



PITTSBURG, CRAWFORD COUNTY, KANSAS

Effective Date: May 13, 2014

Report Date: July 18, 2014

Prepared For

**Lacie Cottrell
Community Development Specialist
City of Pittsburg
603 N. Pine, PO Box 688
Pittsburg, KS 66762**

Prepared By

**Novogradac & Company LLP
7227 Metcalf Avenue, Suite 250
Overland Park, KS 66204
913-262-3500**

July 18, 2014

Lacie Cottrell
Community Development Specialist
City of Pittsburg
603 N. Pine, PO Box 688
Pittsburg, KS 66762

Re:
Pittsburg, Kansas

Dear Ms. Cottrell:

Pursuant to your request, Novogradac & Company LLP has performed a study of the housing market in the Pittsburg, Kansas area.

The purpose of this engagement is to conduct and provide a housing needs assessment that will be used to focus the City of Pittsburg's ("City") housing and development strategy, and to provide recommendations for the city moving forward. The report will be utilized by the City of Pittsburg to assess current and future housing needs as well as to formulate initiatives for affordable and market rate housing, land use, and economic development purposes that will help provide a framework when developers are seeking potential opportunities. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report includes the following based upon the Request for Proposals issued by the City in January 2014.

- Executive Summary
- Demographic Characteristics
- Economic Analysis
- Housing Supply Characteristics
- Future Housing Needs
- Housing Resources
- Land Bank Analysis
- Strategies and Recommendations
- Summary and Conclusions

The City of Pittsburg, Kansas is the client in this engagement. We understand that they will use this document for internal decision-making purposes, as specified above. As our client, the City of Pittsburg, Kansas owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential users under a separate agreement.

Ms. Lacie Cottrell
City of Pittsburgh
July 18, 2014
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Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company LLP can be of further assistance. It has been our pleasure to assist you with this project.

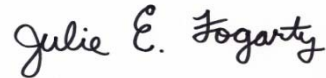
Respectfully submitted,
Novogradac & Company LLP



Rebecca S. Arthur, MAI
Partner



Rachel B. Denton
Principal
rachel.denton@novoco.com
913-262-3500 ext.12



Julie E. Fogarty
Real Estate Analyst
julie.fogarty@novoco.com
312-805-0558



Sara Noftsinger
Researcher

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EXECUTIVE SUMMARY

Regional Overview (Pages 8-13)

The city of Pittsburg is located in the southeastern portion of Kansas. According to the 2010 U.S. Census, the city measures approximately 12.9 square miles and has a population of 20,233 persons. The city is easily accessible via US Route 69/160, which traverses north/south and provides access to Kansas City to the north and Oklahoma to the south. East/west access to the city is provided via Kansas Highway 126, which connects to US Route 160 and US Route 400.

Pittsburg, Kansas is home to Pittsburg State University (PSU), enrolling over 7,400 students. PSU is a four-year institution offering degrees from more than 100 programs within the Colleges of Arts and Science, Business, Education, and Technology. PSU is home to the Kansas Technology Center, a state-of-the-art technology program and the largest academic building in Kansas.

Pittsburg has one public school district, the Unified School District #250. USD's current enrollment is approximately 2,600 students, and consists of four elementary schools, one middle school, and one high school.

Pittsburg's major medical center is Via Christi Hospital, a 188-bed facility operated by Via Christi Health. Since 2003, Via Christi Hospital has added a Regional Heart Center, Outpatient Surgery Center, Emergency Department, expanded the Diagnostic Imaging and Women's Center, as well as an enlarged laboratory, pharmacy, and occupational health service center. The Via Christi Heart Center features a state-of-the-art catheterization lab and the Cardiac Stepdown Unit. The list of specialty service lines is extensive, including Orthopedics, Surgery, Physical Therapy and Occupational Health.

In addition to these infrastructure and area services, Pittsburg offers additional amenities for residents including festivals, social gatherings, museums, parks, recreation, and other attractions.

Economic Analysis (Pages 14-22)

Employment in Pittsburg is heavily concentrated in the health care/social assistance, educational services, and retail trade sectors. These sectors combined employ slightly less than half of all workers in the city of Pittsburg. The three major employers in the city, Pittsburg State University, Via Christi Hospital, and the local school district employ a large percentage of the local workforce. Employment levels in Pittsburg have improved since the recent recession and are above pre-recession levels while the unemployment rate has decreased and is 200 basis points below the national average. Pittsburg's mean hourly wage is \$16.71 with the highest hourly wage of \$39.35 in the management sector and the lowest hourly wage of \$9.07 in the food preparation sector. Overall, the Pittsburg area's major employers are in more stable industries, which has led to a more rapid recovery from the recent recession.

According to Blake Benson, President of the Pittsburg Area Chamber of Commerce, the area has been growing moderately and, over the past three years, has experienced an increase in 2,000 jobs, all of which are outside of the university. He noted that most of these jobs are associated with the medical center, which is growing as Pittsburg becomes a regional medical hub. There have also been some smaller manufacturing expansions in the area.

Regarding economic contractions, Mr. Benson said that Mission Clay closed in 2013, resulting in the loss of 15 jobs. However, the closing was very distressing for the community as the company had been in the area for over 100 years. In addition to this high profile closing, several small restaurants in the area have closed over the past year.

Demographic Analysis (Pages 23-50)

Both the PMA and the MSA are areas of slow growth in terms of population and households, which is projected to continue through 2018. The southern portion of Pittsburg and these census tracts are the most populated and are projected to experience the most growth through 2018. One and two-person households make up the majority of households in the PMA and MSA. Household size is slightly smaller in the PMA than the MSA, and both are smaller than the national average.

The median household income in the PMA is \$33,096, which is below both the MSA median household income of \$36,986 and the national median household income of \$51,321. Census Tracts 9572 and 9575 have the lowest median incomes while Census Tracts 9570 and 9574 have the highest median incomes that are well above that of the PMA. The largest income cohorts in the PMA are the \$10,000 to \$19,999 and \$20,000 to \$29,999 cohorts. These two cohorts represent 34.4 percent of the population. The largest income cohorts in the MSA are also the \$10,000 to \$19,999 and \$20,000 to \$29,999 cohorts. Compared to the overall household income distribution, there is a greater percentage of renters in the lower income cohorts for both the general population and seniors.

Owner-Occupied Housing Stock (Pages 56-68)

The Pittsburg housing market consists primarily of an older housing stock with some newly developed homes in the southern portion of the city as well as limited infill development. The construction of new homes has been slow over the past decade as illustrated by the building permit data. Much of the housing stock in the PMA, 68.6 percent, consists of single-family detached housing. As of 2013, the current owner-occupied percentage is estimated to be 48.4 percent. Approximately 43.1 percent of renter households pay over 35 percent of income to rent, indicating that they are rent overburdened.

Home sales in the Pittsburg area have fluctuated over the past three years. According to Zillow, as of April 2014, the average listing price of a for-sale home in Pittsburg was \$85,000, which represents a decline from the end of 2013 and early 2014. In addition, the average listing price per square foot in April 2014 was \$65, which indicates a slight drop from the end of 2013 but generally an increase. Current home sales prices in the Pittsburg area indicate a flat market. Crawford County and Kansas are performing worse than the nation in terms of foreclosures. The Pittsburg area's housing stock is an older housing stock with some newer development located in the southern portion of the city. Due to the low cost of home ownership in the Pittsburg area, buying provides a slight advantage, estimated at a savings of \$269/month, over renting.

Rental Housing Stock (Pages 69 – 88)

The vacancy rates among the market rate comparables range from zero to 25.0 percent. Raintree Apartments reported the highest vacancy rate at 25.0 percent, though it has only two vacant units, followed by 103 E. Williams Street at 16.0 percent, and University Commons at 9.1 percent. Based on our inspection, there is no specific reason as to why these properties would

have higher vacancy rates than others. Ten properties have vacancy rates of zero percent while four properties have vacancy rates that are not stabilized. The overall vacancy rate in the PMA is 4.5 percent, which indicates a stabilized market.

For market rate properties, the average rental rate for studios is \$331, for one-bedroom units is \$430, for two-bedroom units is \$571, for three-bedroom units is \$706, and for four-bedroom units is \$1,048. Crimson Villas, Summerfield Apartments, and University Commons set the top of the market in terms of rents and these are all located near the University and Crimson Villas and Summerfield Apartments are some of the newest properties in the area. The least expensive properties are the smaller, unnamed buildings with very limited amenities.

The overall vacancy rate for affordable units is 2.6 percent, which is lower than the market rate average of 4.5 percent. All of the affordable properties illustrate stabilized vacancy rates with the exception of Stilwell Apartments. Management at Stilwell Apartments stated that all three of their vacancies are among two-bedroom market rate units, and that all affordable units are occupied.

The following chart presents the minimum, maximum and average adjusted rents in Pittsburg from the surveyed LIHTC properties. Properties in the area offer LIHTC rents at the 40 and 60 percent AMI levels.

40% AMI LIHTC RENT COMPARISON			
Property Name	1BR	2BR	3BR
LIHTC Maximum (Net)	\$394	\$474	\$548
The Besse Hotel	\$350	\$405	-

60% AMI LIHTC RENT COMPARISON			
Property Name	1BR	2BR	3BR
LIHTC Maximum (Net)	\$601	\$722	\$835
The Besse Hotel	\$435	\$525	\$630
Remington Square	-	\$514	\$580
Stilwell Apartments	\$415	\$563	-
Average	\$425	\$532	\$605

None of the properties have rents set at the maximum allowable LIHTC levels. All of the properties stated that they were not at the maximum rental levels because of other comparables in the market and thus wanted to remain competitive with both the other LIHTC properties as well as the market rate product. They noted that the Pittsburg market would not currently support maximum rent levels.

The overall vacancy rate for senior units is 1.7 percent, which is lower than the market rate average of 4.5 percent and the family affordable average of 2.6 percent. All of the affordable properties illustrate stabilized vacancy rates, and two have vacancy rates of zero percent.

The following charts present the minimum, maximum and average adjusted rents in Pittsburg from the two surveyed senior LIHTC properties. Senior properties in the area offer LIHTC rents at the 40, 50, and 60 percent AMI levels.

SENIOR 40% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$394	\$474
Pittsburg Heights	\$385	\$505

SENIOR 50% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$498	\$598
Pittsburg Seniors/Hopefield Gardens	\$483	\$560

SENIOR 60% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$601	\$722
Pittsburg Heights	\$485	\$590

None of the properties have rents set at the maximum allowable LIHTC levels at the 50 or 60 percent AMI level. Pittsburg Heights has its 40 percent AMI units' rents set at the maximum allowable level. Although these rents may appear slightly below or above the maximum allowable rent level this is likely due to a difference in utility allowance and/or structure. Both of the properties stated that the 50 and 60 percent rents were not at the maximum rental levels because the Pittsburg market would not currently support maximum rent levels.

Housing Interviews (Pages 89-98)

Interviews with various local stakeholders indicated several major themes. First, the area is very constrained in terms of land available for development; with the exception of some lots available in the southern portion of the city, it is difficult to find land for newly constructed homes. Another issue mentioned was that due to the large student renter population, the price of rentals in the area is high while the quality is somewhat low. There are many properties in the area that have not been taken care of, and the condition of the housing stock reflects this trend. An additional commonality was a lack of moderately priced homes in the area, where residents are either forced to wait a year for a home to be built, or they have to reside outside of Pittsburg to find quality moderately priced housing. Local homebuilders have mostly been constructing moderate to higher price homes and have expressed difficulties in building in the market due to current processes in place. Higher inspection standards and the implementation of neighborhood association could be beneficial to improving the quality of the area's housing stock. Lastly, local lenders believe that Pittsburg is a difficult lending climate for low to moderate income households as many have difficulty obtaining loans.

Proposed Construction (Pages 98-102)

There are two proposed or under construction projects in the area: the first is a 10-unit expansion of the Buttonwood Apartment Complex, and the second is a 250-unit proposed market rate development. No additional details including timelines were available. The Lincoln Square

development, as previously noted, is a revitalized neighborhood block of 10 new quality homes. Out of the 10 homes, there are two homes currently being built by homebuilders but have not yet been sold, and three lots that remain for development and sale.

Challenges to Housing & Housing Resources (Pages 104-117)

Based upon our analysis of the market and interviews with key stakeholders, there are several barriers and challenges that should be considered due to their impact on the housing market in Pittsburg. There is no single factor that can prevent or reduce barriers, but any initiative taken to promote the preservation of the existing housing stock in addition to promoting new construction should be taken. Barriers include:

- o Financial obstacles including land costs and infrastructure costs for developers.
- o Lack of readily available land for development.
- o Lack of affordable rental homes for low-income families due to student rental market.
- o Credit worthiness of potential buyers for homeownership (or renters).
- o Individual housing cost burdens such as paying over 30.0 percent of monthly income for rent/mortgage payment and utilities.
- o Limited supply of moderate income homes in the area; long waiting times for new construction homes.
- o Need for more accountability in providing and maintaining safe, clean rental living conditions by property owners.
- o No existing or proposed master development plan for the city, and a lack of master-planned communities.
- o Low sense of neighborhood pride and community.

There are many resources in the Pittsburg area that can be utilized to rehabilitate and finance market rate and affordable housing as well as demolish non-functional structures. These include local, state, and national programs, and we have paired them with specific recommendations and are shown in the following chart.

Program	Entity in Charge of Program	Max Amount of Funding/ Assistance
Neighborhood Revitalization Act	City of Pittsburg	Tax Rebate
Demolition Program	City of Pittsburg	On Hold
Emergency Repair Program	City of Pittsburg	\$1,800
Paint Pittsburg	City of Pittsburg	\$100
Living Downtown Program	City of Pittsburg	\$18,000
Housing Rehabilitation Loans	City of Pittsburg	\$18,000
Tax Increment Financing	City of Pittsburg	N/A
Moderate Income Housing Grant	KHRC	N/A
Weatherization Program	KHRC	N/A
HOME Rental Development	KHRC	Varies
Kansas Private Activity Bonds	KHRC	Varies
KHRC First-Time Home-Buyer Program	KHRC	15% to 20% of purchase price
Low Income Housing Tax Credits	KHRC	Varies
Federal Home Loan Bank of Topeka	FHLB	Varies
USDA Rural Development	USDA	Varies
US Dept. of Veteran's Affairs	National	Varies
HUD Choice Neighborhoods	National	Varies
Hope VI Main Street Grant	National	Varies
Mortgage Insurance	National	Varies

Recommendations (Pages 119-125)

We have provided 10 recommendations, which resulted from our analysis of the housing market, to overcome challenges and take advantage of opportunities in the Pittsburg housing market.

Recommendation #1: Create additional moderate to higher income housing near PSU and Mt. Carmel Regional Medical Center.

Recommendation #2: Enhance housing and amenities in the Downtown Area.

Recommendation #3: Preserve Pittsburg's existing single-family housing stock.

Recommendation #4: Expand the supply of moderate income housing.

Recommendation #5: Create a land bank run by a city-related entity.

Recommendation #6: Implement stricter property maintenance codes.

Recommendation #7: Establish neighborhood associations and planned subdivisions.

Recommendation #8: Expand housing for seniors with emphasis on affordable housing options.

Recommendation #9: Educate low to moderate income households on how they can purchase homes and encourage the use of first-time homebuyer incentive programs.

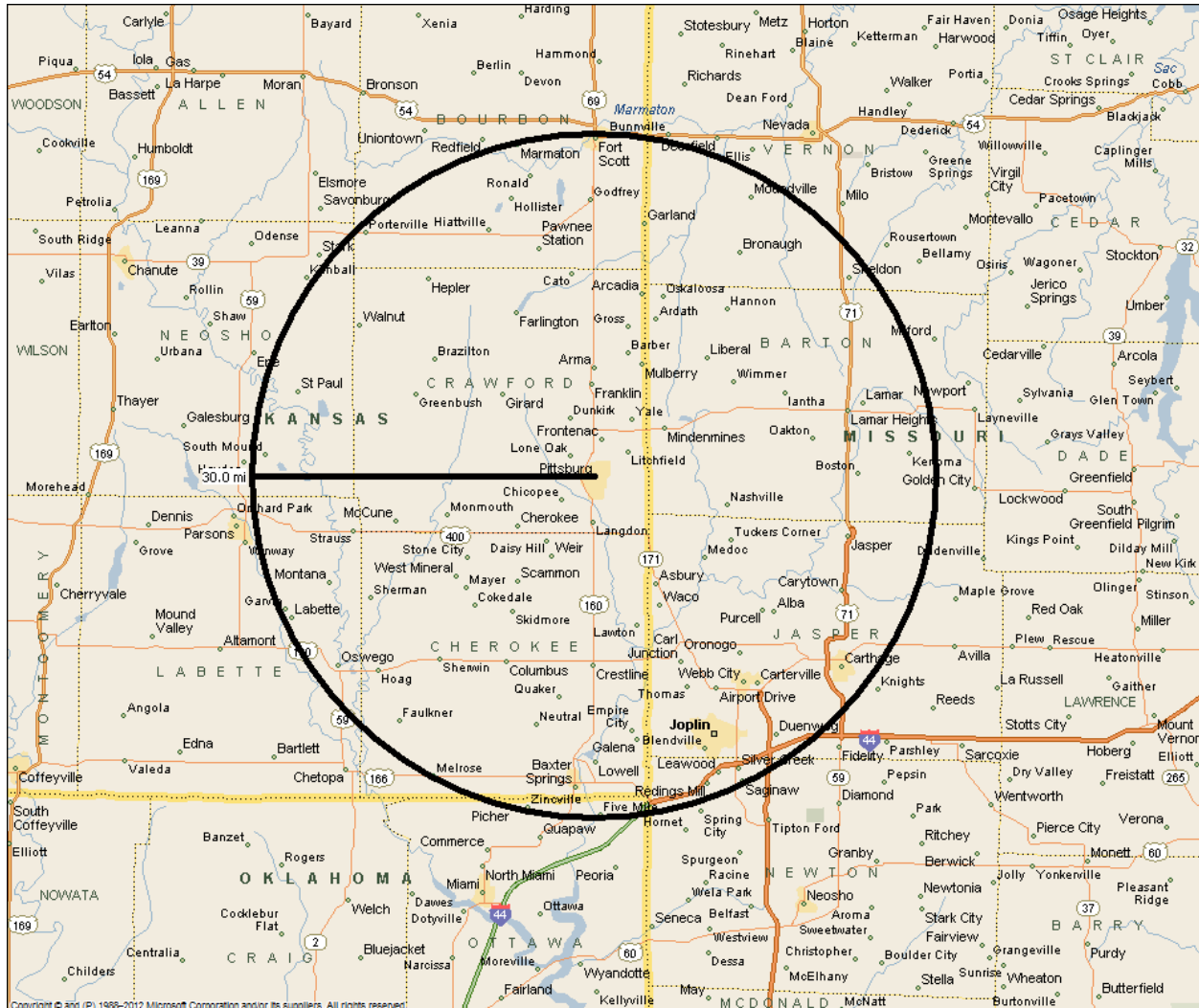
Recommendation #10: Build short-term housing for young professionals, consultants, and families near major employment centers (e.g. PSU, Mt. Carmel) to provide temporary lodging for moderate to higher income households.

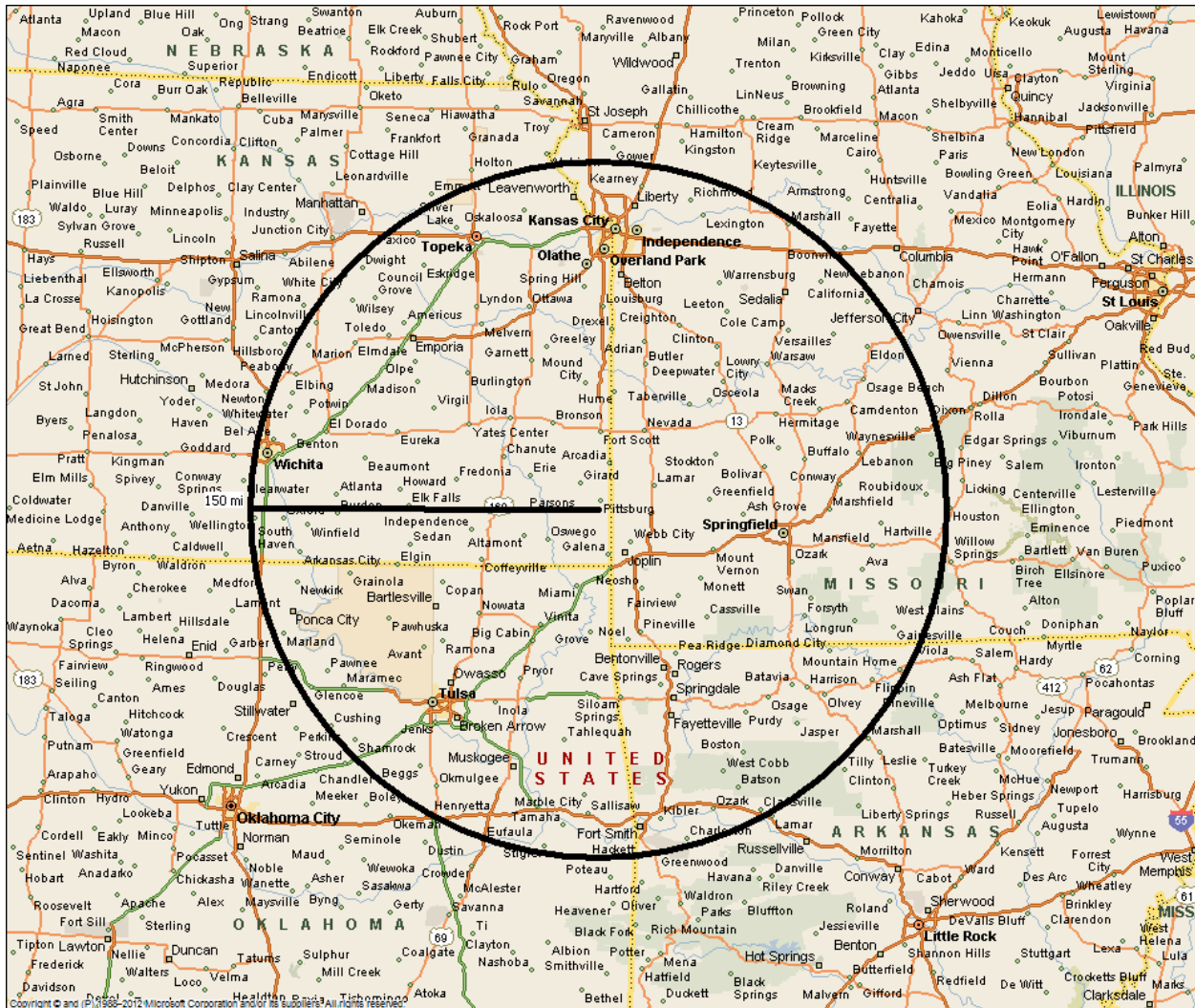
REGIONAL OVERVIEW AND ECONOMIC ANALYSIS

REGIONAL OVERVIEW AND ECONOMIC ANALYSIS

REGIONAL AND LOCAL AREA DESCRIPTION

The city of Pittsburg is located in the southeastern portion of Kansas. According to the 2010 U.S. Census, the city measures approximately 12.9 square miles and has a population of 20,233 persons. The city is easily accessible via US Route 69/160, which traverses north/south and provides access to Kansas City to the north and Oklahoma to the south. East/west access to the city is provided via Kansas Highway 126, which connects to US Route 160 and US Route 400. Maps of the area are located following.





INFRASTRUCTURE

Transportation

Air: The nearest commercial airport to Pittsburg, Kansas is the Joplin Regional Airport, which is located approximately 21 miles southeast of Pittsburg. Joplin Regional Airport is served by American Airlines and offers direct flights to Dallas, Texas. The next closest airport is the Springfield-Branson National Airport, located approximately 73 miles east of Pittsburg. Airlines servicing the Springfield-Branson National Airport include American, Allegiant, Delta, and United Airlines, offering non-stop flights to 10 cities in the US.

Mass Transit: The City of Pittsburg operates a scheduled bus service, Pittsburg Area Community Transportation, or P.A.C.T., which has a fixed route, stopping at popular retail, education, or service locations. P.A.C.T. monthly passes can be purchased for \$20 or passengers may purchase one-way fare for

\$0.50. The busses run from 7:00 AM to 9:00 PM and provide stops at 22 locations in Pittsburg.

Government

The city of Pittsburg is run by the Mayor and the City Commission. The City Commission passes ordinances and resolutions, establishes policies for the city, approves the annual budget, appoints members of city boards and commissions, and appoints the city manager. The City Manager is responsible for delivering quality services to the citizens, controlling and managing every department of the City government and of every officer and employee of the City.

Education

Pittsburg, Kansas is home to Pittsburg State University (PSU), enrolling over 7,400 students. PSU is a four-year institution offering degrees from more than 100 programs within the Colleges of Arts and Science, Business, Education, and Technology. PSU is home to the Kansas Technology Center, a state-of-the-art technology program and the largest academic building in Kansas.

Pittsburg has one public school district, the Unified School District #250. USD's current enrollment is approximately 2,600 students, and consists of four elementary schools, one middle school, and one high school.

Medical Facilities

Pittsburg's major medical center is Via Christi Hospital, a 188-bed facility operated by Via Christi Health. Since 2003, Via Christi Hospital has added a Regional Heart Center, Outpatient Surgery Center, Emergency Department, expanded the Diagnostic Imaging and Women's Center, as well as an enlarged laboratory, pharmacy, and occupational health service center. The Via Christi Heart Center features a state-of-the-art catheterization lab and the Cardiac Stepdown Unit. The list of specialty service lines is extensive, including Orthopedics, Surgery, Physical Therapy and Occupational Health.

AMENITIES

In addition to these infrastructure and area services, Pittsburg offers additional amenities for residents including festivals, social gatherings, museums, park, recreation, and other attractions.

Events

Each year Pittsburg hosts the Little Balkans Festival, which was created in September 1984 and helped to restore the image of the region. The Festival has been held annually on Labor Day weekend since 1984 to pay homage to the region's history, ethnic diversity, and community spirit. The event including music, interactive games, an auction, carnival, buggy rides, cook-offs, local foods, and more.

In addition, Pittsburg houses the Southeast Kansas Art Festival, which draws people from the region to Pittsburg to enjoy art, food, and community.

Memorial Auditorium and Convention Center offers an auditorium that hosts concerts, plays, large assemblies, and more, as well as a convention center that can offer space for conventions, trade

shows, private parties, wedding receptions, and a variety of community events. Beverly Corcoran Art Gallery is also located in the center.

PSU offers 12 Division II athletic programs, and these events are a big draw for community residents particularly weekend football as the team has won three national titles.

Held each July, the Four State Farm Show brings thousands of farmers and ranchers to a 300-acre farm near Pittsburg for three days of agricultural product displays and equipment demonstrations. With approximately 700 exhibits, the event features all of the major lines of farm machinery and equipment as well as innovative products from agribusiness firms across the country. The 25-acre Farm Show site will overflow with a vast array of farm equipment, seed, feed, agri-chemicals, livestock, farm buildings, grain bins, livestock handling equipment, tires, tools, trailers and much more. The tremendous range of agriculturally-related goods and services annually provides farmers and stockmen with a unique opportunity to shop and compare in one location.

Albers Marine of Arma conducts its annual Indoor-Outdoor Sport Boat and Travel Show the last weekend of January at Meadowbrook Mall in Pittsburg. The show includes over 80 vendors displaying goods including boats, fishing, hunting, archery, boating equipment, tackle, antique lures, taxidermy, truck accessories, ATV's, guided hunting and fishing outfitters. This event has free admission and is open to the public.

The Art on Broadway Art Walk showcases fine art and live music showcasing local artists and musicians. Pittsburg's Art Walk joins together the impressive talents of both Pittsburg State University students, local artists and musicians in a relaxed night that showcases art. The Art Walk is held twice a year, once in the spring and again in the fall. Special programs are scheduled within the event.

For over thirty years, Pittsburg State University has hosted the annual Jazz Festival each spring, attracting students, area residents and visitors. A concert with nationally renowned artists is held in the evening. The event takes place at Memorial Auditorium, McCray Hall and the Overman Student Center the first Friday in March.

Points of Interest

Pittsburg houses the Crawford County Historical Museum. The museum is a restored Passenger Freight Depot which was built in 1882. In its heyday, there were seven northbound passenger trains and five southbound trains as well as freight trains. The museum houses exhibits and photos of the late 1880s.

Miners' Memorial & Immigrant Park was dedicated in July, 2008 and is a tribute to the immigrants who settled in Southeast Kansas and worked in the Weir-Pittsburg Coalfields of Cherokee and Crawford Counties. The Miner's Memorial features a large bronze statue of an era miner, large black granite monuments with the names inscribed of the miners who worked in the Weir-Pittsburg Coalfields and stone walking path leading past several information kiosks that tell the story and history of the mining industry in Southeast Kansas. Across Pine Street is Immigrant Park and the Pritchett Pavilion, located where the original Pittsburg train depot and

Europe Hotel were situated. A mural in Immigrant Park depicts the scene in the late 1800's and early 1900's.

PSU is home to two art galleries. University Gallery showcases contemporary art from all over the United States as well as a bi-annual faculty exhibit, while Harry Krug Gallery displays art from the University art faculty, local artists, and graduate students.

Recreation

Pittsburg offers a variety of recreation options including 13 city-maintained parks, a sports complex, a band shell, and an aquatic center.

The City has three hiking and biking trails within the community. The most recent is a mile long trail that follows a former railroad right of way beginning in midtown and stretches to the southern section of the community. In addition, volunteers renovated the 23rd Street Landfill into an adventure park for biking on the north end of Pittsburg. The bike park offers three different trails depending on ability level. The green trail is the easiest, featuring mostly dirt, while the black trails offer some stair-type drops, gap jumps and rougher terrain. The blue trails are between the two. Another hike-and-bike trail was created connecting Pittsburg State University to Meadowbrook Mall in the south end of Pittsburg.

Pittsburg has a variety of parks located throughout the community. The largest, Lincoln Park, is located centrally at 710 West 9th and features an 18-hole golf course, aquatic center, baseball diamonds, batting cages, miniature golf, and much more. The Parks and Recreation Department offers many programs and activities throughout the year as well including adult sports leagues, children's leagues, and programs for seniors.

The aquatic center offers a large zero depth entry pool, two diving boards, two small tube slides, toddler pool with frog slide and play area, flume slide, mammoth slide, lazy river, sand volleyball.

Hunting and fishing opportunities abound in area in mined land, wildlife areas and state parks. Crawford State Park in nearby Farlington is home to the county's only state fishing lake, which at 150 acres, offers boating, fishing and water sport activities. The park also offers camping spaces, shelter houses and a marina.

The City also maintains Four Oaks Golf Course, which offers a clubhouse, 18 hole course, driving range, practice putting green, 18 hole mini course, two basketball courts, four tennis courts, seven horseshoe pits, two cart sheds, Kiddieland Amusement Park, and an RV Park.

The Pittsburg YMCA, located at 1100 North Miles, just east of Lincoln Park, offers a co-ed fitness center, women's fitness center, gymnasium, swimming pool, whirlpool, steam room, sauna, aerobic center, child care, dance room, gymnastics center, racquetball and cycling room.

Pittsburg also has a bowling alley, roller skating rink, and movie theatre, all of which provide ample recreation opportunities for residents.

Dining & Shopping

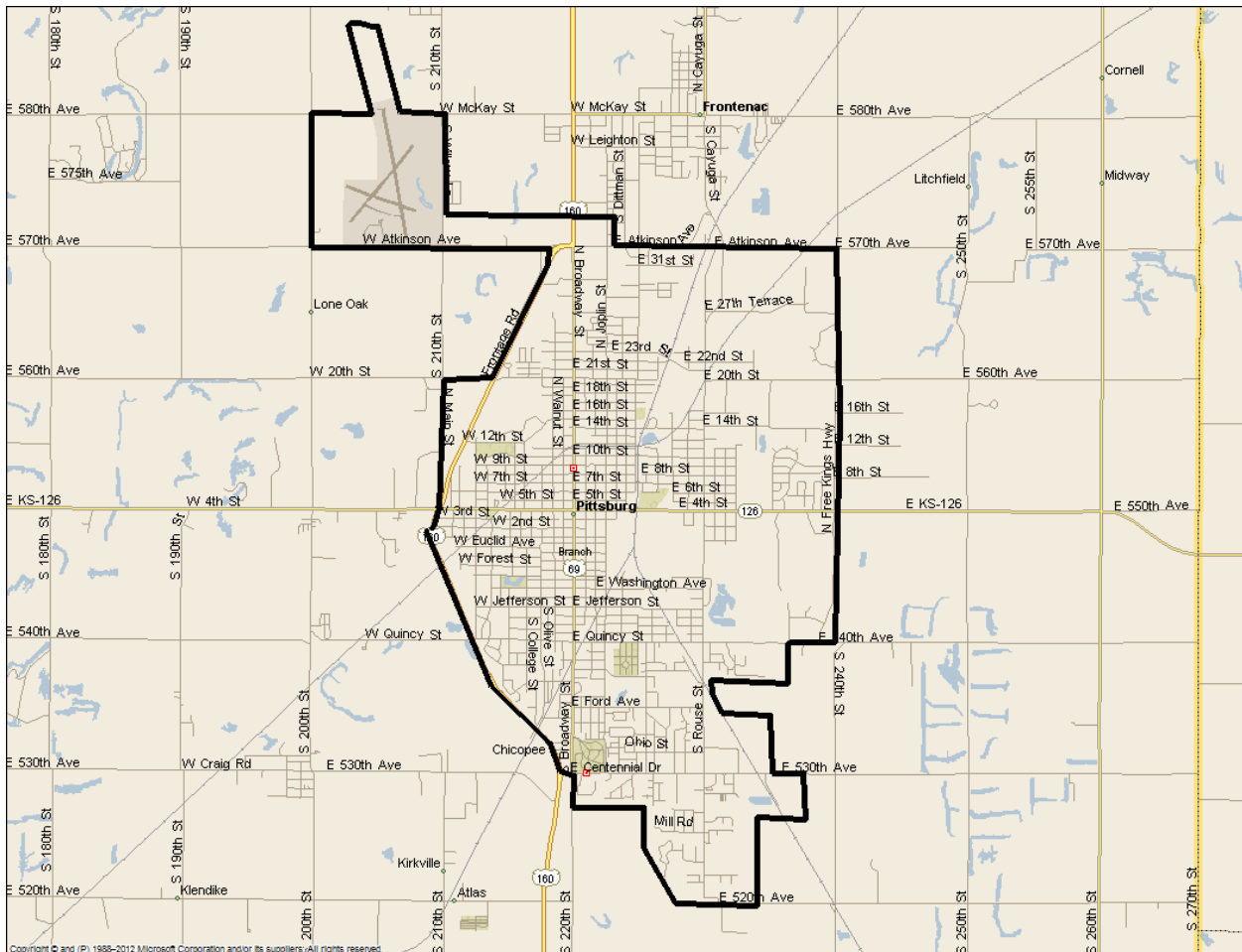
Pittsburg offers over 260 retail establishments ranging from mom and pop shops to large big box retailers, offering retail amenities nearby. The city also offers dozens of local and chain restaurants, and according to the Chamber of Commerce, new restaurants continue to enter the market. Pittsburg also houses a farmers' market in the spring and summer months.

ECONOMIC CHARACTERISTICS

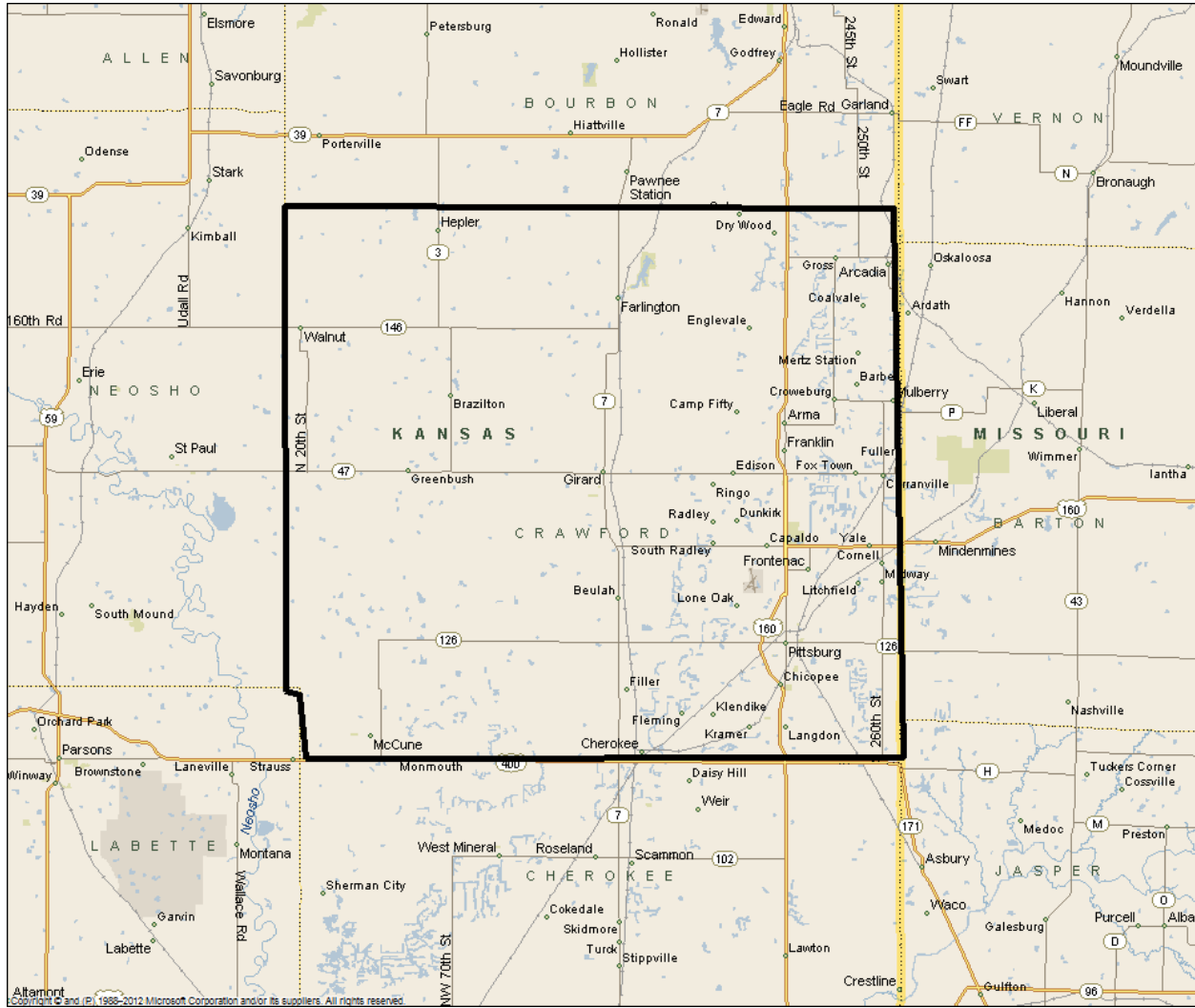
AREA ANALYSIS

The PMA is defined as the specific study area, which is the city of Pittsburg. The Secondary Market Area (SMA) consists of the Pittsburg Micropolitan Statistical Area (MSA), which includes all of Crawford County. Maps of the PMA and SMA are located on the following pages.

PMA Map



SMA Map



Employment by Industry

The following chart identifies employment by industry sector within the Subject's PMA, as well as the nation.

2013 EMPLOYMENT BY INDUSTRY				
Industry	<u>Pittsburg, KS</u>		<u>USA</u>	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Health Care/Social Assistance	1,599	16.9%	20,080,547	14.0%
Educational Services	1,465	15.5%	12,979,314	9.1%
Retail Trade	1,342	14.2%	16,592,605	11.6%
Accommodation/Food Services	1,046	11.0%	10,849,114	7.6%
Manufacturing	968	10.2%	15,162,651	10.6%
Other Services (excl Publ Adm)	717	7.6%	7,850,739	5.5%
Construction	568	6.0%	8,291,595	5.8%
Public Administration	287	3.0%	6,713,073	4.7%
Admin/Support/Waste Mgmt Svcs	225	2.4%	6,316,579	4.4%
Prof/Scientific/Tech Services	221	2.3%	9,808,289	6.8%
Wholesale Trade	178	1.9%	3,628,118	2.5%
Finance/Insurance	177	1.9%	6,884,133	4.8%
Transportation/Warehousing	176	1.9%	5,898,791	4.1%
Agric/Forestry/Fishing/Hunting	171	1.8%	1,800,354	1.3%
Information	144	1.5%	2,577,845	1.8%
Arts/Entertainment/Recreation	69	0.7%	3,151,821	2.2%
Real Estate/Rental/Leasing	63	0.7%	2,627,562	1.8%
Utilities	53	0.6%	1,107,105	0.8%
Mining	4	0.0%	868,282	0.6%
Mgmt of Companies/Enterprises	0	0.0%	97,762	0.1%
Total Employment	9,473	100.0%	143,286,279	100.0%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

Employment within the PMA is concentrated in the health care/social assistance, educational services, and retail trade sectors, which together comprise 46.6 percent of employment. The high concentration of employment in the health care/social assistance and educational services sectors is not surprising given the presence of PSU and the growing healthcare sector. Compared to the national average Pittsburg is underrepresented in the public administration, professional/scientific technical services, and finance/insurance industries. It is overrepresented compared to the nation in the health care/social assistance, educational services, retail trade, and accommodation/food services sectors.

Employment Expansions and Contractions by Industry

The following chart illustrates change in employment by industry for Pittsburg from 2000 to 2013.

2000-2013 CHANGE IN EMPLOYMENT - PMA						
Industry	2000		2013		2000-2013	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Annualized Change in Employment	Annual Change in Percentage
Agric/Forestry/Fishing/Hunting	72	0.8%	171	1.8%	8	10.6%
Mining	18	0.2%	4	0.0%	-1	-6.0%
Construction	500	5.4%	568	6.0%	5	1.0%
Manufacturing	1,424	15.3%	968	10.2%	-35	-2.5%
Wholesale Trade	214	2.3%	178	1.9%	-3	-1.3%
Retail Trade	908	9.8%	1,342	14.2%	33	3.7%
Transportation/Warehousing	160	1.7%	176	1.9%	1	0.8%
Utilities	37	0.4%	53	0.6%	1	3.3%
Information	160	1.7%	144	1.5%	-1	-0.8%
Finance/Insurance	228	2.5%	177	1.9%	-4	-1.7%
Real Estate/Rental/Leasing	105	1.1%	63	0.7%	-3	-3.1%
Prof/Scientific/Tech Services	410	4.4%	221	2.3%	-15	-3.5%
Mgmt of Companies/Enterprises	31	0.3%	0	0.0%	-2	0.0%
Admin/Support/Waste Mgmt Svcs	180	1.9%	225	2.4%	3	1.9%
Educational Services	1,704	18.4%	1,465	15.5%	-18	-1.1%
Health Care/Social Assistance	1,358	14.6%	1,599	16.9%	19	1.4%
Arts/Entertainment/Recreation	153	1.6%	69	0.7%	-6	-4.2%
Accommodation/Food Services	868	9.4%	1,046	11.0%	14	1.6%
Other Services (excl Publ Adm)	450	4.8%	717	7.6%	21	4.6%
Public Administration	299	3.2%	287	3.0%	-1	-0.3%
Total Employment	9,279	100.0%	9,473	100.0%	15	0.2%

Source: ESRI Demographics 2013, Novogradac & Company LLP, April 2014

* Change in percentage is calculated as a rate of change by industry.

*Industry data current as of 2010. Other projections current as of 2013.

From 2000 to 2013, agriculture/forestry/fishing/hunting, other services, and retail trade experienced the highest annual growth rates out of all the employment sectors. Conversely, mining, arts/entertainment/recreation, and professional/scientific/technical sectors experienced significant percentage loss in employment. Overall total employment increased by 194 jobs over the 13 year period, equating to an annual job increase of approximately 15 jobs annually. Moreover, the annual average growth in total employment is 0.2 percent annually.

Major Employers

The following table identifies the major employers located within the Pittsburg area.

MAJOR EMPLOYERS		
Company Name	Product/Service	Number Employed
Pittsburg State University	University	1,035
Via Christi	Hospital/Healthcare	794
Pittsburg U.S.D. #250	Public School K-12	538
Wal-Mart Supercenter	Retail & Grocery	380
Pitt Plastics	Polyethylene Bags	330
Miller's Inc.	Professional Photo Finishing	238
Pitsco/Lego Education	Educational Systems	204
City of Pittsburg	City Government	204
Watco Companies	Shortline Railroad	175
Names and Numbers	Phone Directories	135
NPC International	Call Center	135
Leisure Time/Backyard Discovery	Outdoor Leisure Products	127
Atkinson / AZZ	Manufacturing	92
Vinylplex, Inc.	PVC Piping	47
Kendall Packaging	Printed Food Packaging	44
Eagle Picher	Lithium Batteries	39
Progressive Products	Ceramic Industrial Piping Products	22
Control Vision	Aviation Navigation	18

Source: City of Pittsburg, Kansas, Novogradac & Company LLP, April 2014

Pittsburg has a broad economic base and employs from a variety of industries. The largest employment in Pittsburg are in the healthcare and education sectors. Compared to the national average, Pittsburg has a very high concentration of employment in the education and healthcare sectors. The major employers in the Pittsburg area employ a large percentage of the overall employees in the area.

Employment Expansions and Contractions by Industry

According to Blake Benson, President of the Pittsburg Area Chamber of Commerce, the area has been growing moderately and, over the past three years, has experienced an increase in 2,000 jobs, all of which are outside of the university. He noted that most of these jobs were associated with the medical center, which is growing as Pittsburg becomes a regional medical hub. There have also been some smaller manufacturing expansions in the area.

In terms of expansions in the area, there will be an additional 40 jobs created over the next few months at an employer, but Mr. Benson could not yet state the company. Several restaurants have recently opened including Little Caesar's Pizza and Fuzzy's Taco Shop; Buffalo Wild Wings and Rib Crib are planned to open in the next six to ten months. In addition, Pinamonti Physical Therapy added 30 new employees, Adkinson Industries added 60 employees, and Masonite Corporation also expanded. Mr. Benson noted that the City implemented an economic development tax that provides incentives for new and expanding employers, and the City government is very pro-growth, wanting to remain competitive in the area.

Regarding economic contractions, Mr. Benson said that Mission Clay closed in 2013, resulting in the loss of 15 jobs. However, the closing was very distressing for the community as the company had been in the area for over 100 years. In addition to this high profile closing, several small restaurants in the area have closed over the past year.

Employment and Unemployment Trends

The table below details the employment and unemployment trends for the Pittsburg MSA and the nation.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)								
Year	Pittsburg, KS Micropolitan Statistical Area				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2004	18,087	-	6.2%	-	139,252,000	-	5.5%	-
2005	18,304	1.2%	5.8%	-0.4%	141,730,000	1.8%	5.1%	-0.4%
2006	18,358	0.3%	5.1%	-0.7%	144,427,000	1.9%	4.6%	-0.5%
2007	19,108	4.1%	4.7%	-0.4%	146,047,000	1.1%	4.6%	0.0%
2008	18,651	-2.4%	5.1%	0.4%	145,362,000	-0.5%	5.8%	1.2%
2009	18,317	-1.8%	8.9%	3.8%	139,877,000	-3.8%	9.3%	3.5%
2010	18,583	1.5%	8.4%	-0.5%	139,064,000	-0.6%	9.6%	0.3%
2011	18,946	2.0%	7.4%	-1.0%	139,869,000	0.6%	8.9%	-0.7%
2012	19,510	3.0%	6.2%	-1.2%	142,469,000	1.9%	8.1%	-0.8%
2013	19,729	1.1%	5.6%	-0.6%	143,929,000	1.0%	7.0%	-1.1%
2014 YTD Average*	20,369	4.4%	5.4%	-0.8%	144,250,000	1.3%	7.4%	-0.7%
Mar-2013	19,555	-	5.6%	-	142,698,000	-	7.4%	-
Mar-2014	20,500	4.8%	5.6%	0.0%	145,090,000	1.7%	7.4%	0.0%

Source: U.S. Bureau of Labor Statistics May 2014

*2014 data is through March

Employment levels in the Pittsburg MSA increased consistently over the past 10 years with the exception of 2008 and 2009 when it declined as a result of the recent recession. In 2008, the MSA experienced a decrease in total employment of 2.4 percent and in 2009 a decrease of 1.8 percent. Total employment increased in 2010 and has continued to increase, surpassing pre-recession levels in 2012. Total employment year over year shows an increase of 4.8 percent, which is significantly higher than the nation's year over year increase of 1.7 percent.

The unemployment rate in the MSA increased significantly in 2009 and 2010 but decreased in 2011 and has continued to decrease through 2014 year to date. The current year-to-date unemployment rate is 5.4 percent, which is 200 basis points below that of the nation. Historically, in the mid-2000s the MSA had an unemployment rate that was slightly above that of the nation; however, since 2008 the unemployment rate in the MSA has been well below that of the nation. Overall, the Pittsburg MSA has been able to recover from the recent recession more quickly than the nation, which is attributed to the concentration of employment in growing industries, such as higher education and healthcare.

Wages by Occupation

The following table illustrates the wages by occupation for the Kansas Non-Metropolitan Area, which includes areas in Kansas outside of major employment centers.

2013 AREA OCCUPATIONAL EMPLOYMENT & WAGE ESTIMATES			
Occupation	Number of Employees	Median Hourly Wage	Mean Annual Wage
Total all occupations	387,270	\$16.71	\$34,770
Management Occupations	13,790	\$39.35	\$81,860
Business and Financial Operations Occupations	9,840	\$26.14	\$54,370
Computer and Mathematical Occupations	2,680	\$24.54	\$51,050
Architecture and Engineering Occupations	3,500	\$29.56	\$61,480
Life, Physical, and Social Science Occupations	2,090	\$24.86	\$51,710
Community and Social Services Occupations	5,300	\$17.54	\$36,470
Legal Occupations	1,340	\$33.96	\$70,630
Education, Training, and Library Occupations	31,080	\$18.35	\$38,160
Arts, Design, Entertainment, Sports, and Media Occupations	4,190	\$13.96	\$29,040
Healthcare Practitioners and Technical Occupations	22,220	\$27.72	\$57,650
Healthcare Support Occupations	15,340	\$11.47	\$23,870
Protective Service Occupations	7,910	\$16.12	\$33,530
Food Preparation and Serving-Related Occupations	34,210	\$9.07	\$18,870
Building and Grounds Cleaning and Maintenance Occupations	13,690	\$11.07	\$23,030
Personal Care and Service Occupations	10,540	\$10.51	\$21,850
Sales and Related Occupations	33,860	\$14.31	\$29,770
Office and Administrative Support Occupations	58,790	\$13.71	\$28,510
Farming, Fishing, and Forestry Occupations	2,270	\$14.03	\$29,170
Construction and Extraction Occupations	18,960	\$17.72	\$36,860
Installation, Maintenance, and Repair Occupations	18,650	\$19.05	\$39,630
Production Occupations	46,680	\$15.38	\$32,000
Transportation and Material Moving Occupations	30,060	\$15.00	\$31,210

Source: U.S. Bureau of Labor Statistics, Novogradac & Co LLP, April 2014

The data presented in the previous table depicts the wages in non-metropolitan Kansas. The chart shows average hourly and annual wages by employment classification. The mean hourly wage across all occupations is \$16.71, which translates to an annual wage of \$34,770. The classification with the lowest average hourly wage was food preparation at \$9.07 per hour. The highest average hourly wage of \$39.35 was in the management sector.

Cost of Living

Pittsburg has a low cost of living by most measures. For comparison purposes, we have presented the cost of living in five similar to slightly larger sized cities, or nearby cities, across the nation. The following chart shows the average cost of living for each index including food, housing, utilities, transportation along with the overall cost of living in each city, relative to the national average, which is 100.

COST OF LIVING INDEX						
	Pittsburg, KS	Burlington, IA	Texarkana, AR	Topeka, KS	Susanville, CA	Essex, VT
Population (2010 Census)	20,233	25,663	29,919	127,473	17,947	19,041
INDEX						
Food	91	95	97	95	114	108
Housing	49	49	58	58	98	172
Utilities	89	102	101	83	111	131
Transportation	95	89	96	97	109	101
Overall	82	81	84	186	107	128

Source: www.bestplaces.net, April 2014

Pittsburg has an overall cost of living that is 82 percent of the national average cost of living and is one of the lowest out of all the surveyed cities.

Crime Statistics

The following tables show data of crime statistics for the city and the Pittsburg, KS MSA as compared to the nation.

2013 CRIME RISK INDICES - PMA		
	Pittsburg, KS	Pittsburg, KS MSA
Total Crime*	105	109
Personal Crime*	49	48
Murder	9	9
Rape	113	108
Robbery	10	10
Assault	91	94
Property Crime*	148	155
Burglary	129	136
Larceny	207	222
Motor Vehicle Theft	50	46

Source: ESRI Demographics 2013, Novogradac & Company LLP, April 2014

*Unweighted aggregations

For comparison purposes, a crime index below 100 is below the national average, and a crime index above 100 is above the nation's crime index average. As indicated in the table above, total crime and property crime in the city are above that of the nation while personal crime is well below that of the nation. Comparatively, the city's total crime and property crime indices are just below that of the MSA while personal crime is just above that of the MSA.

Conclusion

Employment in Pittsburg is heavily concentrated in the health care/social assistance, education services, and retail trade sectors. These sectors combined employ slightly less than half of all workers in Pittsburg. The three major employers in the city, Pittsburg State University, Via Christi Hospital, and the local school district employ a large percentage of the local workforce. Employment levels in Pittsburg have improved since the recent recession and are above pre-recession levels while the unemployment rate has decreased and is 200 basis points below the

national average. Pittsburg's mean hourly wage is \$16.71 with the highest hourly wage of \$39.35 in the management sector and the lowest hourly wage of \$9.07 in the food preparation sector. Overall, the Pittsburg area's major employers are in more stable industries, which has led to a more rapid recovery from the recent recession.

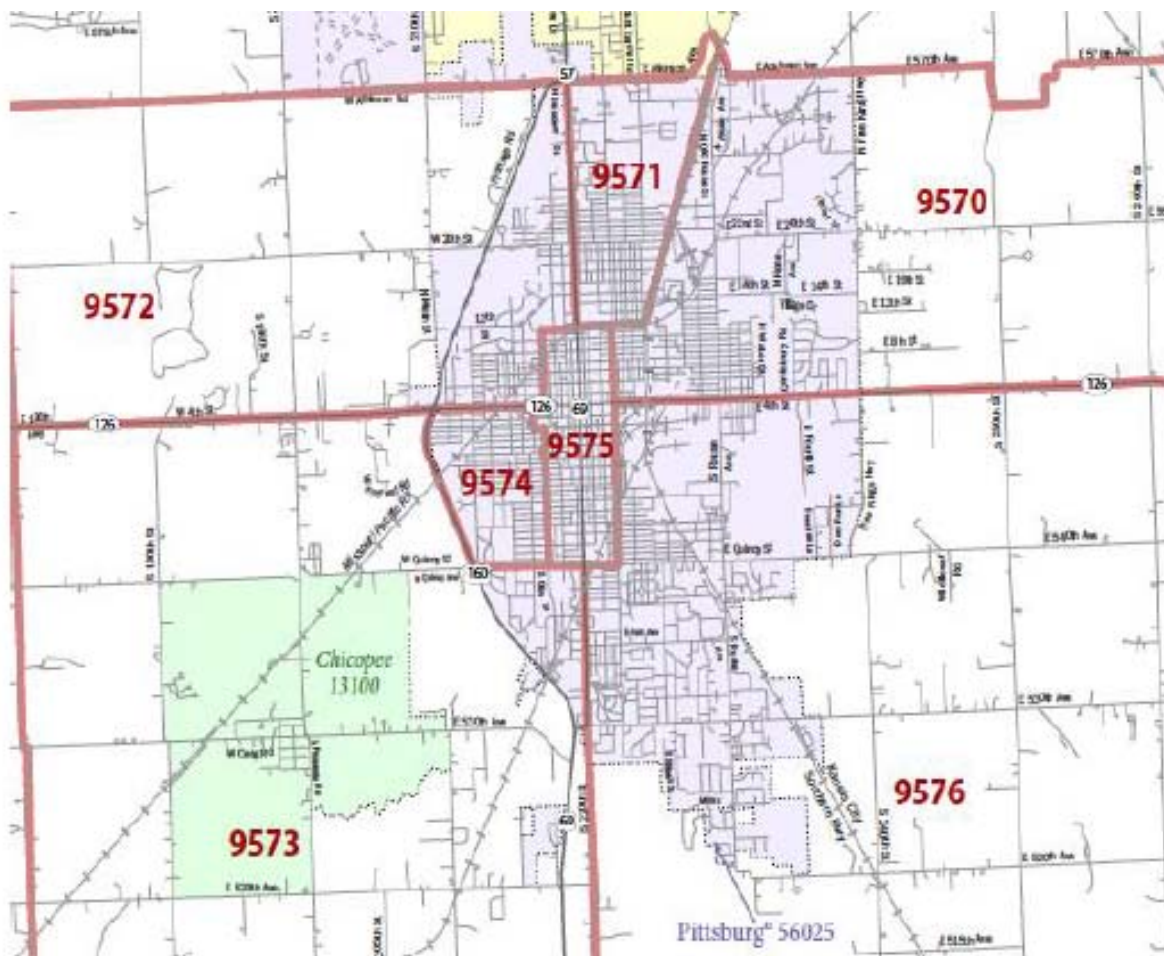
DEMOGRAPHIC ANALYSIS

DEMOGRAPHIC ANALYSIS

The following section will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine characteristics of the Primary Market Area (PMA) and Secondary Market Area (SMA) and, when available, each census tract. The discussion will also describe typical household size and will provide a picture of the health of the community and the economy. Demographic data has been obtained from ESRI Demographics and Ribbon Demographics, national proprietary data providers.

CENSUS TRACTS MAP

Based upon our conversation with personnel at the City of Pittsburg, we divided the Subject's area by each of its 2010 census tracts in order to provide further demographic detail. The following map illustrates the census tracts that comprise Pittsburg. It should be noted that there is a small portion of Census Tract 9569, where the airport is located, that contains a portion of the city of Pittsburg; however, the majority of this census tract contains the city of Frontenac, thus we have excluded it from our analysis.



POPULATION TRENDS

Due to the large student population in Pittsburg we have consulted the US Census Bureau for clarification on whether students are counted in the population. Per the US Census Bureau, “Most college students should be counted at their college address, either on campus or off campus. They should be counted at their parents’ home only if they live and sleep there most of the year.”

Total Population

The table below illustrates total population in the PMA, the MSA, and the nation in 2000, 2013 and the forecasted population in 2018.

POPULATION						
Year	Pittsburg, KS		Pittsburg, KS MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	22,675	-	38,241	-	281,421,906	-
2013	23,618	0.3%	39,646	0.3%	315,444,544	0.9%
2018	23,982	0.3%	40,488	0.4%	326,856,823	0.7%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

Population within the PMA increased from 22,675 to 23,618 from 2000 to 2013. The population is expected to increase by 0.3 percent annually from 2013 to 2018, which is below the national growth rate of 0.7 percent and slightly below the MSA’s projected growth rate. In 2018, it is estimated that the city of Pittsburg will have a population of 23,982 persons.

The below table highlights total population in each census tract in 2000, 2013 and the forecasted population in 2018.

POPULATION BY CENSUS TRACT						
Year	9570		9571		9572	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	3,099	-	2,703	-	2,158	-
2013	3,358	0.6%	2,636	-0.2%	2,234	0.3%
2018	3,402	0.3%	2,573	-0.5%	2,252	0.2%
Year	9573		9574		9575	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	3,126	-	2,181	-	2,725	-
2013	3,180	0.1%	2,190	0.0%	2,441	-0.8%
2018	3,209	0.2%	2,241	0.5%	2,531	0.7%
Year	9576					
	<i>Number</i>	<i>Annual Change</i>				
2000	6,683	-				
2013	7,579	1.0%				
2018	7,774	0.5%				

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

Census Tracts 9570, 9572, and 9573 grew slightly between 2000 and are projected to grow at a rate of 0.2 to 0.3 percent annually through 2014. Census Tract 9571, which consists of the northernmost portion of Pittsburg, experienced a population decline of 0.2 percent annually between 2000 and 2013, which is expected to continue through 2018 at a rate of 0.5 percent annually.

Census Tracts 9574, 9575, and 9576, including the southern portion of Pittsburg, and are projected to experience the highest growth rates through 2018 between 0.5 and 0.7 percent annually. Census Tract 9574 experienced flat growth between 2000 and 2013 while 9575 experienced a decline during this time period. Census Tract 9576, which includes the portion of the city that contains the University and the hospital experienced a growth rate of 1.0 percent between 2000 and 2013. Although some of the census tracts experienced declines between 2000 and 2013, all census tracts are projected to grow through 2018 with the exception of 9571.

Senior Population

The senior population in the PMA, MSA, and nation in 2000, 2013, and the forecasted population in 2018 is outlined in the below chart.

SENIOR POPULATION, 65+						
Year	Pittsburg, KS		Pittsburg, KS MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	3,112	-	5,910	-	34,991,753	-
2013	2,963	-0.4%	5,769	-0.2%	44,015,917	1.9%
2018	3,394	2.9%	6,716	3.3%	51,869,368	3.6%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

The senior population in the PMA decreased from 3,112 to 2,963 persons from 2000 to 2013 at a rate of 0.4 percent annually. This trend is projected to reverse through 2018 with fairly rapid growth of 2.9 percent annually. Similar trends are evidenced in the MSA; it experienced an annual contraction rate of 0.2 percent from 2000 to 2013 but is predicted to increase at a rate of 3.3 percent annually from 2013 to 2018, slightly below the national growth rate.

The number of seniors in each census tract is proportional to the percentage of the total population located in each census tract with Census Tract 9576 having both the greatest population and the greatest number of seniors. The below chart outlines the senior population by census tract in 2000, 2013, and the forecasted population in 2018.

SENIOR POPULATION 65+ BY CENSUS TRACT						
Year	9570		9571		9572	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	434	-	447	-	277	-
2013	471	0.6%	293	-2.6%	260	-0.5%
2018	530	2.5%	308	1.0%	304	3.4%
Year	9573		9574		9575	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	361	-	303	-	339	-
2013	351	-0.2%	246	-1.4%	227	-2.5%
2018	421	4.0%	287	3.3%	279	4.6%
Year	9576					
	<i>Number</i>	<i>Annual Change</i>				
2000	951	-				
2013	1,115	1.3%				
2018	1,265	2.7%				

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

Population by Age Group

The table below illustrates population by age group in the PMA, MSA, and nation in 2013 and the estimated population in 2018.

POPULATION BY AGE IN 2013						
Age Cohort	Pittsburg, KS		Pittsburg, KS MSA		USA	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
0-4	264	7.9%	2,465	6.2%	20,027,834	6.3%
5-9	244	7.3%	2,346	5.9%	20,305,969	6.4%
10-14	215	6.4%	2,356	5.9%	20,664,258	6.6%
15-19	205	6.1%	3,090	7.8%	21,217,478	6.7%
20-24	256	7.6%	4,871	12.3%	22,842,251	7.2%
25-29	310	9.2%	3,079	7.8%	21,494,659	6.8%
30-34	241	7.2%	2,405	6.1%	21,041,804	6.7%
35-39	196	5.8%	2,054	5.2%	19,423,837	6.2%
40-44	199	5.9%	2,088	5.3%	20,789,809	6.6%
45-49	189	5.6%	2,157	5.4%	21,274,128	6.7%
50-54	204	6.1%	2,457	6.2%	22,615,522	7.2%
55-59	183	5.4%	2,346	5.9%	21,155,463	6.7%
60-64	181	5.4%	2,163	5.5%	18,575,616	5.9%
65-69	139	4.1%	1,722	4.3%	14,286,322	4.5%
70-74	103	3.1%	1,295	3.3%	10,422,155	3.3%
75-79	97	2.9%	977	2.5%	7,612,501	2.4%
80-84	66	2.0%	747	1.9%	5,754,938	1.8%
85+	66	2.0%	1,028	2.6%	5,940,001	1.9%
Total	3,358	100.0%	39,646	100.0%	315,444,545	100.0%
POPULATION BY AGE IN 2018 ESTIMATE						
Age Cohort	Pittsburg, KS		Pittsburg, KS MSA		USA	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
0-4	267	7.8%	2,540	6.3%	20,844,177	6.4%
5-9	253	7.4%	2,290	5.7%	20,476,196	6.3%
10-14	237	7.0%	2,293	5.7%	21,138,376	6.5%
15-19	192	5.6%	3,059	7.6%	21,117,210	6.5%
20-24	182	5.3%	4,419	10.9%	21,581,852	6.6%
25-29	259	7.6%	2,996	7.4%	22,866,545	7.0%
30-34	302	8.9%	2,721	6.7%	21,844,398	6.7%
35-39	235	6.9%	2,307	5.7%	21,491,598	6.6%
40-44	189	5.6%	1,994	4.9%	19,575,771	6.0%
45-49	197	5.8%	2,112	5.2%	20,709,373	6.3%
50-54	186	5.5%	2,280	5.6%	20,974,782	6.4%
55-59	198	5.8%	2,452	6.1%	22,032,619	6.7%
60-64	175	5.1%	2,309	5.7%	20,334,555	6.2%
65-69	165	4.9%	2,065	5.1%	17,334,032	5.3%
70-74	131	3.9%	1,651	4.1%	13,116,028	4.0%
75-79	88	2.6%	1,179	2.9%	9,042,238	2.8%
80+	75	2.2%	800	2.0%	5,990,621	1.8%
Total	71	2.1%	1,021	2.5%	6,386,449	2.0%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

As shown in the previous table, in 2013, population in the PMA was greatest in the 25 to 29 and zero to 4 year age cohorts. Comparatively, within the MSA the largest age cohort in 2013 was the 20 to 24 year age cohort. In the MSA in 2018, the largest age cohort will continue to be the 20 to 24 year age cohort.

HOUSEHOLD TRENDS

Total Number of Households

The table below illustrates the total number of households in the PMA, MSA, and the nation.

HOUSEHOLDS						
Year	Pittsburg, KS		Pittsburg, KS MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	9,406	-	15,651	-	105,991,193	-
2013	9,464	0.0%	15,918	0.1%	119,423,008	1.0%
2018	9,602	0.3%	16,243	0.4%	123,926,744	0.8%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

Within the PMA, the number of households increased slightly from 9,406 households in 2000 to 9,464 households in 2013. This increasing trend is forecasted to continue at a faster annual growth rate, 0.3 percent, through 2018. The number of households in the MSA is also exhibiting an increasing trend. Households increased 0.1 percent annually from 2000 to 2013 and will continue to increase by 0.4 percent annually through 2018, which is faster than its current growth rate. The annual growth rates in the PMA and MSA through 2018 are less than national growth projections.

The table below illustrates the total number of households in each census tract.

HOUSEHOLDS BY CENSUS TRACT						
Year	9570		9571		9572	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	1,306	-	933	-	277	-
2013	1,322	0.1%	921	-0.1%	260	-0.5%
2018	1,334	0.2%	928	0.2%	304	3.4%
Year	9573		9574		9575	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	1,411	-	921	-	1,320	-
2013	1,368	-0.2%	886	-0.3%	1,118	-1.2%
2018	1,376	0.1%	901	0.3%	1,163	0.8%
Year	9576					
	<i>Number</i>	<i>Annual Change</i>				
2000	2,401	-				
2013	2,812	1.3%				
2018	2,891	0.6%				

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

Census Tract 9576 has the greatest number of households at 2,812, and the number of households is predicted to increase by 0.6 percent annually over the next several years. Although Census Tract 9572 has the fewest number of households, it is predicted to experience the fastest annual growth rate, at 3.4 percent through 2018. Census Tract 9573 is predicted to experience the slowest growth rate through 2018, growing just 0.1 percent annually.

Total Number of Senior Households

The table below illustrates the total number of senior households in the PMA, MSA, and nation.

SENIOR HOUSEHOLDS, 65+						
Year	Pittsburg, KS		Pittsburg, KS MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	-	-	-	-	-	-
2013	1,918	-	3,709	-	27,872,471	-
2018	2,046	1.3%	4,043	1.8%	32,343,780	3.2%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

The number of senior households is predicted to grow at a rate of 1.3 percent annually from 2013 to 2018. The MSA is predicted to grow at a faster rate, 1.8 percent, from 2013 to 2018. The growth rates for both the PMA and MSA are well below that of the nation.

The following illustrates the total number of senior households by census tract.

SENIOR HOUSEHOLDS 65+ BY CENSUS TRACT						
Year	9570		9571		9572	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	-	-	-	-	-	-
2013	313	-	214	-	190	-
2018	333	1.3%	206	-0.8%	206	1.7%
Year	9573		9574		9575	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	-	-	-	-	-	-
2013	235	-	162	-	166	-
2018	265	2.6%	176	1.8%	186	2.4%
Year	9576					
	<i>Number</i>	<i>Annual Change</i>				
2000	-	-				
2013	638	-				
2018	671	1.0%				

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

The number of senior households is projected to grow most rapidly in Census Tract 9573, which has 235 senior households. Census Tract 9571 is predicted to decrease at a rate of 0.8 percent annually. Census Tracts 9476 is projected to increase the most slowly among those census tracts that are projected to grow.

Average Household Size

The table below illustrates average household size.

AVERAGE HOUSEHOLD SIZE						
Year	Pittsburg, KS		Pittsburg, KS MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	2.26	-	2.33	-	2.58	-
2013	2.34	0.3%	2.38	0.2%	2.57	0.0%
2018	2.35	0.0%	2.38	0.0%	2.57	0.0%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

As illustrated in the table above, average household size within the PMA increased from 2.26 persons in 2000 to 2.34 persons in 2013. In 2018, the average household size is projected to be 2.35 persons and continue to increase slightly. The average household size in the MSA is larger than the PMA. In 2013, the average household size for the MSA was 2.38 persons; the average household size is predicted to stay the same through 2018. The average household sizes in both the PMA and MSA are smaller than the national average household size of 2.57 persons.

Households by Number of Persons in the Household

The following tables show household sizes for all households in the PMA and MSA.

CITY OF PITTSBURG, KS HOUSEHOLD SIZE DISTRIBUTION						
Household Size	2000		2013		2018	
	Total Households	Percent	Total Households	Percent	Total Households	Percent
1 person	3,014	32.0%	3,001	31.7%	3,062	31.9%
2 persons	3,340	35.5%	3,219	34.0%	3,239	33.7%
3 persons	1,466	15.6%	1,538	16.3%	1,569	16.3%
4 persons	927	9.9%	954	10.1%	963	10.0%
5+ persons	659	7.0%	752	7.9%	769	8.0%
Total	9,406	100.0%	9,464	100.0%	9,602	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

PITTSBURG, KS MSA HOUSEHOLD SIZE DISTRIBUTION						
Household Size	2000		2013		2018	
	Total Households	Percent	Total Households	Percent	Total Households	Percent
1 person	4,751	30.4%	4,802	30.2%	4,905	30.2%
2 persons	5,501	35.1%	5,494	34.5%	5,565	34.3%
3 persons	2,398	15.3%	2,542	16.0%	2,612	16.1%
4 persons	1,787	11.4%	1,738	10.9%	1,769	10.9%
5+ persons	1,213	7.8%	1,342	8.4%	1,391	8.6%
Total	15,651	100.0%	15,918	100.0%	16,243	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

One and two-person households represent the largest groups of households in the PMA, similar to the MSA. In the PMA, two-person households are the most prevalent, accounting for 34.0 percent of all households whereas in the MSA, two-person households are also the most prevalent, accounting for 34.5 percent of all households. The MSA also has similar percentages of three, four, and five person households compared to the PMA.

Renter Households by Number of Persons in the Household

The following tables show household size by renter tenure.

CITY OF PITTSBURG, KS RENTER HOUSEHOLD SIZE DISTRIBUTION						
Household Size	2000		2013		2018	
	Total Renter Households	Percent	Total Renter Households	Percent	Total Renter Households	Percent
1 person	1,638	38.1%	1,839	37.7%	1,885	38.0%
2 persons	1,419	33.0%	1,464	30.0%	1,474	29.7%
3 persons	674	15.7%	807	16.5%	822	16.6%
4 persons	290	6.8%	428	8.8%	430	8.7%
5+ persons	280	6.5%	345	7.1%	349	7.0%
Total	4,300	100.0%	4,883	100.0%	4,960	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

PITTSBURG, KS MSA RENTER HOUSEHOLD SIZE DISTRIBUTION						
Household Size	2000		2013		2018	
	Total Renter Households	Percent	Total Renter Households	Percent	Total Renter Households	Percent
1 person	2,111	37.2%	2,517	38.4%	2,574	38.6%
2 persons	1,820	32.1%	1,885	28.8%	1,900	28.5%
3 persons	906	16.0%	1,061	16.2%	1,083	16.3%
4 persons	444	7.8%	588	9.0%	594	8.9%
5+ persons	387	6.8%	497	7.6%	508	7.6%
Total	5,668	100.0%	6,549	100.0%	6,659	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

The largest group of renters in both the PMA and MSA is one-person households. One-person households account for 37.7 percent of renters in the PMA and 38.4 percent of renters in the MSA. Two-person households account for 30.0 percent of renters in the PMA and 28.8 percent in the MSA. Similar to the total number of households, renter household distribution is very similar in both the PMA and MSA.

INCOME TRENDS

Median Household Income Levels

The table below illustrates the median household income in the PMA, MSA, and the nation from 2000 through 2018.

MEDIAN HOUSEHOLD INCOME						
Year	Pittsburg, KS		Pittsburg, KS MSA		USA	
	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>
2000	\$26,962	-	\$29,430	-	\$42,164	-
2013	\$33,096	1.7%	\$36,986	1.9%	\$51,321	1.6%
2018	\$38,203	3.1%	\$43,320	3.4%	\$59,597	3.2%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

As indicated, the median household income for the general population is lower in the PMA compared to the MSA. The median income in the MSA is 11.8 percent higher than in the PMA; however, both median household incomes are predicted to increase at similar rates through 2018. Although the median household income in the MSA is predicted to increase at a slightly faster rate than the national rate, the median income for both areas is projected to remain below the national median household income.

MEDIAN HOUSEHOLD INCOME BY CENSUS TRACT						
Year	9570		9571		9572	
	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>
2000	\$33,826	-	\$22,973	-	\$29,146	-
2013	\$41,669	1.7%	\$31,419	2.8%	\$27,990	-0.3%
2018	\$48,560	3.3%	\$35,262	2.4%	\$31,238	2.3%
Year	9573		9574		9575	
	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>	<i>Amount</i>	<i>Annual Change</i>
2000	\$29,934	-	\$33,802	-	\$18,122	-
2013	\$34,111	1.1%	\$44,535	2.4%	\$21,249	1.3%
2018	\$40,857	4.0%	\$50,092	2.5%	\$23,800	2.4%
Year	9576					
	<i>Amount</i>	<i>Annual Change</i>				
2000	\$29,555	-				
2013	\$35,113	1.4%				
2018	\$43,647	4.9%				

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

Census Tracts 9572 and 9575 have the lowest median incomes, below those of the PMA overall while Census Tracts 9570 and 9574 have the highest median incomes that are well above that of the PMA. The median incomes in Census Tracts 9573 and 9576 are projected to increase the most rapidly through 2018, at annual rates of 4.0 and 4.9 percent respectively.

Household Income Distribution

The following tables illustrate household income distribution of the general population in 2013 and 2018 for the PMA and the MSA.

CITY OF PITTSBURG, KS HOUSEHOLD INCOME PMA				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	1,039	11.0%	985	10.3%
\$10,000-19,999	1,839	19.4%	1,718	17.9%
\$20,000-29,999	1,416	15.0%	1,374	14.3%
\$30,000-39,999	1,165	12.3%	1,156	12.0%
\$40,000-49,999	1,030	10.9%	1,039	10.8%
\$50,000-59,999	508	5.4%	579	6.0%
\$60,000-74,999	768	8.1%	733	7.6%
\$75,000-99,999	703	7.4%	770	8.0%
\$100,000-124,999	551	5.8%	614	6.4%
\$125,000-149,999	235	2.5%	353	3.7%
\$150,000-199,999	90	1.0%	130	1.4%
\$200,000+	120	1.3%	153	1.6%
Total	9,464	100.0%	9,602	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, 672010

PITTSBURG, KS MSA HOUSEHOLD INCOME MSA				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	1,613	10.1%	1,534	9.4%
\$10,000-19,999	2,870	18.0%	2,691	16.6%
\$20,000-29,999	2,338	14.7%	2,271	14.0%
\$30,000-39,999	2,019	12.7%	2,010	12.4%
\$40,000-49,999	1,721	10.8%	1,745	10.7%
\$50,000-59,999	970	6.1%	1,111	6.8%
\$60,000-74,999	1,447	9.1%	1,387	8.5%
\$75,000-99,999	1,390	8.7%	1,535	9.5%
\$100,000-124,999	855	5.4%	962	5.9%
\$125,000-149,999	318	2.0%	484	3.0%
\$150,000-199,999	187	1.2%	270	1.7%
\$200,000+	188	1.2%	244	1.5%
Total	15,918	100.0%	16,243	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

The largest income cohorts in the PMA are the \$10,000 to \$19,999 and \$20,000 to \$29,999 cohorts. These two cohorts represent 34.4 percent of the household population. The largest income cohorts in the MSA are also the \$10,000 to \$19,999 and \$20,000 to \$29,999 income groups. Between 2013 and 2018, both the PMA and MSA are predicted to gain households in the upper income ranges and lose households in the lower income ranges.

The following tables illustrate household income distribution of the general population in 2013 and 2018 for each census tract.

HOUSEHOLD INCOME - CENSUS TRACT 9570				
9570				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	84	6.3%	78	5.9%
\$10,000-19,999	257	19.4%	235	17.6%
\$20,000-29,999	167	12.6%	162	12.1%
\$30,000-39,999	141	10.6%	139	10.4%
\$40,000-49,999	163	12.3%	163	12.2%
\$50,000-59,999	64	4.8%	72	5.4%
\$60,000-74,999	131	9.9%	124	9.3%
\$75,000-99,999	146	11.0%	157	11.8%
\$100,000-124,999	111	8.4%	122	9.1%
\$125,000-149,999	17	1.3%	26	2.0%
\$150,000-199,999	26	1.9%	36	2.7%
\$200,000+	17	1.3%	20	1.5%
Total	1,322	100.0%	1,334	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

HOUSEHOLD INCOME - CENSUS TRACT 9571				
9571				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	157	15.1%	143	14.2%
\$10,000-19,999	191	18.5%	176	17.5%
\$20,000-29,999	150	14.4%	139	13.8%
\$30,000-39,999	132	12.7%	127	12.6%
\$40,000-49,999	112	10.8%	111	11.0%
\$50,000-59,999	60	5.8%	68	6.8%
\$60,000-74,999	99	9.6%	93	9.2%
\$75,000-99,999	77	7.4%	84	8.4%
\$100,000-124,999	52	5.0%	58	5.8%
\$125,000-149,999	2	0.2%	2	0.2%
\$150,000-199,999	2	0.2%	3	0.3%
\$200,000+	4	0.4%	5	0.5%
Total	1,037	100.0%	1,009	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

HOUSEHOLD INCOME - CENSUS TRACT 9572				
9572				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	75	8.1%	70	7.6%
\$10,000-19,999	149	16.2%	138	14.9%
\$20,000-29,999	202	21.9%	200	21.5%
\$30,000-39,999	153	16.6%	153	16.5%
\$40,000-49,999	82	9.0%	82	8.8%
\$50,000-59,999	38	4.1%	44	4.7%
\$60,000-74,999	85	9.2%	82	8.9%
\$75,000-99,999	75	8.2%	83	9.0%
\$100,000-124,999	40	4.3%	45	4.8%
\$125,000-149,999	9	0.9%	13	1.4%
\$150,000-199,999	6	0.6%	9	0.9%
\$200,000+	7	0.8%	9	1.0%
Total	921	100.0%	928	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

HOUSEHOLD INCOME - CENSUS TRACT 9573				
9573				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	152	11.1%	142	10.3%
\$10,000-19,999	265	19.4%	240	17.4%
\$20,000-29,999	231	16.9%	222	16.2%
\$30,000-39,999	138	10.1%	137	9.9%
\$40,000-49,999	160	11.7%	159	11.6%
\$50,000-59,999	67	4.9%	75	5.5%
\$60,000-74,999	137	10.0%	130	9.4%
\$75,000-99,999	70	5.1%	77	5.6%
\$100,000-124,999	64	4.7%	71	5.2%
\$125,000-149,999	48	3.5%	74	5.4%
\$150,000-199,999	15	1.1%	21	1.5%
\$200,000+	21	1.5%	27	1.9%
Total	1,368	100.0%	1,376	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

HOUSEHOLD INCOME - CENSUS TRACT 9574				
9574				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	39	4.4%	37	4.2%
\$10,000-19,999	148	16.7%	137	15.2%
\$20,000-29,999	150	16.9%	145	16.1%
\$30,000-39,999	129	14.5%	130	14.4%
\$40,000-49,999	135	15.3%	135	15.0%
\$50,000-59,999	64	7.3%	73	8.1%
\$60,000-74,999	89	10.0%	86	9.5%
\$75,000-99,999	50	5.7%	55	6.1%
\$100,000-124,999	55	6.2%	61	6.8%
\$125,000-149,999	19	2.1%	29	3.3%
\$150,000-199,999	5	0.6%	7	0.8%
\$200,000+	2	0.2%	4	0.5%
Total	886	100.0%	901	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

HOUSEHOLD INCOME - CENSUS TRACT 9575				
9575				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	168	15.0%	168	14.4%
\$10,000-19,999	315	28.2%	311	26.8%
\$20,000-29,999	208	18.6%	213	18.3%
\$30,000-39,999	135	12.0%	140	12.1%
\$40,000-49,999	114	10.2%	122	10.5%
\$50,000-59,999	51	4.5%	59	5.1%
\$60,000-74,999	45	4.0%	47	4.0%
\$75,000-99,999	30	2.7%	35	3.0%
\$100,000-124,999	37	3.3%	45	3.9%
\$125,000-149,999	5	0.4%	8	0.7%
\$150,000-199,999	7	0.7%	11	0.9%
\$200,000+	3	0.3%	3	0.3%
Total	1,118	100.0%	1,163	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

HOUSEHOLD INCOME - CENSUS TRACT 9576				
9576				
Income Cohort	2013		2018	
	Number	Percentage	Number	Percentage
\$0-9,999	360	12.8%	339	11.7%
\$10,000-19,999	512	18.2%	478	16.5%
\$20,000-29,999	309	11.0%	294	10.2%
\$30,000-39,999	342	12.1%	335	11.6%
\$40,000-49,999	264	9.4%	268	9.3%
\$50,000-59,999	163	5.8%	185	6.4%
\$60,000-74,999	184	6.5%	173	6.0%
\$75,000-99,999	254	9.0%	276	9.6%
\$100,000-124,999	192	6.8%	210	7.3%
\$125,000-149,999	136	4.8%	203	7.0%
\$150,000-199,999	29	1.0%	43	1.5%
\$200,000+	68	2.4%	86	3.0%
Total	2,812	100.0%	2,891	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

The census tracts with the highest percentage of households earning less than \$30,000 were Census Tracts 9571, 9573, and 9575 with 48.0, 47.4, and 61.8 percent of households respectively earning less than \$30,000.

Senior Household Income Distribution

The following tables illustrate household income distribution of the senior population in 2013 and 2018 for the PMA and the MSA.

SENIOR HOUSEHOLD INCOME PMA, 65+				
Pittsburg, KS				
Income Cohort	2013		2018	
	Number	Percentage	Number	Percentage
\$0-9,999	100	5.2%	103	5.0%
\$10,000-19,999	554	28.9%	531	25.9%
\$20,000-29,999	315	16.4%	322	15.8%
\$30,000-39,999	212	11.1%	224	11.0%
\$40,000-49,999	183	9.5%	188	9.2%
\$50,000-59,999	109	5.7%	129	6.3%
\$60,000-74,999	162	8.4%	165	8.1%
\$75,000-99,999	101	5.3%	136	6.7%
\$100,000-124,999	71	3.7%	96	4.7%
\$125,000-149,999	42	2.2%	56	2.8%
\$150,000-199,999	27	1.4%	40	1.9%
\$200,000+	43	2.3%	53	2.6%
Total	1,918	100.0%	2,046	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

SENIOR HOUSEHOLD INCOME MSA, 65+				
Pittsburg, KS MSA				
Income Cohort	2013		2018	
	Number	Percentage	Number	Percentage
\$0-9,999	276	7.4%	284	7.0%
\$10,000-19,999	1,016	27.4%	990	24.5%
\$20,000-29,999	664	17.9%	684	16.9%
\$30,000-39,999	460	12.4%	514	12.7%
\$40,000-49,999	328	8.8%	367	9.1%
\$50,000-59,999	199	5.4%	252	6.2%
\$60,000-74,999	298	8.0%	305	7.5%
\$75,000-99,999	179	4.8%	262	6.5%
\$100,000-124,999	122	3.3%	150	3.7%
\$125,000-149,999	59	1.6%	84	2.1%
\$150,000-199,999	39	1.1%	63	1.6%
\$200,000+	70	1.9%	88	2.2%
Total	3,709	100.0%	4,043	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

The largest income cohorts in the PMA are the \$10,000 to \$19,999 \$20,000 to \$29,999 income cohorts. These two cohorts represent 45.3 percent of the senior household population. Senior households that earn over \$50,000 is limited to 28.9 percent of the PMA's senior population. The largest income cohorts in the MSA are also the \$10,000 to \$19,999 and \$20,000 to \$29,999 categories. In both the PMA and MSA, these two cohorts are predicted to remain the largest in 2018. The following tables illustrate the senior household incomes for each census tract.

SENIOR HOUSEHOLD INCOME 65+ - CENSUS TRACT 9570				
9570				
Income Cohort	2013		2018	
	Number	Percentage	Number	Percentage
\$0-9,999	14	4.4%	13	3.8%
\$10,000-19,999	91	29.2%	83	24.9%
\$20,000-29,999	49	15.8%	49	14.7%
\$30,000-39,999	37	11.8%	37	11.3%
\$40,000-49,999	26	8.2%	34	10.3%
\$50,000-59,999	16	5.0%	18	5.3%
\$60,000-74,999	38	12.1%	35	10.5%
\$75,000-99,999	16	5.2%	27	8.0%
\$100,000-124,999	6	2.0%	13	4.0%
\$125,000-149,999	1	0.3%	1	0.3%
\$150,000-199,999	10	3.4%	13	3.8%
\$200,000+	8	2.6%	11	3.2%
Total	313	100.0%	333	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

SENIOR HOUSEHOLD INCOME 65+ - CENSUS TRACT 9571				
9571				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	34	15.9%	32	15.7%
\$10,000-19,999	68	31.6%	61	29.8%
\$20,000-29,999	41	19.2%	37	18.0%
\$30,000-39,999	23	10.8%	23	11.3%
\$40,000-49,999	15	7.2%	19	9.4%
\$50,000-59,999	2	0.9%	4	1.8%
\$60,000-74,999	18	8.2%	14	6.6%
\$75,000-99,999	11	5.3%	12	6.1%
\$100,000-124,999	1	0.4%	2	0.9%
\$125,000-149,999	0	0.0%	0	0.0%
\$150,000-199,999	0	0.0%	0	0.0%
\$200,000+	1	0.4%	1	0.4%
Total	214	100.0%	206	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

SENIOR HOUSEHOLD INCOME 65+ - CENSUS TRACT 9572				
9572				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	13	7.1%	15	7.2%
\$10,000-19,999	60	31.4%	58	28.2%
\$20,000-29,999	50	26.2%	48	23.5%
\$30,000-39,999	18	9.5%	31	15.0%
\$40,000-49,999	14	7.1%	8	4.1%
\$50,000-59,999	2	1.0%	8	3.7%
\$60,000-74,999	14	7.6%	12	6.0%
\$75,000-99,999	6	3.0%	10	4.8%
\$100,000-124,999	9	4.6%	8	3.8%
\$125,000-149,999	2	1.0%	3	1.4%
\$150,000-199,999	0	0.0%	1	0.5%
\$200,000+	3	1.5%	4	1.8%
Total	190	100.0%	206	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

SENIOR HOUSEHOLD INCOME 65+ - CENSUS TRACT 9573				
9573				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	11	4.6%	12	4.5%
\$10,000-19,999	66	27.9%	66	24.9%
\$20,000-29,999	47	20.0%	55	20.8%
\$30,000-39,999	19	7.9%	23	8.5%
\$40,000-49,999	26	11.1%	24	9.1%
\$50,000-59,999	16	6.7%	17	6.4%
\$60,000-74,999	19	8.0%	26	9.7%
\$75,000-99,999	8	3.4%	11	4.1%
\$100,000-124,999	9	3.8%	10	3.8%
\$125,000-149,999	6	2.5%	10	3.7%
\$150,000-199,999	2	0.9%	3	1.1%
\$200,000+	8	3.3%	9	3.4%
Total	235	100.0%	265	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

SENIOR HOUSEHOLD INCOME 65+ - CENSUS TRACT 9574				
9574				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	2	1.2%	2	1.2%
\$10,000-19,999	25	15.7%	30	16.9%
\$20,000-29,999	27	16.9%	23	13.3%
\$30,000-39,999	15	9.4%	18	10.4%
\$40,000-49,999	35	21.9%	26	14.5%
\$50,000-59,999	18	11.3%	26	14.5%
\$60,000-74,999	13	8.1%	15	8.6%
\$75,000-99,999	5	3.1%	7	4.0%
\$100,000-124,999	13	8.0%	16	9.1%
\$125,000-149,999	5	3.1%	7	4.1%
\$150,000-199,999	2	1.2%	5	2.8%
\$200,000+	0	0.0%	1	0.6%
Total	162	100.0%	176	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

SENIOR HOUSEHOLD INCOME 65+ - CENSUS TRACT 9575				
9575				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	7	4.2%	9	4.9%
\$10,000-19,999	69	41.4%	71	38.4%
\$20,000-29,999	30	17.8%	30	16.2%
\$30,000-39,999	16	9.8%	21	11.0%
\$40,000-49,999	13	7.9%	14	7.4%
\$50,000-59,999	8	4.6%	12	6.5%
\$60,000-74,999	8	4.6%	9	4.8%
\$75,000-99,999	2	1.2%	3	1.5%
\$100,000-124,999	7	4.1%	8	4.2%
\$125,000-149,999	2	1.1%	1	0.6%
\$150,000-199,999	5	3.3%	8	4.4%
\$200,000+	0	0.0%	0	0.0%
Total	166	100.0%	186	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

SENIOR HOUSEHOLD INCOME 65+ - CENSUS TRACT 9576				
9576				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	18	2.8%	18	2.7%
\$10,000-19,999	175	27.4%	161	23.9%
\$20,000-29,999	70	11.0%	78	11.6%
\$30,000-39,999	84	13.2%	72	10.7%
\$40,000-49,999	54	8.5%	62	9.3%
\$50,000-59,999	49	7.6%	47	6.9%
\$60,000-74,999	52	8.2%	54	8.1%
\$75,000-99,999	52	8.2%	66	9.9%
\$100,000-124,999	27	4.2%	40	6.0%
\$125,000-149,999	26	4.1%	35	5.3%
\$150,000-199,999	7	1.0%	10	1.5%
\$200,000+	24	3.7%	28	4.2%
Total	638	100.0%	671	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

The census tracts with the highest percentage of seniors earning less than \$30,000 were Census Tracts 9571, 9572, and 9575 with 66.7, 64.7, and 63.4 percent of seniors respectively earning less than \$30,000.

Renter Household Income Distribution

The following table illustrates the household income distribution for renter households in the PMA. ESRI data indicates during 2013, of the total occupied housing units in the PMA, 4,883 are renter households and 4,581 are owner-occupied households. Renter households therefore represent 51.6 percent of the occupied housing units in the PMA.

RENTER HOUSEHOLD INCOME PMA						
Pittsburg, KS						
Income Cohort	2013		2018		Annual Change 2013 to 2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	834	17.1%	801	16.1%	-7	-0.8%
\$10,000-19,999	1,316	27.0%	1,257	25.3%	-12	-0.9%
\$20,000-29,999	920	18.8%	896	18.1%	-5	-0.5%
\$30,000-39,999	679	13.9%	705	14.2%	5	0.8%
\$40,000-49,999	477	9.8%	511	10.3%	7	1.4%
\$50,000-59,999	184	3.8%	223	4.5%	8	4.2%
\$60,000-74,999	150	3.1%	153	3.1%	1	0.4%
\$75,000-99,999	116	2.4%	124	2.5%	2	1.3%
\$100,000-124,999	94	1.9%	111	2.2%	3	3.7%
\$125,000-149,999	35	0.7%	60	1.2%	5	14.3%
\$150,000-199,999	26	0.5%	42	0.8%	3	11.8%
\$200,000+	52	1.1%	79	1.6%	5	10.4%
Total	4,883	100.0%	4,960	100.0%		

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

Compared to the overall household income distribution, there is a greater percentage of renters in the lower income cohorts, and the \$10,000 to \$19,999 and \$20,000 to \$29,999 income cohorts represent the largest number of renters. The following tables illustrate the renter household income distribution by census tracts.

RENTER HOUSEHOLD INCOME BY CENSUS TRACT - 2013						
Income Cohort	9570		9571		9572	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	36	7.2%	140	26.7%	36	8.9%
\$10,000-19,999	142	28.8%	140	26.7%	95	23.4%
\$20,000-29,999	61	12.4%	103	19.8%	107	26.3%
\$30,000-39,999	41	8.3%	62	11.8%	66	16.1%
\$40,000-49,999	85	17.2%	27	5.2%	22	5.4%
\$50,000-59,999	12	2.4%	22	4.3%	15	3.8%
\$60,000-74,999	38	7.6%	11	2.1%	42	10.2%
\$75,000-99,999	42	8.5%	7	1.4%	18	4.3%
\$100,000-124,999	18	3.7%	7	1.4%	2	0.5%
\$125,000-149,999	4	0.9%	1	0.2%	1	0.3%
\$150,000-199,999	9	1.7%	1	0.2%	1	0.3%
\$200,000+	5	1.1%	1	0.2%	2	0.5%
Total	493	100.0%	522	100.0%	407	100.0%
Income Cohort	9573		9574		9575	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>		<i>Number</i>	<i>Percentage</i>
\$0-9,999	121	17.2%	15	4.7%	145	17.3%
\$10,000-19,999	191	27.1%	77	24.1%	258	30.6%
\$20,000-29,999	159	22.5%	72	22.4%	162	19.2%
\$30,000-39,999	56	8.0%	45	14.0%	102	12.1%
\$40,000-49,999	74	10.5%	55	17.1%	88	10.4%
\$50,000-59,999	46	6.5%	12	3.7%	22	2.6%
\$60,000-74,999	14	1.9%	14	4.3%	24	2.8%
\$75,000-99,999	9	1.3%	16	5.0%	5	0.6%
\$100,000-124,999	13	1.8%	7	2.3%	32	3.8%
\$125,000-149,999	5	0.7%	4	1.3%	2	0.2%
\$150,000-199,999	10	1.5%	1	0.3%	2	0.2%
\$200,000+	6	0.9%	2	0.7%	1	0.1%
Total	705	100.0%	320	100.0%	843	100.0%
Income Cohort	9576					
\$0-9,999	336	21.1%				
\$10,000-19,999	412	25.9%				
\$20,000-29,999	256	16.0%				
\$30,000-39,999	309	19.4%				
\$40,000-49,999	128	8.0%				
\$50,000-59,999	55	3.5%				
\$60,000-74,999	10	0.6%				
\$75,000-99,999	20	1.3%				
\$100,000-124,999	14	0.9%				
\$125,000-149,999	17	1.1%				
\$150,000-199,999	2	0.1%				
\$200,000+	34	2.1%				
Total	1,593	100.0%				

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

Renters across all census tracts are heavily concentrated in the \$0 to \$29,999 income cohorts. Census Tracts 9570 and 9574 have the highest percentage of renters with incomes above \$50,000. The below table illustrates the renter household income of seniors in the PMA.

RENTER HOUSEHOLD INCOME OF SENIORS 65+ - PMA				
Income Cohort	2013		2018	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	51	7.1%	60	7.7%
\$10,000-19,999	242	34.0%	243	31.2%
\$20,000-29,999	139	19.5%	142	18.3%
\$30,000-39,999	93	13.0%	100	12.9%
\$40,000-49,999	50	7.0%	53	6.9%
\$50,000-59,999	30	4.1%	37	4.7%
\$60,000-74,999	42	5.9%	47	6.1%
\$75,000-99,999	21	3.0%	21	2.7%
\$100,000-124,999	22	3.1%	35	4.4%
\$125,000-149,999	12	1.6%	20	2.6%
\$150,000-199,999	3	0.4%	12	1.5%
\$200,000+	8	1.2%	8	1.1%
Total	712	100.0%	778	100.0%

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

The lowest income cohorts are the \$10,000 to \$19,999 and \$20,000 to \$29,999 cohorts. Approximately 60.6 percent of senior renter households earn less than \$30,000 annually. The following table illustrates senior renter household incomes by census tract.

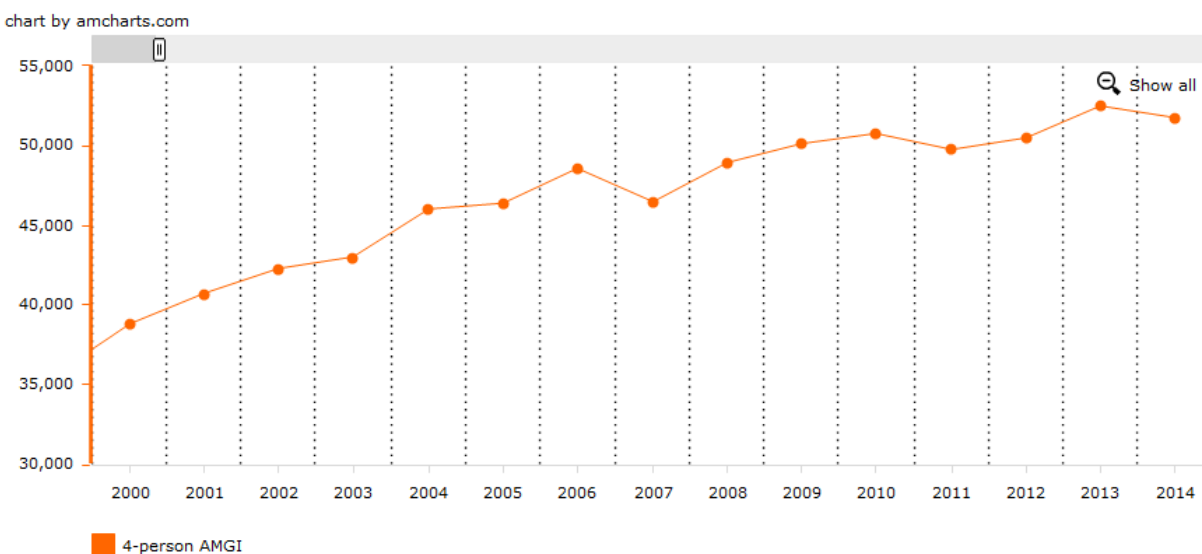
SENIOR RENTER, 65+ HOUSEHOLD INCOME BY CENSUS TRACT - 2013						
Income Cohort	9570		9571		9572	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	4	4.0%	21	20.2%	1	3.4%
\$10,000-19,999	23	21.2%	32	30.8%	14	44.8%
\$20,000-29,999	18	17.2%	28	26.9%	11	34.5%
\$30,000-39,999	9	8.1%	5	4.8%	0	0.0%
\$40,000-49,999	10	9.1%	9	8.7%	2	6.9%
\$50,000-59,999	4	4.0%	1	1.0%	0	0.0%
\$60,000-74,999	25	23.2%	3	2.9%	1	3.4%
\$75,000-99,999	3	3.0%	5	4.8%	0	0.0%
\$100,000-124,999	5	5.1%	0	0.0%	2	6.9%
\$125,000-149,999	0	0.0%	0	0.0%	0	0.0%
\$150,000-199,999	1	1.0%	0	0.0%	0	0.0%
\$200,000+	4	4.0%	0	0.0%	0	0.0%
Total	107	100.0%	105	100.0%	32	100.0%
Income Cohort	9573		9574		9575	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>		<i>Number</i>	<i>Percentage</i>
\$0-9,999	3	4.9%	0	0.0%	5	6.8%
\$10,000-19,999	6	9.8%	12	18.6%	35	46.6%
\$20,000-29,999	25	39.3%	12	18.6%	12	16.4%
\$30,000-39,999	5	8.2%	6	10.2%	7	9.6%
\$40,000-49,999	2	3.3%	15	23.7%	3	4.1%
\$50,000-59,999	5	8.2%	7	11.9%	3	4.1%
\$60,000-74,999	6	9.8%	4	6.8%	3	4.1%
\$75,000-99,999	3	4.9%	1	1.7%	2	2.7%
\$100,000-124,999	3	4.9%	3	5.1%	4	5.5%
\$125,000-149,999	1	1.6%	2	3.4%	0	0.0%
\$150,000-199,999	1	1.6%	0	0.0%	0	0.0%
\$200,000+	2	3.3%	0	0.0%	0	0.0%
Total	64	100.0%	63	100.0%	75	100.0%
Income Cohort	9576					
\$0-9,999	15	5.6%				
\$10,000-19,999	120	45.0%				
\$20,000-29,999	32	12.0%				
\$30,000-39,999	61	22.7%				
\$40,000-49,999	9	3.2%				
\$50,000-59,999	9	3.2%				
\$60,000-74,999	0	0.0%				
\$75,000-99,999	6	2.4%				
\$100,000-124,999	4	1.6%				
\$125,000-149,999	9	3.2%				
\$150,000-199,999	1	0.4%				
\$200,000+	2	0.8%				
Total	267	100.0%				

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

Senior renters across all census tracts are heavily concentrated in the \$0 to \$29,999 income cohorts. Census Tracts 9570 and 9573 have the highest percentage of seniors with incomes above \$50,000.

Median Household Income Levels

The following chart illustrates the area median gross income (AMGI) of a four-person household in Crawford County between 2000 and 2014.



Display: ☒ 4-person AMGI

Average Increase (AMGI): 2.5%/year

Source: Novogradac & Company LLP, May 2014

The previous chart illustrates the area median gross income (AMGI) of a four-person household in Crawford County between 2000 and 2014. During that period, the system and underlying data sources HUD uses to establish income limits changed by shifting to data from the American Community Survey (ACS) in 2007. In 2007, two-thirds of the nation experienced flat or decreased AMI levels based largely on this methodology change. Crawford County was affected by this trend. With the exception of 2007, 2011, and 2014 the AMI has increased in Crawford County. Since 2000 the AMI has increased by an average of 2.5 percent per year.

COMMUTING PATTERNS

The chart below shows the travel time to work for the PMA, which has 8,833 workers that work outside of the home, according to ESRI data.

COMMUTING PATTERNS PMA		
Pittsburg, KS		
2000 Travel Time to Work	Number of Commuters	Percentage
<i>Average Travel Time</i>	<i>14 minutes</i>	
Travel Time < 5 min	842	9.5%
Travel Time 5-9 min	2,866	32.4%
Travel Time 10-14 min	2,593	29.4%
Travel Time 15-19 min	971	11.0%
Travel Time 20-24 min	339	3.8%
Travel Time 25-29 min	110	1.2%
Travel Time 30-34 min	321	3.6%
Travel Time 35-39 min	128	1.4%
Travel Time 40-44 min	185	2.1%
Travel Time 45-59 min	265	3.0%
Travel Time 60-89 min	118	1.3%
Travel Time 90+ min	95	1.1%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

As shown above, the average travel time for individuals in the PMA is 14 minutes. The commute times in Pittsburg are reasonable with 71.3 percent of the population having a commute time of 15 minutes or less. In addition, only 5.4 percent of Pittsburg residents have a commute time of over 45 minutes.

We also reviewed the City of Pittsburg's Comparative Costs for Commuting Study. According to the study, many people that work in Pittsburg live in Carl Junction, Carthage, or Joplin because there are better housing and/or retail options or lower property taxes in those areas. The roundtrip commute for these three areas is 50, 71, and 61 miles, respectively. The Commuting Study compares the *Grand Total Net Annual Expenses* for living in Pittsburg versus Carl Junction, Carthage, and Joplin, and these expenses are outlined in the following chart. It should be noted we have utilized numbers for a household with an annual income of \$80,000.

Item	Pittsburg	Carl Junction	Carthage	Joplin
Commuting Cost	\$1,356	\$6,780	\$9,628	\$8,272
Property Taxes	\$1,705	\$730	\$1,173	\$999
Insurance	\$1,144	\$1,052	\$1,052	\$1,052
Utilities	\$1,734	\$1,713	\$1,846	\$1,998
Retail Taxes Paid	\$2,848	\$2,464	\$2,444	\$2,504
State Income Tax	\$960	\$1,695	\$1,695	\$1,695
Grand Total Net Annual Expenses	\$9,747	\$14,434	\$17,838	\$15,120

The study illustrates that persons currently residing outside of Pittsburg but working in Pittsburg could save between \$4,687 and \$8,091 per year, for a household earning \$80,000, if they resided

within the city and commuted approximately 10 miles roundtrip per day instead of commuting from these other areas. This highlights the need for additional housing in the area to attract persons that are currently residing elsewhere. Although property taxes are higher in Pittsburg than in other communities, insurance, utilities, and retail taxes paid are similar. Further, the savings on state income taxes and commuting costs by living in Pittsburg are greater than the difference in property taxes between Pittsburg and these other communities.

Conclusion

The demographic data demonstrates that both the PMA and the MSA are areas of slow growth in terms of population and households, which is projected to continue through 2018. The southern portion of Pittsburg and these census tracts are the most populated and is projected to experience the most growth through 2018. One and two-person households make up the majority of households in the PMA and MSA. Household size is slightly smaller in the PMA than the MSA, and both are smaller than the national average.

The median household income in the PMA is \$33,096, which is below both the MSA median household income of \$36,986 and the national median household income of \$51,321. Census Tracts 9572 and 9575 have the lowest median incomes while Census Tracts 9570 and 9574 have the highest median incomes that are well above that of the PMA. The largest income cohorts in the PMA are the \$10,000 to \$19,999 and \$20,000 to \$29,999 cohorts. These two cohorts represent 34.4 percent of the population. The largest income cohorts in the MSA are the \$10,000 to \$19,999 and \$20,000 to \$29,999 cohorts. Compared to the overall household income distribution, there is a greater percentage of renters in the lower income cohorts for both the general population and seniors.

HOUSING SUPPLY CHARACTERISTICS

HOUSING SUPPLY CHARACTERISTICS

HOUSING MARKET OVERVIEW

This section of the report provides a broad view of current housing trends within the market area for single-family, multifamily and special needs housing.

Age of Housing Stock

The following table details the age of the area housing stock based upon 2010 Census data; information is only available through 2009.

AGE OF HOUSING STOCK IN PMA		
Years	Number of Units	Percent of Housing Stock
2000-2009	1,342	14.7%
1990-1999	542	6.0%
1980-1989	741	8.1%
1970-1979	1,429	15.7%
1960-1969	810	8.9%
1950-1959	1,017	11.2%
1940-1949	757	8.3%
1939 and Before	2,469	27.1%
Total	9,107	100.0%

Source: US Census Bureau; Novogradac & Company LLP, April 2014

As indicated in the above table, 27.1 percent of the area's housing was built prior to 1939, and 28.4 percent of the housing stock was built between 1940 and 1970. Construction from 1990 to present represents just 20.7 percent of the area housing stock, demonstrating that most of the houses in the Pittsburg area are older. This data suggests that the PMA exhibits a generally older housing stock with a wide variety of conditions depending upon degree of maintenance and upkeep.

Housing Units by Structure Type

The following table details the distribution of housing by structure type within the PMA.

HOUSING UNITS BY STRUCTURE		
Type of Structure	Pittsburg, KS	
	Number	Percentage
1, Detached	6,243	68.6%
1, Attached	228	2.5%
2	485	5.3%
3 or 4	225	2.5%
5 to 9	429	4.7%
10 to 19	374	4.1%
20+	903	9.9%
Mobile Home	220	2.4%
Other	0	0.0%
Total	9,107	100.0%

Source: U.S. Census Bureau's American Community Survey 2008, Novogradac & Company LLP, April 2014

The table indicates that the majority of housing units, 68.6 percent, consists of single-family detached homes. Multifamily structures of ten units or more comprise 14.0 percent of the housing stock, indicating that single-family homes are the most prevalent type of housing in Pittsburg.

Vacant and Substandard Units

There are 1,211 vacant housing units in Pittsburg, or 11.3 percent of the housing stock, which is slightly below the national average percentage of vacant housing units at 11.5 percent. According to the US Census Bureau, a vacant unit is defined as a unit that is habitable and intended for occupancy. The Census Bureau defines a substandard unit as a unit that lacks a complete kitchen or bathroom or does not meet standard conditions. In addition, the following table summarizes statistics regarding units lacking either complete plumbing or kitchen facilities within the PMA.

CONDITION OF HOUSING – SUBSTANDARD KITCHEN AND/OR PLUMBING		
	Pittsburg, KS	
	Number of Units	Percentage
Total Number of Occupied Housing Units	7,945	
Lacking Complete Plumbing Facilities	0	0.0%
Lacking Complete Kitchen Facilities	27	0.3%

Source: U.S. Census 2000; Novogradac & Company LLP, April 2014

Substandard housing does exist in Pittsburg as approximately 0.3 percent lack complete kitchen facilities.

Building Permit History

The following table details building permit history for Pittsburg from 2008 to 2013.

PITTSBURG, KS - BUILDING PERMITS				
Year	Single-Family	2-Family	Multifamily	Total
2008	20	6	36	62
2009	23	14	0	37
2010	15	2	4	21
2011	17	2	16	35
2012	19	12	49	80
2013	20	8	4	32
Total	114	44	109	267

Source: City of Pittsburg, April 2014

Since 2008 the number of single-family units constructed is just slightly above the number of multifamily units constructed. Single-family construction has remained steady. Over the past five years, 42.7 percent of permits were for single-family homes, 16.5 percent for two-family homes, and 40.8 percent for multifamily developments.

TENURE PATTERNS

The table below illustrates the breakdown by household tenure within the PMA and MSA for the years 2000, 2013, and 2018.

TENURE PATTERNS PITTSBURG, KS				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	5,106	54.3%	4,300	45.7%
2013	4,581	48.4%	4,883	51.6%
2018	4,642	48.3%	4,960	51.7%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

TENURE PATTERNS PITTSBURG, KS MSA				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	9,983	63.8%	5,668	36.2%
2013	9,369	58.9%	6,549	41.1%
2018	9,584	59.0%	6,659	41.0%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

As illustrated above, approximately 51.6 percent of total households in the PMA are renter-occupied as of 2013, while 41.1 percent in the MSA are renter-occupied. The number of renter-occupied households as a percentage of total households increased from 2000 to 2013 and is predicted to increase slightly in the PMA and decrease slightly in the MSA through 2018.

TENURE PATTERN BY CENSUS TRACT						
	9570		9571		9572	
<i>Year</i>	<i>Percentage Owner-Occupied</i>	<i>Percentage Renter Occupied</i>	<i>Percentage Owner- Occupied</i>	<i>Percentage Renter Occupied</i>	<i>Percentage Owner- Occupied</i>	<i>Percentage Renter Occupied</i>
2000	65.2%	34.8%	55.0%	45.0%	63.4%	36.6%
2013	62.7%	37.3%	49.7%	50.3%	55.8%	44.2%
2018	63.6%	36.4%	50.6%	49.4%	63.4%	45.0%
	9573		9574		9575	
<i>Year</i>	<i>Percentage Owner-Occupied</i>	<i>Percentage Renter Occupied</i>	<i>Percentage Owner- Occupied</i>	<i>Percentage Renter Occupied</i>	<i>Percentage Owner- Occupied</i>	<i>Percentage Renter Occupied</i>
2000	56.1%	43.9%	68.5%	31.5%	27.0%	73.0%
2013	48.5%	51.5%	63.9%	36.1%	24.6%	75.4%
2018	48.3%	51.7%	63.5%	36.5%	24.2%	75.8%
	9576					
<i>Year</i>	<i>Percentage Owner-Occupied</i>	<i>Percentage Renter Occupied</i>				
2000	53.0%	47.0%				
2013	43.3%	56.7%				
2018	43.4%	56.6%				

Source: Ribbon Demographics 2013; Novogradac & Company LLP, April 2014

Census Tract 9575, which consists of the downtown area, and 9576, which is where the University is located exhibit the highest percentage of renter-occupied units while Census Tracts 9570 and 9574 have the lowest percentage of renter-occupied units.

Conclusion

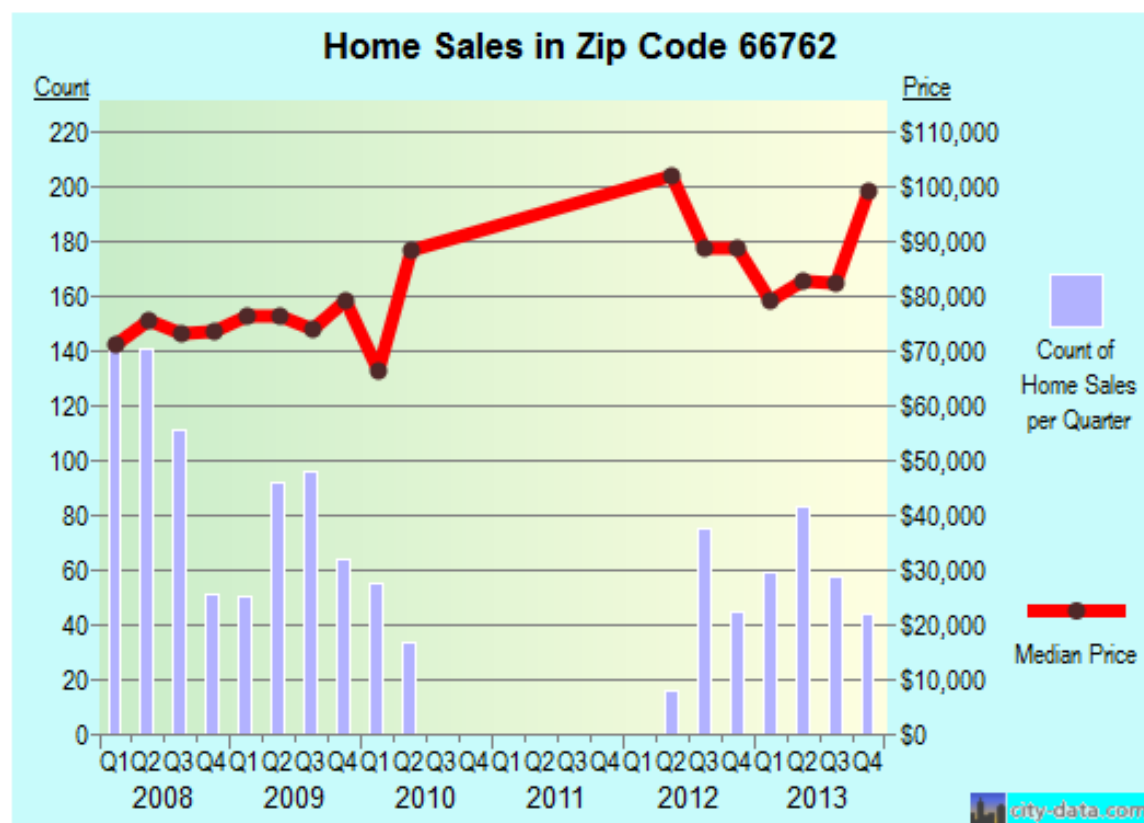
The Pittsburg housing market consists primarily of an older housing stock with some newly developed homes in the southern portion of the city as well as limited infill development. The construction of new homes has been slow over the past decade as illustrated by the building permit data. Much of the housing stock in the PMA, 68.6 percent, consists of single-family detached housing. As of 2013, the current owner-occupied percentage is estimated to be 48.4 percent. Approximately 43.1 percent of renter households pay over 35 percent to rent, indicating that they are rent overburdened.

SINGLE-FAMILY MARKET CHARACTERISTICS

The housing market in Pittsburg has remained relatively flat with limited new construction, flat home sales, and slight sales price increases.

Sales

Home sales in Pittsburg decreased in 2009 and 2010 over 2008 levels, from a peak of 140 sales per quarter in the first quarter of 2008 to roughly 30 sales per quarter in the second quarter of 2010. Data was unavailable for 2011, and the number of home sales in 2012 and 2013 was similar to those experienced during 2009 and 2010. This data indicates that home sales have not recovered to their pre-recession levels in terms of volume.



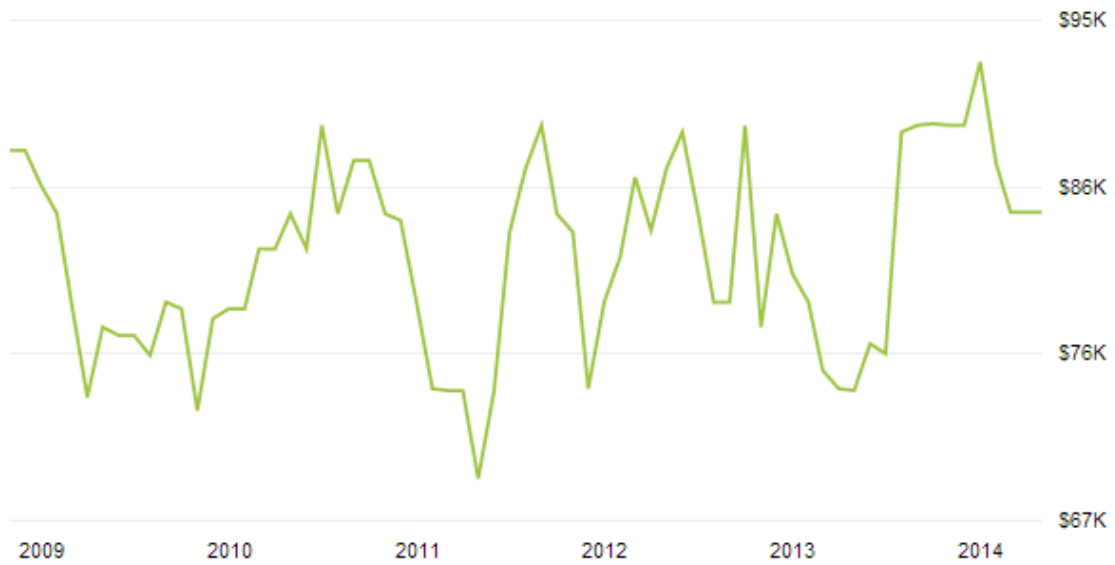
Source: city-data.com, 5/2014

Home Prices

The Pittsburg market has fluctuated as the median listing price has fluctuated over the past two years. According to Zillow, as of April 2014, the average listing price of a for-sale home in Pittsburg was \$85,000, which represents a decline from the end of 2013 and early 2014. In addition, the average listing price per square foot in April 2014 was \$65, which indicates a slight drop from the end of 2013 but generally an increase since 2011.

Average Listing Prices in Pittsburg, Kansas

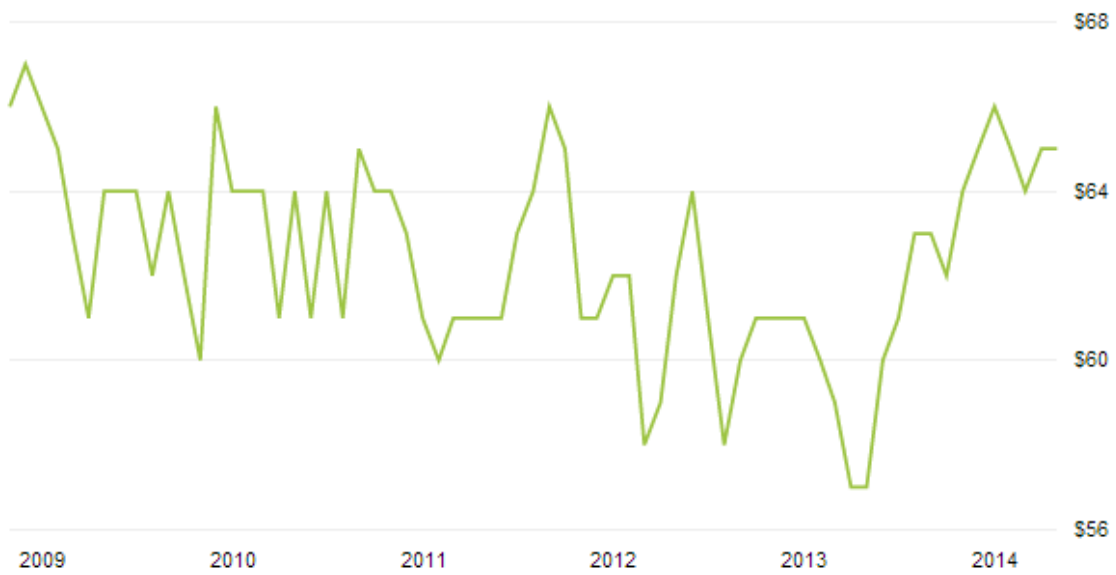
Apr 2014 — Pittsburg \$85,000



Source: www.zillow.com, 5/2014

Average Price per Square Foot in Pittsburg, Kansas

Apr 2014 — Pittsburg \$65



Source: www.zillow.com, 5/2014

In addition, the following table illustrates the general price differences for two, three, and four-bedroom homes in Pittsburg based upon recent listings. Two-bedroom homes are typically listed for around \$60,000, three-bedroom homes for \$115,000, and four-bedroom homes for \$160,000, illustrating a \$45,000 to \$55,000 premium for an additional bedroom.

Home Price by Number of Bedrooms in Pittsburg, KS

No. Bedrooms	Week ending May 14	W-O-W	Week ending May 7	Week ending Apr 30	Week ending Apr 23
1 bedroom	-	-	-	-	-
2 bedrooms	\$60,078	-1.2%	\$60,821	\$62,387	\$62,677
3 bedrooms	\$112,555	-4.5%	\$117,841	\$115,909	\$115,000
4 bedrooms	\$152,344	-1.5%	\$154,741	\$168,354	\$162,544
All properties	\$120,406	-3.9%	\$125,322	\$130,720	\$124,822

Source: www.trulia.com, 5/2014

Characteristics of Single Family Homes

The Pittsburg single-family housing market is relatively older with some infill development and newer homes in the southern portion of the city. During our site inspection, we canvassed the housing stock, and the following photos of single-family homes are representative of the housing stock in different parts of the city.

Photographs of Single-Family Homes in the Northern Portion of Pittsburg (Census Tracts 9570, 9571, and 9572)



Atkinson Road



Atkinson Road



27th Street



24th and Grand Avenue



Joplin Street



Walnut Street



22nd and Walnut Street

The single-family homes in the northernmost portion of the city along Atkinson consist of a mix of newer, well-maintained homes and older homes, although the majority are older. Most of the housing stock in this area is in fair to average condition; however, the condition is very inconsistent as there are homes in poor condition in aesthetic disrepair on the same street as

homes in good condition that have been well maintained for their age, such as those at 22nd and Walnut.

Photographs of Single-Family Homes in the Central Portion of Pittsburg (Census Tracts 9574, 9575, and small portions of 9570 and 9572)



9th Street



Joplin Street



Miles Avenue



Catalpa Street



Georgia Street



3rd Street



6th and Walnut – vacant lot



Highland Avenue



Park Street



Forest Street



Villa Drive



Windsor Court



Windsor Court



Duplexes on Village Drive



Highland Avenue



Rouse Street

As a whole, the central portion of Pittsburg has the most diverse housing stock as there are some older, historic homes that have been very well maintained as well as older homes in fair condition. The homes on the periphery of downtown are generally well maintained, but the further east or west from this periphery, quality tends to deteriorate. In the east-central portion of Pittsburg, there are mixed quality homes; older homes by the Mission Clay Plant and a combination of older and newer homes by the high school that have been very well maintained. The homes directly across from the high school are consistent in terms of being well maintained, and there are very few for sale homes in this area.

Photographs of Single-Family Homes in the Southern Portion of Pittsburg (Census Tracts 9573 and 9576)



Imperial Street



Bitner Drive



Bitner Drive



Cedar Lane



Cedar Lane/Mill Road



Newly constructed home on Mill Road, east of Rouse Street



Vacant lot east of Rouse Street



Suncrest



Hudson Street



Ohio Street



Winwood Drive



Olive Street

The southern portion of Pittsburg has the most well maintained housing stock overall. There are several areas with larger homes that are very well maintained such as the area off of Bitner Drive, the area northwest of Quincy along Winwood, and the homes along Cedar Lane by the hospital. In addition, the southern portion has the only newly constructed housing development,

which includes the homes east of Rouse Street along Mill Drive. A local developer built all of these homes and owns the remaining lots.

However, in addition to containing some of the nicest, largest homes in the area, it also has some very small one and two-bedroom homes that are in poor condition or are all targeted towards renters, such as the area along Olive Street and JF Kennedy Street.

FORECLOSURES

According to www.realtytrac.com, there are currently 36 properties in Pittsburg, KS that are in some stage of foreclosure (default, auction or bank owned) while the number of homes listed for sale on RealtyTrac is two. The median sales price of a non-distressed home was \$93,000. The number of homes that received a foreclosure notice in April 2014 was not available for the Pittsburg area nor is the percentage of homes in foreclosure. As of April 2014 in Crawford County one in every 888 homes is currently in foreclosure versus one in every 3,000 homes in Kansas, and one in every 1,137 homes in the United States.

Rent Versus Buy Analysis

We performed a rent/buy analysis. Our inputs assume an average three-bedroom home with a purchase price of \$105,000, and an interest rate of 4.12 percent for a 30-year fixed mortgage with a ten percent down payment. This cost was compared to the cost to rent a typical three-bedroom unit based upon our survey of market rate properties at \$706 per month. It should be noted that these numbers provide a snapshot of the average home prices and rents in the area, but there is a large range. This analysis indicates that with a monthly differential of \$131, it is more affordable to rent than purchase a home. The rent buy analysis is illustrated in the following table.

RENT BUY ANALYSIS			
THREE-BEDROOM RENT BUY ANALYSIS - PITTSBURG			
Inputs	Ownership	Rental	Notes
Average Price	\$105,000		www.zillow.com
Closing Costs	3%	\$3,150	
Down payment	10%	\$10,500	
Principal		\$94,500	
Interest Rate	4.12%		www.bankrate.com, 5/2014
Amortization period	30		
Monthly Payment		\$458	
Annual Payment		\$5,493	
Real Estate Taxes	1.50%	\$1,575	
Private Mortgage Insurance	0.50%	\$473	
Homeowner's Insurance	0.50%	\$525	
Utilities		\$480	Water, sewer, and trash estimated cost for one year.
Maintenance and Repairs	1.50%	\$1,575	Assumes a 1.5% cost for maintenance and repairs.
Tax Benefit			Assumes taxable income of \$35,000
Marginal Tax Bracket	25%		
Annual Interest		\$3,893	Assumes first year
Annual Tax Savings		(\$1,367)	
Rental Costs		\$706	Average market rate 3BR unit rent
Annual Rent		\$8,472	
Insurance (renter)		\$150	
Total Annual Cost		\$8,753	\$8,622
Total Monthly Cost		\$729	\$719
Differential per year	\$131		
Differential per month	\$11		
Cash Due at Occupancy		\$13,650	\$1,006

In the Pittsburg market, renter provides better financial benefits than buying. In addition, although the monthly differential is \$131 in favor renting, the “cash due at occupancy” category adds to \$13,650 for home ownership, which is significantly greater than the “cash due at occupancy” for renting. The cash necessary for homeownership, including down payment and closing costs, is still a barrier to many families. First-time homebuyers can have difficulty saving for a down payment. It should be noted that the rent/buy analysis is for the Pittsburg area overall, and variations in actual rental cost and home prices will vary significantly within census tracts and neighborhoods.

Conclusion

Home sales in the Pittsburg area have fluctuated over the past three years. According to Zillow, as of April 2014, the average listing price of a for-sale home in Pittsburg was \$85,000, which represents a decline from the end of 2013 and early 2014. In addition, the average listing price per square foot in April 2014 was \$65, which indicates a slight drop from the end of 2013 but generally an increase. Current home sales prices in the Pittsburg area indicate a flat market. Crawford County and Kansas are performing worse than the nation in terms of foreclosures. The

Pittsburg area's housing stock is generally older with much of the stock dating from pre-1930 with some newer development located in the southern portion of the city. Due to the low cost of home ownership in the Pittsburg area, buying provides a slight advantage, estimated at a savings of \$269/month, over renting.

ON-CAMPUS HOUSING

The University's housing campus residency policy requires that all first year students live in a university residence hall with several exceptions for students living at home, married students, or students with prior military service. There are seven residence halls for students, which vary from more traditional residences such as Willard Hall to apartment-style accommodations such as the newly developed Crimson Commons, both of which are illustrated below. All of the residences halls besides Nation have been recently renovated as the University has invested significantly in its on-campus housing.



Willard Hall



Crimson Commons

Housing at the University includes a fully furnished room from mid-August to May of each school year. The 2014-2015 academic year housing rates, including \$700 in dining dollars, for a double room is illustrated below.

Residence Hall	School Year Fee (per person)
Nation	\$5,658
Dellinger	\$5,658
Bowen	\$5,658
Trout	\$5,658
Tanner Complex	\$5,658
Willard	\$5,878
Crimson Commons	\$6,438

The above rental rates, minus the \$700 dining dollar credit, equates to approximately \$550 per person per month, which is above the average rental rate for one-bedroom market rate properties.

SHORT-TERM HOUSING

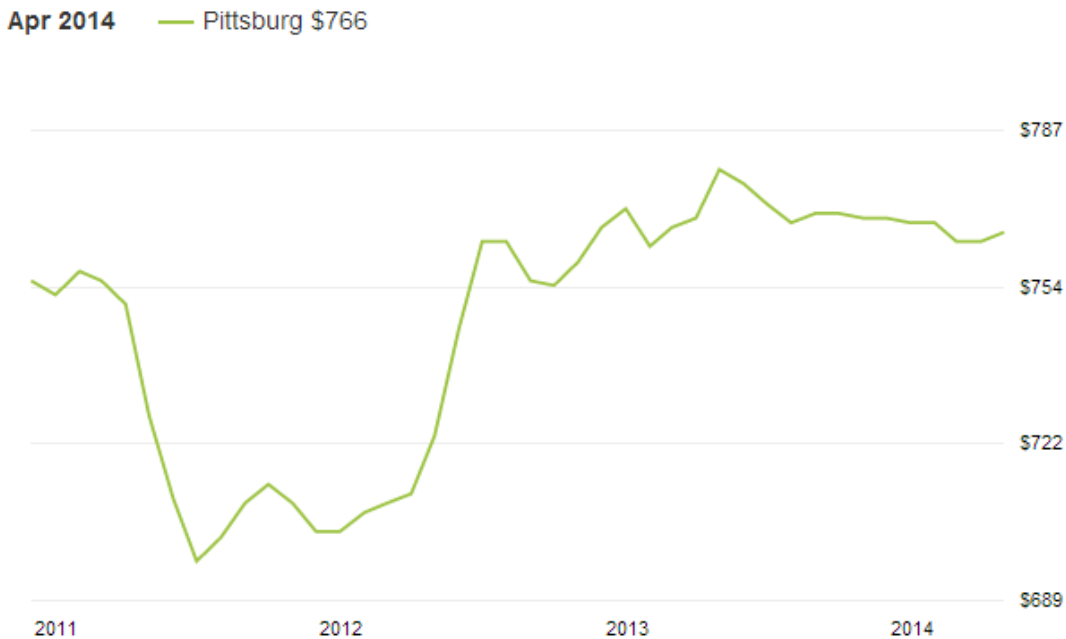
Short-term housing, typically defined as temporary housing for young professionals and families relocating to Pittsburg for professional reasons or corporate personnel, is very limited. Several

area hotels including The Comfort Inn, Super 8, and Holiday Inn do provide discounts for longer stays; however, the amenities provided do not differ from those found during a traditional hotel stay. In addition, several area apartment complexes stated that they offer short-term housing during the summer months when students are away from campus but short-term housing is not generally available during the school year.

Our research and conversations with property managers did not reveal any dedicated extended stay hotels, apartments, or lodging in Pittsburg. Property managers did note that temporary, furnished, housing was sometimes available via Craigslist, HotPads, or other rental sites, but that this housing was limited and the availability was unpredictable. Further, they noted that prospective tenants often had to move to Joplin to find furnished short-term accommodations.

RENTAL MARKET OVERVIEW

The city of Pittsburg has an above-average number of renters in the market, at 51.4 percent, compared to the national average. Rental properties are examined on the basis of physical characteristics, i.e. building type, age of the property, quality/condition of property, level of common amenities, absorption, as well as similarity in rent. Property managers were interviewed for information on unit mix, sizes, and absorption rates, unit features and project amenities, tenant profiles, and market trends in general. We surveyed all types of rental housing the PMA including: market rate, single-family rental homes, affordable housing, and senior housing. We also surveyed disabled and special-needs housing facilities. Detailed profiles describing the individual properties are provided in the addenda. Overall, rental rates in the Pittsburg area have been increasing readily since 2012, and they have remained somewhat flat over 2013 and 2014. The current median rental rate is \$766 dollars.



Source: www.zillow.com, 5/2014

Gross Rent Trends

The following tables illustrate gross rent trends, as of the 2010 Census, within the city of Pittsburg.

GROSS RENT		
	Pittsburg, KS	
Value	Number	Percentage
Less than \$200	159	3.8%
\$200 to \$299	125	3.0%
\$300 to \$499	875	21.0%
\$500 to \$749	1,832	43.9%
\$750 to \$999	650	15.6%
\$1,000 to \$1,499	446	10.7%
\$1,500 or more	84	2.0%
No cash rent	88	2.1%
Total	4,153	

Source: U.S. Census 2010; Novogradac & Company LLP, April 2014

GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME		
	Pittsburg, KS	
Percentage of Income	Number	Percentage
Less than 15.0 percent	378	8.9%
15.0 to 19.0 percent	319	7.5%
20.0 to 24.0 percent	354	8.4%
25.0 to 29.0 percent	489	11.5%
30.0 to 34.0 percent	522	12.3%
35.0 percent or more	1827	43.1%
Not computed	348	8.2%
Total	4,237	100.0%

Source: U.S. Census 2010; Novogradac & Company LLP, April 2014

As indicated, 43.1 percent of renter households pay over 35 percent of income to rent, indicating that they are rent overburdened. There are a significant number of renters in both the \$500 to \$749 and \$300 to \$499 rent cohorts, 43.9 percent and 21.0 percent respectively.

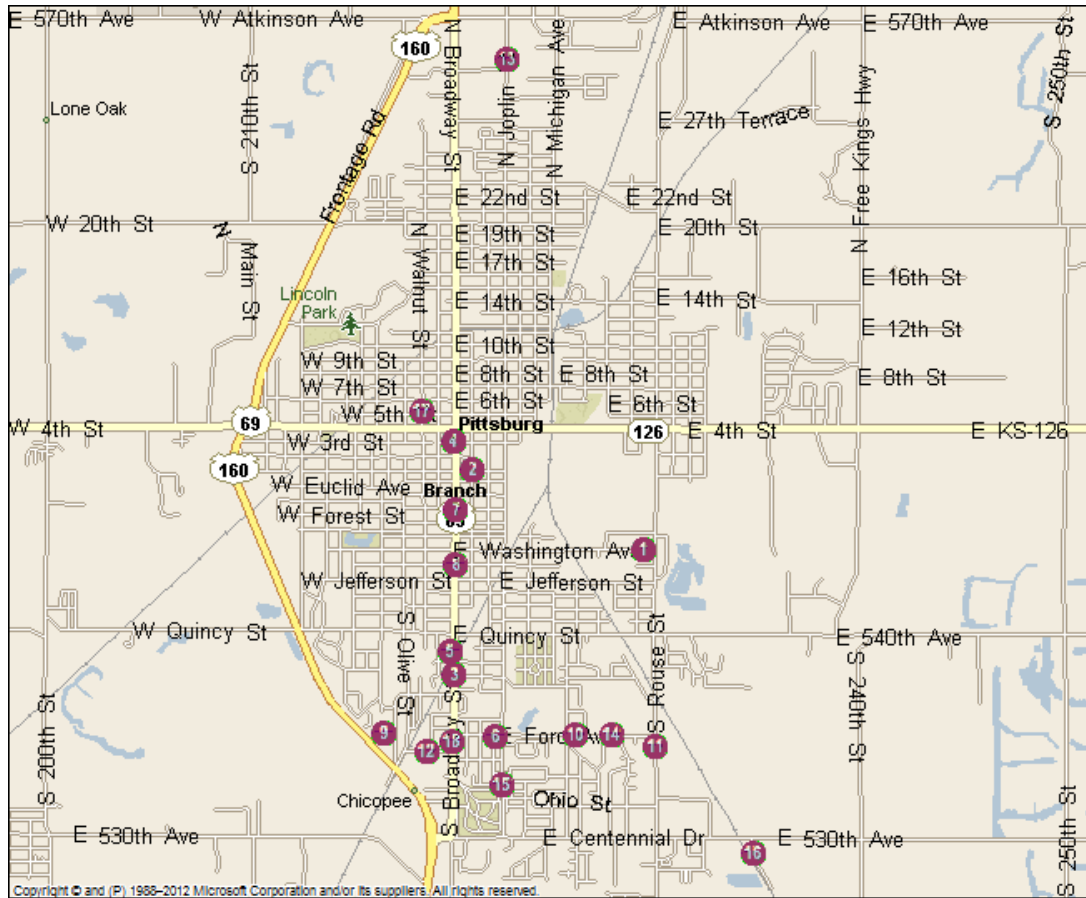
MULTIFAMILY MARKET RATE CHARACTERISTICS

Following are relevant market characteristics for the market rate family properties surveyed. This includes an analysis of multifamily rental developments with no maximum income or rent restrictions. In order to assess the multifamily rental market in Pittsburg, we surveyed 18 market rate family properties.

We were able to survey the majority of the larger apartment complexes in the area, though some of the smaller properties did not have contact information and thus were not able to be surveyed. The following maps illustrate the location of the market rate properties in Pittsburg.

Market Rate Properties in Pittsburg

The map below illustrates the market rate properties in Pittsburg.



#	Property	Census Tract
1	1014 – 1018 E. Washington	9576
2	102 S. Locust	9575
3	103 E. Williams	9576
4	116 W. 3 rd	9575
5	1409 – 1413 S. Broadway	9576
6	1911 S. English	9576
7	415 S. Broadway	9575
8	813 – 815 S. Broadway	9576
9	Brentwood Pointe	9573
10	Buttonwood Apartments	9576
11	Crimson Villas	9576
12	Hudson Oaks Apartments	9573
13	Meadowlark Townhomes	9571
14	Raintree Apartments	9576
15	Seasons on Joplin	9576
16	Summerfield Apartments	9576
17	The Villa	9575
18	University Commons	9576

Overview

Following are market characteristics for market rate properties within the PMA.

Unit Mix

The below table illustrates the unit mix of market rate properties in Pittsburg.

PITTSBURG MULTIFAMILY MARKET RATE UNIT MIX				
Unit Type	# of Units	Percent of Total	# of Properties that Offer Unit Type	Percent of Properties that Offer Unit Type
Studio	57	8.5%	4	22.2%
1BR	291	43.3%	12	66.7%
2BR	260	38.7%	10	55.6%
3BR	64	9.5%	4	22.2%
4BR	45	6.7%	3	16.7%
Total	672	100.0%	18	100.0%

As indicated by the unit mix, the multifamily market in the PMA is predominately one and two-bedroom units. Out of the total number of units, one and two-bedroom units comprise 82.0 percent of the housing stock. Out of the 18 market rate properties surveyed, 22.2 percent offer studio units, 66.7 offer one-bedroom units, 55.6 percent offer two-bedroom units, 22.2 percent offer three-bedroom units, and 16.7 percent offer four-bedroom units. Thus, there is a variety of unit types offered in the Pittsburg market.

Unit Size

The following table illustrates the unit sizes for market rate properties in the PMA.

PMA UNIT SIZE COMPARISON			
Unit Type	Surveyed Min	Surveyed Max	Surveyed Average
Studio	200	450	318
1 BR	400	800	531
2 BR	500	1,200	746
3 BR	1,005	1,400	1,124
4 BR	1,068	1,600	1,101

As the table illustrates, the studio, one, and three-bedroom units have a smaller range while the two and four-bedroom units exhibit a wide range of unit sizes. There is also overlap between the largest floor plans for a bedroom type and the smallest floor plans for the next bedroom type. In addition, the surveyed average for the three-bedroom units is higher than the surveyed average for four-bedroom units. The two-bedroom units have the largest variance with the smallest unit measuring 500 square feet and the largest unit measuring 1,200 square feet.

Vacancy

All of the surveyed properties, with the exception of Crimson Villas and Seasons on Joplin, were able to provide vacancy rates. The following chart shows overall vacancy rates at the properties included in the survey except for these two properties.

MARKET RATE OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
1014 - 1018 E Washington Ave	Market	10	0	0.0%
102 S Locust	Market	12	0	0.0%
103 E Williams St	Market	25	4	16.0%
116 W 3rd St	Market	9	0	0.0%
1409 - 1413 S Broadway	Market	13	0	0.0%
1911 S English	Market	12	1	8.3%
415 S Broadway	Market	23	1	4.3%
813 - 815 S Broadway	Market	8	0	0.0%
Brentwood Pointe	Market	60	0	0.0%
Buttonwood Apartments	Market	23	0	0.0%
Crimson Villas	Market	144	N/A	N/A
Hudson Oaks Apartments	Market	20	0	0.0%
Meadowlark Townhouses	Market	30	2	6.7%
Raintree Apartments	Market	8	2	25.0%
Seasons On Joplin	Market	42	N/A	N/A
Summerfield Apartments	Market	132	0	0.0%
The Villa	Market	11	0	0.0%
University Commons	Market	<u>165</u>	<u>15</u>	<u>9.1%</u>
Total Excluding Crimson Villas and Seasons on Joplin		561	25	4.5%

The vacancy rates among the comparables range from zero to 25.0 percent. Raintree Apartments reported the highest vacancy rate at 25.0 percent, though it has only two vacant units, followed by 103 E. Williams Street at 16.0 percent, and University Commons at 9.1 percent. Based on our inspection, there is no specific reason as to why these properties would have higher vacancy rates than others. Ten properties have vacancy rates of zero percent while four properties have vacancy rates that are not stabilized. The overall vacancy rate in the PMA is 4.5 percent, which indicates a stabilized market.

Tenant Characteristics

The following table illustrates tenant characteristics for the market rate properties.

TENANT CHARACTERISTICS		
Property Name	Rent Structure	Tenant Characteristics
1014 - 1018 E Washington Ave	Market	Majority students
102 S Locust	Market	Students
103 E Williams St	Market	Students
116 W 3rd St	Market	Students
1409 - 1413 S Broadway	Market	Mixed tenancy; majority students
1911 S English	Market	Students
415 S Broadway	Market	Students
813 - 815 S Broadway	Market	Students
Brentwood Pointe	Market	Students
Buttonwood Apartments	Market	75% students
Crimson Villas	Market	Students
Hudson Oaks Apartments	Market	Mixed tenancy; students
Meadowlark Townhouses	Market	Mixed tenancy
Raintree Apartments	Market	Majority students
Seasons On Joplin	Market	Mixed tenancy; mostly singles, young professionals (nurses, doctors, teachers)
Summerfield Apartments	Market	Mixed tenancy; majority students.
The Villa	Market	Mixed tenancy; families and seniors
University Commons	Market	Students

As the table indicates, all of the comparable properties have students as a portion of their tenancy. It should be noted that the properties located in the northern portion of the city generally stated a more mixed tenancy while properties near the university reported the majority of tenants as students.

Turnover

Turnover information was obtained from all 18 properties. The surveyed properties indicated turnover rates ranging from 13 to 60 percent with the majority of the properties experiencing turnover rates of 50 percent or higher, which is not unexpected given the high student presence in the area. The overall average turnover rate is 46 percent indicating that roughly one in two tenants moves out of a property at the end of the lease term. The following table details surveyed property turnover rates.

TURNOVER RATE		
Property Name	Rent Structure	Turnover
1014 - 1018 E Washington Ave	Market	50%
102 S Locust	Market	50%
103 E Williams St	Market	50%
116 W 3rd St	Market	50%
1409 - 1413 S Broadway	Market	50%
1911 S English	Market	50%
415 S Broadway	Market	50%
813 - 815 S Broadway	Market	50%
Brentwood Pointe	Market	42%
Buttonwood Apartments	Market	30%
Crimson Villas	Market	50%
Hudson Oaks Apartments	Market	40%
Meadowlark Townhouses	Market	13%
Raintree Apartments	Market	50%
Seasons On Joplin	Market	36%
Summerfield Apartments	Market	60%
The Villa	Market	50%
University Commons	Market	60%
Average Turnover		46%

Concessions

Of the properties surveyed only one is offering a concession. University Commons is offering \$200 off the first month's rent for all units. Many property managers stated that rents change annually for each upcoming school year and that concessions are rare in the market.

Wait Lists

Based on the results of our survey, approximately seven market rate properties maintain waitlists. It should be noted that several of these waiting lists are not for units currently available but are for units with lease terms that begin with the next school year.

WAIT LISTS	
Property	Waitlist
1014 – 1018 E. Washington Ave	Yes
Brentwood Pointe	Yes; 3 HHs
Buttonwood Apartments	Yes; 4 HHs
Crimson Villas	Yes for upcoming school year
Meadowlark Townhouses	Yes; 4 HHs
Seasons on Joplin	Yes
University Commons	Yes for upcoming school year

Market Rent Analysis

In order to create appropriate comparisons between the properties, we have established a similar utility basis. We have adjusted rents based on a utility structure where tenants pay air conditioning, electric heating, water heating, and cooking and general electric expenses. We

have found that this utility structure is the most common one utilized in the Pittsburg marketplace. As a result, properties with differing utility structures have been adjusted to this standard convention.

Properties in the Pittsburg market command a wide variety of rents based upon location, size, condition and amenities. The below table shows adjusted rental rates in the PMA.

MARKET RENTS					
Property Name	0BR	1BR	2BR	3BR	4BR
Crimson Villas	-	\$669	\$907	-	\$1,526
Brentwood Pointe	-	-	\$514 - \$576	\$739	-
Summerfield Apartments	-	\$559	\$673	\$731	-
Meadowlark Townhouses	-	\$425	\$500	\$600	\$650
University Commons	\$463	\$446	\$449 - \$594	\$752	\$967
Raintree Apartments	-	-	\$566 - \$666	-	-
1014 - 1018 E Washington Ave	-	-	\$566	-	-
103 E Williams St	\$313	\$410	\$482	-	-
Seasons On Joplin	-	\$503	-	-	-
Hudson Oaks Apartments	-	-	\$496	-	-
116 W 3rd St	\$242	\$340	\$388	-	-
1409 - 1413 S Broadway	\$410	-	-	-	-
The Villa	-	\$413	-	-	-
813 - 815 S Broadway	-	\$360	-	-	-
1911 S English	\$225	\$350	-	-	-
415 S Broadway	-	\$335	-	-	-
102 S Locust	-	\$285	-	-	-
Average	\$331	\$430	\$571	\$706	\$1,048

Crimson Villas and Summerfield Apartments set the top of the market in terms of rents for one and two-bedrooms, both of which are located near the University. In addition, Crimson Villas and Summerfield Apartments are some of the newest properties in the area. Brentwood Pointe, Crimson Villas, and University Commons are testing the top of the market for the limited supply of three and four-bedroom units in the area. The least expensive properties are the smaller, unnamed buildings with very limited amenities.

SINGLE FAMILY RENTAL MARKET CHARACTERISTICS

Many of the “for rent” homes are centered around the University. The following chart illustrates some of the available non-traditional housing in the PMA.

SINGLE FAMILY HOME CLASSIFIED LISTINGS - PITTSBURG			
Unit Type	Location	Rent	Comments
<i>Three-Bedroom Homes</i>			
3BR/2BA	Ohio Street	\$725	Duplex, one-car garage
3BR/1.5BA	Village Drive	\$725	Duplex, one-car garage
3BR/2BA	Scotty Drive	\$950	Double-car garage
3BR/1BA	502 W. 9 th Street	\$700	Older home
3BR/2BA	Adams Street	\$800	One car detached garage
3BR/2BA	1608 S. Walnut	\$700	Small detached garage
3BR/1BA	429 Fieldcrest	\$675	Lawn service included
3BR/2BA	Stilwel	\$1,200	Attached two-car garage
3BR/2BA	719 W. Euclid	\$825	Garage
3BR/2BA	1614 S. Walnut	\$825	Porch
3BR/2.5BA	North Pittsburg	<u>\$1,250</u>	Large lot, attached two-car garage
Average Rent		\$852	
<i>Four-Bedroom Homes</i>			
4BR/2BA	Scotty Drive	\$1,250	New construction
4BR/2BA	Washington Street	\$1,350	Newly remodeled
4BR/2BA	108 W. Potlitzer	\$1,100	Front porch
4BR/2BA	1009 E. 22 nd Street	<u>\$1,200</u>	-
Average Rent		\$1,225	

Single-family rental homes in the Pittsburg market command a rent premium compared to traditional multifamily rentals. Three-bedroom and four-bedroom single-family homes command a rent premium of between 15 to 20 percent on average. There is a high proportion of rental homes near the University, which also command a slight rent premium due to their proximity.

AFFORDABLE MARKET CHARACTERISTICS

Affordable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to survey all existing affordable developments within the market area in order to provide a picture of the health and available affordable supply in the market. Affordable senior properties are not included in this section, as they will be discussed later in the report.

Description of Property Types Surveyed

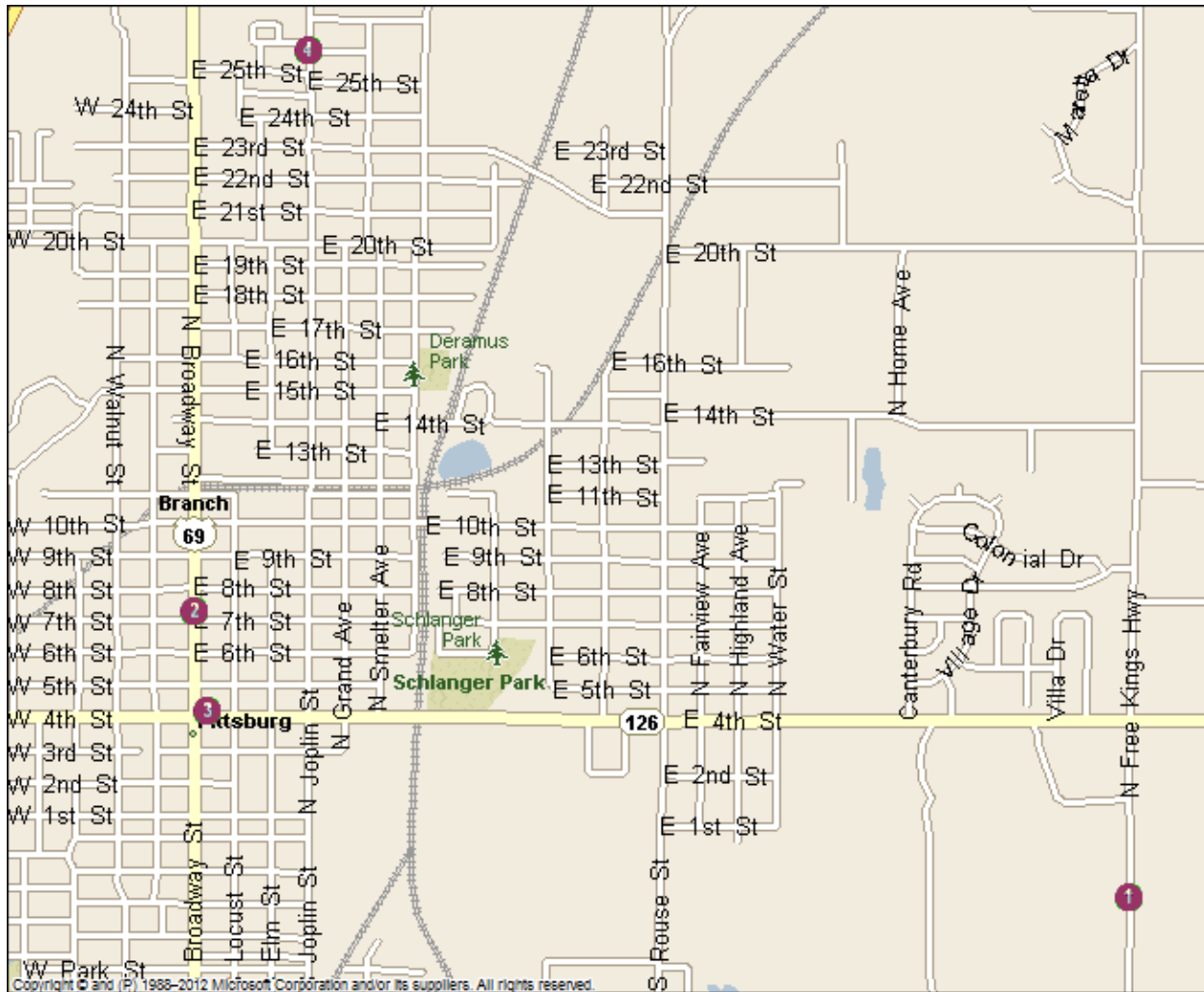
We performed a field survey of affordable housing properties within the PMA. For purposes of our analysis, “affordable housing” is defined as properties encumbered by one or more of the following programs: LIHTC or Section 8 since there is no Public Housing in the city of Pittsburg. We identified nine LIHTC, USDA, or Section 8 affordable housing developments within the market area. Of the nine LIHTC or Section 8 properties, five of them are for seniors or disabled individuals, and these properties will be discussed later in the report. In addition, one LIHTC property, Pittsburg Seniors/Hopefield Gardens has several USDA subsidized units.

Therefore, we have included a total of four family-oriented affordable developments in our rental survey of the Pittsburg affordable housing market. The following pages include various summary reports that compare various data points as reported by the comparables.

Detailed individual property profile reports for all of the surveyed properties are included in *Addendum B*.

Affordable Properties in Pittsburg

The below map shows the location of the affordable family properties in Pittsburg.



#	Property	Type
1	Remington Square	LIHTC
2	Stilwell Apartments	LIHTC/Market
3	The Besse Hotel	LIHTC
4	Sycamore Village Apartments	Section 8

AFFORDABLE PROPERTY CHARACTERISTICS

Following are market characteristics for affordable properties within Pittsburg.

Unit Mix

The following table illustrates the unit mix of affordable properties in Pittsburg. None of the affordable properties offer studio or four-bedroom units.

PITTSBURG MULTIFAMILY AFFORDABLE UNIT MIX				
Unit Type	# of Units	Percent of Total	# of Properties that Offer Unit Type	Percent of Properties that Offer Unit Type
1BR	83	31.1%	3	75.0%
2BR	118	44.2%	4	100.0%
3BR	66	24.7%	3	75.0%
Total	267	100.0%	4	100.0%

Nearly half of all LIHTC units are two-bedroom units with one-bedroom units comprising the next largest group at 31.1 percent of the affordable housing stock. All but one of the affordable comparables offers one and three-bedroom units, and all of the properties offer two-bedroom units. Although there are a small total number of three-bedroom units, three properties offer three-bedroom units.

Unit Size

The following table illustrates the unit sizes for affordable properties in the PMA.

PMA - AFFORDABLE UNIT SIZE COMPARISON			
Unit Type	Surveyed Min	Surveyed Max	Surveyed Average
1 BR	400	750	532
2 BR	784	989	878
3 BR	914	1,156	978

As the table illustrates, the one-bedroom units have the largest variance in unit size while the two and three-bedroom units have more modest ranges. There is also overlap between the largest two-bedroom floor plans and the smallest three-bedroom floor plans.

Vacancy

The overall vacancy rate for affordable units, as illustrated in the following chart, is 2.6 percent, which is lower than the market rate average of 4.5 percent. All of the affordable properties illustrate stabilized vacancy rates with the exception of Stilwell Apartments. Management at Stilwell Apartments stated that all three of their vacancies were two-bedroom market rate units, and that all affordable units were occupied.

AFFORDABLE OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Remington Square	LIHTC	48	0	0.0%
Stilwell Apartments	LIHTC, Market	44	3	6.8%
The Besse Hotel	LIHTC	47	2	4.3%
Sycamore Village Apartments	Section 8	<u>128</u>	<u>2</u>	<u>1.6%</u>
Total		267	7	2.6%

Turnover

Turnover information was obtained from all four of the family affordable properties. The surveyed properties indicated turnover rates ranging from 10 to 28 percent. The average turnover rate in the PMA is 22 percent, which is significantly lower than the market rate properties' average turnover rate of 46 percent due to the high percentage of students that reside in the market rate properties.

AFFORDABLE TURNOVER		
Property Name	Rent Structure	Turnover
Remington Square	LIHTC	10%
Stilwell Apartments	LIHTC, Market	27%
The Besse Hotel	LIHTC	25%
Sycamore Village Apartments	Section 8	28%
Average Turnover		22%

Concessions

There are no concessions offered in the LIHTC market at this time, and Section 8 properties do not offer concessions.

Wait Lists

Out of the four affordable properties only Sycamore Village, the Section 8 property, maintains a waiting list. This property's waiting list is between six months and one year in length.

LIHTC Rent Analysis

In order to create appropriate comparisons between the properties, we have established a similar utility basis. We have adjusted rents based on a utility structure where tenants pay air conditioning, electric heating, water heating, and cooking and general electric expenses. We have found that this utility structure is the most common one utilized in the Pittsburg marketplace. As a result, properties with differing utility structures have been adjusted to this standard convention.

The following chart presents the minimum, maximum and average adjusted rents in Pittsburg from the surveyed LIHTC properties. Properties in the area offer LIHTC rents at the 40 and 60 percent AMI levels.

40% AMI LIHTC RENT COMPARISON			
Property Name	1BR	2BR	3BR
LIHTC Maximum (Net)	\$394	\$474	\$548
The Besse Hotel	\$350	\$405	-

60% AMI LIHTC RENT COMPARISON			
Property Name	1BR	2BR	3BR
LIHTC Maximum (Net)	\$601	\$722	\$835
The Besse Hotel	\$435	\$525	\$630
Remington Square	-	\$514	\$580
Stilwell Apartments	\$415	\$563	-
Average	\$425	\$532	\$605

None of the properties have rents set at the maximum allowable LIHTC levels. All of the properties stated that they were not at the maximum rental levels because of other comparables in the market and thus wanted to remain competitive against both the other LIHTC properties as well as the market rate product. They noted that the Pittsburg market would not currently support maximum rent levels, which is not uncommon in rural markets across the country.

Section 8 Rent Analysis

At the Section 8 housing developments, tenants pay only a portion of their income (30.0 percent) toward rent. Therefore, an analysis of rent levels is not necessary. The current contract rents at Sycamore Village Apartments are \$543 for one-bedroom units, \$614 for two-bedroom units, and \$731 for three-bedroom units.

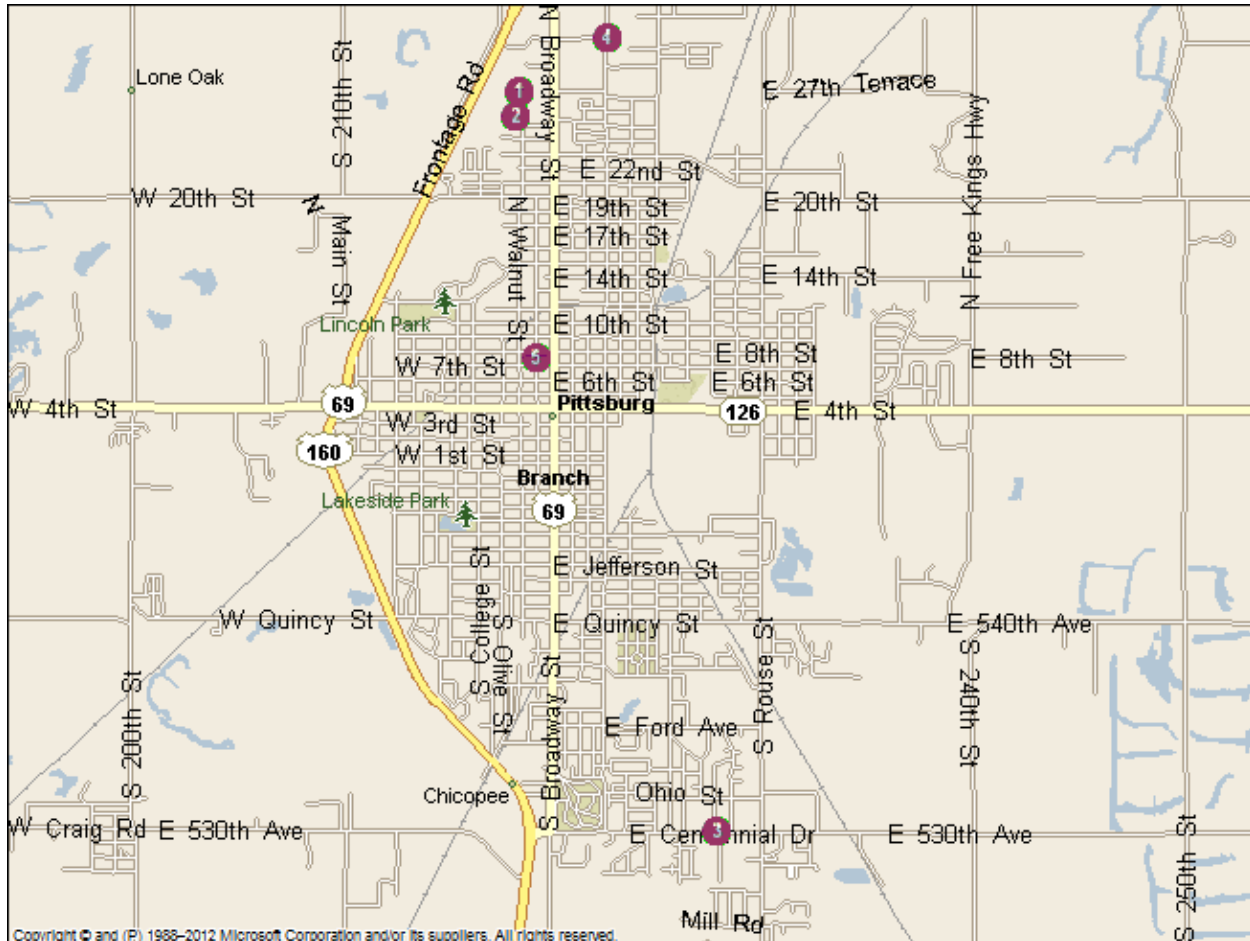
Fair Market Rents

The current fair market rents as defined by HUD are illustrated in the below table.

FAIR MARKET RENTS	
Studio	\$435
1BR	\$518
2BR	\$669
3BR	\$986
4BR	\$1,171

SENIOR HOUSING MARKET

There are five senior properties in the PMA including two LIHTC and three Section 8 developments. The following map shows the location of senior properties in the PMA.



#	Property	Type
1	Pittsburg Heights	LIHTC
2	Pittsburg Seniors/Hopefield Gardens	LIHTC/Market/USDA
3	Highland Meadows	Section 8
4	Kansas CMI Housing	Section 8
5	Knights of Columbus Tower	Section 8

Following are market characteristics for senior properties within Pittsburg.

Unit Mix

The following table illustrates the unit mix of affordable senior properties in Pittsburg. None of the senior properties offer studio units.

PITTSBURG MULTIFAMILY SENIOR UNIT MIX				
Unit Type	# of Units	Percent of Total	# of Properties that Offer Unit Type	Percent of Properties that Offer Unit Type
1BR	227	95.0%	5	100.0%
2BR	12	5.0%	3	60.0%
Total	239	100.0%	5	100.0%

Ninety-five percent of all senior units in Pittsburg are one-bedroom units. There are only 12 two-bedroom senior units in the area, although three out of five properties offer at least one two-bedroom unit.

Unit Size

The following table illustrates the unit sizes for affordable properties in the PMA.

PMA - AFFORDABLE UNIT SIZE COMPARISON			
Unit Type	Surveyed Min	Surveyed Max	Surveyed Average
1 BR	547	700	569
2 BR	750	850	790

As the table illustrates, the one-bedroom units have a greater variance in unit size. The average senior one-bedroom size is larger than the market and affordable average while the average two-bedroom size is smaller than the market and affordable average.

Vacancy

The overall vacancy rate for senior units, as illustrated in the below chart, is 1.7 percent, which is lower than the market rate average of 4.5 percent and the family affordable average of 2.6 percent. All of the affordable senior properties illustrate stabilized vacancy rates, and two have vacancy rates of zero percent.

SENIOR OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Pittsburg Heights	LIHTC	36	0	0.0%
Pittsburg Seniors/Hopfield Gardens	LIHTC/Market/USDA	24	1	4.2%
Highland Meadows	Section 8	80	1	1.3%
Kansas CMI Housing	Section 8	10	0	0.0%
Knights of Columbus Tower	Section 8	89	2	2.2%
Total		239	4	1.7%

Turnover

Turnover information was obtained from four of the five senior affordable properties. The surveyed properties indicated turnover rates ranging from six to 21 percent. The average turnover rate in the PMA is 14 percent, which is significantly lower than the market rate properties' average turnover rate of 46 percent and the family affordable rate of 22 percent, which is typical in the market.

SENIOR AFFORDABLE TURNOVER		
Property Name	Rent Structure	Turnover
Pittsburg Heights	LIHTC	6%
Pittsburg Seniors/Hopfield Gardens	LIHTC/Market/USDA	21%
Highland Meadows	Section 8	15%
Kansas CMI Housing	Section 8	N/A
Knights of Columbus Tower	Section 8	13%
Average Turnover		14%

Concessions

There are no concessions offered in the senior LIHTC market at this time, and Section 8 properties do not offer concessions.

Wait Lists

Out of the five senior properties Pittsburg Heights, a LIHTC development, maintains a waiting list, though the manager was unable to provide its length. In addition, all three senior Section 8 properties maintain short waiting lists indicating a shortage of senior housing in the area.

Senior LIHTC Rent Analysis

In order to create appropriate comparisons between the properties, we have established a similar utility basis. We have adjusted rents based on a utility structure where tenants pay air conditioning, electric heating, water heating, and cooking and general electric expenses. We have found that this utility structure is the most common one utilized in the Pittsburg marketplace. As a result, properties with differing utility structures have been adjusted to this standard convention.

The following chart presents the minimum, maximum and average adjusted rents in Pittsburg from the surveyed LIHTC properties. Senior properties in the area offer LIHTC rents at the 40, 50, and 60 percent AMI levels.

SENIOR 40% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$394	\$474
Pittsburg Heights	\$385	\$505

SENIOR 50% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$498	\$598
Pittsburg Seniors/Hopefield Gardens	\$483	\$560

SENIOR 60% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$601	\$722
Pittsburg Heights	\$485	\$590

None of the properties have rents set at the maximum allowable LIHTC levels at the 50 or 60 percent AMI level. Pittsburg Heights has its 40 percent AMI units' rents set at the maximum allowable level. Although these rents may appear slightly below or above the maximum allowable rent level this is likely due to a difference in utility allowance and/or structure. All of the properties stated that the 50 and 60 percent rents were not at the maximum rental levels because the Pittsburg market would not currently support maximum rent levels.

Senior Section 8 Rent Analysis

At the Section 8 housing developments, tenants pay only a portion of their income (30.0 percent) toward rent. Therefore, an analysis of rent levels is not necessary. The current contract rent at Highland Meadows is \$606 for one-bedroom units, and the current contract rent at Knights of Columbus Tower is \$532 for one-bedroom units. Kansas CMI Housing could not provide a contract rent.

Assisted Living and CCRC Facilities

In addition, there are several assisted living and continuing care retirement community (CCRC) facilities in the area, but they have not been surveyed in detail due to wide variety of services offered including medical services. A CCRC provides increasing levels of care in the same facility. The table following illustrates independent living, nursing home, CCRC, and assisted living facilities in the area.

Property	Type	Number of Units
Cornerstone Village	CCRC	136
Golden Living Center	Nursing Home	96
MedicaidLodge	Nursing Home	95
Vintage Place	Assisted Living	34
Guest Home Estates	Assisted Living	34
Carington Cottages	Assisted Living	43

There are several senior properties in the Pittsburg area due to the presence of the Mt. Carmel Regional Medical Center, which provides convenient access to healthcare for seniors.

SPECIAL NEEDS HOUSING

Homeless

The 2013 annual homeless point in time survey in Crawford County registered 82 homeless persons in shelters or on the streets. In addition, the survey counted 21 children, aged younger than 18, residing in a shelter or transitional housing. This number is a four-fold increase from the 21 homeless persons identified in the 2011 point in time survey. The following table illustrates the location of those considered homeless in the survey,

HOMELESS PERSONS			
	Adults	Children	Total
Emergency Shelter	26	17	43
Transitional Housing	4	4	8
Unsheltered Locations	5	0	5
Doubled Up	9	0	9
Medical Treatment Facility	16	0	16
Jail/Corrections	1	0	1
Currently Homeless	61	21	82

Source: Kansas Statewide Homeless Coalition Continuum of Care, Novogradac & Company LLP, April 2014

Out of the homeless persons surveyed, over two-thirds were female, seven persons were considered chronically homeless, and 16 had some sort of employment. The homeless population is homeless for a variety of reasons, as outlined in the following chart, and the survey respondents selected the reasons for which they are homeless (respondents were allowed to select more than one reason). The biggest reason for homelessness was alcohol or drug use followed by job loss and a lack of affordable housing. Problems at home, including domestic violence and divorce, also played a role in homelessness.

REASON FOR HOMELESSNESS	
	Adults
Alcohol / Drug Use	37%
Job Loss	36%
No Affordable Housing	31%
Eviction	20%
Illness	18%
Lack of Vocational Training	10%
Domestic Violence	8%
Incarceration	7%
Changing Jobs	7%
Divorce	3%

Source: Kansas Statewide Homeless Coalition Continuum of Care, Novogradac & Company LLP, April 2014

We interviewed Timi Houghton and Jami Crowder at Southeast Kansas Community Action Program (SEK-CAP), a homeless housing services and shelter organization. The SEK-CAP shelter provides shelter for families with children, victims of domestic violence, and women in recovery. The shelter offers 12 rooms that accommodate roughly six people and is currently the only homeless shelter in Pittsburg. However, they noted there were very limited options for homeless singles or couples without children in the area. Often times, singles or couples are forced to move outside of the community, which is difficult for those with family in the area and/or part-time jobs.

Ms. Houghton and Ms. Crowder stated that due to the lack of affordable housing in the area, families are often paying over 50 percent of their monthly income towards rent and utilities and are extremely rent burdened. Ms. Crowder noted that the homes in the area are often not very energy efficient and thus utility bills were a huge burden for transitioning families, as families often get behind in their utilities payments. In addition, for those on a fixed income, such as seniors, there is a very limited supply of options available, and even for those paying fair market rents, the quality of the supply is often unsafe.

Ms. Houghton and Ms. Crowder discussed several programs available for homeless and low income families. The first is the weatherization program where improvements such as windows being sealed and/or replaced will help families lower their energy bills by up to one half. There is a waiting list for this program. They also mentioned several programs overseen by the Kansas Resource Housing Corporation, various charities, and the city that provide rent or utility assistance to low income families.

We also interviewed Ellie Foster at Wesley House, an organization that acts as a food pantry, provides referrals to agencies, and offers seasonal programs. Ms. Foster stated that the organization often has people ask where they can find reasonably priced housing in the area, and that the organization typically refers people to the HUD office but noted that it is difficult to find housing in the area for those that do not qualify for Section 8 assistance. Another challenge Ms. Foster mentioned was that since Pittsburg is a college town, rentals are expensive and a lot of the families that they serve do not have enough money to pay for a rent and/or utility deposit, and

there are not currently any assistance programs for this. The city could benefit from additional Section 8 and moderate income housing.

Ms. Foster also stated that there is not any transitional housing in the area for single individuals; thus, they are forced to go to Joplin or other areas, and often they have no way of getting there. Many homeless persons in the area are somewhat invisible and transient and often stay with friends and family, so the awareness of the problem in Pittsburg is lacking.

Mentally Ill

The Mental Health Association (“MHA”) in Pittsburg operates a specialty housing program designed to meet the needs of Pittsburg’s adults with mental illness. In Pittsburg, Pittsburg Senior Apartments, a LIHTC development, offers several subsidized units dedicated to persons with mental illness.

FUTURE HOUSING NEEDS

FUTURE HOUSING NEEDS

In order to gain a better understanding of the challenges and opportunities facing the local housing market, we interviewed several area stakeholders.

INTERVIEWS**Community Development and Housing Office – Lacie Cottrell**

The Community Development and Housing Office manages programs funded by the State of Kansas and HUD. The office also oversees Section 8 rental assistance in Pittsburg. Ms. Cottrell noted that there are currently 429 vouchers allocated to the PHA, but due to federal budget constraints, an average of only 329 vouchers are utilized due largely to higher rent subsidies paid per household, thus funding does not stretch as far. The waiting list for a voucher is between 12 to 14 months, and there are currently over 200 households on the waiting list. In Pittsburg, the waiting list is prioritized by the length of time spent on the list rather than by bedroom type, disability, or age. The majority of the households on this waiting list are currently living in other apartments or with family members. The payment standards in Pittsburg are \$400 for a studio unit, \$485 for a one-bedroom unit, \$660 for a two-bedroom unit, \$888 for a three-bedroom unit, and \$1,054 for a four-bedroom unit, which are between 90 and 99 percent of fair market rent.

Ms. Cottrell noted that families with vouchers have faced challenges in finding adequate housing in the area. The fair market rent is approximately \$900 for a three-bedroom unit, which is similar to what many university students are willing to pay if not more, thus these families are often forced to pay more than they can afford and become house poor between rent and utilities. Due to the fact that landlords can often rent out subpar homes to students, it is challenging for families to find safe, clean, housing. There are some landlords who are unwilling to accept Section 8 vouchers because the homes must pass an inspection for quality and safety to be part of the Section 8 program, which is not required for student rentals. The housing stock in the area is old and very inefficient with utilities, which exacerbates the problem.

The city does not own any housing; all low income and subsidized housing is privately owned, and applicants apply directly to each property.

The high percentage of renter-occupied units, at 52 percent, also presents challenges as much of the housing stock is not in good condition, and the city would like to bring all rentals in the area up to higher quality standards and make them more energy efficient. There are not currently any rental inspection standards in place, except for homes that participate in the Section 8 program, which poses a challenge. In terms of home buying for low to moderate income families, the interest is present; however, obtaining financing is still a large challenge for these families.

Ms. Cottrell mentioned that development in the community has typically been reactive where units or homes are only built after a significant need or shortage is demonstrated. In general, the southern portion of the city has experienced the most recent concentration of housing development; with infill development occurring throughout the city as older homes are demolished. However, within the city limits Ms. Cottrell believes that there are several areas that would be suitable for development with appropriate infrastructure help or other incentives from

the City. Further, it is her opinion that there are no areas of the city that would be considered unsafe or undesirable for development from a crime perspective.

The City offers several housing incentive programs including Section 8 vouchers and grants for housing rehabilitation. The Emergency Repair Program allows low income qualified, owner occupied households to obtain a deferred loan up to \$1,800 for immediate and eligible health & safety repairs to their home. The Housing Rehabilitation Loan Program, which allows low-moderate income qualified, owner occupied households to obtain a two percent low interest loan with the maximum amount allowed of \$18,000 for a term of 15 years, to address eligible rehab/repair activities for their home. Ms. Cottrell stated that the program is very popular; however, it is limited to low to moderate income households, whereas households that exceed the income qualifications have also expressed interest. The City also offers two percent low-income loans that allow for a rehab scope of up to \$18,000 per unit for a maximum of two units at a time. The loan is intended to allow for the revitalization of downtown Pittsburg by converting space above the storefronts into housing. Three apartments in downtown Pittsburg have been renovated with this funding, but it is difficult to check for compliance to ensure that the units are being rented out to low income individuals. Ms. Cottrell believes the program has the potential to become more popular, but there are not enough formal guidelines and procedures in place currently.

City of Pittsburg Planning Department – Troy Graham

According to Mr. Graham, new residential and commercial development in the area has been limited, and the most recent commercial development has occurred in the northern portion of Pittsburg and includes a Home Depot as well as other smaller retailers.

In terms of housing expansion, Pittsburg is constrained to the north by the city of Frontenac, thus the city's most logical continued expansion is to the south of the city by PSU. In addition, availability of land is somewhat of a challenge as many undeveloped areas of the city are located within a flood plain or near prior industrial uses. The land that was previously utilized by the Mission Clay plant would also be a good site for development after some remediation. Other areas that Mr. Graham believes would be suitable for development would be areas adjacent to schools and parks and near the university, which is a desirable location.

The City recently received a grant to build moderate income homes in the Lincoln Square area of Pittsburg (17th Street and Locust). The grant provides \$280,000 in funds to redevelop the area and build 10 new homes. Over \$120,000 in funds has been spent to date, and there is considerable interest in the project.

There are two additional housing projects in the pipeline, which include 72 units near the University as well as a 10-unit expansion to the Buttonwood Apartment complex.

City of Pittsburg – Daron Hall, City Manager

Mr. Hall stated that growth in Pittsburg has been consistent, with the majority of new development occurring to the south and infill development occurring as the city becomes more proactive in demolishing unsafe houses. Mr. Hall noted that the Mission Clay site, which is approximately 100 acres, would be an ideal site for a mixed-use development with a master

developer. The site would likely require some environmental attention, but it has a convenient location in the city. In addition, there is a parcel of land along South Bitner near the University that would be very conducive to residential development and could be exchanged with a parcel of city-owned land off Centennial Drive. Another possible area for development that Mr. Hall discussed was the area along 4th Street by the high school. This area has several large tracts of land that could be developed.

Mr. Hall stated that there were several challenges to development of housing in the area including the fact that there have not been any true developers in the area only home builders constructing a limited number of homes in specific locations. There has been a lack of planned communities in the area, and Mr. Hall believes Pittsburg would benefit greatly from an increased association with neighborhoods and planned communities. Consistent with many other university towns, there is not a high value placed upon being part of a neighborhood community given the high percentage of renters. Many landlords focus solely on their properties in the city, and there are a handful of owners that each own dozens of homes in the area. Emphasizing the importance of maintaining a quality housing stock and reinvesting in properties would significantly improve the area's housing stock and desire to have a greater sense of community. Creating financial incentives to do so would be a strong step in the direction of revamping the area's residential communities and attracting developers to the area.

The City benefits from an economic development loan fund that has \$1 million to devote to programs in the area as well as helping developers with infrastructure needs. Mr. Hall said that there is no reason there should be such a shortage of quality housing in the area such as the one that currently exists. There is an enormous shortage of housing of moderately price homes, around \$200,000, and persons wanting homes within the \$175,000 and \$250,000 price range either are forced to wait a year while a developer builds a new home or live in Carl Junction, Carthage, or Joplin and commute into Pittsburg. Mr. Hall believes there is significant unmet demand for moderately priced homes in the area as exhibited by the Commuter Study the City conducted, and even with the higher property taxes, people would relocate to Pittsburg if there was better housing stock in terms of quality and availability.

Mr. Hall also discussed senior and low-income housing. He stated that the creation of well-maintained housing for seniors would be beneficial for Pittsburg as it would allow seniors to move into lower maintenance responsibilities while freeing up the existing housing stock. There is a continued commitment to providing low income housing in the area as well as trying to grow the moderate income housing stock.

City of Pittsburg – Jay Byers, Director of Innovation

Mr. Byers stated that a big challenge to growth was the availability of housing, which is very difficult to find, as well as overall quality, which is poor. In addition, Pittsburg has an urban environment, thus the only available land is often infill development where the surrounding land uses are not of the highest quality. Another challenge Mr. Byers mentioned was the lack of trade jobs in the area, which are moderately paying jobs that boost the economy. Thirdly, he mentioned that planning and zoning of the city has not been optimized and that the community could benefit from rezoning or changing the zoning requirements. Many of the existing industrial sites in the city could be rezoned, and the city should be more proactive about implementing

zoning changes. Lastly, he stated that there is no cohesive plan for development in the city, and residents tend to act only in their own interests rather than those of the community as a whole. There has been limited revitalization in the area thus far, and there needs to be a solid framework as to how to make redevelopment successful on a large scale in the area.

Mr. Byers stated that there has been infill development across the city and some new development to the south, mostly high end, but that the most recent master-planned community in Pittsburg was completed in the 1970s. This lack of master planned communities has led to a lack of neighborhood associations in Pittsburg. Mr. Byers thinks that the establishment of neighborhood associations would be one of the simplest ways to create a stronger sense of community. In addition to the lack of neighborhood associations, the high percentage of renters has also presented challenges. Many families in the area are forced to rent subpar housing, essentially competing with the student rental market, because they cannot afford to purchase homes. Landlords are not always proactive and responsible with their properties, which leads to properties often needing to be cleaned up and repaired. Mr. Byers believes that a more aggressive program for condemning and demolishing houses would be positive and a rental licensing program, which would require certain upkeep standards, would be beneficial to students, families, and the community as a whole.

Another item Mr. Byers referenced was the establishment of a land bank, which could be created through more Sherriff's sales in the area and stricter bank takeover regulations, as the last Sherriff's sale was seven years ago. This would allow the city to be more aggressive in acquiring property that could be developed.

Dustin Wilson – Wilson Builders

We spoke with Dustin Wilson, a local home builder, about home construction trends in the area. Mr. Wilson stated that many of their newest homes have been located on the outskirts of the city or outside of the city proper due to the lack of available land for development within the city limits. Most homes in the area are specifically ordered by customers, as there has been limited speculative ("spec") development. This limited spec development includes the Lincoln Square project. In addition, one builder in the area owns vacant lots for spec development in the southern portion of the city. His company has not had many requests for starter homes, and most of their requests have been in the \$200,000 to \$275,000 range. Mr. Wilson said that one of the biggest difficulties to developing is the infrastructure costs. In addition, as codes become stricter it drives up the cost of building homes, so it is incredibly difficult to build less expensive homes and still make any sort of profit.

Gerry Dennet – Homebuilder

Mr. Dennet has worked on a 30-lot and 60-lot development over the past several years. The majority of new homes he has built have been in the southern portion of the city and along East Fourth Street. Mr. Dennet noted that he is one of the few homebuilders in the area that builds speculative development. Selling spec homes can be difficult in the market, and he aims to sell six to 12 per year, but last year only sold four. The majority of homes he builds are between \$150,000 and \$300,000 though he stated that demand for duplex-style units has increased because they are most cost-effective to build than single-family homes. Lastly, he mentioned that

he has noticed an increase for upscale rentals in the area in which households are willing to pay in excess of \$1,200 in monthly rent.

Bill Warlop – Home Center Construction

Mr. Warlop specializes in mostly commercial development though he has returned to building housing to keep busy during slow development times. He said that his company builds homes all over the city as well as outside of the city limits and worked on the Lincoln Square development. The majority of homes he builds are between \$100,000 and \$150,000 though there is a void in midrange homes that are between \$120,000 and \$130,000. Mr. Warlop stated that it is difficult to build in the market because there is a high student renter population, and they cannot afford to rent new development. Further, the cost of building is too high due to low wages for potential homebuyers in the area, and loan restrictions make it difficult for them to obtain loans. There is demand for housing, he believes, but qualifying for loans is so difficult that many end up renting instead. Mr. Warlop stated that good quality rental properties tend to be in high demand in the area.

Vern Morton – Homebuilder

We also spoke with Vern Morton regarding single-family home development in Pittsburg. Mr. Morton said that he typically purchases the lot, builds the house, and rents it out since it is often easier for him to obtain financing than prospective buyers. Recently, he has built homes in the West Forest area that are approximately 900 square feet and priced at \$85,000. He also noted strong demand for three-bedroom/two-bathroom homes at around \$150,000 and has noticed a split in the housing market with wealthy households wanting higher-end homes and lower income households forced to rent. Another challenge he observes in the market is that there is a significant amount of regulation needed to build, and the cost of licenses and permits is very high. Several contractors that he knows only work outside of the city limits due to high fees and regulation issues. He believes that despite these barriers there is a strong demand for single-family rentals versus apartment rentals in the area.

John Adams – Homebuilder

Mr. Adams is a custom homebuilder who builds single-family homes across the city. Recently, he has built several homes in the northeast portion of the city, all of which were individually contracted. These homes have ranged from \$100,000 to \$750,000 with an average price of \$250,000 and an average square footage of 3,000 square feet. Income restrictions are a challenge to building in the area as people cannot spend as much as they used to on housing. It is also tough to perform quality work while competing against cheaper, poor quality work. People now want higher quality housing but are not necessarily willing to pay more for it, which is problematic to the quality of the housing supply. In addition, loans are more difficult to obtain now so there is a higher demand for lower priced homes around \$100,000 to \$150,000.

Pittsburg Area Chamber of Commerce - Blake Benson, President

In addition to providing information on the local economy, we interviewed Blake Benson, President of the Pittsburg Area Chamber of Commerce, to gain insight on housing trends in the Pittsburg market

Mr. Benson said that given the growth in the medical sector, there is a mismatch between the current housing supply and growing demand. There is a very limited housing stock between the \$150,000 and \$200,000 range, which is the price range that many of these medical employees would consider. These employees and their families often do not want to wait for a home to be built since relocating can be difficult and, as a result, move to Carl Junction or Joplin, and Pittsburg loses out on the associated tax revenue and their integration in the community. The existing housing stock is of low quality, and there is a shortage for professionals, particularly those that want something larger than a small starter home.

The topography of the area with low-lying flatlands combined with the lack of available land for development within the heart of the city also present challenges to development. Mr. Benson believes that there will be continued growth in the community and that housing challenges will only compound in the future if not corrected.

Michael Davidson – Assistant Professor, Pittsburg State University Department of Economics, Finance, and Banking

Mr. Davidson believes that the economy is improving as it emerges from the recent recession but is still not at pre-recession levels. The middle class is growing at a faster rate than the upper and lower classes. Projections show the number of jobs and median-income levels are growing. There are 152 new small businesses (middle-income workers) in the area. This indicates a spike in entrepreneurial activity. There is also an increase in the young adult population in Pittsburg. The number of unemployed has gone down.

He said that professional and business services is the fastest growing industry. Trade and retail sectors are also growing. Leisure and hospitality is losing jobs at the fastest rate. In addition, all of the manufacturing businesses do not contribute directly to the local economy; the profits do not stay in the city. In terms of challenges, he views the lack of highways/interstates as a major hurdle in attracting new (large) businesses to the area. He believes the city needs a major highway to link the city to interstate highways.

Housing sales went up last year, and the time a house spent on the market has gone down. Both these factors indicate the housing market is improving. The number of bankruptcies reported also went down. The regulatory environment is very important to the health of the housing market. Strict land use regulations result in higher rental rates, historically.

Pittsburg State University – Shawn Naccarato, Director of Government and Community Relations

PSU currently offers 1,311 beds of on-campus housing, which are always fully occupied. The university is in the process of renovating its housing stock and has renovated 780 units to date. For students' first year, the university has the expectation that students will either live on campus or remain in family housing. Mr. Naccarato noted that many students choose to move off-campus

after their first year to live with friends. The university recently created apartment-style dorms where there are 40 units with four-bedrooms each. These units have been tremendously popular and have remained full despite a slight rent premium.

At the present time, the university has no plans to build any new housing as they are landlocked. The university has grown one to two percent year over year and is expected to enroll nearly 10,000 students by 2030; thus, the university is already trying to figure out how it will accommodate this growth in the needed housing stock.

Off-campus housing is very popular, though its quality varies significantly. For example, University Commons, a private apartment development located directly across from the university, is nearly always fully occupied, and is well maintained. However, the majority of the off-campus rental housing stock is rundown with little to no upkeep and significant deferred maintenance. Mr. Naccarato noted a strong need for decent quality student housing that is well maintained.

As of 2014, the largest number of students in the area hailed from Johnson County, KS and there is a growing population of students from Northwest Arkansas. Parents of these students have often been extremely surprised at the lack of clean, safe, off-campus rentals available for students.

Mr. Naccarato said that adequate housing for faculty and staff is also a huge challenge within Pittsburg. Although 75 percent of employees live in Crawford County, many live outside of the city limits. Mr. Naccarato also noted the lack of \$150,000 to \$250,000 homes in the area but stated that for those able to spend over \$300,000 there was a good selection of homes available especially in the southeastern portion of town. However, much of the university's staff earns between \$50,000 and \$60,000 per year and are priced out of these homes. He also commented that the higher property taxes, combined with the lack of access to retail in the area, has driven potential residents over to Missouri.

Pittsburg State University – Steven Erwin, Associate Vice President of Campus Life and Auxiliary Services

Mr. Erwin stated that housing quality and selection for students is improving as there has been infill development and rehabilitation across the city while the University has renovated much of its housing stock as well. He believes there are ample choices available for housing. While sub-standard housing does still exist many students select the lowest priced housing to save money, and this lower quality is commensurate to price.

Approximately 30 percent of upperclassmen, in addition to the majority of freshmen, are housed in campus housing while the remaining students would like more freedom and select off-campus housing after their first year because they want more common area space. As such, the University's apartment-style dorms with ample common area space have been very popular. The University has long-term plans to building additional housing along Williams Street conditioned upon continued enrollment growth; however, the University has been cautious and conservative in its approach to building additional housing to ensure the market is not overbuilt. On-campus

housing is generally moderately priced compared to the local rental market as a whole, and has been well received by students.

Regarding the city's housing stock, Mr. Erwin believes that the continued demolition of older homes and replacement with newer stock will improve the overall quality of housing in the area. Also, additional enforcement of property standards would help maintain a higher quality of housing. Unfortunately, despite some good ideas regarding improving the quality of the housing stock, often passing the legislation to do so has been challenging as often individual owners want to take the path of less resistance.

First Federal Savings & Loan Bank – Jennifer Trisler, Branch President

We spoke with Jennifer Trisler, Branch President of First Federal Savings & Loan Bank, regarding the local lending market and challenges that low to moderate income households face when obtaining home loans. Ms. Trisler stated that Pittsburg is a tough lending market because many applicants do not meet the minimum credit score requirements and have difficulty securing enough money for a sufficient down payment. She noted that the primary reason households have low credit scores is from past due collections that have hurt their credit scores. She believes that the majority of first-time homebuyers are not aware of assistance programs offered by the state of Kansas and other organizations. If an applicant is not approved, Ms. Trisler directs them to resources to help improve their credit and start saving for a down payment. The lending market in Pittsburg has not changed significantly over the past two years. Ms. Trisler also stated that she has received five or six inquiries on loan approvals for the Lincoln Square Development (the moderate income housing program and development), indicating interest in the program; however, despite the down payment assistance offered through the program, only one applicant was able to meet the credit requirements.

James Teats – Kansas Teachers Community Credit Union

We interviewed James Teats regarding the lending climate in Pittsburg. Mr. Teats said that the biggest challenge to moderate income households obtaining loans is having cash for a down payment, closing costs, and seasoned funds. Low credit scores also pose a challenge to loan approval. When households are denied a loan Mr. Teats pulls their credit score, goes through a credit report with them, and looks over their accounts to see where they can improve their financials. He also encourages them to become educated on the loan process. About 50 percent of people that come in know that there are first-time homebuyer programs available, but most of them do not understand what they are.

He believes a barrier to loan approval is that the amount borrowers can receive in gifts is too limited. Many times, parents try to gift money to their children for a mortgage, but regulation prevents them from doing so. If this were to change, many more people could qualify. The biggest problem he has run into is the lack of knowledge people have on the loan process. They do not understand the process and what items they need to qualify. So much has changed in the industry, there is so much more that lenders have to do now. He recommends some sort of awareness/education program, like a Webinar, for people thinking about purchasing a home. He also noted that in an ideal world, the contractor would apply for the construction loan, front the bill and build the house then have the homeowner pay them directly.

Regarding the Lincoln Square Development, he has noticed a lot of contractors making potential homeowners apply for the construction loan and the mortgage, which makes it harder for the homebuyer to use the grant from the city. Further, most people that applied did not qualify due to their debt/income ratio or they did not have enough funds for a down payment. Mr. Teats said that many applicants have been approved for the grant by the city and thus automatically assume they qualify for a home loan, but then became frustrated when they did not qualify through the bank. He remarked that there should be clear language stating that because a household was approved for the grant, does not mean a loan will be approved through the bank.

Conclusion

Interviews with various local stakeholders indicated several major themes. First, the area is very constrained in terms of land available for development; with the exception of some lots available in the southern portion of the city, it is difficult to find land for newly constructed homes. Another issue mentioned was that due to the large student renter population, the price of rentals in the area is high while the quality is somewhat low. There are many properties in the area that have not been taken care of, and the condition of the housing stock reflects this trend. An additional commonality was a lack of moderately priced homes in the area, where residents are either forced to wait a year for a home to be built, or they have to reside outside of Pittsburg to find quality moderately priced housing. Local homebuilders have mostly been constructing moderate to higher price homes and have expressed difficulties in building in the market due to current processes in place. Higher inspection standards and the implementation of neighborhood association could be beneficial to improving the quality of the area's housing stock. Lastly, local lenders believe that Pittsburg is a difficult lending climate for low to moderate income households as many have difficulty obtaining loans.

PROPOSED CONSTRUCTION

We spoke with Troy Graham, City Planner for the City of Pittsburg, regarding proposed or under construction apartments in the area. He noted two multifamily projects: the first is a 10-unit expansion of the Buttonwood Apartment Complex to be completed in late 2014. The second is a 72-unit proposed luxury market rate development located at 2010 S. Rouse Street that will be completed in 2015.

The Lincoln Square development, as previously noted, is a revitalized neighborhood block of 10 new construction homes. Currently, out of the 10 single-family lots, there are three homes complete and sold (Lots 1,5,9), one nearing completion and sold (Lot 10), one beginning construction and available for sale (Lot 6), one (under review for development with a homebuyer in place (Lot 7, and the remaining four lots are available for development and for sale (Lots 2,3,4,8).



Lincoln Square Home



Lincoln Square Signage

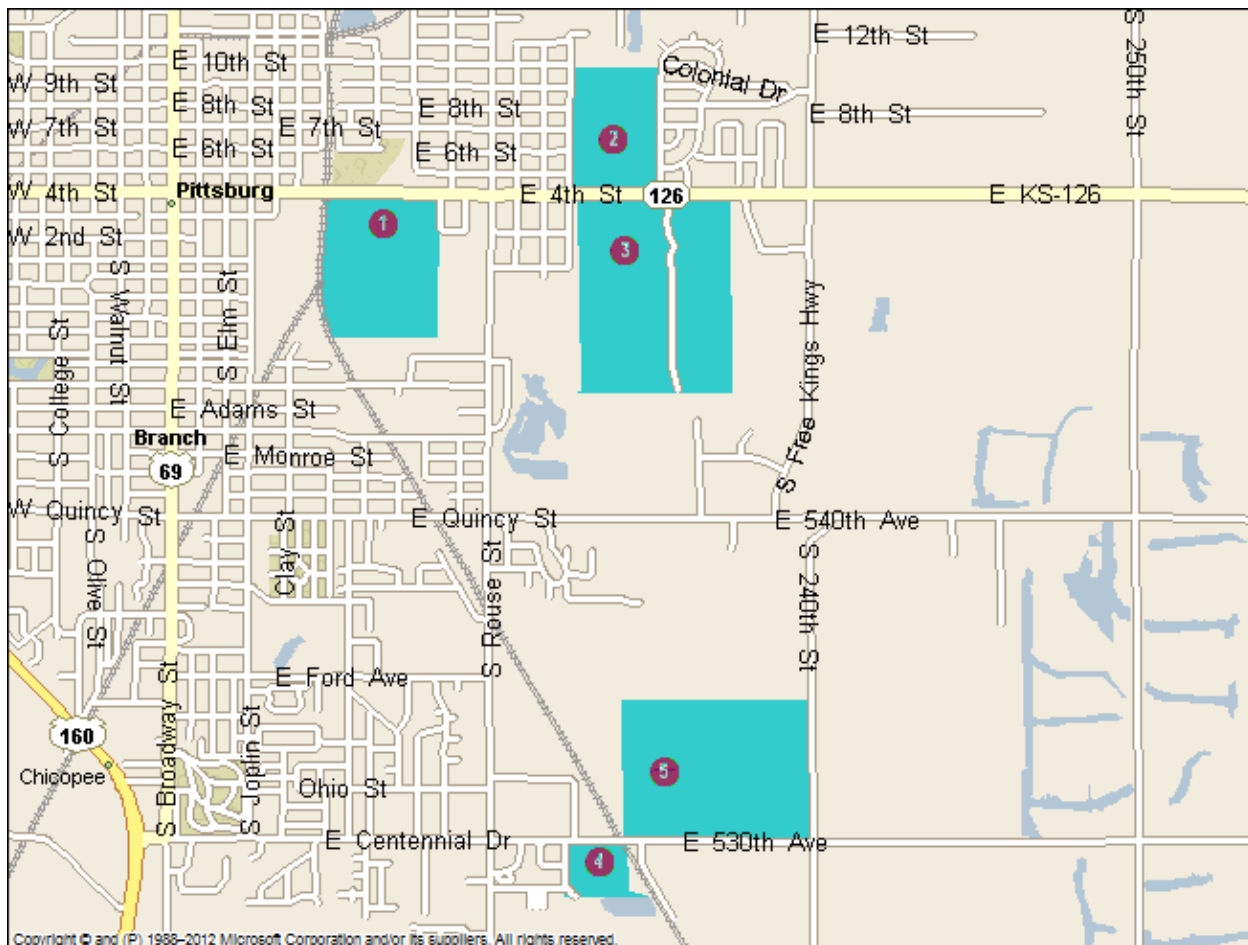
We were also provided with the status of several of the larger housing divisions in the area as outlined in the following table. Prices were unavailable as most homes are custom built.

DEVELOPMENT	ADDRESS	STATUS
Deer Creek Estates	3300 S. Rouse	27 lots; 3/4 complete
Pinnacle Point	3100 S. Rouse	68 lots; 1/3 complete
Eastport Acres	2000 E. Quincy	19 lots; 2/3 complete

These developments are located in the southern portion of town, and, as the table illustrates, there are still lots available for new development.

POTENTIAL SITES FOR DEVELOPMENT

Based upon our interviews, site inspection, and analysis we have identified several parcels that would be suitable for development of multifamily or single-family housing as outlined in the following map. Further site details were unable to be obtained from the Crawford County Assessor's Office.



#	Address	Potential Development Types
1	800-900 E. 4 th Street	Single-family homes (moderate income)
2	1500 E. 4 th Street (north side)	Duplexes or multifamily housing
3	1500 E. 4 th Street (south side)	Single-family homes (moderate income)
4	1400 E. Centennial Drive	Multifamily housing (senior)
5	1600 – 1900 E. Centennial Drive (north side)	Single-family homes (moderate to high income) or mixed-use development

Due to their smaller sizes based upon visual inspection, we believe that Site 4 would only be able to accommodate multifamily housing. Given its close proximity to the hospital, senior housing would be a good fit for this location. Site 2 could accommodate either multifamily housing or for-sale duplexes or townhomes; the latter would be an opportunity to provide newer, less expensive housing in a popular housing area.

Sites 1, 3, and 5 have the largest land areas and would sufficiently accommodate new subdivisions with homes that are targeted towards moderate to higher income households. Sites 3 and 5 have particularly desirable locations adjacent to the high school and University and hospital, respectively. Lastly, Site 5 would also be feasible for mixed-use development with a combination of townhome/duplex, single-family, and retail options to target medical professionals and university personnel. It should be noted that although many of the sites are

adjacent to the railroad, this development pattern is common. Further, many of these vacant sites had for sale signs on them.

In addition to our selected sites, the area on the periphery of downtown and the recently closed Mission Clay Plant, which currently contain light industrial and industrial uses, are underutilized and could be rezoned to allow for mixed-use development. Since the majority of this land is currently improved, it will require greater coordination with land owners to redevelop.

SPECIFIC HOUSING DEVELOPMENT NEEDS

Based upon our assessment of the current housing market in Pittsburg, we believe there are three types of housing that are in short supply in the area: good quality moderate income owner-occupied single-family homes, higher end rental homes for students, and housing for seniors.

Moderate Income Owner-Occupied Single-Family Homes

Approximately 33.4 percent of owner-occupied households within the city of Pittsburg earn between \$50,000 and \$99,999. However, there is a limited supply of moderate income homes in good condition. Many interviewees noted that it has been challenging for potential residents in the moderate income bracket to find a suitable home in Pittsburg. There are roughly 1,500 households in Pittsburg in these income brackets currently, which is increase by 3.8 percent by 2018. As such, we believe that the addition of 30 to 40 new moderate income homes to the housing supply would help alleviate the lack of moderate income homes.

These moderate income homes would likely contain three to four-bedrooms, contain 2,000 to 3,000 square feet depending on the number of bedrooms, and be priced between \$175,000 and \$250,000. The homes should offer attached two-car garages, stainless steel appliances, fenced in yards, and the option for upgrades in the kitchen and bathrooms.

Higher End Rental Homes for Students

Approximately 70 percent of upperclassmen at PSU choose to reside in off-campus housing, many of which in detached single-family homes. Although there is an ample supply of detached single-family homes for rent in the Pittsburg area, the quality of these rental properties is highly varied. Per our discussion with interviewees, students and their families desire higher quality detached rental properties than what is generally available in the market. We believe that three to four-bedroom homes of approximately 2,000 square feet located close to the University would be well received by students and their families. As PSU's enrollment continues to grow, specifically out of county enrollment from Johnson County, Kansas and Northwest Arkansas, the demand for these good quality single-family rental homes will continue to increase. We estimate that 10 to 15 good quality single-family rental homes that rented between \$1,000 and \$1,200 for three-bedroom homes and \$1,200 to \$1,400 for four-bedroom homes would be able to be absorbed into the market.

Senior Housing

The number of senior households, ages 65 and older, is predicted to grow at a rate of 1.3 percent annually from 2013 to 2018 to 2,046 senior households in 2018. There is a large percentage of senior households in Pittsburg that earn below \$40,000 annually at 61.6 percent, indicating the need for additional affordable senior housing in the area. As of 2013, approximately 37.1 percent

of senior households, or 712 households, are renters, which is projected to increase to 778 senior renter households by 2018.

The current vacancy rate for senior affordable rental properties is 1.7 percent with only four vacant senior units in Pittsburg, and the two LIHTC senior properties only have one vacant unit out of their combined 70 total units. We believe the Pittsburg area could support an additional senior LIHTC development of approximately 20 to 25 units and that this development could be fully absorbed into the market within one year. The senior development would offer one and two-bedroom units in either duplexes or one-story buildings with rents that were similar to the existing LIHTC properties, depending on the AMI levels selected.

In addition to constructing affordable rental housing for seniors, we believe that owner-occupied condominiums or townhomes that offer less upkeep and maintenance for seniors that currently own larger single-family homes could be well received in the area. Based upon conversations with property managers at senior properties, we believe that one to two-bedroom units approximately 650 to 900 square feet with attached or underground parking would be well received. Further, locating these units near the hospital complex would be an added draw. These units should be priced between \$85,000 and \$120,000.

HOUSING RESOURCES

HOUSING RESOURCES

There are many resources in the Pittsburg area that can be utilized to rehabilitate and finance market rate and affordable housing as well as demolish non-functional structure. The below list highlights some of these organizations and programs.

Neighborhood Revitalization Act – The goal of this act is to provide communities with a long-term increase and stabilization in the tax base by encouraging rehabilitation or new construction. The Act provides a refund of property taxes that would otherwise be payable on the value added to a property due to a qualified improvement. The rebate only applies to additional taxes; the taxes relating to the assessed value on the property prior to the improvement may not be reduced. The length of the tax rebate under this program is five or ten years depending on the amount of investment, and the minimum investment amount is \$5,000 to be eligible.

City of Pittsburg Demolition Program – This program assists property owners in the demolition of dilapidated property (as determined by the City building official) to encourage future development. Applicants will be required to provide 50 percent of the cost of demolition to the City prior to award of contract in either owner cash or a zero interest loan from the City. The total cost of demolition will be determined after the project has been bid. The applicant must also agree to the placement of a lien for the remaining cost of demolition to be repaid when the property changes hands, unless the owner pays 100 percent of the cost to demolish in cash or rebuilds a like structure on the demolition site within two years of the completed demolition. Lastly, the owner must agree to accept the lowest bid for demolition. Demolition costs will include any associated costs for environmental assessments. The maximum loan amount for this program is \$3,000.

City of Pittsburg Emergency Repair Program – This program is currently on hold due to funding constraints. However, it assists low-income families in order to meet an immediate safety need. The fund provides a 100 percent interest free deferred loan to be repaid when the owner fails to occupy the premises or when their ownership of the real estate ceases. The loan will be secured by real property through a signed note and mortgage. The applicant may be referred by a local social service agency or a licensed contractor who has identified the repair needed. There are income limits in place to determine whether a family is eligible for this loan. Only those hazards identified as existing immediate health and/or safety hazards will be addressed, and roofs are excluded. The maximum loan amount for this program is \$1,800.

Moderate Income Housing Grant – The City of Pittsburg received a \$280,000 moderate income housing grant through Kansas Housing Resource Corporation (KHRC) to address the City's increased need for moderate-income workforce housing. The "Lincoln Square Development" is located at 18th and Locust and is a revitalized neighborhood block of 10 new quality homes, each of which is 2006 energy code certified, contain three bedrooms and two-bedrooms, and will be approximately 1,100 square feet. Homebuyer incentives include down payment and closing cost assistance of \$17,500 and five years of a property tax rebate, estimated as an additional \$5,000 in savings. Currently, out of the 10 single-family lots, there are three homes complete and sold (Lots 1,5,9), one nearing completion and sold (Lot 10), one beginning construction and available for sale (Lot 6), one (under review for development with a homebuyer in place (Lot 7, and the remaining four lots are available for development and for sale (Lots 2,3,4,8).

Paint Pittsburg – The program provides \$100 per home for repainting with an attached paint receipt. The program is available to all renter and owner occupied properties within the city limits of Pittsburg, with no income requirements. Priorities include homes that accept Section 8 vouchers, rental homes, low-income homeowners, and non-profit organizations that have community painting projects for residential homes.

City of Pittsburg “Living Downtown” Loan Program – The loan program encourages the rehabilitation of housing above the first floor in the downtown area. The program provides an opportunity to owners of buildings in the downtown area to obtain low interest loans, which will increase the housing available to low-moderate income citizens. The target area is within the boundaries of Broadway from 11th Street on the north, to Kansas Avenue on the south, and all connective side streets one block in either direction. The building must need the repair of at least one major system or the need to eliminate unsafe conditions in the second story. Single-family homes are not eligible nor are buildings with over three stories or more than six apartments. The owner must be income qualified if owner-occupied, and if the unit will be a rental, the owner must sign an agreement to rent to an income qualified occupant for five years after project completion. The maximum loan amount is \$18,000 with a 2.0 percent interest rate for up to 15 years. Up to two units per year for each applicant may receive funding.

City of Pittsburg Housing Rehabilitation Loan Program - This program provides low and moderate-income households the ability to obtain low interest loans for the purpose of upgrading their home. The program is intended to assist those who otherwise would not have conventional loans as a resource. The home must be a single-family home and have a need to repair at least one major system, eliminate unsafe conditions or need weatherization; income restrictions apply. The maximum loan amount is \$18,000 with a 2.0 percent interest rate for up to 15 years.

KHRC Weatherization Program – The weatherization program improves heating efficiency and fuel savings by ensuring a home retaining heat and air-conditioning, while keeping hot and cold air out. At no charge, income eligible families receive a comprehensive home assessment which includes repair or replacement of heating systems and insulation and includes weatherstripping, caulking, testing, adding insulation, and infiltration reduction.

Low Income Housing Tax Credits - We have provided a brief overview of the low income housing tax credit program in the State of Kansas provided by the Kansas Housing Resources Corporation (“KHRC”). As part of the Tax Reform Act of 1986, the United States Congress created the Low-Income Housing Tax Credit (LIHTC) Program to promote the development of affordable rental housing for low-income individuals and families. To date, it has been the most successful rental housing production program in the nation, creating thousands of residences with very affordable rents.

The housing tax credit, rather than a direct subsidy, encourages investment of private capital in the development of rental housing by providing credits to offset an investor's federal income tax liability. In exchange for the financing provided through the credit, owners agree to keep rents affordable over a 30-year period for families with incomes at or below 60 percent of the local median income.

Financial institutions, such as banks, insurance companies and government-sponsored enterprises make equity investments in exchange for receiving the tax credits. Equity from the sale of tax credits reduces the amount of debt financing that the property owner incurs. This process reduces the property's monthly debt service, lowers the operating costs, and makes it economically feasible to operate the property at below-market rents.

KHRC administers the LIHTC program on behalf of the State of Kansas. The Corporation allocates credits based upon selection criteria and application ranking procedures set forth in KHRC's housing allocation plan. In addition, KHRC monitors tax credit properties during the compliance period to ensure that rents and residents' incomes do not exceed program limits, and that properties are well-maintained. KHRC has authority to allocate approximately \$60 million of ten year credits each year.

Owners of tax credit properties are eligible to take the federal tax credit each year for 10 years, provided the property continues to operate in compliance with federal guidelines. Excluding land, the annual amount of the tax credit is approximately nine percent of the qualified cost of building or rehabilitating the property. The property owner typically sells the tax credits to a corporation or group of investors. Currently the average rate per credit is 77 cents on the dollar. The proceeds provide equity in the development, which reduces the amount of debt required to build the property, and therefore reduces the monthly debt service and the amount of rent income that is required.

Tax credit rents must be affordable to households earning 60 percent or less of the local median income. Residents are responsible for their own rent payments, unless rent subsidies are available from other sources. KHRC is required by the Internal Revenue Service to monitor tax credit properties for the compliance period to ensure that rents and resident's incomes do not exceed federal limits and that the properties are well maintained. Owners of properties receiving tax credit allocations must follow IRS rules and regulations that oversee the program. Owners are required to provide certain reports to KHRC and maintain certain records for the agency's review. The tax credit program operates under a Qualified Allocation Plan (QAP) which is amended annually.

KHRC evaluates housing tax credit applications based on several characteristics, such as:

- Site/Location
- Development Design
- Development Team
- Targeting/Extended Use
- Financial Characteristics
- Federal Regulations

Federal regulations require KHRC to allocate tax credits giving preference to proposals that:

- Serve the lowest income tenants
- Serve qualified tenants for the longest periods

- Contribute to a concerted Community Revitalization Plan
- Are intended for eventual tenant ownership

Tax Increment Financing - Tax increment financing (TIF) has proven to be a widely used economic development tool nationwide. TIF offers local governments a way to revitalize segments of their communities by expanding their tax base and offsetting the federal and state funds that are no longer available without imposing increased property taxes on the whole community. TIF captures incremental increases in tax revenues without any required change in the tax rates. As property values increase as a result of redevelopment, TIF enables the municipality to capture increased revenue and utilize it to pay for public improvements. A TIF District has been created by the City of Pittsburg for a 28-acre area on North Broadway. The anchor store for this TIF District is Home Depot. TIF can create necessary funds for acquisition and redevelopment of an area.

HOME Rental Development - The HOME Rental Development Program, funded through the Federal HOME Investment Partnerships program, assists communities and developers with increasing the supply of affordable rental housing.

The program helps communities, via housing developers, respond to housing issues and needs in underserved areas. Funds are awarded on a competitive basis annually and Community Housing Development Organizations (CHDOs) may apply for an amount up to \$500,000. CHDOs and other housing developers obtain funding to supplement a primary loan for the development and, in the process, strengthen the capacity of the organization. Communities achieve added housing stock with an enhanced tax base to further their economic and community development efforts. The HOME Rental Development Program is effective in addressing some of the most difficult rental housing development need that communities have.

The loan allows the owner/developer to lessen the amount of debt required to finance a development, thus allowing rents to be lowered. A certain percentage of units, equal to or greater than the percentage of HOME funds to the total development cost, are considered HOME units. These units are required to be rented to households who meet the income guidelines of the program and the rents on these units must be restricted.

In developments that contain four or fewer HOME units, 100 percent of the HOME units must be restricted to households at or below 60 percent of the area median income. In developments with five or more HOME units, 20 percent of the units must be rented to households at or below 50 percent of the area median income. These units must also have rents restricted to the Low HOME rents. Of the remaining 80 percent, 70 percent (of the total) can be rented to those at or below 60 percent of the area median income and 10 percent (of the total) can be rented to those at or below 80 percent of the area median income. The rents of these units are restricted to the High HOME rents.

Kansas Low Income Energy Assistance Program – This federally funded program helps eligible households pay a portion of their utility bills by providing a one-time per year benefit. Eligible

households must have a combined gross income that cannot exceed 130 percent of the federal poverty level.

Kansas Private Activity Bonds (PABs) - Tax-Exempt Bond financing for multifamily housing is available through the Kansas' Private Activity Bond (PAB) authority. The federal government empowers the State to allocate \$239 million in PABs. The PAB is designed to provide local units of government the ability to issue tax-exempt bonds for a number of purposes including, but not limited to: facility and equipment financing for qualified manufacturers and processors, Beginning Farmers Program, waste treatment facilities, Mortgage Credit Certificates (MCC), Mortgage Revenue Bonds (MRB), and financing for residential rental developments.

PABs provide lower interest and longer term financing than typical conventional loans, thus reducing the financing costs to users of the program. The reduced financing cost, in turn, allows rents to be made more affordable for households who have been unable to find adequate housing. Investors benefit as they are not required to pay federal income tax on their earnings from the purchase of the bonds.

At least 95 percent of the net proceeds from the bonds must be used to finance a qualified development. If 50 percent or more of a development's aggregate basis of buildings and land are financed with the bonds, a four percent annual Housing Tax Credit may be received on the qualified basis of the development. If Housing Tax Credits are used with the tax-exempt financing, the rules and regulations of that program apply. At least 20 percent of the units must be set aside for residents who earn 50 percent or less of the area median gross income or 40 percent of the units must be set aside for residents who earn 60 percent or less of the area median gross income.

HUD Choice Neighborhoods Planning Grants – These grants support the development of comprehensive neighborhood revitalization plans which, when implemented, are expected to achieve the following three core goals:

Housing: Transform distressed public and assisted housing into energy efficient, mixed-income housing that is physically and financially viable over the long-term;

People: Support positive outcomes for families who live in the target development(s) and the surrounding neighborhood, particularly outcomes related to residents' health, safety, employment, mobility, and education; and

Neighborhood: Transform distressed, high-poverty neighborhoods into viable, mixed-income neighborhoods with access to well-functioning services, high quality public schools and education programs, high quality early learning programs and services, public assets, public transportation, and improved access to jobs.

To achieve these core goals, communities must develop and implement a comprehensive neighborhood revitalization strategy, or Transformation Plan. This Transformation Plan will become the guiding document for the revitalization of the public and/or assisted housing units, while simultaneously directing the transformation of the surrounding neighborhood and positive outcomes for families. Total maximum funding for each neighborhood has not yet been determined.

HOPE VI Main Street Grant Program - The purpose of the HOPE VI Main Street Program is to provide grants to small communities to assist in the renovation of an historic or traditional central business district or "Main Street" area by replacing unused commercial space in buildings with affordable housing units. The objectives of the program are to: redevelop Main Street areas, preserve historic or traditional architecture or design features in Main Street areas properties by replacing unused commercial space in buildings with affordable housing units, enhance economic development efforts in Main Street areas, and provide affordable housing in Main Street areas. HUD is making available **\$500,000** available nationally for the HOPE VI Main Street Grant Program.

The Lead-Based Paint Hazard Control (LBPHC) Grant Program and Lead Hazard Reduction Demonstration (LHRD) Grant Program – This grant provides funding for remediation of lead-based paint. HUD has announced the availability of funding of approximately \$104,000,000 million for this grant.

Federal Home Loan Bank of Topeka - FHLBank Topeka provides wholesale funding, related services and technical expertise to help community bankers promote housing, economic development and general prosperity in their local communities. FHLBank Topeka provides grants and loans of up to \$300,000 per project to FHLBank members and their nonprofit partners to create rental and homeownership opportunities for very low and low-income families and individuals. FHLBank Topeka provides funds through FHLBank member banks to assist rural first-time homebuyers earning 80.0 percent or less of the area median income with down payment, closing costs and rehabilitation assistance. The funds are reserved on a homebuyer-by-homebuyer, first-come first-served basis. FHLBank Topeka provides funds through FHLBank members to assist first-time homebuyers earning 80.0 percent or less of the area median income with down payment, closing costs and rehabilitation assistance.

We will discuss specific recommendations of pairing incentives with development types in our strategies and recommendations section that will follow.

HOME BUYING RESOURCES

Homebuyer financing and mortgage approval of moderate income households proves to be a challenge/barrier to home ownership in Pittsburg. The following programs provide assistance to local home buyers.

KHRC First-Time Home-Buyer Program - Income-eligible households that have not owned a home in the past three years may apply for the First Time Homebuyer Program (FTHB). Approved applicants will receive a soft loan that is forgiven over time. The loan may range from 15 to 20 percent of the purchase price of the home, depending on the family's income. Buyers are required to make a minimum investment of two percent of the sale price. Participating lenders process the FTHB paperwork along with the first mortgage loan and then apply to the FTHB program for the applicant and include the following institutions:

- Bank of Kansas City
- Bank of Oklahoma

- Bank VI
- Bennington State Bank
- Citizens Bank
- Commercial Bank
- Envoy Mortgage
- Equitable Mortgage Corporation
- Exchange National Bank & Trust Company
- Fairway Independent Mortgage Corporation
- Farmers Bank & Trust
- First Equity Mortgage Services
- GNB Mortgage
- Interlinc Mortgage Services
- LeaderOne Financial
- Merit Bank
- Mortgage Investment Services Corp.
- New Century Bank
- Open Mortgage
- Peoples Bank
- Platte Valley Bank of Missouri
- Primary Residential Mortgage
- Regent Financial Group
- Sierra Pacific Mortgage Company
- Simmons First National Bank
- Sunflower Bank
- United Fidelity Funding Corporation
- USDA Rural Development
- Verus Bank

USDA Rural Development - USDA Rural Development is committed to helping improve the economy and quality of life in all of rural America. They do this through financial programs, economic development and technical assistance. Rural Development makes loans directly available to low and very low-income households at reasonable rates and terms with no down payment to assist those households in obtaining homeownership. Qualified households must earn less than 80 percent of the area median income, and loan terms are up to 33 years.

United States Department of Veterans Affairs - The VA provides patient care and benefits. The VA helps veterans and active duty personnel purchase and retain homes in recognition of their service to the nation. VA home loans include: no down payment; loan maximums up to 100.0 percent of the VA-established market value, not to exceed \$240,000; 30-year loans with a choice of repayment plans; an appraisal; limitations on closing costs; and no mortgage insurance premium. These loans are made by a local lender and the VA protects the lender against loss if the payments are not made.

Growing Equity Mortgage Insurance (Section 245(a)) – This federal program allows a household with a limited income that is expected to rise to buy a home sooner by making mortgage payments that start small and increase gradually over time. The increased payments are applied to reduce the principal owed on the mortgage and thus shorten the mortgage term. This program helps first-time buyers and others with limited incomes--particularly young families, who expect their income to rise but may not yet be able to handle all of the upfront and monthly costs involved in homebuying--to tailor their mortgage payments to their expanding incomes and buy a home sooner than they could with regular financing.

For the initial year, the monthly payments to principal and interest are based on a 30-year level-payment schedule. Thereafter, the amount of the monthly payments due for the next 12 months will increase each year by between one percent and five percent, depending upon the plan selected. Anyone who intends to use the mortgaged property as their primary residence and who expects to see their income rise appreciably in the future is eligible to apply for Section 245 mortgage insurance.

Mortgage Insurance for Low- and Moderate-income Buyers (Section 221(d)(2)) - This program insures mortgage loans made by private lenders to finance the purchase, construction, or rehabilitation of low-cost, one- to four-family housing. This program increases homeownership opportunities for low- and moderate-income families by insuring small mortgage loans and thus reducing the lender's risk. Traditionally, this program has been targeted to assist displaced persons, although it is used in other situations as well.

The program insures lenders against loss from default on loans of up to \$31,000 for a single-family home (up to \$36,000 in high cost areas). For a larger family with five or more persons, the limits are \$36,000 or up to \$42,000 in high-cost areas. Higher mortgage limits apply to two- to four-family housing. The maximum amount of the loan is 97 percent of the appraised value plus closing costs. The borrower is required to make a downpayment for the difference. Displaced families are allowed to make smaller downpayments, but the minimum amount is \$200. Borrowers are responsible for paying a loan origination fee (less than one percent of the total mortgage), appraisal and inspection fees, and mortgage insurance premiums (one-half percent). The maximum allowable mortgage term is 30 years.

LAND BANK ANALYSIS

Kansas Disposition of Unclaimed Property Act - States are increasingly turning to their unclaimed property laws to help cut deficits. Unclaimed property refers to the transfer of abandoned property to the state of Kansas when owners cannot be located after a certain period of time.

Unclaimed property rules are based on the presumption of abandonment. Unless an organization can prove that property is not unclaimed, the state will assume it is. All unclaimed property laws define the parameters for a dormancy, or abandonment, period during which the property's rightful owner takes no action on the property, and after which unclaimed property becomes reportable to the state. For Kansas, property held by a court, state or other government, governmental subdivision, agency or instrumentality, has a time limit of one year after the property becomes distributable; property held by agents and fiduciaries in a fiduciary capacity

for the benefit of another person, has five years after which it will be payable or distributable, unless the owner has increased or decreased the principal, accepted payment of principal or income, communicated concerning the property or otherwise indicated an interest as evidenced by a memorandum or other record on file prepared by the fiduciary.

There are several cities that have established best practices for unclaimed property that could be beneficial to apply in Pittsburg.

- Chula Vista, CA – “Abandonment and Waste” clause requires lenders of foreclosed and abandoned properties to maintain the property against vandalism and deterioration by hiring a local property management company and posting their contact information on the property. There are significant fines for non-compliance.
- Bowling Green, KY – The City of Bowling Green has donated land to nonprofit housing agencies for affordable housing including multifamily and senior housing. This reduces the cost of the project for developers and adds points to their application. Bowling Green has an aggressive Property Maintenance Code Enforcement program that performs proactive target area enforcement and responds to citizen complaints. In the proactive enforcement program, code inspectors travel parcel-by-parcel to inspect the exterior premises of residential, commercial, and industrial sites. When dilapidated structures are observed, the property owner is given the option of renovating the property or demolishing it; either must be accomplished in a timely manner.
- Meridian, MS - Meridian’s Housing Condemnation Project demolishes vacant, dilapidated houses, the majority of which are in low-income neighborhoods. The City, through contracts, abates asbestos, and the City’s Public Works Department caps utilities. To date, 156 units have been demolished, and 71 units await demolition. The Mayor’s Affordable Housing Program acquires vacant lots where ownership has reverted to the Mississippi Secretary of State’s Office due to non-payment of property taxes. The City has acquired 34 buildable lots and is in the process of abating City and County taxes due on these properties, as well as any special assessments for demolition. The City Attorney’s office is in the process of obtaining tax titles through the Chancery Court. Once tax titles are obtained, the City plans to make these lots available to developers who will commit to building low to moderate income housing.

Land Bank Creation – Per the client’s request, we have analyzed the creation of a land bank for the City of Pittsburg. According to 501(c)3 Center for Community Progress, a non-profit organization dedicated to reducing blight, “Vacant, abandoned and neglected properties threaten the safety and stability of neighborhoods, drive down property values and – increasingly, with the recent epidemic of foreclosures – threaten the balance sheets of city and county governments. Too often, communities and governments feel helpless in the face of the magnitude of the problem, with few apparent tools to address the loss of revenue and the attendant problems that neglect and abandonment yield. Land banking as a strategic response – through the creation of land banks or other public authorities – have proven to be a powerful solution, allowing public control of abandoned property; assemblage of parcels for residential, recreational, commercial and industrial redevelopment; and empowerment of communities to reverse the social and economic consequences of neglected and abandoned property.”

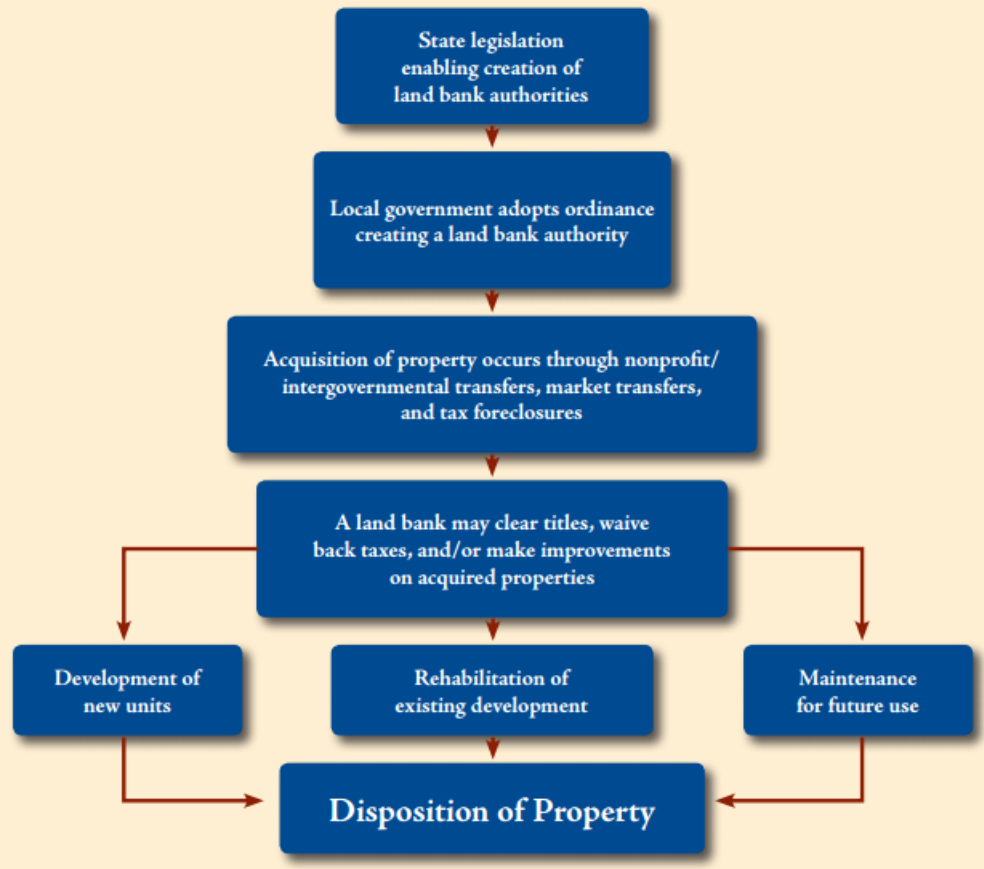
Recently, several cities in the area including Kansas City, Missouri, St. Louis, Missouri, and Olathe, Kansas have created land banks where vacant properties are acquired mostly through tax foreclosures and set aside for rehabilitation or resale so that they can be reintroduced to the city and county's tax rolls as well as providing maintenance and landscaping to lots. According to the US Census Bureau, there are 1,162 vacant properties in the city of Pittsburg, which provides ample opportunity to begin the creation of a land bank. A land bank would provide short-term fiscal benefits as well as long-term development control.

The land bank's purpose in Pittsburg would be two-fold: it would help to both remove blight by improving or getting rid of some of the worst housing stock in the area and then increase property values for the surrounding homes. Vacant properties are often in such a state of disrepair that they remain unsold even at auctions. Some of the most feasible options for homes placed in the land bank are:

- Rehabilitate and sell
- Demolish and sell land to developers
- Turn into park or garden space

Land banks across the country operate uniquely. There are two features of the Kansas City, Missouri's recent land bank creation that would also be useful for a land bank in Pittsburg. First would be that the land bank could be entitled to a specific time period's years of property tax payments on resold properties, secondly the land bank could be able to accept donated land from bank foreclosures, etc. The legislative power among land banks varies as some land banks, such as that in Atlanta, can abate delinquent taxes, whereas others cannot but can set all terms when disposing of a property and/or transferring it to a community development corporation. This is very important as often when delinquent taxes exceed the property's value, it is difficult to find a buyer for the property, which could be applicable in Pittsburg given its higher property taxes. The following chart illustrates the general functions of a land bank, with specific powers varying by location.

Figure 1: Land Bank Functions



Source: Office of Housing and Urban Development, 5/2014

There are numerous benefits to establishing a land bank, as illustrated in the following diagram:



Source: Kirwan Institute Ohio State, 5/2014

Local schools benefit from land banks because they receive more funding when there is an increase in property owners in their school districts, and when homes are no longer vacant there is discouraged criminal activity that decreases the cost burden on the local police and fire departments.

Another benefit these communities have experienced from the creation of a land bank is the assemblage of parcels of land that can be targeted for redevelopment. The ability of the city to amass a larger parcel of land to sell to a developer at a future date would be extremely beneficial since the city is so land constrained that with the exception of infill development, land for affordable multifamily and/or a single-family home development is extremely limited. Lastly, as an area becomes more populated the needs for services and amenities will grow, boosting the economy.

However, land banks are not without their challenges. Some of the biggest challenges include obtaining sufficient funding, constant communication among community development departments, obtaining legislative approvals, and the time consuming administrative procedures involved in the process.

The process of acquiring foreclosures can be lengthy and varies from state to state and often require involvement on the part of several jurisdictions to obtain clear title. A clear title is necessary to effectively redevelop foreclosures — it guarantees that a property is clear of all liens and certifies that a previous title holder cannot claim the property at a later date. Often determining a clear title for an abandoned property is difficult.

Cities often lack experience in coordinating key stakeholders to achieve successful outcomes. In many cases, municipalities have the capacity to administer a land bank, but there is no organization to set it up and monitor it. The City of Pittsburg would need to create a separate entity to oversee the land bank.

Lastly, purchasing, renovating, and disposing of these properties can be costly. Diligent planning and proper funding mechanisms are needed to ensure that foreclosures are put to the appropriate use.

DEVELOPER INCENTIVES ANALYSIS

Per the client's request, we have provided a brief discussion on what types of incentives would be beneficial to include in future programs and funding requests from developers. Tax credits, land use incentives, and the creation of public/private partnerships would be beneficial for the Pittsburg market.

Tax Abatement - Tax Abatement is one of the most common incentives cities utilize to encourage development. A tax abatement freezes the tax assessment in improvements to property at the pre-development level. Taxes must still be paid on the value of the land and the original unimproved property for a certain period of time (typically five to ten years). When the tax abatement expires, the developer will then pay the current taxes on improvements to the property.

In general, to be eligible for tax abatement, a significant investment must be made in the property; generally either new construction on vacant land or gut rehabilitation of an existing building. In addition, applications for tax abatement must be made prior to construction.

Contributions of Land – The contribution or transfer of land by government entities with little to no cost to the developer helps lower the overall cost of development for the developer. Further, for many affordable housing funding programs, the contribution or transfer of land often earns extra points for the developer's various finance and subsidy applications.

Infrastructure Contribution – In order to reduce development costs, cities will pay for a certain portion of infrastructure costs or install necessary infrastructure themselves. This reduces costs for developers, incentivizing them to build new residential and/or commercial development.

Grants – Many cities offer grant money for specific residential projects, and the more criteria that the development project meets, the higher the amount of funding. For example, the City of Champaign, Illinois, home of the University of Illinois, offers a Redevelopment Incentive Program grant that is between 5 and 20 percent of all permanent improvements and the combined total of all City incentive money (Major, Minor, Residential, and New Construction Redevelopment Incentive Programs) cannot exceed \$100,000 per building over a five-year period. Grants and grant amendments above \$15,000 must be approved by the City Council. The City Manager is authorized to approve grants and grant amendments up to \$15,000. The amount of funding is determined by how many of the City's desired development criteria are met through the project.

Affordable Housing Incentives - Additional incentives the city could employ to encourage the construction of affordable housing include waiving development charges and permit fees for affordable projects and to allow for higher densities/more approved units for projects with an affordable component.

STRATEGIES AND RECOMMENDATIONS

STRATEGIES AND RECOMMENDATIONS

BARRIERS/CHALLENGES TO HOUSING

Based upon our analysis of the market and interviews with key stakeholders, there are several barriers and challenges that should be considered due to their negative impact on the housing market in Pittsburg. There is no single factor that can prevent or reduce barriers, but any initiative taken to promote the preservation of the existing housing stock in addition to promoting new construction should be taken. Barriers include:

- Financial obstacles including land costs and infrastructure costs for developers.
- Lack of readily available land for development.
- Lack of affordable rental homes for low-income families due to student rental market.
- Credit worthiness of potential buyers for homeownership (or renters).
- Individual housing cost burdens such as paying over 30.0 percent of monthly income for rent/mortgage payment and utilities.
- Limited supply of moderate income homes in the area; long waiting times for new construction homes.
- Need for more accountability in providing and maintaining safe, clean rental living conditions by property owners.
- No existing or proposed master development plan for the city, and a lack of master-planned communities.
- Low sense of neighborhood pride and community.

HOUSING STRATEGIES AND RECOMMENDATIONS

In order to address the barriers and challenges to housing in Pittsburg, we have created 10 recommendations and strategies for addressing these issues.

Recommendation #1: Create additional moderate to higher income housing near PSU and Mt. Carmel Regional Medical Center.

Analysis: Employment within the PMA is concentrated in the health care/social assistance and educational services sectors, which together comprise 32.4 percent of employment. This is due to the fact that Pittsburg State University is the largest employer in the area, employing 1,035 persons while Via Christi Hospital (part of the regional medical center) employs 794 persons. PSU's total enrollment has been increasing year over year, and Blake Benson of the Chamber of Commerce mentioned that much of the recent job growth has been in the medical sector as Pittsburg becomes a regional medical hub. As such, the creation of housing, for various income levels, that targets individuals that work at these two large employment centers is important for keeping potential residents within the city of Pittsburg rather than moving elsewhere because of a lack of quality housing.

Strategy:

- Encourage the creation of high quality housing and adjacent amenities that are supported by this higher education and medical district by providing tax incentives to developers.

- Create high-quality housing because professionals in these industries typically earn above the area median income.
- Build affordable for-sale duplexes/townhomes for medical support staff and administrative staff at PSU.
- Utilize the vacant parcels of land off Centennial Drive as locations for development and rezone them as necessary.
- Sell land off Centennial Drive to a developer who will create a master-planned mixed-use or residential development in phases and provide tax incentives to the developer.

Funding/Incentives:

- KHRC First-Time Home-buyer Program would allow moderate income households to purchase homes in this development.
- Moderate Income Housing Grant – The city has secured one grant, and if it proves successful, it would be reasonable to obtain another grant for a different area of the city to help subsidize another moderate income development.
- Tax Increment Financing – Establishing a new TIF district would encourage redevelopment of this area.
- Kansas PABs – Would provide better loan terms for developer funding to encourage residential construction.
- Provide infrastructure cost reduction for developers along with tax abatements to incentivize a master developer.

Recommendation #2: Enhance housing and amenities in the Downtown Area.

Analysis: The current housing stock in the Downtown Area includes inexpensive but poor condition market rate apartments as well as several affordable properties. There are very few options for moderately priced apartments in this area despite the desirable location. Further, there is ample space for development and redevelopment in the Downtown Area above storefronts.

Strategy:

- Emphasize the pedestrian-friendly nature of downtown and conveniences of living in the area. Residents of all demographics will be able to live closer to school, work, retail, and restaurants.
- Convert the second floors of underutilized office and retail buildings to loft-style apartments or condominiums, such as those in Joplin, which have been very successful in a similar-type setting.
- Create moderately priced income housing in the Downtown Area so that empty-nesters looking to downsize and professionals earning near the area median income have housing options.

Funding/Incentives:

- City of Pittsburg “Living Downtown” Loan Program would provide necessary funds to rehabilitate the second floors of existing buildings in the area by turning them into apartments that could be rented to lower income individuals.

- Low Income Housing Tax Credits and HOME funding would also provide funds to convert some of the buildings into apartments for low income households.
- HOPE VI Main Street Grant Program would support the revitalization of the downtown area including the creation of additional residential housing above storefronts.
- HUD Neighborhood Choice Grant would provide funding to support downtown revitalization.
- Provide tax abatements to developers to encourage residential housing in this area.

Recommendation #3: Preserve Pittsburg's existing single-family housing stock.

Analysis: Approximately 27.1 percent was built prior to 1939, indicating a very old housing stock. In addition, 28.4 percent of the housing stock was built between 1940 and 1970. The typical life of a single-family home is approximately 40 years before significant renovations and improvements are needed. Many homes in central Pittsburg have fallen in disrepair due to neglect and financial difficulties and are in need of serious maintenance. Keeping up this maintenance is difficult for cost burdened home owners. However, poorly maintained and condemned homes are a concern for the community and bring down the value of all homes in the area.

Strategy:

- Revitalize dilapidated neighborhoods across the city; rehabilitate low and very-low income homes to keep them from failing housing code inspections and prevent condemnation.
- Provide home buyer education, credit and budget counseling and continue local efforts.
- Encourage and market the use of local funding incentives to lower income individuals to prevent homes from declining further.
- Prevent neighborhood deterioration by demolishing homes that have been condemned or are vacant in existing neighborhoods.
- Conduct asbestos, lead paint, and other contaminant abatement.
- Encourage infill development by waiving demolition fees, reducing building permit fees, or providing other city-based incentives.
- Adopt International Existing Building Code, which helps encourage redevelopment by not requiring all new construction requirements in the building code.
- Provide community outreach/consulting that would help prospective owners fill out the necessary paperwork to apply for local housing programs.

Funding/Incentives:

- Neighborhood Revitalization Act – Provides a tax rebate for substantial rehabilitation of a home or demolishing and home and building new construction.
- City of Pittsburg Emergency Repair Program – Would encourage repairs to maintain and preserve the existing housing stock by offering loans of up to \$1,800 for critical repairs.
- City of Pittsburg Housing Rehabilitation Loan Program – This loan would provide funding for rehabilitation of homes for those who cannot obtain conventional loans and encourages the rehabilitation of the existing housing stock.

- KHRC Weatherization Program – Increasing the participation of households in the Weatherization Program would help make the existing housing stock more energy efficient and help to lower the costs of homeownership.
- Paint Pittsburg – Help subsidize the cost of repainting and upkeep.

Recommendation #4: Expand the supply of moderate income housing.

Analysis: The mean hourly wage across all occupations in Pittsburg is \$16.71, which translates to an annual wage of \$34,770. In a dual income household, this average annual wage would over qualify the household to live in low income housing. Numerous stakeholders in the area stated that there is a shortage of moderate income homes in the area, which is forcing moderate income households to live outside of Pittsburg or wait for new homes to be constructed. In addition, the cost of demolition in addition to building a home can be high, which moderate income households cannot afford.

Strategy:

- Promote renovation and restoration of existing single-family homes, which helps reduce development costs, by developers that can then be sold to moderate to income households.
- Encourage infill development of moderate income homes by waiving demolition fees, reducing building permit fees, or providing other city-based incentives.
- Provide incentives to new construction developments such as paying for an increased percentage of infrastructure costs to help entice developers to build lower priced homes while still earning a profit.

Funding/Incentives:

- Moderate Income Housing Grant – The city has secured one grant, and if it proves successful, it would be reasonable to obtain another grant for a different area of the city to help subsidize another moderate income development.
- KHRC First-Time Home-buyer Program would allow moderate income households to purchase homes.
- Provide developer incentives including grants, infrastructure, and tax abatement.

Recommendation #5: Create a land bank run by a city-related entity.

Analysis: The establishment of a land bank would allow for the public control of abandoned property, assemblage of parcels for residential, recreational, commercial and industrial redevelopment, and generally improve the quality of the housing stock. Recently, several cities in the area including Kansas City, Missouri, St. Louis, Missouri, and Olathe, Kansas have created land banks where vacant properties are acquired mostly through tax foreclosures and set aside for rehabilitation or resale so that they can be reintroduced to the city and county's tax rolls as well as providing maintenance and landscaping to vacant and abandoned lots. According to the US Census Bureau, there are 1,211 vacant properties in the city of Pittsburg, which provides ample opportunity to begin the creation of a land bank.

Strategy:

- Allow the city to sell properties to be rehabilitated thus increasing the property values of the area as a whole.
- Provide short-term fiscal benefits to the city by getting rid of some of the worst properties in the area, while also bringing them back onto the tax roll.
- Donate excess land to nonprofit agencies to be used to construct affordable housing for families and seniors.
- Acquire land for future development of low to moderate income housing.
- Turn unusable land into parks or green space.
- Gain entitlement to a specific time period's years of property tax payments on sold properties to boost tax revenue.
- Abate delinquent taxes for properties to encourage their purchase and redevelopment.

Funding/Incentives:

- Low Income Housing Tax Credits and HOME Funding – To be used by developers in conjunction with the donated land to increase the area's affordable housing supply.
- Allocate a portion of delinquent property tax interest and penalties for the land bank to be used for funding to purchase land and homes.

Recommendation #6: Implement stricter property maintenance codes.

Analysis: Although there are currently property maintenance codes in place, they are not always followed or stressed in the community, which has led to a deteriorating housing stock, and properties that are unsafe.

Strategy:

- Utilize Kansas' Unclaimed Property Statute more aggressively to take over abandoned property and utilize these properties for low to moderate income housing.
- Create legislation similar to Chula Vista's "Abandonment and Waste" clause that places responsibility on lenders to maintain abandoned and foreclosed properties.
- Implement property maintenance codes and a mandatory rental inspection program that would require all area rental properties to go through an annual inspection. This would help identify unsafe homes as well as encourage property upkeep. The resultant upkeep would allow more rental properties to be Section 8 compliant as well.
- Promote the weatherization of rental properties to make homes more affordable for renters.
- Encourage community based enforcement of property maintenance violations where community members feel motivated to report violations, knowing they will be addressed by the city if the tenant does not address them.
- Enact law for certain area of city that limits number of non-related occupants, reducing the desirability for students and opening up more homes to Section 8 voucher holders.

Financing/Incentives:

- KHRC Weatherization Program – Increasing the participation of households in the Weatherization Program would help make the existing housing stock more energy efficient and help to lower the costs of homeownership.

- Paint Pittsburg – Help subsidize the cost of repainting and upkeep.

Recommendation #7: Establish neighborhood associations and planned subdivisions.

Analysis: There are no neighborhood associations that exist in Pittsburg, and people are not generally held accountable for their property, which can lead to property neglect as homeowners and landlords are often focused on their own interests. In addition, the last major subdivision in the area was built in the 1970s, so there is little sense of community among neighborhoods.

Strategy:

- In conjunction with the planning department and one master developer, create areas dedicated to building new subdivisions.
- Rezone previously light industrial areas, such as Mission Clay, to encourage the development and creation of new subdivisions.
- Encourage infill development in specific areas for revitalization that will create a sense of community.
- Establish neighborhood associations and provide association grants for the completion of beautification projects, creation of green space, and other projects beneficial to the city and community.
- Enact law for certain area of city that limits number of non-related occupants, reducing the desirability for students and opening up more homes to Section 8 voucher holders.

Funding/Incentives: None

Recommendation #8: Expand housing for seniors with emphasis on affordable housing options.

Analysis: The senior population in Pittsburg is predicted to increase by 2.9 percent annually through 2018. There is a limited supply of senior properties in the area, and senior rental properties are experiencing a vacancy rate of 1.7 percent. In addition, all but one of the affordable senior properties in the area maintains a waiting list. This data indicates the demand for additional senior rental housing. Further, the existing housing supply in Pittsburg does not offer many, if any, low-maintenance condominium and townhome options.

Strategy:

- Increase housing supply targeted towards seniors, including smaller homes that require less maintenance in locations that are in close proximity to healthcare and retail amenities.
- Build condominiums and townhomes where seniors can enjoy homeownership instead of renting but do not have to worry about the maintenance of yards, common areas, etc.
- Entice developers through low-interest loans to increase the amount of LIHTC properties.
- Increase awareness and knowledge of the LIHTC and other state and federally assisted housing programs.

Funding/Incentives:

- Low Income Housing Tax Credits and HOME Funding – To be used by developers in conjunction with the donated land to increase the area's affordable housing supply.

Recommendation #9: Educate low to moderate income households on how they can purchase homes and encourage the use of first-time homebuyer incentive programs.

Analysis: Obtaining mortgage financing can be difficult for low to moderate income households due to poor credit and/or lack of funds for down payment assistance. Further, many households are unaware of home buying assistance programs in place in the area.

Strategy:

- Educate future and prior homebuyers on financing options, access to capital and how to improve their credit worthiness by promoting KHRC's home buyer education programs and offering them in the community.
- Inform future homebuyers and potential residents on local home buying assistance programs.
- Provide seminars on how households can improve their credit scores and begin saving for downpayments.

Funding/Incentives:

- Moderate Income Housing Grant – The city has secured one grant, and if it proves successful, it would be reasonable to obtain another grant for a different area of the city to help subsidize another moderate income development.
- KHRC First-Time Home-buyer Program would allow low to moderate income households to purchase homes.
- HUD Mortgage Insurance Programs would help secure funding for lower income households.

Recommendation #10: Build short-term housing for young professionals, consultants, and families near major employment centers (e.g. PSU, Mt. Carmel) to provide temporary lodging for moderate to higher income households.

Analysis: There are currently very limited furnished, temporary housing options in the Pittsburg area outside of hotels. Excluding the summer months, temporary housing, especially for larger families, is non-existent, forcing households to look outside of the city for accommodations or to delay moving to Pittsburg until permanent lodging can be established.

Strategy:

- Build live/work/play short-term accommodations for smaller households near PSU and the hospital by integrating multifamily housing with complementary retail options that will allow households to immediately integrate into the community and its amenities and services.
- Partner a developer with PSU and the hospital to construct a small, well-amenitized luxury apartment complex that offers both short and long-term housing options to mitigate developer risk.
- Provide development tax incentives to existing apartment complexes to construct additional phases with units dedicated to short-term housing.

- Provide tax breaks to local property management companies to dedicate a percentage of its good condition, single-family rental stock (3BRs or larger) to housing short-term leases only that would accommodate larger families.

Funding/Incentives:

- Tax Increment Financing – Establishing a new TIF district would encourage developers to create short-term housing near major employment centers.
- Provide incentives to developers including tax abatement.

SUMMARY AND CONCLUSIONS

SUMMARY AND CONCLUSIONS

- Employment in Pittsburg is heavily concentrated in the health care/social assistance, education services, and retail trade sectors. These sectors combined employ slightly less than half of all workers in Pittsburg. The three major employers in the city, Pittsburg State University, Via Christi Hospital, and the local school district employ a large percentage of the local workforce. Employment levels in Pittsburg have improved since the recent recession and are above pre-recession levels while the unemployment rate has decreased and is 200 basis points below the national average. Pittsburg's mean hourly wage is \$16.71 with the highest hourly wage of \$39.35 in the management sector and the lowest hourly wage of \$9.07 in the food preparation sector. Overall, the Pittsburg area's major employers are in more stable industries, which has led to a more rapid recovery from the recent recession.
- Both the PMA and the MSA are areas of slow growth in terms of population and households, which is projected to continue through 2018. The southern portion of Pittsburg and these census tracts are the most populated and is projected to experience the most growth through 2018. One and two-person households make up the majority of households in the PMA and MSA. Household size is slightly smaller in the PMA than the MSA, and both are smaller than the national average.
- The median household income in the PMA is \$33,096, which is below both the MSA median household income of \$36,986 and the national median household income of \$51,321. Census Tracts 9572 and 9575 have the lowest median incomes while Census Tracts 9570 and 9574 have the highest median incomes that are well above that of the PMA. The largest income cohorts in the PMA are the \$10,000 to \$19,999 cohort and \$20,000 to \$29,999 cohorts. These two cohorts represent 34.4 percent of the population. The largest income cohorts in the MSA are the \$10,000 to \$19,999 cohort and \$20,000 to \$29,999 cohorts. Compared to the overall household income distribution, there is a greater percentage of renters in the lower income cohorts for both the general population and seniors.
- The Pittsburg housing market consists primarily of an older housing stock with some newly developed homes in the southern portion of the city as well as limited infill development. The construction of new homes has been slow over the past decade as illustrated by the building permit data. Much of the housing stock in the PMA, 68.6 percent, consists of single-family detached housing. As of 2013, the current owner-occupied percentage is estimated to be 48.4 percent. Approximately 43.1 percent of renter households pay over 35 percent to rent, indicating that they are rent overburdened.
- Home sales in the Pittsburg area have fluctuated over the past three years. According to Zillow, as of April 2014, the average listing price of a for-sale home in Pittsburg was \$85,000, which represents a decline from the end of 2013 and early 2014. In addition, the average listing price per square foot in April 2014 was \$65, which indicates a slight drop from the end of 2013 but generally an increase. Current home sales prices in the Pittsburg area indicate a flat market. Crawford County and Kansas are performing worse than the

nation in terms of foreclosures. The Pittsburg area's housing stock is an older housing stock with some newer development located in the southern portion of the city. Due to the low cost of home ownership in the Pittsburg area, buying provides a slight advantage, estimated at a savings of \$269/month, over renting.

- Interviews with various local stakeholders indicated several major themes. First, the area is very constrained in terms of land available for development; with the exception of some lots available in the southern portion of the city, it is difficult to find land for newly constructed homes. Another issue mentioned was that due to the large student renter population, the price of rentals in the area is high while the quality is somewhat low. There are many properties in the area that have not been taken care of, and the condition of the housing stock reflects this trend. An additional commonality was a lack of moderately priced homes in the area, where residents are either forced to wait a year for a home to be built, or they have to reside outside of Pittsburg to find quality moderately priced housing. Local homebuilders have mostly been constructing moderate to higher price homes and have expressed difficulties in building in the market due to current processes in place. Higher inspection standards and the implementation of neighborhood association could be beneficial to improving the quality of the area's housing stock. Lastly, local lenders believe that Pittsburg is a difficult lending climate for low to moderate income households as many have difficulty obtaining loans.
- The vacancy rates among the market rate comparables range from zero to 25.0 percent. Raintree Apartments reported the highest vacancy rate at 25.0 percent, though it has only two vacant units, followed by 103 E. Williams Street at 16.0 percent, and University Commons at 9.1 percent. Based on our inspection, there is no specific reason as to why these properties would have higher vacancy rates than others. Ten properties have vacancy rates of zero percent while four properties have vacancy rates that are not stabilized. The overall vacancy rate in the PMA is 4.5 percent, which indicates a stabilized market.
- For market rate properties, the average rental rate for studios is \$331, for one-bedroom units is \$430, for two-bedroom units is \$571, for three-bedroom units is \$706, and for four-bedroom units is \$1,048. Crimson Villas, Summerfield Apartments, and University Commons set the top of the market in terms of rents and these are all located near the University and Crimson Villas and Summerfield Apartments are some of the newest properties in the area. The least expensive properties are the smaller, unnamed buildings with very limited amenities.
- The overall vacancy rate for affordable units is 2.6 percent, which is lower than the market rate average of 4.5 percent. All of the affordable properties illustrate stabilized vacancy rates with the exception of Stilwell Apartments. Management at Stilwell Apartments stated that all three of their vacancies were two-bedroom market rate units, and that all affordable units were occupied.

- The following chart presents the minimum, maximum and average adjusted rents in Pittsburg from the surveyed LIHTC properties. Properties in the area offer LIHTC rents at the 40 and 60 percent AMI levels.

40% AMI LIHTC RENT COMPARISON			
Property Name	1BR	2BR	3BR
LIHTC Maximum (Net)	\$394	\$474	\$548
The Besse Hotel	\$350	\$405	-

60% AMI LIHTC RENT COMPARISON			
Property Name	1BR	2BR	3BR
LIHTC Maximum (Net)	\$601	\$722	\$835
The Besse Hotel	\$435	\$525	\$630
Remington Square	-	\$514	\$580
Stilwell Apartments	\$415	\$563	-
Average	\$425	\$532	\$605

None of the properties have rents set at the maximum allowable LIHTC levels. All of the properties stated that they were not at the maximum rental levels because of other comparables in the market and thus wanted to remain competitive against both the other LIHTC properties as well as the market rate product. They noted that the Pittsburg market would not currently support maximum rent levels.

- The overall vacancy rate for senior units is 1.7 percent, which is lower than the market rate average of 4.5 percent and the family affordable average of 2.6 percent. All of the affordable properties illustrate stabilized vacancy rates, and two have vacancy rates of zero percent.
- The following charts present the minimum, maximum and average adjusted rents in Pittsburg from the surveyed LIHTC properties. Senior properties in the area offer LIHTC rents at the 40, 50, and 60 percent AMI levels.

Senior 40% AMI LIHTC Rent Comparison		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$394	\$474
Pittsburg Heights	\$385	\$505

SENIOR 50% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$498	\$598
Pittsburg Seniors/Hopefield Gardens	\$483	\$560

SENIOR 60% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$601	\$722
Pittsburg Heights	\$485	\$590

None of the properties have rents set at the maximum allowable LIHTC levels at the 50 or 60 percent AMI level. Pittsburg Heights has its 40 percent AMI units' rents set at the maximum allowable level. Although these rents may appear slightly below or above the maximum allowable rent level this is likely due to a difference in utility allowance and/or structure. All of the properties stated that the 50 and 60 percent rents were not at the maximum rental levels because the Pittsburg market would not currently support maximum rent levels.

- We contacted the City of Pittsburg Public Housing Agency to gather information pertaining to the use of Housing Choice vouchers in the city. The agency stated that there are currently 429 vouchers available for low-income families and all are currently in use. The waiting list for a voucher is between 12 to 14 months, and there are currently over 200 households on the waiting list. The payment standards in Pittsburg are \$400 for a studio unit, \$485 for a one-bedroom unit, \$660 for a two-bedroom unit, \$888 for a three-bedroom unit, and \$1,054 for a four-bedroom unit, which are between 90 and 99 percent of fair market rent.
- There are two proposed or under construction projects in the area: the first is a 10-unit expansion of the Buttonwood Apartment Complex, and the second is a 250-unit proposed market rate development. No additional details including timelines were available. The Lincoln Square development, as previously noted, is a revitalized neighborhood block of 10 new quality homes. Out of the 10 homes, there are two homes currently being built by homebuilders but have not yet been sold, and three lots that remain for development and sale.
- Based upon our analysis of the market and interviews with key stakeholders, there are several barriers and challenges that should be considered due to their impact on the housing market in Pittsburg. There is no single factor that can prevent or reduce barriers, but any initiative taken to promote the preservation of the existing housing stock in addition to promoting new construction should be taken. Barriers include:
 - Financial obstacles including land costs and infrastructure costs for developers.
 - Lack of readily available land for development.

- Lack of affordable rental homes for low-income families due to student rental market.
 - Credit worthiness of potential buyers for homeownership (or renters).
 - Individual housing cost burdens such as paying over 30.0 percent of monthly income for rent/mortgage payment and utilities.
 - Limited supply of moderate income homes in the area; long waiting times for new construction homes.
 - Need for more accountability in providing and maintaining safe, clean rental living conditions by property owners.
 - No existing or proposed master development plan for the city, and a lack of master-planned communities.
 - Low sense of neighborhood pride and community.
- There are many resources in the Pittsburg area that can be utilized to rehabilitate and finance market rate and affordable housing as well as demolish non-functional structure. These include local, state, and national programs, and we have paired them with specific recommendations.

RECOMMENDATIONS

We have provided 10 recommendations, which resulted from our analysis of the housing market, to overcome challenges and take advantage of opportunities in the Pittsburg housing market.

Recommendation #1: Create additional moderate to higher income housing near PSU and Mt. Carmel Regional Medical Center.

Recommendation #2: Enhance housing and amenities in the Downtown Area.

Recommendation #3: Preserve Pittsburg's existing single-family housing stock.

Recommendation #4: Expand the supply of moderate income housing.

Recommendation #5: Create a land bank run by a city-related entity.

Recommendation #6: Implement stricter property maintenance codes.

Recommendation #7: Establish neighborhood associations and planned subdivisions.

Recommendation #8: Expand housing for seniors with emphasis on affordable housing options.

Recommendation #9: Educate low to moderate income households on how they can purchase homes and encourage the use of first-time homebuyer incentive programs.

Recommendation #10: Build short-term housing for young professionals, consultants, and families near major employment centers (e.g. PSU, Mt. Carmel) to provide temporary lodging for moderate to higher income households.

ADDENDUM A

Assumptions & Limiting Conditions

ASSUMPTIONS & LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
6. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
7. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.

9. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.
10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.

18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.
19. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The consultant does not warrant the condition or adequacy of such systems.
20. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
21. Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. Estimates presented in this report are not valid for syndication purposes.

ADDENDUM B

Comparable Property Profiles

PROPERTY PROFILE REPORT

Pittsburg Heights

Effective Rent Date	4/28/2014
Location	2620 N Walnut Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	36
Vacant Units	0
Vacancy Rate	0.0%
Type	One-story (age-restricted)
Year Built/Renovated	2013 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Seniors 62+ or disabled
Contact Name	Colleen
Phone	620.232.6430



Market Information

Program	@40%, @60%
Annual Turnover Rate	6%
Units/Month Absorbed	12
HCV Tenants	N/A
Leasing Pace	Pre-leased
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	One-story	22	600	\$385	\$0	@40%	Yes	0	0.0%	yes	None
1	1	One-story	8	600	\$485	\$0	@60%	Yes	0	0.0%	no	None
2	1	One-story	3	750	\$505	\$0	@40%	Yes	0	0.0%	yes	None
2	1	One-story	3	750	\$590	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@40%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$385	\$0	\$385	\$0	\$385	1BR / 1BA	\$485	\$0	\$485	\$0	\$485
2BR / 1BA	\$505	\$0	\$505	\$0	\$505	2BR / 1BA	\$590	\$0	\$590	\$0	\$590

Pittsburg Heights, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Ceiling Fan
Hand Rails
Oven
Vaulted Ceilings
Washer/Dryer hookup

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Microwave
Refrigerator
Walk-In Closet

Security

None

Services

Adult Education

Property

Business Center/Computer Lab
Exercise Facility
Central Laundry

Clubhouse/Meeting
Garage
Off-Street Parking

Premium

None

Other

Community Garden

Comments

The contact stated that the property maintains a waiting list, however was unable to provide its length.

PROPERTY PROFILE REPORT

Pittsburg Seniors/hopefield Gardens

Effective Rent Date	4/28/2014
Location	2608 North Walnut Street Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	24
Vacant Units	1
Vacancy Rate	4.2%
Type	Garden (age-restricted)
Year Built/Renovated	2003 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Seniors 62+ or disabled with the average age of 65
Contact Name	Colleen
Phone	620-232-6430



Market Information

Program	@50%, Market
Annual Turnover Rate	21%
Units/Month Absorbed	N/A
HCV Tenants	63%
Leasing Pace	2-3 days
Annual Chg. in Rent	Increased 12-16% since 2Q2009
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	7	700	\$483	\$0	@50%	No	1	14.3%	no	None
1	1	Garden	13	700	\$632	\$0	Market	No	0	0.0%	N/A	None
2	1	Garden	2	850	\$560	\$0	@50%	No	0	0.0%	no	None
2	1	Garden	2	850	\$821	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$483	\$0	\$483	\$0	\$483	1BR / 1BA	\$632	\$0	\$632	\$0	\$632
2BR / 1BA	\$560	\$0	\$560	\$0	\$560	2BR / 1BA	\$821	\$0	\$821	\$0	\$821

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Central A/C	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Hand Rails		
Microwave	Oven		
Refrigerator	Walk-In Closet		
Washer/Dryer hookup			
Property		Premium	Other
Clubhouse/Meeting	Central Laundry	None	None
Off-Street Parking			

Comments

No additional comments.

Pittsburg Seniors/hopefield Gardens, continued

Trend Report

Vacancy Rates

2Q09	2Q14
4.2%	4.2%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	8.3%	\$415	\$0	\$415	\$415
2014	2	14.3%	\$483	\$0	\$483	\$483

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	0.0%	\$500	\$0	\$500	\$500
2014	2	0.0%	\$560	\$0	\$560	\$560

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$632	\$0	\$632	\$632

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$821	\$0	\$821	\$821

Trend: Comments

2Q09 Contact was unable to provide the total number of tenants utilizing housing choice vouchers.

2Q14 No additional comments.

Photos



PROPERTY PROFILE REPORT

Remington Square

Effective Rent Date	5/01/2014
Location	310 South Free Kings Hwy Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	48
Vacant Units	0
Vacancy Rate	0.0%
Type	Townhouse (2 stories)
Year Built/Renovated	2001 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Sycamore Village
Tenant Characteristics	Families from the surrounding areas.
Contact Name	Tish
Phone	620-231-8272



Market Information

Program	@60%
Annual Turnover Rate	10%
Units/Month Absorbed	n/a
HCV Tenants	90%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Increased 2 to 3% since 2Q2009
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Townhouse (2 stories)	32	989	\$514	\$0	@60%	No	0	0.0%	no	None
3	2	Townhouse (2 stories)	16	1,156	\$580	\$0	@60%	No	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$514	\$0	\$514	\$0	\$514
3BR / 2BA	\$580	\$0	\$580	\$0	\$580

Amenities

In-Unit	Security	Services
Blinds Central A/C Dishwasher Ceiling Fan Oven Walk-In Closet	None	None
Property	Premium	Other
Off-Street Parking Picnic Area	None	Gazebo
	On-Site Management Playground	

Remington Square, continued

Comments

No additional comments.

Remington Square, continued

Trend Report

Vacancy Rates

3Q06	4Q07	2Q09	2Q14
16.7%	4.2%	0.0%	0.0%

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$485	\$40	\$445	\$445
2007	4	4.2%	\$499	\$0	\$499	\$499
2009	2	0.0%	\$499	\$0	\$499	\$499
2014	2	0.0%	\$514	\$0	\$514	\$514

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$550	\$46	\$504	\$504
2007	4	4.2%	\$565	\$0	\$565	\$565
2009	2	0.0%	\$565	\$0	\$565	\$565
2014	2	0.0%	\$580	\$0	\$580	\$580

Trend: Comments

3Q06	This is a LIHTC property with 48 two and three-bedroom units. They do accept Section 8 but management was unsure how many tenants utilize the vouchers. She was also unsure of the unit mix. They do not maintain a waiting list. The current concession is \$99 deposit and first months rent is free. Exterior storage is only available to the downstairs units. The majority of their tenants are families.
4Q07	Management stated that rents at the property increased by \$15 on all units in August 2007.
2Q09	The waiting list has a total of 15 applicants.
2Q14	No additional comments.

PROPERTY PROFILE REPORT

Stilwell Apartments

Effective Rent Date	4/29/2014
Location	707 N. BROADWAY ST Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	44
Vacant Units	3
Vacancy Rate	6.8%
Type	Midrise (4 stories)
Year Built/Renovated	1935 / 1996
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy; majority couples and singles; students
Contact Name	Pam
Phone	(620) 232-3707



Market Information

Program	60%, Market
Annual Turnover Rate	27%
Units/Month Absorbed	N/A
HCV Tenants	75%
Leasing Pace	Pre-leased to 60 days
Annual Chg. in Rent	Increased
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	included -- gas
Heat	included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Midrise (4 stories)	19	400	\$425	\$0	@60%	No	0	0.0%	no	None
1	1	Midrise (4 stories)	18	400	\$450	\$0	Market	No	0	0.0%	N/A	None
2	1	Midrise (4 stories)	4	900	\$575	\$0	@60%	No	0	0.0%	no	None
2	1	Midrise (4 stories)	3	900	\$575	\$0	Market	No	3	100.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$425	\$0	\$425	-\$10	\$415	1BR / 1BA	\$450	\$0	\$450	-\$10	\$440
2BR / 1BA	\$575	\$0	\$575	-\$12	\$563	2BR / 1BA	\$575	\$0	\$575	-\$12	\$563

Stilwell Apartments, continued

Amenities

In-Unit

Blinds
Central A/C
Garbage Disposal
Refrigerator

Carpeting
Dishwasher
Oven

Security

Limited Access

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Picnic Area

Central Laundry
On-Site Management

Premium

None

Other

None

Comments

No additional comments.

PROPERTY PROFILE REPORT

The Besse Hotel

Effective Rent Date	4/25/2014
Location	121 E 4th Street Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	47
Vacant Units	2
Vacancy Rate	4.3%
Type	Conversion (13 stories)
Year Built/Renovated	1927 / 2010
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy
Contact Name	April
Phone	620.230.0040



Market Information

Program	@40%, @60%, Homeless
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to 2 weeks
Annual Chg. in Rent	Increased
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Conversion (13 stories)	3	700	\$350	\$0	@40%	No	0	0.0%	no	None
1	1	Conversion (13 stories)	10	750	\$435	\$0	@60%	No	0	0.0%	no	None
1	1	Conversion (13 stories)	1	700	\$130	\$0	Homeless	No	0	0.0%	N/A	None
2	1	Conversion (13 stories)	22	900	\$525	\$0	@60%	No	2	9.1%	no	None
2	2	Conversion (13 stories)	6	900	\$405	\$0	@40%	No	0	0.0%	no	None
2	2	Conversion (13 stories)	3	960	\$525	\$0	@60%	No	0	0.0%	no	None
3	2	Conversion (13 stories)	2	1,100	\$630	\$0	@60%	No	0	0.0%	no	None

Unit Mix

@40%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$350	\$0	\$350	\$0	\$350	1BR / 1BA	\$435	\$0	\$435	\$0	\$435
2BR / 2BA	\$405	\$0	\$405	\$0	\$405	2BR / 1BA	\$525	\$0	\$525	\$0	\$525
						2BR / 2BA	\$525	\$0	\$525	\$0	\$525
						3BR / 2BA	\$630	\$0	\$630	\$0	\$630
Homeless	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
1BR / 1BA	\$130	\$0	\$130	\$0	\$130						

The Besse Hotel, continued

Amenities

In-Unit

Blinds
Central A/C
Dishwasher
Garbage Disposal
Refrigerator

Carpeting
Coat Closet
Ceiling Fan
Oven
Washer/Dryer

Security

None

Services

None

Property

Clubhouse/Meeting
Exercise Facility

Elevators
Off-Street Parking

Premium

None

Other

None

Comments

One unit is reserved for homeless individuals who pay a reduced rent. Lease-up information was not available.

The Besse Hotel, continued

Trend Report

Vacancy Rates

3Q06	2Q14
N/A	4.3%

Trend: @40%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$285	\$0	\$285	\$285
2014	2	0.0%	\$350	\$0	\$350	\$350

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$350	\$0	\$350	\$350
2014	2	0.0%	\$405	\$0	\$405	\$405

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$400	\$0	\$400	\$400

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$340	\$0	\$340	\$340
2014	2	0.0%	\$435	\$0	\$435	\$435

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	9.1%	\$525	\$0	\$525	\$525

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$450	\$0	\$450	\$450
2014	2	0.0%	\$525	\$0	\$525	\$525

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$490	\$0	\$490	\$490
2014	2	0.0%	\$630	\$0	\$630	\$630

Trend: Homeless

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2014	2	0.0%	\$130	\$0	\$130	\$130

Trend: Comments

3Q06	Proposed aq/rehab of historic hotel buildng
2Q14	One unit is reserved for homeless individuals who pay a reduced rent. Lease-up information was not available.

PROPERTY PROFILE REPORT

1014 - 1018 E Washington Ave

Effective Rent Date	4/24/2014
Location	1014 - 1018 E Washington Ave Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	10
Vacant Units	0
Vacancy Rate	0.0%
Type	Duplex
Year Built/Renovated	1986 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Brooks rentals
Tenant Characteristics	Majority students
Contact Name	John
Phone	620.249.3736



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to 30 days
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Duplex	10	600	\$550	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$550	\$0	\$550	\$16	\$566

Amenities

In-Unit	Security	Services
Blinds Central A/C Oven Washer/Dryer hookup	None	None
Property	Premium	Other
Off-Street Parking Recreation Areas	None	None

Comments

The property maintains a short waiting list.

PROPERTY PROFILE REPORT

102 S Locust

Effective Rent Date	4/25/2014
Location	102 S Locust Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	12
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (3 stories)
Year Built/Renovated	1910 / 1960's
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Students
Contact Name	Mary
Phone	620.231.6190



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	1 week
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- window
Cooking	included -- gas
Water Heat	included -- gas
Heat	included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	12	400	\$300	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$300	\$0	\$300	-\$15	\$285

Amenities

In-Unit	Security	Services
Blinds	None	None
Oven		
Window A/C		
Property	Premium	Other
Central Laundry	None	None

Comments

No additional comments.

PROPERTY PROFILE REPORT

103 E Williams St

Effective Rent Date	4/24/2014
Location	103 E Williams St Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	25
Vacant Units	4
Vacancy Rate	16.0%
Type	Lowrise (3 stories)
Year Built/Renovated	1930 / 1960's
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Students
Contact Name	Mary
Phone	620.231.6190



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	1 week
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- wall
Cooking	included -- gas
Water Heat	included -- gas
Heat	included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Lowrise (3 stories)	8	300	\$325	\$0	Market	No	0	0.0%	N/A	None
1	1	Lowrise (3 stories)	14	500	\$425	\$0	Market	No	1	7.1%	N/A	None
2	1	Lowrise (3 stories)	3	700	\$500	\$0	Market	No	3	100.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$325	\$0	\$325	-\$12	\$313
1BR / 1BA	\$425	\$0	\$425	-\$15	\$410
2BR / 1BA	\$500	\$0	\$500	-\$18	\$482

Amenities

In-Unit		Security	Services
Blinds	Carpeting	None	None
Coat Closet	Dishwasher		
Ceiling Fan	Microwave		
Oven	Refrigerator		
Walk-In Closet			
Property		Premium	Other
Central Laundry	Off-Street Parking	None	None
Recreation Areas			

Comments

According to the contact, the tenants are charged an additional \$7 per month for parking, which is not assigned.

PROPERTY PROFILE REPORT

116 W 3rd St

Effective Rent Date	4/24/2014
Location	116 W 3rd St Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	9
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (2 stories)
Year Built/Renovated	1910 / 1960's
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Students
Contact Name	Mary
Phone	620.231.6190



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	1 week
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- window
Cooking	not included -- electric
Water Heat	included -- gas
Heat	included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Lowrise (2 stories)	2	200	\$250	\$0	Market	No	0	0.0%	N/A	None
1	1	Lowrise (2 stories)	6	400	\$350	\$0	Market	No	0	0.0%	N/A	None
2	1	Lowrise (2 stories)	1	575	\$400	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$250	\$0	\$250	-\$8	\$242
1BR / 1BA	\$350	\$0	\$350	-\$10	\$340
2BR / 1BA	\$400	\$0	\$400	-\$12	\$388

Amenities

In-Unit	Security	Services
Blinds Oven Window A/C	None	None
Property	Premium	Other
Central Laundry	None	None

Comments

No additional comments.

PROPERTY PROFILE REPORT

1409 - 1413 S Broadway

Effective Rent Date	4/24/2014
Location	1409 - 1413 S Broadway Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	13
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1930 / 1990's
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Brooks rentals
Tenant Characteristics	Mixed tenancy; majority students
Contact Name	John
Phone	620.249.3736



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to 30 days
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- wall
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (2 stories)	13	450	\$400	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$400	\$0	\$400	\$10	\$410

Amenities

In-Unit	Security	Services
Balcony/Patio Carpeting Oven Wall A/C	None	None
Blinds Garbage Disposal Refrigerator		
Property	Premium	Other
Off-Street Parking	None	None

Comments

No additional comments.

PROPERTY PROFILE REPORT

1911 S English

Effective Rent Date	4/25/2014
Location	1911 S English Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	12
Vacant Units	1
Vacancy Rate	8.3%
Type	Lowrise (2 stories)
Year Built/Renovated	1911 / 1960's
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Students
Contact Name	Mary
Phone	620.231.6190



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	1 to 2 weeks
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- window
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Lowrise (2 stories)	6	200	\$225	\$0	Market	No	0	0.0%	N/A	None
1	1	Lowrise (2 stories)	6	500	\$350	\$0	Market	No	1	16.7%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$225	\$0	\$225	\$0	\$225
1BR / 1BA	\$350	\$0	\$350	\$0	\$350

Amenities

In-Unit	Security	Services
Blinds	None	None
Oven		
Window A/C		
Property	Premium	Other
Central Laundry	None	None

Comments

No additional comments.

PROPERTY PROFILE REPORT

415 S Broadway

Effective Rent Date	4/25/2014
Location	415 S Broadway Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	23
Vacant Units	1
Vacancy Rate	4.3%
Type	Lowrise (3 stories)
Year Built/Renovated	1927 / 1960's
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Students
Contact Name	Mary
Phone	620.231.6190



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	1 to 2 weeks
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- window
Cooking	included -- gas
Water Heat	included -- gas
Heat	included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	23	500	\$350	\$0	Market	No	1	4.3%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$350	\$0	\$350	-\$15	\$335

Amenities

In-Unit	Security	Services
Blinds Oven Window A/C	None	None
Property	Premium	Other
Central Laundry	None	None
Off-Street Parking		

Comments

No additional comments.

PROPERTY PROFILE REPORT

813 - 815 S Broadway

Effective Rent Date	4/25/2014
Location	813 - 815 S Broadway Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	8
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (2 stories)
Year Built/Renovated	1940 / 1960's
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Students
Contact Name	Mary
Phone	620.231.6190



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	1 week
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- window
Cooking	included -- gas
Water Heat	included -- gas
Heat	included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (2 stories)	8	725	\$375	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$375	\$0	\$375	-\$15	\$360

Amenities

In-Unit	Security	Services
Blinds	None	None
Coat Closet		
Ceiling Fan		
Refrigerator		
Property	Premium	Other
Carport	None	None
Off-Street Parking		

Comments

No additional comments.

PROPERTY PROFILE REPORT

Brentwood Pointe

Effective Rent Date	4/24/2014
Location	501 W Ford Ave Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	60
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Students
Contact Name	Brittney
Phone	620.231.0661



Market Information

Program	Market
Annual Turnover Rate	42%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to one-week
Annual Chg. in Rent	Increased
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	10	725	\$498	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Garden (2 stories)	14	725	\$560	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	20	850	\$560	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	16	1,280	\$720	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1BA	\$498 - \$560	\$0	\$498 - \$560	\$16	\$514 - \$576
2BR / 2BA	\$560	\$0	\$560	\$16	\$576
3BR / 2BA	\$720	\$0	\$720	\$19	\$739

Brentwood Pointe, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Ceiling Fan
Microwave
Refrigerator

Blinds
Central A/C
Garbage Disposal
Oven

Security

Video Surveillance

Services

None

Property

Business Center/Computer Lab
Off-Street Parking
Picnic Area

Central Laundry
On-Site Management
Recreation Areas

Premium

None

Other

None

Comments

According to the contact, the higher priced two-bedroom/one-bathroom units have been remodeled with updated finishes and flooring. The property maintains a waiting list of three households.

PROPERTY PROFILE REPORT

Buttonwood Apartments

Effective Rent Date	4/24/2014
Location	822 East Ford Street Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	23
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	1972 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Brooks rentals
Tenant Characteristics	75% students
Contact Name	John
Phone	620.249.3736



Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to 30 days
Annual Chg. in Rent	Increased 10-30% since 3Q2006
Concession	none

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	11	800	\$500	\$0	Market	Yes	0	0.0%	N/A	None
2	1.5	Garden (3 stories)	12	1,000	\$600	\$0	Market	Yes	0	0.0%	N/A	AVG*
2	1.5	Garden (3 stories)	0	1,000	\$650	\$0	Market	Yes	0	N/A	N/A	HIGH*
2	1.5	Garden (3 stories)	0	1,000	\$550	\$0	Market	Yes	0	N/A	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$500	\$0	\$500	\$0	\$500
2BR / 1.5BA	\$550 - \$650	\$0	\$550 - \$650	\$0	\$550 - \$650

Buttonwood Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpet/Hardwood
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator

Blinds
Central A/C
Dishwasher
Fireplace
Oven

Security

None

Services

None

Property

Central Laundry
Picnic Area

Off-Street Parking
Swimming Pool

Premium

None

Other

None

Comments

According to the contact, the asking rent on two-bedroom units depends on which floor the unit is on. The property maintains a waiting list of four households. The tenants have access to a storage room in the basement of the apartment building. Only units that are located on the second and third floor have balconies.

The contacted added that there will be an addition to the property, breaking ground in June of 2014. Twelve eco-friendly units consisting of eight one-bedroom units and four two-bedroom units are expected to be completed in December 2014.

Buttonwood Apartments, continued

Trend Report

Vacancy Rates

3Q06	2Q14
0.0%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	0.0%	\$400	\$0	\$400	\$400
2014	2	0.0%	\$500	\$0	\$500	\$500

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	0.0%	\$500	\$0	\$500	\$500
2014	2	0.0%	\$550 - \$650	\$0	\$550 - \$650	\$550 - \$650

Trend: Comments

3Q06	This is a market rate property with 23 one and two-bedroom units. They do not accept Section 8. They are 100% occupied and do maintain a waiting list of three household's. They recently had a five percent increase in rent. Management was unsure of square footage of both unit mixes. The tenant does have access to a storage room in the basement of the apartment building. Only units that are located on the second and third floor have balconies. This property is privately owned.
2Q14	According to the contact, the asking rent on two-bedroom units depends on which floor the unit is on. The property maintains a waiting list of four households. The tenants have access to a storage room in the basement of the apartment building. Only units that are located on the second and third floor have balconies. The contacted added that there will be an addition to the property, breaking ground in June of 2014. Twelve eco-friendly units consisting of eight one-bedroom units and four two-bedroom units are expected to be completed in December 2014.

Buttonwood Apartments, continued

Photos



PROPERTY PROFILE REPORT

Crimson Villas

Effective Rent Date	4/24/2014
Location	1904 S Rouse St Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	144
Vacant Units	N/A
Vacancy Rate	N/A
Type	Garden (3 stories)
Year Built/Renovated	2005 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Summerfield, University Commons
Tenant Characteristics	Students
Contact Name	Brady
Phone	620.875.3730



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to 30 days
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	included -- central
Cooking	included -- electric
Water Heat	included -- electric
Heat	included -- electric
Other Electric	included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	24	457	\$695	\$0	Market	Yes	N/A	N/A	N/A	None
2	2	Garden (3 stories)	78	630	\$940	\$0	Market	Yes	N/A	N/A	N/A	None
4	2	Garden (3 stories)	42	1,068	\$1,580	\$0	Market	Yes	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$695	\$0	\$695	-\$26	\$669
2BR / 2BA	\$940	\$0	\$940	-\$33	\$907
4BR / 2BA	\$1,580	\$0	\$1,580	-\$54	\$1,526

Crimson Villas, continued

Amenities

In-Unit

Blinds
Carpeting
Coat Closet
Garbage Disposal
Refrigerator
Walk-In Closet

Cable/Satellite/Internet
Central A/C
Dishwasher
Oven
Vaulted Ceilings

Security

Limited Access

Services

None

Property

Clubhouse/Meeting
Exercise Facility
Off-Street Parking
Picnic Area

Concierge
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

According to the contact, they rent by room, not by unit. All rent prices reflect the total asking rent for all rooms in the unit. The contact was unable to provide the number of households on the waiting list or the total number of vacancies.

PROPERTY PROFILE REPORT

Highland Meadows

Effective Rent Date	4/24/2014
Location	902 East Centennial Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	80
Vacant Units	1
Vacancy Rate	1.3%
Type	Garden (age-restricted)
Year Built/Renovated	1978 / 1996
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Seniors 55+
Contact Name	Anna
Phone	620.232.1940



Market Information

Program	Section 8
Annual Turnover Rate	15%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	2 weeks
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- gas
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	80	547	\$606	\$0	Section 8	Yes	1	1.3%	N/A	None

Unit Mix

Section 8	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$606	\$0	\$606	\$20	\$626

Amenities

In-Unit	Security	Services
Balcony/Patio	None	Shuttle Service
Carpet/Hardwood		
Coat Closet		
Ceiling Fan		
Hand Rails		
Pull Cords		
Blinds		
Central A/C		
Exterior Storage		
Garbage Disposal		
Oven		
Refrigerator		
Property	Premium	Other
Central Laundry	None	None
Service Coordination		
Off-Street Parking		

Comments

The property maintains a waiting list though the manager was unsure of its length. The rent listed is the contract rent.

PROPERTY PROFILE REPORT

Hudson Oaks Apartments

Effective Rent Date	4/29/2014
Location	215 & 219 Hudson Ave Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	20
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1997 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy; students
Contact Name	Susan
Phone	620-232-9394



Market Information

Program	Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1.5	Garden (2 stories)	20	825	\$480	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1.5BA	\$480	\$0	\$480	\$16	\$496

Amenities

In-Unit	Security	Services
Blinds Central A/C Oven Carpeting Garbage Disposal Refrigerator	None	None
Property	Premium	Other
Central Laundry Recreation Areas Off-Street Parking	None	None

Comments

No additional comments.

Hudson Oaks Apartments, continued

Trend Report

Vacancy Rates

3Q06	3Q09	2Q14
0.0%	0.0%	0.0%

Trend: Market

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	0.0%	\$440	\$0	\$440	\$456
2009	3	0.0%	\$480	\$0	\$480	\$496
2014	2	0.0%	\$480	\$0	\$480	\$496

Trend: Comments

3Q06	This is a market rate property consisting of twenty, two-bedroom units. They are 100% occupied. They do not accept Section 8. They do maintain a waiting list but do not offer any move in specials at this time. Per management, it has been a good year for them.
3Q09	No additional comments.
2Q14	N/A

Hudson Oaks Apartments, continued

Photos



PROPERTY PROFILE REPORT

Kansas CMI Housing

Effective Rent Date	4/22/2014
Location	2910 N Joplin St Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	10
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (age-restricted)
Year Built/Renovated	1990 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	Seniors 62+ or disabled
Contact Name	MHA
Phone	316-685-1821



Market Information

Program	Section 8
Annual Turnover Rate	N/A
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased
Annual Chg. in Rent	N/A
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	8	N/A	\$0	\$0	Section 8	Yes	0	0.0%	N/A	None
2	1	Garden	2	N/A	\$0	\$0	Section 8	Yes	0	0.0%	N/A	None

Unit Mix

Section 8	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	N/A	\$0	N/A	\$0	N/A
2BR / 1BA	N/A	\$0	N/A	\$0	N/A

Amenities

In-Unit	Security	Services
Blinds Hand Rails Pull Cords	None	None
Carpeting Oven Refrigerator		
Property	Premium	Other
Central Laundry	None	None
Off-Street Parking		

Comments

The property maintains a short waiting list.

PROPERTY PROFILE REPORT

Knights Of Columbus Tower

Effective Rent Date	4/24/2014
Location	700 N Pine St Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	89
Vacant Units	2
Vacancy Rate	2.2%
Type	Highrise (age-restricted) (6 stories)
Year Built/Renovated	1982 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Seniors 62+, some disabled
Contact Name	Steve
Phone	620.231.1131



Market Information

Program	Section 8
Annual Turnover Rate	13%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	30 days
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	included -- central
Cooking	included -- electric
Water Heat	included -- electric
Heat	included -- electric
Other Electric	included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Highrise (6 stories)	89	550	\$532	\$0	Section 8	Yes	2	2.2%	N/A	None

Unit Mix

Section 8	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$532	\$0	\$532	-\$26	\$506

Amenities

In-Unit	Security	Services
Blinds Central A/C Hand Rails Refrigerator	Limited Access	None
Property	Premium	Other
Elevators Off-Street Parking Service Coordination	Hairdresser / Barber	None

Comments

According to the contact, the property maintains a waiting list of two households. The rent listed is the contract rent.

PROPERTY PROFILE REPORT

Meadowlark Townhouses

Effective Rent Date	5/13/2014
Location	3000 N. Joplin Street Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	30
Vacant Units	2
Vacancy Rate	6.7%
Type	Garden (2 stories)
Year Built/Renovated	1979/2004 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed tenancy
Contact Name	Deanne
Phone	620-231-1088



Market Information

Program	Market
Annual Turnover Rate	13%
Units/Month Absorbed	N/A
HCV Tenants	7%
Leasing Pace	Within 30 days
Annual Chg. in Rent	Increased 3-13% since 2Q2009
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- gas
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	8	700	\$425	\$0	Market	Yes	0	0.0%	N/A	None
2	1.5	Garden (2 stories)	12	1,000	\$500	\$0	Market	Yes	2	16.7%	N/A	None
3	1.5	Garden (2 stories)	8	1,400	\$600	\$0	Market	Yes	0	0.0%	N/A	None
4	1.5	Garden (2 stories)	2	1,600	\$650	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$425	\$0	\$425	\$0	\$425
2BR / 1.5BA	\$500	\$0	\$500	\$0	\$500
3BR / 1.5BA	\$600	\$0	\$600	\$0	\$600
4BR / 1.5BA	\$650	\$0	\$650	\$0	\$650

Meadowlark Townhouses, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Garbage Disposal
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Ceiling Fan
Oven
Walk-In Closet

Security

None

Services

None

Property

Basketball Court
On-Site Management

Off-Street Parking
Playground

Premium

None

Other

None

Comments

All units have a basement. The one-bedroom units are two levels and the two, three, and four-bedroom units are three levels. The contact stated that the property maintains a waiting list of four households.

Meadowlark Townhouses, continued

Trend Report

Vacancy Rates

3Q06	2Q09	2Q14
10.0%	0.0%	6.7%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	0.0%	\$352	\$0	\$352	\$352
2009	2	0.0%	\$375	\$0	\$375	\$375
2014	2	0.0%	\$425	\$0	\$425	\$425

2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	8.3%	\$460	\$0	\$460	\$460
2009	2	0.0%	\$475	\$0	\$475	\$475
2014	2	16.7%	\$500	\$0	\$500	\$500

3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	25.0%	\$539	\$0	\$539	\$539
2009	2	0.0%	\$565	\$0	\$565	\$565
2014	2	0.0%	\$600	\$0	\$600	\$600

4BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	0.0%	\$600	\$0	\$600	\$600
2009	2	0.0%	\$630	\$0	\$630	\$630
2014	2	0.0%	\$650	\$0	\$650	\$650

Trend: Comments

3Q06	This is a market rate property with 30 one, two, three and four-bedroom townhomes. All units have a basement. The one-bedroom units are two levels and the two,three and four-bedroom units are three levels. They do not maintain a waiting list. They do not have any concessions at this time.
2Q09	All units have a basement. The one-bedroom units are two levels and the two,three and four-bedroom units are three levels.
2Q14	All units have a basement. The one-bedroom units are two levels and the two, three, and four-bedroom units are three levels. The contact stated that the property maintains a waiting list of four households.

Meadowlark Townhouses, continued

Photos



PROPERTY PROFILE REPORT

Raintree Apartments

Effective Rent Date	4/24/2014
Location	810 - 814 E Ford Ave Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	8
Vacant Units	2
Vacancy Rate	25.0%
Type	Duplex
Year Built/Renovated	1979 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Brooks rentals
Tenant Characteristics	Majority students
Contact Name	John
Phone	620.249.3736



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to 30 days
Annual Chg. in Rent	Increased
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- gas
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Duplex	6	800	\$550	\$0	Market	No	1	16.7%	N/A	None
2	2	Duplex	2	1,200	\$650	\$0	Market	No	1	50.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1BA	\$550	\$0	\$550	\$16	\$566
2BR / 2BA	\$650	\$0	\$650	\$16	\$666

Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Dishwasher		
Oven		
Washer/Dryer hookup		
Blinds		
Central A/C		
Garbage Disposal		
Refrigerator		
Property	Premium	Other
Off-Street Parking	None	None
Recreation Areas		

Comments

No additional comments.

PROPERTY PROFILE REPORT

Seasons On Joplin

Effective Rent Date	4/24/2014
Location	2301 S Joplin St Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	42
Vacant Units	N/A
Vacancy Rate	N/A
Type	One-story
Year Built/Renovated	2006 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy; mostly singles, young professionals (nurses, doctors, teachers)
Contact Name	Natalie
Phone	620.704.4929



Market Information

Program	Market
Annual Turnover Rate	36%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased to one-week
Annual Chg. in Rent	Increased \$5
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	One-story	42	600	\$490	\$0	Market	Yes	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$490	\$0	\$490	\$13	\$503

Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Coat Closet		
Ceiling Fan		
Microwave		
Refrigerator		
Walk-In Closet		
Property	Premium	Other
Off-Street Parking	None	None
Recreation Areas		

Comments

The property maintains a short waiting list.

PROPERTY PROFILE REPORT

Summerfield Apartments

Effective Rent Date	4/24/2014
Location	2609 S Springdale Street Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	132
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (3 stories)
Year Built/Renovated	1997 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Crimson Villas, University Commons
Tenant Characteristics	Mixed tenancy; majority students.
Contact Name	Amy
Phone	620-231-5656



Market Information

Program	Market
Annual Turnover Rate	60%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to one-week
Annual Chg. in Rent	Increased 7 to 10% since 2009
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	61	616	\$539	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	35	900	\$650	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	36	1,006	\$705	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$539	\$0	\$539	\$20	\$559
2BR / 2BA	\$650	\$0	\$650	\$23	\$673
3BR / 2BA	\$705	\$0	\$705	\$26	\$731

Summerfield Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Microwave
Refrigerator

Blinds
Central A/C
Garbage Disposal
Oven
Walk-In Closet

Security

None

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Swimming Pool

Exercise Facility
On-Site Management
Wi-Fi

Premium

None

Other

Tanning bed, walking trails

Comments

Contact had no additional comments.

Summerfield Apartments, continued

Trend Report

Vacancy Rates

3Q06	2Q09	2Q14
N/A	8.3%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$440	\$0	\$440	\$460
2009	2	6.6%	\$489	\$0	\$489	\$509
2014	2	0.0%	\$539	\$0	\$539	\$559

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$545	\$0	\$545	\$568
2009	2	11.4%	\$599	\$0	\$599	\$622
2014	2	0.0%	\$650	\$0	\$650	\$673

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	N/A	\$600	\$0	\$600	\$626
2009	2	8.3%	\$660	\$0	\$660	\$686
2014	2	0.0%	\$705	\$0	\$705	\$731

Trend: Comments

3Q06	This is a market rate property with 132 one, two, and three-bedroom units. Management gave estimates on the two-bedroom unit mix. Also, management was unsure of actual vacancies. They do not accept Section 8. They do maintain a waiting list. Their current concession is \$200 off the deposit. The majority of their tenants are students from PSU.
2Q09	Contact had no additional comments.
2Q14	N/A

Summerfield Apartments, continued

Photos



PROPERTY PROFILE REPORT

Sycamore Village Apartments (FKA N Joplin Apts)

Effective Rent Date	4/24/2014
Location	2601 North Joplin Street Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	128
Vacant Units	2
Vacancy Rate	1.6%
Type	Garden (3 stories)
Year Built/Renovated	1972 / 2005
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	Mixed tenancy; families and seniors
Contact Name	Mona
Phone	620-231-0660



Market Information

Program	Section 8
Annual Turnover Rate	28%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Pre-leased to 30 days
Annual Chg. in Rent	Increased 9% since 2Q2009
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	32	596	\$543	\$0	Section 8	Yes	0	0.0%	N/A	None
2	1	Garden (3 stories)	48	784	\$614	\$0	Section 8	Yes	2	4.2%	N/A	None
3	2	Garden (3 stories)	48	914	\$731	\$0	Section 8	Yes	0	0.0%	N/A	None

Unit Mix

Section 8	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$543	\$0	\$543	\$0	\$543
2BR / 1BA	\$614	\$0	\$614	\$0	\$614
3BR / 2BA	\$731	\$0	\$731	\$0	\$731

Sycamore Village Apartments (FKA N Joplin Apts), continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Refrigerator

Blinds
Central A/C
Ceiling Fan
Oven

Security

Patrol

Services

None

Property

Basketball Court
Clubhouse/Meeting
Off-Street Parking
Picnic Area

Business Center/Computer Lab
Central Laundry
On-Site Management
Playground

Premium

None

Other

None

Comments

According to the contact, the property's waiting list is six months to one year in length. The rents listed are the property's contract rents.

Sycamore Village Apartments (FKA N Joplin Apts), continued

Trend Report

Vacancy Rates

2Q09	2Q14
2.3%	1.6%

Trend: Section 8

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$498	\$0	\$498	\$498
2014	2	0.0%	\$543	\$0	\$543	\$543

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$562	\$0	\$562	\$562
2014	2	4.2%	\$614	\$0	\$614	\$614

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$670	\$0	\$670	\$670
2014	2	0.0%	\$731	\$0	\$731	\$731

Trend: Comments

2Q09	The waiting list is one year in length.
2Q14	According to the contact, the property's waiting list is six months to one year in length. The rents listed are the property's contract rents.

PROPERTY PROFILE REPORT

The Villa

Effective Rent Date	4/24/2014
Location	506 N Walnut St Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	11
Vacant Units	0
Vacancy Rate	0.0%
Type	One-story
Year Built/Renovated	1980 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Brooks rentals
Tenant Characteristics	Students
Contact Name	John
Phone	620.249.3736



Market Information

Program	Market
Annual Turnover Rate	50%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to 30 days
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	One-story	11	700	\$400	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$400	\$0	\$400	\$13	\$413

Amenities

In-Unit		Security	Services
Blinds	Carpeting	Perimeter Fencing	None
Central A/C	Garbage Disposal		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Courtyard	Off-Street Parking	None	None

Comments

No additional comments.

PROPERTY PROFILE REPORT

University Commons

Effective Rent Date	4/25/2014
Location	1902 South Broadway Street Pittsburg, KS 66762 Crawford County
Distance	N/A
Units	165
Vacant Units	15
Vacancy Rate	9.1%
Type	Garden (2 stories)
Year Built/Renovated	1960 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Summerfield Apartments
Tenant Characteristics	Mixed tenancy; majority students
Contact Name	Jenny
Phone	620-231-8550



Market Information

Program	Market
Annual Turnover Rate	60%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Pre-leased to 30 days
Annual Chg. in Rent	Increased
Concession	\$200 off first month's rent, all units

Utilities

A/C	not included -- wall
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (2 stories)	36	300	\$470	\$17	Market	Yes	1	2.8%	N/A	None
1	1	Garden (2 stories)	79	400	\$450	\$17	Market	Yes	11	13.9%	N/A	None
2	1	Garden (2 stories)	20	500	\$450	\$17	Market	Yes	2	10.0%	N/A	None
2	1	Garden (2 stories)	17	680	\$525	\$17	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	8	800	\$595	\$17	Market	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	4	1,005	\$750	\$17	Market	Yes	1	25.0%	N/A	None
4	2	Garden (2 stories)	1	1,500	\$960	\$17	Market	Yes	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$470	\$17	\$453	\$10	\$463
1BR / 1BA	\$450	\$17	\$433	\$13	\$446
2BR / 1BA	\$450 - \$525	\$17	\$433 - \$508	\$16	\$449 - \$524
2BR / 2BA	\$595	\$17	\$578	\$16	\$594
3BR / 2BA	\$750	\$17	\$733	\$19	\$752
4BR / 2BA	\$960	\$17	\$943	\$24	\$967

University Commons, continued

Amenities

In-Unit

Blinds
Carpeting
Ceiling Fan
Refrigerator

Cable/Satellite/Internet
Coat Closet
Oven
Washer/Dryer hookup

Security

Patrol

Services

None

Property

Courtyard
Central Laundry
On-Site Management
Volleyball Court

Exercise Facility
Off-Street Parking
Swimming Pool

Premium

None

Other

None

Comments

According to the contact, the studio asking rent includes all utilities, one-bedroom asking rents include all but electric, and three-bedroom asking rents include all but electric. Asking rent for two and four-bedroom units only include trash expenses; tenants are responsible for electric, gas, and water, which is the utility structure illustrated in the profile. Management indicated that the property maintained a waiting list but was unsure of the length.

Trend Report

Vacancy Rates

3Q06	2Q09	2Q14
8.5%	4.8%	9.1%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	3.8%	\$495	\$0	\$495	\$508
2009	2	3.8%	\$495	\$0	\$495	\$508
2014	2	13.9%	\$450	\$17	\$433	\$446

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	16.2%	\$555 - \$600	\$0	\$555 - \$600	\$571 - \$616
2009	2	5.4%	\$555 - \$600	\$0	\$555 - \$600	\$571 - \$616
2014	2	5.4%	\$450 - \$525	\$17	\$433 - \$508	\$449 - \$524

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	25.0%	\$625	\$0	\$625	\$641
2009	2	0.0%	\$625	\$0	\$625	\$641
2014	2	0.0%	\$595	\$17	\$578	\$594

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	0.0%	\$750	\$0	\$750	\$769
2009	2	0.0%	\$750	\$0	\$750	\$769
2014	2	25.0%	\$750	\$17	\$733	\$752

4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	0.0%	\$890	\$0	\$890	\$914
2009	2	0.0%	\$890	\$0	\$890	\$914
2014	2	0.0%	\$960	\$17	\$943	\$967

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	8.3%	\$420	\$0	\$420	\$430
2009	2	8.3%	\$420	\$0	\$420	\$430
2014	2	2.8%	\$470	\$17	\$453	\$463

Trend: Comments

3Q06	This is a market rate property with 165 units. They provide studio's,one, two, three and four bedroom units. They do not accept Section 8. There are no concessions at this time. Management gave estimates on the two-bedroom unit mixes. There are 14 vacancies at this time. They do not maintain a waiting list.
2Q09	Contact had no additional comments.
2Q14	According to the contact, the studio asking rent includes all utilities, one-bedroom asking rents include all but electric, and three-bedroom asking rents include all but electric. Asking rent for two and four-bedroom units only include trash expenses; tenants are responsible for electric, gas, and water, which is the utility structure illustrated in the profile. Management indicated that the property maintained a waiting list but was unsure of the length.

Photos



ADDENDUM C

Qualifications of Consultants

STATEMENT OF PROFESSIONAL QUALIFICATIONS
REBECCA S. ARTHUR, MAI

I. Education

University of Nebraska, Lincoln, Nebraska
Bachelor of Science in Business Administration – Finance

Appraisal Institute
Designated Member (MAI)

II. Licensing and Professional Affiliation

Designated Member of the Appraisal Institute (MAI)
Kansas City Chapter of the Appraisal Institute Board of Directors – 2013 & 2014
Member of Commercial Real Estate Women (CREW) Network
Member of National Council of Housing Market Analysts (NCHMA)

State of Arkansas Certified General Real Estate Appraiser No. CG2682N
State of Arizona Certified General Real Estate Appraisal No. 31992
State of California Certified General Real Estate Appraiser No. AG041010
State of Hawaii Certified General Real Estate Appraiser No. CGA-1047
State of Iowa Certified General Real Estate Appraiser No. CG03200
State of Indiana Certified General Real Estate Appraiser No. CG41300037
State of Kansas Certified General Real Estate Appraiser No. G-2153
State of Michigan Certified General Real Estate Appraiser No. 1201074011
State of Minnesota Certified General Real Estate Appraiser No. 40219655
State of Missouri Certified General Real Estate Appraiser No. 2004035401
State of New Mexico Certified General Real Estate Appraiser No. 02511-G
State of Texas Certified General Real Estate Appraiser No. TX-1338818-G

III. Professional Experience

Partner, Novogradac & Company LLP
Principal, Novogradac & Company LLP
Manager, Novogradac & Company LLP
Real Estate Analyst, Novogradac & Company LLP
Corporate Financial Analyst, Deloitte & Touche LLP

IV. Professional Training

The Appraiser as an Expert Witness: Preparation & Testimony, April 2013
Forecasting Revenue, December 2012
USPAP Update, May 2012
How to Analyze and Value Income Properties, May 2011
Appraising Apartments – The Basics, May 2011
Business Practices and Ethics, December 2010

HUD MAP Third Party Training, June 2010
HUD LEAN Third Party Training, January 2010
National Uniform Standards of Professional Appraisal Practice, April 2010
MAI Comprehensive Four Part Exam, July 2008
Report Writing & Valuation Analysis, December 2006
Advanced Applications, October 2006
Highest and Best Use and Market Analysis, July 2005
Advanced Sales Comparison and Cost Approaches, April 2005
Advanced Income Capitalization, October 2004
Basic Income Capitalization, September 2003
Appraisal Procedures, October 2002
Appraisal Principals, September 2001

V. Real Estate Assignments

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2001, with an emphasis on multifamily housing and land.
- Have managed and conducted numerous market and feasibility studies for multifamily housing. Properties types include Section 42 Low Income Housing Tax Credit (LIHTC) Properties, Section 8, USDA and/or conventional. Local housing authorities, developers, syndicators, HUD and lenders have used these studies to assist in the financial underwriting and design of multifamily properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying, and overall market analysis. The Subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States and its territories.
- Have managed and conducted numerous appraisals of multifamily housing. Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered LIHTC and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and PILOT agreements.
- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs, as well as the LIHTC PILOT Program.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA, and the developer in the underwriting process. Market studies are compliant to State, FannieMae, and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.

- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multi-family properties for DUS Lenders.
- Managed and Completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Managed and conducted various City and County-wide Housing Needs Assessments in order to determine the characteristics of existing housing, as well as determine the need for additional housing within designated areas.
- Performed numerous valuations of the General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.

VI. Speaking Engagements

A representative sample of industry speaking engagements follows:

- Institute for Professional Education and Development (IPED): Tax Credit Seminars
- Institute for Responsible Housing Preservation (IRHP): Annual Meetings
- National Council of Housing Market Analysts (NCHMA): Seminars and Workshops
- Novogradac & Company LLP: LIHTC, Developer and Bond Conferences
- AHF Live! Affordable Housing Finance Magazine Annual Conference
- Kansas Housing Conference
- California Council for Affordable Housing Meetings

STATEMENT OF PROFESSIONAL QUALIFICATIONS
RACHEL BARNES DENTON

I. EDUCATION

Cornell University, Ithaca, NY
School of Architecture, Art & Planning, Bachelor of Science in City & Regional Planning

II. LICENSING AND PROFESSIONAL AFFILIATION

Appraisal Institute Candidate for Designation
Member of National Council of Housing Market Analysts (NCHMA)
Member of Commercial Real Estate Women (CREW) Network
2011 and 2012 Communications Committee Co-Chair for the Kansas City CREW Chapter
2013 Director of Communications for Kansas City CREW

State of California Certified General Real Estate Appraiser No. AG044228
State of Colorado Certified General Real Estate Appraiser No. 100031319
State of Hawaii Certified General Real Estate Appraiser No. CGA1048
State of Illinois Certified General Real Estate Appraiser No. 553.002012
State of Kansas Certified General Real Estate Appraiser No. G-2501
State of Missouri Certified General Real Estate Appraiser No. 2007035992
State of Oregon Certified General Real Estate Appraiser No. C000951

III. PROFESSIONAL EXPERIENCE

Novogradac & Company LLP, Principal
Novogradac & Company LLP, Manager
Novogradac & Company LLP, Senior Real Estate Analyst

IV. PROFESSIONAL TRAINING

Educational requirements successfully completed for the Appraisal Institute:
Appraisal Principals, September 2004
Basic Income Capitalization, April 2005
Uniform Standards of Professional Appraisal Practice, November 2005
Advanced Income Capitalization, August 2006
General Market Analysis and Highest & Best Use, July 2008
Advanced Sales Comparison and Cost Approaches, June 2009
Advanced Applications, June 2010
Standards and Ethics (USPAP and Business Practices and Ethics) – Current for 2010 to 2015 Cycle

Completed HUD MAP Training, Columbus, Ohio, May 2010

Have presented and spoken at both Novogradac conferences and other industry events.

V. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2003, with an emphasis on affordable multifamily housing.

Conducted and managed appraisals of proposed new construction, rehab and existing Low-Income Housing Tax Credit properties, Section 8 Mark-to-Market properties, HUD MAP Section 221(d)(4) and 223(f) properties, USDA Rural Development, and market rate multifamily developments on a national basis. Analysis includes property screenings, economic and demographic analysis, determination of the Highest and Best Use, consideration and application of the three traditional approaches to value, and reconciliation to a final value estimate. Both tangible real estate values and intangible values in terms of tax credit valuation, beneficial financing, and PILOT are considered. Additional appraisal assignments completed include commercial land valuation, industrial properties for estate purposes, office buildings for governmental agencies, and leasehold interest valuation. Typical clients include developers, lenders, investors, and state agencies.

Managed and conducted market studies for proposed Low-Income Housing Tax Credit, HUD MAP, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis and operating expense analysis. Property types include proposed multifamily, senior independent living, large family, acquisition/rehabilitation, historic rehabilitation, adaptive reuse, and single family developments. Typical clients include developers, state agencies, syndicators, investors, and lenders.

Completed and have overseen numerous Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

Performed and managed market studies and appraisals of proposed new construction and existing properties insured and processed under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.

Performed and have overseen numerous market study/appraisal assignments for USDA RD properties in several states in conjunction with acquisition/rehabilitation redevelopments. Documents are used by states, lenders, USDA, and the developer in the underwriting process. Market studies are compliant to State, lender, and USDA requirements. Appraisals are compliant to lender requirements and USDA HB-1-3560 Chapter 7 and Attachments.

Performed appraisals for estate valuation and/or donation purposes for various types of real estate, including commercial office, industrial, and multifamily assets. These engagements were conducted in accordance with the Internal Revenue Service's Real Property Valuation Guidelines, Section 4.48.6 of the Internal Revenue Manual.

Conducted a Highest and Best Use Analysis for a proposed two-phase senior residential development for a local Housing Authority in the western United States. Completed an analysis of existing and proposed senior supply of all types, including both renter and owner-occupied options, and conducted various demand analyses in order to determine level of need and ultimate highest and best use of the site.

Prepared a three-year Asset Management tracking report for a 16-property portfolio in the southern United States. Data points monitored include economic vacancy, levels of concessions, income and operating expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.

Performed a community-wide affordable housing market analysis for a medium-sized city in the Midwest. Analysis included demographic and demand forecasts, interviews with local stakeholders, surveys of existing and proposed affordable supply, and reconciliation of operations at existing supply versus projected future need for affordable housing.

Managed a large portfolio of Asset Management reports for a national real estate investor. Properties were located throughout the nation, and were diverse in terms of financing, design, tenancy, and size. Information compiled included income and expenses, vacancy, and analysis of property's overall position in the market.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

JULIE E. FOGARTY

I. EDUCATION

Dartmouth College – Hanover, New Hampshire

Bachelor of Arts – Government and Romance Languages

II. PROFESSIONAL EXPERIENCE

Real Estate Analyst, Novogradac & Company LLP

Research Assistant, Novogradac & Company LLP

Real Estate Financial Analyst, Jones Lang LaSalle

III. PROFESSIONAL TRAINING

Basic Appraisal Principals, February 2012

Basic Appraisal Procedures, March 2012

General Appraiser Income Approach Part I, May 2012

General Appraiser Income Approach Part II, October 2012

IV. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including

adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.

- Performed a portfolio review of over 30 capital projects in excess of \$750 million for a university in order to identify underutilized real estate assets to serve as funding sources for development of capital projects.
- Analyzed potential constraints to development including issues that would hinder transactions as well as evaluated financing structures including ownership, lending constraints and applicable economic incentives.
- Crafted strategic development plan for 210 acre research campus, including conducting market and pro forma analysis.
- Created development plan for 106 acre “Town Center” mixed-use development near a university; determined appropriate product mix, phasing and development of property.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

SARA N. NOFTSINGER

I. EDUCATION

Missouri State University – Springfield, MO

Bachelor of Science – Finance

II. PROFESSIONAL EXPERIENCE

Research Assistant, Novogradac & Company LLP

Executive Assistant, Helzberg Entrepreneurial Mentoring Program

Claims Associate, Farmers Insurance Group

III. REAL ESTATE ASSIGNMENTS

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.

ADDENDUM D

Demographics by Census Tracts



Demographic and Income Profile

PMA Pittsburgh

Prepared By Business Analyst Desktop

Summary	Census 2010		2013		2018		
Population	23,440		23,618		23,982		
Households	9,408		9,464		9,602		
Families	5,022		5,009		5,033		
Average Household Size	2.34		2.34		2.35		
Owner Occupied Housing Units	4,832		4,581		4,642		
Renter Occupied Housing Units	4,576		4,883		4,960		
Median Age	27.8		28.5		30.2		
Trends: 2013 - 2018 Annual Rate	Area		State		National		
Population	0.31%		0.60%		0.71%		
Households	0.29%		0.63%		0.74%		
Families	0.10%		0.50%		0.63%		
Owner HHs	0.26%		0.68%		0.94%		
Median Household Income	2.91%		3.27%		3.03%		
Households by Income	2013			2018			
			Number	Percent	Number	Percent	
	<\$15,000		2,201	23.3%	2,190	22.8%	
	\$15,000 - \$24,999		1,295	13.7%	1,010	10.5%	
	\$25,000 - \$34,999		1,450	15.3%	1,236	12.9%	
	\$35,000 - \$49,999		1,405	14.8%	1,333	13.9%	
	\$50,000 - \$74,999		1,309	13.8%	1,588	16.5%	
	\$75,000 - \$99,999		714	7.5%	922	9.6%	
	\$100,000 - \$149,999		831	8.8%	988	10.3%	
	\$150,000 - \$199,999		136	1.4%	185	1.9%	
\$200,000+		123	1.3%	150	1.6%		
Median Household Income			\$33,096		\$38,203		
Average Household Income			\$47,577		\$53,525		
Per Capita Income			\$19,655		\$22,012		
Population by Age	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	0 - 4	1,580	6.7%	1,556	6.6%	1,604	6.7%
	5 - 9	1,379	5.9%	1,362	5.8%	1,345	5.6%
	10 - 14	1,252	5.3%	1,270	5.4%	1,284	5.4%
	15 - 19	2,146	9.2%	2,056	8.7%	2,059	8.6%
	20 - 24	4,280	18.3%	4,005	17.0%	3,582	14.9%
	25 - 34	3,229	13.8%	3,675	15.6%	3,863	16.1%
	35 - 44	2,144	9.1%	2,171	9.2%	2,348	9.8%
	45 - 54	2,446	10.4%	2,287	9.7%	2,135	8.9%
	55 - 64	2,157	9.2%	2,273	9.6%	2,368	9.9%
	65 - 74	1,362	5.8%	1,503	6.4%	1,829	7.6%
	75 - 84	910	3.9%	908	3.8%	1,010	4.2%
	85+	555	2.4%	552	2.3%	555	2.3%
	Race and Ethnicity	Census 2010		2013		2018	
Number		Percent	Number	Percent	Number	Percent	
White Alone		20,686	88.3%	20,531	86.9%	20,291	84.6%
Black Alone		686	2.9%	871	3.7%	1,170	4.9%
American Indian Alone		197	0.8%	203	0.9%	216	0.9%
Asian Alone		427	1.8%	437	1.9%	454	1.9%
Pacific Islander Alone		70	0.3%	70	0.3%	75	0.3%
Some Other Race Alone		638	2.7%	742	3.1%	938	3.9%
Two or More Races		736	3.1%	764	3.2%	838	3.5%
Hispanic Origin (Any Race)		1,438	6.1%	1,656	7.0%	2,094	8.7%

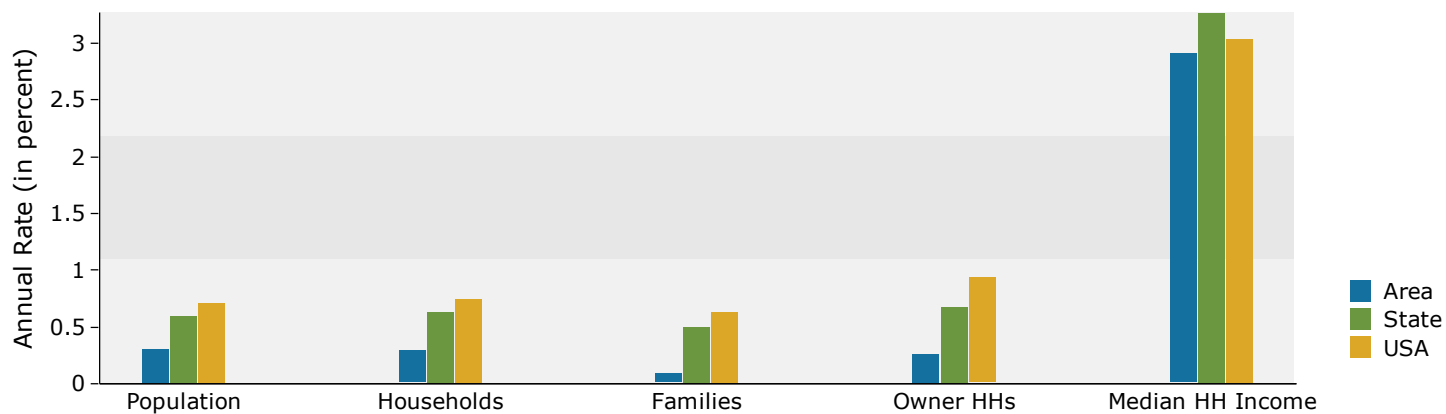
Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

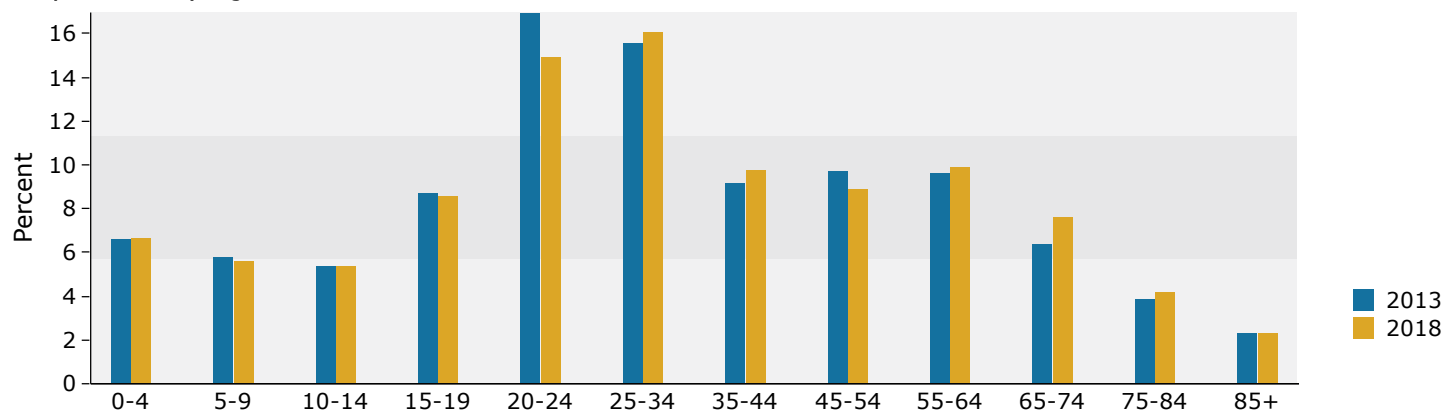
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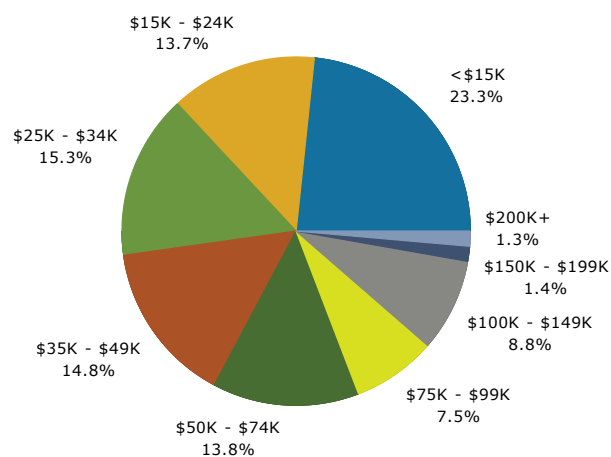
Trends 2013-2018



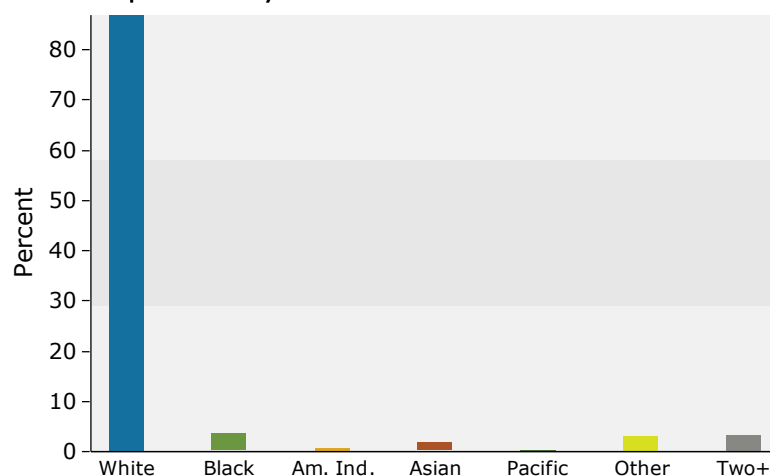
Population by Age



2013 Household Income



2013 Population by Race



2013 Percent Hispanic Origin: 7.0%



Demographic and Income Profile

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Summary	Census 2010	2013	2018				
Population	3,334	3,358	3,402				
Households	1,321	1,322	1,334				
Families	857	853	855				
Average Household Size	2.50	2.52	2.53				
Owner Occupied Housing Units	869	829	848				
Renter Occupied Housing Units	452	493	486				
Median Age	33.5	33.8	35.2				
Trends: 2013 - 2018 Annual Rate	Area	State	National				
Population	0.26%	0.60%	0.71%				
Households	0.18%	0.63%	0.74%				
Families	0.05%	0.50%	0.63%				
Owner HHs	0.45%	0.68%	0.94%				
Median Household Income	3.11%	3.27%	3.03%				
Households by Income	2013		2018				
	Number	Percent	Number	Percent			
	<\$15,000	223	16.9%	217	16.3%		
	\$15,000 - \$24,999	185	14.0%	129	9.7%		
	\$25,000 - \$34,999	138	10.4%	142	10.6%		
	\$35,000 - \$49,999	217	16.4%	193	14.5%		
	\$50,000 - \$74,999	222	16.8%	256	19.2%		
	\$75,000 - \$99,999	168	12.7%	207	15.5%		
	\$100,000 - \$149,999	99	7.5%	106	7.9%		
	\$150,000 - \$199,999	55	4.2%	67	5.0%		
\$200,000+	15	1.1%	17	1.3%			
Median Household Income	\$41,669		\$48,560				
Average Household Income	\$55,443		\$60,849				
Per Capita Income	\$21,898		\$23,930				
Population by Age	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	0 - 4	264	7.9%	264	7.9%	267	7.8%
	5 - 9	223	6.7%	244	7.3%	253	7.4%
	10 - 14	212	6.4%	215	6.4%	237	7.0%
	15 - 19	240	7.2%	205	6.1%	192	5.6%
	20 - 24	329	9.9%	256	7.6%	182	5.3%
	25 - 34	458	13.7%	551	16.4%	561	16.5%
	35 - 44	386	11.6%	395	11.8%	424	12.5%
	45 - 54	408	12.2%	393	11.7%	383	11.3%
	55 - 64	371	11.1%	364	10.8%	373	11.0%
	65 - 74	223	6.7%	242	7.2%	296	8.7%
	75 - 84	151	4.5%	163	4.9%	163	4.8%
	85+	69	2.1%	66	2.0%	71	2.1%
Race and Ethnicity	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	White Alone	3,020	90.6%	2,997	89.2%	2,956	86.9%
	Black Alone	73	2.2%	94	2.8%	129	3.8%
	American Indian Alone	21	0.6%	22	0.7%	23	0.7%
	Asian Alone	17	0.5%	17	0.5%	17	0.5%
	Pacific Islander Alone	1	0.0%	1	0.0%	1	0.0%
	Some Other Race Alone	103	3.1%	122	3.6%	158	4.6%
	Two or More Races	99	3.0%	105	3.1%	118	3.5%
	Hispanic Origin (Any Race)	200	6.0%	236	7.0%	306	9.0%

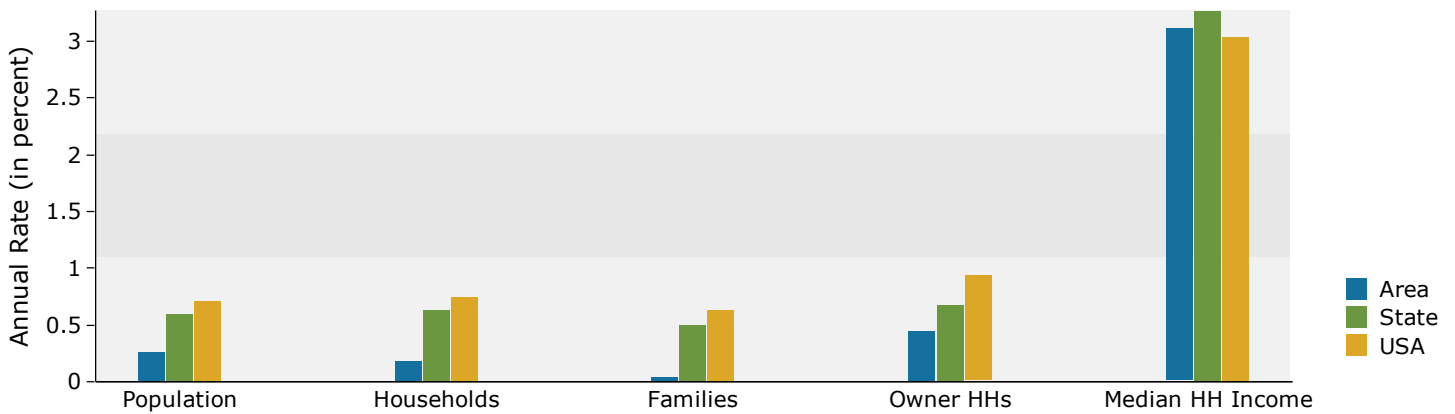
Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

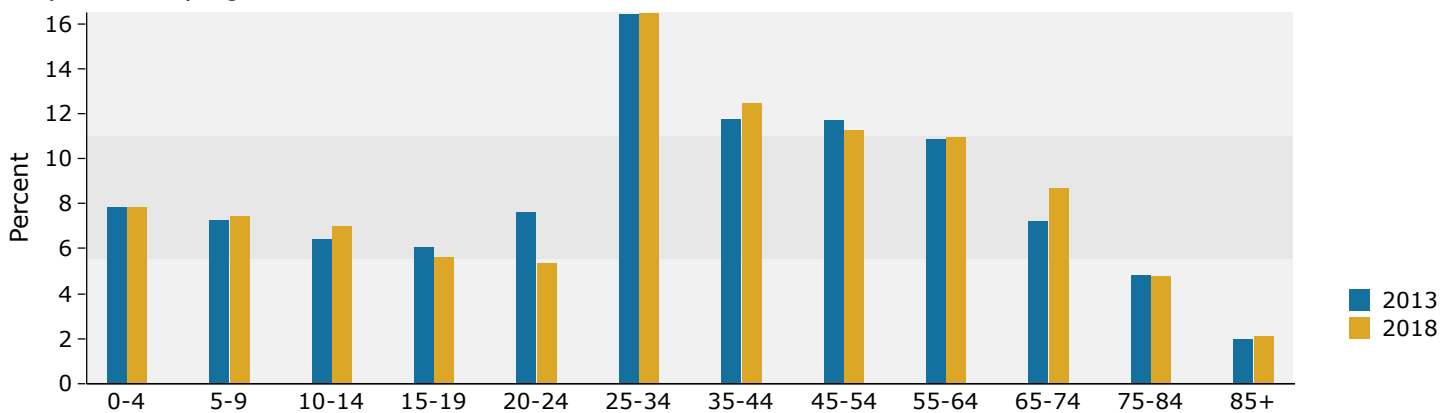
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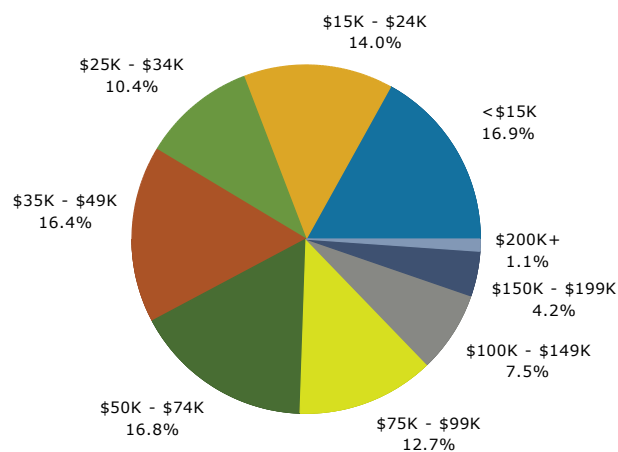
Trends 2013-2018



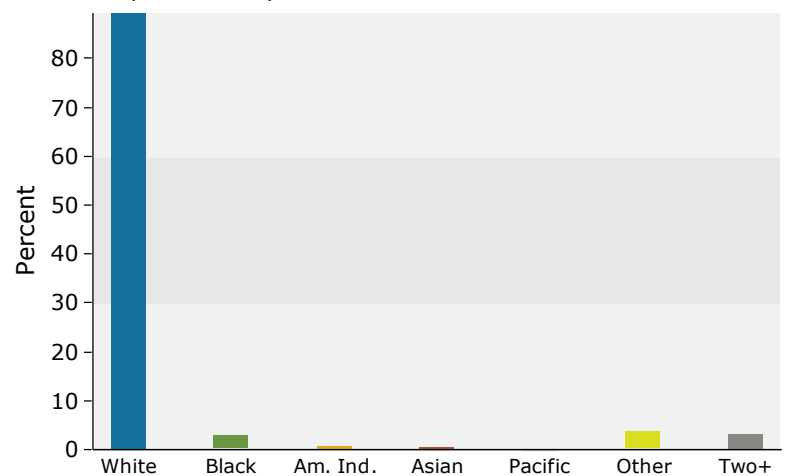
Population by Age



2013 Household Income



2013 Population by Race



2013 Percent Hispanic Origin: 7.0%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

May 20, 2014

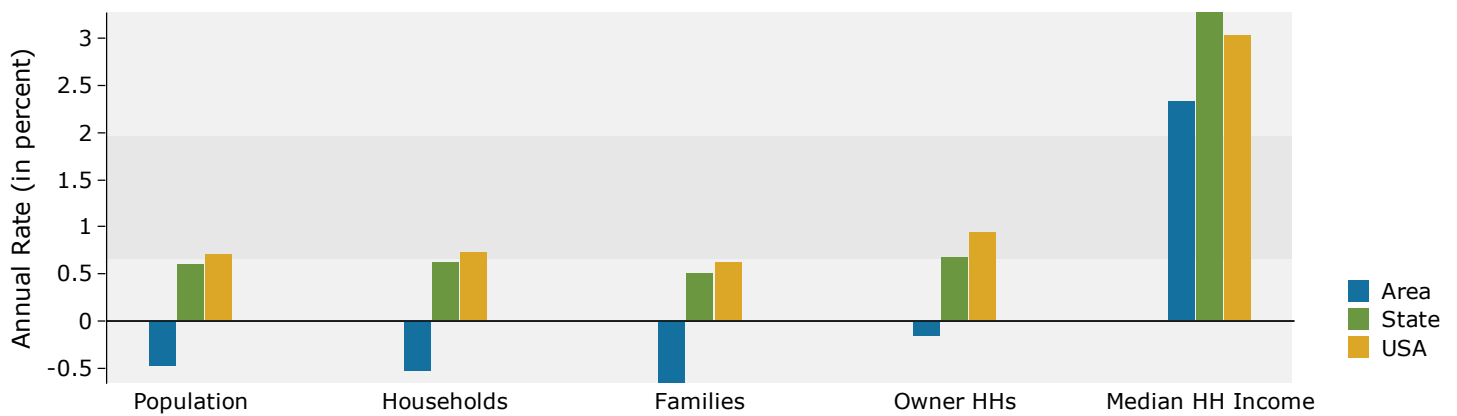
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Summary	Census 2010	2013	2018			
Population	2,710	2,636	2,573			
Households	1,074	1,037	1,009			
Families	670	643	622			
Average Household Size	2.51	2.53	2.53			
Owner Occupied Housing Units	562	515	511			
Renter Occupied Housing Units	512	522	498			
Median Age	28.3	29.0	30.6			
Trends: 2013 - 2018 Annual Rate	Area	State	National			
Population	-0.48%	0.60%	0.71%			
Households	-0.55%	0.63%	0.74%			
Families	-0.66%	0.50%	0.63%			
Owner HHs	-0.16%	0.68%	0.94%			
Median Household Income	2.33%	3.27%	3.03%			
Households by Income	2013		2018			
	Number	Percent	Number	Percent		
	<\$15,000	240 23.1%	217 21.5%			
	\$15,000 - \$24,999	170 16.4%	143 14.2%			
	\$25,000 - \$34,999	153 14.8%	140 13.9%			
	\$35,000 - \$49,999	203 19.6%	176 17.4%			
	\$50,000 - \$74,999	168 16.2%	189 18.7%			
	\$75,000 - \$99,999	57 5.5%	91 9.0%			
	\$100,000 - \$149,999	45 4.3%	52 5.2%			
	\$150,000 - \$199,999	1 0.1%	1 0.1%			
\$200,000+	0 0.0%	0 0.0%				
Median Household Income	\$31,419		\$35,262			
Average Household Income	\$38,288		\$42,237			
Per Capita Income	\$15,124		\$16,626			
Population by Age	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent
	0 - 4	328 12.1%	310 11.8%	297 11.5%		
	5 - 9	198 7.3%	221 8.4%	221 8.6%		
	10 - 14	169 6.2%	163 6.2%	182 7.1%		
	15 - 19	183 6.8%	158 6.0%	144 5.6%		
	20 - 24	316 11.7%	242 9.2%	181 7.0%		
	25 - 34	446 16.5%	484 18.4%	467 18.2%		
	35 - 44	283 10.4%	283 10.7%	303 11.8%		
	45 - 54	268 9.9%	261 9.9%	245 9.5%		
	55 - 64	211 7.8%	221 8.4%	225 8.7%		
	65 - 74	160 5.9%	161 6.1%	174 6.8%		
	75 - 84	88 3.2%	78 3.0%	83 3.2%		
	85+	60 2.2%	54 2.0%	51 2.0%		
Race and Ethnicity	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent
	White Alone	2,308 85.2%	2,207 83.7%	2,089 81.2%		
	Black Alone	81 3.0%	97 3.7%	121 4.7%		
	American Indian Alone	20 0.7%	19 0.7%	19 0.7%		
	Asian Alone	13 0.5%	12 0.5%	11 0.4%		
	Pacific Islander Alone	40 1.5%	40 1.5%	40 1.6%		
	Some Other Race Alone	139 5.1%	153 5.8%	181 7.0%		
	Two or More Races	109 4.0%	108 4.1%	112 4.4%		
	Hispanic Origin (Any Race)	266 9.8%	290 11.0%	345 13.4%		

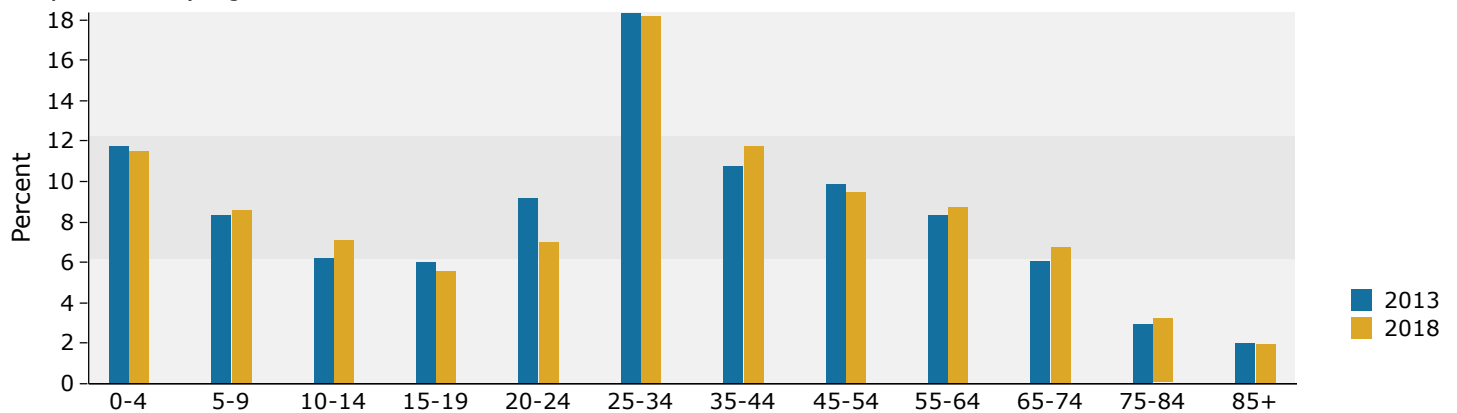
Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

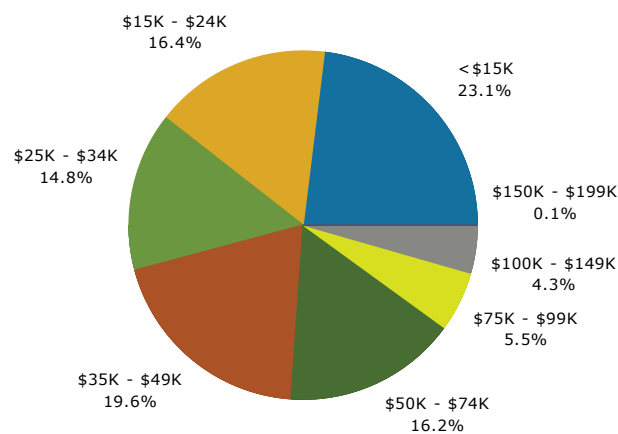
Trends 2013-2018



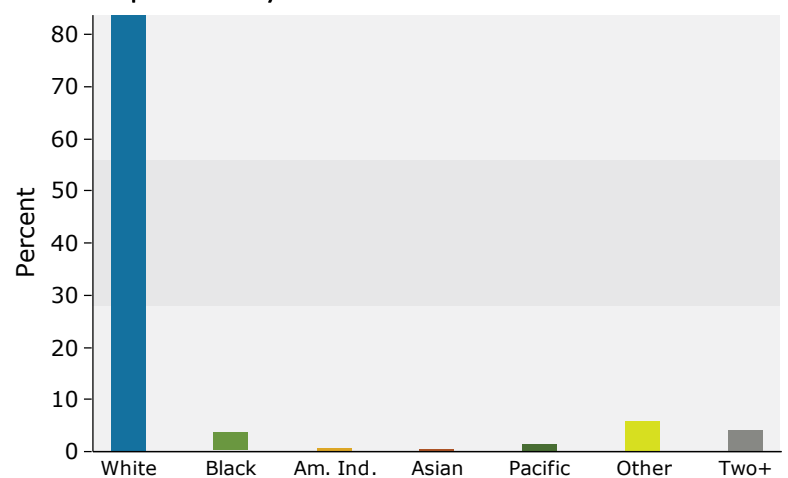
Population by Age



2013 Household Income



2013 Population by Race



2013 Percent Hispanic Origin: 11.0%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

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Demographic and Income Profile

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Summary	Census 2010	2013	2018				
Population	2,232	2,234	2,252				
Households	921	921	928				
Families	573	570	571				
Average Household Size	2.42	2.42	2.42				
Owner Occupied Housing Units	546	514	510				
Renter Occupied Housing Units	375	407	418				
Median Age	31.5	32.2	33.8				
Trends: 2013 - 2018 Annual Rate	Area	State	National				
Population	0.16%	0.60%	0.71%				
Households	0.15%	0.63%	0.74%				
Families	0.04%	0.50%	0.63%				
Owner HHs	-0.16%	0.68%	0.94%				
Median Household Income	2.22%	3.27%	3.03%				
Households by Income	2013		2018				
	Number	Percent	Number	Percent			
	<\$15,000	206	22.4%	218	23.5%		
	\$15,000 - \$24,999	179	19.4%	138	14.9%		
	\$25,000 - \$34,999	195	21.2%	155	16.7%		
	\$35,000 - \$49,999	135	14.7%	137	14.8%		
	\$50,000 - \$74,999	84	9.1%	115	12.4%		
	\$75,000 - \$99,999	50	5.4%	72	7.8%		
	\$100,000 - \$149,999	63	6.8%	81	8.7%		
	\$150,000 - \$199,999	8	0.9%	11	1.2%		
\$200,000+	1	0.1%	1	0.1%			
Median Household Income	\$27,990		\$31,238				
Average Household Income	\$38,955		\$43,883				
Per Capita Income	\$16,081		\$18,104				
Population by Age	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	0 - 4	179	8.0%	178	8.0%	183	8.1%
	5 - 9	165	7.4%	165	7.4%	161	7.1%
	10 - 14	151	6.8%	153	6.8%	153	6.8%
	15 - 19	135	6.0%	137	6.1%	140	6.2%
	20 - 24	235	10.5%	170	7.6%	139	6.2%
	25 - 34	348	15.6%	414	18.5%	401	17.8%
	35 - 44	241	10.8%	247	11.1%	285	12.7%
	45 - 54	287	12.9%	255	11.4%	234	10.4%
	55 - 64	236	10.6%	255	11.4%	252	11.2%
	65 - 74	136	6.1%	151	6.8%	183	8.1%
	75 - 84	87	3.9%	75	3.4%	86	3.8%
	85+	32	1.4%	34	1.5%	35	1.6%
Race and Ethnicity	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	White Alone	1,956	87.6%	1,915	85.7%	1,856	82.4%
	Black Alone	60	2.7%	77	3.4%	104	4.6%
	American Indian Alone	14	0.6%	14	0.6%	15	0.7%
	Asian Alone	6	0.3%	6	0.3%	6	0.3%
	Pacific Islander Alone	1	0.0%	1	0.0%	1	0.0%
	Some Other Race Alone	116	5.2%	138	6.2%	177	7.9%
	Two or More Races	79	3.5%	83	3.7%	93	4.1%
	Hispanic Origin (Any Race)	203	9.1%	236	10.6%	301	13.4%

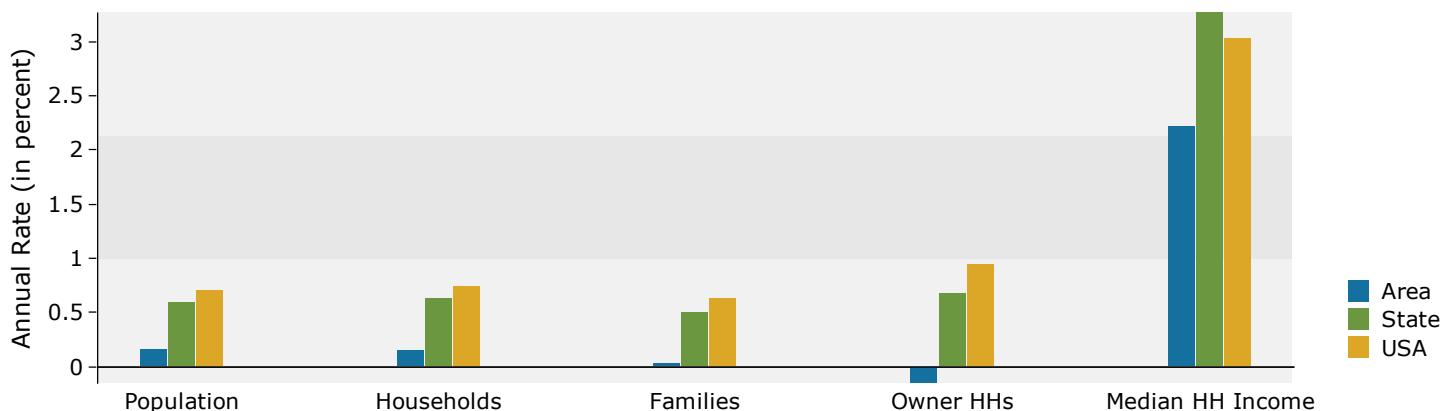
Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

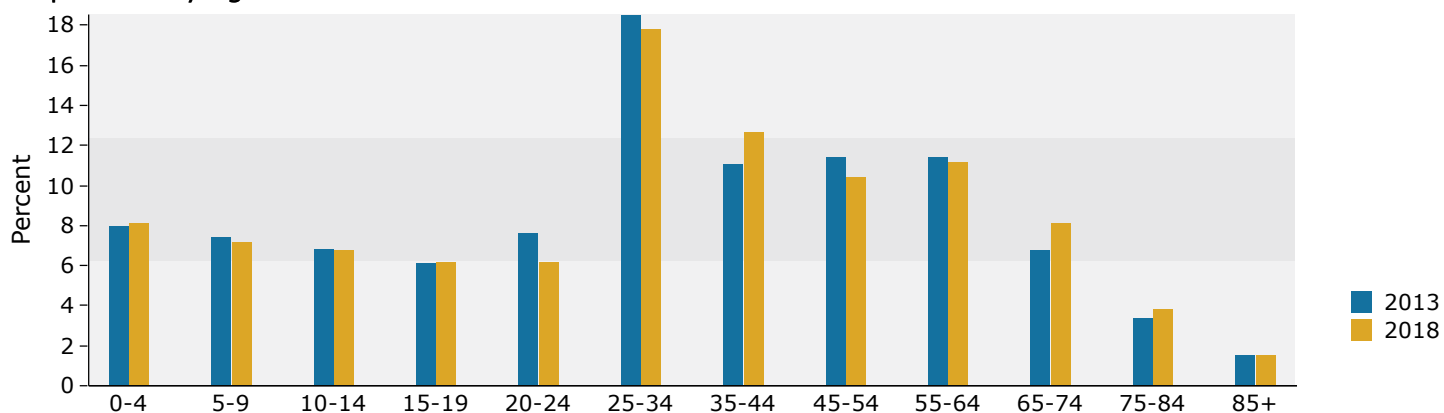
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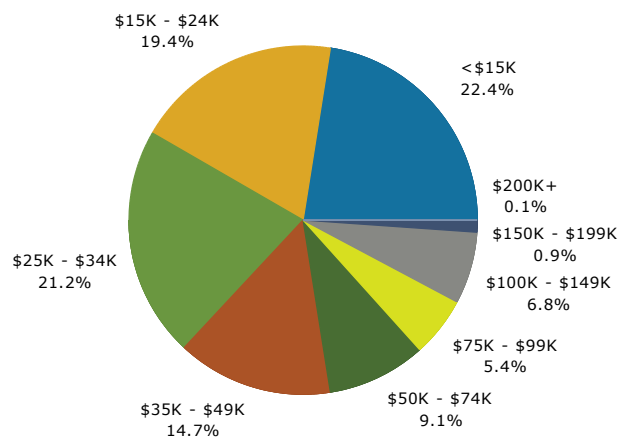
Trends 2013-2018



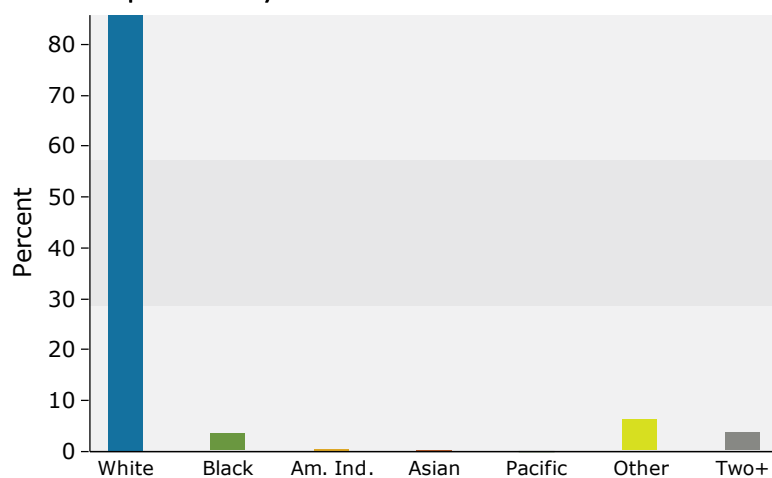
Population by Age



2013 Household Income



2013 Population by Race



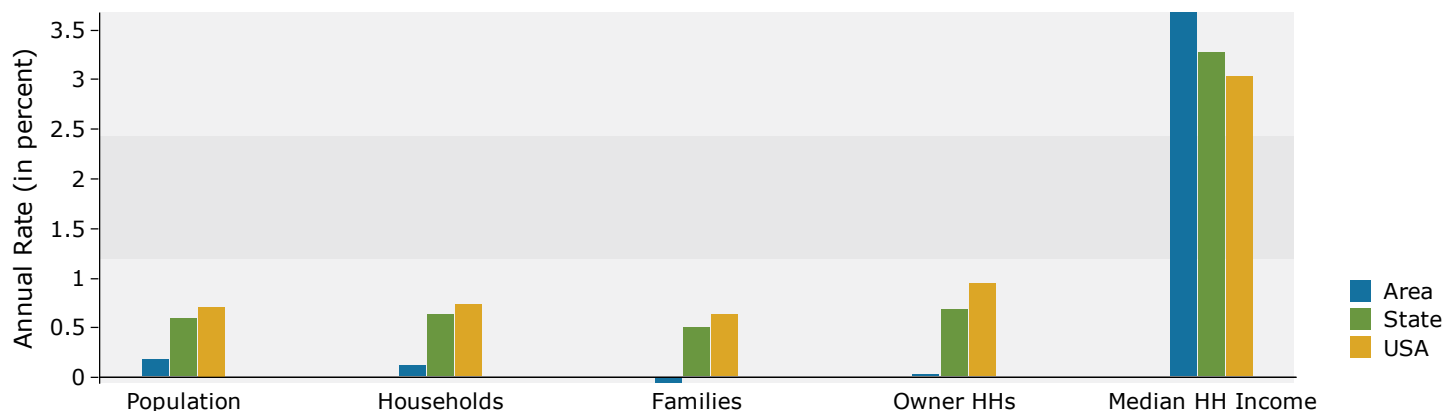
2013 Percent Hispanic Origin: 10.6%

Summary	Census 2010	2013	2018				
Population	3,178	3,180	3,209				
Households	1,369	1,368	1,376				
Families	655	650	648				
Average Household Size	2.27	2.27	2.28				
Owner Occupied Housing Units	699	663	664				
Renter Occupied Housing Units	670	705	712				
Median Age	26.5	26.9	28.2				
Trends: 2013 - 2018 Annual Rate	Area	State	National				
Population	0.18%	0.60%	0.71%				
Households	0.12%	0.63%	0.74%				
Families	-0.06%	0.50%	0.63%				
Owner HHs	0.03%	0.68%	0.94%				
Median Household Income	3.68%	3.27%	3.03%				
Households by Income	2013		2018				
	Number	Percent	Number	Percent			
	<\$15,000	318	23.2%	325	23.6%		
	\$15,000 - \$24,999	218	15.9%	169	12.3%		
	\$25,000 - \$34,999	159	11.6%	105	7.6%		
	\$35,000 - \$49,999	218	15.9%	190	13.8%		
	\$50,000 - \$74,999	253	18.5%	325	23.6%		
	\$75,000 - \$99,999	77	5.6%	104	7.6%		
	\$100,000 - \$149,999	86	6.3%	106	7.7%		
	\$150,000 - \$199,999	15	1.1%	22	1.6%		
\$200,000+	24	1.8%	30	2.2%			
Median Household Income	\$34,111		\$40,857				
Average Household Income	\$46,114		\$53,134				
Per Capita Income	\$20,047		\$22,991				
Population by Age	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	0 - 4	142	4.5%	134	4.2%	141	4.4%
	5 - 9	171	5.4%	158	5.0%	152	4.7%
	10 - 14	170	5.3%	167	5.3%	166	5.2%
	15 - 19	202	6.4%	190	6.0%	193	6.0%
	20 - 24	830	26.1%	845	26.6%	787	24.5%
	25 - 34	380	12.0%	415	13.1%	448	14.0%
	35 - 44	261	8.2%	252	7.9%	276	8.6%
	45 - 54	370	11.6%	322	10.1%	267	8.3%
	55 - 64	320	10.1%	346	10.9%	358	11.2%
	65 - 74	178	5.6%	199	6.3%	256	8.0%
	75 - 84	112	3.5%	107	3.4%	116	3.6%
	85+	42	1.3%	45	1.4%	49	1.5%
	Race and Ethnicity	Census 2010		2013		2018	
		Number	Percent	Number	Percent	Number	Percent
White Alone		2,852	89.7%	2,818	88.6%	2,785	86.8%
Black Alone		86	2.7%	109	3.4%	146	4.5%
American Indian Alone		24	0.8%	24	0.8%	24	0.7%
Asian Alone		105	3.3%	107	3.4%	110	3.4%
Pacific Islander Alone		1	0.0%	1	0.0%	1	0.0%
Some Other Race Alone		48	1.5%	56	1.8%	72	2.2%
Two or More Races		62	2.0%	65	2.0%	71	2.2%
Hispanic Origin (Any Race)		128	4.0%	148	4.7%	187	5.8%

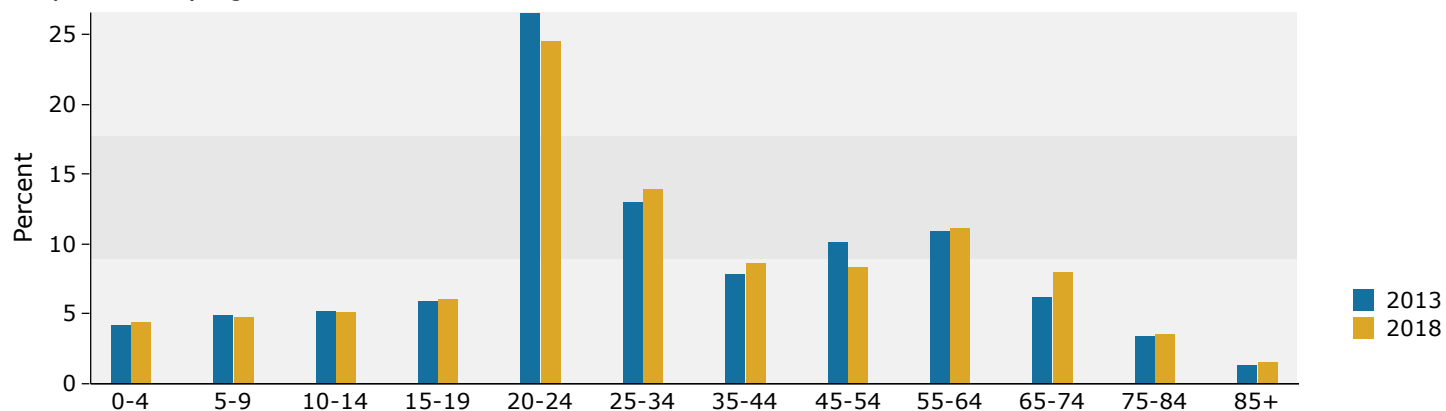
Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

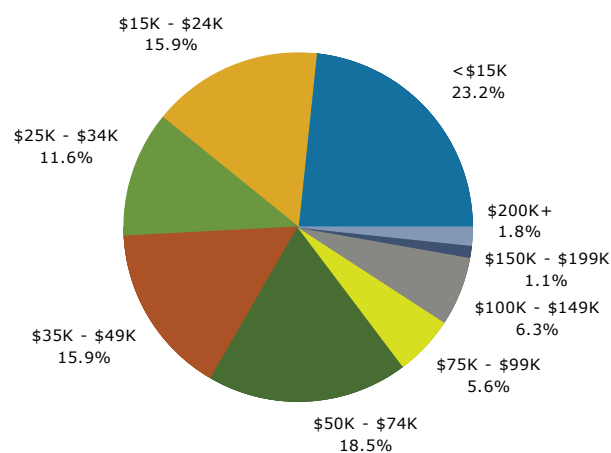
Trends 2013-2018



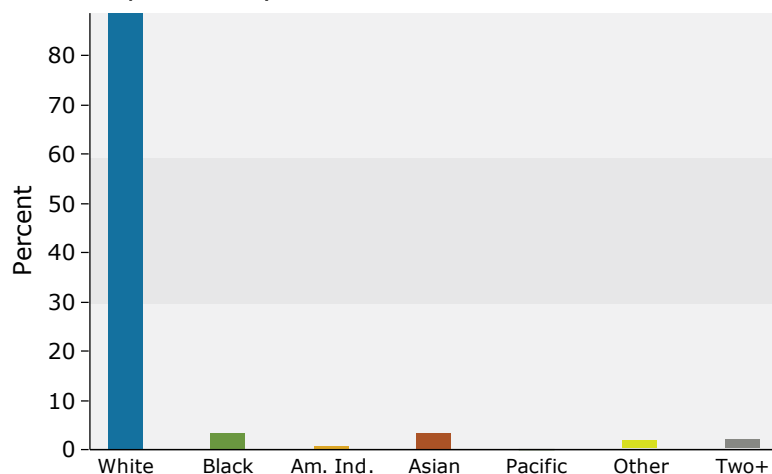
Population by Age



2013 Household Income



2013 Population by Race



2013 Percent Hispanic Origin: 4.7%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

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Demographic and Income Profile

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Summary	Census 2010	2013	2018				
Population	2,159	2,190	2,241				
Households	879	886	901				
Families	539	540	545				
Average Household Size	2.46	2.47	2.49				
Owner Occupied Housing Units	582	566	572				
Renter Occupied Housing Units	297	320	329				
Median Age	30.7	31.9	33.9				
Trends: 2013 - 2018 Annual Rate	Area	State	National				
Population	0.46%	0.60%	0.71%				
Households	0.34%	0.63%	0.74%				
Families	0.18%	0.50%	0.63%				
Owner HHs	0.21%	0.68%	0.94%				
Median Household Income	2.38%	3.27%	3.03%				
Households by Income	2013		2018				
	Number	Percent	Number	Percent			
	<\$15,000	131	14.8%	124	13.8%		
	\$15,000 - \$24,999	78	8.8%	57	6.3%		
	\$25,000 - \$34,999	74	8.4%	54	6.0%		
	\$35,000 - \$49,999	221	24.9%	214	23.8%		
	\$50,000 - \$74,999	195	22.0%	235	26.1%		
	\$75,000 - \$99,999	74	8.4%	89	9.9%		
	\$100,000 - \$149,999	110	12.4%	124	13.8%		
	\$150,000 - \$199,999	0	0.0%	0	0.0%		
\$200,000+	3	0.3%	4	0.4%			
Median Household Income	\$44,535		\$50,092				
Average Household Income	\$53,459		\$57,752				
Per Capita Income	\$21,628		\$23,219				
Population by Age	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	0 - 4	155	7.2%	156	7.1%	167	7.5%
	5 - 9	175	8.1%	160	7.3%	151	6.7%
	10 - 14	144	6.7%	162	7.4%	156	7.0%
	15 - 19	128	5.9%	133	6.1%	150	6.7%
	20 - 24	252	11.7%	164	7.5%	130	5.8%
	25 - 34	367	17.0%	438	20.0%	422	18.8%
	35 - 44	221	10.2%	259	11.8%	314	14.0%
	45 - 54	276	12.8%	233	10.6%	216	9.6%
	55 - 64	213	9.9%	239	10.9%	248	11.1%
	65 - 74	126	5.8%	143	6.5%	171	7.6%
	75 - 84	65	3.0%	68	3.1%	85	3.8%
	85+	37	1.7%	35	1.6%	31	1.4%
Race and Ethnicity	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	White Alone	1,931	89.4%	1,932	88.2%	1,929	86.1%
	Black Alone	60	2.8%	78	3.6%	107	4.8%
	American Indian Alone	25	1.2%	26	1.2%	27	1.2%
	Asian Alone	8	0.4%	8	0.4%	8	0.4%
	Pacific Islander Alone	1	0.0%	1	0.0%	1	0.0%
	Some Other Race Alone	38	1.8%	45	2.1%	60	2.7%
	Two or More Races	96	4.4%	100	4.6%	109	4.9%
	Hispanic Origin (Any Race)	115	5.3%	133	6.1%	170	7.6%

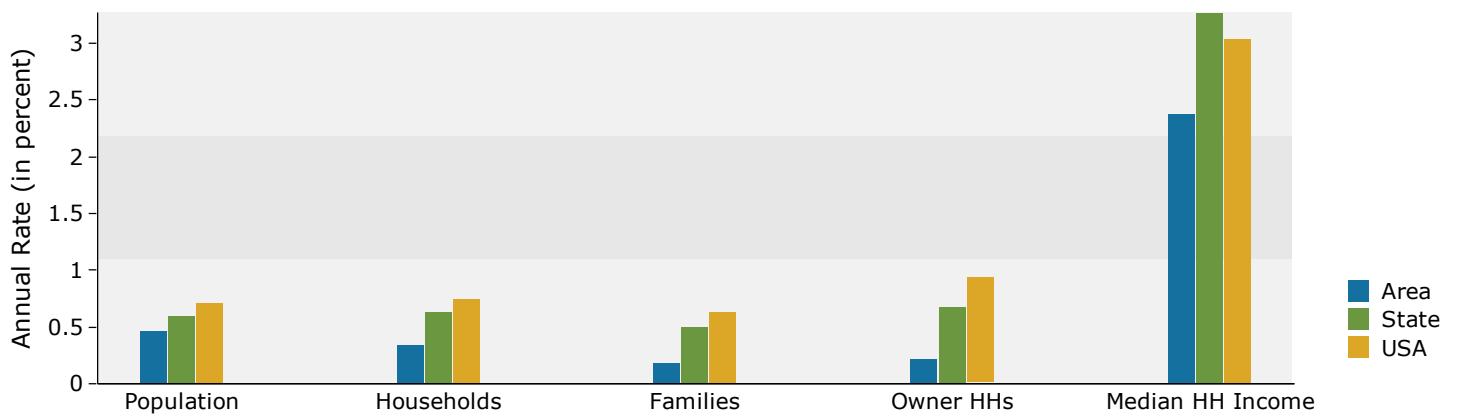
Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

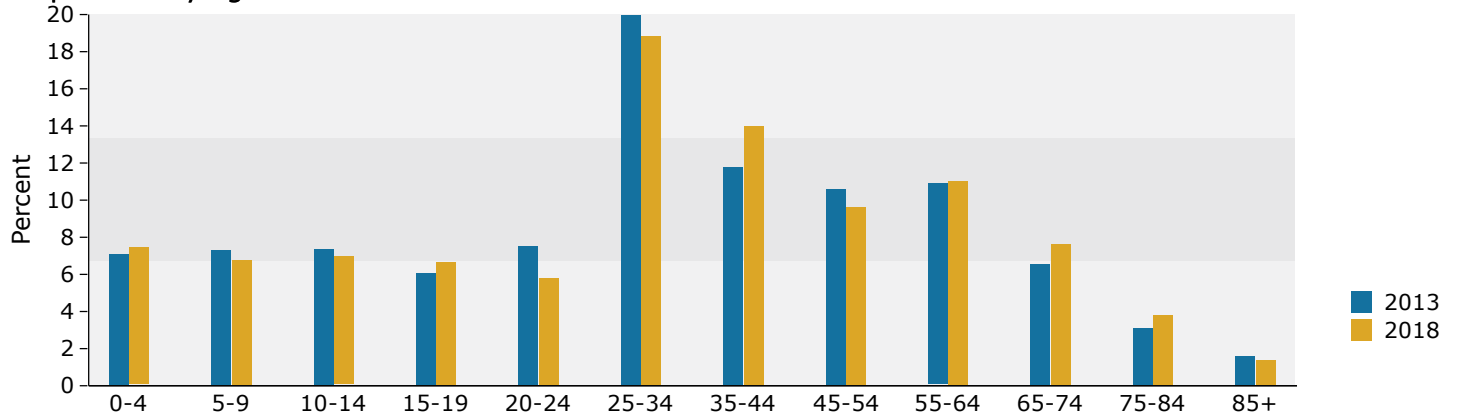
May 20, 2014

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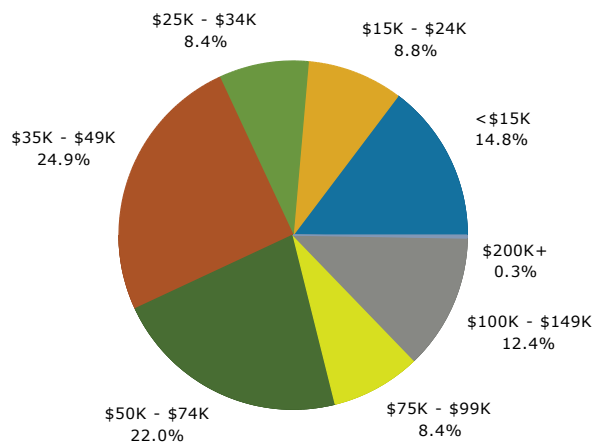
Trends 2013-2018



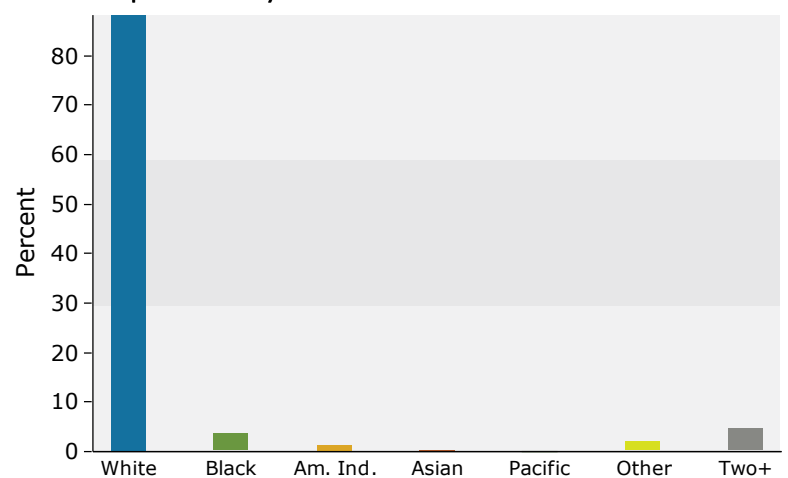
Population by Age



2013 Household Income



2013 Population by Race



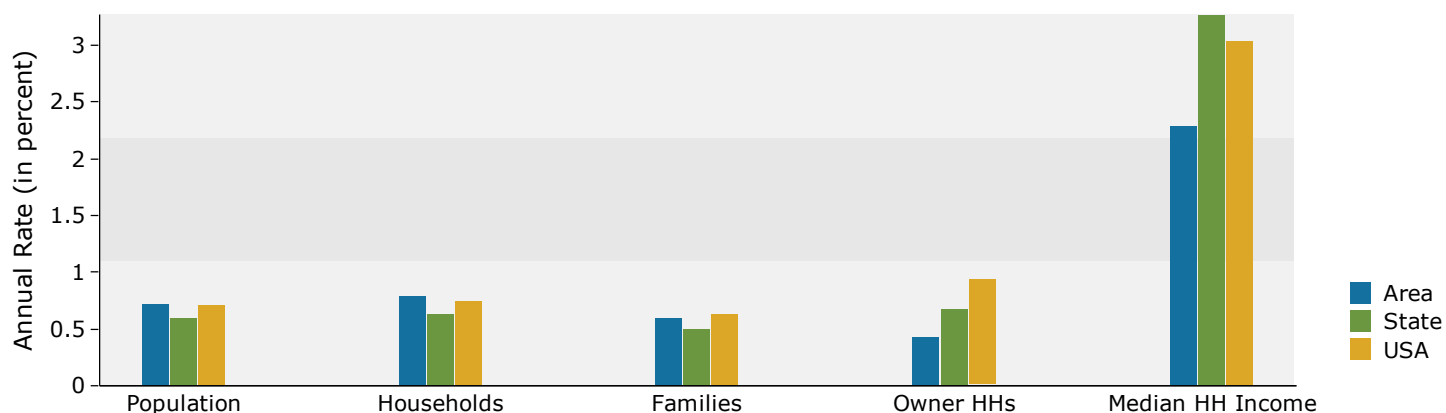
2013 Percent Hispanic Origin: 6.1%

Summary	Census 2010	2013	2018				
Population	2,370	2,441	2,531				
Households	1,084	1,118	1,163				
Families	421	430	443				
Average Household Size	2.15	2.15	2.14				
Owner Occupied Housing Units	295	275	281				
Renter Occupied Housing Units	789	843	882				
Median Age	26.4	26.7	27.8				
Trends: 2013 - 2018 Annual Rate	Area	State	National				
Population	0.73%	0.60%	0.71%				
Households	0.79%	0.63%	0.74%				
Families	0.60%	0.50%	0.63%				
Owner HHs	0.43%	0.68%	0.94%				
Median Household Income	2.29%	3.27%	3.03%				
Households by Income	2013		2018				
	Number	Percent	Number	Percent			
	<\$15,000	426	38.1%	450	38.7%		
	\$15,000 - \$24,999	186	16.6%	144	12.4%		
	\$25,000 - \$34,999	264	23.6%	245	21.1%		
	\$35,000 - \$49,999	115	10.3%	140	12.0%		
	\$50,000 - \$74,999	81	7.2%	117	10.1%		
	\$75,000 - \$99,999	12	1.1%	17	1.5%		
	\$100,000 - \$149,999	26	2.3%	37	3.2%		
	\$150,000 - \$199,999	8	0.7%	13	1.1%		
	\$200,000+	0	0.0%	0	0.0%		
Median Household Income	\$21,249		\$23,800				
Average Household Income	\$27,267		\$30,314				
Per Capita Income	\$12,645		\$14,080				
Population by Age	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	0 - 4	173	7.3%	173	7.1%	183	7.2%
	5 - 9	123	5.2%	123	5.0%	127	5.0%
	10 - 14	103	4.3%	103	4.2%	108	4.3%
	15 - 19	169	7.1%	162	6.6%	163	6.4%
	20 - 24	543	22.9%	570	23.4%	524	20.7%
	25 - 34	410	17.3%	428	17.5%	463	18.3%
	35 - 44	235	9.9%	232	9.5%	246	9.7%
	45 - 54	237	10.0%	232	9.5%	227	9.0%
	55 - 64	173	7.3%	191	7.8%	211	8.3%
	65 - 74	112	4.7%	129	5.3%	166	6.6%
	75 - 84	55	2.3%	57	2.3%	67	2.6%
	85+	37	1.6%	41	1.7%	46	1.8%
Race and Ethnicity	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	White Alone	1,999	84.3%	2,012	82.4%	1,999	79.0%
	Black Alone	92	3.9%	118	4.8%	159	6.3%
	American Indian Alone	27	1.1%	30	1.2%	35	1.4%
	Asian Alone	40	1.7%	40	1.6%	40	1.6%
	Pacific Islander Alone	15	0.6%	15	0.6%	18	0.7%
	Some Other Race Alone	128	5.4%	154	6.3%	200	7.9%
	Two or More Races	69	2.9%	72	2.9%	80	3.2%
	Hispanic Origin (Any Race)	283	11.9%	328	13.4%	417	16.5%

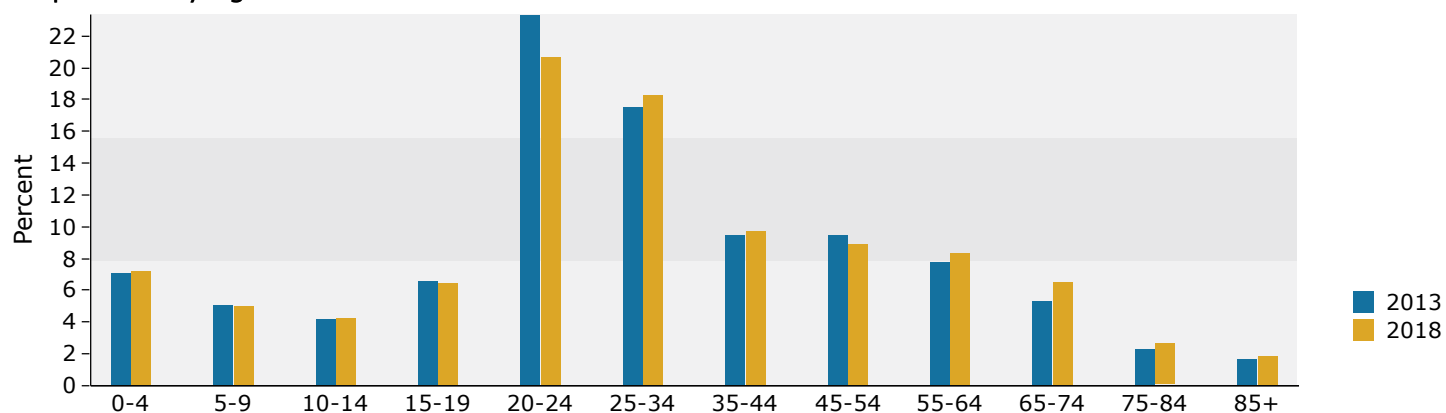
Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

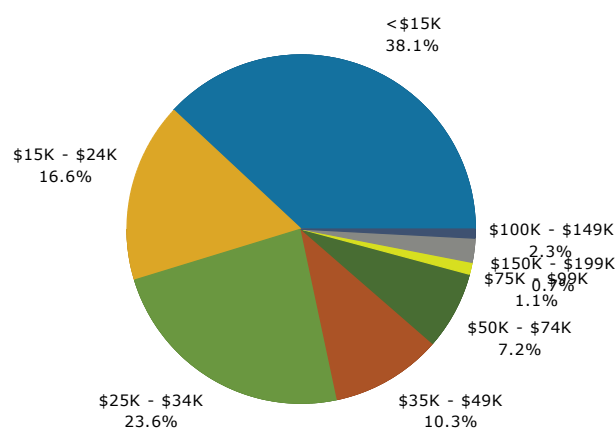
Trends 2013-2018



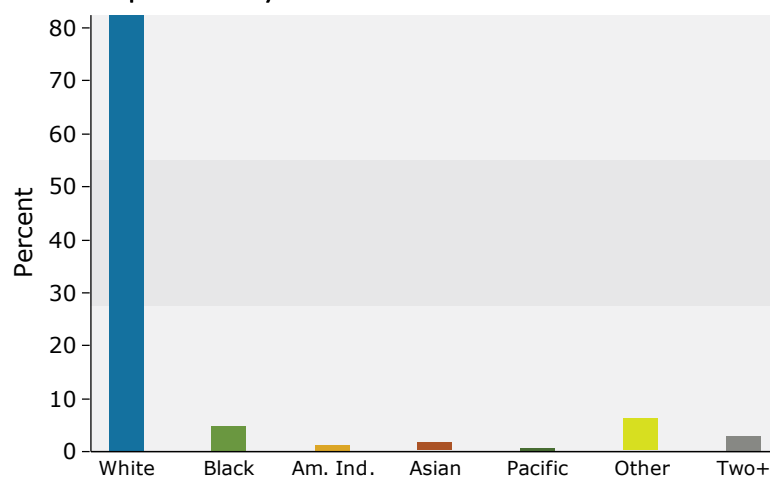
Population by Age



2013 Household Income



2013 Population by Race



2013 Percent Hispanic Origin: 13.4%



Demographic and Income Profile

9576

Prepared By Business Analyst Desktop

Summary	Census 2010	2013	2018				
Population	7,457	7,579	7,774				
Households	2,760	2,812	2,891				
Families	1,307	1,323	1,349				
Average Household Size	2.23	2.23	2.24				
Owner Occupied Housing Units	1,279	1,219	1,256				
Renter Occupied Housing Units	1,481	1,593	1,635				
Median Age	24.7	25.2	26.8				
Trends: 2013 - 2018 Annual Rate	Area	State	National				
Population	0.51%	0.60%	0.71%				
Households	0.56%	0.63%	0.74%				
Families	0.39%	0.50%	0.63%				
Owner HHs	0.60%	0.68%	0.94%				
Median Household Income	4.45%	3.27%	3.03%				
Households by Income	2013		2018				
	Number	Percent	Number	Percent			
	<\$15,000	657	23.4%	639	22.1%		
	\$15,000 - \$24,999	279	9.9%	230	8.0%		
	\$25,000 - \$34,999	467	16.6%	395	13.7%		
	\$35,000 - \$49,999	296	10.5%	283	9.8%		
	\$50,000 - \$74,999	306	10.9%	351	12.1%		
	\$75,000 - \$99,999	276	9.8%	342	11.8%		
	\$100,000 - \$149,999	402	14.3%	482	16.7%		
	\$150,000 - \$199,999	49	1.7%	71	2.5%		
	\$200,000+	80	2.8%	98	3.4%		
	Median Household Income	\$35,113		\$43,647			
Average Household Income	\$57,063		\$65,385				
Per Capita Income	\$22,814		\$25,916				
Population by Age	Census 2010		2013		2018		
	Number	Percent	Number	Percent	Number	Percent	
	0 - 4	339	4.5%	341	4.5%	366	4.7%
	5 - 9	324	4.3%	291	3.8%	280	3.6%
	10 - 14	303	4.1%	307	4.1%	282	3.6%
	15 - 19	1,089	14.6%	1,071	14.1%	1,077	13.9%
	20 - 24	1,775	23.8%	1,758	23.2%	1,639	21.1%
	25 - 34	820	11.0%	945	12.5%	1,101	14.2%
	35 - 44	517	6.9%	503	6.6%	500	6.4%
	45 - 54	600	8.0%	591	7.8%	563	7.2%
	55 - 64	633	8.5%	657	8.7%	701	9.0%
	65 - 74	427	5.7%	478	6.3%	583	7.5%
	75 - 84	352	4.7%	360	4.7%	410	5.3%
	85+	278	3.7%	277	3.7%	272	3.5%
	Race and Ethnicity	Census 2010		2013		2018	
Number		Percent	Number	Percent	Number	Percent	
White Alone		6,620	88.8%	6,650	87.7%	6,677	85.9%
Black Alone		234	3.1%	298	3.9%	404	5.2%
American Indian Alone		66	0.9%	68	0.9%	73	0.9%
Asian Alone		238	3.2%	247	3.3%	262	3.4%
Pacific Islander Alone		11	0.1%	11	0.1%	13	0.2%
Some Other Race Alone		66	0.9%	74	1.0%	90	1.2%
Two or More Races		222	3.0%	231	3.0%	255	3.3%
Hispanic Origin (Any Race)		243	3.3%	285	3.8%	368	4.7%

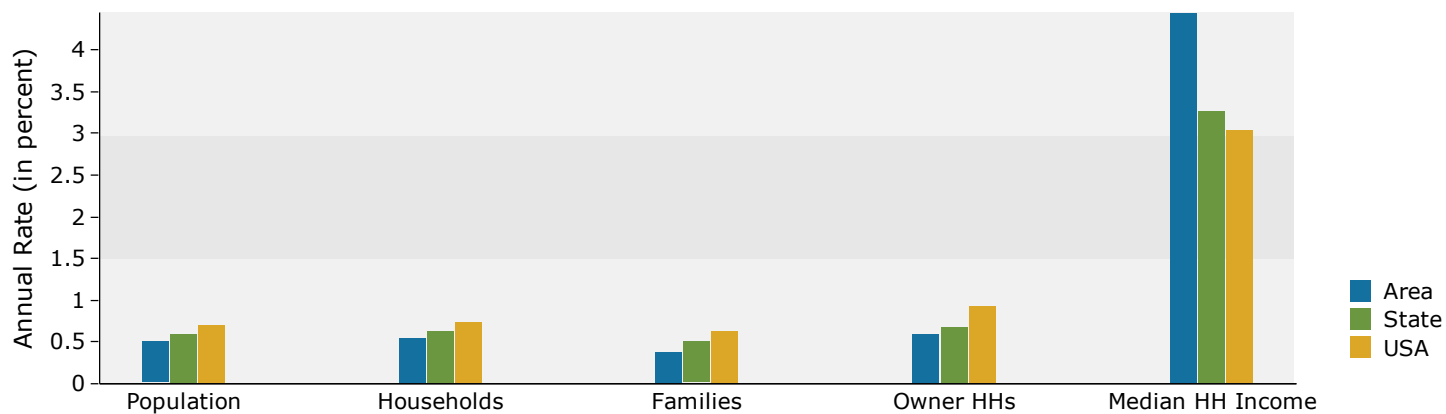
Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

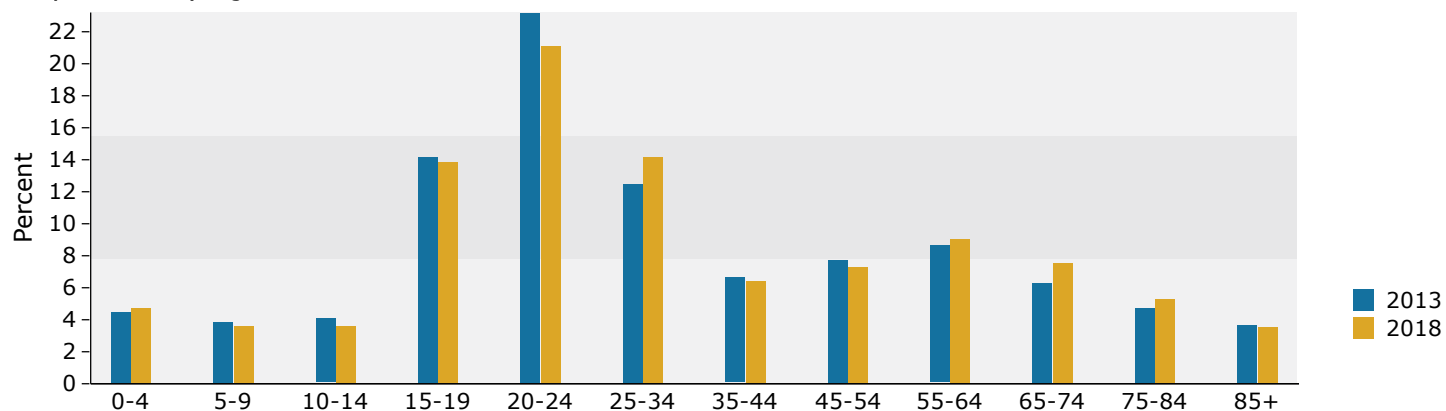
May 20, 2014

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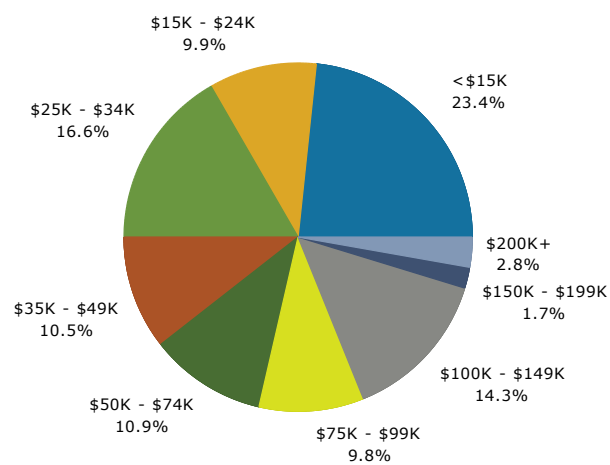
Trends 2013-2018



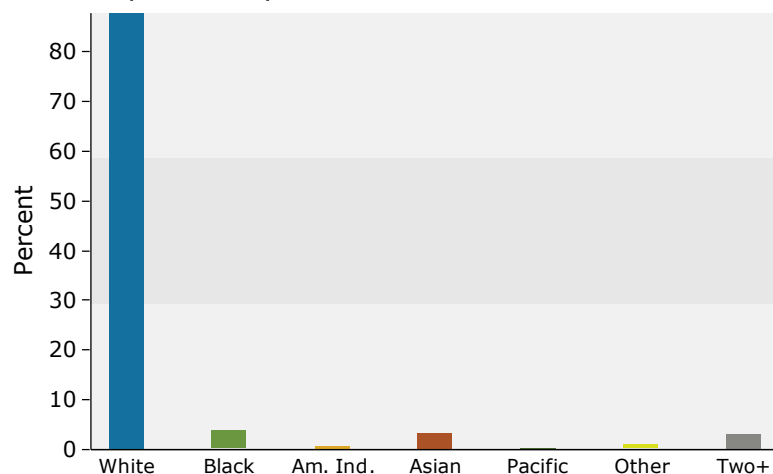
Population by Age



2013 Household Income



2013 Population by Race



2013 Percent Hispanic Origin: 3.8%

ADDENDUM E

At A Glance Snapshot

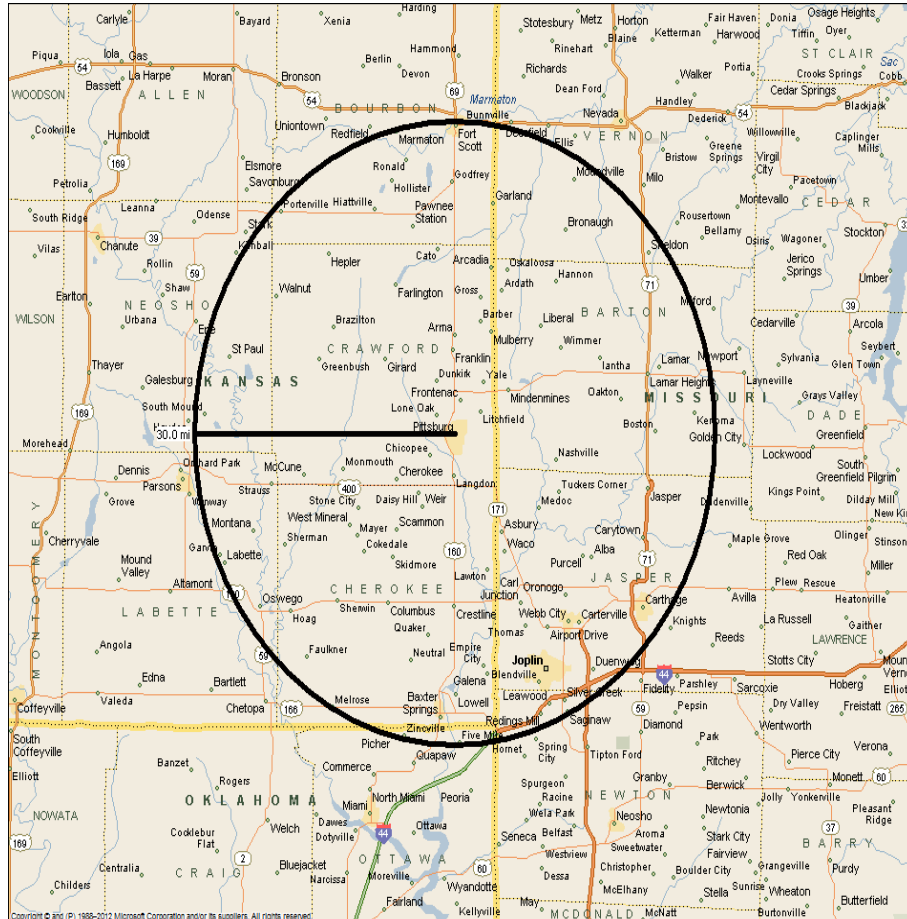
PITTSBURG HOUSING MARKET ANALYSIS

AREA OVERVIEW

Pittsburg Overview:

The city of Pittsburg is located in the southeastern portion of Kansas. According to the 2010 U.S. Census, the city measures approximately 12.9 square miles and has a population of 20,233 persons. The city is easily accessible via US Route 69/160, which traverses north/south and provides access to Kansas City to the north and Oklahoma to the south. East/west access to the city is provided via Kansas Highway 126, which connects to US Route 160 and US Route 400. A map of the area is located below.

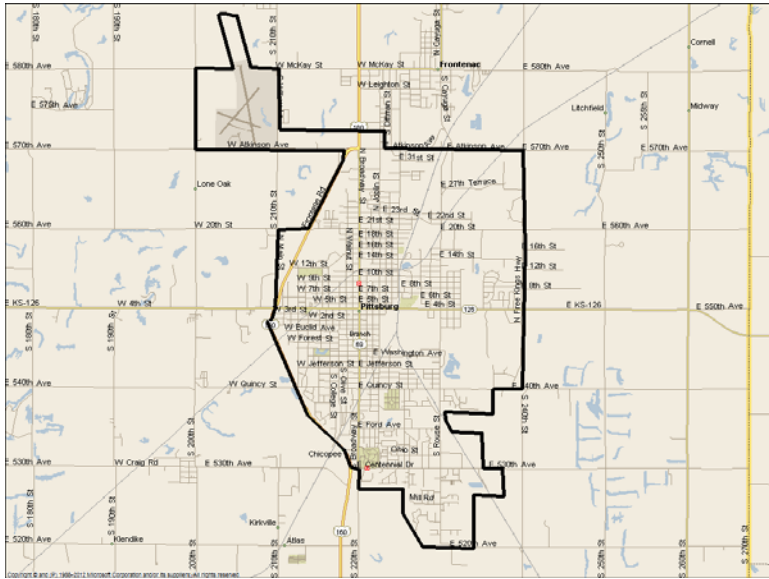
Geographic Location



PRIMARY AND/OR SECONDARY MARKET AREA DEFINITION

The primary market area (PMA) for the Subject consists of the boundaries of the city of Pittsburg while the secondary market area (SMA) is the Pittsburg Micropolitan Statistical Area (MSA), which consists of Crawford County.

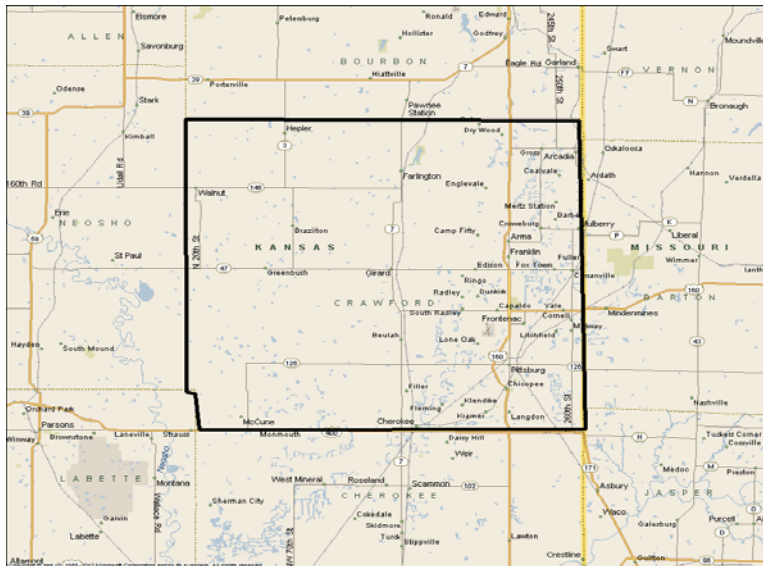
Map of PMA:



PMA Statistics

Area:	62 square miles
2013 Population:	23,618
2013 Households:	9,464
2013 Median Income:	\$33,096

Map of SMA: Pittsburg, KS Micropolitan Statistical Area



SMA Statistics

Area:	595 square miles
2013 Population:	39,646
2013 Households:	15,918
2013 Median Income:	\$39,986

ECONOMIC ANALYSIS

Employment by Industry:

Employment within the PMA is concentrated in the health care/social assistance, educational services sectors, and retail trade sectors, which together comprise 46.6 percent of employment. The high concentration of employment in the health care/social assistance and educational services sectors is not surprising given the presence of Pittsburg State University (PSU) and the growing healthcare sector. Compared to the national average Pittsburg is underrepresented in the public administration, professional/scientific technical services, and finance/insurance industries. It is overrepresented compared to the nation in the health care/social assistance, educational services, retail trade, and accommodation/food services sectors.

2013 EMPLOYMENT BY INDUSTRY

Industry	Pittsburg, KS		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Health Care/Social Assistance	1,599	16.9%	20,080,547	14.0%
Educational Services	1,465	15.5%	12,979,314	9.1%
Retail Trade	1,342	14.2%	16,592,605	11.6%
Accommodation/Food Services	1,046	11.0%	10,849,114	7.6%
Manufacturing	968	10.2%	15,162,651	10.6%
Other Services (excl Publ Adm)	717	7.6%	7,850,739	5.5%
Construction	568	6.0%	8,291,595	5.8%
Public Administration	287	3.0%	6,713,073	4.7%
Admin/Support/Waste Mgmt Svcs	225	2.4%	6,316,579	4.4%
Prof/Scientific/Tech Services	221	2.3%	9,808,289	6.8%
Wholesale Trade	178	1.9%	3,628,118	2.5%
Finance/Insurance	177	1.9%	6,884,133	4.8%
Transportation/Warehousing	176	1.9%	5,898,791	4.1%
Agric/Forestry/Fishing/Hunting	171	1.8%	1,800,354	1.3%
Information	144	1.5%	2,577,845	1.8%
Arts/Entertainment/Recreation	69	0.7%	3,151,821	2.2%
Real Estate/Rental/Leasing	63	0.7%	2,627,562	1.8%
Utilities	53	0.6%	1,107,105	0.8%
Mining	4	0.0%	868,282	0.6%
Mgmt of Companies/Enterprises	0	0.0%	97,762	0.1%
Total Employment	9,473	100.0%	143,286,279	100.0%

Source: ESRI Demographics 2013; Novogradac & Company LLP, April 2014

Major Employers/Economic Expansion and Contraction:

Pittsburg has a broad economic base and employs from a variety of industries. The major employers in the Pittsburg area employ a large percentage of the overall employees in the area. According to Blake Benson, President of the Pittsburg Area Chamber of Commerce, the area has been growing moderately and, over the past three years, has experienced an increase in 2,000 jobs, all of which are outside of the university. He noted that most of these jobs were associated with the medical center, which is growing as Pittsburg becomes a regional medical hub. There have also been some smaller manufacturing expansions in the area.

MAJOR EMPLOYERS

Company Name	Product/Service	Number Employed
Pittsburg State University	University	1,035
Via Christi	Hospital/Healthcare	794
Pittsburg U.S.D. #250	Public School K-12	538
Wal-Mart Supercenter	Retail & Grocery	380
Pitt Plastics	Polyethylene Bags	330
Miller's Inc.	Professional Photo Finishing	238
Pitsco/Lego Education	Educational Systems	204
City of Pittsburg	City Government	204
Watco Companies	Shortline Railroad	175
Names and Numbers	Phone Directories	135
NPC International	Call Center	135
Leisure Time/Backyard Discovery	Outdoor Leisure Products	127
Atkinson / AZZ	Manufacturing	92
Vinylplex, Inc.	PVC Piping	47
Kendall Packaging	Printed Food Packaging	44
Eagle Picher	Lithium Batteries	39
Progressive Products	Ceramic Industrial Piping Products	22
Control Vision	Aviation Navigation	18

Source: City of Pittsburg, Kansas, Novogradac & Company LLP, April 2014

Employment and Employment Trends:

Employment levels in the Pittsburg MSA increased consistently over the past 10 years with the exception of 2008 and 2009 when it declined. In 2008 the MSA experienced a decrease in total employment of 2.4 percent and in 2009 a decrease of 1.8 percent. Total employment increased in 2010 and has continued to increase, surpassing pre-recession levels in 2012. Total employment year over year shows an increase of 4.8 percent, which is significantly higher than the nation's year over year increase of 1.7 percent.

The unemployment rate in the MSA increased significantly in 2009 and 2010 but decreased in 2011 and has continued to decrease. The current year-to-date unemployment rate is 5.4 percent, which is 200 basis points below that of the nation. Historically, in the mid-2000s the MSA had an unemployment rate that was slightly above that of the nation; however, since 2008 the unemployment rate in the MSA has been well below that of the nation. Overall, the Pittsburg MSA has been able to recover from the recent recession more quickly than the nation, which is attributed to the concentration of employment in growing industries such as higher education and healthcare.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)								
Year	Pittsburg, KS Micropolitan Statistical Area				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2004	18,087	-	6.2%	-	139,252,000	-	5.5%	-
2005	18,304	1.2%	5.8%	-0.4%	141,730,000	1.8%	5.1%	-0.4%
2006	18,358	0.3%	5.1%	-0.7%	144,427,000	1.9%	4.6%	-0.5%
2007	19,108	4.1%	4.7%	-0.4%	146,047,000	1.1%	4.6%	0.0%
2008	18,651	-2.4%	5.1%	0.4%	145,362,000	-0.5%	5.8%	1.2%
2009	18,317	-1.8%	8.9%	3.8%	139,877,000	-3.8%	9.3%	3.5%
2010	18,583	1.5%	8.4%	-0.5%	139,064,000	-0.6%	9.6%	0.3%
2011	18,946	2.0%	7.4%	-1.0%	139,869,000	0.6%	8.9%	-0.7%
2012	19,510	3.0%	6.2%	-1.2%	142,469,000	1.9%	8.1%	-0.8%
2013	19,729	1.1%	5.6%	-0.6%	143,929,000	1.0%	7.0%	-1.1%
2014 YTD Average*	20,369	4.4%	5.4%	-0.8%	144,250,000	1.3%	7.4%	-0.7%
Mar-2013	19,555	-	5.6%	-	142,698,000	-	7.4%	-
Mar-2014	20,500	4.8%	5.6%	0.0%	145,090,000	1.7%	7.4%	0.0%

Source: U.S. Bureau of Labor Statistics May 2014

*2014 data is through March

DEMOGRAPHIC CHARACTERISTICS

Population, Household, & Income Trends:

The demographic data demonstrates that both the PMA and the MSA are areas of slow growth in terms of population and households, which is projected to continue through 2018. The southern portion of Pittsburg is the most populated and is projected to experience the most growth through 2018. One and two-person households make up the majority of households in the PMA and MSA. Household size is slightly smaller in the PMA than the MSA, and both are smaller than the national average.

The median household income in the PMA is \$33,096, which is below both the MSA median household income of \$36,986 and the national median household income of \$51,321. Census Tracts 9572 and 9575 have the lowest median incomes while Census Tracts 9570 and 9574 have the highest median incomes that are well above that of the PMA. The largest income cohorts in the PMA are the \$10,000 to \$19,999 cohort and the \$20,000 to \$29,999 cohort. These two cohorts represent 34.4 percent of the population. The largest income cohorts in the MSA are the \$10,000 to \$19,999 cohort and the \$20,000 to \$29,999 cohort. Compared to the overall household income distribution, there is a greater percentage of renters in the lower income cohorts for both the general population and seniors.

Total Population Trends				
Year	Number	PMA	Number	MSA
		Annual Change		Annual Change
2000	22,675	-	38,241	-
2013	23,618	0.3%	39,464	0.3%
2018	23,982	0.3%	40,488	0.4%

Source: ESRI Demographics 2013, Storguide & Company LLP, ©2014

Household Tenure Statistics within the PMA				
Year	Owner Households	% Of Total Households	Renter Households	% of Total Households
2000	5,106	54.3%	4,300	45.7%
2013	4,581	48.4%	4,883	51.6%
2018	4,642	48.3%	4,960	51.7%

Total Household Trends				
Year	Number	PMA	Number	MSA
		Annual Change		Annual Change
2000	9,406	-	15,651	-
2013	9,464	0.0%	15,918	0.1%
2018	9,602	0.3%	16,243	0.4%

Source: ESRI Demographics 2013, Storguide & Company LLP, ©2014

Median Household Income				
Year	PMA	Annual Change	MSA	Annual Change
2000	\$26,962	-	\$29,430	-
2013	\$33,096	1.7%	\$36,986	1.6%
2018	\$38,203	3.1%	\$43,320	3.2%

HOUSING SUPPLY CHARACTERISTICS

Single-Family Homes:

Home sales in the Pittsburg area have fluctuated over the past three years. According to Zillow, as of April 2014, the average listing price of a for-sale home in Pittsburg was \$85,000, which represents a decline from the end of 2013 and early 2014. In addition, the average listing price per square foot in April 2014 was \$65, which indicates a slight drop from the end of 2013. Current home sales prices in the Pittsburg area indicate an improving market. Nonetheless, Crawford County is performing worse relative to the nation in terms of foreclosures. The Pittsburg area's housing stock is generally older with some newer development located in the southern portion of the city.

Home Sales Per Square Foot Price Trends

Apr 2014 — Pittsburg \$65



Multifamily Market:

We surveyed 18 market rate properties with no income or rent restrictions, four family affordable properties, and five senior affordable properties within the city. Vacancy rate tables and average rent tables are shown below.

MARKET RATE OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
1014 - 1018 E Washington Ave	Market	10	0	0.0%
102 S Locust	Market	12	0	0.0%
103 E Williams St	Market	25	4	16.0%
116 W 3rd St	Market	9	0	0.0%
1409 - 1413 S Broadway	Market	13	0	0.0%
1911 S English	Market	12	1	8.3%
415 S Broadway	Market	23	1	4.3%
813 - 815 S Broadway	Market	8	0	0.0%
Brentwood Pointe	Market	60	0	0.0%
Buttonwood Apartments	Market	23	0	0.0%
Crimson Villas	Market	144	N/A	N/A
Hudson Oaks Apartments	Market	20	0	0.0%
Meadowlark Townhouses	Market	30	2	6.7%
Raintree Apartments	Market	8	2	25.0%
Seasons On Joplin	Market	42	N/A	N/A
Summerfield Apartments	Market	132	0	0.0%
The Villa	Market	11	0	0.0%
University Commons	Market	165	15	9.1%
Total Excluding Crimson Villas and Seasons on Joplin		561	25	4.5%

MARKET RENTS					
Property Name	0BR	1BR	2BR	3BR	4BR
Crimson Villas	-	\$669	\$907	-	\$1,526
Brentwood Pointe	-	-	\$514 - \$576	\$739	-
Summerfield Apartments	-	\$559	\$673	\$731	-
Meadowlark Townhouses	-	\$425	\$500	\$600	\$650
University Commons	\$463	\$446	\$449 - \$594	\$752	\$967
Raintree Apartments	-	-	\$566 - \$666	-	-
1014 - 1018 E Washington Ave	-	-	\$566	-	-
103 E Williams St	\$313	\$410	\$482	-	-
Seasons On Joplin	-	\$503	-	-	-
Hudson Oaks Apartments	-	-	\$496	-	-
116 W 3rd St	\$242	\$340	\$388	-	-
1409 - 1413 S Broadway	\$410	-	-	-	-
The Villa	-	\$413	-	-	-
813 - 815 S Broadway	-	\$360	-	-	-
1911 S English	\$225	\$350	-	-	-
415 S Broadway	-	\$335	-	-	-
102 S Locust	-	\$285	-	-	-
Average	\$331	\$430	\$571	\$706	\$1,048

AFFORDABLE OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Remington Square	LIHTC	48	0	0.0%
Stilwell Apartments	LIHTC/Market	44	3	6.8%
The Besse Hotel	LIHTC	47	2	4.3%
Sycamore Village Apartments	Section 8	128	2	1.6%
Total		267	7	2.6%

40% AMI LIHTC RENT COMPARISON			
Property Name	1BR	2BR	3BR
LIHTC Maximum (Net)	\$394	\$474	\$548
The Besse Hotel	\$350	\$405	-

60% AMI LIHTC RENT COMPARISON			
Property Name	1BR	2BR	3BR
LIHTC Maximum (Net)	\$601	\$722	\$835
The Besse Hotel	\$435	\$525	\$630
Remington Square	-	\$514	\$580
Stilwell Apartments	\$415	\$563	-
Average	\$425	\$532	\$605

SENIOR OVERALL VACANCY				
Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Pittsburg Heights	LIHTC	36	0	0.0%
Pittsburg Seniors/Hopefield Gardens	LIHTC/Market/USDA	24	1	4.2%
Highland Meadows	Section 8	80	1	1.3%
Kansas CMI Housing	Section 8	10	0	0.0%
Knights of Columbus Tower	Section 8	89	2	2.2%
Total		239	4	1.7%

SENIOR 40% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$394	\$474
Pittsburg Heights	\$385	\$505

SENIOR 50% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$498	\$598
Pittsburg Seniors/Hopefield Gardens	\$483	\$560

SENIOR 60% AMI LIHTC RENT COMPARISON		
Property Name	1BR	2BR
LIHTC Maximum (Net)	\$601	\$722
Pittsburg Heights	\$485	\$590

Housing Resources:

The below table illustrates housing resources available to promote rehabilitation and development.

Program	Entity in Charge of Program	Max Amount of Funding/ Assistance
Neighborhood Revitalization Act	City of Pittsburg	Tax Rebate
Demolition Program	City of Pittsburg	On Hold
Emergency Repair Program	City of Pittsburg	\$1,800
Paint Pittsburg	City of Pittsburg	\$100
Living Downtown Program	City of Pittsburg	\$18,000
Housing Rehabilitation Loans	City of Pittsburg	\$18,000
Tax Increment Financing	City of Pittsburg	N/A
Moderate Income Housing Grant	KHRC	N/A
Weatherization Program	KHRC	N/A
HOME Rental Development	KHRC	Varies
Kansas Private Activity Bonds	KHRC	Varies
KHRC First-Time Home-Buyer Program	KHRC	15% to 20% of purchase price
Low Income Housing Tax Credits	KHRC	Varies
Federal Home Loan Bank of Topeka	FHLB	Varies
USDA Rural Development	USDA	Varies
US Dept. of Veteran's Affairs	National	Varies
HUD Choice Neighborhoods	National	Varies
Hope VI Main Street Grant	National	Varies
Mortgage Insurance	National	Varies

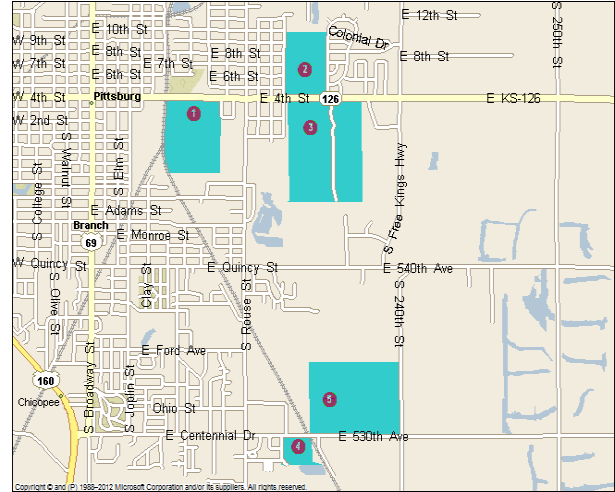
Challenges to Housing:

Based upon our analysis of the market and interviews with key stakeholders, there are several barriers and challenges that should be considered because they negatively affect the housing market in Pittsburg. There is no single factor that can prevent or reduce barriers, but any initiative taken to promote the preservation of the existing housing stock in addition to promoting new construction should be taken. Barriers include:

- Financial obstacles including land costs and infrastructure costs for developers.
- Lack of developable land within the city limits.
- Lack of affordable rental homes for low-income families due to student rental market.
- Credit worthiness of potential buyers for homeownership (or renters).
- Individual housing cost burdens such as paying over 30.0 percent of monthly income for rent/mortgage payment and utilities.
- Limited supply of moderate income homes in the area; long waiting times for new construction homes.
- Need for more accountability in providing and maintaining safe, clean rental living conditions by property owners.
- No existing or proposed master development plan for the city, and a lack of master-planned communities.
- Low sense of neighborhood pride and community.

Proposed Developments & Potential Sites for Development:

There are three proposed or under construction projects in the area: the first is a 10-unit expansion of the Buttonwood Apartment Complex, and the second is a 72-unit proposed luxury market rate development. The Lincoln Square development is a revitalized neighborhood block of 10 new quality homes. Out of the 10 homes, there are two homes currently being built by homebuilders but have not yet been sold, and three lots that remain for development and sale. Based upon our site inspection, we have identified several parcels that would be suitable for development of multifamily or single-family housing as outlined in the following map.



#	Address	Potential Development Types
1	800-900 E. 4 th Street	Single-family homes (moderate income)
2	1500 E. 4 th Street (north side)	Duplexes or multifamily housing
3	1500 E. 4 th Street (south side)	Single-family homes (moderate income)
4	1400 E. Centennial Drive	Multifamily housing (senior)
5	1600 – 1900 E. Centennial Drive (north side)	Single-family homes (moderate to high income) or mixed-use development

STRATEGIES AND RECOMMENDATIONS

Recommendations:

We have provided 10 recommendations, which resulted from our analysis of the housing market, to overcome challenges and take advantage of opportunities in the Pittsburg housing market.

Recommendation #1: Create additional moderate to higher income housing near PSU and Mt. Carmel Regional Medical Center.

Recommendation #2: Enhance housing and amenities in the Downtown Area.

Recommendation #3: Preserve Pittsburg's existing single-family housing stock.

Recommendation #4: Expand the supply of moderate income housing.

Recommendation #5: Create a land bank run by a city-related entity.

Recommendation #6: Implement stricter property maintenance codes.

Recommendation #7: Establish neighborhood associations and planned subdivisions.

Recommendation #8: Expand housing for seniors with emphasis on affordable housing options.

Recommendation #9: Educate low to moderate income households on how they can purchase homes and encourage the use of first-time homebuyer incentive programs.

Recommendation #10: Build short-term housing for young professionals, consultants, and families near major employment centers (e.g. PSU, Mt. Carmel) to provide temporary lodging for moderate to higher income households.