

**APPRAISAL OF REAL PROPERTY
SUMMARY REPORT**

**VACANT LAND (FORMER DRIVING RANGE)
7601 NOLAND ROAD
KANSAS CITY, MISSOURI 64138**

Client

**MR. MICHAEL T. WHITE
WHITE GOSS**

Date of the Report

APRIL 8, 2015

Effective Date of Valuation

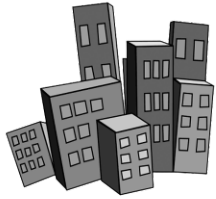
MARCH 26, 2015



Subject Property


**Veracity Valuation, LLC
5327 W. 160th Street
Overland Park, Kansas 66085**

Veracity Valuation File No. 15122



VERACITY VALUATION LLC

5327 W. 160th Street
Overland Park, KS 66085
Phone: 913.766.9040
Fax: 913.766.9045
www.veracityvaluation.com

Troy Smith, MAI 

Trusted Appraisal Experience

April 8, 2015

Mr. Michael T. White
White Goss
4510 Belleview Avenue, Suite 300
Kansas City, Missouri 64111

Re: Appraisal of Real Property
In a Summary Report

Vacant Land (Former Driving Range)

7601 Noland Road
Kansas City, Missouri 64138

Veracity Valuation File No. 15122

Dear Mr. White:

In accordance with your authorization, we have conducted the investigation necessary to form an opinion of the market value of the fee simple estate in the subject property, as is, as referenced above.

This report was prepared for White Goss and is intended only for its specified use. It may not be distributed to or relied upon by other persons or entities without written permission of Veracity Valuation, LLC. This is a summary report, which is intended to conform with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). The property was inspected by and the report prepared by Troy W. Smith, MAI.

Based on the inspection of the property and the investigation and the analysis undertaken, we have developed an opinion that the market value of the fee simple estate of the referenced property, as is, subject to the assumptions and limiting conditions, certifications, and definitions, on March 26, 2015, is:

EIGHT HUNDRED FORTY THOUSAND DOLLARS

\$840,000

Based on recent market transactions, as well as discussions with market participants, a sale of the subject property at the above-stated opinion of market value would have required an exposure time of approximately 12-24 months. Furthermore, a marketing period of approximately 12-24 months is currently warranted for the subject property.

Mr. Michael T. White
April 8, 2015
Page 2

This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits and Addenda.

Sincerely,
Veracity Valuation, LLC

A handwritten signature in blue ink, appearing to read "Troy W. Smith". The signature is fluid and cursive, with the first name "Troy" and the last name "Smith" clearly distinguishable.

Troy W. Smith, MAI
Missouri Certified General Appraiser
License No. 2001018522

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results. Furthermore, my engagement was not conditioned upon the appraisal producing a specific value, a value within a given range or the approval of a loan.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- The report was prepared by Troy W. Smith, MAI. Troy W. Smith, MAI made a personal inspection of the property.
- As of the date of this report, Troy W. Smith, MAI has completed the requirements of the continuing education program of the Appraisal Institute.



Troy W. Smith, MAI
Missouri Certified General Appraiser
License No. 2001018522

EXECUTIVE SUMMARY

PROPERTY NAME	Vacant Land (Former Driving Range)
LOCATION	7601 Noland Road Kansas City, Jackson County, Missouri 64138 The subject is situated in the northeast quadrant of Highway 350 and Noland Road, in the southeast portion of the Kansas City MSA.
PROPERTY DESCRIPTION	The property consists of a vacant parcel of land containing 46.60 acres zoned as Rural Agricultural and Industrial District.
TAX PARCEL NUMBER	44-800-02-09-01-0-00-000
INTEREST APPRAISED	Fee simple estate
DATE OF VALUE	March 26, 2015
DATE OF INSPECTION	March 26, 2015
OWNER OF RECORD	Philimena, Inc.
LAND AREA	2,029,896 square feet (46.60 acres)
ZONING	RA and M-1, Rural Agricultural and Industrial District
HIGHEST AND BEST USE	Speculative holding awaiting future development

VALUE INDICATION

COST APPROACH	Not employed
SALES APPROACH	
INDICATED VALUE	\$840,000
PER SQUARE FOOT	\$4.25
INCOME APPROACH	Not employed
FINAL VALUE CONCLUSION	\$840,000
PER SQUARE FOOT	\$4.25
EXPOSURE TIME	12-24 months
MARKETING TIME	12-24 months



View of Subject Property (Looking East)



View of Former Driving Range Portion of Subject Property (Looking North)



View of Former Driving Range Portion of Subject Property (Looking Southeast)



View of Subject Property (Looking South)



View of Subject Property (Looking South)



View of Driving Range Building

SUBJECT PHOTOGRAPHS



Looking North on Noland Road (Subject on Right)



Looking South on Noland Road (Subject on Left)

TABLE OF CONTENTS

INTRODUCTION	1
REGIONAL ANALYSIS	5
LOCAL AREA ANALYSIS	8
SITE DESCRIPTION.....	11
HIGHEST AND BEST USE.....	15
VALUATION PROCESS.....	17
SALES COMPARISON APPROACH	19
RECONCILIATION.....	25
GENERAL ASSUMPTIONS AND LIMITING CONDITIONS	26
ADDENDA	28

Dates of Inspection and Valuation

The effective date of this appraisal is March 26, 2015. The property was inspected by Troy W. Smith, MAI on March 26, 2015.

Definitions

Pertinent definitions, including the definition of market value, are included in the Glossary, included as an Addendum to this report.

Appraiser Competency

No steps were necessary to meet the competency provisions established under USPAP. We have appraised many tracts of vacant land over the past several years, and have adequate experience and qualifications to appraise the subject. Appraiser qualifications are included in the Addenda of this report.

Extraordinary Assumptions

An extraordinary assumption is defined by the Uniform Standards of Professional Appraisal Practice (2005 Edition, The Appraisal Foundation, page 3) as "an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis." This appraisal employs no extraordinary assumptions.

Hypothetical Conditions

A hypothetical condition is defined by the Uniform Standards of Professional Appraisal Practice (2005 Edition, The Appraisal Foundation, page 3) as "that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis." This appraisal employs no hypothetical conditions.

Scope of the Investigation

As part of this appraisal, we completed a thorough investigation and analysis of the data considered pertinent to valuing the subject property. This is a summary report, which is intended to conform with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP).

In preparation of this appraisal, we investigated numerous vacant land sales in the subject's market and considered the input of buyers, sellers, brokers, property developers and public officials. Additionally, we investigated the general regional economy as well as the specifics of the local area of the subject.

The scope of this appraisal required collecting primary and secondary data relative to the subject property. The depth of the analysis is intended to be appropriate in relation to the significance of the appraisal issues as presented herein. The data have been analyzed and confirmed with sources believed to be reliable, whenever possible, leading to the value conclusions set forth in this report. In the context of completing this report, we have made a physical inspection of the subject property. The valuation process involved utilizing generally accepted market-derived methods and procedures considered appropriate to the assignment.

This appraisal employs only the Sales Comparison Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Since no improvements exist on site, the Cost Approach is precluded. Also, since the property is not presently generating income, nor is it typically marketed, purchased or sold on the basis of anticipated lease income, the Income Approach is not relevant. Therefore, we have employed only the Sales Comparison Approach to develop an opinion of market value.

Exposure Time and Marketing Time

Exposure Time

Paragraph 3 of the Definition of Market Value cites that the value opinion presumes: "A reasonable time is allowed for exposure in the open market." Exposure time is defined as the length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at the market value on the effective date of the appraisal. Exposure time is presumed to precede the effective date of the appraisal.

The reasonable exposure period is a function of price, time and use. It is not an isolated opinion of time alone. Exposure time is different for various types of real estate and under various market conditions. As noted above, exposure time is always presumed to precede the effective date of appraisal. It is the length of time the property would have been offered prior to a hypothetical market value sale on the effective date of appraisal. It is a retrospective opinion based on an analysis of recent past events, assuming a competitive and open market. It assumes not only adequate, sufficient and reasonable time but adequate, sufficient and a reasonable marketing effort. Exposure time and conclusion of value are therefore interrelated.

Based on our review of investor surveys, discussions with market participants, and information gathered during the sales verification process, a reasonable exposure time for the subject property at the value concluded within this report would have been approximately 12-24 months. This assumes an active and professional marketing plan would have been employed by the current owner.

Marketing Time

Marketing time is an opinion of the time that might be required to sell a real property interest at the appraised value. Marketing time is presumed to start on the effective date of the appraisal and take place subsequent to the effective date of the appraisal. The opinion of marketing time uses some of the same data analyzed in the process of estimating reasonable exposure time and it is not intended to be a prediction of a date of sale.

Based on the assumptions employed in our analysis, as well as our selection of investment parameters for the subject, our value conclusion represents a price achievable within 12-24 months of the effective date of this appraisal.

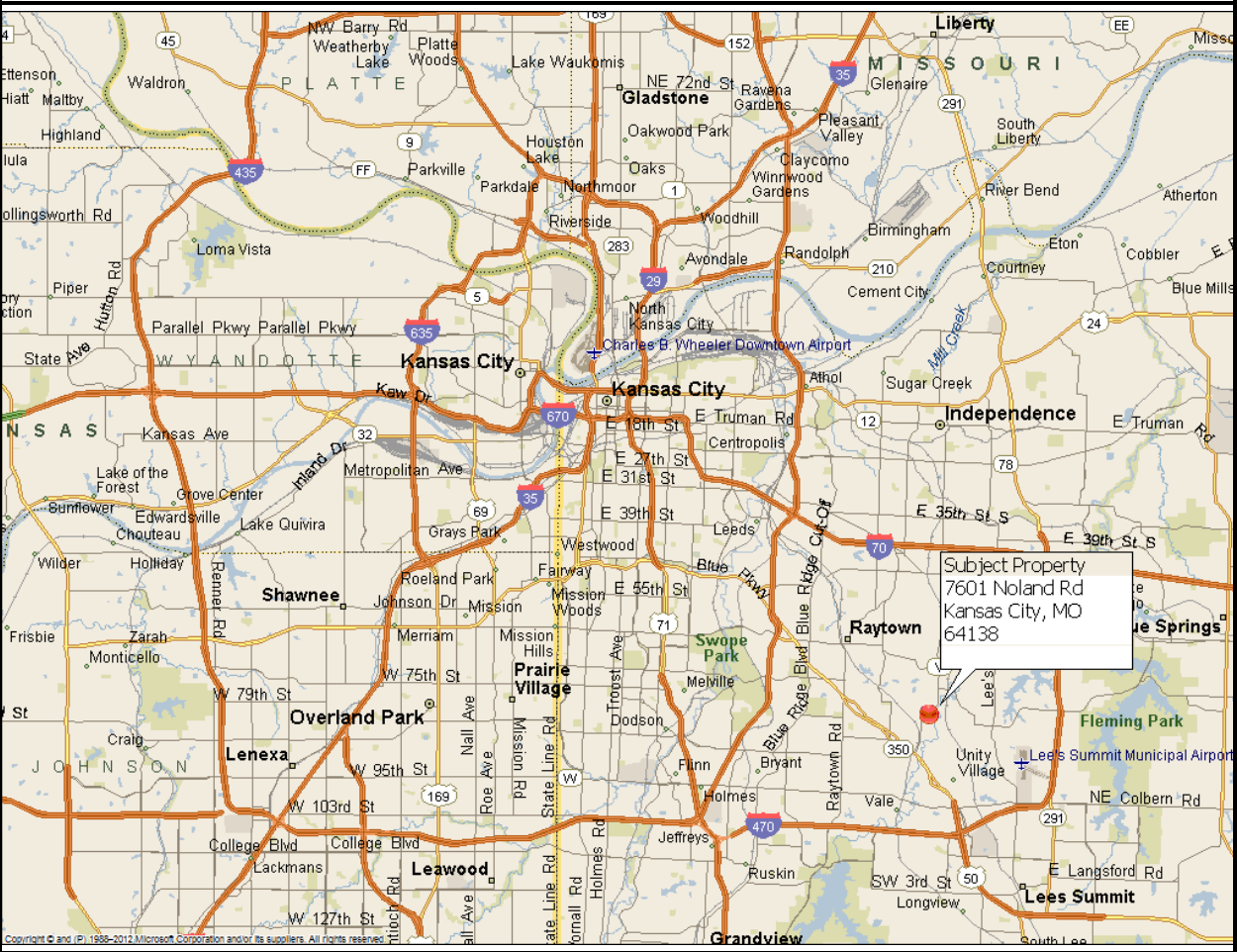
REGIONAL ANALYSIS

Area Overview

The short- and long-term value of real estate is influenced by a variety of factors and forces that interact within a given region. Regional analysis serves to identify those forces that affect property value, and the role they play within the region. The four primary forces that influence real property value include environmental characteristics, governmental forces, social factors, and economic trends. These forces determine the supply and demand for real property, which, in turn, affect market value.

The subject is located in Kansas City, Jackson County, Missouri, which is located in the southeast portion of the Kansas City metropolitan statistical area (MSA).

REGIONAL MAP



Economic & Demographic Profile

The following profile of the Kansas City MSA was provided by Economy.com, a leading provider of economic, financial, and industry information.

Economy.com's core assets of proprietary editorial and research content as well as economic and financial databases are a source of information on national and regional economies, industries, financial markets, and demographics. The company is staffed with economists, data specialists, programmers, and online producers who create a proprietary database.

Economy.com's approach to the analysis of the U.S. economy consists of building a large-scale, simultaneous-equation econometric models, which they simulate and adjust with local market information, creating a model of the U.S. macroeconomy that is both top-down and bottom-up. As a result, those variables that are national in nature are modeled nationally while those that are regional in nature are modeled regionally. Thus, interest rates, prices, and business investment are modeled as national variables; key sectors such as labor markets (employment, labor force), demographics (population, households, and migration), and construction activity (housing starts and sales) are modeled regionally and then aggregated to national totals. This approach allows local information to influence the macroeconomic outlook. Therefore, changes in fiscal policy at the national level (changes in tax rates, for example) are translated into their corresponding effects on state economies. At the same time, the growth patterns of large states, such as California, New York, and Texas, play a major role in shaping the national outlook.

In addition on a regional basis, the modeling system is explicitly linked to other states through migration flows and unemployment rates. Economy.com's model structure also takes into account migration between states.

Critical Observations

The following bullet points summarize some of our general observations relating to the subject's region.

- Location – The Kansas City MSA is located across both the Kansas and Missouri state lines, with both states sharing equally in the geographic area. Interstates 35 and 70 bisect Kansas City east/west and north/south, respectively, making the area easily accessible.
- Economy – Kansas City's recovery has lost some steam despite improvements elsewhere in the state. The labor market is flat, with professional/business services and healthcare fighting to offset weakness in retail and government employment. The unemployment rate has held steady this year just north of 6%, slightly above the national average. Kansas City has yet to experience the tightening in the labor market that has pushed up wages nationally. House prices have recovered almost to prerecession levels, but builders remain on the side-lines. Housing starts are well below their historical average, which has weighed on construction payrolls and housing related industries.
- Population – Population growth in the MSA is forecasted to grow at a nominal average annual rate of nearly 1.0% into the foreseeable future.

- Income – Personal income levels are projected to increase by 6.5% in 2015, and increase at a rate of 4.9% per year from 2016 through 2019.
- Strengths – Kansas City has a well-developed transportation and distribution network. Other strengths in Kansas City include a educated workforce, leading to above-average per capita income and below-average costs of doing business.
- Weaknesses – Weaknesses within the MSA are primarily linked to suburban sprawl and a high dependence on Sprint and the telecom industry.

Conclusion

Despite the recent slowdown, Kansas City's recovery will accelerate in coming quarters thanks to solid growth in professional services. A strengthening national economy will also lead to increased demand for the metro area's manufactured transportation equipment. The rapidly growing tech industry will lift aggregate income with spillover to consumer related industries. The real estate market will benefit most from rising incomes, as the housing recovery accelerates and finally contributes to Kansas City's recovery. In light of the social and economic attributes of the Kansas City metropolitan area, we are cautiously optimistic about the short- and long-term economic outlook.

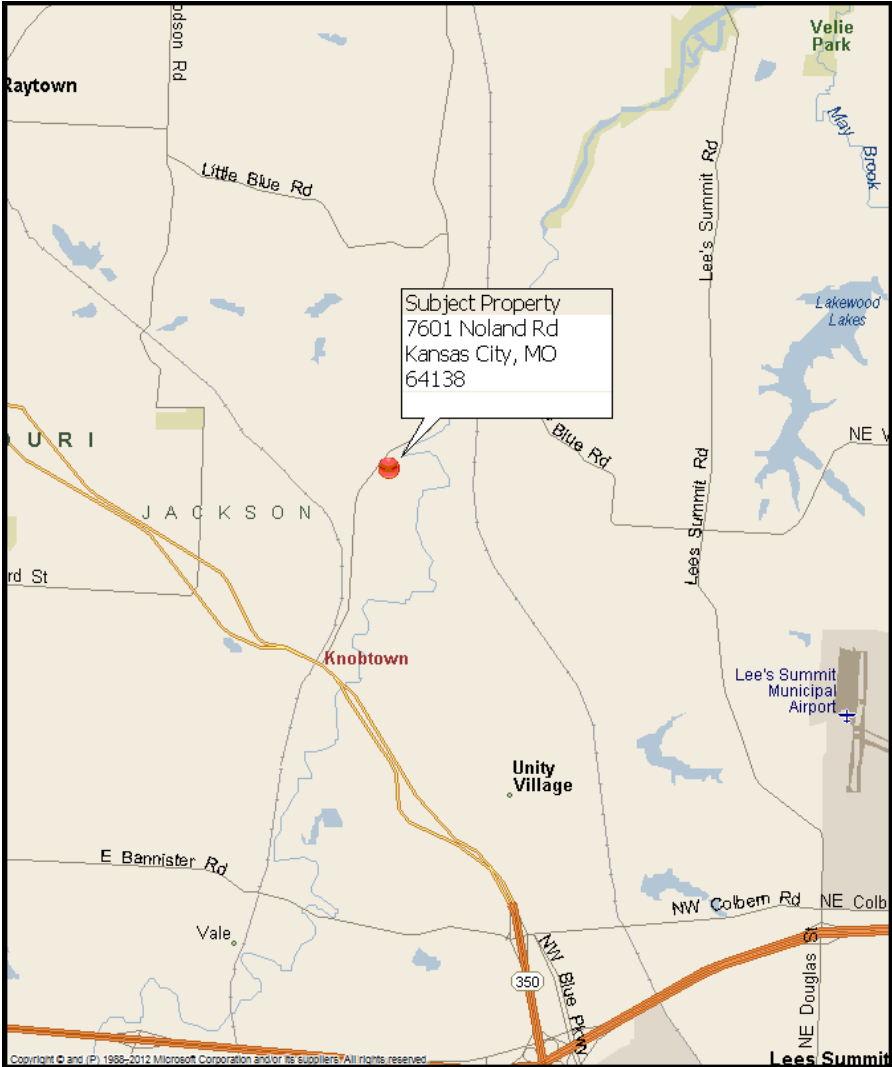
LOCAL AREA ANALYSIS

Location

The local area is generally a rural portion of Eastern Kansas City between Raytown and Lee's Summit. The Little Blue River bisects the local area which causes much of the lower lying ground to be prone to flooding.

The Central Business District (CBD) of the Kansas City metropolitan area lies approximately 10 miles northwest of the local area. The Kansas City International Airport is about 25 miles northwest of the local area.

LOCAL AREA MAP



Access

Regional access to and from the local area is average to good due to the presence of Interstates 470 and Highway 350. In addition to the freeways that service the local area, the area is also reasonably well served by a network of secondary streets.

Land Use

Residential development is located throughout the local area, dominated by multi-acre parcels used for single family and interim agricultural uses. The age and quality of the residential development varies from new to 50+ years old. The newer residential development is located south and east of the subject. We should note that these homes are in the Lee's Summit School District while the subject is located in the Raytown School District.

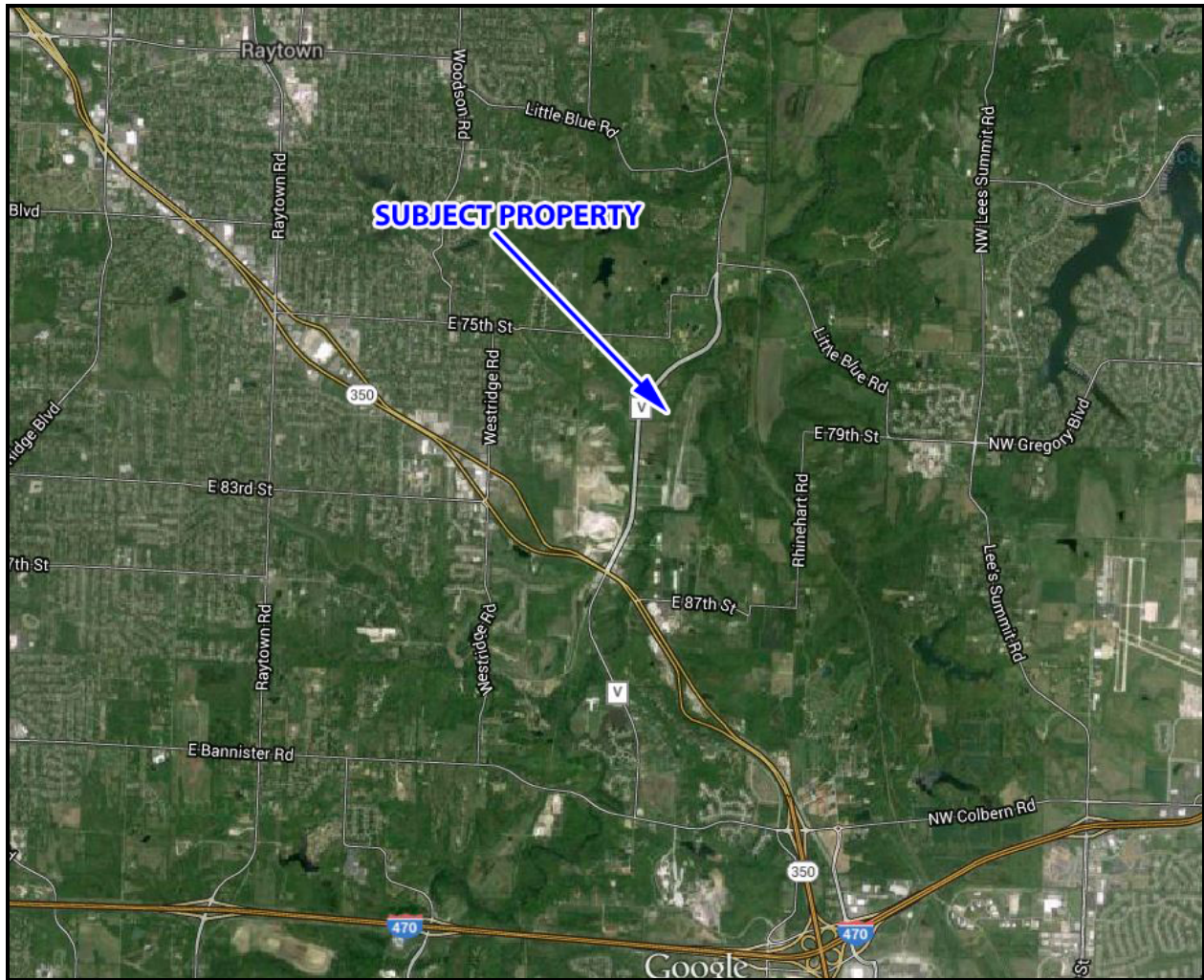
The majority of the land in the local area is zoned RA, Rural-Agricultural District. Industrial uses are found south of Bannister Road and west of the river. There is commercial development, known as Knobtown, and an abundance of commercial land located at the intersection of Highway 350 and Noland Road. Denser commercial development is located further west on Highway 350 in Raytown.

Unity Village is located near the southeast portion of the local area. Truman Medical Center East is located near the eastern boundary of the local area. The former Kansas City International Raceway (KCIR) is located adjacent to the east of the subject property.

Conclusion

The local area associated with the subject property is afforded an average to good level of access, both on a regional and local basis. The area is largely undeveloped and is experiencing limited growth. Thus, based upon all pertinent factors, the economic outlook for the subject's local area is average.

AERIAL



SITE DESCRIPTION

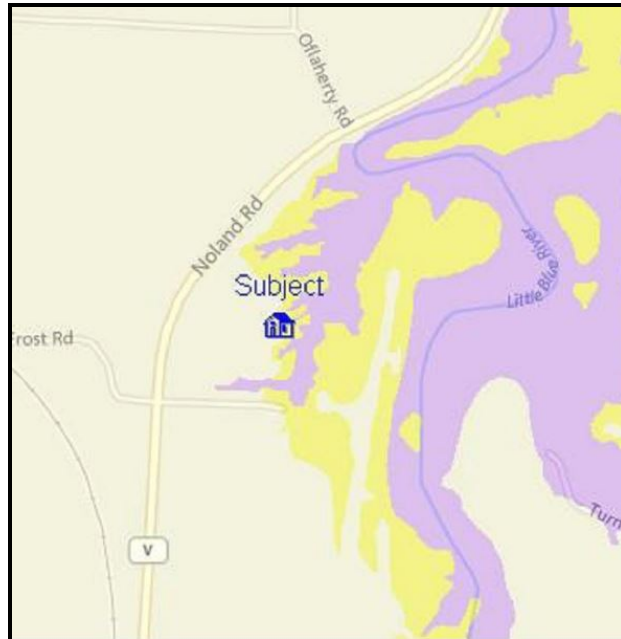
The description of the site is based upon our physical inspection of the property, as well as information provided by the client and public sources. The land area cited herein was taken from the survey.

Physical Characteristics

- Location: 7601 Noland Road
Kansas City, Missouri 64138

The subject is situated in the northeast quadrant of Highway 350 and Noland Road, in the southeast portion of the Kansas City MSA.
- Land Area: 2,029,896 square feet (46.60 acres)
- Configuration: Irregular
- Topography: Generally level; at street grade on southern portion and below street grade on northern portion
- Drainage: Below average

Floodplain: According to National Flood Insurance Rate Map Community Panel No. 2901730125C (September 14, 1990), a portion of the subject property lies within FEMA Zone A: Special flood hazard areas subject to inundation by the 100-year flood. Because detailed hydraulic analyses have not been performed, no base flood elevations or depths are shown. Mandatory flood insurance purchase requirements apply.



Ground Stability: We did not receive nor review a soil report. However, we assume that the soil's load-bearing capacity is sufficient to support proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property. Drainage appears to be adequate.

Frontage, Access, Visibility: The subject property has frontage along the east side of Noland Road; a two-lane, asphalt paved roadway. Access and visibility is good from Noland Road.

Utilities: Adequate utilities are available and in place at the site for typical commercial uses, including water, sewer, electricity, telephone, and natural gas.

Site Improvements: Minimal; there is a small building (600 SF) that was used for the driving range that is considered to have little to no contributory value.

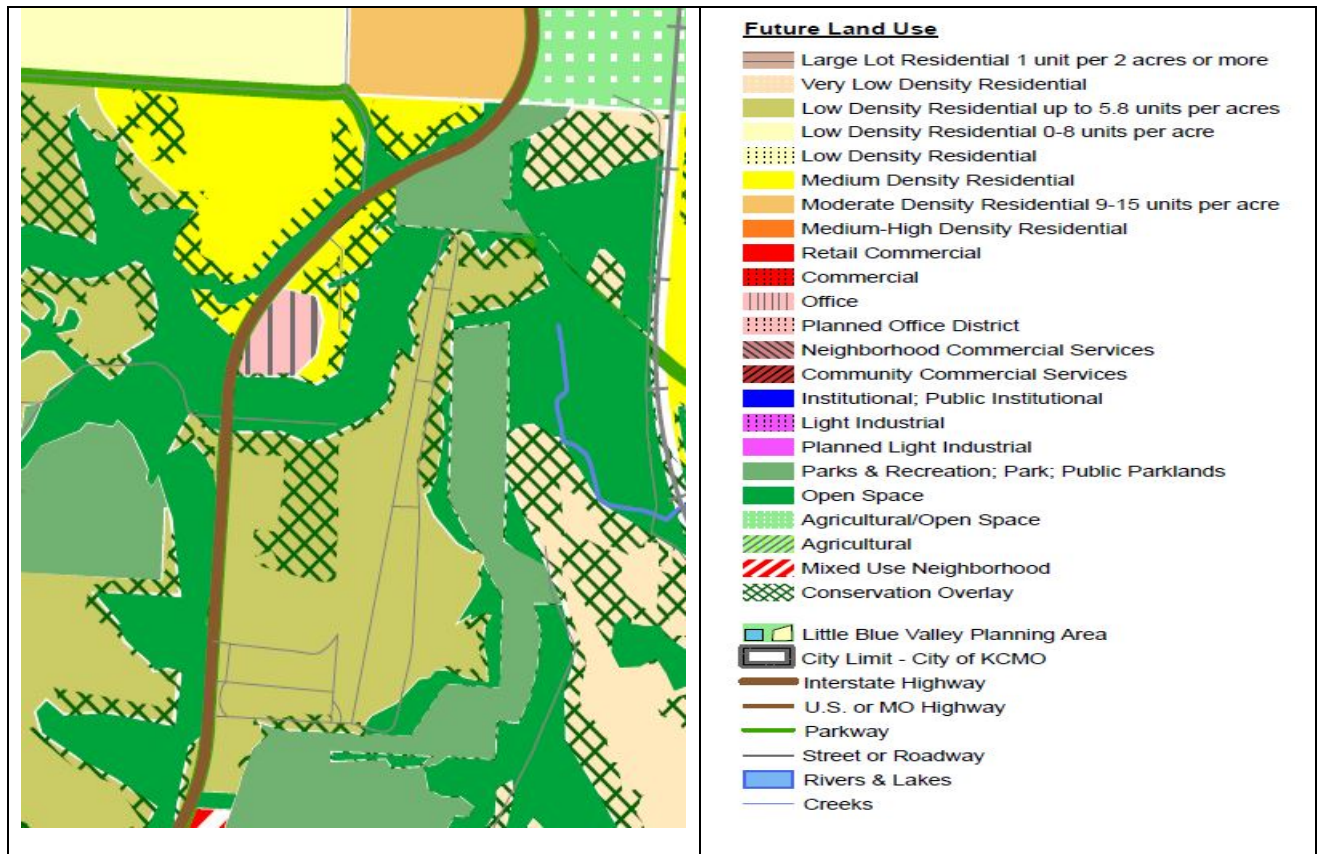
Legal Characteristics

Zoning

- Designation: RA and M-1, Rural Agricultural and Industrial District. A majority of the site is zoned RA with a portion being zoned M-1.
- Land Use Restrictions: We were not given a title report to review. We do not know of any easements, encroachments, or restrictions that would adversely affect the site's use. However, we recommend a title search to determine whether any adverse conditions exist.
- Environmental: We observed no evidence of toxic or hazardous substances during our inspection of the site. However, we are not trained to perform technical environmental inspections and recommend the services of a professional engineer for this purpose.

Future Land Use

According to the future land use map below, the subject is master planned for office, medium density residential development, open space and conservation overlay. The open space and conservation overlay are primarily the areas within the 100-year flood plain.



Conclusion

The subject property is reasonably functional for a variety of uses. The site is provided ample access. The property is zoned Rural Agricultural and Industrial District. No adverse conditions are known to exist with regard to environmental issues or development restrictions. The presence of the flood plain could limit certain development possibilities.

PARCEL MAP



AERIAL



Definition of Highest and Best Use

According to *The Dictionary of Real Estate Appraisal*, 4th Edition (2002), a publication of the Appraisal Institute, the highest and best use is defined as:

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

Highest and Best Use Criteria

We have evaluated the site's highest and best use both as currently improved and as if vacant. In both cases, the property's highest and best use must meet four criteria: (1) legally permissible; (2) physically possible; (3) financially feasible; and (4) maximally productive.

Legally Permissible

The first test concerns permitted uses. According to our understanding of the zoning ordinance, the subject may legally be improved with structures that accommodate office, light industrial and residential uses. Aside from the site's zoning regulations, we are not aware of any legal restrictions that limit the potential uses of the subject.

Physically Possible

The second test is what is physically possible. As detailed in the site description section, the site's physical characteristics should reasonably accommodate any use that is not restricted by its size of 46.60 acres (2,029,896 square feet). The soil, topography, and configuration do not physically limit its use. The subject site is of adequate shape and size to accommodate a variety of uses. The presence of the 100-year flood plain will limit development possibilities for a portion of the subject site.

Financial Feasibility and Maximal Productivity

The third and fourth tests limit that to which is financially feasible and what will produce the highest net return. After analyzing the physically possible and legally permissible uses of the property, the highest and best use must be considered in light of financial feasibility and maximum productivity. For a potential use to be seriously considered, it must have the potential to provide a sufficient return to attract investment capital over alternative forms of investment. A positive net income or acceptable rate of return would indicate that a use is financially feasible.

Highest and Best Use Conclusion

Considering the subject site's physical characteristics and location, as well as the state of the local market, it is our opinion that the Highest and Best Use of the subject site as if vacant is speculative holding awaiting future development.

Methodology

Within the appraisal profession, three generally accepted approaches are available in developing an opinion of value: the Cost, Sales Comparison, and Income approaches. We have considered each in this appraisal to develop an opinion of the market value of the subject property. Within the context of the Cost Approach, the value of the land is estimated in a separate process. Thus, a separate valuation section is included for land value.

In appraisal practice, an approach to value is included or eliminated based on its applicability to the property type being valued and the quality of information available. The reliability of each approach is dependent upon the availability and comparability of the market data, as well as the motivation and perspective of buyers in the market for a property such as the subject. Each approach is discussed below, and applicability to the subject property is briefly addressed in the following summary.

Land Value

Developing an opinion of land value is typically accomplished via the Sales Comparison Approach. This is accomplished by analyzing recent sales transactions of sites that are of comparable zoning and utility, then adjusting such for various differences in physical characteristics. The valuation process typically entails the utilization of a unit of comparison, such as price per acre. Adjustments are applied to the unit of comparison based upon a comparison analysis of the sales. The adjusted unit of comparison is then used to derive a value for the subject site.

Cost Approach

The Cost Approach is based upon the premise that an informed buyer would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land; or when relatively unique or specialized improvements are located on the site, for which there exist few improved sales or leases of comparable properties.

In the Cost Approach, the appraiser forms an opinion of the cost of all improvements, depreciating them to reflect any value loss from physical, functional or external causes. Land value, entrepreneurial profit, and depreciated improvement costs are then added, which result in a value estimate for the subject property.

Sales Comparison Approach

The Sales Comparison Approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject property. Valuation is typically accomplished using a unit of comparison such as price per square foot of building area, effective gross income multiplier or net income multiplier. Adjustments are applied to the unit of comparison

from an analysis of comparable sales, and the adjusted unit of comparison is then used to derive a value for the subject property.

Income Capitalization Approach

This approach first determines the income-producing capacity of a property by utilizing contract rents on leases in place and by estimating market rent from rental activity at competing properties for the vacant space. Deductions then are made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalization rate to derive an opinion of value for the subject property. The capitalization rate represents the relationship between net operating income and value. This method is referred to as Direct Capitalization.

Related to the Direct Capitalization Method is the Discounted Cash Flow Method. In this method, periodic cash flows (which consist of net operating income less capital costs) and a reversionary value are developed and discounted to a present value using an internal rate of return that is determined by analyzing current investor yield requirements for similar investments.

Summary

This appraisal employs only the Sales Comparison Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Since no improvements exist on site, the Cost Approach is precluded. Also, since the property is not presently generating income, nor is it typically marketed, purchased or sold on the basis of anticipated lease income, the Income Approach is not relevant. Therefore, we have employed only the Sales Comparison Approach to develop an opinion of market value.

SALES COMPARISON APPROACH

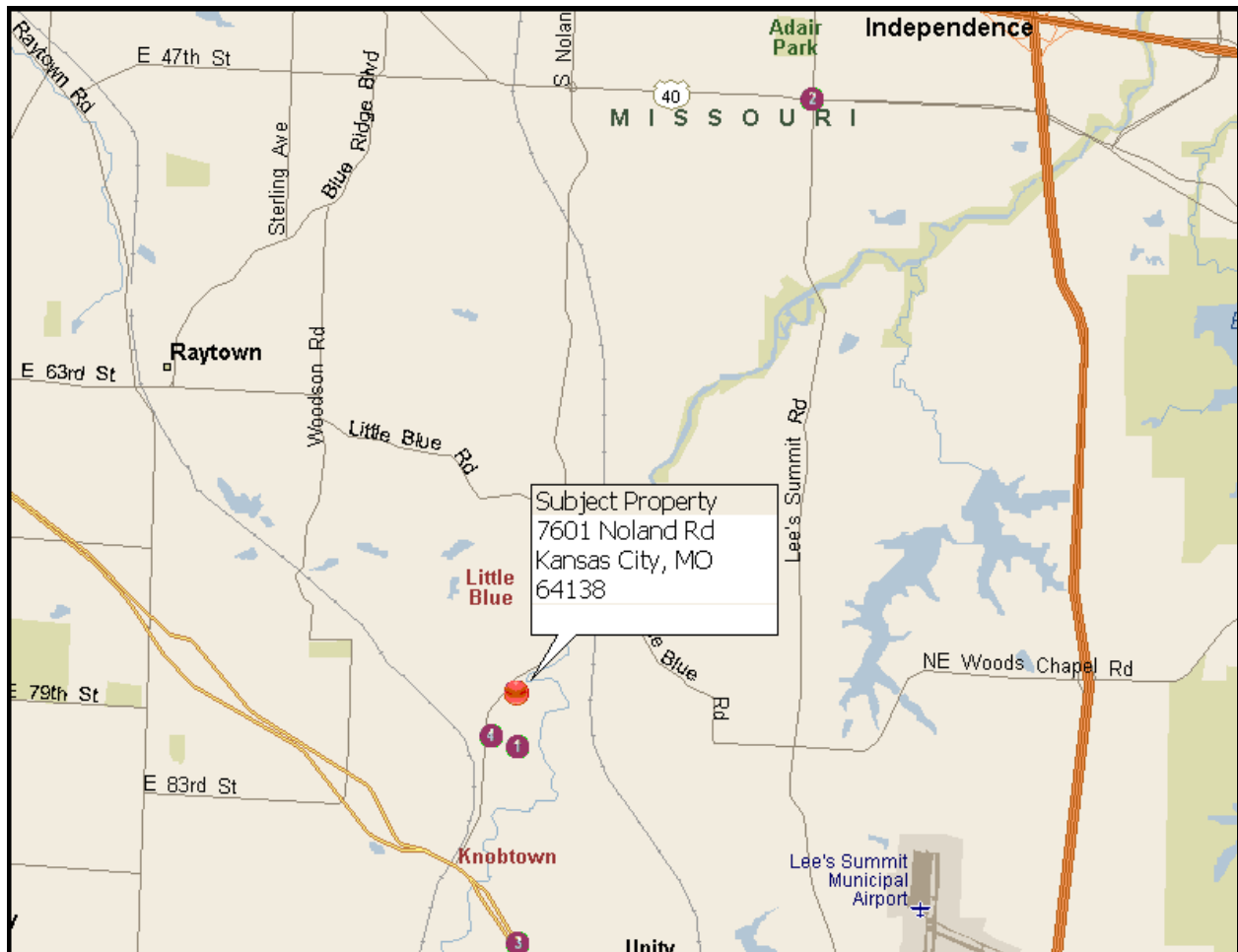
Methodology

The Sales Comparison Approach is employed to develop an opinion of land value. In this method, we analyzed prices buyers have recently paid for similar sites in the market, as well as examined current offerings. In making comparisons, we adjusted the sale prices for differences between this site and the comparable sites. If the comparable was superior to the subject, a downward adjustment was made to the comparable sale. If inferior, an upward adjustment was made. We present on the following pages a summary of pertinent details of sites recently sold that we compared to the subject site.

In the valuation of the subject site's fee simple interest, the Sales Comparison Approach has been used to establish prices being paid for comparably zoned land. The most widely used and market oriented unit of comparison for properties with characteristics similar to those of the subject is the sale price per acre. All transactions utilized in this analysis are analyzed on this basis.

The major elements of comparison utilized to value the subject site include the property rights conveyed, the financial terms incorporated into the transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its utility and the physical characteristics of the property.

COMPARABLE LAND SALES MAP



SUMMARY OF LAND SALES								
No.	Location	Grantor	Price	Size (SF)	Zoning	Public	Price/SF	COMMENTS
		Grantee	Date	Size (Acres)	Utility*	Utilities	Price/Acre	
1	8201 Noland Road Kansas City, Missouri	NP3	\$1,550,000	4,164,336	RA	All Available	\$0.37	Former KCIR. Purchased for development of recreational complex.
		Board of Parks Commissioners of KC	Nov-11	95.600	Average		\$16,213	
2	Highway 40 & Lee's Summit Road Independence, Missouri	Robert L. Mogren Trust	\$285,000	723,096	Residential	All Available	\$0.39	0
		Greene County Realty	Jun-13	16.600	Average		\$17,169	
3	14348 NW Blue Pkwy Kansas City, Missouri	Charford, Inc.	\$250,000	839,401	Commercial	All Available	\$0.30	0
		Devery M. Poppenga- Bradford	Oct-12	19.270	Average		\$12,974	
4	7980 Noland Road Kansas City, Missouri	Karen & Ned Harlow	\$240,000	537,095	RA	All Available	\$0.45	0
		Corridor Properties, LLC	May-06	12.330	Average		\$19,465	

	Price	Size (SF)	Zoning	Public	Price/SF
	Date	Size (Acres)	Utility*	Utilities	Price/Acre
Survey Low	\$240,000	537,095			\$0.30
Survey High	\$1,550,000	4,164,336			\$0.45
Average	\$581,250	1,565,982			\$0.38
Survey Low	May-06	12.330			\$12,974
Survey High	Jun-13	95.600			\$19,465
Average	Feb-11	35.950			\$16,455
Subject Property		2,029,896	RA and M-1, Rural Agricultural and Industrial	All Available	
		46.600	Average		

* Utility includes shape, access, frontage and visibility.

LAND SALE ADJUSTMENT GRID										
No.	Location	Price/Acre Date	Market* Conditions	Subtotal	Location	Size	Zoning Future Use	Utility**	Floodplain	Adj. Price Per Acre
1	8201 Noland Road Kansas City, Missouri	\$16,213 Nov-11	Similar 0%	\$16,213	Similar 0%	Larger 5%	Inferior 10%	Similar 0%	Similar 0%	\$18,645 15%
2	Highway 40 & Lee's Summit Road Independence, Missouri	\$17,169 Jun-13	Similar 0%	\$17,169	Similar 0%	Smaller -5%	Inferior 10%	Inferior 10%	Superior -10%	\$18,027 5%
3	14348 NW Blue Pkwy Kansas City, Missouri	\$12,974 Oct-12	Similar 0%	\$12,974	Similar 0%	Smaller -5%	Inferior 10%	Similar 0%	Superior -10%	\$12,325 -5%
4	7980 Noland Road Kansas City, Missouri	\$19,465 May-06	Similar 0%	\$19,465	Similar 0%	Smaller -5%	Similar 0%	Similar 0%	Superior -10%	\$16,545 -15%

SALES SUMMARY

Price Range	Unadj. \$/SF	Adj. \$/Acre
Low	\$12,974	\$12,325
High	\$19,465	\$18,645
Average	\$16,455	\$16,386

***Market Conditions Adjustment**

Compound annual change in market conditions: 0.0%
Date of Value (for adjustment calculations): Mar-2015

** Utility includes shape, access, frontage and visibility.

VALUE CONCLUSION

Indicated Value	\$18,000
Site Area (acres)	x 46.60
Indicated Value	\$838,800
Rounded to nearest \$10,000	\$840,000
Per acre	\$18,026

Discussion of Adjustments

All of the sales utilized in this analysis involved the transfer of the fee simple interest, and involved conditions of sale and financing terms that reflected market terms. Therefore, no adjustments were required for such.

Conditions of Sale

None of the comparable sales required an adjustment for conditions of sale.

Market Conditions

The sales that are included in this analysis date between May 2006 and June 2013. Based upon the trend of market conditions in the recent past, we have not applied an adjustment to each of the sales.

Location

An adjustment for location is required when the locational characteristics of a comparable property are different from those of the subject property. The subject property is considered to have an average location. All of the sales are considered to have reasonably similar locational influences when compared to the subject. No adjustments were applied.

Size

The size adjustment generally reflects the inverse relationship between unit price and lot size. Smaller lots tend to sell for higher unit prices than larger lots, and vice versa. Hence, upward adjustments were made to larger land parcels, and downward adjustments were made to smaller land parcels.

Zoning/Future Use

The subject future use is for office and residential development. Sales #1, #2 and #3 each have inferior future use and were adjusted upward slightly. Sale #4 has a similar future use and warranted no adjustment.

Utility

The subject parcel is adequately shaped to accommodate typical development, and it has ample access, frontage and visibility. When a comparable was considered to have superior or inferior utility, the appropriate adjustment was made. Sale #2 is a second tier site with minimal frontage and visibility from Highway 40. We have adjusted this sale upward for inferior utility when compared to the subject. The remaining sales are considered to have reasonably similar utility compared to the subject.

Floodplain

A portion of the subject is affected by the flood plain. Sale #1 is also affected by the flood plain and was not adjusted. The remaining sales have no flood plain influence and were adjusted downward.

Conclusion of Land Value

After adjustments, the comparable land sales reflect unit prices ranging from \$12,325 to \$18,645 per acre, with an average of \$16,386 per acre. Sale #1 was given greatest weight as it is adjacent to the subject. Although Sale #4 is an older sale, it is also in close proximity to the subject. Sale #3 provides the lowest indication of value and appears to be somewhat of an outlier. This sale was given the least weight. All things considered, we conclude that the indicated value by the Sales Comparison Approach is \$18,000 per acre, calculated in the following table:

Land Area (acres)	46.6
Concluded Unit Value	× \$18,000
Indicated Land Value	\$838,800
rounded	\$840,000

Summary of Value Indications

This appraisal employs only the Sales Comparison Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that this approach would be considered necessary and applicable for market participants. Since no improvements exist on site, the Cost Approach is precluded. Also, since the property is not presently generating income, nor is it typically marketed, purchased or sold on the basis of anticipated lease income, the Income Approach is not relevant. Therefore, we have employed only the Sales Comparison Approach to develop an opinion of market value.

Final Estimate of Value

Based on the inspection of the property and the investigation and the analysis undertaken, we have developed an opinion that the market value of the fee simple estate of the referenced property, as is, subject to the assumptions and limiting conditions, certifications, and definitions, on March 26, 2015, is:

EIGHT HUNDRED FORTY THOUSAND DOLLARS

\$840,000

Marketing Time and Exposure Period

We believe the concluded market value for the subject property is consistent with an anticipated marketing time and exposure period of 12-24 months. Our value estimate is consistent with recent sales and the return parameters are considered adequate to generate investor interest in the property. Our estimate is reasonably consistent with historic exposure periods, and is considered a reasonable estimate of the exposure period for the subject. Additionally, a period of 12-24 months is typically quoted as an adequate marketing period by area brokers, given proper pricing and an adequate commitment to marketing. Furthermore, market conditions are not expected to change dramatically in the short term, so a marketing time equal to the historic exposure period is considered a reasonable expectation. Based on these factors, our conclusion of 12-24 months for an adequate marketing time and exposure period is considered reasonable.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

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

- Title to the property is assumed to be good and marketable and the legal description correct.
- 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.
- All sketches in this report are intended to be visual aids and should not be construed as surveys of engineering reports.
- All information in this report has been obtained from reliable sources. We cannot, however, guarantee or be responsible for the accuracy of information furnished by others.
- 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.
- Possession of this report or a copy thereof does not imply the right of publication or use for any purpose by any other than the addressee, without the written consent of the appraiser.
- The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless prior agreements have been made in writing.
- The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
- The land, and particularly the soil, of the area under appraisal appears firm and solid. Subsidence in the area is unknown or uncommon, but we do not warrant against this condition or occurrence.
- Subsurface rights (minerals and oil) were not considered in making this appraisal.
- We inspected the buildings involved, if any, in this appraisal report and damage, if any, by termites, dry rot, wet rot, or other infestations was reported as a matter of information, and no guarantee of the amount or degree of damage, if any, is implied.
- The comparable sales data relied upon in this appraisal is believed to be from reliable sources; however, it was not possible to inspect the comparables completely, and it was necessary to rely upon information furnished by others as to said data, therefore, the value conclusions are subject to the correctness and verification of said data.
- We inspected, as far as possible, by observation the land and the improvements thereon; however, it was not possible to personally observe conditions beneath the soil or hidden structural components within the improvements. Therefore, no representations are made herein as to these matters and unless specifically considered in the report, the value estimate is subject to any such conditions that could cause a loss in value. Condition of heating, cooling, ventilating electrical and plumbing

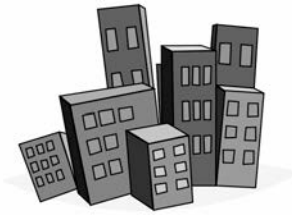
GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

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

- ❖ **APPRAISER QUALIFICATIONS**
- ❖ **GLOSSARY**
- ❖ **KANSAS CITY METROPOLITAN AREA**
- ❖ **ENGAGEMENT LETTER**

APPRAISER QUALIFICATIONS



PROFESSIONAL QUALIFICATIONS

Troy W. Smith, MAI

Mr. Smith founded Veracity Valuation, LLC in 2011, a full-service commercial appraisal and consulting firm.

Mr. Smith co-founded Verity Valuation, LLC in 2007. Prior to Verity, Mr. Smith was a Director at Shaner Appraisals, Inc., Overland Park, Kansas where he worked from January 1992 to January 2007. During that time he became experienced with most property types. Mr. Smith performed both appraisal and consulting services on various property types including retail, office, lodging facilities, multifamily, industrial, commercial and residential subdivisions, and vacant land. Mr. Smith has performed market studies and appraisals in several states including Kansas, Missouri, Colorado, Nebraska, Iowa, Texas, Oklahoma, Illinois, Georgia, Virginia, Wisconsin, Florida, New Mexico, North Carolina, Indiana and Arkansas. Mr. Smith has performed appraisal services for new loans, refinancing, condemnation, litigation support, conservation easements, estate planning, ad valorem tax issues, acquisitions, development and construction. Mr. Smith has also has significant experience in expert witness testimony.

Appraisal Experience

Appraisal and consulting assignments have been completed on most types of improved property (residential, income-producing, and special purpose) and land. Valuation assignments have included office buildings (general and medical), apartments (garden, mid-rise and high-rise), commercial/industrial buildings, warehouses, high-tech office/warehouses, data centers, shopping centers (including lifestyle centers and regional malls), nursing homes (skilled and intermediate care), retirement apartments, hotels, motels, church buildings, golf courses and farm properties. Land valuations for most types of property use have also been appraised, as well as proposed developments, conservation easements and market studies for such.

Education

Bachelor of Business Administration, Double Major in Real Estate & Finance (1991)
Southern Methodist University, Dallas, Texas

Appraisal Education

Mr. Smith has completed the requirements of the continuing education program of the Appraisal Institute and respective states in which he is licensed.

Memberships, Licenses and Professional Affiliations

- Member of the Appraisal Institute (MAI No. 12035)
- Certified General Real Property Appraiser in the following states:

Kansas (G-1148)	Missouri (2001018522)	Indiana (CG41300022)
Texas (TX-1337541-G)	Oklahoma (12828CGA)	Florida (RZ3575)
Illinois (553.002051)	Colorado (100015739)	Virginia (4001 015710)
Iowa (CG02910)	Georgia (320498)	New Mexico (2959)
- Former Secretary & Treasurer, KC Chapter of Appraisal Institute
- Former Board of Directors, KC Chapter of Appraisal Institute

GLOSSARY

Unless otherwise noted, the following definitions are taken from *The Dictionary of Real Estate Appraisal*, 4th Edition (Chicago: Appraisal Institute, 2002).

Accrued Depreciation

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

Appraisal

(*n.*) The act or process of developing an opinion of value; an opinion of value. (*adj.*) Of or pertaining to appraising and related functions such as appraisal practice or appraisal services. *See also* Complete appraisal; Limited appraisal. (USPAP, 2006 ed.) (p. 15)

Fee Simple Estate

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

Investment Value

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

Lag Vacancy

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

Leased Fee Interest

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

Leasehold Interest

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

Market Value

The most probable price which a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this

definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

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

Negative Leasehold

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

Positive Leasehold

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

Replacement Cost

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

Reproduction Cost

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

Use Value

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

KANSAS CITY METROPOLITAN AREA

KANSAS CITY MO-KS

Data Buffet® MSA code: MKAN

ECONOMIC DRIVERS

FINANCIAL CENTER

HIGH TECH

LOGISTICS

EMPLOYMENT GROWTH RANK

2013-2015

185

3rd quintile

2013-2018

174

3rd quintile

Best=1, Worst=392

RELATIVE COSTS

LIVING

97%

U.S.=100%

BUSINESS

89%

U.S.=100%

VITALITY

RELATIVE

100%

U.S.=100%

RANK

156

Best=1, Worst=384

BUSINESS CYCLE STATUS



ANALYSIS

Recent Performance. Kansas City's recovery has lost some steam despite improvements elsewhere in the state. The labor market is flat, with professional/business services and healthcare fighting to offset weakness in retail and government employment. The unemployment rate has held steady this year just north of 6%, slightly above the national average. KAN has yet to experience the tightening in the labor market that has pushed up wages nationally. House prices have recovered almost to prerecession levels, but builders remain on the sidelines. Housing starts are well below their historical average, which has weighed on construction payrolls and housing-related industries.

Professional services. Low business costs and a highly educated workforce will ensure that professional services are a keystone for employment growth in KAN. Hiring has outpaced the Midwest average for most of the recovery, with much of the gains coming from high-paying professional, scientific and technical services. The metro area's budding IT cluster also provides significant upside potential to the forecast. Average IT wages in KAN are well above those of the nation, and employers are actively hiring in these positions. Above-average educational attainment will help professional services in the metro area outperform the regional average over the forecast horizon. Around one in three adults in KAN have at least a bachelor's degree. Statewide, the figure is a little better than one in five. Inexpensive office space and low energy costs will also attract firms that are trying to cut costs and provide the metro area with a strong structural advantage.

Manufacturing. Manufacturing will provide solid job gains over the next two years. Factory output has outperformed the Midwest and U.S. averages over the past year. The release of pent-up national demand for new vehicles will benefit KAN thanks to the metro area's large auto manufacturing base. Ford recently announced that it

will add a fifth shift to its plant in the metro area to produce its latest version of the Transit commercial van. The company has been investing heavily in its plant recently, with capital investments totaling more than \$1 billion over the last three years to increase production capabilities. More capacity will provide a boost to both industry wages and payrolls, which have struggled during the recovery.

Income. Higher-income workers are making up an increasing share of the workforce, which will benefit consumer-related industries and the real estate market. Although payroll employment data show a significant contraction in retail employment, a more accurate measure from the Quarterly Census of Employment and Wages shows stability in industry payrolls. With significant increases in high-paying jobs and a tightening labor market, the fundamentals for retail remain sound.

Rising wages will also benefit real estate. Healthier household balance sheets will allow an increasing number of families to meet stringent mortgage standards for single-family housing. In the near term, increased demand will put upward pressure on house prices, which remain undervalued compared with their long-run averages. Higher prices will draw builders back into the market, providing a lift to construction payrolls.

Despite the recent slowdown, Kansas City's recovery will accelerate in coming quarters thanks to solid growth in professional services. A strengthening national economy will also lead to increased demand for the metro area's manufactured transportation equipment. The rapidly growing tech industry will lift aggregate income with spillover to consumer-related industries. The real estate market will benefit most from rising incomes, as the housing recovery accelerates and finally contributes to KAN's recovery.

Michael McGrane
October 2014

1-866-275-3266
help@economy.com

STRENGTHS & WEAKNESSES

STRENGTHS

- » Well-developed transportation and distribution network.
- » Educated workforce, leading to above-average per capita income.
- » Below-average costs of doing business.

WEAKNESSES

- » High dependence on Sprint Nextel and telecom.
- » Suburban sprawl limits growth in downtown central business district.

FORECAST RISKS

SHORT TERM

▲

LONG TERM

▲

RISK EXPOSURE 2014-2019 244 4th quintile Highest=1
Lowest=384

UPSIDE

- » Missouri Works legislation leads to stronger than expected business investment.
- » Stronger national recovery leads to higher demand for transportation/distribution.

DOWNSIDE

- » High REO inventory weighs more heavily on house prices than expected.
- » Global motor vehicle demand plummets, leading to auto manufacturing layoffs.

MOODY'S RATING

Aa2

COUNTY AS OF SEP 04, 2014

2008	2009	2010	2011	2012	2013	INDICATORS	2014	2015	2016	2017	2018	2019
95.9	93.4	95.4	96.2	98.1	98.9	Gross metro product (C09\$ bil)	98.4	103.0	107.0	109.4	111.6	113.9
1.2	-2.6	2.1	0.8	2.0	0.8	% change	-0.5	4.7	3.9	2.3	2.0	2.0
1,019.2	982.7	973.0	981.8	997.4	1,007.2	Total employment (ths)	1,014.7	1,042.3	1,071.4	1,085.4	1,090.8	1,095.0
0.3	-3.6	-1.0	0.9	1.6	1.0	% change	0.7	2.7	2.8	1.3	0.5	0.4
5.7	8.9	8.9	8.0	6.8	6.4	Unemployment rate (%)	6.0	5.2	4.7	4.6	4.4	4.3
5.7	-2.5	1.2	5.2	5.2	2.2	Personal income growth (%)	3.6	6.5	6.5	5.3	4.4	3.5
57.7	55.2	54.8	55.8	56.3	56.3	Median household income (\$ ths)	57.5	59.9	62.3	64.5	66.3	67.7
1,999.7	2,020.7	2,039.7	2,050.7	2,064.5	2,080.2	Population (ths)	2,095.4	2,111.6	2,128.0	2,145.5	2,164.4	2,183.6
1.0	1.0	0.9	0.5	0.7	0.8	% change	0.7	0.8	0.8	0.8	0.9	0.9
-8.9	7.0	5.8	-0.9	2.1	3.8	Net migration (ths)	3.7	4.8	5.2	6.5	8.2	8.6
2,610	1,858	2,155	2,363	3,299	4,233	Single-family permits (#)	3,828	5,882	7,738	8,050	7,768	7,287
2,690	1,548	559	924	1,682	3,303	Multifamily permits (#)	3,307	3,819	4,036	3,643	3,531	3,543
142.6	139.0	139.6	132.4	140.5	152.5	Existing-home price (\$ ths)	156.7	161.9	165.8	169.9	175.1	181.6

ECONOMIC HEALTH CHECK

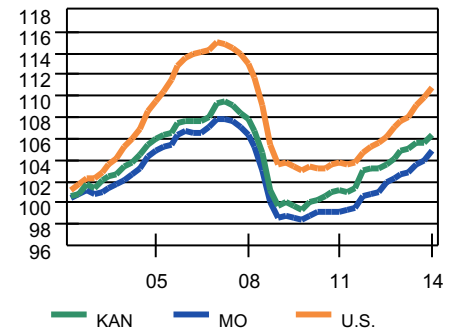
3-MO MA

	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14
Employment, change, ths	0.3	0.5	0.5	1.2	1.9	1.7
Unemployment rate, %	6.2	6.3	6.3	6.3	6.2	6.2
Labor force participation rate, %	65.1	65.1	65.0	64.9	64.7	64.7
Employment-to-population ratio, %	61.0	61.0	60.9	60.8	60.7	60.7
Average weekly hours, #	34.4	34.4	34.4	34.5	34.6	34.4
Industrial production, 2007=100	102.3	102.7	103.1	103.7	103.9	104.2
Residential permits, single-family, #	3,804	4,051	4,000	3,991	4,080	4,156
Residential permits, multifamily, #	1,685	2,966	4,072	5,474	3,918	5,120
	Better than prior 3-mo MA	Unchanged from prior 3-mo MA	Unchanged from prior 3-mo MA	Unchanged from prior 3-mo MA	Worse than prior 3-mo MA	Worse than prior 3-mo MA

Sources: BLS, Census Bureau, Moody's Analytics

BUSINESS CYCLE INDEX

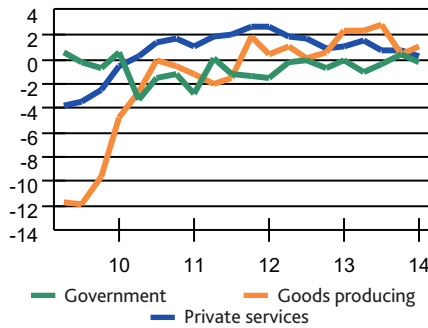
JAN 2002=100



Source: Moody's Analytics

EMPLOYMENT OUTLOOK

% CHANGE YR AGO



Sources: BLS, Moody's Analytics

CURRENT EMPLOYMENT TRENDS

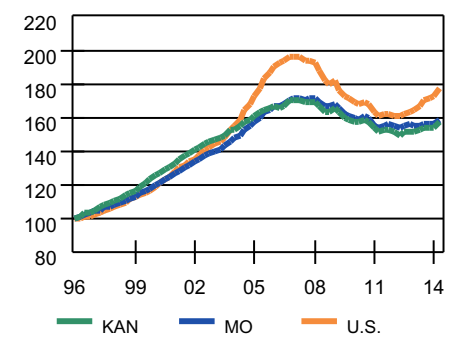
% CHANGE YR AGO, 3-MO MA

	Jan 14	May 14	Sep 14
Total	0.7	0.5	0.5
Construction	2.8	2.6	0.4
Manufacturing	0.5	1.3	2.4
Trade	0.3	-0.7	-1.9
Trans/Utilities	1.8	1.0	1.6
Information	0.8	0.1	-1.1
Financial Activities	-0.2	-1.7	-0.5
Prof & Business Svcs.	2.1	1.1	3.1
Edu & Health Svcs.	1.4	1.4	2.2
Leisure & Hospitality	-1.0	0.9	-0.5
Other Services	0.2	0.3	-0.6
Government	-0.1	0.0	-0.6

Sources: BLS, Moody's Analytics

HOUSE PRICE

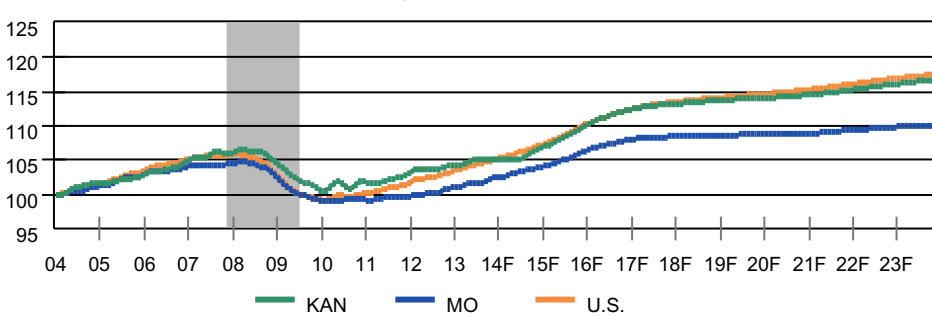
1996Q1=100, NSA



Sources: FHFA, Moody's Analytics

RELATIVE EMPLOYMENT PERFORMANCE

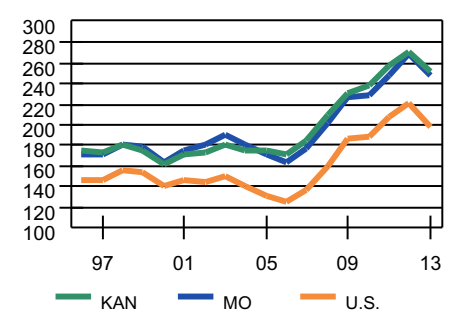
JAN 2004=100



Sources: BLS, Moody's Analytics

HOUSING AFFORDABILITY INDEX

GREATER THAN 100=MORE AFFORDABLE



Sources: NAR, Moody's Analytics

BUSINESS COSTS

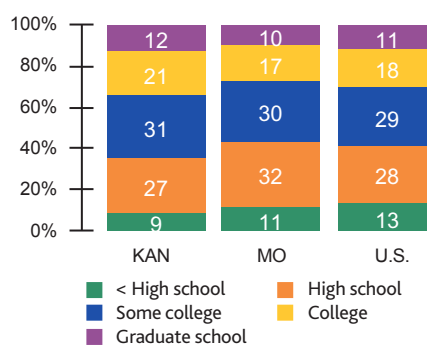
U.S.=100



Source: Moody's Analytics

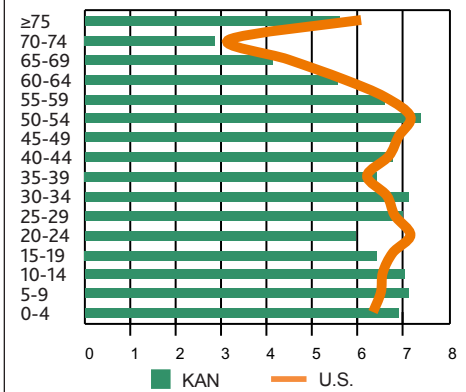
EDUCATIONAL ATTAINMENT

% OF ADULTS 25 AND OLDER, 2012



Sources: Census Bureau, Moody's Analytics

POPULATION BY AGE, %



Sources: Census Bureau, Moody's Analytics

EMPLOYMENT & INDUSTRY		MIGRATION FLOWS																																									
<h3>TOP EMPLOYERS</h3> <table border="1"> <tr><td>HCA Midwest Health System</td><td>9,367</td></tr> <tr><td>Cerner Corp.</td><td>8,300</td></tr> <tr><td>Sprint Corp.</td><td>7,600</td></tr> <tr><td>Saint Luke's Health System</td><td>7,080</td></tr> <tr><td>Children's Mercy Hospital & Clinics</td><td>5,423</td></tr> <tr><td>DST Systems Inc.</td><td>4,402</td></tr> <tr><td>Truman Medical Center</td><td>4,267</td></tr> <tr><td>General Motors Corp.</td><td>4,000</td></tr> <tr><td>Ford Motor Co.</td><td>4,000</td></tr> <tr><td>Hallmark Cards Inc.</td><td>3,700</td></tr> <tr><td>Black & Veatch LLP</td><td>3,500</td></tr> <tr><td>United Parcel Service Inc.</td><td>3,500</td></tr> <tr><td>Home Depot</td><td>3,153</td></tr> <tr><td>Carondelet Health</td><td>3,004</td></tr> <tr><td>Garmin International Inc.</td><td>2,895</td></tr> <tr><td>Farmers Insurance</td><td>2,753</td></tr> <tr><td>Honeywell Inc.</td><td>2,600</td></tr> <tr><td>North Kansas City Hospital</td><td>2,567</td></tr> <tr><td>BNSF Railway Co.</td><td>2,500</td></tr> <tr><td>Burns & McDonnell</td><td>2,500</td></tr> </table> <p>Source: Kansas City Business Journal Book of Lists, 2013</p>		HCA Midwest Health System	9,367	Cerner Corp.	8,300	Sprint Corp.	7,600	Saint Luke's Health System	7,080	Children's Mercy Hospital & Clinics	5,423	DST Systems Inc.	4,402	Truman Medical Center	4,267	General Motors Corp.	4,000	Ford Motor Co.	4,000	Hallmark Cards Inc.	3,700	Black & Veatch LLP	3,500	United Parcel Service Inc.	3,500	Home Depot	3,153	Carondelet Health	3,004	Garmin International Inc.	2,895	Farmers Insurance	2,753	Honeywell Inc.	2,600	North Kansas City Hospital	2,567	BNSF Railway Co.	2,500	Burns & McDonnell	2,500	<h3>INDUSTRIAL DIVERSITY</h3> <p>Most Diverse (U.S.)</p> <p>0.83</p> <p>Least Diverse</p>	
HCA Midwest Health System	9,367																																										
Cerner Corp.	8,300																																										
Sprint Corp.	7,600																																										
Saint Luke's Health System	7,080																																										
Children's Mercy Hospital & Clinics	5,423																																										
DST Systems Inc.	4,402																																										
Truman Medical Center	4,267																																										
General Motors Corp.	4,000																																										
Ford Motor Co.	4,000																																										
Hallmark Cards Inc.	3,700																																										
Black & Veatch LLP	3,500																																										
United Parcel Service Inc.	3,500																																										
Home Depot	3,153																																										
Carondelet Health	3,004																																										
Garmin International Inc.	2,895																																										
Farmers Insurance	2,753																																										
Honeywell Inc.	2,600																																										
North Kansas City Hospital	2,567																																										
BNSF Railway Co.	2,500																																										
Burns & McDonnell	2,500																																										
<h3>INDUSTRIAL DIVERSITY</h3> <p>Most Diverse (U.S.)</p> <p>0.83</p> <p>Least Diverse</p>		<h3>INTO KANSAS CITY, MO</h3> <table border="1"> <thead> <tr> <th>Location</th> <th>Number of Migrants</th> </tr> </thead> <tbody> <tr><td>Lawrence, KS</td><td>1,725</td></tr> <tr><td>St. Louis, MO</td><td>1,331</td></tr> <tr><td>Topeka, KS</td><td>1,121</td></tr> <tr><td>Wichita, KS</td><td>1,066</td></tr> <tr><td>St. Joseph, MO</td><td>1,009</td></tr> <tr><td>Chicago, IL</td><td>806</td></tr> <tr><td>Springfield, MO</td><td>796</td></tr> <tr><td>Manhattan, KS</td><td>750</td></tr> <tr><td>Phoenix, AZ</td><td>628</td></tr> <tr><td>Columbia, MO</td><td>623</td></tr> <tr><td>Total in-migration</td><td>51,022</td></tr> </tbody> </table>		Location	Number of Migrants	Lawrence, KS	1,725	St. Louis, MO	1,331	Topeka, KS	1,121	Wichita, KS	1,066	St. Joseph, MO	1,009	Chicago, IL	806	Springfield, MO	796	Manhattan, KS	750	Phoenix, AZ	628	Columbia, MO	623	Total in-migration	51,022																
Location	Number of Migrants																																										
Lawrence, KS	1,725																																										
St. Louis, MO	1,331																																										
Topeka, KS	1,121																																										
Wichita, KS	1,066																																										
St. Joseph, MO	1,009																																										
Chicago, IL	806																																										
Springfield, MO	796																																										
Manhattan, KS	750																																										
Phoenix, AZ	628																																										
Columbia, MO	623																																										
Total in-migration	51,022																																										
<h3>EMPLOYMENT VOLATILITY</h3> <p>Due to U.S. fluctuations</p> <p>95</p> <p>89</p> <p>100</p> <p>Legend: Not due to U.S. (Green), Due to U.S. (Orange)</p>		<h3>FROM KANSAS CITY, MO</h3> <table border="1"> <thead> <tr> <th>Location</th> <th>Number of Migrants</th> </tr> </thead> <tbody> <tr><td>Lawrence, KS</td><td>1,614</td></tr> <tr><td>St. Louis, MO</td><td>1,025</td></tr> <tr><td>St. Joseph, MO</td><td>1,010</td></tr> <tr><td>Dallas, TX</td><td>962</td></tr> <tr><td>Phoenix, AZ</td><td>885</td></tr> <tr><td>Topeka, KS</td><td>814</td></tr> <tr><td>Wichita, KS</td><td>754</td></tr> <tr><td>Chicago, IL</td><td>736</td></tr> <tr><td>Springfield, MO</td><td>697</td></tr> <tr><td>Houston, TX</td><td>611</td></tr> <tr><td>Total out-migration</td><td>53,147</td></tr> </tbody> </table>		Location	Number of Migrants	Lawrence, KS	1,614	St. Louis, MO	1,025	St. Joseph, MO	1,010	Dallas, TX	962	Phoenix, AZ	885	Topeka, KS	814	Wichita, KS	754	Chicago, IL	736	Springfield, MO	697	Houston, TX	611	Total out-migration	53,147																
Location	Number of Migrants																																										
Lawrence, KS	1,614																																										
St. Louis, MO	1,025																																										
St. Joseph, MO	1,010																																										
Dallas, TX	962																																										
Phoenix, AZ	885																																										
Topeka, KS	814																																										
Wichita, KS	754																																										
Chicago, IL	736																																										
Springfield, MO	697																																										
Houston, TX	611																																										
Total out-migration	53,147																																										
<h3>PUBLIC</h3> <table border="1"> <tr><td>Federal</td><td>26,496</td></tr> <tr><td>State</td><td>15,538</td></tr> <tr><td>Local</td><td>106,078</td></tr> </table>		Federal	26,496	State	15,538	Local	106,078	<h3>Net migration</h3> <p>-2,125</p>																																			
Federal	26,496																																										
State	15,538																																										
Local	106,078																																										

COMPARATIVE EMPLOYMENT AND INCOME

Sector	% of Total Employment			Average Annual Earnings		
	KAN	MO	U.S.	KAN	MO	U.S.
Mining	0.1%	0.1%	0.6%	nd	\$49,927	\$102,891
Construction	4.0%	3.9%	4.3%	\$68,799	\$54,258	\$58,319
Manufacturing	7.2%	9.2%	8.8%	\$86,677	\$69,164	\$76,695
Durable	60.7%	58.5%	62.8%	nd	\$67,758	\$78,386
Nondurable	39.3%	41.5%	37.2%	nd	\$71,108	\$73,878
Transportation/Utilities	4.5%	3.5%	3.7%	nd	\$57,901	\$63,403
Wholesale Trade	5.0%	4.3%	4.2%	nd	\$73,894	\$80,081
Retail Trade	10.4%	11.0%	11.1%	\$31,492	\$29,491	\$32,389
Information	3.0%	2.1%	2.0%	\$109,875	\$101,219	\$98,446
Financial Activities	7.4%	6.0%	5.8%	\$49,653	\$42,875	\$51,839
Prof. and Bus. Services	16.0%	12.7%	13.6%	\$64,140	\$59,859	\$63,456
Educ. and Health Services	13.7%	15.9%	15.5%	\$53,043	\$48,862	\$51,633
Leisure and Hosp. Services	9.8%	10.3%	10.4%	\$23,377	\$22,771	\$24,837
Other Services	4.2%	4.2%	4.0%	\$33,832	\$32,293	\$34,727
Government	14.7%	16.5%	16.0%	\$65,133	\$59,529	\$71,267

Sources: Percent of total employment — BLS, Moody's Analytics, 2013, Average annual earnings — BEA, Moody's Analytics, 2012

NET MIGRATION,

	2010	2011	2012	2013
Domestic	-2,772	-3,792	-1,061	607
Foreign	8,596	2,891	3,164	3,126
Total	5,824	-901	2,103	3,733

Sources: IRS (top), 2011, Census Bureau, Moody's Analytics

PER CAPITA INCOME

\$ THS

2013	KAN \$45,822	MO \$40,663	U.S. \$44,765
------	--------------	-------------	---------------

Sources: BEA, Moody's Analytics

HIGH-TECH EMPLOYMENT

	Ths	% of total
KAN	63.1	6.3
U.S.	6,431.1	4.7

HOUSING-RELATED EMPLOYMENT

	Ths	% of total
KAN	102.3	10.2
U.S.	12,401.4	9.1

Source: Moody's Analytics, 2013

LEADING INDUSTRIES BY WAGE TIER

Wage Tier	NAICS Industry	Location Quotient	Employees (ths)
HIGH	GVF Federal Government	1.3	25.9
	5415 Computer systems design & related svcs.	1.8	22.8
	5511 Management of companies & enterprises	1.1	17.4
	5413 Architectural, engineering & rel. svcs.	1.7	17.4
MID	GVL Local Government	1.1	106.9
	6221 General medical and surgical hospitals	1.1	35.2
	GVS State Government	0.4	15.1
	5221 Depository credit intermediation	1.2	14.6
LOW	7225 Restaurants and other eating places	0.9	63.2
	5613 Employment services	0.9	24.3
	4451 Grocery stores	0.9	16.7
	FR Farms	0.8	14.8

Source: Moody's Analytics, 2014