capacity including: financial statements for the most recent three years current income statement and balance sheet for the development entity; tax returns for the principals in the development team for the most recent three years; investor letters of interest or commitment from lenders and other investors.

To be provided under separate cover.

6) Provide letter from a financial institution indicating that the Applicant has sufficient financial resources to obtain the private financing for the project.

Please see Exhibit F

7) Provide a description of at least five similar projects including references/contacts for individuals familiar with these similar project(s). Describe if the project included public financing and if so, provide city or county representative references and contacts related to the project(s).

The following is a list of projects the principals of REAL Property Group currently own and manage:

Jamestown Square – Located on the south side of 39th Street between State Line Rd and Bell St. in Kansas City, MO., this project was purchased by principals of REAL Property Group in 1992 and has been managed by them since that time. It contains 29,346 sq. ft. of commercial space which includes 6 popular restaurants, a bar and 5 rental office spaces. The residential portion of the project includes 15,868 sq. ft. of rental housing in 14 residential units. The commercial tenants in this property include Jimmy’s Jigger, Jazz a Louisiana Kitchen, Blue Koi Asian, d’Bronx Pizza, Thomas American Cuisine and Genghis Khan Mongolian BBQ. Office tenants include Alpha Chiropractic, Structural Modeling and Assoc., PixelNation, White Light Bookstore and the Gnostic Confraternity. Jamestown Square is located within the boundaries of the 39th St. Community Improvement District. For reference with public finance experience related to Jamestown Square and the 39th St. Community Improvement District, please contact K.C., MO city council members Jan Marcason and Jim Glover.

Liberty Street Properties - Liberty Street Properties has been owned by principals of REAL Property Group since 2003. 1600 Liberty St. and 1550 Liberty St. in Kansas City, MO are located in an area known as the “West Bottoms” near Kemper Arena. These two buildings contain 24,100 sq. ft. of rentable area. One of the buildings was sold to become the Dolphin Gallery. The other building is a 12,300 sq. ft. service building that is still owned by principals of RPG. The property currently serves as home and service center for the greater Kansas City area operations of Roto-Rooter Services Company. The construction of this property was publically financed using a tax-abatement authorized by the Planned Industrial Expansion Authority of Kansas City, MO. The Executive Director of the PIEA was Al Figuly.

Walker Uniform - Walker Uniform is located at the southeast corner of Truman Rd. and Prospect Ave. in Kansas City, MO. It has operated out of this location since 1971 and is recognized as the eighth oldest business in the Kansas City area according to the Kansas City Business Journal. Payroll records show history dating back to 1878. Today Walker provides rental uniforms, floor entrance mats, industrial towels as well as restaurant, kitchen linen and medical linens. Walker is located in an Enhanced Enterprise Zone. In 1996 Walker reinvested \$2.5M in its facility by building a 36,000 sq. ft. production facility expansion. The city of Kansas City, MO and Jackson County, MO provided a tax rebate for this expansion. Please see Exhibit I for a proclamation by the City Council of Kansas City, MO regarding this business and investment.

Walker Medical Linen - In 2012 principals of REAL Property Group opened a new, custom designed, state of the art medical laundry facility in Kansas City, MO. This medical linen facility was certified by the Healthcare Laundry Accreditation Council to be approved for processing medical laundry. The building features positive air pressure clean-side processing operation, state of the art microprocessor controlled laundering equipment and solar-panel electricity generation equipment on the roof. Total

investment in 2012 was \$1.6M. The city of Kansas City, MO and Jackson County, MO provided a tax abatement for this expansion.

Mission Square - Mission Square Shopping Center is located at 506 SE M-291 Hwy in Lee's Summit, MO. It is a 10,000 sq. ft. retail property located in a highly popular suburb of Kansas City. Mission Square has been owned and managed by the principals of REAL Property Group since 1995. In 2012 Mission Square was renovated substantially. The improvements included a new, updated façade, new lighting fixtures and a new roof. Tenants at Mission Square include Zeke's Paint, Subway, Sarpino's Pizza and others.

Brown Covey Building - The Brown Covey Building is located at 1550 Benton Blvd. in Kansas City, MO. It is the home of the Brown-Covey Machine Company and has been for over 30 years. Principals of REAL Property Group acquired the property in 2013.

The following properties are a sampling of apartment properties that were owned and managed by prior generations of the Shapiro family. The principals of RPG never owned any of the following properties and these properties have since been sold. Principals of RPG participated in the operations and management of these properties and they were instrumental in developing the core values which guide the principals of REAL Property Group today.

Monterey Apartments – Located at 4630 Wornall on the Country Club Plaza in Kansas City, MO. This property includes 28 rental apartment units.

Seville Apartments – Located at 4545 Main St. just off the Country Club Plaza in Kansas City, MO. This property includes 29 rental apartment units.

Del Monte Apartments – Located at 200 W. Armour Blvd. in midtown, Kansas City, MO this property includes 54 rental apartment units.

Wyandotte Apartments – Located at 3507-3519 Wyandotte St. in midtown, Kansas City, MO this property includes 18 rental apartment units.

EXHIBIT A
Site Plans and Elevations



INTERURBAN LOFTS
March 12, 2015
1489



FINKLE+WILLIAMS
ARCHITECTURE



INTERURBAN LOFTS
March 12, 2015
1489



FINKLE+WILLIAMS
ARCHITECTURE

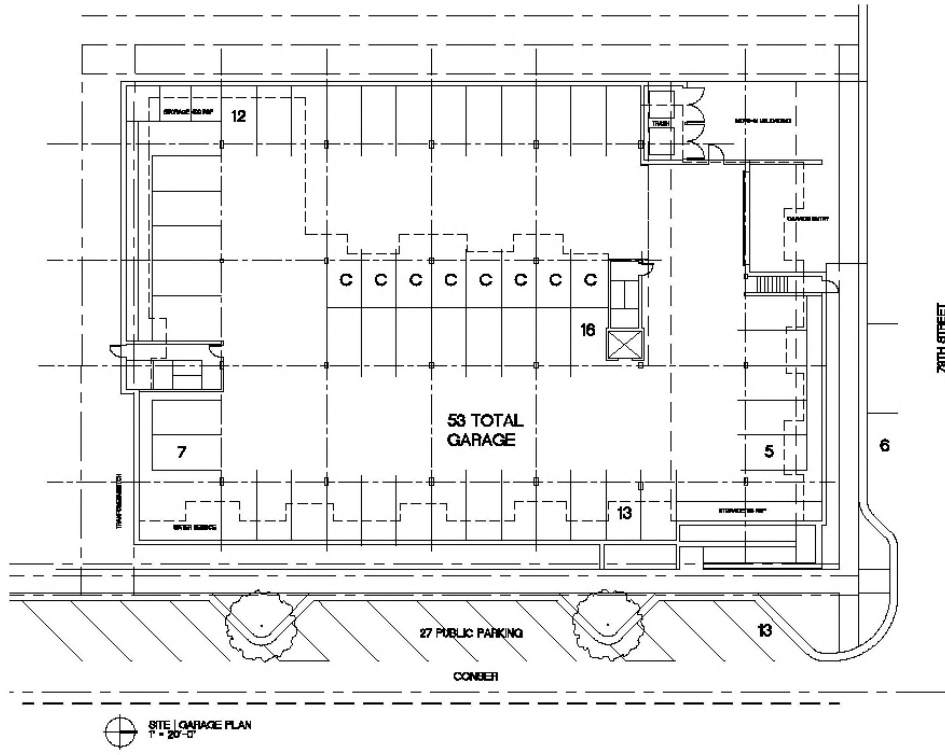


INTER|URBAN LOFTS
 March 12, 2015
 1489



INTER|URBAN LOFTS
 March 12, 2015
 1489





DEVELOPMENT DATA

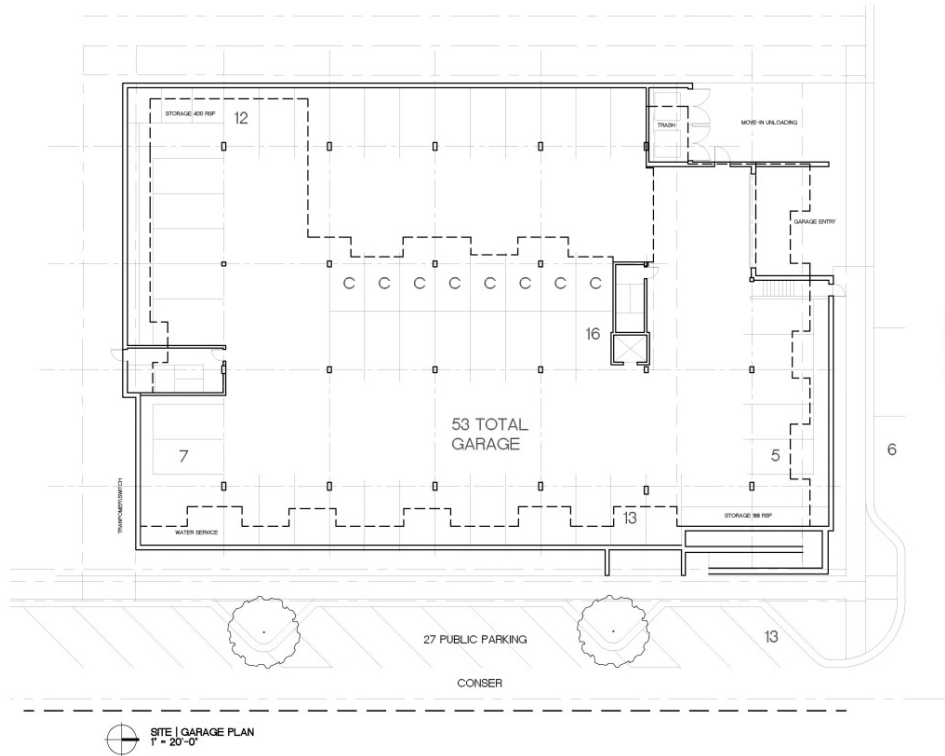
APARTMENTS

TYPE	BEDS	QTY	AREA	TOTAL
A	14	754 sf	10,556 sf	
B	17	937 sf	15,929 sf	
C1	2	6	1,216 sf	7,296 sf
C2	2	4	1,464 sf	5,856 sf
SI	41			39,637 sf

APARTMENT STORAGE	176 sf
OFFICE	6,177 sf
TOTAL (ABOVE GARAGE)	45,990 sf
TOTAL GROSS	64,977 sf
GARAGE	53 PARKING SPACES
GARAGE STORAGE	588 sf

INTERURBAN LOFTS

FINKLE + WILLIAMS
ARCHITECTURE
RPG 79TH & CONSER STUDY
1489 2.25.15



DEVELOPMENT DATA

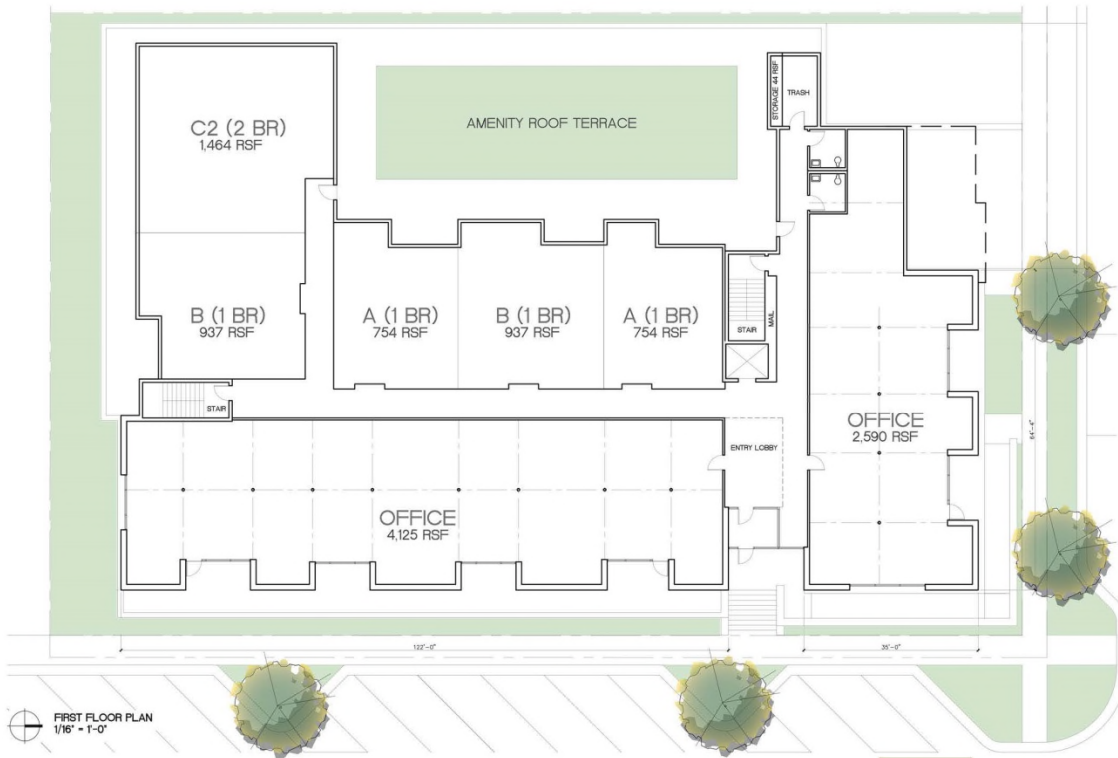
APARTMENTS

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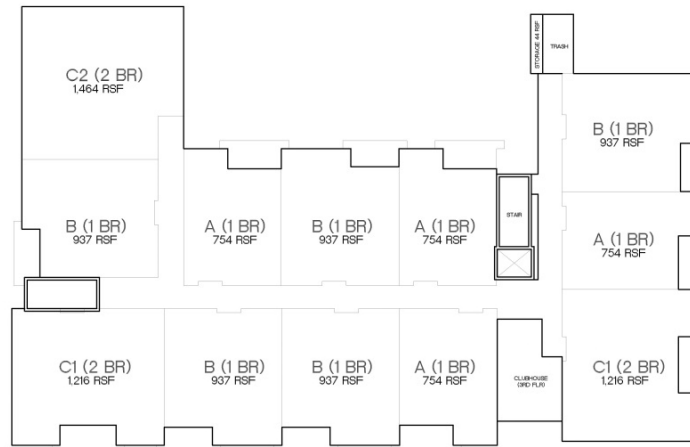
INTERURBAN LOFTS

FINKLE + WILLIAMS
ARCHITECTURE
RPG 79TH & CONSER STUDY
1489 2.25.15



FIRST FLOOR PLAN
1/16" = 1'-0"

INTER|URBAN LOFTS
March 12, 2015
1489



SECOND - FOURTH FLOOR PLAN
1" = 20'-0"

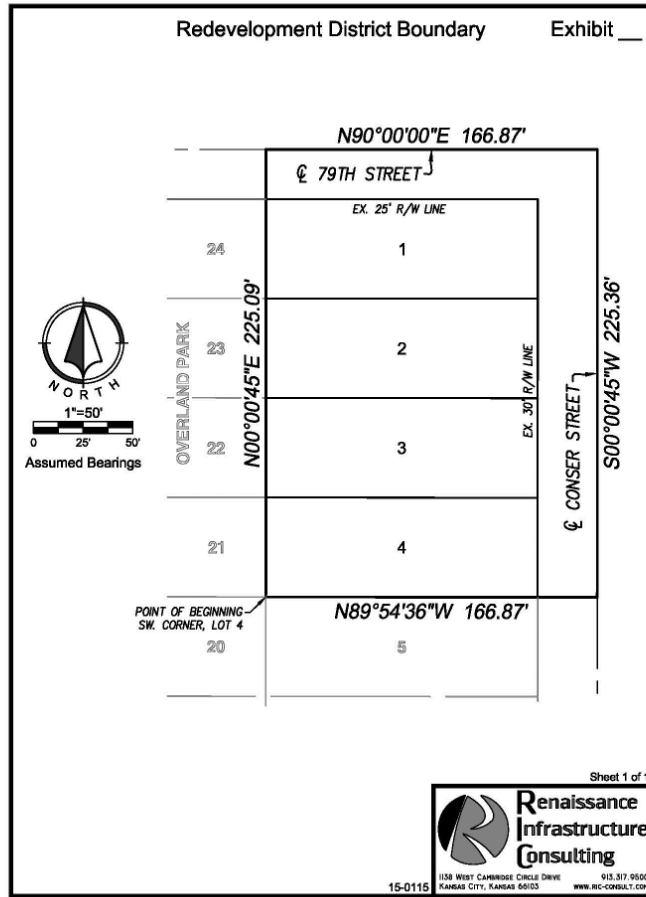
INTER|URBAN LOFTS



RPG 79TH & CONSER STUDY
1489 2.25.15

EXHIBIT B

Map and Legal Description of Redevelopment District



Redevelopment Area Legal Description

Redevelopment District Boundary
InterUrban Lofts
79th & Conser, Overland Park, KS

All of Lots 1 thru 4, inclusive, Block 2, OVERLAND PARK, a platted subdivision, and all that part of adjacent 79th Street and Conser Street right-of-way, all in the City of Overland Park, Johnson County, Kansas, more particularly described as follows:
Beginning at the southwest corner of said Lot 4; thence coincident with the west line of said lots 4, 3, 2, 1 and their northerly prolongation, North 00°00'45" East, 225.09 feet to a point on the centerline of said 79th Street; thence coincident with the centerline of said 79th Street, North 90°00'00" East, 166.87 feet; thence coincident with the centerline of said Conser Street, South 00°00'45" West, 225.36 feet; thence thence coincident with the south line of said Lot 4 and its eastern prolongation, North 89°54'36" West, 166.87 feet to the Point of Beginning, containing 37,584 square feet, or 0.863 acres, more or less.

EXHIBIT C
Conservation Study

(See Attached)

EXHIBIT D

Johnson County Land Records



[Jobs](#) | [Contact](#) | [Departments](#) | [Employees](#) | [Media](#) | [Maps](#)

[Menu](#)

Appraiser

Phone: 913-715-9000 [Contact](#)
 11811 S. Sunset Drive, Suite 2100, Olathe, Kansas 66061 [Directions](#)

[View Sketch](#) | [View PRC](#) | [Tax Bill](#) | [Nearby Addresses](#) | [Map Parcel](#) | [New Search](#) | [Help](#)

Land Records Property Summary

7904 CONSER ST OVERLAND PARK, Kansas

Parcel ID: NP62400002 0002
KUP #: 046-069-30-0-10-07-020.00-0
Quick Ref: R115550
Descrip.: Single family residence
Value: \$130,300
Sq. Ft.: 1,105 sq. ft.
Year Built: 1948
Land Sq. Ft: 13,570 sq. ft.



046-069-30-0-10-07-020.00-0 03/27/2010

[Click to enlarge image](#)

Taxes and Values

Year	Appraised Value	Assessed Value	Appraised Change
2015	\$130,300	\$14,985	19.87%
2014	\$108,700	\$12,501	

Record Number: 1

Style: Conventional
Total Rooms: 5
Bedrooms: 3
Family Rooms: 0
Foundation: Block - 3
Main Flr Area: 745
Other Liv. Area: 360
Total SFLA: 1105

Main Dwelling Information

Basement Type: Partial
Full Baths: 1
Half Baths: 0
Garage Cap.: no information
Finish. Bsmt: 0
Rec Room: 0

[Glossary of Terms](#)

Components

Description	Units	Percent
Frame, Plywood or Hardboard	0	100
Paving, Brick (SF)	20	0
Paving, Brick (SF)	335	0
Composition Shingle	0	100
Warmed & Cooled Air	0	100
Automatic Floor Cover Allowance	0	0
Plumbing Fixtures (#)	5	0
Plumbing Rough-ins (#)	1	0
Raised Subfloor (% or SF)	1105	0
Attached Garage (SF)	308	0
Total Basement Area (SF)	372	0

[Home](#) | [Contact](#) | [NotifyJoCo](#) | [Facilities List](#) | [Legal Disclosures](#)
 111 S Cherry St, Olathe, KS 66061 | 913-715-5000 | TDD: 800-766-3777

© Johnson County 2014 English [Translate](#)



Appraiser

Phone: 913-715-9000 | [Contact](#)
 11811 S. Sunset Drive, Suite 2100, Olathe, Kansas 66061 | [Directions](#)

[View Sketch](#) | [View PRC](#) | [Tax Bill](#) | [Nearby Addresses](#) | [Map Parcel](#) | [New Search](#) | [Help](#)

Land Records Property Summary

7908 CONSER ST OVERLAND PARK, Kansas



046-069-30-0-10-07-019.00-0 03/27/2010

[Click to enlarge image](#)

Parcel ID: NP62400002 0003A
KUP #: 046-069-30-0-10-07-019.00-0
Quick Ref: R115551
Descrip.: Single family residence
Value: \$83,800
Sq. Ft.: 768 sq. ft.
Year Built: 1948
Land Sq. Ft.: 13,571 sq. ft.

Taxes and Values

Year	Appraised Value	Assessed Value	Appraised Change
2015	\$83,800	\$9,637	-1.41%
2014	\$85,000	\$9,775	

Record Number: 1

Main Dwelling Information

Style:	Ranch	Basement Type:	Crawl
Total Rooms:	5	# Full Baths:	1
# Bedrooms:	3	# Half Baths:	0
# Family Rooms:	0	Garage Cap.:	no information
Foundation:	Block - 3	Finish. Bsmt:	0
Main Flr Area:	768	Rec Room:	0
Other Liv. Area:	0		
Total SFLA:	768		

[Glossary of Terms](#)

Components

Description	Units	Percent
Frame, Siding/Shingle	0	100
Composition Shingle	0	100
Forced Air Furnace	0	100
Automatic Floor Cover Allowance	0	0
Plumbing Fixtures (#)	5	0
Plumbing Rough-ins (#)	1	0
Raised Subfloor (% or SF)	768	0
Attached Garage (SF)	288	0
Garage Finish, Attached (SF)	288	0
Open Slab Porch (SF)	96	0
Raised Slab Porch (SF)	24	0



Exhibit E
Project Costs and TIF Reimbursement Schedule

InterUrban Lofts Mixed-Use Project	Cost Pro Forma		
Description	Total Cost	Private	TIF Reimbursable
Land Purchase Price	\$ 279,000	\$ 76,744	\$ 202,256
Land Cost	\$ 279,000	\$ 76,744	\$ 202,256
Building Construction			
Building (Includes 5% Contingency)	\$ 5,029,902	\$ 5,029,902	\$ -
Tenant Improvement Allowance	\$ 201,450	\$ 201,450	\$ -
BUILDING CONSTRUCTION	\$ 5,231,352	\$ 5,231,352	\$ -
Unit Amenity Electronics, Hubs, Built In Sound	\$ 32,800	\$ 32,800	\$ -
Furniture, Fixtures, Equipment, Trellis, Art	\$ 175,000	\$ 175,000	\$ -
Wireless, Video & Add'l Security	\$ 40,000	\$ 40,000	\$ -
Automated Parcel Locker	\$ 8,500	\$ 8,500	\$ -
Trash Chute System	\$ 18,000	\$ 18,000	\$ -
Building Amenities	\$ 274,300	\$ 274,300	\$ -
General Conditions			
Building Permit	\$ 39,686	\$ 39,686	\$ -
Insurance & P&P Bonds	\$ 125,410	\$ 125,410	\$ -
Taxes During Construction	\$ 5,071	\$ 5,071	\$ -
Project Requirements	\$ 114,030	\$ 114,030	\$ -
Contractor OH & Profit	\$ 516,165	\$ 516,165	\$ -
GENERAL CONDITIONS	\$ 800,362	\$ 800,362	\$ -
Site Construction			
Demolition	\$ 5,000	\$ -	\$ 5,000
Site Work, Excavation	\$ 110,100	\$ -	\$ 110,100
Utility Connections	\$ 100,000	\$ -	\$ 100,000
Water/Sewer/Fire Connection Fees	\$ 146,210	\$ -	\$ 146,210
Stormwater Retention	\$ 75,000	\$ -	\$ 75,000
Bury KCP&L Underground	\$ 45,000	\$ -	\$ 45,000
Parking Structure	\$ 905,700	\$ -	\$ 905,700
Angle-In Parking on Conser	\$ 219,231	\$ -	\$ 219,231
Landscaping & Exterior Lighting	\$ 25,000	\$ -	\$ 25,000
Site Construction	\$ 1,631,241	\$ -	\$ 1,631,241
Total Hard Construction Costs	\$ 7,937,255	\$ 6,306,014	\$ 1,631,241
Less: EDRB Sales Tax Exemption	\$ 303,600	\$ 303,600	\$ -
Hard Construction Costs Sub-Total	\$ 7,633,655	\$ 6,002,414	\$ 1,631,241

Project costs continued on following page.

Structural Engineering	\$ 40,000	\$ 40,000	\$ -
Civil Engineering	\$ 41,000	\$ 41,000	\$ -
MEP Engineering	\$ 27,700	\$ 27,700	\$ -
Hardscape / Landscape Design	\$ -	\$ -	\$ -
Soils Testing	\$ 2,000	\$ 2,000	\$ -
Special Insp., Soils & Concrete Testing	\$ 15,000	\$ 15,000	\$ -
Survey	\$ 4,250	\$ 4,250	\$ -
Engineering	\$ 129,950	\$ 129,950	\$ -
Architectural	\$ 193,500	\$ 193,500	\$ -
Architectural	\$ 193,500	\$ 193,500	\$ -
City Legal Fees	\$ 15,000	\$ 15,000	\$ -
Developer Legal Fees	\$ 30,000	\$ 30,000	\$ -
LEGAL	\$ 45,000	\$ 45,000	\$ -
Leasing Commissions	\$ 22,965	\$ 22,965	\$ -
Commissions	\$ 22,965	\$ 22,965	\$ -
Construction Interest	\$ 180,888	\$ 180,888	\$ -
Lease-Up Interest	\$ 325,598	\$ 325,598	\$ -
Closing			
Mortgage Tax & Closing Fees	\$ 32,560	\$ 32,560	\$ -
Permanent Loan Placement Fees	\$ 56,216	\$ 56,216	\$ -
Appraisal & Environmental Reports	\$ 10,000	\$ 10,000	\$ -
CLOSING	\$ 98,776	\$ 98,776	\$ -
Signage, Marketing, Website, Grand Opening	\$ 60,000	\$ 60,000	\$ -
Business Improvement District Fee (3 Yrs.)	\$ 2,700	\$ 2,700	\$ -
Development Fee	\$ 385,894	\$ 385,894	\$ -
Additional Contingency	\$ 289,420	\$ 289,420	\$ -
Hard Cost Contingency	\$ 202,594	\$ 202,594	\$ -
Soft Cost Contingency	\$ 86,826	\$ 86,826	\$ -
Soft Construction Costs Sub-Total	\$ 1,734,691	\$ 1,734,691	\$ -
SOFT COSTS	\$ 1,734,691	\$ 1,734,691	\$ -
HARD COSTS	\$ 7,633,655	\$ 6,002,414	\$ 1,631,241
LAND	\$ 279,000	\$ 76,744	\$ 202,256
TOTAL DEVELOPMENT COSTS	\$ 9,647,346	\$ 7,813,849	\$ 1,833,497
% OF TOTAL DEVELOPMENT COSTS	100%	81%	19%

Sources and Uses of Funds

<i>InterUrban Lofts Mixed-Use Project</i>	
Sources and Uses of Funds	
<u>Sources of Funds</u>	
Construction Loan	\$7,235,509
Private Equity Required to Complete Project	\$2,411,836
Total Sources of Funds to Complete Project	\$ 9,647,346
TIF Proceeds (Reimbursed over 20 Years)	\$ 1,833,497
Private Sources of Funds	\$ 7,813,848
<u>Uses of Funds</u>	
Land	\$ 279,000
Soft Costs & Contingency	\$ 1,734,691
Site Construction	\$ 1,631,241
Building Construction & Amenities/General Conditions	\$ 6,002,414
Total Uses of Funds	\$ 9,647,346

Exhibit F US Bank Reference Letter



All of **us** serving you[®]

8600 Shawnee Mission Pkwy
Suite 100
Merriam, KS 66202

January 23, 2015

Kristy Stallings, Deputy City Manager
8500 Santa Fe Drive
Overland Park, KS 66212

RE: Real Property Group, LLC
Shapiro Family & Related Entities

Kristy:

The principals of Real Property Group, LLC, (Hal Shapiro, Steven Shapiro, David E. Shapiro and David S. Shapiro) have a Premier Banking Relationship with US Bank. US Bank has enjoyed this business banking relationship with the current generation for over 35 years, and with the prior generation of their family and related business dating back to the 1950's. This banking relationship includes:

- Deposit accounts in the seven figures;
- Commercial real estate loans in the seven figures
- Business loan commitments ranging from six figures to seven figures

The accounts and business dealings have always been handled with the highest integrity and are in excellent standing. All loans have been paid as agreed.

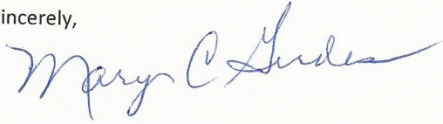
In addition to the business accounts, the Shapiro's have their personal banking relationships, including deposits, loans and personal trust accounts with US Bank, which have also been handled in an excellent manner.

The Shapiro family, and their related businesses, including Real Property Group, LLC; Walker Towel and Uniform Service, Inc., and various other real estate investment entities, continue to be highly valued customers of US Bank.

usbank.com

Kristy, please do not hesitate to contact me if you need additional information. My contact information is provided below.

Sincerely,

A handwritten signature in blue ink that reads "Mary C. Gerdes". The signature is fluid and cursive, with the first name "Mary" being the most prominent.

Mary C. Gerdes

Vice President, Business Banking

Direct: 913-671-2709

Cell: 913-309-3946

Fax: 913-671-2702

Mary.Gerdes@USBank.com

Exhibit G Incremental Taxes

Ad Valorem Taxes - Pre Development					
Parcel Address	Parcel ID	Gross Bldg Area	Appraisal Value (2015)	Assessed Value (2015)	Base Tax
7904 Conser	NP62400002 0002	1,043	\$ 130,300	\$ 14,985	\$ 1,543
7908 Conser	NP62400002 0003A	768	\$ 83,800	\$ 9,637	\$ 992
Total		1,811	\$ 214,100	\$ 24,622	\$ 2,535

Post Development Valuation Assumptions		Assesment Rate Assumptions	
Mission Farms Comp Residential Unit Value	\$ 165,725	Commercial Assessment Rate	25.0%
Mission Farms Comp Commercial psf Value	\$ 252.71	Residential Assessment Rate	11.5%
Subject Residential Unit Value	\$ 155,000	2017 Projected Valuation	75.0%
Subject Commercial Sq. Ft. Value	\$ 240.00	Assessed Value Growth Rate	1.5%

Projected Ad Valorem Tax - Post Development						
Property Name	Leasable SF	Projected Appraised Unit	Value /	Projected Appraised Value	Assessed Value	New Tax
Retail						
Residential	39,637	\$155,000		\$6,355,000	\$730,825	\$75,260
Office	6,715	\$240		\$1,611,600	\$402,900	\$41,490
Total	46,352	\$155,240		\$7,966,600	\$1,133,725	\$116,750

			TIF Year		2015 Base Year (Yr. 1)	2016 Construction (Yr. 2)	2017 Projected Tax (Yr. 3)	2017 Projected Tax Increment (Yr. 3)	2018 Projected Tax (Yr. 4)	2018 Projected Tax Increment (Yr. 4)
			Market Value		\$ 214,100	\$ 214,100	\$ 5,974,950		\$ 8,086,099	
			Assessed Value		\$ 24,622	\$ 24,622	\$ 850,294		\$ 1,150,731	
Agency	2015 Mill Levy	% Captured by TIF	Captured Mill Levy	Base Year Tax						
State of Kansas	\$ 1.500	0%	\$ -	\$ 37	\$ 37	\$ 1,275	\$ -	\$ 1,726	\$ -	
Johnson Co.	\$ 17.764	100%	\$ 17.764	\$ 437	\$ 437	\$ 15,105	\$ 14,667	\$ 20,442	\$ 20,004	
Community College	\$ 9.461	100%	\$ 9.461	\$ 233	\$ 233	\$ 8,045	\$ 7,812	\$ 10,887	\$ 10,654	
JO CO Park	\$ 2.349	100%	\$ 2.349	\$ 58	\$ 58	\$ 1,997	\$ 1,940	\$ 2,703	\$ 2,645	
Overland Park	\$ 12.837	100%	\$ 12.837	\$ 316	\$ 316	\$ 10,915	\$ 10,599	\$ 14,772	\$ 14,456	
512 Unified School Dist.	\$ 28.477	100%	\$ 28.477	\$ 701	\$ 701	\$ 24,214	\$ 23,513	\$ 32,769	\$ 32,068	
512 School General	\$ 20.000	0%	\$ -	\$ 492	\$ 492	\$ 17,006	\$ -	\$ 23,015	\$ -	
512 Bond	\$ 7.434	100%	\$ 7.434	\$ 183	\$ 183	\$ 6,321	\$ 6,138	\$ 8,555	\$ 8,371	
JO CO Library	\$ 3.157	100%	\$ 3.157	\$ 78	\$ 78	\$ 2,684	\$ 2,607	\$ 3,633	\$ 3,555	
OPC StormDRG	\$ -	0%	\$ -	\$ 48	\$ 48	\$ 984	\$ -	\$ 984	\$ -	
Totals	\$ 102.979		\$ 81.479	\$ 2,583	\$ 2,583	\$ 88,546	\$ 67,275	\$ 119,485	\$ 91,754	
Overall Percentage	100.0%		79.1%	100%	100%	100%	76.0%	100%	76.8%	

	TIF YEAR	Calendar Year	Projected Redevelopment Assessed Value	Base Assessed Value	Incremental Assessed Value	Captured Mill Levy	Projected Property Tax Increment	
	Yr. 3	2017	\$ 850,294	\$ 24,622	\$ 825,672	\$ 81.479	\$ 67,275	
	Yr. 4	2018	\$ 1,150,731	\$ 24,622	\$ 1,126,109	\$ 81.479	\$ 91,754	
	Yr. 5	2019	\$ 1,167,992	\$ 24,622	\$ 1,143,370	\$ 81.479	\$ 93,161	
	Yr. 6	2020	\$ 1,185,512	\$ 24,622	\$ 1,160,890	\$ 81.479	\$ 94,588	
	Yr. 7	2021	\$ 1,203,294	\$ 24,622	\$ 1,178,673	\$ 81.479	\$ 96,037	
	Yr. 8	2022	\$ 1,221,344	\$ 24,622	\$ 1,196,722	\$ 81.479	\$ 97,508	
	Yr. 9	2023	\$ 1,239,664	\$ 24,622	\$ 1,215,042	\$ 81.479	\$ 99,000	
	Yr. 10	2024	\$ 1,258,259	\$ 24,622	\$ 1,233,637	\$ 81.479	\$ 100,516	
	Yr. 11	2025	\$ 1,277,133	\$ 24,622	\$ 1,252,511	\$ 81.479	\$ 102,053	
	Yr. 12	2026	\$ 1,296,290	\$ 24,622	\$ 1,271,668	\$ 81.479	\$ 103,614	
	Yr. 13	2027	\$ 1,315,734	\$ 24,622	\$ 1,291,113	\$ 81.479	\$ 105,199	
	Yr. 14	2028	\$ 1,335,470	\$ 24,622	\$ 1,310,849	\$ 81.479	\$ 106,807	
	Yr. 15	2029	\$ 1,355,502	\$ 24,622	\$ 1,330,881	\$ 81.479	\$ 108,439	
	Yr. 16	2030	\$ 1,375,835	\$ 24,622	\$ 1,351,213	\$ 81.479	\$ 110,096	
	Yr. 17	2031	\$ 1,396,472	\$ 24,622	\$ 1,371,851	\$ 81.479	\$ 111,777	
	Yr. 18	2032	\$ 1,417,419	\$ 24,622	\$ 1,392,798	\$ 81.479	\$ 113,484	
	Yr. 19	2033	\$ 1,438,681	\$ 24,622	\$ 1,414,059	\$ 81.479	\$ 115,216	
	Yr. 20	2034	\$ 1,460,261	\$ 24,622	\$ 1,435,639	\$ 81.479	\$ 116,974	
	20 Year Future Value of Property Tax Increment at Assessed Value Growth Rate							\$ 1,833,497
	Net Present Value of Future Tax Increment at 6% Discount Rate							\$ 1,069,056

Exhibit H

Submarket Analysis (Monthly Data)

Apartment - December, 2014
Submarket: Overland Park North

Section 1 - Executive Briefing on Submarket Conditions

Average December Asking Rent \$850

- Down 0.2% from November. ▼
- Expected to finish 2015 at \$865.

Average December Vacancy Rate 1.9%

- Drifted downward by 10 basis points. ▼
- Lowest level since December 2008.
- Expected to finish 2015 at 1.8%.



Submarket Overview

The Overland Park North submarket, one of seventeen distinct geographic concentrations within Kansas City, contains 9,967 market rate rental units, or 8.2% of the metro's total inventory of market rate rental apartment units. In the nine-year period beginning with Q1 2005, new additions to the submarket totaled 184 units, while 420 units were removed from the inventory of market rate rentals. The net total loss of 236 apartments equates to an annualized inventory growth rate of -0.2%; by contrast, the annualized growth rate for the metro over the same period was 0.8%.



Asking And Effective Rent

Monthly movement in asking rent during the fourth quarter was varied, with December's decline of 0.2% bringing the cumulative quarterly total down to 0.5%. Mean unit prices in the submarket are as follows: one bedrooms \$722, two bedrooms \$909, and three bedrooms \$1,167. Over the past twelve months, asking rents have risen a total of 0.7%, up from \$844. The Overland Park North submarket's December asking rent levels are higher than the metro's average of \$777, while asking rent growth in December compares unfavorably to the metro average of 0.1%. Effective rents, which exclude the value of concessions offered to prospective tenants, fell by 0.1% during December to an average of \$804.



Competitive Inventory, Household Formations, Absorption

Net new household formations in Kansas City were 1,710 during the fourth quarter. Absorption of market rate rental units may not immediately reflect quarterly total household formations or losses, but it is prudent to consider longer-term economic and demographic performance as influential upon the current demand for apartment units. Since the beginning of Q1 2005, household formations in Kansas City have averaged 1.0% per year, representing the average annual addition of 7,700 households. Over the same time period, the metro experienced an average annual absorption rate of 1,347 units. During December, metropolitan absorption totaled 159 units, of which the Overland Park North submarket captured fewer than 20. This is the second consecutive month during which this submarket recorded modestly positive absorption. Over the last 12 months, submarket absorption totaled 80 units, 72.8% greater than the average annual absorption rate of 46 units recorded since the beginning of Q1 2005. The submarket's average vacancy rate drifted downward by 10 basis points during December to 1.9%, which is 3.5 percentage points lower than the long-term average, and 2.4 percentage points lower than the current metro average.

Submarket Analysis (Monthly Data)

Apartment - December, 2014
Submarket: Overland Park North

Section 8 - Submarket Inventory Details

Inventory By Building Age

Year Built	Percent
Before 1970	25.0%
1970-1979	27.0%
1980-1989	37.0%
1990-1999	5.0%
2000-2009	6.0%
After 2009	0.0%
All	100.0%

As of December 31, 2014

Apartment Stock Traits

	Submarket			
	Low	Mean	Median	High
Year Built	1959	1976	1972	2005
Size (units)	40	227	240	548
Distance to Highway (miles)	0.1	0.4	0.4	1.1
Distance to CBD (miles)	9.2	11.6	11.2	14.3
Distance to Landmark (miles)	8.8	11.2	10.8	13.9

As of December 31, 2014 Landmark =Missouri River

Average Submarket Lease Terms

Free Rent (mos)	Expenses % (Apartment)
0.64	42.6%

As of December 31, 2014

Section 9 - Inventory Growth Comparisons

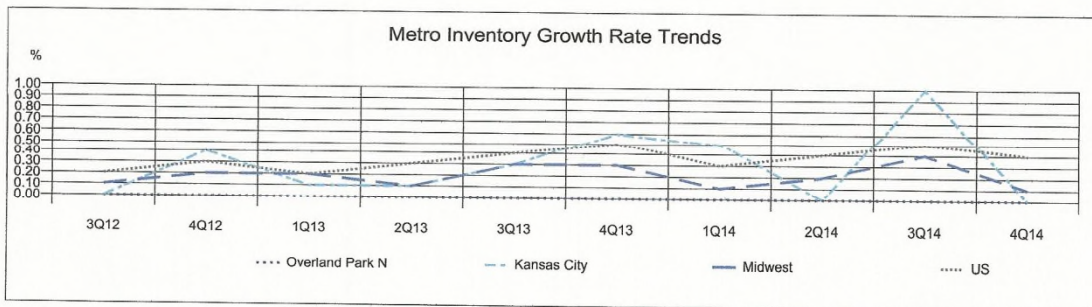
	Inventory Growth Rates					
	Quarterly			Annualized		
	4Q14	3Q14	YTD Avg	1 Year	3 Year	5 Year
Overland Park N	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Kansas City	0.0%	1.0%	0.4%	1.5%	1.0%	0.9%
Midwest	0.1%	0.4%	0.2%	0.9%	0.7%	0.6%
United States	0.4%	0.5%	0.4%	1.6%	1.2%	1.0%
Period Ending:	12/31/14	09/30/14	12/31/14	12/31/14	12/31/14	12/31/14

Submarket Ranking	
4Q14	3Q14
N/A	N/A
5	6
86	83
491	482
12/31/14	09/30/14

* of 17 metro level submarkets

** of 144 regional submarkets

*** of 835 U.S. submarkets



As of December 31, 2014

Exhibit I



RESOLUTION NO. 011166

Honoring Walker Towel and Uniform Service, Inc., for its 123 years of service to the Kansas City area.

WHEREAS, Walker Towel and Uniform Service, Inc., was founded in 1878 as Walker's Laundry and is the 8th oldest business in the Kansas City area as ranked by the Kansas City Business Journal; and

WHEREAS, Walker Towel and Uniform Service was located across from City Hall at 11th and Oak Street from 1905 until 1971 when it relocated to its present location at the southeast corner of Truman Road at Prospect Avenue; and

WHEREAS, Walker Towel and Uniform Service currently employs 125 people at the Truman Road at Prospect Avenue headquarters; and

WHEREAS, Walker Towel and Uniform Service is owned and operated by the Shapiro family. Henry Shapiro and his two sons, Ruben and Jack Shapiro, bought Walker Laundry from the Walker family in 1946 and currently the fourth generation of the Shapiro family manages the business as the premier independent industrial laundry in the area; and

WHEREAS, in 1996, Walker Towel and Uniform Service made a \$2.5 million investment to increase the size of its facility on Truman Road at Prospect Avenue and again this Fall, Walker Towel will be expanding its headquarters with another building addition; and

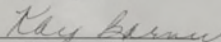
WHEREAS, Walker Towel and Uniform Service is part of the Attucks East Urban Renewal Area and the Downtown East Industrial Park; NOW, THEREFORE,

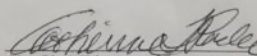
BE IT RESOLVED BY THE COUNCIL OF KANSAS CITY:

That the Mayor and Council hereby honor Walker Towel and Uniform Service, Inc., for its 123 years of service to the Kansas City area; and

BE IT FURTHER RESOLVED that this Resolution be spread upon the Minutes of the Council in testimony thereof and that copies hereof be presented to Hal Shapiro and Gerald Shapiro with the appreciation of the Mayor, Council and citizens of Kansas City for the outstanding job they have done for the community and for the restoration of the neighborhood in which they live.

Authenticated As Adopted This
9th Day of August, 2001


Mayor Kay Barnes


City Clerk/Director of Records

Edward F. Ford, 1st District-at-Large
Teresa Loar, 1st District
Bonnie Sue Cooper, 2nd District-at-Large
Paul G. Danaher, 2nd District
Troy Nash, 3rd District-at-Large
Mary Williams-Neal, 3rd District
Evert Asjes III, 4th District-at-Large
Jim Rowland, 4th District
Rebecca Nace, 5th District-at-Large
Terry M. Riley, 5th District
Alvin L. Brooks, 6th District-at-Large
Charles A. Eddy, 6th District

