



LANDMARKS BOARD

CITY OF SPRINGFIELD
P.O. BOX 8368
SPRINGFIELD, MISSOURI 65801
417-864-1031

City of Springfield

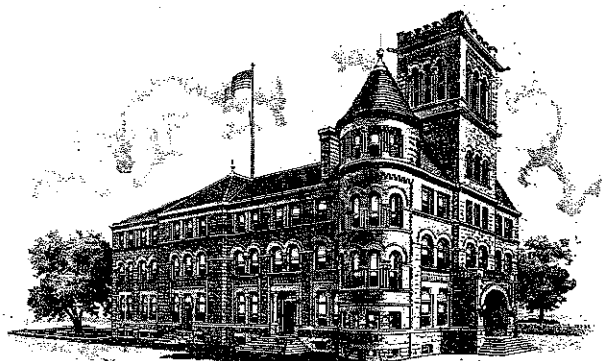
INTEROFFICE MEMORANDUM

DATE: August 31, 2012

RE: Landmarks Board meeting

Please find attached the agenda for the Landmarks Board meeting on **September 5, 2012**. A tour will be held on Wednesday afternoon at 4:30 p.m. We will meet in front of the Busch Municipal Building.

Daniel Neal
Senior Planner



CITY HALL

LANDMARKS BOARD

CITY OF SPRINGFIELD
P.O. BOX 8368
SPRINGFIELD, MISSOURI 65801
417-864-1031

September 5, 2012
5:30 P.M.
Council Chambers
City Hall (830 Boonville)

I Roll Call

DAVID ESLICK
Historian Representative
Chair

II Minutes

August 8, 2012

CYNTHIA LIPSCOMB
Architect and Walnut St. Representative
Vice-Chair

III Unfinished Business

- A. Certificate of Appropriateness
None
- B. Certified Local Government Review
None
- C. Pre-Application Review
None

LEN EAGLEBURGER
At Large Representative

DAVID MAGGARD
At Large Representative

LAUREL BRYANT
Real Estate Representative

IV New Business

- A. Certificates of Appropriateness
 - 1. 312 W. Commercial: Replace rear doors and openings and apply vinyl signage to storefront glass
 - 2. 309 N. Jefferson: Replace all windows, rebuild sign and construct new ADA ramp
 - 3. 1448 E. Walnut: Replace existing garage door
- B. Certificates of Economic Hardship
 - 1. 1040 E. Walnut Street: Demolish historic structure and redevelop site with a twenty-four (24) bed apartment
 - 2. 1046 E. Walnut Street: Demolish historic structure and redevelop site with a twenty-four (24) bed apartment
- C. Pre-Application Review
None

ANN BAYLIFF
At Large Representative

TODD SMITH
At Large Representative

MONICA STEGALL
Commercial St. Representative

V Communications

VI Reports

- A. Report on committees
 - 1. Application
 - 2. Demolition
 - 3. Historic sites and districts
 - 4. Communications
 - 5. Awards and recognition
 - 6. Design guidelines
- D. Administrative approval of C of A's
None

VII Any other matters that fall under the jurisdiction of the Board

- 1. Discuss the Landmarks Board/MSU Historic Preservation Workshop.

VIII Adjournment

NOTE: In accordance with ADA guidelines, if you need special accommodations when attending any City meeting, please

notify the City Clerk's office at 864-1443 at least 3 days prior to the scheduled meeting.

MINUTES OF THE LANDMARKS BOARD

DATE: August 8, 2012

TIME: 5:30 pm

The regular meeting and public hearing of the Landmarks Board was held on the above date and time in City Council Chambers, third floor of Historic City Hall with the following members and City of Springfield staff in attendance: David Eslick (Chair), Ann Bayliff, Laurel Bryant, Len Eagleburger, David Maggard, Todd Smith, and Monica Stegall; Daniel Neal, Senior Planner; Duke McDonald, Assistant City Attorney; and Judy White, Planning Executive Secretary. ABSENT: Cynthia Lipscomb

APPROVAL OF MINUTES:

The minutes of July 25, 2012 were approved with corrections.

UNFINISHED BUSINESS: None.

Mr. Eslick commented that two items for Certificates of Economic Hardship at 1040 E Walnut St and 1046 E Walnut St have been removed from the Agenda.

New Business:

A. Certificate of Appropriateness:

205 W. Commercial Street: Remove storefront glass and board up storefront.

Mr. John Moody, John Moody Construction, 1414 S Jefferson, Springfield. Mr. Moody stated the storefront is in bad shape, and they want to take that out and get rid of the glass and aluminum, and frame up the openings up past the area where the brick is missing above the storefronts which is a steel beam. It would be framed up with 2x6 and secure it top and bottom to the existing masonry and skin it with ½ inch plywood. They propose to leave the storefront in the two alcoves which are in good shape and the door to let some light in. They will put some temporary fixed glass lights in there to let the light in if they show the building or if someone might need to go in it. There are plans to paint the new plywood and trimming the windows out in an appropriate manner to make it look nice. This would be a temporary board up until something might happen in the future.

Mr. Eslick asked if the building has been designated as dangerous, and there are some bricks on the top that have come loose.

Mr. Moody said there are some bricks that are gone but from what they have seen, there are no loose bricks, but this would go above that point. Mr. Moody showed photographs he has of the building.

Mr. Eslick stated that what they plan to do is cover the front up to that point and wrap the building to keep it from deteriorating further and that the building would not be occupied.

Mr. Moody said yes it will go about a foot above the actual store front and that is just below where the brick is deteriorated across the building and to get rid of the dangerous store front and the building is empty.

Ms. Bayliff asked how long they plan to keep the building boarded up.

Mr. Moody referred the question to the owner.

Jim Murrow, 170 Crescent Drive, Hollister. Mr. Murrow stated they have been trying to sell the building for a while and we have some interest. In this economy it's very difficult to tell how long it would be boarded up, but as short a time as possible. They put a new roof on the small building which is to the right and tuck pointed in the back, painted and fixed it up inside so they are trying to make it appealing.

Ms. Stegall asked if they had considered leasing the space, maybe doing minor modifications to the storefront to get a lease instead of waiting for it to sell.

Mr. Murrow said they have had it available for leasing, but haven't had anyone who wanted that much space.

Mr. Eslick expressed his concern about maintaining the façade of the building.

Ms. Stegall commented that she is concerned about the look and feel that it will have on the street; it is a very large structure and the community is growing greatly and believes the proposal is cutting out windows that destroy that unity in pattern on the street, and stated she is not in favor of the proposal. I do like that you are proposing to protect the building but it has been deteriorating for quite some time.

Mr. Eslick commented that Mr. Moody is experienced with historic restoration and the front that he is putting on the building, which can be removed, will not be just a piece of plywood and feels it will dress up the façade.

Ms. Bryant asked if the Board has ever said it is ok to do a temporary fix up for a limited period of time.

Mr. Eslick asked if she means can a time limit be set on it.

Ms. Bryant said yes stating that she does not want to make it difficult.

Mr. Neal stated that in the six years he has been on staff, he is not aware of the Board approving a temporary board up.

Mr. McDonald commented that there is preservation brief in the staff report material which talks about mothballing properties to keep from having to do something more drastic and I take it this proposal is all about mothballing and so if the Board thinks this approach is appropriate, then you probably don't have to make it temporary.

Ms. Bayliff said she would understand the temporary board up better if there was a time limit otherwise the boarding up could be for two or three years. I can understand a time limit but then work on bringing it back within a reasonable time would be a very good thing.

Mr. Murrow said that would be a difficult thing for him to do because he will probably be in China for the next two years.

Ms. Bayliff stated that she understands the necessity of being out of the country for two years with his job, however, that still leaves this building boarded up for a certain amount of time which is not a good thing.

Mr. Murrow said he doesn't like it being boarded up either, but the initial plan was to put affordable housing in the building until the economy went down.

Mr. Eslick commented that being designated as a dangerous building means something needs to be done yesterday. The front of the building is being covered up and although the Secretary of Interior Standards says that the "creation of an arcade or other new design element, which alters the architectural and historic character of the building and its relationship with the street, should be avoided."

Ms. Stegall asked if there would be someone maintaining the property after it is boarded up; there is still a certain amount of maintenance that should happen to the building even if boarded up.

Mr. Murrow stated that Ron Walker has been doing that, but John Moody will be doing it going forward.

Ms. Bryant commented that essentially it would be preserving the shell by encasing it and then you are trying to continue to try and sell the property so hopefully there would be restoration funds in the future to move forward and restore the property and there has to be something done now because there are not restoration funds currently.

Mr. Murrow said yes and they just spent twenty-seven thousand dollars on the repair and improvements inside. Somebody who purchases the building will do what they were going to do anyway.

Mr. Maggard stated that if the Board approves the request, it is a pretty significant change to the storefront even though it is a temporary fix, to get it sold to someone who can improve the building. When the new owners come in to make changes to it, is this part of the historic look of the building now, can they keep it as it is if approved this way.

Mr. Eslick asked Mr. McDonald if the Board can stipulate that when the building is sold the storefront comes off, or is that something they can do.

Mr. McDonald said they can do that.

Mr. Murrow stated the plans would have to go through the Landmarks Board anyway.

Mr. Smith asked if the fixed glass windows that are being put in the plywood wall, is that just so that when someone goes by they can see it isn't a completely boarded up building.

Mr. Murrow said yes and they stained the concrete floor to create attention.

Mr. Eslick opened the public hearing.

Ms. Sa'dia Luallen, 320 ½ East Commercial Street, commented that she is a business owner there at 320 E Commercial Street, and there are a few other business owners that are here as well and we come to speak with you because there is a large contingency of residents, property owners, and merchants in the district that are not in support of this for many of the same reasons that Ms. Stegall spoke about. As was pointed out if this is done, there are no windows left in this building and in our district we don't feel we need another shot in the arm, we are trying to bring everything forward and make everything look good. We are having some parking lots refinished thanks to our Zone One councilman and trying to make all of these strides with public perception and we feel like one more boarded up building will be one more hurdle we have to get over so we would really prefer to see the façade a glass storefront. Even if it does get temporary approval, that could be years from now that a new owner gets that. We would ask that you consider those that work and live and play in that district would prefer that this not be approved. She has a letter with her with the signatures of fourteen (14) different property owners, residents, and merchants on the street that are in agreement that we would prefer this request not be supported.

Mr. Eslick asked since this is a dangerous building what the consequences are if we deny this storefront and it continues to look as it does now.

Mr. Neal stated that what he was able to find regarding this dangerous building is in reference to boarded up windows without a building permit, which is in the staff report, and he not aware if there is something different in the internal system. On the building to the right there are some boarded up areas, but does not see that on the storefront to the left.

Mr. McDonald asked when the photograph was taken.

Mr. Eslick asked when the plywood was put on the second and third story windows.

Mr. Murrow said three years ago.

Mr. Eslick stated that the windows are boarded up, there is alcove that has a door in it and then these other windows are there and there is a door that is flush with the street, is that right.

Mr. Murrow stated they are both alcoves and they are in decent shape. All the windows in the upper levels have been removed in the demolition which was approved by Landmarks Board and we were going to replace them with historic windows which are in the plans. Mr. Murrow stated he understands the residents and owners and merchants desires to have the building look really pretty and if someone could come up with forty-five thousand dollars I would be all for that, and added that he is a little tight at this time, that is why he is going to China.

Mr. Smith asked what the applicant needs to do to remove the dangerous building designation by September 3, 2012.

Mr. Neal stated that the Board needs to address the violation that the applicant has been cited for, and if it is for boarded up windows without a building permit, then those windows would need to be replaced.

Mr. Smith said the second and third story windows are what you are talking about.

Mr. Neal said yes, that there was no mention of the storefront.

Mr. Eslick stated they are talking about the windows on the second and third floors that are boarded up.

Mr. Neal said yes.

Mr. Murrow stated they had to board the windows up by order of the City about three years ago.

Mr. McDonald stated that what typically happens is that if there is an open and unoccupied building then BDS will have some kind of a hearing and they will say you have to close it up so that it is safe so that animals and people or children cannot go in and hurt themselves and what possibly could happen potentially BDS would have a hearing on this and find that it is a dangerous or blighted or nuisance building and close it up with boarding and put the costs of doing that as a lien against the property. That would then become a collection matter and it may involve going as far as getting a judgment and foreclosing on the property. That is a drastic extreme but it is a possibility. BDS would not do what the applicant has in mind. Mr. McDonald stated that as he understands it the BDS boarding permit is a permit that only lasts six (6) months and you have to continue renewing it, and asked if Mr. Murrow has spoken with BDS, Building Development Services.

Mr. Murrow stated that when they did it they had to have an inspection by the fire department and apparently that is the first one they had ever done.

Ms. Mona Pieron, 219 E Commercial, said she lives down the street and is also on the Board for the Commercial Club of Springfield. The boarded up window that he may have been cited for is the one in the alcove, cause one of the plate glass windows has already been boarded up she believes on the west side. One of the issues they are concerned about is the length of time and if the building was going to be truly mothballed and maintaining it in the mothball situation still require checking the building every six months, and yearly maintenance. There is a lot of stuff that will need to be handled and if he has someone to do that, that is fine. But they are concerned if that will be done. At the Commercial Club meeting last evening they took a vote to see if anyone would be in favor of the building being boarded up and there was none, so it was a unanimous vote to encourage you to say no to the request. We understand the issues that he has to do something to make it safe, but there is the concern of how it will look and how long it will look that way with everything else that is going on with the street.

Mr. Eslick asked Mr. Murrow if the windows that are boarded up were to be replaced and that is what the dangerous building citation is for, is that something he would think about or have you looked at that.

Mr. Murrow stated he has a budget for adding back those windows and the lowest bid is \$10,000 to install them, but it doesn't stop there. That is replacing the glass; above and below the windows needs to be structurally repaired and that is another \$20,000 probably, stating he is looking at thirty to forty thousand just to make it look like it always has. If there wants to be a collection on the street he will take it.

Mr. Maggard asked how long the building has been vacant.

Mr. Murrow stated he purchased the building in 2006 with demolition into 2007 and from the City they had a HUD loan for \$800,000.00 and they were not awarded what they were told they could get, so it has been empty since 2007 and the insides are gutted, but it is now clean inside. The next owner can come in and put in apartments if that is what they want to do.

Ms. Bayliff stated she can understand his situation and the Board really wants to work with people, but she understands the Commercial Street group. They have to live with this and a boarded up building does have a black eye on the area.

Ms. Bryant commented that Mr. Murrow mentioned that he has an interested party in the building. Are they waiting on funding, or do you have a projection date.

Mr. Murrow stated that the interested party has another project that will be six months and if he decides to follow through, they have been talking for two years, then it could be next month and he has everything he needs to do it.

Ms. Bryant asked if the interested party is aware that there is talk of mothballing the structure.

Mr. Murrow said yes.

Ms. Bayliff asked what happens if this is not approved.

Mr. McDonald stated that BDS would probably take up the issue and at the very least impose some fines for not removing the boarding off that should not be there without a permit. Obviously we do not want the boards on there but the BDS solution would very likely be to place boards on it to keep it from being unoccupied and open.

Ms. Bayliff asked how long BDS would maintain the boards if they would board it up.

Mr. McDonald stated that BDS would probably board it up and probably leave it there till Mr. Murrow could sell the building. Occasionally when there is money spent on a building or spend money on demolishing or improving a building or abating a nuisance then that money has to be collected through a lawsuit and when we get a judgment, the only way to collect is by foreclosing on the property. Now that is an extreme with something like this, but that is one of the possibilities that could happen. If you deny the board up then what very likely could happen would be BDS would board it up in probably a less attractive way than what this gentlemen is proposing.

Ms. Bayliff asked if he would then be subject to fines.

Mr. McDonald said yes as long as he has boards up that he does not have a permit for. If you are going to board up you do have to have a permit, but then BDS would be issuing a permit to board up what you all say is inappropriate so he would be forced into not boarding it up and letting BDS do it, but that would be

uglier than what this gentleman has in mind and that would cost him maybe less money, but you get what you pay for and it would look cheap also. That is probably the scenario that would unfold.

Ms. Stegall asked if the building is determined dangerous because of one window on the storefront, is there a way that just that location can be addressed so that you take care of the dangerous building issue as opposed to closing the storefront entirely.

Mr. Smith asked to be shown the picture that got the applicant the dangerous building designation.

Mr. Neal stated that all he has available to him is from BDS having found this on their system that boarded up windows without a building permit.

Mr. Smith asked Mr. Murrow if that is what he recollects, that is why you have been called a dangerous building because you boarded up the windows on the second and third floor without a building permit.

Mr. Murrow stated he had a permit.

Mr. Smith asked why this has been called a dangerous building.

Mr. Eslick asked if what he has there is that for the second and third floor windows or does it say boarded windows.

Mr. Neal stated it says boarded windows.

Mr. Murrow stated he was told by the City to board the building.

Mr. Eslick asked to table the proposal to the next meeting and have Chris Straw from BDS come and explain.

Mr. Neal stated that he asked BDS to be at the meeting and the situation with Mr. Straw is that he is the Hearing Officer and so there would be a conflict.

Mr. Eslick asked if there was someone other than Chris that could be at the meeting.

Mr. Neal stated that he would make certain that they had someone from BDS at the next meeting, and added that he would recommend that the item be tabled to the next meeting.

Mr. Murrow stated that Chris Straw is the person he worked with when they boarded up the windows and they also put boards behind the glass, because the windows really need to come out because they can blow out because they are not really well supported and that would be much more dangerous and ugly than having what is being proposed.

Ms. Bryant commented that was because they are not supported by the lower brick because it has deteriorated to such an extent.

Mr. Murrow said yes and a lot of the metal is stripped out and what is not tied down goes away.

Mr. Eslick asked if Mr. Murrow would be comfortable with tabling the request and coming back in two weeks.

Mr. Murrow stated he is not certain he will be in the country, but his wife would be available.

Mr. McDonald said there was a mention of a power of attorney and asked Mrs. Murrow if she has ownership in the property.

Ms. Murrow stated yes.

Mr. McDonald asked if she was a managing member and would be able to speak for the LLC.

Mr. Murrow stated Mrs. Murrow will become the managing member, yes and stated he would like a copy of the letter presented by Ms. Lewellen to the Board.

Ms. Bryant **motioned to table** the Certificate of Appropriateness at 205 W. Commercial Street. Ms. Bayliff **seconded** the motion. The motion **carried** as follows: Ayes: Eslick, Bryant, Maggard, Stegall, Smith, Eagleburger, and Bayliff. Nays: None. Abstain: None. Absent: Lipscomb.

VII. Any other matters that fall under the jurisdiction of the Board.

1. Discussion of the Landmarks Board/MSU Historic Preservation Workshop.

Mr. Eslick discussed the postcards and asked Mr. Neal if he has e-mailed the postcard to architects, builders or group of people.

Mr. Neal commented that he has not heard back from the Realtors Association and asked Ms. Bryant if she had received anything.

Ms. Bryant said no.

Mr. Neal stated he contacted them and they gave him an e-mail address to send the postcard to and he sent it and he is not certain that anything has come from it. The AIA did receive the notification.

Ms. Bryant suggested that Mr. Neal mail the Realtors Association again because they went through a major transition last week and they have a new interim president.

Mr. Neal asked Ms. Bryant if she could send him an e-mail address.

Mr. Eslick asked if he had e-mailed the postcard to Mid-Town and Commercial Street.

Mr. Neal stated he has not sent anything out the Neighborhood Associations and the postcards have been sent out physically to every property owner in those districts.

Mr. Eslick stated he wants to tell Mr. Vaughn that the postcards were sent when he asks.

Mr. Neal asked Mr. Eslick how he wanted to address the postage.

Mr. Eslick stated Missouri State will pay for it.

Mr. Neal asked Mr. Eslick if he was going to purchase stamps or if he was going to run it through the City's machine.

Mr. Eslick said to run it through the City's postage machine and keep track of the cost. A more detailed description of the workshop and the presenters will be prepared Monday so we can send it out also. There was discussion about inviting people to put up displays, is that something that we want to do.

Mr. Bryant asked if there were extra postcards if they could have them to hand out to people they might run into.

Mr. Eslick asked if they could invite window people and supply houses and Cynthia would have a contact list for them possibly. There is plenty of room there to have a nice meeting.

Mr. Neal asked Mr. Smith if he would have a group or association they could contact or send the e-mail postcard to.

Mr. Smith stated the Springfield Home Builders Association has a remodeler's council and as these properties become more desirable, he has seen people who would normally not be interested, they would probably be interested in being brought up to speed on some of the steps they need to take to work on a historic building. Matt Morrow is the director of the Home Builders Association.

Mr. Smith asked for some clarification on the case they just tabled so he can like to allay his confusion. The reason Mr. Murrow got a notice that his building was deemed unsafe is because he went in and boarded up glass on the lower level without a permit.

Mr. McDonald stated that when you board something up without a permit you have violated an ordinance that states that you have to come to the City to get a permit, and if you don't do that you have some fines you have to pay. Now a dangerous building citation comes from something that is unoccupied and open and what BDS does to resolve the open situation, if the property does not, BDS goes in and does the boarding and then charges the property with the cost of the boarding.

Mr. Smith stated that where he is getting confused is what Mr. Neal has alluded to in the only notes he can find regarding this specific building is that they boarded up windows without a permit.

Mr. Neal said that is right.

Mr. Smith said what he keeps trying to get back to is there a way he could make the neighborhood happy by just going back and getting a permit and replacing the piece of glass that is broken so that it is continuous. That's two (2) hundred dollars to repair.

Mr. Neal said theoretically that is right.

Ms. Stegall stated she agrees with that and that was what she was alluding to earlier.

Mr. Smith stated that if the reason it is considered an unsafe building is because of other work done without a permit, then everything that they are talking about will not make that go away.

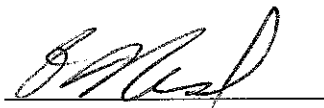
Ms. Bryant asked for an e-mail confirmation that shows what has led BDS to deem this a dangerous building.

Mr. Neal apologized that someone from BDS was not there to address those questions.

Ms. Stegall said if the intent is close it off while Mr. Murrow is away, that is not temporary because he stated he would be away for two years and that is her concern. There are other measures that he can put over this glass as opposed to just boarding it up that would allow people to see in and still be consistent with the character of the street.

Mr. Eslick stated these are good questions that need answers for the next meeting and with a clarification from BDS of what they want and what would make Commercial Street happy. It all boils down to money and the people that are here have been there and have done things to their buildings that adhered to the standards.

There being no further business, the meeting was adjourned at 6:33 p.m.

A handwritten signature in black ink, appearing to read 'D. Neal', is written over a horizontal line.

Daniel Neal



LANDMARKS BOARD

CITY OF SPRINGFIELD
P.O. BOX 8368
SPRINGFIELD, MISSOURI 65801
417-864-1031

STAFF REPORT

COMMERCIAL STREET HISTORIC DISTRICT

DATE: August 30, 2012

BACKGROUND:

LOCATION: 312 W. Commercial Street

APPLICANT: Jennifer Wilson

PROPOSAL:

1. Install a new aluminum storefront system on the south side of the building.
2. Add new vinyl signage to the north storefront glass.

RECOMMENDATION:

The request be **approved**.

FINDINGS:

1. The request is consistent with the Secretary of Interior's Standards for Rehabilitation and Commercial Street Design Guidelines.

PROJECT COORDINATOR:

Daniel Neal
Senior Planner
864-1036

ATTACHMENT A
BACKGROUND REPORT
312 W. Commercial

APPLICANT'S PROPOSAL:

The applicant is requesting a Certificate of Appropriateness to remove the plywood that infills the two vent openings and replace with a glass in aluminum storefront framing on the south side of the building. The applicant is, also, proposing to apply vinyl signage on the storefront along the north side of the building. The graphics will indicate the street number as well as the company logo.

STAFF COMMENTS:

1. The Commercial Street Design Guidelines recommends cleaning up rear facades with a level of importance and when upgrading the rear entrance do not allow it to visually exceed the front in importance of emphasis. Since a similar aluminum storefront system has been applied to the front, staff does not have any issues with applying the same aluminum material to the rear of the building which has little or no visibility from the public streets. The proposed aluminum storefront will actually make the rear entrance more attractive than it is currently without exceeding the main storefront entrances importance.
2. The Commercial Street Design Guidelines state that the main floor window graphics shall not exceed twenty-five (25) percent coverage of the storefront glass. Staff believes the proposed signage is well within this guideline and does not detract from the character of the district. Any signage will need to be reviewed by Building Development Services prior to a permit being issued.
3. While the structure is not listed as a contributing in the historic district, the structure is at least (50) years old and could be reconsidered since the districts nomination in the 1980's.

ATTACHMENT B
PERTINENT DESIGN GUIDELINES
312 W. Commercial

SECRETARY OF THE INTERIOR'S STANDARDS FOR REHABILITATION:

2. The historic character of a property will be retained and preserved. The removal of historic material or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
3. Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property will be preserved.
9. New addition, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the historic integrity of the property and its environment.

ORDINANCE REVIEW

In addition, the Zoning Ordinance states:

In the event the Board concludes that the request, if granted, will have a detrimental effect upon the Historic Landmark or Historic District or any adverse effect on an historical or architectural resource, then the Board shall deny the request for a certificate.

ATTACHMENT C
ARCHITECTURAL SIGNIFICANCE
312 W. Commercial

ARCHITECTURAL SIGNIFICANCE:

1. The Architectural Survey that was completed on this building stated the following:

This building is a single-story masonry load-bearing and wood-frame structure. It has a concrete floor and plaster ceiling. In an apparent remodeling, wood paneling was applied to the interior walls. The exterior of the building has a modern metal fascia and aluminum/glass storefront.

2. The narrative accompanying the Commercial Street Historic District's National Register nomination stated the following about this property:

Constructed between 1910 and 1951. 310-12 West Commercial reiterates the design of the adjacent building to the west, deviating, though, in the use of Carrera glass and corrugated metal as wall cladding.



Office Use Only

Date Filed: _____

Received By: _____

Review:

☐ Administrative

☐ Landmarks Board

Application for Certificate of Appropriateness

City of Springfield, Missouri

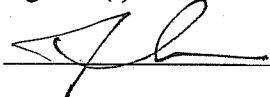
The applicant seeks to show the following.

1. That the proposed work will be done in conformance with the Secretary of Interior's Standards for Rehabilitation.
2. That the proposed work will be done in conformance with any applicable design guidelines or standards that the Landmarks Board has established and adopted. (Commercial Street and Walnut Street Districts and Mid-Town Neighborhood historic sites only).
3. That the proposed work will be done in conformance with all other relevant requirements of the Springfield Zoning Ordinance.

THEREFORE, applicant requests that the Certificate of Appropriateness be approved for the property as proposed in this submittal.

We, the signers of this application, do attest to the truth and correctness of all facts and information presented with this application and understand that, if approved, all work must be done under a building permit issued by the Department of Building Development Services. Approval of this application does not constitute approval of a building permit, nor does it certify that the zoning is appropriate for the proposed uses. These are separate processes that must be initiated by the applicants. We further understand that approval of this application does not constitute approval for tax certification under the Tax Reform Act of 1986 or amendments thereto.

Signature(s) Date:

 _____

08/16/12

Please type or print name(s) clearly:

Jennifer Wilson

Exhibit A.

Request for Certificate of Appropriateness

Please use this form only. Form may be photocopied. Please type or print.

For instructions, see pages 5–8.

1. PROPERTY ADDRESS:

312 W. Commercial

2. APPLICANT:

Name(s): 312 W. Commercial, LLC

If corporation: Corporate official: _____

(corporate seal)

Mailing address: 312 W. Commercial Zip Code: 65803

Telephone number: 417.873.2255 Fax number: _____

e-mail: jwilson@nformarc.com

3. AUTHORIZED REPRESENTATIVE: *(The representative should have the authority to commit the applicant to changes that may be suggested by the Board).*

Name: Jennifer Wilson Signature: _____

Address: 312 W. Commercial Telephone: 417.873.2255 Fax: _____

e-mail: jwilson@nformarc.com

4. BUILDING DEVELOPMENT SERVICES DISCUSSION: *(Before submitting this application, the applicant should discuss the project with BDS. Their phone number is 864-1055.)*

Date of discussion: 08-10-12

NOTE: The property owner must either sign this application or give City staff a power of attorney showing that another person is authorized to sign.

Exhibit B.

Description of Proposed Work & Supporting Information

Please use this form only. Form may be photocopied. Please type or print.

1. TYPE OF WORK PROPOSED: (Check all that apply. All work items require a written description of the proposed work. Additional required supporting information is denoted after each item and **must** be attached. See Instructions, page 5. Maximum size for drawings: 11 x 17 inches. NOTE: Even though you check the "Other" or the "New Construction" box, you must still give information on individual features such as windows, doors, etc., included in a large project.)

- ☐ Addition (1, 2, 3, 7)
- ☐ Awnings (2, 3, 4 or 5, 6)
- ☐ Building Relocation (1, 2, 3, 7)
- ☐ Demolition (1, 2, 3, 7)
- ☐ Door (2, 3, 4 or 5, 6)
- ☐ Fence (1, 2, 3, 5)
- ☐ Guttering (2, 3, 4 or 5, 6)

- ☐ Handicapped Ramp (1, 2, 3)
- ☐ New Construction (1, 2, 3, 7)
- ☐ Parking (1, 3)
- ☐ Porch (1, 2, 3)
- ☐ Retaining Wall (1, 2, 3)
- ☐ Roof-New (3, 4 or 5, 7)
- ☐ Re-roof (3, 4)

- ☐ Sidewalk (1, 3)
- ☐ Siding (3, 4 or 5)
- ☒ Sign (1, 2, 3, 6)
- ☒ Window (2, 3, 4 or 5, 6)
- ☐ Archeological Site (1, 3, 8)

☐ Other (Specify) _____

- 1-Site plans
- 2-Elevations
- 3-Photographs
- 4-Sample of materials to be used

- 5-Product literature
- 6-Drawing
- 7-Exhibit C-Why proposed work should be approved
- 8-State Historic Preservation Officer Comments

2. DESCRIPTION OF PROPOSED WORK: (Attach additional pages if necessary.)

Two scopes of work are being described in this application:

1. On the south side of the building we propose to remove the plywood that infills two vent openings and replace with glass in aluminum storefront. In addition, a vacated double door would be removed and replaced with glass in aluminum storefront. The storefront would be installed so the design mimics the doors that are being replaced. These doors are no longer in use. Aluminum storefront is already in use on the north side of the building. We propose matching that storefront.

2. We propose vinyl applied signage to be applied on the storefront on the north side of the building. These graphics will indicate the street number as well as the company logo.

NOTE: An application is considered incomplete until **all** supporting materials, as specified in Item 1 above, are attached. Incomplete applications will **not** be processed or scheduled for a public hearing.

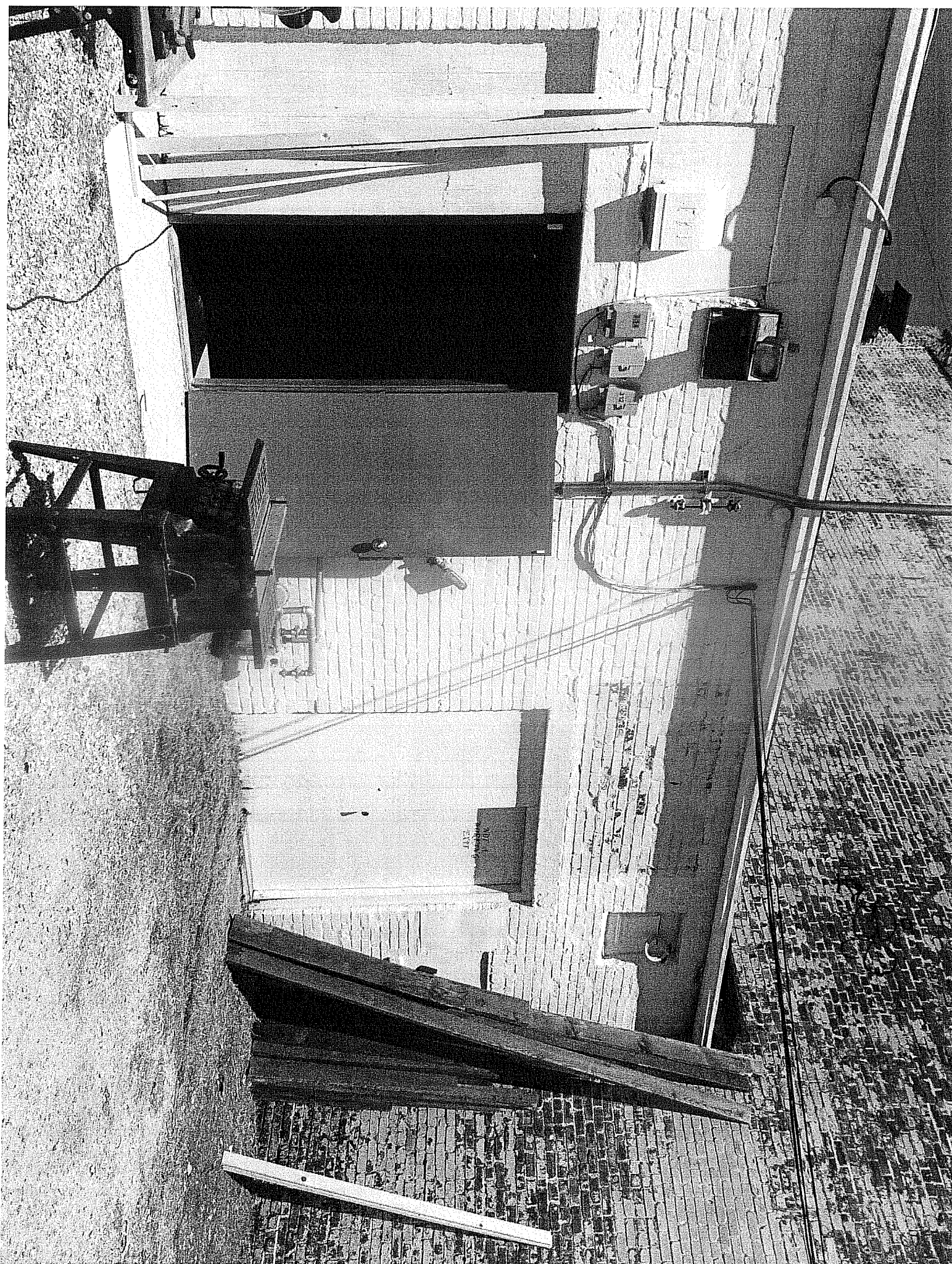
Exhibit C.

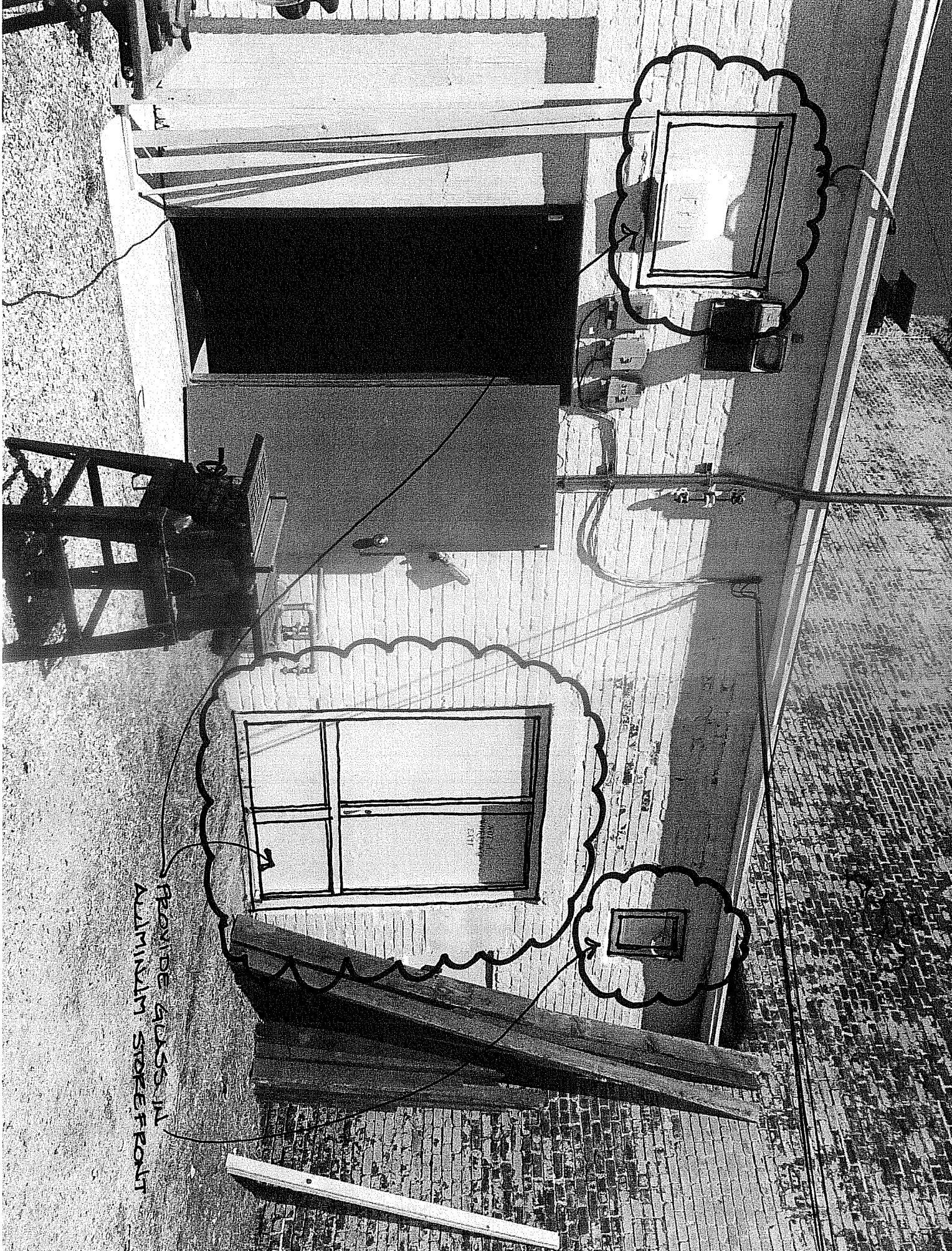
WHY PROPOSED WORK SHOULD BE APPROVED

Please use this form only. Form may be photocopied. Please type or print.

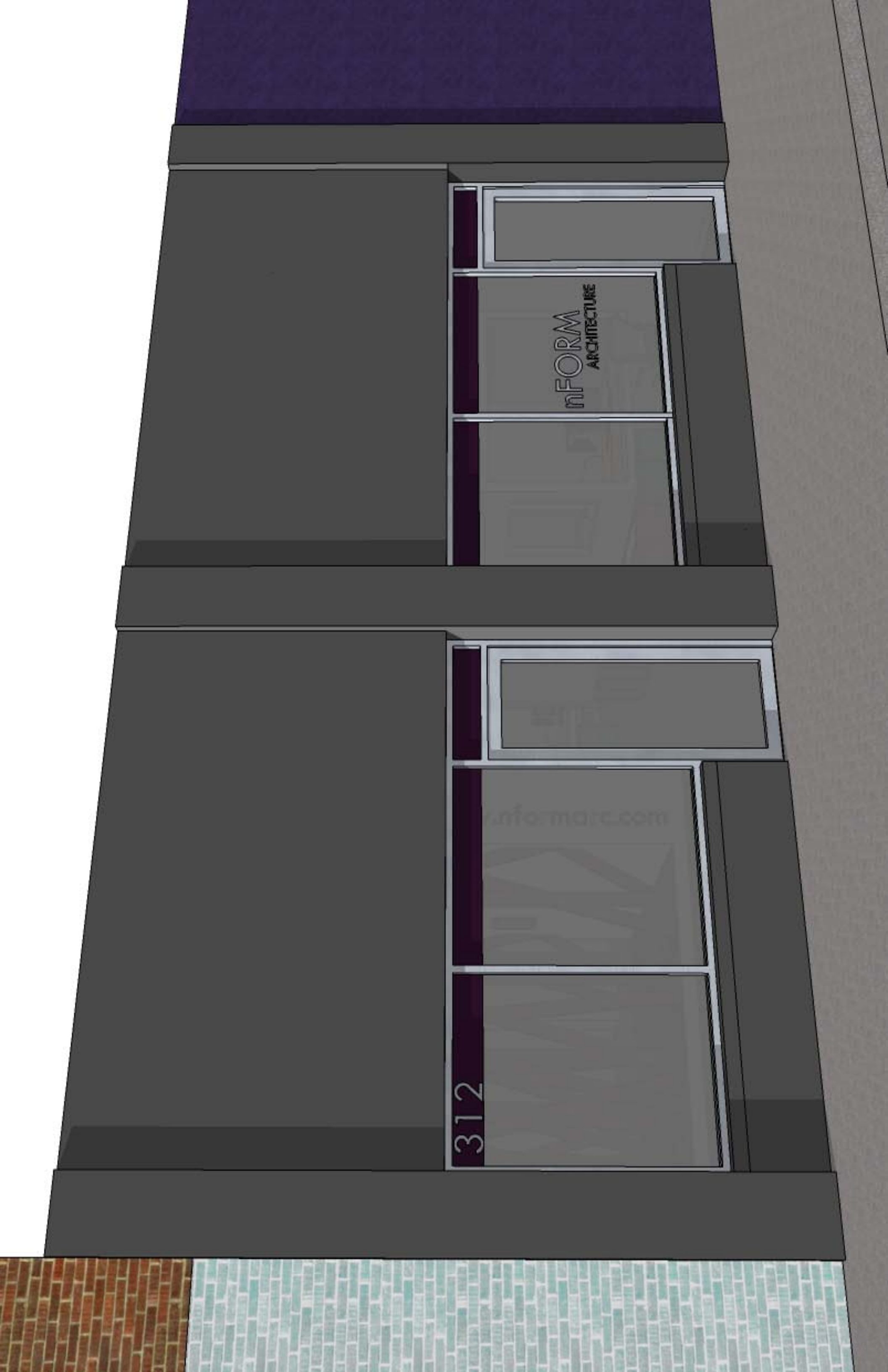
When proposing a major project, please use this page to give information in support of your request. (See Exhibit B, item 1, above: "Type of Work Proposed," key # 7. Suggested items of discussion are included in the Instructions, page 7.)

1. The storefront would infill existing openings in the masonry and would be installed to mimic the existing building characteristics.





PROVIDE GUSS IN
ALUMINUM STAKE-POLE



nFORM
ARCHITECTURE

nformarc.com

312



Google earth

© 2012 Google

Imagery Date: 10/4/2011

1996

37°13'45.63"N 93°17'35.64"W elev 1339 ft

Eye alt 1759 ft

Series 403

2" x 4 1/2" Thermal Storefront Framing



CONFIGURATIONS

Shear Block • Screw Spline

This economical flush glaze system is available in both shear block and screw spline fabrication methods. Series 403 Storefront can accommodate all standard 1 3/4" Entrances as well as WV410 vents. This series is thermally broken, enhancing energy savings potential. Vertical mullions will accept steel reinforcement to enhance structural performance.

Features

Thermally broken frames

Screw spline construction

Shear block construction

The optional Roto-Vent™ ventilator

2-way corner mullions (90° & 135°)

3-way corner mullions (T-mullions)

0°-15° and 15°-30° variable mullions

Accommodates up to 1 1/16" glazing

Uniform glazing gasket is used for exterior and interior

Various height intermediate horizontals and sills

Accessory line of perimeter anchors, pocket fillers, door adaptors, etc.

Anodized or painted finishes available

Benefits

Enhanced thermal performance

Allows assembly of sections prior to installation

Decreases installation time

Ability to erect on the job site

Allows fresh air into the room, yet maintains security

Design flexibility

Multifaceted elevations

Custom applications

Expands design and energy savings options

Allows optimized use of gasket

Simplifies ordering and installation

Ability to maintain desired sight line

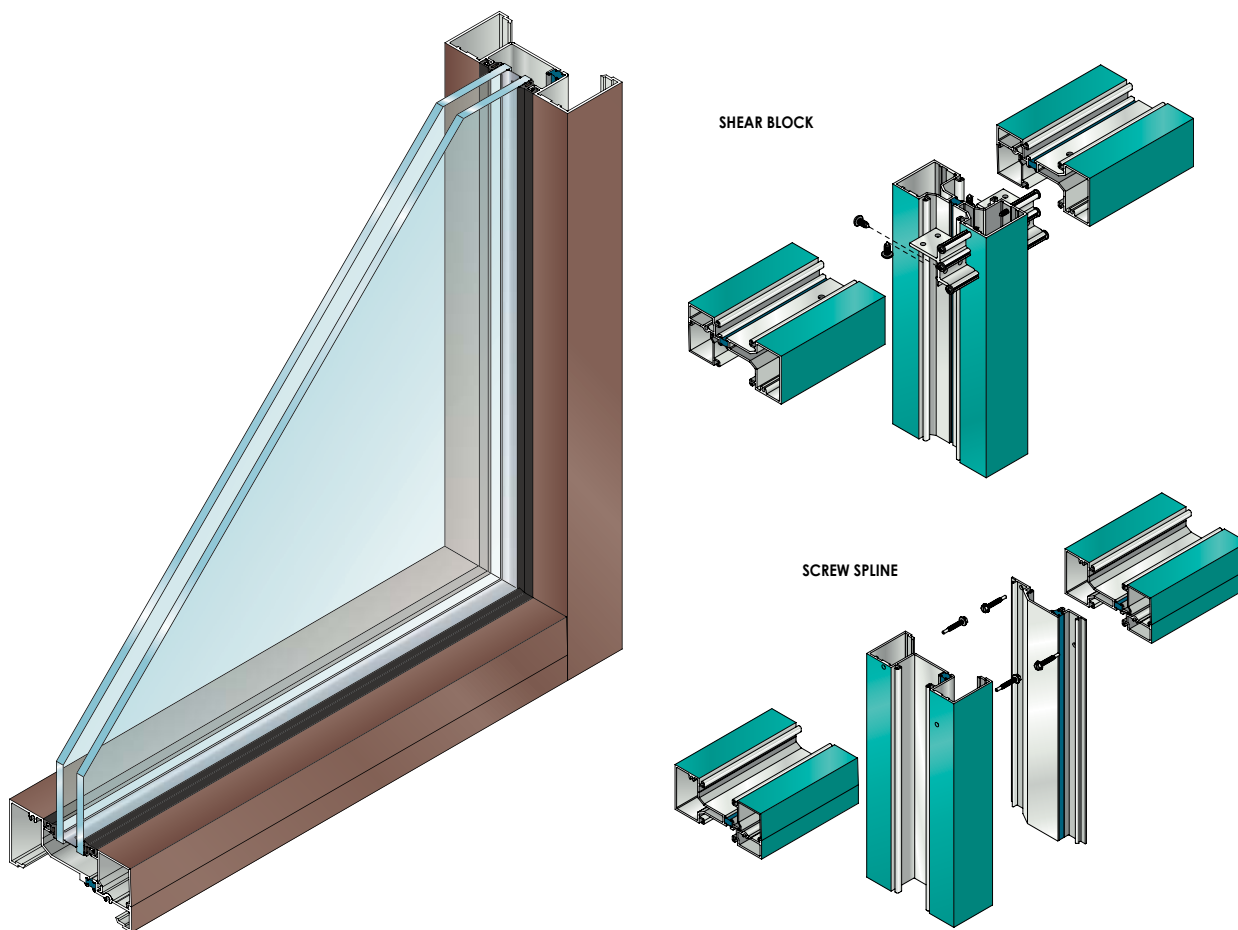
Increased product versatility

Multiple options to answer economic and aesthetic concerns



Series 403

2" x 4 1/2" Thermal Storefront Framing



PERFORMANCE DATA

SYSTEM 403 STOREFRONT SCREW SPLINE FRAMING

AIR INFILTRATION.....	<.06 CFM/SF @ 6.24 PSF
WATER.....	NO LEAKAGE @ 12.0 PSF
STRUCTURAL.....	visit MyEFCO at www.efcocorp.com
CRF-FRAME (1503-98).....	57 ^E
CRF-GLASS (1503-98).....	70 ^E

SYSTEM 403 STOREFRONT SHEAR BLOCK FRAMING

AIR INFILTRATION.....	<.06 CFM/SF @ 6.24 PSF
WATER.....	NO LEAKAGE @ 12.0 PSF
STRUCTURAL.....	visit MyEFCO at www.efcocorp.com
CRF-FRAME (1503-98).....	57 ^{A, E}
CRF-GLASS (1503-98).....	70 ^{A, E}

A = Estimated values and/or designations
 B = Non-standard size or configuration
 C = Dual glazed
 D = 1" Insulated - 1/4" clear, 1/2" air, 1/4" clear
 E = 1" Insulated - 1/4" clear (Low Emissivity), 1/2" air, 1/4" clear
 F = 1" Insulated - 1/4" clear (Low Emissivity), 1/2" argon, 1/4" clear
 G = 1" Insulated - 1/4" clear, 1/2" air, 1/4" clear (Low Emissivity)

403 THERMAL U-FACTORS*		
CENTER OF GLASS U-FACTOR	CONFIGURATION AND SIZE	
	FIXED** 78 3/4" X 78 3/4"	FIXED 120" X 120"
0.46	0.55	0.52
0.34	0.46	0.41
0.30	0.42	0.38
0.24	0.38	0.33
0.20	0.34	0.29

* Based on NFRC 100
 **NFRC Gateway size

GLAZING

SYSTEM 403 CAN BE INSIDE OR OUTSIDE GLAZED WITH EXTRUDED ALUMINUM, SNAP-IN GLAZING BEAD. GLASS IS "DRY GLAZED" WITH TOP LOAD GASKET. GLAZINGS OF 3/16" TO 1-1/16" INFILL PANELS ARE ACCOMMODATED. SEE GLAZING CHART BELOW FOR EXACT SIZE.

SYSTEM 403 GLAZING CHART	POLYCARBONATE			GLASS OR PANEL												
	3/16"	1/4"	5/16"	3/16"	1/4"	1/4"	5/16"	7/16"	1/2"	9/16"	5/8"	3/4"	7/8"	15/16"	1"	1-1/16"
MONOLITHIC GLASS	C	C	C	C	C	C	C									
INSULATED GLASS												C		C	A	C

*Obscure glass thickness
 **Laminated glass thickness

A - Available glazing option
 C - Adaptor and/or gasket required
 Blank - N/A



Series 403

2" x 4 1/2" Thermal Storefront Framing

Frame Construction

The frames have a depth of 4 1/2", and the nominal material wall thickness is .080". Members are extruded 6063-T6 aluminum alloy. Corner construction employs screw spline or shear block method. See Illustration 1 & 2.

Door Frames

System 403 offers integral System 402 entrance frames as a part of the entrance framing system. Members are nominally .080" in thickness.

Weather Stripping

All entrance frames are weather-stripped with bulb gasket.

Thermal Barrier

All frames and vents are thermally broken using the latest technology in two part, high density polyurethane.

Glazing

Series 403 can be inside or outside glazed with extruded aluminum, snap-in glazing bead. Glass is "dry glazed" with top load gasket. Glazings of 3/16" to 1 1/16" infill panels are accommodated. See Glazing Chart for exact size.

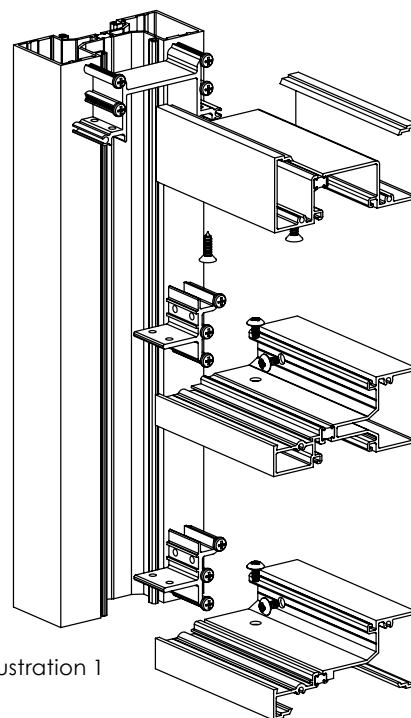


Illustration 1

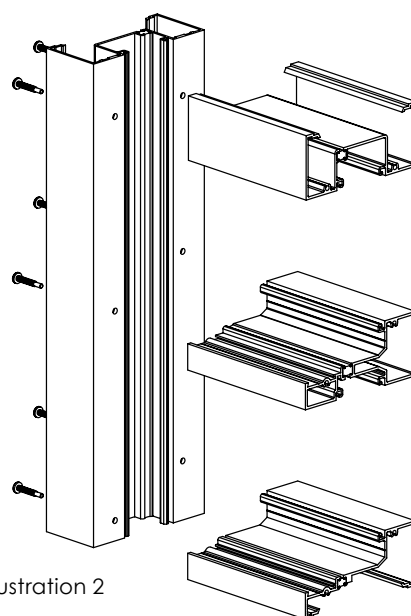


Illustration 2



COMMERCIAL
ALLEANCES

1010-21





LANDMARKS BOARD

CITY OF SPRINGFIELD
P.O. BOX 8368
SPRINGFIELD, MISSOURI 65801
417-864-1031

STAFF REPORT

HISTORIC SITE

DATE: August 31, 2012

PROPOSAL:

1. Rebuild the existing free-standing sign.
2. Replace all existing windows with new windows in-kind to the original.
3. Construct a new ADA accessible ramp to the east elevation.

BACKGROUND:

LOCATION: 309 N. Jefferson Avenue

HISTORIC DESIGNATION: Historic site – Landmark Building

APPLICANT: Caplan, LLC

RECOMMENDATION:

Staff recommends **approval** of this request.

FINDINGS:

1. The proposed rehabilitation is consistent with the Secretary of Interior's Standards for Rehabilitation.

PROJECT COORDINATOR:

Daniel Neal
Senior Planner

ATTACHMENT A
BACKGROUND REPORT
Historic Site
309 N. Jefferson

APPLICANT'S PROPOSAL:

The applicant is requesting to replace the existing windows, construct an ADA accessible ramp to the front and rebuild the existing free-standing sign. The applicant is considering an application for historic tax credits.

APPEARANCE OF THE HISTORIC SITE WITH THE PROPOSED CHANGES:

The existing appearance of the historic structure will not be significantly altered.

STAFF COMMENTS:

1. Staff supports the changes to the sign and the ADA accessible ramps along the east elevation. NPS Preservation Brief #25 states that sign materials should be compatible with those of the historic building. Materials, characteristic of the building's period and style, used in contemporary designs, can form effective new signs. Both changes must meet all Zoning Ordinance and Building Code requirements.
2. The applicant is proposing to replace the existing windows with new windows in-kind to the original. The applicant has stated that the existing windows are not original to the structure, but the replacement windows will respect the original historic windows. The applicant will need to consider the following window replacement recommendations from NPS Preservation Brief #9:

Window Replacement

Although the retention of original or existing windows is always desirable and this Brief is intended to encourage that goal, there is a point when the condition of a window may clearly indicate replacement. The decision process for selecting replacement windows should not begin with a survey of contemporary window products which are available as replacements, but should begin with a look at the windows which are being replaced. Attempt to understand the contribution of the window(s) to the appearance of the facade including: **1)** the pattern of the openings and their size; **2)** proportions of the frame and sash; **3)** configuration of window panes; **4)** muntin profiles; **5)** type of wood; **6)** paint color; **7)** characteristics of the glass; and **8)** associated details such as arched tops, hoods, or other decorative elements. Develop an understanding of how the window reflects the period, style, or regional characteristics of the building, or represents technological development.

Armed with an awareness of the significance of the existing window, begin to search for a replacement which retains as much of the character of the historic window as possible. There are many sources of suitable new windows. Continue looking until an acceptable replacement can be found. Check building supply firms, local woodworking mills, carpenters, preservation oriented magazines, or catalogs or suppliers of old building materials, for product information. Local historical associations and state historic preservation offices may be good sources of information on products which have been used successfully in preservation projects.

ATTACHMENT B
PERTINENT DESIGN GUIDELINES
Historic Site
309 N. Jefferson

ZONING ORDINANCE

No design guidelines have been established by ordinance for historic sites. The Board has the authority to approve or disapprove the proposed application. A building permit will be issued to the applicant, even if the Board denies the application, sixty (60) days from the date of the application for the building permit.

SECRETARY OF THE INTERIOR'S STANDARDS

The following standards would apply to the proposed exterior improvements:

2. The historic character of a property shall be retained and preserved. The removal of historic materials or alterations of features and spaces that characterize a property shall be avoided.
4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a property shall be preserved.
9. New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.

ATTACHMENT C
ARCHITECTURAL SIGNIFICANCE
Historic Site
309 N. Jefferson

1. The Landmark Building was nominated to the local historic register by City Council on April 24, 1978.



Office Use Only
 Date Filed: _____
 Received By: _____
 Reviewer: _____
☐ Administrative
☒ Landmarks Board

Application for Certificate of Appropriateness City of Springfield, Missouri

The applicant seeks to show the following:

1. That the proposed work will be done in conformance with the Secretary of Interior's Standards for Rehabilitation.
2. That the proposed work will be done in conformance with any applicable design guidelines or standards that the Landmarks Board has established and adopted. (Commercial Street and Walnut Street Districts and Mid-Town Neighborhood historic sites only).
3. That the proposed work will be done in conformance with all other relevant requirements of the Springfield Zoning Ordinance.

THEREFORE, applicant requests that the Certificate of Appropriateness be approved for the property as proposed in this submittal.

We, the signers of this application, do attest to the truth and correctness of all facts and information presented with this application and understand that, if approved, all work must be done under a building permit issued by the Department of Building Development Services. Approval of this application does not constitute approval of a building permit, nor does it certify that the zoning is appropriate for the proposed uses. There are separate processes that must be initiated by the applicants. We further understand that approval of this application does not constitute approval for tax certification under the Tax Reform Act of 1986 or amendments thereto.

Signature(s) Date:

X

Bruce M. Caplan

Date: 8-25-12

Please type or print name(s) clearly:

BRUCE M. CAPLAN
CAPLAN LLC

WE HAVE AUTHORIZED NEIL STENGER, MUANEY ASSOCIATES
 TO REPRESENT CAPLAN LLC AT ANY MEETINGS WITH THE
 City of Springfield.

Page 1

X

Bruce M. Caplan
BRUCE M. CAPLAN

Date: 8-25-12

Exhibit A.

Request for Certificate of Appropriateness

Please use this form only. Form may be photocopied. Please type or print.

For instructions, see pages 5-8.

1. PROPERTY ADDRESS:

309 N. Jefferson Springfield MO 65806

2. APPLICANT:

Name(s): **Frisco Lofts, LP**

If corporation: Corporate official: _____

Mailing address: **305 W Commercial Springfield, MO** Zip Code: **65803** (corporate seal)

Telephone number: **459-9355**

Fax number: _____

e-mail: **rkbucho@centurytel.net**

3. AUTHORIZED REPRESENTATIVE: *(The representative should have the authority to commit the applicant to changes that may be suggested by the Board).*

Name: **Jeff Wells**

Signature: _____

Address: **3050 E Battlefield, Suite A Springfield MO 65804**

Telephone: **890-7711**

Fax: **890-7611**

e-mail: **jwells@wsengineer.com**

4. BUILDING DEVELOPMENT SERVICES DISCUSSION: *(Before submitting this application, the applicant should discuss the project with BDS. Their phone number is 864-1055.)*

Date of discussion: **7/23/12**

NOTE: The property owner must either sign this application or give City staff a power of attorney showing that another person is authorized to sign.

Exhibit B.

Description of Proposed Work & Supporting Information

Please use this form only. Form may be photocopied. Please type or print.

1. TYPE OF WORK PROPOSED: *(Check all that apply. All work items require a written description of the proposed work. Additional required supporting information is denoted after each item and must be attached. See Instructions, page 5. Maximum size for drawings: 11 x 17 inches. NOTE: Even though you check the "Other" or the "New Construction" box, you must still give information on individual features such as windows, doors, etc., included in a large project.)*

- | | | |
|---|--|--|
| ☐ Addition (1, 2, 3, 7) | ☒ Handicapped Ramp (1, 2, 3) | ☐ Sidewalk (1, 3) |
| ☐ Awnings (2, 3, 4 or 5, 6) | ☐ New Construction (1, 2, 3, 7) | ☐ Siding (3, 4 or 5) |
| ☐ Building Relocation (1, 2, 3, 7) | ☐ Parking (1, 3) | ☐ Sign (1, 2, 3, 6) |
| ☐ Demolition (1, 2, 3, 7) | ☐ Porch (1, 2, 3) | ☒ Window (2, 3, 4 or 5, 6) |
| ☒ Door (2, 3, 4 or 5, 6) | ☐ Retaining Wall (1, 2, 3) | ☐ Archeological Site (1, 3, 8) |
| ☐ Fence (1, 2, 3, 5) | ☐ Roof-New (3, 4 or 5, 7) | |
| ☒ Guttering (2, 3, 4 or 5, 6) | ☐ Re-roof (3, 4) | |

☒ Other (Specify) Historic Rehabilitation into 68 affordable units

- 1-Site plans
- 2-Elevations
- 3-Photographs
- 4-Sample of materials to be used

- 5-Product literature
- 6-Drawing
- 7-Exhibit C-Why proposed work should be approved
- 8-State Historic Preservation Officer Comments

2. DESCRIPTION OF PROPOSED WORK: *(Attach additional pages if necessary.)*

Low Income Housing Tax Credits and Historic Tax Credits will be utilized to do a gut/rehab into 68 apartments.

NOTE: An application is considered incomplete until all supporting materials, as specified in Item 1 above, are attached. Incomplete applications will not be processed or scheduled for a public hearing.

Exhibit C.

WHY PROPOSED WORK SHOULD BE APPROVED

Please use this form only. Form may be photocopied. Please type or print.

When proposing a major project, please use this page to give information in support of your request. (See Exhibit B, item 1, above: "Type of Work Proposed," key # 7. Suggested items of discussion are included in the Instructions, page 7.)

All work will be approved by the National Park Service, State Historic Preservation Office, and the City of Springfield. Our historic consultant is Deb Sheals.

The best version of something
isn't always the one you land on first.



There are parts of this deal that will look familiar. The proposed site is still the historic Landmark Building in downtown Springfield. The developer, The Vecino Group, still comes to the project with the right mix of experience in historic renovation and affordable housing development. But this is not the same 4% deal you saw before.

Thanks to the cooperation of the City of Springfield, the property seller, our tax syndicators, and Great Southern Bank, we have been able to improve the numbers from almost every angle. Thanks to the feedback of MHDC, we have adjusted the concept of the development as well as decreased rents and increased expenses. Thanks to the collaboration of the Southwest Center for Independent Living, we are now proud to propose an affordable housing deal where 100% of the units are accessible. We call it The Frisco. And we're confident that through mindful planning and Universal Design, any Springfieldian—with a disability or without—could call it home.



THE VECINO GROUP
Housing for the greater good.

A storied location just waiting for the next chapter.

The Frisco Building was built in 1910 on the northwest corner of Jefferson and Olive as the headquarters of the Frisco Railways. Springfield had been the communications and operating hub of the railway and the Frisco was Springfield's largest employer. Huge crowds visited the building during the open house, lured by the novelty of getting a glimpse of a railway inner workings and the majesty of the building. The site was also home to Springfield's first high school and later, in 1966, was renamed the Landmark Building and became one of Springfield's largest multi-tenant facilities. The "U shaped" building was constructed of reinforced concrete with brick walls and reinforced with a great deal of Springfield's history and promise. There are 46,000 feet of floor space within the four floors and basement. Unfortunately, the Landmark Building's historic past has been overshadowed by its seedy present. Most recently notorious for housing a prostitution ring run by a local schoolteacher, the Landmark Building has been transformed from the headquarters rent space for as low as \$50 a month. The City of Springfield is eager to see the story rewritten and the ending changed. With full municipal support, The Vecino Group, LLC is submitting a proposal to create a new beginning for this old building.

The Frisco urban living for all.

With a strong market for downtown living spaces and an unmet demand for affordable accessible housing, The Frisco is a concept conceived in need and born into a waiting marketplace. Slated to be built at 309 N. Jefferson Avenue, The Frisco would renovate the blighted Landmark Building into a modern Universally Designed community. A mix of 16 studio apartments, 25 one-bedroom apartments, 26 two-bedroom apartments and 1 three-bedroom unit would create almost seventy affordable residences downtown.

The Frisco would be designed with complete accessibility in mind; an



THE VECINO GROUP
Housing for the greater good.



asset in a city with a shortage of housing for individuals living with disabilities. Standard features in each and every unit would include zero step entries, open floor plans, variable height countertops and shelves, roll-in showers, raised appliances, high contrast color and texture surfaces, and other details designed to make daily living easier for all people. The Frisco will incorporate community gathering spaces and include downtown's only swimming pool--a zero-entry pool accessible to all residents. Not only will this amenity provide a point-of-difference and help ensure constant lease up, it will also provide rehabilitative and recreational use for residents with disabilities.

Although we are not applying under the Supportive Housing or Special Needs priorities, we still felt it was important to value add on this project and set out to create a development that met untapped housing needs. The accessible focus of The Frisco will fill an underserved need for housing that works for people with disabilities. In addition to benefiting the citizens of our community, it will also give the Frisco a unique market advantage and point of difference when it comes to lease-up.

Working together to make living less work.

When housing isn't designed with accessibility in mind, everyday living becomes difficult for people with disabilities. So when we decided we wanted to turn this building into the affordable, accessible housing that was needed so badly in Springfield, we committed to letting the experts—the Southwest Center for Independent Living—tell us the best way to go about it.

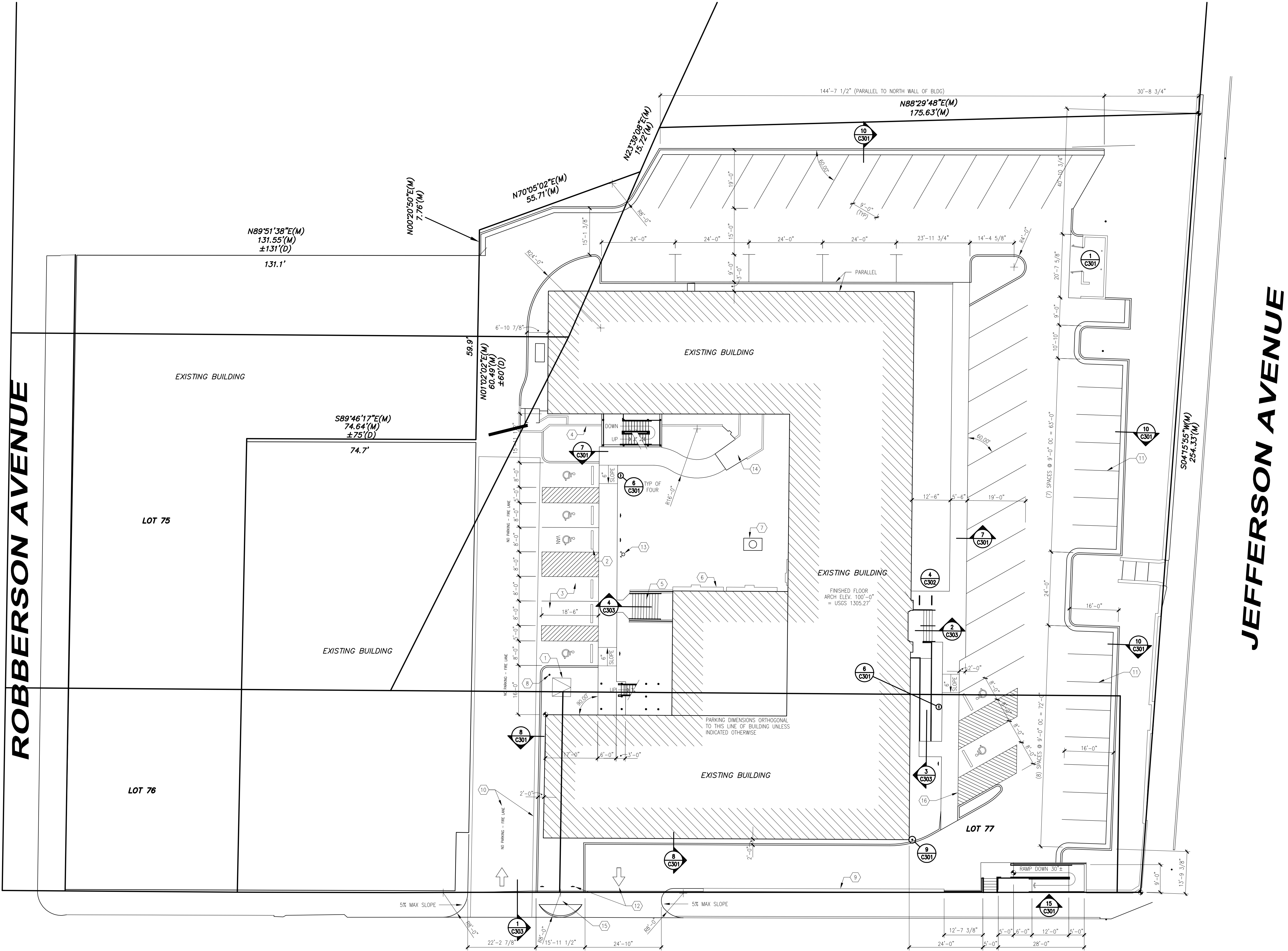
SWCIL loved the downtown location. They felt the proximity to entertainment, work, and resources would serve their clients well. They also liked the fact that the building was right on the bus line. Since the Southwest Center for Independent Living has a bus stop directly in front of their building, SWCIL felt residents of the Frisco would have easy access to the services and programming offered at the SWCIL. Because of this, they advised that on-site staff at the

The Vecino Group stands grateful for the feedback MHDC generously provided. From the numbers, to the focus, you shared ways we could improve this deal. We sincerely appreciate it. Together with the Southwest Center for Independent Living and the City of Springfield, we are confident that funding this project will bring tremendous benefit to the community at large.

We thank you for your time and consideration. Please grant The Frisco funding and help us bring this project to life.

- Acquisition \$200,000 less
- Lower rents
- Higher expenses
- Better loan terms
- Accessible focus and cooperation from Southwest Center for Independent Living





STORMATER NOTES:

- ☐ NO CHANGE IN IMPERVIOUS SURFACES. NO STORMWATER DETENTION REQ'D
- ☐ LAND DISTURBANCE PERMIT & SWPPP NOT REQ'D

BEST MANAGEMENT PRACTICES:

- ☐ PROMPTLY CLEAN/SWEEP UP MUD & SOIL THAT IS TRACKED FROM THE CONSTRUCTION AREA ONTO THE STREET OR SERVICEABLE AREAS OF THE PARKING LOT
- ☐ USE WATER SPRAY TO CONTROL WIND EROSION DURING DRY WEATHER

GENERAL NOTES:

- ☐ DIMENSIONS ARE TO FACE-OF-CURB UNLESS NOTED OTHERWISE
- ☐ CURB RADI NOT EXPLICITLY DIMENSIONED ARE 2'-6" UNLESS NOTED OTHERWISE
- ☐ TYPICAL PAVEMENT SHALL BE 2" THICK ASPHALTIC CONCRETE PLACED IN ONE LIFT OVER 6" OF AGGREGATE BASE COURSE
- ☐ LIMIT CROSS SLOPES ON NEW SIDEWALKS TO 1% MINIMUM TO 2% MAXIMUM

KEYNOTES:

- LOCATION OF NEW ELECTRICAL TRANSFORMER. TRANSFORMER BY CITY UTILITIES. CONCRETE PAD BY GENERAL CONTRACTOR
- PRECAST CONCRETE WHEEL STOPS ANCHORED INTO ASPHALT
- THESE TWO PARKING SPACES ARE CONSTRUCTED TO THE STANDARDS FOR ACCESSIBILITY BUT ARE NOT DESIGNATED W/ SIGNAGE NOR COUNTED IN THE TALLY OF ACCESSIBLE PARKING SPACES
- EXISTING RETAINING WALL W/ NEW GUARDRAIL
- EXISTING WELL W/ NEW CONCRETE STAIRS
- ELECTRICAL SERVICE ENTRANCE EQUIPMENT & METER PAKS
- CONCRETE VAULT FOR FIRE PROTECTION SYSTEM BACKFLOW PREVENTER
- PIPE BOLLARD PER DETAIL 9/C301. COORDINATE THE LOCATION W/ CITY UTILITIES
- REFER TO DETAIL 9/C302 FOR NEW CONCRETE CAP (CURB) ON TOP OF EXISTING STONE WALL
- 4" WIDE PAINTED RED STRIPE ON EACH SIDE OF FIRE LANE (20' WIDE x 150' LONG). PROVIDE 10" HIGH PAINTED RED LETTERS READING "FIRE LANE - NO PARKING" @ 50' INTERVALS AS SHOWN ON THE PLAN
- NEW PAVEMENT MARKINGS
- PAINTED PAVEMENT MARKINGS & SIGNAGE DESIGNATING "ENTRANCE" & "EXIT ONLY"
- FREE-STANDING FIRE DEPARTMENT CONNECTION
- EXISTING RAMP TO REMAIN
- 4'-0" WIDE SECTION OF FLAT SIDEWALK W/ NO CURB OBSTRUCTIONS
- SIDEWALK IN FRONT OF HANDICAPPED ACCESSIBLE PARKING SPACES IS FLUSH W/ PAVEMENT

THE SEAL & SIGNATURE APPEARING ON THIS SHEET APPLY ONLY TO THE DOCUMENT TO WHICH THEY ARE AFFIXED. PLACE MAKERS, LLC EXPRESSLY DISCLAIMS ANY RESPONSIBILITY FOR ALL OTHER PLANS, SPECIFICATIONS, ESTIMATES, REPORTS, OR OTHER DOCUMENTS OR INSTRUMENTS RELATING TO OR INTENDED TO BE USED FOR ANY PART OR PARTS OF THIS PROJECT

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**FRISCO BUILDING
HISTORIC RENOVATION**

For
VECINO GROUP

**309 N JEFFERSON
SPRINGFIELD, MO**

PLACE MAKERS

3050 E BATTLEFIELD, SUITE A SPRINGFIELD, MO 65804 T (417) 890-7711 F (417) 890-7611 CERT. OF AUTHORITY A-2008013312

JEFFREY DAVID WELLS, ARCHITECT A-2005022230, ENGINEER E-25673

REVISIONS: PROJECT NUMBER: -
DATE: -
SHEET NUMBER: -

C101



1
A201
EAST ELEVATION
1/8"=1'-0"



2
A201
WEST ELEVATION
1/8"=1'-0"

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FRISCO BUILDING HISTORIC RENOVATION

For
VECINO GROUP

309 N JEFFERSON
SPRINGFIELD, MO

PLACE MAKERS

3050 E BATTLEFIELD, SUITE A T (417) 890-7711 CERT. OF AUTHORITY
SPRINGFIELD, MO 65804 F (417) 890-7611 A-2008013312

JEFFREY DAVID WELLS, ARCHITECT A-2005022230, ENGINEER E-25673

REVISIONS:	PROJECT NUMBER:	-
	DATE:	-
	SHEET NUMBER:	

A201



1 SOUTH ELEVATION
A202 1/8"=1'-0"



2 NORTH ELEVATION
A202 1/8"=1'-0"

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REVISIONS:	PROJECT NUMBER:	-
	DATE:	-
	SHEET NUMBER:	

A202



1
A203 1/8"=1'-0" INTERIOR NORTH ELEVATION



2
A203 1/8"=1'-0" INTERIOR SOUTH ELEVATION

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**FRISCO BUILDING
HISTORIC RENOVATION**

For
VECINO GROUP

**309 N JEFFERSON
SPRINGFIELD, MO**

PLACE MAKERS

3050 E BATTLEFIELD, SUITE A T (417) 890-7711 CERT. OF AUTHORITY
SPRINGFIELD, MO 65804 F (417) 890-7611 A-2008013312

JEFFREY DAVID WELLS, ARCHITECT A-2005022230, ENGINEER E-25673

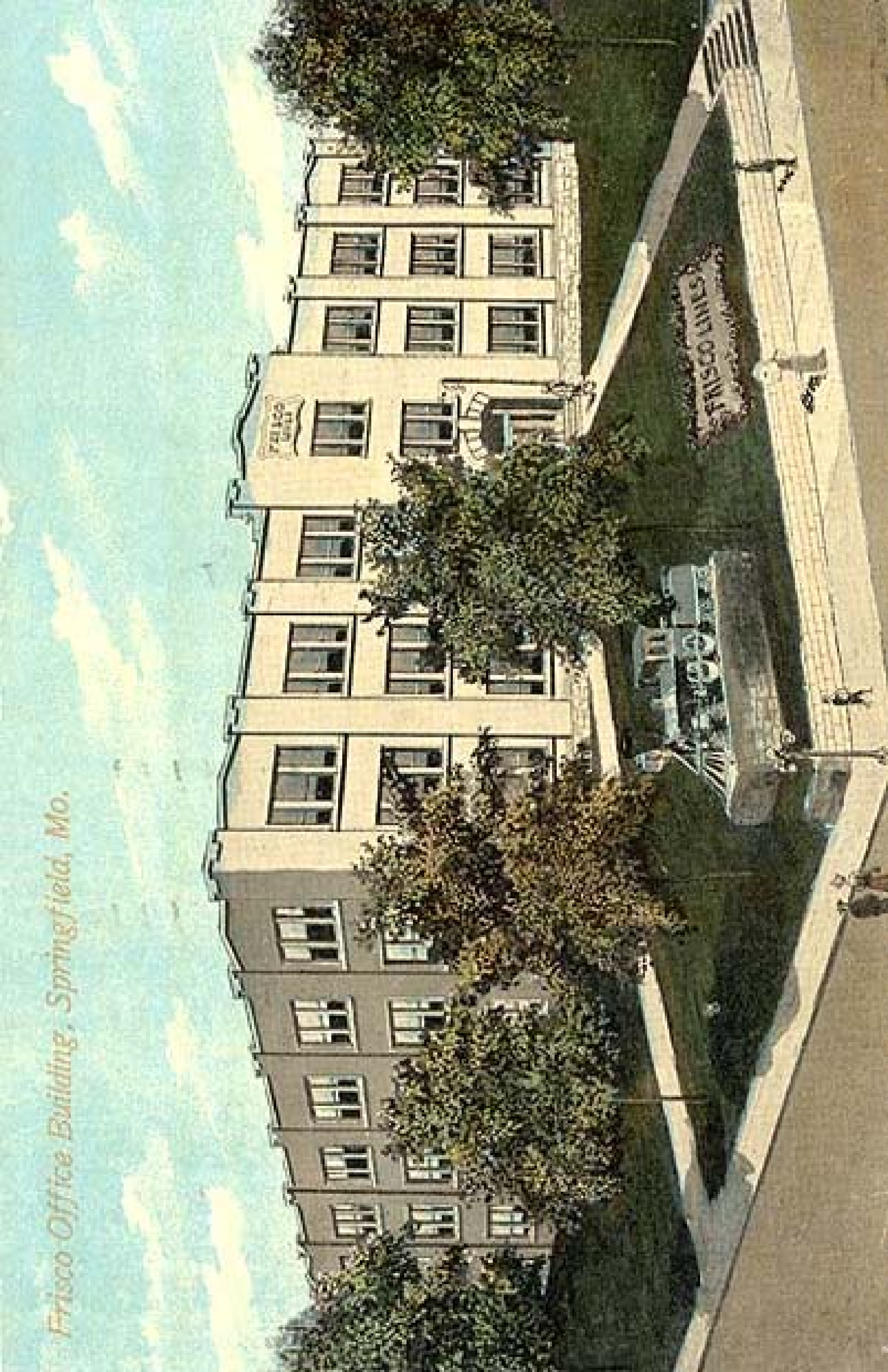
REVISIONS:	PROJECT NUMBER:	-
	DATE:	-
	SHEET NUMBER:	

A203

Frisco Building,
Springfield, Mo.



Prisco Office Building, Springfield, Mo.









MEDI-TRANSIT

SPRINGFIELD
SPANISH
LESSONS.COM

309
LANDMARK
BUILDING

Olive St

Neal, Daniel

From: Kim Buche, Vecino Group [kim@vecinogroup.com]
Sent: Friday, August 31, 2012 9:47 AM
To: Neal, Daniel
Subject: FW: Corrected sign concept
Attachments: The Frisco_outlines_final-01.jpg

Hi Daniel!

I hope this is the information you are looking for....Below is a schematic of the sign (see Option #2). Attached is our logo that will be on the new sign. We are leaving the existing concrete sign base (putting on a skim coat) and removing the existing wood signage on top. Pinnacle Sign will put our sign on top with our logo.

If you need anything else, please let me know. Many, many thanks for your help with our project!

Kim Buche
The Vecino Group
P.O. Box 9803
Springfield, MO 65801
(417) 459-9355 (cell)



THE VECINO GROUP
Housing for the greater good.

From: Lori Tack [<mailto:loritack@gmail.com>]
Sent: Friday, August 31, 2012 9:26 AM
To: kim@vecinogroup.com; ladonnaf@psgsign.com; snjurado@yahoo.com; kim.grimm@sbcglobal.net
Cc: lori@ozarkgreenways.org
Subject: Corrected sign concept

I overlaid the name of the correct property manager, doh. As Stacy said, we will choose the #2 version.

Thank you guys!

MAIN SIGN FOR FRISCO BLDG (Intersection of Jefferson & Olive)

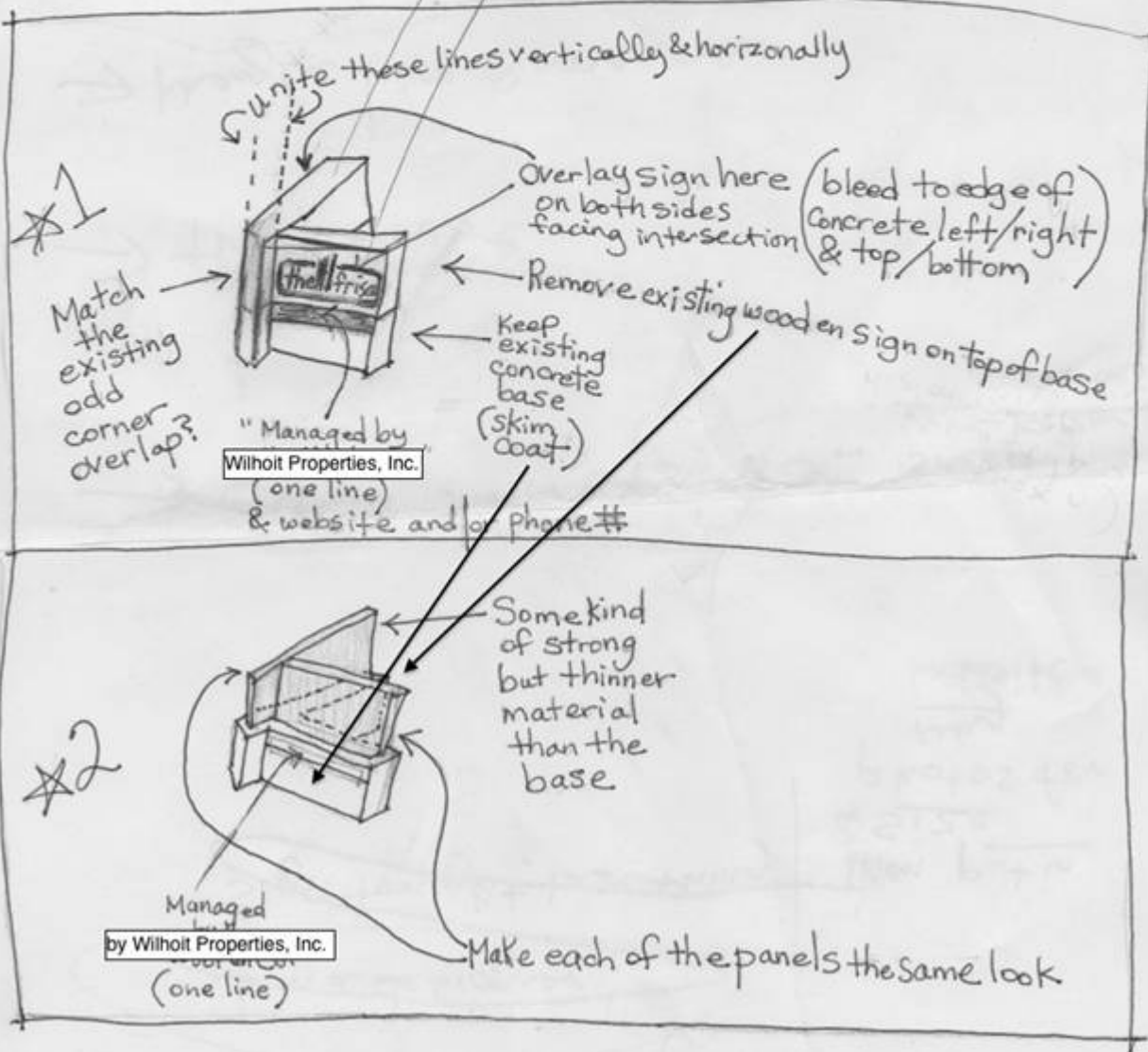
8-28-12

Dimensions of sign portion
to be placed on top of
existing base:

Pinnacle should check my math!

Southern panel - 92" wide x 42" tall

More northern panel - 97" wide x 42" tall



Lori



URBAN LIVING FOR ALL



FEATURES

1.) Available Configurations

- Single hung
- Oriel style (optional)

2.) Main frame / Sash

- Drop-in marine glazing
- Double fin-type weatherstripping
- Full width lift handles
- Thermal break in frame and sash
- Header expander and sill angle (optional)

3.) Commercial Framing System

- 3 1/4" main-frame
- 0.062" wall thickness of metal (frame / sash)

4.) Type of hardware

- Block and tackle balancers
- Gravity latch
- Limit travel latch (optional)

5.) Performance

- Structural & Thermal (Test reports available upon request)

6.) Glazing

- 5/8" drop-in glazed insulated
- Capillary tubes (optional)
- Argon gas (optional)
- Wide variety of glazing, tinting and thickness options

7.) Muntin choices

- Internal or simulated divided lites available

8.) Finish

- Baked on powder coat finish meets ANSA/AAMA 2604 specs and is available in 10 standard colors.
- 2605 (equal to 70% Kynar) powder coat finish
- Custom painted finish
- Clear and color Anodic finishes available (AAMA 611-98)

9.) Screen choices

- Aluminum, stainless steel, fiberglass, or solar screen mesh

10.) Panning & Trim choices

- Wide variety of panning, receptor and trim available

11.) Specialty

- Attached exterior or interior storm window
- Extension jambs
- Security screens
- Bays, bows and multiple units
- Screen track cut-out
- Ogee lugs



#8150 SERIES(AW50)
SINGLE HUNG
3 1/4" FRAME DEPTH
(SIDE LOAD)

MODEL	Single Hung
SERIES	#8150 Series
CLASS	H-AW50
OPERATION	↑
MAXIMUM SIZE	AAMA structural test size is 5'x8'-3" minimum. For minimum and maximum contact Quaker Window Products.
GLAZING THICKNESS	5/8" insulated glass
MULLING	Mulling available to 3 1/4" frame depth
FINISHES	Baked-on powder coat finish meets ANSA/AAMA 2604 specs and is available in 10 standard colors 2605 (equal to 70% Kynar) powder coat finish. Clear and color Anodized finishes.
MUNTINS	Between-the-glass muntins on insulated units or simulated divided lites.
SCREENS	Half screen with aluminum frame and wire mesh cloth
OPERATING FORCE (LBS)	41#
CURVED SHAPES	Radius and Circle tops available

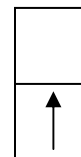
PERFORMANCE

The performance numbers listed below represent independent laboratory test on Quaker Windows at the time of publication. Please contact Quaker Window for the most recent performance data.

Model	Performance Class	Structural Load P.S.F.	Air At 50 MPH(cfm/ft ²)	Water (No Penetration) PSF	CRF Condensation Resistance Factor	U-value
Single Hung	H-AW50	75.19	0.17	10.03	Contact Quaker	Contact Quaker

NOTE: Numbers listed are subject to change without notice

NA- Not available.



QUAKER WINDOW PRODUCTS CO, INC.
#8150 SERIES - SINGLE HUNG (H-AW50)
(Side load) (3 1/4" Frame Depth)

Quaker Window Products reserves the right to change any and all designs without notice. Due to periodic re-certification requirements, results shown may vary slightly.

PART 1 - GENERAL

1.01 TESTING AND PERFORMANCE REQUIREMENTS

A. Specific Performance Requirements:

Windows shall conform to specified AAMA/WDMA/CSA 101/I.S.2/A440-05 **H-AW50** requirements at a minimum test size of **5'-0" x 8'-3"** (5/8" I.G.-3/16" panes) and following, whichever are the more stringent:

1. **Air Infiltration Test:** With the sash in a closed and locked position, the window shall be subjected to an air infiltration test in accordance with ASTM E 283. Air infiltration shall not exceed **(0.17 cfm/ft²)**.

2. **Water Resistance Test:** The glazed unit shall be mounted in its vertical position continuously supported around perimeter and the sash placed in the fully closed and locked position. The window unit shall be subjected to a water resistance test in accordance with ASTM E 331 and ASTM E 547, using a static pressure of **10.03 psf** with no uncontrolled water leakage.

Testing shall be performed on windows both with and without an available insect screen.

3. **Uniform Load Structural Test:** Per ASTM E 330. At the conclusion of tests, there shall be no glass breakage, permanent damage of fasteners, hardware parts or any other damage causing the window to be inoperable at **75.19 psf**.

4. **Operating Force:** Each movable panel shall operate in either direction with a force of **41 lbf** to maintain motion.

1.02 QUALITY ASSURANCE

A. Standards: Except as otherwise indicated, requirements for aluminum windows, terminology and standards of performance and fabrication workmanship are those specified and recommended in AAMA/WDMA/CSA 101/I.S.2/A440-05.

PART 2 - PRODUCTS

2.01 MATERIALS

A. Aluminum Extrusions: All extruded sections shall be of 6063-T6 aluminum. Alloy and temper recommended by window manufacturer for strength, corrosion resistance, and application of required finish, but no less than 22,000 psi ultimate tensile strength, a yield of 16,000 psi. Comply with ASTM B 221.

B. Hardware: Hardware having component parts which are exposed shall be of aluminum, stainless steel, or other non-corrosive materials compatible with aluminum. Cadmium or zinc-plated steel where used must be in accordance with ASTM Specification A 165 or A 164.

1. Primary sash locks: All primary locking devices shall be anodized aluminum gravity latch. No plastic or zinc die cast will be permitted.

C. Balances: Block & Tackle conforming to AAMA 902 and of appropriate size and capacity to hold operable sash stationary in any open position shall be used. Sash balances shall be easily accessible and replaceable in the field without the use of special tools.

D. Weatherstripping: Provide double weatherstripping using silicone-coated woven pile with polypropylene fin center where specified with AAMA 701.

E. Glass:

1. All glazing shall be glazed at the factory as follows:

a) All units shall be constructed to an overall minimum thickness of 5/8" with two lites of DSB (1/8") or 3/16" (as size and loading requires)

2. Glazing Options: Optional glazing such as tinted, laminated, tempered, reflective, low-E, argon-filled and others are available upon request.

F. Thermal Break: The thermal barrier shall provide a continuous uninterrupted thermal break around the entire perimeter of the frame and all panels and shall not be bridged by any metal conductors.

2.02 FABRICATION

A. Window Members: All window members, including grille bars, shall be of aluminum.(Unless Indicated Otherwise).

1. All aluminum main frame extrusions shall have a minimum wall thickness of 0.062.
2. Depth of frame and sash shall not be less than 3 1/4".

B. Assembly: The windows shall be assembled in a secure and workmanlike manner to perform as hereinafter specified. All joints of the main frame and the sash shall be butt type, coped and joined neatly and secured by means of screws anchored in integral ports. The main frame at the sill and head shall be sealed on the underside with a narrow joint sealant meeting AAMA 803.3 specification for Narrow Joint Sealants.

C. Sash Construction: The sash shall be of butt construction mechanically joined so that they may be easily repaired. The meeting rails of the top and bottom sash shall interlock in the closed position. The meeting rail interlock shall consist of two separate and distinct metal interlocks containing fin seal weatherstripping as an integral part of both metal interlocks.

D. Finishes

Organic Coating: Baked-on powder coat finish that meets ANSA/AAMA 2604.

1. Other finishes available upon request

E. Glazing

1. Units shall be "drop glazed" with a snap-in aluminum extruded glazing bead and a rubber wedge on the interior glass. The exterior is set in glazing tape.

F. Screens

1. Screens frames shall be extruded aluminum
2. Screen mesh shall be (aluminum or fiberglass)

PART 3 - EXECUTION:

3.01 INSTALLATION:

A. Comply with manufacturer's specifications and recommendations for installation of window units, hardware, operators and other components of work. In no case shall attachment to existing structure or to components of the window system be through or debridge the thermal barriers of the replacement windows.

B. Set units plumb, level and true to line, without warp or rack of frames or sash. Anchor securely in place. Separate aluminum and other corrodible surfaces from sources of corrosion or electrolytic

action. Windows must be securely blocked and fastened.

C. Wedge insulation between frames of new windows and construction to remain, or between frames and new blocking as applicable. Compress fiberglass to not less than 50 percent of original thickness.

D. Set sill members and other members in bed of compound as shown, or with joint filler or gaskets as shown, to provide weathertight construction. Seal units following installation and as required to provide a weathertight system.

E. Fasteners: Aluminum, stainless steel, or other materials warranted by manufacturer to be non-corrosive and compatible with aluminum window members, hardware and other components of the windows.

3.02 OPERATION AND MAINTENANCE:

A. Adjust operating sash and hardware to provide tight fit at contact points and at weatherstripping. Adjust also for smooth operation and a weathertight closure.

B. Clean aluminum surfaces promptly after installation of windows, exercising care to avoid damage to the finish. Remove excess glazing and sealant compound, dirt and other substances.

1. Lubricate hardware and moving parts

2. For frame and sash cleaning, use a common window cleaner or mild detergent solution with a regular cloth. After cleaning, be sure to thoroughly rinse all surfaces with clean water to remove any detergent residue.

C. Clean glass promptly after installation of windows. Remove glazing and sealant compound, dirt and other substances.

1. Use a common window cleaner with a lint-free cloth or chamois.

2. Do Not Use:

a) Caustic or abrasive cleaner or any silicon-based solvents on the frame or sash surfaces, as they may damage or discolor the finish

b) Petroleum-based lubricants as they may discolor the finish

c) Insecticides (bug spray) on or near window surface. Contact of insecticides with the finish could damage or discolor the window surface.

D. Initiate all protection and other precautions required to ensure that window units will be without damage or deterioration at time of acceptance.

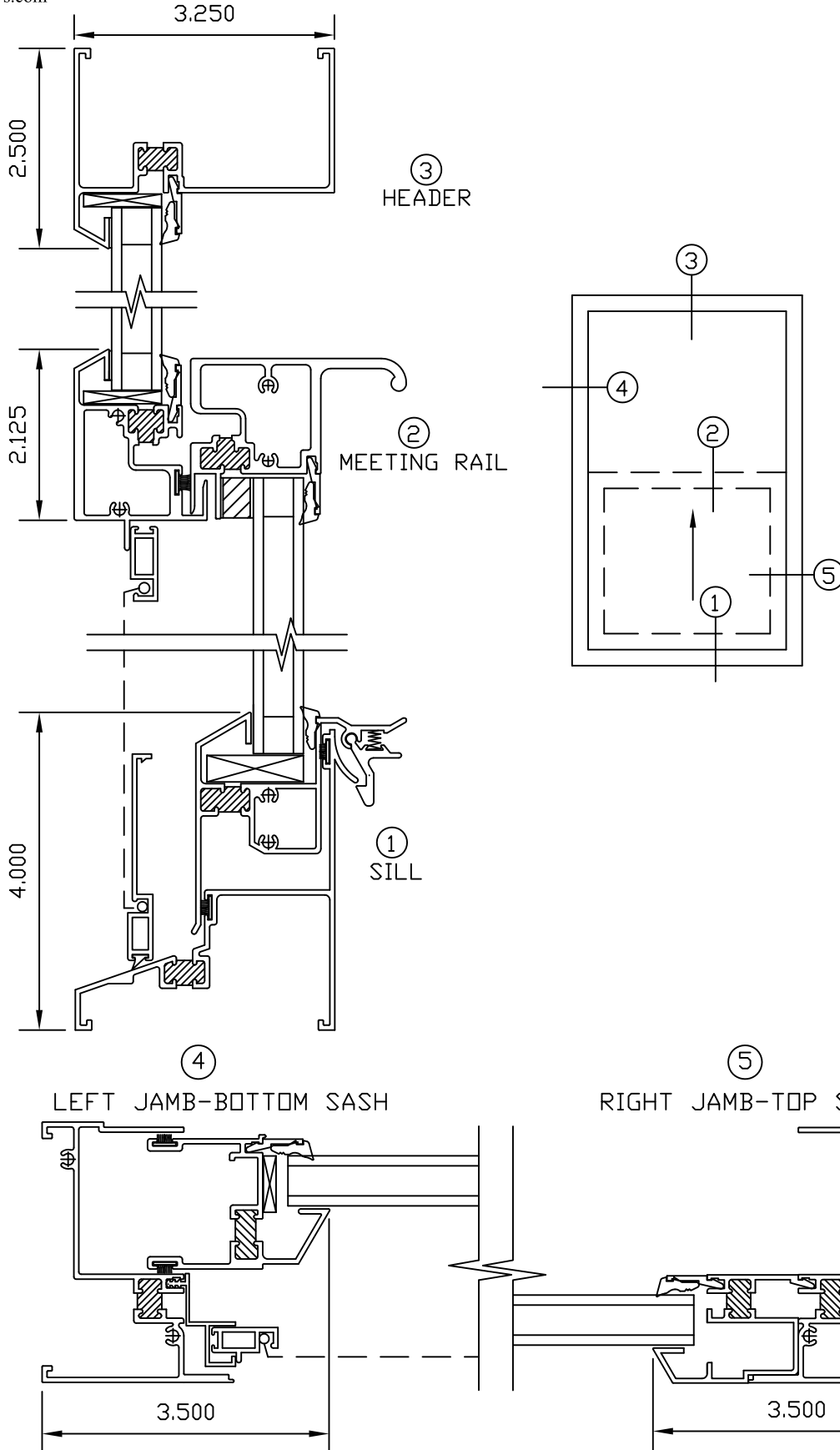
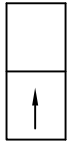
Revised 7/09



(telephone) 573-744-5211
(fax) 573-744-5586 or 5822
www.quakerwindows.com

#8150 SERIES SINGLE HUNG HISTORICAL (H-AW50)

Quaker Window Products reserves the right to change any/all designs without notice.
Due to periodic re-certification requirements, results shown may vary slightly.



1/2 SCALE



LANDMARKS BOARD

CITY OF SPRINGFIELD
P.O. BOX 8368
SPRINGFIELD, MISSOURI 65801
417-864-1031

STAFF REPORT

WALNUT STREET URBAN CONSERVATION DISTRICT – EAST

DATE: August 30, 2012

BACKGROUND:

LOCATION: 1448 E. Walnut Street

APPLICANT: Jerad Boyd

PROPOSAL:

1. Replace existing wood garage door with a new steel garage door.

RECOMMENDATION:

Staff recommends **denial**.

FINDINGS:

1. The house at 1448 E. Walnut is a non-contributing structure in the district and according to Greene County Assessor records was built in the 1930's.
2. The proposed Certificate of Appropriateness for replacement windows requires Landmarks Board approval because they are not being replaced in-kind to the originals.
3. The proposed steel garage door is not consistent with the Walnut Street Design Guidelines and Secretary of Interior Standards for Rehabilitation.

Staff Contact:
Daniel Neal
Senior Planner
864-1036

ATTACHMENT A
BACKGROUND REPORT
1448 E. Walnut Street

APPLICANT'S PROPOSAL:

The applicant is proposing to replace the existing wood garage door that is deteriorating due to dry rot with a new steel garage door.

STAFF COMMENTS:

1. While the house was not considered a contributing structure in the 1950's, it may be considered a contributing structure in the historic district if nominated, today.
2. The Walnut Street Design Guidelines state that the applicant should consider repairing the original garage door or, if not feasible, replacing the door in-kind, recognizing the importance of any styles or unique elements.

ATTACHMENT B
DESIGN STANDARDS & GUIDELINES
1448 E. Walnut Street

PERTINENT SECRETARY OF THE INTERIOR'S STANDARDS

2. The historic character of a property will be retained and preserved. The removal of historic materials or alteration of features, spaces, and spatial relationships that characterize a property will be avoided.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.

PERTINENT WALNUT STREET DESIGN GUIDELINES

DOORS:

The Applicant Should Consider:

1. Retaining all elements of all historic doors including, but not limited to, sidelights, transoms, glazed areas, trim, hardware, knobs, knockers and bells.
2. Repairing the historic doors or, if not feasible,
3. Replacing historic doors in kind.

The Applicant Should Avoid:

1. Altering the size, type or style of doors.
2. Changing the location of doors.
3. Adding new doorways on principal elevations.

ORDINANCE REVIEW

In addition, General Ordinance No. 3549 & 3560, which created the Walnut Street Urban Conservation district-East states:

In the event the Board concludes that the request, if granted, will have a detrimental effect upon the Urban Conservation District (UCD) or any adverse effect on an historical or architectural resource, then the Board shall deny the request for a certificate.

ATTACHMENT C
ARCHITECTURAL SIGNIFICANCE
1448 E. Walnut Street

ARCHITECTURAL SIGNIFICANCE:

The 1984 architectural survey did not mention this house. The Greene County Assessor Records show this house was built in the 1930's. A past staff report states that the owner at the time believed it was built around 1950.



Office Use Only

Date Filed: _____

Received By: _____

Review:

☐ Administrative

☐ Landmarks Board

Application for Certificate of Appropriateness

City of Springfield, Missouri

The applicant seeks to show the following.

1. That the proposed work will be done in conformance with the Secretary of Interior's Standards for Rehabilitation.
2. That the proposed work will be done in conformance with any applicable design guidelines or standards that the Landmarks Board has established and adopted. (Commercial Street and Walnut Street Districts and Mid-Town Neighborhood historic sites only).
3. That the proposed work will be done in conformance with all other relevant requirements of the Springfield Zoning Ordinance.

THEREFORE, applicant requests that the Certificate of Appropriateness be approved for the property as proposed in this submittal.

We, the signers of this application, do attest to the truth and correctness of all facts and information presented with this application and understand that, if approved, all work must be done under a building permit issued by the Department of Building Development Services. Approval of this application does not constitute approval of a building permit, nor does it certify that the zoning is appropriate for the proposed uses. These are separate processes that must be initiated by the applicants. We further understand that approval of this application does not constitute approval for tax certification under the Tax Reform Act of 1986 or amendments thereto.

Signature(s) Date: _____

8/21/12

Please type or print name(s) clearly:

Jerad Boyd

Exhibit A.

Request for Certificate of Appropriateness

Please use this form only. Form may be photocopied. Please type or print.

For instructions, see pages 5-8.

1. PROPERTY ADDRESS:

1448 E. Walnut Street

2. APPLICANT:

Name(s): Jerad Boyd

If corporation: Corporate official: _____

(corporate seal)

Mailing address: Same Zip Code: _____

Telephone number: 417.827.1983 Fax number: _____

e-mail: jboyd@site.org

3. AUTHORIZED REPRESENTATIVE: *(The representative should have the authority to commit the applicant to changes that may be suggested by the Board).*

Name: _____ Signature: _____

Address: _____ Telephone: _____ Fax: _____

e-mail: _____

4. BUILDING DEVELOPMENT SERVICES DISCUSSION: *(Before submitting this application, the applicant should discuss the project with BDS. Their phone number is 864-1055.)*

Date of discussion: Sept 6, 2012

NOTE: The property owner must either sign this application or give City staff a power of attorney showing that another person is authorized to sign.

Exhibit B.

Description of Proposed Work & Supporting Information

Please use this form only. Form may be photocopied. Please type or print.

1. TYPE OF WORK PROPOSED: (Check all that apply. All work items require a written description of the proposed work. Additional required supporting information is denoted after each item and **must** be attached. See Instructions, page 5. **Maximum size for drawings: 11 x 17 inches.** NOTE: Even though you check the "Other" or the "New Construction" box, you must still give information on individual features such as windows, doors, etc., included in a large project.)

- ☐ Addition (1, 2, 3, 7)
- ☐ Awnings (2, 3, 4 or 5, 6)
- ☐ Building Relocation (1, 2, 3, 7)
- ☐ Demolition (1, 2, 3, 7)
- ☒ Door (2, 3, 4 or 5, 6)
- ☐ Fence (1, 2, 3, 5)
- ☐ Guttering (2, 3, 4 or 5, 6)

- ☐ Handicapped Ramp (1, 2, 3)
- ☐ New Construction (1, 2, 3, 7)
- ☐ Parking (1, 3)
- ☐ Porch (1, 2, 3)
- ☐ Retaining Wall (1, 2, 3)
- ☐ Roof-New (3, 4 or 5, 7)
- ☐ Re-roof (3, 4)

- ☐ Sidewalk (1, 3)
- ☐ Siding (3, 4 or 5)
- ☐ Sign (1, 2, 3, 6)
- ☐ Window (2, 3, 4 or 5, 6)
- ☐ Archeological Site (1, 3, 8)

☐ Other (Specify) _____

- 1-Site plans
- 2-Elevations
- 3-Photographs
- 4-Sample of materials to be used

- 5-Product literature
- 6-Drawing
- 7-Exhibit C-Why proposed work should be approved
- 8-State Historic Preservation Officer Comments

2. DESCRIPTION OF PROPOSED WORK: (Attach additional pages if necessary.)

Replacement of existing dry rotted garage door

NOTE: An application is considered incomplete until **all** supporting materials, as specified in Item 1 above, are attached. Incomplete applications will **not** be processed or scheduled for a public hearing.

Exhibit C.

WHY PROPOSED WORK SHOULD BE APPROVED

Please use this form only. Form may be photocopied. Please type or print.

When proposing a major project, please use this page to give information in support of your request. (See Exhibit B, item 1, above: "Type of Work Proposed," key # 7. Suggested items of discussion are included in the Instructions, page 7.)

please see attached memo

INSTRUCTIONS for filing an application for a Certificate of Appropriateness

Explanation of the Process

A Certificate of Appropriateness ensures that proposed work on the exterior of certain historic-designated properties conforms to the requirements established by that historic designation. A building permit cannot be issued for the proposed work until a Certificate of Appropriateness has been approved. Prior to submitting an application, you should discuss your project with Building Development Services to ensure you are not proposing something that violates the International Building Code. Even though you might receive a Certificate of Appropriateness from the Zoning & Subdivision Services staff or the Landmarks Board, the project must also comply with the International Building Code to receive a building permit.

For staff or the Landmarks Board to approve a Certificate of Appropriateness the following must be considered:

- A. That the proposed work will be done in conformance with the Secretary of Interior's Standards for Rehabilitation;
- B. That the proposed work will be done in conformance with any design guidelines or standards that the Landmarks Board has established and adopted;
- C. For new construction, whether the building or structure will be harmonious with or incongruous to the old and historic aspects of the surroundings;
- D. For demolitions:
 - the impact the proposed removal would have on the integrity and continuity of the Historic Landmark or Historic District of which it is part; and
 - the nature of the structure as a representative type; and
 - the condition of the structure from the standpoint of structural integrity and the extent of work necessary to stabilize the structure; and
 - The ability of the subject structure or site to produce a reasonable economic return on investment to its owner; and
 - The post-demolition plans for the site and the relation of those plans to the surrounding area.
- A. For archeological sites, the effect of the proposed project on the site and what actions are being undertaken to record and/or preserve the site.

Completion of the Application

The application must be completed in full and signed by the property owner (unless a power of attorney is provided to staff) for the application to be considered complete. Exhibits A, B and C (if applicable) will be included with the staff analysis that will be sent to the Landmarks Board if the request cannot be approved administratively.

Exhibit A

This exhibit provides basic information about the property and the applicant. If the applicant designates a representative and does not intend to attend the Landmarks Board meeting, it is important that the representative be able to commit to changes that may be suggested by the Board, otherwise the application may have to be table pending the applicant's response.

Exhibit B

It is important that Exhibit B be thoroughly completed because it provides essential background information that is used in staff's analysis of the request and the Landmarks Board's basis for approval. The process will proceed much quicker if staff and the Landmarks Board have a clear understanding of the proposed work. If you think additional information may be helpful in approving a certificate, you may include that information. If staff or the Landmarks Board determine additional information is necessary, they will request it. This may result in a two week delay if the Landmarks Board must table the request to receive the additional information.

In order for Exhibit B to be considered complete, the supporting information listed after each work item must also be included with the application. If the specific work is not listed, staff can assist in determining what supplemental data needs to be provided with the application. All supplemental documents must be submitted on a page size no greater than 11 inches by 17 inches.

Site Plans: A site plan is an outline or bird's eye view of a lot showing all structures, including fences and patios. It shows property lines, adjoining streets and alleys, building dimensions, locations of driveways and parking areas, the number of feet structures are set back from property lines, a north arrow, and the scale of the drawing if it is done to scale. Where site plans are required, submit one for the existing condition and one for the proposed condition. For minor work, such as a new sidewalk, only one site plan showing both the existing and new conditions is sufficient. If the proposed work is attached to an existing building rather than freestanding (i.e., a new sign on the front of a building that fronts directly on the street), a site plan may not be necessary. An aerial photograph can be substituted for a drawn site plan provided there is a scale and it is adequately labeled.

Elevations: An elevation is a drawing showing the view of a single side of a building, giving the location of all doors, windows, awnings, sign channel, roof pitch, etc. and the scale of the drawing if it is drawn to scale. Show all sides affected by the proposed work. Where elevations are required, submit one for the existing condition and one for the proposed condition. Photographs may be substituted for elevation drawings provided all details can be seen (not obscured by plantings or other structures).

Photographs: Photographs showing the existing condition of the area of proposed work are required for all applications. For example, if awnings are proposed for installation over windows and doors, photographs must be submitted for each side of the structure where awnings will be installed. The photographs should generally be in color and can be from a film or digital camera printed at a suitable size to distinguish relevant details. For most applications, digitally manipulated photographs can also be submitted instead of elevation drawings to show how the proposed work will look when completed.

Sample of materials to be used: It is often helpful for the staff and Board to see an actual sample of the materials proposed to be used, i.e., shingles, siding, bricks. If a sample cannot be obtained, literature describing the product can usually be substituted.

Product literature: Product literature comes from the manufacturer and usually can be obtained from the distributor or your contractor. It provides a description of the materials proposed to be used and helps in determining the suitability of that material for the proposed application. A sample of the material to be used can usually be substituted for product literature.

Drawings: A drawing is an illustration of the proposed work, such as a sign or a window detail.

State Historic Preservation Officer Comments: For archeological sites, you must submit comments and recommendations of the State Historic Preservation Officer concerning the effect of the proposed project on the site and what action(s) should be undertaken to record and/or preserve the site.

Try to describe the proposed work as simply as possible, but be sure to describe all the work to be done. When replacing a material be sure to identify the existing and proposed material, for example, when re-roofing specify composition, wood, slate, tile, asphalt or steel.

Exhibit C

Exhibit C is the applicant's primary opportunity to demonstrate why the Certificate of Appropriateness, for major alterations to historic structure or site, should be approved by the Landmarks Board. While Exhibit C may be included with any application, it is only required for the work indicated under Item 1, Exhibit B.

Suggested items of discussion for Why the Proposed Work Should Be Approved (Exhibit B) include.

- A. Explain how the proposed project conforms with the Secretary of Interior's Standards for Rehabilitation, including the following:
- Whether the property will be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
 - How the historic character of a property will be retained and preserved. (The removal of historic materials or alteration of features and spaces that characterize a property is discouraged.)
 - How the property will be maintained as a physical record of its time, place, and use. (Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, are discouraged.)
 - How changes that have occurred over time and acquired historic significance in their own right will be retained and preserved.
 - How distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.
 - Plans to repair rather than replace deteriorated historic features. (Where the severity of deterioration requires replacement of a distinctive feature, the new feature should match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features should be substantiated by documentary, physical, or pictorial evidence.)
 - How the surface cleaning of structures, if appropriate, shall be undertaken. (The gentlest means possible should be used. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials should not be used.)
 - How significant archaeological resources affected by a project will be protected and preserved. What mitigation measures shall be undertaken if such resources must be disturbed.
 - How new additions, exterior alterations, or related new construction will not destroy historic materials that characterize the property. (The new work should be differentiated from the old but be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.)
 - How new additions and adjacent or related new construction will be undertaken so that if removed in the future, the essential form and integrity of the historic property and its environment will be unimpaired.
- A. Explain how the project conforms to local design guidelines or standards adopted by the Landmarks Board. Local design guidelines generally take precedence over the Secretary of Interior's Standards for Rehabilitation. Local design guidelines have been adopted for the Commercial Street and Walnut Street Districts and the Mid-Town Neighborhood (historic sites only), and copies are available from the Zoning & Subdivision Services office.

- B. For new construction, discuss the extent to which the building or structure will be harmonious with or incongruous to the old and historic aspects of the surroundings. It is not the intent to discourage contemporary architectural expression or to encourage the emulation of existing buildings or structures of historic or architectural interest in specific detail. Harmony or incompatibility is evaluated in terms of the appropriateness of materials, scale, size, height, and placement of a new building or structure in relationship to existing buildings and structures and to the overall setting.
- C. For demolitions, discuss.
- The impact the proposed removal will have on the integrity and continuity of the Historic Landmark or Historic District of which it is part.
 - The nature of the resource as a representative type or style of architecture, socio-economic development, historical association or other element of the original designation criteria applicable to such structure or site.
 - The condition of the resource from the standpoint of structural integrity and the extent of work necessary to stabilize the structure.
 - The ability of the subject structure or site to produce a reasonable economic return on investment to its owner.
 - The post-demolition plans for the site and the relation of those plans to the surrounding area.
- A. For archeological resources, discuss the effect of the proposed project on the site and what action(s) will be undertaken to record and/or preserve the site.

Deadlines for filing an Application

The Zoning & Subdivision Services office accepts applications daily. If the application can be approved administratively, processing of the application will begin immediately. The Landmarks Board holds regularly scheduled meetings each month (contact the Zoning & Subdivision Services office for a current processing schedule). This application must be in the Zoning & Subdivision Services office no later than the application deadline date listed on the processing schedule (Generally 15 days prior to the meeting where the application will be considered). This application must be complete, or it will be returned to the applicant and will not be placed on the agenda.

For Additional Information Contact:

Zoning & Subdivision Services
Planning and Development Department
840 Boonville, P.O. Box 8368, Springfield, MO 65801
(417) 864-1611 Fax (417) 864-1882

Cert_Approp_App.wpd

May 2008



Jerad Boyd
1448 E. Walnut Street
Springfield, MO 65802
jboyd@sife.org (business)
jerad.boyd@gmail.com (personal)
417.827.1983

Memorandum

To: The Landmarks Board
From: Jerad Boyd
Date: August 19, 2012
RE: Certificate of Appropriateness for Garage Door Replacement

After a conversation with Daniel Neil it has come to my attention that as a property owner within the Historic District I am required to submit this request for permission to replace my garage door.

The purpose of the door replacement is out of necessity, not cosmetic desire. As you will see from the photos attached, due to dry rot, the current door has reached a point where it is no longer able to be repaired. The dry rot has caused a degradation of the wood, preventing proper support of the pulley system, which could cause harm to anyone operating the door.

After researching and discussing replacement options we have selected a Sears Carriage House Model 3500 Bead Board Panel as a replacement door. This option provides a style that we believe will most closely maintain the current curbside appearance, while providing durability, protection and security. It is also in accordance with the medal garage doors that are prevalent on homes within the district.

The attached pages provide a complete view of the current door and damage that is forcing us to have it replaced, as well as literature on the replacement option selected.

I appreciate your review of this memorandum and look forward to hearing from you on this matter.

Best regards.



Current garage door



Interior evidence of water damage
causing dry rot



Interior evidence of wood
denigration leading to crack along
bolt assembly



Exterior evidence of crack extending down the bottom of the door



Evidence of cracking and damage, including previous attempts by previous home owners to fix the problem with wood fill and painting



Evidence extreme damage to lower right-hand corner of the door where wood has deteriorated to the point of no longer being able to support the bolt assembly



Evidence extreme damage to lower right-hand corner of the door where wood has deteriorated to the point of no longer being able to support the bolt assembly



Bead Board Panel with optional Wagon Wheel windows and decorative hardware.

STEEL CARRIAGE HOUSE

Affordable carriage house style. Self-expression shouldn't cost a fortune. With our Steel Carriage House collection, it won't. These durable steel doors offer an attractive carriage house look. Choose from a variety of door colors, window accents and optional decorative hardware.

CONSTRUCTION

Six model choices, built with durable, reliable, low-maintenance steel

1000



STEEL

- Single-layer: Steel

2000



STEEL
INSULATION

- Double-layer: Steel + Insulation
- Environmentally Safe Polystyrene Thermal Insulation with Vinyl Backing
- Energy Efficient
- Quiet Operation

MODEL 2000
1 3/8" INSULATION
R-VALUE
6.84

3000



STEEL
INSULATION
STEEL

- Triple-layer: Steel + Insulation + Steel
- Environmentally Safe Polystyrene Thermal Insulation
- Energy Efficient
- Extra Quiet Operation

MODEL 3000
2" INSULATION
R-VALUE
6.58

3500



STEEL
INSULATION
STEEL

- Triple-layer: Steel + Insulation + Steel
- Heavy-Duty Exterior and Interior Steel
- Durable, Reliable, Low Maintenance
- Environmentally Safe Polystyrene Thermal Insulation
- Superior Energy Efficiency
- Extra Quiet Operation

MODEL 3500
2" INSULATION
R-VALUE
9.19

4000/5000



STEEL
INSULATION
STEEL

- Triple-layer: Steel + Insulation + Steel
- Environmentally Safe Polyurethane Thermal Insulation
- Superior Energy Efficiency
- Extra Quiet Operation

MODEL 4000
1 3/8" INSULATION
R-VALUE
14.46

MODEL 5000
2" INSULATION
R-VALUE
19.40

DESIGNS

BASE DESIGNS



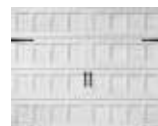
BEAD BOARD PANEL
SHORT PANEL



BEAD BOARD PANEL
LONG PANEL



RAISED PANEL



RECESSED PANEL

Bead Board: Available for 1000, 2000, 3000, 3500, 4000, 5000

Long Panel Bead Board: Available for 1000, 2000

Raised & Recessed: Available for 1000, 2000, 3000, 3500

OPTIONAL WINDOW INSERTS



CLEAR



OBSCURE



STOCKTON



CATHEDRAL



CASCADE



MOONLITE



WATERFORD



WAGON WHEEL



SUNRAY



THAMES



ARCHED THAMES



PRAIRIE

FULL SUNRAY (Available for 15', 15'6", 15'8", 16", 17', and 18')

OPTIONAL DECORATIVE HARDWARE



TRADITIONAL
HANDLES



STRAP
HINGES



LEVER HANDLE
WITH LOCK

DOOR COLORS

Actual paint colors may vary from samples shown.



TRUE
WHITE



ALMOND



WICKER
TAN



SANDTONE



TERRATONE



DARK
BROWN



HUNTER
GREEN



GRAY



DARK
WOODGRAIN*



MEDIUM
WOODGRAIN*

1000/2000: True White, Almond, Wicker Tan, Sandtone, Terratone, and Dark Brown

3000: True White, Almond, Wicker Tan, Sandtone, Terratone, Dark Brown, Hunter Green, Gray, and Dark or Medium Woodgrain

3500: True White, Wicker Tan, Sandtone, and Dark Brown

4000: True White

5000: True White, Almond**, Sandtone**, Dark Brown**

**Available only in 8', 9', 10', 16', or 18' widths.

*Price upcharge applies.

Up to LIFETIME LIMITED WARRANTY
See last page for further warranty information



LANDMARKS BOARD

CITY OF SPRINGFIELD
P.O. BOX 8368
SPRINGFIELD, MISSOURI 65801
417-864-1031

STAFF REPORT

WALNUT STREET URBAN CONSERVATION DISTRICT – WEST

DATE: August 28, 2012

PROPOSAL:

1. Demolish historic structure and redevelop site with a new twenty-four (24) bed apartment.

BACKGROUND:

LOCATION: 1040 E. Walnut Street

APPLICANT: ZX NewTech, LLC

RECOMMENDATION:

The burden of proof rests with the applicant when applying for a Certificate of Economic Hardship. Staff recommends **denial** of this request based on the lack of evidence to prove whether the structure has degenerated beyond feasible limits for rehabilitation or rehabilitation is impracticable and there is an economic hardship.

FINDINGS:

1. The house at 1040 E. Walnut St. is considered a contributing structure in the Walnut Street National Historic District and Walnut Street -West Urban Conservation District.
2. The Walnut Street Urban Conservation District – West ordinance provides additional standards when evaluating a Certificate of Economic Hardship for the demolition of a contributing structure. The Landmarks Board has binding authority over the demolition of contributing structures in the district.
3. R&P Taylor Apartments, LLC, recently, purchased the property on June 8, 2012 and sold it to a ZX NewTech, LLC, on July 31st.

4. The Certificate of Economic Hardship appraisals lacks comparable sales data influenced by the district and only consider the current residential use as the property's highest and best use.
5. The proposed apartment building does not meet the Secretary of Interior's Standards.

STAFF CONTACT:

Daniel Neal
Senior Planner
864-1036

ATTACHMENT A
BACKGROUND REPORT
1040 E. Walnut Street

APPLICANT'S PROPOSAL:

The applicant has submitted a Certificate of Economic Hardship to demolish the existing historic structure and redevelop the site with a new twenty-four (24) bed apartment building.

APPEARANCE OF THE STRUCTURE AND DISTRICT WITH CHANGES

The proposed demolition will cause a significant change to the district and disrupt the integrity and continuity of the Historic District.

PAST ACTIONS:

In January of 2005, the Landmarks Board approved extensive repairs to the house, including repairs to the front and back porches, west-elevation bay window, chimney and east-elevation side porch.

STAFF COMMENTS:

1. After review of the Certificate of Economic Hardship for 1040 E. Walnut Street, staff has found that it is not necessary to use new construction standards and ADA requirements for the rehabilitation and abatement of the structure, which is suggested in the Certificate of Economic Hardship. This will affect the rehabilitation and abatement cost estimates that the applicant has provided in their application. A more detailed analysis of the applicant's certificate has been provided in Attachment B.
2. Bill Weaver, Development Economist, with the Planning and Development Department has reviewed and analyzed the submitted appraisals (attached Memorandum) and concluded the appraisals do not support the market value of the properties appraised. In order to consider pertinent data necessary to support market value for the properties, a state-certified general appraiser is required. Thus, appraisal conclusions necessary to resolve feasibility issues are not available.
3. The Walnut Street Urban Conservation District – West ordinance Section 4.B. Subsections 2 and 3, established in 1985, provides the board with standards and requirements when evaluating a proposed demolition of a contributing structure. It states that the Board shall balance the interest of the public in preserving the structure, site, or portion thereof and the interest of the owner in its utilization.

The applicant has not provided enough evidence to conclude that either rehabilitating the existing residential structures is not a viable solution or that residential is the highest and best utilization of the structures.

4. The Walnut Street Urban Conservation District – West ordinance Section 4.B.2.b. requires the Landmarks Board to consider the following standards:
 - a. The visual and spatial relationship of the structure to its surroundings and to the rest of the Walnut Street Urban Conservation District – West.
(detailed staff comments under Item #7)
 - b. The Board shall consult the Walnut Street Historic Survey, the Walnut Street Historic District National Register Nomination and/or the Walnut Street Preservation Plan in addition to those items contained in Section 4-2403.D.4. of the Zoning Ordinance.
 - c. The alternatives available to the demolition include:
 - 1) Donation of the subject structure or site to a public or benevolent agency.
 - 2) Donation of a part of the value of the subject structure or site to a public or benevolent agency, including the conveyance of the development rights and façade easements.
 - 3) The possibility of sale of the structure or site, or any part thereof, to a prospective purchaser capable of preserving such structure or site.
 - 4) The potential of such structure or site for renovation and its potential for continuing use.

Staff Comments: Staff is not aware of any attempts that have been made by the applicant to seek any alternatives to demolition of the structure. In fact, the owners recently purchased this property in June. Neither the Landmarks Board nor staff has reviewed any Certificates of Appropriateness for rehabilitation of this structure since its purchase in June.

5. As referenced in the UCD, Subsection 4-2403.D.4. of the Zoning Ordinance provides additional standards for the Landmarks board to follow:
 - a. The degree to which the proposed removal would serve to destroy the integrity and continuity of the Historic Landmark or Historic District of which it is part.

Staff Comments: The demolition of this contributing structure that has been a part of this neighborhood since c. 1905 is detrimental to the

view and relationship with the district. The removal and replacement of both historical structures (see accompanying demolition request for 1046 East Walnut) will make a significant impact on the continuity of the street, especially with the modern façade on the proposed apartment building.

- b. The nature of the resource as a representative type or style of architecture, socio-economic development, historical association or other element of the original designation criteria applicable to such structure or site.

Staff Comments: There are multiple catalogue-builder-foursquare styles in the district, but this is one of few that retain its original character (Attachment C).

- c. The condition of the resource from the standpoint of structural integrity and the extent of work necessary to stabilize the structure.

Staff Comments: The applicant has indicated this structure has only partial degeneration and cites sagging on the first floor. The applicant has recommended additional structural reinforcement. Staff does not consider the conditions of the structure described by the applicant to be lacking structural integrity and would request more information before being able to make that determination.

- d. The ability of the subject structure or site to produce a reasonable economic return on investment to its owner, provided, however, that it is specifically intended that this factor shall not have exclusive control and effect, but shall be considered along with all other criteria contained in this section.

Staff Comments: The appraisal failed to address critical market facts that are required for a credible value conclusion (attached Memorandum) and lacks the evidence to prove that the structure cannot produce a reasonable economic return. There are many other factors listed that have not been proven to determine an economic hardship.

- e. The post-demolition plans for the site and the relation of those plans to the surrounding area.

Staff Comments: The proposed apartment building lacks compatible design features such as groupings of windows, fenestration, front porches, projections, recesses or reveals that express structural bays, entrances or other architectural aspects of the historic district. The proposed apartment building also fails to blend the building scale and setback with existing development.

6. All proposed work is required to receive a building permit to be issued by Building Development Services. All other requirements of the Walnut Street UCD, Zoning Ordinance and Building Code shall apply.
7. The Landmarks Board has binding authority over the demolition of contributing structures in the district. If the Certificate of Economic Hardship is denied, the applicant has fifteen (15) days to appeal the decision to the Board of Adjustment. If the Board of Adjustment denies the appeal, the applicant will have to appeal any decision to the circuit court.

ATTACHMENT B
DESIGN STANDARDS & GUIDELINES
1040 E. Walnut Street

PERTINENT SECRETARY OF THE INTERIOR'S STANDARDS (FOR REHABILITATION)

1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.

Staff Comments: The Secretary of Interiors Standards do not support the demolition of contributing structures in historic districts.

**CERTIFICATE OF ECONOMIC HARDSHIP REVIEW CRITERIA
(SUBSECTION 4-2404.B.)**

The Landmarks Board will review the application at a public hearing and may solicit expert testimony or require that the applicant for a Certificate of Economic Hardship make submissions concerning any or all of the following information before it makes a determination on the application.

1. Estimate of the cost of the proposed construction, alteration, demolition, or removal and an estimate of any additional cost that would be incurred to comply with the recommendations of the Landmarks Board for changes necessary for the issuance of a Certificate of Appropriateness.

Staff Comments: The applicant failed to document any existing environmentally hazardous material and provide any supporting information on the remediation costs. The proposed renovation and repair costs appear high when compared with other renovations in the City, including renovations funded through the City's Comprehensive Housing Assistance Program. As stated in Item #1 of the Staff Comments, it is not necessary to use new construction standards and ADA requirements for the rehabilitation and abatement of the existing structure. The City of Springfield permits use of the Existing Building Code, which provides for more flexibility than the applying new construction standards.

2. A report from a licensed engineer or architect with experience in recognized historic property rehabilitation, as to the structural soundness of any structures on the property and their suitability for rehabilitation.

Staff Comments: While there are indications of structural issues, there is not enough information provided to determine the magnitude of the structural integrity and its ramifications to the rehabilitation of the structure. Since the applicant listed the structure as partially deteriorated, this indicates the structure does not appear to have any major structural soundness issues.

3. A report from a state-certified real estate appraiser as to the estimated market value of the property in its current condition, after completion of the proposed construction, alteration, demolition or removal, after any changes recommended by the Landmarks Board and, in the case of a proposed demolition, after renovation of the existing property for continued use.

Staff Comments: Appraisals for the “as is” current condition and after rehabilitation of current improvements are provided; however, neither appraisal supports market value due to critical omissions. The applicant stated that “due to the change in commercial property appraisals it is not possible to provide an appraisal of the proposed plan”. In order to determine market value for the properties, a state-certified general appraiser is required (attached Memorandum).

4. In the case of a proposed demolition, an estimate from an architect, developer, real estate consultant, appraiser or other real estate professional, experienced in recognized historic property rehabilitation, as to the economic feasibility of rehabilitation or reuse of the existing structure on the property.

Staff Comments: There was no estimate provided for demolition costs. There was no appraisal provided for demolition of existing improvement and construction of proposed apartment building. The information provided by the “as is” and after rehabilitation appraisals are not credible. In order to determine economic feasibility appraisal information from a state-certified general appraiser is required. The applicant instead used a residential appraiser. In order to conduct an economic feasibility analysis, the highest and best use of the property as improved must be correctly considered. An existing improvement should be renovated or retained “as is” so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

5. If the property is income-producing, the annual gross income from the property for the previous two (2) years, itemized operation and maintenance expenses for the previous two (2) years, and depreciation deduction and annual cash flow before and after debt service, if any, during the same period.

Staff Comments: This information was not provided.

6. All appraisals obtained within the previous two (2) years by the owner or applicant in connection with the purchase, financing, or ownership of the property.

Staff Comments: This item wasn't specifically addressed and no previous appraisals were provided.

7. Any listing of the property for sale or rent, price asked and offers received, if any, within the previous two (2) years.

Staff Comments: The applicant states that the property was sold without listing.

8. Assessed value of the property according to the two (2) most recent assessments.

Staff Comments: The applicant listed the assessed values under Appendix D of the report.

9. Real estate taxes for the previous two (2) years.

Staff Comments: The application listed the real estate taxes under Appendix E of the report.

10. Form of ownership or operation of the property, whether sole proprietorship, for profit or not-for-profit corporation, limited partnership, joint venture, or other.

Staff Comments: The application currently has R&P Taylor Apartments, LLC, as the owner. Staff has found that the Assessor records indicate a ZX NewTech, LLC, as the new owner of record.

11. Amount paid for the property, date of purchase, and the party from whom purchased, including a description of the relationship, if any, between the owner of record or applicant and the person from whom the property was purchased, and any terms of financing between the seller and buyer.

Staff Comments: The sale price between R&P Taylor Apartments, LLC, and Connie Dameron is shown, but no information was provided regarding the sale to ZX NewTech, LLC.

12. Annual debt service, if any, for the previous two years.

Staff Comments: The applicant states that they did not own the property at the time.

13. Any consideration by the owner as to profitable adaptive uses for the property.

Staff Comments: Neither the application nor appraisals explored the possibilities of any adaptive uses or alternate uses other than residential. Certain nonresidential uses are permitted in historic structures.

14. Replacement construction plans for the property in question. Post-demolition plans shall include, but are not limited to, drawings or sketches with sufficient detail to show the exterior appearance and architectural design of the proposed building or use, but does not require construction documents to be completed.

Staff Comments: Post-demolition plans have been submitted, but lack detailed elevations along Walnut Street.

15. Financial proof of the ability to complete the replacement project, which may include but not be limited to a performance bond, a letter of credit, a trust for completion of improvements, or a letter of commitment from a financial institution.

Staff Comments: ZX NewTech, LLC has provided proof of financial ability which is attached at the end of the report.

16. Any other information considered necessary by the Landmarks Board to a determination as to whether the property does yield or may yield a reasonable return to the owners.

Staff Comments: No additional considerations were provided by the applicant.

ORDINANCE REVIEW

In addition, General Ordinance No. 4619, which created the Walnut Street Urban Conservation district-West states:

In the event the Board concludes that the request, if granted, will have a detrimental effect upon the Urban Conservation District (UCD) or any adverse effect on an historical or architectural resource, then the Board shall deny the request for a certificate.

ATTACHMENT C
ARCHITECTURAL SIGNIFICANCE
1040 E. Walnut Street

ARCHITECTURAL SIGNIFICANCE:

The 1984 architectural survey that was completed on this house stated the following about the architectural elements of the house:

Hipped dormers on the west and front elevations. Broad projecting eaves on dormers with double-hung one-over-one light sash window. The eaves on the house itself are broadly projecting with cornice modillions and a plain frieze board and corner board. The frieze doubles as the window heads to the second story windows. The façade is two-bay with a one-story hipped porch across the simple cornice and entablature with round wooden porch columns with Tuscan capitals. Wooden balustrade with turned balusters. The porch structure is of wood. West elevation: a hipped-roof one-story three-sided oriel at the first-story level. All windows on the house are one-over-one light sash. There is a rear wing which has a concrete foundation. All details conform with the main house, leading one to believe it is original or built shortly after initial construction. The rear wing also has a hipped roof.

The National Register nomination identified this house with the following narrative:

Built c. 1905 in the catalogue-builder-foursquare style. Two-story frame house with hip roof and wide projecting eaves with board modillions beneath. The porch is the dominant feature of the façade, with simple round wood columns with Tuscan capitals. The house retains its original character.

MEMORANDUM

TO: Mike MacPherson, Principal Planner

FROM: Bill Weaver, Development Economist *BW*

SUBJECT: Applications for Certificate of Economic Hardship
1040 E. Walnut Street and 1046 E. Walnut Street
Walnut Street National Historic District and Walnut
Street – West Urban Conservation District

DATE: August 11, 2012

At your request, I conducted cursory desk reviews of appraisals for the above referenced properties completed by Kimberly A. Traynor, BattleCreek Appraisal Services, with a valuation date as of July 18, 2012. I also reviewed rehabilitation and other cost data provided by the applicant in support of the economic hardship request.

The appraisals provide value conclusions for each of the two properties in both the as is current conditions and after rehabilitation. The following is a summary of salient factors and value conclusions as reported by the appraiser.

1040 E Walnut Street

Appraisal Date:	July 18, 2012
Zoning:	Residential High Density Multifamily
Highest & Best Use:	Current Use as improved or as proposed
Land Area:	51 X 221 - 11,271 square feet
Improvements:	2,788 square feet
Indicated Value as is:	\$119,000.00
Indicated Value after Rehabilitation:	\$142,000.00

Indicated Value with demolition of existing improvements and after proposed improvements was not provided by Appraiser. Application stated “due to change in commercial property appraisals it is not possible to provide an appraisal of the proposed plan”.

1046 E Walnut Street

Appraisal Date:	July 18, 2012
Zoning:	Residential High Density Multifamily
Highest & Best Use:	Current Use as improved or as proposed
Land Area:	51 X 221 - 11,271 square feet
Improvements:	2,742 square feet
Indicated Value as is:	\$120,000.00
Indicated Value after Rehabilitation:	\$145,000.00

Indicated Value with demolition of existing improvements and after proposed improvements was not provided by Appraiser. Application stated “due to change in commercial property appraisals it is not possible to provide an appraisal of the proposed plan”.

The purpose of the reviews is to determine if the appraisal reports and subsequent conclusions represent the as is and the after rehabilitation market value of both properties. Additionally, do the appraisal assumptions and value conclusions provide adequate support required for the economic hardship requested by the applicant?

Background Comments:

The Appraiser, Kimberly A. Traynor, is a Missouri Certified Real Estate Appraiser – Residential as evidenced by License Number 2006000600. The scope of practice standards for the development and communication of real estate appraisals in Missouri is established by 20 CSR 2245-9.010 Competency and Scope of Practice Standards. State-certified residential real estate appraisers may perform appraisals on residential real estate of one to four (1-4) residential units. This limitation on what may be appraised is subject to strict compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment. **Therefore, the Appraiser is legally certified to appraise residential property of up to four units only, however, a state-certified general real estate appraiser is required for a Highest and Best Use analysis resulting in any other use.**

Zoning is characterized in the Appraisal only as High-Density Multifamily Residential with the omission of the UCD 1 Walnut West Urban Conversation District zoning overlay. Among uses permitted in The District in addition to residential are office and some commercial retail (antique shops, book or stationary stores, clothing boutique, dry good or notion store, florist or gift shop, tailors, and bed and breakfast inns) in historic structures only. The appraisal is incomplete because it doesn't consider all of the uses allowed.

Highest and Best Use analysis is critical to the appraisal process and if improper or incomplete, the results of the appraisal will not be credible. The Appraisal Institute's publication, *The Dictionary of Real Estate Appraisal*, 5th ed. defines Highest and Best Use in part as follows:

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

There is no analysis of Highest and Best Use in any of the reviewed appraisals. A box was checked indicating the current use was the Highest and Best Use. An appropriate analysis would consider all the legal allowable uses to include those uses not included in the appraisal's characterization of zoning.

The subject Neighborhood is defined as too broad and not correctly identified. The Neighborhood is defined as "bounded to the North by Chestnut Expressway, to the West by Jefferson Ave, to the East by Campbell Ave, and to the South by Grand ". The area described is located west of the appraised properties and does not include the subject properties.

Conclusion:

The appraisals reviewed do not support market value of the properties appraised. In order to consider pertinent data necessary to support market value for the properties, a state-certified general appraiser is required. Additionally, appraisal conclusions necessary to resolve feasibility issues are not available.



Rules of
Department of Insurance,
Financial Institutions and
Professional Registration
Division 2245—Real Estate Appraisers
Chapter 9—Competency and Scope of
Practice Standards

Title	Page
20 CSR 2245-9.010 Competency and Scope of Practice Standards	3



**Title 20—DEPARTMENT OF
INSURANCE, FINANCIAL
INSTITUTIONS AND
PROFESSIONAL REGISTRATION
Division 2245—Real Estate**

**Appraisers
Chapter 9—Competency and Scope of
Practice Standards**

**20 CSR 2245-9.010 Competency and Scope
of Practice Standards**

PURPOSE: This rule sets the scope of practice standards for the development and communication of real estate appraisals by state-certified general real estate appraisers, state-certified residential real estate appraisers, and state-licensed real estate appraisers.

(1) Prior to accepting an assignment or entering into an agreement to perform any assignment, an appraiser shall properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently; or alternatively, must:

(A) Disclose the lack of knowledge and/or experience to the client before accepting the assignment;

(B) Take all steps necessary or appropriate to complete the assignment competently; and

(C) Describe the lack of knowledge and/or experience and the steps taken to complete the assignment competently in the report.

(2) If an appraiser discovers during the course of an appraisal assignment that he or she lacks the required knowledge or experience to complete the assignment competently, at the point of such discovery, the appraiser shall notify the client and comply with subsections (1)(B) and (1)(C) of this rule.

(3) Notwithstanding the requirements and allowances of sections (1) and (2) of this rule, state-certified and state-licensed real estate appraisers shall limit their practice to the development and communication of real estate appraisals as follows:

(A) State-certified general real estate appraisers may perform appraisals on all types of real estate regardless of complexity or transaction value and may perform appraisal consulting, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment;

(B) State-certified residential real estate appraisers may perform appraisals on residential real estate of one to four (1-4) residential units without regard to transaction value or complexity and may perform appraisal consulting in the area of residential

real estate, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment. This designation permits the appraisal of vacant or unimproved land that may be utilized for one- to four- (1-4) family purposes. This certification does not permit the appraisal of subdivisions or of agricultural real estate. Individual parcels of property located within a residential subdivision shall be considered residential real estate. For all other appraisals, the appraisal report shall be signed by the state-certified residential real estate appraiser and a state-certified general real estate appraiser. For the purposes of this rule, "agricultural real estate" shall be defined as improved or unimproved land with a highest and best use and primary purpose devoted to income production by crops, livestock and other products of the soil (fruit, pasture, timberland, etc).

(C) State-licensed real estate appraisers may perform appraisals of real property consisting of one (1) residential unit, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment. For all other appraisals, the appraisal report shall be signed by the state-licensed real estate appraiser and a state-certified real estate appraiser.

(4) A state-licensed or state-certified real estate appraiser shall be exempt from the provisions of section (3) of this rule if providing valuation services in a setting for which licensure or certification would not be required under section 339.501.5, RSMo. In all other instances, a real estate appraiser must comply fully with sections (1), (2) and (3) of this rule. Sections (1), (2) and (3) shall not be interpreted so as to except a real estate appraiser from compliance with the other sections.

(5) Prior to July 1, 2007, the provisions of section (3) of this rule shall not apply to any person that was certified or licensed as a real estate appraiser before the effective date of this rule.

AUTHORITY: section 339.509(5), RSMo 2000. This rule originally filed as 4 CSR 245-9.010. Original rule filed June 25, 2004, effective Feb. 28, 2005. Moved to 20 CSR 2245-9.010, effective Aug. 28, 2006.*

**Original authority: 339.509, RSMo 1990, amended 1998.*



June 25, 2012

Mr. Jarod Michel, Vice President
Bates & Associates Architects
433 W. Walnut
Springfield, Missouri 65806

Re: Letter of June 13, 2012
1040 & 1046 E. Walnut

Dear Jarod,

I have reviewed your letter and while the process you have presented appears to work there is one issue that will override the Zoning Ordinance language and your letter. Based on the language of the Walnut Street-West Urban Conservation District language it appears that you may not be able to demolish the property you have identified. This language is much more restrictive than what is written in the Zoning Ordinance. If you have any further questions regarding this matter please contact Mr. Daniel Neal in the Planning Department at 864-1036

Respectfully,

Chris Straw, Director
Building Development Services

DEPARTMENT OF BUILDING DEVELOPMENT SERVICES

240 Franklin's Avenue, EOC Box 8368 Springfield, Missouri 65801-8368

phone: (417) 864-1059 fax: (417) 864-1057

homepage: <http://www.springfieldmo.gov> e-mail: city@springfieldmo.gov



June 29, 2012

Mr. Jarod Michel, Vice President
Bates & Associates Architects
433 W. Walnut
Springfield, Missouri 65806

Re: Letter of June 13, 2012
1040 & 1046 E. Walnut

Dear Jarod,

I have reviewed your letter of June 13, 2012 with Rick and we are in agreement that the process you have presented regarding the Landmarks Board and the proposed demolition of the structures at 1040 & 1046 E. Walnut is correct and follows the requirements of the Zoning Ordinance.

Respectfully,



Chris Straw, Director
Building Development Services

DEPARTMENT OF BUILDING DEVELOPMENT SERVICES

840 Boonville Avenue, P.O. Box 8368 Springfield, Missouri 65801-8368
phone: (417) 864-1059 fax: (417) 864-1057
homepage: <http://www.springfieldmo.gov> e-mail: city@springfieldmo.gov

Neal, Daniel

From: u600213@gmail.com on behalf of Steve Finn [steve@sfinn.com]
Sent: Thursday, August 09, 2012 12:59 AM
To: Neal, Daniel
Subject: 1040 and 1046 E. Walnut St.

Hi,

I am writing to express my opposition to demolishing 1040 and 1046 E. Walnut St. and their replacement with apartments. The buildings are over 100 yrs old and are located in a historic district. Apartments in this location would not be in keeping with the ambiance of the rest of the that block.

Thanks

--

Steve Finn

1700 E. Walnut St.
Springfield MO 65802
Telephone (417) 353-0553
Fax (417) 863-8484

**Application for Certificate of Economic Hardship
to the
Director of Planning and Development**

Instructions to applicant(s)

You must complete this application and submit it to the Director's office at least 15 working days before a scheduled Landmarks Board meeting.

Not less than 10 days before hearing your application, the Landmarks Board will post signs on the property relevant to your application that indicate:

- a. the action you propose; and,
- b. the hearing time, date and place.

You must submit the items that apply to your case in the attached "Review Criteria" checklist. Just attach them to the checklist. For your convenience, the checklist has boxes that you can check as you gather each item. If an item does not apply to your case, write "NA" on the check box.

Applicant Statements

My(our) name(s) is (are) JunHong Shen

The structure address is: 1040 & 1046 E. Walnut

*We are aware of the application that has been made for 1040 & 1046 E. Walnut for Application for Economic Hardship and acknowledge to proceed with the application under our company ZX NewTech, LLC.

Applicant Signatures

JunHong Shen

**Application for Certificate of Economic Hardship
to the
Director of Planning and Development
for**

**1040 E Walnut
Springfield, Missouri, 65808**

Prepared for
R&P Taylor Apartments, LLC
PO Box 4386
Springfield , MO 65806

Prepared by
Bates & Associates Architects
433 W Walnut
Springfield , MO 65806



**Application for Certificate of Economic Hardship
to the
Director of Planning and Development**

Instructions to applicant(s)

You must complete this application and submit it to the Director's office at least 15 working days before a scheduled Landmarks Board meeting.

Not less than 10 days before hearing your application, the Landmarks Board will post signs on the property relevant to your application that indicate:

- a. the action you propose; and,
- b. the hearing time, date and place.

You must submit the items that apply to your case in the attached "Review Criteria" checklist. Just attach them to the checklist. For your convenience, the checklist has boxes that you can check as you gather each item. If an item does not apply to your case, write "NA" on the check box.

Applicant Statements

My(our) name(s) is (are) **Bates & Associates Architects, C.O. Steve Warlick**

The structure address is **1040 East Walnut, Springfield, Missouri 65806**

(Check only one of the boxes below. For the box you check, fill in the lines after either "a." or "b." according to the statement you wish to make. Providing photographs is helpful.)

☐ *Total degeneration*

- a. The structure has degenerated beyond feasible limits for rehabilitation because
N/A

or,

- b. The structure's rehabilitation is impracticable because
N/A

; and,

- c. I(we) have an economic hardship.

X Partial degeneration

- a. The structure's _____(specify parts, e.g., windows) have degenerated beyond feasible limits for rehabilitation because
N/A

- b. For the structure's **see attached Architect's Report** (specify parts, e.g., windows), rehabilitation is impracticable because

The major components of the building have degraded to the point where a majority of the elements of the building will have to be renovated or replaced in order to make the structure habitable for its intended purpose. The scope of these repairs is outlined in the attached architect's report. The major limiting factor of the rehabilitation is that the structure will lose three occupants as a result of renovation. This decreases the return on investment when compared to the cost of renovation from a redevelopment standpoint.

; and,

- c. I(we) have an economic hardship.

Applicant Signatures



Steven W. Warlick

Review Criteria

- ☐ Cost estimate of:

See Section B.1.1

- ☐ A report from a licensed engineer or architect with experience in recognized historic property rehabilitation on the structural soundness of any structures on the property and their suitability for rehabilitation.

See Section A & B

- ☐ A report from a state-certified real estate appraiser as to the property's estimated market value:

- a. in its current condition; **See Appendix B**
- b. after completing the construction, alteration, demolition, or removal you propose; **See Appendix C**
- c. after any changes the Landmarks Board recommends; and,
See Section B.2.1 and B.2.2
- d. in the case of a proposed demolition, after renovating the existing property for continued use.

See Section B.2.2

- ☐ In the case of a proposed demolition, an estimate from an architect, developer, real estate consultant, appraiser or other real estate professional, experienced in recognized historic property rehabilitation, on the economic feasibility of rehabilitation or reuse of the existing structure on the property.

See Section B

- ☐ If the property is income-producing, for the previous 2 years-

N/A - Did not own in the previous two years.

- ☐ All property appraisals within the previous 2 years

See Appendix B&C

- ☐ Any listing of the property for sale or rent, price asked and offers received, if any, within the previous 2 years.

Property was sold without listing

- ☐ Assessed value of the property according to the 2 most recent assessments-

See Appendix D

- ☐ Real estate taxes for the previous 2 years-

See Appendix E

- ☐ Form of ownership or operation of the property:
 - a. sole proprietorship;
 - b. for profit;
 - c. not-for-profit corporation;
 - d. limited partnership;
 - e. joint venture; or,
 - f. other **Single Member LLC, --R & P Taylor Apartments, LLC**

- ☐
 - a. Amount paid for the property **See Appendix G**
 - b. purchase date **June 8, 2012**; and,
 - c. seller's name **Connie K. Dameron** (describe the relationship, if any, between you and the seller, and your financing terms).

- ☐ Annual debt service, if any, for the previous 2 years
N/A - Did not own the property at the time.

- ☐ Describe any profitable, adaptive uses you have considered for the property:
See Section B.2 and Appendix G

- ☐ Describe any replacement-construction plans you have for the property. (Include, among other things, drawings or sketches with sufficient detail to show the exterior appearance and architectural design you propose.
See Section B.2 and Appendix G

- ☐ Financial proof of your ability to complete the replacement project:
 - a. performance bond;
 - b. letter of credit;
 - c. trust for completion of improvements; or,
 - d. letter of commitment from a financial institution.

See Appendix H

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www.batesarchitects.com
phone 417.865.2065
facsimile 417.865.8313
433 west walnut,
springfield missouri 65806

July 25, 2012

To:
City of Springfield Missouri
Landmarks Board
Busch Municipal Building
Second Floor
840 Booneville, MO 65802

CC:
R&P Taylor Apartments, LLC
PO Box 4386
Springfield , MO 65806

The following report was completed at the request of R&P Taylor Apartments for the structure located at 1040 E Walnut, Springfield, MO. The purpose of this report is to describe the existing condition and outline the scope of work required for rehabilitation of the structure in order to determine if rehabilitation is economically appropriate. The review showed that it does not appear to be economically feasible to rehabilitate the property to produce income. It is recommended that the building be demolished and the property be developed as described herein to both enhance the current street scape and generate revenue.

Sincerely,
Steve Warlick, AIA, NCARB, LEED AP

A handwritten signature in black ink, appearing to read 'Steve Warlick'.

07/25/2012

A. Existing Condition Report

The building located at 1040 E Walnut was visited by representatives of Bates & Associates on July 16th 2012. A non-destructive review of the building found areas of the building to be in disrepair (Fig 1.1). The paint on the exterior of the building was in decent condition. However, there are several areas where the paint is peeling and will need to be addressed (Fig 1.2). The exterior means of egress are not compliant with either the IBC or ADA requirements (Fig 1.3, 1.4). The interior of the building showed signs of degradation in the walls and floors and there was the presence of the smell of mold and tobacco smoke in the air. For the property to be restored to a habitable condition the building would have to be rehabilitated in the following areas: hazardous material abatement, code compliance, demolition and general repair.

A.1 Hazardous Materials

Based on the age of the building it is assumed that lead and asbestos will be found in the building. All of the work on the exterior of the building shall be performed in compliance with the Federal and State guidelines for lead and asbestos abatement by a contractor licensed to perform these services.

A.1.1 Exterior

A review of the exterior of the project found the paint on the exterior of the building including the windows, doors and siding to be peeling in isolated areas on all sides of the building. In most cases encapsulation is recommended. In the areas where the paint is peeling the paint shall be removed and the entire building will need to be repainted (Fig 1.2).

A.1.2 Interior

The interior materials of the building shall also be treated as if hazardous materials are present and shall be tested prior to repair. The hazardous materials to be tested for include lead, asbestos, and mold.

A.1.2.1 Mold

Due to the presence of the smell of mold and tobacco smoke in the air it is recommended that the lath and plaster be removed from the interior walls and ceilings. Once the demolition is complete a licensed professional shall inspect the building for mold. Any mold found in the wall cavity shall be abated prior to any new work taking place. New insulation shall be installed in the cavity to fill the wall cavity and the walls and ceilings shall be finished with new gypsum board.

The bathrooms in the building were found to be in various states of disrepair. Mold was found in the unoccupied units where the walls meet the tub/shower units (Fig 1.5). It is assumed that there is mold present behind the units and it is recommended that the showers be removed and any mold found be remediated. With the location and extent of the mold in the bathrooms it can be presumed that there is rotted substrates behind the units. It should be assumed that the substrate around and below the shower units will need to be replaced.

A.1.2.2 Asbestos

The duct work in the basement is insulated with asbestos (Fig 1.6, 1.7, 1.8). The insulation and duct work shall be removed and replaced with new duct work. All duct work that remains shall be cleaned to ensure that it is free of mold and other contaminants. Due to the age of the building the plaster on the walls and ceilings shall also be tested for asbestos prior to removal. If found, removal of the existing plaster shall be completed by a licensed asbestos abatement professional.

A.1.2.3 Lead

Due to the age of the building it is assumed that the windows are painted with lead paint. If they are found to be in a condition that is acceptable for salvage to meet the function required by the owner, the paint shall be removed as required for lead abatement, and the windows be repaired and repainted. Encapsulation is possible at a majority of the windows.

Flooring materials that are not original to the building shall be removed (Fig 1.9). This includes carpet, vct, and sheet vinyl flooring. The existing flooring under these finishes shall be tested for the presence of lead. If lead is found it shall be remediated. If no lead is present the floors shall be treated for mold or bacterial growth and finished as required by the owner.

While the framing of the walls is exposed the plumbing system shall be inspected for the presence of lead and any elements found shall be replaced.

A.2 Code Compliance

A general review of the building found areas to be in conflict with the code in areas that include exits, accessibility, and head clearances.

A.2.1 Exterior

Building Elements that are in conflict with the code on the north side (Walnut Street side) of the building shall not be addressed in accordance with Chapter 11 of the IEBC. Currently there is not an accessible entrance to the building and a ramp will have to be constructed on the south side of the building. This ramp will be constructed in a manner compliant with all current codes and will enter on the south side of the building. This unit will also be converted into an accessible unit. There is bay window on the west side of the building that is supported by two precast concrete piers that do not appear to be anchored properly. This section of the building will have to be temporarily shored and the foundations and columns will have to be replaced. There is direct access to the second floor west unit. This access is provided by an exterior stair that connects to an interior stair. There is a canopy structure over the exterior landing of this staircase. This canopy structure reduces the head height clearance below an acceptable level and will need to be removed and replaced with a new hand/guardrail and awning (Fig 1.10).

A.2.2 Interior

The current floor plan does not provide any accessible units. The staircase inside the building does not provide adequate head room. This is the primary exit from the second floor and would require a substantial renovation to the upper level to provide the code required head room. The current head height provided is approx. 5'-8" (Fig 1.11).

A.2.2.1 First Floor Unit

The unit on the main level of the building will be converted into an accessible unit. This will require a revision to the majority of the floor plan in this unit. The work shall include removing or modifying the existing elements including: the casework, hall widths, and bathroom. The kitchen casework will need to be removed and new ADA compliant casework will need to be installed. In addition the bathroom will need to be removed in its entirety to allow for an ADA compliant bathroom to be provided. In addition to these areas there were components of the electrical system that were found to be hazardous conditions (Fig 1.12). These conditions will need updating and be brought up to the current code as a part of this renovation.

A.2.2.2 Second Floor East Unit

This unit was occupied at the time of inspection making it difficult to properly assess the space. However, after a review of the available documents it does not appear to be in conflict with the code.

A.2.2.3 Second Floor West Unit

There are no major code issues associated with this unit. However, the layout of the Kitchen is undesirable and it is recommended that this be revised as a part of the renovation.

A.3 Demolition and General Repair

The site visit found the building to be in varying states of disrepair. The visual inspection of the building did not find any systemic problems but did show localized damage around the building.

A.3.1 Exterior

The paint on the building was found to be cracked and peeling in many areas (Fig 1.2). It is recommended that the paint that is peeling be scraped and stripped in accordance with the hazardous material section of this document and that the entire building be repainted. There is deterioration of the roofing shingles and it is recommended that the roofing and gutters be replaced. The siding on the north façade of the building where the roof over the porch ties into the building is deteriorating (Fig 1.13). This is most likely the result of failed or improper flashing. The roof and siding at this area will need to be removed and any water damage will need to be repaired. Proper flashing will need to be installed and the siding replaced.

A.3.2 Interior

Due to the strong smell of tobacco smoke and mold the lath and plaster shall be removed and replaced with new gypsum board. The structure in the first floor east unit is sagging to the center and this will need to be addressed during the renovation. The plumbing facilities were found to be in poor condition and will need to be replaced. The cabinets within the building were found to be in an unsanitary and unacceptable condition and will need to be removed and replaced. The door hardware did not function properly and will need to be replaced.

Additional structural reinforcement of the building was added at some time in the past. The reinforcing appears to be temporary in nature and it is recommended that the existing structural system be revised to carry the existing loads without the use of temporary structural elements (Fig 1.14, 1.15).

B. Economic Feasibility

B.1 Rehabilitation

B.1.1 Rehabilitation Costs

In order to determine the economic feasibility Bates & Associates met with Morelock-Ross Builders, Inc. to review the scope and estimate the cost of renovation based on recently completed projects. Bates & Associates and Morelock-Ross both have experience in renovation of historic structures and new construction similar to what is proposed for this development. Based on comparable projects recently completed there are two components that must be combined in order to develop a cost for the rehabilitation of this building. The first cost is the renovation that includes the scope above excluding the remediation of hazardous materials. The structure is 2,788 sqft and the cost for general renovation and repair is estimated at \$250,920.00 based on a cost of \$90.00 per square foot. In addition to this, it is estimated that there would be another \$139,400.00 in hazardous material abatement based on \$50.00 per square foot. This puts the total cost of the rehabilitation at \$390,320.00. This does not include the cost to purchase this building (*The purchase of this building is currently being negotiated and the price is not currently known*).

B.1.2 Appraised Values (Re: Appendix A & B)

The current appraisal of the property is \$119,000.00. An additional appraisal was done based on the above described scope of work and the revised appraisal valued the building at \$142,000.00.

B.1.3 Income Assessment

After the rehabilitation the unit will have three units. There will be one unit with a single bedroom and the other two units have two bedrooms each. Based on comparable rentals in this market at \$500.00 per month per unit the building will generate \$30,000 of gross revenue per year. Based on the return of the investment required to renovate the facility it is not economically feasible to renovate this facility.

B.2 Redevelopment (Re: Appendix G)

B.2.1 Proposed Development

It is proposed to demolish this building and build a new 3 story building that is 18,978 sqft with 48 beds. This development would require the redevelopment of the lot located to the East, 1046 E Walnut. For the purpose of comparison in this application one 24 bed unit will be viewed as a replacement for the existing building located at 1040 E Walnut. However, it is also understood that due to parking requirements and other factors both sites will need to be developed as one site.

The proposed 24 bed 3 story structure would be designed to complement the historic nature of Walnut Street in form, detailing and materiality. The building would be 3,163 sqft per level for a total of 9,489 sqft. After reviewing recently completed multi-family projects units similar to what is proposed it is determined that the structure can be built for \$86.00 per square foot. The estimated cost of the new facility is \$816,054, or \$1,632,108.00 for the total development.

The proposed development does not represent the final design. (See Appendix G) It is understood that the design will be reviewed by the Landmarks Board and provisions are included to complete the design to incorporate the comments of the Landmarks Board.

B.2.2 Appraised Values

Due to the change in commercial property appraisals it is not possible to provide an appraisal of the proposed plan. The value is based on the ability of the property to generate revenue.

B.2.3 Income Assessment

Using the same rental value of \$500.00 per bed the proposed 24 bed development would generate \$144,000.00 in gross revenue per year. No appraisal possible.

Appendix A

Supporting Images



FIGURE 1.1



FIGURE 1.2



FIGURE 1.3

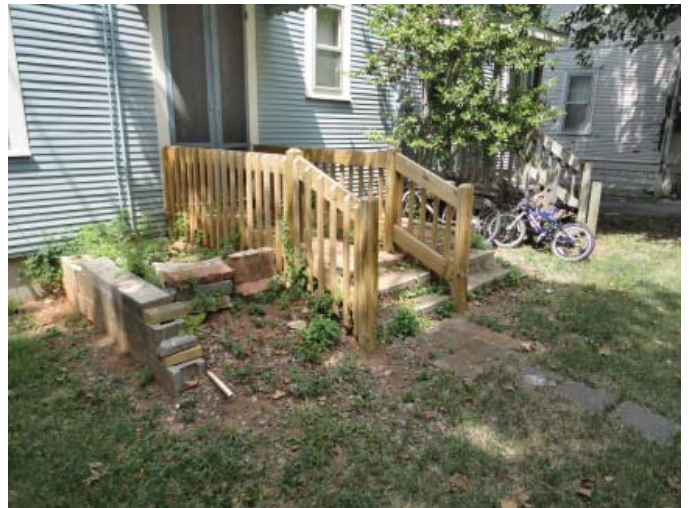


FIGURE 1.4



FIGURE 1.5



FIGURE 1.6



FIGURE 1.7



FIGURE 1.8



FIGURE 1.9



FIGURE 1.10

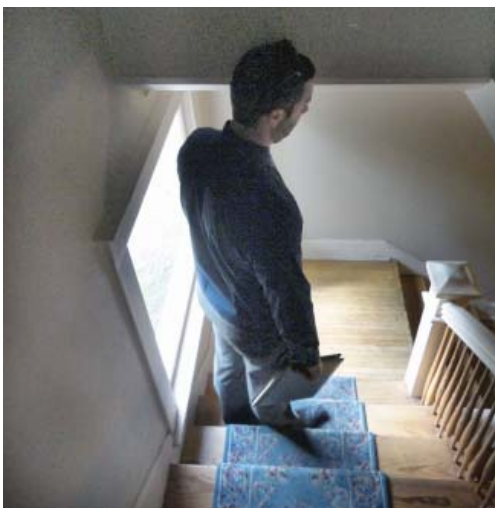


FIGURE 1.11



FIGURE 1.12



FIGURE 1.13



FIGURE 1.14



FIGURE 1.15



FIGURE 1.16



FIGURE 1.17

Appendix B
Existing Condition Appraisal



APPRAISAL OF REAL PROPERTY

LOCATED AT:

1040 E Walnut St
Smiths ADD E ADD Lot 13
Springfield, MO 65806

FOR:

In Care of R&P Taylor Apartments, LLC
PO Box 4386
Springfield, MO 65808

AS OF:

07/18/2012

BY:

Kimberly A. Traynor
BattleCreek Appraisal Services
www.battlecreekappraisals.com
417-234-0235
Fax: 1-866-704-8091 toll free

Borrower/Client	N/A					File No.	172012			
Property Address	1040 E Walnut St									
City	Springfield			County	Greene		State	MO	Zip Code	65806
Lender	In Care of R&P Taylor Apartments, LLC									

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Kimberly A. Traynor
BattleCreek Appraisal Services
5311 S. Cloverdale Ln.
Battlefield, Mo. 65619

07/24/2012

In Care of R&P Taylor Apartments, LLC
PO Box 4386
Springfield, MO 65808

Re: Property: 1040 E Walnut St
Springfield, MO 65806
Borrower: N/A
File No.: 172012

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,


Kimberly A. Traynor
BattleCreek Appraisal Services

Small Residential Income Property Appraisal Report

File # 172012

SUBJECT

CONTRACT

NEIGHBORHOOD

SITE

IMPROVEMENTS

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address	1040 E Walnut St	City	Springfield	State	MO	Zip Code	65806
Borrower	N/A	Owner of Public Record	R&P Taylor Apts LLC	County	Greene		
Legal Description	Smiths ADD E ADD Lot 13						
Assessor's Parcel #	88-1324112012	Tax Year	2011	R.E. Taxes \$	1,134		
Neighborhood Name	Smiths Add/NE Spfd	Map Reference	SNE	Census Tract	29077-0009.00		
Occupant	☐ Owner	☐ Tenant	☒ Vacant	Special Assessments \$	0	☐ PUD	HOA \$ 0 ☐ per year ☐ per month
Property Rights Appraised	☒ Fee Simple ☐ Leasehold ☐ Other (describe)						
Assignment Type	☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) Market Value						
Lender/Client	In Care of R&P Taylor Apartments, LLC Address PO Box 4386, Springfield, MO 65808						
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☒ No							
Report data source(s) used, offering price(s), and date(s). There is a for sale sign in the yard, however it is not publicly listed with Springfield MLS.							

I ☐ did ☒ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. The subject is not under contract.

Contract Price \$	Date of Contract	Is the property seller the owner of public record?	☐ Yes ☐ No	Data Source(s)
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Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No

If Yes, report the total dollar amount and describe the items to be paid.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		2-4 Unit Housing Trends		2-4 Unit Housing		Present Land Use %	
Location	☒ Urban ☐ Suburban ☐ Rural	Property Values	☐ Increasing ☒ Stable ☐ Declining	PRICE	AGE	One-Unit	68 %
Built-Up	☒ Over 75% ☐ 25-75% ☐ Under 25%	Demand/Supply	☐ Shortage ☐ In Balance ☒ Over Supply	\$ (000)	(yrs)	2-4 Unit	10 %
Growth	☐ Rapid ☐ Stable ☒ Slow	Marketing Time	☐ Under 3 mths ☐ 3-6 mths ☒ Over 6 mths	11	Low 4	Multi-Family	5 %
Neighborhood Boundaries	The subject is bound to the North by Chestnut Expressway, to the West by Jefferson Ave, to the East by Campbell Ave, and to the South by Grand ST.			303	High 150	Commercial	15 %
				110	Pred. 55	Other	2 %
Neighborhood Description	This area is convenient to schools, shopping and employment. The area is comprised of ranch style houses, with some 1.5 story and multi-levels mixed in. In general, houses in the area are average in quality of construction. Houses in the area appear to be well maintained. Demand is considered to be. The economy remains stable.						

Market Conditions (including support for the above conclusions) See attached addenda.

Dimensions	51x221 m/l per assessor	Area	11,271 Sq.Ft.	Shape	Rectangular	View	N;Res;Commercial
Specific Zoning Classification	R-HD	Zoning Description	Residential High Density				
Zoning Compliance	☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)						
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe							

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	☒		Water	☒	Street ASPHLT/BLKTOP	☒	☐
Gas	☒		Sanitary Sewer	☒	Alley Asphlt/BlkTOP	☒	☐
FEMA Special Flood Hazard Area	☐ Yes ☒ No	FEMA Flood Zone	X	FEMA Map #	29077C0334E	FEMA Map Date	12/17/2010
Are the utilities and/or off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe							
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe							
See attached addenda.							

General Description		Foundation		Exterior Description		materials/condition		Interior		materials/condition	
Units	☐ Two ☒ Three ☐ Four	☐ Concrete Slab	☐ Crawl Space	Foundation Walls	CON	BLK/ADQ	Floors	HW/VNYL/TL/AD			
☐ Accessory Unit (describe below)		☒ Full Basement	☐ Partial Basement	Exterior Walls	WOOD/Fair-Adq		Walls	DW/PNL/ADQ			
# of Stories	2	# of bldgs.	1	Basement Area	1,372	sq.ft.	Roof Surface	COMPST SHG/ADQ	Trim/Finish	Wood/paint/Good	
Type	☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Finish	0 %	Gutters & Downspouts	Prtl	ALUM/ADQ	Bath Floor	Vnl/ADQ			
	☒ Existing ☐ Proposed ☐ Under Const.	☒ Outside Entry/Exit	☐ Sump Pump	Window Type	DH/Wd/ADQ		Bath Wainscot	Marble/ADQ			
Design (Style)	Triplex 2 story	Evidence of	☐ Infestation	Storm Sash/Insulated	Storm/ADQ		Car Storage				
Year Built	1888	☐ Dampness	☒ Settlement	Screens	Prtl/ADQ		☐ None				
Effective Age (Yrs)	80	Heating/Cooling		Amenities			☒ Driveway	# of Cars	4-5		
Attic	☐ None	☒ FWA	☐ HWBB ☐ Radiant	☒ Fireplace(s) #	1	☐ Woodstove(s) #	0	Driveway Surface	Asphalt		
☐ Drop Stair	☐ Stairs	☐ Other	Fuel Gas	☒ Patio/Deck Mlti	☒ Fence	None	☐ Garage	# of Cars	0		
☐ Floor	☒ Scuttle	Cooling	☐ Central Air Conditioning	☒ Pool None	☒ Porch	Covered	☐ Carport	# of Cars	0		
☐ Finished	☐ Heated	☒ Individual	☐ Other	☐ Other			☐ Att.	☐ Det.	☐ Built-in		
# of Appliances	Refrigerator 0	Range/Oven 3	Dishwasher	Disposal 1	Microwave	Washer/Dryer	Other (describe)				
Unit # 1 contains:	5	Rooms	2	Bedrooms	1	Bath(s)	1,372	Square Feet of Gross Living Area			
Unit # 2 contains:	4	Rooms	2	Bedrooms	1	Bath(s)	816	Square Feet of Gross Living Area			
Unit # 3 contains:	3	Rooms	1	Bedrooms	1	Bath(s)	600	Square Feet of Gross Living Area			
Unit # 4 contains:		Rooms		Bedrooms		Bath(s)		Square Feet of Gross Living Area			
Additional features (special energy efficient items, etc.). See attached addenda.											
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject appears to have some deferred maintenance and is dated. Some settlement was noted in the floors, with cracking over doors and on the walls. Floor plan is functional. No external adequacies noted. The estimated exposure time for the subject property is 90 to 365 days.											

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IMPROVEMENTS

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?
☒ Yes ☐ No If Yes, describe.
See attached addenda.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)?
☒ Yes ☐ No If No, describe. The subject is a triplex and the majority of homes in the area are single family, town houses, or duplexes with some commercial mix in. The subject is located within the historical district of downtown Springfield.

Is the property subject to rent control?
☐ Yes ☒ No If Yes, describe

COMPARABLE RENTAL DATA

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.

FEATURE	SUBJECT	COMPARABLE RENTAL # 1			COMPARABLE RENTAL # 2			COMPARABLE RENTAL # 3			
Address	1040 E Walnut St Springfield, MO 65806	852 S South Ave Springfield, MO 65804			433 S Main Ave Springfield, MO 65806			1111-1115 E Cherokee St Springfield, MO 65809			
Proximity to Subject		0.91 miles SW			1.03 miles W			1.95 miles S			
Current Monthly Rent	\$ 685			\$ 1,890			\$ 4,125			\$ 2,200	
Rent/Gross Bldg. Area	\$ 0.25 sq.ft.			\$ 0.81 sq.ft.			\$ 1.20 sq.ft.			\$ 0.79 sq.ft.	
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☒ No			
Data Source(s)	Insp/Assr	MLS#1113084/Assr			MLS#1204819			MLS#1106988			
Date of Lease(s)	Month to Month	Month to Month			Month to Month			Month to Month			
Location	Urban/Avg	Urban/Avg			Urban/Avg			Urban/Avg			
Actual Age	124	107			103			61			
Condition	Fair-Avg	Average			Average			Average-Good			
Gross Building Area	2,788	2,325			3,440			2,796			
Unit Breakdown	Rm Count	Size Sq. Ft.	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent
	Tot Br Ba	2,788	Tot Br Ba	2,325	1,890	Tot Br Ba	3,440	4,125	Tot Br Ba	2,796	2,200
Unit # 1	5 2 1	1,372	5 3 1	1,550	\$ 900	8 0 3	1,550	\$ 1,775	4 2 1	699	\$ 550
Unit # 2	4 2 1	816	4 2 1	465	\$ 595	3 1 1	471	\$ 650	4 2 1	699	\$ 550
Unit # 3	3 1 1	600	3 1 1	310	\$ 395	3 1 1	472	\$ 550	4 2 1	699	\$ 550
Unit # 4					\$	6 2 2	947	\$ 1,150	4 2 1	699	\$ 550
Utilities Included	Tnt Pays/MstrMeter	Landlord Pays/MstrMeter			Tnt Pays/MstrMeter			Tnt Pays/Sep Metr			
Garage/Parking	Parking Lot	Parking Lot			Parking Lot/Street Parking			Driveway			
W/D Hook Ups	None	None			None			Yes			
Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.) Rental #2 is a 7 plex in close proximity to the subject. The individual square footage is combined and the square footage is estimated per unit, however the total square footage is accurate per Greene County Assessor. All rentals have been updated. Rental #3 has been substantially updated. See attached addenda.											

SUBJECT RENT SCHEDULE

Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

Leases			Actual Rents			Opinion of Market Rent		
Unit #	Lease Date		Per Unit		Total Rents	Per Unit		Total Rents
	Begin Date	End Date	Unfurnished	Furnished	Unfurnished	Furnished		
1	Month	Month	\$	\$	\$	\$ 595	\$	\$ 595
2	Month	Month		685	685	595		595
3	Month	Month				395		395
4								
Comment on lease data Of the three units, Unit			Total Actual Monthly Rent		\$ 685	Total Gross Monthly Rent		\$ 1,585
#2 is occupied, the remaining two are			Other Monthly Income (itemize)		\$	Other Monthly Income (itemize)		\$
vacant.			Total Actual Monthly Income		\$ 685	Total Estimated Monthly Income		\$ 1,585
Utilities included in estimated rents ☐ Electric ☐ Water ☐ Sewer ☐ Gas ☐ Oil ☐ Trash collection ☐ Cable ☒ Other Tenant Pays								
Comments on actual or estimated rents and other monthly income (including personal property) Estimated rents for subject appear to be in line with other units in the area that are similar in size, quality and amenities. Rental rates in this area are considered stable at the present time. Supply and demand appear to be in balance.								

PRIOR SALE HISTORY

I ☒ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research ☒ did ☐ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) MLS/Assr

My research ☐ did ☒ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) MLS/Assr

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Date of Prior Sale/Transfer	06/08/2012	None within 1 Years	None within 1 Years	None within 1 Years
Price of Prior Sale/Transfer	Undisclosed/Private Sale	N/A	N/A	N/A
Data Source(s)	MLS/Assr	MLS/Assr	MLS/Assr	MLS/Assr
Effective Date of Data Source(s)	07/18/2012	06/22/2012	02/29/2012	03/30/2012
Analysis of prior sale or transfer history of the subject property and comparable sales The subject had a recent transfer that was a private sale with the sale price not available to the appraiser. No sale or transfer history for the subject or comparables other than shown above per MLS and/or assessors office.				

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There are 14 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 105,000 to \$ 375,000 .															
There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 100,000 to \$ 240,000 .															
FEATURE				SUBJECT			COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address 1040 E Walnut St Springfield, MO 65806				749 S South St Springfield, MO 65802			1045 W Mt Vernon St Springfield, MO 65806			1516 N Jefferson Ave Springfield, MO 65803					
Proximity to Subject				0.86 miles SW			1.45 miles W			1.51 miles NW					
Sale Price				\$ 107,500			\$ 110,000			\$ 240,000					
Sale Price/Gross Bldg. Area				\$ 61.92 sq.ft.			\$ 29.67 sq.ft.			\$ 44.74 sq.ft.					
Gross Monthly Rent				\$ 900			\$ 2,400			\$ 2,760					
Gross Rent Multiplier				119.44			45.83			86.96					
Price per Unit				\$ 53,750			\$ 18,333			\$ 48,000					
Price per Room				\$ 11,944			\$ 6,111			\$ 12,632					
Price per Bedroom				\$ 26,875			\$ 18,333			\$ 26,667					
Rent Control				☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☒ No					
Data Source(s)				MLS#1201470			MLS#1104324			MLS#1012808					
Verification Source(s)				Rltr/Assr/SDI			Rltr/Assr			Rltr/Assr					
VALUE ADJUSTMENTS				DESCRIPTION			DESCRIPTION			DESCRIPTION			DESCRIPTION		
				+(-) Adjustment			+(-) Adjustment			+(-) Adjustment			+(-) Adjustment		
Sale or Financing Concessions				Conventional None noted			Conventional None noted			Conventional Sllr Pd \$2250			-2,250		
Date of Sale/Time				06/22/2012			02/29/2012			03/30/2012					
Location				Urban/Avg			Urban/Inf			Urban/Inf			Urban/Avg		
Leasehold/Fee Simple				Fee Simple			Fee Simple			Fee Simple			Fee Simple		
Site				11,271 sf m/l			12168 sf m/l			5009 sf m/l			17302 sf m/l		
View				N;Res;Comm			N;Res			N;Res			N;Res;Comm		
Design (Style)				Triplex 2 story			Duplex/2Story			SixPlex/2Story			5Plex/2Story		
Quality of Construction				Wd/Fair-Avg			PS/Good			PS/Good			Brick/Sup		
Actual Age				124			112 (updated)			117 (updated)			82 (updated)		
Condition				Fair-Avg			Average			Average			Average		
Gross Building Area				2,788			1,736			3,708			5,364		
Unit Breakdown				Total Bdrms Baths			Total Bdrms Baths			Total Bdrms Baths			Total Bdrms Baths		
Unit # 1				5 2 1			5 3 2			6 2 2			3 1 1		
Unit # 2				4 2 1			4 1 1			6 2 2			4 2 1		
Unit # 3				3 1 1						3 1 1			4 2 1		
Unit # 4										3 1 1			8 4 2		
Basement Description				1,372 sf bsmt			290 sf bsmt			0 sf bsmt			0 sf bsmt		
Basement Finished Rooms				0 sf finish			0 sf finish			0 sf finish			0 sf finish		
Functional Utility				Average			Average			Average			Average		
Heating/Cooling				FA/None			FA/CA			FA/CA			FA/None		
Energy Efficient Items				Standard			Standard			Standard			Standard		
Parking On/Off Site				Parking Lot			Driveway			Street Parking			4-Car Carport		
Porch/Patio/Deck				C.Pch/C.Dk/Stoop			C.Pch/Patio			2Stoops			C.Pch/C.Dk/Dk		
Amenities				Appl			Appl			Appl			Appl		
Amenities				Foyer/1/2Bath			None			None			None		
Net Adjustment (Total)				☒ + ☐ -			\$ 17,210			☐ + ☒ -			\$ -16,140		
Adjusted Sale Price of Comparables				Net Adj. 16.0 %			Net Adj. 14.7 %			Net Adj. 39.5 %			Net Adj. 39.5 %		
				Gross Adj. 68.1 %			Gross Adj. 63.5 %			Gross Adj. 46.5 %			Gross Adj. 46.5 %		
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)				\$ 62,355			\$ 15,643			\$ 29,042			\$ 29,042		
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)				\$ 13,857			\$ 5,214			\$ 7,643			\$ 7,643		
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)				\$ 31,178			\$ 15,643			\$ 16,134			\$ 16,134		
Value per Unit				\$ 39,700 X 3 Units = \$ 119,100			Value per GBA \$ 43.93 X 2,788 GBA = \$ 122,477			Value per GBA \$ 43.93 X 2,788 GBA = \$ 122,477			Value per GBA \$ 43.93 X 2,788 GBA = \$ 122,477		
Value per Rm.				\$ 9,917 X 12 Rooms = \$ 119,004			Value per Bdrms. \$ 23,800 X 5 Bdrms. = \$ 119,000			Value per Bdrms. \$ 23,800 X 5 Bdrms. = \$ 119,000			Value per Bdrms. \$ 23,800 X 5 Bdrms. = \$ 119,000		
Summary of Sales Comparison Approach including reconciliation of the above indicators of value. Quality of construction and condition adjustments were determined by personal inspection or by obtaining information from the appraiser of Realtor involved in each sale. Items taken into consideration are roof pitch, roofing material, exterior siding, windows, doors, ceiling heights, ceiling treatments, crown moldings, floor coverings and cabinets. Various style houses were used, however this does not appear to effect market value in this area. No adjustment appeared necessary. Various bedroom counts were used, however square footage appears to be the driving factor for market value in the subjects area. No adjustment appeared necessary. Gross adjustments were exceeded in this report due to square footage, quality and condition adjustments. This could not be avoided and is common in the area. See attached addenda.															
Indicated Value by Sales Comparison Approach \$ 119,000															
Total gross monthly rent \$ 1,585 X gross rent multiplier (GRM) 77 = \$ 122,045 Indicated value by the Income Approach															
Comments on income approach including reconciliation of the GRM Local area GRM's range from 45 to 120.															
Indicated Value by: Sales Comparison Approach \$ 119,000 Income Approach \$ 122,045 Cost Approach (if developed) \$ 0															
Estimated indicated value is determined by using the Gross Adjustment of sale price for each comparable as a measure of the relative quality of the comp. A lower adjustment indicates a better comp, and vice versa. The ratio of gross dollar adjustment to sale price for each of the comps is used to calculate the weight each comp should have in a weighted average calculation. This weighted average is used as the indicated value of the subject. See attached addenda.															
This appraisal is made ☒ "as is", ☐ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☐ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: See attached addenda.															
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 119,000 , as of 07/18/2012 , which is the date of inspection and the effective date of this appraisal.															

Small Residential Income Property Appraisal Report

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ADDITIONAL COMMENTS

This report may contain comments, conditions and/or certifications added by the signing appraiser and/or BattleCreek Appraisal Services including, but not limited to, this Supplemental Addendum. These items shall supersede and take precedence over all other language, requirements, or conditions contained in any preprinted and/or third-party forms or documents included in, or incorporated by reference into, the appraisal report. BattleCreek Appraisal Services expressly retains all right, title, and interest in all patents, trademarks, trade names, trade secrets, software, data, conclusions, opinions, valuations, or other information included in, arising out of, or in any way related to this appraisal or the the provision of appraisal services to the named client and/or Intended User. The report and information supplied by the staff and/or agents of BattleCreek Appraisal Services is a culmination of intellectual education, professional experience, personal investigation, and know-how, which shall at all times remain the property of BattleCreek Appraisal Services. No person shall be entitled to break down, strip out, mine, or disseminate any component or part of this report, including, but not limited to, any conclusions, valuations, opinions, or other data compilations herein. The intended user of the appraisal report is the Lender/Client. The intended use is to evaluate the property that is the subject of this appraisal for feasibility of renovation, subject to the stated Scope of Work, purpose of the appraisal, reporting, requirements of this appraisal report form, and Definition of Market Value. No additional intended users are identified by the appraiser. The client agrees that pertinent information that might be useful in the appraisal process will be included in the appraiser's database and may be used in future appraisal reports, shared with other Appraisers and the Sold Data Appraisal Bank. (ie, square footage, room count, condition, quality of construction, etc.) Download of the attached appraisal file referenced below constitutes acceptance, acting in replacement of formal written signature, of the responsibility for payment in full as invoiced to be made to BattleCreek Appraisal Services, 5311 S. Cloverdale Ln., Battlefield, MO 65619, regardless to status of loan, as well as any/all debt incurred in the debt collection process as well as legal fees and expenses, if required.

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE= \$		
Source of cost data	DWELLING	Sq.Ft. @ \$	= \$
Quality rating from cost service	Effective date of cost data	Sq.Ft. @ \$	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	= \$		
	Garage/Carport	Sq.Ft. @ \$	= \$
	Total Estimate of Cost-New		= \$
	Less Physical	Functional	External
	Depreciation		= \$()
	Depreciated Cost of Improvements		= \$
	"As-is" Value of Site Improvements		= \$
Estimated Remaining Economic Life (HUD and VA only)	Years	INDICATED VALUE BY COST APPROACH= \$ 0	

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal Name of Project

Total number of phases	Total number of units	Total number of units sold
Total number of units rented	Total number of units for sale	Data source(s)
Was the project created by the conversion of existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.		
Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data Source		
Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.		
Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.		
Describe common elements and recreational facilities.		

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This report form is designed to report an appraisal of a two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements, including each of the units. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Small Residential Income Property Appraisal Report

File # 172012

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property, including all units. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison and income approaches to value. I have adequate market data to develop reliable sales comparison and income approaches to value for this appraisal assignment. I further certify that I considered the cost approach to value but did not develop it, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Small Residential Income Property Appraisal Report File # 172012

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature Kimberly A. Taylor
Name Kimberly A. Taylor
Company Name BattleCreek Appraisal Services
Company Address 5311 S. Cloverdale Ln., Battlefield, MO 65619
Telephone Number (417) 234-0235
Email Address kkellerappraisal@aol.com
Date of Signature and Report July 24, 2012
Effective Date of Appraisal 07/18/2012
State Certification # 2006000600
or State License # _____
or Other (describe) _____ State # _____
State MO
Expiration Date of Certification or License 06/30/2014

ADDRESS OF PROPERTY APPRAISED
1040 E Walnut St
Springfield, MO 65806

APPRAISED VALUE OF SUBJECT PROPERTY \$ 119,000

LENDER/CLIENT

Name _____
Company Name In Care of R&P Taylor Apartments, LLC
Company Address PO Box 4386, Springfield, MO 65808
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection _____
☐ Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection _____

Supplemental Addendum

File No. 172012

Borrower/Client	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				

The subject has three units and Unit #2 is occupied. Unit #1 & #3 are vacant.

• **Small Income : Neighborhood Market Conditions**

Mixed financing is noted for this area. The predominant method of financing is conventional. Some government backed financing is noted and cash sales are also noted. Seller concessions are occasionally paid. While there is a demand for housing in the area, there does appear to be an oversupply. Houses that have been well maintained and competitively priced sell within a reasonable amount of time. Estimated exposure time for the subject is approximately 90-180 days. The economy remains stable. The unemployment rate is below 8% at this time.

• **Small Income : Site - Adverse Site Conditions or External Factors**

Extraordinary assumption, the appraiser presumes as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property or about conditions external to the property, such market conditions or trends, or the integrity of data used in an analysis. All of the site could not be inspected. Opinion of value is based on there being no enviornmental hazards on the property. None were noted at the time of inspection.

• **Small Income : Improvements - Additional Features**

Subject has wood siding exterior with a shared covered entry porch, covered deck and brick stoop. Unit 1: Consists of the entire first excluding a shared foyer area and has 1 kitchen with eat-in dining area, living room, family room, two bedrooms and a shared bath. The ceiling heights are 9' high with crown moldings typically. The living room has a fireplace that has been closed and does not appear to be useable. Kitchen has a closet pantry. Unit 2: 1 living room, 2 bedrooms, 1 bath. Unit 3: 1 living room, 1 bedroom, 1 kitchen, 1 bath. The subject has a full unfinished mechanical basement.

• **Small Income :**

Some settlement was noted throughout the home, and a structural inspection is recommended. Extraordinary assumption, the appraiser presumes as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property or about conditions external to the property, such market conditions or trends, or the integrity of data used in an analysis. All of the site could not be inspected. Opinion of value is based on there being no enviornmental hazards on the property. None were noted at the time of inspection.

• **Small Income : Comparable Rentals - Analysis of Rental Data**

All rentals are multifamily units including a triplex, seven plex, and two identical duplexes that are located within similar neighborhoods as subject. All are similar in distance to support facilities. Rentals used were the best available at the time of the appraisal. Rentals range from \$2325 to \$3440.

• **Small Income : Sales Comparison - Summary**

This does not appear to hinder marketability. Comparable #1 is in a competing neighborhood that exceeded the one mile guidelines, however no location adjustment appeared necessary. Site adjustments were not warranted due to all appearing similar in market value.

The initial search started via Springfield MLS within a one mile radius of the subject for homes of similar age, style, quality, square footage, etc. and found little to no activity. The appraiser had no choice but to broaden the search in distance, time, square footage, age, quality, condition, etc. in an effort to find other comparables. The final search ended by searching all of Springfield for the best comparables available.

• **Small Income : Reconciliation - Comments**

In appraising the subject property the Cost Approach was considered but not completed due to the age of the subject. The cost approach is not considered to be reliable on homes of this age. Sales comparison \$119,000, and the Income Approach was concluded N/A due to insufficient rental/sale data available. The market approach was considered the most reliable due to quality and quantity of sales data, therefore concluding \$119,000. Estimated exposure time: 3-12 months. The digital pictures that have been furnished with this report have not been altered.

• **Small Income : Reconciliation - Conditions of the Appraisal**

This appraisal has been prepared in conformity with the code of ethics of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Foundation. The purpose of this appraisal is to offer an estimate of market value for the subject. The intended use of this appraisal is to assist the client named in the report or its successor or assigns in evaluating the subject property to determine current market value. This is a federally related transaction and no one provided significant professional assistance to the person signing this report.

The appraiser has no current or prospective interest in the subject property or parties involved, and no services regarding the subject property were performed by the appraiser within the previous three years.

Subject Photo Page

Borrower/Client	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Subject Front

1040 E Walnut St
Sales Price
Gross Building Area 2,788
Age 124



Subject Rear



Subject Street

Subject Photos

Borrower/Client	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Opposite View Of Street



Right Side



Left Side



Parking Lot



Unit #1 Living Room



Unit #1 Kitchen

Subject Photos

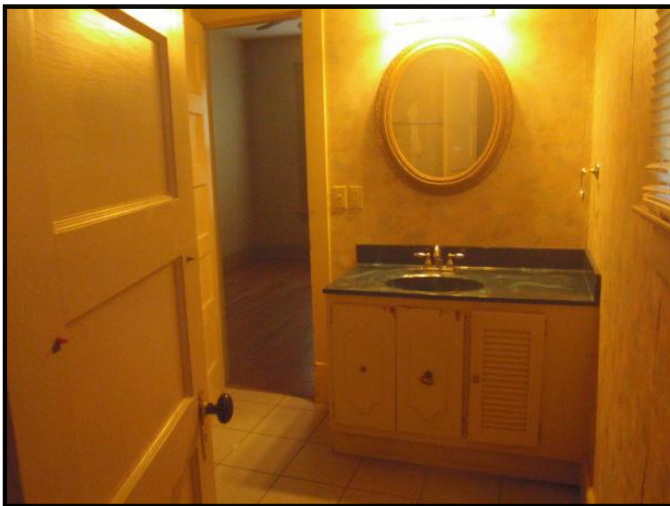
Borrower/Client	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #1 Family Room



Unit #1 Bedroom #1



Unit #1 Shared Bath



Unit #1 Bedroom #2



Settlement Cracks



1/2 Bath in Foyer

Interior Photos

Borrower/Client	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Shared Foyer Area



Water Leaks



Basement



Basement



Basement



Unit #3 Living Room

Subject Photos

Borrower/Client	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #3 Bedroom #1



Unit #3 Kitchen



Unit #3 Bath



Unit #3 Bath (Another View)



Hall



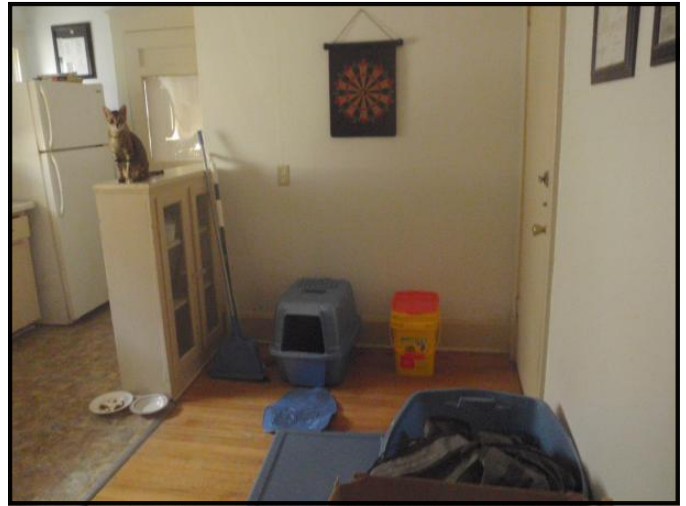
Unit #2 Bedroom #1

Subject Photos

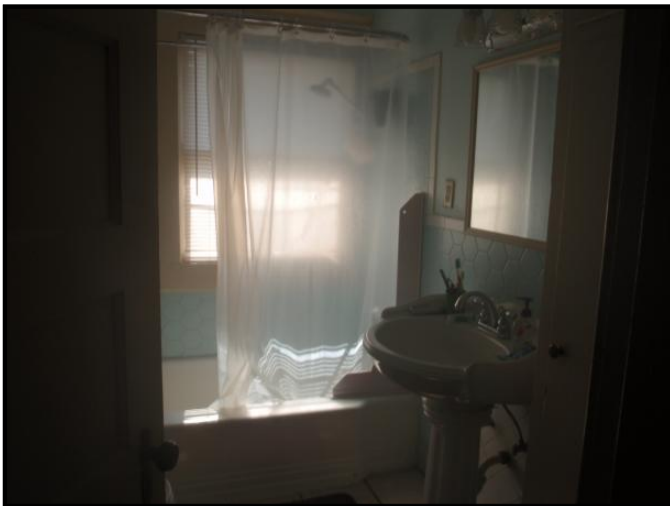
Borrower/Client	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #2 Kitchen



Unit #2 Dining Area



Unit #2 Bath



Unit #2 Living Room



Unit #2 Bedroom

Comparable Photo Page

Borrower/Client	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Comparable 1

749 S South St
Sales Price 107,500
Gross Building Area 1,736
Age 112 (updated)



Comparable 2

1045 W Mt Vernon St
Sales Price 110,000
Gross Building Area 3,708
Age 117 (updated)



Comparable 3

1516 N Jefferson Ave
Sales Price 240,000
Gross Building Area 5,364
Age 82 (updated)

Small Residential Income Property Appraisal Report

File # 172012

SALES COMPARISON APPROACH	FEATURE	SUBJECT			COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6											
	Address	1040 E Walnut St Springfield, MO 65806			433 S Main Ave Springfield, MO 65806																	
	Proximity to Subject				1.03 miles W																	
	Sale Price	\$			\$ 159,900			\$			\$											
	Sale Price/Gross Bldg. Area	\$ sq.ft.			\$ 46.48 sq.ft.			\$ sq.ft.			\$ sq.ft.											
	Gross Monthly Rent	\$ 1,585			\$ 3,600			\$			\$											
	Gross Rent Multiplier				44.42																	
	Price per Unit	\$			\$ 22,843			\$			\$											
	Price per Room	\$			\$ 7,995			\$			\$											
	Price per Bedroom	\$			\$ 39,975			\$			\$											
	Rent Control	☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☐ No			☐ Yes ☐ No											
	Data Source(s)				MLS#1204819																	
	Verification Source(s)				Rltr/Assr																	
	VALUE ADJUSTMENTS	DESCRIPTION			DESCRIPTION			+ (-) Adjustment			DESCRIPTION			+ (-) Adjustment			DESCRIPTION			+ (-) Adjustment		
	Sale or Financing Concessions				Active Listing LP/SP Ratio			-11,200														
	Date of Sale/Time				04/09/2012 LD																	
	Location	Urban/Avg			Urban/Avg																	
	Leasehold/Fee Simple	Fee Simple			Fee Simple																	
	Site	11,271 sf m/l			12545 sf m/l																	
	View	N;Res;Comm			N;Res;Comm																	
	Design (Style)	Triplex 2 story			7Plex/2Story																	
	Quality of Construction	Wd/Fair-Avg			PS/Avg			-10,000														
	Actual Age	124			103 (updated)																	
	Condition	Fair-Avg			Average			-5,000														
	Gross Building Area	2,788			3,440			-16,300														
	Unit Breakdown	Total	Bdrms	Baths	Total	Bdrms	Baths				Total	Bdrms	Baths				Total	Bdrms	Baths			
	Unit # 1	5	2	1	8	0	3	-2,000														
	Unit # 2	4	2	1	3	1	1															
	Unit # 3	3	1	1	3	1	1															
	Unit # 4				6	2	2	-2,000														
	Basement Description	1,372 sf bsmt			0sf bsmt			+6,860														
	Basement Finished Rooms	0 sf finish			0 sf finish																	
	Functional Utility	Average			Average																	
	Heating/Cooling	FA/None			FA/None																	
	Energy Efficient Items	Standard			Standard																	
Parking On/Off Site	Parking Lot			Prkng Lot/3GCrprrt			-1,500															
Porch/Patio/Deck	C.Pch/C.Dk/Stoop			C.Pch/Patio			+1,000															
Amenities	Appl			Appliances																		
Amenities	Foyer/1/2Bath			None			+1,500															
Net Adjustment (Total)				☐ + ☒ -			\$ -38,640			☐ + ☐ -			\$			☐ + ☐ -			\$			
Adjusted Sale Price of Comparables				Net Adj. 24.2 % Gross Adj. 35.9 %			\$ 121,260			Net Adj. % Gross Adj. %			\$			Net Adj. % Gross Adj. %			\$			
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)	\$			17,323						\$						\$						
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)	\$			6,063						\$						\$						
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)	\$			30,315						\$						\$						
SALE HISTORY	Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).																					
	ITEM	SUBJECT			COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6											
	Date of Prior Sale/Transfer	06/08/2012			None within 1 Years																	
	Price of Prior Sale/Transfer	Undisclosed/Private Sale			N/A																	
	Data Source(s)	MLS/Assr			MLS/Assr																	
	Effective Date of Data Source(s)	07/18/2012			07/18/2012																	
	Analysis of prior sale or transfer history of the subject property and comparable sales										No sale or transfer history for the subject or comparables other than shown above per MLS and/or assessors office.											
ANALYSIS / COMMENTS	Analysis/Comments Quality of construction and condition adjustments were determined by personal inspection or by obtaining information from the appraiser of Realtor involved in each sale. Items taken into consideration are roof pitch, roofing material, exterior siding, windows, doors, ceiling heights, ceiling treatments, crown moldings, floor coverings and cabinets. Comparables are over 6 months old, however due to the stability of the market no time adjustments appeared necessary. Typical list to sale price percentages in the subject's area are at 93%. An adjustment was made to reflect typical market activity.																					

Comparable Photo Page

Borrower/Client	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Comparable 4

433 S Main Ave
Sales Price 159,900
Gross Building Area 3,440
Age 103 (updated)

Comparable 5

Sales Price
Gross Building Area
Age

Comparable 6

Sales Price
Gross Building Area
Age

Rental Photo Page

Borrower/Client	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Rental 1

852 S South Ave
Proximity to Subject 0.91 miles SW
Gross Building Area 2,325
Age 107



Rental 2

433 S Main Ave
Proximity to Subject 1.03 miles W
Gross Building Area 3,440
Age 103



Rental 3

1111-1115 E Cherokee St
Proximity to Subject 1.95 miles S
Gross Building Area 2,796
Age 61

Operating Income Statement

One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property

Property Address		1040 E Walnut St Street		Springfield City	MO State	65806 Zip Code	
General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.							
	Currently Rented	Expiration Date	Current Rent Per Month	Market Rent Per Month	Utility Expense	Paid By Owner	Paid By Tenant
Unit No. 1	Yes ☐ No ☒		\$	\$ 595	Electricity	☐	☐
Unit No. 2	Yes ☒ No ☐		\$ 685	\$ 595	Gas	☐	☐
Unit No. 3	Yes ☐ No ☒		\$	\$ 395	Fuel Oil	☐	☐
Unit No. 4	Yes ☐ No ☐		\$	\$	Fuel (Other)	☐	☐
Total			\$ 685	\$ 1,585	Water/Sewer	☐	☐
					Trash Removal	☐	☐

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years (*for new properties the applicant's projected income and expenses must be provided*). This Operating Income Statement and any previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures (*e.g. Applicant/Appraiser 288/300*). If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. (*Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item*) Income should be based on the current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

Annual Income and Expense Projection for Next 12 months

Income (<i>Do not include income for owner-occupied units</i>)	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Gross Annual Rental (<i>from unit(s) to be rented</i>) (Market)	\$ 19,020	\$
Other Income (<i>include sources</i>)	+	+
Total	\$ 19,020	\$
Less Vacancy/Rent Loss	- (%)	- (%)
Effective Gross Income	\$ 19,020	\$
Expenses (<i>Do not include expenses for owner-occupied units</i>)		
Electricity		
Gas		
Fuel Oil		
Fuel (Type -)		
Water/Sewer		
Trash Removal		
Pest Control		
Other Taxes or Licenses		
Casual Labor	200	
This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.		
Interior Paint/Decorating	500	
This includes the costs of contract labor and materials that are required to maintain the interiors of the living unit.		
General Repairs/Maintenance	250	
This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.		
Management Expenses		
These are the customer expenses that a professional management company would charge to manage the property.		
Supplies	200	
This includes the costs of items like light bulbs, janitorial supplies, etc.		
Total Replacement Reserves - See Schedule on Pg. 2	520	
Miscellaneous		
.....		
.....		
.....		
.....		
.....		
.....		
.....		
.....		
Total Operating Expenses	\$ 1,670	\$

Replacement Reserve Schedule

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner’s operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year - such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment	Replacement Cost	Remaining Life	By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@ \$ 350	ea. ÷ 10 Yrs. x 3	Units = \$ 105	\$
Refrigerators	@ \$	ea. ÷ Yrs. x	Units = \$	\$
Dishwashers	@ \$	ea. ÷ Yrs. x	Units = \$	\$
A/C Units	@ \$	ea. ÷ Yrs. x	Units = \$	\$
C. Washer/Dryers	@ \$	ea. ÷ Yrs. x	Units = \$	\$
HW Heaters	@ \$ 150	ea. ÷ 10 Yrs. x 1	Units = \$ 15	\$
Furnace(s)	@ \$ 1,000	ea. ÷ 10 Yrs. x 1	Units = \$ 100	\$
(Other)	@ \$	ea. ÷ Yrs. x	Units = \$	\$
Roof	@ \$ 4,500	÷ 15 Yrs. x One Bldg. =	\$ 300	\$
Carpeting (Wall to Wall)				
		Remaining Life		
(Units)	Total Sq. Yds. @ \$	Per Sq. Yd. ÷ Yrs. =	\$	\$
(Public Areas)	Total Sq. Yds. @ \$	Per Sq. Yd. ÷ Yrs. =	\$	\$
Total Replacement Reserves. (Enter on Pg. 1)			\$ 520	\$

Operating Income Reconciliation

\$ 19,020	-	\$ 1,670	=	\$ 17,350	÷ 12 =	\$ 1,446
Effective Gross Income		Total Operating Expenses		Operating Income		Monthly Operating Income
\$ \$ 1,446	-	\$	=	\$		
Monthly Operating Income		Monthly Housing Expense		Net Cash Flow		

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

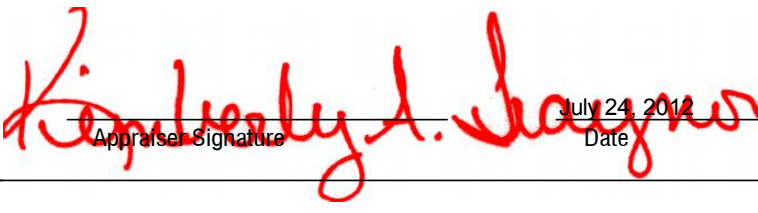
Underwriter’s instructions for 2-4 Family Owner-Occupied Properties

- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower’s monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the **subject property** to the borrower’s stable monthly income.

Underwriter’s instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower’s monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower’s **primary residence** to the borrower’s stable monthly income.

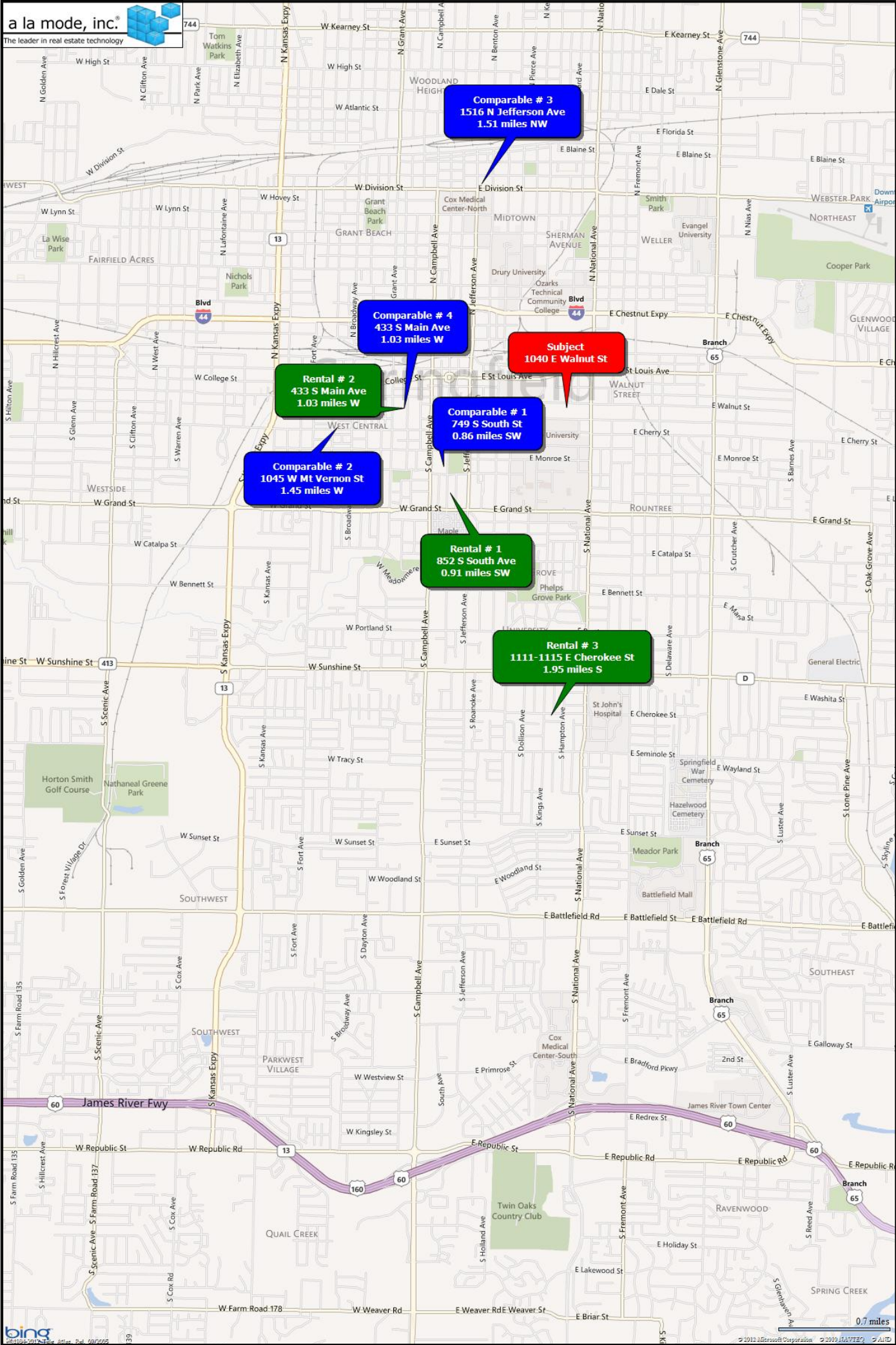
Appraiser’s Comments *(Including sources for data and rationale for the projections)*
Data recited is based on interviews with property managers, Realtors, Appraisers, analysis of current market trends and assessors records.

Kimberly A. Traynor		July 24, 2012
Appraiser Name		Date
Underwriter’s Comments and Rationale for Adjustments		

Underwriter Name	Underwriter Signature	Date
Freddie Mac Form 998 Aug 88	Page 2 of 2	Fannie Mae Form 216 Aug 88

Location Map

Borrower/Client	N/A			
Property Address	1040 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC			



Flood Map

Borrower/Client	N/A			
Property Address	1040 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC			

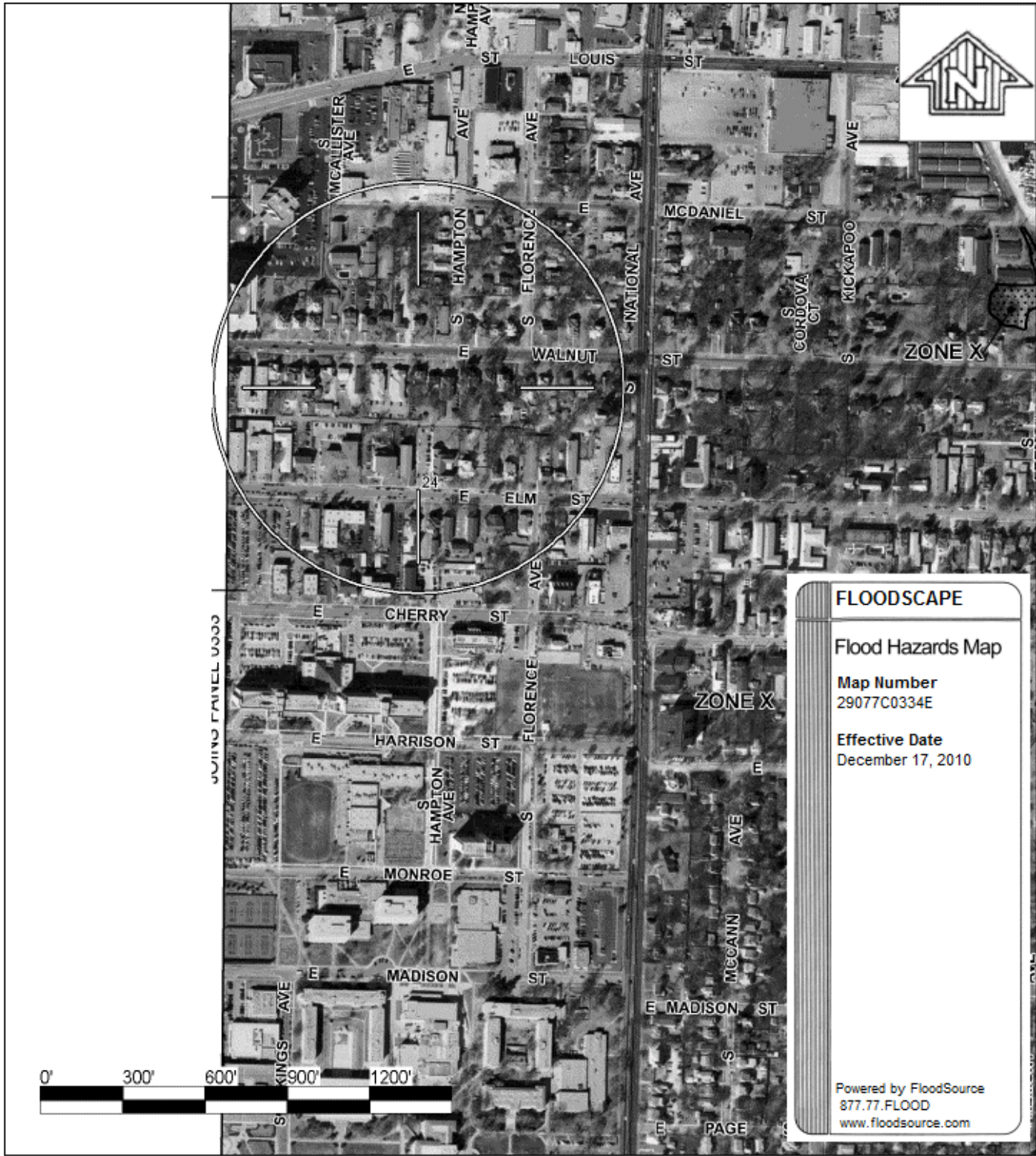
InterFlood



www.interflood.com • 1-800-252-6633

Prepared for:
BattleCreek Appraisal Services

1040 E Walnut St
Springfield, MO 65806



Appendix C

Appraisal of Rehabilitated Structure



APPRAISAL OF REAL PROPERTY

LOCATED AT:

1040 E Walnut St
Smiths ADD E ADD Lot 13
Springfield, MO 65806

FOR:

In Care of R&P Taylor Apartments, LLC
PO Box 4386
Springfield, MO 65808

AS OF:

07/18/2012

BY:

Kimberly A. Traynor
BattleCreek Appraisal Services
www.battlecreekappraisals.com
417-234-0235
Fax: 1-866-704-8091 toll free

Borrower	N/A					File No.	173012			
Property Address	1040 E Walnut St									
City	Springfield			County	Greene		State	MO	Zip Code	65806
Lender	In Care of R&P Taylor Apartments, LLC									

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Kimberly A. Traynor
BattleCreek Appraisal Services
5311 S. Cloverdale Ln.
Battlefield, Mo. 65619

07/24/2012

In Care of R&P Taylor Apartments, LLC
PO Box 4386
Springfield, MO 65808

Re: Property: 1040 E Walnut St
Springfield, MO 65806
Borrower: N/A
File No.: 173012

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,


Kimberly A. Traynor
BattleCreek Appraisal Services

Small Residential Income Property Appraisal Report

File # 173012

IMPROVEMENTS

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe.
See attached addenda.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe. The subject is a triplex and the majority of homes in the area are single family, town houses, or duplexes with some commercial mix in. The subject is located within the historical district of downtown Springfield.

Is the property subject to rent control? ☐ Yes ☒ No If Yes, describe

COMPARABLE RENTAL DATA

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.

FEATURE	SUBJECT	COMPARABLE RENTAL # 1			COMPARABLE RENTAL # 2			COMPARABLE RENTAL # 3			
Address	1040 E Walnut St Springfield, MO 65806	852 S South Ave Springfield, MO 65804			433 S Main Ave Springfield, MO 65806			1111-1115 E Cherokee St Springfield, MO 65809			
Proximity to Subject		0.91 miles SW			1.03 miles W			1.95 miles S			
Current Monthly Rent	\$ 685			\$ 1,890			\$ 4,125			\$ 2,200	
Rent/Gross Bldg. Area	\$ 0.25 sq.ft.			\$ 0.81 sq.ft.			\$ 1.20 sq.ft.			\$ 0.79 sq.ft.	
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☒ No			
Data Source(s)	Insp/Assr	MLS#1113084/Assr			MLS#1204819			MLS#1106988			
Date of Lease(s)	Month to Month	Month to Month			Month to Month			Month to Month			
Location	Urban/Avg	Urban/Avg			Urban/Avg			Urban/Avg			
Actual Age	124 (updated)	107			103			61			
Condition	Average-Good	Average			Average			Average-Good			
Gross Building Area	2,788	2,325			3,440			2,796			
Unit Breakdown	Rm Count	Size Sq. Ft.	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent
	Tot Br Ba	2,788	Tot Br Ba	2,325	1,890	Tot Br Ba	3,440	4,125	Tot Br Ba	2,796	2,200
Unit # 1	5 2 1	1,372	5 3 1	1,550	\$ 900	8 0 3	1,550	\$ 1,775	4 2 1	699	\$ 550
Unit # 2	4 2 1	816	4 2 1	465	\$ 595	3 1 1	471	\$ 650	4 2 1	699	\$ 550
Unit # 3	3 1 1	600	3 1 1	310	\$ 395	3 1 1	472	\$ 550	4 2 1	699	\$ 550
Unit # 4					\$	6 2 2	947	\$ 1,150	4 2 1	699	\$ 550
Utilities Included	Tnt Pays/MstrMeter	Landlord Pays/MstrMeter			Tnt Pays/MstrMeter			Tnt Pays/Sep Metr			
Garage/Parking	Parking Lot	Parking Lot			Parking Lot/Street Parking			Driveway			
W/D Hook Ups	None	None			None			Yes			
Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.) Rental #2 is a 7 plex in close proximity to the subject. The individual square footage is combined and the square footage is estimated per unit, however the total square footage is accurate per Greene County Assessor. All rentals have been updated. Rental #3 has been substantially updated. See attached addenda.											

SUBJECT RENT SCHEDULE

Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

Leases			Actual Rents			Opinion of Market Rent		
Unit #	Lease Date		Per Unit		Total Rents	Per Unit		Total Rents
	Begin Date	End Date	Unfurnished	Furnished	Unfurnished	Furnished		
1	Month	Month	\$	\$	\$	\$ 900	\$	\$ 900
2	Month	Month		685	685	700		700
3	Month	Month				550		550
4								
Comment on lease data Of the three units, Unit			Total Actual Monthly Rent		\$ 685	Total Gross Monthly Rent		\$ 2,150
#2 is occupied, the remaining two are			Other Monthly Income (itemize)		\$	Other Monthly Income (itemize)		\$
vacant.			Total Actual Monthly Income		\$ 685	Total Estimated Monthly Income		\$ 2,150
Utilities included in estimated rents ☐ Electric ☐ Water ☐ Sewer ☐ Gas ☐ Oil ☐ Trash collection ☐ Cable ☒ Other Tenant Pays								
Comments on actual or estimated rents and other monthly income (including personal property) Estimated rents for subject appear to be in line with other units in the area that are similar in size, quality and amenities. Rental rates in this area are considered stable at the present time. Supply and demand appear to be in balance.								

PRIOR SALE HISTORY

I ☒ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research ☒ did ☐ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) MLS/Assr

My research ☐ did ☒ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) MLS/Assr

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Date of Prior Sale/Transfer	06/08/2012	None within 1 Years	None within 1 Years	None within 1 Years
Price of Prior Sale/Transfer	Undisclosed/Private Sale	N/A	N/A	N/A
Data Source(s)	MLS/Assr	MLS/Assr	MLS/Assr	MLS/Assr
Effective Date of Data Source(s)	07/18/2012	06/22/2012	02/29/2012	03/30/2012
Analysis of prior sale or transfer history of the subject property and comparable sales The subject had a recent transfer that was a private sale with the sale price not available to the appraiser. No sale or transfer history for the subject or comparables other than shown above per MLS and/or assessors office.				

Small Residential Income Property Appraisal Report

File # 173012

SALES COMPARISON APPROACH	There are 14 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 105,000 to \$ 375,000 .																
	There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 100,000 to \$ 240,000 .																
	FEATURE		SUBJECT			COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3					
	Address		1040 E Walnut St Springfield, MO 65806			749 S South St Springfield, MO 65802			1045 W Mt Vernon St Springfield, MO 65806			1516 N Jefferson Ave Springfield, MO 65803					
	Proximity to Subject					0.86 miles SW			1.45 miles W			1.51 miles NW					
	Sale Price		\$			\$ 107,500			\$ 110,000			\$ 240,000					
	Sale Price/Gross Bldg. Area		\$ sq.ft.			\$ 61.92 sq.ft.			\$ 29.67 sq.ft.			\$ 44.74 sq.ft.					
	Gross Monthly Rent		\$ 2,150			\$ 900			\$ 2,400			\$ 2,760					
	Gross Rent Multiplier					119.44			45.83			86.96					
	Price per Unit		\$			\$ 53,750			\$ 18,333			\$ 48,000					
	Price per Room		\$			\$ 11,944			\$ 6,111			\$ 12,632					
	Price per Bedroom		\$			\$ 26,875			\$ 18,333			\$ 26,667					
	Rent Control		☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☒ No					
	Data Source(s)					MLS#1201470			MLS#1104324			MLS#1012808					
	Verification Source(s)					Rltr/Assr/SDI			Rltr/Assr			Rltr/Assr					
	VALUE ADJUSTMENTS		DESCRIPTION			DESCRIPTION			+(-) Adjustment			DESCRIPTION			+(-) Adjustment		
	Sale or Financing Concessions					Conventional None noted						Conventional None noted					
	Date of Sale/Time					06/22/2012						02/29/2012					
	Location		Urban/Avg			Urban/Inf			+10,000			Urban/Inf			+10,000		
	Leasehold/Fee Simple		Fee Simple			Fee Simple						Fee Simple					
	Site		11,271 Sq.Ft.			12168 sf m/l						5009 sf m/l			+2,500		
	View		N;Res;Commercial			N;Res						N;Res					
	Design (Style)		Triplex 2 story			Duplex/2Story						SixPlex/2Story					
	Quality of Construction		Wd/Good			PS/Good						PS/Good					
	Actual Age		124 (updated)			112 (updated)						117 (updated)					
	Condition		Average-Good			Average			+5,000			Average			+5,000		
	Gross Building Area		2,788			1,736			+24,325			3,708			-24,975		
	Unit Breakdown		Total	Bdrms	Baths	Total	Bdrms	Baths		Total	Bdrms	Baths		Total	Bdrms	Baths	
	Unit # 1		5	2	1	5	3	2	-1,000	6	2	2	-1,000	3	1	1	
	Unit # 2		4	2	1	4	1	1		6	2	2	-1,000	4	2	1	
	Unit # 3		3	1	1				+1,000	3	1	1		4	2	1	
	Unit # 4									3	1	1	-1,000	8	4	2	
	Basement Description		1,372 Sq.Ft.			290 sf bsmt			+5,410			0 sf bsmt			+6,860		
Basement Finished Rooms		0 sf finish			0 sf finish						0 sf finish						
Functional Utility		Average			Average						Average						
Heating/Cooling		FA/CA			FA/CA						FA/CA						
Energy Efficient Items		Standard			Standard						Standard						
Parking On/Off Site		Parking Lot			Driveway						Street Parking			+2,500			
Porch/Patio/Deck		C.Pch/C.Dk/Stoop			C.Pch/Patio			+1,000			2Stoops			+3,500			
Amenities		Appl/FP1			Appl			+1,000			Appl			+1,000			
Amenities		Foyer/1/2Bath			None			+1,500			None			+1,500			
Net Adjustment (Total)					☒ + ☐ -			\$ 48,235			☒ + ☐ -			\$ 4,885			
Adjusted Sale Price of Comparables					Net Adj. 44.9 %						Net Adj. 4.4 %						
					Gross Adj. 46.7 %			\$ 155,735			Gross Adj. 55.3 %			\$ 114,885			
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$ 77,868									\$ 19,148						
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$ 17,304									\$ 6,383						
Adjusted Price Per Bedrm(Adj. SP Comp / # of Comp Bedrooms)		\$ 38,934									\$ 19,148						
Value per Unit		\$ 47,334 X 3			Units = \$ 142,002			Value per GBA \$ 52.41 X 2,788			GBA = \$ 146,119						
Value per Rm.		\$ 11,834 X 12			Rooms = \$ 142,008			Value per Bdrms.\$ 28,400 X 5			Bdrms. = \$ 142,000						
Summary of Sales Comparison Approach including reconciliation of the above indicators of value. Quality of construction and condition adjustments were determined by personal inspection or by obtaining information from the appraiser of Realtor involved in each sale. Items taken into consideration are roof pitch, roofing material, exterior siding, windows, doors, ceiling heights, ceiling treatments, crown moldings, floor coverings and cabinets. Various style houses were used, however this does not appear to effect market value in this area. No adjustment appeared necessary. Various bedroom counts were used, however square footage appears to be the driving factor for market value in the subjects area. No adjustment appeared necessary. Gross adjustments were exceeded in this report due to square footage and condition adjustments. This could not be avoided and is common in the area. See attached addenda.																	
Indicated Value by Sales Comparison Approach \$ 142,000																	
INCOME	Total gross monthly rent \$ 2,150 X gross rent multiplier (GRM) 77 = \$ 165,550 Indicated value by the Income Approach																
	Comments on income approach including reconciliation of the GRM Local area GRM's range from 45 to 120.																
RECONCILIATION	Indicated Value by: Sales Comparison Approach \$ 142,000 Income Approach \$ 165,550 Cost Approach (if developed) \$ 0																
	Estimated indicated value is determined by using the Gross Adjustment of sale price for each comparable as a measure of the relative quality of the comp. A lower adjustment indicates a better comp, and vice versa. The ratio of gross dollar adjustment to sale price for each of the comps is used to calculate the weight each comp should have in a weighted average calculation. This weighted average is used as the indicated value of the subject. See attached addenda.																
	This appraisal is made ☐ "as is", ☐ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☒ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: See attached addenda.																
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 142,000 ,as of 07/18/2012 , which is the date of inspection and the effective date of this appraisal.																	

Small Residential Income Property Appraisal Report

File # 173012

ADDITIONAL COMMENTS

This report may contain comments, conditions and/or certifications added by the signing appraiser and/or BattleCreek Appraisal Services including, but not limited to, this Supplemental Addendum. These items shall supersede and take precedence over all other language, requirements, or conditions contained in any preprinted and/or third-party forms or documents included in, or incorporated by reference into, the appraisal report. BattleCreek Appraisal Services expressly retains all right, title, and interest in all patents, trademarks, trade names, trade secrets, software, data, conclusions, opinions, valuations, or other information included in, arising out of, or in any way related to this appraisal or the the provision of appraisal services to the named client and/or Intended User. The report and information supplied by the staff and/or agents of BattleCreek Appraisal Services is a culmination of intellectual education, professional experience, personal investigation, and know-how, which shall at all times remain the property of BattleCreek Appraisal Services. No person shall be entitled to break down, strip out, mine, or disseminate any component or part of this report, including, but not limited to, any conclusions, valuations, opinions, or other data compilations herein. The intended user of the appraisal report is the Lender/Client. The intended use is to evaluate the property that is the subject of this appraisal for feasibility of renovation, subject to the stated Scope of Work, purpose of the appraisal, reporting, requirements of this appraisal report form, and Definition of Market Value. No additional intended users are identified by the appraiser. The client agrees that pertinent information that might be useful in the appraisal process will be included in the appraiser's database and may be used in future appraisal reports, shared with other Appraisers and the Sold Data Appraisal Bank. (ie, square footage, room count, condition, quality of construction, etc.) Download of the attached appraisal file referenced below constitutes acceptance, acting in replacement of formal written signature, of the responsibility for payment in full as invoiced to be made to BattleCreek Appraisal Services, 5311 S. Cloverdale Ln., Battlefield, MO 65619, regardless to status of loan, as well as any/all debt incurred in the debt collection process as well as legal fees and expenses, if required.

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE= \$		
Source of cost data	DWELLING	Sq.Ft. @ \$	= \$
Quality rating from cost service	Effective date of cost data	Sq.Ft. @ \$	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	= \$		
	Garage/Carport	Sq.Ft. @ \$	= \$
	Total Estimate of Cost-New		= \$
	Less Physical	Functional	External
	Depreciation		= \$()
	Depreciated Cost of Improvements		= \$
	"As-is" Value of Site Improvements		= \$
Estimated Remaining Economic Life (HUD and VA only)	Years	INDICATED VALUE BY COST APPROACH= \$ 0	

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal Name of Project

Total number of phases	Total number of units	Total number of units sold
Total number of units rented	Total number of units for sale	Data source(s)
Was the project created by the conversion of existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.		
Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data Source		
Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.		
Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.		
Describe common elements and recreational facilities.		

Small Residential Income Property Appraisal Report

File # 173012

This report form is designed to report an appraisal of a two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements, including each of the units. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Small Residential Income Property Appraisal Report File # 173012

APPRAISER’S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property, including all units. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison and income approaches to value. I have adequate market data to develop reliable sales comparison and income approaches to value for this appraisal assignment. I further certify that I considered the cost approach to value but did not develop it, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market’s reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Small Residential Income Property Appraisal Report

File # 173012

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature Kimberly A. Taylor
Name Kimberly A. Taylor
Company Name BattleCreek Appraisal Services
Company Address 5311 S. Cloverdale Ln., Battlefield, MO 65619
Telephone Number (417) 234-0235
Email Address kkellerappraisal@aol.com
Date of Signature and Report July 24, 2012
Effective Date of Appraisal 07/18/2012
State Certification # 2006000600
or State License # _____
or Other (describe) _____ State # _____
State MO
Expiration Date of Certification or License 06/30/2014

ADDRESS OF PROPERTY APPRAISED
1040 E Walnut St
Springfield, MO 65806

APPRAISED VALUE OF SUBJECT PROPERTY \$ 142,000

LENDER/CLIENT

Name _____
Company Name In Care of R&P Taylor Apartments, LLC
Company Address PO Box 4386, Springfield, MO 65808
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection _____
☐ Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection _____

Supplemental Addendum

File No. 173012

Borrower	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				

The subject has three units and Unit #2 is occupied. Unit #1 & #3 are vacant.

• **Small Income : Neighborhood Market Conditions**

Mixed financing is noted for this area. The predominant method of financing is conventional. Some government backed financing is noted and cash sales are also noted. Seller concessions are occasionally paid. While there is a demand for housing in the area, there does appear to be an oversupply. Houses that have been well maintained and competitively priced sell within a reasonable amount of time. Estimated exposure time for the subject is approximately 90-180 days. The economy remains stable. The unemployment rate is below 8% at this time.

• **Small Income : Site - Adverse Site Conditions or External Factors**

Extraordinary assumption, the appraiser presumes as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property or about conditions external to the property, such market conditions or trends, or the integrity of data used in an analysis. All of the site could not be inspected. Opinion of value is based on there being no enviornmental hazards on the property. None were noted at the time of inspection.

• **Small Income : Improvements - Additional Features**

Subject has wood siding exterior with a shared covered entry porch, covered deck and brick stoop. Unit 1: Consists of the entire first excluding a shared foyer area and has 1 kitchen with eat-in dining area, living room, family room, two bedrooms and a shared bath. The ceiling heights are 9' high with crown moldings typically. The living room has a fireplace. Kitchen has a closet pantry. Unit 2: 1 living room, 2 bedrooms, 1 bath. Unit 3: 1 living room, 1 bedroom, 1 kitchen, 1 bath. The subject has a full unfinished mechanical basement.

• **Small Income : Improvements - Condition of the Property**

The interior would be stripped down to the studs with the existing hardwood floors remaining and restored. The electrical and plumbing would be completely redone, the drywall would be new, the trim would be restored or replaced, new porcelain tile flooring where there is not hardwood, all kitchens and baths would be completely remodeled and updated including cabinets, appliances, counter tops, etc. All light fixtures to be replaced. The quality of materials to be used would be defined as builder grade or slightly better quality. All settlement in the floors to be repaired. Floor plan is functional. No external adequacies noted. The estimated exposure time for the subject property is 90 to 365 days.

• **Small Income :**

Extraordinary assumption, the appraiser presumes as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property or about conditions external to the property, such market conditions or trends, or the integrity of data used in an analysis. All of the site could not be inspected. Opinion of value is based on there being no enviornmental hazards on the property. None were noted at the time of inspection.

• **Small Income : Comparable Rentals - Analysis of Rental Data**

All rentals are multifamily units including a triplex, seven plex, and two identical duplexes that are located within similar neighborhoods as subject. All are similar in distance to support facilities. Rentals used were the best available at the time of the appraisal. Rentals range from \$2325 to \$3440.

• **Small Income : Sales Comparison - Summary**

This does not appear to hinder marketability. Comparable #1 is in a competing neighborhood that exceeded the one mile guidelines, however no location adjustment appeared necessary. Site adjustments were not warranted due to all appearing similar in market value.

The initial search started via Springfield MLS within a one mile radius of the subject for homes of similar age, style, quality, square footage, etc. and found little to no activity. The appraiser had no choice but to broaden the search in distance, time, square footage, age, quality, condition, etc. in an effort to find other comparables. The final search ended by searching all of Springfield for the best comparables available.

• **Small Income : Reconciliation - Comments**

In appraising the subject property the Cost Approach was considered but not completed due to the age of the subject. The cost approach is not considered to be reliable on homes of this age. Sales comparison \$142,000, and the Income Approach was concluded N/A due to insufficient rental/sale data available. The market approach was considered the most reliable due to quality and quantity of sales data, therefore concluding \$142,000. Estimated exposure time: 3-12 months. The digital pictures that have been furnished with this report have not been altered.

• **Small Income : Reconciliation - Conditions of the Appraisal**

The market value found within this report is based on the hypothetical condition that the subject has been completely restored, renovated and updated: including but not limited to the following: restoring the exterior to meet the historical district guidelines: including a new roof, new gutter, new windows, repair and replace any damaged wood siding, peel all exterior paint and repaint. The interior would be stripped down to the studs with the existing hardwood floors remaining and restored. The electrical and plumbing would be completely redone, the drywall would be new, the trim would be restored or replaced, new porcelain tile flooring where there is not hardwood, all kitchens and baths would be completely remodeled and updated including cabinets, appliances, counter tops, etc. All light fixtures to be replaced. The quality of materials to be used would be defined as builder grade or slightly better quality. All settlement in the floors to be repaired. If the repairs and renovations are not completed the market value will change.

This appraisal has been prepared in conformity with the code of ethics of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Foundation. The purpose of this appraisal is to offer an estimate of market value for the subject. The intended use of this appraisal is to assist the client named in the report or its successor or assigns in evaluating the subject property to determine current market value after updating. This is a federally related transaction and no one provided significant professional assistance to the person signing this report.

The appraiser has no current or prospective interest in the subject property or parties involved, and no services regarding the subject property were performed by the appraiser within the previous three years.

Subject Photo Page

Borrower	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Subject Front

1040 E Walnut St
Sales Price
Gross Building Area 2,788
Age 124 (updated)



Subject Rear



Subject Street

Subject Photos

Borrower	N/A			
Property Address	1040 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC			



Opposite View Of Street



Right Side



Left Side



Parking Lot



Unit #1 Living Room



Unit #1 Kitchen

Subject Photos

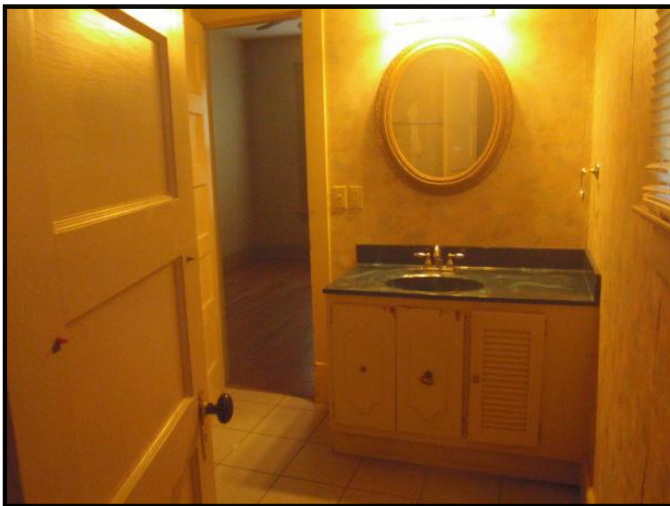
Borrower	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #1 Family Room



Unit #1 Bedroom #1



Unit #1 Shared Bath



Unit #1 Bedroom #2



Settlement Cracks



1/2 Bath in Foyer

Interior Photos

Borrower	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Shared Foyer Area



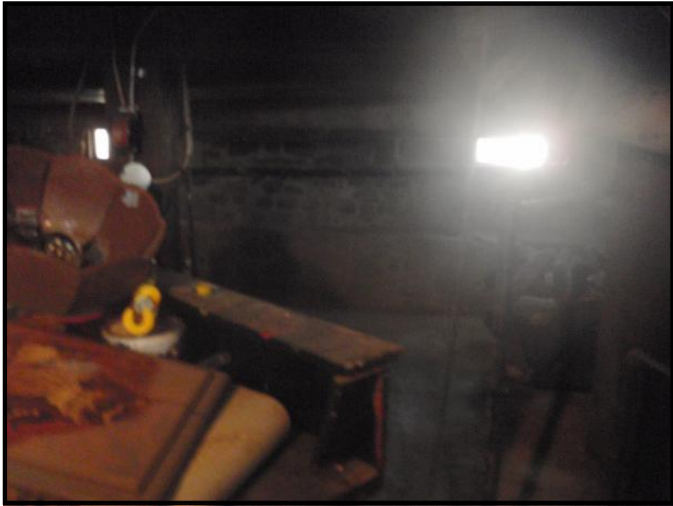
Water Leaks



Basement



Basement



Basement



Unit #3 Living Room

Subject Photos

Borrower	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #3 Bedroom #1



Unit #3 Kitchen



Unit #3 Bath



Unit #3 Bath (Another View)



Hall



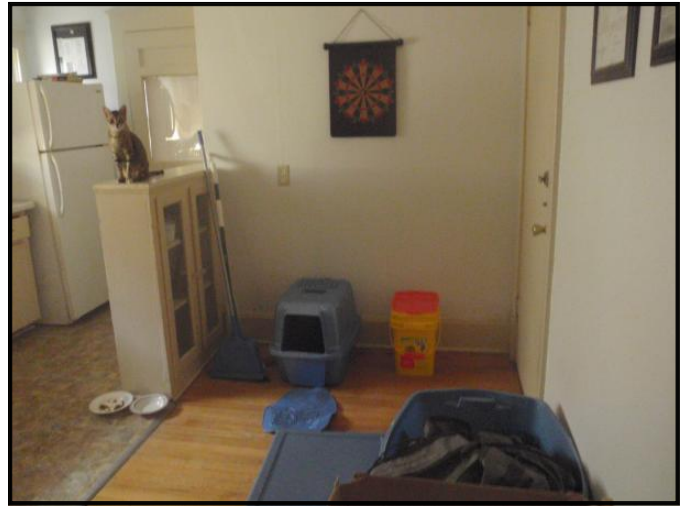
Unit #2 Bedroom #1

Subject Photos

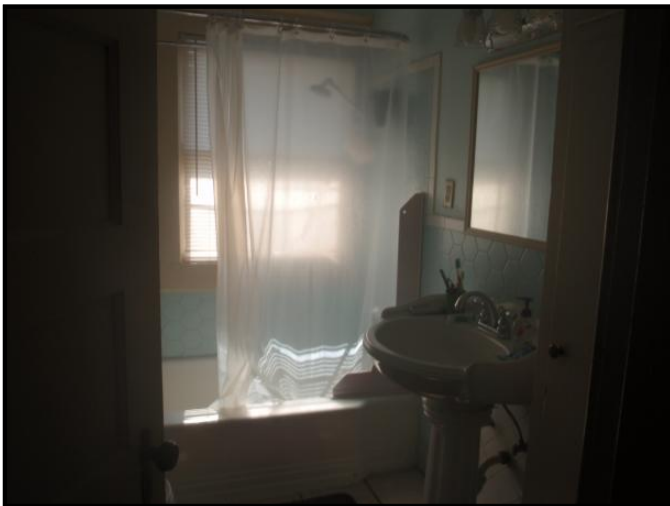
Borrower	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #2 Kitchen



Unit #2 Dining Area



Unit #2 Bath



Unit #2 Living Room



Unit #2 Bedroom

Comparable Photo Page

Borrower	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Comparable 1

749 S South St
Sales Price 107,500
Gross Building Area 1,736
Age 112 (updated)



Comparable 2

1045 W Mt Vernon St
Sales Price 110,000
Gross Building Area 3,708
Age 117 (updated)



Comparable 3

1516 N Jefferson Ave
Sales Price 240,000
Gross Building Area 5,364
Age 82 (updated)

Small Residential Income Property Appraisal Report

File # 173012

SALES COMPARISON APPROACH	FEATURE	SUBJECT			COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6						
	Address		1040 E Walnut St Springfield, MO 65806			433 S Main Ave Springfield, MO 65806											
	Proximity to Subject					1.03 miles W											
	Sale Price		\$			\$ 159,900			\$			\$					
	Sale Price/Gross Bldg. Area		\$ sq.ft.			\$ 46.48 sq.ft.			\$ sq.ft.			\$ sq.ft.					
	Gross Monthly Rent		\$ 2,150			\$ 3,600			\$			\$					
	Gross Rent Multiplier					44.42											
	Price per Unit		\$			\$ 22,843			\$			\$					
	Price per Room		\$			\$ 7,995			\$			\$					
	Price per Bedroom		\$			\$ 39,975			\$			\$					
	Rent Control		☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☐ No			☐ Yes ☐ No					
	Data Source(s)					MLS#1204819											
	Verification Source(s)					Rltr/Assr											
	VALUE ADJUSTMENTS		DESCRIPTION			DESCRIPTION			+ (-) Adjustment			DESCRIPTION			+ (-) Adjustment		
	Sale or Financing					Active Listing											
	Concessions					LP/SP Ratio			-11,200								
	Date of Sale/Time					04/09/2012 LD											
	Location		Urban/Avg			Urban/Avg											
	Leasehold/Fee Simple		Fee Simple			Fee Simple											
	Site		11,271 Sq.Ft.			12545 sf m/l											
	View		N;Res;Commercial			N;Res;Comm											
	Design (Style)		Triplex 2 story			7Plex/2Story											
	Quality of Construction		Wd/Good			PS/Good											
	Actual Age		124 (updated)			103 (updated)											
	Condition		Average-Good			Average			+5,000								
	Gross Building Area		2,788			3,440			-18,275								
	Unit Breakdown		Total	Bdrms	Baths	Total	Bdrms	Baths				Total	Bdrms	Baths			
	Unit # 1		5	2	1	8	0	3	-2,000								
	Unit # 2		4	2	1	3	1	1									
	Unit # 3		3	1	1	3	1	1									
	Unit # 4					6	2	2	-2,000								
	Basement Description		1,372 Sq.Ft.			0sf bsmt			+6,860								
	Basement Finished Rooms		0 sf finish			0 sf finish											
	Functional Utility		Average			Average											
	Heating/Cooling		FA/CA			FA/None			+2,000								
Energy Efficient Items		Standard			Standard												
Parking On/Off Site		Parking Lot			Prkng Lot/3GCrprrt			-1,500									
Porch/Patio/Deck		C.Pch/C.Dk/Stoop			C.Pch/Patio			+1,000									
Amenities		Appl/FP1			Appliances			+1,000									
Amenities		Foyer/1/2Bath			None			+1,500									
Net Adjustment (Total)					☐ + ☒ -			\$ -17,615			☐ + ☐ -			\$			
Adjusted Sale Price of Comparables					Net Adj. 11.0 %						Net Adj. %						
					Gross Adj. 32.7 %			\$ 142,285			Gross Adj. %			\$			
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$			20,326						\$						
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$			7,114						\$						
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		\$			35,571						\$						
SALE HISTORY	Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).																
	ITEM	SUBJECT			COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6						
	Date of Prior Sale/Transfer	06/08/2012			None within 1 Years												
	Price of Prior Sale/Transfer	Undisclosed/Private Sale			N/A												
	Data Source(s)	MLS/Assr			MLS/Assr												
	Effective Date of Data Source(s)	07/18/2012			07/18/2012												
	Analysis of prior sale or transfer history of the subject property and comparable sales No sale or transfer history for the subject or comparables other than shown above per MLS and/or assessors office.																
ANALYSIS / COMMENTS	Analysis/Comments Quality of construction and condition adjustments were determined by personal inspection or by obtaining information from the appraiser of Realtor involved in each sale. Items taken into consideration are roof pitch, roofing material, exterior siding, windows, doors, ceiling heights, ceiling treatments, crown moldings, floor coverings and cabinets. Comparables are over 6 months old, however due to the stability of the market no time adjustments appeared necessary. Typical list to sale price percentages in the subject's area are at 93%. An adjustment was made to reflect typical market activity.																

Comparable Photo Page

Borrower	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Comparable 4

433 S Main Ave
Sales Price 159,900
Gross Building Area 3,440
Age 103 (updated)

Comparable 5

Sales Price
Gross Building Area
Age

Comparable 6

Sales Price
Gross Building Area
Age

Rental Photo Page

Borrower	N/A				
Property Address	1040 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC				



Rental 1

852 S South Ave
Proximity to Subject 0.91 miles SW
Gross Building Area 2,325
Age 107



Rental 2

433 S Main Ave
Proximity to Subject 1.03 miles W
Gross Building Area 3,440
Age 103



Rental 3

1111-1115 E Cherokee St
Proximity to Subject 1.95 miles S
Gross Building Area 2,796
Age 61

Operating Income Statement

One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property

Property Address		1040 E Walnut St Street		Springfield City	MO State	65806 Zip Code	
General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.							
	Currently Rented	Expiration Date	Current Rent Per Month	Market Rent Per Month	Utility Expense	Paid By Owner	Paid By Tenant
Unit No. 1	Yes ☐ No ☒		\$	\$ 900	Electricity	☐	☒
Unit No. 2	Yes ☒ No ☐		\$ 685	\$ 700	Gas	☐	☒
Unit No. 3	Yes ☐ No ☒		\$	\$ 550	Fuel Oil	☐	☐
Unit No. 4	Yes ☐ No ☐		\$	\$	Fuel (Other)	☐	☐
Total			\$ 685	\$ 2,150	Water/Sewer	☐	☒
					Trash Removal	☐	☒

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years (*for new properties the applicant's projected income and expenses must be provided*). This Operating Income Statement and any previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures (*e.g. Applicant/Appraiser 288/300*). If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. (*Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item*) Income should be based on the current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

Annual Income and Expense Projection for Next 12 months

Income (<i>Do not include income for owner-occupied units</i>)	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Gross Annual Rental (<i>from unit(s) to be rented</i>) (Market)	\$ 25,800	\$
Other Income (<i>include sources</i>)	+	+
Total	\$ 25,800	\$
Less Vacancy/Rent Loss	- (%)	- (%)
Effective Gross Income	\$ 25,800	\$
Expenses (<i>Do not include expenses for owner-occupied units</i>)		
Electricity		
Gas		
Fuel Oil		
Fuel (Type -)		
Water/Sewer		
Trash Removal		
Pest Control		
Other Taxes or Licenses		
Casual Labor	200	
This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.		
Interior Paint/Decorating	500	
This includes the costs of contract labor and materials that are required to maintain the interiors of the living unit.		
General Repairs/Maintenance	250	
This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.		
Management Expenses		
These are the customer expenses that a professional management company would charge to manage the property.		
Supplies	200	
This includes the costs of items like light bulbs, janitorial supplies, etc.		
Total Replacement Reserves - See Schedule on Pg. 2	725	
Miscellaneous		
.....		
.....		
.....		
.....		
.....		
.....		
.....		
.....		
Total Operating Expenses	\$ 1,875	\$

Replacement Reserve Schedule

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner’s operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year - such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment	Replacement Cost	Remaining Life	By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@ \$ 350 ea.	÷ 10 Yrs. x 3	Units = \$ 105	\$
Refrigerators	@ \$ ea.	÷ Yrs. x	Units = \$	\$
Dishwashers	@ \$ 350 ea.	÷ 10 Yrs. x 3	Units = \$ 105	\$
A/C Units	@ \$ 1,000 ea.	÷ 10 Yrs. x 1	Units = \$ 100	\$
C. Washer/Dryers	@ \$ ea.	÷ Yrs. x	Units = \$	\$
HW Heaters	@ \$ 150 ea.	÷ 10 Yrs. x 1	Units = \$ 15	\$
Furnace(s)	@ \$ 1,000 ea.	÷ 10 Yrs. x 1	Units = \$ 100	\$
(Other)	@ \$ ea.	÷ Yrs. x	Units = \$	\$
Roof	@ \$ 4,500 ÷ 15	Yrs. x One Bldg. =	\$ 300	\$
Carpeting (Wall to Wall)				
		Remaining Life		
(Units)	Total Sq. Yds. @ \$	Per Sq. Yd. ÷ Yrs. =	\$	\$
(Public Areas)	Total Sq. Yds. @ \$	Per Sq. Yd. ÷ Yrs. =	\$	\$
Total Replacement Reserves. (Enter on Pg. 1)			\$ 725	\$

Operating Income Reconciliation

\$ 25,800	-	\$ 1,875	=	\$ 23,925	÷ 12 =	\$ 1,994
Effective Gross Income		Total Operating Expenses		Operating Income		Monthly Operating Income
\$ \$ 1,994	-	\$	=	\$		
Monthly Operating Income		Monthly Housing Expense		Net Cash Flow		

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

Underwriter’s instructions for 2-4 Family Owner-Occupied Properties

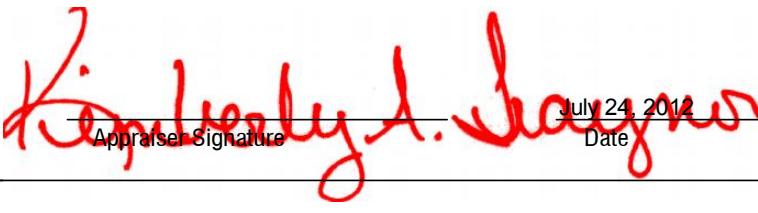
- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower’s monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the **subject property** to the borrower’s stable monthly income.

Underwriter’s instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower’s monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower’s **primary residence** to the borrower’s stable monthly income.

Appraiser’s Comments (Including sources for data and rationale for the projections)
Data recited is based on interviews with property managers, Realtors, Appraisers, analysis of current market trends and assessors records.

Kimberly A. Traynor
Appraiser Name


Appraiser Signature

July 24, 2012
Date

Underwriter’s Comments and Rationale for Adjustments

Underwriter Name

Underwriter Signature

Date

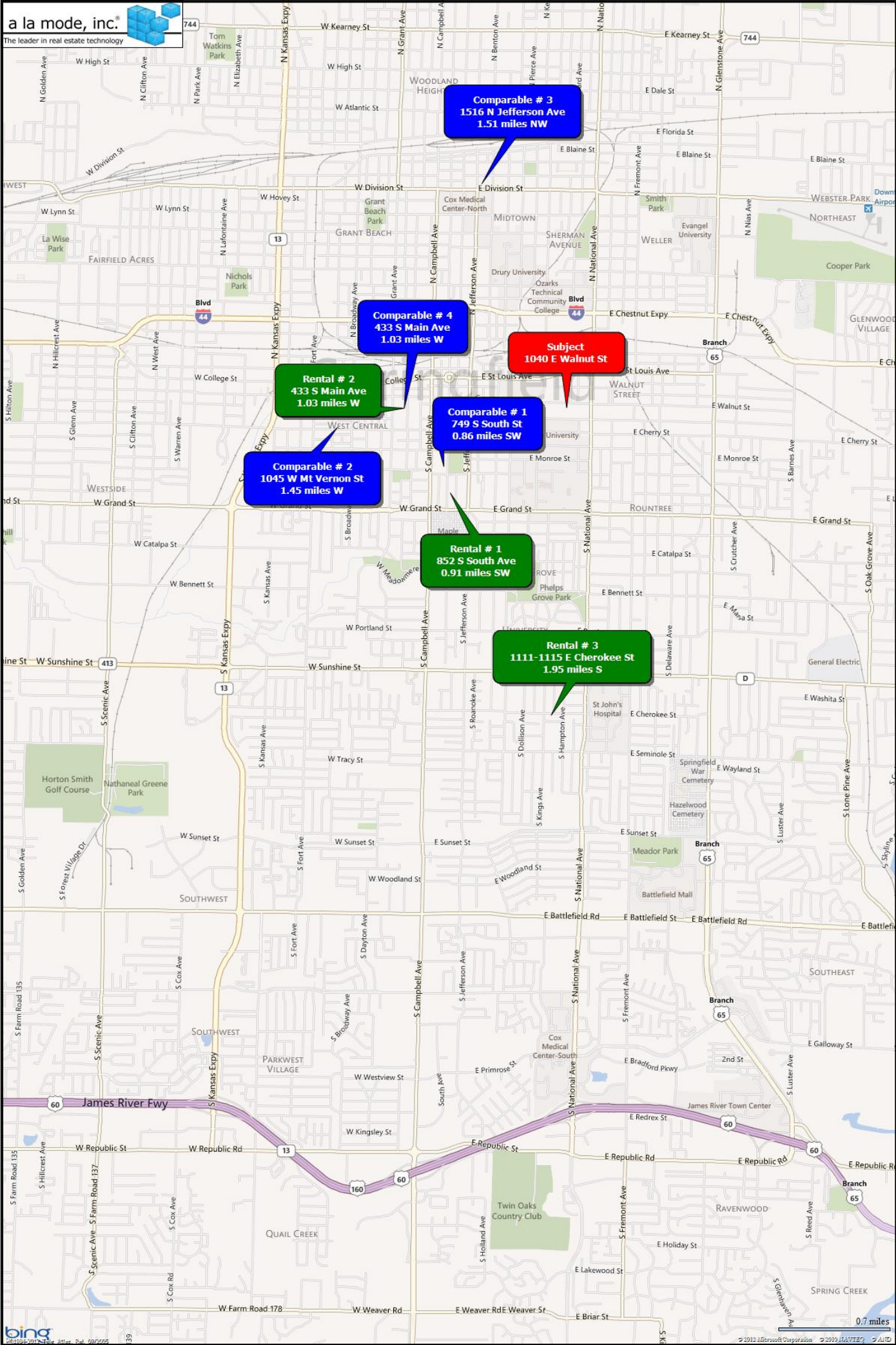
Freddie Mac
Form 998 Aug 88

Page 2 of 2

Fannie Mae
Form 216 Aug 88

Location Map

Borrower	N/A			
Property Address	1040 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65806
Lender	In Care of R&P Taylor Apartments, LLC			



Borrower	N/A						
Property Address	1040 E Walnut St						
City	Springfield	County	Greene	State	MO	Zip Code	65806
Lender	In Care of R&P Taylor Apartments, LLC						

InterFlood *by a la mode*
www.interflood.com • 1-800-252-6633

Prepared for:
BattleCreek Appraisal Services
1040 E Walnut St
Springfield, MO 65806

FLOODSCOPE
Flood Hazards Map
Map Number 29077C0334E
Effective Date December 17, 2010
Powered by FloodSource 877.77.FLOOD
www.floodsource.com

0' 300' 600' 900' 1200'

Streets labeled: S McAllister Ave, S Hampton Ave, S Florence Ave, S National Ave, S Cordova Ct, S Kickapoo Ave, S Mcdaniel St, S Elm St, S Cherry St, S Harrison St, S Monroe St, S Madison St, S Kings Ave, E Walnut St, E Elm St, E Cherry St, E Harrison St, E Madison St, E Page St, E National Ave, E Florence Ave, E Hampton Ave, E McAllister Ave, E Louis St, E Mcdaniel St, E Cordova Ct, E Kickapoo Ave, E Mcdaniel St, E Cordova Ct, E Kickapoo Ave, E Mcdaniel St, E Cordova Ct, E Kickapoo Ave.

Zone X

Appendix D

Assessed Values

2012

Current Land:	\$3,500
Current Building:	\$19,150
Current Total:	\$22,650

2011

Current Land:	\$3,500
Current Building:	\$19,150
Current Total:	\$22,650

2010

Current Land:	\$3,800
Current Building:	\$19,150
Current Total:	\$22,950

Appendix E
Real Estate Property Taxes



Tax Year 2010
Greene County, Missouri
Real Estate Tax Receipt

88-13-24-112-012

This is an official receipt.



Greene County Real Estate Tax Receipt

Tax Year **2010**

DAMERON, CONNIE K
1257 S POST OAK CT
SPRINGFIELD, MO 65809

Date Posted 11-17-10
Receipt Number 302600
Transaction 10201418
Payment Amount 1146.28
Date Received 11-17-10
Account Number 88-13-24-112-012

Where Your Taxes Go

Springfield R12 school district	712.93	Road	26.00
Tax Increment Finance	163.35	County General Revenue	26.00
City of Springfield	118.39	County Senior Citizens' Services	9.68
Library	47.47	County Developmental Disability Programs	9.09
Vocational College Tax	27.47	State of Missouri	5.90

Location Address:1040 E WALNUT ST

The account is **PAID IN FULL** for tax year 2010 for the following described property:
SMITHS ADD E ADD LOT 13



10201418-302600



Tax Year 2011
Greene County, Missouri
Real Estate Tax Receipt

88-13-24-112-012

This is an official receipt.



Greene County Real Estate Tax Receipt

Tax Year **2011**

DAMERON, CONNIE K
1257 S POST OAK CT
SPRINGFIELD, MO 65809

Date Posted 12-31-11
Receipt Number 380850
Transaction 11400432
Payment Amount 1134.11
Date Received 01-09-12
Account Number 88-13-24-112-012

Where Your Taxes Go

Springfield R12 school district	715.74	Road	25.72
Tax Increment Finance	148.72	County General Revenue	25.72
City of Springfield	118.26	County Senior Citizens' Services	9.70
Library	47.59	County Developmental Disability Programs	9.11
Vocational College Tax	27.65	State of Missouri	5.90

Location Address:1040 E WALNUT ST

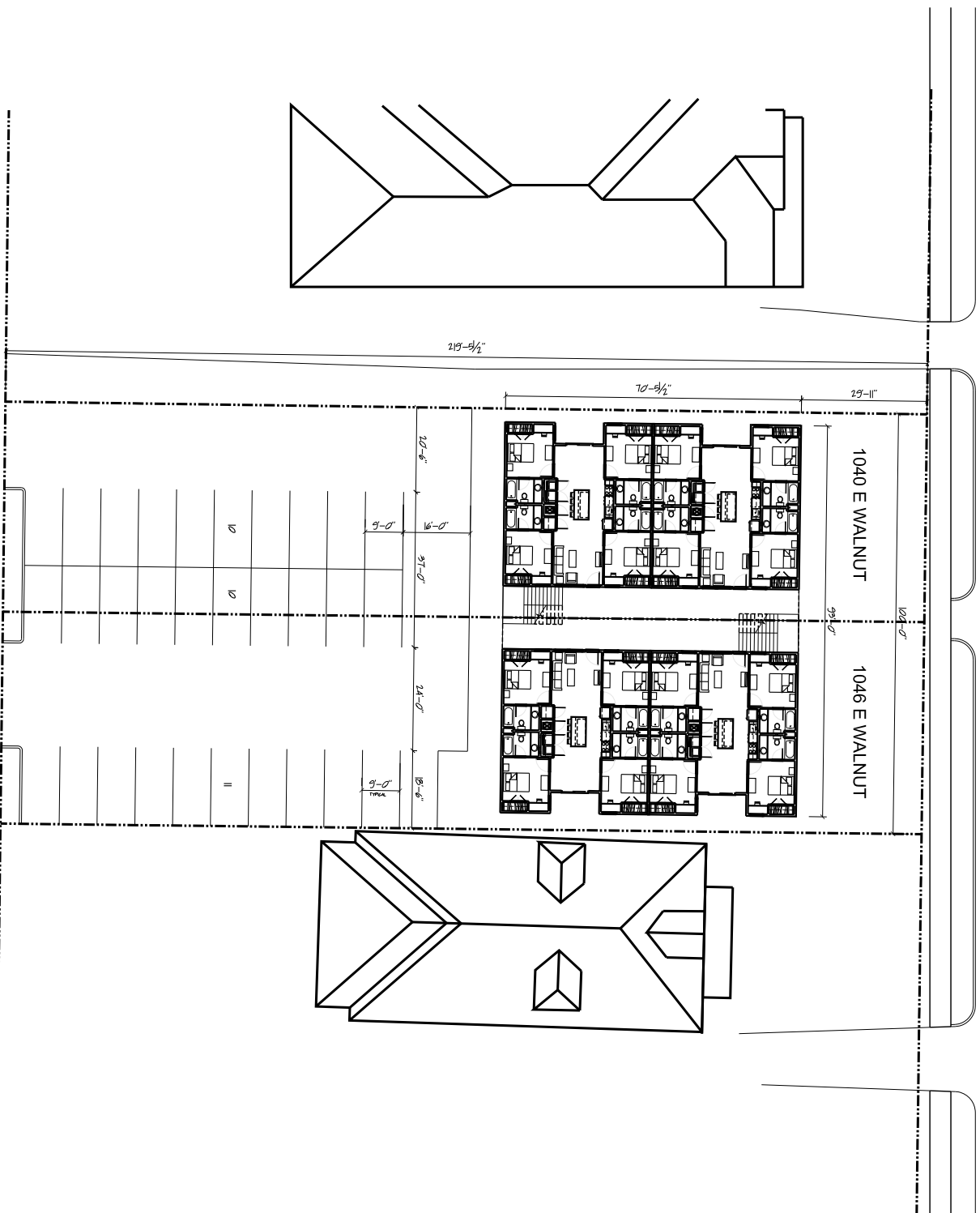
The account is **PAID IN FULL** for tax year 2011 for the following described property:
SMITHS ADD E ADD LOT 13



11400432-380850

Appendix F
Proposed Development

WALNUT ST



ACCESS ALLEY





Appendix G

Closing Documents



A. U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT SETTLEMENT STATEMENT		B. TYPE OF LOAN: 1. ☐ FHA 2. ☐ FmHA 3. ☐ CONV. UNINS. 4. ☐ VA 5. ☐ CONV. INS. 6. FILE NUMBER: 1205322 7. LOAN NUMBER: 8. MORTGAGE INS CASE NUMBER:				
C. NOTE: <i>This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "[POC]" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.</i> 1.0 3/98 (1205322.PFD/1205322/17)						
D. NAME AND ADDRESS OF BORROWER: R & P TAYLOR APARTMENTS LLC		E. NAME AND ADDRESS OF SELLER: CONNIE K. DAMERON		F. NAME AND ADDRESS OF LENDER:		
G. PROPERTY LOCATION: 1040 E. WALNUT STREET SPRINGFIELD, MO GREENE County, Missouri LOT 13 AD E SMITH'S ADDITION		H. SETTLEMENT AGENT: 43-0799985 Hogan Land Title PLACE OF SETTLEMENT 1605 E Sunshine Springfield, MO 65804			I. SETTLEMENT DATE: June 8, 2012	
J. SUMMARY OF BORROWER'S TRANSACTION				K. SUMMARY OF SELLER'S TRANSACTION		
100. GROSS AMOUNT DUE FROM BORROWER:				400. GROSS AMOUNT DUE TO SELLER:		
101. Contract Sales Price 140,000.00				401. Contract Sales Price		
102. Personal Property				402. Personal Property		
103. Settlement Charges to Borrower (Line 1400) 6,371.00				403.		
104.				404.		
105.				405.		
Adjustments For Items Paid By Seller in advance				Adjustments For Items Paid By Seller in advance		
106. City/Town Taxes to				406. City/Town Taxes to		
107. County Taxes to				407. County Taxes to		
108. Assessments to				408. Assessments to		
109.				409.		
110.				410.		
111.				411.		
112.				412.		
120. GROSS AMOUNT DUE FROM BORROWER 146,371.00				420. GROSS AMOUNT DUE TO SELLER		
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:				500. REDUCTIONS IN AMOUNT DUE TO SELLER:		
201. Deposit or earnest money 1,000.00				501. Excess Deposit (See Instructions)		
202. Principal Amount of New Loan(s)				502. Settlement Charges to Seller (Line 1400)		
203. Existing loan(s) taken subject to				503. Existing loan(s) taken subject to		
204.				504.		
205.				505.		
206.				506.		
207.				507.		
208.				508.		
209.				509.		
Adjustments For Items Unpaid By Seller				Adjustments For Items Unpaid By Seller		
210. City/Town Taxes to				510. City/Town Taxes to		
211. County Taxes 01/01/12 to 06/09/12 495.79				511. County Taxes to		
212. Assessments to				512. Assessments to		
213.				513.		
214.				514.		
215.				515.		
216.				516.		
217.				517.		
218.				518.		
219.				519.		
220. TOTAL PAID BY/FOR BORROWER 1,495.79				520. TOTAL REDUCTION AMOUNT DUE SELLER		
300. CASH AT SETTLEMENT FROM/TO BORROWER:				600. CASH AT SETTLEMENT TO/FROM SELLER:		
301. Gross Amount Due From Borrower (Line 120) 146,371.00				601. Gross Amount Due To Seller (Line 420)		
302. Less Amount Paid By/For Borrower (Line 220) (1,495.79)				602. Less Reductions Due Seller (Line 520) ()		
303. CASH (X FROM) (TO) BORROWER 144,875.21				603. CASH (X TO) (FROM) SELLER		

By signing page 2 of this statement, the signatories acknowledge receipt of a completed copy of page 1 of this two page statement.

L. SETTLEMENT CHARGES						
700. TOTAL COMMISSION Based on Price			\$	140,000.00 @ 4.0000 %	5,600.00	
Division of Commission (line 700) as Follows:						
701. \$ 5,600.00 to MURNEY ASSOCIATES						PAID FROM BORROWER'S FUNDS AT SETTLEMENT
702. \$ to						PAID FROM SELLER'S FUNDS AT SETTLEMENT
703. Commission Paid at Settlement						
704. to					5,600.00	
800. ITEMS PAYABLE IN CONNECTION WITH LOAN						
801. Loan Origination Fee % to						
802. Loan Discount % to						
803. Appraisal Fee to						
804. Credit Report to						
805. Underwriting Fee to						
806. Yield Spread Premium to						
807. Flood Certification to				POC \$		
808. Tax Service Fee						
809. Lenders Inspection Fee						
810. Document Preparation Fee						
811. Courier Fee to Lender						
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE						
901. Interest From to @ \$ /day (days %)						
902. MIP Totlns. for LifeOfLoan for months to						
903. Hazard Insurance Premium for 1.0 years to						
904.						
905.						
1000. RESERVES DEPOSITED WITH LENDER						
1001. Hazard Insurance			months @ \$	per month		
1002. Mortgage Insurance			months @ \$	per month		
1003. City/Town Taxes			months @ \$	per month		
1004. County Taxes			months @ \$	per month		
1005. Assessments			months @ \$	per month		
1006.			months @ \$	per month		
1007.			months @ \$	per month		
1008. Aggregate Adjustment			months @ \$	per month		
1100. TITLE CHARGES						
1101. Settlement or Closing Fee to Hogan Land Title					250.00	250.00
1102. Abstract or Title Search to Hogan Land Title						175.00
1103. Title Examination to						
1104. Courier Fees to Hogan Land Title						
1105. Document Preparation to				PAYOFF		20.00
1106. Insured Closing Protection Fee to First American Title Insurance Company					0.00	0.00
1107. Attorney's Fees to						
(includes above item numbers:				)		
1108. Title Insurance to Hogan Land Title					486.00	
(includes above item numbers:				)		
1109. Lender's Coverage \$						
1110. Owner's Coverage \$ 140,000.00				162.00		
1111. Title Service Charge Hogan Land Title						
1112. E-Recording Fee to Hogan Land Title					5.00	
1113. Express Delivery						
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES						
1201. Recording Fees: Deed \$ 30.00; Mortgage \$; Releases \$					30.00	
1202. City/County Tax/Stamps: Deed ; Mortgage						
1203. State Tax/Stamps: Deed ; Mortgage						
1204. Record Assignment RECORDER OF DEEDS						
1205.						
1300. ADDITIONAL SETTLEMENT CHARGES						
1301. Survey to						
1302. Pest Inspection to						
1303. Home Warranty						
1304. Home Owners Association Dues						
1305.						
1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)					6,371.00	445.00

Certified to be a true copy.

ACKNOWLEDGMENT OF RECEIPT OF SETTLEMENT STATEMENT

Borrower: R & P TAYLOR APARTMENTS LLC

Seller: CONNIE K. DAMERON

Settlement Agent: Hogan Land Title
(417)882-3000

Place of Settlement: 1605 E Sunshine
Springfield, MO 65804

Settlement Date: June 8, 2012

Property Location: 1040 E. WALNUT STREET
SPRINGFIELD, MO
GREENE County, Missouri
LOT 13 AD E SMITH'S ADDITION

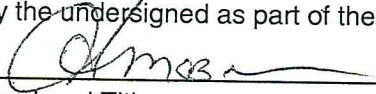
I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

R & P TAYLOR APARTMENTS LLC

BY: 
MEMBER


CONNIE K. DAMERON

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.


Hogan Land Title
Settlement Agent

WARNING: It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

General Warranty Deed

THIS DEED, Made and entered into this 8 day of June, 2012, by and between

Grantor: **CONNIE K. DAMERON** , a single person

of the County of GREENE, State of MISSOURI, party or parties of the first part, and

Grantee: **R & P TAYLOR APARTMENTS LLC**

of the County of GREENE, MISSOURI, party or parties of the second part,

Grantee's mailing address: 1257 S Post Oak Ct Spbrl mo 65809

WITNESSETH, that the said party or parties of the first part, for and in consideration of the sum of Ten Dollars and other good and valuable considerations paid by the said party or parties of the second part, the receipt of which is hereby acknowledged, does or do by these presents GRANT, BARGAIN AND SELL, CONVEY AND CONFIRM unto the said party or parties of the second part, the following described Real Estate, situated in the County of GREENE and State of Missouri, to-wit:

ALL OF LOT THIRTEEN (13), AD. E. SMITH'S ADDITION, TO THE CITY OF SPRINGFIELD, GREENE COUNTY, MISSOURI.

SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND COVENANTS OF RECORD, IF ANY.
TO HAVE AND TO HOLD THE SAME, Together with all rights and appurtenances to the same, belonging unto the said party or parties forever.

IN WITNESS WHEREOF, the said party or parties of the first part has or have hereunto set their hand or hands the day and year first above written.

The said party or parties of the first part covenanting that said party or parties and the heirs, executors, administrators and assigns of such party or parties, shall and will WARRANT AND DEFEND the title to the premises unto the said party or parties of the second part, and to the heirs and assigns of such party or parties forever, against the lawful claims of all person whomsoever, excepting however, the general taxes for the current calendar year, and thereafter, and special taxes becoming a lien after the date of this deed, and restrictions, easements and building set back lines of record if any, and zoning laws.



CONNIE K. DAMERON

STATE OF MISSOURI,

)

)

SS.

County of GREENE

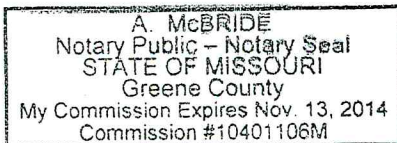
)

On this 8 day of June, 2012, before me personally appeared CONNIE K. DAMERON, * to me known to be the person(s) described in and who executed the forgoing instrument, and acknowledged that he\she\they executed the same as his\her\ their free act and deed. IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in SPRINGFIELD, MO the day and year first above written.

* a single person



1205322



Notary Public

Notice of Unprotected Closing or Settlement

To: R & P TAYLOR APARTMENTS, LLC

A Closing protection letter protects a buyer, lender, or seller against losses because of the following acts of the title insurer's named issuing title agency or agent:

- a) Acts of theft of settlement funds or fraud with regard to settlement funds; and
- b) Failure to comply with written closing instructions by the proposed insured when agreed to by the title agency or title agent relating to title insurance coverage.

Under section 381.058.3, RSMo., a title insurer had the authority to issue closing protection letters ONLY for transactions in which it is issuing a title insurance policy and its issuing agent or agency is performing closing or settlement services.

Waiver

This is to certify that the foregoing Disclosure of Closing and Settlement Risk has been explained to me, and that I understand that no title insurer is providing any protection to me for closing and settlement funds received by it, or its policy issuing agency or agent.

By: X u _____

By: _____

STATE OF MISSOURI

Commitment Number:

)
) SS.
)

1205322

COUNTY of GREENE

AFFIDAVIT IN LIEU OF SURVEY

Date: 6/8/2012

The Undersigned being first duly sworn, deposes and says:

1. That I/we, being the owner(s) of record of the property described in the above numbered title Commitment or Policy, did not receive any survey at the time I/we purchased the property nor have I/we subsequently obtained a survey, or if I/we did receive a survey I/we are now unable to locate it. Also I/we have been advised by my/our lender that they do not have a survey in their files.

2. The property is residential in character and does not contain more than four family units.

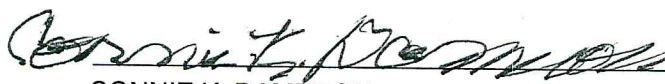
3. To the best of my/our knowledge, I/we certify there are no present violations of any enforceable covenants conditions or restrictions or plat building lines.

4. To the best of my/our knowledge, I/we certify that the improvements (house, garage, outbuildings, etc) on the subject property are within the boundary lines and setback lines if any, of said property, and that there are no encroachments by improvements on adjoining property onto subject property, that there are also no encroachments of existing improvements on said property onto any easements located on said property, and that I/we know of no assertions being made by any adjoining property owner nor by me/us against them as to the location of the boundary lines or disputes as to the occupancy of any portion of our property or their property except:

5. I/we are the only occupant(s) of the property except:

6. There are no walkways or driveways located on the property that are used in common by adjoining owners except:

This affidavit is given to FIRST AMERICAN TITLE INSURANCE COMPANY and HOGAN LAND TITLE COMPANY its agent as an inducement to issue its Loan Policy over questions of survey, encroachments, and easements.

 (Seal)
CONNIE K. DAMERON

_____(Seal)

Subscribed and Sworn to before me this 8th day of June, 20 12.



A. McBRIDE Notary Public - Notary Seal STATE OF MISSOURI Greene County My Commission Expires Nov. 13, 2014
--

AFFIDAVIT BY OWNER AND/OR MORTGAGOR

STATE OF MISSOURI)
COUNTY OF *GREENE*)

The undersigned, in consideration of FIRST AMERICAN TITLE INSURANCE CO. issuing its Policy(s) of title insurance insuring an interest in or title to the real estate described herein, and being first duly sworn on oath, deposes and states as follows:

- 1 That the undersigned is the Owner(s) of the real estate referred to herein, which is described as follows:
ALL OF LOT THIRTEEN (13), AD. E. SMITH'S ADDITION, TO THE CITY OF SPRINGFIELD, GREENE COUNTY, MISSOURI.
- 2 That there are no pending or levied assessments on the real estate, including but not limited to those for trees, sidewalks, streets, sewers and water lines; nor any unpaid sewer connect charges.
- 3 That there are no pending easements, party walls, agreements, or rights-of-way, which encumber the real estate.
- 4 That there are not any unpaid bills or claims for labor, services, or materials; nor any improvement or repair contracts, home improvement loans, unrecorded mortgages, chattel mortgages, conditional bills of sale, retention of title agreements, security agreements, agreements not to sell or encumber, financing statements, or personal property leases; which affect the real estate or which affect any fixtures, appliances, or equipment now installed in or on the real estate.
- 5 That the improvements on the real estate were completed more than two (2) years ago, and that there has not been any new construction or repair work performed on the real estate for at least two (2) years; except as follows:
- 6 That the undersigned does not have any knowledge of any facts by reason of which title or possession of the real estate might be questioned or disputed, and does not have any knowledge of any rights of possession by any other party under any tenancy, lease, or other agreement, written or oral; except as follows:

Connie K. Dameron
CONNIE K. DAMERON

Affiant

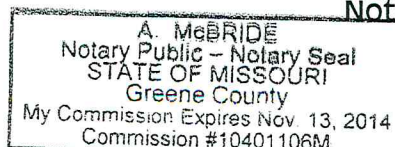
Affiant

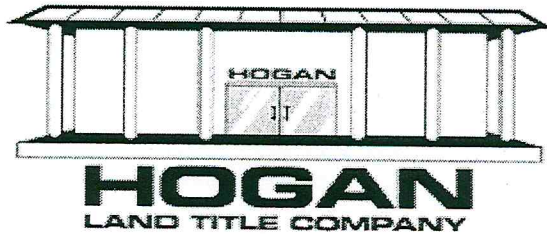
Subscribed and sworn to before this 8th day of June, 2012.

A. McBride

Notary Public

My commission expires :





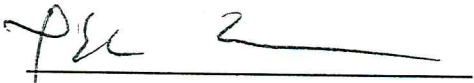
LEGAL DESCRIPTION AGREEMENT

1. The undersigned parties herein state the legal description for Commitment #1205322 was provided by CONTRACT

If no legal description was provided by the undersigned, it is understood that the legal description for which this company relied upon for its title search may have been based upon a street address (or other information) only. You should therefore carefully examine the legal description and verify that it is correct.

2. The undersigned agree that they have reviewed the legal description and acknowledge that it is correct and is the exact property identified in the real estate contract.

3. The undersigned agree that if an error in the legal description is discovered after this transaction is complete, all parties will take any necessary actions to correct such errors. This includes re-signing and/or executing any Deeds, Affidavits or Agreements to correct the legal description.



Buyer



Seller

Buyer

Seller

Phone Number

Address

Phone Number

Appendix H
Proof of Financial Ability

Chinese Agriculture Bank

Certificate of Deposit Balance for

Guangzhou ZhangXun Information Science & Technology Co., LTD

August 16th, 2012

Certificate Serial number: 51000011264

Deposit Name: Guangzhou ZhangXun Information Science & Technology co., ltd;

Deposit Type: Checking Account;

Account Number: 44-058601040005056;

Currency: Chinese Yuan;

Amount: 22893500.32;

The above translation is based on the form provided by the Chinese Agriculture Bank. Currently the foreign exchange rate is 1 US dollar to 6 Chinese yuan. So the amount item should be close to US \$3.8 millions.

Translated by Daniel Z. Hou, an associate of Murney Associates Realtors

**Application for Certificate of Economic Hardship
to the
Director of Planning and Development**

Instructions to applicant(s)

You must complete this application and submit it to the Director's office at least 15 working days before a scheduled Landmarks Board meeting.

Not less than 10 days before hearing your application, the Landmarks Board will post signs on the property relevant to your application that indicate:

- a. the action you propose; and,
- b. the hearing time, date and place.

You must submit the items that apply to your case in the attached "Review Criteria" checklist. Just attach them to the checklist. For your convenience, the checklist has boxes that you can check as you gather each item. If an item does not apply to your case, write "NA" on the check box.

Applicant Statements

My(our) name(s) is (are) JunHong Shen

The structure address is: 1040 & 1046 E. Walnut

*We are aware of the application that has been made for 1040 & 1046 E. Walnut for Application for Economic Hardship and acknowledge to proceed with the application under our company ZX NewTech, LLC.

Applicant Signatures

JunHong Shen



State of Missouri
Robin Carnahan, Secretary of State

File Number: 201211581496

LC1222791

Date Filed: 04/24/2012

Effective Date: 04/28/2012

Robin Carnahan
Secretary of State

Articles of Organization

1. The name of the limited liability company is:

ZX NewTech, LLC

2. The purpose(s) for which the limited liability company is organized:

The transaction of any lawful business for which a limited liability company may be organized under the Missouri Limited Liability Company Act, Chapter 347 RSMo.

3. The name and address of the limited liability company's registered agent in Missouri is:

Donald W. Ingram
Name

2905 West Highway 76, P.O. Box 1105, Branson MO 65615
Address

4. The management of the limited liability company is: ☒ Manager ☐ Member

5. The duration (period of existence) for this limited liability company is:

Perpetual

6. The name(s) and street address(es) of each organizer:

Junhong Shen, 625 East Cozy, Springfield MO 65807

7. The effective date of this document is:

04/28/2012

In Affirmation thereof, the facts stated above are true and correct:

(The undersigned understands that false statements made in this filing are subject to the penalties provided under Section 575.040, RSMo)

Junhong Shen
(Organizer Name)

**OPERATING AGREEMENT
OF
ZX NewTech, LLC**

THIS OPERATING AGREEMENT (the "Agreement") of ZX NewTech, LLC, (the "Company") is executed this 28th day of April, 2012, by and between GUANGZHOU ZHANGXUN INFORMATION SCIENCE AND TECHNOLOGY CO., LTD, a Chinese company authorized to do business in Missouri, and JUNHONG SHEN, an owner, manager and representative of said Chinese company, and shall be binding on additional or substitute members (individually, a "Member" and, collectively, the "Members").

1) GENERALLY

A. Agreement:

For and in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Members hereby agree to the terms and conditions of this Agreement, as it may from time to time be amended according to its terms. It is the express intention of the Members that the Agreement shall be the sole source of agreement of the parties, and the Agreement shall govern, even when inconsistent with, or different than, the provisions of the Missouri Limited Liability Company Act ("the Act") or any other law or rule. To the extent any provision of the Agreement is prohibited or ineffective under the Act, the Agreement shall be considered amended to the least degree possible in order to make the Agreement effective under the Act. In the event the Act is subsequently amended or interpreted in such a way to make any provision of the agreement that was formerly invalid valid, such provision shall be considered to be valid from the effective date of such interpretation or amendment.

B. Name:

The name of the company is ZX NewTech, LLC, and all business of the Company shall be conducted under that name to the extent permitted by applicable law.

C. Effective Date:

The Agreement shall become effective upon the filing and acceptance of the Company's Articles of Organization with the

Secretary of State of Missouri.

D. Term:

The Company shall be perpetual, unless the term shall be shortened by amendment to the Agreement and the Articles of Organization, or unless the Company shall be sooner dissolved and its affairs wound up in accordance with the Act or Agreement (the "Term").

E. Registered Agent and Office:

The registered agent for the service or process and the registered office shall be that person and location reflected in the Articles of Organization as filed in the office of the Secretary of State. The Manager, may, from time to time, change the registered agent or office through appropriate filings with the Secretary of State. In the event the registered agent ceases to act as such for any reason or the registered office shall change, the Manager shall promptly designate a replacement registered agent or file a notice of change of address as the case may be and otherwise comply with the Act in this regard.

F. Company Property:

All the rights, title, interests and properties of any nature whatsoever, tangible and intangible, owned or hereafter acquired or received by the Company are herein the "Property" and such Property is and shall be held in the name of the Company.

G. Members' Authority:

Except as otherwise provided in this Agreement, no Member shall have any authority to act for, or assume any obligations or responsibility on behalf of, any other Member or the Company.

H. Principal Place of Business:

The principal place of business of the Company shall be Springfield, Missouri, or such other place or places as the Manager shall designate in writing.

2) Management

A. Managers

(1) There shall at all times be one manager (the "Manager") of the Company. The Manager shall be elected by the Member(s). The Member(s) hereby elect(s) JUNHONG SHEN, as the Manager. The Manager acting alone shall have the authority to authorize any transaction, agreement or action on behalf of the Company, whether or not related to its purpose as set forth in the Articles of Organization and whether or not it is within the usual course of the business of the Company.

(2) An annual meeting shall be held during the month of January each year to elect the Manager. Each Member who is entitled to vote shall have the right to cast one vote per candidate.

Such votes can be cast in person or by proxy, which proxy must be executed in writing by the Member or by the Member's duly authorized attorney in fact.

The date and place of the meeting to elect the Manager shall be announced by the Manager on or prior to December 31st of each year for the succeeding calendar year. If no such announcement is made, the meeting shall be held on the 1st regular business day in January at the principal place of business of the Company.

(3) In the event of the death, incapacity, inability to act or resignation of the Manager, or in the event of the removal of the Manager, a successor Manager shall be elected at a special meeting of a quorum of the Members.

B. Management of the Company:

(1) The Manager shall be responsible for and shall have authority for conducting the ordinary and usual business and affairs of the Company unless limited or otherwise provided by this Agreement.

(2) Notwithstanding the provisions of paragraph (1) of this Section, the Members (and not the Manager) shall determine the compensation of Manager and have exclusive authority with respect to the merger, consolidation, conversion or sale of substantially all the assets of the Company and the admission and expulsion of Members.

3) Capital

A. Contributions to Capital:

The capital contributions of the Members on the books of the Company shall bear no interest except as otherwise provided herein or required by the Act and shall reflect the fair market value of all property contributed by the Members, a description of the property, the fair market value of the property, and the date on which it was received by the Company. The property contributed by the original Members of the Company is as follows: \$ 100,000.00 cash. The record of capital contributions shall be amended from time to time by the Manager with respect to contributions by existing or future Members. The nature and extent of capital contributions shall be determined by the Members.

B. Capital Accounts:

A separate capital account shall be established for each Member, except that members who hold their interest in the Company as tenants by the entireties shall be considered one Member, and shall be maintained and adjusted in accordance with general tax accounting principles.

4) Allocations, Accounting, Taxes and Distributions

a) Allocations:

(1) For all purposes, except as otherwise expressly provided herein, all profits, gains, losses, income, deductions and credits shall be allocated to the Member(s) in the percentages as follows: GUANGZHOU ZHANGXUN INFORMATION SCIENCE AND TECHNOLOGY CO., LTD, 100%. Such percentages are referred to in this Agreement as the "Member Interest(s)".

(2) The Members acknowledge that for income tax purposes the Company's adjusted bases of certain properties may differ from the fair market value of such properties at the time Members contributed such property to the Company. The Members further acknowledge that the principles of '704 of the Internal Revenue Code of 1986, as amended (the "Code") apply with respect to such property.

b) Taxes:

Any provision of this Agreement to the contrary

notwithstanding, solely for federal and state income tax purposes, each of the Members hereby recognizes that the Company intends to be subject to all provisions of the Code relating to partnerships.

c) Distributions:

Within thirty (30) days after the close of each calendar year, or more frequently at the option of the Manager, the Manager shall meet to discuss distribution of the Members earnings and profits of the Company, if any, for the preceding calendar year to Members in accordance with Member Interests and in consideration of required capital account balance.

d) Accounting:

(1) The fiscal year of the Company shall be the calendar year.

(2) Books of account of the Company shall be kept and maintained at all times at the principal place of business of the Company.

V. Dissolution and Winding Up

A. Dissolution:

The Company shall be dissolved and its affairs wound up, upon the first to occur of the following events (which, unless the Members agree to continue the business, shall constitute dissolution events):

1.1 the unanimous written consent of all of the Members;

1.2 the withdrawal of any Member, unless the business of the Company is continued with the consent of all of the Members within ninety (90) days after such withdrawal.

B. Effect of Dissolution:

Upon dissolution, the Company shall cease carrying on (as distinguished from the winding up of) the Company business, but the Company is not terminated, but continues until the winding up of the affairs of the Company is completed and articles of termination have been filed with the Secretary of State.

C. Winding Up and Certificate of Dissolution:

The winding up of the Company shall be completed with all debts, liabilities and obligations of the Company have been paid and discharged or reasonably adequate provision therefor has been made, and all of the remaining Property has been distributed to the Members. Upon the completion of winding up of the Company, articles of termination shall be delivered to the Secretary of State which shall set forth the information required by the Act.

VI. Restrictions on Transfer

A. Restrictions on Transfer:

No Member shall transfer all or any portion of his or her Member Interest or any rights therein without the unanimous consent of the Members. Any Transfer or attempted Transfer by any Member in violation of the preceding sentence shall be null and void and of no force or effect whatsoever. Each Member hereby acknowledges the reasonableness of the restrictions on Transfer imposed by this Agreement in view of the Company purposes and the relationship of the Members. Accordingly, the restrictions on Transfer contained herein shall be specifically enforceable. Each Member hereby further agrees to hold the Company and each Member (and each Member's successors) wholly and completely harmless from any cost, liability or damage (including, without limitation, costs of enforcing this indemnity) incurred by any of such indemnified persons as a result of a Transfer or an attempted transfer in violation of this Agreement.

B. Transfer Defined:

Transfer shall mean, for purposes of this Section VI, any actual or purported sale, pledge, hypothecation, assignment, gift, transfer, mortgage, conveyance or other disposition or encumbrance of any Member Interest.

VII. Distribution on Liquidation

In the event of the sale or other disposition of all or substantially all of the Property or the dissolution and termination of the Company for any other reason, the Company shall be dissolved and liquidated and all of the Property shall

be distributed as follows and in the following order of priority:

(1) All of the Property, if any, other than cash, shall be sold or collected and turned into cash as expeditiously as possible.

(2) All of the Company's debts, liabilities and obligations (excluding any loans or advances by the Members) shall be paid in full or reserves therefor shall be set aside.

(3) All of the Company's debts, liabilities and obligations to the Members shall be paid, but if the amount available therefor shall be insufficient, then pro rata on account thereof.

(4) Any amount remaining shall be distributed to the Members in accordance with their respective Member Interests.

VIII. General

A. Governing Law:

This Agreement and the obligations of the Members and their successors and assigns hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of Missouri.

B. Entire Agreement:

This Agreement contains the entire agreement between the parties hereto relative to the formation of the Company. No variations, modifications or changes herein or hereof shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party.

C. Severability:

If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

D. Binding Agreement:

Subject to the restrictions on transfers and encumbrances set forth herein, this Agreement shall inure to the benefit of and be binding upon the undersigned Members and their respective heirs, executors, legal representatives, successors and assigns. Whenever in this instrument a reference is made to any party or Member, it shall include the heirs, executors, legal representatives, successors and assigns of such party or Member.

E. Equitable Remedies:

The rights and remedies of any of the Members hereunder shall not be mutually exclusive, i.e., the exercise of one or more of the provisions hereof shall not preclude the exercise of any other provision hereof. Each of the Members confirms that damages at law may be an inadequate remedy for a breach or threatened breach of this Agreement and agrees that in the event of a breach or threatened breach of any provision hereof, the respective rights and obligations hereunder shall be enforceable by specific performance, injunction or other equitable remedy, but nothing herein contained is intended to, nor shall it, limit or affect any right or rights at law or by statute or otherwise of any party aggrieved as against the other for a breach or threatened breach of any provision hereof, it being the intention hereof to make clear the agreement of the Members that the respective rights and obligations of the Members hereunder shall be enforceable in equity as well as at law or otherwise.

F. Counterparts:

This Agreement maybe executed in counterparts, all of which taken together shall constitute one instrument.

G. No Partnership Intended for Non-tax Purposes:

The Members have formed the Company under the Missouri Limited Liability Company Act, and expressly do not intend hereby to form a partnership. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

H. Rights of Creditors and Third Parties under Company Agreement:

This Agreement is entered into among and the Members for the exclusive benefit of the Members, and their successors and permitted assigns. This Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. Except and only to the extent provided by applicable statute, no such creditor or third party shall have any rights under this Agreement or any agreement between the Company and any Member with respect to any capital contribution or otherwise.

I. Amendment:

This Agreement may only be amended by execution of a writing intended as such and signed by all Members of the Company.

IN WITNESS WHEREOF, this Agreement is executed effective as of the date first above written.

GUANGZHOU ZHANGXUN INFORMATION
SCIENCE AND TECHNOLOGY CO., LTD.,

Guangwen Lin
BY: _____

Jun Hong Shen
JUNHONG SHEN

GUANGWEN LIN, Representative



LANDMARKS BOARD

CITY OF SPRINGFIELD
P.O. BOX 8368
SPRINGFIELD, MISSOURI 65801
417-864-1031

STAFF REPORT

WALNUT STREET URBAN CONSERVATION DISTRICT – WEST

DATE: August 28, 2012

PROPOSAL:

1. Demolish historic structure and redevelop site with a new twenty-four (24) bed apartment.

BACKGROUND:

LOCATION: 1046 E. Walnut Street

APPLICANT: ZX NewTech, LLC

RECOMMENDATION:

The burden of proof rests with the applicant when applying for a Certificate of Economic Hardship. Staff recommends **denial** of this request based on the lack of evidence to prove whether the structure has degenerated beyond feasible limits for rehabilitation or rehabilitation is impracticable and there is an economic hardship.

FINDINGS:

1. The house at 1046 E. Walnut St. is considered a contributing structure in the Walnut Street National Historic District and Walnut Street- West Urban Conservation District.
2. The Walnut Street Urban Conservation District – West ordinance gives specific criteria when evaluating a Certificate of Economic Hardship for the demolition of a contributing structure. The Landmarks Board has binding authority over the demolition of contributing structures in the district.
3. R&P Taylor Apartments, LLC, who has owned the property since 1980, recently sold the property to a ZX NewTech, LLC, on July 31st.

4. The Certificate of Economic Hardship appraisals lacks comparable sales data influenced by the district and only consider the current residential use as the property's highest and best use.
5. The proposed apartment building does not meet the Secretary of Interior's Standards.

STAFF CONTACT:

Daniel Neal
Senior Planner
864-1036

ATTACHMENT A
BACKGROUND REPORT
1046 E. Walnut Street

APPLICANT'S PROPOSAL:

The applicant has submitted a Certificate of Economic Hardship to demolish the existing historic structure and redevelop the site with a new twenty-four (24) bed apartment complex.

APPEARANCE OF THE STRUCTURE AND DISTRICT WITH CHANGES

The proposed demolition will cause a significant change to the district and disrupt the integrity and continuity of the Historic District.

PAST ACTIONS:

The demolition of a detached garage in September of 1989 was the only Certificate of Appropriateness found on record.

STAFF COMMENTS:

1. After review of the Certificate of Economic Hardship for 1046 E. Walnut Street, staff has found that it is not necessary to use new construction standards and ADA requirements for the rehabilitation and abatement of the structure, which is suggested in the Certificate of Economic Hardship. This would affect the rehabilitation and abatement cost estimates that the applicant has provided in their application. A more detailed analysis of the applicant's certificate has been provided in Attachment B.
2. Bill Weaver, Development Economist, with the Planning and Development Department has reviewed and analyzed the submitted appraisals (attached Memorandum) and concluded the appraisals do not support the market value of the properties appraised. In order to consider pertinent data necessary to support market value for the properties, a state-certified general appraiser is required. Thus, appraisal conclusions necessary to resolve feasibility issues are not available.
3. The Walnut Street Urban Conservation District – West ordinance Section 4.B. Subsections 2 and 3 provides the board with standards and requirements when evaluating a proposed demolition of a contributing structure. It states that the Board shall balance the interest of the public in preserving the structure, site, or portion thereof and the interest of the owner in its utilization. The applicant has not provided enough evidence to conclude that either rehabilitating the existing

residential structures is not a viable solution or that residential is the highest and best utilization of the structures.

4. The Walnut Street Urban Conservation District – West ordinance Section 4.B.2.b. requires the Landmarks Board to consider the following standards:
 - a. The visual and spatial relationship of the structure to its surroundings and to the rest of the Walnut Street Urban Conservation District – West.
(detailed staff comments under Item #7)
 - b. The Board shall consult the Walnut Street Historic Survey, the Walnut Street Historic District National Register Nomination and/or the Walnut Street Preservation Plan in addition to those items contained in Section 4-2403.D.4. of the Zoning Ordinance.
 - c. The alternatives available to the demolition include:
 - 1) Donation of the subject structure or site to a public or benevolent agency.
 - 2) Donation of a part of the value of the subject structure or site to a public or benevolent agency, including the conveyance of the development rights and façade easements.
 - 3) The possibility of sale of the structure or site, or any part thereof, to a prospective purchaser capable of preserving such structure or site.
 - 4) The potential of such structure or site for renovation and its potential for continuing use.

Staff Comments: Staff is not aware of any attempts that have been made by the applicant to seek any alternatives to demolition of the structure. In fact, the previous property owner had owned the property since 1980, prior to the formation of the historic district. Neither the Landmarks Board nor staff has reviewed any Certificates of Appropriateness for rehabilitation of the primary structure since the inception of the Walnut Street UCD. To the contrary, it appears that the previous property owner has not undertaken even minimum maintenance on the exterior and has permitted the property to deteriorate.

5. As referenced in the UCD, Subsection 4-2403.D.4. of the Zoning Ordinance provides additional standards for the Landmarks board to follow:
 - a. The degree to which the proposed removal would serve to destroy the integrity and continuity of the Historic Landmark or Historic District of which it is part.

Staff Comments: The demolition of this contributing structure that has been a part of this neighborhood since c. 1908 is detrimental to the view and relationship with the district. The removal and replacement of both historical structures (see accompanying demolition request for 1040 East Walnut) will make a significant impact on the continuity of the street, especially with the modern façade on the proposed apartment building

- b. The nature of the resource as a representative type or style of architecture, socio-economic development, historical association or other element of the original designation criteria applicable to such structure or site.

Staff Comments: This is one of multiple catalogue-builder-foursquare styles in the district (Attachment C).

- c. The condition of the resource from the standpoint of structural integrity and the extent of work necessary to stabilize the structure.

Staff Comments: The applicant has indicated this structure is in total degeneration and cites sagging on the first floor. The applicant has recommended additional structural reinforcement. Staff does not consider the conditions of the structure described by the applicant to be lacking structural integrity and would request more information before being able to make that determination.

- d. The ability of the subject structure or site to produce a reasonable economic return on investment to its owner, provided, however, that it is specifically intended that this factor shall not have exclusive control and effect, but shall be considered along with all other criteria contained in this section.

Staff Comments: The appraisal failed to address critical market facts that are required for a credible value conclusion (attached Memorandum) and lacks the evidence to prove that the structure cannot produce a reasonable economic return. There are many other factors listed that have not been proven to determine an economic hardship.

- e. The post-demolition plans for the site and the relation of those plans to the surrounding area.

Staff Comments: The proposed apartment building lacks compatible design features such as groupings of windows, fenestration, front porches, projections, recesses or reveals that express structural bays, entrances or other architectural aspects of the historic district. The

proposed apartment building also fails to blend the building scale and setback with existing development.

6. All proposed work is required to receive a building permit to be issued by Building Development Services. All other requirements of the Walnut Street UCD, Zoning Ordinance and Building Code shall apply.
7. The Landmarks Board has binding authority over the demolition of contributing structures in the district. If the Certificate of Economic Hardship is denied, the applicant has fifteen (15) days to appeal the decision to the Board of Adjustment. If the Board of Adjustment denies the appeal, the applicant will have to appeal any decision to the circuit court.

ATTACHMENT B
DESIGN STANDARDS & GUIDELINES
1046 E. Walnut Street

PERTINENT SECRETARY OF THE INTERIOR'S STANDARDS (FOR REHABILITATION)

1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
9. New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.

Staff Comments: The Secretary of Interiors Standards do not support the demolition of contributing structures in historic districts.

**CERTIFICATE OF ECONOMIC HARDSHIP REVIEW CRITERIA
(SUBSECTION 4-2404.B.)**

The Landmarks Board will review the application at a public hearing and may solicit expert testimony or require that the applicant for a Certificate of Economic Hardship make submissions concerning any or all of the following information before it makes a determination on the application.

1. Estimate of the cost of the proposed construction, alteration, demolition, or removal and an estimate of any additional cost that would be incurred to comply with the recommendations of the Landmarks Board for changes necessary for the issuance of a Certificate of Appropriateness.

Staff Comments: The applicant failed to document any existing environmentally hazardous material and provide any supporting information on the remediation costs. The proposed renovation and repair costs appear high when compared with other renovations in the City, including renovations funded through the City's Comprehensive Housing Assistance Program. As stated in Item #1 of the Staff Comments, it is not necessary to use new construction standards and ADA requirements for the rehabilitation and abatement of the existing structure. The City of Springfield permits use of the Existing Building Code, which provides for more flexibility than the applying new construction standards.

2. A report from a licensed engineer or architect with experience in recognized historic property rehabilitation, as to the structural soundness of any structures on the property and their suitability for rehabilitation.

Staff Comments: While there are indications of structural issues, there is not enough information provided to determine the magnitude of the structural integrity and its ramifications to the rehabilitation of the structure. Since the applicant listed the structure as totally deteriorated, this indicates the structure does not appear to have any major structural soundness issues

3. A report from a state-certified real estate appraiser as to the estimated market value of the property in its current condition, after completion of the proposed construction, alteration, demolition or removal, after any changes recommended by the Landmarks Board and, in the case of a proposed demolition, after renovation of the existing property for continued use.

Staff Comments: Appraisals for the “as is” current condition and after rehabilitation of current improvements are provided; however, neither appraisal supports market value due to critical omissions. The applicant stated that “due to the change in commercial property appraisals it is not possible to provide an appraisal of the proposed plan”. In order to determine market value for the properties, a state-certified general appraiser is required (attached Memorandum)

4. In the case of a proposed demolition, an estimate from an architect, developer, real estate consultant, appraiser or other real estate professional, experienced in recognized historic property rehabilitation, as to the economic feasibility of rehabilitation or reuse of the existing structure on the property.

Staff Comments: There was no estimate provided for demolition costs. There was no appraisal provided for demolition of existing improvement and construction of proposed apartment building. The information provided by the “as is” and after rehabilitation appraisals are not credible. In order to determine economic feasibility appraisal information from a state-certified general appraiser is required. The applicant instead used a residential appraiser. In order to conduct an economic feasibility analysis, the highest and best use of the property as improved must be correctly considered. An existing improvement should be renovated or retained “as is” so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

5. If the property is income-producing, the annual gross income from the property for the previous two (2) years, itemized operation and maintenance expenses for the previous two (2) years, and depreciation deduction and annual cash flow before and after debt service, if any, during the same period.

Staff Comments: This information was not provided.

6. All appraisals obtained within the previous two (2) years by the owner or applicant in connection with the purchase, financing, or ownership of the property.

Staff Comments: This item wasn't specifically addressed and no previous appraisals were provided.

7. Any listing of the property for sale or rent, price asked and offers received, if any, within the previous two (2) years.

Staff Comments: The applicant states that the property was sold without listing.

8. Assessed value of the property according to the two (2) most recent assessments.

Staff Comments: The applicant listed the assessed values under Appendix D of the report.

9. Real estate taxes for the previous two (2) years.

Staff Comments: The application listed the real estate taxes under Appendix E of the report.

10. Form of ownership or operation of the property, whether sole proprietorship, for profit or not-for-profit corporation, limited partnership, joint venture, or other.

Staff Comments: ZX NewTech, LLC is the new owner of record.

11. Amount paid for the property, date of purchase, and the party from whom purchased, including a description of the relationship, if any, between the owner of record or applicant and the person from whom the property was purchased, and any terms of financing between the seller and buyer.

Staff Comments: Assessor records indicate that R&P Taylor Apartments, LLC, purchased the property in 1980, but no information was provided regarding the transaction with ZX NewTech, LLC.

12. Annual debt service, if any, for the previous two years.

Staff Comments: No information was provided, but Assessor records indicated that R&P Taylor Apartments, LLC, has owned the property since 1980.

13. Any consideration by the owner as to profitable adaptive uses for the property.
Staff Comments: Neither the application nor appraisals explored the possibilities of any adaptive uses or alternate uses other than residential. Certain nonresidential uses are permitted in historic structures.

14. Replacement construction plans for the property in question. Post-demolition plans shall include, but are not limited to, drawings or sketches with sufficient detail to show the exterior appearance and architectural design of the proposed building or use, but does not require construction documents to be completed.

Staff Comments: Post-demolition plans have been submitted, but lack detailed elevations along Walnut Street.

15. Financial proof of the ability to complete the replacement project, which may include but not be limited to a performance bond, a letter of credit, a trust for completion of improvements, or a letter of commitment from a financial institution.

Staff Comments: ZX NewTech, LLC, has provided proof of financial ability which is attached at the end of the report.

16. Any other information considered necessary by the Landmarks Board to a determination as to whether the property does yield or may yield a reasonable return to the owners.

Staff Comments: No additional considerations were provided by the applicant.

ORDINANCE REVIEW

In addition, General Ordinance No. 4619, which created the Walnut Street Urban Conservation district-West states:

In the event the Board concludes that the request, if granted, will have a detrimental effect upon the Urban Conservation District (UCD) or any adverse effect on an historical or architectural resource, then the Board shall deny the request for a certificate.

ATTACHMENT C
ARCHITECTURAL SIGNIFICANCE
1046 E. Walnut Street

ARCHITECTURAL SIGNIFICANCE:

The architectural survey that was completed on this house stated the following about the architectural elements of the house:

Built c. 1908. Hip dormers on the west and front elevations with broad projecting eaves. Doubled windows with one over one sash in double hung windows. The eaves on the house itself also project noticeably with simple frieze board which doubles as the window heads to the second story window openings. All windows are one over one sash with a narrow simple applied moulding to the window head at the first story window openings. Three bay façade with center bay entrance. The doorway is flanked by sidelights and a transom. The front elevation is dominated by a one-story hipped roof porch across the entire front. The cornice and entablature are unadorned on the porch-underneath are round wood columns with Tuscan capitals resting on piers of rough faced cast stone. The balustrade is of wood with turned balusters. The structure of the porch itself and the steps leading to it are wood. At the street is a cast stone hitching post which is square and tapering.

**Application for Certificate of Economic Hardship
to the
Director of Planning and Development
for**

**1046 E Walnut
Springfield, Missouri, 65808**

Prepared for
R&P Taylor Apartments, LLC
PO Box 4386
Springfield , MO 65806

Prepared by
Bates & Associates Architects
433 W Walnut
Springfield , MO 65806



**Application for Certificate of Economic Hardship
to the
Director of Planning and Development**

Instructions to applicant(s)

You must complete this application and submit it to the Director's office at least 15 working days before a scheduled Landmarks Board meeting.

Not less than 10 days before hearing your application, the Landmarks Board will post signs on the property relevant to your application that indicate:

- a. the action you propose; and,
- b. the hearing time, date and place.

You must submit the items that apply to your case in the attached "Review Criteria" checklist. Just attach them to the checklist. For your convenience, the checklist has boxes that you can check as you gather each item. If an item does not apply to your case, write "NA" on the check box.

Applicant Statements

My(our) name(s) is (are) **Bates & Associates Architects, C.O. Steve Warlick**

The structure address is **1046 E Walnut, Springfield, MO 65806**

(Check only one of the boxes below. For the box you check, fill in the lines after either "a." or "b." according to the statement you wish to make. Providing photographs is helpful.)

***X** Total degeneration*

- a. The structure has degenerated beyond feasible limits for rehabilitation because
N/A

; or,

- b. The structure's rehabilitation is impracticable because:

The major components of the building have degraded to the point where a majority of the elements of the building will have to be renovated or replaced in order to make the structure habitable for its intended purpose. The scope of these repairs is outlined in the attached architect's report. The major limiting factor of the rehabilitation is that the structure will lose three occupants as a result of renovation. This decreases the return on investment when compared to the cost of renovation from a redevelopment standpoint.
and,

- c. I(we) have an economic hardship.

☐ *Partial degeneration*

- a. The structure's _____(specify parts, e.g., windows)
have degenerated beyond feasible limits for rehabilitation because

N/A

- b. For the structure's _____(specify parts, e.g., windows), rehabilitation is impracticable because

N/A

; and,

- c. I(we) have an economic hardship.

Applicant Signatures



Steven W. Warlick

Review Criteria

- ☐ Cost estimate of:

See Section B.1.1

- ☐ A report from a licensed engineer or architect with experience in recognized historic property rehabilitation on the structural soundness of any structures on the property and their suitability for rehabilitation.

See Section A & B

- ☐ A report from a state-certified real estate appraiser as to the property's estimated market value:

- a. in its current condition; **See Appendix B**
- b. after completing the construction, alteration, demolition, or removal you propose; **See Appendix C**
- c. after any changes the Landmarks Board recommends; and,
See Section B.2.1 and B.2.2
- d. in the case of a proposed demolition, after renovating the existing property for continued use.

See Section B.2.2

- ☐ In the case of a proposed demolition, an estimate from an architect, developer, real estate consultant, appraiser or other real estate professional, experienced in recognized historic property rehabilitation, on the economic feasibility of rehabilitation or reuse of the existing structure on the property.

See Section B

- ☐ If the property is income-producing, for the previous 2 years:

See Appendix D

- ☐ All property appraisals within the previous 2 years.

See Appendix B&C

- ☐ Any listing of the property for sale or rent, price asked and offers received, if any, within the previous 2 years.

See Appendix H

- ☐ Assessed value of the property according to the 2 most recent assessments.

See Appendix E

- ☐ Real estate taxes for the previous 2 years.

See Appendix F

- ☐ Form of ownership or operation of the property:

- a. sole proprietorship;
- b. for profit;
- c. not-for-profit corporation;
- d. limited partnership;
- e. joint venture; or,
- f. other **Single Member LLC, -- R&P Taylor Apartments, LLC**

☐

- a. Amount paid for the property **Not Disclosed**;
- b. purchase date **1980**; and,
- c. seller's name **Unknown at this point**

- ☐ Annual debt service, if any, for the previous 2 years.

N/A

- ☐ Describe any profitable, adaptive uses you have considered for the property:

See Section B.2 and Appendix G

- ☐ Describe any replacement-construction plans you have for the property. (Include, among other things, drawings or sketches with sufficient detail to show the exterior appearance and architectural design you propose.

See Section B.2 and Appendix G

- ☐ Financial proof of your ability to complete the replacement project:

- a. performance bond;
- b. letter of credit;
- c. trust for completion of improvements; or,
- d. letter of commitment from a financial institution.

See Appendix I

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433 west walnut,
springfield missouri 65806

July 25, 2012

To:
City of Springfield Missouri
Landmarks Board
Busch Municipal Building
Second Floor
840 Booneville, MO 65802

CC:
R&P Taylor Apartments, LLC
PO Box 4386
Springfield , MO 65806

The following report was completed at the request of R&P Taylor Apartments for the structure located at 1046 E Walnut, Springfield, MO. The purpose of this report is to describe the existing condition and outline the scope of work required for rehabilitation of the structure in order to determine if rehabilitation is economically appropriate. The review showed that it does not appear to be economically feasible to rehabilitate the property to produce income. It is recommended that the building be demolished and the property be developed as described herein to both enhance the current street scape and generate revenue.

Sincerely,
Steve Warlick, AIA, NCARB, LEED AP

A handwritten signature in black ink, appearing to read 'Steve Warlick'.

07/25/2012

A. Existing Condition Report

The building located at 1046 E Walnut was visited by representatives of Bates & Associates on July 16th 2012. A general and non-destructive inspection of the building found it to be in a state of degradation and disrepair (Fig. 1.1, 1.2). The paint on the exterior of the building is in poor condition with a majority of the paint peeling and flaking off the walls (Fig. 1.3). The exterior means of egress are not compliant with either the IBC or ADA requirements (Fig. 1.4, 1.5). The interior of the building displayed signs of damage on all walls and floors. There is a very strong smell of smoke, urine, and mold throughout the building. The mold smell suggests that it is pervasive and extensive. For the property to be restored to a habitable condition the building will have to be rehabilitated in the following areas: hazardous material abatement, code compliance, demolition and general repair.

A.1 Hazardous Materials

Based on the age of the building it is assumed that lead and asbestos will be found throughout the building. All of the work performed on the building shall be carried out in compliance with the Federal and State guidelines for lead and asbestos abatement by a contractor licensed to perform these services.

A1.1 Exterior

A review of the exterior of the project found the paint on the exterior of the building (including the windows, doors, and siding) to be peeling and flaking off on most surfaces (Fig. 1.3). Encapsulation is not possible in most of these areas. The paint will need to be removed and the surfaces repainted.

A1.2 Interior

The interior finishes of the building will also need to be treated as if hazardous materials are present and shall be tested prior to repair. The hazardous materials to be tested for include lead, asbestos, and mold. In addition to these hazardous materials rodent activity was seen on the second floor and in the attic and actions will need to be taken to remove and repair any damage associated with their presence in the building.

A.1.2.1 Mold

The smell of mold present in the air leads to the need for the lath and plaster be removed from the interior walls and ceilings (Fig. 1.6). Once the lath and plaster is removed a licensed professional shall inspect the building for mold. Any mold found in the wall cavity shall be abated prior to any new work taking place. New insulation shall be installed after demolition and mold abatement. The walls and ceilings will need to be finished with gypsum board.

The bathrooms of the building were found to be in disrepair and mold visibly present at the tub and shower units (Fig. 1.7, 1.8). It is assumed that there is mold present behind and below the units and it is recommended that the showers be removed and the mold be remediated. With the location and extent of the mold in the bathrooms it can be presumed that there is rotten substrate behind and below the units. It should be assumed that the substrate around and below the shower units will need to be replaced and/or remediated for mold.

A.1.2.2 Asbestos

The duct work in the basement is insulated with asbestos (Fig. 1.9). The insulation and duct work shall be removed and replaced with new duct work. All remaining duct work shall be cleaned to ensure that it is free of mold and other contaminants.

Due to the age of the building the plaster on the walls and ceilings shall also be tested for asbestos prior to removal. If asbestos is found to be present, removal of the existing plaster shall be completed by a licensed asbestos abatement professional.

A.1.2.3 Lead

Areas of lead contamination were found throughout the building. The exposed plumbing in the basement was identified as lead piping. The lead elements of the plumbing system shall be removed and replaced with materials compliant with the current building codes. During renovation the plumbing system will need to be inspected while the framing of the walls is exposed for the presence of lead. Any lead elements found as a result of this inspection shall be replaced.

If the windows are found to be in a condition that is acceptable for salvage and meet the function required by the owner, the windows will need to be stripped of paint in a manner compliant with the hazardous material section of this document after which the windows will need to be repaired and re-painted. Encapsulation is not recommended at these locations due to presence of multiple levels of paint (Fig. 1.10).

Flooring materials that are not original to the building will need to be removed (Fig. 1.11). This includes all carpet, vct, and sheet vinyl flooring. The original flooring found under these finishes will need to be tested for the presence of lead. If the presence of lead is found it shall be remediated. If no lead is present, the floors shall be treated for mold and/or bacterial growth and remediated if found.

A.2 Code Compliance

A general review of the building found areas to be in conflict including exits, accessibility, and height clearances.

A.2.1 Exterior

Building elements in conflict with the code on the north side of the building (Walnut Street side) shall not be addressed in accordance with Chapter 11 of the IEBC. However, the south side of the building has multiple issues that must be addressed. The building has no accessible entrance and a ramp will have to be constructed on the south side of the building. This ramp will be compliant with all current codes. This ramp will lead to an entrance into the west unit on the south side of the building. This unit (the west unit) will be converted into an accessible unit.

On the second level of the building there is an area that is supported by (2) 4x4 posts sitting on existing masonry columns. The connections to these columns are not structurally adequate. The building will have to be temporarily shored and the foundations and columns will need to be replaced (Fig. 1.12).

A second means of egress will be required based upon the 2012 IBC. The stair on the south side of the building will have to be changed to provide a handrail in accordance with the current building codes (Fig. 1.5). Based on the IEBC the height of the guardrail at this stair will not need to be addressed.

The electrical service located on the south side of the building has created a dangerous condition where it connects to the building and will need to be relocated as a part of the work (Fig. 1.13).

A.2.2 Interior

Issues with code compliance on the interior of the building include accessibility and height clearance. The existing building does not include any accessible units. The stairs do not have adequate head room clearance under code or for safety. This is the primary exit from the second floor and will require a substantial renovation to provide the code required clearance. The current clearance provided is approximately 5'-4" (Fig. 1.14). However, this stair will not be modified as a part of this project per Chapter 11 of the IEBC.

A.2.2.1 First Floor West Unit

The west unit on the main level of the building will be converted into an accessible unit. This will require changes to the majority of the floor plan of the unit. The work shall include removing and/or modifying the existing elements including: casework, hall widths, and the bathroom. The kitchen casework will need to be removed and new ADA compliant casework will need to be installed. In

addition, the existing bathroom will need to be removed in its entirety to allow for an ADA compliant bathroom to be provided (Fig. 1.15).

A.2.2.2 First Floor East Unit

The location of the kitchen in the east unit on the main level does not have adequate access. The approximate head room in the connecting hall is 6'-0" (Fig. 1.16). This will require either a variance from the code official or a change in the floor plan to allow for access with adequate ceiling heights. If a type B unit is required this unit will need to be completely gutted with changes to the floor plan for the entire unit.

A.2.2.3 Second Floor East Unit

There are no major code issues associated with this unit. The flooring of the current kitchen has noticeable deflection and the structure below shall be inspected while the ceiling framing is exposed from below to inspect and look for structural problems or damage.

A.2.2.4 Second Floor West Unit

The layout of this unit consists of a bedroom, living area, kitchen, and one bedroom on the main level of the unit with the connected attic space consisting of three bedrooms, a bathroom, a living area and a closet. The insufficient height clearance for head room in all of the areas in the attic will not allow the attic to be occupied after renovation (Fig. 1.17, 1.18). This will result in a reduction of the occupancy of the unit being reduced from four bedrooms to one bedroom. The attic level will be inspected for mold and rodent damage and any damage found shall be repaired or remediated. The staircase to the attic protrudes into the second floor hallway reducing the width of the hallway (Fig. 1.19). This condition is not code compliant and poses a serious tripping hazard. This stairway will need to be removed and the staircase walled off to close off access of the attic from the unit as a result of the stairs and the uninhabitable attic space.

A.3 Demolition and General Repair

Most elements of the building have been found to be damaged or in disrepair. Water damage is pervasive throughout the building and the items easily visible indicate that further water damage will be found in areas inaccessible by a non-destructive inspection.

A.3.1 Exterior

A review of the building found the exterior of the building to be in general disrepair. The soffit material is damaged in several areas and will need to be removed in its entirety to be replaced with material matching the existing material (Fig. 1.20). Once the soffit is removed the structural elements exposed should be inspected for further damage. It should be anticipated that structural damage will be present and will need correction. The roof, fascia, gutters, and downspouts were found to be in a state of disrepair and shall be replaced to match the historical condition in profile and materiality (Fig. 1.21, 1.22, 1.23). The siding on the south and east elevations show substantial damage and will need to be replaced in some areas (Fig. 1.25). Since this investigation was a non-destructive investigation it is not known whether the condition of the structure is acceptable behind the siding.

There is substantial damage to the dormers on the north and west sides of the building and these will need to be removed and replaced (Fig. 1.21, 1.22). This conclusion is based on the condition of the siding at the roof. It is assumed that there has been substantial damage to the structural members at these locations behind the siding and roofing.

The railings at the stairs on the north side of the building (Walnut Street side) do not appear to be historically accurate and will need to be replaced (Fig. 1.26). The decking material of the front porch is in poor condition and will need to be replaced (Fig. 1.2). The decorative column on the east corner of the front porch is irreparably damaged and will need to be replaced (Fig. 1.27). The guardrail of the front porch shall be stripped of paint in accordance with the hazardous material section of this document. Balusters found to be in poor condition after paint is removed will need to be replaced.

The windows on all sides of the structure were found to be in poor condition and are covered in multiple layers of paint (Fig. 1.10). The windows shall be stripped of paint in accordance with the hazardous materials section of this document. Following paint stripping the windows will need to be repaired and repainted. While salvaging windows may be possible, all of the windows and frames are deteriorating and it is recommended that they be replaced with windows containing insulated glazing.

There is a detached structure on the site that is structurally unstable posing a danger to people and property and will need to be demolished. It is recommended that the parking lot be repaved and re-stripped.

A.3.2 Interior

The wall finishes are in poor condition throughout the building and will need to be removed and replaced with new gypsum board (Fig. 1.28). The structural support of the east unit on the first floor is sagging and the amount of deflection indicates a structural problem (Fig. 1.11). New structural reinforcement or replacement in this area will be needed as a part of the renovation. The plumbing facilities were found to be in poor condition and will need to be removed and replaced. The cabinets within the building were found to be unsanitary and in an unacceptable condition and will need to be removed and replaced (Fig. 1.15). The existing door hardware does not function properly and will need to be removed and replaced.

B. Economic Feasibility

B.1 Rehabilitation

B.1.1 Rehabilitation Costs

In order to determine the economic feasibility Bates & Associates met with Morelock-Ross Builders, Inc. to review the scope and estimate the cost of renovation based on recently completed projects. Bates & Associates and Morelock-Ross both have experience in renovation of historic structures and new construction similar to what is proposed for this development. Based on comparable projects recently completed there are two components that must be combined in order to develop a cost for the rehabilitation of this building. The first cost is the renovation that includes the scope above excluding the remediation of hazardous materials. The structure is 2,750 sqft and the cost for general renovation and repair is estimated at \$385,000.00 based on a cost of \$140.00 per square foot. In addition to this, it is estimated that there would be another \$165,000.00 in hazardous material abatement based on \$60.00 per square foot. This puts the total cost of the rehabilitation at \$550,000.00. This does not include the cost to purchase this building (*The purchase of this building is currently being negotiated and the price is not currently known*).

B.1.2 Appraised Values (Re: Appendix A & B)

The current appraisal of the property is \$120,000.00. An additional appraisal was done based on the above described scope of work and the revised appraisal valued the building at \$145,000.00.

B.1.3 Income Assessment

After the rehabilitation the unit will have four units with one bedroom each. Based on comparable rentals in this market at \$500.00 per month per unit the building will generate \$24,000 of gross revenue per year. Based on the return of the investment required to renovate the facility it is not economically feasible to renovate this facility.

B.2 Redevelopment (Re: Appendix G)

B.2.1 Proposed Development

It is proposed to demolish this building and build a new 3 story building that is 18,978 sqft with 48 beds. This development would require the redevelopment of the lot located to the West, 1040 E Walnut. For the purpose of comparison in this application one 24 bed unit will be viewed as a replacement for the existing building located at 1046 E Walnut. However, it is also understood that due to parking requirements and other factors both sites will need to be developed as one site.

The proposed 24 bed 3 story structure would be designed to complement the historic nature of Walnut Street in form, detailing and materiality. The building would 3,163 sqft per level for a total of 9,489 sqft. After reviewing recently completed multi-family projects units similar to what is proposed it is determined that the structure can be built for \$86.00 per square foot. The estimated cost of the new facility is \$816,054, or \$1,632,108.00 for the total development.

The proposed development does not represent the final design. (See Appendix G) It is understood that the design will be reviewed by the Landmarks Board and provisions are included to complete the design to incorporate the comments of the Landmarks Board.

B.2.2 Appraised Values

Due to the change in commercial property appraisals it is not possible to provide an appraisal of the proposed plan. The value is based on the ability of the property to generate revenue.

B.2.3 Income Assessment

Using the same rental value of \$500.00 per bed the proposed 24 bed development would generate \$144,000.00 in gross revenue per year.

Appendix A
Supporting Images



FIGURE 1.1



FIGURE 1.2



FIGURE 1.3



FIGURE 1.4



FIGURE 1.5



FIGURE 1.6



FIGURE 1.7



FIGURE 1.8



FIGURE 1.9



FIGURE 1.10



FIGURE 1.11



FIGURE 1.12



FIGURE 1.13



FIGURE 1.14



FIGURE 1.15



FIGURE 1.16



FIGURE 1.17



FIGURE 1.18



FIGURE 1.19



FIGURE 1.20



FIGURE 1.21



FIGURE 1.22



FIGURE 1.23



FIGURE 1.24



FIGURE 1.25



FIGURE 1.26



FIGURE 1.27



FIGURE 1.28

Appendix B
Existing Condition Appraisal



APPRAISAL OF REAL PROPERTY

LOCATED AT:

1046 E Walnut St
Smiths' AD E ADD Lot 12
Springfield, MO 65803

FOR:

In Care of R&P Taylor Apartments, LLC
PO Box 4386
Springfield, MO 65808

AS OF:

07/18/2012

BY:

Kimberly A. Traynor
BattleCreek Appraisal Services
www.battlecreekappraisals.com
417-234-0235
Fax: 1-866-704-8091 toll free

Borrower/Client	N/A				File No. 174012	
Property Address	1046 E Walnut St					
City	Springfield	County	Greene	State	MO	Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC					

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Kimberly A. Traynor
BattleCreek Appraisal Services
5311 S. Cloverdale Ln.
Battlefield, Mo. 65619

07/24/2012

In Care of R&P Taylor Apartments, LLC
PO Box 4386
Springfield, MO 65808

Re: Property: 1046 E Walnut St
Springfield, MO 65803
Borrower: N/A
File No.: 174012

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,


Kimberly A. Traynor
BattleCreek Appraisal Services

Small Residential Income Property Appraisal Report

File # 174012

SUBJECT

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address	1046 E Walnut St	City	Springfield	State	MO	Zip Code	65803
Borrower	N/A	Owner of Public Record	C/O R&P Taylor Apts LLC	County	Greene		
Legal Description	Smiths' AD E ADD Lot 12						
Assessor's Parcel #	88-1324112011	Tax Year	2011	R.E. Taxes \$	1,082		
Neighborhood Name	NE Spfd	Map Reference	SNE	Census Tract	29077-0009.00		
Occupant	☐ Owner	☐ Tenant	☒ Vacant	Special Assessments \$	0	☐ PUD	HOA \$ 0 ☐ per year ☐ per month
Property Rights Appraised	☒ Fee Simple ☐ Leasehold ☐ Other (describe)						
Assignment Type	☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) Market Value						
Lender/Client	In Care of R&P Taylor Apartments, LLC Address PO Box 4386, Springfield, MO 65808						
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☒ Yes ☐ No							
Report data source(s) used, offering price(s), and date(s). See attached addenda.							

CONTRACT

I ☐ did ☒ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. The appraiser was not provided with a contract for review.

Contract Price \$	Date of Contract	Is the property seller the owner of public record?	☐ Yes ☐ No	Data Source(s)
-------------------	------------------	--	--	----------------

Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No

If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		2-4 Unit Housing Trends		2-4 Unit Housing		Present Land Use %	
Location	☒ Urban ☐ Suburban ☐ Rural	Property Values	☐ Increasing ☒ Stable ☐ Declining	PRICE	AGE	One-Unit	68 %
Built-Up	☒ Over 75% ☐ 25-75% ☐ Under 25%	Demand/Supply	☐ Shortage ☐ In Balance ☒ Over Supply	\$ (000)	(yrs)	2-4 Unit	10 %
Growth	☐ Rapid ☐ Stable ☒ Slow	Marketing Time	☐ Under 3 mths ☐ 3-6 mths ☒ Over 6 mths	11	Low 4	Multi-Family	5 %
Neighborhood Boundaries	The subject is bound to the North by Chestnut Expressway, to the West by Jefferson Ave, to the East by Campbell Ave, and to the South by Grand ST.			303	High 150	Commercial	15 %
				110	Pred. 55	Other	2 %
Neighborhood Description	This area is convenient to schools, shopping and employment. The area is comprised of ranch style houses, with some 1.5 story and multi-levels mixed in. In general, houses in the area are average in quality of construction. Houses in the area appear to be well maintained. Demand is considered to be. The economy remains stable.						

Market Conditions (including support for the above conclusions) Mixed financing is noted for this area. The predominant method of financing is conventional. Some government backed financing is noted and cash sales are also noted. Seller concessions are occasionally paid. While there is a demand for housing in the area, there does appear to be an oversupply. See attached addenda.

SITE

Dimensions	51x221 m/l per assessor	Area	11,271 Sq.Ft.	Shape	Rectangular	View	N;Res;Commercial
Specific Zoning Classification	R-HD	Zoning Description	Residential High Density				
Zoning Compliance	☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)						
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe							

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	☒	☐	Water	☒	Street ASPHLT/BLKTOP	☒	☐
Gas	☒	☐	Sanitary Sewer	☒	Alley Asphlt/BlkTOP	☒	☐
FEMA Special Flood Hazard Area	☐ Yes ☒ No	FEMA Flood Zone	X	FEMA Map #	29077C0334E	FEMA Map Date	12/17/2010
Are the utilities and/or off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe							
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe							
See attached addenda.							

IMPROVEMENTS

General Description		Foundation		Exterior Description		materials/condition		Interior		materials/condition	
Units	☐ Two ☐ Three ☒ Four	☐ Concrete Slab	☐ Crawl Space	Foundation Walls	CON BLK/ADQ	Floors	HW/VNL/TL/Fr-Ad				
	☐ Accessory Unit (describe below)	☒ Full Basement	☐ Partial Basement	Exterior Walls	WD SID/Fair-Adq	Walls	DW/PNL/Fr-AD				
# of Stories	3 # of bldgs. 1	Basement Area	1,403 sq.ft.	Roof Surface	COMPST SHG/Fair	Trim/Finish	Wood/paint/Good				
Type	☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Finish	0 %	Gutters & Downspouts	GALVZ STEL/ADQ p	Bath Floor	Vnl/ADQ				
	☒ Existing ☐ Proposed ☐ Under Const.	☒ Outside Entry/Exit	☒ Sump Pump	Window Type	Dh/wd/Fair-ADQ	Bath Wainscot	Marble/ADQ				
Design (Style)	4plex/3St	Evidence of	☐ Infestation	Storm Sash/Insulated	Storms/ADQ	Car Storage					
Year Built	1903	☒ Dampness	☒ Settlement	Screens	Yes prt/ADQ	☐ None					
Effective Age (Yrs)	80	Heating/Cooling		Amenities		☒ Driveway	# of Cars	4			
Attic	☐ None	☒ FWA	☐ HWBB ☐ Radiant	☒ Fireplace(s) #	1 ☐ Woodstove(s) #	0	Driveway Surface	Asphalt/ADQ			
	☐ Drop Stair	☐ Stairs		☐ Other	Fuel Gas		☐ Garage	# of Cars	0		
	☐ Floor	☒ Scuttle		Cooling	☐ Central Air Conditioning		☐ Carport	# of Cars	0		
	☐ Finished	☐ Heated		☒ Individual	☐ Other		☐ Att.	☐ Det.	☐ Built-in		
# of Appliances	Refrigerator	Range/Oven	2	Dishwasher	0	Disposal	0	Microwave	Washer/Dryer	Other (describe)	
Unit # 1 contains:	4	Rooms	1	Bedrooms	1	Bath(s)	751	Square Feet of Gross Living Area			
Unit # 2 contains:	3	Rooms	0	Bedrooms	1	Bath(s)	484	Square Feet of Gross Living Area			
Unit # 3 contains:	3	Rooms	1	Bedrooms	1	Bath(s)	624	Square Feet of Gross Living Area			
Unit # 4 contains:	4	Rooms	1	Bedrooms	1.5	Bath(s)	883	Square Feet of Gross Living Area			
Additional features (special energy efficient items, etc.). See attached addenda.											

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject appears to have some deferred maintenance and is dated. The covered front porch is sagging, and the joists appear to have some rot. The soffit and fascia is rotted and falling out. Peeling paint on the exterior throughout. Many of the windows have been boarded up. See attached addenda.

Small Residential Income Property Appraisal Report

File # 174012

IMPROVEMENTS

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☒ Yes ☐ No If Yes, describe.
The subject appears to have settled on all floors, with several of the joists showing signs of rot and possible termite damage. There were also signs of mold. See Attached Addenda

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe. The subject is a fourplex and the majority of homes in the area are single family, town houses, or duplexes with some commercial mix in. The subject is located within the historical district of downtown Springfield.
Is the property subject to rent control? ☐ Yes ☒ No If Yes, describe

COMPARABLE RENTAL DATA

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.

FEATURE	SUBJECT	COMPARABLE RENTAL # 1			COMPARABLE RENTAL # 2			COMPARABLE RENTAL # 3			
Address	1046 E Walnut St Springfield, MO 65803	852 S South Ave Springfield, MO 65804			433 S Main Ave Springfield, MO 65806			1111-1115 E Cherokee St Springfield, MO 65809			
Proximity to Subject		0.92 miles SW			1.04 miles W			1.96 miles S			
Current Monthly Rent	\$ 0			\$ 1,890			\$ 4,125			\$ 2,200	
Rent/Gross Bldg. Area	\$ sq.ft.			\$ 0.81 sq.ft.			\$ 1.20 sq.ft.			\$ 0.79 sq.ft.	
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☒ No			
Data Source(s)	Insp/Assr	MLS#1113084/Assr			MLS#1204819			MLS#1106988			
Date of Lease(s)	N/A	Month to Month			Month to Month			Month to Month			
Location	Urban/Avg	Urban/Avg			Urban/Avg			Urban/Avg			
Actual Age	109	107			103			61			
Condition	Fair-Avg	Average			Average			Average-Good			
Gross Building Area	2,742	2,325			3,440			2,796			
Unit Breakdown	Rm Count	Size Sq. Ft.	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent
	Tot Br Ba	2,742	Tot Br Ba	2,325	1,890	Tot Br Ba	3,440	4,125	Tot Br Ba	2,796	2,200
Unit # 1	4 1 1	751	5 3 1	1,550	\$ 900	8 0 3	1,550	\$ 1,775	4 2 1	699	\$ 550
Unit # 2	3 0 1	484	4 2 1	465	\$ 595	3 1 1	471	\$ 650	4 2 1	699	\$ 550
Unit # 3	3 1 1	624	3 1 1	310	\$ 395	3 1 1	472	\$ 550	4 2 1	699	\$ 550
Unit # 4	4 1 1.5	883			\$	6 2 2	947	\$ 1,150	4 2 1	699	\$ 550
Utilities Included	Tnt Pays/MstrMeter	Landlord Pays/MstrMeter			Tnt Pays/MstrMeter			Tnt Pays/Sep Metr			
Garage/Parking	Parking Lot	Parking Lot			Parking Lot/Street Parking			Driveway			
W/D Hook Ups	None	None			None			Yes			
Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.) Rental #2 is a 7 plex in close proximity to the subject. The individual square footage is combined and the square footage is estimated per unit, however the total square footage is accurate per Greene County Assessor. All rentals have been updated. Rental #3 has been substantially updated. See attached addenda.											

SUBJECT RENT SCHEDULE

Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

Leases			Actual Rents			Opinion of Market Rent		
Unit #	Lease Date		Per Unit		Total Rents	Per Unit		Total Rents
	Begin Date	End Date	Unfurnished	Furnished	Unfurnished	Furnished		
1	Month	Month	\$	\$	\$	\$ 310	\$	\$ 310
2	Month	Month				275		275
3	Month	Month				310		310
4	Month	Month				325		325
Comment on lease data	All units are vacant.		Total Actual Monthly Rent		\$	Total Gross Monthly Rent		\$ 1,220
			Other Monthly Income (itemize)		\$	Other Monthly Income (itemize)		\$
			Total Actual Monthly Income		\$	Total Estimated Monthly Income		\$ 1,220
Utilities included in estimated rents ☐ Electric ☐ Water ☐ Sewer ☐ Gas ☐ Oil ☐ Trash collection ☐ Cable ☒ Other Tenant Pays								
Comments on actual or estimated rents and other monthly income (including personal property) Estimated rents for subject appear to be in line with other units in the area that are similar in size, quality and amenities. Rental rates in this area are considered stable at the present time. Supply and demand appear to be in balance.								

PRIOR SALE HISTORY

I ☒ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research ☐ did ☒ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) MLS/Assr

My research ☐ did ☒ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) MLS/Assr

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Date of Prior Sale/Transfer	None within 3 Years	None within 1 Years	None within 1 Years	None within 1 Years
Price of Prior Sale/Transfer	N/A	N/A	N/A	N/A
Data Source(s)	MLS/Assr	MLS/Assr	MLS/Assr	MLS/Assr
Effective Date of Data Source(s)	07/18/2012	06/22/2012	02/29/2012	03/30/2012
Analysis of prior sale or transfer history of the subject property and comparable sales No sale or transfer history for the subject or comparables other than shown above per MLS and/or assessors office.				

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SALES COMPARISON APPROACH

RECONCILIATION

INCOME

There are 14 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 105,000 to \$ 375,000 .

There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 100,000 to \$ 240,000 .

FEATURE		SUBJECT		COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address 1046 E Walnut St Springfield, MO 65803		749 S South St Springfield, MO 65802			1045 W Mt Vernon St Springfield, MO 65806			1516 N Jefferson Ave Springfield, MO 65803				
Proximity to Subject		0.87 miles SW			1.46 miles W			1.52 miles NW				
Sale Price		\$		\$ 107,500		\$ 110,000		\$ 240,000				
Sale Price/Gross Bldg. Area		\$ sq.ft.		\$ 61.92 sq.ft.		\$ 29.67 sq.ft.		\$ 44.74 sq.ft.				
Gross Monthly Rent		\$ 1,220		\$ 900		\$ 2,400		\$ 2,760				
Gross Rent Multiplier				119.44		45.83		86.96				
Price per Unit		\$		\$ 53,750		\$ 18,333		\$ 48,000				
Price per Room		\$		\$ 11,944		\$ 6,111		\$ 12,632				
Price per Bedroom		\$		\$ 26,875		\$ 18,333		\$ 26,667				
Rent Control		☐ Yes ☒ No		☐ Yes ☒ No		☐ Yes ☒ No		☐ Yes ☒ No				
Data Source(s)		MLS#1201470			MLS#1104324			MLS#1012808				
Verification Source(s)		Rltr/Assr/SDI			Rltr/Assr			Rltr/Assr				
VALUE ADJUSTMENTS		DESCRIPTION		DESCRIPTION		+ (-) Adjustment		DESCRIPTION		+ (-) Adjustment		
Sale or Financing Concessions				Conventional None noted				Conventional None noted				
Date of Sale/Time				06/22/2012				02/29/2012				
Location		Urban/Avg		Urban/Inf		+10,000		Urban/Inf		+10,000		
Leasehold/Fee Simple		Fee Simple		Fee Simple				Fee Simple				
Site		11,271 Sq.Ft.		12168 sf				5009 sf		+2,500		
View		N;Res;Commercial		N;Res				N;Res;				
Design (Style)		4plex/3St		Duplex/2Story				SixPlex/2Story				
Quality of Construction		Wd/Fair-Avg		PS/Good		-20,000		PS/Good		-10,000		
Actual Age		109		112 (updated)				117 (updated)				
Condition		Fair-Avg		Average		-10,000		Average		-10,000		
Gross Building Area		2,742		1,736		+25,150		3,708		-24,150		
Unit Breakdown		Total	Bdrms	Baths	Total	Bdrms	Baths	Total	Bdrms	Baths		
Unit # 1		4	1	1	5	3	2	6	2	2		
Unit # 2		3	0	1	4	1	1	6	2	2		
Unit # 3		3	1	1				3	1	1		
Unit # 4		4	1	1.5				3	1	1		
Basement Description		1,403 Sq.Ft.		290sf0sf		+5,565		0sf bsmt		+7,015		
Basement Finished Rooms		0		0 sf finish				0 sf finish				
Functional Utility		Average		Average				Average				
Heating/Cooling		FA/None		FA/CA		-2,000		FA/CA		-2,000		
Energy Efficient Items		Standard		Standard				Standard				
Parking On/Off Site		Parking Lot		Driveway				Street Parking		+2,500		
Porch/Patio/Deck		CP/ScPt/cdk/Encp		C.Pch/Patio		+3,000		2Stoops		+4,500		
Amenities		Appl		Appl				Appl				
Amenities		Foyer		None		+1,000		None		+1,000		
Net Adjustment (Total)				☒ + ☐ -		\$ 14,215		☐ + ☒ -		\$ -20,135		
Adjusted Sale Price of Comparables				Net Adj. 13.2 % Gross Adj. 74.6 %		\$ 121,715		Net Adj. 18.3 % Gross Adj. 69.2 %		\$ 89,865		
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$ 60,858		\$ 14,978		\$ 28,743						
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$ 13,524		\$ 4,993		\$ 7,564						
Adjusted Price Per Bedrm(Adj. SP Comp / # of Comp Bedrooms)		\$ 30,429		\$ 14,978		\$ 15,968						
Value per Unit \$ 39,700 X 4 Units = \$ 158,800		Value per GBA \$ 43.93 X 2,742 GBA = \$ 120,456										
Value per Rm. \$ 9,917 X 14 Rooms = \$ 138,838		Value per Bdrms.\$ 23,800 X 3 Bdrms. = \$ 71,400										
Summary of Sales Comparison Approach including reconciliation of the above indicators of value. Quality of construction and condition adjustments were determined by personal inspection or by obtaining information from the appraiser of Realtor involved in each sale. Items taken into consideration are roof pitch, roofing material, exterior siding, windows, doors, ceiling heights, ceiling treatments, crown moldings, floor coverings and cabinets. Various style houses were used, however this does not appear to effect market value in this area. No adjustment appeared necessary. Various bedroom counts were used, however square footage appears to be the driving factor for market value in the subjects area. No adjustment appeared necessary. Gross adjustments were exceeded in this report due to square footage, quality and condition adjustments. This could not be avoided and is common in the area. See attached addenda.												
Indicated Value by Sales Comparison Approach \$ 120,000												

Total gross monthly rent \$ 1,220 X gross rent multiplier (GRM) 100 = \$ 122,000

Indicated value by the Income Approach

Comments on income approach including reconciliation of the GRM Local area GRM's range from 45 to 120.

Indicated Value by: Sales Comparison Approach \$ 120,000 Income Approach \$ 122,000 Cost Approach (if developed) \$ 0

Estimated indicated value is determined by using the Gross Adjustment of sale price for each comparable as a measure of the relative quality of the comp. A lower adjustment indicates a better comp, and vice versa. The ratio of gross dollar adjustment to sale price for each of the comps is used to calculate the weight each comp should have in a weighted average calculation. This weighted average is used as the indicated value of the subject. See attached addenda.

This appraisal is made ☒ "as is", ☐ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☐ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: See attached addenda.

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 120,000 ,as of 07/18/2012 , which is the date of inspection and the effective date of this appraisal.

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ADDITIONAL COMMENTS

This report may contain comments, conditions and/or certifications added by the signing appraiser and/or BattleCreek Appraisal Services including, but not limited to, this Supplemental Addendum. These items shall supersede and take precedence over all other language, requirements, or conditions contained in any preprinted and/or third-party forms or documents included in, or incorporated by reference into, the appraisal report. BattleCreek Appraisal Services expressly retains all right, title, and interest in all patents, trademarks, trade names, trade secrets, software, data, conclusions, opinions, valuations, or other information included in, arising out of, or in any way related to this appraisal or the the provision of appraisal services to the named client and/or Intended User. The report and information supplied by the staff and/or agents of BattleCreek Appraisal Services is a culmination of intellectual education, professional experience, personal investigation, and know-how, which shall at all times remain the property of BattleCreek Appraisal Services. No person shall be entitled to break down, strip out, mine, or disseminate any component or part of this report, including, but not limited to, any conclusions, valuations, opinions, or other data compilations herein. The intended user of the appraisal report is the Lender/Client. The intended use is to evaluate the property that is the subject of this appraisal for feasibility of renovation, subject to the stated Scope of Work, purpose of the appraisal, reporting, requirements of this appraisal report form, and Definition of Market Value. No additional intended users are identified by the appraiser. The client agrees that pertinent information that might be useful in the appraisal process will be included in the appraiser's database and may be used in future appraisal reports, shared with other Appraisers and the Sold Data Appraisal Bank. (ie, square footage, room count, condition, quality of construction, etc.) Download of the attached appraisal file referenced below constitutes acceptance, acting in replacement of formal written signature, of the responsibility for payment in full as invoiced to be made to BattleCreek Appraisal Services, 5311 S. Cloverdale Ln., Battlefield, MO 65619, regardless to status of loan, as well as any/all debt incurred in the debt collection process as well as legal fees and expenses, if required.

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE= \$			
Source of cost data	DWELLING	Sq.Ft. @ \$	= \$	
Quality rating from cost service	Effective date of cost data	Sq.Ft. @ \$	= \$	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	= \$			
	Garage/Carport	Sq.Ft. @ \$	= \$	
	Total Estimate of Cost-New		= \$	
	Less	Physical	Functional	External
	Depreciation			= \$()
	Depreciated Cost of Improvements		= \$	
	"As-is" Value of Site Improvements		= \$	
Estimated Remaining Economic Life (HUD and VA only)	Years	INDICATED VALUE BY COST APPROACH= \$		0

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal Name of Project

Total number of phases	Total number of units	Total number of units sold
Total number of units rented	Total number of units for sale	Data source(s)
Was the project created by the conversion of existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.		
Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data Source		
Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.		
Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.		
Describe common elements and recreational facilities.		

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This report form is designed to report an appraisal of a two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements, including each of the units. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

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APPRAISER’S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property, including all units. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison and income approaches to value. I have adequate market data to develop reliable sales comparison and income approaches to value for this appraisal assignment. I further certify that I considered the cost approach to value but did not develop it, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market’s reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

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21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature Kimberly A. Taylor
Name Kimberly A. Taylor
Company Name BattleCreek Appraisal Services
Company Address 5311 S. Cloverdale Ln., Battlefield, MO 65619
Telephone Number (417) 234-0235
Email Address kkellerappraisal@aol.com
Date of Signature and Report July 24, 2012
Effective Date of Appraisal 07/18/2012
State Certification # 2006000600
or State License # _____
or Other (describe) _____ State # _____
State MO
Expiration Date of Certification or License 06/30/2014

ADDRESS OF PROPERTY APPRAISED
1046 E Walnut St
Springfield, MO 65803

APPRAISED VALUE OF SUBJECT PROPERTY \$ 120,000

LENDER/CLIENT

Name _____
Company Name In Care of R&P Taylor Apartments, LLC
Company Address PO Box 4386, Springfield, MO 65808
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection _____
☐ Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection _____

Supplemental Addendum

File No. 174012

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				

• **Small Income : Subject - Data Source(s), Offering Price(s), Date(s)**

The subject is currently listed with Murney Associates via Springfield MLS#1014378 starting on 08/24/2010 for \$199,000, increased on 11/25/2011 to \$299,000 and on 05/22/2012 status changed to under contract after 637 days on market. No other listings were found for the subject in the previous twelve months of the effective date of this appraisal.

• **Small Income : Neighborhood Market Conditions**

Houses that have been well maintained and competitively priced sell within a reasonable amount of time. Estimated exposure time for the subject is approximately 90-365 days. The economy remains stable. The unemployment rate is below 8% at this time.

• **Small Income : Site - Adverse Site Conditions or External Factors**

Extraordinary assumption, the appraiser presumes as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property or about conditions external to the property, such market conditions or trends, or the integrity of data used in an analysis. All of the site could not be inspected. Opinion of value is based on there being no enviornmental hazards on the property. None were noted at the time of inspection.

• **Small Income : Improvements - Additional Features**

Subject has wood siding exterior with a shared covered entry porch, a screened in patio, partially covered deck and an enclosed porch. Unit 1: 1 kitchen with eat-in dining area, living room, bedroom and bath. The ceiling heights are 9' high with crown moldings typically. Unit 2: 1 living room, 1 kitchen/dining area, 1 bath. Unit 3: 1 living room, 1 bedroom, 1 kitchen, 1 bath. Unit 4: 1 living room, 1kitchen/dining, 1 bath with a second floor including a bonus/bedroom area and a half bath. The third floor has several slanted ceiling heights that are below the 5' ceiling height limits for living space, and this square footage has been removed for that reason. Shared foyer area. The subject has a full unfinished mechanical basement.

• **Small Income : Improvements - Condition of the Property**

Under the screened in patio there is more rot or termite damage. Termite inspection recommended. Some of the rot appears to be from gutters not installed properly. Gutters are falling off the back side. Some settlement was noted in the floors, with cracking over doors and on the walls. Floor plan is functional. No external adequacies noted. The estimated exposure time for the subject property is 90 to 365 days. Floors appear to be sagging. Signs of water damage from the units above on the main floor. Possible mold from the water damage. Mold inspection is recommended. Subject is dated.

• **Small Income :**

Some settlement was noted throughout the home, and a structural inspection is recommended. Extraordinary assumption, the appraiser presumes as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property or about conditions external to the property, such market conditions or trends, or the integrity of data used in an analysis. All of the site could not be inspected. Opinion of value is based on there being no enviornmental hazards on the property. None were noted at the time of inspection.

• **Small Income : Comparable Rentals - Analysis of Rental Data**

All rentals are multifamily units including a triplex, seven plex, and two identical duplexes that are located within similar neighborhoods as subject. All are similar in distance to support facilities. Rentals used were the best available at the time of the appraisal. Rentals range from \$2325 to \$3440.

• **Small Income : Sales Comparison - Summary**

This does not appear to hinder marketability. Comparable #1 is in a competing neighborhood that exceeded the one mile guidelines, however no location adjustment appeared necessary. Site adjustments were not warranted due to all appearing similar in market value.

The initial search started via Springfield MLS within a one mile radius of the subject for homes of similar age, style, quality, square footage, etc. and found little to no activity. The appraiser had no choice but to broaden the search in distance, time, square footage, age, quality, condition, etc. in an effort to find other comparables. The final search ended by searching all of Springfield for the best comparables available.

• **Small Income : Reconciliation - Comments**

In appraising the subject property the Cost Approach was considered but not completed due to the age of the subject. The cost approach is not considered to be reliable on homes of this age. Sales comparison \$120,000, and the Income Approach was concluded N/A due to insufficient rental/sale data available. The market approach was considered the most reliable due to quality and quantity of sales data, therefore concluding \$120,000. Estimated exposure time: 3-12 months. The digital pictures that have been furnished with this report have not been altered.

• **Small Income : Reconciliation - Conditions of the Appraisal**

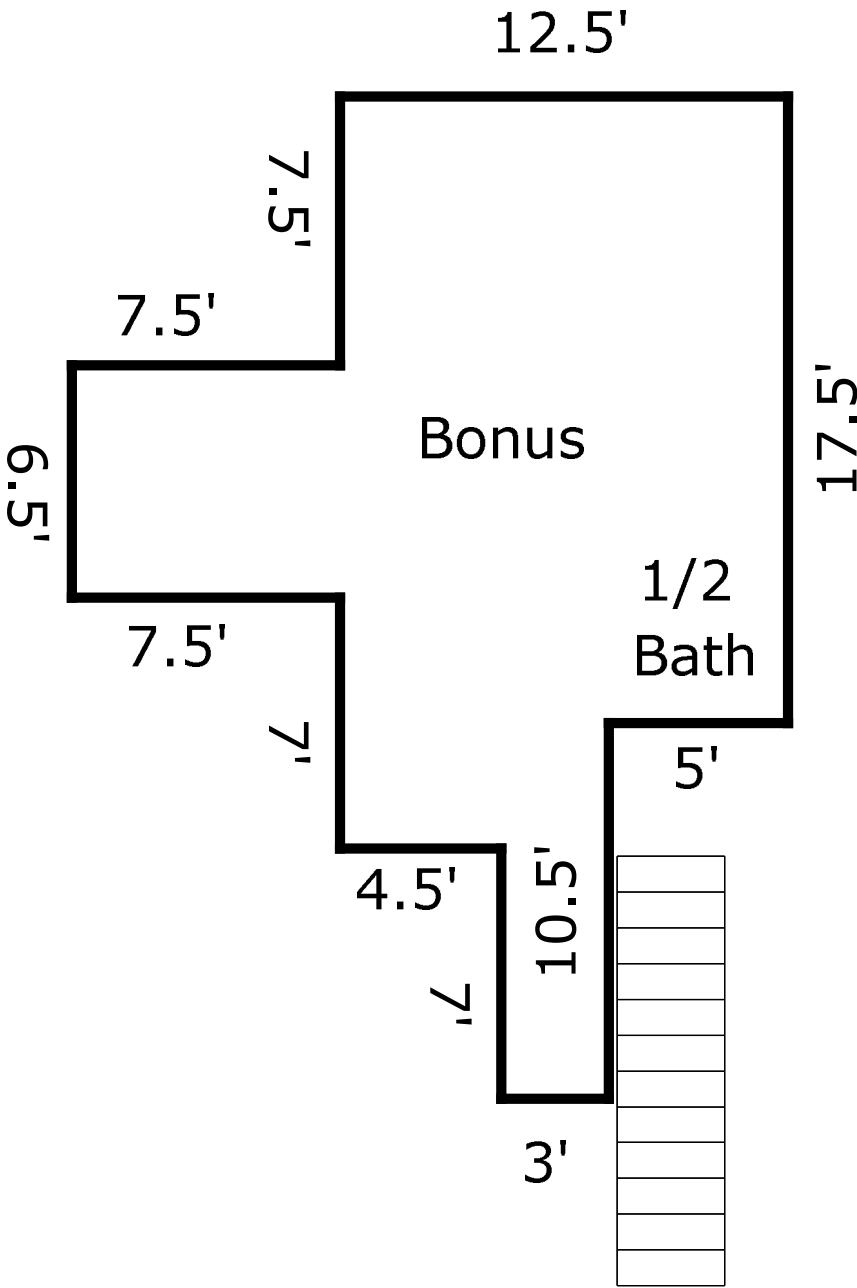
This appraisal has been prepared in conformity with the code of ethics of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Foundation. The purpose of this appraisal is to offer an estimate of market value for the subject. The intended use of this appraisal is to assist the client named in the report or its successor or assigns in evaluating the subject property to determine current market value. This is a federally related transaction and no one provided significant professional assistance to the person signing this report.

The appraiser has no current or prospective interest in the subject property or parties involved, and no services regarding the subject property were performed by the appraiser within the previous three years.

Building Sketch

Borrower/Client	N/A			
Property Address	1046 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC			

Third Floor Unit 4
[314.75 Sq ft]



TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area		Calculation Details	
Third Floor Unit 4	314.75 Sq ft	$6.5 \times 7.5 = 48.75$	
		$12.5 \times 17.5 = 218.75$	
		$3.5 \times 4.5 = 15.75$	
		$10.5 \times 3 = 31.5$	
Total Living Area (Rounded):		315 Sq ft	

Subject Photo Page

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Subject Front

1046 E Walnut St
Sales Price
Gross Building Area 2,742
Age 109



Subject Rear



Subject Street

Subject Photos

Borrower/Client	N/A			
Property Address	1046 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC			



Opposite View Of Street



Right Side



Left Side



Parking Lot



Rotting Soffit



Rotting Soffit & Fascia

Subject Photos

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Rotted Wood



Peeling Paint

Subject Photos

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Rotted Wood



Shared Foyer



Unit #1 Living Room



Unit #1 Dining Area



Unit #1 Kitchen



Screened in Patio

Subject Photos

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #1 Kitchen



Unit #1 Bath



Unit #1 Sign of a Leak



Unit #2 Living Room



Unit #2 Bath



Unit #2 Kitchen/Dining

Subject Photos

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #2 Kitchen Ceiling



Unit #2 Kitchen



Unit #2 Bath



Unit #4 Enclosed Porch



Unit #4 Kitchen



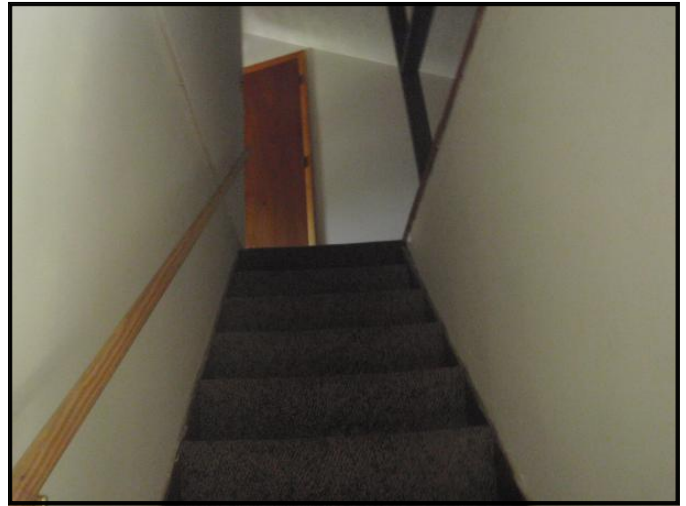
Unit #4 Dining

Subject Photos

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #4 Bath



Unit #4 Stairs



Unit #4 Living Room



Unit #3 Living Room



Unit #3 Dining



Unit #3 Kitchen

Subject Photos

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #3 Bedroom



Unit #3 Bath



Unit #4 Bonus/Bedroom



Unit #4 Upstairs



Unit #4 1/2 Bath



Unit #4 ceiling leak

Subject Photos

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Peeling Paint



Boarded up doors/windows

Comparable Photo Page

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Comparable 1

749 S South St
Sales Price 107,500
Gross Building Area 1,736
Age 112 (updated)



Comparable 2

1045 W Mt Vernon St
Sales Price 110,000
Gross Building Area 3,708
Age 117 (updated)



Comparable 3

1516 N Jefferson Ave
Sales Price 240,000
Gross Building Area 5,364
Age 82 (updated)

Small Residential Income Property Appraisal Report

File # 174012

SALES COMPARISON APPROACH	FEATURE	SUBJECT			COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6						
	Address 1046 E Walnut St Springfield, MO 65803					433 S Main Ave Springfield, MO 65806											
	Proximity to Subject					1.04 miles W											
	Sale Price		\$						\$ 159,900								
	Sale Price/Gross Bldg. Area		\$ sq.ft.			\$ 46.48 sq.ft.			\$ sq.ft.			\$ sq.ft.					
	Gross Monthly Rent		\$ 1,220			\$			\$			\$					
	Gross Rent Multiplier																
	Price per Unit		\$			\$ 26,650			\$			\$					
	Price per Room		\$			\$ 7,995			\$			\$					
	Price per Bedroom		\$			\$ 39,975			\$			\$					
	Rent Control		☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☐ No			☐ Yes ☐ No					
	Data Source(s)					MLS#1204819											
	Verification Source(s)					Rltr/Assr											
	VALUE ADJUSTMENTS		DESCRIPTION			DESCRIPTION			+ (-) Adjustment			DESCRIPTION			+ (-) Adjustment		
	Sale or Financing Concessions					Active Listing LP/SP Ratio			-11,200								
	Date of Sale/Time					04/09/2012 LD											
	Location		Urban/Avg			Urban/Avg											
	Leasehold/Fee Simple		Fee Simple			Fee Simple											
	Site		11,271 Sq.Ft.			12545 sf											
	View		N;Res;Commercial			N;Res;Comm											
Design (Style)		4plex/3St			7Plex/2Story												
Quality of Construction		Wd/Fair-Avg			PS/Avg			-10,000									
Actual Age		109			103 (updated)												
Condition		Fair-Avg			Average			-5,000									
Gross Building Area		2,742			3,440			-17,450									
Unit Breakdown		Total	Bdrms	Baths	Total	Bdrms	Baths				Total	Bdrms	Baths				
Unit # 1		4	1	1	8	0	3	-2,000									
Unit # 2		3	0	1	3	1	1										
Unit # 3		3	1	1	3	1	1										
Unit # 4		4	1	1.5	6	2	2	-500									
Basement Description		1,403 Sq.Ft.			0sf bsmt			+7,015									
Basement Finished Rooms		0			0 sf finish												
Functional Utility		Average			Average												
Heating/Cooling		FA/None			FA/None												
Energy Efficient Items		Standard			Standard												
Parking On/Off Site		Parking Lot			Prkng Lot/3GCrprrt			-1,500									
Porch/Patio/Deck		CP/ScPt/cdk/Encp			C.Pch/Patio			+1,000									
Amenities		Appl			Appliances												
Amenities		Foyer			None			+1,000									
Net Adjustment (Total)					☐ + ☒ -			\$ -38,635			☐ + ☐ -			\$			
Adjusted Sale Price of Comparables					Net Adj. 24.2 %						Net Adj. %						
					Gross Adj. 35.4 %			\$ 121,265			Gross Adj. %			\$			
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$ 20,211						\$						\$			
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$ 6,063						\$						\$			
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		\$ 30,316						\$						\$			
SALE HISTORY	Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).																
	ITEM	SUBJECT			COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6						
	Date of Prior Sale/Transfer	None within 3 Years			None within 1 Years												
	Price of Prior Sale/Transfer	N/A			N/A												
	Data Source(s)	MLS/Assr			MLS/Assr												
	Effective Date of Data Source(s)	07/18/2012			07/18/2012												
	Analysis of prior sale or transfer history of the subject property and comparable sales No sale or transfer history for the subject or comparables other than shown above per MLS and/or assessors office.																
ANALYSIS / COMMENTS	Analysis/Comments Quality of construction and condition adjustments were determined by personal inspection or by obtaining information from the appraiser of Realtor involved in each sale. Items taken into consideration are roof pitch, roofing material, exterior siding, windows, doors, ceiling heights, ceiling treatments, crown moldings, floor coverings and cabinets.																
	Typical list to sale price percentages in the subject's area are at 93%. An adjustment was made to reflect typical market activity.																

Comparable Photo Page

Borrower/Client	N/A					
Property Address	1046 E Walnut St					
City	Springfield	County	Greene	State	MO	Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC					



Comparable 4

433 S Main Ave
Sales Price 159,900
Gross Building Area 3,440
Age 103 (updated)

Comparable 5

Sales Price
Gross Building Area
Age

Comparable 6

Sales Price
Gross Building Area
Age

Rental Photo Page

Borrower/Client	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Rental 1

852 S South Ave
Proximity to Subject 0.92 miles SW
Gross Building Area 2,325
Age 107



Rental 2

433 S Main Ave
Proximity to Subject 1.04 miles W
Gross Building Area 3,440
Age 103

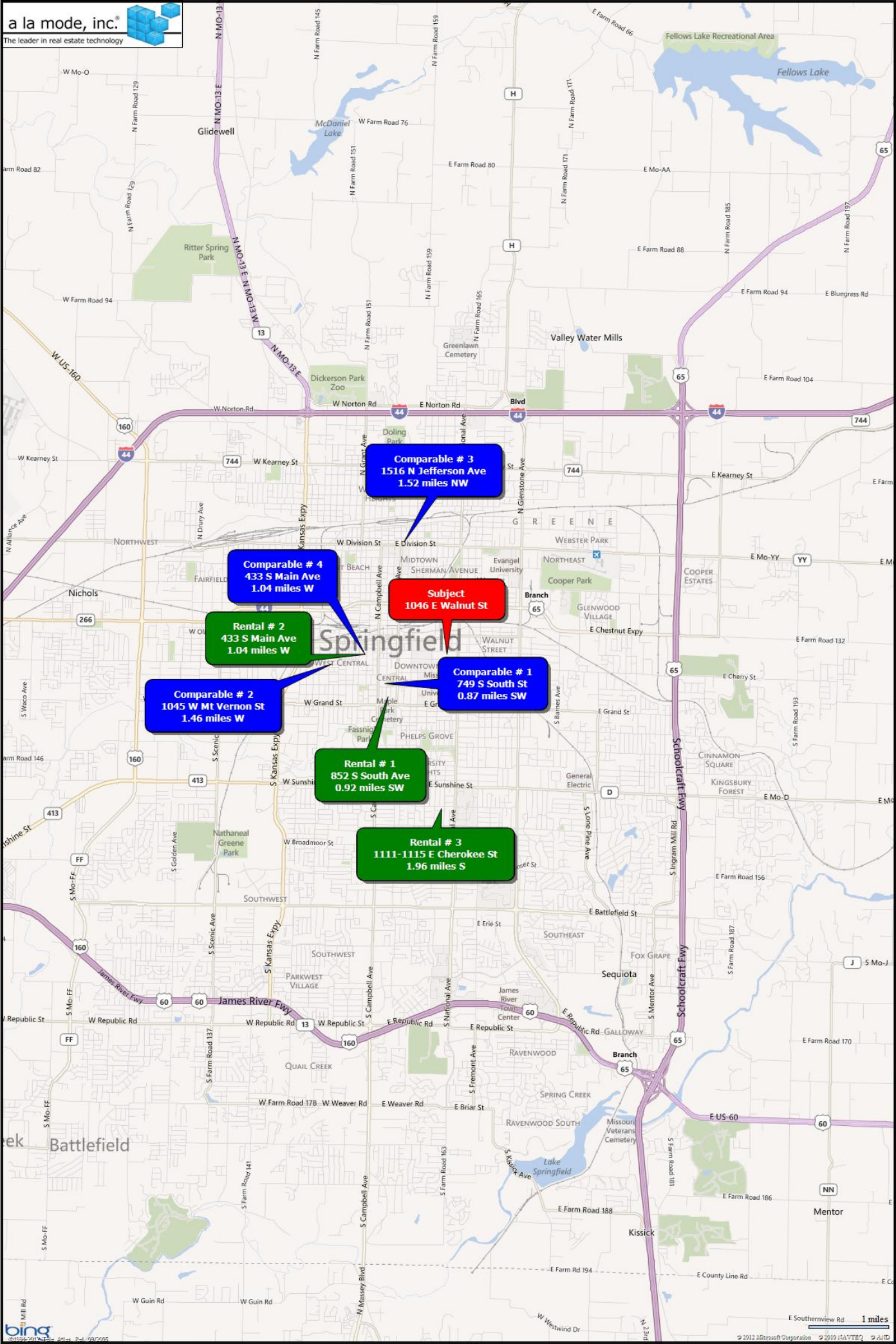


Rental 3

1111-1115 E Cherokee St
Proximity to Subject 1.96 miles S
Gross Building Area 2,796
Age 61

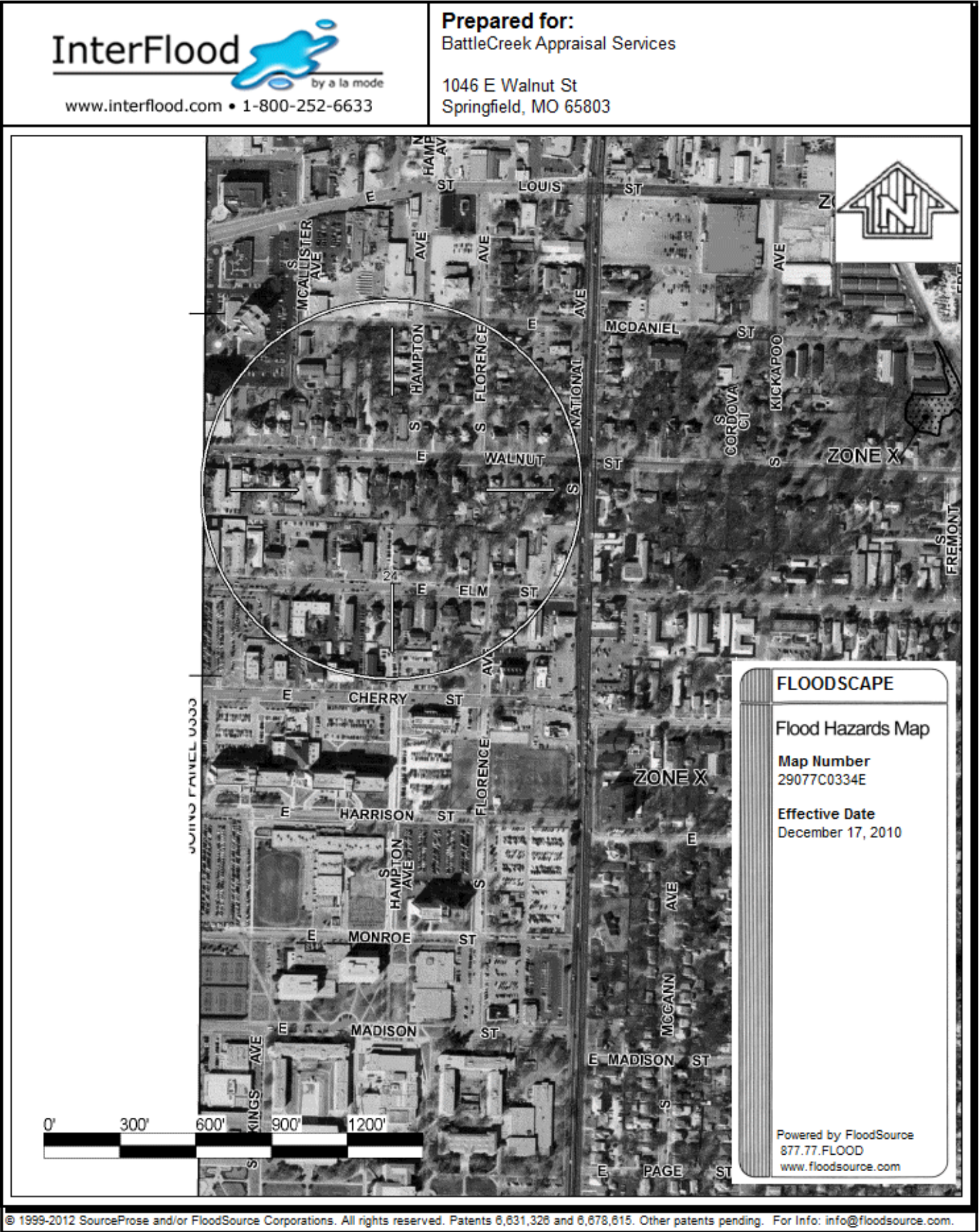
Location Map

Borrower/Client	N/A			
Property Address	1046 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC			



Flood Map

Borrower/Client	N/A			
Property Address	1046 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC			



Operating Income Statement

One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property

Property Address		1046 E Walnut St Street		Springfield City	MO State	65803 Zip Code	
General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.							
	Currently Rented	Expiration Date	Current Rent Per Month	Market Rent Per Month	Utility Expense	Paid By Owner	Paid By Tenant
Unit No. 1	Yes ☐ No ☒		\$	\$ 310	Electricity	☐	☒
Unit No. 2	Yes ☐ No ☒		\$	\$ 275	Gas	☐	☒
Unit No. 3	Yes ☐ No ☒		\$	\$ 310	Fuel Oil	☐	☐
Unit No. 4	Yes ☐ No ☒		\$	\$ 325	Fuel (Other)	☐	☐
Total			\$	\$ 1,220	Water/Sewer	☐	☒
					Trash Removal	☐	☒

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years (*for new properties the applicant's projected income and expenses must be provided*). This Operating Income Statement and any previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures (*e.g. Applicant/Appraiser 288/300*). If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. (*Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item*) Income should be based on the current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

Annual Income and Expense Projection for Next 12 months

Income (<i>Do not include income for owner-occupied units</i>)	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Gross Annual Rental (<i>from unit(s) to be rented</i>) (Market)	\$ 14,640	\$
Other Income (<i>include sources</i>)	+	+
Total	\$ 14,640	\$
Less Vacancy/Rent Loss	- (%)	- (%)
Effective Gross Income	\$ 14,640	\$
Expenses (<i>Do not include expenses for owner-occupied units</i>)		
Electricity		
Gas		
Fuel Oil		
Fuel (Type -)		
Water/Sewer		
Trash Removal		
Pest Control		
Other Taxes or Licenses		
Casual Labor	200	
This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.		
Interior Paint/Decorating	500	
This includes the costs of contract labor and materials that are required to maintain the interiors of the living unit.		
General Repairs/Maintenance	250	
This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.		
Management Expenses		
These are the customer expenses that a professional management company would charge to manage the property.		
Supplies	200	
This includes the costs of items like light bulbs, janitorial supplies, etc.		
Total Replacement Reserves - See Schedule on Pg. 2	555	
Miscellaneous		
.....		
.....		
.....		
.....		
.....		
.....		
.....		
.....		
Total Operating Expenses	\$ 1,705	\$

Replacement Reserve Schedule

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner’s operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year - such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment	Replacement Cost	Remaining Life	By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@ \$ 350	ea. ÷ 10 Yrs. x 4	Units = \$ 140	\$
Refrigerators	@ \$	ea. ÷ Yrs. x	Units = \$	\$
Dishwashers	@ \$	ea. ÷ Yrs. x	Units = \$	\$
A/C Units	@ \$	ea. ÷ Yrs. x	Units = \$	\$
C. Washer/Dryers	@ \$	ea. ÷ Yrs. x	Units = \$	\$
HW Heaters	@ \$ 150	ea. ÷ 10 Yrs. x 1	Units = \$ 15	\$
Furnace(s)	@ \$ 1,000	ea. ÷ 10 Yrs. x 1	Units = \$ 100	\$
(Other)	@ \$	ea. ÷ Yrs. x	Units = \$	\$
Roof	@ \$ 4,500	÷ 15 Yrs. x One Bldg. =	\$ 300	\$
Carpeting (Wall to Wall)				
		Remaining Life		
(Units)	Total Sq. Yds. @ \$	Per Sq. Yd. ÷ Yrs. =	\$	\$
(Public Areas)	Total Sq. Yds. @ \$	Per Sq. Yd. ÷ Yrs. =	\$	\$
Total Replacement Reserves. (Enter on Pg. 1)			\$ 555	\$

Operating Income Reconciliation

\$ 14,640	-	\$ 1,705	=	\$ 12,935	÷ 12 =	\$ 1,078
Effective Gross Income		Total Operating Expenses		Operating Income		Monthly Operating Income
\$ \$ 1,078	-	\$	=	\$		
Monthly Operating Income		Monthly Housing Expense		Net Cash Flow		

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

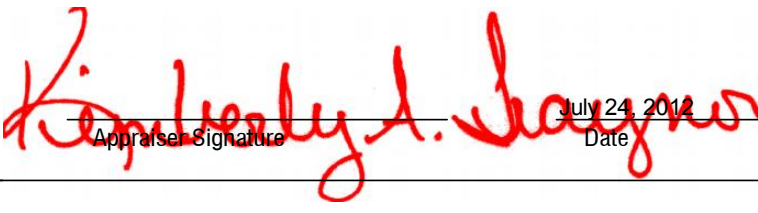
Underwriter’s instructions for 2-4 Family Owner-Occupied Properties

- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower’s monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the **subject property** to the borrower’s stable monthly income.

Underwriter’s instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower’s monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower’s **primary residence** to the borrower’s stable monthly income.

Appraiser’s Comments *(Including sources for data and rationale for the projections)*
Data recited is based on interviews with property managers, Realtors, Appraisers, analysis of current market trends and assessors records.

Kimberly A. Traynor		July 24, 2012
Appraiser Name		Date
Underwriter’s Comments and Rationale for Adjustments		

Underwriter Name	Underwriter Signature	Date
Freddie Mac Form 998 Aug 88	Page 2 of 2	Fannie Mae Form 216 Aug 88

Appendix C

Appraisal of Rehabilitated Structure



APPRAISAL OF REAL PROPERTY

LOCATED AT:

1046 E Walnut St
Smiths' AD E ADD Lot 12
Springfield, MO 65803

FOR:

In Care of R&P Taylor Apartments, LLC
PO Box 4386
Springfield, MO 65808

AS OF:

07/18/2012

BY:

Kimberly A. Traynor
BattleCreek Appraisal Services
www.battlecreekappraisals.com
417-234-0235
Fax: 1-866-704-8091 toll free

Borrower	N/A					File No.	175012			
Property Address	1046 E Walnut St									
City	Springfield			County	Greene		State	MO	Zip Code	65803
Lender	In Care of R&P Taylor Apartments, LLC									

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Kimberly A. Traynor
BattleCreek Appraisal Services
5311 S. Cloverdale Ln.
Battlefield, Mo. 65619

07/24/2012

In Care of R&P Taylor Apartments, LLC
PO Box 4386
Springfield, MO 65808

Re: Property: 1046 E Walnut St
Springfield, MO 65803
Borrower: N/A
File No.: 175012

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



Kimberly A. Traynor
BattleCreek Appraisal Services

Small Residential Income Property Appraisal Report

File # 175012

SUBJECT

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address	1046 E Walnut St	City	Springfield	State	MO	Zip Code	65803
Borrower	N/A	Owner of Public Record	C/O R&P Taylor Apts LLC	County	Greene		
Legal Description	Smiths' AD E ADD Lot 12						
Assessor's Parcel #	88-1324112011	Tax Year	2011	R.E. Taxes \$	1,082		
Neighborhood Name	NE Spfd	Map Reference	SNE	Census Tract	29077-0009.00		
Occupant	☐ Owner	☐ Tenant	☒ Vacant	Special Assessments \$	0	☐ PUD	HOA \$ 0 ☐ per year ☐ per month
Property Rights Appraised	☒ Fee Simple ☐ Leasehold ☐ Other (describe)						
Assignment Type	☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) Market Value						
Lender/Client	In Care of R&P Taylor Apartments, LLC Address PO Box 4386, Springfield, MO 65808						
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☒ Yes ☐ No							
Report data source(s) used, offering price(s), and date(s). See attached addenda.							

CONTRACT

I ☐ did ☒ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. The appraiser was not provided with a contract for review.

Contract Price \$	Date of Contract	Is the property seller the owner of public record?	☐ Yes ☐ No	Data Source(s)
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Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☐ No

If Yes, report the total dollar amount and describe the items to be paid.

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		2-4 Unit Housing Trends		2-4 Unit Housing		Present Land Use %	
Location	☒ Urban ☐ Suburban ☐ Rural	Property Values	☐ Increasing ☒ Stable ☐ Declining	PRICE	AGE	One-Unit	68 %
Built-Up	☒ Over 75% ☐ 25-75% ☐ Under 25%	Demand/Supply	☐ Shortage ☐ In Balance ☒ Over Supply	\$ (000)	(yrs)	2-4 Unit	10 %
Growth	☐ Rapid ☐ Stable ☒ Slow	Marketing Time	☐ Under 3 mths ☐ 3-6 mths ☒ Over 6 mths	11	Low 4	Multi-Family	5 %
Neighborhood Boundaries	The subject is bound to the North by Chestnut Expressway, to the West by Jefferson Ave, to the East by Campbell Ave, and to the South by Grand ST.			303	High 150	Commercial	15 %
				110	Pred. 55	Other	2 %
Neighborhood Description	This area is convenient to schools, shopping and employment. The area is comprised of ranch style houses, with some 1.5 story and multi-levels mixed in. In general, houses in the area are average in quality of construction. Houses in the area appear to be well maintained. Demand is considered to be. The economy remains stable.						

Market Conditions (including support for the above conclusions) Mixed financing is noted for this area. The predominant method of financing is conventional. Some government backed financing is noted and cash sales are also noted. Seller concessions are occasionally paid. While there is a demand for housing in the area, there does appear to be an oversupply. See attached addenda.

SITE

Dimensions	51x221 m/l per assessor	Area	11,271 Sq.Ft.	Shape	Rectangular	View	N;Res;Commercial
Specific Zoning Classification	R-HD	Zoning Description	Residential High Density				
Zoning Compliance	☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)						
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe							

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	☒	☐	Water	☒	Street ASPHLT/BLKTOP	☒	☐
Gas	☒	☐	Sanitary Sewer	☒	Alley Asphlt/BlkTOP	☒	☐
FEMA Special Flood Hazard Area	☐ Yes ☒ No	FEMA Flood Zone	X	FEMA Map #	29077C0334E	FEMA Map Date	12/17/2010
Are the utilities and/or off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe							
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe							
See attached addenda.							

IMPROVEMENTS

General Description		Foundation		Exterior Description		materials/condition		Interior		materials/condition	
Units	☐ Two ☐ Three ☒ Four	☐ Concrete Slab	☐ Crawl Space	Foundation Walls	CON BLK/ADQ	Floors	HW/Tile/Gd				
	☐ Accessory Unit (describe below)	☒ Full Basement	☐ Partial Basement	Exterior Walls	WD SID/ADQ	Walls	DW/New				
# of Stories	3 # of bldgs. 1	Basement Area	1,403 sq.ft.	Roof Surface	COMPST SHG/New	Trim/Finish	Wood/paint/Good				
Type	☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Finish	0 %	Gutters & Downspouts	Alum/New	Bath Floor	Tile/New				
	☒ Existing ☐ Proposed ☐ Under Const.	☒ Outside Entry/Exit	☒ Sump Pump	Window Type	SH/Vnl/New	Bath Wainscot	Marble/New				
Design (Style)	4plex/3St	Evidence of	☐ Infestation	Storm Sash/Insulated	Thermo/New	Car Storage					
Year Built	1903	☒ Dampness	☒ Settlement	Screens	Yes/New	☐ None					
Effective Age (Yrs)	80	Heating/Cooling		Amenities		☒ Driveway	# of Cars	4			
Attic	☐ None	☒ FWA	☐ HWBB ☐ Radiant	☒ Fireplace(s) #	1 ☐ Woodstove(s) #	0	Driveway Surface	Asphalt/ADQ			
	☐ Drop Stair	☐ Stairs		☐ Other	Fuel Gas		☐ Garage	# of Cars	0		
	☐ Floor	☒ Scuttle		Cooling	☒ Central Air Conditioning		☐ Carport	# of Cars	0		
	☐ Finished	☐ Heated		☐ Individual	☐ Other		☐ Att.	☐ Det.	☐ Built-in		
# of Appliances	Refrigerator	Range/Oven	4	Dishwasher	4	Disposal	4	Microwave	Washer/Dryer	Other (describe)	
Unit # 1 contains:	4	Rooms	1	Bedrooms	1	Bath(s)	751	Square Feet of Gross Living Area			
Unit # 2 contains:	3	Rooms	0	Bedrooms	1	Bath(s)	484	Square Feet of Gross Living Area			
Unit # 3 contains:	3	Rooms	1	Bedrooms	1	Bath(s)	624	Square Feet of Gross Living Area			
Unit # 4 contains:	4	Rooms	1	Bedrooms	1.5	Bath(s)	883	Square Feet of Gross Living Area			
Additional features (special energy efficient items, etc.). See attached addenda.											

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The appraiser has been asked to provide a market value for the subject based on the hypothetical condition that the subject has been updated and renovated: The renovation includes: restoring the exterior to meet the historical district guidelines: including a new roof, new gutter, new windows, repair and replace any damaged wood siding, peel all exterior paint and repaint. See attached addenda.

Small Residential Income Property Appraisal Report

File # 175012

IMPROVEMENTS

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?
☐ Yes ☒ No If Yes, describe.
See Attached Addenda

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)?
☒ Yes ☐ No If No, describe. The subject is a fourplex and the majority of homes in the area are single family, town houses, or duplexes with some commercial mix in. The subject is located within the historical district of downtown Springfield.

Is the property subject to rent control?
☐ Yes ☒ No If Yes, describe

COMPARABLE RENTAL DATA

The following properties represent the most current, similar, and proximate comparable rental properties to the subject property. This analysis is intended to support the opinion of the market rent for the subject property.

FEATURE	SUBJECT	COMPARABLE RENTAL # 1			COMPARABLE RENTAL # 2			COMPARABLE RENTAL # 3			
Address	1046 E Walnut St Springfield, MO 65803	852 S South Ave Springfield, MO 65804			433 S Main Ave Springfield, MO 65806			1111-1115 E Cherokee St Springfield, MO 65809			
Proximity to Subject		0.92 miles SW			1.04 miles W			1.96 miles S			
Current Monthly Rent	\$			\$ 1,890			\$ 4,125			\$ 2,200	
Rent/Gross Bldg. Area	\$ sq.ft.			\$ 0.81 sq.ft.			\$ 1.20 sq.ft.			\$ 0.79 sq.ft.	
Rent Control	☐ Yes ☒ No	☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☒ No			
Data Source(s)	Insp/Assr	MLS#1113084/Assr			MLS#1204819			MLS#1106988			
Date of Lease(s)	N/A	Month to Month			Month to Month			Month to Month			
Location	Urban/Avg	Urban/Avg			Urban/Avg			Urban/Avg			
Actual Age	109 (updated)	107			103			61			
Condition	Average-Good	Average			Average			Average-Good			
Gross Building Area	2,742	2,325			3,440			2,796			
Unit Breakdown	Rm Count	Size Sq. Ft.	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent	Rm Count	Size Sq. Ft.	Monthly Rent
	Tot Br Ba	2,742	Tot Br Ba	2,325	1,890	Tot Br Ba	3,440	4,125	Tot Br Ba	2,796	2,200
Unit # 1	4 1 1	751	5 3 1	1,550	\$ 900	8 0 3	1,550	\$ 1,775	4 2 1	699	\$ 550
Unit # 2	3 0 1	484	4 2 1	465	\$ 595	3 1 1	471	\$ 650	4 2 1	699	\$ 550
Unit # 3	3 1 1	624	3 1 1	310	\$ 395	3 1 1	472	\$ 550	4 2 1	699	\$ 550
Unit # 4	4 1 1.5	883			\$	6 2 2	947	\$ 1,150	4 2 1	699	\$ 550
Utilities Included	Tnt Pays/MstrMeter	Landlord Pays/MstrMeter			Tnt Pays/MstrMeter			Tnt Pays/Sep Metr			
Garage/Parking	Parking Lot	Parking Lot			Parking Lot/Street Parking			Driveway			
W/D Hook Ups	None	None			None			Yes			
Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.) Rental #2 is a 7 plex in close proximity to the subject. The individual square footage is combined and the square footage is estimated per unit, however the total square footage is accurate per Greene County Assessor. All rentals have been updated. Rental #3 has been substantially updated. See attached addenda.											

SUBJECT RENT SCHEDULE

Rent Schedule: The appraiser must reconcile the applicable indicated monthly market rents to provide an opinion of the market rent for each unit in the subject property.

Leases			Actual Rents			Opinion of Market Rent		
Unit #	Lease Date		Per Unit		Total Rents	Per Unit		Total Rents
	Begin Date	End Date	Unfurnished	Furnished	Unfurnished	Furnished		
1	Month	Month	\$	\$	\$	\$ 650		\$ 650
2	Month	Month				650		650
3	Month	Month				650		650
4	Month	Month				675		675
Comment on lease data	All units are vacant.		Total Actual Monthly Rent		\$	Total Gross Monthly Rent		\$ 2,625
			Other Monthly Income (itemize)		\$	Other Monthly Income (itemize)		\$
			Total Actual Monthly Income		\$	Total Estimated Monthly Income		\$ 2,625
Utilities included in estimated rents ☐ Electric ☐ Water ☐ Sewer ☐ Gas ☐ Oil ☐ Trash collection ☐ Cable ☒ Other Tenant Pays								
Comments on actual or estimated rents and other monthly income (including personal property) Estimated rents for subject appear to be in line with other units in the area that are similar in size, quality and amenities. Rental rates in this area are considered stable at the present time. Supply and demand appear to be in balance.								

PRIOR SALE HISTORY

I ☒ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research ☐ did ☒ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) MLS/Assr

My research ☐ did ☒ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) MLS/Assr

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Date of Prior Sale/Transfer	None within 3 Years	None within 1 Years	None within 1 Years	None within 1 Years
Price of Prior Sale/Transfer	N/A	N/A	N/A	N/A
Data Source(s)	MLS/Assr	MLS/Assr	MLS/Assr	MLS/Assr
Effective Date of Data Source(s)	07/18/2012	06/22/2012	02/29/2012	03/30/2012
Analysis of prior sale or transfer history of the subject property and comparable sales No sale or transfer history for the subject or comparables other than shown above per MLS and/or assessors office.				

Small Residential Income Property Appraisal Report

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SALES COMPARISON APPROACH	There are 14 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 105,000 to \$ 375,000 .																
	There are 4 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 100,000 to \$ 240,000 .																
	FEATURE		SUBJECT			COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3					
	Address		1046 E Walnut St Springfield, MO 65803			749 S South St Springfield, MO 65802			1045 W Mt Vernon St Springfield, MO 65806			1516 N Jefferson Ave Springfield, MO 65803					
	Proximity to Subject					0.87 miles SW			1.46 miles W			1.52 miles NW					
	Sale Price		\$			\$ 107,500			\$ 110,000			\$ 240,000					
	Sale Price/Gross Bldg. Area		\$ sq.ft.			\$ 61.92 sq.ft.			\$ 29.67 sq.ft.			\$ 44.74 sq.ft.					
	Gross Monthly Rent		\$ 2,625			\$ 900			\$ 2,400			\$ 2,760					
	Gross Rent Multiplier					119.44			45.83			86.96					
	Price per Unit		\$			\$ 53,750			\$ 18,333			\$ 48,000					
	Price per Room		\$			\$ 11,944			\$ 6,111			\$ 12,632					
	Price per Bedroom		\$			\$ 26,875			\$ 18,333			\$ 26,667					
	Rent Control		☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☒ No					
	Data Source(s)					MLS#1201470			MLS#1104324			MLS#1012808					
	Verification Source(s)					Rltr/Assr/SDI			Rltr/Assr			Rltr/Assr					
	VALUE ADJUSTMENTS		DESCRIPTION			DESCRIPTION			+(-) Adjustment			DESCRIPTION			+(-) Adjustment		
	Sale or Financing Concessions					Conventional None noted						Conventional None noted					
	Date of Sale/Time					06/22/2012						02/29/2012					
	Location		Urban/Avg			Urban/Inf			+10,000			Urban/Inf			+10,000		
	Leasehold/Fee Simple		Fee Simple			Fee Simple						Fee Simple					
	Site		11,271 Sq.Ft.			12168 sf						5009 sf			+2,500		
	View		N;Res;Commercial			N;Res						N;Res;					
	Design (Style)		4plex/3St			Duplex/2Story						SixPlex/2Story					
	Quality of Construction		Wd/Avg			PS/Avg						PS/Avg					
	Actual Age		109 (updated)			112 (updated)						117 (updated)					
	Condition		Average-Good			Average			+5,000			Average			+5,000		
	Gross Building Area		2,742			1,736			+25,150			3,708			-24,150		
	Unit Breakdown		Total	Bdrms	Baths	Total	Bdrms	Baths				Total	Bdrms	Baths			
	Unit # 1		4	1	1	5	3	2	-1,000			6	2	2	-1,000		
	Unit # 2		3	0	1	4	1	1				6	2	2	-1,000		
	Unit # 3		3	1	1				+1,000			3	1	1			
	Unit # 4		4	1	1.5				+1,500			3	1	1	+500		
	Basement Description		1,403 Sq.Ft.			290sf0sf			+5,565			0sf bsmt			+7,015		
Basement Finished Rooms		0			0 sf finish						0 sf finish						
Functional Utility		Average			Average						Average						
Heating/Cooling		FA/CA			FA/CA						FA/CA						
Energy Efficient Items		Standard			Standard						Standard						
Parking On/Off Site		Parking Lot			Driveway						Street Parking			+2,500			
Porch/Patio/Deck		CP/ScPt/cdk/Encp			C.Pch/Patio			+3,000			2Stoops			+4,500			
Amenities		Appl			Appl						Appl						
Amenities		Foyer			None			+1,000			None			+1,000			
Net Adjustment (Total)					☒ + ☐ -			\$ 51,215			☒ + ☐ -			\$ 6,865			
Adjusted Sale Price of Comparables					Net Adj. 47.6 %						Net Adj. 6.2 %						
					Gross Adj. 49.5 %			\$ 158,715			Gross Adj. 53.8 %			\$ 116,865			
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$ 79,358									\$ 19,478						
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$ 17,635									\$ 6,493						
Adjusted Price Per Bedrm(Adj. SP Comp / # of Comp Bedrooms)		\$ 39,679									\$ 19,478						
Value per Unit		\$ 36,250 X 4			Units = \$ 145,000			Value per GBA \$ 52.88 X 2,742			GBA = \$ 145,000						
Value per Rm.		\$ 10,358 X 14			Rooms = \$ 145,012			Value per Bdrms.\$ 48,334 X 3			Bdrms. = \$ 145,002						
Summary of Sales Comparison Approach including reconciliation of the above indicators of value. Quality of construction and condition adjustments were determined by personal inspection or by obtaining information from the appraiser of Realtor involved in each sale. Items taken into consideration are roof pitch, roofing material, exterior siding, windows, doors, ceiling heights, ceiling treatments, crown moldings, floor coverings and cabinets. Various style houses were used, however this does not appear to effect market value in this area. No adjustment appeared necessary. Various bedroom counts were used, however square footage appears to be the driving factor for market value in the subjects area. No adjustment appeared necessary. Gross adjustments were exceeded in this report due to square footage, quality and condition adjustments. This could not be avoided and is common in the area. See attached addenda.																	
Indicated Value by Sales Comparison Approach \$ 145,000																	
INCOME	Total gross monthly rent \$ 2,625 X gross rent multiplier (GRM) 60 = \$ 157,500 Indicated value by the Income Approach																
	Comments on income approach including reconciliation of the GRM Local area GRM's range from 45 to 120.																
RECONCILIATION	Indicated Value by: Sales Comparison Approach \$ 145,000 Income Approach \$ 157,500 Cost Approach (if developed) \$ 0																
	Estimated indicated value is determined by using the Gross Adjustment of sale price for each comparable as a measure of the relative quality of the comp. A lower adjustment indicates a better comp, and vice versa. The ratio of gross dollar adjustment to sale price for each of the comps is used to calculate the weight each comp should have in a weighted average calculation. This weighted average is used as the indicated value of the subject. See attached addenda.																
	This appraisal is made ☐ "as is", ☐ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☒ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: See attached addenda.																
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 145,000 ,as of 07/18/2012 , which is the date of inspection and the effective date of this appraisal.																	

Small Residential Income Property Appraisal Report

File # 175012

ADDITIONAL COMMENTS

This report may contain comments, conditions and/or certifications added by the signing appraiser and/or BattleCreek Appraisal Services including, but not limited to, this Supplemental Addendum. These items shall supersede and take precedence over all other language, requirements, or conditions contained in any preprinted and/or third-party forms or documents included in, or incorporated by reference into, the appraisal report. BattleCreek Appraisal Services expressly retains all right, title, and interest in all patents, trademarks, trade names, trade secrets, software, data, conclusions, opinions, valuations, or other information included in, arising out of, or in any way related to this appraisal or the the provision of appraisal services to the named client and/or Intended User. The report and information supplied by the staff and/or agents of BattleCreek Appraisal Services is a culmination of intellectual education, professional experience, personal investigation, and know-how, which shall at all times remain the property of BattleCreek Appraisal Services. No person shall be entitled to break down, strip out, mine, or disseminate any component or part of this report, including, but not limited to, any conclusions, valuations, opinions, or other data compilations herein. The intended user of the appraisal report is the Lender/Client. The intended use is to evaluate the property that is the subject of this appraisal for feasibility of renovation, subject to the stated Scope of Work, purpose of the appraisal, reporting, requirements of this appraisal report form, and Definition of Market Value. No additional intended users are identified by the appraiser. The client agrees that pertinent information that might be useful in the appraisal process will be included in the appraiser's database and may be used in future appraisal reports, shared with other Appraisers and the Sold Data Appraisal Bank. (ie, square footage, room count, condition, quality of construction, etc.) Download of the attached appraisal file referenced below constitutes acceptance, acting in replacement of formal written signature, of the responsibility for payment in full as invoiced to be made to BattleCreek Appraisal Services, 5311 S. Cloverdale Ln., Battlefield, MO 65619, regardless to status of loan, as well as any/all debt incurred in the debt collection process as well as legal fees and expenses, if required.

COST APPROACH

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value)

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE= \$		
Source of cost data	DWELLING	Sq.Ft. @ \$	= \$
Quality rating from cost service	Effective date of cost data	Sq.Ft. @ \$	= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	= \$		
	Garage/Carport	Sq.Ft. @ \$	= \$
	Total Estimate of Cost-New		= \$
	Less Physical	Functional	External
	Depreciation		= \$()
	Depreciated Cost of Improvements		= \$
	"As-is" Value of Site Improvements		= \$
Estimated Remaining Economic Life (HUD and VA only)	Years	INDICATED VALUE BY COST APPROACH= \$ 0	

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☐ No Unit type(s) ☐ Detached ☐ Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal Name of Project

Total number of phases	Total number of units	Total number of units sold
Total number of units rented	Total number of units for sale	Data source(s)
Was the project created by the conversion of existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion.		
Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data Source		
Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion.		
Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options.		
Describe common elements and recreational facilities.		

Small Residential Income Property Appraisal Report

File # 175012

This report form is designed to report an appraisal of a two- to four-unit property, including a two- to four-unit property in a planned unit development (PUD). A two- to four-unit property located in either a condominium or cooperative project requires the appraiser to inspect the project and complete the project information section of the Individual Condominium Unit Appraisal Report or the Individual Cooperative Interest Appraisal Report and attach it as an addendum to this report.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements, including each of the units. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Small Residential Income Property Appraisal Report

File # 175012

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property, including all units. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison and income approaches to value. I have adequate market data to develop reliable sales comparison and income approaches to value for this appraisal assignment. I further certify that I considered the cost approach to value but did not develop it, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Small Residential Income Property Appraisal Report File # 175012

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.
23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature Kimberly A. Taylor
Name Kimberly A. Taylor
Company Name BattleCreek Appraisal Services
Company Address 5311 S. Cloverdale Ln., Battlefield, MO 65619
Telephone Number (417) 234-0235
Email Address kkellerappraisal@aol.com
Date of Signature and Report July 24, 2012
Effective Date of Appraisal 07/18/2012
State Certification # 2006000600
or State License # _____
or Other (describe) _____ State # _____
State MO
Expiration Date of Certification or License 06/30/2014

ADDRESS OF PROPERTY APPRAISED
1046 E Walnut St
Springfield, MO 65803

APPRAISED VALUE OF SUBJECT PROPERTY \$ 145,000

LENDER/CLIENT

Name _____
Company Name In Care of R&P Taylor Apartments, LLC
Company Address PO Box 4386, Springfield, MO 65808
Email Address _____

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature _____
Name _____
Company Name _____
Company Address _____
Telephone Number _____
Email Address _____
Date of Signature _____
State Certification # _____
or State License # _____
State _____
Expiration Date of Certification or License _____

SUBJECT PROPERTY

- ☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection _____
☐ Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection _____

Supplemental Addendum

File No. 175012

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				

• **Small Income : Subject - Data Source(s), Offering Price(s), Date(s)**

The subject is currently listed with Murney Associates via Springfield MLS#1014378 starting on 08/24/2010 for \$199,000, increased on 11/25/2011 to \$299,000 and on 05/22/2012 status changed to under contract after 637 days on market. No other listings were found for the subject in the previous twelve months of the effective date of this appraisal.

• **Small Income : Neighborhood Market Conditions**

Houses that have been well maintained and competitively priced sell within a reasonable amount of time. Estimated exposure time for the subject is approximately 90-365 days. The economy remains stable. The unemployment rate is below 8% at this time.

• **Small Income : Site - Adverse Site Conditions or External Factors**

Extraordinary assumption, the appraiser presumes as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property or about conditions external to the property, such market conditions or trends, or the integrity of data used in an analysis. All of the site could not be inspected. Opinion of value is based on there being no enviornmental hazards on the property. None were noted at the time of inspection.

• **Small Income : Improvements - Additional Features**

Subject has wood siding exterior with a shared covered entry porch, a screened in patio, partially covered deck and an enclosed porch. Unit 1: 1 kitchen with eat-in dining area, living room, bedroom and bath. The ceiling heights are 9' high with crown moldings typically. Unit 2: 1 living room, 1 kitchen/dining area, 1 bath. Unit 3: 1 living room, 1 bedroom, 1 kitchen, 1 bath. Unit 4: 1 living room, 1kitchen/dining, 1 bath with a second floor including a bonus/bedroom area and a half bath. The third floor has several slanted ceiling heights that are below the 5' ceiling height limits for living space, and this square footage has been removed for that reason. Shared foyer area. The subject has a full unfinished mechanical basement.

• **Small Income : Improvements - Condition of the Property**

The interior would be stripped down to the studs with the existing hardwood floors remaining and restored. The electrical and plumbing would be completely redone, the drywall would be new, the trim would be restored or replaced, new porcelain tile flooring where there is not hardwood, all kitchens and baths would be completely remodeled and updated including cabinets, appliances, counter tops, etc. All light fixtures to be replaced. The quality of materials to be used would be defined as builder grade or slightly better quality. All settlement in the floors to be repaired. Floor plan is functional. No external adequacies noted. The estimated exposure time for the subject property is 90 to 365 days.

• **Small Income :**

Some settlement was noted throughout the home, and a structural inspection is recommended. Extraordinary assumption, the appraiser presumes as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property or about conditions external to the property, such market conditions or trends, or the integrity of data used in an analysis. All of the site could not be inspected. Opinion of value is based on there being no enviornmental hazards on the property. None were noted at the time of inspection.

• **Small Income : Comparable Rentals - Analysis of Rental Data**

All rentals are multifamily units including a triplex, seven plex, and two identical duplexes that are located within similar neighborhoods as subject. All are similar in distance to support facilities. Rentals used were the best available at the time of the appraisal. Rentals range from \$2325 to \$3440.

• **Small Income : Sales Comparison - Summary**

This does not appear to hinder marketability. Comparable #1 is in a competing neighborhood that exceeded the one mile guidelines, however no location adjustment appeared necessary. Site adjustments were not warranted due to all appearing similar in market value.

The initial search started via Springfield MLS within a one mile radius of the subject for homes of similar age, style, quality, square footage, etc. and found little to no activity. The appraiser had no choice but to broaden the search in distance, time, square footage, age, quality, condition, etc. in an effort to find other comparables. The final search ended by searching all of Springfield for the best comparables available.

• **Small Income : Reconciliation - Comments**

In appraising the subject property the Cost Approach was considered but not completed due to the age of the subject. The cost approach is not considered to be reliable on homes of this age. Sales comparison \$145,000, and the Income Approach was concluded N/A due to insufficient rental/sale data available. The market approach was considered the most reliable due to quality and quantity of sales data, therefore concluding \$145,000. Estimated exposure time: 3-12 months. The digital pictures that have been furnished with this report have not been altered.

• **Small Income : Reconciliation - Conditions of the Appraisal**

The market value found within this report is based on the hypothetical condition that the subject has been completely restored, renovated and updated: including but not limited to the following: restoring the exterior to meet the historical district guidelines: including a new roof, new gutter, new windows, repair and replace any damaged wood siding, peel all exterior paint and repaint. The interior would be stripped down to the studs with the existing hardwood floors remaining and restored. The electrical and plumbing would be completely redone, the drywall would be new, the trim would be restored or replaced, new porcelain tile flooring where there is not hardwood, all kitchens and baths would be completely remodeled and updated including cabinets, appliances, counter tops, etc. All light fixtures to be replaced. The quality of materials to be used would be defined as builder grade or slightly better quality. All settlement in the floors to be repaired. If the repairs and renovations are not completed the market value will change.

This appraisal has been prepared in conformity with the code of ethics of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Foundation. The purpose of this appraisal is to offer an estimate of market value for the subject. The intended use of this appraisal is to assist the client named in the report or its successor or assigns in evaluating the subject property to determine current market value. This is a federally related transaction and no one provided significant professional assistance to the person signing this report.

Supplemental Addendum

File No. 175012

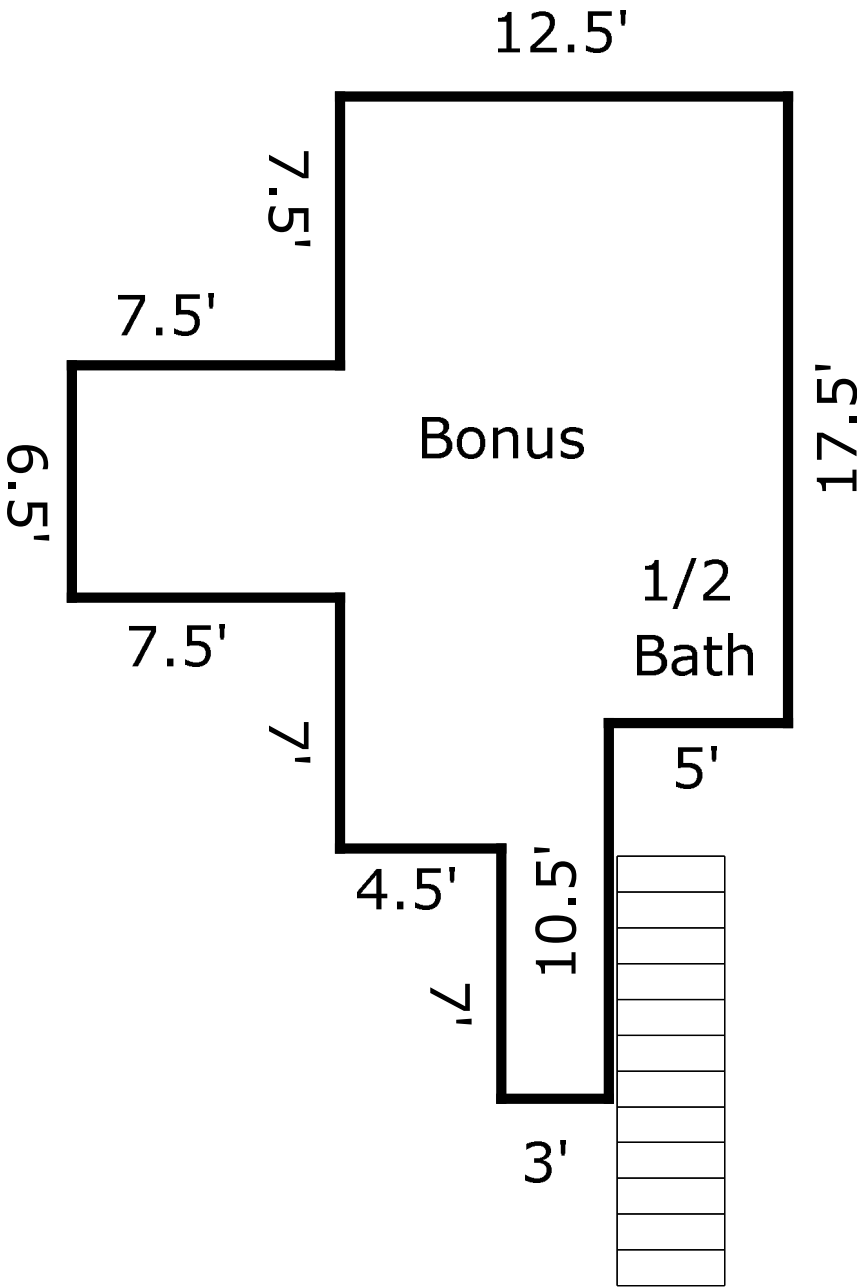
Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				

The appraiser has no current or prospective interest in the subject property or parties involved, and no services regarding the subject property were performed by the appraiser within the previous three years.

Building Sketch

Borrower	N/A			
Property Address	1046 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC			

Third Floor Unit 4
[314.75 Sq ft]



TOTAL Sketch by a la mode, inc.

Area Calculations Summary

Living Area		Calculation Details
Third Floor Unit 4	314.75 Sq ft	6.5 × 7.5 = 48.75 12.5 × 17.5 = 218.75 3.5 × 4.5 = 15.75 10.5 × 3 = 31.5
Total Living Area (Rounded):		315 Sq ft

Subject Photo Page

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Subject Front

1046 E Walnut St
Sales Price
Gross Building Area 2,742
Age 109 (updated)



Subject Rear



Subject Street

Subject Photos

Borrower	N/A			
Property Address	1046 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC			



Opposite View Of Street



Right Side



Left Side



Parking Lot



Rotting Soffit



Rotting Soffit & Fascia

Subject Photos

Borrower	N/A			
Property Address	1046 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC			



Rotted Wood



Peeling Paint

Subject Photos

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Rotted Wood



Shared Foyer



Unit #1 Living Room



Unit #1 Dining Area



Unit #1 Kitchen



Screened in Patio

Subject Photos

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #1 Kitchen



Unit #1 Bath



Unit #1 Sign of a Leak



Unit #2 Living Room



Unit #2 Bath



Unit #2 Kitchen/Dining

Subject Photos

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #2 Kitchen Ceiling



Unit #2 Kitchen



Unit #2 Bath



Unit #4 Enclosed Porch



Unit #4 Kitchen



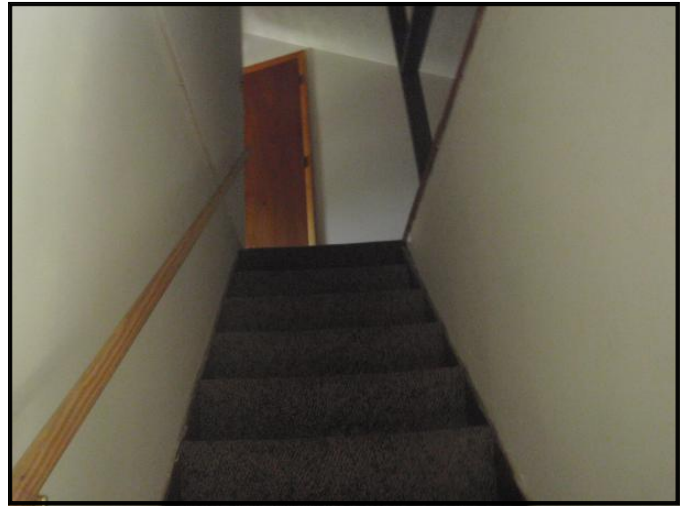
Unit #4 Dining

Subject Photos

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #4 Bath



Unit #4 Stairs



Unit #4 Living Room



Unit #3 Living Room



Unit #3 Dining



Unit #3 Kitchen

Subject Photos

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Unit #3 Bedroom



Unit #3 Bath



Unit #4 Bonus/Bedroom



Unit #4 Upstairs



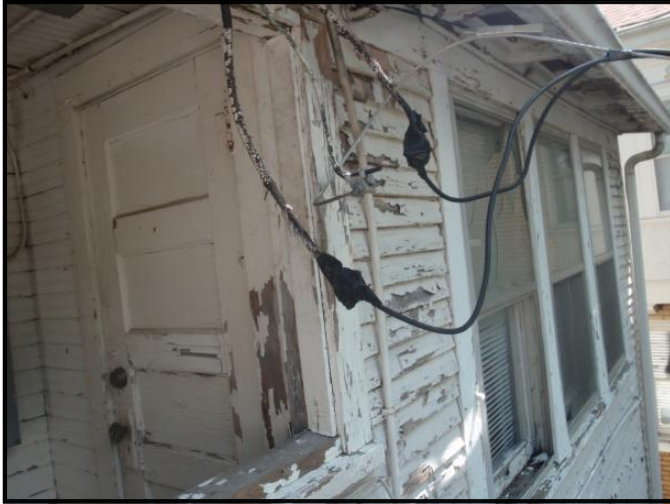
Unit #4 1/2 Bath



Unit #4 ceiling leak

Subject Photos

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Peeling Paint



Boarded up doors/windows

Comparable Photo Page

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Comparable 1

749 S South St
Sales Price 107,500
Gross Building Area 1,736
Age 112 (updated)



Comparable 2

1045 W Mt Vernon St
Sales Price 110,000
Gross Building Area 3,708
Age 117 (updated)



Comparable 3

1516 N Jefferson Ave
Sales Price 240,000
Gross Building Area 5,364
Age 82 (updated)

Small Residential Income Property Appraisal Report

File # 175012

SALES COMPARISON APPROACH	FEATURE	SUBJECT			COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6						
	Address 1046 E Walnut St Springfield, MO 65803					433 S Main Ave Springfield, MO 65806											
	Proximity to Subject					1.04 miles W											
	Sale Price		\$			\$ 159,900			\$			\$					
	Sale Price/Gross Bldg. Area		\$ sq.ft.			\$ 46.48 sq.ft.			\$ sq.ft.			\$ sq.ft.					
	Gross Monthly Rent		\$ 2,625			\$			\$			\$					
	Gross Rent Multiplier																
	Price per Unit		\$			\$ 26,650			\$			\$					
	Price per Room		\$			\$ 7,995			\$			\$					
	Price per Bedroom		\$			\$ 39,975			\$			\$					
	Rent Control		☐ Yes ☒ No			☐ Yes ☒ No			☐ Yes ☐ No			☐ Yes ☐ No					
	Data Source(s)					MLS#1204819											
	Verification Source(s)					Rltr/Assr											
	VALUE ADJUSTMENTS		DESCRIPTION			DESCRIPTION			+ (-) Adjustment			DESCRIPTION			+ (-) Adjustment		
	Sale or Financing					Active Listing											
	Concessions					LP/SP Ratio			-11,200								
	Date of Sale/Time					04/09/2012 LD											
	Location		Urban/Avg			Urban/Avg											
	Leasehold/Fee Simple		Fee Simple			Fee Simple											
	Site		11,271 Sq.Ft.			12545 sf											
View		N;Res;Commercial			N;Res;Comm												
Design (Style)		4plex/3St			7Plex/2Story												
Quality of Construction		Wd/Avg			PS/Avg												
Actual Age		109 (updated)			103 (updated)												
Condition		Average-Good			Average			+5,000									
Gross Building Area		2,742			3,440			-17,450									
Unit Breakdown		Total	Bdrms	Baths	Total	Bdrms	Baths				Total	Bdrms	Baths				
Unit # 1		4	1	1	8	0	3	-2,000									
Unit # 2		3	0	1	3	1	1										
Unit # 3		3	1	1	3	1	1										
Unit # 4		4	1	1.5	6	2	2	-500									
Basement Description		1,403 Sq.Ft.			0sf bsmt			+7,015									
Basement Finished Rooms		0			0 sf finish												
Functional Utility		Average			Average												
Heating/Cooling		FA/CA			FA/None			+2,000									
Energy Efficient Items		Standard			Standard												
Parking On/Off Site		Parking Lot			Prkng Lot/3GCrprrt			-1,500									
Porch/Patio/Deck		CP/ScPt/cdk/Encp			C.Pch/Patio			+3,000									
Amenities		Appl			Appliances												
Amenities		Foyer			None			+1,000									
Net Adjustment (Total)					☐ + ☒ -			\$ -14,635			☐ + ☐ -			\$			
Adjusted Sale Price of Comparables					Net Adj. 9.2 %						Net Adj. %						
					Gross Adj. 31.7 %			\$ 145,265			Gross Adj. %			\$			
Adjusted Price Per Unit (Adj. SP Comp / # of Comp Units)		\$ 24,211						\$						\$			
Adjusted Price Per Room (Adj. SP Comp / # of Comp Rooms)		\$ 7,263						\$						\$			
Adjusted Price Per Bedrm (Adj. SP Comp / # of Comp Bedrooms)		\$ 36,316						\$						\$			
SALE HISTORY	Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).																
	ITEM	SUBJECT			COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6						
	Date of Prior Sale/Transfer	None within 3 Years			None within 1 Years												
	Price of Prior Sale/Transfer	N/A			N/A												
	Data Source(s)	MLS/Assr			MLS/Assr												
	Effective Date of Data Source(s)	07/18/2012			07/18/2012												
	Analysis of prior sale or transfer history of the subject property and comparable sales No sale or transfer history for the subject or comparables other than shown above per MLS and/or assessors office.																
ANALYSIS / COMMENTS	Analysis/Comments Quality of construction and condition adjustments were determined by personal inspection or by obtaining information from the appraiser of Realtor involved in each sale. Items taken into consideration are roof pitch, roofing material, exterior siding, windows, doors, ceiling heights, ceiling treatments, crown moldings, floor coverings and cabinets.																
	Typical list to sale price percentages in the subject's area are at 93%. An adjustment was made to reflect typical market activity.																

Comparable Photo Page

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Comparable 4

433 S Main Ave
Sales Price 159,900
Gross Building Area 3,440
Age 103 (updated)

Comparable 5

Sales Price
Gross Building Area
Age

Comparable 6

Sales Price
Gross Building Area
Age

Rental Photo Page

Borrower	N/A				
Property Address	1046 E Walnut St				
City	Springfield	County	Greene	State	MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC				



Rental 1

852 S South Ave
Proximity to Subject 0.92 miles SW
Gross Building Area 2,325
Age 107



Rental 2

433 S Main Ave
Proximity to Subject 1.04 miles W
Gross Building Area 3,440
Age 103

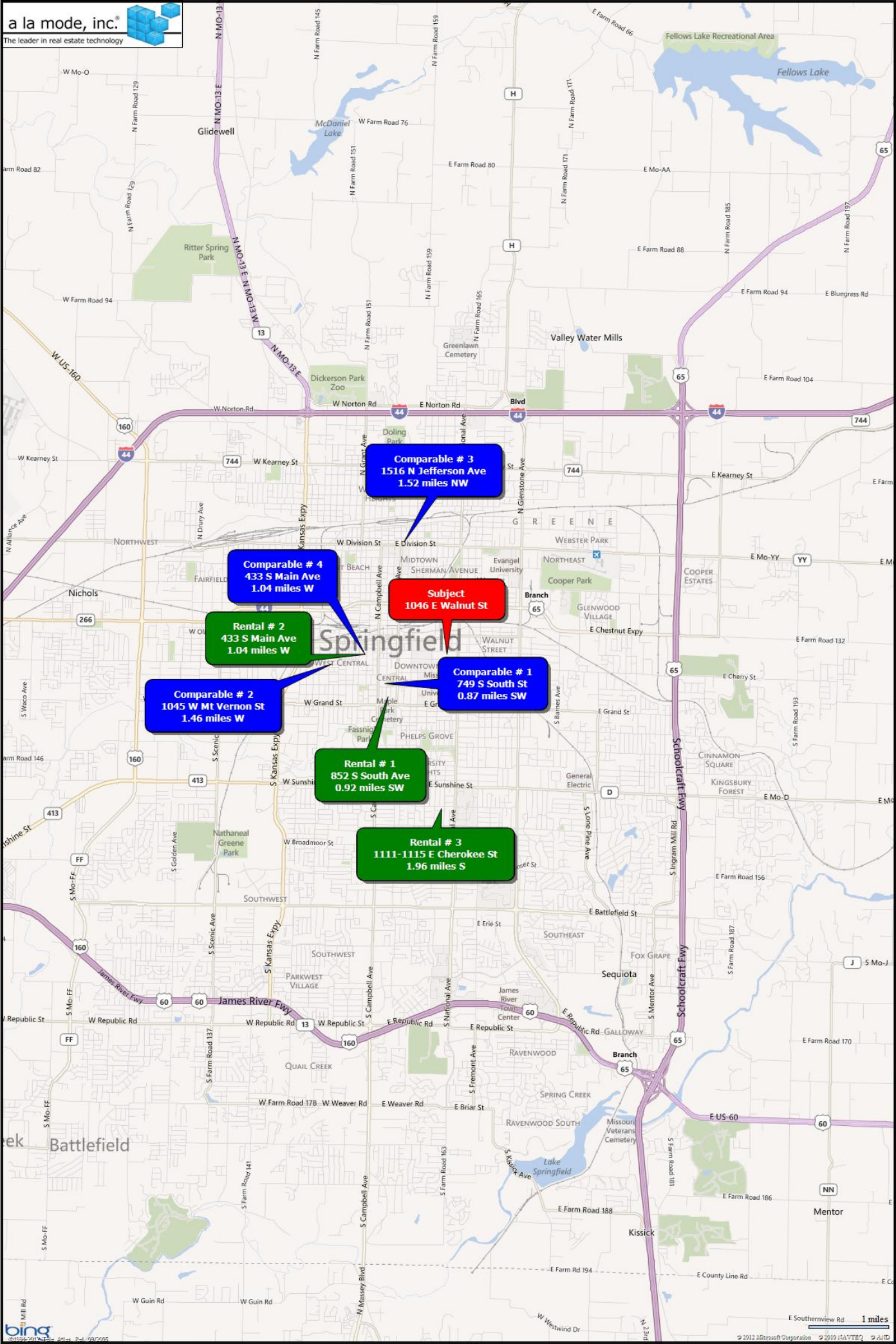


Rental 3

1111-1115 E Cherokee St
Proximity to Subject 1.96 miles S
Gross Building Area 2,796
Age 61

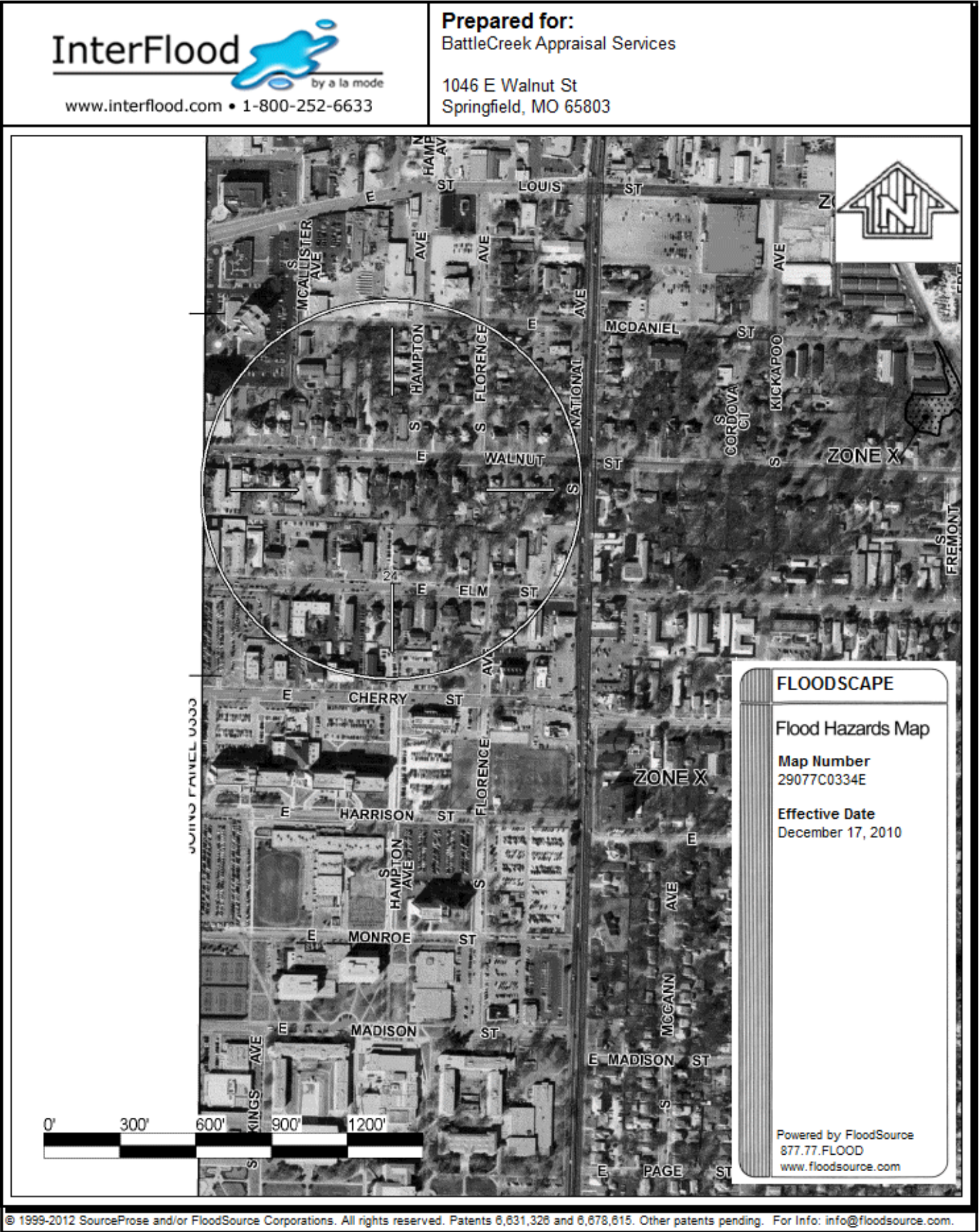
Location Map

Borrower	N/A			
Property Address	1046 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC			



Flood Map

Borrower	N/A			
Property Address	1046 E Walnut St			
City	Springfield	County	Greene	State MO Zip Code 65803
Lender	In Care of R&P Taylor Apartments, LLC			



Operating Income Statement

One- to Four-Family Investment Property and Two- to Four-Family Owner-Occupied Property

Property Address		1046 E Walnut St Street		Springfield City	MO State	65803 Zip Code	
General Instructions: This form is to be prepared jointly by the loan applicant, the appraiser, and the lender's underwriter. The applicant must complete the following schedule indicating each unit's rental status, lease expiration date, current rent, market rent, and the responsibility for utility expenses. Rental figures must be based on the rent for an "unfurnished" unit.							
	Currently Rented	Expiration Date	Current Rent Per Month	Market Rent Per Month	Utility Expense	Paid By Owner	Paid By Tenant
Unit No. 1	Yes ☐ No ☒		\$	\$ 650	Electricity	☐	☒
Unit No. 2	Yes ☐ No ☒		\$	\$ 650	Gas	☐	☒
Unit No. 3	Yes ☐ No ☒		\$	\$ 650	Fuel Oil	☐	☐
Unit No. 4	Yes ☐ No ☒		\$	\$ 675	Fuel (Other)	☐	☐
Total			\$	\$ 2,625	Water/Sewer	☐	☒
					Trash Removal	☐	☒

The applicant should complete all of the income and expense projections and for existing properties provide actual year-end operating statements for the past two years (*for new properties the applicant's projected income and expenses must be provided*). This Operating Income Statement and any previous operating statements the applicant provides must then be sent to the appraiser for review, comment, and/or adjustments next to the applicant's figures (*e.g. Applicant/Appraiser 288/300*). If the appraiser is retained to complete the form instead of the applicant, the lender must provide to the appraiser the aforementioned operating statements, mortgage insurance premium, HOA dues, leasehold payments, subordinate financing, and/or any other relevant information as to the income and expenses of the subject property received from the applicant to substantiate the projections. The underwriter should carefully review the applicant's/appraiser's projections and the appraiser's comments concerning those projections. The underwriter should make any final adjustments that are necessary to more accurately reflect any income or expense items that appear unreasonable for the market. (*Real estate taxes and insurance on these types of properties are included in PITI and not calculated as an annual expense item*) Income should be based on the current rents, but should not exceed market rents. When there are no current rents because the property is proposed, new, or currently vacant, market rents should be used.

Annual Income and Expense Projection for Next 12 months

Income (<i>Do not include income for owner-occupied units</i>)	By Applicant/Appraiser	Adjustments by Lender's Underwriter
Gross Annual Rental (<i>from unit(s) to be rented</i>) (Market)	\$ 31,500	\$
Other Income (<i>include sources</i>)	+	+
Total	\$ 31,500	\$
Less Vacancy/Rent Loss	- (%)	- (%)
Effective Gross Income	\$ 31,500	\$
Expenses (<i>Do not include expenses for owner-occupied units</i>)		
Electricity		
Gas		
Fuel Oil		
Fuel (Type -)		
Water/Sewer		
Trash Removal		
Pest Control		
Other Taxes or Licenses		
Casual Labor	200	
This includes the costs for public area cleaning, snow removal, etc., even though the applicant may not elect to contract for such services.		
Interior Paint/Decorating	500	
This includes the costs of contract labor and materials that are required to maintain the interiors of the living unit.		
General Repairs/Maintenance	250	
This includes the costs of contract labor and materials that are required to maintain the public corridors, stairways, roofs, mechanical systems, grounds, etc.		
Management Expenses		
These are the customer expenses that a professional management company would charge to manage the property.		
Supplies	200	
This includes the costs of items like light bulbs, janitorial supplies, etc.		
Total Replacement Reserves - See Schedule on Pg. 2	815	
Miscellaneous		
.....		
.....		
.....		
.....		
.....		
.....		
.....		
.....		
Total Operating Expenses	\$ 1,965	\$

Replacement Reserve Schedule

Adequate replacement reserves must be calculated regardless of whether actual reserves are provided for on the owner’s operating statements or are customary in the local market. This represents the total average yearly reserves. Generally, all equipment and components that have a remaining life of more than one year - such as refrigerators, stoves, clothes washers/dryers, trash compactors, furnaces, roofs, and carpeting, etc. - should be expensed on a replacement cost basis.

Equipment	Replacement Cost	Remaining Life	By Applicant/ Appraiser	Lender Adjustments
Stoves/Ranges	@ \$ 350 ea.	÷ 10 Yrs. x 4	Units = \$ 140	\$
Refrigerators	@ \$ ea.	÷ Yrs. x	Units = \$	\$
Dishwashers	@ \$ 400 ea.	÷ 10 Yrs. x 4	Units = \$ 160	\$
A/C Units	@ \$ 1,000 ea.	÷ 10 Yrs. x 1	Units = \$ 100	\$
C. Washer/Dryers	@ \$ ea.	÷ Yrs. x	Units = \$	\$
HW Heaters	@ \$ 150 ea.	÷ 10 Yrs. x 1	Units = \$ 15	\$
Furnace(s)	@ \$ 1,000 ea.	÷ 10 Yrs. x 1	Units = \$ 100	\$
(Other)	@ \$ ea.	÷ Yrs. x	Units = \$	\$
Roof	@ \$ 4,500 ÷ 15	Yrs. x One Bldg. =	\$ 300	\$
Carpeting (Wall to Wall)				
		Remaining Life		
(Units)	Total Sq. Yds. @ \$	Per Sq. Yd. ÷ Yrs. =	\$	\$
(Public Areas)	Total Sq. Yds. @ \$	Per Sq. Yd. ÷ Yrs. =	\$	\$
Total Replacement Reserves. (Enter on Pg. 1)			\$ 815	\$

Operating Income Reconciliation

\$ 31,500	-	\$ 1,965	=	\$ 29,535	÷ 12 =	\$ 2,461
Effective Gross Income		Total Operating Expenses		Operating Income		Monthly Operating Income
\$ \$ 2,461	-	\$	=	\$		
Monthly Operating Income		Monthly Housing Expense		Net Cash Flow		

(Note: Monthly Housing Expense includes principal and interest on the mortgage, hazard insurance premiums, real estate taxes, mortgage insurance premiums, HOA dues, leasehold payments, and subordinate financing payments.)

Underwriter’s instructions for 2-4 Family Owner-Occupied Properties

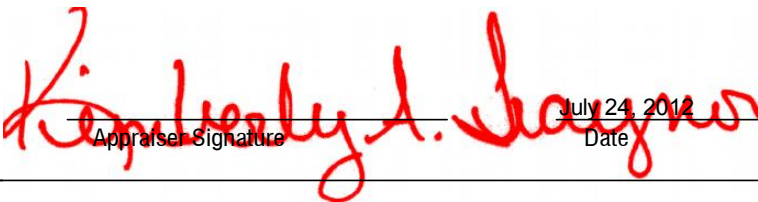
- If Monthly Operating Income is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Monthly Operating Income is a negative number, it must be included as a liability for qualification purposes.
- The borrower’s monthly housing expense-to-income ratio must be calculated by comparing the total Monthly Housing Expense for the **subject property** to the borrower’s stable monthly income.

Underwriter’s instructions for 1-4 Family Investment Properties

- If Net Cash Flow is a positive number, enter as "Net Rental Income" in the "Gross Monthly Income" section of Freddie Mac Form 65/Fannie Mae Form 1003. If Net Cash Flow is a negative number, it must be included as a liability for qualification purposes.
- The borrower’s monthly housing expense-to-income ratio must be calculated by comparing the total monthly housing expense for the borrower’s **primary residence** to the borrower’s stable monthly income.

Appraiser’s Comments (Including sources for data and rationale for the projections)
Data recited is based on interviews with property managers, Realtors, Appraisers, analysis of current market trends and assessors records.

Kimberly A. Traynor
Appraiser Name


Appraiser Signature

July 24, 2012
Date

Underwriter’s Comments and Rationale for Adjustments

Underwriter Name

Underwriter Signature

Date

Freddie Mac
Form 998 Aug 88

Page 2 of 2

Fannie Mae
Form 216 Aug 88

Appendix D
Property Income Information

SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Supplemental Income and Loss
(From rental real estate, royalties, partnerships,
S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040, 1040NR, or Form 1041. ▶ See separate instructions.

OMB No. 1545-0074

2011

Attachment
Sequence No. **13**

Name(s) shown on return

Your social security number

PRINDA A TAYLOR

358-24-9861

- A** Did you make any payments in 2011 that would require you to file Form(s) 1099? (see instructions)
B If "Yes," did you or will you file all required Forms 1099?

Yes ☐ No ☐
Yes ☐ No ☐

Part I Income or Loss From Rental Real Estate and Royalties Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

Caution. For each rental property listed on line 1, check the box in the last column only if you owned that property as a member of a qualified joint venture (QJV) reporting income not subject to self-employment tax.

1	Physical address of each property-street, city, state, zip	Type-from list below	2 For each rental real estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions.	Fair Rental Days	Personal Use Days	QJV
A	SPRINGFIELD, MO 65806	1	A	365		
B	SPRINGFIELD, MO 65806	1	B	365		
C	SPRINGFIELD, MO 65806	1	C	365		

Type of Property:

- 1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

Income:		Properties		
		A	B	C
3a	Merchant card and third party payments. For 2011, enter -0-			
b	Payments not reported to you on line 3a			
4	Total not including amounts on line 3a that are not income (see instructions)			
Expenses:				
5	Advertising			
6	Auto and travel (see instructions)			
7	Cleaning and maintenance			
8	Commissions			
9	Insurance		3,752.	
10	Legal and other professional fees		2,679.	
11	Management fees			
12	Mortgage interest paid to banks, etc. (see instructions)			
13	Other interest			
14	Repairs		327.	
15	Supplies			
16	Taxes		1,082.	
17	Utilities		1,792.	
18	Depreciation expense or depletion		2,173.	
19	Other (list) ▶ See expense stmt.		6,517.	
20	Total expenses. Add lines 5 through 19		18,322.	
21	Subtract line 20 from line 4. If result is a (loss), see instructions to find out if you must file Form 6198		-18,322.	
22	Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)		18,322.	
23a	Total of all amounts reported on line 3a for all rental properties			
23b	Total of all amounts reported on line 3a for all royalty properties			
23c	Total of all amounts reported on line 4 for all rental properties			
23d	Total of all amounts reported on line 4 for all royalty properties			
23e	Total of all amounts reported on line 12 for all properties			
23f	Total of all amounts reported on line 18 for all properties			
23g	Total of all amounts reported on line 20 for all properties			
24	Income. Add positive amounts shown on line 21. Do not include any losses			
25	Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here.			
26	Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2			

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule E (Form 1040) 2011

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

OMB No. 1545-0172

2011Attachment
Sequence No. **179**

Name(s) shown on return

PRINDA A TAYLOR

Business or activity to which this form relates

1046 E WALNUT

Identifying number

358-24-9861

- SCHEDULE E

Part I Election To Expense Certain Property Under Section 179**Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2010 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2012. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2011	17	2,173.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2011 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	2,173.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Supplement To Schedule E

Other Expenses, Schedule E - Page 1, Line 19

Kind of property: 1046 E WALNUT
Location of property: SPRINGFIELD, MO 65806

LABOR	3,006.
TELEPHONE	404.
TRASH	212.
MISC	2,367.
TRS EXP	528.

Total other expenses	6,517.
	=====

DRAFT

SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on return

Supplemental Income and Loss

(From rental real estate, royalties, partnerships,
S corporations, estates, trusts, REMICs, etc.)

OMB No. 1545-0074

2010

Attachment
Sequence No. **13**

▶ Attach to Form 1040, 1040NR, or Form 1041. ▶ See Instructions for Schedule E (Form 1040).

Your social security number

PRINDA A TAYLOR

358-24-9861

Part I **Income or Loss From Rental Real Estate and Royalties** Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see page E-3). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

1	List the type and address of each rental real estate property:	2	For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:	Yes	No
A	527 S CAMPBELL SPRINGFIELD, MO 65806				X
B	1046 E WALNUT SPRINGFIELD, MO 65806				X
C	701 E HILL SPRINGFIELD, MO 65806				X

Income:	Properties			Totals (Add columns A, B, and C.)
	A	B	C	
3 Rents received	3	3,835.	3,835.	3
4 Royalties received	4			4
Expenses:				
5 Advertising	5	238.	238.	
6 Auto and travel (see page E-4) . . .	6			
7 Cleaning and maintenance	7			
8 Commissions	8			
9 Insurance	9	994.	994.	
10 Legal and other professional fees . .	10	247.	247.	
11 Management fees	11			
12 Mortgage interest paid to banks, etc. (see page E-5)	12			12
13 Other interest	13			
14 Repairs	14	1,594.	1,594.	
15 Supplies	15			
16 Taxes	16	1,058.	1,058.	
17 Utilities	17	3,792.	3,792.	
18 Other (list) ▶ See expense stmt.	18	5,911.	5,911.	
19 Add lines 5 through 18.	19	13,834.	13,834.	19
20 Depreciation expense or depletion (see page E-5)	20	2,173.	2,173.	20
21 Total expenses. Add lines 19 and 20	21	16,007.	16,007.	
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-5 to find out if you must file Form 6198	22	-12,172.	-12,172.	
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See page E-5 to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2 . . .	23	(12,172.)	(12,172.)	
24 Income. Add positive amounts shown on line 22. Do not include any losses	24			
25 Losses. Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here	25			
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26			

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule E (Form 1040) 2010

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

▶ See separate instructions.

▶ Attach to your tax return.

OMB No. 1545-0172

2010Attachment
Sequence No. **67**

Name(s) shown on return

PRINDA A TAYLOR

Identifying number

358-24-9861

Business or activity to which this form relates

1046 E WALNUT

- SCHEDULE E

Part I Election To Expense Certain Property Under Section 179**Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	2,173.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	2,173.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

2010

Description of Property

1046 E WALNUT

SCHEDULE E DEPRECIATION AND AMORTIZATION

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus. %	179 exp. reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Method	Conv.	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
FURN 1046 E WALNUT	01/01/1981	275.	100.0000			275.	275.	275.	PRE			5			
1046 E WALNUT LAND	07/01/1980	766.	100.0000			766.	NONE	NONE							
1046 E WALNUT BLDG	07/01/1980	31,100.	100.0000			31,100.	31,096.	31,096.	SL		15,000				
FURNITURE	07/01/1980	8,200.	100.0000			8,200.	8,200.	8,200.	SL		3,000				
FURNACE	07/01/1986	1,963.	100.0000			1,963.	1,962.	1,962.	SL		19,000	19			
BATHROOM CABINETS	07/01/1986	1,090.	100.0000			1,090.	1,090.	1,090.	PRE			5			
FURNITURE	07/01/1986	1,240.	100.0000			1,240.	1,240.	1,240.	PRE			5			
FURNITURE	07/01/1987	250.	100.0000			250.	250.	250.	200DB	HY			5		
REFRIGERATOR	04/01/1989	285.	100.0000			285.	285.	285.	200DB	HY			7		
STORM DOOR	07/01/1990	250.	100.0000			250.	249.	249.	200DB	HY			7		
STOVE	07/30/1999	209.	100.0000			209.	209.	209.	200DB	HY			7		
AIR CONDITIONER	07/30/1999	267.	100.0000			267.	267.	267.	200DB	HY			7		
AIR CONDITIONER	07/30/1999	214.	100.0000			214.	214.	214.	200DB	HY			7		
AIR CONDITIONER	07/07/2000	460.	100.0000			460.	460.	460.	200DB	HY			7		
ROOF	06/01/2000	8,240.	100.0000			8,240.	2,862.	3,162.	SL	MM			27.5		300.
A/C	04/15/2001	329.	100.0000			329.	329.	329.	200DB	HY			5		
HEAT/AIR UNIT	10/24/2008	2,000.	100.0000			2,000.	88.	161.	SL	MM			27.5		73.
BUILDING STEPUP	08/02/2009	49,513.	100.0000			49,513.	675.	2,475.	SL	MM			27.5		1,800.
LAND STEPUP	08/02/2009	12,378.	100.0000												
Less: Retired Assets															
Subtotals		119,029.				106,651.	49,751.	51,924.							2,173.

Listed Property

Less: Retired Assets															
Subtotals															
TOTALS		119,029.				106,651.	49,751.	51,924.							2,173.

AMORTIZATION

Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending Accumulated amortization	Code	Life	Current-year amortization
TOTALS							

*Assets Retired

JSA

0X9024 1.000

Supplement To Schedule E

Other Expenses, Schedule E - Page 1, Line 18

=====

Kind of property: 1046 E WALNUT

Location of property: SPRINGFIELD, MO 65806

LABOR	2,229.
TELEPHONE	255.
TRASH	191.
MISC	2,457.
TRS EXP	779.

Total other expenses

5,911.
=====

Appendix E

Assessed Values

2012

Current Land:	\$3,500
Current Building:	\$18,110
Current Total:	\$21,610

2011

Current Land:	\$3,500
Current Building:	\$18,110
Current Total:	\$21,610

2010

Current Land:	\$3,800
Current Building:	\$16,020
Current Total:	\$19,820

Appendix F
Real Estate Property Taxes



Details For Tax Year 2010

(09:58:32)

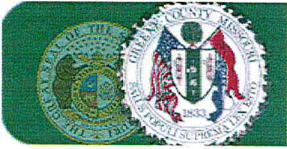


88-13-24-112-011
TAYLOR, RICHARD

Date	Type	Trans-Receipt	Assessed Value	Court Order Number	Debit	Credit
10-01-10	Base		19820		989.94	
12-31-10	Regular	10508142-562245	19820			989.94
TAYLOR APARTMENTS*19291*PO BOX 4386*SPRINGFIELD MO 65808					<u>989.94</u>	<u>989.94</u>

The account is PAID IN FULL for tax year 2010

[\[Start Over\]](#) [\[Return to List\]](#)



Details For Tax Year 2011

(09:58:01)



88-13-24-112-011
TAYLOR, RICHARD

Date	Type	Trans-Receipt	Assessed Value	Court Order Number	Debit	Credit
10-01-11	Base		21610		1082.01	
12-31-11	Regular	11505873-572083	21610			1082.01
R AND P TAYLOR APARTMENTS LLC*1800*PO BOX 4386*SPRINGFIELD MO 65808					<u>1082.01</u>	<u>1082.01</u>

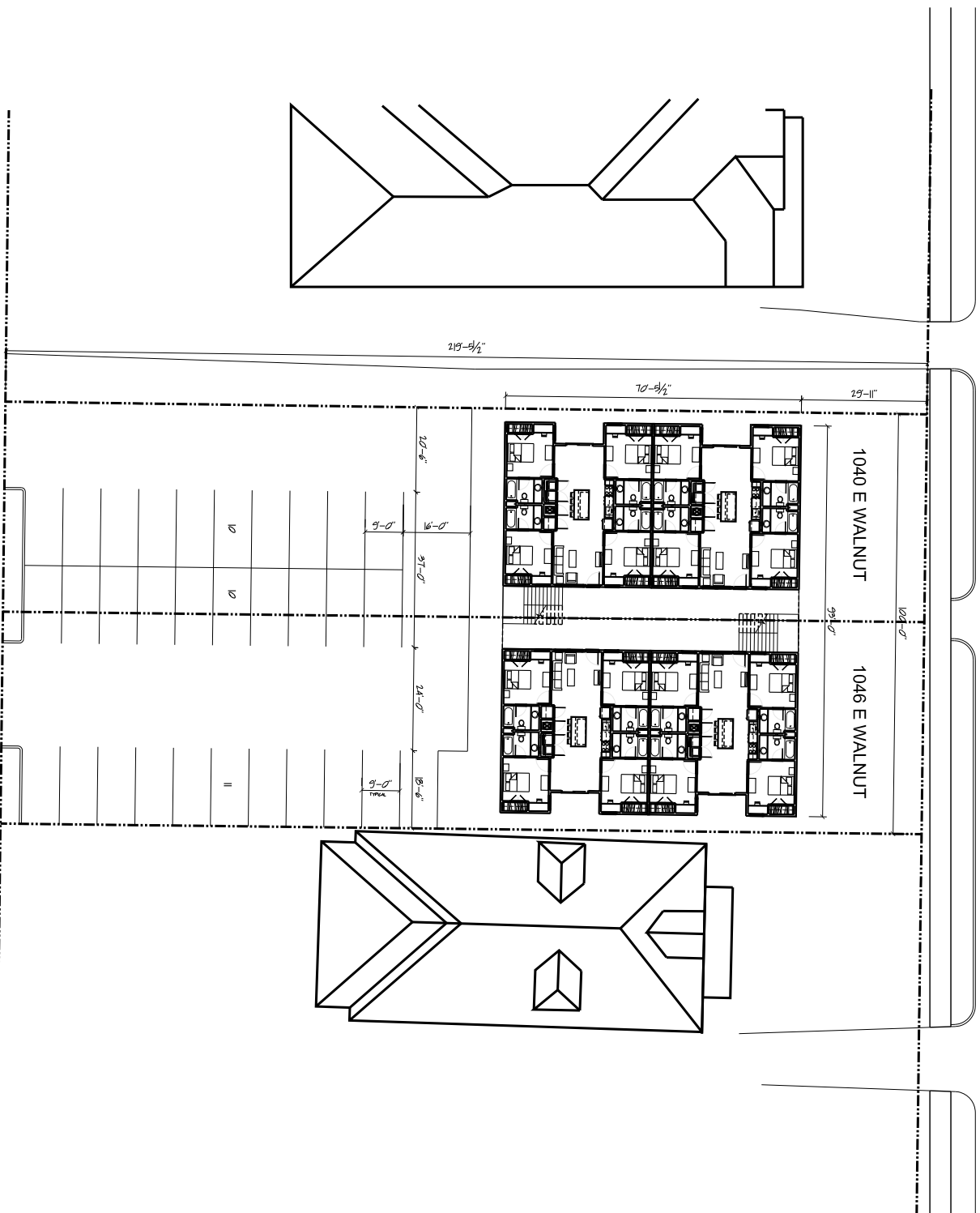
The account is PAID IN FULL for tax year 2011

[\[Start Over\]](#) [\[Return to List\]](#)

Appendix G
Proposed Development



WALNUT ST



ACCESS ALLEY

Appendix H
Property Listing

Client Summary Report

Listings as of 07/25/12 at 3:13pm

Under Contract 05/22/12 Listing # 1014378 1046 E Walnut St Springfield, MO 65803-9267 Listing Price: \$199,000
County: Greene Cross St: National



Prop Type	Multi-Family	Prop Subtype(s)	Duplex, Triplex, Four
Region	SE - SE1	Subdivision	Country Club West
Age	Over 50 years		
Beds		App.Total Fin.Sq.Ft.	2750
Baths(FH)			
Year Built	1903	Lot Sq Ft (approx)	11282
Tax ID	811324112011	Lot Acres (approx)	0.259

[See Virtual Tour](#)

Directions From Sunshine go North on National to Walnut go Left or West to home on Left

Marketing Remark This is a really unique home in a fabulous location, however it needs to be renovated... a perfect spot for many types of businesses..was recently a rental..owner says bring offers!!!!

Measurements

SQ FT Provided By: assess
Apx Year Built 1903

Lot Size Provided By assess
Inside City Limits Yes

Keywords

Zoning multifamily

Property Features

Historical Dist Yes

Sign on Property Yes

RE Tax Provided by Assessor's records

Parking Paved Area

Real Estate Tax 987.54

Tax Year 2009

4 **Unit #:** **Occupied:** No
Identical Units: 0

Square Feet: 0 **Bedrooms:** 0
Rent: 0.00

bedrooms **Occupied:** No
Unit #: 4 **Identical Units:** 0

Square Feet: 0 **Bedrooms:** 0
Rent: 0.00

Presented By: **Marty K Chaney**

Murney Associates - Primrose



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 Fax : 417-823-9645

See our listings online:
<http://www.murney.com>

July 2012

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 U.S. Patent 6,910,045



Appendix I
Proof of Financial Ability

Chinese Agriculture Bank

Certificate of Deposit Balance for

Guangzhou ZhangXun Information Science & Technology Co., LTD

August 16th, 2012

Certificate Serial number: 51000011264

Deposit Name: Guangzhou ZhangXun Information Science & Technology co., ltd;

Deposit Type: Checking Account;

Account Number: 44-058601040005056;

Currency: Chinese Yuan;

Amount: 22893500.32;

The above translation is based on the form provided by the Chinese Agriculture Bank. Currently the foreign exchange rate is 1 US dollar to 6 Chinese yuan. So the amount item should be close to US \$3.8 millions.

Translated by Daniel Z. Hou, an associate of Murney Associates Realtors