

NOTICE OF MEETING AND TIF COMMISSION AGENDA



CITY OF OSAGE BEACH TIF COMMISSION MEETING

1000 City Parkway
Osage Beach, MO 65065
573.302.2000
www.osagebeach.org

TENTATIVE AGENDA

REGULAR MEETING

August 14, 2025 - 5:30 PM
CITY HALL

**** Note:** All cell phones should be turned off or on a silent tone only. Complete meeting packets are available on the City's website at www.osagebeach.org.

**A PUBLIC HEARING AND MEETING TO RECEIVE PUBLIC COMMENT AND CONSIDER RECOMMENDATION
OF THE 2025 AMENDMENT TO THE ARROWHEAD CENTRE TAX INCREMENT FINANCING PLAN**

ROLL CALL AND INTRODUCTION OF COMMISSIONERS

ELECT CHAIRPERSON AND SECRETARY

OPEN PUBLIC HEARING

INTRODUCTION OF APPLICANT REPRESENTATIVES/CITY CONSULTANTS

DISCUSSION OF PURPOSE OF PUBLIC HEARING

ADJOURN

REVIEW OF EXISTING REDEVELOPMENT PLAN

A. REDEVELOPMENT PLAN

REVIEW OF PURPOSE OF 2025 AMENDMENT

TESTIMONY FROM APPLICANT

TESTIMONY FROM THE PUBLIC (ALL WITNESSES MUST SIGN IN AND GIVE YOUR NAME AND WARD NUMBER)

ACKNOWLEDGEMENT OF WRITTEN TESTIMONY, IF ANY

QUESTIONS AND COMMENTS FROM THE THE TIF COMMISSION

REQUEST FOR ANY ADDITIONAL TESTIMONY

CLOSE OR CONTINUE THE PUBLIC HEARING

PRESENTATON AND DISCUSSION OF RESOLUTION

MOTION TO ADOPT RESOLUTION

- A. Resolution 2025-25 - A resolution of the Tax Increment Financing Commission of the City of Osage Beach, Missouri, approving the 2025 amendment to the Arrowhead Centre Tax Increment Financing Plan and expressing its recommendations to the Board of Aldermen of the City of Osage Beach, Missouri.

MOTION TO ADJOURN

Remote viewing is available on Facebook at ***City of Osage Beach, Missouri*** and on YouTube at ***City of Osage Beach***.

Representatives of the news media may obtain copies of this notice by contacting the following:

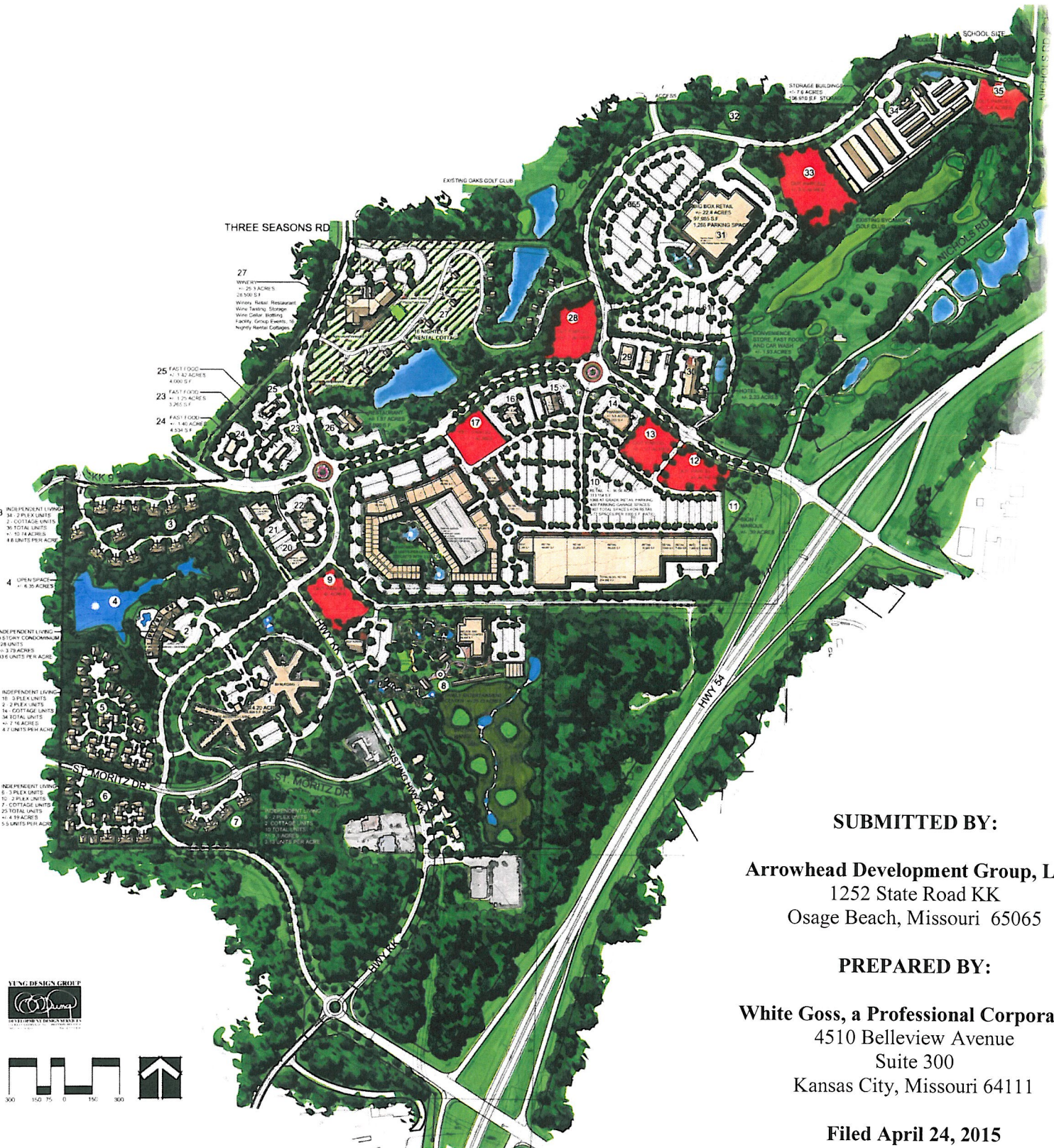
Tara Berreth, City Clerk
1000 City Parkway
Osage Beach, MO 65065
573.302.2000 x 1020

If any member of the public requires a specific accommodation as addressed by the Americans with Disabilities Act, please contact the City Clerk's Office forty-eight (48) hours in advance of the meeting at the above telephone number.

FOR ADDITIONAL INFORMATION CALL 573-302-2000 EXTENSTION 1050

ARROWHEAD CENTRE TAX INCREMENT FINANCING PLAN

Osage Beach, Missouri



SUBMITTED BY:

Arrowhead Development Group, LLC
1252 State Road KK
Osage Beach, Missouri 65065

PREPARED BY:

White Goss, a Professional Corporation
4510 Bellevue Avenue
Suite 300
Kansas City, Missouri 64111

Filed April 24, 2015
Revised June 30, 2015

**ARROWHEAD CENTRE
TAX INCREMENT FINANCING PLAN**

Osage Beach, Missouri

SUBMITTED BY:

Arrowhead Development Group, LLC

1252 State Road KK
Osage Beach, Missouri 65065

PREPARED BY:

White Goss, a Professional Corporation

4510 Belleview Avenue
Suite 300
Kansas City, Missouri 64111

Filed April 24, 2015

Revised June __, 2015

TABLE OF CONTENTS

I. INTRODUCTION	1
II. DEFINITIONS	6
A. Act.....	6
B. Blighted Area	6
C. Board of Aldermen	7
D. CID.....	7
E. CID Sales Tax	7
F. City.....	7
G. City Treasurer	7
H. Cooperative Agreement	7
I. County.....	7
J. County Assessor.....	7
K. County Collector	7
L. Debt Service.....	7
M. Developer.....	7
N. Economic Activity Account.....	7
O. Economic Activity Taxes.....	8
P. Financing Costs.....	9
Q. MoDOT	9
R. Obligations.....	9
S. Ordinance.....	9
T. Payments in Lieu of Taxes.....	9
U. PILOT Account.....	9
V. Plan	10
W. Preliminary Site Plan	10
X. Public Improvements	10
Y. Redevelopment Agreement.....	10
Z. Redevelopment Area.....	11
AA. Redevelopment Projects.....	11
BB. Redevelopment Project I.....	11
CC. Redevelopment Project II	11
DD. Redevelopment Project III	12
EE. Redevelopment Project IV	12
FF. Redevelopment Project V	12
GG. Redevelopment Project VI.....	13
HH. Redevelopment Project VII.....	13
II. Redevelopment Project VIII	13
JJ. Redevelopment Project Area I.....	13
KK. Redevelopment Project Area II.....	13
LL. Redevelopment Project Area III	14
MM. Redevelopment Project Area IV	14
NN. Redevelopment Project Area V	14
OO. Redevelopment Project Area VI.....	14
PP. Redevelopment Project Area VII.....	14

QQ.	Redevelopment Project Area VIII	14
RR.	Redevelopment Project Areas	14
SS.	Redevelopment Project Costs	15
TT.	Reimbursable Project Costs	16
UU.	Special Allocation Fund.....	16
VV.	Surplus Payments in Lieu of Taxes	16
WW.	Taxing District	17
XX.	TIF Commission	17
YY.	TIF Revenue.....	17
ZZ.	Total Initial Equalized Assessed Value	17
III.	TAX INCREMENT FINANCING	17
A.	Payments in Lieu of Taxes - Commercial.....	18
B.	Payments in Lieu of Taxes - Residential.....	18
C.	Economic Activity Taxes	19
IV.	EXISTING CONDITIONS IN THE REDEVELOPMENT AREA	19
V.	REDEVELOPMENT PLAN OBJECTIVES	20
VI.	DEVELOPER	21
A.	Developer Selection	21
B.	Gary Mitchell's Experience	21
C.	Jim Klausman and Floyd Easton's Experience	22
VII.	PLAN IMPLEMENTATION	24
A.	Site Preparation	24
B.	General Land Use	24
C.	Redevelopment Project I.....	24
D.	Redevelopment Project II	26
E.	Redevelopment Project III	26
F.	Redevelopment Project IV	26
G.	Redevelopment Project V	26
H.	Redevelopment Project VI.....	26
I.	Redevelopment Project VII.....	26
J.	Redevelopment Project VIII	27
K.	Project Approvals.....	27
L.	Schedule of Development	27
M.	Public Improvements	28
N.	Relocation Assistance Plan	28
O.	Payment of Surplus Payments in Lieu of Taxes	28
VIII.	FINANCING PLAN	29
A.	Projected Redevelopment Project Costs	29
B.	Source of Funds	29
C.	Evidence of Commitment to Finance	30

D.	Certification of Reimbursable Project Costs.....	30
E.	Reimbursement of Reimbursable Project Costs	30
F.	Projected TIF Revenue and Other Incremental Revenue	30
	1. Payments in Lieu of Taxes.....	31
	2. Economic Activity Taxes.....	32
G.	Special Allocation Fund.....	32
IX.	DISBURSEMENTS FROM SPECIAL ALLOCATION FUND	33
X.	PROCEDURES FOR PAYMENTS TO THE SPECIAL ALLOCATION FUND	34
A.	Payments in Lieu of Taxes.....	34
B.	Economic Activity Taxes.....	34
	1. Documentation of Economic Activity Taxes by Taxpayers.....	35
	2. Presentation to Taxing Districts.....	35
	3. Deposit of Funds.....	35
XI.	MARKET COST-BENEFIT ANALYSIS	36
XII.	PROVISIONS FOR AMENDING THE TAX INCREMENT FINANCING PLAN	36
XIII.	TERMINATION OF TAX INCREMENT FINANCING	37
XIV.	REQUIRED STATUTORY FINDINGS	37
A.	Blighted Area.....	37
B.	Expectations for Development.....	37
C.	Conforms to Comprehensive Plan of City.....	37
D.	Date to Adopt Redevelopment Projects.....	38
E.	Date to Complete Redevelopment.....	38
F.	Date to Retire Obligations.....	38
G.	Acquisition by Eminent Domain.....	38
H.	Relocation Assistance	38
I.	Cost-Benefit Analysis	38
J.	Gambling Establishment.....	38
K.	Reporting Requirements	39
L.	Redevelopment Project Area.....	39
XV.	REPORTING ECONOMIC ACTIVITY TAXES	39
XVI.	ACCOUNTABILITY	40
A.	Revenues.....	40
B.	Jobs	40
C.	Relocation of Businesses.....	40
XVII.	COMMUNITY IMPROVEMENT DISTRICT	40

EXHIBIT LIST

EXHIBIT 1	Legal Description of the Redevelopment Area
EXHIBIT 2	Preliminary Site Plan
EXHIBIT 3	Blight Study
EXHIBIT 4	Estimated Redevelopment Project Costs
EXHIBIT 5	Projection of TIF and CID Revenue
EXHIBIT 6	Projection of Incremental Non-TIF Revenue
EXHIBIT 7	Direct Tax Impact Analysis
EXHIBIT 8	Commitment to Finance
EXHIBIT 9	Cost-Benefit Analysis
EXHIBIT 10	Developer Affidavit
EXHIBIT 11	Relocation Assistance Plan
EXHIBIT 12	Mixed-Use Market and Fiscal Impact Analysis
EXHIBIT 13	Resume of Developer

I. INTRODUCTION

This Plan provides for the redevelopment of the now closed Dogwood Hills Golf Course (“Redevelopment Area”), which is located in Osage Beach, Missouri. The Redevelopment Area, consists of approximately 226 acres of real property generally located west of U.S. Highway 54 along KK State Highway, legally described on the attached Exhibit 1. This Plan is the result of careful consideration of the highest and best use of land in the Redevelopment Area by the Developer in conjunction with City officials, experts in planning and development matters and other interested parties. Unlike the situation which existed in 2007 when the Mitchell Development Group, Inc. filed an application for approval of the Dogwood Hills Golf Course, this Plan is ripe for development.

The realignment of U.S. Highway 54 is now complete, with improved access to the Dogwood Hills Golf Course. In the Fall of 2014, Gary Mitchell formed a partnership with Jim Klausman and Floyd Eaton of Midwest Health, Inc. called Arrowhead Development Group, LLC to develop senior assisted living apartments and a skilled nursing facility in the Redevelopment Area. The economy is now on an up-swing making this a perfect time to redevelop the Dogwood Hills Golf Course, which had to close its doors due to the decrease in demand for golf courses coupled with the development of new golf courses in the region.

However, in order for this Redevelopment Area to be developed to its highest and best use, it will require the approval of this Tax Increment Financing Plan as well as the creation of a Community Improvement District (CID). The CID is necessary because this Plan incorporates Payments in Lieu of Taxes to the Taxing District as outlined by the Camdenton R-III School District which reduces the amount of Payments in Lieu of Taxes available to the Developer for reimbursement of approved Reimbursable Project Costs. Notwithstanding the loss of available

Payments in Lieu of Taxes, the Developer is capable of developing this Plan on a pay-as-you-go basis and will not be requesting the City to issue debt, unless the City elects to do so on its own initiative. The Developer will not request the CID to issue debt to support the project.

Under this Plan, the Redevelopment Area will be developed as eight Redevelopment Projects. The Redevelopment Project Areas are referred to as Districts on the Site Plan to better identify the areas as unique uses within the overall integrated development plan. As statutorily required by RSMo 99.820 (1), all eight (8) Redevelopment Project ordinances will be introduced to the Board of Aldermen within fourteen to ninety days after the completion of the public hearing. As per City policy, before the Redevelopment Project ordinance has a second reading, the project will have fifty percent (50%) of the retail commercial space with commitments by tenants by lease or other legally binding contracts or at the City's sole discretion a Redevelopment Project can be approved with a lower percentage of commitments. The Redevelopment Projects will consist of mixed-use commercial and residential development. Upon full completion of all Redevelopment Projects, it is anticipated that the Redevelopment Area will be a true mixed use development. It will incorporate the following land uses:

Institutional:

- skilled nursing facility
- assisted senior living units
- independent senior living units

Residential:

- apartment complex

Recreation:

- family entertainment center
- championship putting courses
- driving range
- chipping and putting green
- batting cages
- arcade center

Retail:

- restaurant pad sites
- neighborhood retail
- regional retail
- destination retail
- fast food pad sites
- big box retail
- gas station with convenience store
- storage units
- hotel
- winery
- nightly rental cottages

Office:

- medical
- bank
- general office

Upon final completion of all of the Redevelopment Projects, it is anticipated that the Redevelopment Area will contain approximately 761,014 square feet of retail and commercial uses, 401 senior living units, 222 residential apartment units and 90 hotel rooms. Each Redevelopment Project is described in greater detail in Section II of this Plan.

In addition to the construction of the Redevelopment Projects, this Plan provides for the construction of the Public Improvements, which consist of site preparation including mass grading and cut and fill, utility construction and relocation, construction of internal roads, collector roads and roads to connect external streets to the Redevelopment Area, sewers, gutters, curbs, sidewalks, lighting, aesthetic improvements, landscaping, parking structures and lots, drainage systems, water detention facilities and other improvements within, adjacent to and/or serving the Redevelopment Area.

The development within and around the Redevelopment Area anticipated under this Plan is in the public interest because it will result in increased employment within the City and will enhance the tax base of the City. The Redevelopment Area is marked by inadequate and defective street layout and deterioration of site improvements, and as such the Redevelopment Area is seriously economically underutilized. The Blight Study attached as Exhibit 3 to this Plan documents the blighting factors and conditions within the Redevelopment Area and confirms that the Redevelopment Area is a Blighted Area as defined in the Act. With the improved accessibility and development that will be achieved through the construction of the Public Improvements and the Redevelopment Projects, the Redevelopment Area will be developed to its highest and best use and blight can be eliminated.

The estimated Redevelopment Project Costs for the Redevelopment Projects are approximately \$385,731,340, including the cost of the Public Improvements, as shown on Exhibit 4.

The Redevelopment Project Costs include Reimbursable Project Costs consisting of the cost of construction of the Public Improvements and professional fees, which are currently estimated to be approximately \$55,835,595, plus interest and Financing Costs, as shown on Exhibit 4. This TIF Plan is “pay as you go” to ensure that no risk is assumed by any Taxing District.

According to the records of the County Assessor, the Total Initial Equalized Assessed Value of the Redevelopment Area in 2014, which is the most recent assessed valuation, is approximately \$892,980. Following the completion of all of the Redevelopment Projects, it is estimated that the assessed value of the real property within the Redevelopment Area will increase to approximately \$93,177,521.

Pursuant to the Act, tax increment financing allows the use of 100 percent of the Payments in Lieu of Taxes and 50 percent of the Economic Activity Taxes to pay Reimbursable Project Costs. This Plan provides that 50% of the Payments in Lieu of Taxes attributable to commercial development within the Redevelopment Area and 100% of the Payments in Lieu of Taxes attributable to residential development within the Redevelopment Area will be declared as surplus and paid to each Taxing District on a basis that is proportional to the current collections of revenue which each Taxing District receives from real property in the Redevelopment Area. In addition, it is anticipated that the CID will impose the CID Sales Tax. Pursuant to the Act, 50% of the revenue generated by the CID Sales Tax will be captured as Economic Activity Taxes which may be used to fund Reimbursable Project Costs. Upon the completion of this Plan and the payment of all Reimbursable Project Costs, tax revenue from the Redevelopment Project Areas will be paid to the City and other Taxing Districts as if this Plan had not been adopted.

In order to protect the Taxing Districts from any loss of revenue from residential development within the Redevelopment Area and to further enhance each Taxing District’s

ability to absorb any costs associated with this TIF Plan, the City and the County may enter into the Cooperative Agreement, which may provide, i) for the distribution of Surplus Payments in Lieu of Taxes to the Taxing Districts and (ii) each Taxing District may be a third-party beneficiary with respect to the enforcement and performance of the Cooperative Agreement. The Surplus Payments in Lieu of Taxes will extend the life of the Plan beyond the City's preferred 15 years, but will allow the Taxing Districts to receive new revenue as the Redevelopment Projects develop. The Surplus Payments in Lieu of Taxes will provide each Taxing District with 100% of the Payments in Lieu of Taxes attributable to residential development within the Redevelopment Area and 50% of the Payments in Lieu of Taxes attributable to commercial development within the Redevelopment Area, and said Surplus Payments in Lieu of Taxes shall be paid on a basis that is proportional to the current collections of revenue which each Taxing District receives from real property in the Redevelopment Area.

II. DEFINITIONS

As used in this Plan, the following terms shall mean:

A. Act: The Real Property Tax Increment Allocation Redevelopment Act, Section 99.800, *et seq.*, of the Revised Statutes of Missouri, as amended.

B. Blighted Area: An area, as defined in Revised Statutes of Missouri, Section 99.805(1), which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use.

- C. Board of Aldermen: The Board of Aldermen of the City.
- D. CID: Arrowhead Centre Community Improvement District, which will be organized by the Developer with the approval of the City pursuant to the Missouri Community Improvement District Act.
- E. CID Sales Tax: A sales tax of one percent on all retail sales within the CID which will be levied by the CID pursuant to the Missouri Community Improvement District Act.
- F. City: The City of Osage Beach, Missouri.
- G. City Treasurer: The City Treasurer of the City.
- H. Cooperative Agreement: The agreement which may be entered into by the City and the County, which may provide (i) for the distribution of Surplus Payments in Lieu of Taxes to the Taxing Districts, and (ii) each Taxing District may be a third-party beneficiary with respect to the enforcement and performance of the Cooperative Agreement.
- I. County: The county of Camden County, Missouri.
- J. County Assessor: The County Assessor of Camden County, Missouri.
- K. County Collector: The County Collector of Camden County, Missouri.
- L. Debt Service: The amount required for the payment of interest and principal on Obligations as they become due, for the payment of mandatory or optional redemption payments, and for payments to reserve funds required by the terms of the Obligations.
- M. Developer: Arrowhead Development Group, LLC.
- N. Economic Activity Account: The separate segregated account within the Special Allocation Fund into which Economic Activity Taxes are to be deposited, as required by Section 99.805(16) of the Revised Statutes of Missouri.

O. Economic Activity Taxes: Fifty percent of the total additional revenue from taxes which are imposed by the City or other Taxing Districts, and which are generated by economic activities within the Redevelopment Project Areas, over the amount of such taxes generated by economic activities within the Redevelopment Project Areas in the calendar year prior to the adoption of the Redevelopment Projects for the Redevelopment Project Areas by Ordinance, while tax increment financing remains in effect, but excluding:

- (1) personal property taxes,
- (2) taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels,
- (3) licenses,
- (4) fees or special assessments,
- (5) taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, and,
- (6) taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, all as further defined in Section 99.845 of the Revised Statutes of Missouri, as amended.

Provided, however, if any retail establishment relocates within one year after the adoption of the Plan from a facility in the County or the City to a facility in a Redevelopment Project Area and the Board of Aldermen adopts an Ordinance finding that such retail establishment is a direct beneficiary of tax increment financing pursuant to this Plan, then for purposes of this definition, the Economic Activity Taxes generated by such retail establishment shall equal the total additional revenue from Economic Activity Taxes which are imposed by the City or other Taxing Districts over the amount of Economic Activity Taxes generated by such retail establishment in the calendar year prior to its relocation to a Redevelopment Project Area.

In the event a tax levy is imposed or any existing tax levy is increased within a Project Area after the adoption of this Plan and such Project, with the appropriate taxing jurisdiction's consent pursuant to Section 99.845(3) of the Revised Statutes of Missouri, the Economic Activity Taxes projected hereunder available to fund Reimbursable Project Costs shall increase to the extent allowed by the law.

P. Financing Costs: Those costs incurred by the CID or the Developer to pay all or any portion of Reimbursable Project Costs incurred or estimated to be incurred, including but not limited to standard industry financing loan origination fees of the principal amount of the loan and interest payable to banks or other financing institutions that are in the business of loaning money, plus standard industry expenses, fees and any other standard industry costs related to such financing.

Q. MoDOT: The Missouri Department of Transportation and/or the Missouri Highways and Transportation Commission.

R. Obligations: Bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by the City to carry out the Redevelopment Project or to refund outstanding Obligations. The issuance of Obligations is the sole discretion of the City.

S. Ordinance: An ordinance enacted by the Board of Aldermen.

T. Payments in Lieu of Taxes: As defined in Section 99.805(11) of the Revised Statutes of Missouri.

U. PILOT Account: The separate segregated account within the Special Allocation Fund into which 50% of the Payments in Lieu of Taxes attributable to commercial property located within the Redevelopment Area are to be deposited, as required by Section 99.805(16) of the Revised Statutes of Missouri.

V. Plan: This Arrowhead Centre Tax Increment Financing Plan.

W. Preliminary Site Plan: The preliminary site plan for the Redevelopment Area attached as Exhibit 2.

X. Public Improvements: The following public improvements which will be constructed within or adjacent to the Redevelopment Area:

- (1) site preparation including mass grading and cut and fill,
- (2) utility construction and relocation,
- (3) construction of internal roads,
- (4) collector roads and roads to connect to external streets to the Redevelopment Area,
- (5) sewers,
- (6) gutters,
- (7) curbs,
- (8) sidewalks,
- (9) lighting,
- (10) aesthetic improvements,
- (11) landscaping,
- (12) parking structures and lots,
- (13) drainage systems including water detention facilities; and,
- (14) other improvements within, adjacent to and/or serving the Redevelopment Area , but not including any expenses not eligible to be incurred by the CID under the CID Act.

Y. Redevelopment Agreement: The agreement which will be entered by the City and the Developer to effectuate this TIF Plan after its approval and to set forth each of the parties' duties and obligations.

Z. Redevelopment Area: The real property described in Exhibit 1.

AA. Redevelopment Projects: Redevelopment Project I, Redevelopment Project II, Redevelopment Project III, Redevelopment Project IV, Redevelopment Project V, Redevelopment Project VI, Redevelopment Project VII, and Redevelopment Project VIII.

BB. Redevelopment Project I: An 80 unit skilled nursing home and a 90 unit assisted living facility to be constructed within Redevelopment Project Area I under this Plan anticipated to consume approximately 14.2 acres, together with the required infrastructure and Public Improvements to support the Development. The Developer has obtained a Certificate of Need ("CON") from the State of Missouri for the skilled nursing home; however, an extension will be necessary. The Developer believes the extension will be granted.

CC. Redevelopment Project II: A combination of one, two and three plex independent living units and a condominium building of approximately 128 units for senior citizens to be constructed within Redevelopment Project Area II under this Plan anticipated to consume approximately 35.33 acres, together with the required infrastructure and Public Improvements to support the development. In order for these senior independent living units to qualify for 50% Surplus Payments in Lieu of Taxes, Developer must meet the following three conditions:

1. Project Area 2 must be developed as "senior living adults only" community meeting the requirements of 42 USC 3607 (B)(1) and (2) and the regulations set out at 20 CFR 100.
2. No housing within Project Area 2 may be leased, sold, rented, or developed without the prior creation and publication of sufficient policies and procedures as required by 20 CF 100.306.

3. Before any housing within Redevelopment Project II is leased, sold, rented or developed, the written policy and procedures for the development of Project Area 2 created pursuant to 20 CFR 100.306 and adopted by the developer must be recorded as covenants within the chain of title to survive at least 33 years after the passage of the TIF plan by the Board of Aldermen.

DD. Redevelopment Project III: A mixed-use development comprising approximately 23.15 acres and consisting of a restaurant and recreational uses including, but not limited to a family entertainment center, championship putting courses, driving range, chipping and putting green, batting cages, arcade and an additional pad site, all to be constructed within Redevelopment Project Area III under this Plan, together with the required infrastructure and Public Improvements to support the development.

EE. Redevelopment Project IV: A mixed-use commercial and residential development to be constructed within Redevelopment Project Area IV under this Plan, which is anticipated to include, but not be limited to, a 222 unit apartment complex, approximately six outparcels and pad sites for uses such as restaurants, pharmacy or office uses and over 300,000 square feet of retail and office space; all anticipated to consume approximately 45.27 acres, together with the required infrastructure and Public Improvements to support the development.

FF. Redevelopment Project V: A mixed-use retail and office development to be constructed within Redevelopment Project Area V under this Plan, including, but not limited to, medical office space, a bank and approximately three fast food restaurants all anticipated to consume approximately 7.89 acres, together with the required infrastructure and Public Improvements to support the development.

GG. Redevelopment Project VI: A mixed-use development consisting of a winery with a restaurant, an pad site and approximately 16 nightly rental cottages all to be constructed within Redevelopment Project Area VI under this Plan and anticipated to consume approximately 28.87 acres, together with the required infrastructure and Public Improvements to support the development.

HH. Redevelopment Project VII: A commercial development to be constructed within Redevelopment Project Area VII under this Plan consisting of a gas station/convenience store, fast food site, car wash, 90-room hotel and a big box retail site, all anticipated to consume approximately 26.56 acres, together with the required infrastructure and Public Improvements to support this development.

II. Redevelopment Project VIII: A commercial development comprising approximately 16.55 acres and consisting of over 100,000 square feet of storage buildings, and at least two outparcels for additional commercial usage, all to be constructed within Redevelopment Project Area VIII under this Plan, together with the required infrastructure and Public Improvements to support this development.

JJ. Redevelopment Project Area I: The area for the construction of Redevelopment Project I, which area is within the Redevelopment Area and is described on Exhibit 1 as District 1.

KK. Redevelopment Project Area II: The area for the construction of Redevelopment Project II, which area is within the Redevelopment Area and is described on Exhibit 1 as District 2.

LL. Redevelopment Project Area III: The area for the construction of Redevelopment Project III, which area is within the Redevelopment Area and is described on Exhibit 1 as District 3.

MM. Redevelopment Project Area IV: The area for the construction of Redevelopment Project IV, which area is within the Redevelopment Area and is described on Exhibit 1 as District 4.

NN. Redevelopment Project Area V: The area for the construction of Redevelopment Project V, which area is within the Redevelopment Area and is described on Exhibit 1 as District 5.

OO. Redevelopment Project Area VI: The area for the construction of Redevelopment Project VI, which area is within the Redevelopment Area and is described on Exhibit 1 as District 6.

PP. Redevelopment Project Area VII: The area for the construction of Redevelopment Project VII, which area is within the Redevelopment Area and is described on Exhibit 1 as District 7.

QQ. Redevelopment Project Area VIII: The area for the construction of Redevelopment Project VIII, which area is within the Redevelopment Area and is described on Exhibit 1 as District 8.

RR. Redevelopment Project Areas: Redevelopment Project Area I, Redevelopment Project Area II, Redevelopment Project Area III, Redevelopment Project Area IV, Redevelopment Project Area V, Redevelopment Project Area VI, Redevelopment Project Area VII and Redevelopment Project Area VIII.

SS. Redevelopment Project Costs: The sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Plan or the Redevelopment Projects, as applicable. Such costs, an estimate of which is provided in Exhibit 4, include but are not limited to the following:

1. Costs of studies, surveys, plans and specifications;
2. Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services (except for reasonable administrative costs of the TIF Commission, such costs shall be allowed only as an initial expense which are included in the costs set forth in this Plan or the Redevelopment Projects);
3. Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights and interests therein, and the clearing and grading of land;
4. Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;
5. Costs of construction of public works or improvements;
6. Financing Costs, including, but not limited to, all necessary and incidental expenses related to the issuance of Obligations, and which may include payment of interest on any Obligations issued hereunder accruing during the estimated period of construction of the Redevelopment Projects for which such Obligations are issued and for not more than 18 months thereafter, and including reasonable reserves related thereto;
7. All or a portion of a Taxing District's capital costs resulting from the Redevelopment Projects necessarily incurred or to be incurred in the furtherance of the

objectives of this Plan and such Redevelopment Projects, to the extent the City by written agreement accepts and approves such costs;

8. Relocation costs to the extent that the City determines that relocation costs shall be paid or are required to be paid by federal or state law; and

9. Payments in Lieu of Taxes.

TT Reimbursable Project Costs: Those Redevelopment Project Costs identified in Exhibit 4, in the estimated total amount of \$55,835,595 that being 14.45% of the total project cost of \$385,731,340 as currently anticipated, subject to line-item transfers, plus interest and Financing Costs.

UU. Special Allocation Fund: The fund, which contains two separate segregated accounts, maintained by the City Treasurer, into which 50% of the Payments in Lieu of Taxes attributable to commercial property located within the Redevelopment Area, as defined in Section II. T., above and the Economic Activity Taxes as defined in Section II. O. above, are deposited.

VV. Surplus Payments in Lieu of Taxes: The amount of revenue collected which shall be declared as surplus and shall be distributed annually to the Taxing Districts on a basis that is proportional to the current collections of revenue which each Taxing District receives from real property within the Redevelopment Area. The Surplus Payments in Lieu of Taxes shall include:

1) 100% of the Payments in Lieu of Taxes attributable to the 222 unit residential apartment property located within the Redevelopment Area; and

2) 50% of the Payments in Lieu of Taxes attributable to commercial property located within the Redevelopment Area

WW. Taxing District: Any political subdivision of the State of Missouri located wholly or partially within the Redevelopment Area having the power to levy taxes.

XX. TIF Commission: The Tax Increment Financing Commission of the City.

YY. TIF Revenue: The amount of revenue collected shall include:

1) 50% of Payments in Lieu of Taxes generated from commercial property located within the Redevelopment Area; and

2) Economic Activity Taxes generated within the Redevelopment Area.

ZZ. Total Initial Equalized Assessed Value: That amount certified by the County Assessor which equals the most recently ascertained equalized assessed value of each taxable lot, block, tract, or parcel of real property within the Redevelopment Project Areas immediately after tax increment financing for the Redevelopment Project Areas has been approved by the Board of Aldermen by an Ordinance.

III. TAX INCREMENT FINANCING

This Plan is adopted pursuant to the Act, as found in Section 99.800, et seq., of the Revised Statutes of Missouri. The Act enables municipalities to finance Redevelopment Project Costs with the revenue generated from both Payments in Lieu of Taxes resulting from increased assessed valuation on new development and, subject to annual appropriation, Economic Activity Taxes resulting from increased economic activities in the Redevelopment Project Area.

Immediately after the Board of Aldermen approves each Redevelopment Project and adopts tax increment financing for the corresponding Redevelopment Project Area, the County Assessor shall certify the Total Initial Equalized Assessed Value of such Redevelopment Project Area. Real estate taxes based on the Total Initial Equalized Assessed Value of each Redevelopment Project Area which result from: (1) all taxes levied on the Total Initial

Equalized Assessed Value for such Redevelopment Project Area; (2) the blind pension fund tax levied under the authority of Article III, Section 38(b) of the Missouri Constitution; and (3) the merchant's and manufacturer's inventory replacement tax levied under the authority of Article X, Section 6(2) of the Missouri Constitution, will be payable to Taxing Districts as if tax increment financing were not adopted, including any penalties and interest thereon.

A. Payments in Lieu of Taxes – Commercial

Payments in Lieu of Taxes on Commercial property shall be distributed as follows:

- (1) Fifty percent (50%) of the Payments in Lieu of Taxes (including 50% of applicable penalties and interest) collected from owners of commercial property located within each Redevelopment Project Area will be paid by the County Collector to the City Treasurer and deposited in the PILOT Account within the Special Allocation Fund.
- (2) The remaining 50% of the Payments in Lieu of Taxes (including 50% of applicable penalties and interest) collected from owners of commercial property located within the Redevelopment Area, shall be declared as Surplus Payments in Lieu of Taxes and distributed to the Taxing Districts.

B. Payments in Lieu of Taxes – Residential

Payments in Lieu of Taxes on Residential property shall be distributed as follows:

One hundred percent (100%) of the Payments in Lieu of Taxes collected from owners of the 222 unit residential apartment property located within the Redevelopment Area, shall be declared as Surplus Payments in Lieu of Taxes and distributed to the Taxing Districts. The City may elect to remove the residential property from the Redevelopment Area rather than distribute the Surplus Payments Lieu of Taxes,

C. Economic Activity Taxes

As defined in Section II. O. above, Economic Activity Taxes collected from owners of commercial property located within the Redevelopment Area, shall, following annual appropriation by the appropriate Taxing Districts, be paid by the collecting Taxing Districts to the City Treasurer who shall deposit such funds in the Economic Activity Account within the Special Allocation Fund.

IV. EXISTING CONDITIONS IN THE REDEVELOPMENT AREA

A blight study is attached to this Plan as Exhibit 3. This study confirms that the Redevelopment Area is qualified as a Blighted Area under the Act due to defective and inadequate street layout, deterioration of site improvements and substantial economic underutilization. Section 99.805(1) of the Revised Statutes of Missouri defines Blighted Area as follows:

"Blighted area", an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;

The predominance of these factors individually and in combination cause the Redevelopment Area to constitute an economic and social liability and a detriment to the public health, safety, morals and welfare in its present condition and use, as defined by the governing statute. Existing conditions within the Redevelopment Area make it unreasonable to anticipate

that development will occur within the Redevelopment Area without the adoption of tax increment financing.

V. REDEVELOPMENT PLAN OBJECTIVES

The objectives of this Plan to enhance the tax base of the City and other Taxing Districts by development of the Redevelopment Area to its highest and best use and encouraging private investment in the surrounding area, encourage commerce, industry and manufacturing to locate and stay within the City, increase employment in the City, eliminate adverse conditions in and adjacent to the Redevelopment Area which have hindered development, provide for access to and traffic flow in the Redevelopment Area, encourage the construction of additional infrastructure by the City and other Taxing Districts.

1. Specific objectives of this Plan are to expand the tax base of the City by the addition of taxable commercial real property, and associated increases in taxable personal property, taxable retail sales and other taxable economic activity and taxable income through business and population growth; increase the employment opportunities for the City's residents by the addition of business enterprises within the City; construct roads within and adjacent to the Redevelopment Area to provide efficient traffic patterns within the City; prevent the loss of revenue to the Camden R-III School District and other Taxing Districts from residential and commercial development by providing for the annual payment of Surplus Payments in Lieu of Taxes to the Taxing Districts, and provide for housing opportunities for Senior Citizens in the region.

VI. DEVELOPER

A. Developer Selection. Arrowhead Development Group, LLC is a partnership between Gary Mitchell, Jim Klausman and Floyd Eaton, each of whose experience is set forth below and in Exhibit 13. The developer selected will design and develop the Redevelopment Projects and construct related improvements in conjunction with the CID, the City and MoDOT. Pursuant to Section 99.820(3) RSMo, the Commission published a notice on May 19, 2015, to request proposals. The Commission shall make public disclosure of all bids and proposals received for the redevelopment of the Redevelopment Area. Such request for proposals shall provide reasonable opportunity for any person to submit alternative proposals or bids. One or more developers may be selected by the Governing Body to implement this Plan (the “Redeveloper”). If a Redeveloper is selected who does not now own the property within the Redevelopment Area, such Redeveloper will be required to enter into a parcel development agreement with the City whereby the Redeveloper will agree to provide the funds necessary for the acquisition of the property either by purchase or eminent domain with the option of Redeveloper being reimbursed for the Redeveloper's expenditures incurred by Redeveloper in connection with such acquisition. The City and Arrowhead Development Group, LLC. entered into a Funding Agreement dated May 7, 2015 (the "Funding Agreement"), in order to assist with the redevelopment of the Redevelopment Area.

B. Gary Mitchell’s Experience. Gary Mitchell specializes in golf course, resort, residential and commercial development and is based in Osage Beach, Missouri. He brings specific expertise in market research, land planning, entitlements, financing, construction budgeting, community and commercial product design, marketing and sales. For further information, his resume can be found as Exhibit 13. Gary Mitchell is an established and well-respected businessman

within the community. The following are some of the projects with which Mr. Mitchell has been involved:

- The Community of Old Hawthorne, Columbia, Missouri. Mr. Mitchell became part owner in 2005 and was responsible in creating this unique project. Old Hawthorne is a 631-acre mixed-used project and is the official golf club of the University of Missouri men's and ladies' golf teams. It has been one of the most successful projects in the Midwest with over \$15 million in sales in the first six months and another \$12 million in sales closed in spring of 2008. Old Hawthorne is the largest project ever zoned in Columbia/Boone County. This project was built with various forms of participation by the City of Columbia and the University of Missouri.
- Dogwood Hills Golf Course and Resort Inn, Osage Beach, Missouri. Mr. Mitchell became part owner in 1980 and has been involved in all aspects of this company and has served as the president for 24 years.
- Rivercut Golf Course Community, Springfield, Missouri. Mr. Mitchell became part owner in 1993 and was responsible for creating this international award-winning project. Rivercut is a 670-acre master plan development and is the largest project ever zoned in Springfield/Greene County. This project also was built with various forms of participation by the City of Springfield and Greene County.

C. Jim Klausman and Floyd Eaton's Experience. Mr. Klausman and Mr. Eaton have been involved in business of operating quality senior living facilities since 1977. Their company, Midwest Health, Inc. is one of the largest regional senior care companies in the Midwest, owning and managing 52 senior living centers located in Kansas, Nebraska, Oklahoma, Iowa and a proposed facility in Osage Beach, Missouri for which it has already obtained the required Certificate

of Need from the State of Missouri. An extension for the Certificate of Need will be necessary; however, the Developer believes the extension will be granted. Midwest owns and manages over 2,200 units of skilled nursing, assisted living and independent living, employing over 2,300 associates. For further information, their resumes can be found as Exhibit 13.

D. In addition to the experience of the Developer, an experienced team of consultants has been assembled to assist with this development. The development team is listed below.

1. HDR Archer Engineers
3741 NE Troon Drive
Lee's Summit, Missouri 64064
www.hdrinc.com
2. Brad Hoffman
Yung Design Group, Inc.
110 Adams
Suite 102
Branson, MO 65616
www.yungdesign.com
2. James Potter, AICP
Development Initiatives
140 Walnut Street, Suite 203
Kansas City, Missouri 64106
www.di-kc.com
3. Peter Elzi
THK Associates, Inc.
2953 South Peoria Street, Suite 101
Aurora, Colorado, 80014
www.thkassoc.com/
4. William B. Moore, Esq
Kellee Madinger, Financial Analyst
White Goss, a Professional Corporation
4510 Belleview, Suite 300
Kansas City, Missouri 64111
whitegoss.com

VII. PLAN IMPLEMENTATION

A. Site Preparation. To achieve the objectives of this Plan, the Developer has or will (1) design, construct and operate the Redevelopment Projects in accordance with the Preliminary Site Plan, and (2) design and construct or cause to be designed and constructed the Public Improvements.

B. General Land Use. The Redevelopment Area is currently appropriately zoned for the Redevelopment Projects.

C. Redevelopment Project I. Redevelopment Project I will be constructed within Redevelopment Project Area I and will be the initial Project undertaken by this Plan. Arrowhead Senior Community will be a full continuum of care community, providing independent senior living, assisted senior living, and skilled nursing care. The Certificate of Need has been obtained from the State of Missouri for the skilled nursing home; however, an extension will be necessary. The Developer believes the extension will be granted. Together the Assisted Living and Skilled Nursing will encompass over 120,000 sq. ft. The Assisted Living, 68,700 sq. ft. will be two level apartment building serviced by an elevator and its own living, dining, and activity areas. The Skilled Nursing center, 52,000 sq. ft., will feature both long term care accommodations as well as a post-acute “Rapid Recovery” unit. The focus of the Rapid Recovery unit is to offer intense physical, occupational, and speech therapies to successfully return residents back to their home following a hospitalization. One of the existing features of the skilled nursing center is that all resident rooms will be private. All resident rooms will enjoy flat screen TV’s, Internet access, and a wireless nurse call system, which greatly cuts down on annoying background sounds and adds to the home-like atmosphere.

In keeping with the history of lake architecture, Arrowhead will have a “lodge” like feeling, with abundant stone accents and large stone fireplaces located within the facilities. Arrowhead will be a destination senior community, attracting seniors from all over Missouri and surrounding states.

Assisted Living

Arrowhead Assisted Living will offer residents their own apartment, along with the personal care they need, 24/7. Assisted Living enables residents to receive the care they need, while maintaining an independent lifestyle

Midwest Health was one of the innovative companies that began developing assisted living in 1988. Today, Midwest is one of the largest assisted living providers in the Midwest region.

Skilled Nursing and “Rapid Recovery”

Arrowhead Skilled Nursing will offer long term care services, for those needing skilled nursing care on a 24 hour basis, as well as a Medicare certified “Rapid Recovery” unit for residents following a hospital stay that require therapy services to gain strength and enable a return to home.

The overall approach to Arrowhead Senior Community is to ensure residents are able to seamlessly move through the continuum of care, accessing only the care they need, enabling them to maintain their highest quality of daily living.

There is a significant need in the 15 mile radius for both assisted and skilled nursing units, with an identified need of 169 additional assisted living and 229 skilled nursing units by the Missouri Health Department. We expect this need will grow as more baby boomers move into retirement, and more of them choosing to live their retirement years at the lake.

D. Redevelopment Project II. Redevelopment Project II will be constructed within Redevelopment Project Area II and is anticipated to include approximately 231 units of independent living space for senior citizens consisting of approximately 103 units divided into one, two and three-plexes and a condominium consisting of approximately 128 units.

E. Redevelopment Project III. Redevelopment Project III will be constructed within Redevelopment Project Area III and is anticipated to include a 28,400 square foot family entertainment center, a 6,000 square foot restaurant, championship putting courses, driving range, chipping and putting green, batting cages and an outparcel for additional retail use.

F. Redevelopment Project IV. Redevelopment Project IV will be constructed within Redevelopment Project Area IV and is anticipated to include approximately 313,154 square feet for retail and office space, a 222 unit apartment building, three outparcels for additional retail or office use, two restaurants and a site for a pharmacy.

G. Redevelopment Project V. Redevelopment Project V will be constructed within Redevelopment Project Area V and is anticipated to include approximately two medical office buildings, a bank and three fast food sites.

H. Redevelopment Project VI. Redevelopment Project VI will be constructed within Redevelopment project Area VI and is anticipated to include an 8,000 square foot restaurant with a 28,500 square foot winery, an outparcel for additional retail/office use and approximately 16 nightly rental cottages.

I. Redevelopment Project VII. Redevelopment Project VII will be constructed within Redevelopment project Area VII and is anticipated to include a 4,500 square foot gas station with convenience store, a car wash, a fast food site, a 97,985 square foot big box retail site and a 90 room hotel.

J. Redevelopment Project VIII. Redevelopment Project VIII will be constructed within Redevelopment Project Area VIII and is anticipated to include two outparcels for retail/office use and approximately 106,910 square feet of storage buildings.

K. Project Approvals. As statutorily required by RSMo 99.820 (1), all eight (8) Redevelopment Project ordinances will be introduced to the Board of Aldermen within fourteen to ninety days after the completion of the public hearing. The City will not finally approve each Redevelopment Project and initiate tax increment financing in each Redevelopment Project Area until the Developer requests to proceed with the adoption of the Ordinance for the requested Redevelopment Project based upon current market conditions at the time the request is made and as per the City's policy, the project will have fifty percent (50%) of the retail commercial space with commitments by tenants by lease or other legally binding contracts or at the City's sole discretion a Redevelopment Project can be approved with a lower percentage of commitments.

L. Schedule of Development. It is anticipated that Redevelopment Project I will be the first project undertaken and will be commenced in 2015 and completed by 2016. Redevelopment Project III will begin shortly after Redevelopment Project I begins. Construction of other Redevelopment Projects will continue as market demand exists. Due to changes in the market and demand fluctuations, the Redevelopment Projects will not necessarily be commenced in order of their respective numbers. Commencement of all Redevelopment Projects is anticipated to occur by 2022 and completed by the required statutory deadline. The proposed schedules for the Redevelopment Projects are as follows:

Redevelopment Project 1: 2015

Redevelopment Project 2: 2016-2017

Redevelopment Project 3: 2015

Redevelopment Project 4: 2018-2020

Redevelopment Project 5: 2018-2020

Redevelopment Project 6: 2020-2022

Redevelopment Project 7: 2020-2022

Redevelopment Project 8: 2020-2022

M. Public Improvements. The Public Improvements will consist of site preparation including mass grading and cut and fill, utility construction and relocation, road construction, sewers, gutters, curbs, sidewalks, lighting, aesthetic improvements, landscaping, parking structures and lots, drainage systems and water detention facilities. The Public Improvements will be constructed as promptly as practicable and in connection with the phases of development and in connection with each Redevelopment Project. In connection with the design and construction of certain portions of the Public Improvements, it will be necessary to obtain the approval of MoDOT and to negotiate a cooperative agreement among the Developer, the City and MoDOT.

N. Relocation Assistance Plan. In the event that relocation for any businesses within the Redevelopment Area is required, the Developer will follow the provisions of Section 523.205 of the Revised Statutes of Missouri in accordance with the Relocation Assistance Plan included as Exhibit 11.

O. Payment of Surplus Payments in Lieu of Taxes. Annually, the Surplus Payments in Lieu of Taxes shall be calculated and paid to the Taxing Districts. The Surplus Payments in Lieu of Taxes will protect the Taxing Districts from any loss of revenue from the 222 unit residential apartment development within the Redevelopment Area and further enhance each Taxing District's ability to absorb any costs associated with this TIF Plan

The declaration of Surplus Payments in Lieu of Taxes may not be modified by any subsequent agreement, contract, indenture, or other document and any attempted modification

shall be void and have no effect on the amount of Surplus Payments in Lieu of Taxes distributed to the appropriate Taxing Districts. To provide for efficient distribution of the Surplus Payments in Lieu of Taxes, the County and the City may enter into the Cooperative Agreement, which shall provide for distribution of the Surplus Payments in Lieu of Taxes to the various Taxing Districts.

VIII. FINANCING PLAN

A. Projected Redevelopment Project Costs. The Redevelopment Project Costs for this Plan are estimated to be approximately \$385,731,340, as shown on Exhibit 4. These estimated Redevelopment Project Costs include Reimbursable Project Costs of approximately \$55,835,595, as shown on Exhibit 4, plus interest and Financing Costs.

B. Source of Funds. It is anticipated that the Developer will secure funding for all of the Redevelopment Project Costs that are not Reimbursable Project Costs. The City may issue Obligations, or proceed on a “pay as you go” basis for the reimbursement of the Reimbursable Project Costs. The decision to issue Obligations is at the City’s sole discretion. In the event that the City proceeds on a “pay as you go” basis, Developer will initially secure all funding for Reimbursable Project Costs. All Reimbursable Project Costs will ultimately be repaid solely by TIF Revenue and CID revenue.

In addition to the funds available from TIF Revenue, the CID will levy the CID Sales Tax on all retail sales within the CID boundaries. One-half of the revenue from the CID Sales Tax will be captured as Economic Activity Taxes and included in the TIF Revenue available to repay the Reimbursable Project Costs. Notwithstanding the foregoing sentence, revenue derived from the CID Sales Tax that is captured as Economic Activity Taxes will first be used to finance the Reimbursable Project Costs incurred by the CID.

In the event the City elects to issue Obligations, the City will pledge funds on deposit in the Special Allocation Fund remaining to the repayment of Debt Service on any Obligations.

C. Evidence of Commitment to Finance. The Developer has obtained evidence of commitment to finance from a private lender to finance the Redevelopment Project Costs that are not Reimbursable Project Costs in conjunction with approval of the Plan. The commitment is attached as Exhibit 8.

D. Certification of Reimbursable Project Costs. After the Developer or the CID incurs Reimbursable Project Costs, the Developer or the CID will present to the City for the City's review and approval a certificate from an architect, engineer or other appropriate party, certifying that Reimbursable Project Costs have been incurred by the Developer or the CID and a written request for reimbursement of the Reimbursable Project Costs certified. Such certified Reimbursable Project Costs shall begin to accrue interest from the dates established in the Redevelopment Agreement.

E. Reimbursement of Reimbursable Project Costs. The City shall reimburse the Developer or the CID for Reimbursable Project Costs, which are certified as provided above, with interest as provided above, from the Special Allocation Fund, as funds are available in the Special Allocation Fund, or from the proceeds of Obligations. It is anticipated that the CID may incur costs on behalf of the Developer which may be reimbursable.

F. Projected TIF Revenue and Other Incremental Revenue. From the Redevelopment Projects, the total projected Payments in Lieu of Taxes are \$30,105,651 and the total projected Economic Activity Taxes are \$60,656,691 and the total projected Surplus Payments in Lieu of Taxes from the Redevelopment Projects payable to the Taxing Districts are approximately \$37,476,247. The projections and the specific assumptions made to determine

such projections are set forth in Exhibit 5. This Plan and the exhibits incorporate data, analysis and projections from multiple consultants and persons working on behalf of the applicant. The data, analysis and projections have been integrated through this Plan to the best of the applicant's ability, and in the event of any minor discrepancies among this information the most conservative figures have been used for the projection of TIF revenues and other incremental revenues.

1. Payments in Lieu of Taxes. Calculation of anticipated Payments in Lieu of Taxes are based on current and projected future real property assessed valuations and the best available information concerning future property tax levy rates, both of which are subject to change due to statewide reassessment, the effects of real property classification, and any rollback in tax levies resulting from reassessment or reclassification.

a. Equalized Assessed Valuations. According to the records of the County Assessor, the Total Initial Equalized Assessed Value of the Redevelopment Area was approximately \$892,980 at the time of the Plan. The ad valorem tax levy rate in the Redevelopment Area at that time was \$3.935 per \$100 of assessed valuation for commercial property and \$3.905 per \$100 of assessed valuation for residential property. The replacement tax levy of \$0.0300 on commercial property and \$0.0300 for the blind pension funding are not subject to tax increment financing. The eligible ad valorem tax levy rate in the Redevelopment Area at the time of the Plan is \$3.875 per \$100 of assessed valuation.

b. Anticipated Assessed Valuation. Upon completion of the Redevelopment Projects, the assessed value of the Redevelopment Project Areas is anticipated to be approximately \$93,177,521. When development of the Redevelopment Projects is complete, and this Plan is terminated, the Redevelopment Area should annually yield an estimated \$3,565,891 in additional ad valorem real property taxes on commercial and residential real property at 2015 levy rates. The projected increase in ad valorem taxes is shown on Exhibit 5.

2. Economic Activity Taxes. Economic Activity Taxes to be generated in the Redevelopment Area consist of sales taxes and utility taxes. Utility tax revenue is not expected to be significant and no projection of utility taxes has been made.

a. Anticipated Sales Taxes. Upon completion of the Plan, it is projected that: (i) total annual sales subject to local sales tax in the Redevelopment Area will be approximately \$207,075,770; and (ii) sales in the Redevelopment Area will yield an estimated \$6,729,963 in annual sales tax revenue at the current local sales tax rate. The projected increase in annual sales taxes by year through the 23rd year of operation of each Redevelopment Project is shown on Exhibit 5.

G. Special Allocation Fund. The City Treasurer will establish and maintain the Special Allocation Fund, which contains two separate segregated accounts including:

i) a PILOT Account consisting of 50% of the Payments in Lieu of Taxes attributable to commercial property located within the Redevelopment Area; and

ii) an Economic Activity Account consisting of Economic Activity Taxes attributable to the Redevelopment Area. Revenue so deposited and any interest earned on such deposits will be used for and is pledged for the payment of Reimbursable Project Costs.

The following shall be declared as surplus and distributed to the Taxing Districts pursuant to the Cooperative Agreement:

a) 50% of the Payments in Lieu of Taxes attributable to commercial property located within the Redevelopment Area; and

b) 100% of the Payments in Lieu of Taxes attributable to residential property located within the Redevelopment Area .

Any account created by the County to hold and disburse the Surplus Payments in Lieu of Taxes shall be deemed a subaccount of the City's Special Allocation Fund.

IX. DISBURSEMENTS FROM SPECIAL ALLOCATION FUND

All disbursements from the Special Allocation Fund will be made by the City Treasurer out of the PILOT and Economic Activity Accounts maintained within the Special Allocation Fund in proportion to their respective balances at the time of making a disbursement as set forth in this Plan. Disbursements shall be made by the City Treasurer upon written direction of the Board of Aldermen, in this order of preference:

First,

To pay the Surplus Payments in Lieu of Taxes to Taxing Districts;

Second,

To pay Obligations, if issued by the City, to finance Reimbursable Project Costs;

Third,

To reimburse Developer for Reimbursable Project Costs that Developer incurs;

Fourth,

Following the completion of the Redevelopment Projects, the payment of all Reimbursable Project Costs incurred or expected to be incurred, and the payment of all Obligations, if any, funds remaining in the Special Allocation Fund shall be disbursed to the appropriate Taxing Districts in accordance with the Act.

The above order of preference sets forth general priorities but is subject to negotiation and revision in the Redevelopment Agreement.

X. PROCEDURES FOR PAYMENTS TO THE SPECIAL ALLOCATION FUND

A. Payments in Lieu of Taxes. Following the designation of each Redevelopment Project Area, for as long as each such Redevelopment Project Area is subject to tax increment financing, the County Assessor shall determine the assessed value of each such Redevelopment Project Area without regard to tax increment financing. The County Collector shall collect sums due from real property within each such Redevelopment Project Area in accordance with the current equalized assessed valuation and tax levies in effect for each year. The amount collected which represents Payments in Lieu of Taxes shall be paid by the County Collector within 30 days after collection to the City Treasurer who shall immediately deposit the amount paid into the PILOT Account within the Special Allocation Fund, to be utilized and expended in accordance with the Act, this Plan and the Redevelopment Agreement, except that the Surplus Payments in Lieu of Taxes shall be disbursed as provided in Section VII.O. of this Plan.

B. Economic Activity Taxes. Following the designation of each Redevelopment Project Area, for as long as each such Redevelopment Project Area is subject to tax increment financing, Economic Activity Taxes shall be determined and deposited into the Economic Activity Account within the Special Allocation Fund in accordance with the following procedures:

1. Documentation of Economic Activity Taxes by Taxpayers. The Developer will include in all leases, deeds and other instruments of conveyance provisions intended to ensure that no later than 30 days following payment of any Economic Activity Tax, each transferee of land within the Redevelopment Area, or its agent or representative, shall present to the City Treasurer documentation of the type and amount of the Economic Activity Taxes paid by it. The documentation presented must clearly establish the type and amount of taxes paid and transactions which occurred which generated Economic Activity Taxes and may include actual tax returns, original sales records or similar specific business records of the taxpayer, its tenants and successors in interest. Each such person or entity generating sales taxes within the Redevelopment Area shall also be required to provide an authorization allowing the Missouri Department of Revenue to release to the City the aggregate sales tax figures for all of such persons' or entities' businesses within the Redevelopment Area. The reference to "taxpayer" in this paragraph includes property owners and tenants in the Redevelopment Area.

2. Presentation to Taxing Districts. The City Treasurer shall deliver a certification of Economic Activity Taxes captured under the Plan and Redevelopment Agreement to each Taxing District. Each Taxing District shall within 30 days of receiving such Economic Activity Taxes pay the appropriate sum to the City Treasurer.

3. Deposit of Funds. The City Treasurer shall deposit the payments of Economic Activity Taxes received from the respective Taxing Districts into the Economic Activity Account in the Special Allocation Fund, to be utilized and expended in accordance with the Act and this Plan.

XI. MARKET COST-BENEFIT ANALYSIS

The amount of all revenue estimated to be received by the Taxing Districts directly from the Redevelopment Area during the anticipated life of this Plan is shown on the Direct Tax Impact analysis attached as Exhibit 7. A Cost-Benefit Analysis showing the economic impact of this Plan on each Taxing District is attached as Exhibit 9. A Mixed-Use Market and Fiscal Impact Analysis is attached as Exhibit 12. The Cost-Benefit Analysis shows the impact on the economy if the Redevelopment Projects are completed and if such improvements are not built pursuant to this Plan. The Cost-Benefit Analysis, together with the Direct Tax Impact Analysis and the Mixed-Use Market and Fiscal Impact Analysis, illustrates the fiscal impact on every Taxing District. The Cost-Benefit Analysis and the Mixed-Use Market and Fiscal Impact Analysis provide base line information to evaluate and support the financial feasibility of the Redevelopment Projects as proposed.

XII. PROVISIONS FOR AMENDING THE TAX INCREMENT FINANCING PLAN

This Plan may be amended only pursuant to the provisions of the Act. The procedures applicable to approval of the Plan will be applicable to an amendment if such amendment would enlarge the exterior boundaries of the Redevelopment Area, substantially affect the general land uses established in this Plan or substantially change the nature of the Redevelopment Projects. An increase in either the total Redevelopment Project Costs or the total Reimbursable Project Costs by more than 5% is a substantial change to the nature of the Redevelopment Projects. Other changes may be deemed a substantial change to the nature of the Redevelopment Projects based on the relevant facts and circumstances.

XIII. TERMINATION OF TAX INCREMENT FINANCING

Tax increment financing for each of the Redevelopment Project Areas shall remain in effect until the Redevelopment Projects have been constructed, all Obligations repaid, and all Reimbursable Project Costs incurred or to be incurred by the Developer and the City have been reimbursed. Tax increment financing shall be terminated at the appropriate time for each Redevelopment Project Area by the adoption of an Ordinance of the Board of Aldermen, pursuant to the terms in the Redevelopment Agreement.

XIV. REQUIRED STATUTORY FINDINGS

With the approval of this Plan, the TIF Commission and the Board of Aldermen have, as required by the Act, made the findings set forth below, based upon the record of the public hearing on the Plan, including but not limited to the Blight Study attached as Exhibit 3 and the affidavit of the Developer attached as Exhibit 10.

A. Blighted Area. The Redevelopment Area on the whole is a Blighted Area in accordance with Section 99.805(1) of the Revised Statutes of Missouri.

B. Expectations for Development. The Redevelopment Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing due to the substantial cost to ameliorate the blighted conditions of the Redevelopment Area.

C. Conforms to Comprehensive Plan of City. The City's comprehensive plan indicates that the Redevelopment Area is slated for commercial development. This Plan will produce substantial commercial development within the Redevelopment Area and is consequently in conformance with the City's comprehensive plan.

D. Date to Adopt Redevelopment Projects. The Ordinance approving any of the Redevelopment Projects will not be adopted later than ten years from the adoption of this Plan.

E. Date to Complete Redevelopment. The estimated dates to complete any Redevelopment Project have been stated in Section VII.L. and such dates are not more than 23 years from the adoption of any Ordinance approving such Redevelopment Project.

F. Date to Retire Obligations. In the event Obligations are issued to finance Redevelopment Project Costs, it is anticipated that such Obligations will be retired in less than 23 years from the adoption of the Ordinance approving the Redevelopment Project.

G. Acquisition by Eminent Domain. Nothing in this plan requires any property not owned by the Developer.

H. Relocation Assistance. A relocation plan meeting the requirements of Section 523.205 of the Revised Statutes of Missouri has been adopted, and is attached to this Plan as Exhibit 11.

I. Cost-Benefit Analysis. The Cost-Benefit Analysis attached as Exhibit 9 and the Mixed-Use Market and Fiscal Impact Analysis attached as Exhibit 12, together with the Direct Tax Impact Analysis attached as Exhibit 7, show the economic impact of this Plan on each Taxing District. The analyses show the impact on the economy if the Redevelopment Projects are built and if the Redevelopment Projects are not built pursuant to this Plan. The analyses include a fiscal impact study on every Taxing District, and sufficient information to evaluate whether the Redevelopment Projects as proposed are financially feasible.

J. Gambling Establishment. This Plan does not include the initial development or redevelopment of any gambling establishment as defined in the Act.

K. Reporting Requirements. Pursuant to Section 99.810(2) of the Revised Statutes of Missouri, the Commission or the City shall report to the Director of the Department of Economic Development for the State of Missouri by the last day of February of each year the name, address, phone number and primary line of business of any business that relocates to the Redevelopment Area. Pursuant to the Act, the Director for the Department of Economic Development is required to compile and report the same to the governor, the speaker of the house and the president pro tempore of the Senate on the last day of April of each year.

L. Redevelopment Project Area. The Redevelopment Project Areas selected for the Redevelopment Projects include only those parcels of real property and improvements directly and substantially benefited by the proposed Redevelopment Projects.

XV. REPORTING ECONOMIC ACTIVITY TAXES

Any person or entity which generates Economic Activity Taxes within the Redevelopment Area will be obligated to submit to the City, no less frequently than quarterly and no more frequently than monthly, evidence of payment of Economic Activity Taxes. Each such person or entity which generates sales taxes within the Redevelopment Area shall also provide an authorization allowing the Missouri Department of Revenue to release to the City the aggregate sales tax figures for all of such persons' or entities' businesses within the Redevelopment Area.

XVI. ACCOUNTABILITY

Pursuant to the City's TIF Policy the following standards shall apply:

A. Revenues: This Plan is "pay as you go" and if the actual TIF Revenues generated are significantly less than the projected TIF Revenue, the Reimbursable Project Costs may not be fully reimbursed to the Developer.

B. Jobs: While the Plan is not based upon job creation, a significant number of professional and retail jobs, both permanent, full-time and part-time, and construction jobs are anticipated to be created.

C. Relocation of Businesses: If any retail establishment relocates within one year after the adoption of the Plan from a facility in the County or the City to a facility in a Redevelopment Project Area and the Board of Aldermen adopts an Ordinance finding that such retail establishment is a direct beneficiary of tax increment financing pursuant to this Plan, then for purposes of this definition, the Economic Activity Taxes generated by such retail establishment shall equal the total additional revenue from Economic Activity Taxes which are imposed by the City or other Taxing Districts over the amount of Economic Activity Taxes generated by such retail establishment in the calendar year prior to its relocation to a Redevelopment Project Area.

XVII. COMMUNITY IMPROVEMENT DISTRICT

It is the intent of this Plan, unless otherwise agreed to by the City and Developer that the Developer will pursue creation of a CID whose boundaries will include the Redevelopment Area, and which CID will authorize the imposition of a CID Sales Tax of up to one percent (1%) on retail sales occurring within the CID boundaries, thereby generating CID Revenue.

CID Revenue over the anticipated thirty (30) year duration of the CID are projected to be approximately \$15,023,329 as shown in Exhibit 5, and proposed under this Plan to be made

available upon annual appropriation for funding or reimbursement of Reimbursable Project Costs or the retirement of Obligations issued to fund Reimbursable Project Costs. The Developer will not request the CID to issue debt.

The City will not approve or support the use of the CID Revenue for any purpose other than the funding or reimbursement of CID costs and expenses or Reimbursable Project Costs as set forth in this Plan without the agreement of the Developer, subject to the terms of the Redevelopment Agreement.

The use of any other economic development tool other than tax increment financing and CID is subject to City and/or State approval.

EXHIBIT 1

Legal Description of the Redevelopment Area

{50009 / 66714; 621712. }

**ARROWHEAD CENTRE
TIF BOUNDARY**

All of Tracts A, B, C and D and Lots 13 and 14 of DOGWOOD ESTATES NO. 1, as per the recorded plat thereof, official records of Camden County, Missouri, and a portion of the South Half of Section 9 and a portion of the North Half of Section 16, both in Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Beginning at an iron bar marking the Southeast corner of the Northwest Quarter of said Section 16; thence South 89°53'12" West along the south line thereof a distance of 312.43 feet; thence North 25°51'31" West a distance of 743.08 feet; thence South 61°24'29" West a distance of 167.99 feet to the easterly right-of-way line of Missouri State Highway "KK"; thence North 28°22'48" West along said right-of-way line a distance of 302.24 feet; thence South 63°19'49" West a distance of 229.94 feet; thence South 2°17'49" West a distance of 318.96 feet to a point on the northerly right-of-way line of a county road, said point being on a segment of a non-tangent curve from which the radius point bears North 10°21'13" East a radial distance of 218.84 feet; thence Westerly along said northerly right-of-way line the following five (5) courses: (1) Northwesterly along said curve a distance of 50.53 feet, a chord bearing of North 73°01'54" West and a chord distance of 50.42 feet; thence (2) North 66°25'11" West a distance of 64.99 feet to the beginning of a curve concave to the south having a radius of 378.25 feet; thence (3) Westerly along said curve a distance of 125.43 feet, a chord bearing of North 75°55'11" West and a chord distance of 124.86 feet; thence (4) North 85°25'11" West a distance of 88.40 feet to the beginning of a curve concave to the south having a radius of 183.78 feet; thence (5) Westerly along said curve a distance of 53.86 feet, a chord bearing of South 86°11'02" West and a chord distance of 53.67 feet; thence South 0°11'49" West a distance of 508.34 feet; thence South 89°51'49" West a distance of 1,081.10 feet; thence North 1°00'59" East a distance of 659.99 feet; thence North 0°59'53" East along the west line of Section 16 a distance of 1,334.32 feet to the south right-of-way line of a county road; thence South 79°20'00" East along said south right-of-way line a distance of 206.59 feet; thence North 87°30'00" East along said south right-of-way line a distance of 676.68 feet to a point on the easterly right-of-way line of Missouri State Highway "KK", said point being on a segment of a non-tangent curve from which the radius point bears South 40°59'51" West a radial distance of 555.87 feet; thence Northwesterly along said right-of-way line and curve a distance of 67.12 feet, a chord bearing of North 52°27'41" West and a chord distance of 67.08 feet; thence North 55°55'14" West along said right-of-way line a distance of 116.60 feet to the easterly right-of-way line of Three Seasons Road; thence Northerly along said right-of-way line the following six (6) courses: (1) North 23°23'53" East a distance of 147.30 feet; thence (2) North 42°50'53" East a distance of 432.78 feet; thence (3) North 42°59'53" East a distance of 261.45 feet to the beginning of a curve concave to the northwest having a radius of 843.51 feet; thence (4) Northeasterly along said curve a distance of 255.22 feet, a chord bearing of North 34°19'52" East and a chord distance of 254.25 feet; thence (5) North 25°39'53" East a distance of 203.33 feet to the beginning of a curve concave to the

3-11-2015

west having a radius of 406.97 feet; thence (6) Northerly along said curve a distance of 168.74 feet, a chord bearing of North 13°47'14" East and a chord distance of 167.54 feet; thence South 89°50'29" East a distance of 1,105.41 feet; thence North 33°27'08" East a distance of 895.29 feet; thence South 89°43'34" East a distance of 1,154.10 feet; thence North 38°50'45" East a distance of 405.13 feet to the centerline of a county road; thence Southeasterly along said centerline the following five (5) courses: (1) South 61°06'59" East a distance of 73.10 feet; thence (2) South 67°36'59" East a distance of 120.00 feet; thence (3) South 81°32'59" East a distance of 189.40 feet; thence (4) South 72°32'59" East a distance of 203.60 feet; thence (5) South 49°32'56" East a distance of 174.30 feet; thence leaving said centerline, South 26°55'20" West a distance of 172.65 feet; thence North 85°31'47" West a distance of 321.53 feet; thence South 46°06'28" West a distance of 182.91 feet; thence South 52°44'08" West a distance of 899.58 feet; thence South 49°39'29" West a distance of 265.71 feet; thence South 35°04'55" West a distance of 242.56 feet; thence South 4°07'49" East a distance of 249.75 feet; thence South 14°34'00" West a distance of 417.62 feet; thence South 67°46'00" East a distance of 182.74 feet to a point on the westerly right-of-way line of U.S. Highway 54, said point being on a segment of a non-tangent curve from which the radius point bears South 39°40'34" East a radial distance of 457.46 feet; thence Southwesterly along said right-of-way line the following seven (7) courses: (1) Southwesterly along said curve a distance of 124.21 feet, a chord bearing of South 42°32'45" West and a chord distance of 123.82 feet; thence (2) South 34°46'03" West a distance of 136.08 feet; thence (3) South 54°34'25" East a distance of 131.76 feet; thence (4) South 31°27'36" East a distance of 31.53 feet; thence (5) South 33°35'48" West a distance of 188.05 feet; thence (6) South 4°02'35" West a distance of 251.02 feet; thence (7) South 29°35'47" West a distance of 155.57 feet; thence leaving said right-of-way line, North 89°56'39" West a distance of 891.93 feet; thence South 1°02'25" West a distance of 449.65 feet; thence South 0°13'48" West a distance of 425.84 feet; thence South 1°53'58" West a distance of 441.18 feet; thence South 89°53'12" West a distance of 4.86 feet to the POINT OF BEGINNING.

The above described parcel contains 226.31 acres and is subject to any easements or restrictions of record.

3-11-2015

**ARROWHEAD CENTRE
DISTRICT 1 BOUNDARY**

A portion of the Northwest Quarter of Section 16, Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Commencing at an iron bar marking the Southeast corner of the Northwest Quarter of said Section 16; thence South 89°53'12" West along the south line thereof a distance of 1,145.79 feet; thence North 00°01'20" West a distance of 433.93 feet to the Point of Beginning, said point being on the proposed Arrowhead Centre TIF Boundary and the northerly right-of-way line of a county road and on a segment of a non-tangent curve from which the radius point bears North 10°21'13" East a radial distance of 218.84 feet; thence Northwesterly and Southerly along said TIF Boundary and right-of-way line the following five (5) courses: (1) Northwesterly along said curve a distance of 50.53 feet, a chord bearing of North 73°01'54" West and a chord distance of 50.42 feet; thence (2) North 66°25'11" West a distance of 64.99 feet to the beginning of a curve concave to the south having a radius of 378.25 feet; thence (3) Westerly along said curve a distance of 125.43 feet, a chord bearing of North 75°55'11" West and a chord distance of 124.86 feet; thence (4) North 85°25'11" West a distance of 88.40 feet to the beginning of a curve concave to the south having a radius of 183.78 feet; thence (5) Westerly along said curve a distance of 53.86 feet, a chord bearing of South 86°11'02" West and a chord distance of 53.67 feet; thence leaving said right-of-way line, South 0°11'49" West a distance of 59.03 feet to a point on the centerline of said county road, said point being on a segment of a non-tangent curve from which the radius point bears South 13°45'49" East a radial distance of 400.00 feet; thence leaving said TIF Boundary, Southwesterly along said county road centerline the following three (3) courses: (1) Westerly along said curve a distance of 131.43 feet, a chord bearing of South 66°49'24" West and a chord distance of 130.84 feet; thence (2) South 57°24'37" West a distance of 68.09 feet to the beginning of a curve concave to the north having a radius of 440.00 feet; thence (3) Westerly along said curve a distance of 363.82 feet, a chord bearing of South 81°05'54" West and a chord distance of 353.54 feet to the centerline of a proposed road; thence Northerly along said proposed road centerline the following five (5) courses: (1) North 14°45'42" East a distance of 69.66 feet to the beginning of a curve concave to the west having a radius of 300.00 feet; thence (2) Northerly along said curve a distance of 124.59 feet, a chord bearing of North 2°51'51" East a chord distance of 123.70 feet; thence (3) North 9°02'00" West a distance of 148.12 feet to the beginning of a curve concave to the southeast having a radius of 350.00 feet; thence (4) Northeasterly along said curve a distance of 381.53 feet, a chord bearing of North 22°11'44" East and a chord distance of 362.92 feet; thence (5) North 53°25'28" East a distance of 717.43 feet to the baseline of Missouri State Highway "KK"; thence along said baseline the following three (3) courses: (1) South 33°46'22" East a distance of 387.99 feet to the beginning of a curve concave to the southwest having a radius of 2,500.00 feet; thence (2) Southeasterly along said curve a distance of 248.00 feet, a chord bearing of South 30°55'51" East and a chord distance of 247.90 feet; thence (3) South 28°05'20" East a distance of 41.04 feet to a point on the TIF Boundary; thence South 63°19'49" West along said TIF Boundary a distance of 185.61 feet; thence South 2°17'49" West along said TIF Boundary a distance of 318.96 feet to

3-11-2015

the POINT OF BEGINNING.

The above described parcel contains 16.43 acres and is subject to any easements or restrictions of record.

3-11-2015

{50009 / 66714; 621712. }

**ARROWHEAD CENTRE
DISTRICT 2 BOUNDARY**

A portion of the Northwest Quarter of Section 16, Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Commencing at an iron bar marking the Southeast corner of the Northwest Quarter of said Section 16; thence South 89°53'12" West along the south line thereof a distance of 1,145.79 feet; thence North 00°01'20" West a distance of 433.93 feet to the Point of Beginning, said point being on the proposed Arrowhead Centre TIF Boundary and the northerly right-of-way line of a county road and on a segment of a non-tangent curve from which the radius point bears North 10°21'13" East a radial distance of 218.84 feet; thence Northwesterly and Southerly along said TIF Boundary and right-of-way line the following five (5) courses: (1) Northwesterly along said curve a distance of 50.53 feet, a chord bearing of North 73°01'54" West and a chord distance of 50.42 feet; thence (2) North 66°25'11" West a distance of 64.99 feet to the beginning of a curve concave to the south having a radius of 378.25 feet; thence (3) Westerly along said curve a distance of 125.43 feet, a chord bearing of North 75°55'11" West and a chord distance of 124.86 feet; thence (4) North 85°25'11" West a distance of 88.40 feet to the beginning of a curve concave to the south having a radius of 183.78 feet; thence (5) Westerly along said curve a distance of 53.86 feet, a chord bearing of South 86°11'02" West and a chord distance of 53.67 feet; thence leaving said right-of-way line, South 0°11'49" West a distance of 59.03 feet to the Point of Beginning, said point being on said TIF Boundary; thence Southerly, Westerly, Northerly and Easterly along said TIF Boundary the following six (6) courses: (1) South 0°11'49" West a distance of 449.31 feet; thence (2) South 89°51'49" West a distance of 1,081.10 feet to the west line of Section 16; thence (3) North 1°00'59" East along said west line a distance of 659.59 feet; thence (4) North 0°59'53" East along the west line of Section 16 a distance of 1,334.32 feet to the south right-of-way line of a county road; thence (5) South 79°20'00" East along said south right-of-way line a distance of 206.59 feet; thence (6) North 87°30'00" East along said south right-of-way line a distance of 676.68 feet to a point on the easterly right-of-way line of Missouri State Highway "KK"; thence leaving said TIF Boundary, South 14°53'27" East along said right-of-way line a distance of 155.99 feet; thence South 34°02'57" East a distance of 529.69 feet to the centerline of a proposed road; thence Southwesterly along said proposed road centerline the following five (5) courses: (1) South 53°25'28" West a distance of 693.83 feet to the beginning of a curve concave to the southeast having a radius of 350.00 feet; thence (2) Southerly along said curve a distance of 381.53 feet, a chord bearing of South 22°11'44" West and a chord distance of 362.92 feet; thence (3) South 9°02'00" East a distance of 148.12 feet to the beginning of a curve concave to the northwest having a radius of 300.00 feet; thence (4) Southerly along said curve a distance of 124.59 feet, a chord bearing of South 2°51'51" West and a chord distance of 123.70 feet; thence (5) South 14°45'42" West a distance of 69.66 feet to a point on the centerline of a county road, said point being on a segment of a non-tangent curve from which the radius point bears North 14°47'11" East a radial distance of 440.00 feet; thence Easterly along said centerline the following three (3) courses: (1) Easterly along said curve a

3-11-2015

distance of 363.82 feet, a chord bearing of North $81^{\circ}05'54''$ East and a chord distance of 353.54 feet; thence (2) North $57^{\circ}24'37''$ East a distance of 68.09 feet to the beginning of a curve concave to the southeast having a radius of 400.00 feet; thence (3) Northeasterly along said curve a distance of 131.43 feet, a chord bearing of North $66^{\circ}49'24''$ East and a chord distance of 130.84 feet to the POINT OF BEGINNING.

The above described parcel contains 39.54 acres and is subject to any easements or restrictions of record.

3-11-2015

{50009 / 66714; 621712. }

**ARROWHEAD CENTRE
DISTRICT 3 BOUNDARY**

A portion of the North Half of Section 16, Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Beginning at an iron bar marking the Southeast corner of the Northwest Quarter of said Section 16, said point being on the Arrowhead Centre TIF Boundary; thence Westerly and Northwesterly along said TIF Boundary the following five (5) courses: (1) South 89°53'12" West along the south line of the Northwest Quarter of said Section 16 a distance of 312.43 feet; thence (2) North 25°51'31" West a distance of 743.08 feet; thence (3) South 61°24'29" West a distance of 167.99 feet to the easterly right-of-way line of Missouri State Highway "KK"; thence (4) North 28°22'48" West along said right-of-way line a distance of 302.24 feet; thence (5) South 63°19'49" West a distance of 44.33 feet to the baseline of said Highway; thence leaving said TIF Boundary, Northwesterly along said Highway baseline the following three (3) courses: (1) North 28°05'20" West a distance of 41.04 feet to the beginning of a curve concave to the southwest having a radius of 2,500.00 feet; thence (2) Northwesterly along said curve a distance of 248.00 feet, a chord bearing of North 30°55'51" West and a chord distance of 247.90 feet; thence (3) North 33°46'22" West a distance of 387.99 feet to the centerline of a proposed road; thence North 53°25'28" East along said proposed road centerline a distance of 141.63 feet to the beginning of a curve concave to the northwest having a radius of 300.00 feet; thence Northeasterly along said curve and proposed road centerline a distance of 101.17 feet, a chord bearing of North 43°45'47" East and a chord distance of 100.70 feet to the centerline of a second proposed road; thence Southeasterly and Easterly along said centerline of the second proposed road the following nine (9) courses: (1) South 55°53'54" East a distance of 35.84 feet to the beginning of a curve concave to the southwest having a radius of 300.00 feet; thence (2) Southeasterly along said curve a distance of 114.39 feet, a chord bearing of South 44°58'30" East and a chord distance of 113.70 feet; thence (3) South 34°03'06" East a distance of 62.39 feet to the beginning of a curve concave to the northeast having a radius of 250.00 feet; thence (4) Southeasterly along said curve a distance of 260.75 feet, a chord bearing of South 63°55'53" East a chord distance of 249.09 feet; thence (5) North 86°11'21" East a distance of 105.39 feet; thence (6) North 86°45'50" East a distance of 16.05 feet; thence (7) North 87°20'19" East a distance of 241.01 feet to the beginning of a curve concave to the south having a radius of 800.00 feet; thence (8) Easterly along said curve a distance of 40.33 feet, a chord bearing of North 88°46'58" East and a chord distance of 40.33 feet; thence (9) South 89°46'22" East a distance of 400.24 feet; thence leaving said centerline, South 60°58'19" East a distance of 5.14 feet to point being on said TIF Boundary; thence South 1°02'25" West along said TIF Boundary a distance of 449.65 feet; thence South 0°13'48" West along said TIF Boundary a distance of 425.84 feet; thence South 1°53'58" West along said TIF Boundary a distance of 441.18 feet; thence South 89°53'12" West a distance of 4.86 feet to the POINT OF BEGINNING.

The above described parcel contains 24.95 acres and is subject to any easements or restrictions of record.

3-11-2015

**ARROWHEAD CENTRE
DISTRICT 4 BOUNDARY**

A portion of the North Half of Section 16, Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Commencing at an iron bar marking the Southwest corner of the Northeast Quarter of said Section 16; thence North 89°53'12" East along the south line thereof a distance of 921.80 feet; thence North 00°01'20" West a distance of 1,313.68 feet to the Point of Beginning, said point being on the Arrowhead Centre TIF Boundary; thence North 89°56'39" West along said TIF Boundary a distance of 891.93 feet; thence leaving said TIF Boundary, North 60°58'19" West a distance of 5.14 feet to the centerline of a proposed road; thence Westerly along said proposed road centerline the following nine (9) courses: (1) North 89°46'22" West a distance of 400.24 feet to the beginning of a curve concave to the south having a radius of 800.00 feet; thence (2) Westerly along said curve a distance of 40.33 feet, a chord bearing of South 88°46'58" West and a chord distance of 40.33 feet; thence (3) South 87°20'19" West a distance of 241.01 feet; thence (4) South 86°45'50" West a distance of 16.05 feet; thence (5) South 86°11'21" West a distance of 105.39 feet to the beginning of a curve concave to the northeast having a radius of 250.00 feet; thence (6) Northwesterly along said curve a distance of 260.75 feet, a chord bearing of North 63°55'53" West and a chord distance of 249.09 feet; thence (7) North 34°03'06" West a distance of 62.39 feet to the beginning of a curve concave to the southwest having a radius of 300.00 feet; thence (8) Northwesterly along said curve a distance of 114.39 feet, a chord bearing of North 44°58'30" West and a chord distance of 113.70 feet; thence (9) North 55°53'54" West a distance of 35.84 feet to a point on the centerline of a second proposed road, said point being on a non-tangent curve from which the radius point bears North 55°53'54" West a radial distance of 300.00 feet; thence Northerly along said curve and said centerline a distance of 268.07 feet, a chord bearing of North 8°30'11" East and a chord distance of 259.24 feet; thence North 17°05'44" West along said centerline a distance of 219.01 feet to the centerline of a proposed road; thence Northeasterly along said centerline the following seven (7) courses: (1) North 72°54'16" East a distance of 436.79 feet to the beginning of a curve concave to the northwest having a radius of 700.00 feet; thence (2) Northeasterly along said curve a distance of 291.36 feet, a chord bearing of North 60°58'49" East and a chord distance of 289.26 feet; thence (3) North 49°03'23" East a distance of 196.89 feet to the beginning of a curve concave to the south having a radius of 700.00 feet; thence (4) Easterly along said curve a distance of 961.27 feet, a chord bearing of North 88°23'49" East and a chord distance of 887.50 feet; thence (5) South 52°15'45" East a distance of 445.62 feet to the beginning of a curve concave to the northeast having a radius of 500.00 feet; thence (6) Southeasterly along said curve a distance of 188.83, a chord bearing of South 63°04'55" East and a chord distance of 187.71 feet; thence (7) South 73°54'05" East a distance of 29.51 feet to a point on the westerly right-of-way line of U.S. Highway 54 and the TIF Boundary, said point being on a segment of a non-tangent curve from which the radius point bears South 53°25'38" East a radial distance of 457.46 feet; thence Southerly along said right-of-way line and said TIF Boundary the following seven (7) courses: (1) Southwesterly along said curve a distance of 14.41 feet, a chord bearing of South 35°40'12" West and a chord

3-11-2015

distance of 14.41 feet; thence (2) South 34°46'03" West a distance of 136.08 feet; thence (3) South 54°34'25" East a distance of 131.76 feet; thence (4) South 31°27'36" East a distance of 31.53 feet; thence (5) South 33°35'48" West a distance of 188.05 feet; thence (6) South 4°02'35" West a distance of 251.02 feet; thence (7) South 29°35'47" West a distance of 155.57 feet to the POINT OF BEGINNING.

The above described parcel contains 50.60 acres and is subject to any easements or restrictions of record.

3-11-2015

{50009 / 66714; 621712. }

**ARROWHEAD CENTRE
DISTRICT 5 BOUNDARY**

A portion of the Northwest Quarter of Section 16 and the Southwest Quarter of Section 9, both in Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Commencing at an iron bar marking the Southeast corner of the Northwest Quarter of said Section 16; thence South 89°53'12" West along the south line thereof a distance of 1,348.15 feet; thence North 00°01'20" West a distance of 1,393.65 feet to the Point of Beginning; thence North 34°02'57" West a distance of 529.69 feet; thence North 14°53'27" West a distance of 155.99 feet to a point on the easterly right-of-way line of Missouri State Highway "KK" and the Arrowhead Centre TIF Boundary, said point being on a segment of a non-tangent curve from which the radius point bears South 40°59'51" West a radial distance of 555.87 feet; thence Northwesterly, along said right-of-way line and TIF Boundary, along a curve a distance of 67.12 feet, a chord bearing of North 52°27'41" West, and a chord distance of 67.08 feet; thence North 55°55'14" West along said right-of-way line and TIF Boundary a distance of 116.60 feet to the easterly right-of-way line of Three Seasons Road; thence Northerly along said right-of-way line of Three Seasons Road and the TIF Boundary the following four (4) courses: (1) North 23°23'53" East a distance of 147.30 feet; thence (2) North 42°50'53" East a distance of 432.78 feet; thence (3) North 42°59'53" East a distance of 261.45 feet to the beginning of a curve concave to the northwest having a radius of 843.51 feet; thence (4) Northeasterly along said curve a distance of 40.02 feet, a chord bearing of North 41°38'23" East and a chord distance of 40.02 feet; thence leaving said TIF Boundary and right-of-way line, South 58°15'42" East a distance of 30.19 feet to the centerline of a proposed road; thence Southerly along said centerline the following five (5) courses: (1) South 25°17'37" West a distance of 44.91 feet to the beginning of a curve concave to the east having a radius of 400.00 feet; thence (2) Southerly along said curve a distance of 295.93 feet, a chord bearing of South 4°05'56" West and a chord distance of 289.23 feet; thence (3) South 17°05'44" East a distance of 624.49 feet to the beginning of a curve concave to the west having a radius of 300.00 feet; thence (4) Southerly along said curve a distance of 369.24 feet, a chord bearing of South 18°09'52" West and a chord distance of 346.37 feet; thence (5) South 53°25'28" West a distance of 165.23 feet to the POINT OF BEGINNING.

The above described parcel contains 11.54 acres and is subject to any easements or restrictions of record.

3-11-2015

**ARROWHEAD CENTRE
DISTRICT 6 BOUNDARY**

A portion of the North Half of Section 16 and the South Half of Section 9, both in Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows

Commencing at an iron bar marking the Southwest corner of the Northeast Quarter of said Section 16; thence North 89°53'12" East along the south line thereof a distance of 291.46 feet; thence North 00°01'20" West a distance of 2,571.43 feet to the Point of Beginning, said point on a segment of a non-tangent curve from which the radius point bears South 15°19'19" West a radial distance of 700.00 feet and being at the intersection of the centerlines of two proposed roads; thence Westerly along said centerline the following four (4) courses: (1) Westerly along said curve a distance of 687.41 feet, a chord bearing of South 77°11'21" West and a chord distance of 660.12 feet; thence (2) South 49°03'23" West a distance of 196.89 feet to the beginning of a curve concave to the northwest having a radius of 700.00 feet; thence (3) Southwesterly along said curve a distance of 291.36 feet, a chord bearing of South 60°58'49" West and a chord distance of 289.26 feet; thence (4) South 72°54'16" West a distance of 436.79 feet to an intersection of the centerlines of two proposed roads; thence Northerly along said centerline the following three (3) courses: (1) North 17°05'44" West a distance of 405.48 feet to the beginning of a curve concave to the east having a radius of 400.00 feet; thence (2) Northerly along said curve a distance of 295.93 feet, a chord bearing of North 4°05'56" East and a chord distance of 289.23 feet; thence (3) North 25°17'37" East a distance of 44.91 feet; thence leaving said centerline, North 58°15'42" West a distance of 30.19 feet to a point on the easterly right-of-way line of Three Seasons Road, said point also being on a segment of a non-tangent curve from which the radius point bears North 49°43'11" West a radial distance of 843.51 feet and said point being on the Arrowhead Centre TIF Boundary; thence Northerly along said easterly right-of-way line and TIF Boundary the following three (3) courses: (1) Northeasterly along said curve a distance of 215.20 feet, a chord bearing of North 32°58'18" East and a chord distance of 214.61 feet; thence (2) North 25°39'53" East a distance of 203.33 feet to the beginning of a curve concave to the west having a radius of 406.97 feet; thence (3) Northerly along said curve a distance of 168.74 feet, a chord bearing of North 13°47'14" East and a chord distance of 167.54 feet, thence leaving said right-of-way line, South 89°50'29" East along said TIF Boundary a distance of 1,105.41 feet; thence leaving said TIF Boundary, North 89°09'15" East a distance of 181.30 feet to a point on the centerline of a proposed road, said point being on a segment of a non-tangent curve from which the radius point bears North 89°17'10" East a radial distance of 400.00 feet; thence Southerly along said centerline the following four (4) courses: (1) Southerly along said curve a distance of 120.21 feet, a chord bearing of South 9°19'24" East and a chord distance of 119.76 feet; thence (2) South 17°55'58" East a distance of 203.20 feet to the beginning of a curve concave to the west having a radius of 400.00 feet; thence (3) Southerly along said curve a distance of 239.10 feet, a chord bearing of South 0°48'29" East a chord distance of 235.56 feet; thence (4) South 16°18'59" West a distance of 174.03 feet to the POINT OF BEGINNING.

3-11-2015

The above described parcel contains 32.93 acres and is subject to any easements or restrictions of record.

3-11-2015

{50009 / 66714; 621712. }

**ARROWHEAD CENTRE
DISTRICT 7 BOUNDARY**

A portion of the North Half of Section 16 and the South Half of Section 9, both in Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows

Commencing at an iron bar marking the Southwest corner of the Northeast Quarter of said Section 16; thence North 89°53'12" East along the south line thereof a distance of 1,082.86 feet; thence North 00°01'20" West a distance of 2,082.42 feet to the Point of Beginning, said point being on the centerline of a proposed road; thence Westerly along said centerline the following four (4) courses: (1) North 73°54'05" West a distance of 29.51 feet to the beginning of a curve concave to the northeast having a radius of 500.00 feet; thence (2) Northwesterly along said curve a distance of 188.83 feet, a chord bearing of North 63°04'55" West a chord distance of 187.71 feet; thence (3) North 52°15'45" West a distance of 445.62 feet to the beginning of a curve concave to the south having a radius of 700.00 feet; thence (4) Northwesterly along said curve a distance of 273.86 feet, a chord bearing of North 63°28'13" West and a chord distance of 272.11 feet to an intersection of the centerlines of two proposed roads; thence Northerly along said centerline the following four (4) courses: (1) North 16°18'59" East a distance of 174.03 feet to the beginning of a curve concave to the west having a radius of 400.00 feet; thence (2) Northerly along said curve a distance of 239.10 feet, a chord bearing of North 0°48'29" West and a chord distance of 235.56 feet; thence (3) North 17°55'58" West a distance of 203.20 feet to the beginning of a curve concave to the east having a radius of 400.00 feet; thence (4) Northerly along said curve a distance of 120.21 feet, a chord bearing of North 9°19'24" West and a chord distance of 119.76 feet; thence leaving said centerline, South 89°09'15" West a distance of 181.30 feet to a point on the TIF Boundary; thence North 33°27'08" East along said TIF Boundary a distance of 895.29 feet; thence South 89°43'34" East along said TIF Boundary a distance of 1,154.10 feet; thence leaving said TIF Boundary, South 41°57'17" West a distance of 23.85 feet to a point in the centerline of a proposed road, said point being on a segment of a non-tangent curve from which the radius point bears North 48°02'43" West a radial distance of 600.00 feet; thence Southwesterly along said curve and said centerline a distance of 516.43 feet, a chord bearing of South 66°36'45" West and a chord distance of 500.64 feet; thence South 9°22'58" East a distance of 39.35 feet; thence South 14°57'40" East a distance of 253.00 feet; thence South 37°15'52" East a distance of 274.26 feet to a point on the TIF Boundary; thence Southerly along said TIF Boundary the following seven (7) courses: (1) South 52°44'08" West a distance of 82.33 feet; thence (2) South 49°39'29" West a distance of 265.71 feet; thence (3) South 35°04'55" West a distance of 242.56 feet; thence (4) South 4°07'49" East a distance of 249.75 feet; thence (5) South 14°34'00" West a distance of 417.62 feet; thence (6) South 67°46'00" East a distance of 182.74 feet to a point in the westerly right-of-way line of U.S. Highway 54, said point being on a segment of a non-tangent curve from which the radius point bears South 39°40'34" East a radial distance of 457.46 feet; thence (7) Southwesterly along said right-of-way line and curve a distance of 109.79 feet, a chord bearing of South 43°26'54" West and a chord distance of 109.53 feet to the POINT OF BEGINNING.

3-11-2015

The above described parcel contains 36.65 acres and is subject to any easements or restrictions of record.

3-11-2015

{50009 / 66714; 621712. }

**ARROWHEAD CENTRE
DISTRICT 8 BOUNDARY**

A portion of the South Half of Section 9, Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

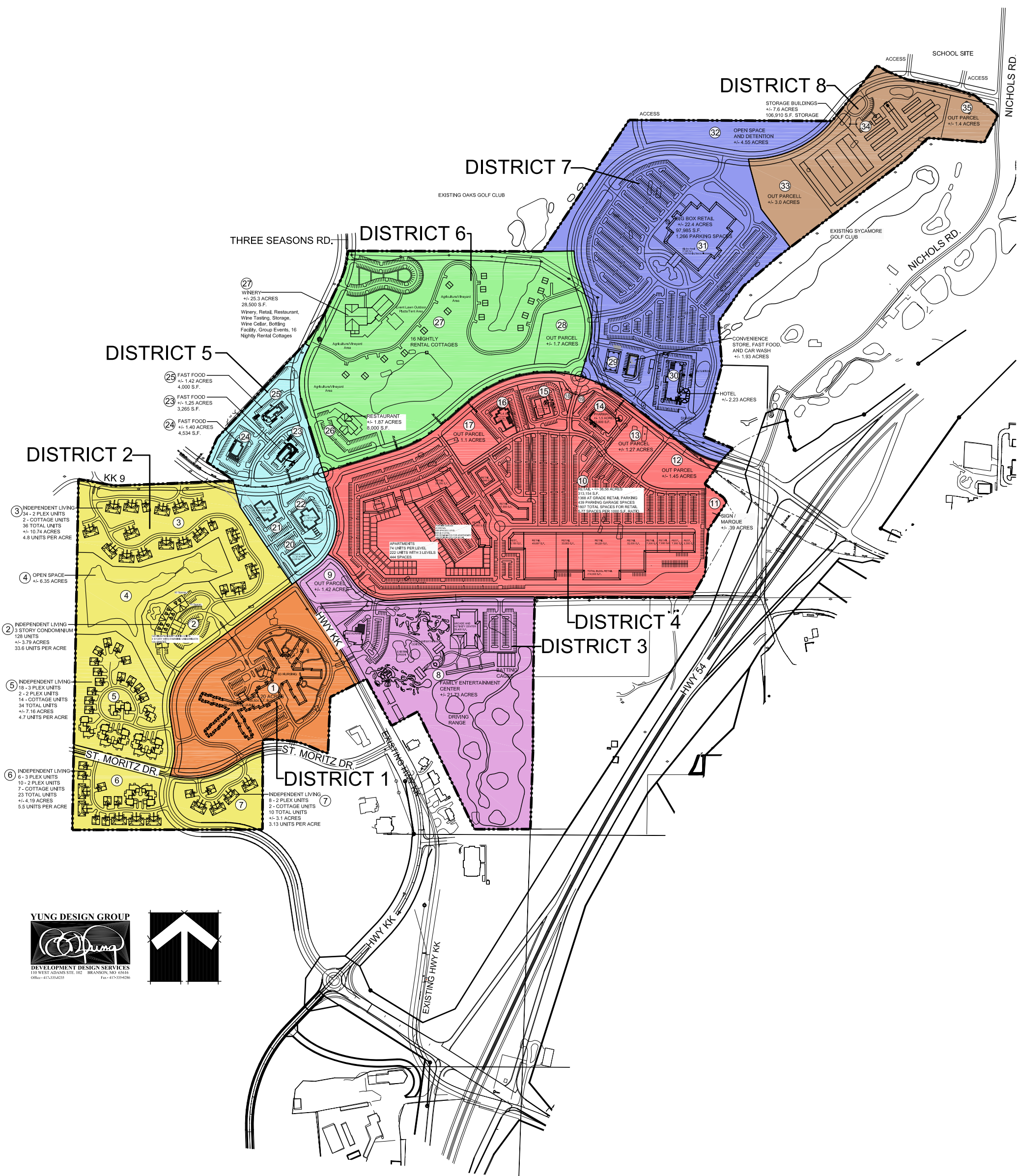
Commencing at an iron bar marking the Southwest corner of the Northeast Quarter of Section 16, Township 39 North, Range 16 West; thence North 89°53'12" East along the south line thereof a distance of 2,587.01 feet; thence North 00°01'20" West a distance of 3,898.36 feet to the Point of Beginning, said point being on the Arrowhead Centre TIF Boundary; thence Northwesterly and Southwesterly along said TIF Boundary the following three (3) courses: (1) North 85°31'47" West a distance of 321.53 feet; thence (2) South 46°06'28" West a distance of 182.91 feet; thence (3) South 52°44'08" West a distance of 817.25 feet; thence leaving said TIF Boundary, North 37°15'52" West a distance of 274.26 feet; thence North 14°57'40" West a distance of 253.00 feet; thence North 9°22'58" West a distance of 39.35 feet to a point on the centerline of a proposed road, said point being on a non-tangent curve from which the radius point bearings North 1°16'14" East a radial distance of 600.00 feet; thence Easterly along said centerline and curve a distance of 516.43 feet, a chord bearing of North 66°36'45" East and a chord distance of 500.64 feet; thence leaving said centerline, North 41°57'17" East a distance of 23.85 feet to a point on the TIF Boundary; thence North 38°50'45" East along said TIF Boundary a distance of 405.13 feet to the centerline of a county road; thence Southeasterly along said centerline and TIF Boundary the following five (5) courses: (1) South 61°06'59" East a distance of 73.10 feet; thence (2) South 67°36'59" East a distance of 120.00 feet; thence (3) South 81°32'59" East a distance of 189.40 feet; thence (4) South 72°32'59" East a distance of 203.60 feet; thence (5) South 49°32'56" East a distance of 174.30 feet; thence South 26°55'20" West a distance of 172.65 feet to the POINT OF BEGINNING.

The above described parcel contains 13.67 acres and is subject to any easements or restrictions of record.

3-11-2015

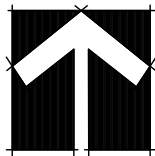
{50009 / 66714; 621712. }





REDEVELOPMENT DISTRICT MAP ARROWHEAD CENTRE

DATE: JUNE 03, 2015



DATE: JUNE 03, 2015

Blight Analysis Addendum:

ARROWHEAD CENTRE
TAX INCREMENT FINANCING PLAN,
OSAGE BEACH, MISSOURI

PREPARED FOR:
ARROWHEAD DEVELOPMENT GROUP, LLC
1252 STATE ROAD KK
OSAGE BEACH, MISSOURI 65065

PREPARED BY:
DEVELOPMENT INITIATIVES
140 WALNUT, SUITE 203
KANSAS CITY, MISSOURI 64105

PREPARED:

May 21, 2015

May 21, 2015

Mr. Gary Mitchell
Arrowhead Development Group, LLC
1252 State Road KK
Osage Beach, Missouri 65065

Subject: Addendum Blight Study, Arrowhead Centre Tax Increment Financing Plan

Dear Mr. Mitchell:

We are pleased to transmit the attached Addendum to the Arrowhead Centre TIF Blight Study Report that had been prepared for the above referenced property and submitted April 6, 2015. The purpose of this Addendum is to clarify and include property which was not specifically identified in the original report. Furthermore, this Addendum will determine whether the reference property parcels are blighted, as defined in Section 99.805 (1) Revised Statutes of Missouri. This analysis represents an accumulation of our findings based on research and investigations performed as of the report's effective date, May 21, 2015. The attached report sets forth the data, research, investigations, analyses, and conclusions for this report.

The subject property parcel reference within this Addendum is included in the Redevelopment Area is composed of one (1) parcel of land containing approximately 0.1 acres. This parcel is within the originally delineated boundary of our blight analysis dated April 6, 2015, however, it was not specifically identified as a parcel within the report. Presently, this property parcel is undeveloped and adjacent to the now-closed Dogwood Hills Golf Course and the closed/former Best Western Dogwood Hills Resort Inn.

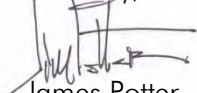
As determined in the following study, it is our opinion that the subject property as included within the Redevelopment Area as a whole, represents a "blighted area" which is defined in Missouri Statute Section 99.805 (1). Primary blighting factors include:

- Defective or Inadequate Street Layout,
- Deteriorating Improvements,
- Economic Liability/Economic Underutilization.

We have concluded these facts based on the current condition of the Redevelopment Area, general access and visibility of the area, existing conditions of improvements located within the Redevelopment Area, and the potential redevelopment opportunities existing for the site.

Please feel free to contact me if you have any questions or comments.

Sincerely,



James Potter, AICP
development initiatives

Site Description

Location & Access

As previously mentioned, the Redevelopment Area is generally located north and east of State Highway KK and approximately ¼ mile west from Highway 54, Camden County, Osage Beach, Missouri. Access to the Redevelopment Area is via Highways 54 and KK. Presently, approximately 12,000 vehicles pass through the subject site on State Highway KK on an average daily basis. Additionally, US Highway 54 has an average daily traffic count of 31,777 vehicles. This US 54 realignment runs adjacent to the southern edge of the subject property and was estimated to cost approximately \$158 million. The primary reason for the improvement of the existing highway is the expected increase in traffic volume for the area.

Redevelopment Area Map – Location of Parcel

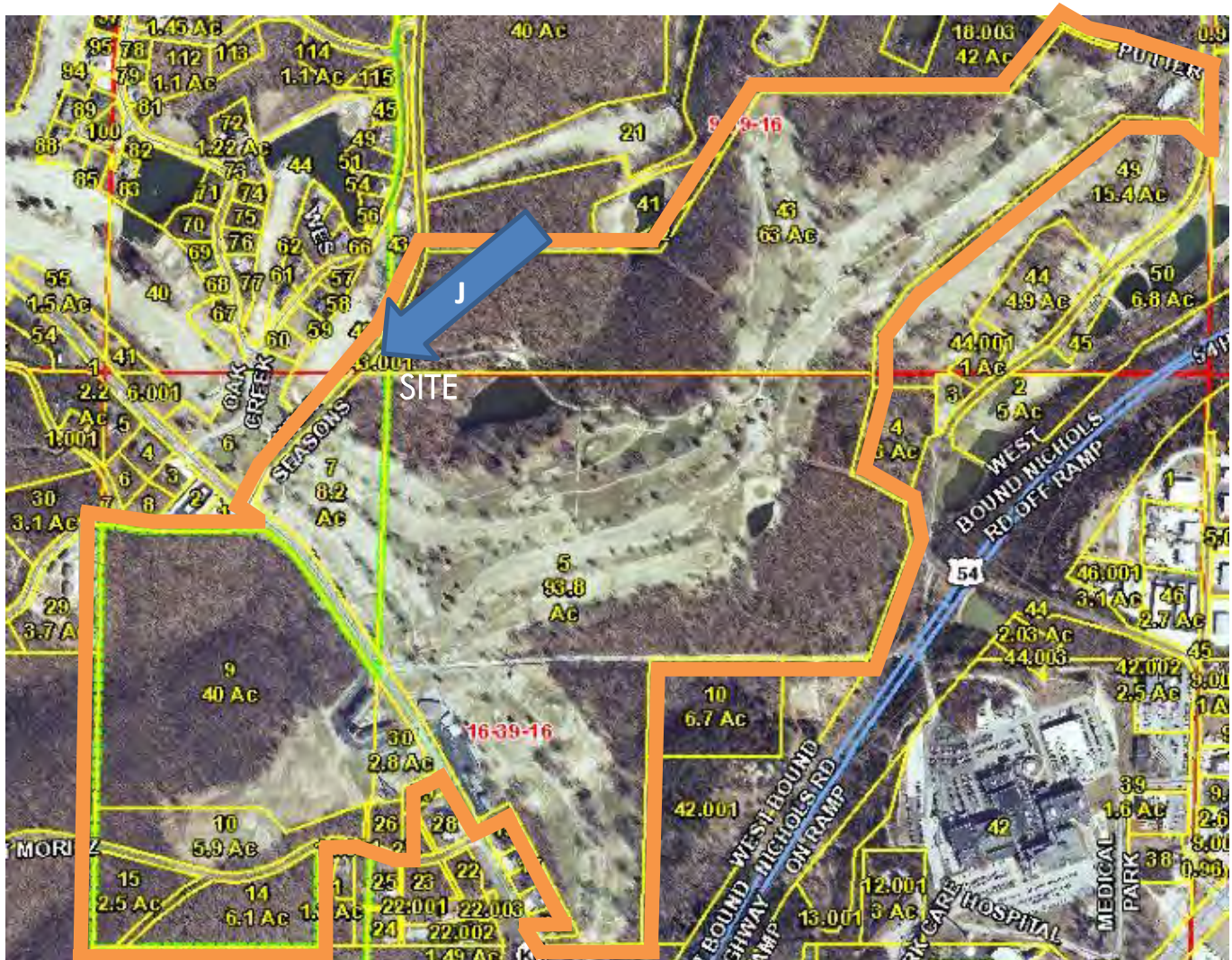


Figure 1 – Redevelopment Area delineated in orange. Omitted parcel location identified by arrow.

Property Parcel Map

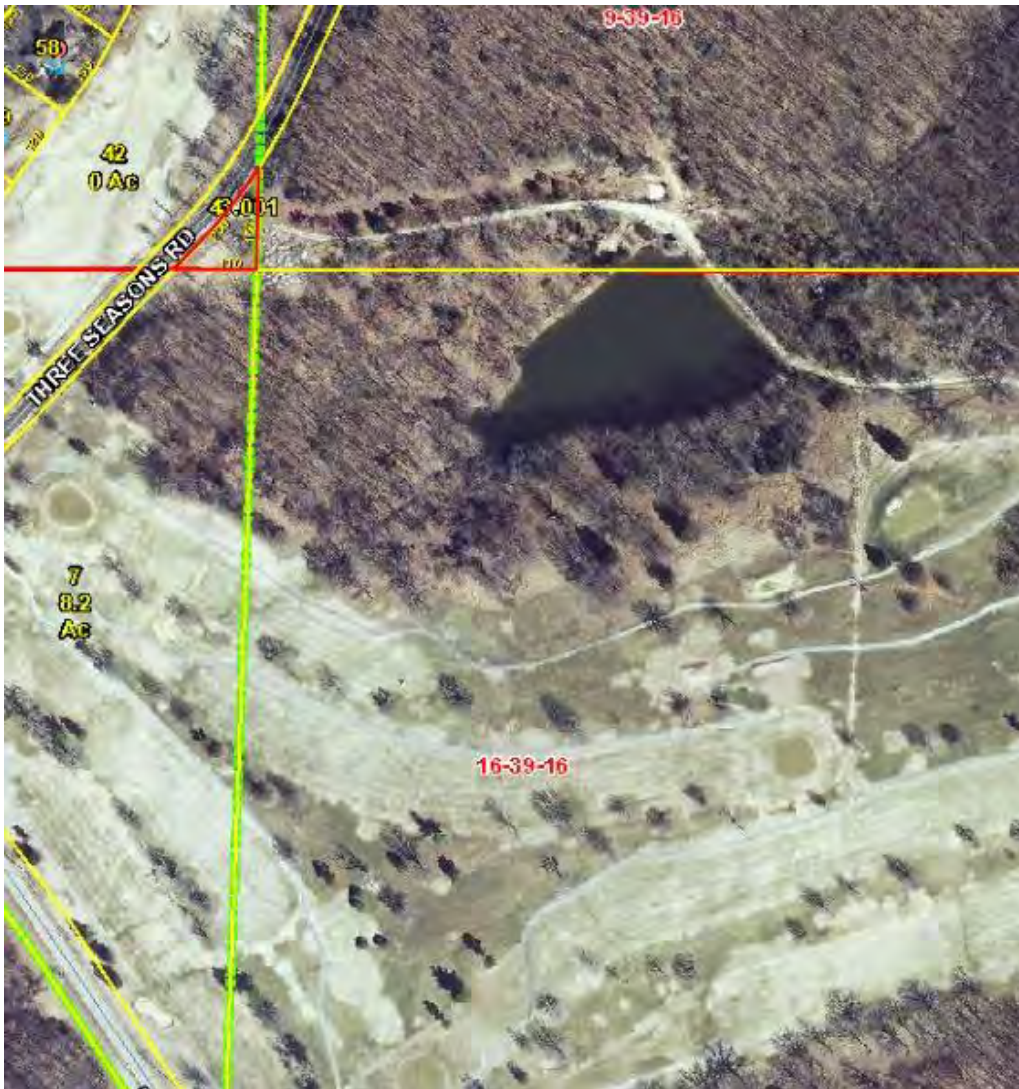


Figure 2 – Omitted parcel outlined in red.

Ownership

The ownership of the additional property parcel is currently vested in one (1) entity.

That entity is:

Dogwood Hills Golf Course, Inc.
1252 Highway KK
Osage Beach, MO 65065

Ownership Table

Parcel ID No.	County ID No.	Owner	Legal Description (Via Camden County Assessors Office)	Acres
J	08-2.0-09.0-000.0-001-043.001	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	Prt SW SW	0.1
				0.1

Blight Conclusion

Based on the preceding blight analysis submitted on April 6, 2015, indications are that the Redevelopment Area, as a whole-including property referenced in this Addendum, suffers from numerous unfavorable blighting factors, as delineated in the statutes and as described in detail. These factors include obsolete platting, defective/inadequate street layout, obsolete building layout/design, deterioration of existing improvements, and economic underutilization.

1. Defective or Inadequate Street Layout,
2. Deterioration of Site Improvements,
3. Economic Liability/Under Utilization.

The Redevelopment Area is well-located, and highly visible; however a number of blighting factors hamper the future redevelopment of the site. Overcoming these blighting conditions creates an extraneous economic liability for the development of the Redevelopment Area. The primary excessive economic liability would concentrate on topographic constraints in addition to normal site and improvement costs. Because of the various blighting conditions, the development of any viable commercial properties are diminished and the Redevelopment Area constitutes a menace to the public health and safety in its present condition and use. It is our opinion that the subject property within the Redevelopment Area constitutes a blighted area within the definition of Chapter 99 of the Missouri Revised Statutes.

Blight Conditions - Summary: Parcel by Parcel

Lot	Tax ID Number	Size (acres)	Inadequate Street Layout	Deterioration of Site Improv.	Econ. Liability	
A	08-5.0-16.0-000.0- 001-005.000	93.8	X	X	X	Parcel Originally included in April 6, 2015 Report
B	08-2.0-09.0-000.0- 001-043.000	63.0	X	X	X	
C	08-5.0-16.0-000.0- 001-007.000	8.2	X	X	X	
D	08-5.0-16.0-000.0- 002-009.000	40.0	X	X	X	
E	08-5.0-16.0-000.0- 002-030.000	2.8	X	X	X	
F	08-5.0-16.0-000.0- 002-026.000	1.0	X		X	
G	08-5.0-16.0-000.0- 002-010.000	5.9	X		X	
H	08-5.0-16.0-000.0- 002-014.000	6.1	X		X	
I	08-5.0-16.0-000.0- 002-015.000	2.5	X		X	
J	08-2.0-09.0-000.0- 001-043.001	0.1	X		X	

Exhibit: Property Inspection Forms

Property / Facility Inspection Form										Tract J	
Date 11/11/14					Inspector JPotter						
City Osage Beach, Missouri					Project/Survey Area Arrowhead Centre TIF						
Address N/A					Parcel Number 08-2.0-09.0-000.0-001-043.001						
Building Type None			# Stories		Building Material n/a		Basement:		Yes	X	No
Is Property improved		Yes	X	No	Property Size (Acres)		0.1				

Property Condition

Retaining Walls		N/A
Private Sidewalks & Drives	Fair	Gravel access road
Public Streets	Good	Three Seasons Road to west. Good to Fair Condition
Lawns & Shrubs		N/A
Excessive stored Vehicles (not for retail sales purposes)		N/A
Open storage		N/A
Accessory Structures		N/A
Public Sidewalks, Curbs, Gutter		N/A
Catch Basins		N/A
Street Lights		N/A
Street Conditions		N/A

Comments: Parcel is presently the east of Three Seasons Road. Parcel includes gravel access road for maintenance activities for the former golf course.

	Condition	Condition Present	Comment
1.	Inadequate Street Layout	X	No improvements exist within interior of parcel. Access from west via KK.
2.	Unsanitary / Unsafe Condition		
3.	Deteriorated Site Improvements	X	Site of the former Dogwood Hills Golf Course, now closed. Golf facilities have deteriorated past the point of competitive functionality.
4.	Improper Subdivision		
5.	Obsolete Platting		
6.	Life Endangering Condition		
	-Fire		
	-Environmental		
	-Other		
7.	Retardation of Housing Accommodations		
8.	Economic Liability/Underutilization	X	Current site of the Dogwood Hills Golf Course. Extreme topographic changes throughout tract would make it difficult to create a viable building lot. Elevation drops approximately 100+ feet across site.
9.	Social Liability		
10.	Menace to Public Health, Safety, Morals, welfare		

Exhibit: Certification

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
6. Jim Potter, AICP has made personal inspections of the property that is the subject of this report.
7. This study is not based on a requested result or a specific conclusion.
8. I have not relied on unsupported conclusions relating to characteristics such as race, color, religion, national origin, gender, marital status, familial status, age, receipt of public assistance income, handicap, or an unsupported conclusion that homogeneity of such characteristics is necessary to maximize value.

A handwritten signature in dark ink, appearing to read 'James Potter', with a stylized flourish at the end.

James Potter, AICP
Development Initiatives

Exhibit: Assumptions and Limiting Conditions

This Blight Study is subject to the following limited conditions and assumptions:

1. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are Development Initiatives, Inc.'s unbiased professional analyses, opinions, and conclusions.
2. Information provided and utilized by various secondary sources is assumed to be accurate. Development Initiatives cannot guarantee information obtained from secondary sources.
3. The nature of real estate development is an unpredictable and often tumultuous. In particular, the natural course of development is difficult to predict and forecast. Development Initiatives deems our projections as reasonable considering the current and obtained information.
4. Development Initiatives has considered and analyzed the existing conditions concerning the subject property within the Redevelopment Area. We have considered these existing conditions while making our analysis and conclusions. However, it should be understood that conditions are subject to change without warning, and potential changes could substantially effect our recommendations.
5. Our analyses, opinions and conclusions were prepared in conformance with the Code of Professional Ethics and Standards of the American Institute of Certified Planners.

Blight Analysis:

ARROWHEAD CENTRE
TAX INCREMENT FINANCING PLAN,
OSAGE BEACH, MISSOURI

PREPARED FOR:
ARROWHEAD DEVELOPMENT GROUP, LLC
1252 STATE ROAD KK
OSAGE BEACH, MISSOURI 65065

PREPARED BY:
DEVELOPMENT INITIATIVES
140 WALNUT, SUITE 203
KANSAS CITY, MISSOURI 64105

PREPARED:

April 2, 2015

TABLE OF CONTENTS

Letter of Transmittal

Table of Contents

TAB 1: Property Data

Introduction

Function of Study

Purpose of Study

Effective Date of Report

Definition

Site Description

Existing Improvement Description

Ownership

TAB 2: Blight Analysis

Blight Analysis

EXHIBITS

Exhibit A:	Ownership Information/Legal Descrip.
Exhibit B:	Photo Log
Exhibit C:	Property Inspection Forms
Exhibit D:	Golf Road Ordinance No.: 4-40
Exhibit E:	JCM Group, Course Analysis
Exhibit F:	Best Western Correspondence
Exhibit G:	Certification, Assumptions and Limiting Conditions, Consultant Qualifications

April 2, 2015

Mr. Gary Mitchell
Arrowhead Development Group, LLC
1252 State Road KK
Osage Beach, Missouri 65065

Subject: Blight Study, Arrowhead Centre Tax Increment Financing Plan

Dear Mr. Mitchell:

We are pleased to transmit the attached Blight Study Report that has been prepared for the above referenced property. The purpose of this Report is to determine whether the subject property is blighted, as defined in Section 99.805 (1) Revised Statutes of Missouri. This analysis represents an accumulation of our findings based on research and investigations performed as of the report's effective date, April 2, 2015. The attached report sets forth the data, research, investigations, analyses, and conclusions for this report.

The subject Redevelopment Area is composed of eight (8) parcels of land containing approximately 226.31 acres. Presently, the subject property contains the now-closed Dogwood Hills Golf Course and the closed/former Best Western Dogwood Hills Resort Inn. Improvements to the Redevelopment Area are original to the area and have not been improved since constructed in the 1960's and 1980's.

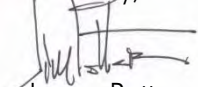
As determined in the following study, it is our opinion that the subject property represents a "blighted area" which is defined in Missouri Statute Section 99.805 (1). Primary blighting factors include:

- Defective or Inadequate Street Layout,
- Deteriorating Site Improvements,
- Economic Liability/Economic Underutilization.

We have concluded these facts based on the current condition of the Redevelopment Area, general access and visibility of the area, existing conditions of improvements located within the Redevelopment Area, and the potential redevelopment opportunities existing for the site.

Please feel free to contact me if you have any questions or comments.

Sincerely,



James Potter, AICP
development initiatives

Copyright Statement

This document was prepared for the intended use of Arrowhead Development Group, LLC; White Goss, and the Tax Increment Financing Commission of Osage Beach, Missouri for it's redevelopment of certain real estate properties referenced within the report.

With the exception of the unlimited use by Arrowhead Development Group, LLC; White Goss, and the Tax Increment Financing Commission of Osage Beach, Missouri, no part of this document may be reproduced, duplicated, or transmitted by mechanical, digital, or other means without permission in writing from Development Initiatives. Development Initiatives, retains all copyrights to the material located within this document and the material located herein is subjected to the U.S. Copyright Law found in the United States Code, Title 17, Chapter 1-13.

Limiting Conditions

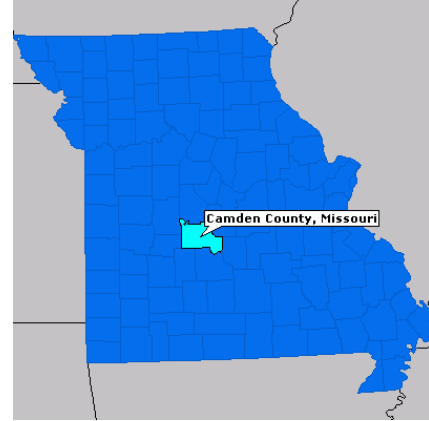
The reported analyses, opinions, and conclusions contained herein are limited only by the reported assumptions and limiting conditions and are Development Initiatives' unbiased professional analyses, opinions, and conclusions.

Information provided and utilized by various secondary sources is assumed to be accurate. Development Initiatives cannot guarantee information obtained from secondary sources. Such information and the results of its application within this analysis are subject to change without notice.

The nature of real estate development is unpredictable and often tumultuous. Development Initiatives deems our projections as reasonable considering the existing market and various obtained information. It should be understood that fluctuations in local, regional, and/or national economies could have substantial effects on the particular findings and recommendations contained within this document.

Introduction

The purpose of this analysis is to investigate and determine whether blighting conditions exist at the subject property according to Section 99.805 (1) of the Revised Statutes of Missouri (RSMo). This proposed redevelopment is currently known as Arrowhead Centre Redevelopment Area, Osage Beach, Camden County, Missouri. The Redevelopment Area is generally located north and east of State Highway KK and west from existing Highway 54, Osage Beach, Camden County, Missouri. The Redevelopment Area is composed of eight (8) parcels of land containing approximately 226.31 acres. The Redevelopment Area has not been developed primarily due to lack of utilities within the Redevelopment Area and difficult terrain and subterranean rock. Please refer to Exhibit A for complete ownership information for the Redevelopment Area.



Function of Study

This Blight Analysis has been prepared for use in conjunction with an application for tax increment financing pursuant to Missouri Revised Statutes Chapter 99 "Real Property Tax Increment Allocation Redevelopment Act."

Purpose of Study

The purpose of this Blight Analysis is to determine whether the specific Redevelopment Area is blighted within the meaning of Section 99.805 RSMo.

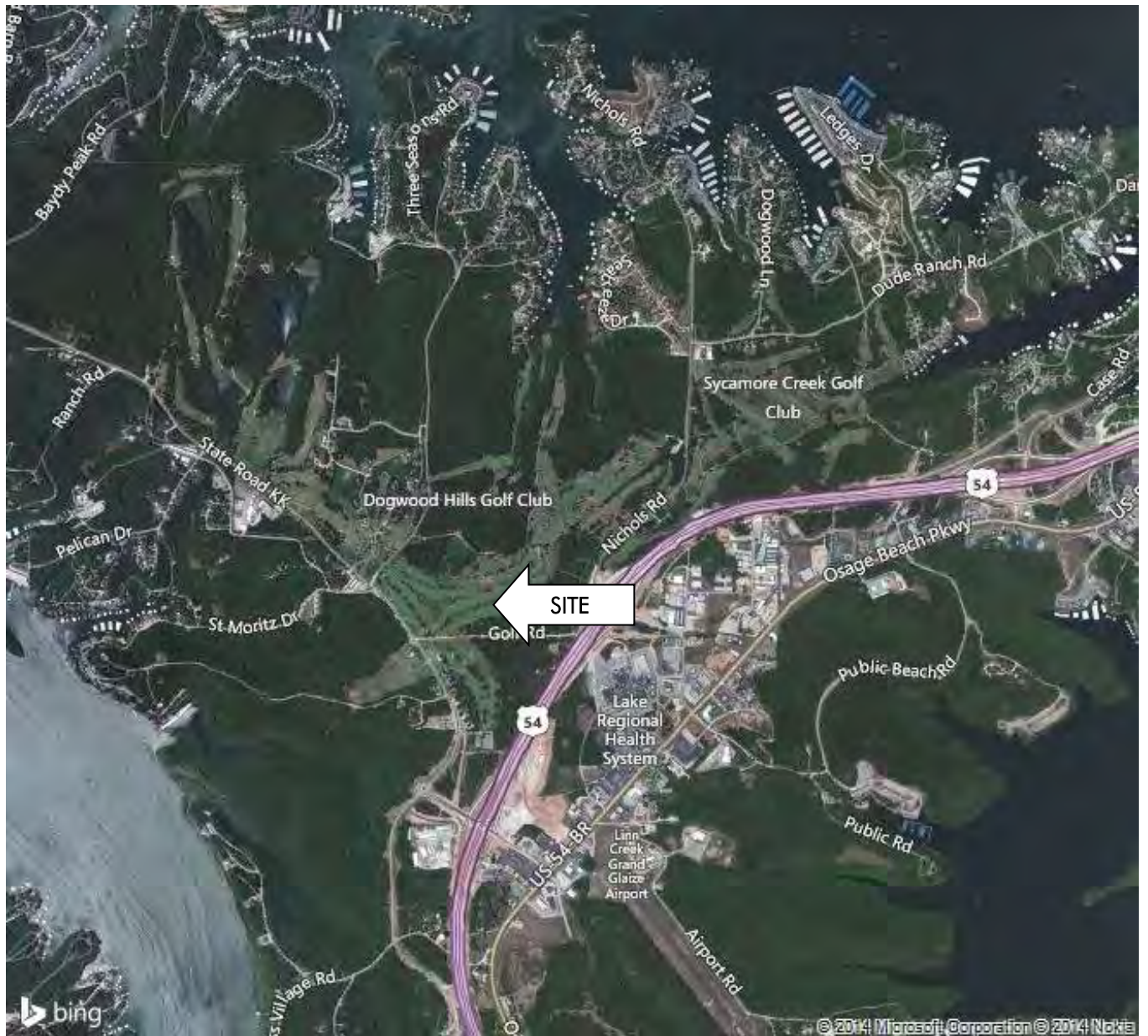
Effective Date of Report

The effective date of this Blight Analysis is April 2, 2015. Unless otherwise stated, all factors pertinent to a determination of blight were considered as of that date.

Proposed Arrowhead Centre TIF - General Location



General Location Aerial



Definition:

In determining whether the defined Redevelopment Area is “blighted,” we first must define the term “blighted area.” For the purposes of this study, the definition found in Section 99.805 (1) RSMo. is utilized. This section provides that “blighted area” shall mean:

“Blighted Area,” an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;

This analysis will determine whether the proposed Redevelopment Area meets the statutory requirements to be declared a “blighted area” under the above-mentioned provision. In determining whether the Redevelopment Area is blighted pursuant to the statutory definition, *Development Initiatives* first reviewed the Redevelopment Area as a whole, particularly reviewing trends in the area as they relate to an indication of whether this portion of the City is blighted per State Statute. The term “blighted” for the purposes of this analysis requires a finding that the Redevelopment Area, on the whole, is occasioned by one or more of the following:

1. Defective or inadequate street layout,
2. Unsanitary or unsafe conditions,
3. Deterioration of site improvements,
4. Improper subdivision or obsolete platting,
5. The existence of conditions which endanger life or property by fire and other causes,
6. Or a combination of such factors, which
 - Retard the provision of housing accommodations, or

- Constitute an economic or social liability, or
- Constitute a menace to the public health, safety, morals or welfare in its present condition and use.

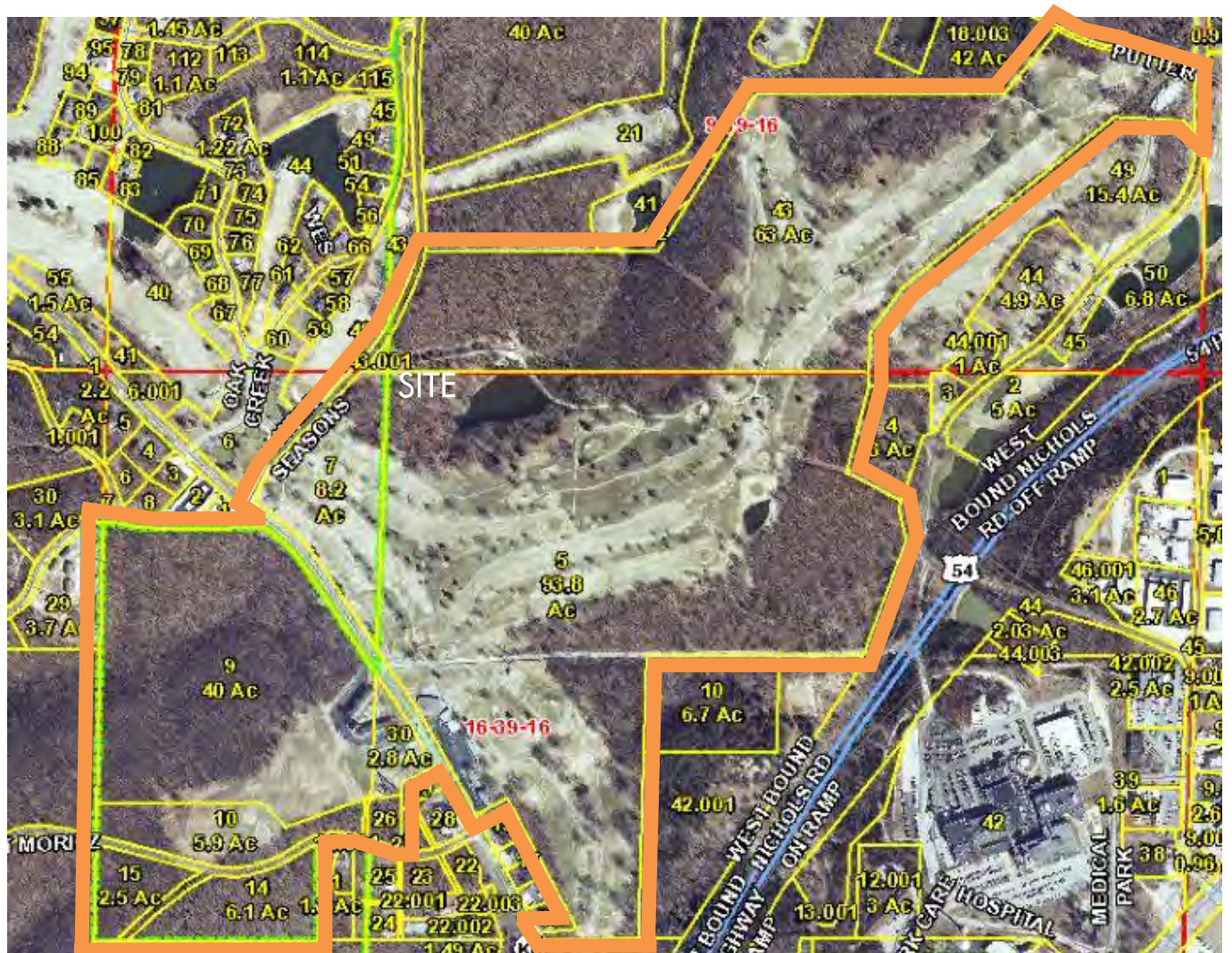
By considering the area as a whole, not every parcel or even a certain percentage of parcels within the Redevelopment Area needs to be blighted, rather only the existence of blighting conditions impacting the preponderance of the area comprising the Redevelopment Area is adequate to designate the area a “blighted area”. This same concept applies to structures within the Redevelopment Area. Thus a vacant lot, as long as it’s within a Redevelopment Area where the preponderance of the area is impacted by blighting conditions, a finding that the Redevelopment Area is blighted can be made.

Site Description

Location & Access

As previously mentioned, the Redevelopment Area is generally located north and east of State Highway KK and approximately ¼ mile west from Highway 54, Camden County, Osage Beach, Missouri. Access to the Redevelopment Area is via Highways 54 and KK. Presently, approximately 12,000 vehicles pass through the subject site on State Highway KK on an average daily basis. Additionally, US Highway 54 has an average daily traffic count of 31,777 vehicles. This US 54 realignment runs adjacent to the southern edge of the subject property and was estimated to cost approximately \$158 million. The primary reason for the improvement of the existing highway is the expected increase in traffic volume for the area.

Redevelopment Area Map



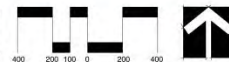
Topography

The topographical features of the Redevelopment Area consist of extreme/severe undulating terrain, cliffs, and valleys. These severe elevation differentials cause significant portions of the Redevelopment Area to need to be cut, filled, and graded to create developable pad sites. Elevation differentiations vary as much as 135+ feet across the site. Additionally, the subject property is not located in either a 100-year flood plain or 500-year flood plain.



ARROWHEAD CENTER
JOB# 7178

DATE: NOVEMBER 14, 2014



Zoning

According to the City of Osage Beach, existing zoning for the Redevelopment Area is A-1 (General Agricultural District) and PUD (Planned Unit District). Both Classifications are further defined in Section 405.130 and 405.210 respectively of the Osage Beach Zoning Regulations. This report makes no recommendations as to the appropriateness of zoning and related issues.

Utilities

All utilities are available to the westernmost boundary of the Redevelopment Area including water, sewers and electricity. However, there are no utilities to the interior portions of the Redevelopment Area.

Presently an electrical transmission line bisects the site in numerous locations. It appears that this line is a local distribution line. In addition, smaller local distribution lines are scattered throughout the Redevelopment Area.

Additionally, it appears no storm sewers have been constructed in the Redevelopment Area, though several small ponds are located in the Redevelopment Area.

Existing Improvement Description

As previously mentioned, the Redevelopment Area is located in Osage Beach, Camden County, Missouri. The Redevelopment Area consists of approximately 226.31 acres of land. Existing use of the property within the Redevelopment Area consists primarily of the obsolete, now closed, golf course Dogwood Hills property. The golf course was originally developed in 1962 and has been a functioning golf course facility until November of 2014.

In 1983 a 47 room hotel facility was constructed across the street from the golf course facility. The hotel facility had most recently been flagged as a Best Western Hotel, but lost its Best Western Charter in 2008. Until November of 2014, the facility had been

run as an independent lodging establishment. Correspondence from the Best Western chain indicated they did not renew their operating commitment due to the obsolete nature of the facility. Additionally in 1982 two 4-unit villa buildings were constructed south of the club house facility. These villas are rented out on a seasonal basis. Please refer to Exhibit B: Photo Log for photos of the Redevelopment Area.

Proposed Improvement Description

Under the proposed TIF Plan, the Redevelopment Area will be developed as Eight Redevelopment Projects. The Redevelopment Projects will consist of mixed-use commercial and residential development. Upon full completion of all Redevelopment Projects, it is anticipated that the Redevelopment Area will be comprised of the following land uses (square footage listed is approximate): (1) 97,985 square feet of big box general retail, (2) 313,154 square feet of strip retail, (3) 35,373 square feet of restaurant space on out parcels, (4) 112,921 square feet of commercial space on out parcels, (5) 17,900 square feet of office space, (6) 58,196 square feet of hotel and/or motel space, totaling 90 rooms, (7) 170 room assisted living facilities totaling 69,000 square feet, (8) 453 residential units totaling 543,600 square feet, (9) 6,000 square feet of convenience store or gas station space, (10) 28,400 square feet of family entertainment (11) 28,500 square feet winery (12) 106,910 square feet of self-storage. Upon full build out of the Redevelopment Projects, which is projected in 2038, it is anticipated that the Redevelopment Area will cover approximately 197.82 acres of new development. Please refer to the Arrowhead Centre TIF application package for current and specific development numbers.

Ownership

The ownership of the entire Redevelopment Area is currently vested in one (1) entity. That entity is:

Dogwood Hills Golf Course, Inc.
1252 Highway KK
Osage Beach, MO 65065

Parcel Ownership Map



Ownership Table

Parcel ID No.	County ID No.	Owner	Legal Description (Via Camden County Assessors Office)	Acres
A	08-5.0-16.0-000.0-001-005.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	PT. NW 1/4, PT. NW NE POB IS THE NE COR OF THE NW 1/4, NW 1/4	
B	08-2.0-09.0-000.0-001-043.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	PT SE SW, PT S 1/2 SE, PT NE SE	
C	08-5.0-16.0-000.0-001-007.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	PT. NW NW	
D	08-5.0-16.0-000.0-002-009.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	PT. NW NW, PT SW NW	
E	08-5.0-16.0-000.0-002-030.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	PT. NW 1/4 WITH IN CITY LIMITS SW OF RT. KK	
F	08-5.0-16.0-000.0-002-026.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	LOTS 13 AND 14	
G	08-5.0-16.0-000.0-002-010.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	LOTS C.D.	
H	08-5.0-16.0-000.0-002-014.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	LOT A	
I	08-5.0-16.0-000.0-002-015.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	LOT B	
				226.31

Blight Analysis

As previously presented, blight is defined as follows;

“Blighted Area,” an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;

This analysis will determine whether the proposed Redevelopment Area meets the statutory requirements to be declared a “blighted area” under the above-mentioned provision. In determining whether the Redevelopment Area is blighted pursuant to the statutory definition, *Development Initiatives* first reviewed the Redevelopment Area as a whole, particularly reviewing trends in the area as they relate to an indication of whether this portion of the City is blighted per State Statute. The term “blighted” for the purposes of this analysis requires a finding that the Redevelopment Area, on the whole, is occasioned by one or more of the following:

1. Defective or inadequate street layout,
2. Unsanitary or unsafe conditions,
3. Deterioration of site improvements,
4. Improper subdivision or obsolete platting,
5. The existence of conditions which endanger life or property by fire and other causes,
6. Or a combination of such factors, which
 - i. Retard the provision of housing accommodations, or
 - ii. Constitute an economic or social liability, or

- iii. Constitute a menace to the public health, safety, morals or welfare in its present condition and use.

As previously mentioned, when considering the area “as a whole”, not every parcel or even a certain percentage of parcels within the Redevelopment Area needs to be blighted, rather only the existence of blighting conditions impacting the preponderance of the area comprising the Redevelopment Area is adequate to designate the area a “blighted area”. Thus a vacant lot, as long as it’s within a Redevelopment Area where the preponderance of the area is impacted by blighting conditions, a finding that the Redevelopment Area is a “blighted area” can be made.

In the State of Missouri there have been numerous court cases which provide additional direction in the consideration of blight. The following are several cases which have impacted the definition of “blight” as contemplated by Section 99.805 (1):

1. Parking Systems, Inc. v. Kansas City Downtown Redevelopment Corporation, 518 S.W.2d 11, 15 (Mo. 1974). The courts determined that it is not necessary for an area to be what commonly would be considered a “slum” in order to be blighted.
2. Crestwood Commons Redevelopment Corporation v. 66 Drive-In, Inc., 812 S.W. 2d 903, 910 (MO. App. E.D. 1991). Determined that an otherwise viable use of a property may be considered blighted if it is an economic under utilization of the property.
3. Maryland Plaza Redevelopment Corporation v. Greenberg, 594 S.W.2d 284, 288 (Mo. App. E.D. 1979). Determined that it is not necessary for every property within a Redevelopment Area to conform to the blight definition. A preponderance of blight conditions is adequate to designate an area for redevelopment.

4. State ex. Rel Atkinson v. Planned Industrial Expansion Authority, 517 S.W.2d 36 at 46 (Mo. banc 1975). Blight may also be found if the redevelopment of an area “could promote a higher level of economic activity, increased employment, and greater services to the public.” Tierney, 742 S.W.2d at 151.
5. The Missouri Court of Appeals Western District Opinion known as Great Rivers Habitat Alliance v. City of St. Peters, 246 S.W. 3d 556 (Mo. Ct. App. 2008).

There are a number of existing conditions in the Redevelopment Area which comply and meet the statutory definitions of blight, therefore support a finding of Blight for the Redevelopment area. These conditions include;

1. **Defective or Inadequate Street Layout,**
2. **Deterioration of Site Improvements**
3. **Economic Liability/Economic Underutilization.**

Defective or Inadequate Street Layout

In its present condition, the Redevelopment Area is served by a number of improved streets which allow sufficient access to the various development parcels within the area. These include, State Highway KK, Nichols Road, 3 Seasons Road, and St. Moritz Drive. However, direct access to the interior of each development parcel is presently inadequate.

- Poor vehicular access in and around the Redevelopment Area.

Vehicular access to the interior of the Redevelopment Area is effectively limited.

Outside the above mentioned access points, no internal road system exists and vehicular access to the interior portions of the site is limited. Currently the only public access road within the interior of the site is Golf Road, a public street. However, this road is



significantly deteriorated and in certain locations impassable. Golf Road is a narrow two lane road which bisects the Redevelopment Area east to west. The road is currently in a state of significant disrepair and the City of Osage Beach has, per Ordinance No.: 04-40, prohibited drivers of commercial vehicles and trailers from driving on Golf Road. Upon inspection, numerous locations occur where significant degrading and substandard pavement and paving materials are present. No curbs, gutters, sidewalks, street lighting, or emergency shoulders are present along the entire length of Golf Road. Furthermore visibility is limited in several locations due to extreme topographic differentials along the road.

Please refer to Exhibit D for City of Osage Beach Ordinance No.: 04-40.

- Lack of internal circulation. A complementary condition to access is circulation. Just as access is limited to the Redevelopment Area, circulation throughout the area is non-existent. Traversing the site north to south, east to west is extremely limited unless on foot.
- Limited points of ingress/egress for general vehicular access. As previously mentioned, vehicular access is effectively limited. Outside these roads, no internal road system exists and vehicular access to the interior portions of the site is limited.
- Limited points of ingress/egress for emergency vehicles. Limited access to vehicular traffic also means limited access to emergency vehicles. In the event of an emergency within the Redevelopment Area, emergency vehicle access is effectively limited to either State Highway KK, Nichols Road or St. Moritz Drive. Emergency response crews would have to differentiate which route to take to respond in a timely manner.
- Deteriorated street pavement, curbs and gutters. Throughout the Redevelopment Area and where existing, street pavement, curbs and gutters are deteriorated and showing limited maintenance activities. Cracks, chipping, spalling, and large sections of roadway with the absence of pavement, curbs or gutters is evident within the Redevelopment Area.
- Limited sight lines and street lighting on Nichols Road and State Highway KK. As previously mentioned, the only access to the Redevelopment Area is Nichols Road, Highway KK and St. Moritz Drive and Golf Road. In some locations, limited sight lines exist due to topographic issues and the curved nature of the roads. Limited sight lines potentially present a hazardous condition to both vehicular traffic and pedestrian traffic along the road.



In order to alleviate these issues and to properly develop on the various property parcels, construction of various access roads and drives will be required. In its present condition, no paved roads exist within the Redevelopment Area except State Highway KK and Golf Road. A significant

portion of the Redevelopment Area is only accessed via foot traffic.

Based on the preceding observations, it is our opinion that the Redevelopment Area exhibits conditions which can reasonably conclude that “Inadequate Street Layout” is a condition prevalent throughout the Redevelopment Area and supportive of a blight finding.

Deterioration of Site Improvements

Many of the improvements within the Redevelopment Area have deteriorated to the point of obsolescence. Dogwood Hills golf facility was constructed in 1962 and at one time enjoyed success as a regional golf facility. Over the years increased competition from newer, more modern facilities have led to a steady decline in rounds played and revenues at the facility. So much so that the facility is presently closed. The former 47 room Best Western facility was approximately 24 years old and no longer able to compete with modern facilities without significant renovations. The facility is currently closed as well due to previous building standard violations with Best Western International.

The Dogwood Hills Golf Course makes up the majority of the land area within the Redevelopment Area. Of the total 226.31 acres, the golf course and the driving range account for 130 acres. Originally constructed in 1962, the golf course has been maintained and updated on a limited basis through the years. Over the past ten years, the course has experienced a significant decline in total rounds-played. While the overall total rounds-played in the lake area have increased, the number of rounds-played at Dogwood have decreased and continue to decrease.

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Total Rds, lake	201,794	199,295	201,363	197,977	203,513	231,148	229,757	240,040	226,799	265,469	260,154
Total Rds, Dogwood	15,709	17,393	17,494	17,340	17,637	17,731	17,680	17,520	16,479	19,351	24,131
% of total Rds	7.78%	8.73%	8.69%	8.76%	8.67%	7.67%	7.70%	7.30%	7.27%	7.29%	9.28%

Information provided by Dogwood Hills Golf Course.

THK Associates of Aurora, Colorado provided a secondary, independent analysis of the market demand and supply within the regional lake golf market. The following are excerpts of the report:

“In the Dogwood Hills region (three counties) there are currently 15 golf facilities offering 279 holes of golf. Over 50% of the facilities have been built since 1985 and all but two were built before 1965. Dogwood Hills is the second oldest facility in the region.

Within the actual Dogwood Hills trade area there are eleven competitive facilities, exclusive of Dogwood Hills. These eleven facilities average only 18,635 rounds of play, well below the typical capacity for a golf facility. The average daily greens fee for the courses in the region is \$52.05, high season. Dogwood Hills is nearly \$10.00 below the average fee in the region at \$42.70.

In the trade area today there is an estimated demand for 203,300 rounds of golf. An amount that suggests there is an over-supply of golf in the area. The

golf industry experts estimate that there is an over-supply of 3 golf courses in the trade area. Public golf is currently over-supplied in the trade area.

The number of rounds played at Dogwood Hills has been steadily declining over the last decade. In 1997 Dogwood Hills reported 28,354 rounds of golf, which represented 13.6% of play in the region. By the end of 2006 rounds had dropped to 16,479 of a 7.27% market share, reflecting increased competition and the lack of Dogwood Hills to compete with other facilities.

Within the actual trade area Dogwood Hills should be able to capture 9.3% of public rounds, based on a fair share capture rate. If Dogwood Hills were able to maintain that rate and not have further erosion of market share, based on growth in the trade area, rounds could increase to 19,997 by 2017, still well below levels of play in the late 1990's.

With the decline in rounds at Dogwood Hills, there has been a corresponding decline in revenues and net income. In 1999 the Dogwood Hills facility achieved a net profit of \$139,861. Net income steadily declined to the point of losses in 2005, a minimal profit in 2006 of \$9,042, and a loss for the 2014 season.

Based on the declining performance of the Dogwood Hills golf facility and the current over-supply of public golf in the trade area and region, it does not appear that the highest and best use of the property is for a golf facility.”¹

Additionally, the golf course has recently been analyzed in order to determine the potential for rehabilitation and costs associated with course rehabilitation. Mr. Jeffrey Myers of JCM Group, analyzed the course and determined that the following

¹ THK Associates, Obsolescence Report, Dogwood Hills Golf Course, March 22, 2007

conditions exist which prevent the course from being a “state of the art” facility. These conditions include:²

- **Course Length.** At Par 70, 6,200 yards in length, Dogwood Hills is the shortest championship course in the lake area. All other courses average over 6,500 yards in length. In order to be competitive and attract increased golf clientele, the course will need to be lengthened a minimum of 500 yards.
- **Greens.** Presently, Dogwood has only one United States Golf Association (USGA) specification green, all other greens are over 40 years old. The American Society of Golf Course Architects (ASGCA) Life Cycle chart indicates that greens can last up to thirty years. In order to be competitive and provide quality putting surfaces all greens would need to be replaced.
- **Bunkers.** Bunker sand at Dogwood Hills has never been replaced. ASGCA Life Cycle chart indicates that bunker sand should be replaced every five to seven years.
- **Cart Paths.** Cart paths at Dogwood Hills are asphalt and were installed in 1982 and upgraded in 2001. ASGCA estimates that asphalt paths last 5 to 10 years.
- **Pump Station.** The pump station at Dogwood was last upgraded in 1985 and is presently not correctly sized for any new irrigation systems. According to the ASGCA, a pump station should last 15 to 30 years.
- **Tees.** All tee boxes at Dogwood are original to the course except several forward tees added in the 1980’s and two championship tees added in 2000. ASGCA recommends tee being renovated every 15 to 20 years.

Ultimately, Mr. Myers estimates that remedying these defective conditions would require approximately \$4,500,000+ to effectively bring the course to modern standards. Please refer to Exhibit E for JCM Group analysis.

Best Western Dogwood Hills Resort Inn

² J.C.M. Group, Dogwood Hills Analysis

Further deteriorating conditions exist in regards to the former Best Western Dogwood Hills Resort Inn ("Resort Inn"). Constructed in 1984, the three story facility contains 47 guest rooms. At the time of original construction, Resort Inn was built as a seasonal golf resort with expectations of operating the months of March thru November at best and was built with the plan of closing December thru February. Over the years, membership standards and requirements by Best Western International, along with guest and general market expectation have changed dramatically and now the facility is closed, due to functional obsolescence.

Over the course of the Resort Inn's former relationship with Best Western International, changes in lodging requirements for the lake region changed while the Resort Inn facility had remained constant. Changes in minimum room standards and changing industry trends which were not planned for in the original construction included: upgraded unit appliances (coffee makers, irons, hair dryers, microwaves, refrigerators, televisions, etc.); interior corridor and room entrances; elevator accessibility; business centers; fitness centers; meeting/conference facilities; and year round lodging. Since the original facility construction, Best Western International building standards have changed to accommodate modern guest expectations. In order to maintain the Best Western affiliation, or a comparable hotel/motel flagged establishment, the facility will require substantial renovation. It is estimated that to bring the existing facility up to current design standards would cost in excess of \$1,000,000. Even with an upgraded facility, at only 47 rooms the Resort Inn will be smaller in size and less competitive than newer modern facilities that offer other amenities such as meeting and convention spaces, modern rooms, etc.

Please refer to Exhibit G: Best Western Correspondence for further information regarding Best Western Design Standards.

Water Tower Repairs

Adjacent to the former Best Western Dogwood Hills Resort is a 30,000 gallon standpipe water tower which provides water service to the resort and golf course. The

water tower is approximately 31 years of age. Presently, the water tower is in a significantly deteriorated condition and is out of compliance with American Water Works Association (AWWA), Occupational Safety and Health Administration (OSHA) and National Fire Protection



Association (NFPA) standards. Improvements to bring the tower up to current standards include: pit and seam weld repairs, cleaning and repairing spalling/cracking areas, sealant application, installation of a compliant manway, installation of manway access equipment, clean and repair anchor bolts, installation of frost proof drain valve, installation of safety signage, install liquid level indicator gauge, install passive cathodic protection system, install radial cathodic protection system, install silt plate cover, and apply interior/exterior coatings. Anticipated cost to bring the water tower into compliance is approximately \$75,000.

Based on the preceding observations, it is our opinion that the Redevelopment Area exhibits conditions which can reasonably conclude that “Deterioration of Site Improvements” has occurred and is prevalent throughout the Redevelopment Area and supportive of a blight finding.

Our analysis indicates that two statutorily defined blighting factors are present within the Redevelopment Area, namely; Inadequate Street Layout, and Deterioration of Site Improvements. While the presence of only one of these conditions is enough to reasonably determine blight for an area, the presence of a majority of these factors is certainly enough to determine that the Redevelopment Area is blighted in accordance with RSMo 99.805 (1).

Additionally, we have determined that the previously discussed blighting factors present within the Redevelopment Area contribute to the following;

- Constituting an economic or social liability,
- Being a menace to the public health, safety, morals or welfare.

Constituting an Economic or Social Liability

It is our opinion that blighting conditions present within the Redevelopment Area do constitute an Economic Liability. (See summary).

Conditions that Constitute a Menace to the Public Health, Safety, Morals, or Welfare in its Present Condition and Use.

Inadequate street layout, unsanitary and unsafe conditions, and deterioration of site improvements are all evidence of blighting conditions within the Redevelopment Area. It is our opinion that the combination of these conditions do constitute a menace to public health, safety, morals or welfare in its present condition and use.

Economic Liability/Under Utilization

The combination of the previously identified factors creates an extraneous economic liability for the development of the Redevelopment Area. "The concept of urban redevelopment has gone far beyond 'slum clearance' and the concept of economic underutilization is a valid one." Tierney v. Planned Industrial Expansion Authority of Kansas City, 742 S.W.2d 146, 151 (Mo. banc 1987). If vacant land "no longer meets the economic and social needs of modern city life and progress," the land can be considered blighted. State ex. Rel Atkinson v. Planned Industrial Expansion Authority, 517 S.W.2d 36 at 46 (Mo. banc 1975). Blight may also be found if the redevelopment of an area "could promote a higher level of economic activity, increased employment, and greater services to the public." Tierney, 742 S.W.2d at 151.

Existing property tracts and improvements within the Redevelopment Area have always sat vacant. Under its present undeveloped condition, the Redevelopment Area annually generates approximately \$99,109 in *ad valorem* taxes. Upon completion of the Redevelopment Projects within the Redevelopment Area (estimated completion time 2037), the estimated increase in *ad valorem* taxes is approximately \$3,850,000. In addition, sales taxes generated within the Redevelopment Area for the life of the plan are estimated to be \$92,800,000 by 2037. The development of the Redevelopment Area will also generate significant employment opportunities for the area, including construction, retail, and service employees. It is estimated that the construction phase alone will create 3,850 new jobs while the finished project will create 2,592 permanent new jobs. All of these economic benefits would be forgone without the use of tax increment financing to assist in the exceptional site improvement costs.

Additional site conditions which substantiates the economic liability of the Redevelopment Area is the extraordinary land development costs required to develop the area to its highest and best use. The topographical features of the Redevelopment

Area combined with the lack of basic infrastructure (i.e. utilities) are major factors contributing to the extraordinary land development costs. Infrastructure expenses to the area include improvements which are currently not in place or not planned without the consideration of this project. These include:

Site Excavation. As mentioned, the topographical features of the Redevelopment Area consist of extreme variations in topography which leads to high hills in some locations and deep valleys in others. This extreme variation causes significant portions of the Redevelopment Area to need to be excavated and graded to fill the lower areas. Extreme elevation variations of the Redevelopment Area range from 855 feet to 720 feet; a difference of 135+ feet across the site. Due to soil characteristics in the Redevelopment Area, excavation will require moving some soils, but the majority of the excavation will require the removal and movement of subsurface rock. Throughout the Redevelopment Area, bedrock is exposed at grade. It can be assumed that the depth from surface to bedrock throughout the area is at best measured in feet. It is estimated that in all Phases of redevelopment, approximately 1,500,000 cubic yards of rock and earth will have to be excavated and moved at a cost of approximately \$11.6 million. This excavation and grading work will significantly increase the expense of developing the Redevelopment Area.

Sanitary Sewer. Presently the Redevelopment Area does not contain any sanitary sewer system improvements. Sanitary sewer improvements include the construction of sewer lines and pump stations. This sanitary sewer improvement is estimated to cost approximately \$1,700,000 through all phases of the Redevelopment Project.

Roadway Improvements. As part of this Redevelopment Plan, as well as added development in the area, portions of the area will require significant roadway improvements. These include construction of roadbeds, retaining walls and Highway 54 Intersection improvements. These roadway improvements are

estimated to cost approximately \$11,000,000 Million through all phases of the Redevelopment Project.

Water Service. Currently no water service exists to the interior of the Redevelopment Area. Water system improvements which are required are water mains and public extensions and fire hydrants. It is estimated that the construction of new water services to the interior of the site could total as much as \$2,500,000 through all phases of the Redevelopment Project.

Please refer to current Civil Construction budget in the TIF Plan for up-to-date construction figures.

Clearly, the extraordinary land development costs associated with the topographical features of the Redevelopment Area, combined with the construction of streets and various utilities within the area further represent an extraordinary land development expense and therefore contribute to a finding of blight for the Redevelopment Area.

Blight Conclusion

The preceding analysis indicates that the Redevelopment Area suffers from numerous unfavorable blighting factors, as delineated in the statutes and as described in detail. These factors include obsolete platting, defective/inadequate street layout, obsolete building layout/design, deterioration of existing improvements, and economic underutilization.

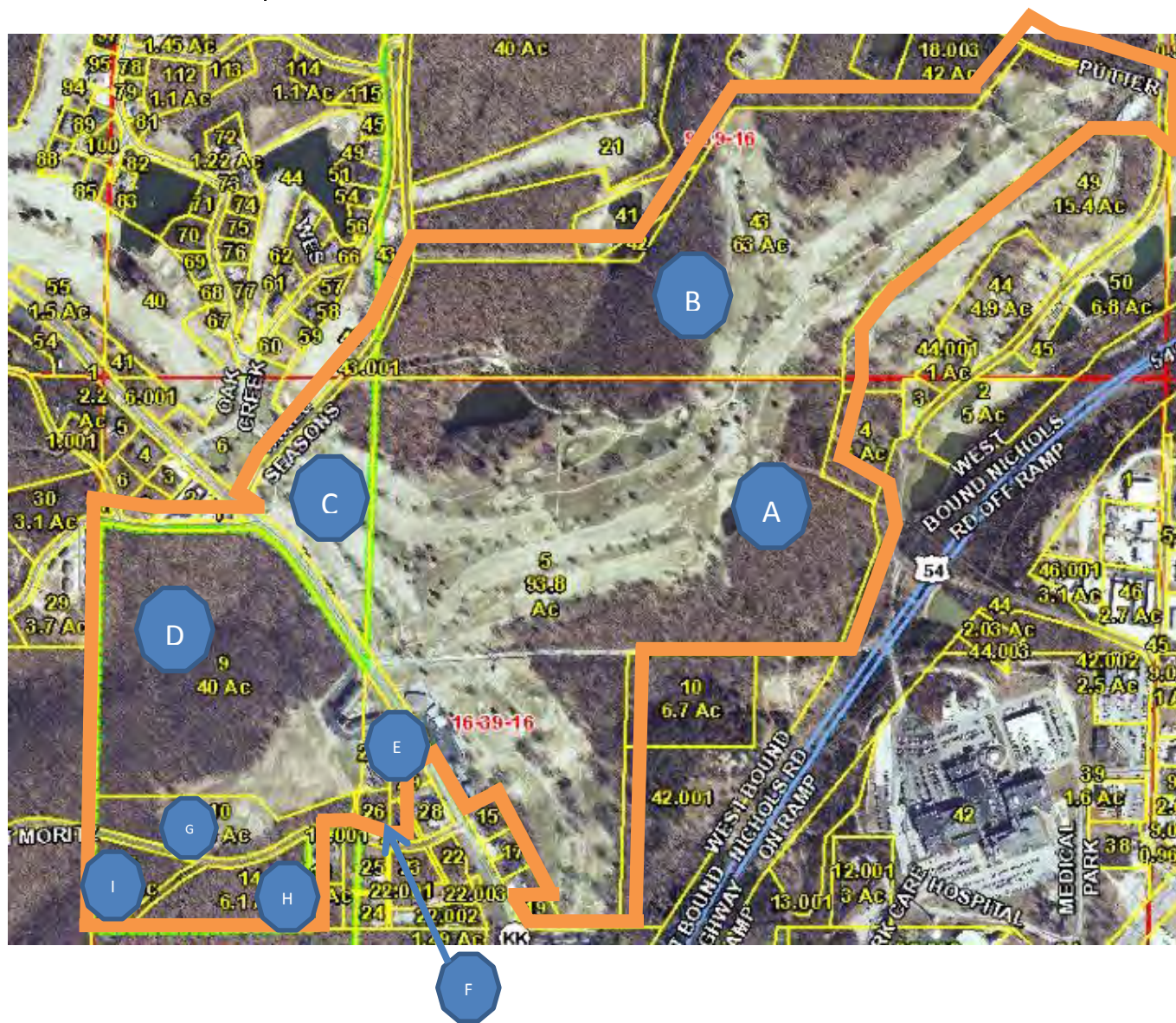
- 1. Defective or Inadequate Street Layout,**
- 2. Deterioration of Site Improvements,**
- 3. Economic Liability/Under Utilization.**

The Redevelopment Area is well-located, and highly visible; however a number of blighting factors hamper the future redevelopment of the site. Overcoming these blighting conditions creates an extraneous economic liability for the development of the Redevelopment Area. The primary excessive economic liability would concentrate on topographic constraints in addition to normal site and improvement costs. Because of the various blighting conditions, the development of any viable commercial properties are diminished and the Redevelopment Area constitutes a menace to the public health and safety in its present condition and use. It is our opinion that the subject property within the Redevelopment Area constitutes a blighted area within the definition of Chapter 99 of the Missouri Revised Statutes.

Blight Conditions - Summary: Parcel by Parcel

Lot	Tax ID Number	Size (acres)	Inadequate Street Layout	Deterioration of Site Improv.	Econ. Liability
A	08-5.0-16.0-000.0-001- 005.000	93.8	X	X	X
B	08-2.0-09.0-000.0-001- 043.000	63.0	X	X	X
C	08-5.0-16.0-000.0-001- 007.000	8.2	X	X	X
D	08-5.0-16.0-000.0-002- 009.000	40.0	X	X	X
E	08-5.0-16.0-000.0-002- 030.000	2.8	X	X	X
F	08-5.0-16.0-000.0-002- 026.000	1.0	X		X
G	08-5.0-16.0-000.0-002- 010.000	5.9	X		X
H	08-5.0-16.0-000.0-002- 014.000	6.1	X		X
I	08-5.0-16.0-000.0-002- 015.000	2.5	X		X

EXHIBIT A – Ownership Information



Ownership Table

Parcel ID No.	County ID No.	Owner	Legal Description (Via Camden County Assessors Office)	Acres
A	08-5.0-16.0-000.0-001-005.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	PT. NW 1/4, PT. NW NE POB IS THE NE COR OF THE NW 1/4, NW 1/4	
B	08-2.0-09.0-000.0-001-043.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	PT SE SW, PT S 1/2 SE, PT NE SE	
C	08-5.0-16.0-000.0-001-007.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	PT. NW NW	
D	08-5.0-16.0-000.0-002-009.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	PT. NW NW, PT SW NW	
E	08-5.0-16.0-000.0-002-030.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	PT. NW 1/4 WITH IN CITY LIMITS SW OF RT. KK	
F	08-5.0-16.0-000.0-002-026.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	LOTS 13 AND 14	
G	08-5.0-16.0-000.0-002-010.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	LOTS C.D.	
H	08-5.0-16.0-000.0-002-014.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	LOT A	
I	08-5.0-16.0-000.0-002-015.000	Dogwood Hills Golf Course, Inc. 1252 Highway KK Osage Beach, MO 65065	LOT B	
				226.31

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area

ARROWHEAD CENTRE TIF BOUNDARY

All of Tracts A, B, C and D and Lots 13 and 14 of DOGWOOD ESTATES NO. 1, as per the recorded plat thereof, official records of Camden County, Missouri, and a portion of the South Half of Section 9 and a portion of the North Half of Section 16, both in Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Beginning at an iron bar marking the Southeast corner of the Northwest Quarter of said Section 16; thence South 89°53'12" West along the south line thereof a distance of 312.43 feet; thence North 25°51'31" West a distance of 743.08 feet; thence South 61°24'29" West a distance of 167.99 feet to the easterly right-of-way line of Missouri State Highway "KK"; thence North 28°22'48" West along said right-of-way line a distance of 302.24 feet; thence South 63°19'49" West a distance of 229.94 feet; thence South 2°17'49" West a distance of 318.96 feet to a point on the northerly right-of-way line of a county road, said point being on a segment of a non-tangent curve from which the radius point bears North 10°21'13" East a radial distance of 218.84 feet; thence Westerly along said northerly right-of-way line the following five (5) courses: (1) Northwesterly along said curve a distance of 50.53 feet, a chord bearing of North 73°01'54" West and a chord distance of 50.42 feet; thence (2) North 66°25'11" West a distance of 64.99 feet to the beginning of a curve concave to the south having a radius of 378.25 feet; thence (3) Westerly along said curve a distance of 125.43 feet, a chord bearing of North 75°55'11" West and a chord distance of 124.86 feet; thence (4) North 85°25'11" West a distance of 88.40 feet to the beginning of a curve concave to the south having a radius of 183.78 feet; thence (5) Westerly along said curve a distance of 53.86 feet, a chord bearing of South 86°11'02" West and a chord distance of 53.67 feet; thence South 0°11'49" West a distance of 508.34 feet; thence South 89°51'49" West a distance of 1,081.10 feet; thence North 1°00'59" East a distance of 659.99 feet; thence North 0°59'53" East along the west line of Section 16 a distance of 1,334.32 feet to the south right-of-way line of a county road; thence South 79°20'00" East along said south right-of-way line a distance of 206.59 feet; thence North 87°30'00" East along said south right-of-way line a distance of 676.68 feet to a point on the easterly right-of-way line of Missouri State Highway "KK", said point being on a segment of a non-tangent curve from which the radius point bears South 40°59'51" West a radial distance of 555.87 feet; thence Northwesterly along said right-of-way line and curve a distance of 67.12 feet, a chord bearing of North 52°27'41" West and a chord distance of 67.08 feet; thence North 55°55'14" West along said right-of-way line a distance of 116.60 feet to the easterly right-of-way line of Three Seasons Road; thence Northerly along said right-of-way line the following six (6) courses: (1) North 23°23'53" East a distance of 147.30 feet; thence (2) North 42°50'53" East a distance of 432.78 feet; thence (3) North 42°59'53" East a distance of 261.45 feet to the beginning of a curve concave to the northwest having a radius of 843.51 feet; thence (4) Northeasterly along said curve a distance of 255.22 feet, a chord bearing of North 34°19'52" East and a chord distance of 254.25 feet; thence (5) North 25°39'53" East a distance of 203.33 feet to the beginning of a curve concave to the

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

west having a radius of 406.97 feet; thence (6) Northerly along said curve a distance of 168.74 feet, a chord bearing of North 13°47'14" East and a chord distance of 167.54 feet; thence South 89°50'29" East a distance of 1,105.41 feet; thence North 33°27'08" East a distance of 895.29 feet; thence South 89°43'34" East a distance of 1,154.10 feet; thence North 38°50'45" East a distance of 405.13 feet to the centerline of a county road; thence Southeasterly along said centerline the following five (5) courses: (1) South 61°06'59" East a distance of 73.10 feet; thence (2) South 67°36'59" East a distance of 120.00 feet; thence (3) South 81°32'59" East a distance of 189.40 feet; thence (4) South 72°32'59" East a distance of 203.60 feet; thence (5) South 49°32'56" East a distance of 174.30 feet; thence leaving said centerline, South 26°55'20" West a distance of 172.65 feet; thence North 85°31'47" West a distance of 321.53 feet; thence South 46°06'28" West a distance of 182.91 feet; thence South 52°44'08" West a distance of 899.58 feet; thence South 49°39'29" West a distance of 265.71 feet; thence South 35°04'55" West a distance of 242.56 feet; thence South 4°07'49" East a distance of 249.75 feet; thence South 14°34'00" West a distance of 417.62 feet; thence South 67°46'00" East a distance of 182.74 feet to a point on the westerly right-of-way line of U.S. Highway 54, said point being on a segment of a non-tangent curve from which the radius point bears South 39°40'34" East a radial distance of 457.46 feet; thence Southwesterly along said right-of-way line the following seven (7) courses: (1) Southwesterly along said curve a distance of 124.21 feet, a chord bearing of South 42°32'45" West and a chord distance of 123.82 feet; thence (2) South 34°46'03" West a distance of 136.08 feet; thence (3) South 54°34'25" East a distance of 131.76 feet; thence (4) South 31°27'36" East a distance of 31.53 feet; thence (5) South 33°35'48" West a distance of 188.05 feet; thence (6) South 4°02'35" West a distance of 251.02 feet; thence (7) South 29°35'47" West a distance of 155.57 feet; thence leaving said right-of-way line, North 89°56'39" West a distance of 891.93 feet; thence South 1°02'25" West a distance of 449.65 feet; thence South 0°13'48" West a distance of 425.84 feet; thence South 1°53'58" West a distance of 441.18 feet; thence South 89°53'12" West a distance of 4.86 feet to the POINT OF BEGINNING.

The above described parcel contains 226.31 acres and is subject to any easements or restrictions of record.

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

ARROWHEAD CENTRE DISTRICT 1 BOUNDARY

A portion of the Northwest Quarter of Section 16, Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Commencing at an iron bar marking the Southeast corner of the Northwest Quarter of said Section 16; thence South 89°53'12" West along the south line thereof a distance of 1,145.79 feet; thence North 00°01'20" West a distance of 433.93 feet to the Point of Beginning, said point being on the proposed Arrowhead Centre TIF Boundary and the northerly right-of-way line of a county road and on a segment of a non-tangent curve from which the radius point bears North 10°21'13" East a radial distance of 218.84 feet; thence Northwesterly and Southerly along said TIF Boundary and right-of-way line the following five (5) courses: (1) Northwesterly along said curve a distance of 50.53 feet, a chord bearing of North 73°01'54" West and a chord distance of 50.42 feet; thence (2) North 66°25'11" West a distance of 64.99 feet to the beginning of a curve concave to the south having a radius of 378.25 feet; thence (3) Westerly along said curve a distance of 125.43 feet, a chord bearing of North 75°55'11" West and a chord distance of 124.86 feet; thence (4) North 85°25'11" West a distance of 88.40 feet to the beginning of a curve concave to the south having a radius of 183.78 feet; thence (5) Westerly along said curve a distance of 53.86 feet, a chord bearing of South 86°11'02" West and a chord distance of 53.67 feet; thence leaving said right-of-way line, South 0°11'49" West a distance of 59.03 feet to a point on the centerline of said county road, said point being on a segment of a non-tangent curve from which the radius point bears South 13°45'49" East a radial distance of 400.00 feet; thence leaving said TIF Boundary, Southwesterly along said county road centerline the following three (3) courses: (1) Westerly along said curve a distance of 131.43 feet, a chord bearing of South 66°49'24" West and a chord distance of 130.84 feet; thence (2) South 57°24'37" West a distance of 68.09 feet to the beginning of a curve concave to the north having a radius of 440.00 feet; thence (3) Westerly along said curve a distance of 363.82 feet, a chord bearing of South 81°05'54" West and a chord distance of 353.54 feet to the centerline of a proposed road; thence Northerly along said proposed road centerline the following five (5) courses: (1) North 14°45'42" East a distance of 69.66 feet to the beginning of a curve concave to the west having a radius of 300.00 feet; thence (2) Northerly along said curve a distance of 124.59 feet, a chord bearing of North 2°51'51" East a chord distance of 123.70 feet; thence (3) North 9°02'00" West a distance of 148.12 feet to the beginning of a curve concave to the southeast having a radius of 350.00 feet; thence (4) Northeasterly along said curve a distance of 381.53 feet, a chord bearing of North 22°11'44" East and a chord distance of 362.92 feet; thence (5) North 53°25'28" East a distance of 717.43 feet to the baseline of Missouri State Highway "KK"; thence along said baseline the following three (3) courses: (1) South 33°46'22" East a distance of 387.99 feet to the beginning of a curve concave to the southwest having a radius of 2,500.00 feet; thence (2) Southeasterly along said curve a distance of 248.00 feet, a chord bearing of South 30°55'51" East and a chord distance of 247.90 feet; thence (3) South 28°05'20" East a distance of 41.04 feet to a point on the TIF Boundary; thence South 63°19'49" West along said TIF Boundary a distance of 185.61 feet; thence South 2°17'49" West along said TIF Boundary a distance of 318.96 feet to

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

the POINT OF BEGINNING.

The above described parcel contains 16.43 acres and is subject to any easements or restrictions of record.

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

ARROWHEAD CENTRE DISTRICT 2 BOUNDARY

A portion of the Northwest Quarter of Section 16, Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Commencing at an iron bar marking the Southeast corner of the Northwest Quarter of said Section 16; thence South 89°53'12" West along the south line thereof a distance of 1,145.79 feet; thence North 00°01'20" West a distance of 433.93 feet to the Point of Beginning, said point being on the proposed Arrowhead Centre TIF Boundary and the northerly right-of-way line of a county road and on a segment of a non-tangent curve from which the radius point bears North 10°21'13" East a radial distance of 218.84 feet; thence Northwesterly and Southerly along said TIF Boundary and right-of-way line the following five (5) courses: (1) Northwesterly along said curve a distance of 50.53 feet, a chord bearing of North 73°01'54" West and a chord distance of 50.42 feet; thence (2) North 66°25'11" West a distance of 64.99 feet to the beginning of a curve concave to the south having a radius of 378.25 feet; thence (3) Westerly along said curve a distance of 125.43 feet, a chord bearing of North 75°55'11" West and a chord distance of 124.86 feet; thence (4) North 85°25'11" West a distance of 88.40 feet to the beginning of a curve concave to the south having a radius of 183.78 feet; thence (5) Westerly along said curve a distance of 53.86 feet, a chord bearing of South 86°11'02" West and a chord distance of 53.67 feet; thence leaving said right-of-way line, South 0°11'49" West a distance of 59.03 feet to the Point of Beginning, said point being on said TIF Boundary; thence Southerly, Westerly, Northerly and Easterly along said TIF Boundary the following six (6) courses: (1) South 0°11'49" West a distance of 449.31 feet; thence (2) South 89°51'49" West a distance of 1,081.10 feet to the west line of Section 16; thence (3) North 1°00'59" East along said west line a distance of 659.59 feet; thence (4) North 0°59'53" East along the west line of Section 16 a distance of 1,334.32 feet to the south right-of-way line of a county road; thence (5) South 79°20'00" East along said south right-of-way line a distance of 206.59 feet; thence (6) North 87°30'00" East along said south right-of-way line a distance of 676.68 feet to a point on the easterly right-of-way line of Missouri State Highway "KK"; thence leaving said TIF Boundary, South 14°53'27" East along said right-of-way line a distance of 155.99 feet; thence South 34°02'57" East a distance of 529.69 feet to the centerline of a proposed road; thence Southwesterly along said proposed road centerline the following five (5) courses: (1) South 53°25'28" West a distance of 693.83 feet to the beginning of a curve concave to the southeast having a radius of 350.00 feet; thence (2) Southerly along said curve a distance of 381.53 feet, a chord bearing of South 22°11'44" West and a chord distance of 362.92 feet; thence (3) South 9°02'00" East a distance of 148.12 feet to the beginning of a curve concave to the northwest having a radius of 300.00 feet; thence (4) Southerly along said curve a distance of 124.59 feet, a chord bearing of South 2°51'51" West and a chord distance of 123.70 feet; thence (5) South 14°45'42" West a distance of 69.66 feet to a point on the centerline of a county road, said point being on a segment of a non-tangent curve from which the radius point bears North 14°47'11" East a radial distance of 440.00 feet; thence Easterly along said centerline the following three (3) courses: (1) Easterly along said curve a

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

distance of 363.82 feet, a chord bearing of North $81^{\circ}05'54''$ East and a chord distance of 353.54 feet; thence (2) North $57^{\circ}24'37''$ East a distance of 68.09 feet to the beginning of a curve concave to the southeast having a radius of 400.00 feet; thence (3) Northeasterly along said curve a distance of 131.43 feet, a chord bearing of North $66^{\circ}49'24''$ East and a chord distance of 130.84 feet to the POINT OF BEGINNING.

The above described parcel contains 39.54 acres and is subject to any easements or restrictions of record.

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

ARROWHEAD CENTRE DISTRICT 3 BOUNDARY

A portion of the North Half of Section 16, Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Beginning at an iron bar marking the Southeast corner of the Northwest Quarter of said Section 16, said point being on the Arrowhead Centre TIF Boundary; thence Westerly and Northwesterly along said TIF Boundary the following five (5) courses: (1) South 89°53'12" West along the south line of the Northwest Quarter of said Section 16 a distance of 312.43 feet; thence (2) North 25°51'31" West a distance of 743.08 feet; thence (3) South 61°24'29" West a distance of 167.99 feet to the easterly right-of-way line of Missouri State Highway "KK"; thence (4) North 28°22'48" West along said right-of-way line a distance of 302.24 feet; thence (5) South 63°19'49" West a distance of 44.33 feet to the baseline of said Highway; thence leaving said TIF Boundary, Northwesterly along said Highway baseline the following three (3) courses: (1) North 28°05'20" West a distance of 41.04 feet to the beginning of a curve concave to the southwest having a radius of 2,500.00 feet; thence (2) Northwesterly along said curve a distance of 248.00 feet, a chord bearing of North 30°55'51" West and a chord distance of 247.90 feet; thence (3) North 33°46'22" West a distance of 387.99 feet to the centerline of a proposed road; thence North 53°25'28" East along said proposed road centerline a distance of 141.63 feet to the beginning of a curve concave to the northwest having a radius of 300.00 feet; thence Northeasterly along said curve and proposed road centerline a distance of 101.17 feet, a chord bearing of North 43°45'47" East and a chord distance of 100.70 feet to the centerline of a second proposed road; thence Southeasterly and Easterly along said centerline of the second proposed road the following nine (9) courses: (1) South 55°53'54" East a distance of 35.84 feet to the beginning of a curve concave to the southwest having a radius of 300.00 feet; thence (2) Southeasterly along said curve a distance of 114.39 feet, a chord bearing of South 44°58'30" East and a chord distance of 113.70 feet; thence (3) South 34°03'06" East a distance of 62.39 feet to the beginning of a curve concave to the northeast having a radius of 250.00 feet; thence (4) Southeasterly along said curve a distance of 260.75 feet, a chord bearing of South 63°55'53" East a chord distance of 249.09 feet; thence (5) North 86°11'21" East a distance of 105.39 feet; thence (6) North 86°45'50" East a distance of 16.05 feet; thence (7) North 87°20'19" East a distance of 241.01 feet to the beginning of a curve concave to the south having a radius of 800.00 feet; thence (8) Easterly along said curve a distance of 40.33 feet, a chord bearing of North 88°46'58" East and a chord distance of 40.33 feet; thence (9) South 89°46'22" East a distance of 400.24 feet; thence leaving said centerline, South 60°58'19" East a distance of 5.14 feet to point being on said TIF Boundary; thence South 1°02'25" West along said TIF Boundary a distance of 449.65 feet; thence South 0°13'48" West along said TIF Boundary a distance of 425.84 feet; thence South 1°53'58" West along said TIF Boundary a distance of 441.18 feet; thence South 89°53'12" West a distance of 4.86 feet to the POINT OF BEGINNING.

The above described parcel contains 24.95 acres and is subject to any easements or restrictions of record.

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

ARROWHEAD CENTRE DISTRICT 4 BOUNDARY

A portion of the North Half of Section 16, Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Commencing at an iron bar marking the Southwest corner of the Northeast Quarter of said Section 16; thence North 89°53'12" East along the south line thereof a distance of 921.80 feet; thence North 00°01'20" West a distance of 1,313.68 feet to the Point of Beginning, said point being on the Arrowhead Centre TIF Boundary; thence North 89°56'39" West along said TIF Boundary a distance of 891.93 feet; thence leaving said TIF Boundary, North 60°58'19" West a distance of 5.14 feet to the centerline of a proposed road; thence Westerly along said proposed road centerline the following nine (9) courses: (1) North 89°46'22" West a distance of 400.24 feet to the beginning of a curve concave to the south having a radius of 800.00 feet; thence (2) Westerly along said curve a distance of 40.33 feet, a chord bearing of South 88°46'58" West and a chord distance of 40.33 feet ; thence (3) South 87°20'19" West a distance of 241.01 feet; thence (4) South 86°45'50" West a distance of 16.05 feet; thence (5) South 86°11'21" West a distance of 105.39 feet to the beginning of a curve concave to the northeast having a radius of 250.00 feet; thence (6) Northwesterly along said curve a distance of 260.75 feet, a chord bearing of North 63°55'53" West and a chord distance of 249.09 feet; thence (7) North 34°03'06" West a distance of 62.39 feet to the beginning of a curve concave to the southwest having a radius of 300.00 feet; thence (8) Northwesterly along said curve a distance of 114.39 feet, a chord bearing of North 44°58'30" West and a chord distance of 113.70 feet; thence (9) North 55°53'54" West a distance of 35.84 feet to a point on the centerline of a second proposed road, said point being on a non-tangent curve from which the radius point bears North 55°53'54" West a radial distance of 300.00 feet ; thence Northerly along said curve and said centerline a distance of 268.07 feet, a chord bearing of North 8°30'11" East and a chord distance of 259.24 feet; thence North 17°05'44" West along said centerline a distance of 219.01 feet to the centerline of a proposed road; thence Northeasterly along said centerline the following seven (7) courses: (1) North 72°54'16" East a distance of 436.79 feet to the beginning of a curve concave to the northwest having a radius of 700.00 feet; thence (2) Northeasterly along said curve a distance of 291.36 feet, a chord bearing of North 60°58'49" East and a chord distance of 289.26 feet ; thence (3) North 49°03'23" East a distance of 196.89 feet to the beginning of a curve concave to the south having a radius of 700.00 feet; thence (4) Easterly along said curve a distance of 961.27 feet, a chord bearing of North 88°23'49" East and a chord distance of 887.50 feet ; thence (5) South 52°15'45" East a distance of 445.62 feet to the beginning of a curve concave to the northeast having a radius of 500.00 feet; thence (6) Southeasterly along said curve a distance of 188.83, a chord bearing of South 63°04'55" East and a chord distance of 187.71 feet ; thence (7) South 73°54'05" East a distance of 29.51 feet to a point on the westerly right-of-way line of U.S. Highway 54 and the TIF Boundary, said point being on a segment of a non-tangent curve from which the radius point bears South 53°25'38" East a radial distance of 457.46 feet; thence Southerly along said right-of-way line and said TIF Boundary the following seven (7) courses: (1) Southwesterly along said curve a distance of 14.41 feet, a chord bearing of South 35°40'12" West and a chord

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

distance of 14.41 feet; thence (2) South 34°46'03" West a distance of 136.08 feet; thence (3) South 54°34'25" East a distance of 131.76 feet; thence (4) South 31°27'36" East a distance of 31.53 feet; thence (5) South 33°35'48" West a distance of 188.05 feet; thence (6) South 4°02'35" West a distance of 251.02 feet; thence (7) South 29°35'47" West a distance of 155.57 feet to the POINT OF BEGINNING.

The above described parcel contains 50.60 acres and is subject to any easements or restrictions of record.

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

ARROWHEAD CENTRE DISTRICT 5 BOUNDARY

A portion of the Northwest Quarter of Section 16 and the Southwest Quarter of Section 9, both in Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Commencing at an iron bar marking the Southeast corner of the Northwest Quarter of said Section 16; thence South $89^{\circ}53'12''$ West along the south line thereof a distance of 1,348.15 feet; thence North $00^{\circ}01'20''$ West a distance of 1,393.65 feet to the Point of Beginning; thence North $34^{\circ}02'57''$ West a distance of 529.69 feet; thence North $14^{\circ}53'27''$ West a distance of 155.99 feet to a point on the easterly right-of-way line of Missouri State Highway "KK" and the Arrowhead Centre TIF Boundary, said point being on a segment of a non-tangent curve from which the radius point bears South $40^{\circ}59'51''$ West a radial distance of 555.87 feet; thence Northwesterly, along said right-of-way line and TIF Boundary, along a curve a distance of 67.12 feet, a chord bearing of North $52^{\circ}27'41''$ West, and a chord distance of 67.08 feet; thence North $55^{\circ}55'14''$ West along said right-of-way line and TIF Boundary a distance of 116.60 feet to the easterly right-of-way line of Three Seasons Road; thence Northerly along said right-of-way line of Three Seasons Road and the TIF Boundary the following four (4) courses: (1) North $23^{\circ}23'53''$ East a distance of 147.30 feet; thence (2) North $42^{\circ}50'53''$ East a distance of 432.78 feet; thence (3) North $42^{\circ}59'53''$ East a distance of 261.45 feet to the beginning of a curve concave to the northwest having a radius of 843.51 feet; thence (4) Northeasterly along said curve a distance of 40.02 feet, a chord bearing of North $41^{\circ}38'23''$ East and a chord distance of 40.02 feet; thence leaving said TIF Boundary and right-of-way line, South $58^{\circ}15'42''$ East a distance of 30.19 feet to the centerline of a proposed road; thence Southerly along said centerline the following five (5) courses: (1) South $25^{\circ}17'37''$ West a distance of 44.91 feet to the beginning of a curve concave to the east having a radius of 400.00 feet; thence (2) Southerly along said curve a distance of 295.93 feet, a chord bearing of South $4^{\circ}05'56''$ West and a chord distance of 289.23 feet; thence (3) South $17^{\circ}05'44''$ East a distance of 624.49 feet to the beginning of a curve concave to the west having a radius of 300.00 feet; thence (4) Southerly along said curve a distance of 369.24 feet, a chord bearing of South $18^{\circ}09'52''$ West and a chord distance of 346.37 feet; thence (5) South $53^{\circ}25'28''$ West a distance of 165.23 feet to the POINT OF BEGINNING.

The above described parcel contains 11.54 acres and is subject to any easements or restrictions of record.

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

ARROWHEAD CENTRE DISTRICT 6 BOUNDARY

A portion of the North Half of Section 16 and the South Half of Section 9, both in Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows

Commencing at an iron bar marking the Southwest corner of the Northeast Quarter of said Section 16; thence North 89°53'12" East along the south line thereof a distance of 291.46 feet; thence North 00°01'20" West a distance of 2,571.43 feet to the Point of Beginning, said point on a segment of a non-tangent curve from which the radius point bears South 15°19'19" West a radial distance of 700.00 feet and being at the intersection of the centerlines of two proposed roads; thence Westerly along said centerline the following four (4) courses: (1) Westerly along said curve a distance of 687.41 feet, a chord bearing of South 77°11'21" West and a chord distance of 660.12 feet; thence (2) South 49°03'23" West a distance of 196.89 feet to the beginning of a curve concave to the northwest having a radius of 700.00 feet; thence (3) Southwesterly along said curve a distance of 291.36 feet, a chord bearing of South 60°58'49" West and a chord distance of 289.26 feet; thence (4) South 72°54'16" West a distance of 436.79 feet to an intersection of the centerlines of two proposed roads; thence Northerly along said centerline the following three (3) courses: (1) North 17°05'44" West a distance of 405.48 feet to the beginning of a curve concave to the east having a radius of 400.00 feet; thence (2) Northerly along said curve a distance of 295.93 feet, a chord bearing of North 4°05'56" East and a chord distance of 289.23 feet; thence (3) North 25°17'37" East a distance of 44.91 feet; thence leaving said centerline, North 58°15'42" West a distance of 30.19 feet to a point on the easterly right-of-way line of Three Seasons Road, said point also being on a segment of a non-tangent curve from which the radius point bears North 49°43'11" West a radial distance of 843.51 feet and said point being on the Arrowhead Centre TIF Boundary; thence Northerly along said easterly right-of-way line and TIF Boundary the following three (3) courses: (1) Northeasterly along said curve a distance of 215.20 feet, a chord bearing of North 32°58'18" East and a chord distance of 214.61 feet; thence (2) North 25°39'53" East a distance of 203.33 feet to the beginning of a curve concave to the west having a radius of 406.97 feet; thence (3) Northerly along said curve a distance of 168.74 feet, a chord bearing of North 13°47'14" East and a chord distance of 167.54 feet, thence leaving said right-of-way line, South 89°50'29" East along said TIF Boundary a distance of 1,105.41 feet; thence leaving said TIF Boundary, North 89°09'15" East a distance of 181.30 feet to a point on the centerline of a proposed road, said point being on a segment of a non-tangent curve from which the radius point bears North 89°17'10" East a radial distance of 400.00 feet; thence Southerly along said centerline the following four (4) courses: (1) Southerly along said curve a distance of 120.21 feet, a chord bearing of South 9°19'24" East and a chord distance of 119.76 feet; thence (2) South 17°55'58" East a distance of 203.20 feet to the beginning of a curve concave to the west having a radius of 400.00 feet; thence (3) Southerly along said curve a distance of 239.10 feet, a chord bearing of South 0°48'29" East a chord distance of 235.56 feet; thence (4) South 16°18'59" West a distance of 174.03 feet to the POINT OF BEGINNING.

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

The above described parcel contains 32.93 acres and is subject to any easements or restrictions of record.

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

ARROWHEAD CENTRE DISTRICT 7 BOUNDARY

A portion of the North Half of Section 16 and the South Half of Section 9, both in Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows

Commencing at an iron bar marking the Southwest corner of the Northeast Quarter of said Section 16; thence North 89°53'12" East along the south line thereof a distance of 1,082.86 feet; thence North 00°01'20" West a distance of 2,082.42 feet to the Point of Beginning, said point being on the centerline of a proposed road; thence Westerly along said centerline the following four (4) courses: (1) North 73°54'05" West a distance of 29.51 feet to the beginning of a curve concave to the northeast having a radius of 500.00 feet; thence (2) Northwesterly along said curve a distance of 188.83 feet, a chord bearing of North 63°04'55" West a chord distance of 187.71 feet; thence (3) North 52°15'45" West a distance of 445.62 feet to the beginning of a curve concave to the south having a radius of 700.00 feet; thence (4) Northwesterly along said curve a distance of 273.86 feet, a chord bearing of North 63°28'13" West and a chord distance of 272.11 feet to an intersection of the centerlines of two proposed roads; thence Northerly along said centerline the following four (4) courses: (1) North 16°18'59" East a distance of 174.03 feet to the beginning of a curve concave to the west having a radius of 400.00 feet; thence (2) Northerly along said curve a distance of 239.10 feet, a chord bearing of North 0°48'29" West and a chord distance of 235.56 feet; thence (3) North 17°55'58" West a distance of 203.20 feet to the beginning of a curve concave to the east having a radius of 400.00 feet; thence (4) Northerly along said curve a distance of 120.21 feet, a chord bearing of North 9°19'24" West and a chord distance of 119.76 feet; thence leaving said centerline, South 89°09'15" West a distance of 181.30 feet to a point on the TIF Boundary; thence North 33°27'08" East along said TIF Boundary a distance of 895.29 feet; thence South 89°43'34" East along said TIF Boundary a distance of 1,154.10 feet; thence leaving said TIF Boundary, South 41°57'17" West a distance of 23.85 feet to a point in the centerline of a proposed road, said point being on a segment of a non-tangent curve from which the radius point bears North 48°02'43" West a radial distance of 600.00 feet; thence Southwesterly along said curve and said centerline a distance of 516.43 feet, a chord bearing of South 66°36'45" West and a chord distance of 500.64 feet; thence South 9°22'58" East a distance of 39.35 feet; thence South 14°57'40" East a distance of 253.00 feet; thence South 37°15'52" East a distance of 274.26 feet to a point on the TIF Boundary; thence Southerly along said TIF Boundary the following seven (7) courses: (1) South 52°44'08" West a distance of 82.33 feet; thence (2) South 49°39'29" West a distance of 265.71 feet; thence (3) South 35°04'55" West a distance of 242.56 feet; thence (4) South 4°07'49" East a distance of 249.75 feet; thence (5) South 14°34'00" West a distance of 417.62 feet; thence (6) South 67°46'00" East a distance of 182.74 feet to a point in the westerly right-of-way line of U.S. Highway 54, said point being on a segment of a non-tangent curve from which the radius point bears South 39°40'34" East a radial distance of 457.46 feet; thence (7) Southwesterly along said right-of-way line and curve a distance of 109.79 feet, a chord bearing of South 43°26'54" West and a chord distance of 109.53 feet to the POINT OF BEGINNING.

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

The above described parcel contains 36.65 acres and is subject to any easements or restrictions of record.

3-11-2015

EXHIBIT A – Legal Description: Arrowhead Centre Redevelopment Area: Continued

ARROWHEAD CENTRE DISTRICT 8 BOUNDARY

A portion of the South Half of Section 9, Township 39 North, Range 16 West of the 5th Principal Meridian, Camden County, Missouri, described as follows:

Commencing at an iron bar marking the Southwest corner of the Northeast Quarter of Section 16, Township 39 North, Range 16 West; thence North 89°53'12" East along the south line thereof a distance of 2,587.01 feet; thence North 00°01'20" West a distance of 3,898.36 feet to the Point of Beginning, said point being on the Arrowhead Centre TIF Boundary; thence Northwesterly and Southwesterly along said TIF Boundary the following three (3) courses: (1) North 85°31'47" West a distance of 321.53 feet; thence (2) South 46°06'28" West a distance of 182.91 feet; thence (3) South 52°44'08" West a distance of 817.25 feet; thence leaving said TIF Boundary, North 37°15'52" West a distance of 274.26 feet; thence North 14°57'40" West a distance of 253.00 feet; thence North 9°22'58" West a distance of 39.35 feet to a point on the centerline of a proposed road, said point being on a non-tangent curve from which the radius point bearings North 1°16'14" East a radial distance of 600.00 feet; thence Easterly along said centerline and curve a distance of 516.43 feet, a chord bearing of North 66°36'45" East and a chord distance of 500.64 feet; thence leaving said centerline, North 41°57'17" East a distance of 23.85 feet to a point on the TIF Boundary; thence North 38°50'45" East along said TIF Boundary a distance of 405.13 feet to the centerline of a county road; thence Southeasterly along said centerline and TIF Boundary the following five (5) courses: (1) South 61°06'59" East a distance of 73.10 feet; thence (2) South 67°36'59" East a distance of 120.00 feet; thence (3) South 81°32'59" East a distance of 189.40 feet; thence (4) South 72°32'59" East a distance of 203.60 feet; thence (5) South 49°32'56" East a distance of 174.30 feet; thence South 26°55'20" West a distance of 172.65 feet to the POINT OF BEGINNING.

The above described parcel contains 13.67 acres and is subject to any easements or restrictions of record.

3-11-2015

Exhibit B: Photo Log

The following photograph log presents a review of the property tracts within the proposed Redevelopment Area. Photos indicate property condition, infrastructure condition, and surrounding adjacent property is also included. All photos were taken on November 11, 2014.



View to the north at the clubhouse of Dogwood Hills Golf Course.



The Former Dogwood Hills Golf Course Facility Clubhouse.



View to the villas (4 total) located south of the clubhouse facility. Villas constructed 1983.



East façade of the four villa buildings. Note exterior stair access.



View to the east across KK at the former Best Western Dogwood Hills Resort Inn facility.



View at former Dogwood Hills Best Western.

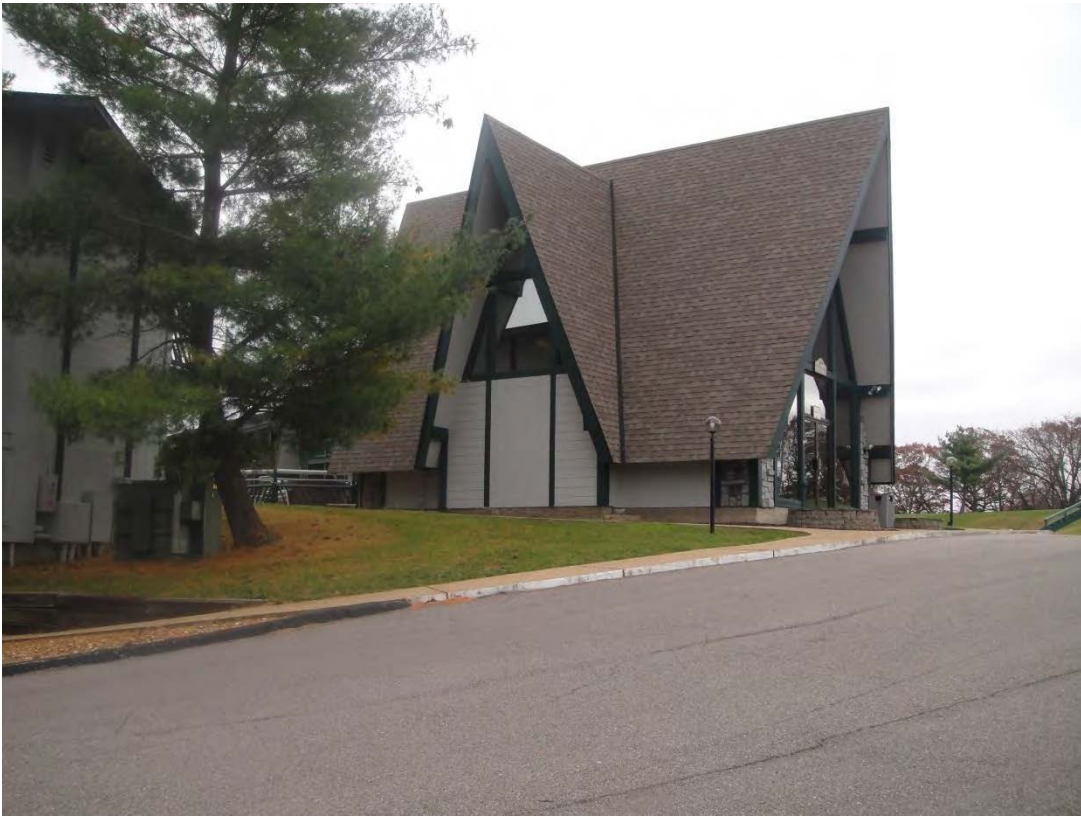


Photo of the Best Western Lobby structure, constructed 1984.



Interior of Lobby structure, original to 1984.



View of the interior courtyard of the Best Western. Note obsolete construction materials.



Photo of the north side of the Best Western. Note obsolete construction materials & limited ADA exterior access. Stair locations are the only means of ingress/egress to 2nd & 3rd floors.



Typical room furnishings throughout hotel and villa facilities. All finishes not in compliance with current Best Western design standards.



Additional view of interior room finishes.



View of 30,000 gallon Standpipe water tower.



Base of water tower. Note significant surface rust.



Western end of Golf Road. Note overhead utilities. Note signage indicating road closed.



View east along Golf Road. Note disrepair of road surface, lack of curbs/gutters/shoulder. Note initial stages of topography differential.



View to the east along Golf Road. Note significant deterioration of roadway, absence of curbs, gutters, shoulder, sidewalk. Also limited visibility in certain locations.



View west along Golf Road. Note significant deterioration, topography differential, limited visibility, lack of curbs/gutters/sidewalks, typical along road.



Golf Road west end, photo showing significant drainage ditch along side of road.



View looking east along Golf Road.



Photo looking east along Golf Rd. Same severe deterioration conditions evident. Note overhead utility line running length of road.



East end of Golf Road, road terminates at the newly constructed Highway 54 Bypass.

Exhibit C: Property Inspection Forms

Property / Facility Inspection Form										Tract A					
Date 11/11/14					Inspector JPotter										
City Osage Beach, Missouri					Project/Survey Arrowhead Centre TIF Area										
Address 1252 Highway KK					Parcel Number 08-5.0-16.0-000.0-001-005.000										
Building Type Commercial			# Stories 1		Building Material n/a		Basement:		Yes		X		No		
Is Property improved		Yes		Yes		n/a		No		Property Size (Acres)		93.8			

Property Condition

Retaining Walls		N/A
Private Sidewalks & Drives		N/A
Public Streets	Poor	Golf Road runs through center of parcel. Severely deteriorated.
Lawns & Shrubs		N/A
Excessive stored Vehicles (not for retail sales purposes)		N/A
Open storage		N/A
Accessory Structures		N/A
Public Sidewalks, Curbs, Gutter		N/A
Catch Basins		N/A
Street Lights		N/A
Street Conditions		N/A

Comments: Parcel is presently the northeast portion of the Dogwood Hills Golf Course. Parcel includes Maintenance shed for the course.

	Condition	Condition Present	Comment
1.	Inadequate Street Layout	X	No improvements exist within interior of parcel. Access from west via KK.
2.	Unsanitary / Unsafe Condition		
3.	Deteriorated Site Improvements	X	Site of the former Dogwood Hills Golf Course, now closed. Golf facilities have deteriorated past the point of competitive functionality.
4.	Improper Subdivision		
5.	Obsolete Platting		
6.	Life Endangering Condition		
	-Fire		
	-Environmental		
	-Other		
7.	Retardation of Housing Accommodations		
8.	Economic Liability/Underutilization	X	Current site of the Dogwood Hills Golf Course. Extreme topographic changes throughout tract would make it difficult to create a viable building lot. Elevation drops approximately 100+ feet across site.
9.	Social Liability		
10.	Menace to Public Health, Safety, Morals, welfare		

Property / Facility Inspection Form						Tract B															
Date 11/11/14				Inspector JPotter																	
City Osage Beach, Missouri				Project/Survey Area Arrowhead Centre TIF																	
Address n/a				Parcel Number 08-2.0-09.0-000.0-001-043.000																	
Building Type		n/q		# Stories		0		Building Material		n/a		Basement:				Yes		x		No	
Is Property improved				Yes		x		No		Property Size (Acres)		63									

Property Condition

Retaining Walls					N/A
Private Sidewalks & Drives					N/A
Lawns & Shrubs					N/A
Excessive stored Vehicles (not for retail sales purposes)					N/A
Open storage					N/A
Accessory Structures					N/A
Public Sidewalks, Curbs, Gutter					N/A
Catch Basins					N/A
Street Lights					N/A
Street Conditions					N/A

Comments: Parcel is presently the northeast portion of the Dogwood Hills Golf Course. Majority of the site is heavily wooded and severely overgrown with vegetation.

	Condition	Condition Present	Comment
1.	Inadequate Street Layout	X	No improvements exist within interior of parcel. No direct vehicular access except Putter Road.
2.	Unsanitary / Unsafe Condition		
3.	Deteriorated Site Improvements	X	Site of the former Dogwood Hills Golf Course, now closed. Golf facilities have deteriorated past the point of competitive functionality.
4.	Improper Subdivision		
5.	Obsolete Platting		
6.	Life Endangering Condition		
	-Fire		
	-Environmental		
	-Other		
7.	Retardation of Housing Accommodations		
8.	Economic Liability/Underutilization	X	Approximately ½ of parcel is currently vacant/un-developed. The other ½ is occupied by the former Dogwood Hills Golf Course. Extreme topographic changes throughout tract would make it difficult to create a viable building lot. Elevation drops approximately 70+ feet across site.
9.	Social Liability		
10.	Menace to Public Health, Safety, Morals, welfare		

Property / Facility Inspection Form						Tract C						
Date 11/11/14				Inspector JPotter								
City Osage Beach, Missouri				Project/Survey Arrowhead Centre TIF Area								
Address n/a				Parcel Number 08-5.0-16.0-000.0-001-007.000								
Building Type		Golf course, clubhouse		# Stories n/a		Building Material n/a		Basement:		Yes	x	No
Is Property improved		Yes	x	No		Property Size (Acres)		8.2				

Property Condition

Retaining Walls					N/A
Private Sidewalks & Drives					N/A
Lawns & Shrubs					N/A
Excessive stored Vehicles (not for retail sales purposes)					N/A
Open storage					N/A
Accessory Structures					N/A
Public Sidewalks, Curbs, Gutter					N/A
Catch Basins					N/A
Street Lights					N/A
Street Conditions					N/A

Comments: Parcel is presently the majority of the Dogwood Hills Golf Course. Parcel includes Clubhouse and Cart Storage Barn as well as villas to south.

	Condition	Condition Present	Comment
1.	Inadequate Street Layout	x	No street improvements exist within interior of parcel. Primary vehicular access is via Highway KK to southwest.
2.	Unsanitary / Unsafe Condition		
3.	Deteriorated Site Improvements	X	Site of the former Dogwood Hills Golf Course, now closed. Golf facilities have deteriorated past the point of competitive functionality.
4.	Improper Subdivision		
5.	Obsolete Platting		
6.	Life Endangering Condition		
7.	Retardation of Housing Accommodations		
8.	Economic Liability/Underutilization	x	Current site of the Dogwood Hills Golf Course. Moderate topographic changes throughout tract would make it difficult to create a viable building lot. Elevation drops approximately 60+ feet across site.
10.	Menace to Public Health, Safety, Morals, welfare		

Property / Facility Inspection Form						Tract D				
Date 11/11/14				Inspector JPotter						
City Osage Beach, Missouri				Project/Survey Area Arrowhead Centre TIF						
Address n/a				Parcel Number 08-5.0-16.0-000.0-002-009.000						
Building Type n/a		# Stories 0		Building Material n/a		Basement:		Yes	X	No
Is Property improved		Yes	x	No		Property Size (Acres)		40		

Property Condition

Retaining Walls					N/A
Private Sidewalks & Drives					N/A
Lawns & Shrubs					N/A
Excessive stored Vehicles (not for retail sales purposes)					N/A
Open storage					N/A
Accessory Structures					N/A
Public Sidewalks, Curbs, Gutter					N/A
Catch Basins					N/A
Street Lights					N/A
Street Conditions					N/A

Comments: Parcel is currently vacant/undeveloped property. Majority of the site is heavily wooded and severely overgrown with vegetation.

	Condition	Condition Present	Comment
1.	Inadequate Street Layout	X	No improvements exist within interior of parcel. No direct vehicular access except KK.
2.	Unsanitary / Unsafe Condition		
3.	Deteriorated Site Improvements	X	Site of the former Dogwood Hills Best Western now closed. Lodging facilities have deteriorated past the point of competitive functionality.
4.	Improper Subdivision		
5.	Obsolete Platting		
6.	Life Endangering Condition		
	-Fire		
	-Environmental		
	-Other		
7.	Retardation of Housing Accommodations		
8.	Economic Liability/Underutilization	X	Majority of parcel is currently vacant/un-developed. Extreme topographic changes throughout tract would make it difficult to create a viable building lot. Elevation drops approximately 50+ feet across site.
9.	Social Liability		
10.	Menace to Public Health, Safety, Morals, welfare		

Property / Facility Inspection Form						Tract E				
Date 11/11/14				Inspector JPotter						
City Osage Beach, Missouri				Project/Survey Arrowhead Centre TIF Area						
Address n/a				Parcel Number 08-5.0-16.0-000.0-002-030.000						
Building Type n/a		# Stories 0		Building Material n/a		Basement:		Yes	x	No
Is Property improved		x	Yes-golf course		No	Property Size (Acres)		2.8		

Property Condition

Retaining Walls					N/A
Private Sidewalks & Drives					N/A
Lawns & Shrubs					N/A
Excessive stored Vehicles (not for retail sales purposes)					N/A
Open storage					N/A
Accessory Structures					N/A
Public Sidewalks, Curbs, Gutter					N/A
Catch Basins					N/A
Street Lights					N/A
Street Conditions					N/A

Comments: Parcel is presently the Driving Range of the former Dogwood Hills Golf Course.

	Condition	Condition Present	Comment
1.	Inadequate Street Layout	X	No streets/roads improvements exist within interior of parcel. Vehicular access potentially from KK.
2.	Unsanitary / Unsafe Condition		
3.	Deteriorated Site Improvements		
4.	Improper Subdivision		
5.	Obsolete Platting		
6.	Life Endangering Condition		
	-Fire		
	-Environmental		
	-Other		
7.	Retardation of Housing Accommodations		
8.	Economic Liability/Underutilization	X	Current site of the Dogwood Hills Golf Course driving range. Moderate topographic changes throughout tract would make it difficult to create a viable building lot. Elevation drops approximately 30+ feet across site.
9.	Social Liability		
10.	Menace to Public Health, Safety, Morals, welfare		

Property / Facility Inspection Form										Tract F					
Date 11/11/14					Inspector JPotter										
City Osage Beach, Missouri					Project/Survey Area Arrowhead Centre TIF										
Address n/a					Parcel Number 08-5.0-16.0-000.0-002-026.000										
Building Type n/a			# Stories n/a		Building Material wood			Basement:		Yes		x		No	
Is Property improved			Yes		x		No		Property Size (Acres)			1.0			

Property Condition

Retaining Walls					N/A
Private Sidewalks & Drives					N/A
Lawns & Shrubs					N/A
Excessive stored Vehicles (not for retail sales purposes)					N/A
Open storage					N/A
Accessory Structures					N/A
Public Sidewalks, Curbs, Gutter					N/A
Catch Basins					N/A
Street Lights					N/A
Street Conditions					N/A

Comments: Parcel is presently undeveloped and heavily wooded.

	Condition	Condition Present	Comment
1.	Inadequate Street Layout	X	No streets/road improvement to interior of parcel. Access off St. Moritz Drive.
2.	Unsanitary / Unsafe Condition		
3.	Deteriorated Site Improvements		
4.	Improper Subdivision		
5.	Obsolete Platting		
6.	Life Endangering Condition		
	-Fire		
	-Environmental		
	-Other		
7.	Retardation of Housing Accommodations		
8.	Economic Liability/Underutilization	X	Due to its prime location along KK, and its current outdated and obsolescence, we would anticipate the site being utilized for a higher and better use.
9.	Social Liability		
10.	Menace to Public Health, Safety, Morals, welfare		

Property / Facility Inspection Form						Tract G				
Date 11/11/14				Inspector JPotter						
City Osage Beach, Missouri				Project/Survey Area Arrowhead Centre TIF						
Address n/a				Parcel Number 08-5.0-16.0-000.0-002-010.000						
Building Type n/a		# Stories 0		Building Material n/a		Basement:		Yes	X	No
Is Property improved		Yes	x	No		Property Size (Acres)		5.9		

Property Condition

Retaining Walls					N/A
Private Sidewalks & Drives					N/A
Lawns & Shrubs					N/A
Excessive stored Vehicles (not for retail sales purposes)					N/A
Open storage					N/A
Accessory Structures					N/A
Public Sidewalks, Curbs, Gutter					N/A
Catch Basins					N/A
Street Lights					N/A
Street Conditions					N/A

Comments: Parcel is currently comprised of the southwestern portion of the Dogwood Hills Golf Course Driving Range and adjacent vacant/undeveloped property. Majority of the site is heavily wooded and severely overgrown with vegetation.

	Condition	Condition Present	Comment
1.	Inadequate Street Layout	X	No streets/roads improvements exist within interior of parcel. Vehicular access potentially from St. Moritz Drive.
2.	Unsanitary / Unsafe Condition		
3.	Deteriorated Site Improvements		
4.	Improper Subdivision		
5.	Obsolete Platting		
6.	Life Endangering Condition		
	-Fire		
	-Environmental		
	-Other		
7.	Retardation of Housing Accommodations		
8.	Economic Liability/Underutilization	X	Parcel is currently vacant/un-developed. Topographic changes throughout tract would make it difficult to create a viable building lot. Elevation drops approximately 20+ feet across site.
9.	Social Liability		
10.	Menace to Public Health, Safety, Morals, welfare		

Property / Facility Inspection Form						Tract H															
Date 11/11/14				Inspector JPotter																	
City Osage Beach, Missouri				Project/Survey Area Arrowhead Centre TIF																	
Address n/a				Parcel Number 08-5.0-16.0-000.0-002-014.000																	
Building Type		n/a		# Stories		0		Building Material		n/a		Basement:				Yes		X		No	
Is Property improved				Yes		X		No		Property Size (Acres)		6.1									

Property Condition

Retaining Walls					N/A
Private Sidewalks & Drives					N/A
Lawns & Shrubs					N/A
Excessive stored Vehicles (not for retail sales purposes)					N/A
Open storage					N/A
Accessory Structures					N/A
Public Sidewalks, Curbs, Gutter					N/A
Catch Basins					N/A
Street Lights					N/A
Street Conditions					N/A

Comments: Parcel is currently vacant/undeveloped property. All of the site is heavily wooded and severely overgrown with vegetation.

	Condition	Condition Present	Comment
1.	Inadequate Street Layout	X	No streets/roads improvements exist within interior of parcel. Vehicular access potentially from St. Moritz Drive.
2.	Unsanitary / Unsafe Condition		
3.	Deteriorated Site Improvements		
4.	Improper Subdivision		
5.	Obsolete Platting		
6.	Life Endangering Condition		
	-Fire		
	-Environmental		
	-Other		
7.	Retardation of Housing Accommodations		
8.	Economic Liability/Underutilization	X	Majority of parcel is currently vacant/un-developed. Extreme topographic changes throughout tract would make it difficult to create a viable building lot. Elevation drops approximately 100+ feet across site.
9.	Social Liability		
10.	Menace to Public Health, Safety, Morals, welfare		

Property / Facility Inspection Form						Tract I				
Date 11/11/14				Inspector JPotter						
City Osage Beach, Missouri				Project/Survey Area Arrowhead Centre TIF						
Address n/a				Parcel Number 08-5.0-16.0-000.0-002-015.000						
Building Type n/a		# Stories 0		Building Material n/a		Basement:		Yes	X	No
Is Property improved		Yes	X	No	Property Size (Acres)		2.5			

Property Condition

Retaining Walls					N/A
Private Sidewalks & Drives					N/A
Lawns & Shrubs					N/A
Excessive stored Vehicles (not for retail sales purposes)					N/A
Open storage					N/A
Accessory Structures					N/A
Public Sidewalks, Curbs, Gutter					N/A
Catch Basins					N/A
Street Lights					N/A
Street Conditions					N/A

Comments: Parcel is currently vacant/undeveloped property. All of the site is heavily wooded and severely overgrown with vegetation.

	Condition	Condition Present	Comment
1.	Inadequate Street Layout	X	No streets/roads improvements exist within interior of parcel. Vehicular access potentially from St. Moritz Road to south.
2.	Unsanitary / Unsafe Condition		
3.	Deteriorated Site Improvements		
4.	Improper Subdivision		
5.	Obsolete Platting		
6.	Life Endangering Condition		
	-Fire		
	-Environmental		
	-Other		
7.	Retardation of Housing Accommodations		
8.	Economic Liability/Underutilization	X	Majority of parcel is currently vacant/un-developed. Extreme topographic changes throughout tract would make it difficult to create a viable building lot. Elevation drops approximately 15-20 feet across site.
9.	Social Liability		
10.	Menace to Public Health, Safety, Morals, welfare		

BILL NO. 04-40

ORDINANCE NO. 04.40

AN ORDINANCE FOR THE CITY OF OSAGE BEACH, MISSOURI, ESTABLISHING THE LOCATION OF A REGULATORY TRAFFIC SIGN PROHIBITING DRIVERS OF COMMERCIAL VEHICLES AND TRAILERS FROM DRIVING ON GOLF ROAD.

Whereas the Board of Aldermen find that the City Traffic Engineer acting under the authority of City Code Section 315.010 has conducted a traffic study and found that a hazard exists and under the authority of City Code Section 335.030 recommends placement of a "No Commercial Vehicles or Trailers" sign on Golf Road.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF OSAGE BEACH, MISSOURI, AS FOLLOWS, WIT.

Section 1. All drivers of commercial vehicles and trailers are prohibited from driving on Golf Road. Failure to obey this restriction shall be considered a misdemeanor offence and the violator subject to citation and fine.

Section 2. Severability.

The chapters, sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional or otherwise invalid by the valid judgement or degree of any Court of any competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance since the same would have been enacted by the Board of Aldermen without the incorporation in this ordinance of any such unconstitutional or invalid phrase, clause, sentence, paragraph or section.

Section 3. Repeal of Ordinances not to affect liabilities, etc.

Whenever any part of this ordinance shall be repealed or modified, either expressly or by implication, by a subsequent ordinance, that part of the ordinance thus repealed or modified shall continue in force until the subsequent ordinance repealing or modifying the ordinance shall go into effect unless therein otherwise expressly provided; but no suit, prosecution, proceeding, right, fine or penalty instituted, created, given, secured or accrued under this ordinance previous to its repeal shall not be affected, released or discharged but may be prosecuted, enjoined and recovered as fully as if this ordinance or provisions had continued in force, unless it shall be therein otherwise expressly provided.

Section 4. That this Ordinance shall be in full force and effect from and after January 1, 2005.

READ FIRST TIME: _____

READ SECOND TIME: _____

PASSED AND APPROVED THIS 16 DAY OF December, 2004.

ATTEST:

Penny Lyons, Mayor

Approved as to form by:

Diann Warner, City Clerk

Charles McElyea, City Attorney

J.C.M. GROUP, INC.
GOLF COURSE DESIGN

March 19, 2007 / Revised December 1, 2014

Mr. Gary Mitchell
Dogwood Hills Golf Course
KK Highway
Osage Beach, Missouri

Dear Gary,

Please find enclosed my original analysis of the Dogwood Hills Golf Club and the work required to bring the course up to twenty first century standards in order for the facility to be competitive in the market for Lake of the Ozarks area.

You recently asked me to conduct a second analysis to see if anything had changed. During the second analysis, I have added any factors that have changed in seven years and highlighted them in red.

LENGTH OF COURSE

The first Item in the analysis is the length of the golf course. At Par 72, 6,200 yards, Dogwood Hills is the shortest championship course in the area. The rest of the championship courses in the area average a little over 6,500 yards. In order to be competitive and attract the high end golfers, the course will need to be lengthened. I would think that adding a minimum of 500 yards will be necessary.

My second analysis concludes that length is an even more important factor as technology has made the equipment better causing the need for a longer course.. Unfortunately, the course is at its maximum length.

PLAYING CONDITIONS

The following are Items that will need to be replaced in order to provide the golfer with the best playing conditions possible.

The Second analysis concluded the same Items: Greens, Bunker Sand, Irrigation System,, Cart Paths, Irrigation Pump Station, Tees, Practice Facility, Drainage and Grass all still need to be updated.

501 CONAWAY COURT, WAXHAW, N.C. 28173 OFFICE / FAX 1-704-243-4111

GREENS

The standard for new golf courses to provide the best putting surfaces are U.S.G.A. specification greens. The specifications involves select sand and gravel plus pipe for drainage. Dogwood Hills currently has one USGA specification putting surface. All the other greens are more than forty years old. The ASGCA Life Cycle indicates that greens can last up to thirty years. In order to be competitive and provide quality putting surfaces the other 18 greens would need to be replaced. In addition, the design of the putting surfaces could be updated to provide more interesting design features and introduce variety into the putting challenge

BUNKER SAND

The bunker sand has never been replaced at Dogwood Hills. The ASGCA Life Cycle chart indicates that bunker sand should be replaced every five to seven years. In addition, the bunkers need to be reshaped to provide a more aesthetic look for the course. Also, drainage needs to be added to have properly maintained bunkers.

IRRIGATION SYSTEM

The irrigation system at Dogwood Hills has begun to be replaced, but would be torn up as the other recommended changes are made to the course. A partial new irrigation system was installed in 2003 and 2004. The irrigation heads and controllers will be salvageable from this renovated system. A entirely new system will need to be installed based on the new length and revised grades of the new course. This would include new piping.

CART PATHS

The cart paths at Dogwood Hills are asphalt and were installed in 1982 and upgraded in 2001. The ASGCA Life Cycle chart indicates that asphalt paths last 5 to 10 years. The cart paths would be changed due to the additional length and new green complexes. An entirely new cart path system would need to be installed.

PUMP STATION

The ASGCA Life Cycle chart indicates that a pump station should last fifteen to thirty years. The pump station at Dogwood Hills was upgraded in 1985 and will need to be replaced due to being 20 years old and not sized correctly for the new irrigation system.

TEES / PRACTICE RANGE TEE

The ASGCA Life Cycle chart indicates that tees should be renovated every 15 to 20 years. All tees at Dogwood Hills date to the 1960's except several forward tees added in the 1980's and two championship tees added in 2000. New tees will need to be established in the lengthening of the course by 500 yards.

DRAINAGE PIPES

The ASGCA Life Cycle chart indicates that drainage pipes need to be replaced every 5 – 10 years. Dogwood Hills has little or no drainage installed. During the lengthening and reshaping process many drainage pipes will need to be installed.

GRASS

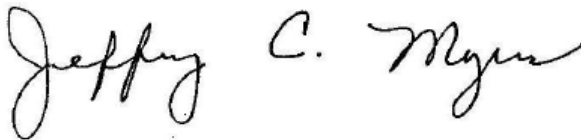
The grass at Dogwood Hills is bentgrass on the greens and Bermudagrass on the fairways. During the renovation of the course the grass will be destroyed and will need to be replanted. I would recommend that we use the new bentgrass varieties and use zoysiagrass in the fairways.

CONCLUSION

Based on the ASGCA Life Cycle chart, Dogwood Hills is a completely outdated golf course. In order to be competitive in the Lake of the Ozarks golf course market, the best course of action is to completely renovate the golf course. This would involve adding length and then rebuilding the course to twenty first century golf course maintenance standards. I would estimate this cost to be in excess of four and a half million dollars (\$4,500,000.00)

In consideration of the same scope of work seven years later, I would add an additional 15% to the previous total of \$4,500,00.00 to arrive at a new total of \$5,175,000.00

Sincerely yours,

A handwritten signature in black ink that reads "Jeffrey C. Myers". The signature is fluid and cursive, with the first name "Jeffrey" being more prominent and the last name "Myers" written in a similar style.

Jeffrey C. Myers
President

Enclosure

JCM/jmm

Jeffrey C. Myers
501 Conaway Court
Waxhaw, North Carolina 28173 Phone: 1-704-243-1450

CAREER SUMMARY

Seasoned professional with over twenty-six years of experience in golf course design. Involvement with over thirty (30) championship golf course projects. Strengths include:

- Routing golf courses using natural features of property
- Providing detailed plans and specifications
- Creating designs playable for all skill levels of golfers
- Commitment to teamwork
- Designing maintainable golf courses
- Knowledge of construction techniques with hands on construction experience
- Working within budget parameters of project
- Computer Aided Design (CADD) capable using AutoCAD 2007

PROFESSIONAL EXPERIENCE

CHIEF DESIGNER AND PRINCIPAL

J.C.M. Group, Inc., Waxhaw, North Carolina

September 1993 through present

Responsible for all aspects of design services including routing plans, construction drawings, bidding, and field supervision.

- Design routing plans.
- Prepare custom detailed specifications.
- Produce construction drawings.
- Create bidding packages for contractors.
- Golf course list includes:

Glencastle Country Club, Delray Beach, Florida - 18 holes Renovation
Tucan Country Club, Panama City, Panama - 18 hole
Links at Shirley, Shirley, New York - 18 holes -18 hole par three
Puerto Pena Lisa, Girardot, Colombia - 18 holes
Williams Country Club, Weirton, West Virginia - 18 hole Renovation
Lake Stephens Golf Club, Beckley, West Virginia - 18 holes
Village of Babylon, Babylon, New York - 9 hole par three
Fountains Country Club, Lake Worth, FL - 54 hole Renovation
Aberdeen Country Club, Boynton Beach, FL - 18 hole Renovation
City of Pompano Beach, Pompano Beach, FL - 36 hole Renovation
Dogwood Hills, Osage, MS - 18 hole Renovation
Steubenville Country Club, Steubenville, OH - 18 hole Renovation
Bellevue Municipal Golf Course, Steubenville, OH - 9 hole Renovation
Club Campestre Medellin, Medellin Colombia - 18 hole Renovation
Club Campestre Cali, Cali Colombia - 18 hole Renovation
Spring Hills Golf Club, East Springfield, OH -18 hole Renovation

VICE-PRESIDENT DESIGN

Gary Player Design Company, Palm Beach Gardens, Florida

February 1987 to September 1993

Partner and co-founder in the Gary Player Design Company.

- Organized and managed the design department.
- Assisted in marketing the design company.
- Built the design department to include two junior designers and two project coordinators.
- Responsible for all plans, specifications, and field supervision.
- Implemented automation of design work (CADD with AutoCAD).
- List of golf courses include:

Laurel Oak, Sarasota, FL - 18 holes. Routing, plans, specifications, and field supervision**River Run**, Berlin, MD - 18 holes. Routing, plans, specifications, and field supervision**Cypress Knoll**, Palm Coast, FL - 18 holes. Routing, plans, specifications, and field supervision**Hilton Head National**, Hilton Head, SC - 18 holes. Routing, plans, specifications, and field supervision**River Falls Plantation**, Spartanburg, SC - 18 holes. Routing, plans, specifications, and field supervision**Blackmoor**, Myrtle Beach, SC - 18 holes. Routing, plans, specifications, and field supervision**Baytree National**, Melbourne, FL - 18 holes. Routing, plans, specifications, and field supervision**Haile Plantation**, Gainesville, FL - 18 holes. Routing, plans, specifications, and field supervision**Lyman Meadow**, Middlefield, CONN - 18 holes. Routing, plans, specifications, and field supervision**Snowshoe Mountain Resort**, Snowshoe Mountain, WVA - 18 holes. Routing, plans, specifications, and field supervision**Lely Resort**, Naples, FL - 18 holes. Routing and supervision**Mission Hills Resort**, Rancho Mirage, CA - 18 holes. Supervision**Alaqua**, Longwood, FL - 18 holes. Plans, specifications, and field supervision**Pacific Golf Club**, San Clemente, CA - 18 holes. Routing, plans, specifications, and field supervision**DESIGN ASSOCIATE**

Karl Litten Inc., Boca Raton, Florida

March 1980 to January 1987

Responsible for preparing plans, specifications, and field supervision.

- Assisted in all phases of design development.
- Participated in field supervision for local projects.
- Representative courses include:

Boca Grove Plantation, Boca Raton, FL - 18 holes. Plans, Specifications and field supervision**Boca Woods North**, Boca Raton, FL - 18 holes. Plans, Specifications, and field supervision**Stonebridge Golf and Country Club**, Boca Raton, FL - 18 holes. Routing, plans, specifications, and field supervision**Boca Delray Golf Club**, Delray Beach, FL - 18 holes. Routing, plans, specifications, and field supervision**Polo Club**, Boca Raton, FL - 36 holes. Routing, plans, specifications, and field supervision**Glencagles Golf and Country Club**, Delray Beach, FL - 36 holes. Routing, plans, specifications, and field supervision**Stonewat**, Lake Park, FL 18 holes. Plans, specifications, and field supervision**SUMMER INTERN**

Von Hagge Devlin, Woodlands, Texas

Summers 1978/1979

Supervised labor crew in construction of Ravenou Country Club in Houston, Texas and worked in the design office on plans and specifications.

EDUCATION

BACHELOR OF SCIENCE in AGRONOMY and LANDSCAPE ARCHITECTURE
Ohio State University, Columbus, Ohio (1980)

PROFESSIONAL ASSOCIATIONS

American Society of Golf Course Architects Regular Member



**Best Western
Dogwood Hills Resort Inn**

1252 State Highway KK
Osage Beach, MO 65065
(573) 348-1735
Fax: (573) 348-0014
dogwoodhillsresort.com

Best Western Dogwood Hills Motel was built in 1984. It is 2 and 3 story structures of wood frame construction with exterior entrances to the guest rooms. At the time of original construction, Dogwood Hills Motel was built as a seasonal golf resort motel with expectations of operating the months of March thru November at best and was built with the plan of closing in the 3 winter months. Over the years, membership standards and requirements by Best Western International, guest expectations, and the market place have changed dramatically and now as a 23-year-old building it is beginning to show signs of functional obsolesces.

Over the course of Dogwood Hills' relationship with Best Western International, changes in requirement of minimum standards include in room appliances that were not planed for in the original construction and electrical service. These standards include coffee makers, irons and hair dryers in an effort to compete with other nationally recognized brands. Currently the industry trends also include in room microwaves and refrigerators and additional in room entertainment components such as DVD players, pay for view movies, video games, and additional electrical outlets for computer and peripheral equipment.

Other standards that are driven by customer expectations are facilities with interior corridors and room entrances, elevators to upper floors, business centers and fitness facilities. As the general market conditions of Lake of the Ozarks have changed the demand for more year around lodging and more modern has increased. There has also been and marked increase in the demand for meeting space for group functions.

To bring the existing Dogwood Hills facilities up to Best Western standards and to meet customer expectations would be at least very costly and in some cases impossible due to the physical characteristics.

I have enclosed attachments outlining Best Western minimum standards that Dogwood Hills is currently in violation of, notably the requirements due by Jan 1 2007 and a contractor estimate to provide improvements to meet those requirements.

They are as follows:

1. Certified communication from Best Western international outlining violations and compliance dates.
2. Best Western International new construction and refurbishment guidelines dated 12/29/2003.
3. Best Western International 2007 design guidelines updated December 2006

4. Estimate from Ozark Building Maintenance to bring the facility up to minimum standards.
5. Brief outline of lodging customer expectations as quoted in trade publication, Hotel & Motel Management issue of 2/19/2007.
6. A listing of major hotel/motel franchises and presence in local market area.

I am currently working with Best Western International to obtain extensions on the design III requirements that were due on 1/1/2007. If I am unable to negotiate these exceptions, we are at risk of losing our Best Western affiliation. In the event this should occur, Dogwood Hills would either have to operate as an independent motel or develop a relationship with a different franchise organization. In light of the fact that Dogwood Hills has been known as a Best Western property for 20 plus years and that to change franchise affiliation is very costly, the only franchise opportunities available for this market area I am concerned would be viewed by our existing client base as well as any future customers as a step backward. This being the case, Dogwood Hills would find either of the options to be detrimental to the volume guests and occupancy, and the guests perceived value, which would result in reduced income for the property.

If you have any questions regarding the information I have provided, please do not hesitate to contact me.

Sincerely,



Ron Schlicht
General Manager
Dogwood Hills Golf Resort, Inc.

August 28, 2006

CERTIFIED MAIL

Mr. James Duffus
Best Western Dogwood Hills Resort Inn
1252 Highway KK
Osage Beach, MO 65065

Re: Best Western Dogwood Hills Resort Inn
Osage Beach, MO
Member No: 26120



Best Western
International, Inc.
6201 North 24th Parkway
Phoenix, AZ 85016 USA
Tel 602.957.4200
Reservations
1.800.WESTERN or
bestwestern.com

Dear Mr. Duffus:

I regret that you have received this letter without prior discussion by phone about this Best Western property's past due design issues. We have attempted to contact you unsuccessfully. Please call upon receipt of this document, as we would like to work with you to resolve this.

Please review the enclosed Design Overview Assessment for specific issues and the required dates of completion. These past due issues surfaced while updating your property's design progress report. Uncorrected, these issues could jeopardize the status of your Best Western Membership and you could be placed on Design Probation.

Again, please be assured that our objective is to help you avoid probationary status. If that is not possible, we may be able to help you keep your property from going into hearing status.

Although you may have some work-in-progress, this is no guarantee that probation status is avoidable. If you need to request an extension of time or a waiver, please submit this information within 15 days from the date of this letter. Your request will be reviewed but there is no guarantee that it will be granted. The scope of the project, your proposed corrective action and the amount of time that has elapsed since the requirement was due are among the variables that will be considered by the Review Committee regarding your request. As part of your request, please indicate if you have work-in-progress or planned. If so, the following information must be submitted with your request. Specifically,

- Signed purchase orders for required items;
- Executed contract with Best Western Project Design or a third party design firm, if applicable;
- Executed contract with an Architect or architectural firm with sketches or drawings, if applicable;
- Photos of completed work and/or work-in-progress;
- Estimated completion dates for all past due items.

If any of the past due items noted on your design report are in progress or have been completed, please contact your Design Evaluation Assistant, Richard Baxter at (602) 957-5967 no later than 15 days from the date of this letter, otherwise you will be receiving written notification that your property has been placed in a probationary status due to past due design issues.

If you need design assistance in order for you to correct the non-complying issues noted on your design report, please contact your Regional Design Consultant, Kim Johnson, at (952) 440-2749.

Sincerely,

Renee Willis, CHS
Supervisor, Design Administration

RW/RB

Enc.

THE WORLD'S LARGEST HOTEL CHAIN®

PROPERTY INFORMATION	ASSESSMENT INFORMATION
Property Number: 26120	Field Report Date: 5/17/2006
Property Name: B/W Dogwood Hills Resort Inn	Design Review: 8/28/2006
Address: 1252 Highway KK	Guest Rooms: 59
City/State/Zip: Osage Beach, Missouri 65065-3347	Field Designer: Wes Harmon, CHA
US	Accompanied By:
Property Phone: 573-348-1735	Rooms Assessed:

Design Overview Report

Attached is your official Design Overview Assessment. The assessment notes areas found to need design assistance or items not complying with Best Western's guidelines. These areas and/or items must be brought into compliance by the due dates noted in this report. The areas that may be listed on your report are:

Lobby and Front Desk Areas

Bathroom/Vanity Area

Public Areas

Continental Breakfast Area	Elevators
Interior Guest Room Corridors	Interior Public Corridors
Public Restrooms	Interior Stairways
Interior Vending Area	

Guest Rooms

Supplemental Facilities

Fitness Room	Guest Laundry
Meeting Room	Pre-function Area
Other Facilities	Restaurant/Coffee Shop/Lounge
Swimming Pool	

Building Exterior/Grounds

It is the responsibility of each member to ensure that their property complies with every element of the Design Excellence Guidelines by the established time frames. In conducting this design review Best Western reviewed some, but not all, elements of the Guidelines, so this report is based on conditions seen on the assessment day only. The report will be updated during the RSM's first property visit each year. This document can be considered "final" for this review period, as a designer has indicated those item(s) needed to be added, deleted or clarified on the review to coincide with Guideline specifications. This written notification and Overview includes an updated review for your records. But remember, the updated review only covers the design elements it specifically addresses. Other design elements may be evaluated in future reviews.

When the Design Overview Assessment is updated by the RDC, a designer visit will be required if at least three (3) or more overall areas require design assistance. During that visit, the Regional Design Consultant will produce a Design Detailed Assessment based on all of the guidelines for the areas needing design assistance.

Items that were previously waived due to structural, ordinance, location and/or climate limitations/restrictions should have automatically had their waiver re-issued if the same conditions exist as when first waived. If this was not done or for other items you wish to pursue a waiver, contact your Design Consultant who will guide you through the waiver process.

If an area or item was renovated within the last three years and complied with the guidelines in effect at the time, you are eligible for an extension through the Review Committee and Board of Directors' evaluation process. If the items were submitted to Best Western Design Department for approval, we will have the approval and approval date on file. If not, please provide supporting documents verifying their age.

Please contact your Design Consultant for assistance with this report or any other design issues.

Design Overview Report

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	Rooms Assessed:

NOTE: It is the responsibility of each member to ensure that their property complies with every element of the Design Excellence Guidelines by the established time frames. In conducting this design review Best Western Reviewed some, but not all, elements of the Guidelines, so this report is based on conditions seen on the assessment day only. The report will be updated during the RSM's first property visit each year. This document can be considered "final" for this review period, as a designer has indicated those item(s) needed to be added, deleted or clarified on the review to coincide with Guideline specifications. This written notification and Overview includes an updated review for your records. But remember, the updated review only covers the design elements it specifically addresses. Other design elements may be evaluated in future reviews.

Non-Compliant	Guideline #	Due Date	Status
Exterior (Buildings, Walkways& Grounds)			
Design Assistance Needed		1/1/2007	
Comments: * The lack of a porte cochere, T-111 siding and over all appearance requires design assistance.			
Buildings			
Porte Cochere	301.6	1/1/2007	
Comments: * Not Provided - 06/28/04 RDC Provide a porte cochere to meet standards. Design recommends reviewing the rooflines to provide an up to date renovation plan.			
Walls	301.4	1/1/2007	
Comments: * T-111 siding exists throughout. * Quality - 06/28/04 RDC Address the T-111 siding.			
Walkways/Exterior Corridors			
Walkways	301.8	1/1/2007	
Comments: * Design Review Requested - Reviewed by Design. * Quality - Wooden plank walkways exist on all second floor walkways. 06/28/04 RDC The wooden plank walkways do not meet standards. Provide a surface to meet standards. Design recommends a surface of quality e.g. rolled product or rubberized squares.			
Lobby			

Design Overview Report

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City/State/Zip:	Osage Beach, Missouri 65065-3347 US	Field Designer:	Wes Harmon, CHA
Property Phone:	573-348-1735	Accompanied By:	
		Rooms Assessed:	

Non-Compliant	Guideline #	Due Date	Status
Lobby cont....			
Design Assistance Needed Comments: * 06/28/04 RDC The guest room type carpet, lack of required seating and budget vertical blinds requires design assistance.		1/1/2005	
Carpet Comments: * Quality - Guest room carpet exist in lobby. 06/28/04 Provide carpet to meet standards. Note guest room type carpet. 3-29-05 (Harmon) Not done. Member would like to request an extension since the carpeting is only 3 years old and major plans are now in the making of totally remodeling the lobby. RDC 4/5/05 member to submit plans and ask for waiver on carpet. ok RSM to confirm. 5-17-06 - Wes harmon, RSM - New carpet has been installed in the lobby area. (see photos). 6-16-06; RDC - cannot comment as no photo's of lobby provided. RSM to verify.	407.4	1/1/2005	
Seating, Lobby Comments: * Not Provided - RSM Only 3 seats exist. 06/28/04 RDC Provide quality commerical grade furniture to meet standards. 3-29-05 (Harmon) An additional chair in the lobby has been added for the High Speed Internet table making the total number of chairs now 4 in the lobby. However, the requirement states for a 59 room property that 6 chairs are needed. Not done today. RDC 4/5/05 ok RSM to confirm. 5-17-06 - Wes harmon, RSM - Counting the 2 wooden chairs at the activity table there are now 6 chairs in the lobby, 4 upholstered and 2 wooden. Also, the member has added a computer corner in the lobby which has an ergonomic desk chair. (see photos) 6-16-06; RDC - cannot comment as no photo's of lobby provided. RSM to verify.	407.12	1/1/2005	

Design Overview Report

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Property Phone:	573-348-1735	Accompanied By:		
		Rooms Assessed:		

Non-Compliant	Guideline #	Due Date	Status
Lobby cont....			
Front Desk Comments: * Quality - RSM Narrow top edge exist. 06/28/04 RDC Provide a front desk to meet standards. Note the thim top edge. 3-29-05 (Harmon) A deeper 4" apron has been added to the front desk. (see photos) RDC 4/5/05 laminated front desk top is not acceptable. Laminate can be used as an insert only. 5-17-06 - Wes Harmon, RSM - Member stated he was not aware of the non laminate top rule. The front desk area has been moved to a better location in the lobby but the top is the same as previous assessment. (see photos) 6-16-06: RDC - cannot comment as no photo's of lobby provided. RSM to verify.	404.2 & 404.3	1/1/2005	
Window Treatment Comments: * Not Provided - RDC 4/5/05 Provide window treatment to meet standards. 5-17-06 - Wes Harmon, RSM - No change. Member states that the windows overlook a portion of their golf area. 6-16-06: RDC - cannot comment as no photo's of lobby provided. RSM to verify. * Quality - RSM Vertical blinds exist. 06/28/04 RDC Provide window treatment to meet standards. Note budget vertical blinds. 3-29-05 (Harmon) All verticle blinds have been removed from the lobby area. 5-17-06 - Wes Harmon, RSM - No change today. 6-16-06: RDC - cannot comment as no photo's of lobby provided. RSM to verify.	407.22	1/1/2005	
Guest Rooms			
Desk/Table/Seating Comments: * Uncoordinated - RSM Uncoordinated desk chair. 06/28/04 RDC Ensure seating is provided to meet standards. Note mismatched desk chairs. 5-17-06 - Wes Harmon, RSM - No change today. Member is hesitant to change any casegoods due to the pending new construction plan. 6-16-06: RDC - no change.	503.8	1/1/2006	

Design Overview Report

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Non-Compliant	Guideline #	Due Date	Status
Guest Rooms cont....			
Window Treatments Comments: * Not Provided - RSM No sheers at draperies. 06/28/04 RDC Provide window treatment to meet standards. Note lack of sheers. 5-17-06 - Wes Harmon, RSM - No change today. Member admitted oversight and plans to install sheer draperies as soon as possible. This issue only applies to 7 guest rooms and the 4 villas. 6-16-06: RDC - no change.	503.10	1/1/2006	
Suites/Extended Stay Rooms			
Armoire Comments: * Not Provided - 06/28/04 RDC Enusre an armoire is provided in the living rooms. 5-17-06 - Wes Harmon, RSM - No change today.	507.17	1/1/2006	
Armchair Comments: * Quality - RSM Sled based chairs in bedroom. 06/28/04 RDC Replace all budget sled based chairs. 5-17-06 - Wes Harmon, RSM - No sled based chairs seen today.	507.7	1/1/2006	
Artwork Comments: * Pictures not double matted. 6-16-06: RDC - no change. * Quality - 5-17-06 - Wes Harmon, RSM - No change today.	507.23 & 507.10	1/1/2006	
Supplemental Facilities			
Restaurant/Coffee Shop 1 - Mitch and Duff's			
Carpet Comments: * Quality - RSM Plain non pattern carpet. 06/28/04 RDC Provide carpet to meet standards. Note plain carpet. 6-17-06 - Wes Harmon, RSM - No change today. 6-16-06: RDC - no change.	413.1	1/1/2006	
Meeting Room 1 - meeting Room			

Design Overview Report

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US	Accompanied By:
Property Phone: 573-348-1735	Rooms Assessed:

Non-Compliant	Guideline #	Due Date	Status
Meeting Room 1 - meeting Room			
Carpet Comments: * Not Provided - RSM Plain non pattern carpet. 06/28/04 RDC Provide carpet to meet standards. Note plain carpet. * Quality - 5-17-06 - Wes Harmon, RSM - Level loop carpet with pattern exists. Please review photos. 6-16-06: RDC - no change. A medium to large scale patterned carpet is required and the current carpet does not meet the requirement.	408.2	1/1/2006	
Chairs Comments: * Quality - RSM Budget metal stack chairs. 06/28/04 RDC Note budget stack chairs. Provide quality seating to meet standards. 5-17-06 - Wes Harmon, RSM - New metal with cushion stack chairs exist. (see photos) 6-16-06: RDC - chairs look dated with brown vinyl upholstery. RDC wants copy of purchase order.	408.9	1/1/2006	
Window Treatments Comments: * Quality - RSM Check drapes. 06/28/04 RDC Ensure window treatment is provided to meet standards. 5-17-06 - Wes Harmon, RSM - The windows have blackout draperies with no sheers. (see photos) 6-16-06: RDC - non-comply. Window treatments cannot be of the same material as seen in the guest rooms. Meeting room windows should also have sheers and a cornice/valance.	408.15	1/1/2006	

Exhibit G: Certification

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
6. Jim Potter, AICP has made personal inspections of the property that is the subject of this report on November 11, 2014.
7. This study is not based on a requested result or a specific conclusion.
8. I have not relied on unsupported conclusions relating to characteristics such as race, color, religion, national origin, gender, marital status, familial status, age, receipt of public assistance income, handicap, or an unsupported conclusion that homogeneity of such characteristics is necessary to maximize value.

A handwritten signature in dark ink, appearing to read 'James Potter', with a stylized flourish at the end.

James Potter, AICP
Development Initiatives

Exhibit G: Assumptions and Limiting Conditions

This Blight Study is subject to the following limited conditions and assumptions:

1. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are Development Initiatives, Inc.'s unbiased professional analyses, opinions, and conclusions.
2. Information provided and utilized by various secondary sources is assumed to be accurate. Development Initiatives cannot guarantee information obtained from secondary sources.
3. The nature of real estate development is an unpredictable and often tumultuous. In particular, the natural course of development is difficult to predict and forecast. Development Initiatives deems our projections as reasonable considering the current and obtained information.
4. Development Initiatives has considered and analyzed the existing conditions concerning the subject property within the Redevelopment Area. We have considered these existing conditions while making our analysis and conclusions. However, it should be understood that conditions are subject to change without warning, and potential changes could substantially effect our recommendations.
5. Our analyses, opinions and conclusions were prepared in conformance with the Code of Professional Ethics and Standards of the American Institute of Certified Planners.

Project: Arrowhead Centre
Osage Beach, Missouri

Description	Redevelopment Project Costs	Reimbursable Project Costs	% of TIF
District 1			
Land Acquisition	\$ 1,232,250	\$ -	
Roadways (Primary)	1,159,000	1,159,000	
Lot Development	1,122,400	1,122,400	
Utilities (Water & Sewer)	259,000	259,000	
KK Connector (off-site)	800,000	800,000	
Architect	826,875	826,875	
Building Construction	30,625,000	-	
Subtotal	\$ 36,024,525	\$ 4,167,275	11.6%
District 2			
Land Acquisition	\$ 1,977,000	\$ -	
Roadways (Primary)	740,000	740,000	
Lot Development	2,634,500	2,634,500	
Utilities (Water & Sewer)	236,000	236,000	
Architect	899,015	899,015	
Building Construction	33,296,813	-	
Subtotal	\$ 39,783,328	\$ 4,509,515	11.3%
District 3			
Land Acquisition	\$ 623,750	\$ -	
Roadways (Primary)	883,750	883,750	
Lot Development	726,800	726,800	
Utilities (Water & Sewer)	288,000	288,000	
Architect	366,200	366,200	
Building Construction	13,638,590	-	
Subtotal	\$ 16,527,090	\$ 2,264,750	13.7%
District 4			
Land Acquisition	\$ 3,795,000	\$ -	
Roadways (Primary)	5,093,125	5,093,125	
Parking Garage	9,000,000	9,000,000	
Lot Development	5,090,000	5,090,000	
Utilities (Water & Sewer)	1,938,000	1,938,000	
Relocate Overhead Electric	2,100,000	2,100,000	
Architect	3,884,360	3,884,360	
Building Construction	143,865,314	-	
Subtotal	\$ 174,765,799	\$ 27,105,485	15.5%
District 5			
Land Acquisition	\$ 865,500	\$ -	
Roadways (Primary)	25,000	25,000	
Lot Development	325,050	325,050	
Utilities (Water & Sewer)	86,000	86,000	
Building Construction	7,759,335	-	
Subtotal	\$ 9,060,885	\$ 436,050	4.8%
District 6			
Land Acquisition	\$ 1,350,130	\$ -	
Roadways (Primary)	100,000	100,000	
Lot Development	2,433,500	2,433,500	
Utilities (Water & Sewer)	207,000	207,000	
Architect	350,270	350,270	
Building Construction	12,973,113	-	
Subtotal	\$ 17,414,013	\$ 3,090,770	17.7%
District 7			
Land Acquisition	\$ 1,832,500	\$ -	
Roadways (Primary)	1,569,375	1,569,375	
Lot Development	2,024,600	2,024,600	
Utilities (Water & Sewer)	851,000	851,000	
Nichols Road Connector (off-site)	87,500	87,500	
Interchange Improvements (off-site)	1,700,000	1,700,000	
Connector	50,000	50,000	
Architect	270,000	270,000	
Building Construction	51,013,150	-	
Subtotal	\$ 59,398,125	\$ 6,552,475	11.0%
District 8			
Land Acquisition	\$ 323,870	\$ -	
Roadways (Primary)	980,375	980,375	
Lot Development	978,100	978,100	
Utilities (Water & Sewer)	328,000	328,000	
School Connector (off-site)	30,000	30,000	
Architect	632,340	632,340	
Building Construction	23,420,273	-	
Subtotal	\$ 26,692,958	\$ 2,948,815	11.0%
Soft Costs			
Consultant Fees & Expenses Including Legal, TIF Application Fee, Architect, Engineering, City Legal, Blight Study and Market Feasibility	\$ 500,000	\$ 500,000	
Planning & Engineering	4,260,460	4,260,460	
Marketing & Commissions	1,304,159	-	
Subtotal	\$ 6,064,619	\$ 4,760,460	
Total Project Costs	\$385,731,340	\$55,835,595	14.5%

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

TIF AND CID REVENUE	TOTAL GROSS (23 YEARS)	TOTAL NPV (23 YEARS) 6% DISCOUNT RATE
PROJECT 1		
PILOTS	\$ 3,512,137	\$ 1,792,695
EATS	-	-
PROPOSED CID SALES TAX UNCAPTURED BY TIF	-	-
TOTAL TIF AND CID REVENUE	\$ 3,512,137	\$ 1,792,695
PROJECT 2		
PILOTS	\$ 3,780,187	\$ 1,929,288
EATS	-	-
PROPOSED CID SALES TAX UNCAPTURED BY TIF	-	-
TOTAL TIF AND CID/CID REVENUE	\$ 3,780,187	\$ 1,929,288
PROJECT 3		
PILOTS	\$ 1,420,489	\$ 724,878
EATS	5,623,231	2,933,939
PROPOSED CID SALES TAX UNCAPTURED BY TIF	1,392,751	726,672
TOTAL TIF AND CID REVENUE	\$ 8,436,471	\$ 4,385,490
PROJECT 4		
PILOTS	\$ 11,277,802	\$ 5,756,551
EATS	37,239,712	18,987,537
PROPOSED CID SALES TAX UNCAPTURED BY TIF	9,223,458	4,702,796
TOTAL TIF AND CID REVENUE	\$ 57,740,972	\$ 29,446,883
PROJECT 5		
PILOTS	\$ 822,250	\$ 419,654
EATS	1,418,582	740,150
PROPOSED CID SALES TAX UNCAPTURED BY TIF	351,352	183,319
TOTAL TIF AND CID REVENUE	\$ 2,592,183	\$ 1,343,123

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

PROJECT 6			
PILOTS	\$	1,346,548	\$ 687,073
EATS		4,388,359	2,289,640
PROPOSED CID SALES TAX UNCAPTURED BY TIF		1,086,900	567,094
TOTAL TIF AND CID REVENUE	\$	6,821,808	\$ 3,543,807
PROJECT 7			
PILOTS	\$	5,451,346	\$ 2,782,492
EATS		11,986,806	6,111,753
PROPOSED CID SALES TAX UNCAPTURED BY TIF		2,968,868	1,513,747
TOTAL TIF AND CID REVENUE	\$	20,407,020	\$ 10,407,992
PROJECT 8			
PILOTS	\$	2,494,892	\$ 1,273,403
EATS		-	-
PROPOSED CID SALES TAX UNCAPTURED BY TIF		-	-
TOTAL TIF AND CID REVENUE	\$	2,494,892	\$ 1,273,403
ALL PROJECTS			
PILOTS	\$	30,105,651	\$ 13,067,539
EATS		60,656,691	30,819,608
PROPOSED CID SALES TAX UNCAPTURED BY TIF		15,023,329	6,620,987
TOTAL TIF AND CID/CID REVENUE	\$	105,785,671	\$ 50,508,133
NOTES			

ALL AMOUNTS ABOVE ARE NET OF ADMINISTRATIVE FEES.

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

GROWTH, DISCOUNT AND OTHER RATES			REAL PROPERTY LEVY RATES	
BI-ANNUAL GROWTH RATE REAL PROPERTY VALUE	1%		LEVY	PILOT %
COMMERCIAL ASSESSMENT RATE	32%			
RESIDENTIAL ASSESSEMENT RATE	19%	SENIOR CITIZENS	0.0446%	1.15%
% OF PILOTS RETURNED TAXING DISTRICTS FOR COMMERCIAL	50%	HANDICAP WORKSHOP	0.0559%	1.44%
% OF PILOTS RETURNED TAXING DISTRICTS FOR RESIDENTIAL	100%	SCHOOL DISTRICT	2.8700%	74.06%
DISCOUNT RATE / INTEREST RATE	6%	FIRE	0.5912%	15.26%
COVERAGE RATE	1.50	COUNTY ROAD & BRIDGE	0.1100%	2.84%
CITY ADMINISTRATIVE FEE (MAXIMUM)	5%	COUNTY	0.1100%	2.84%
BOND ISSUANCE COSTS (INCL CAP INT, DEBT RES., ETC.)	0%	LIBRARY	0.0933%	2.41%
COUNTY COLLECTION AND ASSESSMENT FEE	1.6%	BLIND PENSION (NOT CAPTURED)	0.0300%	
		AMBULANCE DISTRIT	0.2796%	
		TOTAL TIF CAPTURED LEVY RATE WITHOUT AMBULANCE DIS	3.8750%	100.00%
		TOTAL TIF CAPTURED LEVY RATE WITH AMBULANCE DISTRIC	4.1546%	
		TOTAL LEVY RATE	4.1846%	

CALCULATION OF POST REDEVELOPMENT APPRAISED VALUES				
PROJECT 1				
	INITIAL APPRAISED VALUE	POST APPRAISED VALUE		
Nursing Home		\$12,800,000	START OPERATIONS:	2015
Assisted Living		\$11,700,000		
TOTAL	\$200,313	\$24,500,000		
PROJECT 2				
	INITIAL APPRAISED VALUE	POST APPRAISED VALUE		
Independent Living		\$26,637,450	START OPERATIONS:	2016
TOTAL	\$498,385	\$26,637,450		
PROJECT 3				
	INITIAL APPRAISED VALUE	POST APPRAISED VALUE		
Retail & Family Entertainment Center		\$10,850,872	START OPERATIONS:	2015
TOTAL	\$326,567	\$10,850,872		

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

PROJECT 4				
	INITIAL APPRAISED VALUE	POST APPRAISED VALUE		
Retail		\$70,984,716	START OPERATIONS:	2018
Office/Flex		\$13,315,335		
Apartments		\$30,792,200		
TOTAL	\$638,605	\$115,092,251		
PROJECT 5				
	INITIAL APPRAISED VALUE	POST APPRAISED VALUE		
Retail		\$2,737,368	START OPERATIONS:	2018
Office		\$3,470,100		
TOTAL	\$111,301	\$6,207,468		
PROJECT 6				
	INITIAL APPRAISED VALUE	POST APPRAISED VALUE		
Winery & Restaurant		\$8,468,000	START OPERATIONS:	2020
Office		\$1,910,490		
TOTAL	\$407,257	\$10,378,490		
PROJECT 7				
	INITIAL APPRAISED VALUE	POST APPRAISED VALUE		
Hotel		\$16,686,000	START OPERATIONS:	2020
Retail		\$24,124,520		
TOTAL	\$374,671	\$40,810,520		
PROJECT 8				
	INITIAL APPRAISED VALUE	POST APPRAISED VALUE		
Office/Flex/Storage		\$18,736,218	START OPERATIONS:	2020
TOTAL	\$233,464	\$18,736,218		

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

PRE- AND POST-REDEVELOPMENT APPRAISED AND ASSESSED VALUES			
PROJECT 1			
INITIAL APPRAISED VALUE	\$200,313	INITIAL ASSESSED VALUE LAND	\$64,100
EQUALIZED APPRAISED VALUE LAND	\$24,500,000	EQUALIZED ASSESSED VALUE LAND	\$7,840,000
PROJECT 2			
INITIAL APPRAISED VALUE LAND	\$498,385	INITIAL ASSESSED VALUE LAND	\$159,483
EQUALIZED APPRAISED VALUE LAND	\$26,637,450	EQUALIZED ASSESSED VALUE LAND	\$8,523,984
PROJECT 3			
INITIAL APPRAISED VALUE LAND	\$326,567	INITIAL ASSESSED VALUE LAND	\$104,502
EQUALIZED APPRAISED VALUE LAND	\$10,850,872	EQUALIZED ASSESSED VALUE LAND	\$3,472,279
PROJECT 4			
INITIAL APPRAISED VALUE LAND	\$638,605	INITIAL ASSESSED VALUE LAND	\$204,353
EQUALIZED APPRAISED VALUE LAND	\$115,092,251	COM EQUALIZED ASSESSED VALUE LAND	\$26,976,016.32
		RES EQUALIZED ASSESSED VALUE LAND	\$5,850,518.00

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

PROJECT 5			
INITIAL APPRAISED VALUE LAND	\$111,301	INITIAL ASSESSED VALUE LAND	\$35,616
EQUALIZED APPRAISED VALUE LAND	\$6,207,468	EQUALIZED ASSESSED VALUE LAND	\$1,986,390
PROJECT 6			
INITIAL APPRAISED VALUE LAND	\$407,257	INITIAL ASSESSED VALUE LAND	\$130,322
EQUALIZED APPRAISED VALUE LAND	\$10,378,490	EQUALIZED ASSESSED VALUE LAND	\$3,321,117
PROJECT 7			
INITIAL APPRAISED VALUE LAND	\$374,671	INITIAL ASSESSED VALUE LAND	\$119,895
EQUALIZED APPRAISED VALUE LAND	\$40,810,520	EQUALIZED ASSESSED VALUE LAND	\$13,059,366
PROJECT 8			
INITIAL APPRAISED VALUE LAND	\$233,464	INITIAL ASSESSED VALUE LAND	\$74,708
EQUALIZED APPRAISED VALUE LAND	\$18,736,218	EQUALIZED ASSESSED VALUE LAND	\$5,995,590

Arrowhead Centre Tax Increment Financing Redevelopment Plan Public Revenues Projections (Summary)

PROJECT 1 - PILOTS								
TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS	COUNTY FEE	CITY ADMIN FEE	PILOT TOTAL
1	64,100	64,100	-	-	-	-	-	-
2	64,100	7,840,000	7,775,900	323,058	(161,529)	(2,584)	(7,947)	150,997
3	64,100	7,918,400	7,854,300	326,315	(163,157)	(2,611)	(8,027)	152,520
4	64,100	7,918,400	7,854,300	326,315	(163,157)	(2,611)	(8,027)	152,520
5	64,100	7,997,584	7,933,484	329,605	(164,802)	(2,637)	(8,108)	154,057
6	64,100	7,997,584	7,933,484	329,605	(164,802)	(2,637)	(8,108)	154,057
7	64,100	8,077,560	8,013,460	332,927	(166,464)	(2,663)	(8,190)	155,610
8	64,100	8,077,560	8,013,460	332,927	(166,464)	(2,663)	(8,190)	155,610
9	64,100	8,158,335	8,094,235	336,283	(168,142)	(2,690)	(8,273)	157,179
10	64,100	8,158,335	8,094,235	336,283	(168,142)	(2,690)	(8,273)	157,179
11	64,100	8,239,919	8,175,819	339,673	(169,836)	(2,717)	(8,356)	158,763
12	64,100	8,239,919	8,175,819	339,673	(169,836)	(2,717)	(8,356)	158,763
13	64,100	8,322,318	8,258,218	343,096	(171,548)	(2,745)	(8,440)	160,363
14	64,100	8,322,318	8,258,218	343,096	(171,548)	(2,745)	(8,440)	160,363
15	64,100	8,405,541	8,341,441	346,554	(173,277)	(2,772)	(8,525)	161,979
16	64,100	8,405,541	8,341,441	346,554	(173,277)	(2,772)	(8,525)	161,979
17	64,100	8,489,597	8,425,496	350,046	(175,023)	(2,800)	(8,611)	163,611
18	64,100	8,489,597	8,425,496	350,046	(175,023)	(2,800)	(8,611)	163,611
19	64,100	8,574,493	8,510,392	353,573	(176,786)	(2,829)	(8,698)	165,260
20	64,100	8,574,493	8,510,392	353,573	(176,786)	(2,829)	(8,698)	165,260
21	64,100	8,660,237	8,596,137	357,135	(178,568)	(2,857)	(8,786)	166,925
22	64,100	8,660,237	8,596,137	357,135	(178,568)	(2,857)	(8,786)	166,925
23	64,100	8,746,840	8,682,740	360,733	(180,367)	(2,886)	(8,874)	168,607
GROSS PILOTS				\$ 7,514,201	\$ (3,757,100)	\$ (60,114)	\$ (184,849)	\$ 3,512,137
NPV PILOTS				\$ 4,065,591	\$ (2,032,795)	\$ (30,684)	\$ (94,352)	\$ 1,792,695

PROJECT 2 - PILOTS								
TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS	COUNTY FEE	CITY ADMIN FEE	PILOT TOTAL
1	159,483	159,483	-	-	-	-	-	-
2	159,483	8,523,984	8,364,501	347,512	(173,756)	(2,780)	(8,549)	162,427
3	159,483	8,609,224	8,449,741	351,053	(175,526)	(2,808)	(8,636)	164,082
4	159,483	8,609,224	8,449,741	351,053	(175,526)	(2,808)	(8,636)	164,082
5	159,483	8,695,316	8,535,833	354,630	(177,315)	(2,837)	(8,724)	165,754
6	159,483	8,695,316	8,535,833	354,630	(177,315)	(2,837)	(8,724)	165,754
7	159,483	8,782,269	8,622,786	358,242	(179,121)	(2,866)	(8,813)	167,442
8	159,483	8,782,269	8,622,786	358,242	(179,121)	(2,866)	(8,813)	167,442
9	159,483	8,870,092	8,710,609	361,891	(180,945)	(2,895)	(8,903)	169,148
10	159,483	8,870,092	8,710,609	361,891	(180,945)	(2,895)	(8,903)	169,148
11	159,483	8,958,793	8,799,310	365,576	(182,788)	(2,925)	(8,993)	170,870
12	159,483	8,958,793	8,799,310	365,576	(182,788)	(2,925)	(8,993)	170,870
13	159,483	9,048,381	8,888,897	369,298	(184,649)	(2,954)	(9,085)	172,610
14	159,483	9,048,381	8,888,897	369,298	(184,649)	(2,954)	(9,085)	172,610
15	159,483	9,138,865	8,979,381	373,057	(186,529)	(2,984)	(9,177)	174,367
16	159,483	9,138,865	8,979,381	373,057	(186,529)	(2,984)	(9,177)	174,367
17	159,483	9,230,253	9,070,770	376,854	(188,427)	(3,015)	(9,271)	176,142
18	159,483	9,230,253	9,070,770	376,854	(188,427)	(3,015)	(9,271)	176,142
19	159,483	9,322,556	9,163,072	380,689	(190,345)	(3,046)	(9,365)	177,934
20	159,483	9,322,556	9,163,072	380,689	(190,345)	(3,046)	(9,365)	177,934
21	159,483	9,415,781	9,256,298	384,562	(192,281)	(3,076)	(9,460)	179,744
22	159,483	9,415,781	9,256,298	384,562	(192,281)	(3,076)	(9,460)	179,744
23	159,483	9,509,939	9,350,456	388,474	(194,237)	(3,108)	(9,556)	181,573
GROSS PILOTS				\$8,087,691	(4,043,846)	(64,702)	(198,957)	\$3,780,187
NPV PILOTS				\$4,127,702	(2,063,851)	(33,022)	(101,541)	\$1,929,288

1. COUNTY FEE OF 1.6% FOR COUNTY DEPARTMENTS OF ASSESSOR AND COLLECTOR.
2. PROJECTS 1 & 2 ARE WITHIN THE CAMDEN AMBULANCE DISTRICT.

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

PROJECT 3 - PILOTS

TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS	COUNTY FEE	CITY ADMIN FEE	PILOT TOTAL
1	104,502	104,502	-	-	-	-	-	-
2	104,502	3,472,279	3,367,778	130,501	(65,251)	(1,044)	(3,210)	60,996
3	104,502	3,507,002	3,402,500	131,847	(65,923)	(1,055)	(3,243)	61,625
4	104,502	3,507,002	3,402,500	131,847	(65,923)	(1,055)	(3,243)	61,625
5	104,502	3,542,072	3,437,570	133,206	(66,603)	(1,066)	(3,277)	62,260
6	104,502	3,542,072	3,437,570	133,206	(66,603)	(1,066)	(3,277)	62,260
7	104,502	3,577,493	3,472,991	134,578	(67,289)	(1,077)	(3,311)	62,902
8	104,502	3,577,493	3,472,991	134,578	(67,289)	(1,077)	(3,311)	62,902
9	104,502	3,613,267	3,508,766	135,965	(67,982)	(1,088)	(3,345)	63,550
10	104,502	3,613,267	3,508,766	135,965	(67,982)	(1,088)	(3,345)	63,550
11	104,502	3,649,400	3,544,899	137,365	(68,682)	(1,099)	(3,379)	64,204
12	104,502	3,649,400	3,544,899	137,365	(68,682)	(1,099)	(3,379)	64,204
13	104,502	3,685,894	3,581,393	138,779	(69,389)	(1,110)	(3,414)	64,865
14	104,502	3,685,894	3,581,393	138,779	(69,389)	(1,110)	(3,414)	64,865
15	104,502	3,722,753	3,618,252	140,207	(70,104)	(1,122)	(3,449)	65,533
16	104,502	3,722,753	3,618,252	140,207	(70,104)	(1,122)	(3,449)	65,533
17	104,502	3,759,981	3,655,479	141,650	(70,825)	(1,133)	(3,485)	66,207
18	104,502	3,759,981	3,655,479	141,650	(70,825)	(1,133)	(3,485)	66,207
19	104,502	3,797,580	3,693,079	143,107	(71,553)	(1,145)	(3,520)	66,888
20	104,502	3,797,580	3,693,079	143,107	(71,553)	(1,145)	(3,520)	66,888
21	104,502	3,835,556	3,731,055	144,578	(72,289)	(1,157)	(3,557)	67,576
22	104,502	3,835,556	3,731,055	144,578	(72,289)	(1,157)	(3,557)	67,576
23	104,502	3,873,912	3,769,410	146,065	(73,032)	(1,169)	(3,593)	68,271
GROSS PILOTS				\$3,039,130	(1,519,565)	(24,313)	(74,763)	\$1,420,489
NPV PILOTS				\$1,550,874	(775,437)	(12,407)	(38,151)	\$724,878

PROJECT 4 - PILOTS

TIF YEAR	INITIAL ASSESSED LAND & IMPV	RES EQ ASSESS LAND & IMPV	COM EQ ASSESS LAND & IMPV	INCREMENT	PILOT	SURPLUS	COUNTY FEE	CITY ADMIN FEE	PILOT TOTAL
1	204,353	-	204,353	-	-	-	-	-	-
2	204,353	5,850,518	26,976,016	32,622,181	1,264,110	(745,409)	(8,299)	(25,520)	484,882
3	204,353	5,909,023	27,245,776	32,950,446	1,276,830	(752,902)	(8,383)	(25,777)	489,767
4	204,353	5,909,023	27,245,776	32,950,446	1,276,830	(752,902)	(8,383)	(25,777)	489,767
5	204,353	5,968,113	27,518,234	33,281,994	1,289,677	(760,471)	(8,467)	(26,037)	494,702
6	204,353	5,968,113	27,518,234	33,281,994	1,289,677	(760,471)	(8,467)	(26,037)	494,702
7	204,353	6,027,795	27,793,417	33,616,858	1,302,653	(768,115)	(8,553)	(26,299)	499,686
8	204,353	6,027,795	27,793,417	33,616,858	1,302,653	(768,115)	(8,553)	(26,299)	499,686
9	204,353	6,088,072	28,071,351	33,955,070	1,315,759	(775,836)	(8,639)	(26,564)	504,720
10	204,353	6,088,072	28,071,351	33,955,070	1,315,759	(775,836)	(8,639)	(26,564)	504,720
11	204,353	6,148,953	28,352,064	34,296,664	1,328,996	(783,634)	(8,726)	(26,832)	509,804
12	204,353	6,148,953	28,352,064	34,296,664	1,328,996	(783,634)	(8,726)	(26,832)	509,804
13	204,353	6,210,443	28,635,585	34,641,674	1,342,365	(791,510)	(8,814)	(27,102)	514,939
14	204,353	6,210,443	28,635,585	34,641,674	1,342,365	(791,510)	(8,814)	(27,102)	514,939
15	204,353	6,272,547	28,921,941	34,990,134	1,355,868	(799,464)	(8,902)	(27,375)	520,126
16	204,353	6,272,547	28,921,941	34,990,134	1,355,868	(799,464)	(8,902)	(27,375)	520,126
17	204,353	6,335,273	29,211,160	35,342,079	1,369,506	(807,499)	(8,992)	(27,651)	525,364
18	204,353	6,335,273	29,211,160	35,342,079	1,369,506	(807,499)	(8,992)	(27,651)	525,364
19	204,353	6,398,625	29,503,272	35,697,544	1,383,280	(815,613)	(9,083)	(27,929)	530,655
20	204,353	6,398,625	29,503,272	35,697,544	1,383,280	(815,613)	(9,083)	(27,929)	530,655
21	204,353	6,462,612	29,798,304	36,056,563	1,397,192	(823,809)	(9,174)	(28,210)	535,998
22	204,353	6,462,612	29,798,304	36,056,563	1,397,192	(823,809)	(9,174)	(28,210)	535,998
23	204,353	6,527,238	30,096,288	36,419,172	1,411,243	(832,087)	(9,266)	(28,494)	541,395
GROSS PILOTS					\$29,399,602	(17,335,201)	(193,030)	(593,569)	\$11,277,802
NPV PILOTS					\$15,006,721	(8,848,665)	(98,529)	(302,976)	\$5,756,551

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

PROJECT 5 - PILOTS									PROJECT 6 - PILOTS								
TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS	COUNTY FEE	CITY ADMIN FEE	PILOT TOTAL	TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS	COUNTY FEE	CITY ADMIN FEE	PILOT TOTAL
1	35,616	35,616	-	-	-	-	-	-	1	130,322	130,322	-	-	-	-	-	-
2	35,616	1,986,390	1,950,773	75,592	(37,796)	(605)	(1,860)	35,332	2	130,322	3,321,117	3,190,795	123,643	(61,822)	(989)	(3,042)	57,791
3	35,616	2,006,254	1,970,637	76,362	(38,181)	(611)	(1,879)	35,692	3	130,322	3,354,328	3,224,006	124,930	(62,465)	(999)	(3,073)	58,392
4	35,616	2,006,254	1,970,637	76,362	(38,181)	(611)	(1,879)	35,692	4	130,322	3,354,328	3,224,006	124,930	(62,465)	(999)	(3,073)	58,392
5	35,616	2,026,316	1,990,700	77,140	(38,570)	(617)	(1,898)	36,055	5	130,322	3,387,871	3,257,549	126,230	(63,115)	(1,010)	(3,105)	59,000
6	35,616	2,026,316	1,990,700	77,140	(38,570)	(617)	(1,898)	36,055	6	130,322	3,387,871	3,257,549	126,230	(63,115)	(1,010)	(3,105)	59,000
7	35,616	2,046,579	2,010,963	77,925	(38,962)	(623)	(1,917)	36,422	7	130,322	3,421,750	3,291,428	127,543	(63,771)	(1,020)	(3,138)	59,614
8	35,616	2,046,579	2,010,963	77,925	(38,962)	(623)	(1,917)	36,422	8	130,322	3,421,750	3,291,428	127,543	(63,771)	(1,020)	(3,138)	59,614
9	35,616	2,067,045	2,031,429	78,718	(39,359)	(630)	(1,936)	36,793	9	130,322	3,455,967	3,325,645	128,869	(64,434)	(1,031)	(3,170)	60,233
10	35,616	2,067,045	2,031,429	78,718	(39,359)	(630)	(1,936)	36,793	10	130,322	3,455,967	3,325,645	128,869	(64,434)	(1,031)	(3,170)	60,233
11	35,616	2,087,716	2,052,099	79,519	(39,759)	(636)	(1,956)	37,167	11	130,322	3,490,527	3,360,205	130,208	(65,104)	(1,042)	(3,203)	60,859
12	35,616	2,087,716	2,052,099	79,519	(39,759)	(636)	(1,956)	37,167	12	130,322	3,490,527	3,360,205	130,208	(65,104)	(1,042)	(3,203)	60,859
13	35,616	2,108,593	2,072,976	80,328	(40,164)	(643)	(1,976)	37,545	13	130,322	3,525,432	3,395,110	131,561	(65,780)	(1,052)	(3,236)	61,491
14	35,616	2,108,593	2,072,976	80,328	(40,164)	(643)	(1,976)	37,545	14	130,322	3,525,432	3,395,110	131,561	(65,780)	(1,052)	(3,236)	61,491
15	35,616	2,129,679	2,094,062	81,145	(40,572)	(649)	(1,996)	37,927	15	130,322	3,560,687	3,430,365	132,927	(66,463)	(1,063)	(3,270)	62,130
16	35,616	2,129,679	2,094,062	81,145	(40,572)	(649)	(1,996)	37,927	16	130,322	3,560,687	3,430,365	132,927	(66,463)	(1,063)	(3,270)	62,130
17	35,616	2,150,975	2,115,359	81,970	(40,985)	(656)	(2,016)	38,313	17	130,322	3,596,294	3,465,971	134,306	(67,153)	(1,074)	(3,304)	62,775
18	35,616	2,150,975	2,115,359	81,970	(40,985)	(656)	(2,016)	38,313	18	130,322	3,596,294	3,465,971	134,306	(67,153)	(1,074)	(3,304)	62,775
19	35,616	2,172,485	2,136,869	82,804	(41,402)	(662)	(2,037)	38,702	19	130,322	3,632,257	3,501,934	135,700	(67,850)	(1,086)	(3,338)	63,426
20	35,616	2,172,485	2,136,869	82,804	(41,402)	(662)	(2,037)	38,702	20	130,322	3,632,257	3,501,934	135,700	(67,850)	(1,086)	(3,338)	63,426
21	35,616	2,194,210	2,158,594	83,646	(41,823)	(669)	(2,058)	39,096	21	130,322	3,668,579	3,538,257	137,107	(68,554)	(1,097)	(3,373)	64,084
22	35,616	2,194,210	2,158,594	83,646	(41,823)	(669)	(2,058)	39,096	22	130,322	3,668,579	3,538,257	137,107	(68,554)	(1,097)	(3,373)	64,084
23	35,616	2,216,152	2,180,536	84,496	(42,248)	(676)	(2,079)	39,493	23	130,322	3,705,265	3,574,943	138,529	(69,265)	(1,108)	(3,408)	64,748
GROSS PILOTS				\$1,759,199	(879,600)	(14,074)	(43,276)	\$822,250	GROSS PILOTS				\$2,880,934	(1,440,467)	(23,047)	(70,871)	\$1,346,548
NPV PILOTS				\$897,848	(448,924)	(7,183)	(22,087)	\$419,654	NPV PILOTS				\$1,469,989	(734,995)	(11,760)	(36,162)	\$687,073
NOTES																	

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

PROJECT 7 - PILOTS

TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS	COUNTY FEE	CITY ADMIN FEE	PILOT TOTAL
1	119,895	119,895	-	-	-	-	-	-
2	119,895	13,059,366	12,939,472	501,405	(250,702)	(4,011)	(12,335)	234,356
3	119,895	13,189,960	13,070,065	506,465	(253,233)	(4,052)	(12,459)	236,722
4	119,895	13,189,960	13,070,065	506,465	(253,233)	(4,052)	(12,459)	236,722
5	119,895	13,321,860	13,201,965	511,576	(255,788)	(4,093)	(12,585)	239,111
6	119,895	13,321,860	13,201,965	511,576	(255,788)	(4,093)	(12,585)	239,111
7	119,895	13,455,078	13,335,184	516,738	(258,369)	(4,134)	(12,712)	241,524
8	119,895	13,455,078	13,335,184	516,738	(258,369)	(4,134)	(12,712)	241,524
9	119,895	13,589,629	13,469,734	521,952	(260,976)	(4,176)	(12,840)	243,960
10	119,895	13,589,629	13,469,734	521,952	(260,976)	(4,176)	(12,840)	243,960
11	119,895	13,725,525	13,605,631	527,218	(263,609)	(4,218)	(12,970)	246,422
12	119,895	13,725,525	13,605,631	527,218	(263,609)	(4,218)	(12,970)	246,422
13	119,895	13,862,781	13,742,886	532,537	(266,268)	(4,260)	(13,100)	248,908
14	119,895	13,862,781	13,742,886	532,537	(266,268)	(4,260)	(13,100)	248,908
15	119,895	14,001,408	13,881,514	537,909	(268,954)	(4,303)	(13,233)	251,419
16	119,895	14,001,408	13,881,514	537,909	(268,954)	(4,303)	(13,233)	251,419
17	119,895	14,141,422	14,021,528	543,334	(271,667)	(4,347)	(13,366)	253,954
18	119,895	14,141,422	14,021,528	543,334	(271,667)	(4,347)	(13,366)	253,954
19	119,895	14,282,837	14,162,942	548,814	(274,407)	(4,391)	(13,501)	256,516
20	119,895	14,282,837	14,162,942	548,814	(274,407)	(4,391)	(13,501)	256,516
21	119,895	14,425,665	14,305,770	554,349	(277,174)	(4,435)	(13,637)	259,103
22	119,895	14,425,665	14,305,770	554,349	(277,174)	(4,435)	(13,637)	259,103
23	119,895	14,569,922	14,450,027	559,939	(279,969)	(4,480)	(13,774)	261,715
GROSS PILOTS				\$11,663,128	(5,831,564)	(93,305)	(286,913)	\$5,451,346
NPV PILOTS				\$5,953,127	(2,976,564)	(47,625)	(146,447)	\$2,782,492

PROJECT 8 - PILOTS

TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS	COUNTY FEE	CITY ADMIN FEE	PILOT TOTAL
1	74,708	74,708	-	-	-	-	-	-
2	74,708	5,995,590	5,920,881	229,434	(114,717)	(1,835)	(5,644)	107,238
3	74,708	6,055,546	5,980,837	231,757	(115,879)	(1,854)	(5,701)	108,323
4	74,708	6,055,546	5,980,837	231,757	(115,879)	(1,854)	(5,701)	108,323
5	74,708	6,116,101	6,041,393	234,104	(117,052)	(1,873)	(5,759)	109,420
6	74,708	6,116,101	6,041,393	234,104	(117,052)	(1,873)	(5,759)	109,420
7	74,708	6,177,262	6,102,554	236,474	(118,237)	(1,892)	(5,817)	110,528
8	74,708	6,177,262	6,102,554	236,474	(118,237)	(1,892)	(5,817)	110,528
9	74,708	6,239,035	6,164,326	238,868	(119,434)	(1,911)	(5,876)	111,647
10	74,708	6,239,035	6,164,326	238,868	(119,434)	(1,911)	(5,876)	111,647
11	74,708	6,301,425	6,226,717	241,285	(120,643)	(1,930)	(5,936)	112,777
12	74,708	6,301,425	6,226,717	241,285	(120,643)	(1,930)	(5,936)	112,777
13	74,708	6,364,439	6,289,731	243,727	(121,864)	(1,950)	(5,996)	113,918
14	74,708	6,364,439	6,289,731	243,727	(121,864)	(1,950)	(5,996)	113,918
15	74,708	6,428,084	6,353,375	246,193	(123,097)	(1,970)	(6,056)	115,071
16	74,708	6,428,084	6,353,375	246,193	(123,097)	(1,970)	(6,056)	115,071
17	74,708	6,492,365	6,417,656	248,684	(124,342)	(1,989)	(6,118)	116,235
18	74,708	6,492,365	6,417,656	248,684	(124,342)	(1,989)	(6,118)	116,235
19	74,708	6,557,288	6,482,580	251,200	(125,600)	(2,010)	(6,180)	117,411
20	74,708	6,557,288	6,482,580	251,200	(125,600)	(2,010)	(6,180)	117,411
21	74,708	6,622,861	6,548,153	253,741	(126,870)	(2,030)	(6,242)	118,599
22	74,708	6,622,861	6,548,153	253,741	(126,870)	(2,030)	(6,242)	118,599
23	74,708	6,689,090	6,614,381	256,307	(128,154)	(2,050)	(6,305)	119,798
GROSS PILOTS				\$5,337,809	(2,668,904)	(42,702)	(131,310)	\$2,494,892
NPV PILOTS				\$2,724,440	(1,362,220)	(21,796)	(67,021)	\$1,273,403

Arrowhead Centre Tax Increment Financing Redevelopment Plan Public Revenues Projections (Summary)

ALL PROJECTS - NET PILOTS					
TIF YEAR	GROSS PILOTS	SURPLUS DIST PILOTS	COUNTY FEE	ADMIN FEE	NET PILOTS
1	-	-	-	-	-
2	453,559	(226,779)	(3,628)	(11,158)	211,993
3	805,673	(402,837)	(6,445)	(19,820)	376,572
4	809,215	(404,607)	(6,474)	(19,907)	378,227
5	2,153,565	(1,190,136)	(15,415)	(47,401)	900,613
6	2,170,632	(1,199,803)	(15,533)	(47,765)	907,531
7	3,029,809	(1,629,392)	(22,407)	(68,901)	1,309,110
8	3,055,717	(1,643,491)	(22,596)	(69,482)	1,320,149
9	3,060,460	(1,645,862)	(22,634)	(69,598)	1,322,366
10	3,086,627	(1,660,102)	(22,824)	(70,185)	1,333,516
11	3,091,417	(1,662,497)	(22,863)	(70,303)	1,335,754
12	3,117,845	(1,676,879)	(23,055)	(70,896)	1,347,015
13	3,122,683	(1,679,298)	(23,094)	(71,015)	1,349,276
14	3,149,376	(1,693,824)	(23,289)	(71,613)	1,360,650
15	3,154,262	(1,696,267)	(23,328)	(71,733)	1,362,934
16	3,181,222	(1,710,938)	(23,525)	(72,338)	1,374,421
17	3,186,157	(1,713,406)	(23,564)	(72,459)	1,376,728
18	3,213,387	(1,728,224)	(23,763)	(73,070)	1,388,330
19	3,218,371	(1,730,716)	(23,802)	(73,193)	1,390,660
20	3,245,873	(1,745,682)	(24,003)	(73,809)	1,402,378
21	3,250,907	(1,748,199)	(24,043)	(73,933)	1,404,731
22	3,278,684	(1,763,315)	(24,246)	(74,556)	1,416,567
23	3,283,768	(1,765,857)	(24,287)	(74,681)	1,418,943
24	2,805,025	(1,527,726)	(20,437)	(62,843)	1,194,020
25	2,416,551	(1,333,489)	(17,329)	(53,287)	1,012,447
26	2,440,936	(1,346,933)	(17,504)	(53,825)	1,022,674
27	945,197	(472,598)	(7,562)	(23,252)	441,785
28	954,775	(477,387)	(7,638)	(23,487)	446,262
	\$ 69,681,693	\$ (37,476,247)	\$ (515,287)	\$ (1,584,508)	\$ 30,105,651
	\$30,217,022	(16,238,055)	(223,663)	(687,765)	\$13,067,539

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

GROWTH AND OTHER RATES			
ANNUAL GROWTH RATE SALES	1%	YEAR 1 SALES DISCOUNT	50%
PAD SITE VACANCY RATE	0%	ADMINISTRATIVE FEE (MAXIMUM	5%
TIMELY SALES TAX PAYMENT	2%	DISCOUNT RATE / INTEREST RA1	6%
STATE'S COLLECTION FEE	1%		

SALES TAX RATES	RATE	EXPIRATION DATE	PORTION CAPTURED BY TIF
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COUNTY	1.250%		50%
CITY	2.000%		50%
PROPOSED CID	1.000%		50%
STATE GENERAL	3.000%		0%
STATE OTHER	1.225%		0%

RETAIL SALES REVENUES		PROJECT 3	
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BASELINE YEAR	\$	-	
YEAR 1	\$	11,164,355	

RETAIL SALES REVENUES		PROJECT 4	
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BASELINE YEAR	\$	-	
YEAR 1	\$	38,820,222	
YEAR 2	\$	58,230,334	
YEAR 3	\$	77,640,445	

<-- INCLUDES 50% DISCOUNT IN YEAR 1
<-- INCLUDES 25% DISCOUNT IN YEAR 2

RETAIL SALES REVENUES		PROJECT 5	
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BASELINE YEAR	\$	-	
YEAR 1	\$	2,816,451	

RETAIL SALES REVENUES		PROJECT 6	
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BASELINE YEAR	\$	-	
YEAR 1	\$	8,712,641	

RETAIL SALES REVENUES		PROJECT 7	
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BASELINE YEAR	\$	-	
YEAR 1	\$	12,495,544	
YEAR 2	\$	18,743,316	
YEAR 3	\$	24,991,088	

<-- INCLUDES 50% DISCOUNT IN YEAR 1
<-- INCLUDES 25% DISCOUNT IN YEAR 2

POST-REDEVELOPMENT TAXABLE SALES PER SQUARE FOOT			
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PROJECT 3			
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USE	BUILDING SF	BASE SALES	ANNUAL SALES
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RETAIL & FAMILY ENTERTAINMENT CENTER	46,771	-	\$ 11,164,355
TOTAL	46,771		\$ 11,164,355

PROJECT 4			
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USE	BUILDING SF	BASE SALES	ANNUAL SALES
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RETAIL	280,572	-	\$ 77,640,445
TOTAL	280,572		\$ 77,640,445

PROJECT 5			
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USE	BUILDING SF	BASE SALES	ANNUAL SALES
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RETAIL	11,799	-	\$ 2,816,451
TOTAL	11,799		\$ 2,816,451

PROJECT 6			
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USE	BUILDING SF	BASE SALES	ANNUAL SALES
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RETAIL	36,500	-	\$ 8,712,641
TOTAL	36,500		\$ 8,712,641

PROJECT 7			
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USE	BUILDING SF	BASE SALES	ANNUAL SALES
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RETAIL	103,985	-	\$ 24,821,479
HOTEL		-	\$ 169,609
TOTAL	103,985	-	\$ 24,991,088

Arrowhead Centre Tax Increment Financing Redevelopment Plan Public Revenues Projections (Summary)

PROJECT 3

TIF YEAR	ANNUAL RETAIL SALES	BASELINE RETAIL SALES	ANNUAL SALES INCREMENT	COUNTY TOTAL TAXES SUBJECT TO TIF	CITY TOTAL TAXES SUBJECT TO TIF	PROPOSED CID TOTAL TAXES SUBJECT TO TIF	TOTAL TAX SUBJECT TO EATS CAPTURE	ADMINISTRATIVE FEE	50% EATS
1	\$ 11,164,355	\$ -	\$ 11,164,355	\$ 135,396	\$ 216,633	\$ 108,317	\$ 460,345	\$ (11,509)	\$ 218,664
2	11,275,998	-	11,275,998	136,750	218,799	109,400	464,949	(11,624)	220,851
3	11,388,758	-	11,388,758	138,117	220,987	110,494	469,598	(11,740)	223,059
4	11,502,646	-	11,502,646	139,498	223,197	111,599	474,294	(11,857)	225,290
5	11,617,672	-	11,617,672	140,893	225,429	112,715	479,037	(11,976)	227,543
6	11,733,849	-	11,733,849	142,302	227,684	113,842	483,828	(12,096)	229,818
7	11,851,187	-	11,851,187	143,725	229,960	114,980	488,666	(12,217)	232,116
8	11,969,699	-	11,969,699	145,163	232,260	116,130	493,553	(12,339)	234,437
9	12,089,396	-	12,089,396	146,614	234,583	117,291	498,488	(12,462)	236,782
10	12,210,290	-	12,210,290	148,080	236,928	118,464	503,473	(12,587)	239,150
11	12,332,393	-	12,332,393	149,561	239,298	119,649	508,508	(12,713)	241,541
12	12,455,717	-	12,455,717	151,057	241,691	120,845	513,593	(12,840)	243,957
13	12,580,274	-	12,580,274	152,567	244,108	122,054	518,729	(12,968)	246,396
14	12,706,077	-	12,706,077	154,093	246,549	123,274	523,916	(13,098)	248,860
15	12,833,138	-	12,833,138	155,634	249,014	124,507	529,155	(13,229)	251,349
16	12,961,469	-	12,961,469	157,190	251,504	125,752	534,447	(13,361)	253,862
17	13,091,084	-	13,091,084	158,762	254,019	127,010	539,791	(13,495)	256,401
18	13,221,995	-	13,221,995	160,350	256,560	128,280	545,189	(13,630)	258,965
19	13,354,215	-	13,354,215	161,953	259,125	129,563	550,641	(13,766)	261,554
20	13,487,757	-	13,487,757	163,573	261,716	130,858	556,147	(13,904)	264,170
21	13,622,634	-	13,622,634	165,208	264,334	132,167	561,709	(14,043)	266,812
22	13,758,861	-	13,758,861	166,861	266,977	133,488	567,326	(14,183)	269,480
23	13,896,449	-	13,896,449	168,529	269,647	134,823	572,999	(14,325)	272,175
TOTAL GROSS				\$ 3,481,877	\$ 5,571,003	\$ 2,785,502	\$ 11,838,382	\$ (295,960)	\$ 5,623,231
TOTAL NPV				\$ 1,816,681	\$ 2,906,689	\$ 1,453,344	\$ 6,176,714	\$ (154,418)	\$ 2,933,939

1. STATE ALLOWS RETAILERS TO RETAIN 2% PAYMENT DISCOUNT FOR ALL SALES TAXES FILED AND PAID BY DUE DATE.
2. STATE COLLECTION FEE OF 1%.

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

PROJECT 4												
TIF YEAR	CAL. YEAR	ANNUAL RETAIL SALES	BASELINE RETAIL SALES	ANNUAL SALES INCREMENT	COUNTY TOTAL TAXES SUBJECT TO TIF	CITY GENERAL	CITY TOTAL TAXES SUBJECT TO TIF	PROPOSED CID	TOTAL TAX SUBJECT TO EATS CAPTURE	ADMINISTRATIVE FEE	TOTAL EATS	
1	2017	\$ 38,820,222	\$ -	\$ 38,820,222	\$ 470,792	\$ 753,268	\$ 753,268	\$ 376,634	\$ 1,600,694	\$ (40,017)	\$ 760,329	
2	2018	58,230,334	-	58,230,334	706,188	1,129,901	1,129,901	564,951	2,401,040	(60,026)	1,140,494	
3	2019	77,640,445	-	77,640,445	941,584	1,506,535	1,506,535	753,268	3,201,387	(80,035)	1,520,659	
4	2020	78,416,849	-	78,416,849	951,000	1,521,601	1,521,601	760,800	3,233,401	(80,835)	1,535,866	
5	2021	79,201,018	-	79,201,018	960,510	1,536,817	1,536,817	768,408	3,265,735	(81,643)	1,551,224	
6	2022	79,993,028	-	79,993,028	970,115	1,552,185	1,552,185	776,092	3,298,393	(82,460)	1,566,736	
7	2023	80,792,958	-	80,792,958	979,817	1,567,707	1,567,707	783,853	3,331,376	(83,284)	1,582,404	
8	2024	81,600,888	-	81,600,888	989,615	1,583,384	1,583,384	791,692	3,364,690	(84,117)	1,598,228	
9	2025	82,416,897	-	82,416,897	999,511	1,599,217	1,599,217	799,609	3,398,337	(84,958)	1,614,210	
10	2026	83,241,066	-	83,241,066	1,009,506	1,615,210	1,615,210	807,605	3,432,320	(85,808)	1,630,352	
11	2027	84,073,476	-	84,073,476	1,019,601	1,631,362	1,631,362	815,681	3,466,644	(86,666)	1,646,656	
12	2028	84,914,211	-	84,914,211	1,029,797	1,647,675	1,647,675	823,838	3,501,310	(87,533)	1,663,122	
13	2029	85,763,353	-	85,763,353	1,040,095	1,664,152	1,664,152	832,076	3,536,323	(88,408)	1,679,754	
14	2030	86,620,987	-	86,620,987	1,050,496	1,680,794	1,680,794	840,397	3,571,686	(89,292)	1,696,551	
15	2031	87,487,197	-	87,487,197	1,061,001	1,697,602	1,697,602	848,801	3,607,403	(90,185)	1,713,517	
16	2032	88,362,069	-	88,362,069	1,071,611	1,714,578	1,714,578	857,289	3,643,477	(91,087)	1,730,652	
17	2033	89,245,689	-	89,245,689	1,082,327	1,731,723	1,731,723	865,862	3,679,912	(91,998)	1,747,958	
18	2034	90,138,146	-	90,138,146	1,093,150	1,749,041	1,749,041	874,520	3,716,711	(92,918)	1,765,438	
19	2035	91,039,528	-	91,039,528	1,104,082	1,766,531	1,766,531	883,265	3,753,878	(93,847)	1,783,092	
20	2036	91,949,923	-	91,949,923	1,115,123	1,784,196	1,784,196	892,098	3,791,417	(94,785)	1,800,923	
21	2037	92,869,422	-	92,869,422	1,126,274	1,802,038	1,802,038	901,019	3,829,331	(95,733)	1,818,932	
22	2038	93,798,117	-	93,798,117	1,137,537	1,820,059	1,820,059	910,029	3,867,625	(96,691)	1,837,122	
23	2039	94,736,098	-	94,736,098	1,148,912	1,838,259	1,838,259	919,130	3,906,301	(97,658)	1,855,493	
TOTAL GROSS					\$ 23,058,645	\$ 36,893,833	\$ 36,893,833	\$ 18,446,916	\$ 78,399,394	\$ (1,959,985)	\$ 37,239,712	
TOTAL NPV					\$ 11,756,989	\$ 18,811,182	\$ 18,811,182	\$ 9,405,591	\$ 39,973,762	\$ (999,344)	\$ 18,987,537	

1. CID CALCULATED ON TOTAL ANNUAL RETAIL SALES.

Arrowhead Centre Tax Increment Financing Redevelopment Plan Public Revenues Projections (Summary)

PROJECT 5											
TIF YEAR	ANNUAL RETAIL SALES	BASELINE RETAIL SALES	ANNUAL SALES INCREMENT	COUNTY TOTAL TAXES SUBJECT TO TIF	CITY TOTAL TAXES SUBJECT TO TIF	PROPOSED CID	TOTAL TAX SUBJECT TO EATS CAPTURE	ADMINISTRATIVE FEE	TOTAL EATS		
1	\$ 2,816,451	\$ -	\$ 2,816,451	\$ 34,157	\$ 54,650	\$ 27,325	\$ 116,132	\$ (2,903)	\$ 55,163		
2	2,844,615	-	2,844,615	34,498	55,197	27,598	117,293	(2,932)	55,714		
3	2,873,061	-	2,873,061	34,843	55,749	27,874	118,466	(2,962)	56,272		
4	2,901,792	-	2,901,792	35,191	56,306	28,153	119,651	(2,991)	56,834		
5	2,930,810	-	2,930,810	35,543	56,869	28,435	120,848	(3,021)	57,403		
6	2,960,118	-	2,960,118	35,899	57,438	28,719	122,056	(3,051)	57,977		
7	2,989,719	-	2,989,719	36,258	58,013	29,006	123,277	(3,082)	58,556		
8	3,019,616	-	3,019,616	36,620	58,593	29,296	124,509	(3,113)	59,142		
9	3,049,813	-	3,049,813	36,987	59,179	29,589	125,754	(3,144)	59,733		
10	3,080,311	-	3,080,311	37,356	59,770	29,885	127,012	(3,175)	60,331		
11	3,111,114	-	3,111,114	37,730	60,368	30,184	128,282	(3,207)	60,934		
12	3,142,225	-	3,142,225	38,107	60,972	30,486	129,565	(3,239)	61,543		
13	3,173,647	-	3,173,647	38,488	61,581	30,791	130,861	(3,272)	62,159		
14	3,205,384	-	3,205,384	38,873	62,197	31,099	132,169	(3,304)	62,780		
15	3,237,438	-	3,237,438	39,262	62,819	31,410	133,491	(3,337)	63,408		
16	3,269,812	-	3,269,812	39,655	63,447	31,724	134,826	(3,371)	64,042		
17	3,302,510	-	3,302,510	40,051	64,082	32,041	136,174	(3,404)	64,683		
18	3,335,535	-	3,335,535	40,452	64,723	32,361	137,536	(3,438)	65,329		
19	3,368,891	-	3,368,891	40,856	65,370	32,685	138,911	(3,473)	65,983		
20	3,402,579	-	3,402,579	41,265	66,024	33,012	140,300	(3,508)	66,643		
21	3,436,605	-	3,436,605	41,677	66,684	33,342	141,703	(3,543)	67,309		
22	3,470,971	-	3,470,971	42,094	67,351	33,675	143,120	(3,578)	67,982		
23	3,505,681	-	3,505,681	42,515	68,024	34,012	144,551	(3,614)	68,662		
TOTAL GROSS				\$ 878,379	\$ 1,405,406	\$ 702,703	\$ 2,986,489	\$ (74,662)	\$ 1,418,582		
TOTAL NPV				\$ 458,297	\$ 733,275	\$ 366,638	\$ 1,558,210	\$ (38,955)	\$ 740,150		

1. CID CALCULATED ON TOTAL ANNUAL RETAIL SALES.

Arrowhead Centre Tax Increment Financing Redevelopment Plan Public Revenues Projections (Summary)

PROJECT 6											
TIF YEAR	ANNUAL RETAIL SALES	BASELINE RETAIL SALES	ANNUAL SALES INCREMENT	COUNTY TOTAL TAXES SUBJECT TO TIF	CITY TOTAL TAXES SUBJECT TO TIF	PROPOSED CID	TOTAL TAX SUBJECT TO EATS CAPTURE	ADMINISTRATIVE FEE	TOTAL EATS		
1	\$ 8,712,641	\$ -	\$ 8,712,641	\$ 105,663	\$ 169,060	\$ 84,530	\$ 359,253	\$ (8,981)	\$ 170,645		
2	8,799,768	-	8,799,768	106,719	170,751	85,375	362,845	(9,071)	172,351		
3	8,887,765	-	8,887,765	107,786	172,458	86,229	366,474	(9,162)	174,075		
4	8,976,643	-	8,976,643	108,864	174,183	87,091	370,138	(9,253)	175,816		
5	9,066,409	-	9,066,409	109,953	175,925	87,962	373,840	(9,346)	177,574		
6	9,157,074	-	9,157,074	111,052	177,684	88,842	377,578	(9,439)	179,350		
7	9,248,644	-	9,248,644	112,163	179,461	89,730	381,354	(9,534)	181,143		
8	9,341,131	-	9,341,131	113,285	181,255	90,628	385,168	(9,629)	182,955		
9	9,434,542	-	9,434,542	114,417	183,068	91,534	389,019	(9,725)	184,784		
10	9,528,887	-	9,528,887	115,562	184,899	92,449	392,909	(9,823)	186,632		
11	9,624,176	-	9,624,176	116,717	186,748	93,374	396,838	(9,921)	188,498		
12	9,720,418	-	9,720,418	117,884	188,615	94,307	400,807	(10,020)	190,383		
13	9,817,622	-	9,817,622	119,063	190,501	95,251	404,815	(10,120)	192,287		
14	9,915,798	-	9,915,798	120,254	192,406	96,203	408,863	(10,222)	194,210		
15	10,014,956	-	10,014,956	121,456	194,330	97,165	412,952	(10,324)	196,152		
16	10,115,106	-	10,115,106	122,671	196,274	98,137	417,081	(10,427)	198,114		
17	10,216,257	-	10,216,257	123,898	198,236	99,118	421,252	(10,531)	200,095		
18	10,318,420	-	10,318,420	125,137	200,219	100,109	425,465	(10,637)	202,096		
19	10,421,604	-	10,421,604	126,388	202,221	101,110	429,719	(10,743)	204,117		
20	10,525,820	-	10,525,820	127,652	204,243	102,122	434,016	(10,850)	206,158		
21	10,631,078	-	10,631,078	128,928	206,285	103,143	438,357	(10,959)	208,219		
22	10,737,389	-	10,737,389	130,218	208,348	104,174	442,740	(11,069)	210,302		
23	10,844,763	-	10,844,763	131,520	210,432	105,216	447,168	(11,179)	212,405		
TOTAL GROSS				\$ 2,717,250	\$ 4,347,600	\$ 2,173,800	\$ 9,238,651	\$ (230,966)	\$ 4,388,359		
TOTAL NPV				\$ 1,417,734	\$ 2,268,374	\$ 1,134,187	\$ 4,820,296	\$ (120,507)	\$ 2,289,640		

1. CID CALCULATED ON TOTAL ANNUAL RETAIL SALES.

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

PROJECT 7										ALL PROJECT AREAS - NET EATS			
TIF YEAR	ANNUAL RETAIL SALES	BASELINE RETAIL SALES	ANNUAL SALES INCREMENT	COUNTY TOTAL TAXES SUBJECT TO TIF	CITY TOTAL TAXES SUBJECT TO TIF	PROPOSED CID	TOTAL TAX SUBJECT TO EATS CAPTURE	ADMINISTRATIVE FEE	TOTAL EATS	50% GROSS EATS		ADMINISTRATIVE FEE	TOTAL NET EATS
1	\$ 12,495,544	\$ -	\$ 12,495,544	\$ 151,540	\$ 242,464	\$ 121,232	\$ 515,235	\$ (12,881)	\$ 244,737	1	\$ 230,173	\$ (11,509)	\$ 218,664
2	18,743,316	-	18,743,316	227,310	363,695	181,848	772,853	(19,321)	367,105	2	232,474	(11,624)	220,851
3	24,991,088	-	24,991,088	303,079	484,927	242,464	1,030,470	(25,762)	489,473	3	1,035,146	(51,757)	983,389
4	25,240,999	-	25,240,999	306,110	489,776	244,888	1,040,775	(26,019)	494,368	4	1,495,733	(74,787)	1,420,947
5	25,493,409	-	25,493,409	309,171	494,674	247,337	1,051,182	(26,280)	499,312	5	1,898,859	(94,943)	1,803,916
6	25,748,343	-	25,748,343	312,263	499,621	249,810	1,061,694	(26,542)	504,305	6	2,355,091	(117,755)	2,237,337
7	26,005,827	-	26,005,827	315,386	504,617	252,309	1,072,311	(26,808)	509,348	7	2,504,875	(125,244)	2,379,631
8	26,265,885	-	26,265,885	318,540	509,663	254,832	1,083,034	(27,076)	514,441	8	2,654,868	(132,743)	2,522,125
9	26,528,544	-	26,528,544	321,725	514,760	257,380	1,093,865	(27,347)	519,586	9	2,681,417	(134,071)	2,547,346
10	26,793,829	-	26,793,829	324,942	519,907	259,954	1,104,803	(27,620)	524,782	10	2,708,231	(135,412)	2,572,819
11	27,061,768	-	27,061,768	328,192	525,107	262,553	1,115,851	(27,896)	530,029	11	2,735,313	(136,766)	2,598,548
12	27,332,385	-	27,332,385	331,474	530,358	265,179	1,127,010	(28,175)	535,330	12	2,762,666	(138,133)	2,624,533
13	27,605,709	-	27,605,709	334,788	535,661	267,831	1,138,280	(28,457)	540,683	13	2,790,293	(139,515)	2,650,778
14	27,881,766	-	27,881,766	338,136	541,018	270,509	1,149,663	(28,742)	546,090	14	2,818,196	(140,910)	2,677,286
15	28,160,584	-	28,160,584	341,517	546,428	273,214	1,161,159	(29,029)	551,551	15	2,846,378	(142,319)	2,704,059
16	28,442,190	-	28,442,190	344,933	551,892	275,946	1,172,771	(29,319)	557,066	16	2,874,842	(143,742)	2,731,100
17	28,726,612	-	28,726,612	348,382	557,411	278,706	1,184,499	(29,612)	562,637	17	2,903,590	(145,180)	2,758,411
18	29,013,878	-	29,013,878	351,866	562,985	281,493	1,196,344	(29,909)	568,263	18	2,932,626	(146,631)	2,785,995
19	29,304,017	-	29,304,017	355,384	568,615	284,308	1,208,307	(30,208)	573,946	19	2,961,952	(148,098)	2,813,855
20	29,597,057	-	29,597,057	358,938	574,301	287,151	1,220,390	(30,510)	579,685	20	2,991,572	(149,579)	2,841,993
21	29,893,027	-	29,893,027	362,528	580,044	290,022	1,232,594	(30,815)	585,482	21	3,021,488	(151,074)	2,870,413
22	30,191,958	-	30,191,958	366,153	585,845	292,922	1,244,920	(31,123)	591,337	22	3,051,703	(152,585)	2,899,117
23	30,493,877	-	30,493,877	369,814	591,703	295,852	1,257,369	(31,434)	597,250	23	3,082,220	(154,111)	2,928,109
										24	2,823,677	(141,184)	2,682,493
										25	2,851,914	(142,596)	2,709,318
										26	907,751	(45,388)	862,364
										27	843,830	(42,192)	801,639
										28	852,268	(42,613)	809,655
			TOTAL GROSS	\$ 7,422,171	\$ 11,875,473	\$ 5,937,737	\$ 25,235,381	\$ (630,885)	\$ 11,986,806				
			TOTAL NPV	\$ 3,784,367	\$ 6,054,987	\$ 3,027,494	\$ 12,866,848	\$ (321,671)	\$ 6,111,753				
										\$ 63,849,148	\$ (3,192,457)	\$ 60,656,691	
										\$ 32,441,693	\$ (1,622,085)	\$ 30,819,608	

1. CID CALCULATED ON TOTAL ANNUAL RETAIL SALES.

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Public Revenues Projections (Summary)

Proposed Arrowhead Centre CID

CID YEAR	POST REDEV RETAIL SALES	TOTAL CID SALES TAX	CID SALES TAX CAPT'D AS EATS	NON-EATS CID REVENUE
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1	\$ 11,164,355	\$ 108,317	\$ 54,158	\$ 54,158
2	11,275,998	109,400	54,700	54,700
3	50,208,981	487,128	243,564	243,564
4	72,549,430	703,875	351,937	351,937
5	92,102,732	893,581	446,790	446,790
6	114,231,945	1,108,278	554,139	554,139
7	121,497,081	1,178,765	589,382	589,382
8	128,772,391	1,249,350	624,675	624,675
9	130,060,115	1,261,843	630,922	630,922
10	131,360,716	1,274,462	637,231	637,231
11	132,674,323	1,287,206	643,603	643,603
12	134,001,067	1,300,078	650,039	650,039
13	135,341,077	1,313,079	656,540	656,540
14	136,694,488	1,326,210	663,105	663,105
15	138,061,433	1,339,472	669,736	669,736
16	139,442,047	1,352,867	676,433	676,433
17	140,836,468	1,366,395	683,198	683,198
18	142,244,832	1,380,059	690,030	690,030
19	143,667,281	1,393,860	696,930	696,930
20	145,103,954	1,407,799	703,899	703,899
21	146,554,993	1,421,877	710,938	710,938
22	148,020,543	1,436,095	718,048	718,048
23	149,500,748	1,450,456	725,228	725,228
24	136,960,342	1,328,789	664,395	664,395
25	138,329,946	1,342,077	671,039	671,039
26	44,029,786	427,177	213,588	213,588
27	40,929,347	397,097	198,548	198,548
28	41,338,640	401,067	200,534	200,534

NON-EATS CID SALES TAX REVENUE (GROSS)	\$ 15,023,329
NON-EATS CID SALES TAX REVENUE (NPV)	6,620,987

NOTES

- 1. CIDS MAY IMPOSE TAXES ON ALL SALES TAXABLE UNDER 144.010 TO
- 2. CID TERM MAY LAST LONGER THAN THE TERMS PROJECTED ABOVE.

Arrowhead Centre Tax Increment Financing Redevelopment Plan non-TIF PILOTs

PROJECT 1 - PILOTS

TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS
1	64,100	64,100	-	-	-
2	64,100	7,840,000	7,775,900	323,058	161,529
3	64,100	7,918,400	7,854,300	326,315	163,157
4	64,100	7,918,400	7,854,300	326,315	163,157
5	64,100	7,997,584	7,933,484	329,605	164,802
6	64,100	7,997,584	7,933,484	329,605	164,802
7	64,100	8,077,560	8,013,460	332,927	166,464
8	64,100	8,077,560	8,013,460	332,927	166,464
9	64,100	8,158,335	8,094,235	336,283	168,142
10	64,100	8,158,335	8,094,235	336,283	168,142
11	64,100	8,239,919	8,175,819	339,673	169,836
12	64,100	8,239,919	8,175,819	339,673	169,836
13	64,100	8,322,318	8,258,218	343,096	171,548
14	64,100	8,322,318	8,258,218	343,096	171,548
15	64,100	8,405,541	8,341,441	346,554	173,277
16	64,100	8,405,541	8,341,441	346,554	173,277
17	64,100	8,489,597	8,425,496	350,046	175,023
18	64,100	8,489,597	8,425,496	350,046	175,023
19	64,100	8,574,493	8,510,392	353,573	176,786
20	64,100	8,574,493	8,510,392	353,573	176,786
21	64,100	8,660,237	8,596,137	357,135	178,568
22	64,100	8,660,237	8,596,137	357,135	178,568
23	64,100	8,746,840	8,682,740	360,733	180,367
GROSS PILOTS				\$ 7,514,201	\$ 3,757,100
NPV PILOTS				\$ 4,065,591	\$ 2,032,795

1. COUNTY FEE OF 1.6% FOR COUNTY DEPARTMENTS OF ASSESSOR AND COLLECTOR.
2. PROJECTS 1 & 2 ARE WITHIN THE CAMDEN AMBULANCE DISTRICT.

Arrowhead Centre Tax Increment Financing Redevelopment Plan
non-TIF PILOTs

PROJECT 2 - PILOTS					
TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS
1	159,483	159,483	-	-	-
2	159,483	8,523,984	8,364,501	347,512	173,756
3	159,483	8,609,224	8,449,741	351,053	175,526
4	159,483	8,609,224	8,449,741	351,053	175,526
5	159,483	8,695,316	8,535,833	354,630	177,315
6	159,483	8,695,316	8,535,833	354,630	177,315
7	159,483	8,782,269	8,622,786	358,242	179,121
8	159,483	8,782,269	8,622,786	358,242	179,121
9	159,483	8,870,092	8,710,609	361,891	180,945
10	159,483	8,870,092	8,710,609	361,891	180,945
11	159,483	8,958,793	8,799,310	365,576	182,788
12	159,483	8,958,793	8,799,310	365,576	182,788
13	159,483	9,048,381	8,888,897	369,298	184,649
14	159,483	9,048,381	8,888,897	369,298	184,649
15	159,483	9,138,865	8,979,381	373,057	186,529
16	159,483	9,138,865	8,979,381	373,057	186,529
17	159,483	9,230,253	9,070,770	376,854	188,427
18	159,483	9,230,253	9,070,770	376,854	188,427
19	159,483	9,322,556	9,163,072	380,689	190,345
20	159,483	9,322,556	9,163,072	380,689	190,345
21	159,483	9,415,781	9,256,298	384,562	192,281
22	159,483	9,415,781	9,256,298	384,562	192,281
23	159,483	9,509,939	9,350,456	388,474	194,237
GROSS PILOTS				\$8,087,691	4,043,846
NPV PILOTS				\$4,127,702	2,063,851

1. PROJECTS 1 & 2 ARE WITHIN THE CAMDEN AMBULANCE DISTRICT.

Arrowhead Centre Tax Increment Financing Redevelopment Plan non-TIF PILOTs

PROJECT 3 - PILOTS

TIF	INITIAL ASSESSED	EQ ASSESSED			
YEAR	LAND & IMPV	LAND & IMPV	INCREMENT	PILOT	SURPLUS
1	104,502	104,502	-	-	-
2	104,502	3,472,279	3,367,778	130,501	65,251
3	104,502	3,507,002	3,402,500	131,847	65,923
4	104,502	3,507,002	3,402,500	131,847	65,923
5	104,502	3,542,072	3,437,570	133,206	66,603
6	104,502	3,542,072	3,437,570	133,206	66,603
7	104,502	3,577,493	3,472,991	134,578	67,289
8	104,502	3,577,493	3,472,991	134,578	67,289
9	104,502	3,613,267	3,508,766	135,965	67,982
10	104,502	3,613,267	3,508,766	135,965	67,982
11	104,502	3,649,400	3,544,899	137,365	68,682
12	104,502	3,649,400	3,544,899	137,365	68,682
13	104,502	3,685,894	3,581,393	138,779	69,389
14	104,502	3,685,894	3,581,393	138,779	69,389
15	104,502	3,722,753	3,618,252	140,207	70,104
16	104,502	3,722,753	3,618,252	140,207	70,104
17	104,502	3,759,981	3,655,479	141,650	70,825
18	104,502	3,759,981	3,655,479	141,650	70,825
19	104,502	3,797,580	3,693,079	143,107	71,553
20	104,502	3,797,580	3,693,079	143,107	71,553
21	104,502	3,835,556	3,731,055	144,578	72,289
22	104,502	3,835,556	3,731,055	144,578	72,289
23	104,502	3,873,912	3,769,410	146,065	73,032
GROSS PILOTS				\$3,039,130	1,519,565
NPV PILOTS				\$1,550,874	775,437

Arrowhead Centre Tax Increment Financing Redevelopment Plan
non-TIF PILOTS

PROJECT 4 - PILOTS						
TIF YEAR	INITIAL ASSESSED LAND & IMPV	RES EQ ASSESS LAND & IMPV	COM EQ ASSESS LAND & IMPV	INCREMENT	PILOT	SURPLUS
1	204,353	-	204,353	-	-	-
2	204,353	5,850,518	26,976,016	32,622,181	1,264,110	745,409
3	204,353	5,909,023	27,245,776	32,950,446	1,276,830	752,902
4	204,353	5,909,023	27,245,776	32,950,446	1,276,830	752,902
5	204,353	5,968,113	27,518,234	33,281,994	1,289,677	760,471
6	204,353	5,968,113	27,518,234	33,281,994	1,289,677	760,471
7	204,353	6,027,795	27,793,417	33,616,858	1,302,653	768,115
8	204,353	6,027,795	27,793,417	33,616,858	1,302,653	768,115
9	204,353	6,088,072	28,071,351	33,955,070	1,315,759	775,836
10	204,353	6,088,072	28,071,351	33,955,070	1,315,759	775,836
11	204,353	6,148,953	28,352,064	34,296,664	1,328,996	783,634
12	204,353	6,148,953	28,352,064	34,296,664	1,328,996	783,634
13	204,353	6,210,443	28,635,585	34,641,674	1,342,365	791,510
14	204,353	6,210,443	28,635,585	34,641,674	1,342,365	791,510
15	204,353	6,272,547	28,921,941	34,990,134	1,355,868	799,464
16	204,353	6,272,547	28,921,941	34,990,134	1,355,868	799,464
17	204,353	6,335,273	29,211,160	35,342,079	1,369,506	807,499
18	204,353	6,335,273	29,211,160	35,342,079	1,369,506	807,499
19	204,353	6,398,625	29,503,272	35,697,544	1,383,280	815,613
20	204,353	6,398,625	29,503,272	35,697,544	1,383,280	815,613
21	204,353	6,462,612	29,798,304	36,056,563	1,397,192	823,809
22	204,353	6,462,612	29,798,304	36,056,563	1,397,192	823,809
23	204,353	6,527,238	30,096,288	36,419,172	1,411,243	832,087
GROSS PILOTS					\$29,399,602	17,335,201
NPV PILOTS					\$15,006,721	8,848,665

Arrowhead Centre Tax Increment Financing Redevelopment Plan
non-TIF PILOTs

PROJECT 5 - PILOTS					
TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS
1	35,616	1,986,390	1,950,773	75,592	37,796
2	35,616	1,986,390	1,950,773	75,592	37,796
3	35,616	2,006,254	1,970,637	76,362	38,181
4	35,616	2,006,254	1,970,637	76,362	38,181
5	35,616	2,026,316	1,990,700	77,140	38,570
6	35,616	2,026,316	1,990,700	77,140	38,570
7	35,616	2,046,579	2,010,963	77,925	38,962
8	35,616	2,046,579	2,010,963	77,925	38,962
9	35,616	2,067,045	2,031,429	78,718	39,359
10	35,616	2,067,045	2,031,429	78,718	39,359
11	35,616	2,087,716	2,052,099	79,519	39,759
12	35,616	2,087,716	2,052,099	79,519	39,759
13	35,616	2,108,593	2,072,976	80,328	40,164
14	35,616	2,108,593	2,072,976	80,328	40,164
15	35,616	2,129,679	2,094,062	81,145	40,572
16	35,616	2,129,679	2,094,062	81,145	40,572
17	35,616	2,150,975	2,115,359	81,970	40,985
18	35,616	2,150,975	2,115,359	81,970	40,985
19	35,616	2,172,485	2,136,869	82,804	41,402
20	35,616	2,172,485	2,136,869	82,804	41,402
21	35,616	2,194,210	2,158,594	83,646	41,823
22	35,616	2,194,210	2,158,594	83,646	41,823
23	35,616	2,216,152	2,180,536	84,496	42,248
GROSS PILOTS				\$1,834,792	917,396
NPV PILOTS				\$969,161	484,581
NOTES					

Arrowhead Centre Tax Increment Financing Redevelopment Plan
non-TIF PILOTs

PROJECT 6 - PILOTS					
TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS
1	130,322	3,321,117	3,190,795	123,643	61,822
2	130,322	3,321,117	3,190,795	123,643	61,822
3	130,322	3,354,328	3,224,006	124,930	62,465
4	130,322	3,354,328	3,224,006	124,930	62,465
5	130,322	3,387,871	3,257,549	126,230	63,115
6	130,322	3,387,871	3,257,549	126,230	63,115
7	130,322	3,421,750	3,291,428	127,543	63,771
8	130,322	3,421,750	3,291,428	127,543	63,771
9	130,322	3,455,967	3,325,645	128,869	64,434
10	130,322	3,455,967	3,325,645	128,869	64,434
11	130,322	3,490,527	3,360,205	130,208	65,104
12	130,322	3,490,527	3,360,205	130,208	65,104
13	130,322	3,525,432	3,395,110	131,561	65,780
14	130,322	3,525,432	3,395,110	131,561	65,780
15	130,322	3,560,687	3,430,365	132,927	66,463
16	130,322	3,560,687	3,430,365	132,927	66,463
17	130,322	3,596,294	3,465,971	134,306	67,153
18	130,322	3,596,294	3,465,971	134,306	67,153
19	130,322	3,632,257	3,501,934	135,700	67,850
20	130,322	3,632,257	3,501,934	135,700	67,850
21	130,322	3,668,579	3,538,257	137,107	68,554
22	130,322	3,668,579	3,538,257	137,107	68,554
23	130,322	3,705,265	3,574,943	138,529	69,265
GROSS PILOTS				\$3,004,577	1,502,289
NPV PILOTS				\$1,586,634	793,317

Arrowhead Centre Tax Increment Financing Redevelopment Plan
non-TIF PILOTs

PROJECT 7 - PILOTS					
TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS
1	119,895	13,059,366	12,939,472	501,405	250,702
2	119,895	13,059,366	12,939,472	501,405	250,702
3	119,895	13,189,960	13,070,065	506,465	253,233
4	119,895	13,189,960	13,070,065	506,465	253,233
5	119,895	13,321,860	13,201,965	511,576	255,788
6	119,895	13,321,860	13,201,965	511,576	255,788
7	119,895	13,455,078	13,335,184	516,738	258,369
8	119,895	13,455,078	13,335,184	516,738	258,369
9	119,895	13,589,629	13,469,734	521,952	260,976
10	119,895	13,589,629	13,469,734	521,952	260,976
11	119,895	13,725,525	13,605,631	527,218	263,609
12	119,895	13,725,525	13,605,631	527,218	263,609
13	119,895	13,862,781	13,742,886	532,537	266,268
14	119,895	13,862,781	13,742,886	532,537	266,268
15	119,895	14,001,408	13,881,514	537,909	268,954
16	119,895	14,001,408	13,881,514	537,909	268,954
17	119,895	14,141,422	14,021,528	543,334	271,667
18	119,895	14,141,422	14,021,528	543,334	271,667
19	119,895	14,282,837	14,162,942	548,814	274,407
20	119,895	14,282,837	14,162,942	548,814	274,407
21	119,895	14,425,665	14,305,770	554,349	277,174
22	119,895	14,425,665	14,305,770	554,349	277,174
23	119,895	14,569,922	14,450,027	559,939	279,969
GROSS PILOTS				\$12,164,532	6,082,266
NPV PILOTS				\$6,426,150	3,213,075

Arrowhead Centre Tax Increment Financing Redevelopment Plan
non-TIF PILOTs

PROJECT 8 - PILOTS						ALL PROJECTS - NET PILOTS	
TIF YEAR	INITIAL ASSESSED LAND & IMPV	EQ ASSESSED LAND & IMPV	INCREMENT	PILOT	SURPLUS	TIF YEAR	SURPLUS DIST PILOTS
1	74,708	5,995,590	5,920,881	229,434	114,717	1	-
2	74,708	5,995,590	5,920,881	229,434	114,717	2	226,779
3	74,708	6,055,546	5,980,837	231,757	115,879	3	402,837
4	74,708	6,055,546	5,980,837	231,757	115,879	4	442,404
5	74,708	6,116,101	6,041,393	234,104	117,052	5	1,190,136
6	74,708	6,116,101	6,041,393	234,104	117,052	6	1,627,044
7	74,708	6,177,262	6,102,554	236,474	118,237	7	1,629,392
8	74,708	6,177,262	6,102,554	236,474	118,237	8	1,643,491
9	74,708	6,239,035	6,164,326	238,868	119,434	9	1,645,862
10	74,708	6,239,035	6,164,326	238,868	119,434	10	1,660,102
11	74,708	6,301,425	6,226,717	241,285	120,643	11	1,662,497
12	74,708	6,301,425	6,226,717	241,285	120,643	12	1,676,879
13	74,708	6,364,439	6,289,731	243,727	121,864	13	1,679,298
14	74,708	6,364,439	6,289,731	243,727	121,864	14	1,693,824
15	74,708	6,428,084	6,353,375	246,193	123,097	15	1,696,267
16	74,708	6,428,084	6,353,375	246,193	123,097	16	1,710,938
17	74,708	6,492,365	6,417,656	248,684	124,342	17	1,713,406
18	74,708	6,492,365	6,417,656	248,684	124,342	18	1,728,224
19	74,708	6,557,288	6,482,580	251,200	125,600	19	1,730,716
20	74,708	6,557,288	6,482,580	251,200	125,600	20	1,745,682
21	74,708	6,622,861	6,548,153	253,741	126,870	21	1,748,199
22	74,708	6,622,861	6,548,153	253,741	126,870	22	1,763,315
23	74,708	6,689,090	6,614,381	256,307	128,154	23	1,765,857
GROSS PILOTS				\$5,567,243	2,783,621	24	1,527,726
NPV PILOTS				\$2,940,888	1,470,444	25	1,333,489
						26	1,346,933
						27	472,598
						28	477,387
						\$ 37,941,284	
						16,569,181	

Arrowhead Centre Tax Increment Financing Redevelopment Plan Non-EATs TIF Revenue Projections (Summary)

PROJECT 3

TIF YEAR	ANNUAL RETAIL SALES	BASELINE RETAIL SALES	ANNUAL SALES INCREMENT	COUNTY TOTAL TAXES SUBJECT TO TIF	CITY TOTAL TAXES SUBJECT TO TIF	PROPOSED CID TOTAL TAXES SUBJECT TO TIF	TOTAL TAX SUBJECT TO EATS CAPTURE	50% non-EATS
1	\$ 11,164,355	\$ -	\$ 11,164,355	\$ 135,396	\$ 216,633	\$ 108,317	\$ 460,345	\$ 230,173
2	11,275,998	-	11,275,998	136,750	218,799	109,400	464,949	232,474
3	11,388,758	-	11,388,758	138,117	220,987	110,494	469,598	234,799
4	11,502,646	-	11,502,646	139,498	223,197	111,599	474,294	237,147
5	11,617,672	-	11,617,672	140,893	225,429	112,715	479,037	239,519
6	11,733,849	-	11,733,849	142,302	227,684	113,842	483,828	241,914
7	11,851,187	-	11,851,187	143,725	229,960	114,980	488,666	244,333
8	11,969,699	-	11,969,699	145,163	232,260	116,130	493,553	246,776
9	12,089,396	-	12,089,396	146,614	234,583	117,291	498,488	249,244
10	12,210,290	-	12,210,290	148,080	236,928	118,464	503,473	251,737
11	12,332,393	-	12,332,393	149,561	239,298	119,649	508,508	254,254
12	12,455,717	-	12,455,717	151,057	241,691	120,845	513,593	256,796
13	12,580,274	-	12,580,274	152,567	244,108	122,054	518,729	259,364
14	12,706,077	-	12,706,077	154,093	246,549	123,274	523,916	261,958
15	12,833,138	-	12,833,138	155,634	249,014	124,507	529,155	264,578
16	12,961,469	-	12,961,469	157,190	251,504	125,752	534,447	267,223
17	13,091,084	-	13,091,084	158,762	254,019	127,010	539,791	269,896
18	13,221,995	-	13,221,995	160,350	256,560	128,280	545,189	272,595
19	13,354,215	-	13,354,215	161,953	259,125	129,563	550,641	275,321
20	13,487,757	-	13,487,757	163,573	261,716	130,858	556,147	278,074
21	13,622,634	-	13,622,634	165,208	264,334	132,167	561,709	280,854
22	13,758,861	-	13,758,861	166,861	266,977	133,488	567,326	283,663
23	13,896,449	-	13,896,449	168,529	269,647	134,823	572,999	286,500

TOTAL GROSS	\$	3,481,877	\$	5,571,003	\$	2,785,502	\$	11,838,382	\$	5,919,191
TOTAL NPV	\$	1,816,681	\$	2,906,689	\$	1,453,344	\$	6,176,714	\$	3,088,357

1. STATE ALLOWS RETAILERS TO RETAIN 2% PAYMENT DISCOUNT FOR ALL SALES TAXES FILED AND PAID BY DUE DATE.
2. STATE COLLECTION FEE OF 1%.

Arrowhead Centre Tax Increment Financing Redevelopment Plan Non-EATs TIF Revenue Projections (Summary)

[illegible]

1. CID CALCULATED ON TOTAL ANNUAL RETAIL SALES.

Arrowhead Centre Tax Increment Financing Redevelopment Plan Non-EATs TIF Revenue Projections (Summary)

PROJECT 5											
TIF YEAR	ANNUAL RETAIL SALES	BASELINE RETAIL SALES	ANNUAL SALES INCREMENT	COUNTY TOTAL TAXES SUBJECT TO TIF	CITY TOTAL TAXES SUBJECT TO TIF	PROPOSED CID	TOTAL TAX SUBJECT TO EATS CAPTURE	50% non-EATS			
1	\$ 2,816,451	\$ -	\$ 2,816,451	\$ 34,157	\$ 54,650	\$ 27,325	\$ 116,132	\$ 58,066			
2	2,844,615	-	2,844,615	34,498	55,197	27,598	117,293	58,647			
3	2,873,061	-	2,873,061	34,843	55,749	27,874	118,466	59,233			
4	2,901,792	-	2,901,792	35,191	56,306	28,153	119,651	59,826			
5	2,930,810	-	2,930,810	35,543	56,869	28,435	120,848	60,424			
6	2,960,118	-	2,960,118	35,899	57,438	28,719	122,056	61,028			
7	2,989,719	-	2,989,719	36,258	58,013	29,006	123,277	61,638			
8	3,019,616	-	3,019,616	36,620	58,593	29,296	124,509	62,255			
9	3,049,813	-	3,049,813	36,987	59,179	29,589	125,754	62,877			
10	3,080,311	-	3,080,311	37,356	59,770	29,885	127,012	63,506			
11	3,111,114	-	3,111,114	37,730	60,368	30,184	128,282	64,141			
12	3,142,225	-	3,142,225	38,107	60,972	30,486	129,565	64,782			
13	3,173,647	-	3,173,647	38,488	61,581	30,791	130,861	65,430			
14	3,205,384	-	3,205,384	38,873	62,197	31,099	132,169	66,085			
15	3,237,438	-	3,237,438	39,262	62,819	31,410	133,491	66,745			
16	3,269,812	-	3,269,812	39,655	63,447	31,724	134,826	67,413			
17	3,302,510	-	3,302,510	40,051	64,082	32,041	136,174	68,087			
18	3,335,535	-	3,335,535	40,452	64,723	32,361	137,536	68,768			
19	3,368,891	-	3,368,891	40,856	65,370	32,685	138,911	69,456			
20	3,402,579	-	3,402,579	41,265	66,024	33,012	140,300	70,150			
21	3,436,605	-	3,436,605	41,677	66,684	33,342	141,703	70,852			
22	3,470,971	-	3,470,971	42,094	67,351	33,675	143,120	71,560			
23	3,505,681	-	3,505,681	42,515	68,024	34,012	144,551	72,276			
TOTAL GROSS				\$ 878,379	\$ 1,405,406	\$ 702,703	\$ 2,986,489	\$ 1,493,244			
TOTAL NPV				\$ 458,297	\$ 733,275	\$ 366,638	\$ 1,558,210	\$ 779,105			

1. CID CALCULATED ON TOTAL ANNUAL RETAIL SALES.

**Arrowhead Centre Tax Increment Financing Redevelopment Plan
Non-EATs TIF Revenue Projections (Summary)**

PROJECT 6									
TIF YEAR	ANNUAL RETAIL SALES	BASELINE RETAIL SALES	ANNUAL SALES INCREMENT	COUNTY TOTAL TAXES SUBJECT TO TIF	CITY TOTAL TAXES SUBJECT TO TIF	PROPOSED CID	TOTAL TAX SUBJECT TO EATS CAPTURE	50% non-EATS	
1	\$ 8,712,641	\$ -	\$ 8,712,641	\$ 105,663	\$ 169,060	\$ 84,530	\$ 359,253	\$ 179,626	
2	8,799,768	-	8,799,768	106,719	170,751	85,375	362,845	181,423	
3	8,887,765	-	8,887,765	107,786	172,458	86,229	366,474	183,237	
4	8,976,643	-	8,976,643	108,864	174,183	87,091	370,138	185,069	
5	9,066,409	-	9,066,409	109,953	175,925	87,962	373,840	186,920	
6	9,157,074	-	9,157,074	111,052	177,684	88,842	377,578	188,789	
7	9,248,644	-	9,248,644	112,163	179,461	89,730	381,354	190,677	
8	9,341,131	-	9,341,131	113,285	181,255	90,628	385,168	192,584	
9	9,434,542	-	9,434,542	114,417	183,068	91,534	389,019	194,510	
10	9,528,887	-	9,528,887	115,562	184,899	92,449	392,909	196,455	
11	9,624,176	-	9,624,176	116,717	186,748	93,374	396,838	198,419	
12	9,720,418	-	9,720,418	117,884	188,615	94,307	400,807	200,403	
13	9,817,622	-	9,817,622	119,063	190,501	95,251	404,815	202,407	
14	9,915,798	-	9,915,798	120,254	192,406	96,203	408,863	204,432	
15	10,014,956	-	10,014,956	121,456	194,330	97,165	412,952	206,476	
16	10,115,106	-	10,115,106	122,671	196,274	98,137	417,081	208,541	
17	10,216,257	-	10,216,257	123,898	198,236	99,118	421,252	210,626	
18	10,318,420	-	10,318,420	125,137	200,219	100,109	425,465	212,732	
19	10,421,604	-	10,421,604	126,388	202,221	101,110	429,719	214,860	
20	10,525,820	-	10,525,820	127,652	204,243	102,122	434,016	217,008	
21	10,631,078	-	10,631,078	128,928	206,285	103,143	438,357	219,178	
22	10,737,389	-	10,737,389	130,218	208,348	104,174	442,740	221,370	
23	10,844,763	-	10,844,763	131,520	210,432	105,216	447,168	223,584	
TOTAL GROSS				\$ 2,717,250	\$ 4,347,600	\$ 2,173,800	\$ 9,238,651	\$ 4,619,325	
TOTAL NPV				\$ 1,417,734	\$ 2,268,374	\$ 1,134,187	\$ 4,820,296	\$ 2,410,148	

1. CID CALCULATED ON TOTAL ANNUAL RETAIL SALES.

**Arrowhead Centre Tax Increment Financing Redevelopment Plan
Non-EATs TIF Revenue Projections (Summary)**

PROJECT 7									ALL PROJECT AREAS - NET EATS	
TIF YEAR	ANNUAL RETAIL SALES	BASELINE RETAIL SALES	ANNUAL SALES INCREMENT	COUNTY TOTAL TAXES SUBJECT TO TIF	CITY TOTAL TAXES SUBJECT TO TIF	PROPOSED CID	TOTAL TAX SUBJECT TO EATS CAPTURE	50% non-EATS	TOTAL NON- EATS	
1	\$ 12,495,544	\$ -	\$ 12,495,544	\$ 151,540	\$ 242,464	\$ 121,232	\$ 515,235	\$ 257,618	1	\$ 11,164,355 \$ 230,173
2	18,743,316	-	18,743,316	227,310	363,695	181,848	772,853	386,426	2	11,275,998 232,474
3	24,991,088	-	24,991,088	303,079	484,927	242,464	1,030,470	515,235	3	50,208,981 1,035,146
4	25,240,999	-	25,240,999	306,110	489,776	244,888	1,040,775	520,387	4	72,549,430 1,495,733
5	25,493,409	-	25,493,409	309,171	494,674	247,337	1,051,182	525,591	5	92,102,732 1,898,859
6	25,748,343	-	25,748,343	312,263	499,621	249,810	1,061,694	530,847	6	114,231,945 2,355,091
7	26,005,827	-	26,005,827	315,386	504,617	252,309	1,072,311	536,156	7	121,497,081 2,504,875
8	26,265,885	-	26,265,885	318,540	509,663	254,832	1,083,034	541,517	8	128,772,391 2,654,868
9	26,528,544	-	26,528,544	321,725	514,760	257,380	1,093,865	546,932	9	130,060,115 2,681,417
10	26,793,829	-	26,793,829	324,942	519,907	259,954	1,104,803	552,402	10	131,360,716 2,708,231
11	27,061,768	-	27,061,768	328,192	525,107	262,553	1,115,851	557,926	11	132,674,323 2,735,313
12	27,332,385	-	27,332,385	331,474	530,358	265,179	1,127,010	563,505	12	134,001,067 2,762,666
13	27,605,709	-	27,605,709	334,788	535,661	267,831	1,138,280	569,140	13	135,341,077 2,790,293
14	27,881,766	-	27,881,766	338,136	541,018	270,509	1,149,663	574,831	14	136,694,488 2,818,196
15	28,160,584	-	28,160,584	341,517	546,428	273,214	1,161,159	580,580	15	138,061,433 2,846,378
16	28,442,190	-	28,442,190	344,933	551,892	275,946	1,172,771	586,386	16	139,442,047 2,874,842
17	28,726,612	-	28,726,612	348,382	557,411	278,706	1,184,499	592,249	17	140,836,468 2,903,590
18	29,013,878	-	29,013,878	351,866	562,985	281,493	1,196,344	598,172	18	142,244,832 2,932,626
19	29,304,017	-	29,304,017	355,384	568,615	284,308	1,208,307	604,154	19	143,667,281 2,961,952
20	29,597,057	-	29,597,057	358,938	574,301	287,151	1,220,390	610,195	20	145,103,954 2,991,572
21	29,893,027	-	29,893,027	362,528	580,044	290,022	1,232,594	616,297	21	146,554,993 3,021,488
22	30,191,958	-	30,191,958	366,153	585,845	292,922	1,244,920	622,460	22	148,020,543 3,051,703
23	30,493,877	-	30,493,877	369,814	591,703	295,852	1,257,369	628,685	23	149,500,748 3,082,220
									24	136,960,342 2,823,677
									25	138,329,946 2,851,914
									26	44,029,786 907,751
									27	40,929,347 843,830
									28	41,338,640 852,268
TOTAL GROSS									\$	63,849,148
TOTAL NPV									\$	32,441,693

1. CID CALCULATED ON TOTAL ANNUAL RETAIL SALES.

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Direct Tax Impact Analysis (Annual Benefits to Districts)

REAL PROPERTY TAX REVENUES														
TIF YEAR	REAL PROPERTY INITIAL ASSESSED VALUE	REAL PROPERTY EQUALIZED ASSESSED VALUE	50% SURPLUS PILOTS TO TAXING DISTRICTS	CITY 0.0000% 0.00%	SNR CITIZENS 0.0446% 1.15%	HNDCP WRSHP 0.0559% 1.44%	SCHOOL 2.8700% 74.06%	FIRE 0.5912% 15.26%	ROAD BRDG 0.1100% 2.84%	COUNTY 0.1100% 2.84%	LIBRARY 0.0933% 2.4077%	AMBULANCE 0.2796%	BLIND 0.0300% 0.0000%	REPLACEMENT 0.0300% 0.0000%
1	168,602	168,602	0	0	75	94	4,839	997	185	185	157	0	51	51
2	328,085	11,471,762	226,779	0	2,756	3,455	177,379	36,539	6,799	6,799	5,766	10,871	3,442	3,442
3	328,085	19,949,386	402,837	0	4,783	5,995	307,775	63,400	11,796	11,796	10,005	22,674	5,985	5,985
4	568,055	20,070,242	442,404	0	5,345	6,700	343,967	70,855	13,183	13,183	11,182	22,793	6,021	6,021
5	568,055	27,985,787	1,190,136	0	13,951	17,486	897,772	184,935	34,409	34,409	29,185	22,904	8,396	8,396
6	892,980	28,475,174	1,627,044	0	19,125	23,971	1,230,691	253,514	47,169	47,169	40,008	23,024	8,543	8,543
7	892,980	50,641,718	1,629,392	0	19,152	24,004	1,232,430	253,872	47,236	47,236	40,065	23,136	15,193	15,193
8	892,980	51,031,585	1,643,491	0	19,314	24,208	1,242,872	256,023	47,636	47,636	40,404	23,257	15,309	15,309
9	892,980	51,148,135	1,645,862	0	19,342	24,242	1,244,628	256,385	47,704	47,704	40,461	23,370	15,344	15,344
10	892,980	51,541,901	1,660,102	0	19,506	24,447	1,255,175	258,557	48,108	48,108	40,804	23,493	15,463	15,463
11	892,980	51,659,617	1,662,497	0	19,533	24,482	1,256,949	258,923	48,176	48,176	40,862	23,607	15,498	15,498
12	892,980	52,057,320	1,676,879	0	19,699	24,690	1,267,601	261,117	48,584	48,584	41,208	23,731	15,617	15,617
13	892,980	52,176,213	1,679,298	0	19,726	24,724	1,269,392	261,486	48,653	48,653	41,266	23,846	15,653	15,653
14	892,980	52,577,893	1,693,824	0	19,894	24,934	1,280,151	263,702	49,065	49,065	41,616	23,972	15,773	15,773
15	892,980	52,697,975	1,696,267	0	19,922	24,969	1,281,960	264,075	49,134	49,134	41,675	24,088	15,809	15,809
16	892,980	53,103,672	1,710,938	0	20,091	25,181	1,292,827	266,313	49,551	49,551	42,028	24,215	15,931	15,931
17	892,980	53,224,955	1,713,406	0	20,119	25,216	1,294,654	266,690	49,621	49,621	42,088	24,332	15,967	15,967
18	892,980	53,634,709	1,728,224	0	20,290	25,430	1,305,629	268,951	50,042	50,042	42,444	24,460	16,090	16,090
19	892,980	53,757,204	1,730,716	0	20,318	25,466	1,307,475	269,331	50,112	50,112	42,504	24,578	16,127	16,127
20	892,980	54,171,056	1,745,682	0	20,491	25,682	1,318,560	271,614	50,537	50,537	42,865	24,708	16,251	16,251
21	892,980	54,294,776	1,748,199	0	20,519	25,718	1,320,424	271,998	50,609	50,609	42,925	24,827	16,288	16,288
22	892,980	54,712,766	1,763,315	0	20,693	25,936	1,331,619	274,304	51,038	51,038	43,289	24,958	16,414	16,414
23	892,980	54,837,724	1,765,857	0	20,723	25,973	1,333,502	274,692	51,110	51,110	43,350	25,079	16,451	16,451
24	724,378	42,639,142	1,527,726	0	17,907	22,444	1,152,292	237,364	44,165	44,165	37,460	13,072	12,792	12,792
25	564,895	33,129,203	1,333,489	0	15,600	19,552	1,003,854	206,787	38,475	38,475	32,634	0	9,939	9,939
26	564,895	33,460,495	1,346,933	0	15,755	19,746	1,013,812	208,838	38,857	38,857	32,958	0	10,038	10,038
27	324,925	24,717,105	472,598	0	5,584	6,999	359,353	74,024	13,773	13,773	11,682	0	7,415	7,415
28	324,925	24,964,276	477,387	0	5,639	7,068	362,900	74,755	13,909	13,909	11,797	0	7,489	7,489
TOTAL (GROSS)			37,941,284	0	445,852	558,815	28,690,485	5,910,040	1,099,635	1,099,635	932,691	524,995	349,290	349,290
TOTAL (NPV)			16,569,181	0	194,895	244,274	12,541,426	2,583,446	480,682	480,682	407,706	260,094	152,037	152,037

1. BECAUSE PILOTS REIMBURSE PROJECT COSTS, THEY ARE NOT SHOWN AS A BENEFIT TO TAXING DISTRICTS (TAXES ABOVE ARE BASED ON FROZEN INITIAL EQUALIZED ASSESSED VALUE OF REAL PROPERTY).
2. BECAUSE TIF DOES NOT CAPTURE BLIND PENSION AND REPLACEMENT LEVIES, THESE TAXING DISTRICTS WILL ENJOY FULL TAXATION OF EQUALIZED ASSESSED VALUE (INSTEAD OF BASE VALUE).
3. 50% OF COMMERCIAL AND 100% OF RESIDENTIAL PILOTS WILL ANNUALLY BE DECLARED SURPLUS AND DISBURSED TO TAXING DISTRICTS PRO RATA (ABOVE PERCENTAGES REPRESENT THE DISTRICTS' RESPECTIVE TAX LEVIES AND CONSEQUENT SHARE OF PILOTS).
4. PROJECTS 1 AND 2 ARE WITHIN THE CAMDEN AMBULANCE DISTRICT.

Arrowhead Centre Tax Increment Financing Redevelopment Plan
Direct Tax Impact Analysis (Annual Benefits to Districts)

SALES TAX REVENUES				TOTAL				
TIF YEAR	BASELINE YEAR SALES	TOTAL POST-DEV SALES	TOTAL SALES INCREMENT	CITY 2.000%	COUNTY 1.250%	CID 1.000%	STATE GENERAL 3.000%	STATE OTHER 1.225%
1	0	11,164,355	11,164,355	108,317	67,698	54,158	162,475	66,344
2	0	11,275,998	11,275,998	109,400	68,375	54,700	164,100	67,007
3	0	50,208,981	50,208,981	487,128	304,455	243,564	730,691	298,366
4	0	72,549,430	72,549,430	703,875	439,922	351,937	1,055,812	431,123
5	0	92,102,732	92,102,732	893,581	558,488	446,790	1,340,371	547,318
6	0	114,231,945	114,231,945	1,108,278	692,674	554,139	1,662,417	678,820
7	0	121,497,081	121,497,081	1,178,765	736,728	589,382	1,768,147	721,993
8	0	128,772,391	128,772,391	1,249,350	780,844	624,675	1,874,025	765,227
9	0	130,060,115	130,060,115	1,261,843	788,652	630,922	1,892,765	772,879
10	0	131,360,716	131,360,716	1,274,462	796,539	637,231	1,911,693	780,608
11	0	132,674,323	132,674,323	1,287,206	804,504	643,603	1,930,809	788,414
12	0	134,001,067	134,001,067	1,300,078	812,549	650,039	1,950,118	796,298
13	0	135,341,077	135,341,077	1,313,079	820,674	656,540	1,969,619	804,261
14	0	136,694,488	136,694,488	1,326,210	828,881	663,105	1,989,315	812,304
15	0	138,061,433	138,061,433	1,339,472	837,170	669,736	2,009,208	820,427
16	0	139,442,047	139,442,047	1,352,867	845,542	676,433	2,029,300	828,631
17	0	140,836,468	140,836,468	1,366,395	853,997	683,198	2,049,593	836,917
18	0	142,244,832	142,244,832	1,380,059	862,537	690,030	2,070,089	845,286
19	0	143,667,281	143,667,281	1,393,860	871,162	696,930	2,090,790	853,739
20	0	145,103,954	145,103,954	1,407,799	879,874	703,899	2,111,698	862,277
21	0	146,554,993	146,554,993	1,421,877	888,673	710,938	2,132,815	870,899
22	0	148,020,543	148,020,543	1,436,095	897,560	718,048	2,154,143	879,608
23	0	149,500,748	149,500,748	1,450,456	906,535	725,228	2,175,684	888,404
24	0	136,960,342	136,960,342	1,328,789	830,493	664,395	1,993,184	813,883
25	0	138,329,946	138,329,946	1,342,077	838,798	671,039	2,013,116	822,022
26	0	44,029,786	44,029,786	427,177	266,986	213,588	640,765	261,646
27	0	40,929,347	40,929,347	397,097	248,185	198,548	595,645	243,222
28	0	41,338,640	41,338,640	401,067	250,667	200,534	601,601	245,654
			TOTAL (GROSS)	30,046,658	18,779,161	15,023,329	45,069,987	18,403,578
			TOTAL (NPV)	13,241,973	8,276,233	6,620,987	19,862,960	8,110,709

1. ABOVE SALES TAX REVENUES DO NOT INCLUDE PORTION CAPTURED AS EATS. STATE SALES TAXES, NOT SUBJECT TO TIF, CAPTURE 100% OF THEIR LEVY.
2. PROJECTIONS ASSUME TAX LEVIES WILL BE RENEWED UPON THEIR RESPECTIVE EXPIRATIONS.

May 20, 2015

Mr. Gary Mitchell
President
Arrowhead Development Group, LLC
1252 State Road KK
Osage Beach, MO 65065

RE: Arrowhead Senior Living Community

Dear Mr Mitchell:

Piper Jaffray (“Piper”) welcomes the opportunity to represent the Arrowhead Development Group, LLC (the “Borrower”) as Placement Agent in the acquisition and construction of the Arrowhead Senior Living Community (the “Project”) consisting of 128 independent living units, 90 assisted living units and an 80 bed skilled nursing facility located in Osage Beach, Missouri. Pursuant to this Letter of Understanding, we will act as the Borrower’s Placement Agent to arrange the financing for the Project. We are prepared to work with you, your staff, your legal counsel and such other advisors or consultants as you may choose to employ, to structure and market the financing on your behalf.

Placement Agent Relationship

As Placement Agent, we are prepared to perform the following functions, and any other services which may be appropriate to assist you in carrying out the financing. Assuming the full and continuing cooperation of your representatives, advisors and consultants, we will:

- (1) Advise and assist the Borrower in the development of the appropriate financing structure.
- (2) Prepare a Marketing Brochure in order solicit bids from lenders.
- (3) Prepare financing timelines, coordinate conference calls and working group distribution lists.
- (4) Assist Lender’s Counsel, Borrower’s Counsel and others in the preparation of documents necessary to structure and market your financing.
- (5) Coordinate closing and funding activities.

Based upon the information provided to Piper by the Borrower, we believe the Project to be financially feasible

We look forward to working with and your representatives on the successful funding of the Project.

Sincerely,



Bradley D. Wirt
Managing Director



February 23, 2015

Jeana Woods
City Administrator
City of Osage Beach
1000 City Parkway
Osage Beach, Mo. 65065

Dear Ms. Woods,

Providence Bank is very excited about the proposed "Arrowhead Centre Development" presented by Arrowhead Development Group, LLC, led by Gary Mitchell and Jim Klausman.

Our loan officers are familiar with both Mr. Mitchell & Mr. Klausman, having known them both for several years, independently.

We see this partnership as a strong relationship with each bringing their individual talents and assets, to forge forward a successful development. Both men have proven over many years, their ability to execute on plans and to bring dreams to fruition, via their successful developments.

We are very excited about the prospect for additional jobs and economic growth to the west end of Osage Beach along with "Phase 1" completion of a state of the art healthcare/retirement facility for the residents of Camden County. Providence Bank understands that this is a facility that is greatly needed in our local and underserved community.

Although, no final loan commitment is in place at this time, we have been actively discussing this operation and the development with the principles for several months. Once the city gives final approval to their plans, we hope to arrive on mutually agreeable terms to work together and bring this development to the citizens of Osage Beach and Camden County in the very near future.

We are very excited about this opportunity for the citizens of Osage Beach and Camden County.

Sincerely:

Michael L. Stuck, V.P.

COST BENEFIT ANALYSIS

ARROWHEAD CENTRE OSAGE BEACH, MISSOURI

**PREPARED FOR:
ARROWHEAD DEVELOPMENT GROUP, LLC**



Economic & Market Research / Land & Development Planning
Landscape Architecture / Community Planning & Design
Golf Feasibility Analysis

COST BENEFIT ANALYSIS

ARROWHEAD CENTRE OSAGE BEACH, MISSOURI

**PREPARED FOR:
ARROWHEAD DEVELOPMENT GROUP, LLC**

MAY 29, 2015

PREPARED BY:



**2953 SOUTH PEORIA STREET, SUITE 101
AURORA, COLORADO 80014
(303) 770-7201 PHONE
(303) 770-7132 FAX
INFO@THKASSOC.COM**

Table of Contents

I.	INTRODUCTION.....	2
II.	GENERAL PROJECT DESCRIPTION.....	2
III.	AFFECTED TAXING DISTRICTS	3
IV.	SCENARIO – PROJECT BUILT PURSUANT TO PLAN.....	3
	A. JOBS TO BE CREATED.....	4
V.	SCENARIO – PROJECTS NOT BUILT	6
VI.	PROJECT SPECIFIC COST BENEFIT.....	6
VII.	GENERAL ECONOMIC IMPACT	17
	A. THE EFFECTS OF REDEVELOPMENT ON THE LOCAL ECONOMY.....	17

COST BENEFIT ANALYSIS

I. INTRODUCTION

This Exhibit constitutes a cost-benefit analysis pursuant to Section 99.810(5) of the Missouri Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo. (the "TIF Act"). The analysis shows the economic impact of the Redevelopment Project under the Arrowhead Centre Tax Increment Financing Plan ("TIF Plan") on each taxing district that is at least partially within the boundaries of the Redevelopment Area. It includes the impact of the economy if the project is not built and if the project is built pursuant to the TIF Plan.

II. GENERAL PROJECT DESCRIPTION

The Redevelopment Project Area (the "Redevelopment Area") comprises approximately 226.31 gross acres, of which 197.82 is developable. The subject site is located just off US Highway 54 on State Highway KK within a five-minute drive of the Lake of the Ozarks. Under the proposed TIF Plan, there will be eight different land uses for the 226.31-acre site. These uses include office/flex/storage space, hotel development, retail/big-box development (inclusive of restaurant), senior housing and multi-family product. The redevelopment projects proposed by the TIF Plan include private development and the construction of related and necessary public infrastructure as well as a capital contribution (the "Redevelopment Projects").

The first step of this cost-benefit analysis is to develop and describe the scenario that the project is built pursuant to the TIF Plan. This plan is shown in Table-1 on the following page. As planned, the Arrowhead Centre TIF Plan involves: Office/flex uses allows for the development of 28.1 acres into office/flex space comprised of approximately 281,387 square feet of gross leasable office/flex space, adequate parking for the facility, and the construction of related necessary public improvements such as sidewalks, and other necessary utility infrastructure. Lodging uses allows for the development of 2.2 acres into a limited service hotel, adequate parking, and the construction of related necessary public improvements such as sidewalks, and other necessary utility infrastructure. Some hotel uses could be above office and retail. Retail/Big-Box space is projected to include the development of 118.0 acres of retail shopping comprised of 479,627 square feet of gross leasable retail area, adequate parking for the facility, and the construction of related necessary public improvements such as sidewalks, and other necessary utility infrastructure. Senior housing development is projected to allow for the development of 7.1 acres of nursing home, 7.1 acres of assisted living and 35.3 acres of independent living, for a total of 80, 90 and 231 units respectively, inclusive of any related necessary public improvements such as sidewalks, and other necessary utility infrastructure. There will also be approximately 222 high density residential units above office and retail. The following paragraphs examine the economic characteristics of the project in terms of jobs to be created and in terms of construction outlays. The specific uses of the facilities with each Redevelopment Project may change, but will still generally consist of an overall mixed-use development. The TIF Plan proposes that the area be designated a "blighted area" as defended under § 99.805(1), RSM

COST BENEFIT ANALYSIS

TABLE 1: Recommended Land Use Plan for the 226.31 Acre Arrowhead Centre Subject Site, 2015

Land Use	Acres	Density or F.A.R.	Square Feet	Units or Rooms	Absorption Years
Nursing Home	7.1	-	-	80	1.0
Assisted Living	7.1	-	-	90	1.0
Independent Living	35.3	-	-	231	2.0
Retail & Big Box	118.0	0.1	479,627	-	5.0
Apartment	Above Retail	-	-	222	9.0
Office/Flex/Storage	28.1	0.23	281,387	-	5.7
Hotel	2.2	-	-	90	2.7
Roads/R.O.W. & Open Space	28.5	--	--	--	--
TOTAL	226.31	--	761,014	713	

*above retail or office

*retail & big box is inclusive of restaurant product

Source: THK Associates, Inc.

III. AFFECTED TAXING DISTRICTS

A number of taxing districts, which levy ad valorem taxes, are partially located within the Development Area. These include:

- City of Osage Beach, Missouri
- Camden R3 School District
- Camden County
- Library District
- Nursing Home
- SB40 Sheltered Workshop
- Senior Citizens
- Road and Bridge District
- Fire
- Camden County Ambulance
- Community Improvement District

IV. SCENARIO – PROJECT BUILT PURSUANT TO PLAN

The first step of this cost-benefit analysis is to develop and describe the scenario that the project is built pursuant to the TIF Plan. As planned, the Arrowhead Centre TIF Plan involves: Office/flex/Storage uses allows

COST BENEFIT ANALYSIS

for the development of 28.1 acres into office/flex/storage space comprised of approximately 281,387 square feet of gross leasable office/flex space, adequate parking for the facility, and the construction of related necessary public improvements such as sidewalks, and other necessary utility infrastructure. Hotel uses allows for the development of 2.2 acres for a limited service hotel, adequate parking, and the construction of related necessary public improvements such as sidewalks, and other necessary utility infrastructure. Some hotel uses could be above office and retail. Retail/Big-Box space is projected to allow for the development of 118.0 acres into a retail shopping facility comprised of 479,627 square feet of gross leasable retail area, adequate parking for the facility, and the construction of related necessary public improvements such as sidewalks, and other necessary utility infrastructure. Senior housing development is projected to allow for the development of 7.1 acres of nursing home, 7.1 acres of assisted living and 35.3 acres of independent living, for a total of 80, 90 and 231 units respectively, inclusive of any related necessary public improvements such as sidewalks, and other necessary utility infrastructure. There will also be approximately 222 high density residential units above office and retail. The specific uses of the facilities with each redevelopment Project may change, but will still generally consist of a mixed-use development. The TIF Plan proposes that the area be designated a "blighted area" as defended under § 99.805(1), RSMo.

A. JOBS TO BE CREATED

Job creation resulting from the development of the project pursuant to the TIF Plan will occur from two sources. The first source is jobs created as a result of construction activities during the project's development phases. The second, and ongoing, source results from the employment generated by companies, firms, and business organizations locating with the subject site.

During the construction of the subject site as planned, this study projects that there will be approximately 3,850 man-years created, as detailed in Table 2. The construction employment projection would represent a construction payroll of \$115,500,000 with an estimated average annual wage of approximately \$26,940 per construction employee, assuming each job lasts one year.

Once the project is completed, it is estimated that the office/flex/storage space will generate 1,126 full-time annual employment equivalent jobs, the hotel space will generate 45 full-time annual employment equivalent jobs, the retail/big-box space will generate 1,199 full-time annual employment equivalent jobs, the senior housing will generate 201 full-time annual employment equivalent jobs and the rental apartments will generate 22 full-time annual employment equivalent jobs. These assumptions and projects are summarized in Table-2, Projected Jobs and Payroll below. The projected annual income is \$69,829,128 based on a total of 2,592 permanent jobs created.

COST BENEFIT ANALYSIS

Table 2: Projected Jobs and Payroll, Arrowhead Centre Project, 2015

Permanent Jobs:

Office/Flex/Storage	1,126
Hotel	
Limited Service	45
Retail & Big Box	
Total Retail Commercial	1,199
Senior Housing	201
Rental Apartments	22
Total Permanent Jobs:	2,592
Projected Annual Income*:	\$69,829,128

Construction:

Estimated number of man-years for construction workers to be hired during construction phases:	3,850
---	--------------

Anticipated Construction Payroll**:	\$115,500,000
--	----------------------

* Assumes average annual wage of approximately \$26,940/ permanent employee

** Assumes average construction wage of approximately \$30,000 annually

Source: Bls.gov, Arrowhead Development Group, LLC, & THK Associates, Inc.

V. SCENARIO – PROJECTS NOT BUILT

Section 99.810(5) of the TIF Act, requires than an analysis be made of the direct tax effect upon the various taxing districts based upon the assumption that the Redevelopment Project is not built. Absent the commercial development and the other public road and infrastructure improvements included in the TIF Plan, it cannot be determined what, if any, development will occur. Therefore, for the purpose of this study, it is assumed under this "Project Not Built" scenario that the proposed redevelopment area will continue with its current and existing use, which is primarily vacant land along with the Dogwood Hills Golf Course, restaurant and hotel, which are currently closed. Current cash flows for these facilities are negative and demolition is planned for both the golf course and the hotel.

VI. PROJECT SPECIFIC COST BENEFIT

The next step in this study is to analyze the "Project is Not Built" and the "Project Built Pursuant to Plan" scenarios as they relate specifically to taxing districts directly affected by the ad valorem and/or economic activity taxes. In Table-3 through Table-11, below, revenues for the "Project is Not Built" column are projected upon the assumptions outline in Section V, "Scenario – Project is Not Built," above. The build-out period is through year 23 (2037). Below are the highlights for each of the individual taxing units.

- Revenues to the Senior Citizens are estimated to be \$413,713 if built, \$10,753 if not built. This represents a difference of \$402,960.
- Revenues to the SB40 Workshop are estimated to be \$518,532 if built, \$13,478 if not built. This represents a difference of \$505,055.
- Revenues to the Fire District are estimated to be \$5,484,013 if built, \$142,540 if not built. This represents a difference of \$5,341,472.
- Revenues to the Library District are estimated to be \$865,457 if built, \$22,495 if not built. This represents a difference of \$842,962.
- Revenues to the City of Osage Beach are estimated to be \$28,559,244 if built, \$0 if not built. This represents a difference of \$28,559,244.
- Revenues to Camden County are estimated to be \$18,869,895 if built, \$26,521 if not built. This represents a difference of \$18,843,374.
- Revenues to the Road and Bridge Authority are estimated to be \$1,020,368 if built, \$26,521 if not built. This represents a difference of \$993,846.
- Revenues to the Camden R3 School District are estimated to be \$26,622,321 if built, \$691,966 if not built. This represents a difference of \$25,930,355.
- Revenues to the Camden County Ambulance are estimated to be \$576,404 if built, \$19,567 if not built. This represents a difference of \$556,837.
- Revenues to the Community Improvement District are estimated to be \$14,279,622 if built, \$0 if not built. This represents a difference of \$14,279,622.

☐ **In total, the difference if constructed will total \$98,837,811.**

☐ It has been assumed that after 23 years the districts/service providers would then receive 100% of revenues.

COST BENEFIT ANALYSIS

TABLE 3: IMPACTS TO SENIOR CITIZENS

		Project Not Built		Project Built						
Year		Assessed Value	Annual Taxes	Assessed Value	Annual Taxes	Residential Assessed	Additional Res Taxes	Personal Property	Annual Taxes	Total Taxes
1	2015	\$892,980	\$ 398	\$892,890	\$398	\$0	\$0	\$0	\$0	\$398
2	2016	\$892,980	\$ 398	\$15,568,000	\$398	\$0	\$0	\$0	\$0	\$398
3	2017	\$919,769	\$ 410	\$31,663,024	\$3,870	\$5,428,512	\$0	\$1,097,568	\$0	\$3,870
4	2018	\$919,769	\$ 410	\$44,475,688	\$7,459	\$5,428,512	\$2,421	\$1,716,719	\$490	\$10,370
5	2019	\$947,362	\$ 423	\$45,809,959	\$10,316	\$5,591,367	\$2,421	\$1,768,221	\$766	\$13,503
6	2020	\$947,362	\$ 423	\$45,809,959	\$10,614	\$5,591,367	\$2,494	\$1,768,221	\$789	\$13,896
7	2021	\$975,783	\$ 435	\$47,184,258	\$10,614	\$5,759,108	\$2,494	\$1,821,267	\$789	\$13,896
8	2022	\$975,783	\$ 435	\$47,184,258	\$10,920	\$5,759,108	\$2,569	\$1,821,267	\$812	\$14,301
9	2023	\$1,005,057	\$ 448	\$75,761,852	\$10,920	\$10,794,080	\$2,569	\$3,886,690	\$812	\$14,301
10	2024	\$1,005,057	\$ 448	\$75,761,852	\$17,293	\$10,794,080	\$4,814	\$3,886,690	\$1,733	\$23,841
11	2025	\$1,035,209	\$ 462	\$78,034,707	\$17,293	\$11,117,902	\$4,814	\$4,003,290	\$1,733	\$23,841
12	2026	\$1,035,209	\$ 462	\$78,034,707	\$17,800	\$11,117,902	\$4,959	\$4,003,290	\$1,785	\$24,544
13	2027	\$1,066,265	\$ 476	\$80,375,749	\$17,800	\$11,451,439	\$4,959	\$4,123,389	\$1,785	\$24,544
14	2028	\$1,066,265	\$ 476	\$80,375,749	\$18,322	\$11,451,439	\$5,107	\$4,123,389	\$1,839	\$25,268
15	2029	\$1,098,253	\$ 490	\$82,787,021	\$18,322	\$11,794,982	\$5,107	\$4,247,091	\$1,839	\$25,268
16	2030	\$1,098,253	\$ 490	\$82,787,021	\$18,860	\$11,794,982	\$5,261	\$4,247,091	\$1,894	\$26,015
17	2031	\$1,131,200	\$ 505	\$85,270,632	\$18,860	\$12,148,832	\$5,261	\$4,374,503	\$1,894	\$26,015
18	2032	\$1,131,200	\$ 505	\$85,270,632	\$19,414	\$12,148,832	\$5,418	\$4,374,503	\$1,951	\$26,783
19	2033	\$1,165,136	\$ 520	\$87,828,751	\$19,414	\$12,513,297	\$5,418	\$4,505,738	\$1,951	\$26,783
20	2034	\$1,165,136	\$ 520	\$87,828,751	\$19,984	\$12,513,297	\$5,581	\$4,505,738	\$2,010	\$27,575
21	2035	\$1,200,090	\$ 535	\$90,463,613	\$19,984	\$12,888,696	\$5,581	\$4,640,911	\$2,010	\$27,575
22	2036	\$1,200,090	\$ 535	\$90,463,613	\$20,572	\$12,888,696	\$5,748	\$4,640,911	\$2,070	\$28,390
23	2037	\$1,236,093	\$ 551	\$93,177,521	\$20,572	\$13,275,357	\$5,748.36	\$4,780,138	\$2,070	\$28,390
TOTAL		\$	10,753		\$329,999		\$88,743		\$31,022	\$449,765
DIFFERENCE		\$439,012								

Senior Citizens receive base taxes, 50% of commercial property taxes, 100% of residential taxes, and 100% of personal property taxes

Source: Camden County Assessor and THK Associates, Inc.

COST BENEFIT ANALYSIS

TABLE 4: IMPACTS TO SB40 WORKSHOP

		Project Not Built		Project Built						
Year		Assessed	Annual	Assessed	Annual	Residential	Additional	Personal	Annual	Total
		Value	Taxes	Value	Taxes	Assessed	Res Taxes	Property	Taxes	Taxes
1	2015	\$892,980	\$499	\$892,890	\$499	\$0	\$0	\$0	\$0	\$499
2	2016	\$892,980	\$499	\$15,568,000	\$499	\$0	\$0	\$0	\$0	\$499
3	2017	\$919,769	\$514	\$31,663,024	\$4,850	\$5,428,512	\$0	\$1,097,568	\$0	\$4,850
4	2018	\$919,769	\$514	\$44,475,688	\$9,349	\$5,428,512	\$3,034.54	\$1,716,719	\$614	\$12,997
5	2019	\$947,362	\$530	\$45,809,959	\$12,930	\$5,591,367	\$3,035	\$1,768,221	\$960	\$16,924
6	2020	\$947,362	\$530	\$45,809,959	\$13,303	\$5,591,367	\$3,126	\$1,768,221	\$988	\$17,417
7	2021	\$975,783	\$545	\$47,184,258	\$13,303	\$5,759,108	\$3,126	\$1,821,267	\$988	\$17,417
8	2022	\$975,783	\$545	\$47,184,258	\$13,687	\$5,759,108	\$3,219	\$1,821,267	\$1,018	\$17,925
9	2023	\$1,005,057	\$562	\$75,761,852	\$13,687	\$10,794,080	\$3,219	\$3,886,690	\$1,018	\$17,925
10	2024	\$1,005,057	\$562	\$75,761,852	\$21,675	\$10,794,080	\$6,034	\$3,886,690	\$2,173	\$29,881
11	2025	\$1,035,209	\$579	\$78,034,707	\$21,675	\$11,117,902	\$6,034	\$4,003,290	\$2,173	\$29,881
12	2026	\$1,035,209	\$579	\$78,034,707	\$22,310	\$11,117,902	\$6,215	\$4,003,290	\$2,238	\$30,763
13	2027	\$1,066,265	\$596	\$80,375,749	\$22,310	\$11,451,439	\$6,215	\$4,123,389	\$2,238	\$30,763
14	2028	\$1,066,265	\$596	\$80,375,749	\$22,964	\$11,451,439	\$6,401	\$4,123,389	\$2,305	\$31,671
15	2029	\$1,098,253	\$614	\$82,787,021	\$22,964	\$11,794,982	\$6,401	\$4,247,091	\$2,305	\$31,671
16	2030	\$1,098,253	\$614	\$82,787,021	\$23,638	\$11,794,982	\$6,593	\$4,247,091	\$2,374	\$32,606
17	2031	\$1,131,200	\$632	\$85,270,632	\$23,638	\$12,148,832	\$6,593	\$4,374,503	\$2,374	\$32,606
18	2032	\$1,131,200	\$632	\$85,270,632	\$24,332	\$12,148,832	\$6,791	\$4,374,503	\$2,445	\$33,569
19	2033	\$1,165,136	\$651	\$87,828,751	\$24,332	\$12,513,297	\$6,791	\$4,505,738	\$2,445	\$33,569
20	2034	\$1,165,136	\$651	\$87,828,751	\$25,047	\$12,513,297	\$6,995	\$4,505,738	\$2,519	\$34,561
21	2035	\$1,200,090	\$671	\$90,463,613	\$25,047	\$12,888,696	\$6,995	\$4,640,911	\$2,519	\$34,561
22	2036	\$1,200,090	\$671	\$90,463,613	\$25,784	\$12,888,696	\$7,205	\$4,640,911	\$2,594	\$35,583
23	2037	\$1,236,093	\$691	\$93,177,521	\$25,784	\$13,275,357	\$7,205	\$4,780,138	\$2,594	\$35,583
TOTAL			\$13,478		\$413,609		\$111,228		\$38,882	\$563,719

DIFFERENCE \$550,241

SB 40 Workshop will receive base taxes, 50% of commercial property taxes, 100% of residential taxes, and 100% of personal property taxes

Source: Camden County Assessor and THK Associates, Inc.

COST BENEFIT ANALYSIS

TABLE 5: IMPACTS TO FIRE

		Project Not Built		Project Built						
Year		Assessed Value	Annual Taxes	Assessed Value	Annual Taxes	Residential Assessed	Additional Res Taxes	Personal Property	Annual Taxes	Total Taxes
1	2015	\$892,980	\$5,279	\$892,890	\$5,279	\$0	\$0	\$0	\$0	\$5,279
2	2016	\$892,980	\$5,279	\$15,568,000	\$5,279	\$0	\$0	\$0	\$0	\$5,279
3	2017	\$919,769	\$5,438	\$31,663,024	\$51,298	\$5,428,512	\$0	\$1,097,568	\$0	\$51,298
4	2018	\$919,769	\$5,438	\$44,475,688	\$98,875	\$5,428,512	\$32,093	\$1,716,719	\$6,489	\$137,457
5	2019	\$947,362	\$5,601	\$45,809,959	\$136,749	\$5,591,367	\$32,093	\$1,768,221	\$10,149	\$178,992
6	2020	\$947,362	\$5,601	\$45,809,959	\$140,694	\$5,591,367	\$33,056	\$1,768,221	\$10,454	\$184,203
7	2021	\$975,783	\$5,769	\$47,184,258	\$140,694	\$5,759,108	\$33,056	\$1,821,267	\$10,454	\$184,203
8	2022	\$975,783	\$5,769	\$47,184,258	\$144,756	\$5,759,108	\$34,048	\$1,821,267	\$10,767	\$189,571
9	2023	\$1,005,057	\$5,942	\$75,761,852	\$144,756	\$10,794,080	\$34,048	\$3,886,690	\$10,767	\$189,571
10	2024	\$1,005,057	\$5,942	\$75,761,852	\$229,231	\$10,794,080	\$63,815	\$3,886,690	\$22,978	\$316,024
11	2025	\$1,035,209	\$6,120	\$78,034,707	\$229,231	\$11,117,902	\$63,815	\$4,003,290	\$22,978	\$316,024
12	2026	\$1,035,209	\$6,120	\$78,034,707	\$235,950	\$11,117,902	\$65,729	\$4,003,290	\$23,667	\$325,346
13	2027	\$1,066,265	\$6,304	\$80,375,749	\$235,950	\$11,451,439	\$65,729	\$4,123,389	\$23,667	\$325,346
14	2028	\$1,066,265	\$6,304	\$80,375,749	\$242,870	\$11,451,439	\$67,701	\$4,123,389	\$24,377	\$334,948
15	2029	\$1,098,253	\$6,493	\$82,787,021	\$242,870	\$11,794,982	\$67,701	\$4,247,091	\$24,377	\$334,948
16	2030	\$1,098,253	\$6,493	\$82,787,021	\$249,998	\$11,794,982	\$69,732	\$4,247,091	\$25,109	\$344,838
17	2031	\$1,131,200	\$6,688	\$85,270,632	\$249,998	\$12,148,832	\$69,732	\$4,374,503	\$25,109	\$344,838
18	2032	\$1,131,200	\$6,688	\$85,270,632	\$257,339	\$12,148,832	\$71,824	\$4,374,503	\$25,862	\$355,025
19	2033	\$1,165,136	\$6,888	\$87,828,751	\$257,339	\$12,513,297	\$71,824	\$4,505,738	\$25,862	\$355,025
20	2034	\$1,165,136	\$6,888	\$87,828,751	\$264,901	\$12,513,297	\$73,979	\$4,505,738	\$26,638	\$365,518
21	2035	\$1,200,090	\$7,095	\$90,463,613	\$264,901	\$12,888,696	\$73,979	\$4,640,911	\$26,638	\$365,518
22	2036	\$1,200,090	\$7,095	\$90,463,613	\$272,690	\$12,888,696	\$76,198	\$4,640,911	\$27,437	\$376,325
23	2037	\$1,236,093	\$7,308	\$93,177,521	\$272,690	\$13,275,357	\$76,198	\$4,780,138	\$27,437	\$376,325
TOTAL		\$142,540		\$4,374,338		\$1,176,349		\$411,218		\$5,961,904

DIFFERENCE \$5,819,364

Fire will receive base taxes, 50% of commercial property taxes, 100% of residential taxes, and 100% of personal property taxes

Source: Camden County Assessor and THK Associates, Inc.

COST BENEFIT ANALYSIS

TABLE 6: IMPACTS TO LIBRARY

		Project Not Built		Project Built						
Year		Assessed Value	Annual Taxes	Assessed Value	Annual Taxes	Residential Assessed	Additional Res Taxes	Personal Property	Annual Taxes	Total Taxes
1	2015	\$892,980	\$833	\$892,890	\$833	\$0	\$0	\$0	\$0	\$833
2	2016	\$892,980	\$833	\$15,568,000	\$833	\$0	\$0	\$0	\$0	\$833
3	2017	\$919,769	\$858	\$31,663,024	\$8,096	\$5,428,512	\$0	\$1,097,568	\$0	\$8,096
4	2018	\$919,769	\$858	\$44,475,688	\$15,604	\$5,428,512	\$5,065	\$1,716,719	\$1,024	\$21,693
5	2019	\$947,362	\$884	\$45,809,959	\$21,581	\$5,591,367	\$5,065	\$1,768,221	\$1,602	\$28,248
6	2020	\$947,362	\$884	\$45,809,959	\$22,203	\$5,591,367	\$5,217	\$1,768,221	\$1,650	\$29,070
7	2021	\$975,783	\$910	\$47,184,258	\$22,203	\$5,759,108	\$5,217	\$1,821,267	\$1,650	\$29,070
8	2022	\$975,783	\$910	\$47,184,258	\$22,845	\$5,759,108	\$5,373	\$1,821,267	\$1,699	\$29,917
9	2023	\$1,005,057	\$938	\$75,761,852	\$22,845	\$10,794,080	\$5,373	\$3,886,690	\$1,699	\$29,917
10	2024	\$1,005,057	\$938	\$75,761,852	\$36,176	\$10,794,080	\$10,071	\$3,886,690	\$3,626	\$49,873
11	2025	\$1,035,209	\$966	\$78,034,707	\$36,176	\$11,117,902	\$10,071	\$4,003,290	\$3,626	\$49,873
12	2026	\$1,035,209	\$966	\$78,034,707	\$37,236	\$11,117,902	\$10,373	\$4,003,290	\$3,735	\$51,344
13	2027	\$1,066,265	\$995	\$80,375,749	\$37,236	\$11,451,439	\$10,373	\$4,123,389	\$3,735	\$51,344
14	2028	\$1,066,265	\$995	\$80,375,749	\$38,328	\$11,451,439	\$10,684	\$4,123,389	\$3,847	\$52,860
15	2029	\$1,098,253	\$1,025	\$82,787,021	\$38,328	\$11,794,982	\$10,684	\$4,247,091	\$3,847	\$52,860
16	2030	\$1,098,253	\$1,025	\$82,787,021	\$39,453	\$11,794,982	\$11,005	\$4,247,091	\$3,963	\$54,421
17	2031	\$1,131,200	\$1,055	\$85,270,632	\$39,453	\$12,148,832	\$11,005	\$4,374,503	\$3,963	\$54,421
18	2032	\$1,131,200	\$1,055	\$85,270,632	\$40,612	\$12,148,832	\$11,335	\$4,374,503	\$4,081	\$56,028
19	2033	\$1,165,136	\$1,087	\$87,828,751	\$40,612	\$12,513,297	\$11,335	\$4,505,738	\$4,081	\$56,028
20	2034	\$1,165,136	\$1,087	\$87,828,751	\$41,805	\$12,513,297	\$11,675	\$4,505,738	\$4,204	\$57,684
21	2035	\$1,200,090	\$1,120	\$90,463,613	\$41,805	\$12,888,696	\$11,675	\$4,640,911	\$4,204	\$57,684
22	2036	\$1,200,090	\$1,120	\$90,463,613	\$43,034	\$12,888,696	\$12,025	\$4,640,911	\$4,330	\$59,390
23	2037	\$1,236,093	\$1,153	\$93,177,521	\$43,034	\$13,275,357	\$12,025	\$4,780,138	\$4,330	\$59,390
TOTAL		\$22,495		\$690,334		\$185,645		\$64,896		\$940,876
DIFFERENCE		\$918,381								

Library will receive base taxes, 50% of commercial property taxes, 100% of residential taxes, and 100% of personal property taxes

Source: Camden County Assessor and THK Associates, Inc.

COST BENEFIT ANALYSIS

TABLE 7: IMPACTS TO CITY

		Project Not Built		Project Built			
Year		Assessed Value	Annual Taxes	Assessed Value	Annual Taxes	Retail Sales	Sales Taxes
1	2015	\$892,980	\$0	\$892,890	\$0	\$0	\$0
2	2016	\$892,980	\$0	\$15,568,000	\$0	\$0	\$0
3	2017	\$919,769	\$0	\$31,663,024	\$0	\$47,740,500	\$477,405
4	2018	\$919,769	\$0	\$44,475,688	\$0	\$49,342,324	\$493,423
5	2019	\$947,362	\$0	\$45,809,959	\$0	\$50,822,594	\$508,226
6	2020	\$947,362	\$0	\$45,809,959	\$0	\$52,347,272	\$523,473
7	2021	\$975,783	\$0	\$47,184,258	\$0	\$53,917,690	\$539,177
8	2022	\$975,783	\$0	\$47,184,258	\$0	\$55,535,220	\$555,352
9	2023	\$1,005,057	\$0	\$75,761,852	\$0	\$136,901,478	\$1,369,015
10	2024	\$1,005,057	\$0	\$75,761,852	\$0	\$141,008,523	\$1,410,085
11	2025	\$1,035,209	\$0	\$78,034,707	\$0	\$145,238,778	\$1,452,388
12	2026	\$1,035,209	\$0	\$78,034,707	\$0	\$149,595,942	\$1,495,959
13	2027	\$1,066,265	\$0	\$80,375,749	\$0	\$154,083,820	\$1,540,838
14	2028	\$1,066,265	\$0	\$80,375,749	\$0	\$158,706,335	\$1,587,063
15	2029	\$1,098,253	\$0	\$82,787,021	\$0	\$163,467,525	\$1,634,675
16	2030	\$1,098,253	\$0	\$82,787,021	\$0	\$168,371,550	\$1,683,716
17	2031	\$1,131,200	\$0	\$85,270,632	\$0	\$173,422,697	\$1,734,227
18	2032	\$1,131,200	\$0	\$85,270,632	\$0	\$178,625,378	\$1,786,254
19	2033	\$1,165,136	\$0	\$87,828,751	\$0	\$183,984,139	\$1,839,841
20	2034	\$1,165,136	\$0	\$87,828,751	\$0	\$189,503,663	\$1,895,037
21	2035	\$1,200,090	\$0	\$90,463,613	\$0	\$195,188,773	\$1,951,888
22	2036	\$1,200,090	\$0	\$90,463,613	\$0	\$201,044,436	\$2,010,444
23	2037	\$1,236,093	\$0	\$93,177,521	\$0	\$207,075,770	\$2,070,758
TOTAL			\$0		\$0		\$28,559,244
DIFFERENCE		\$28,559,244					

Osage Beach will receive a 1% tax on retail and related sales

Source: Camden County Assessor and THK Associates, Inc.

COST BENEFIT ANALYSIS

TABLE 8: IMPACTS TO COUNTY

Year		Project Not Built		Project Built								Total Taxes
		Assessed Value	Annual Taxes	Assessed Value	Annual Taxes	Residential Assessed	Additional Res Taxes	Personal Property	Annual Taxes	Retail Sales	Sales Taxes	
1	2015	\$892,980	\$982	\$892,890	\$982	\$0	\$0	\$0	\$0	\$0	\$0	\$982
2	2016	\$892,980	\$982	\$15,568,000	\$982	\$0	\$0	\$0	\$0	\$0	\$0	\$982
3	2017	\$919,769	\$1,012	\$31,663,024	\$9,545	\$5,428,512	\$0	\$1,097,568	\$0	\$47,740,500	\$298,378	\$307,923
4	2018	\$919,769	\$1,012	\$44,475,688	\$18,397	\$5,428,512	\$5,971	\$1,716,719	\$1,207	\$49,342,324	\$308,390	\$333,965
5	2019	\$947,362	\$1,042	\$45,809,959	\$25,444	\$5,591,367	\$5,971	\$1,768,221	\$1,888	\$50,822,594	\$317,641	\$350,945
6	2020	\$947,362	\$1,042	\$45,809,959	\$26,178	\$5,591,367	\$6,151	\$1,768,221	\$1,945	\$52,347,272	\$327,170	\$361,444
7	2021	\$975,783	\$1,073	\$47,184,258	\$26,178	\$5,759,108	\$6,151	\$1,821,267	\$1,945	\$53,917,690	\$336,986	\$371,259
8	2022	\$975,783	\$1,073	\$47,184,258	\$26,934	\$5,759,108	\$6,335	\$1,821,267	\$2,003	\$55,535,220	\$347,095	\$382,367
9	2023	\$1,005,057	\$1,106	\$75,761,852	\$26,934	\$10,794,080	\$6,335	\$3,886,690	\$2,003	\$136,901,478	\$855,634	\$890,906
10	2024	\$1,005,057	\$1,106	\$75,761,852	\$42,651	\$10,794,080	\$11,873	\$3,886,690	\$4,275	\$141,008,523	\$881,303	\$940,103
11	2025	\$1,035,209	\$1,139	\$78,034,707	\$42,651	\$11,117,902	\$11,873	\$4,003,290	\$4,275	\$145,238,778	\$907,742	\$966,543
12	2026	\$1,035,209	\$1,139	\$78,034,707	\$43,901	\$11,117,902	\$12,230	\$4,003,290	\$4,404	\$149,595,942	\$934,975	\$995,509
13	2027	\$1,066,265	\$1,173	\$80,375,749	\$43,901	\$11,451,439	\$12,230	\$4,123,389	\$4,404	\$154,083,820	\$963,024	\$1,023,559
14	2028	\$1,066,265	\$1,173	\$80,375,749	\$45,189	\$11,451,439	\$12,597	\$4,123,389	\$4,536	\$158,706,335	\$991,915	\$1,054,236
15	2029	\$1,098,253	\$1,208	\$82,787,021	\$45,189	\$11,794,982	\$12,597	\$4,247,091	\$4,536	\$163,467,525	\$1,021,672	\$1,083,993
16	2030	\$1,098,253	\$1,208	\$82,787,021	\$46,515	\$11,794,982	\$12,974	\$4,247,091	\$4,672	\$168,371,550	\$1,052,322	\$1,116,484
17	2031	\$1,131,200	\$1,244	\$85,270,632	\$46,515	\$12,148,832	\$12,974	\$4,374,503	\$4,672	\$173,422,697	\$1,083,892	\$1,148,053
18	2032	\$1,131,200	\$1,244	\$85,270,632	\$47,881	\$12,148,832	\$13,364	\$4,374,503	\$4,812	\$178,625,378	\$1,116,409	\$1,182,465
19	2033	\$1,165,136	\$1,282	\$87,828,751	\$47,881	\$12,513,297	\$13,364	\$4,505,738	\$4,812	\$183,984,139	\$1,149,901	\$1,215,958
20	2034	\$1,165,136	\$1,282	\$87,828,751	\$49,288	\$12,513,297	\$13,765	\$4,505,738	\$4,956	\$189,503,663	\$1,184,398	\$1,252,407
21	2035	\$1,200,090	\$1,320	\$90,463,613	\$49,288	\$12,888,696	\$13,765	\$4,640,911	\$4,956	\$195,188,773	\$1,219,930	\$1,287,939
22	2036	\$1,200,090	\$1,320	\$90,463,613	\$50,737	\$12,888,696	\$14,178	\$4,640,911	\$5,105	\$201,044,436	\$1,256,528	\$1,326,548
23	2037	\$1,236,093	\$1,360	\$93,177,521	\$50,737	\$13,275,357	\$14,178	\$4,780,138	\$5,105	\$207,075,770	\$1,294,224	\$1,364,243
TOTAL		\$26,521		\$813,899		\$218,874		\$76,512		\$17,849,528		\$18,958,813

DIFFERENCE \$18,932,292

County will receive base taxes, 50% of commercial, 100% of residential taxes, .625% tax on retail and related taxes, and 100% of personal property taxes

Source: Camden County Assessor and THK Associates, Inc.

COST BENEFIT ANALYSIS

TABLE 9: IMPACTS TO ROAD AND BRIDGE

Year		Project Not Built		Project Built						
		Assessed Value	Annual Taxes	Assessed Value	Annual Taxes	Residential Assessed	Additional Res Taxes	Personal Property	Annual Taxes	Total Taxes
1	2015	\$892,980	\$982	\$892,890	\$982	\$0	\$0	\$0	\$0	\$982
2	2016	\$892,980	\$982	\$15,568,000	\$982	\$0	\$0	\$0	\$0	\$982
3	2017	\$919,769	\$1,012	\$31,663,024	\$9,545	\$5,428,512	\$0	\$1,097,568	\$0	\$9,545
4	2018	\$919,769	\$1,012	\$44,475,688	\$18,397	\$5,428,512	\$5,971	\$1,716,719	\$1,207	\$25,576
5	2019	\$947,362	\$1,042	\$45,809,959	\$25,444	\$5,591,367	\$5,971	\$1,768,221	\$1,888	\$33,304
6	2020	\$947,362	\$1,042	\$45,809,959	\$26,178	\$5,591,367	\$6,151	\$1,768,221	\$1,945	\$34,273
7	2021	\$975,783	\$1,073	\$47,184,258	\$26,178	\$5,759,108	\$6,151	\$1,821,267	\$1,945	\$34,273
8	2022	\$975,783	\$1,073	\$47,184,258	\$26,934	\$5,759,108	\$6,335	\$1,821,267	\$2,003	\$35,272
9	2023	\$1,005,057	\$1,106	\$75,761,852	\$26,934	\$10,794,080	\$6,335	\$3,886,690	\$2,003	\$35,272
10	2024	\$1,005,057	\$1,106	\$75,761,852	\$42,651	\$10,794,080	\$11,873	\$3,886,690	\$4,275	\$58,800
11	2025	\$1,035,209	\$1,139	\$78,034,707	\$42,651	\$11,117,902	\$11,873	\$4,003,290	\$4,275	\$58,800
12	2026	\$1,035,209	\$1,139	\$78,034,707	\$43,901	\$11,117,902	\$12,230	\$4,003,290	\$4,404	\$60,535
13	2027	\$1,066,265	\$1,173	\$80,375,749	\$43,901	\$11,451,439	\$12,230	\$4,123,389	\$4,404	\$60,535
14	2028	\$1,066,265	\$1,173	\$80,375,749	\$45,189	\$11,451,439	\$12,597	\$4,123,389	\$4,536	\$62,321
15	2029	\$1,098,253	\$1,208	\$82,787,021	\$45,189	\$11,794,982	\$12,597	\$4,247,091	\$4,536	\$62,321
16	2030	\$1,098,253	\$1,208	\$82,787,021	\$46,515	\$11,794,982	\$12,974	\$4,247,091	\$4,672	\$64,161
17	2031	\$1,131,200	\$1,244	\$85,270,632	\$46,515	\$12,148,832	\$12,974	\$4,374,503	\$4,672	\$64,161
18	2032	\$1,131,200	\$1,244	\$85,270,632	\$47,881	\$12,148,832	\$13,364	\$4,374,503	\$4,812	\$66,057
19	2033	\$1,165,136	\$1,282	\$87,828,751	\$47,881	\$12,513,297	\$13,364	\$4,505,738	\$4,812	\$66,057
20	2034	\$1,165,136	\$1,282	\$87,828,751	\$49,288	\$12,513,297	\$13,765	\$4,505,738	\$4,956	\$68,009
21	2035	\$1,200,090	\$1,320	\$90,463,613	\$49,288	\$12,888,696	\$13,765	\$4,640,911	\$4,956	\$68,009
22	2036	\$1,200,090	\$1,320	\$90,463,613	\$50,737	\$12,888,696	\$14,178	\$4,640,911	\$5,105	\$70,020
23	2037	\$1,236,093	\$1,360	\$93,177,521	\$50,737	\$13,275,357	\$14,178	\$4,780,138	\$5,105	\$70,020
TOTAL			\$26,521		\$813,899		\$218,874		\$76,512	\$1,109,285

DIFFERENCE \$1,082,764

Road and Bridge will receive base taxes, 50% of commercial property taxes, 100% of residential taxes, and 100% of personal property taxes

Source: Camden County Assessor and THK Associates, Inc.

COST BENEFIT ANALYSIS

TABLE 10: IMPACTS TO SCHOOLS

Year		Project Not Built		Project Built						
		Assessed Value	Annual Taxes	Assessed Value	Annual Taxes	Residential Assessed	Additional Res Taxes	Personal Property	Annual Taxes	Total Taxes
1	2015	\$892,980	\$25,629	\$892,890	\$25,626	\$0	\$0	\$0	\$0	\$25,626
2	2016	\$892,980	\$25,629	\$15,568,000	\$25,626	\$0	\$0	\$0	\$0	\$25,626
3	2017	\$919,769	\$26,397	\$31,663,024	\$249,029	\$5,428,512	\$0	\$1,097,568	\$0	\$249,029
4	2018	\$919,769	\$26,397	\$44,475,688	\$479,993	\$5,428,512	\$155,798	\$1,716,719	\$31,500	\$667,291
5	2019	\$947,362	\$27,189	\$45,809,959	\$663,855	\$5,591,367	\$155,798	\$1,768,221	\$49,270	\$868,923
6	2020	\$947,362	\$27,189	\$45,809,959	\$683,001	\$5,591,367	\$160,472	\$1,768,221	\$50,748	\$894,222
7	2021	\$975,783	\$28,005	\$47,184,258	\$683,001	\$5,759,108	\$160,472	\$1,821,267	\$50,748	\$894,222
8	2022	\$975,783	\$28,005	\$47,184,258	\$702,723	\$5,759,108	\$165,286	\$1,821,267	\$52,270	\$920,279
9	2023	\$1,005,057	\$28,845	\$75,761,852	\$702,723	\$10,794,080	\$165,286	\$3,886,690	\$52,270	\$920,279
10	2024	\$1,005,057	\$28,845	\$75,761,852	\$1,112,811	\$10,794,080	\$309,790	\$3,886,690	\$111,548	\$1,534,149
11	2025	\$1,035,209	\$29,710	\$78,034,707	\$1,112,811	\$11,117,902	\$309,790	\$4,003,290	\$111,548	\$1,534,149
12	2026	\$1,035,209	\$29,710	\$78,034,707	\$1,145,427	\$11,117,902	\$319,084	\$4,003,290	\$114,894	\$1,579,405
13	2027	\$1,066,265	\$30,602	\$80,375,749	\$1,145,427	\$11,451,439	\$319,084	\$4,123,389	\$114,894	\$1,579,405
14	2028	\$1,066,265	\$30,602	\$80,375,749	\$1,179,021	\$11,451,439	\$328,656	\$4,123,389	\$118,341	\$1,626,018
15	2029	\$1,098,253	\$31,520	\$82,787,021	\$1,179,021	\$11,794,982	\$328,656	\$4,247,091	\$118,341	\$1,626,018
16	2030	\$1,098,253	\$31,520	\$82,787,021	\$1,213,622	\$11,794,982	\$338,516	\$4,247,091	\$121,892	\$1,674,030
17	2031	\$1,131,200	\$32,465	\$85,270,632	\$1,213,622	\$12,148,832	\$338,516	\$4,374,503	\$121,892	\$1,674,030
18	2032	\$1,131,200	\$32,465	\$85,270,632	\$1,249,262	\$12,148,832	\$348,671	\$4,374,503	\$125,548	\$1,723,482
19	2033	\$1,165,136	\$33,439	\$87,828,751	\$1,249,262	\$12,513,297	\$348,671	\$4,505,738	\$125,548	\$1,723,482
20	2034	\$1,165,136	\$33,439	\$87,828,751	\$1,285,971	\$12,513,297	\$359,132	\$4,505,738	\$129,315	\$1,774,417
21	2035	\$1,200,090	\$34,443	\$90,463,613	\$1,285,971	\$12,888,696	\$359,132	\$4,640,911	\$129,315	\$1,774,417
22	2036	\$1,200,090	\$34,443	\$90,463,613	\$1,323,781	\$12,888,696	\$369,906	\$4,640,911	\$133,194	\$1,826,881
23	2037	\$1,236,093	\$35,476	\$93,177,521	\$1,323,781	\$13,275,357	\$369,906	\$4,780,138	\$133,194	\$1,826,881
TOTAL		\$691,966		\$28,942,262						

DIFFERENCE \$28,250,296

School will receive base taxes, 50% of commercial property taxes, 100% of residential taxes, and 100% of personal property taxes

Source: Camden County Assessor and THK Associates, Inc.

COST BENEFIT ANALYSIS

TABLE 11: IMPACTS TO CAMDEN COUNTY AMBULANCE

		Project Not Built		Project Built						
Year		Assessed Value	Annual Taxes	Assessed Value	Annual Taxes	Residential Assessed	Additional Res Taxes	Personal Property	Annual Taxes	Total Taxes
1	2015	\$259,900	\$725	\$259,900	\$725	\$0	\$0	\$0	\$0	\$725
2	2016	\$259,900	\$725	\$15,568,000	\$725	\$0	\$0	\$0	\$0	\$725
3	2017	\$267,697	\$746	\$16,831,024	\$22,430	\$0	\$0	\$0	\$0	\$22,430
4	2018	\$267,697	\$746	\$16,831,024	\$24,191	\$0	\$0	\$0	\$0	\$24,191
5	2019	\$275,728	\$769	\$17,335,955	\$24,191	\$0	\$0	\$0	\$0	\$24,191
6	2020	\$275,728	\$769	\$17,335,955	\$24,895	\$0	\$0	\$0	\$0	\$24,895
7	2021	\$284,000	\$792	\$17,856,033	\$24,895	\$0	\$0	\$0	\$0	\$24,895
8	2022	\$284,000	\$792	\$17,856,033	\$25,620	\$0	\$0	\$0	\$0	\$25,620
9	2023	\$292,520	\$816	\$18,391,714	\$25,620	\$0	\$0	\$0	\$0	\$25,620
10	2024	\$292,520	\$816	\$18,391,714	\$26,367	\$0	\$0	\$0	\$0	\$26,367
11	2025	\$301,295	\$840	\$18,943,466	\$26,367	\$0	\$0	\$0	\$0	\$26,367
12	2026	\$301,295	\$840	\$18,943,466	\$27,136	\$0	\$0	\$0	\$0	\$27,136
13	2027	\$310,334	\$865	\$19,511,770	\$27,136	\$0	\$0	\$0	\$0	\$27,136
14	2028	\$310,334	\$865	\$19,511,770	\$27,929	\$0	\$0	\$0	\$0	\$27,929
15	2029	\$319,644	\$891	\$20,097,123	\$27,929	\$0	\$0	\$0	\$0	\$27,929
16	2030	\$319,644	\$891	\$20,097,123	\$28,745	\$0	\$0	\$0	\$0	\$28,745
17	2031	\$329,234	\$918	\$20,700,037	\$28,745	\$0	\$0	\$0	\$0	\$28,745
18	2032	\$329,234	\$918	\$20,700,037	\$29,585	\$0	\$0	\$0	\$0	\$29,585
19	2033	\$339,111	\$946	\$21,321,038	\$29,585	\$0	\$0	\$0	\$0	\$29,585
20	2034	\$339,111	\$946	\$21,321,038	\$30,451	\$0	\$0	\$0	\$0	\$30,451
21	2035	\$349,284	\$974	\$21,960,669	\$30,451	\$0	\$0	\$0	\$0	\$30,451
22	2036	\$349,284	\$974	\$21,960,669	\$31,343	\$0	\$0	\$0	\$0	\$31,343
23	2037	\$359,762	\$1,003	\$22,619,489	\$31,343	\$0	\$0	\$0	\$0	\$31,343
TOTAL			\$19,567		\$576,404		\$0		\$0	\$576,404
DIFFERENCE		\$556,837								

AMBULANCE will receive base taxes, 50% of commercial property taxes, 100% of residential taxes, and 100% of personal property taxes

Source: Camden County Assessor and THK Associates, Inc.

COST BENEFIT ANALYSIS

TABLE 12: IMPACTS TO COMMUNITY IMPROVEMENT DISTRICT

		Project Not Built		Project Built			
Year		Assessed Value	Annual Taxes	Assessed Value	Annual Taxes	Retail Sales	Sales Taxes
1	2015	\$892,980	\$0	\$892,890	\$0	\$0	\$0
2	2016	\$892,980	\$0	\$15,568,000	\$0	\$0	\$0
3	2017	\$919,769	\$0	\$31,663,024	\$0	\$47,740,500	\$238,703
4	2018	\$919,769	\$0	\$44,475,688	\$0	\$49,342,324	\$246,712
5	2019	\$947,362	\$0	\$45,809,959	\$0	\$50,822,594	\$254,113
6	2020	\$947,362	\$0	\$45,809,959	\$0	\$52,347,272	\$261,736
7	2021	\$975,783	\$0	\$47,184,258	\$0	\$53,917,690	\$269,588
8	2022	\$975,783	\$0	\$47,184,258	\$0	\$55,535,220	\$277,676
9	2023	\$1,005,057	\$0	\$75,761,852	\$0	\$136,901,478	\$684,507
10	2024	\$1,005,057	\$0	\$75,761,852	\$0	\$141,008,523	\$705,043
11	2025	\$1,035,209	\$0	\$78,034,707	\$0	\$145,238,778	\$726,194
12	2026	\$1,035,209	\$0	\$78,034,707	\$0	\$149,595,942	\$747,980
13	2027	\$1,066,265	\$0	\$80,375,749	\$0	\$154,083,820	\$770,419
14	2028	\$1,066,265	\$0	\$80,375,749	\$0	\$158,706,335	\$793,532
15	2029	\$1,098,253	\$0	\$82,787,021	\$0	\$163,467,525	\$817,338
16	2030	\$1,098,253	\$0	\$82,787,021	\$0	\$168,371,550	\$841,858
17	2031	\$1,131,200	\$0	\$85,270,632	\$0	\$173,422,697	\$867,113
18	2032	\$1,131,200	\$0	\$85,270,632	\$0	\$178,625,378	\$893,127
19	2033	\$1,165,136	\$0	\$87,828,751	\$0	\$183,984,139	\$919,921
20	2034	\$1,165,136	\$0	\$87,828,751	\$0	\$189,503,663	\$947,518
21	2035	\$1,200,090	\$0	\$90,463,613	\$0	\$195,188,773	\$975,944
22	2036	\$1,200,090	\$0	\$90,463,613	\$0	\$201,044,436	\$1,005,222
23	2037	\$1,236,093	\$0	\$93,177,521	\$0	\$207,075,770	\$1,035,379
TOTAL			\$0		\$0		\$14,279,622

DIFFERENCE \$14,279,622

CID will receive a 0.5% tax on retail and related sales

Source: Camden County Assessor and THK Associates, Inc.

COST BENEFIT ANALYSIS

TABLE 13: TAXING UNIT DIFFERENCE TOTALS

DIFFERENCE	\$98,837,811
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Source: Camden County Assessor and THK Associates, Inc.

Conceptually, the positive impact of revenue sources for the taxing district could be negated by corresponding increases in the cost of providing services to the proposed redevelopment area. Several factors, however, mitigate against an increase in the cost of providing services in excess of the increased revenues projected pursuant to the TIF Plan. Also, since the infrastructure in the redevelopment area will be new, little or no maintenance will be required for the first 20 years of the plan although the redevelopment area will be providing significant revenues.

For the types of services provided by most of the individual taxing units, the redevelopment project represents a significant increase in revenues with a limited increase in the demand for services. Given the projected increase in revenues to the taxing districts and the absence of a reason to assume significantly increased service costs from redevelopment, this study concludes that the cost benefit ratio of the proposed TIF Plan is significantly positive.

VII. GENERAL ECONOMIC IMPACT

In this section, the general economic impact is analyzed assuming that the redevelopment project is built pursuant to the TIF Plan. The analysis includes both the economic impact of the construction outlays and employment and the impact of the employment resulting from permanent jobs created in the Redevelopment Area.

A. THE EFFECTS OF REDEVELOPMENT ON THE LOCAL ECONOMY

Mid-twentieth century academic research in regional and urban economics produced theories of relationships between employment, income, and population that are fundamental to studies such which are needed for justification of the TIF Plan. Building on even earlier input/output relationships for the nation, and on updated and expanded industrial information, the U.S. Department of Commerce developed methodology for regional input/output multipliers. As an example of the application of the multipliers, the Department of Defense has used the methods to calculate the regional impacts of defense expenditures and the impact of the closing of military facilities.

The urban economic base research provides the fundamental precept for expansive use of industry input/output analysis such as developed by the Bureau of Economic Activity. Economic "base" theory says, in essence, that a community cannot grow by taking in its own wash. An area must generate income from outside its boundaries in order to experience real income, employment, and population growth. The company or institution selling its goods and services beyond its area of residence brings in income from outside. Those employed directly in that activity area are called "basic" employees.

COST BENEFIT ANALYSIS

They, in turn, buy goods and services – food, beauty, barbering, and other goods and services, from fellow citizens within the area. Those providing goods and services to people within the area are referred to, in economic base theory, as “service” employees. Depending upon the nature and quality of the “basic” jobs, one unit of basic employment will support typically, two units of service employment (a basic-to-service multiplier of 1 to 2), and will support a population of six persons (a basic employment to population multiplier of 1 to 6).

The redevelopment is likely to result in the addition of 3,850 job years for construction workers with a corresponding payroll of \$115,500,000 for the period of construction and the addition of 2,592 permanent jobs for the City of Osage Beach with a corresponding payroll of \$69,829,128 per year. Given the nature of the jobs and the extent of economic development, it is reasonable to assume that there will be a corresponding multiplier effect on other jobs and revenues in the community. Based upon the general economic base theory discussed above, the permanent jobs may alone produce 2,592 additional jobs with a corresponding increase in income and associated increased sales taxes for the City of Osage Beach, along with associated increased personal and real property taxes for Camden County. If the multiplier for basic employment is 2, meaning for each dollar of payroll one dollar will be spent on other goods and services (an extremely conservative multiplier), then the total annual impact on Osage Beach’s economy from the project will be \$139,658,256 at build-out. The hefty economic impact assumes no basic employment to population multiplier.

The final table in the cost benefit analysis provides the overall tax increment financing (TIF) value that will be added at the expiration in 2037. As shown, the cumulative TIF revenues will accumulate to \$93,887,870 by 2037. These values and other calculations are shown in Table-14 below.

COST BENEFIT ANALYSIS

TABLE 14: Arrowhead Centre Market and Assessed Values (TIF)																								
LAND USE	2015 Year 1	2016 Year 2	2017 Year 3	2018 Year 4	2019 Year 5	2020 Year 6	2021 Year 7	2022 Year 8	2023 Year 9	2024 Year 10	2025 Year 11	2026 Year 12	2027 Year 13	2028 Year 14	2029 Year 15	2030 Year 16	2031 Year 17	2032 Year 18	2033 Year 19	2034 Year 20	2035 Year 21	2036 Year 22	2037 Year 23	Total
Nursing Home																								
Annual Units	0	80	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	80
Cumulative Units	0	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80
Value per Unit	\$160,000	\$160,000	\$168,800	\$164,800	\$169,744	\$169,744	\$174,656	\$174,656	\$180,061	\$180,061	\$185,464	\$185,464	\$191,048	\$191,048	\$196,760	\$196,760	\$202,663	\$202,663	\$208,764	\$208,764	\$215,027	\$215,027	\$221,477	--
Market Value	\$0	\$12,800,000	\$13,184,000	\$13,184,000	\$13,579,520	\$13,579,520	\$13,966,906	\$13,966,906	\$14,406,513	\$14,406,513	\$14,838,708	\$14,838,708	\$15,269,869	\$15,269,869	\$15,742,365	\$15,742,365	\$16,214,657	\$16,214,657	\$16,701,097	\$16,701,097	\$17,203,130	\$17,203,130	\$17,718,194	\$17,718,194
Personal Property per Unit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	--
Personal Property Value	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
Assisted Living																								
Annual Units	0	90	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	90
Cumulative Units	0	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
Value per Unit	\$130,000	\$130,000	\$133,900	\$133,900	\$137,917	\$137,917	\$142,054.51	\$142,055	\$146,316	\$146,316	\$150,706	\$150,706	\$155,227	\$155,227	\$159,884	\$159,884	\$164,680	\$164,680	\$169,621	\$169,621	\$174,709	\$174,709	\$179,950	--
Market Value	\$0	\$11,700,000	\$12,051,000	\$12,051,000	\$12,412,530	\$12,412,530	\$12,784,906	\$12,784,906	\$13,168,453	\$13,168,453	\$13,563,507	\$13,563,507	\$13,970,412	\$13,970,412	\$14,389,524	\$14,389,524	\$14,821,210	\$14,821,210	\$15,265,846	\$15,265,846	\$15,723,822	\$15,723,822	\$16,195,536	\$16,195,536
Personal Property per Unit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	--
Personal Property Value	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
Independent Living																								
Annual Units	0	210	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	231
Cumulative Units	0	210	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231	231
Value per Unit	\$115,000	\$115,000	\$118,450	\$118,450	\$122,004	\$122,004	\$125,664	\$125,664	\$129,434	\$129,434	\$133,317	\$133,317	\$137,316	\$137,316	\$141,435	\$141,435	\$145,679	\$145,679	\$150,049	\$150,049	\$154,550	\$154,550	\$159,187	--
Market Value	\$0	\$24,150,000	\$27,361,950	\$27,361,950	\$28,182,809	\$28,182,809	\$29,028,293	\$29,028,293	\$29,899,142	\$29,899,142	\$30,796,116	\$30,796,116	\$31,719,999	\$31,719,999	\$32,671,599	\$32,671,599	\$33,651,747	\$33,651,747	\$34,661,300	\$34,661,300	\$35,701,139	\$35,701,139	\$36,772,173	\$36,772,173
Personal Property per Unit	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	--
Personal Property Value	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
Apartment																								
Annual Units	0	0	122	0	0	0	0	0	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	222
Cumulative Units	0	0	122	122	122	122	122	122	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222
Value per Unit	\$135,000	\$135,000	\$139,050	\$139,050	\$143,222	\$143,222	\$147,519	\$147,519	\$151,944	\$151,944	\$156,502	\$156,502	\$161,197	\$161,197	\$166,033	\$166,033	\$171,024	\$171,024	\$176,144	\$176,144	\$181,429	\$181,429	\$186,872	--
Market Value	\$0	\$0	\$16,964,100	\$16,964,100	\$17,473,023	\$17,473,023	\$17,997,214	\$17,997,214	\$18,531,499	\$18,531,499	\$19,074,444	\$19,074,444	\$19,626,747	\$19,626,747	\$20,188,320	\$20,188,320	\$20,759,099	\$20,759,099	\$21,339,052	\$21,339,052	\$21,918,274	\$21,918,274	\$22,506,049	\$22,506,049
Personal Property per Unit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
Personal Property Value	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	--
Hotel																								
Annual Units	0	0	0	90	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	90
Cumulative Units	0	0	0	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
Value per Unit	\$180,000	\$180,000	\$186,400	\$186,400	\$190,962	\$190,962	\$196,691	\$196,691	\$202,592	\$202,592	\$208,669	\$208,669	\$214,929	\$214,929	\$221,377	\$221,377	\$228,019	\$228,019	\$234,859	\$234,859	\$241,905	\$241,905	\$249,162	--
Market Value	\$0	\$0	\$0	\$16,686,000	\$17,186,580	\$17,186,580	\$17,702,177	\$17,702,177	\$18,233,243	\$18,233,243	\$18,780,240	\$18,780,240	\$19,343,647	\$19,343,647	\$19,923,957	\$19,923,957	\$20,521,675	\$20,521,675	\$21,137,326	\$21,137,326	\$21,771,445	\$21,771,445	\$22,424,589	\$22,424,589
Personal Property per Unit	\$2,100	\$2,100	\$2,163	\$2,163	\$2,228	\$2,228	\$2,295	\$2,295	\$2,364	\$2,364	\$2,434	\$2,434	\$2,508	\$2,508	\$2,583	\$2,583	\$2,660	\$2,660	\$2,740	\$2,740	\$2,822	\$2,822	\$2,907	--
Personal Property Value	\$0	\$0	\$0	\$194,670	\$200,510	\$200,510	\$206,525	\$206,525	\$212,721	\$212,721	\$219,103	\$219,103	\$225,676	\$225,676	\$232,446	\$232,446	\$239,420	\$239,420	\$246,602	\$246,602	\$254,000	\$254,000	\$261,620	--
Retail & Big-Box																								
Annual Square Feet	0	0	200,000	0	0	0	0	0	279,637	0	0	0	0	0	0	0	0	0	0	0	0	0	0	479,637
Cumulative Square Feet	0	0	200,000	200,000	200,000	200,000	200,000	200,000	479,637	479,637	479,637	479,637	479,637	479,637	479,637	479,637	479,637	479,637	479,637	479,637	479,637	479,637	479,637	479,637
Value per Sq Ft.	\$225	\$225	\$232	\$232	\$239	\$239	\$246	\$246	\$253	\$253	\$261	\$261	\$269	\$269	\$277	\$277	\$285	\$285	\$294	\$294	\$302	\$302	\$311	--
Market Value	\$0	\$0	\$46,350,000	\$46,350,000	\$47,740,500	\$47,740,500	\$49,172,715	\$49,172,715	\$50,640,493	\$50,640,493	\$52,144,308	\$52,144,308	\$53,683,437	\$53,683,437	\$55,263,704	\$55,263,704	\$56,888,855	\$56,888,855	\$58,564,401	\$58,564,401	\$60,296,001	\$60,296,001	\$62,088,186	\$62,088,186
Personal Property per Sq. Ft.	\$16.00	\$16.00	\$16.48	\$16.48	\$16.97	\$16.97	\$17.48	\$17.48	\$18.01	\$18.01	\$18.55	\$18.55	\$19.10	\$19.10	\$19.68	\$19.68	\$20.27	\$20.27	\$20.88	\$20.88	\$21.50	\$21.50	\$22.15	--
Personal Property Value	\$0	\$0	\$3,296,000	\$3,296,000	\$3,394,880	\$3,394,880	\$3,496,726	\$3,496,726	\$3,601,191	\$3,601,191	\$3,708,306	\$3,708,306	\$3,818,196	\$3,818,196	\$3,930,891	\$3,930,891	\$4,046,401	\$4,046,401	\$4,164,856	\$4,164,856	\$4,286,311	\$4,286,311	\$4,410,816	\$4,410,816
Office/Flex/Storage																								
Annual Square Feet	0	0	0	181,387	0	0	0	0	100,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	281,387
Cumulative Square Feet	0	0	0	181,387	181,387	181,387	181,387	181,387	281,387	281,387	281,387	281,387	281,387	281,387	281,387	281,387	281,387	281,387	281,387	281,387	281,387	281,387	281,387	281,387
Value per Sq Ft.	\$125	\$125	\$129	\$129	\$133	\$133	\$137	\$137	\$141	\$141	\$145	\$145	\$149	\$149	\$154	\$154	\$158	\$158	\$163	\$163	\$168	\$168	\$173	--
Market Value	\$0	\$0	\$23,353,576	\$23,353,576	\$24,054,194	\$24,054,194	\$24,775,809	\$24,775,809	\$25,519,343	\$25,519,343	\$26,287,580	\$26,287,580	\$27,080,849	\$27,080,849	\$27,909,615	\$27,909,615	\$28,764,579	\$28,764,579	\$29,646,476	\$29,646,476	\$30,556,975	\$30,556,975	\$31,500,777	\$31,500,777
Personal Property per Sq. Ft.	\$8.91	\$8.91	\$9.18	\$9.18	\$9.45	\$9.45	\$9.74	\$9.74	\$10.03	\$10.03	\$10.33	\$10.33	\$10.64	\$10.64	\$10.96	\$10.96	\$11.29	\$11.29	\$11.63	\$11.63	\$11.97	\$11.97	\$12.33	--
Personal Property Value	\$0	\$0	\$0	\$1,664,643	\$1,714,582	\$1,714,582	\$1,766,020	\$1,766,020	\$1,821,829	\$1,821,829	\$1,879,463	\$1,879,463	\$1,938,678	\$1,938,678	\$1,999,468	\$1,999,468	\$2,061,963	\$2,061,963	\$2,126,244	\$2,126,244	\$2,192,451	\$2,192,451	\$2,260,634	\$2,260,634
TOTAL MARKET VALUE																								
Cumulative	\$2,790,281	\$48,650,000	\$115,911,050	\$155,950,626	\$160,629,145	\$160,629,145	\$165,448,019	\$165,448,019	\$170,487,286	\$170,487,286	\$178,601,904	\$178,601,904	\$186,959,961	\$186,959,961	\$195,568,760	\$195,568,760	\$204,435,823	\$204,435,823	\$213,568,898	\$213,568,898	\$222,975,965	\$222,975,965	\$232,665,244	\$232,665,244
TOTAL ASSESSED VALUE																								
Cumulative	\$892,890	\$15,568,000	\$37,091,536	\$49,904,200	\$51,401,326	\$51,401,326	\$52,943,366	\$52,943,366	\$56,555,931	\$56,555,931	\$59,152,609	\$59,152,609	\$61,827,188	\$61,827,188	\$64,582,003	\$64,582,003								

END OF REPORT

PREPARED BY:



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(303) 770-7132 FAX
INFO@THKASSOC.COM**

DEVELOPER AFFIDAVIT

STATE OF Missouri)

) ss.

COUNTY OF Camden)

COMES NOW, Gary Mitchell, and being first duly sworn, on his oath states:

1. I am over the age of eighteen (18) and competent to testify to the following matters of my own knowledge and on behalf of Arrowhead Development Group, LLC., a Missouri limited liability company.

2. I am the Managing Member of Arrowhead Development Group, LLC, the proposed developer for the Arrowhead Centre Tax Increment Financing Plan (the "TIF Plan"), as designated in the TIF Plan.

3. The Redevelopment Area on the whole is "Blighted Area" as that term is defined in the Real Property Tax Increment Allocation Development Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri. The proposed development in the Redevelopment Area will not be used solely for the development of commercial business that will unfairly compete in the local economy, and such development is in the public interest because it will increase employment in and enhance the tax base of the City. The Redevelopment Area on the whole has not been subject to growth and development through investment by private enterprise.

4. The Redevelopment Area would not reasonably be anticipated to be developed without the adoption of tax increment financing.

5. Arrowhead Development Group, LLC, will not and could not be reasonably expected to develop the Redevelopment Area without the adoption of the proposed TIF Plan.



MARSHA LEE GULLEDGE
My Commission Expires
October 2, 2018
Camden County
Commission #14629881

Gary Mitchell, Managing Member
Arrowhead Development Group, LLC

Subscribed and sworn to before me, a Notary Public, in and for said County and State, this
31 day of MARCH, 2015.

Notary Public

My Commission Expires:

10/2/2018

Printed Name

EXHIBIT 11

ARROWHEAD CENTRE TAX INCREMENT FINANCING RELOCATION ASSISTANCE PLAN

There are no businesses located within the Redevelopment Area. There are no residences within the Redevelopment Area. It is anticipated that no relocation assistance will be needed. However, in the event relocation of any occupant is necessary, it will be carried out in accordance with Section 523.205 of the Revised Statutes of Missouri, and pursuant to the following Relocation Assistance Plan:

1. Definitions. The following terms shall have the meanings set forth below for purposes of this Relocation Assistance Plan. Capitalized terms not otherwise defined shall have the meaning set forth in the Arrowhead Centre Tax Increment Financing Plan.

1.1 Business: Any lawful activity that is conducted: (a) primarily for the purchase, sale or use of personal or real property or for the manufacture, processing or marketing of products or commodities; or (b) primarily for the sale of services to the public.

1.2 Decent, Safe and Sanitary Dwelling: A dwelling which meets applicable housing and occupancy codes. The dwelling shall:

- (a) Be structurally sound, weathertight and in good repair;
- (b) Contain a safe electrical wiring system;
- (c) Contain an adequate heating system;
- (d) Be adequate in size with respect to the number of rooms needed to accommodate the Displaced Person; and
- (e) For a Handicapped Displaced Person, be free of any barriers which would preclude reasonable ingress, egress or use of the dwelling.

1.3 Displaced Person: Any Person that moves from the real property which is within the Redevelopment Area or moves such Person's personal property from real property which is within the Redevelopment Area permanently and voluntarily as a direct result of the acquisition, rehabilitation or demolition of, or the written notice of intent to acquire, such real property, in whole or in part, for a public purpose.

1.4 Eligible Displaced Person: Any Displaced Person who occupied the real property to be acquired for not less than 90 days prior to the Initiation of Negotiations and who is required to vacate such real property.

1.5 Handicapped Displaced Person: Any Displaced Person who is deaf, legally blind or orthopedically disabled to the extent that acquisition of another residence presents a greater burden than other Persons would encounter or to the extent that modifications to the replacement residence would be necessary.

1.6 Initiation of Negotiations: The delivery of the initial written offer of just compensation by the acquiring entity, to the owner of the real property, to purchase such real property for a Redevelopment Project, or the notice to the Person that he will be displaced by rehabilitation or demolition.

1.7 Person: Any individual, family, partnership, corporation or association.

1.8 Referral Site Notice: The written notice of referral sites to be provided to Displaced Persons by the Developer pursuant to Section 4 of this Relocation Assistance Plan.

1.9 Relocation Payment: The payment to be made from the Special Allocation Fund to an Eligible Displaced Person pursuant to Section 6 of this Relocation Plan.

2. Availability of Relocation Assistance. All Eligible Displaced Persons shall have the right to receive relocation assistance in accordance with the terms of this Relocation Assistance

Plan. In no event shall relocation assistance be provided to any Person who purposely resides or locates such Person's Business in the Redevelopment Area solely for the purpose of obtaining relocation benefits.

3. Notice to Vacate. The Developer shall give to every Displaced Person a written notice to vacate not less than 90 days prior to the date such Displaced Person is required to vacate its premises.

4. Referrals. The Developer shall provide each Displaced Person occupying a residence in the Redevelopment Area with written notice of a minimum of three (3) Decent, Safe and Sanitary Dwelling referrals and shall provide each Displaced Person operating a Business in the Redevelopment Area with written notice of a minimum of three (3) suitable referral sites for such Business. The Referral Site Notice shall be provided to each Handicapped Displaced Person 90 days prior and to each other Displaced Person 60 days prior, to the date such Displaced Person is required to vacate its respective premises. The Developer shall make arrangements for transportation for Displaced Persons to inspect referral sites upon receipt of a written request from such Displaced Person for transportation addressed to the Developer in care of White Goss, a Professional Corporation, 4510 Belleview, Suite 300, Kansas City, Missouri 64111, Attn: William B. Moore, Esq.

5. Notice of Relocation Plan. Concurrently with the provision of a Referral Site Notice, the Developer shall notify Eligible Displaced Persons in writing of the availability of Relocation Payments and assistance under this Relocation Assistance Plan.

6. Relocation Payments. Each Eligible Displaced Person shall be entitled to the following Relocation Payment from the Special Allocation Fund.

6.1 Residential Displaced Persons. Each Eligible Displaced Person occupying a residence in the Redevelopment Area shall be provided with, at the option of such Eligible

Displaced Person, either: (a) a Five Hundred Dollar (\$500) fixed payment; or (b) actual reasonable costs of relocation, including actual moving costs, utility deposits, key deposits, storage of personal property up to one (1) month, utility transfer and connection fees and other initial rehousing deposits, including first and last month's rent and security deposit. Each such Eligible Displaced Person must elect one of the foregoing payment options and give notice of such election to the Developer not less than 30 days prior to the date such Displaced Person is required to vacate its premises.

6.2 Displaced Businesses. Each Eligible Displaced Person operating a Business located in the Redevelopment Area shall be provided with, at the option of such Eligible Displaced Person, either: (a) a \$1,500 fixed payment; or (b) actual costs of moving, including costs for packing, crating, disconnection, dismantling, reassembling and installing all personal equipment and costs for relettering similar signs and similar replacement stationery. Each such Eligible Displaced Person must elect one of the foregoing payment options and give notice of such election to the Developer not less than 30 days prior to the date such Displaced Person is required to vacate its premises.

7. Special Needs. Any Displaced Person who believes that such Displaced Person has any special needs as the result of such Displaced Person's income, age, size of family, nature of business, availability of suitable replacement facilities and vacancy rates of affordable facilities may advise the Developer of such needs and such needs shall be given specific consideration with respect to the relocation benefits offered to such Displaced Person. To notify the Developer of such special needs, the Displaced Person having such needs must deliver written notice to the Developer in care of White Goss, a Professional Corporation at 4510 Belleview, Suite 300, Suite 300, Kansas City, Missouri 64111, Attention: William B. Moore, Esq. Such notice shall identify the special needs and the basis of the special need. The Developer reserves the right to require from any

Displaced Person claiming special needs, reasonable evidence of the alleged facts upon which a claim for special needs is based (by way of example, copies of income tax returns if income is an issue).

8. Deadline for Claims and Payments. All claims for Relocation Payments shall be filed by the Displaced Person with the Developer within six (6) months after: (a) for tenants, the date of displacement; or (b) for owners, the date of displacement or the final payment for the acquisition of the real property, whichever is later. Payment for a satisfactory claim for Relocation Payments shall be made by the Developer within 30 days following the Developer's receipt of sufficient documentation to support the claim.

9. Advance Payment. If an Eligible Displaced Person demonstrates the need for an advance payment of the Relocation Payment in order to avoid or reduce a hardship, the Developer shall issue the Relocation Payment subject to such safeguards as the Developer may reasonably establish and are appropriate to ensure that the objective of the Relocation Payment is accomplished.

10. Waiver of Payment. Any Eligible Displaced Person, who is also the owner of the applicable real property, may waive Relocation Payments as part of the negotiations for acquisition of the real property owned by such Eligible Displaced Person. Such waiver shall be in writing, shall disclose the Eligible Displaced Person's knowledge of the provisions of this Relocation Assistance Plan and Section 523.205 of the Revised Statutes of Missouri and knowledge of entitlement to Relocation Payments under this Relocation Assistance Plan, and shall be filed with the Developer.

11. Reports. The Developer shall deliver a report to the City which report shall include, but not be limited to:

- (a) The addresses of all occupied residential buildings and structures within the Redevelopment Area;

- (b) The name and addresses of all Displaced Persons;
- (c) Specific relocation payments to be made to each Displaced Person; and
- (d) A sample form of all notices provided to each Displaced Person.

12. Amendment. In the event that a court of competent jurisdiction determines that this Relocation Assistance Plan does not satisfy the minimum requirements of Section 523.205 of the Revised Statutes of Missouri, then this Relocation Assistance Plan shall be automatically and retroactively amended to the minimum extent necessary to bring this Relocation Assistance Plan in conformity with the minimum requirements of Section 523.205 of the Revised Statutes of Missouri.

MIXED-USE MARKET ANALYSIS

**ARROWHEAD CENTRE
OSAGE BEACH, MISSOURI**

**PREPARED FOR:
ARROWHEAD DEVELOPMENT GROUP, LLC**



Economic & Market Research / Land & Development Planning
Landscape Architecture / Community Planning & Design
Golf Feasibility Analysis

MIXED-USE MARKET ANALYSIS

ARROWHEAD CENTRE OSAGE BEACH, MISSOURI

**PREPARED FOR:
ARROWHEAD DEVELOPMENT GROUP, LLC**

APRIL 29, 2015

PREPARED BY:



**2953 SOUTH PEORIA STREET, SUITE 101
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Landscape Architecture / Community Planning & Design
Golf Feasibility Analysis

TABLE OF CONTENTS

EXECUTIVE SUMMARY	I
A. ARROWHEAD CENTRE ABSORPTION.....	I
I. INTRODUCTION.....	2
II. SITE AND AREA DESCRIPTION	5
A. REGIONAL DESCRIPTION	5
B. ARROWHEAD CENTRE SUBJECT SITE DESCRIPTION	5
III. 3-COUNTY EMPLOYMENT AND GROWTH TRENDS	16
A. EMPLOYMENT GROWTH TRENDS AND PROJECTIONS.....	16
B. POPULATION AND HOUSEHOLD GROWTH TRENDS	23
C. RESIDENTIAL CONSTRUCTION TRENDS.....	27
D. POPULATION AND HOUSEHOLD GROWTH PROJECTIONS	33
IV. RETAIL MARKET ANALYSIS.....	36
A. RETAIL MARKET CHARACTERISTICS.....	36
B. HOUSEHOLD GROWTH AND RETAIL EXPENDITURE PATTERNS	40
C. RETAIL DEVELOPMENT TRENDS.....	44
D. RETAIL SPACE DEMAND	46
E. RETAIL SPACE SUPPLY.....	48
F. SUPPORTABLE RETAIL SPACE	50
G. RETAIL DEVELOPMENT POTENTIALS AT ARROWHEAD CENTRE.....	52
H. RETAIL DEVELOPMENT RECOMMENDATIONS AT ARROWHEAD CENTRE.....	55
V. OFFICE/FLEX MARKET ANALYSIS.....	58
A. OFFICE MARKET CHARACTERISTICS	58
B. OFFICE SPACE DEMAND	59
C. OFFICE DEVELOPMENT POTENTIALS AT ARROWHEAD CENTRE	62
VI. HOTEL MARKET ANALYSIS.....	64

TABLE OF CONTENTS

A.	NATIONAL HOTEL TRENDS	64
B.	3-COUNTY LODGING TRENDS AND MARKET CHARACTERISTICS	66
C.	HOTEL DEMAND AT THE ARROWHEAD CENTRE SUBJECT SITE.....	69
VII.	SENIOR HOUSING MARKET ANALYSIS.....	72
A.	HOUSING DEMOGRAPHICS	72
B.	SENIOR HOUSING RENTAL CAPACITY.....	74
C.	ASSISTED LIVING AND NURSING HOME SUPPLY	75
D.	DEMAND FOR ASSISTED LIVING FACILITIES.....	78
E.	DEMAND FOR NURSING HOME FACILITIES.....	81
F.	SENIOR HOUSING TOTAL PENT-UP DEMAND.....	84
G.	SENIOR HOUSING DEVELOPMENT POTENTIALS AT ARROWHEAD CENTRE	87
VIII.	APARTMENT MARKET ANALYSIS.....	89
A.	PROJECTED APARTMENT DEMAND BY UNIT TYPE	89
B.	APARTMENT RENTAL CAPACITY	92
C.	EXISTING APARTMENT SUPPLY.....	95
D.	APARTMENT DEMAND AND ABSORPTION POTENTIAL	98
APPENDIX A:		102

EXECUTIVE SUMMARY

A. ARROWHEAD CENTRE ABSORPTION

Based on the projected annual demand for and proposed square feet, rooms or units of development for nursing home, assisted living, independent living, retail, big-box retail, apartment, office/flex/self-storage and hotel room product, the absorption years have been determined for each product type. The projected absorption to occur at the subject site, which is explained below, indicates that there is an immediate demand at the proposed Arrowhead Centre subject site for development of these aforementioned product types.

There is demand for 51,367 square feet of new retail pad-space and big-box retail at the subject site annually, which indicates that the proposed 479,627 total square feet of retail, will be absorbed in 5.0 years. There is new demand for 49,772 square feet of new office and flex space (including self-storage) at the subject site annually, which indicates that the proposed 281,387 square feet of office/flex space will be absorbed in 5.7 years. There is demand for 33 new hotel rooms at the subject site annually, which indicates that the proposed 90 room hotel can be absorbed in 2.7 years. The subject site is projected to have a pent-up demand for 100 assisted living units along with an annual demand for 18 new assisted living units, which indicates that the 90 proposed units will be absorbed in the first year. The subject site is projected to have a pent-up demand for 72 nursing units along with an annual demand for 9 new nursing units, which indicates that the 80 proposed units will be absorbed in one year. The subject site is projected to have a pent-up demand for 176 independent living units along with an annual demand for 34 new independent living units, which indicates that the 231 proposed units will be absorbed in two years. The subject site is projected to capture 25 residential housing units annually on average which will take nine years to fully absorb 222 units. Based on the specific product type, the subject site absorption rates range from one to nine years, and have an average absorption rate of 4.1 years. All of the product types are expected to reach full absorption in less than six years with the exception of residential apartments, which will take nine years.

INTRODUCTION

I. INTRODUCTION

The purpose of this market analysis has been to assess the financial and economic feasibility of District 1 through District 8 as shown on page 11. These districts include a lifestyle retail and entertainment center, office, hotel, assisted living and nursing home senior housing uses, rental apartments, and related uses on the 226.31 gross acre Arrowhead Centre subject site, which is located in Osage Beach, Missouri. Only 197.82 acres of the 226.31 gross acre Arrowhead Centre subject site is proposed for redevelopment, with the remaining 24.18 acres allocated for open space, greenways and roadways. The proposed development and subject site will be referred to as the 197.82-acre subject site throughout the remainder of this market analysis. The site is located just off US Highway 54 on State Highway KK within a half mile drive of the Lake of the Ozarks.

The primary influences on development potentials are the supply and demand forces affecting the local real estate market. The following THK study generated a comprehensive database of information about the real estate market in the 3-County market area of Camden, Morgan, and Miller counties. Furthermore, the following report assessed the feasibility for developing various real estate product types based on a synthesis of supply and demand indicators with the Arrowhead Centre primary trade area (PTA) and subject site.

In order to accomplish this, THK Associates has:

- Profiled the 3-county market area of Camden, Morgan and Miller County in terms of employment, population, households, and residential building trends.
- Identified an appropriate PTA for the Arrowhead Centre subject site.
- Reviewed and projected population, household trends, and demographics such as age and income for the PTA.
- Identified the historical and current number of seasonal rental units along with projected growth in seasonal rental units over the next 10 years.
- Profiled the existing square footage supply and demand for retail space in the Arrowhead Centre PTA for the 2015-2024 time-periods.
- Profiled the demand for retail space by store type for the Arrowhead Centre PTA and subject site.
- Determined the demand for office space for the 2015-2024 time-periods in the Arrowhead Centre PTA and the Arrowhead Centre subject site.
- Inventoried lodging facilities and determined demand for new hotel rooms for the 2015-2024 time-periods in the PTA and at the Arrowhead Centre subject site.
- Inventoried all assisted living and nursing home facilities in the Arrowhead Centre PTA.
- Determined the demand for assisted living and nursing home facilities in the Arrowhead Centre PTA and at the subject site.

INTRODUCTION

- Programmed a recommended land use program for the 197.82-acre Arrowhead Centre subject site.
- Inventoried all apartment buildings in the Arrowhead Centre PTA.
- Determined the demand for apartment units in the Arrowhead Centre PTA and at the subject site.

The aforementioned research was an important tool in establishing the demand for various product types and is it the foundation for the revenue estimates in the TIF District Analysis.

SITE & AREA DESCRIPTION

II. SITE AND AREA DESCRIPTION

A. REGIONAL DESCRIPTION

The Arrowhead Centre subject site is located immediately south of the intersection of Miller, Morgan and Camden counties in Osage Beach, Missouri as shown in Figure-1. It is situated on a brief peninsula that sits directly on the 54,000-acre Lake of the Ozarks. The Lake of the Ozarks region area has experienced tremendous growth and development over the last 20 years and boasts a thriving tourism industry. The popularity of the region is accentuated by its central location in Missouri, as it is nearly equidistant from St Louis and Kansas City at around 170 miles. Within a 165 mile radius, Lake of the Ozarks is within a driving distance to nearly all of Missouri, in addition to portions of Arkansas, Kansas, Illinois and Iowa as shown in Figure-2. Because of the areas unique ability to build at the water's edge and the availability of driver activities situated along the lakes 1,150 miles of shoreline, the area continues to thrive. Lake Regional Health System Hospital is located directly southeast of the Arrowhead Centre, and with 1,163 employees, it is the third largest employer in the 3-County area of Miller, Morgan and Camden counties. The hospital has over 500,000 square foot, 116 bed, and 100 care provider hospital began construction in September of 2014 on a vault to house the new state-of-the-art linear accelerator to battle cancer. Once the new vault is constructed and equipment is installed treatment times are anticipated to be reduced by as much as 50%. Less than two miles northwest of the subject site, further along the peninsula resides the Tan-Tar-A Resort; currently the 3-County areas 7th largest employer at 350 employees and one of the regions largest travel destinations. The Tan-Tar-A Resort has an average 350,000 visitors per year. This figure was extrapolated from the resort's average seasonal occupancy rate of 77% combined with their total 700 rooms, along with an average of 1.8 guests per hotel room. The 3-County area is largely characterized as a tourism industry and the Convention and Visitor Bureau estimates that between 4.5 and 5.0 million visitors come to the Lake of the Ozarks every year, with 3.5 million visiting between Memorial Day to Labor Day. A significant portion of visitors to the Lake of the Ozarks come from the St. Louis and Kansas City metropolitan areas. The Arrowhead Centre subject site is within a 20 mile drive of the three state parks, Ha-Ha-Tonka State Park, Pa-He-Tsi Park and Lake of the Ozarks State Park, the latter of which is the largest park in Missouri, at 17,741 acres. Lake of the Ozarks resident and tourist spending has recently proliferated, outperforming long term averages. While the Lake of the Ozarks local sales tax receipts from 2006 to 2011 averaged \$55,527,773 annually on average, 2012 and 2013 have produced sales tax receipts of \$86,792,893 and \$95,879,469, respectively, a staggering 56.3% and 72.7% higher than the five year average.

B. ARROWHEAD CENTRE SUBJECT SITE DESCRIPTION

The Arrowhead Centre subject site is situated in the northeastern section of Camden County by the Mansfield Forest State Wildlife Area. The 197.82-acre subject site is located just off State Highway KK approximately one half mile northwest of US Highway 54 in Osage Beach, Missouri. According to the Missouri Department of Transportation, US Highway 54 has an average daily traffic count of 31,777 vehicles, while State Highway KK has an average daily traffic count of over 12,000 vehicles. Highway 54 provides access to several highways, along with a connection directly to Eldon to the north and Camdenton to the south. Highway 54 currently supports a substantial amount of retail supply in the region, including the newer and ever-expanding retail

SITE & AREA DESCRIPTION

hubs of Eagles Landing, Prewitt's Point and Lakeview Point. These roads are shown below in Figure-3. Just north of the proposed Arrowhead Centre subject site, the new Osage Beach Elementary School is being built right across from the Sycamore Creek Golf Course. The District's Board of Education has approved expanding current attendance zones for Osage Beach Elementary, and the new school will encompass 200 students from its current facility, along with 150 more from Camdenton. Furthermore, just across the Lake of the Ozarks, Hurricane Deck Elementary will be expanding and absorbing another 100 students from the Camdenton area. Both buildings are scheduled to open in August 2015. Currently, a substantial portion of the 197.82-acre site is comprised of the closed Dogwood Hills 18-hole golf course and 59 room full-service hotel and restaurant. The Arrowhead Centre subject site currently existing golf course, motel and restaurant are not in use with the exception of the golf course driving range. There are eight separate parcels under the owner name of Dogwood Hills Land Holdings, Inc., and there are 197.82 acres respectively, as shown in Figure-4. The entire Arrowhead Centre is proposed to be redeveloped as a mixed-use project inclusive of unique development districts, as shown in the Figure-5 and Figure-6. Figure-7 highlights the Arrowhead Centre proposed redevelopment breakdown which includes 170 assisted living and nursing home units, 231 independent living units, 222 apartments, 90 hotel rooms and 761,014 square feet spread across restaurants, retail and office space, medical offices, fast food, along with a pharmacy, golf oriented activity center, bank, winery, gas station and car-wash, self-storage, 5,187 parking lots and more. In total the site is currently planned into eight unique districts across 197.82 acres.

Figure 1- 3-COUNTY MAP



Figure 2- REGION MAP

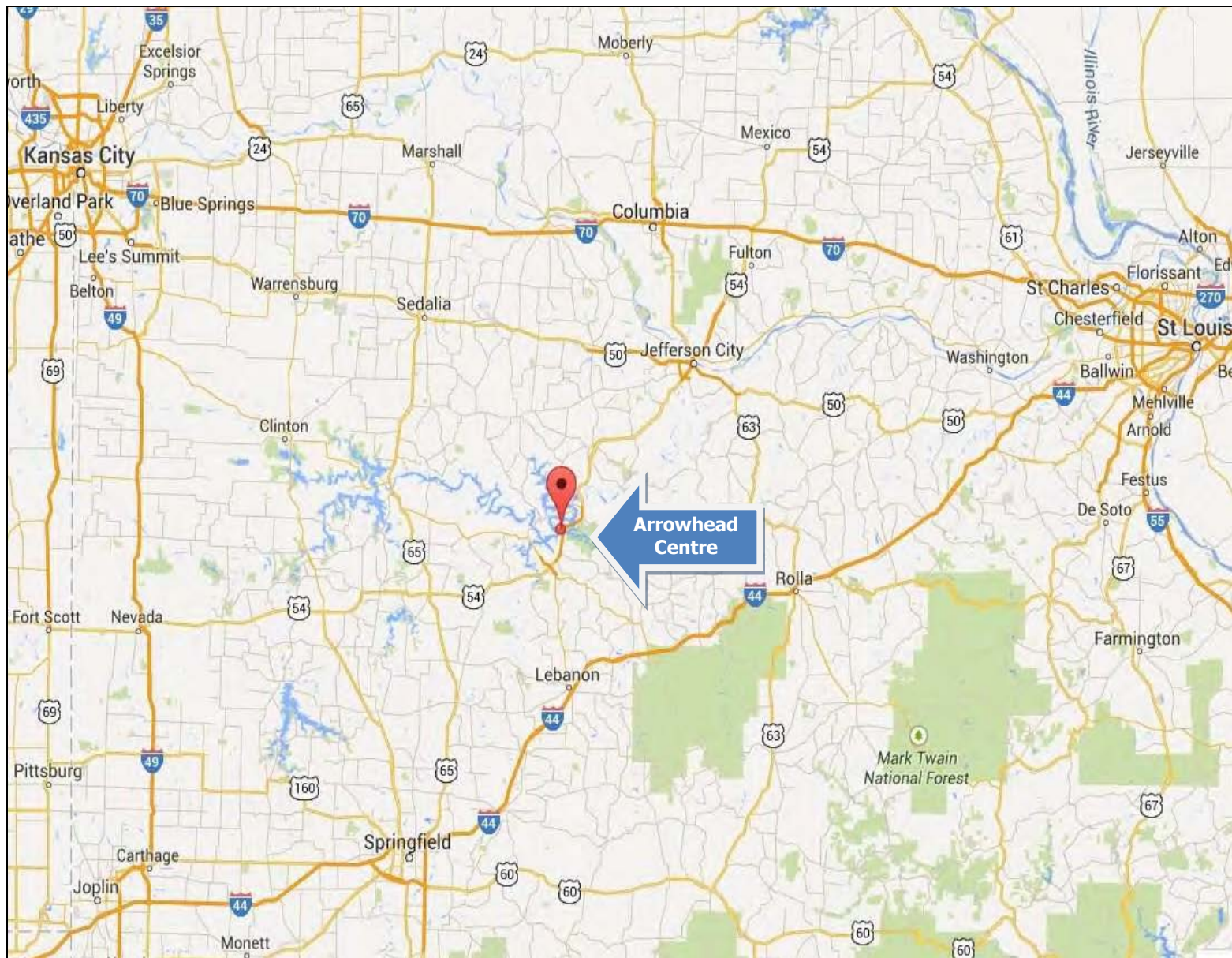


Figure 3- ARROWHEAD CENTRE LOCAL SITE MAP

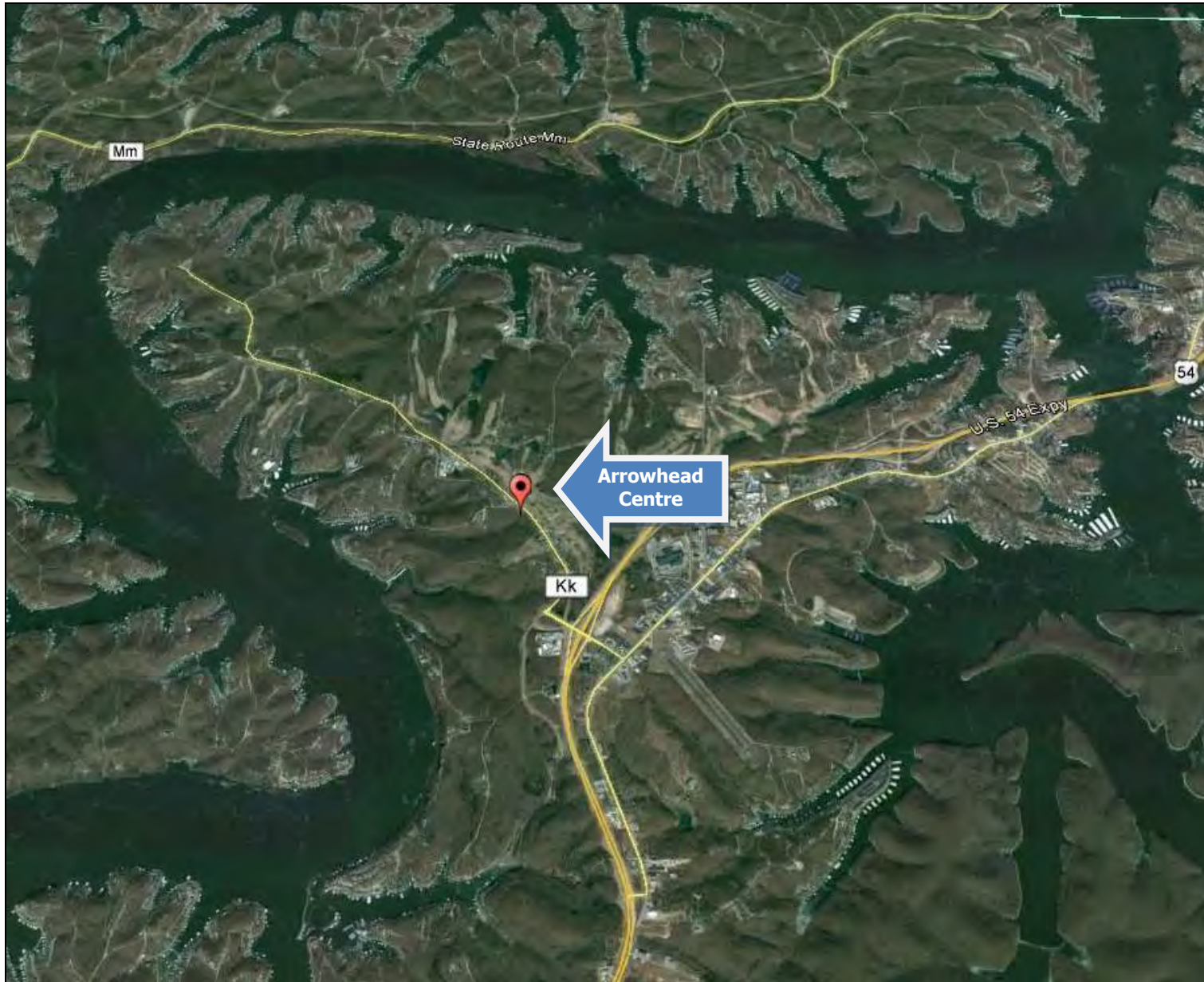
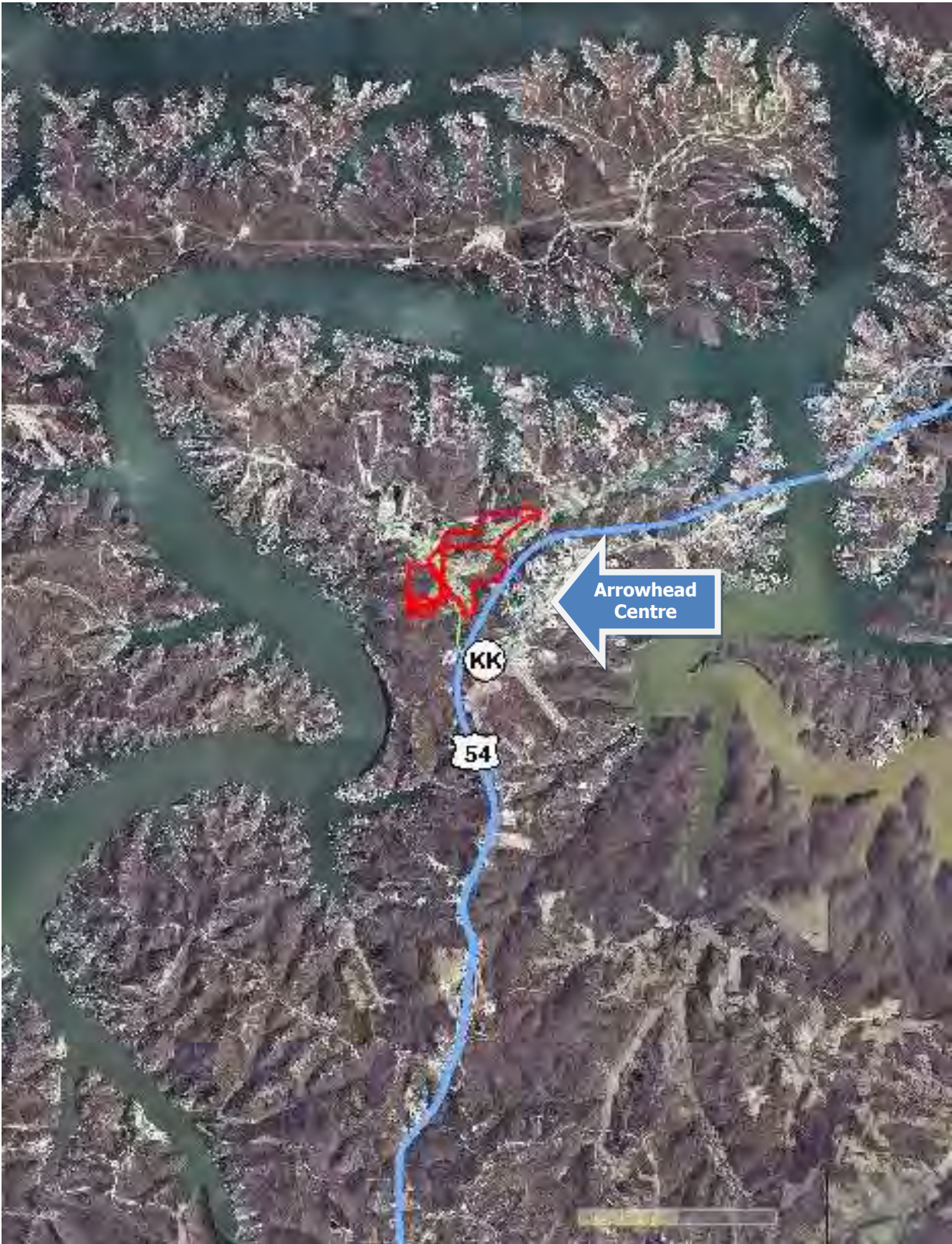


Figure 4- ARROWHEAD CENTRE PARCEL OUTLINES



11



Figure 6- ARROWHEAD CENTRE MASTER PLAN

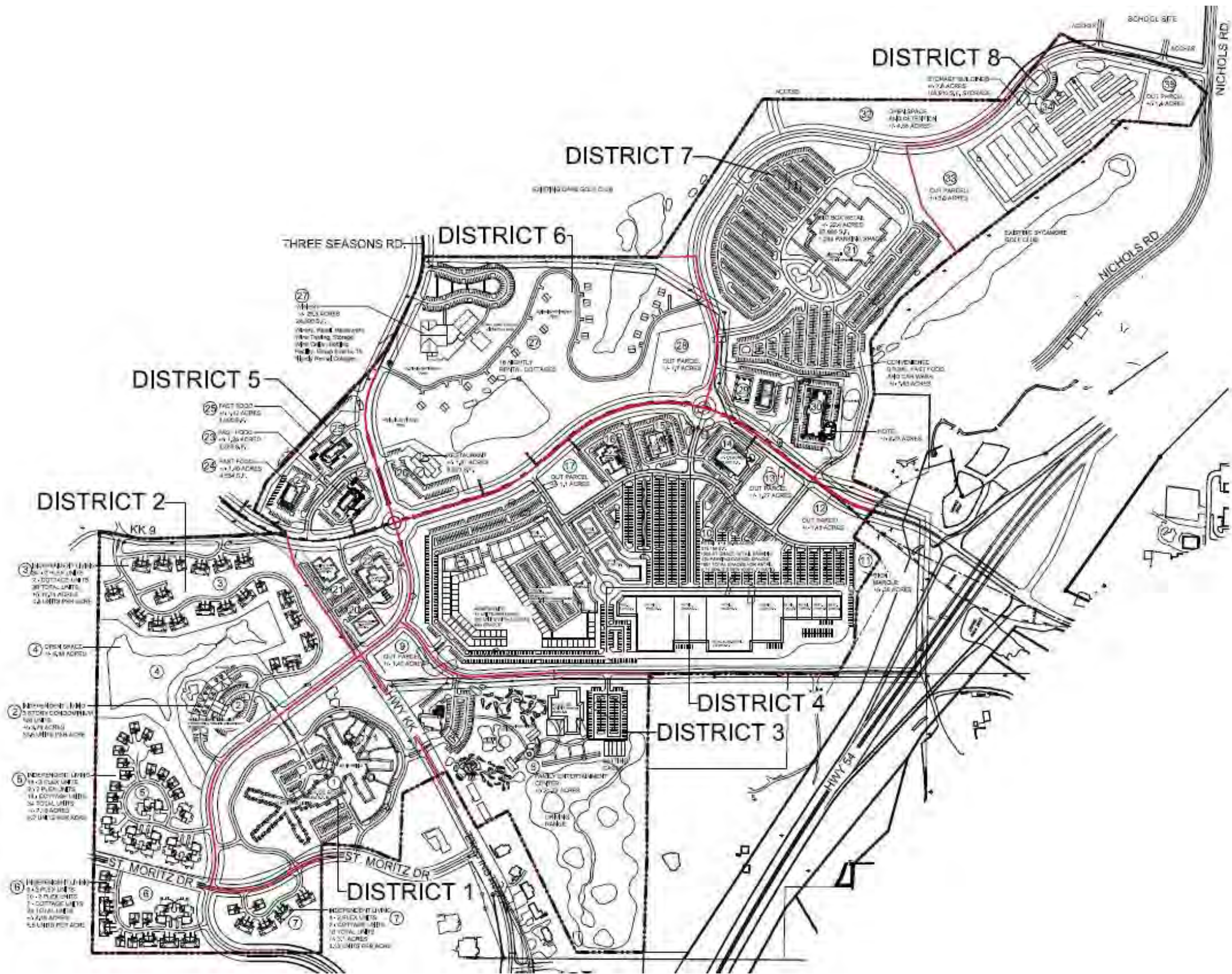


Figure 7- ARROWHEAD CENTRE MASTER PLAN TABULAR INFORMATION

Arrowhead Centre Development Tabular Information						
District 1 - Assisted Living and Nursing Home						
Parcel	Zoning	Illustrated Land Use	Units/ Rooms	Square Feet	Parking Spaces	Acres
1	PUD Commercial	Nursing Home	80	60,700		14.2
	PUD Commercial	Assisted Living	90	68,435		
Total			170		151	14.2
Total w/ nursing & assisted sq. ft. added				129,135		
District 2 - Independent Living						
Parcel	Zoning	Illustrated Land Use	Units/ Rooms	Square Feet	Parking Spaces	Acres
2	PUD Commercial	Condominium	128	102,400	130	3.79
3	PUD Commercial	1,2,3, Plex	36	54,000	72	10.74
4	PUD Open Space	Open Space				6.35
5	PUD Commercial	1,2,3 Plex	34	51,000	68	7.16
6	PUD Commercial	1,2,3 Plex	23	34,500	46	4.19
7	PUD Commercial	1,2,3 Plex	10	15,000	20	3.1
Total			231		336	35.33
Total w/ all sq. ft. added				256,900		
District 3						
Parcel	Zoning	Illustrated Land Use	Units/ Rooms	Square Feet	Parking Spaces	Acres
8	PUD Commercial	Activity Center		28,400	178	21.73
	PUD Commercial	Restaurant		6,000	60	
	PUD Commercial	Champ. Putting Course				
	PUD Commercial	Champ. Putting Course				
	PUD Commercial	Driving Range				
	PUD Commercial	Putting Green				
	PUD Commercial	Batting Cages				
9	PUD Commercial	Out Parcel		12,371		1.42
Total				46,771	238	23.15
District 4						
Parcel	Zoning	Illustrated Land Use	Units/ Rooms	Square Feet	Parking Spaces	Acres
10	PUD Commercial	Retail/Office		313,154	1,807	36.56
		Apartment	222	243,537	444	
11	PUD Commercial	Sign Marque				0.39
12	PUD Commercial	Out Parcel		12,632		1.45
13	PUD Commercial	Out Parcel		11,064		1.27
14	PUD Commercial	Pharmacy		13,000	64	1.5
15	PUD Commercial	Restaurant		7,774	78	1.4
16	PUD Commercial	Restaurant		7,800	92	1.4
17	PUD Commercial	Out Parcel		9,583		1.1
18	PUD Commercial	Project Monumentation				0.1
19	PUD Commercial	Project Monumentation				0.1
Total			222	375,007	2,485	45.27
Total w/ apartment sq. ft. added				618,544		
District 5						
Parcel	Zoning	Illustrated Land Use	Units/ Rooms	Square Feet	Parking Spaces	Acres
20	PUD Commercial	Medical Office		8,300	38	0.93
21	PUD Commercial	Medical Office		9,600	53	1.26
22	PUD Commercial	Bank		9,000	47	1.63
23	PUD Commercial	Fast Food		3,265	50	1.25
24	PUD Commercial	Fast Food		4,534	68	1.4
25	PUD Commercial	Fast Food		4,000	58	1.42
Total				38,699	314	7.89
District 6						
Parcel	Zoning	Illustrated Land Use	Units/ Rooms	Square Feet	Parking Spaces	Acres
26	PUD Commercial	Restaurant		8,000	73	1.87
27	PUD Commercial	Winery		28,500	158	25.3
28	PUD Commercial	Out Parcel		14,810		1.7
Total				51,310	231	28.87
District 7						
Parcel	Zoning	Illustrated Land Use	Units/ Rooms	Square Feet	Parking Spaces	Acres
29	PUD Commercial	Gas Station 12 Pumps		6,000	56	1.93
		Fast Food		1,500		
		Car Wash		1,400		
30	PUD Commercial	Hotel	90	47,632	110	2.23
31	PUD Commercial	Big Box		97,985	1,266	22.4
Total			90	103,985	1432	26.56
Total w/ fast food, car wash & hotel sq. ft. added				154,517		
District 8						
Parcel	Zoning	Illustrated Land Use	Units/ Rooms	Square Feet	Parking Spaces	Acres
32	PUD Open Space	Open Space / Detention				4.55
33	PUD Commercial	Out Parcel		26,136		3
34	PUD Commercial	Storage Buildings		106,910		7.6
35	PUD Commercial	Out Parcel		12,196		1.4
Total				145,242		16.55
District Totals						
Total Parcels	Zoning	Absorption Years	Units/ Rooms	Square Feet	Parking Spaces	Acres
	Nursing Home	1.0	80	-	76	7.10
	Assisted Living	1.0	90	-	76	7.10
	Independent Living	2.0	231	-	336	35.33
	Retail & Big Box	5.0	-	479,627	3,152	117.99
	Apartment	9.0	222	-	444	0.00
	Office/Flex/Storage	5.7	-	281,387	995	28.07
	Hotel	2.7	90	-	110	2.23
Total		3.8	713	761,014	5,187	197.82
Total w/ sq. ft. added to districts 1, 2, 4 & 7				1,441,118		

Source: Yung Design Group and THK Associates, Inc.

SITE & AREA DESCRIPTION

ARROWHEAD CENTRE IMAGES

View along Highway KK



Current Golf Course on Site



Golf Course on Subject Site



Forest on Subject Site



Resort on Subject Site



Lake Regional Hospital near Site



EMPLOYMENT GROWTH TRENDS

III. 3-COUNTY EMPLOYMENT AND GROWTH TRENDS

A. EMPLOYMENT GROWTH TRENDS AND PROJECTIONS

Employment trends are prime indicators of the economic growth of an area. Increases in employment generate growth for most industry sectors of the local economy and dictate the rate at which it will expand. This section looks at the region's various employment figures by industry and projects their course over the next decade. Table III-1 illustrates total employment growth in the 3-County market area, which includes Camden, Miller, and Morgan counties. Total employment has grown from 22,720 in 1980 to 43,673 in 2014, which is an annual average increase of 616 jobs, or an average annual growth rate of 1.9% over the 34-year time period. Over the last decade, the market area has lost 306 jobs annually on average. The temporary losses during the 2008 to 2012 time period were largely a result of the Great Recession which had a tremendous impact on travel and tourism destinations nationally. In 2005, the region added 2,031 jobs, which is the second largest increase over the 34-year period (1984 had the largest increase). Just as the number of jobs added annually increased dramatically from 2003 to 2005 after the 2001 recession, 2013 and beyond has been and is projected to continue to be a time of burgeoning employment. The five year average employment lost 145 less jobs annually compared to the ten year average, while the recent three year average employment produced 574 more jobs on average annually compared to the five year average. From 2011 to 2014, the 3-County area added an explosive 413 jobs annually on average, quickly returning and soon surpassing long-term averages. These figures are detailed in the 3-County Market Employment Trends Table that follows Table III-1.

Table III-2 shows the region's employment growth by industry from 1980 to 2014. Since 1980, the 3-County market area has experienced growth in all employment sectors. Over the last 10 years, the most significant contributor to the local economy has been Health Care and Social Assistance, which averaged the addition of 50 new jobs per year since 2005. While industries like Construction, Manufacturing and Retail faced heavy losses over the last ten year averages, these industries have boomed recently, with the latter industry going from 106 jobs lost annually to a staggering 139 jobs added annually on average over the last three years. Government and Government Enterprises, Arts Entertainment and Recreation, Finance and Insurance, and Health Care and Social Assistance have continued growing, adding 39, 50, 33 and 30 jobs, respectively, on an average annual basis, as visualized in the accompanying table.

Fueling the 3-County market area's employment growth is a relatively diverse economic base. Table III-3 projects employment by industry for the 3-County area from 2015 to 2024. The market area is projected to experience a gain of 821 jobs in 2015 and will continue to grow adding 846 and 871 jobs in 2016 and 2017 respectively. As shown, the area will continue to experience steady growth with total employment averaging increases of 958 jobs annually on average. Categories like Real Estate and Rental and Leasing, Health Care and Social Assistance and Accommodation and Food Services are just a few industries front-running the economic growth with 176, 88, 74 jobs, respectively, projected to be added annually.

Table III-4A shows the 35 largest employers for the 3-County market area in alphabetical order. The industry and county are shown, which highlights that a majority of these employers are located in the Miller and Camden Counties. Table III-4B shows the top 12 employers, which supports demand at and near the subject site for retail, health care, and resort oriented development.

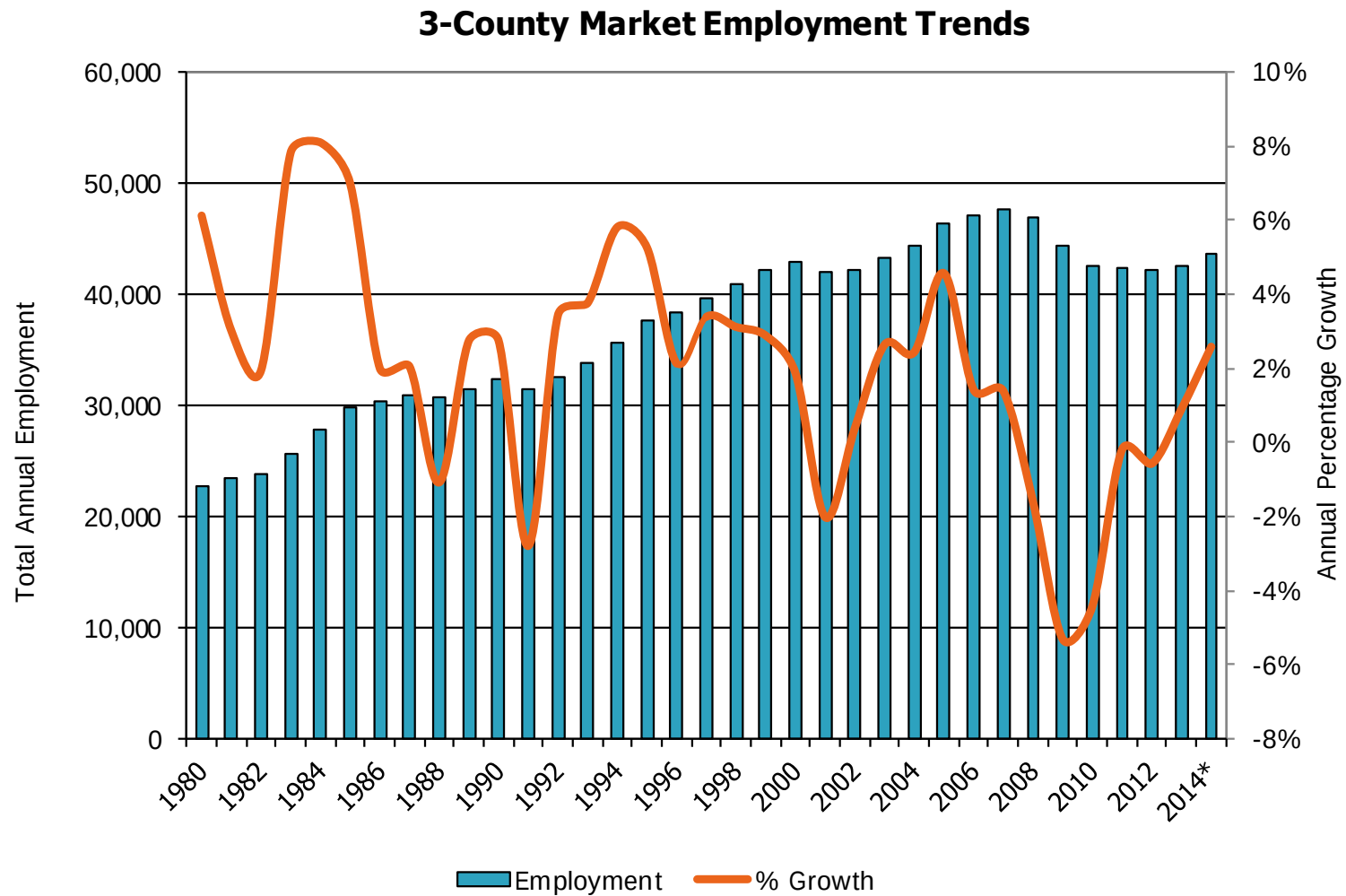
EMPLOYMENT GROWTH TRENDS

Table III-1: 3-County Market Area Employment Trends, 1980-2014

Year	Total Employment	Annual Change	
		Numerical	Percent
1980	22,720	1,019	6.1%
1981	23,406	686	3.0%
1982	23,861	455	1.9%
1983	25,731	1,870	7.8%
1984	27,817	2,086	8.1%
1985	29,766	1,949	7.0%
1986	30,363	597	2.0%
1987	30,987	624	2.1%
1988	30,652	-335	-1.1%
1989	31,495	843	2.8%
1990	32,363	868	2.8%
1991	31,458	-905	-2.8%
1992	32,540	1,082	3.4%
1993	33,766	1,226	3.8%
1994	35,731	1,965	5.8%
1995	37,611	1,880	5.3%
1996	38,413	802	2.1%
1997	39,717	1,304	3.4%
1998	40,957	1,240	3.1%
1999	42,139	1,182	2.9%
2000	42,927	788	1.9%
2001	42,060	-867	-2.0%
2002	42,225	165	0.4%
2003	43,341	1,116	2.6%
2004	44,399	1,058	2.4%
2005	46,430	2,031	4.6%
2006	47,090	660	1.4%
2007	47,744	654	1.4%
2008	46,975	-769	-1.6%
2009	44,476	-2,499	-5.3%
2010	42,512	-1,964	-4.4%
2011	42,433	-79	-0.2%
2012	42,190	-243	-0.6%
2013	42,572	382	0.9%
2014*	43,673	1,101	2.6%
Average Annual Change			
1980-2014		616	1.9%
2005-2014		-306	-0.7%
2009-2014		-161	-0.4%
2011-2014		413	1.0%

* Preliminary estimate from BLS.gov

Source: Bureau of Economic Analysis, and THK Associates, Inc.



EMPLOYMENT GROWTH TRENDS

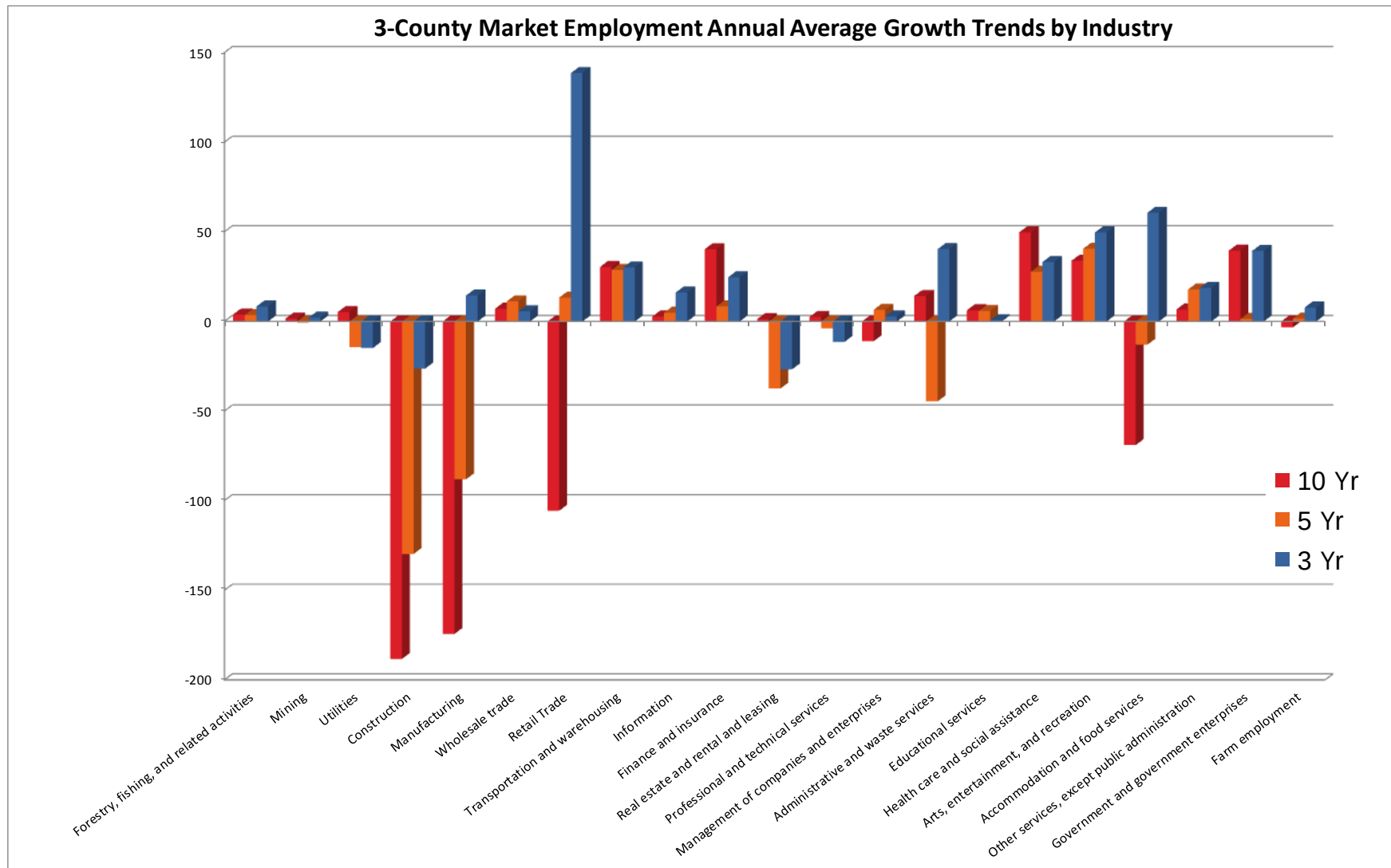
Table III-2: 3-County Market Employment by Industry, 1970-2013

Industry	1980	1985	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Total Non-Farm (By Place of Work)	19,627	26,639	29,235	28,355	29,355	30,576	32,544	34,405	35,270	36,603	37,843	39,084	39,872
Agricultural Services, Forestry, & Fisheries	149	301	433	436	439	440	476	441	485	503	499	522	585
Mining, Oil & Gas	44	53	69	67	64	77	81	102	103	113	120	120	136
Construction	1,548	2,825	2,758	2,457	2,717	2,926	3,175	3,482	3,457	3,632	3,780	4,020	4,022
Manufacturing	2,811	3,272	3,668	3,339	3,279	3,524	4,098	4,231	4,309	4,399	4,358	4,239	4,214
Transportation & Utilities	837	1,158	1,179	1,155	1,086	1,244	1,233	1,335	1,364	1,383	1,439	1,446	1,546
Wholesale Trade	651	818	804	848	956	934	983	936	892	891	967	1,077	1,033
Retail Trade	3,850	5,467	7,038	7,029	7,293	7,719	8,151	8,967	9,201	9,340	9,585	9,831	10,031
Finance, Insurance, Real Estate	1,782	2,059	2,197	2,088	2,195	2,153	2,395	2,372	2,563	3,020	3,131	3,320	3,551
Services	5,521	7,733	7,889	7,743	8,131	8,259	8,520	8,952	9,145	9,440	9,970	10,336	10,454
Government	2,434	2,953	3,200	3,193	3,195	3,300	3,432	3,587	3,751	3,882	3,994	4,173	4,300
Farm	3,093	3,127	3,128	3,103	3,185	3,190	3,187	3,206	3,143	3,114	3,114	3,055	3,055
Total Employment	22,720	29,766	32,363	31,458	32,540	33,766	35,731	37,611	38,413	39,717	40,957	42,139	42,927

Industry	Sector Code	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Average Annual Change		
Total Non-Farm (By Place of Work)		39,101	39,444	40,664	41,801	43,836	44,547	45,169	44,397	41,920	39,953	39,892	39,697	40,069	41,109	-303	-162	406
Forestry, fishing, and related activities	11	200	210	221	236	221	226	226	237	238	228	231	240	245	256	4	4	8
Mining	21	58	62	63	67	69	73	78	82	87	96	77	76	81	83	2	-1	2
Utilities	22	165	165	188	147	157	202	291	313	276	260	249	224	210	204	5	-14	-15
Construction	23	4,527	4,611	4,900	5,197	5,425	5,723	5,872	5,374	4,379	3,946	3,809	3,659	3,730	3,730	-188	-130	-26
Manufacturing	31-33	3,423	3,032	3,148	3,239	3,488	3,219	3,008	2,829	2,359	2,063	1,875	1,898	1,931	1,918	-174	-88	14
Wholesale trade	42	783	829	834	850	817	841	858	851	825	847	864	850	854	881	7	11	6
Retail Trade	44-45	6,804	6,850	7,030	7,203	7,839	7,777	7,541	7,332	6,822	6,418	6,473	6,589	6,689	6,889	-106	13	139
Transportation and warehousing	48-49	932	891	884	888	885	923	991	985	1,015	1,042	1,068	1,119	1,108	1,158	30	29	30
Information	51	463	477	472	447	495	518	547	523	496	474	472	476	499	520	3	5	16
Finance and insurance	52	1,411	1,453	1,499	1,490	1,496	1,522	1,629	1,748	1,817	1,651	1,785	1,737	1,777	1,859	40	8	25
Real estate and rental and leasing	53	2,295	2,326	2,677	2,908	3,113	3,361	3,641	3,454	3,312	3,055	3,205	3,022	3,047	3,125	1	-37	-27
Professional and technical services	54	1,209	1,172	1,212	1,268	1,305	1,321	1,417	1,395	1,347	1,343	1,362	1,303	1,299	1,328	3	-4	-11
Management of companies and enterprises	55	120	273	243	264	306	174	204	183	174	180	198	189	197	206	-11	6	3
Administrative and waste services	56	1,333	1,425	1,578	1,659	1,791	2,016	2,011	2,254	2,142	1,858	1,798	1,799	1,865	1,919	14	-45	40
Educational services	61	222	231	258	276	306	336	330	321	333	354	360	375	352	362	6	6	1
Health care and social assistance	62	2,208	2,262	2,304	2,325	2,496	2,594	2,707	2,792	2,805	2,860	2,844	2,845	2,846	2,943	50	28	33
Arts, entertainment, and recreation	71	1,143	1,113	975	1,021	1,000	1,062	1,136	1,078	1,102	1,152	1,156	1,195	1,235	1,305	34	41	50
Accommodation and food services	2000-2010	4,885	4,933	5,009	4,960	5,219	5,112	4,995	4,918	4,663	4,519	4,416	4,498	4,502	4,598	-69	-13	61
Other services, except public administration	81	2,598	2,756	2,791	2,890	2,920	2,956	2,975	2,931	2,891	2,826	2,924	2,912	2,893	2,980	7	18	19
Government and government enterprises	90	4,322	4,373	4,378	4,466	4,488	4,591	4,712	4,797	4,837	4,781	4,726	4,691	4,709	4,844	40	1	39
Farm employment	--	2,959	2,781	2,677	2,598	2,594	2,543	2,575	2,578	2,556	2,559	2,541	2,493	2,503	2,564	-3	2	8
Total Employment		42,060	42,225	43,341	44,399	46,430	47,090	47,744	46,975	44,476	42,512	42,433	42,190	42,572	43,673	-306	-161	413

Source: Bureau of Economic Analysis and THK Associates, Inc.

EMPLOYMENT GROWTH TRENDS



EMPLOYMENT GROWTH TRENDS

Table III-3: 3-County Employment Projections, 2015-2024

Industry	Annual Rate of Change	Historical 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Average Annual Change
Total Non Farm													
(By Place of Work)	2.6%	41,109	40,069	42,774	43,645	44,542	45,467	46,420	47,404	48,418	49,465	50,545	1,164
Forestry, fishing, and related activities	0.1%	256	256	256	257	257	257	257	257	258	258	258	0
Mining	1.8%	83	85	86	88	90	91	93	95	96	98	100	2
Utilities	1.7%	204	208	211	215	218	222	226	229	233	237	241	4
Construction	1.5%	3,730	3,786	3,843	3,901	3,959	4,018	4,079	4,140	4,202	4,265	4,329	60
Manufacturing	1.5%	1,918	1,947	1,976	2,006	2,036	2,067	2,098	2,129	2,161	2,193	2,226	31
Wholesale trade	3.0%	881	907	935	963	992	1,021	1,052	1,083	1,116	1,149	1,184	31
Retail Trade	0.2%	6,889	6,899	6,909	6,920	6,930	6,940	6,951	6,961	6,972	6,982	6,993	10
Transportation and warehousing	5.4%	1,158	1,221	1,287	1,356	1,430	1,507	1,588	1,674	1,764	1,860	1,960	82
Information	0.1%	520	521	521	521	522	522	523	523	523	524	524	0
Finance and insurance	2.3%	1,859	1,901	1,943	1,987	2,032	2,078	2,124	2,172	2,221	2,271	2,322	47
Real estate and rental and leasing	4.5%	3,125	3,265	3,412	3,566	3,726	3,894	4,069	4,252	4,444	4,644	4,853	176
Professional and technical services	1.8%	1,328	1,352	1,376	1,401	1,426	1,452	1,478	1,504	1,531	1,559	1,587	26
Management of companies and enterprises	7.5%	206	222	238	256	276	296	318	342	368	396	425	23
Administrative and waste services	3.8%	1,919	1,991	2,066	2,143	2,224	2,307	2,393	2,483	2,576	2,673	2,773	87
Educational services	6.0%	362	384	407	431	457	484	513	544	577	611	648	29
Health care and social assistance	2.6%	2,943	3,021	3,100	3,181	3,265	3,351	3,438	3,529	3,621	3,716	3,814	88
Arts, entertainment, and recreation	1.1%	1,305	1,320	1,334	1,349	1,365	1,380	1,396	1,411	1,427	1,443	1,459	16
Accommodation and food services	1.5%	4,598	4,667	4,737	4,808	4,880	4,953	5,027	5,103	5,179	5,257	5,336	74
Other services, except public administration	2.3%	2,980	3,047	3,116	3,186	3,257	3,331	3,406	3,482	3,561	3,641	3,723	75
Government and government enterprises	1.8%	4,844	4,931	5,020	5,110	5,202	5,296	5,391	5,488	5,587	5,688	5,790	95
Farm employment	0.0%	2,564	2,565	2,566	2,567	2,568	2,569	2,570	2,571	2,572	2,573	2,574	1
Total employment	2.0%	43,673	44,495	45,340	46,212	47,110	48,036	48,990	49,975	50,990	52,037	53,119	
Job growth/(losses)		1,101	821	846	871	898	926	954	984	1,015	1,048	1,081	958
Job growth rate		2.6%	1.9%	1.9%	1.9%	1.9%	2.0%	2.0%	2.0%	2.0%	2.1%	2.1%	2.0%

Source: BEA, BLS, and THK Associates, Inc.

EMPLOYMENT GROWTH TRENDS

Table III-4A: Major Employers in the 3-County Area, 2014

Name	Product/Service	Location
Ameren Missouri	Utility	All Counties
Camden County	Government	Camden
Camden on the Lake	Resort	Camden
Camdenton R-111 School District	Education	Camden
Central Bank	Finance	All Counties
Charter Communication	Communication	All Counties
Dollar General	Retail	All Counties
Eldon School District	Education	Miller
Gates Rubber Company	Manufacturing	Versailles
Good Shepherd Nursing	Health Care	Morgan
Home Depot	Retail	Miller
Hy-Vee	Retail	Camden
Innovative Procurement	Manufacturing	Miller
Johnson Controls	Manufacturing	Miller
Kohls	Retail	Miller
Laclede Electric	Utility	Camden
Lake Regional Health Systems	Health Care	All Counties
Lodge of the Four Seasons	Resort	Camden
Lowe's	Retail	Miller
Malone Staffing	Employment	All Counties
Manpower Staffing	Employment	All Counties
Menards	Retail	Miller
Miller County	Government	Miller
Morgan County	Government	Morgan
Morgan County School District	Education	Morgan
Opies, Inc.	Transportation	Miller
Paul's Cash Saver	Retail	Camden
Penmac Staffing	Employment	All Counties
Premium Outlets	Retail	Camden
Speedline Technologies	Manufacturing	Camden
Tan-Tar-A Resort	Resort	Camden
Target	Retail	Camden
UPS	Logistics	All Counties
Walgreens	Retail	Miller
Walmart	Retail	All Counties

Source: Lake of the Ozarks Council of Local Governments

Table III-4B: Top-Twelve Employers in the 3-County Area, December 2014

Business Name	Location	Product/Service	# Employees
1 Premium Outlets	Osage Beach	Retail	1200
2 Lake Regional Health Systems	Osage Beach	Health Care	1163
3 Camdenton R-III School District	Camdenton	Education	716
4 Johnson Controls	Eldon	Manufacturing	550
5 Gates Rubber Company	Versailles	Manufacturing	545
6 Wal-Mart Supercenter	Camdenton	Retail	365
7 Tan-Tar-A Resort	Osage Beach	Resort/Hotel	350
8 Eldon R-I School District	Eldon	Education	332
9 Lodge of the Four Season	Lake Ozark	Resort/Hotel	300
10 School of the Osage	Lake Ozark	Education	300
11 Camden County	Camdenton	Government	299
12 Wal-Mart Supercenter	Osage Beach	Retail	285

Source: Lake of the Ozarks Regional Economic Development Council, 2014

POPULATION & HOUSEHOLD GROWTH TRENDS

B. POPULATION AND HOUSEHOLD GROWTH TRENDS

Population and household growth trends are shown for the City of Osage Beach, Camden, Miller and Morgan County, as well as the 3-County area, the latter shown below in Figure-9. Population and household growth are principal indicators of real estate demand over time, as shown in Table III-5. Population growth in the 3-County market area has been strong since 1980, and recent data suggests this pattern will continue as the market keeps attracting new people and households. Camden County, the county in which the City of Osage Beach resides, in particular has been responsible for 65.1% and 63.8% of the population and household growth since 1980 for the entire 3-County area. Over the last five years alone, Camden County has been responsible for 73.0% and 72.9% of the 3-County areas total population and household growth. The population in the 3-County area has increased by 1,090 people and 510 households annually on average from 1980 to 2014. Camden County has had an annual population growth rate over the last 35 years of 2.3%, while the 3-County area has grown at 1.6% over the same time period. Camden County has represented grown from 20,017 people and 7,989 households tin 1980 to 43,996 people in 19,046 households in 2014.

The City of Osage Beach is located in the fastest growing county, Camden County, out of the 3-County area, and the City of Osage Beach is growing even stronger than this aforementioned county. The population and households within Osage Beach have grown at 2.2% and 2.7%, respectively, since 1990. The permanent population of Osage Beach has grown from 2,599 people in 1990 to more than double, or 4,417 people in 2014. Over the last five years, the City of Osage Beach alone has been responsible for around 83.1% of the total 3-County areas population growth. This authoritative growth rate represents an ever-increasing population and number of households demanding more housing units, retail locations, and real estate venues in which to spend their incomes.

POPULATION & HOUSEHOLD GROWTH TRENDS

Figure 8- 3-COUNTY MARKET AREA



POPULATION & HOUSEHOLD GROWTH TRENDS

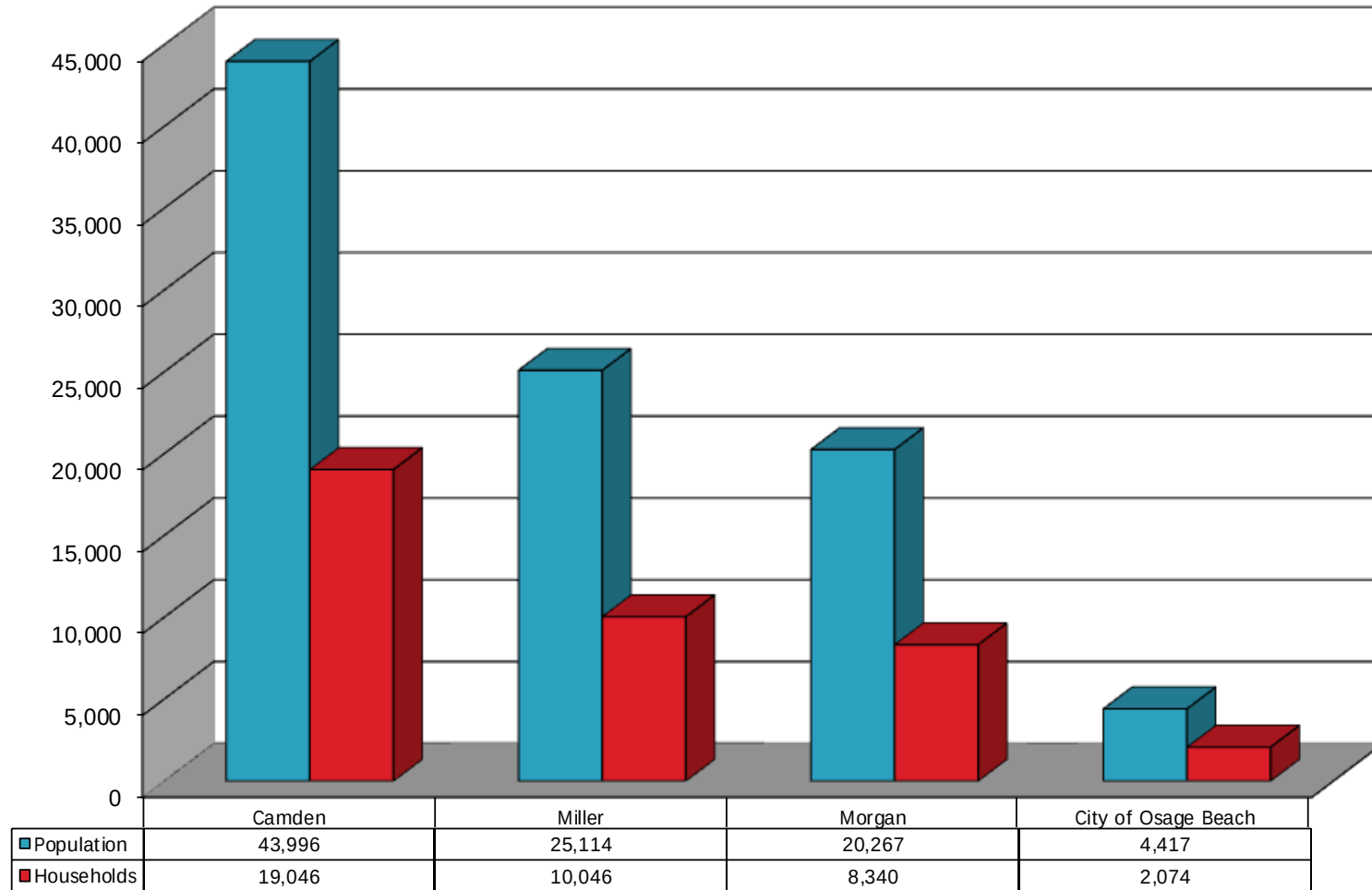
Table III-5: Estimates of Population and Households in the 3-County Market Area, 1980-2014

Year	City of Osage Beach		Camden County		Miller County		Morgan County		Three-County Total	
	Pop	HH	Pop	HH	Pop	HH	Pop	HH	Pop	HH
1980	--	--	20,017	7,989	18,532	6,868	13,807	5,309	52,356	20,166
1990	2,599	1,092	27,495	11,305	20,700	7,977	15,574	6,269	63,769	25,551
2000	3,662	1,687	37,051	15,779	23,564	9,284	19,309	7,850	79,924	32,913
2010	4,351	2,038	44,002	19,068	24,748	9,917	20,565	8,450	89,315	37,435
2014	4,417	2,074	43,996	19,046	25,114	10,046	20,267	8,340	89,378	37,432
(1980-2014):										
Numerical	--	--	710	325	190	93	190	90	1,090	510
Percent	--	--	2.3%	2.6%	0.9%	1.1%	1.1%	1.3%	1.6%	1.8%
Percent of 3-County Total	--	--	65.1%	63.8%	17.4%	18.3%	17.4%	17.6%	100.0%	100.0%
(1990-2014):										
Numerical	80	41	690	323	180	86	200	90	1,070	500
Percent	2.2%	2.7%	2.0%	2.2%	0.8%	1.0%	1.1%	1.2%	1.4%	1.6%
Percent of 3-County Total	7.5%	8.2%	64.5%	64.5%	16.8%	17.2%	18.7%	18.0%	100.0%	100.0%
(2000-2014):										
Numerical	54	28	496	233	111	54	68	35	680	320
Percent	1.3%	1.5%	1.2%	1.4%	0.5%	0.6%	0.3%	0.4%	0.8%	0.9%
Percent of 3-County Total	7.9%	8.6%	73.0%	72.9%	16.3%	17.0%	10.1%	10.9%	100.0%	100.0%
(2010-2014):										
Numerical	17	9	-1	-5	91	32	-74	-27	20	0
Percent	0.4%	0.4%	0.0%	0.0%	0.4%	0.3%	-0.4%	-0.3%	0.0%	0.0%
Percent of 3-County Total	83.1%	100.0%	-6.9%	100.0%	457.3%	100.0%	-372.1%	100.0%	100.0%	100.0%

Source: Bureau of Census and THK Associates, Inc.

POPULATION & HOUSEHOLD GROWTH TRENDS

Population and Household Estimates by County and City of Osage Beach, 2014



RESIDENTIAL CONSTRUCTION TRENDS

C. RESIDENTIAL CONSTRUCTION TRENDS

Residential housing construction by type and tenure for the 3-County market area along with the City of Osage Beach and each individual county is highlighted below in Table III-6 and detailed by location below in Table III-7. Although the permit issuances provide an estimate of the activity in the region, they do not include 100% of the construction in the area. A small percentage of houses and commercial construction developed will occur in unincorporated areas located outside of major towns and cities and the residential homes constructed may not require permits and therefore are excluded from these tables. According to records in the 3-County area, the region has issued roughly 51 single-family permits and 69 multi-family permits on average annually over the 1980-2013 time-periods. Of these aforementioned 121 permits, 42.6% were issued for the construction of single-family residences. Contrarily, over the last five years, 32 single-family permits were issued, or 67.8% of total permits issued over this time period, indicating a trend toward multi-family residences and away from single-family residences.

The three separate tables that are all titled Table III-7 summarize single-family permits, multi-family permits and total permits by County and the City of Osage Beach. Single-family and multi-family permits over the last five and three year averages have not quite picked up to their ten year and 34 year averages, possibly indicating a lack of residential supply currently on the market. Camden County has been responsible for a strong majority of all permits issued in the 3-County area, while the City of Osage Beach has been responsible for 38.0% and 54.9% of all single-family and multi-family permits issued within the 3-County area over the last 34 years. Of all permits authorized annually over the last decade in the market area, Camden County issued 85.6% of them, up from 69.0% over the 34 year average. Morgan County has issued the fewest, averaging just 0.5% over the 34 year time period. Permit issuances are graphed following Table III-7 over the 1980 to 2014 time period.

RESIDENTIAL CONSTRUCTION TRENDS

Table III-6: Total Building Permits Issued by Type in the 3 County Area, 1980-2014

Total						
Year	Single-Family		Multi-Family		Total Permits	
	Permits	Percent of Total	Permits	Percent of Total	Permits	Percent of Total
1980	42	51.2%	40	48.8%	82	100.0%
1981	23	85.2%	4	14.8%	27	100.0%
1982	15	17.2%	72	82.8%	87	100.0%
1983	17	37.8%	28	62.2%	45	100.0%
1984	31	66.0%	16	34.0%	47	100.0%
1985	30	55.6%	24	44.4%	54	100.0%
1986	43	91.5%	4	8.5%	47	100.0%
1987	35	59.3%	24	40.7%	59	100.0%
1988	21	84.0%	4	16.0%	25	100.0%
1989	14	100.0%	0	0.0%	14	100.0%
1990	18	33.3%	36	66.7%	54	100.0%
1991	16	36.4%	28	63.6%	44	100.0%
1992	35	27.6%	92	72.4%	127	100.0%
1993	65	46.1%	76	53.9%	141	100.0%
1994	63	36.2%	111	63.8%	174	100.0%
1995	65	49.2%	67	50.8%	132	100.0%
1996	62	20.9%	235	79.1%	297	100.0%
1997	57	25.7%	165	74.3%	222	100.0%
1998	54	36.2%	95	63.8%	149	100.0%
1999	62	28.8%	153	71.2%	215	100.0%
2000	76	42.9%	101	57.1%	177	100.0%
2001	57	28.9%	140	71.1%	197	100.0%
2002	70	33.0%	142	67.0%	212	100.0%
2003	78	31.6%	169	68.4%	247	100.0%
2004	135	52.5%	122	47.5%	257	100.0%
2005	105	54.1%	89	45.9%	194	100.0%
2006	126	50.2%	125	49.8%	251	100.0%
2007	102	63.4%	59	36.6%	161	100.0%
2008	61	56.5%	47	43.5%	108	100.0%
2009	41	63.1%	24	36.9%	65	100.0%
2010	50	51.0%	48	49.0%	98	100.0%
2011	5	71.4%	2	28.6%	7	100.0%
2012	9	100.0%	0	0.0%	9	100.0%
2013	55	96.5%	2	3.5%	57	100.0%
2014*	38	100.0%	0	0.0%	38	100.0%
34-Year Average						
1980-2013	51	42.6%	69	57.4%	120	100.0%
10-Year Average						
2004-2013	69	57.1%	52	42.9%	121	100.0%
5-Year Average						
2009-2013	32	67.8%	15	32.2%	47	100.0%
3-Year Average						
2011-2013	23	94.5%	1	5.5%	24	100.0%

*annualized through November

Source: U.S. Dept of Commerce, C-40 Reports, THK Associates, Inc.

RESIDENTIAL CONSTRUCTION TRENDS

Table III-7: Residential Building Permits Issued by County in the 3 County Area, 1980-2014

Single Family									
City of Osage Beach			Camden		Miller		Morgan		3-County Total
Year	Permits	Percent of Total	Permits	Percent of Total	Permits	Percent of Total	Permits	Percent of Total	Permits
1980	0	0.0%	10	23.8%	32	76.2%	0	0.0%	42
1981	0	0.0%	9	39.1%	14	60.9%	0	0.0%	23
1982	0	0.0%	6	40.0%	9	60.0%	0	0.0%	15
1983	0	0.0%	11	64.7%	6	35.3%	0	0.0%	17
1984	0	0.0%	19	61.3%	12	38.7%	0	0.0%	31
1985	0	0.0%	15	50.0%	15	50.0%	0	0.0%	30
1986	0	0.0%	22	51.2%	21	48.8%	0	0.0%	43
1987	0	0.0%	19	54.3%	16	45.7%	0	0.0%	35
1988	0	0.0%	11	52.4%	10	47.6%	0	0.0%	21
1989	0	0.0%	7	50.0%	7	50.0%	0	0.0%	14
1990	0	0.0%	12	66.7%	6	33.3%	0	0.0%	18
1991	0	0.0%	10	62.5%	6	37.5%	0	0.0%	16
1992	22	62.9%	31	88.6%	4	11.4%	0	0.0%	35
1993	32	49.2%	48	73.8%	17	26.2%	0	0.0%	65
1994	0	0.0%	45	71.4%	18	28.6%	0	0.0%	63
1995	38	58.5%	47	72.3%	18	27.7%	0	0.0%	65
1996	29	46.8%	38	61.3%	24	38.7%	0	0.0%	62
1997	28	49.1%	36	63.2%	21	36.8%	0	0.0%	57
1998	29	53.7%	39	72.2%	15	27.8%	0	0.0%	54
1999	30	48.4%	42	67.7%	20	32.3%	0	0.0%	62
2000	30	39.5%	65	85.5%	11	14.5%	0	0.0%	76
2001	30	52.6%	35	61.4%	22	38.6%	0	0.0%	57
2002	32	45.7%	56	80.0%	12	17.1%	2	2.9%	70
2003	36	46.2%	58	74.4%	15	19.2%	5	6.4%	78
2004	81	60.0%	109	80.7%	23	17.0%	3	2.2%	135
2005	55	52.4%	90	85.7%	15	14.3%	0	0.0%	105
2006	72	57.1%	112	88.9%	12	9.5%	2	1.6%	126
2007	44	43.1%	91	89.2%	10	9.8%	1	1.0%	102
2008	23	37.7%	56	91.8%	5	8.2%	0	0.0%	61
2009	6	14.6%	30	73.2%	9	22.0%	2	4.9%	41
2010	4	8.0%	37	74.0%	12	24.0%	1	2.0%	50
2011	4	80.0%	4	80.0%	1	20.0%	0	0.0%	5
2012	6	66.7%	6	66.7%	1	11.1%	2	22.2%	9
2013	30	54.5%	46	83.6%	9	16.4%	0	0.0%	55
2014*	35	91.4%	38	100.0%	0	0.0%	0	0.0%	38
34-Year Average 1980-2013									
	19	38.0%	37	73.2%	13	25.8%	1	1.0%	51
10-Year Average 2004-2013									
	33	47.2%	58	84.3%	10	14.1%	1	1.6%	69
5-Year Average 2009-2013									
	10	31.3%	25	76.9%	6	20.0%	1	3.1%	32
3-Year Average 2011-2013									
	13	58.0%	19	81.2%	4	15.9%	1	2.9%	23

*annualized through November

Source: U.S. Department of Commerce, C-40 Reports and THK Associates, Inc.

RESIDENTIAL CONSTRUCTION TRENDS

Table III-7: Residential Building Permits Issued by County in the 3 County Area, 1980-2014

Multi-Family									
City of Osage Beach			Camden		Miller		Morgan		3-County Total
Year	Permits	Percent of Total	Permits	Percent of Total	Permits	Percent of Total	Permits	Percent of Total	Permits
1980	0	0.0%	0	0.0%	40	100.0%	0	0.0%	40
1981	0	0.0%	4	100.0%	0	0.0%	0	0.0%	4
1982	0	0.0%	48	66.7%	24	33.3%	0	0.0%	72
1983	0	0.0%	4	14.3%	24	85.7%	0	0.0%	28
1984	0	0.0%	0	0.0%	16	100.0%	0	0.0%	16
1985	0	0.0%	8	33.3%	16	66.7%	0	0.0%	24
1986	0	0.0%	4	100.0%	0	0.0%	0	0.0%	4
1987	0	0.0%	0	0.0%	24	100.0%	0	0.0%	24
1988	0	0.0%	4	100.0%	0	0.0%	0	0.0%	4
1989	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
1990	0	0.0%	0	0.0%	36	100.0%	0	0.0%	36
1991	0	0.0%	28	100.0%	0	0.0%	0	0.0%	28
1992	80	87.0%	92	100.0%	0	0.0%	0	0.0%	92
1993	60	78.9%	60	78.9%	16	21.1%	0	0.0%	76
1994	0	0.0%	63	56.8%	48	43.2%	0	0.0%	111
1995	67	100.0%	67	100.0%	0	0.0%	0	0.0%	67
1996	135	57.4%	135	57.4%	100	42.6%	0	0.0%	235
1997	122	73.9%	122	73.9%	43	26.1%	0	0.0%	165
1998	53	55.8%	53	55.8%	42	44.2%	0	0.0%	95
1999	78	51.0%	90	58.8%	63	41.2%	0	0.0%	153
2000	57	56.4%	57	56.4%	44	43.6%	0	0.0%	101
2001	78	55.7%	78	55.7%	62	44.3%	0	0.0%	140
2002	79	55.6%	79	55.6%	63	44.4%	0	0.0%	142
2003	95	56.2%	95	56.2%	74	43.8%	0	0.0%	169
2004	60	49.2%	60	49.2%	62	50.8%	0	0.0%	122
2005	89	100.0%	89	100.0%	0	0.0%	0	0.0%	89
2006	117	93.6%	125	100.0%	0	0.0%	0	0.0%	125
2007	55	93.2%	59	100.0%	0	0.0%	0	0.0%	59
2008	15	31.9%	47	100.0%	0	0.0%	0	0.0%	47
2009	0	0.0%	24	100.0%	0	0.0%	0	0.0%	24
2010	48	100.0%	48	100.0%	0	0.0%	0	0.0%	48
2011	0	0.0%	0	0.0%	0	0.0%	2	100.0%	2
2012	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
2013	0	0.0%	0	0.0%	0	0.0%	2	100.0%	2
2014*	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
34-Year Average									
1980-2013	38	54.9%	45	65.8%	23	34.0%	0	0.2%	69
10-Year Average									
2004-2013	38	74.1%	45	87.3%	6	12.0%	0	0.8%	52
5-Year Average									
2009-2013	10	63.2%	14	94.7%	0	0.0%	1	5.3%	15
3-Year Average									
2011-2013	0	0.0%	0	0.0%	0	0.0%	1	100.0%	1

*annualized through November

Source: U.S. Department of Commerce, C-40 Reports and THK Associates, Inc.

RESIDENTIAL CONSTRUCTION TRENDS

Table III-7: Residential Building Permits Issued by County in the 3 County Area, 1980-2014

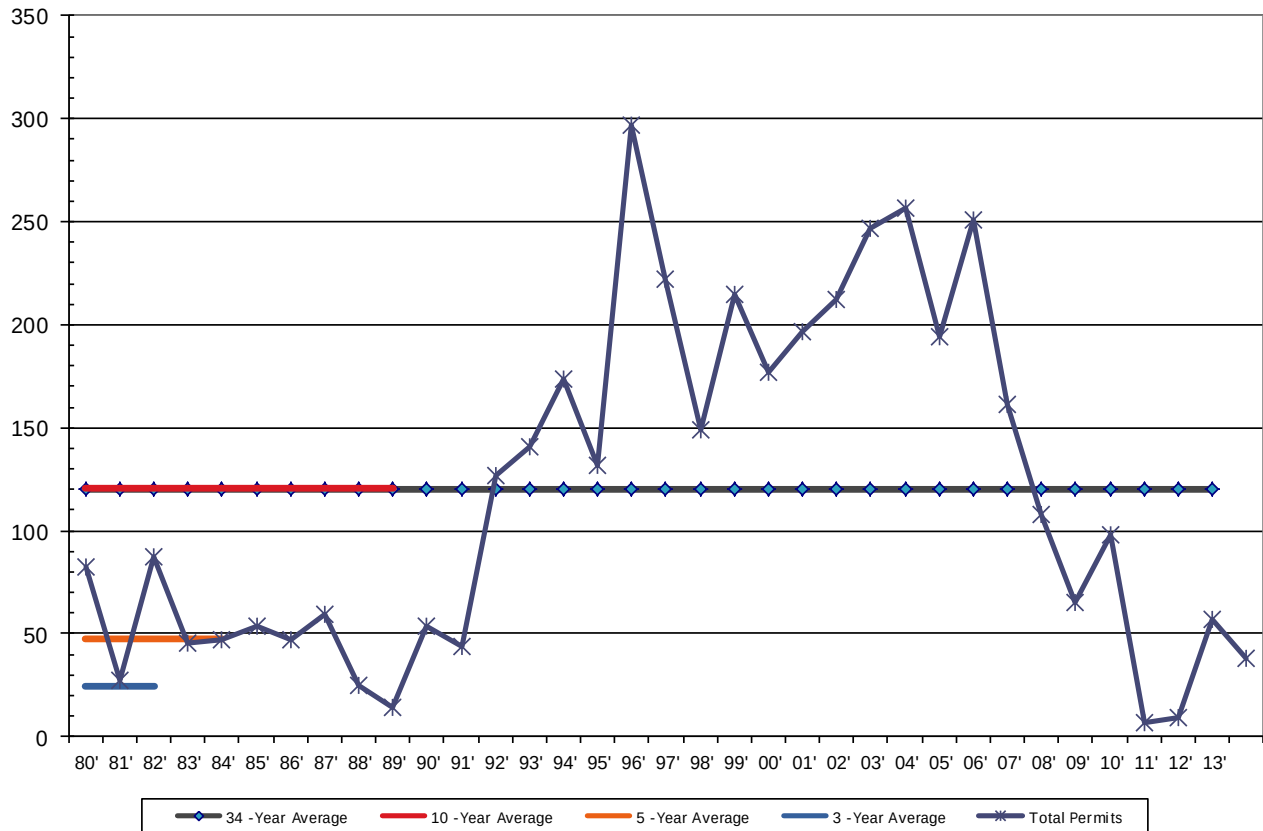
Total									
Year	City of Osage Beach		Camden		Miller		Morgan		3-County Total
	Permits	Percent of Total	Permits	Percent of Total	Permits	Percent of Total	Permits	Percent of Total	Permits
1980	0	0.0%	10	12.2%	72	87.8%	0	0.0%	82
1981	0	0.0%	13	48.1%	14	51.9%	0	0.0%	27
1982	0	0.0%	54	62.1%	33	37.9%	0	0.0%	87
1983	0	0.0%	15	33.3%	30	66.7%	0	0.0%	45
1984	0	0.0%	19	40.4%	28	59.6%	0	0.0%	47
1985	0	0.0%	23	42.6%	31	57.4%	0	0.0%	54
1986	0	0.0%	26	55.3%	21	44.7%	0	0.0%	47
1987	0	0.0%	19	32.2%	40	67.8%	0	0.0%	59
1988	0	0.0%	15	60.0%	10	40.0%	0	0.0%	25
1989	0	0.0%	7	50.0%	7	50.0%	0	0.0%	14
1990	0	0.0%	12	22.2%	42	77.8%	0	0.0%	54
1991	0	0.0%	38	86.4%	6	13.6%	0	0.0%	44
1992	102	80.3%	123	96.9%	4	3.1%	0	0.0%	127
1993	92	65.2%	108	76.6%	33	23.4%	0	0.0%	141
1994	0	0.0%	108	62.1%	66	37.9%	0	0.0%	174
1995	105	79.5%	114	86.4%	18	13.6%	0	0.0%	132
1996	164	55.2%	173	58.2%	124	41.8%	0	0.0%	297
1997	150	67.6%	158	71.2%	64	28.8%	0	0.0%	222
1998	82	55.0%	92	61.7%	57	38.3%	0	0.0%	149
1999	108	50.2%	132	61.4%	83	38.6%	0	0.0%	215
2000	87	49.2%	122	68.9%	55	31.1%	0	0.0%	177
2001	108	54.8%	113	57.4%	84	42.6%	0	0.0%	197
2002	111	52.4%	135	63.7%	75	35.4%	2	0.9%	212
2003	131	53.0%	153	61.9%	89	36.0%	5	2.0%	247
2004	141	54.9%	169	65.8%	85	33.1%	3	1.2%	257
2005	144	74.2%	179	92.3%	15	7.7%	0	0.0%	194
2006	189	75.3%	237	94.4%	12	4.8%	2	0.8%	251
2007	99	61.5%	150	93.2%	10	6.2%	1	0.6%	161
2008	38	35.2%	103	95.4%	5	4.6%	0	0.0%	108
2009	6	9.2%	54	83.1%	9	13.8%	2	3.1%	65
2010	52	53.1%	85	86.7%	12	12.2%	1	1.0%	98
2011	4	57.1%	4	57.1%	1	14.3%	2	28.6%	7
2012	6	66.7%	6	66.7%	1	11.1%	2	22.2%	9
2013	30	52.6%	46	80.7%	9	15.8%	2	3.5%	57
2014*	35	91.4%	38	100.0%	0	0.0%	0	0.0%	38
34 -Year Average									
1980-2013	57	47.7%	83	69.0%	37	30.5%	1	0.5%	120
10 -Year Average									
2004-2013	71	58.7%	103	85.6%	16	13.2%	2	1.2%	121
5 -Year Average									
2009-2013	20	41.5%	39	82.6%	6	13.6%	2	3.8%	47
3 -Year Average									
2011-2013	13	54.8%	19	76.7%	4	15.1%	2	8.2%	24

*annualized through November

Source: U.S. Department of Commerce, C-40 Reports and THK Associates, Inc.

RESIDENTIAL CONSTRUCTION TRENDS

3- County Market Total Residential Building Permit Activity, 1980-2014



POPULATION AND HOUSEHOLD PROJECTIONS

D. POPULATION AND HOUSEHOLD GROWTH PROJECTIONS

The employment participation rate, typically expressed as a decimal, had been increasing steadily over the 2010 -2014 time period. A rising employment participation rate is a good indicator of improving conditions in the respective economy. A large number of people employed in the work force have a corresponding effect on unemployment levels. This means an ample labor supply for new and expanding firms along with more workers earning salaries that boost the area's volume of disposable income available for new retail, housing and related expenditures.

Population and employment data for the 3-County market area are compared in Table III-8. In 1980, the population of the market area was 52,356 and total employment was 22,720 for an employment participation rate of 0.4340, meaning that 43.4% of the population was employed. By 1990, the region's employment participation ratio had increased to 0.5075, and then as high as .5371 in 2000. With a projected 2024 employment of 53,119 the estimated 2024 population for the area will be 99,190 based on a projected employment ratio of 0.5355. The 3-County market area population is projected to grow by 1,000 persons on average from 2015 to 2024.

Table III-8 also shows the projected trends in new household formations for the 3-County market area. Historically, household size has been declining due to an increased divorce rate, delayed marriages, and the growing population segment of single-parent households. This trend for the moment seems to be leveling off; however, the population per household figure will continue to slowly decline over the next decade due to the "baby boomer" generation reaching the traditional retirement age of 65. The population per household in the market area declined from 2.57 in 1980 to 2.35 in 2014, and is projected to further decrease to 2.28 over the next ten years. New household formations in the 3-County market area are projected to grow by an average of 500 annually during the next decade, while the population in group quarters, like institutions, dormitories and senior homes are expected to increase over the next decade to approximately 2,196 in 2024.

POPULATION AND HOUSEHOLD PROJECTIONS

Table III-8: Projected Permanent Population and Households in the 3 County Market Area, 2015-2024

Year	Total Employment	Employment Participation Ratio	Permanent January 1, Population*	Annual Population Change	Population in Group Quarters**	Permanent Population In Households	Permanent Population Per Household	Households	Annual Household Change
1980	22,720	0.4340	52,356	---	409	51,947	2.5760	20,166	--
1990	32,363	0.5075	63,769	1,140	836	62,933	2.4630	25,551	540
2000	42,927	0.5371	79,924	1,620	1,305	78,619	2.3887	32,913	740
2010	42,512	0.4760	89,315	940	1,347	87,968	2.3499	37,435	450
2014	43,673	0.4886	89,378	20	1,348	88,030	2.3517	37,432	0
2015	44,495	0.4931	90,230	870	1,415	88,815	2.3454	37,868	444
2016	45,340	0.4977	91,100	910	1,486	89,614	2.3390	38,312	462
2017	46,212	0.5023	92,010	930	1,560	90,450	2.3327	38,774	471
2018	47,110	0.5069	92,940	970	1,638	91,302	2.3264	39,245	489
2019	48,036	0.5115	93,910	990	1,720	92,190	2.3201	39,735	498
2020	48,990	0.5162	94,900	1,020	1,806	93,094	2.3139	40,233	512
2021	49,975	0.5210	95,920	1,060	1,897	94,023	2.3076	40,745	530
2022	50,990	0.5258	96,980	1,090	1,992	94,988	2.3014	41,274	543
2023	52,037	0.5306	98,070	1,120	2,091	95,979	2.2952	41,818	557
2024	53,119	0.5355	99,190	1,160	2,196	96,994	2.2890	42,374	575
Average Annual Change (2015-2024)									
Numerical:	958		1,000		90	910		500	
Percent:	2.0%		1.1%		5.0%	1.0%		1.3%	

Source: Dept of Commerce, Bureau of the Census and THK Associates, Inc.

RETAIL MARKET ANALYSIS

IV. RETAIL MARKET ANALYSIS

A. RETAIL MARKET CHARACTERISTICS

THK Associates has identified approximate rents and vacancies in the Arrowhead Centre primary trade area through interviews with brokers and appraisers, and by conducting an inventory of retail space in the area. According to Julie at Julie Wilson Real Estate, Retail space in and around the subject site has dropped down from around \$12.00 and \$13.00 in 2011 to \$7.00 or \$8.00 per foot more recently. According to Dennis Devine, a commercial broker in Osage Beach, the retail rates immediately around the subject site are as low as \$6.00 to \$7.00 per foot with vacancy rates for the west side running high around 25%. These rates, according to Julie, are a result of the new US Highway-54 coming in and creating a temporary access barrier to the west that is anticipated to be eliminated with more planned roadways, new construction and destination centers. Further north, new retailers like Dicks Sporting Goods at Lakeview Point, along with Bed Bath and Beyond located just east of the Grand Glaize Bridge are achieving rents between \$10.00 and \$12.00 per foot, along with vacancy rates around 10% to 15% at the very highest; these figures are common for new retail centers in the area. A very few retailers are hitting as high as \$15 per square foot, according to Jack Tezak at Keller Williams in Osage Beach. Jack mentioned that a lot of the new big box retailers north of the site have come in as build-to-suit, and their large footprint have helped combat the impact of old and obsolete buildings higher vacancy rates.

In 2010 the construction of New US Highway-54 began along the northwestern side of the Osage Beach Parkway just southeast of the subject site; effectively pinching the Lake Regional Health System between the two highways. According to Tim Jacobsen at the Lake of the Ozarks Economic Development Council, "The new US Highway-54 expressway is seven miles and has six new exits to the old Hwy 54, now Osage Beach Parkway. According to Tim, "The City of Osage Beach has set up an advisory committee to address the concern and offer solutions to increase traffic between the east and west side of new US Highway-54." Tim foresees a complete interchange and extension of the dead-end by the Harley Davidson dealership coming to fruition soon. Tim believes that there will be some type of cost share with the Missouri Department of Transportation and the City of Osage Beach to fund the initiative." This is very unlikely; however, as the Missouri Department of Transportation (MoDOT) has no cost share program at this time. This issue has been widely discussed but there is no money for such an interchange, in either the city or MoDOT budgets at this time.

Kohl's, Buffalo Wild Wings, CVS and Menards are all a 9.0 mile drive north of the subject site at Eagles Landing and were developed recently in the past few years. Several big-box stores like Target, Lowe's, Ross Dress for Less, Petco, Walmart, Marshalls and Home Depot are located at or near Prewitt's Point on Osage Beach Parkway and Highway-42, six to seven miles north of the subject site. The Osage Beach Premium Outlets and Dick's Sporting Goods by Lakeview Point are just five miles north of the subject site. The Outlets were opened in 1986, and expanded in 1988, 1993 and 1994; however, spaces are still commanding rents between \$10.00 to \$12.00 per foot for base rent and include tenants like Adidas, Gap Outlet, J. Crew, Levi's, Brooks Brothers, Calvin Klein and more. An image of the Osage Beach Premium Outlets is shown below in Figure-9. Following Figure-9, is Figure-10 which highlights the concentrated retail outlets near the subject site, including Lakeview Point, which is where the Osage Beach Premium Outlets are located. Several smaller retail outlets like O'Reilly Auto Parts, Paul's

RETAIL MARKET ANALYSIS

Supermarket and Marine Parts and Service locations exist just southeast of the subject site across new US Highway-54.

According to the City of Osage Beach in the past year there have been really only two major retail developments that have had permits pulled. They include the Lake Regional Hospitals new vault addition in August of 2014 for \$830,000 and a new Sea-doo Dealership proposed a mile and a half north of the subject site on Osage Beach Parkway in April of 2014 for \$3,000,000. Table IV-1 below highlights expected rental rates and vacancy rates for newer retail product in the Arrowhead Centre immediate environs.

**Table IV-1: Retail Market Characteristics
in the Arrowhead Centre Immediate Environs, 2015**

	Rental Rates			Vacancy
	Low*	High*	Effective Average*	
Arrowhead Centre PTA	\$10.00	\$12.00	\$11.00	10.0%

* Rent Per Square Foot Per Year

Source: Dennis Devine, Julie Wilson, Jack Tezak and THK Associates, Inc.

Figure 9- OSAGE BEACH PREMIUM OUTLETS

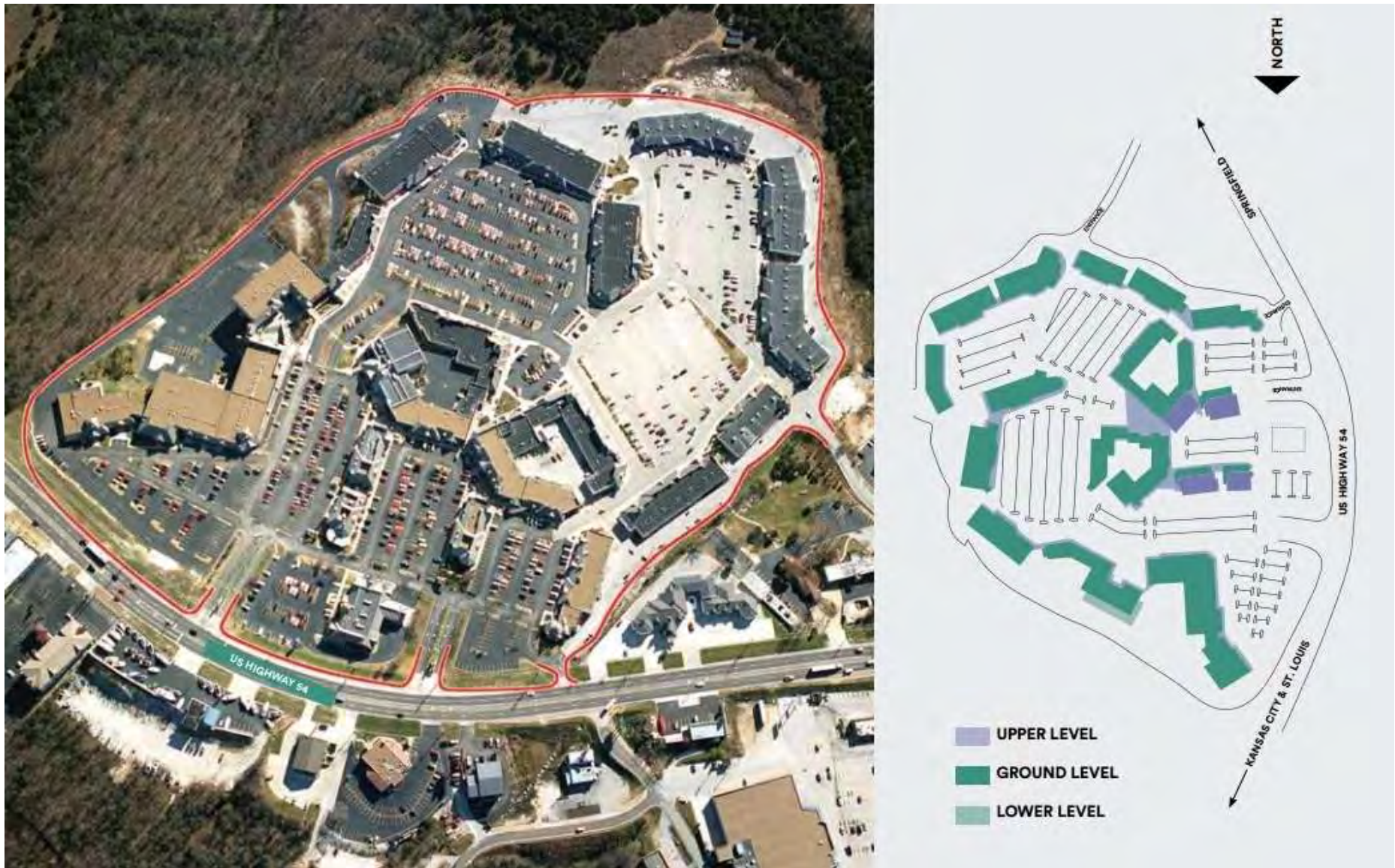
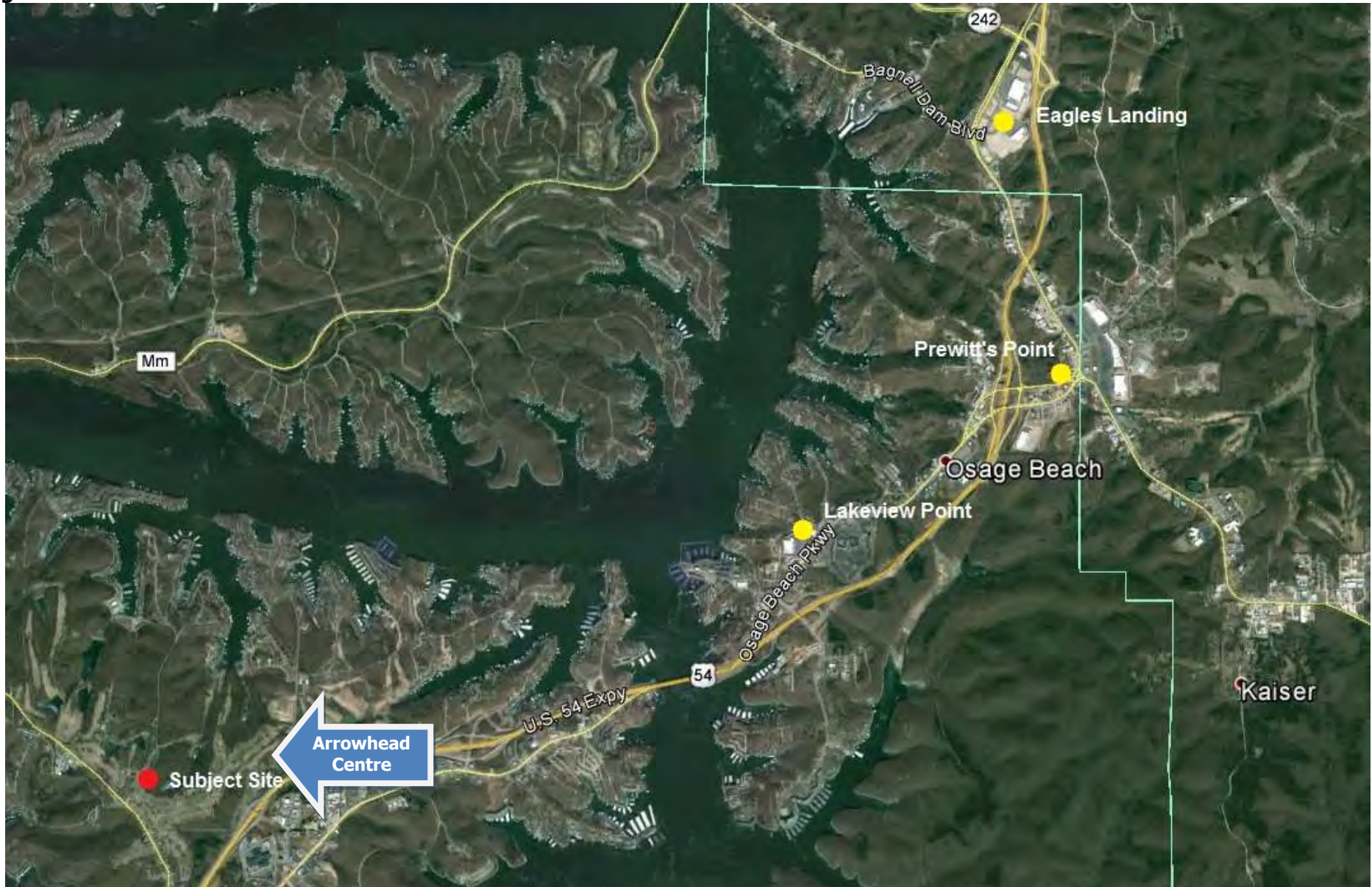


Figure 10- MAJOR RETAIL SHOPPING LOCATIONS



B. HOUSEHOLD GROWTH AND RETAIL EXPENDITURE PATTERNS

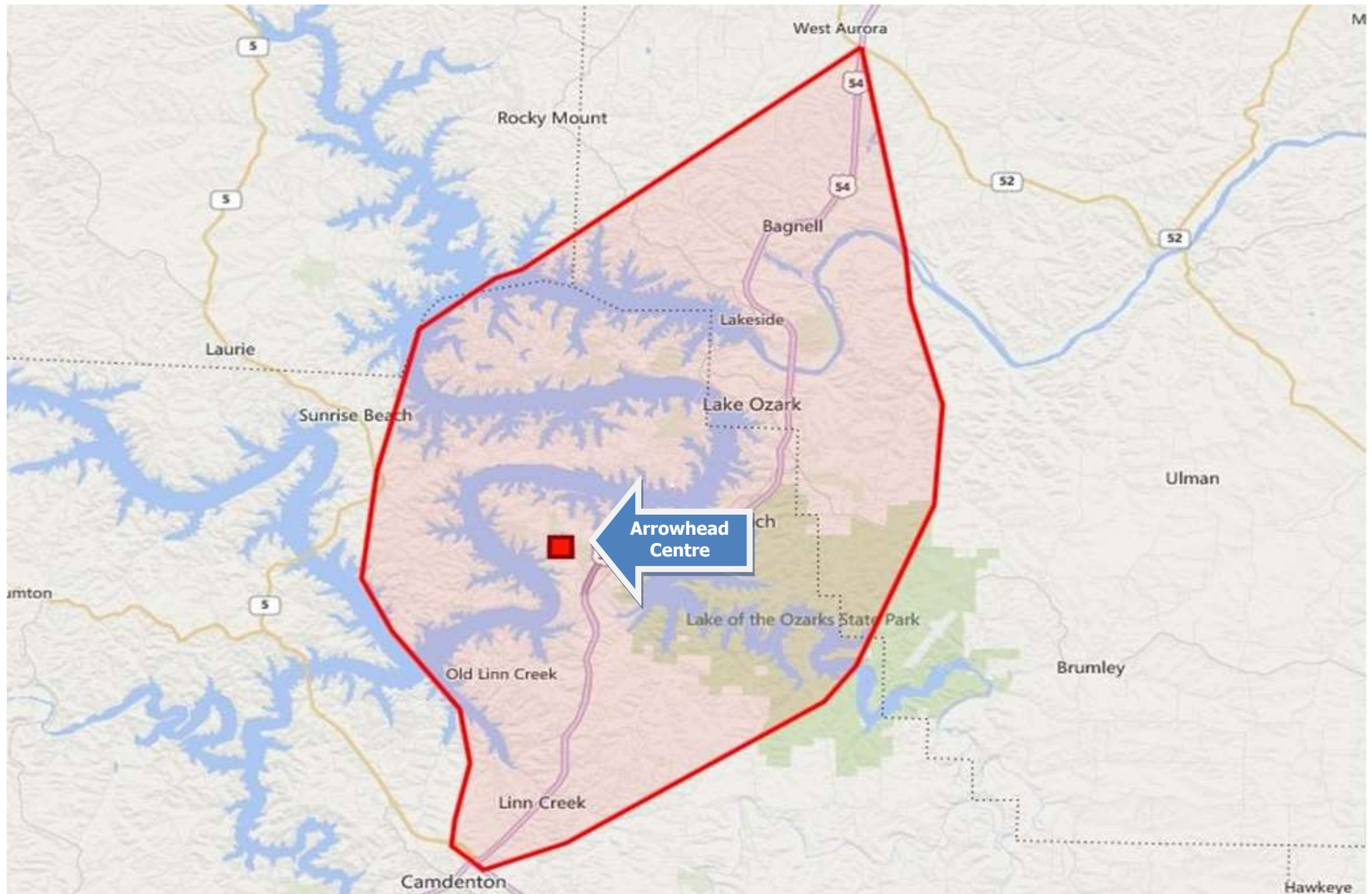
As the employment base near the Arrowhead Centre subject site expands, a corresponding increase in population and household growth will result, creating a positive impact on retail sales and demand for commercial retail space.

The subject site's primary trade area shown in Figure-11 currently has 23,580 persons living in 10,609 households. By the year 2024, the PTA is expected to have 26,470 persons living in 12,117 households. More detailed statistics on the retail PTA are shown in Tables IV-2 and IV-3 on the following pages. Additionally, much of the retail demand in the area is driven by the seasonal unit population detailed by housing units and seasonal housing units. Currently, there are 24,706 seasonal housing units in the 3-County market area, of which 7,144 are located in the Arrowhead Centre PTA. In the PTA seasonal housing units are projected to grow by 1.2% annually on average over the 2015 to 2024 time period, eventually reaching 7,989 by 2024.

Table IV-4 shows a breakdown of household expenditures by category of retail establishments based upon the median gross income of \$55,547 in the PTA. This median gross income figure is the average of local household PTA incomes and the estimated incomes of visitors inhabiting seasonal units part-time. Assuming that the PTA's seasonal households are occupied 17.5% of the year, 17.5% is multiplied by the total seasonal units (7,144) for an additional 1,250 occupied households in the area, and these households are estimated to have an average income of \$100,000 annually. The weighted average of 1,250 seasonal unit households at \$100,000 and the 10,609 permanent households at \$50,309 produces a weighted average income of \$55,547.

The portion of household income available for retail expenditures and disposable income is determined by subtracting payments for taxes, savings, housing, insurance, medical expenses, recreation, miscellaneous expenses, and transportation from total income. Disposable income totals approximately 71.9% of total income, or \$39,934. The remaining 28.1% of total income or \$15,613 is allotted for disposable expenditures among the 579 categorized retail stores in Table IV-4.

Figure 11- ARROWHEAD CENTRE PRIMARY TRADE AREA



RETAIL MARKET ANALYSIS

**Table VI-2: Population and Household Trends in the 3-County Market Area
and the Arrowhead Centre PTA, 1980-2014**

3-County Area	1980	1990	2000	2010	2014	Annual Average			
						1990-2014		2000-2014	
						Numerical	Percent	Numerical	Percent
Population	52,356	63,769	79,924	89,315	89,378	1,067	1.4%	675	0.8%
Households	20,166	25,551	32,913	37,435	37,432	495	1.6%	323	0.9%
Housing Units	35,285	48,070	58,631	69,458	69,453	891	1.5%	773	1.2%
Seasonal Units	12,014	18,635	21,712	24,423	24,421	241	1.1%	194	0.8%
Arrowhead Centre PTA									
Population	--	13,896	19,082	22,879	23,273	391	2.2%	299	1.4%
Households	--	5,751	8,328	10,059	10,468	197	2.5%	153	1.6%
Housing Units	--	10,820	14,835	17,432	17,795	291	2.1%	211	1.3%
Seasonal Units	--	4,127	5,977	6,789	6,804	112	2.1%	59	0.9%
Arrowhead Centre PTA as a percent of the 3-County Area									
Population	--	21.8%	23.9%	25.6%	26.0%	36.6%	--	44.3%	--
Households	--	22.5%	25.3%	26.9%	28.0%	39.7%	--	47.3%	--
Housing Units	--	22.5%	25.3%	25.1%	25.6%	32.6%	--	27.3%	--
Seasonal Units	--	22.1%	27.5%	27.8%	27.9%	46.3%	--	30.5%	--

Source: U.S. Bureau of the Census and THK Associates, Inc.

**TABLE VI-3: Projected Population and Household Trends in the 3-County
Market Area and the Arrowhead Centre PTA, 2015-2024**

3-County Area	2015	2019	2024	Annual Average			
				2015-2019		2015-2024	
				Numerical	Percent	Numerical	Percent
Population	90,230	93,910	99,190	920	1.0%	996	1.1%
Households	37,868	39,735	42,374	467	1.2%	501	1.3%
Housing Units	70,262	73,725	78,623	866	1.2%	929	1.3%
Seasonal Units	24,706	25,923	27,645	304	1.2%	327	1.3%
Primary Trade Area							
Population	23,580	24,807	26,470	307	1.3%	321	1.3%
Households	10,609	11,254	12,117	161	1.5%	167	1.5%
Housing Units	18,685	19,619	20,894	234	1.2%	245	1.2%
Seasonal Units	7,144	7,501	7,989	89	1.2%	94	1.2%
Arrowhead Centre PTA as a percent of the 3-County Area							
Population	26.1%	26.4%	26.7%	33.3%	--	32.3%	--
Households	28.0%	28.3%	28.6%	34.5%	--	33.4%	--
Housing Units	26.6%	26.6%	26.6%	27.0%	--	26.4%	--
Seasonal Units	28.9%	28.9%	28.9%	29.3%	--	28.7%	--

Source: U.S. Bureau of the Census and THK Associates, Inc.

RETAIL MARKET ANALYSIS

**Table IV-4: Estimated Household Expenditure Patterns
in the Arrowhead Centre PTA**

	Median Household	
	Amount	Percent
<i>Median Gross Income</i>	\$55,547	
Taxes	\$15,613	28.1% of Gross
<i>Disposable Income</i>	\$39,934	71.9% of Gross
Housing	\$9,983	25.0% of Disposable
Transportation	\$7,188	18.0%
Savings / Pensions	\$1,917	4.8%
Medical / Insurance	\$1,837	4.6%
Recreation	\$559	1.4%
Education	\$559	1.4%
Miscellaneous	\$1,038	2.6%
<i>Total Available for Retail</i>	\$16,852	42.2% of Disposable
<i>Store Type</i>		
<i>Hardware and Building Materials</i>		
Building Materials and Supplies	\$611	3.6% of Retail
Hardware	\$262	1.6%
<i>Food Stores</i>		
Grocery	\$466	2.8%
<i>Automotive</i>		
Tire, Battery and Accessory	\$960	5.7%
<i>Apparel and Accessory</i>		
Men's Clothing	\$786	4.7%
Women's Clothing	\$1,106	6.6%
Children's Clothing	\$349	2.1%
Shoes	\$582	3.5%
Other Apparel & Accessories	\$291	1.7%
<i>Furniture and Equipment</i>		
Furniture	\$495	2.9%
Home Furnishings & Accessories	\$786	4.7%
Household Appliances	\$320	1.9%
Radio, Television, Stereo, Computer	\$320	1.9%
Records & Music	\$29	0.2%
<i>Eating and Drinking Places</i>		
Restaurant	\$3,667	21.8%
<i>Drug and Proprietary</i>		
Drug / Cosmetics	\$320	1.9%
<i>Other Retail and Personal Services</i>		
Liquor / Wine & Spirits	\$669	4.0%
Sporting Goods & Bicycle	\$495	2.9%
Books & Stationary	\$233	1.4%
Jewelry	\$204	1.2%
Hobby & Specialty	\$1,426	8.5%
Florist	\$58	0.3%
Miscellaneous Retail	\$990	5.9%
Video Tape Rental	\$0	0.0%
Personal Care Products & Services	\$873	5.2%
Dry Cleaner / Coin Laundry	\$87	0.5%
Misc Personal Services	\$466	2.8%
<i>Total Retail</i>	579	\$16,852 100.0%

Source: U.S. Department of Labor, Bureau of Labor Statistics; and THK Associates, Inc.

C. RETAIL DEVELOPMENT TRENDS

The commercial retail development potentials for the subject site are a product of the supply and demand forces affecting the site and primary trade area. The retail competition in the PTA represents the supply side of the market, while the size, market acceptance, and proximity to the subject site of the competition will ultimately influence the capture rate that is achieved. The demand for commercial space at the subject site builds from the population growth, income characteristics, household growth and second-home expenditure patterns within the site's PTA.

The Arrowhead Centre site offers a unique approach to retail due to a very significant portion of the retail sales being generated from second home visitors and tourists visiting the area and staying in hotels or rental condos. In order to fully comprehend the retail potentials in the Arrowhead Centre environs, it is important to consider the dollar amount generated from seasonal visitors and second home owners. Local realtors concur that a major destination or drawing point, as described in the proposed redevelopment master plan, at the subject site will be successful in drawing visitors and locals across new US Highway-54.

Table IV-5 shows characteristics of selected store types found in community retail shopping centers. This information is later synthesized with the PTA analysis to make site-specific demand projections. The table shows the quantity and type of operating characteristics of the major type of retail establishments that would be suitable tenants for a lifestyle shopping center in the Arrowhead Centre environs. By comparing these performance characteristics with the patterns of the PTA, the total dollar and square footage support that will be generated for each retail use can be estimated.

The first column of Table IV-5 illustrates the average household expenditures that households in the PTA spend on each retail store type. The second column of Table IV-5 shows the average national sales per square foot of gross leasable area that the median store achieves based upon the performance characteristics of community shopping centers surveyed in the Urban Land Institute's *"Dollars and Cents of Shopping Centers."* These estimates have been adjusted for inflation to reflect current operating characteristics. The next column shows the median store size in square feet of typical shopping center tenants. The minimum expenditure support in column five is based on median store size and sales per square foot. It shows annual sales required for specific retail product types at the subject site. For instance, \$3,331,800 would be necessary to support a hardware store, while a restaurant requires annual sales of \$1,045,520. Finally, based upon the minimum expenditure support and median household expenditure, the threshold household support can be calculated. Based on a total expenditure support of \$14,847,950 divided by median household expenditure of \$611, 24,293 households are needed to support a building material and supplies store in the Arrowhead Centre PTA. The table shows that only 285 households are required to support a restaurant, while as many as 2,625 households are required to support a dry cleaner.

RETAIL MARKET ANALYSIS

Table IV-5: Characteristics of Selected Store Types Found in Lifestyle Shopping Centers

<i>Store Type</i>	Median Household Expenditure	Sales Per Square Foot GLA	Median Store Size (Sq. Ft.)	Threshold Household Support	Minimum Expenditure Support
<i>Hardware and Building Materials</i>					
Building Materials and Supplies	\$611	\$228.43	65,000	24,293	\$14,847,950
Hardware	\$262	\$166.59	20,000	12,719	\$3,331,800
<i>Food Stores</i>					
Grocery/Convenience	\$466	\$371.39	10,000	7,975	\$3,713,900
<i>Automotive</i>					
Tire, Battery and Accessory	\$960	\$159.81	6,000	998	\$958,860
<i>Apparel and Accessory</i>					
Men's Clothing	\$786	\$203.31	15,000	3,881	\$3,049,650
Women's Clothing	\$1,106	\$177.46	20,000	3,209	\$3,549,200
Children's Clothing	\$349	\$246.71	15,000	10,596	\$3,700,650
Shoes	\$582	\$241.56	5,000	2,075	\$1,207,800
Other Apparel & Accessories	\$291	\$225.00	5,000	3,865	\$1,125,000
<i>Furniture and Equipment</i>					
Furniture	\$495	\$215.26	20,000	8,701	\$4,305,200
Home Furnishings & Accessories	\$786	\$169.36	25,000	5,388	\$4,234,000
Household Appliances	\$320	\$237.49	15,000	11,127	\$3,562,350
Radio, Television, Stereo, Computer	\$320	\$297.28	5,000	4,643	\$1,486,400
Records & Music	\$29	\$197.21	4,500	30,491	\$887,445
<i>Eating and Drinking Places</i>					
Restaurant	\$3,667	\$298.72	3,500	285	\$1,045,520
<i>Drug and Proprietary</i>					
Drug / Cosmetics	\$320	\$366.73	12,000	13,746	\$4,400,760
<i>Other Retail and Personal Services</i>					
Liquor / Wine & Spirits	\$669	\$363.50	2,856	1,551	\$1,038,156
Sporting Goods & Bicycle	\$495	\$212.47	6,000	2,576	\$1,274,820
Books & Stationary	\$233	\$138.03	4,500	2,668	\$621,135
Jewelry	\$204	\$418.12	1,200	2,463	\$501,744
Hobby & Specialty	\$1,426	\$187.72	5,000	658	\$938,600
Florist	\$58	\$169.80	1,500	4,375	\$254,700
Miscellaneous Retail	\$990	\$201.00	2,000	406	\$402,000
Video Tape Rental	\$0	\$107.58	6,000	0	\$645,480
Personal Care Products & Services	\$873	\$147.29	1,200	202	\$176,748
Dry Cleaner / Coin Laundry	\$87	\$143.24	1,600	2,625	\$229,184
Misc. Personal Services	\$466	\$158.59	1,200	409	\$190,308
<i>Total Retail</i>	\$16,852				

Source: U.S. Department of Labor, Bureau of Labor Statistics; and THK Associates, Inc.

D. RETAIL SPACE DEMAND

Currently, as shown in Table IV-6, there is over \$466.10 million dollars available for retail expenditures in the Arrowhead Centre PTA, which will support 1,973,279 square feet of shopping center space. Retail expenditures are projected to grow to over \$529.35 million dollars by 2024, which will potentially support 2,248,762 square feet of retail space.

This amount of dollar and square footage support for retail space was determined by drawing from the combined individual estimated annual permanent household expenditures of permanent and seasonal households in Table IV-4 and Table IV-5. Accounting for both peak and low seasons, the Arrowhead Centre PTA has an average of 7,144 seasonal units that are 17.5% occupied on a daily basis throughout the year, and the visitors to these seasonal units spend an average of \$87.50 per person on a daily basis in a variety of different store types, such as food, apparel, and liquor. These tourism based expenditures have been factored into the specific store types and assist in making projections for retail expenditures in the future.

RETAIL MARKET ANALYSIS

Table IV-6: Estimated Retail Sales and Square Footage Support in the Arrowhead Centre PTA, 2015-2024

Store Type	Permanent	Estimated Annual Household Expenditures	Percent Support From Secondary Trade Area	Annual Sales per Square Foot GLA	2015 Support		2019 Support		2024 Support	
					Dollars (000,000's)	Square Feet	Dollars (000,000's)	Square Feet	Dollars (000,000's)	Square Feet
Households & 17.5% of Seasonal Visitors					11,859		12,567		13,515	
<i>Hardware and Building Materials</i>										
Building Materials and Supplies		\$611	5.0%	\$228.43	\$7.63	33,402	\$8.09	35,394	\$8.70	38,064
Hardware		\$262	5.0%	\$166.59	\$3.27	19,629	\$3.47	20,800	\$3.73	22,369
<i>Food Stores</i>										
Grocery		\$466	25.0%	\$371.39	\$25.36	68,294	\$26.80	72,169	\$28.39	76,446
<i>Automotive</i>										
Tire, Battery and Accessory		\$960	10.0%	\$159.81	\$12.66	79,196	\$13.41	83,918	\$14.42	90,249
<i>Apparel and Accessory</i>										
Men's Clothing		\$786	25.0%	\$203.31	\$20.43	100,468	\$22.17	109,031	\$24.16	118,835
Women's Clothing		\$1,106	25.0%	\$177.46	\$29.99	168,989	\$32.03	180,500	\$34.43	194,013
Children's Clothing		\$349	25.0%	\$246.71	\$13.02	52,786	\$13.85	56,147	\$14.79	59,963
Shoes		\$582	25.0%	\$241.56	\$15.20	62,943	\$16.75	69,355	\$18.49	76,541
Other Apparel & Accessories		\$291	25.0%	\$225.00	\$12.60	56,010	\$13.88	61,674	\$15.24	67,754
<i>Furniture and Equipment</i>										
Furniture		\$495	10.0%	\$215.26	\$6.52	30,289	\$6.91	32,095	\$7.43	34,516
Home Furnishings & Accessories		\$786	10.0%	\$169.36	\$10.36	61,143	\$10.97	64,789	\$11.80	69,676
Household Appliances		\$320	10.0%	\$237.49	\$4.22	17,764	\$4.47	18,823	\$4.81	20,243
Radio, Television, Stereo, Computer		\$320	10.0%	\$297.28	\$4.22	14,191	\$4.47	15,037	\$4.81	16,172
Records & Music		\$29	10.0%	\$197.21	\$0.38	1,945	\$0.41	2,061	\$0.44	2,216
<i>Eating and Drinking Places</i>										
Restaurant		\$3,667	50.0%	\$298.72	\$146.98	492,044	\$154.17	516,102	\$163.12	546,073
<i>Drug and Proprietary</i>										
Drug / Cosmetics		\$320	5.0%	\$366.73	\$4.00	10,898	\$4.24	11,548	\$4.55	12,419
<i>Other Retail and Personal Services</i>										
Liquor / Wine & Spirits		\$669	50.0%	\$363.50	\$33.88	93,199	\$35.82	98,555	\$38.09	104,797
Sporting Goods & Bicycle		\$495	50.0%	\$212.47	\$35.74	168,192	\$37.44	176,192	\$39.37	185,314
Books & Stationary		\$233	5.0%	\$138.03	\$2.91	21,059	\$3.08	22,314	\$3.31	23,998
Jewelry		\$204	5.0%	\$418.12	\$2.54	6,083	\$2.70	6,446	\$2.90	6,932
Hobby & Specialty		\$1,426	50.0%	\$187.72	\$37.83	201,507	\$40.84	217,579	\$44.55	237,310
Florist		\$58	5.0%	\$169.80	\$0.73	4,280	\$0.77	4,535	\$0.83	4,877
Miscellaneous Retail		\$990	5.0%	\$201.00	\$16.85	83,848	\$18.09	90,001	\$19.58	97,401
Video Tape Rental		\$0	5.0%	\$107.58	\$0.00	0	\$0.00	0	\$0.00	0
Personal Care Products & Services		\$873	5.0%	\$147.29	\$10.90	74,005	\$11.55	78,417	\$12.42	84,333
Dry Cleaner / Coin Laundry		\$87	50.0%	\$143.24	\$2.07	14,458	\$2.19	15,321	\$2.36	16,476
Misc Personal Services		\$466	5.0%	\$158.59	\$5.81	36,657	\$6.16	38,843	\$6.62	41,773
Total Retail		\$16,852	--	\$224.06	\$466.10	1,973,279	\$494.72	2,097,644	\$529.35	2,248,762

*Additional support has been added to the food stores, apparel and accessory, eating and drinking place, and liquor, sporting goods, and hobby and specialty categories in order to account for tourists staying at hotels or condominiums in the area

Source: U.S. Department of Labor, Bureau of Labor Statistics; and THK Associates, Inc.

E. RETAIL SPACE SUPPLY

The preceding section shows the demand for retail based on household, seasonal, and tourism growth, as well as retail expenditure patterns in the PTA. This section compares the demand side of the market with the supply side of the market, the latter of which is represented by existing retail competition within the PTA in order to judge the feasibility of new retail development at the Arrowhead Centre subject site.

The existing retail space in the PTA is delineated by type of store in Table IV-7. There are roughly 579 retail store equivalents with nearly 1,722,248 square feet in the Arrowhead Centre primary trade area. The existing square footage of retail space by store type is estimated in order to facilitate a comparison of retail space supply versus demand by each retail store type later in this section. Osage Beach is a heavy tourist area, and it is none the more evident when looking at the abundance of clothing stores, restaurants, liquor stores and hobby and specialty stores in Table IV-7. Restaurants alone, account for 441,000 square feet, or 25.6% of all retail space in the Arrowhead Centre PTA.

RETAIL MARKET ANALYSIS

Table IV-7: Retail Competition in the Site Vicinity

<i>Store Type</i>	<i>Estimated Number of Stores</i>	<i>Estimated Retail Space</i>
<i>Hardware and Building Materials</i>		
Building Materials and Supplies	21	73,758
Hardware	9	76,000
<i>Food Stores</i>		
Grocery (Includes Convenience/Gas Stations)	16	152,500
<i>Automotive</i>		
Tire, Battery and Accessory	33	32,000
<i>Apparel and Accessory</i>		
Men's Clothing	27	58,200
Women's Clothing	38	79,886
Childrens Clothing	12	45,654
Shoes	20	54,000
Other Apparel & Accessories	10	16,500
<i>Furniture and Equipment</i>		
Furniture	17	21,000
Home Furnishings & Accessories	27	45,700
Household Appliances	11	46,200
Radio, Television, Stereo, Computer	11	26,800
Records & Music	1	12,100
<i>Eating and Drinking Places</i>		
Restaurant	126	441,000
<i>Drug and Proprietary</i>		
Drug / Cosmetics	11	107,800
<i>Other Retail and Personal Services</i>		
Liquor / Wine & Spirits	23	65,688
Sporting Goods & Bicycle	17	50,065
Books & Stationary	8	36,000
Jewelry	7	8,400
Hobby & Specialty	49	122,500
Florist	2	3,000
Miscellaneous Retail	34	68,000
Video Tape Rental	0	0
Personal Care Products & Services	30	36,000
Dry Cleaner / Coin Laundry	3	6,000
Misc Personal Services	16	37,497
<i>Total Retail</i>	579	1,722,248

*Some stores such as Walmart and Target are included in multiple store categories

Source: THK Associates, Inc.

F. SUPPORTABLE RETAIL SPACE

Overall, as shown in Table IV-8, the trade area currently has 2015 space requirements of approximately 598,164 square feet of retail space needed. This is calculated by totaling the excess of demand above supply for each individual retail category. This demand figure does not factor in retail types with supply that is greater than demand, because demand is met. Furthermore, consumers shopping at stores with greater supply than demand are not anticipated to reduce demand levels at other store types with unique products because their products do not overlap. Put another way, a local areas excess of tire stores will only affect other tire stores demand, and not reduce demand of other retail store types such as grocery stores, unless they sell a similar product line. Based upon projected household growth over the next ten years and the increase in seasonal units and hotel tourism, the PTA requirements will increase to 2,248,762 square feet of retail space in 2024 based upon the current supply of retail space. Without further development of retail in the PTA the unmet retail space requirements in 2024 will grow to 847,213 square feet.

Local developers and national retail chains have taken note of this current undersupply, and it is important to remember that this undersupply does not include other announced or unannounced developments.

RETAIL MARKET ANALYSIS

Table IV-8: Additional Supportable Retail Space in the Arrowhead Centre PTA, 2015-2024

<i>Store Type</i>	<i>Estimated Existing Square Footage</i>	<i>2015 Supportable Square Footage</i>	<i>2015 Space Requirements</i>	<i>2019 Supportable Square Footage</i>	<i>2019 Space Requirements</i>	<i>2024 Supportable Square Footage</i>	<i>2024 Space Requirements</i>
<i>Hardware and Building Materials</i>							
Building Materials and Supplies	73,758	33,402	--	35,394	--	38,064	--
Hardware	76,000	19,629	--	20,800	--	22,369	--
<i>Food Stores</i>							
Convenience Grocery	152,500	68,294	--	72,169	--	76,446	--
<i>Automotive</i>							
Tire, Battery and Accessory	32,000	79,196	47,196	83,918	51,918	90,249	58,249
<i>Apparel and Accessory</i>							
Men's Clothing	58,200	100,468	42,268	109,031	50,831	118,835	60,635
Women's Clothing	79,886	168,989	89,103	180,500	100,614	194,013	114,127
Childrens Clothing	45,654	52,786	7,132	56,147	10,493	59,963	14,309
Shoes	54,000	62,943	8,943	69,355	15,355	76,541	22,541
Other Apparel & Accessories	16,500	56,010	39,510	61,674	45,174	67,754	51,254
<i>Furniture and Equipment</i>							
Furniture	21,000	30,289	9,289	32,095	11,095	34,516	13,516
Home Furnishings & Accessories	45,700	61,143	15,443	64,789	19,089	69,676	23,976
Household Appliances	46,200	17,764	--	18,823	--	20,243	--
Radio, Television, Stereo, Computer	26,800	14,191	--	15,037	--	16,172	--
Records & Music	12,100	1,945	--	2,061	--	2,216	--
<i>Eating and Drinking Places</i>							
Restaurant	441,000	492,044	51,044	516,102	75,102	546,073	105,073
<i>Drug and Proprietary</i>							
Drug / Cosmetics	107,800	10,898	--	11,548	--	12,419	--
<i>Other Retail and Personal Services</i>							
Liquor / Wine & Spirits	65,688	93,199	27,511	98,555	32,867	104,797	39,109
Sporting Goods & Bicycle	50,065	168,192	118,127	176,192	126,127	185,314	135,249
Books & Stationary	36,000	21,059	--	22,314	--	23,998	--
Jewelry	8,400	6,083	--	6,446	--	6,932	--
Hobby & Specialty	122,500	201,507	79,007	217,579	95,079	237,310	114,810
Florist	3,000	4,280	1,280	4,535	1,535	4,877	1,877
Miscellaneous Retail	68,000	83,848	15,848	90,001	22,001	97,401	29,401
Video Tape Rental	0	0	--	0	--	0	--
Personal Care Products & Services	36,000	74,005	38,005	78,417	42,417	84,333	48,333
Dry Cleaner / Coin Laundry	6,000	14,458	8,458	15,321	9,321	16,476	10,476
Misc Personal Services	37,497	36,657	--	38,843	1,346	41,773	4,276
<i>Total Retail</i>	1,722,248	1,973,279	598,164	2,097,644	710,362	2,248,762	847,213

Source: THK Associates, Inc.

G. RETAIL DEVELOPMENT POTENTIALS AT ARROWHEAD CENTRE

The retail market potential today and in the future at the Arrowhead Centre subject site is a product of the supply and demand forces affecting the site's environs. After considering the competition that will be coming in over the next ten years and the channeled growth along new US Highway-54, the subject site will be able to capture roughly 22.8% of the retail sales in the PTA. Table IV-9 shows that the subject site could currently support a total of 442,831 square feet of retail space, with this demand at the subject site growing to nearly 513,762 square feet at the subject site by 2024.

Table IV-10 shows that over the next 10 years, 22.8% of the retail demand in the primary trade area could potentially be captured by the Arrowhead Centre subject site. The table below indicates that out of the total PTA supportable square footage of 2,248,762, the subject site could capture 22.8% of demand or support a total of 513,677 square feet across 78.6 acres. The current subject site is proposed to be entirely redeveloped; therefore there is no current retail at the subject site that needs to be deducted from the above demand figures. With 479,627 square feet of retail planned at the subject site, and 442,831 square feet of pent-up retail demand in 2015, the subject site could achieve a 92.6% lease up in the first year of operation. With 2019 and 2020 retail projected requirements at the site growing to 470,136 and 478,844 square feet, respectively, absorption at the subject site is projected to occur between year four and year five.

RETAIL MARKET ANALYSIS

Table IV-9: Retail Development Potentials at the Arrowhead Centre Site, 2015-2024

Store Type	2015 Subject Site Capture Rate	2015 Supportable Square Footage	2015 Requirements at the Site	2019 Supportable Square Footage	2019 Requirements at the Site	2024 Supportable Square Footage	2024 Requirements at the Site
Hardware and Building Materials							
Building Materials and Supplies	25%	33,402	--	35,394	--	38,064	--
Hardware	25%	19,629	--	20,800	--	22,369	--
Food Stores							
Grocery	30%	68,294	--	72,169	--	76,446	--
Automotive							
Tire, Battery and Accessory	20%	79,196	15,839	83,918	16,784	90,249	18,050
Apparel and Accessory							
Men's Clothing	20%	100,468	20,094	109,031	21,806	118,835	23,767
Women's Clothing	20%	168,989	33,798	180,500	36,100	194,013	38,803
Children's Clothing	20%	52,786	10,557	56,147	11,229	59,963	11,993
Shoes	20%	62,943	12,589	69,355	13,871	76,541	15,308
Other Apparel & Accessories	20%	56,010	11,202	61,674	12,335	67,754	13,551
Furniture and Equipment							
Furniture	25%	30,289	7,572	32,095	8,024	34,516	8,629
Home Furnishings & Accessories	25%	61,143	15,286	64,789	16,197	69,676	17,419
Household Appliances	25%	17,764	--	18,823	--	20,243	--
Radio, Television, Stereo, Computer	25%	14,191	--	15,037	--	16,172	--
Records & Music	25%	1,945	--	2,061	--	2,216	--
Eating and Drinking Places							
Restaurant	30%	492,044	147,613	516,102	154,830	546,073	163,822
Drug and Proprietary							
Drug / Cosmetics	35%	10,898	--	11,548	--	12,419	--
Other Retail and Personal Services							
Liquor / Wine & Spirits	25%	93,199	23,300	98,555	24,639	104,797	26,199
Sporting Goods & Bicycle	30%	168,192	50,458	176,192	52,858	185,314	55,594
Books & Stationary	25%	21,059	--	22,314	--	23,998	--
Jewelry	25%	6,083	--	6,446	--	6,932	--
Hobby & Specialty	25%	201,507	50,377	217,579	54,395	237,310	59,328
Florist	25%	4,280	1,070	4,535	1,134	4,877	1,219
Miscellaneous Retail	25%	83,848	20,962	90,001	22,500	97,401	24,350
Personal Care Products & Services	25%	0	--	0	--	0	--
Video Tape Rental	25%	74,005	18,501	78,417	19,604	84,333	21,083
Dry Cleaner / Coin Laundry	25%	14,458	3,615	15,321	3,830	16,476	4,119
Misc Personal Services	25%	36,657	--	38,843	--	41,773	10,443
TOTAL RETAIL		1,973,279	442,831	2,097,644	470,136	2,248,762	513,677

Source: THK Associates, Inc.

RETAIL MARKET ANALYSIS

Table IV-10: Retail Potentials for the Arrowhead Centre Site, 2015-2024

Primary Trade Area Demand	Total (Sq. Ft.)	Overall Site Capture*	Total (Sq. Ft.)	Total Acreage**
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Total 2015-2024	2,248,762	22.8%	513,677	78.6
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Total Retail Sq. Ft. Planned: **479,627**

2015 Requirements at subject site **442,831**

2019 Requirements at subject site **470,136**

2024 Requirements at subject site **513,677**

Absorption Years: **5.0**

* Reflects generic capture rate

** .22 F.A.R.

Source: THK Associates, Inc.

1. *Journal of Management Studies*, 1997, 34, 1, 1-14.

RETAIL MARKET ANALYSIS

Table IV-11: Potential Big Box and Lifestyle Shopping Center Tenants at the Arrowhead Centre Site

Store Name	Approx. Store Size	Store Name	Approx. Store Size	Store Name	Approx. Store Size
24 Hour Fitness	60,000	Circuit City	40,000	On the Border	8,500
Albertsons Grocery	60,000	Container Store	25,000	Paper Warehouse	15,000
Auto Tech	5,500	Costco	60,000	Payless Shoes	8,000
Babies R Us	30,000	Discount Liquor	8,000	PF Changs	10,000
Barnes and Noble	35,000	Earl's	10,500	Price Chopper (Grocery)	55,000
Cabela's	80,000	Furniture Warehouse	75,000	Qdoba	5,500
Bennigans	10,000	Great Indoors	50,000	Steinmart	30,000
Best Buy	45,000	Hobby Lobby	50,000	United Artist Movie Theatres	50,000
California Pizza Kitchen	10,000	Mimi's Café	7,500	Vitamin Shop	4,500
Car Toys	4,800	Nordstrom Rack	25,000		
Champps	10,500	Old Chicago	10,000		
Chipotle	6,500	Old Navy	20,000		

Source: Dollars and Cents of Shopping Centers (2014), and THK Associates, Inc.

OFFICE/FLEX MARKET ANALYSIS

V. OFFICE/FLEX MARKET ANALYSIS

A. OFFICE MARKET CHARACTERISTICS

Table V-1 details current office market characteristics for the Arrowhead Centre PTA. As with retail space, no organizations in the area keep official statistics on the office market in the area; however, after speaking with several appraisers and real estate experts in the area it is estimated that current vacancy rates in Arrowhead Centre PTA are around 10%. According to Julie from Julie Wilson Real Estate, the primary concentration of office space in the area is located along US Highway-54. Rents per square foot range from \$12 on the low end to \$15 triple net plus tenant improvements on the high end. Julie mentioned that once the new US-54 completed back in 2010/2011, office rates on average dropped to \$12 per foot northwest of US Highway-54 because of obsolete product that creates a lack of drawing destinations. There is little "Class-A" office space in the Arrowhead Centre PTA. Few office buildings were available for lease at the time of this study; however, 4732 Osage Beach Parkway is currently a 5,046 square foot office building selling for \$125.84 per foot. The last office building constructed was Parkside Place several years back.

This section examines the industrial/flex market in the Arrowhead Centre PTA. The majority of the industrial space in the market area is in the form of bulk warehouse, although there is a significant portion of industrial space in the area that is comprised of flex/showroom space, providing services such as indoor boat sales or hospital equipment sales. The three primary types of industrial space are defined below:

High Tech Research and Development industrial space is primarily used for R&D, engineering, biotechnology, or electronic assembly, and are characterized by landscaped office park construction with state of the art amenities, wiring for heavy amps and an emphasis on common areas. Manufacturing facilities are used for manufacturing and fabrication purposes with some warehouse and storage capabilities, while such building features may include crane ways, heavy power, and grade level doors. Warehouse and Distribution buildings contain high-cubed ceilings and dock high grade level doors. These facilities usually feature concrete construction, ample warehouse space, a relatively low ration of office build-out, paved or fenced yards and storage areas.

**Table V-1: Office Market Characteristics
Arrowhead Centre PTA, 2014**

	Rental Rates		Effective Average*	Vacancy
	Low*	High*		
Arrowhead Centre PTA	\$12.00	\$15.00	\$13.50	10.0%

* Rent Per Square Foot Per Year

Source: Frank Christensen, Remax Lake of the Ozarks, Denise Maher, Remax Jane Kelly, and THK Associates, Inc.

OFFICE/FLEX MARKET ANALYSIS

B. OFFICE SPACE DEMAND

The table below illustrates the percentage of new employment that will be housed in office building space for each major employment industry group. Some industries are more likely than others to house employees in office space rather than in retail facilities, schools, or public buildings. Those industries projected to generate the bulk of the new office jobs and their respective occupational breakdowns are shown below in Table V-2. It is evident that employment growth in the Arrowhead Centre PTA area during the next decade will be strongly represented by service oriented, white collar occupations.

In the Table V-2, office employment percentages are applied to the projected change in employment by industry in the 3-County market area in order to project the total growth in office employment over the next decade. Industries such as Finance and Insurance have 80% of employees housed in office space, and it is projected to add 1,858 total office jobs over the next decade. Table V-3 projects office employment in the 3-County area from 2015 to 2024, which is anticipated to increase by an average of 418 office jobs annually on average over this time period. The Real Estate and Rental and Leasing sector of employment will account for an average of 123 new office employees annually alone, or 29.4% of the total growth in office employment. On average across all industries, a weighted average of 43.6% of all 958 projected new employees annually, or 418 employees will be occupied in office space over the next ten years in the 3-County area.

Table V-2: Proportion of New Employment Housed in Office Space

Industry	2015-2024 Total Employment Growth	Proportion of New Employment Housed in Office Space	2015-2024 Average Annual Office Employee Growth*
Forestry, fishing, related activities, and other	0	17.5%	0
Mining	2	15.0%	0
Utilities	4	20.0%	1
Construction	60	15.0%	9
Manufacturing	31	15.0%	5
Wholesale trade	31	15.0%	5
Retail Trade	10	20.0%	2
Transportation and warehousing	82	25.0%	21
Information	0	75.0%	0
Finance and insurance	47	80.0%	37
Real estate and rental and leasing	176	70.0%	123
Professional and technical services	26	70.0%	18
Management of companies and enterprises	23	75.0%	17
Administrative and waste services	87	45.0%	39
Educational services	29	15.0%	4
Health care and social assistance	88	45.0%	40
Arts, entertainment, and recreation	16	15.0%	2
Accommodation and food services	74	20.0%	15
Other services, except public administration	75	35.0%	26
Government and government enterprises	95	55.0%	52
TOTAL	958	43.6%	418

*Further detailed in following table

**does not include farming

Source: Urban Land Institute, and THK Associates, Inc.

OFFICE/FLEX MARKET ANALYSIS

Table V-3: Projected Annual Office Employment in the 3-County Area, 2015-2024

Industry	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Average Ann. Change
Forestry, fishing, related activities, & other	45	45	45	45	45	45	45	45	45	45	45	0
Mining	13	13	13	13	13	14	14	14	14	15	15	0
Utilities	41	42	42	43	44	44	45	46	47	47	48	1
Construction	560	568	576	585	594	603	612	621	630	640	649	9
Manufacturing	288	292	296	301	305	310	315	319	324	329	334	5
Wholesale trade	132	136	140	144	149	153	158	163	167	172	178	5
Retail Trade	1,378	1,380	1,382	1,384	1,386	1,388	1,390	1,392	1,394	1,396	1,399	2
Transportation & warehousing	290	305	322	339	357	377	397	418	441	465	490	21
Information	390	390	391	391	391	392	392	392	393	393	393	0
Finance & insurance	1,487	1,520	1,555	1,590	1,625	1,662	1,699	1,738	1,777	1,817	1,858	37
Real estate & rental & leasing	2,187	2,286	2,389	2,496	2,608	2,726	2,849	2,977	3,111	3,251	3,397	123
Professional & technical services	929	946	963	980	998	1,016	1,034	1,053	1,072	1,091	1,111	18
Management of companies & enterprises	155	166	179	192	207	222	239	257	276	297	319	17
Administrative & waste services	864	896	930	964	1,001	1,038	1,077	1,117	1,159	1,203	1,248	39
Educational services	54	58	61	65	69	73	77	82	87	92	97	4
Health care & social assistance	1,325	1,359	1,395	1,432	1,469	1,508	1,547	1,588	1,630	1,672	1,716	40
Arts, entertainment, & recreation	196	198	200	202	205	207	209	212	214	216	219	2
Accommodation & food services	920	933	947	962	976	991	1,005	1,021	1,036	1,051	1,067	15
Other services, except public administration	1,043	1,066	1,090	1,115	1,140	1,166	1,192	1,219	1,246	1,274	1,303	26
Government & government enterprises	2,664	2,712	2,761	2,811	2,861	2,913	2,965	3,019	3,073	3,128	3,185	52
Total	14,959	15,312	15,677	16,054	16,444	16,846	17,262	17,692	18,136	18,595	19,070	418
Projected Annual Change		354	365	377	389	402	416	430	444	459	475	
#NAME?												

OFFICE/FLEX MARKET ANALYSIS

Two important trends affecting the demand for office space are the increasing use of sophisticated electronic business machines and the adoption of open space floor plans that can be adapted rapidly as space needs change. New technology will enable firms to do more work with fewer employees. Routine filing and recordkeeping will be handled automatically, reducing the demand for unskilled office help. On the other hand, firms will need space for expansions to accommodate the growing use of electronic equipment. Consequently, while the actual space available for each office worker will decline, the average number of square feet per office employee will increase.

Recent research by the Urban Land Institute indicates the national average square footage per metropolitan office employee increased from 195 square feet to 230 square feet in recent years, primarily because of increased equipment needs. Table V-4 shows that by multiplying the standard of 230 square feet per office employee with the annual growth in new office employment, the annual demand for new office space can be estimated in column three. There should be an average annual demand for roughly 94,566 square feet of office space from 2015 to 2024. Of this amount, it is estimated that 50% of this demand will go towards the Arrowhead Centre PTA, for an average annual demand of roughly 47,283 square feet over this aforementioned time period.

**Table V-4: Projected Office Space Demand in the
3-County Market Area and the Arrowhead Centre PTA, 2015-2024**

Year	Total Office Employment	Annual Change Office Employment	Projected Annual Occupied Office Space Demand	Annual Demand in the Arrowhead Centre PTA
2015	15,312	354	81,342	54,255
2016	15,677	365	83,980	56,015
2017	16,054	377	86,723	57,844
2018	16,444	389	89,574	59,746
2019	16,846	402	92,538	61,723
2020	17,262	416	95,621	63,779
2021	17,692	430	98,828	65,919
2022	18,136	444	102,166	68,145
2023	18,595	459	105,639	70,462
2024	19,070	475	109,256	72,873
Annual Average 2015-2024	17,109	418	94,566	63,076

Note: Square footage/office worker: 230
Assumes a capture rate of: 67%
Multi-tenant demand distribution: 80%

Source: THK Associates, Inc.

OFFICE/FLEX MARKET ANALYSIS

C. OFFICE DEVELOPMENT POTENTIALS AT ARROWHEAD CENTRE

Table V-5 projects office demand and acreage absorption for the Arrowhead Centre subject site. Based on trends in the area and locations of existing and emerging office buildings, or general lack thereof, THK estimates that 50% of the demand for new office space in the PTA will occur at the Arrowhead Centre site.

The PTA will have an annual average demand of approximately 47,283 square feet of new office space over the next decade. Additionally, another 25% of total office space demand will be allotted for Flex and R&D space, for roughly 11,821 square feet over this same time period for a total of 59,104 total office space demanded annually on average. It is estimated that the subject site will justify 50% of total PTA demand or 30,482 square feet of office/flex space annually during the 2015 to 2024 time-period. In total, over 243,858 square feet could be absorbed at the subject site over the next ten years. With allowances for speculative/expansion construction and a 40% coverage ratio, this equates to an absorption rate of approximately 2.2 acres annually, or approximately 17.5 acres in total from 2015 to 2024.

Table V-5: Office Space Demand at Arrowhead Centre Subject Site, 2015-2024

Year	Arrowhead Centre PTA Office Demand	Arrowhead Centre PTA Flex/ R&D Demand	Arrowhead Centre PTA Office and Flex/R&D Demand	Office/Flex Space Demanded at the Arrowhead Centre	Cumulative Demand	Land Area Demanded	
						Annual	Cumulative
2015	54,255	27,127	81,382	41,505	41,505	Planning	
2016	56,015	28,007	84,022	42,851	84,356	Planning	
2017	57,844	28,922	86,766	44,251	128,607	3.2	3.2
2018	59,746	29,873	89,618	45,705	174,312	3.3	6.5
2019	61,723	30,861	92,584	47,218	221,530	3.4	9.8
2020	63,779	31,890	95,669	48,791	270,321	3.5	13.3
2021	65,919	32,959	98,878	50,428	320,749	3.6	17.0
2022	68,145	34,072	102,217	52,131	372,880	3.7	20.7
2023	70,462	35,231	105,692	53,903	426,783	3.9	24.6
2024	72,873	36,437	109,310	55,748	482,531	4.0	28.6
Annual Average	63,076	31,538	94,614	49,772		3.6	
Total Office Sq Ft Planned:		281,387					
Annual Sq. Ft. Absorption:		49,772					
Absorption Years:		5.7					

*A coverage ratio of 40% has been utilized

*Assumes 50% of the demand for office and flex/R&D space in the trade area will go to the Dogwood Hills site.

Source: THK Associates, Inc.

HOTEL MARKET ANALYSIS

VI. HOTEL MARKET ANALYSIS

A. NATIONAL HOTEL TRENDS

The demand for hotel accommodations is derived from three principal sources: leisure, business and other related travel reason. Travelers, whether business and commercial travelers, group travelers or noncommercial pleasure travelers, have varying demand characteristics that influence the selection of particular hotels, how long they stay, and how much they are willing to pay for a room. The demographic trends most responsible for determining the popularity of travel destinations and room demand are population growth, rising household incomes, increased leisure time, interstate highway construction, suburbanization of business activities, air travel and airport construction, and changes in travel characteristics.

Table VI-1 below lists the principal reasons for domestic travel in the United States, 78% of which is for leisure related travel to destination locations like Osage Beach. Domestic trips for both leisure and business purposes increased 1.6 percent in 2012, totaling more than two billion person trips, according to the 2013 domestic travel market report by the U.S. Travel Association. Furthermore 97% of total trips were domestic trips, with leisure trips increasing at a slightly faster rate than business related trips. Trip Distance increased in 2012 with more out-of-state trips taken, coupled with an average trip duration that increased. As a result of increased leisure trip duration in 2012, hotel usage rose for multiple-adult trips while trips including children decreased. For overnight trips in 2012, paid accommodations were more frequent than private home stays. The average age of travelers declined in 2012 to 47.5 years old as more 18 to 34 year olds traveled. More information can be found in Appendix A: 2013 U.S. Travel Association Answer Sheet.

Tourists comprise 20 percent of the market for hotel/motel rooms. Business travelers prefer locations near airports, in suburban areas, and near highways close to business contacts and transportation facilities; tourists are more likely to locate along highways and in resorts; conference visitors prefer resort or downtown locations within easy reach of tourist-related services and amenities. Corporations are increasingly turning to incentive travel and meetings as a means of rewarding valued employees, and the overall growth in white-collar jobs is generating solid growth in the convention and meetings markets.

HOTEL MARKET ANALYSIS

Table VI-1: Distribution of U.S. Travel by Reason, 2013

Purpose of Travel	Percent
Leisure	78%
Business	12%
Other	10%

Source: THK Associates, Inc. and U.S. Travel Data Center

B. 3-COUNTY LODGING TRENDS AND MARKET CHARACTERISTICS

The overwhelming majority of the tourists that visit the area come for recreational activities on the Lake of the Ozarks, located only minutes from the subject site. Table VI-2 shows the lodging tax revenues provided by the Tri-County Lodging Association and the official tourism department for the Lake of the Ozarks region. As shown, lodging tax revenues decreased slightly from 2009 to 2010 and also from 2011 to 2012; however, in recent years the revenue has trended upward strongly; growing from \$1,496,815 in 2012 to \$1,525,540 as of November of 2014. According to the tourist association, the number of available lodging facilities has increased slightly in recent years with the closure of a handful of older less demanded hotels and motels throughout the 3-County area. It is estimated that there are 6,500 lodging rooms according to the Lake Area Chamber of Commerce in the 3-County area as of November 2014, and 5,000 in Camden alone.

The Arrowhead Centre PTA has a total of approximately 3,116 hotel rooms inventoried after accounting for an additional 10% that were not listed due to small size and lack of advertising presence. This figure represents 47.9% of all of the hotel rooms in the 3-County area. The hotels located in Camden County alone account for 76.9% of all hotel rooms in the 3-County area. This inventory of rooms does not include private condominiums that are rented to the general public. The average hotel that was inventoried in the PTA contains 81 rooms, largely due to outlier hotels with a great number of rooms such as Tan-Tar-A Resort and The Lodge of Four Season. Average occupancy ranges from 78.7% during the peak season (Memorial Day through Labor Day) to an average low of 48.5% during the low season (Labor Day through the following Memorial Day). Average nightly rates range from a low of \$73-\$119 during the low traffic season to an average high of \$95-\$157 during peak seasons, which is shown in Table VI-3. A map of the hotel and motel locations is shown in Figure-12. It is shown that a majority of hotels and motels are located along the Grand Glaize Airport, just north of the Grand Glaize Bridge along US Highway-54.

HOTEL MARKET ANALYSIS

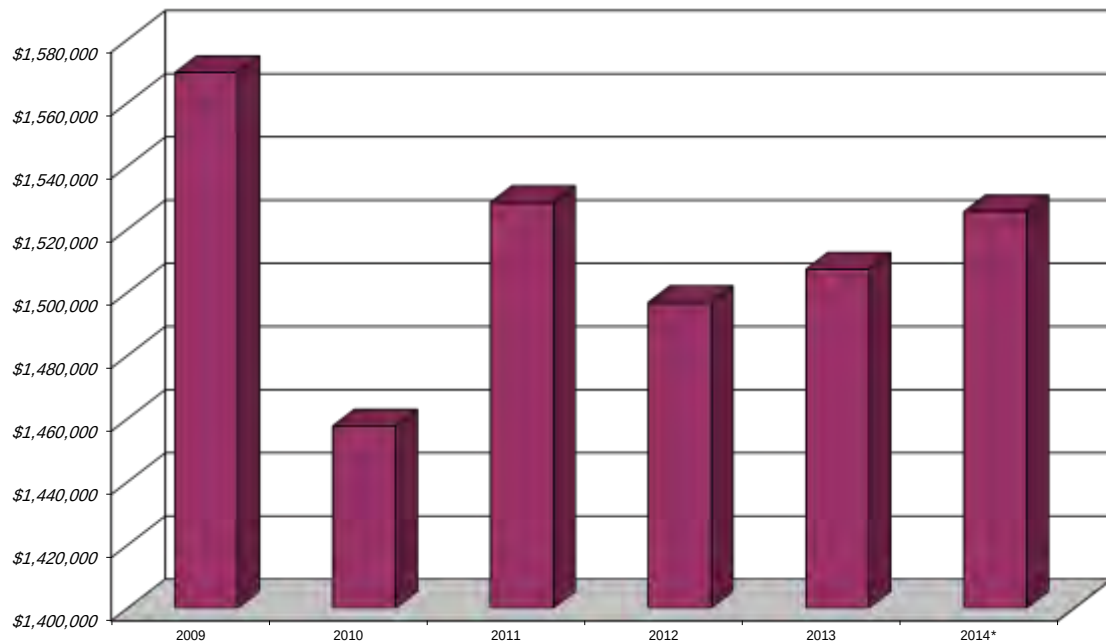
Table VI-2: Lodging Taxes Revenues Received by the Tri-County Lodging Association, 2009 - 2014

Year	Annual Revenue	Percent Change
2009	\$1,569,565	--
2010	\$1,457,700	-7.1%
2011	\$1,528,481	4.9%
2012	\$1,496,815	-2.1%
2013	\$1,507,322	0.7%
2014*	\$1,525,540	1.2%
Average	\$1,514,237	-0.6%

* 2014 information dated to November

Source: Tri-County Lodging Association, Lake Area Chamber of Commerce, and THK Assoc

Lodging Tax Revenues for the Tri-County Market Area, 2009 - 2014*



HOTEL MARKET ANALYSIS

**Table VI-3: Overnight Lodging in the
Arrowhead Centre PTA, 2014**

Name	Location	Rooms	% of PTA Total	Peak Season* Occupancy	Low Season Occupancy	Low Season Price Range	Peak Season* Price Range
25 Skyline Motel	Osage Beach	16	0.5%	82%	50%	\$50 - \$50	\$59 - \$59
28 Sunset Beach Resort	Osage Beach	17	0.5%	75%	30%	\$60 - \$160	\$89 - \$207
17 Ozark Village Resort	Lake Ozark	19	0.6%	95%	75%	\$60 - \$68	\$67 - \$89
15 Mallard Point Resort	Lake Ozark	21	0.7%	95%	45%	\$82 - \$112	\$113 - \$143
24 Shoreland Motel	Lake Ozark	21	0.7%	85%	65%	\$56 - \$56	\$66 - \$66
12 Kapilana Resort	Osage Beach	25	0.8%	85%	50%	\$50 - \$185	\$70 - \$245
33 Tomahawk Motel	Lake Ozark	25	0.8%	90%	40%	\$49 - \$59	\$49 - \$69
18 Point Randall Resort	Lake Ozark	27	0.9%	77%	50%	\$62 - \$141	\$105 - \$243
21 Robin's Resort	Osage Beach	27	0.9%	78%	55%	\$60 - \$180	\$75 - \$235
23 Scottish Inn	Osage Beach	31	1.0%	88%	35%	\$40 - \$45	\$60 - \$60
22 Rockwood Resort Motel	Lake Ozark	32	1.0%	70%	40%	\$40 - \$86	\$55 - \$115
27 Summerset Inn Resort	Osage Beach	32	1.0%	65%	35%	\$61 - \$321	\$90 - \$337
34 Town and Country	Osage Beach	32	1.0%	70%	50%	\$69 - \$69	\$75 - \$75
8 Hawk's Nest Lodge	Osage Beach	35	1.1%	75%	40%	\$55 - \$60	\$60 - \$75
7 Guesthouse Inn and Suites	Osage Beach	44	1.4%	80%	60%	\$89 - \$105	\$99 - \$105
13 Lakewood Resort	Osage Beach	47	1.5%	86%	58%	\$120 - \$160	\$160 - \$200
2 Americas Best Value Inn	Lake Ozark	48	1.5%	75%	40%	\$59 - \$79	\$69 - \$99
20 Quality Inn Lake of the Ozarks	Lake Ozark	48	1.5%	68%	48%	\$69 - \$92	\$94 - \$135
9 Hidden Lakes	Osage Beach	50	1.6%	80%	50%	\$50 - \$70	\$80 - \$110
30 The Knolls Resort Condos	Osage Beach	50	1.6%	55%	25%	\$130 - \$255	\$155 - \$295
16 Osage Village Inn	Osage Beach	53	1.7%	70%	65%	\$69 - \$80	\$85 - \$125
19 Quails Nest	Osage Beach	56	1.8%	75%	55%	\$59 - \$99	\$69 - \$129
6 Econo Lodge	Osage Beach	58	1.9%	82%	50%	\$70 - \$90	\$85 - \$150
10 Holiday Inn Express	Osage Beach	60	1.9%	76%	50%	\$120 - \$150	\$108 - \$134
26 Sleep Inn and Suites	Osage Beach	61	2.0%	74%	60%	\$80 - \$85	\$75 - \$95
1 Alhonna Resort	Lake Ozark	64	2.1%	75%	30%	\$72 - \$295	\$79 - \$364
14 Leisure Hotel	Osage Beach	69	2.2%	73%	60%	\$59 - \$69	\$79 - \$89
35 Worldmark Resort	Osage Beach	69	2.2%	90%	60%	\$99 - \$129	\$109 - \$139
4 Baymont Inn & Suites	Osage Beach	70	2.2%	72%	40%	\$80 - \$85	\$100 - \$119
5 Country Club Hotel and Spa	Lake Ozark	97	3.1%	85%	40%	\$89 - \$109	\$125 - \$180
3 Camden on the Lake	Lake Ozark	117	3.8%	90%	45%	\$98 - \$152	\$300 - \$320
11 Inn at Grand Glaize	Osage Beach	151	4.8%	90%	45%	\$69 - \$79	\$89 - \$109
32 The Resort at Port Arrowhead	Lake Ozark	211	6.8%	87%	60%	\$79 - \$79	\$109 - \$129
31 The Lodge of Four Seasons	Lake Ozark	350	11.2%	80%	45%	\$99 - \$189	\$129 - \$269
29 Tantara Resort	Osage Beach	700	22.5%	62%	50%	\$95 - \$119	\$99 - \$180

**Additional 10% for small hotels and hotels with
weak internet presence** **283**

36 Lodging Accommodations in PTA **3,116** **47.9%**

Average in PTA **81** **78.7%** **48.5%** **\$73 - \$119** **\$95 - \$157**

Camden County Total Lodging Rooms **5,000** **76.9%**

Three County Area Total Lodging Rooms **6,500** **100.0%**

Source: Lake Area Chamber of Commerce, Thk Associates, Inc.

HOTEL MARKET ANALYSIS

C. HOTEL DEMAND AT THE ARROWHEAD CENTRE SUBJECT SITE

Having determined the supply in the Arrowhead Centre PTA, THK can now project demand for the Arrowhead Centre PTA and the subject site. Table VI-4 shows that the overall growth in the 3-County market area will average 224 hotel rooms on an average basis, based on a 3% growth rate and 6,500 3-County rooms. As mentioned previously, it is estimated that the Arrowhead Centre PTA currently has 3,116 hotel and motel rooms. Total room accommodations in the PTA are expected to increase to 4,200 rooms by 2024 with an average annual growth of 112 rooms assuming that 50% of demand for the 3-County market will go to the PTA.

Because of the subject site's very strategic location on the KK interchange next to the recently developed New US Highway-54, the subject site can expect to capture 30% of the PTA demand; taking into account any new hotels planned and currently being constructed. Making this assumption, there will be a demand for 29 new hotel rooms in 2015 and this demand will grow to 330 new hotel rooms by 2024, assuming no new construction. Assuming roughly 35 hotel rooms per acre, the hotel(s) will demand around 9.4 acres if building to meet the demand for 330 hotel rooms over the next ten years on Arrowhead Centre subject site as shown in Table VI-4. Assuming that the Arrowhead Centre subject site started construction in 2016, and absorbed 33 hotel rooms annually on average, it would take three years to fully occupy a 90 room hotel.

Table VI-4: Hotel Room Demand at the Arrowhead Centre Subject Site, 2015 - 2024

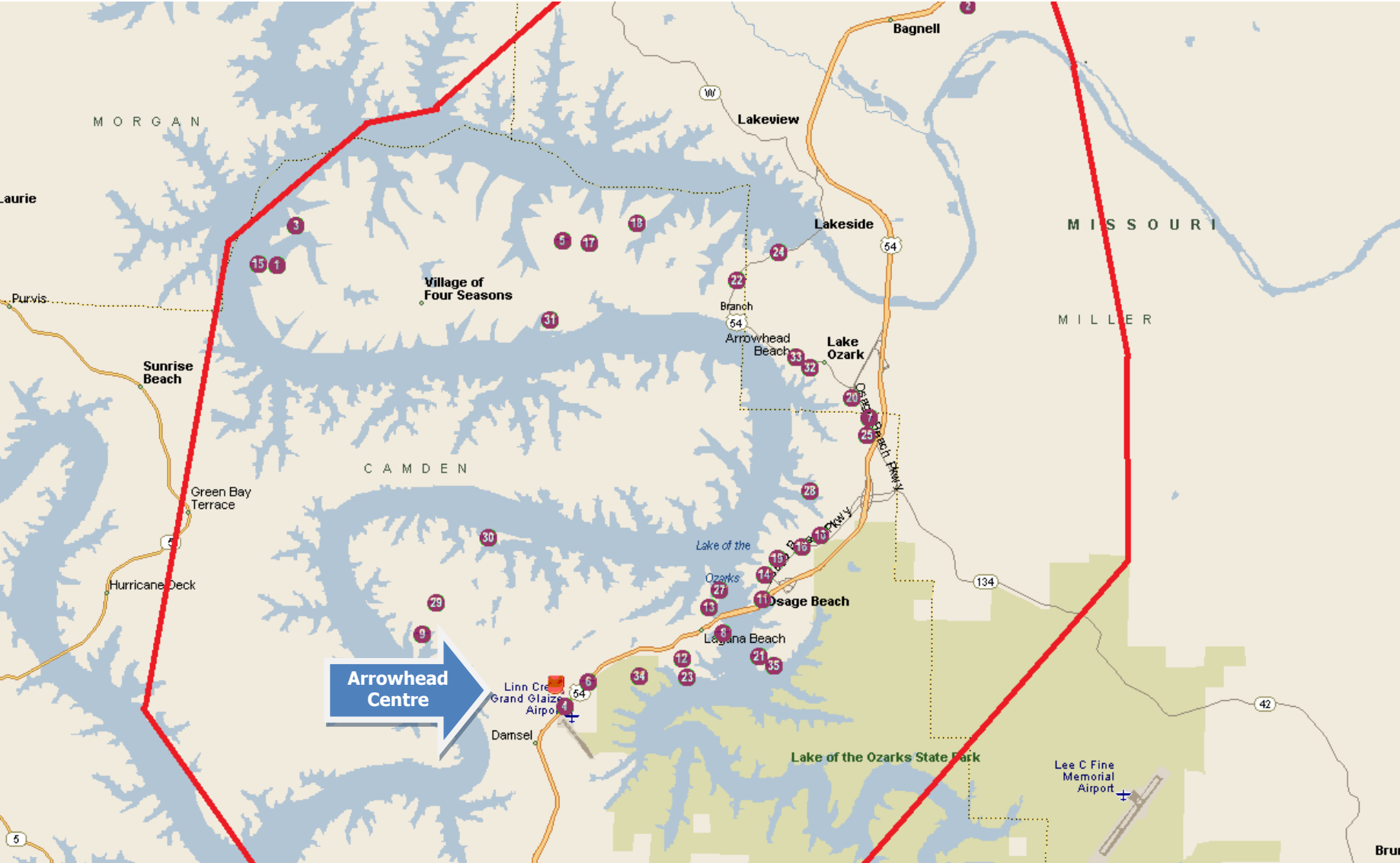
Year	3-County Room Supply	3-County Annual Change	Arrowhead Centre PTA	Arrowhead Centre PTA Room Demand	Arrowhead Centre Subject Site	Arrowhead Centre Subject Site (Cumulative)
2015	6,695	195	3,210	98	29	29
2016	6,896	201	3,307	100	30	59
2017	7,103	207	3,408	103	31	90
2018	7,316	213	3,511	107	32	122
2019	7,535	219	3,618	110	28	150
2020	7,761	226	3,727	113	34	184
2021	7,994	233	3,840	116	35	219
2022	8,234	240	3,957	120	36	255
2023	8,481	247	4,077	124	37	292
2024	8,735	254	4,200	127	38	330
Annual	7,675	224	3,686	112	33	
Average	3.0%	3.0%	3.0%	3.0%	3.0%	
Total Hotel Rooms Planned:		90				
Annual Room Absorption:		33				
Absorption Years:		2.7				

*Assumes the site captures 30% of the primary trade area total demand

**Assumes the primary trade area will capture 50% of the three-county market area's hotel growth

Source: THK Associates, Inc.

Figure 12- ARROWHEAD CENTRE PTA HOTEL MAP



VII. SENIOR HOUSING MARKET ANALYSIS

VII. SENIOR HOUSING MARKET ANALYSIS

A. Housing Demographics

The potentials for new Assisted Living, Nursing Home and Independent Living development are subject to a variety of pressures including aging population trends, income levels and existing supply. Section VII of this report projects the overall growth in population and household formations which will create the aggregate demand for new assisted living and nursing home facilities. Historical trends in new housing construction were also examined to show how past construction trends have coincided with population and demographic changes and economic conditions.

Table VII-1 shows the population and household relationship between the 3-county market, Arrowhead Centre PTA and the 75 years and older demographic within the Arrowhead Centre PTA. These relationships are closely analyzed and used when projecting population growth. From 2000 to 2014, the population growth and household growth within the Arrowhead Centre PTA was 299 people and 153 households annually on average. For the 75 plus population within the PTA these figures were 80 people and 36 households respectively. The 75 plus population is anticipated to grow at 214 people and 100 households over the next five years

SENIOR HOUSING MARKET ANALYSIS

Table VII-1: Historic Population and Household Estimates, 1990-2014

3-County Metro Area	1990	2000	2010	2014	Annual Average					
					1990-2014		2000-2014		2010-2014	
					Num.	Per.	Num.	Per.	Num.	Per.
Population	63,769	79,924	89,315	89,378	1,067	1.4%	675	0.8%	16	0.0%
Households	25,551	32,913	37,435	37,432	495	1.6%	323	0.9%	-1	0.0%
Arrowhead Centre PTA										
Population	13,896	19,082	22,879	23,273	391	2.2%	299	1.4%	98	0.4%
Households	5,751	8,328	10,059	10,468	197	2.5%	153	1.6%	102	1.0%
Arrowhead Centre PTA 75+										
Population	--	1,179	1,724	2,298	--	--	80	4.9%	143	7.4%
Households	--	515	758	1,021	--	--	36	5.0%	66	7.7%
Arrowhead Centre PTA 75+ as a percent of 3-County Area										
Population	--	1.5%	1.9%	2.6%	--	--	11.8%		916.2%	
Households	--	1.6%	2.0%	2.7%	--	--	11.2%		-9000.1%	
Arrowhead Centre PTA 75+ as a percent of the Arrowhead Centre PTA										
Population	--	6.2%	7.5%	9.9%	--	--	26.7%		145.7%	
Households	--	6.2%	7.5%	9.7%	--	--	23.6%		64.2%	

Source: U.S. Bureau of the Census, Sitewise Tetrad STI Data and THK Associates, Inc.

Table VII- 2: Projected Population and Household Estimates, 2015 - 2024

3-County Metro Area	2015	2019	2024	Annual Average			
				2015-2019		2015-2024	
				Num.	Per.	Num.	Per.
Population	90,230	93,910	99,190	920	1.0%	996	1.1%
Households	37,868	39,735	42,374	467	1.2%	501	1.3%
Arrowhead Centre PTA							
Population	23,580	24,807	26,470	307	1.3%	321	1.3%
Households	10,609	11,254	12,117	161	1.5%	167	1.5%
Arrowhead Centre PTA 75+							
Population	2,448	3,303	4,747	214	7.8%	255	7.6%
Households	1,098	1,496	2,172	100	8.0%	119	7.9%
Arrowhead Centre PTA 75+ as a percent of 3-County Area							
Population	2.7%	3.5%	4.8%	23.2%		25.7%	
Households	2.9%	3.8%	5.1%	21.3%		23.8%	
Arrowhead Centre PTA 75+ as a percent of the Arrowhead Centre PTA							
Population	10.4%	13.3%	17.9%	69.6%		79.5%	
Households	10.4%	13.3%	17.9%	61.8%		71.2%	

Source: U.S. Bureau of the Census, Sitewise Tetrad STI Data and THK Associates, Inc.

SENIOR HOUSING MARKET ANALYSIS

B. Senior Housing Rental Capacity

To quantify the demand for assisted living, nursing home and independent living facilities in the PTA, THK breaks down the senior population in the PTA by income range and then converts those income ranges to monthly rental capacity. In determining monthly rental capacity it's assumed, as available statistics indicate, that persons moving into any of the three aforementioned facilities will do so out of need and not out of desire. As these persons do so out of need they are likely to spend all of their income on this type of housing, as nearly all necessities can be provided at an assisted living facility. In other elder housing options such as independent living, the percent of income used for housing is much less, as seniors moving into independent living is driven by desire and not by necessity. Furthermore, income levels of this population group are reduced by 15% assuming some taxes will be paid. Accordingly, the 75 plus age group in the PTA profiled by income level and rental capacity as shown in Table VII-3. People over age 75 in the PTA are anticipated to grow from 2,448 persons in 2015 to 4,747 persons in 2024.

The capture rates used in this analysis were calculated using data from Sitewise/Tetrad, and Missouri's Department of Local Affairs, and is the percentage of the PTA senior age group broken down by income levels. Within the PTA the population of 75 plus year olds earning between \$75,000 and \$99,999 will increase at a rate of 12.4% annually on average, or grow from 303 people in 2015 to 588 people in 2024, nearly doubling.

Table VII-3: Age 75+ Residential Rental Capacity in ArrowHead Centre PTA, 2015-2024

Average PTA Capture Rate of 3-County Area:			34.2%	31.2%	33.5%	37.8%
				2015	2019	2024
Annual HH Income		Monthly Rent Amount	Percent			
Under \$10,000		Under \$710	6.8%	166	225	323
\$10,000 - \$14,999		\$710 - \$1,059	3.8%	94	127	182
\$15,000 - \$19,999		\$1,060 - \$1,419	5.9%	146	196	282
\$20,000 - \$24,999		\$1,420 - \$1,769	5.3%	129	174	251
\$25,000 - \$29,999		\$1,770 - \$2,119	8.3%	203	273	393
\$30,000 - \$34,999		\$2,130 - \$2,479	4.5%	110	148	212
\$35,000 - \$39,999		\$2,480 - \$2,829	5.4%	131	177	255
\$40,000 - \$44,999		\$2,830 - \$3,189	4.6%	112	151	217
\$45,000 - \$49,999		\$3,190 - \$3,539	6.2%	152	204	294
\$50,000 - \$59,999		\$3,540 - \$4,249	9.0%	220	297	426
\$60,000 - \$74,999		\$4,250 - \$5,309	12.7%	312	420	604
\$75,000 - \$99,999		\$5,310 - \$7,079	12.4%	303	409	588
\$100,000 - \$124,999		\$7,080 - \$8,849	5.4%	132	178	256
\$125,000 - \$149,999		\$8,850 - \$10,619	3.6%	89	120	173
\$150,000 - \$199,999		\$10,630 - \$14,169	3.0%	74	99	143
\$200,000 & Above		\$14,170 & Above	3.2%	77	104	150
			100.0%			
						</

Source: Sitewise/Tetrad and THK Associates, Inc.

C. Assisted Living and Nursing home Supply

At this point in the analysis it is necessary to look at the existing competing facilities within the PTA. These competing facilities will provide context critical in determining demand for assisted living, nursing home and independent living units. A survey of each facility has been conducted and critical data has been gathered such as the number of beds, current occupancy rates and rental rates charged. Table VII-4 displays the results of this survey. In addition to the competitive supply within the PTA, a survey has also been conducted on other facilities outside of the trade area called here Concept Competition. While these facilities may only impact the potentials of the subject site minimally, they provide valuable information related to lease up, rental rates on newer constructed facilities and other information.

Within the primary trade area there are 13 competing facilities. Of these 12 facilities, there are six assisted living facilities and seven skilled nursing or nursing home facilities, while one facility is involved with both types of accommodations. There is also one independent living facility. Table VII-4 shows that the assisted living facilities have an average occupancy of 91.3% across all 195 beds, and range from \$2,118 to \$2,481 per month. The table further shows that the skilled nursing facilities have an average occupancy of 92.8% across all 544 beds, and range from \$4,136 to \$4,843 per month. There is one independent living facility with 30 units that currently is at 80.0% occupancy and ranges in rent from \$1,995 to \$2,415 depending on unit size and inclusivity of meals. These 13 facilities have an average building age of 1987, indicating a substantial need for new product on the market. Furthermore if we consider just those facilities located in Osage Beach, we find that average occupancy rates for assisted living and nursing home facilities increase drastically to 97.5% and 92.0%, respectively. A map of these senior living facilities in the 3-County area is shown below in Figure-13.

SENIOR HOUSING MARKET ANALYSIS

Table VII-4: Representative Senior Living Facilities in the 3-County Area, 2015

Community Name/ Location	Assisted Living Facility			Skilled Nursing Facility			Independent Living Facility			Low	High	Average	Year Built
	Capacity (Beds)	Availability (Beds)	Occupancy	Capacity (Beds)	Availability (Beds)	Occupancy	Capacity (Beds)	Availability (Beds)	Occupancy				
A Osage Beach Rehab and Health Care Center Osage Beach	--	--	--	120	15	87.5%	--	--	--	\$5,300	\$5,800	\$5,550	1982
B Lake Regional Health System Osage Beach	--	--	--	16	4	75.0%	--	--	--	\$3,600	\$4,200	\$3,900	1978
C Camdenton Windsor Estates Camdenton	--	--	--	82	10	87.8%	--	--	--	\$4,230	\$4,750	\$4,490	1970
D Lakeside Meadows Stonebridge Community Osage Beach	40	1	97.5%	66	1	98.5%	--	--	--	\$3,150	\$5,250	\$4,200	1996
E Ozark Rehabilitation and Health Care Center Osage Beach	--	--	--	60	1	98.3%	--	--	--	\$4,400	\$4,700	\$4,550	1985
F Briston Manor of Camdenton Camdenton	12	1	91.7%	--	--	--	--	--	--	\$1,672	\$1,672	\$1,672	1990
G Laurie Care Center Laurie	--	--	--	110	5	95.5%	--	--	--	\$4,309	\$4,490	\$4,400	1982
H Laurie Knolls Laurie	66	10	84.8%	--	--	--	--	--	--	\$2,434	\$2,265	\$2,350	1982
I Briston Manor of Stover Stover	12	2	83.3%	--	--	--	--	--	--	\$1,400	\$1,400	\$1,400	1990
J Eldon Nursing and Rehab Eldon	--	--	--	90	3	96.7%	--	--	--	\$3,960	\$4,710	\$4,335	1996
K Lee House of Eldon Eldon	53	1	98.1%	--	--	--	--	--	--	\$2,200	\$2,400	\$2,300	1985
L Bristol Manor of Eldon Eldon	12	2	83.3%	--	--	--	--	--	--	\$1,850	\$1,900	\$1,875	1990
13 Garden Gate Estates Osage Beach	--	--	--	--	--	--	30	6	80.0%	\$1,995	\$2,415	\$2,205	2004
AVERAGE	33	3		78	6		30	6		\$3,209	\$3,628	\$3,418	1987
TOTAL	195	17	91.3%	544	39	92.8%	30	6	80.0%				
Assisted Living Facility										\$2,118	\$2,481	\$2,299	1989
Skilled Nursing Facility										\$4,136	\$4,843	\$4,489	1984
Independent Living Facility										\$1,995	\$2,415	\$2,205	2004

^Excludes low-income housing, product with less than 40 units, and housing deemed uncompetitive with Arvada Station Apartments

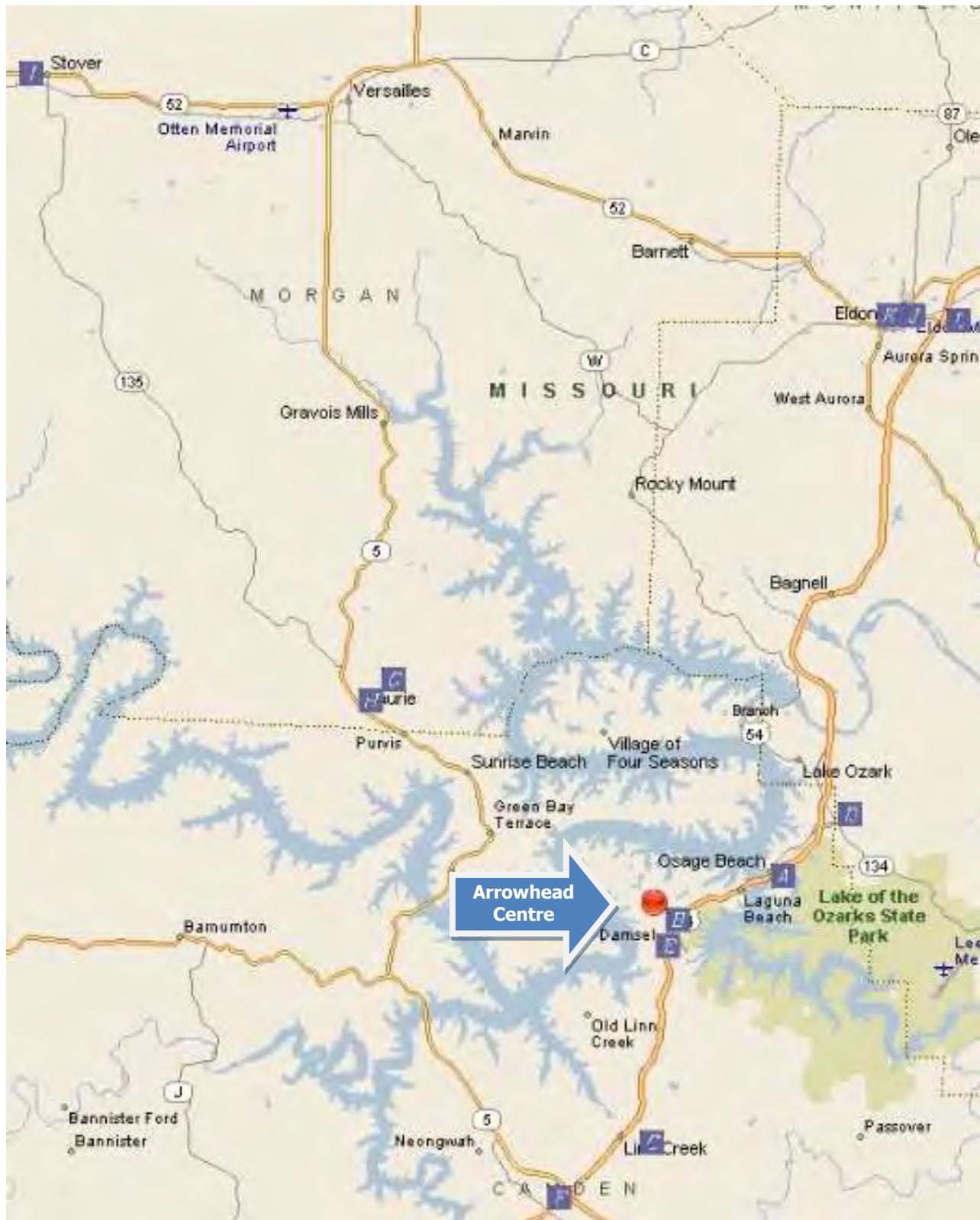
^ Estimate # of units and some occupancy rates

*Occupancy rates not reported so THK used the average Jefferson County Occupancy Rate

Source: Representative Community Leasing Offices, CoStar, and THK Associates

SENIOR HOUSING MARKET ANALYSIS

Figure 13- ARROWHEAD CENTRE PTA SENIOR LIVING MAP



SENIOR HOUSING MARKET ANALYSIS

D. Demand for Assisted Living Facilities

Table VII-5 groups income levels for the 75 plus age population within the PTA and further refines those age brackets by the number of individuals who can afford assisted living units based on projected monthly rent levels. Based on the supply analysis shown earlier in Table VII-4, the entry level price point for an assisted living unit in the PTA is about \$2,118. Based on this minimum rental threshold, the 75 plus population is qualified by those who can afford assisted living with just their existing income. Accordingly there are approximately 1,711 persons in the PTA in 2015 qualified by age and income, and this figure is projected to grow to 3,318 by 2024.

Further analysis of the 75 plus age groups are shown below in Table VII-6, which adjusts the incomes for the 75 plus age population by taking into consideration the value of their assets that might be liquidated in order to fund assisted living care. Based on Realtor.com, the average home value in the PTA is \$266,290. Assuming that 75% of the 75 plus population own their own home and that the full value of the home is placed in an investment returning 5% simple interest each year, the annual incomes for this age cohort are adjusted upward to account for the home sale, as shown in Table VII-6. With this adjustment, Table VII-6 shows the additional seniors that are able to meet or exceed the minimum threshold for assisted living services based on home sale income alone. The total count of 75 plus aged seniors who can qualify after sale of their home are shown to be 382 in 2014 and grow to 740 by 2024.

Finally, the analysis at this point looks at two other qualifiers. In order for there to be a need for assisted living, the individual is likely to be living alone and will need significant assistance with activities of daily living (ADL's). These activities could include daily meals, taking medications, mobility, bathing/hygiene and others. According to the U.S. Census Bureau, in 2013 approximately 55% of the 75 plus population lived alone. According to Selected Long-Term Care Statistics as reported by Caregiver.org, approximately 30% of this age group that lives alone needs assistance with at least 3 ADL's. Therefore the population qualified by age, income and living alone is refined one more time by those needing significant assistance with daily activities. Table VII-7 highlights that age and income qualified population will increase by 218 persons on average annually over the 2015 to 2024 time period. Of this group, 120 annually on average are projected to live alone and 36 annually on average are projected to need assistance with at least 3 ADL's daily.

SENIOR HOUSING MARKET ANALYSIS

Table VII-5: Assisted Living Demand, Qualified by Income in ArrowHead Centre PTA, 2015-2024

Minimum Rent per comps: \$ 2,118
Income used for housing: 100%
Tax Bracket: 15%

Annual Income		Monthly Rent Amount		2015	2019	2024	% of Population 75+
Under	\$10,000	Under	\$710	-	-	-	6.8%
\$10,000 -	\$14,999	\$710 -	\$1,059	-	-	-	3.8%
\$15,000 -	\$19,999	\$1,060 -	\$1,419	-	-	-	5.9%
\$20,000 -	\$24,999	\$1,420 -	\$1,769	-	-	-	5.3%
\$25,000 -	\$29,999	\$1,770 -	\$2,119	1	1	2	8.3%
\$30,000 -	\$34,999	\$2,130 -	\$2,479	110	148	212	4.5%
\$35,000 -	\$39,999	\$2,480 -	\$2,829	131	177	255	5.4%
\$40,000 -	\$44,999	\$2,830 -	\$3,189	112	151	217	4.6%
\$45,000 -	\$49,999	\$3,190 -	\$3,539	152	204	294	6.2%
\$50,000 -	\$59,999	\$3,540 -	\$4,249	220	297	426	9.0%
\$60,000 -	\$74,999	\$4,250 -	\$5,309	312	420	604	12.7%
\$75,000 -	\$99,999	\$5,310 -	\$7,079	303	409	588	12.4%
\$100,000 -	\$124,999	\$7,080 -	\$8,849	132	178	256	5.4%
\$125,000 -	\$149,999	\$8,850 -	\$10,619	89	120	173	3.6%
\$150,000 -	\$199,999	\$10,630 -	\$14,169	74	99	143	3.0%
\$200,000 &	Above	\$14,170 &	Above	77	104	150	3.2%
75+ Population, Qualified by Income:				1,711	2,309	3,318	100.0%

Source: THK Associates, Inc.

Table VII-6: Additional Assisted Living Demand, Qualified by Home Sale Income in ArrowHead Centre PTA, 2015-2024

Minimum Rent per comps: \$2,118
Income used for housing: 100%
Tax Bracket: 15%

Home Value: \$266,290
Investment Rate: 5.00%
Additional Income from Sale: \$15,000
Owner Occupied: 80%

Annual Income Before Home Sale		Annual Income After Home Sale		Monthly Rent Amount		2015	2019	2024	% of Population 75+
Under	\$10,000	Under	\$25,000	Under	\$1,770	-	-	-	6.8%
\$10,000 -	\$14,999	\$25,000 -	\$29,999	\$1,770 -	\$2,119	0	0	1	3.8%
\$15,000 -	\$19,999	\$30,000 -	\$34,999	\$2,130 -	\$2,479	116	157	226	5.9%
\$20,000 -	\$24,999	\$35,000 -	\$39,999	\$2,480 -	\$2,829	103	139	200	5.3%
\$25,000 -	\$29,999	\$40,000 -	\$44,999	\$2,830 -	\$3,189	162	218	313	8.3%
\$30,000 -	\$34,999	\$45,000 -	\$49,999	\$3,190 -	\$3,539	-	-	-	4.5%
\$35,000 -	\$39,999	\$50,000 -	\$54,999	\$3,540 -	\$3,899	-	-	-	5.4%
\$40,000 -	\$44,999	\$55,000 -	\$59,999	\$3,900 -	\$4,249	-	-	-	4.6%
\$45,000 -	\$49,999	\$60,000 -	\$64,999	\$4,250 -	\$4,599	-	-	-	6.2%
\$50,000 -	\$59,999	\$65,000 -	\$74,999	\$4,600 -	\$5,309	-	-	-	9.0%
\$60,000 -	\$74,999	\$75,000 -	\$89,999	\$5,310 -	\$6,369	-	-	-	12.7%
\$75,000 -	\$99,999	\$90,000 -	\$114,999	\$6,380 -	\$8,149	-	-	-	12.4%
\$100,000 -	\$124,999	\$115,000 -	\$139,999	\$8,150 -	\$9,919	-	-	-	5.4%
\$125,000 -	\$149,999	\$140,000 -	\$164,999	\$9,920 -	\$11,689	-	-	-	3.6%
\$150,000 -	\$199,999	\$165,000 -	\$214,999	\$11,690 -	\$15,229	-	-	-	3.0%
\$200,000 &	Above	\$215,000 &	Above	\$15,230 &	Above	-	-	-	3.2%
75+ Population, Qualified after Home Sale:						382	515	740	100.0%

Source: THK Associates, Inc.

SENIOR HOUSING MARKET ANALYSIS

Table VII-7: Projected Assisted Living Demand in ArrowHead Centre PTA, 2015-2024

Private Pay Demand			
Year	Age & Income Qualified Population	Qualified Population Living Alone ¹	Qualified Pop Living Alone & Needing Assistance ²
2015	2,093	1,151	345
2016	2,276	1,252	375
2017	2,458	1,352	406
2018	2,641	1,452	436
2019	2,823	1,553	466
2020	3,070	1,689	507
2021	3,317	1,825	547
2022	3,564	1,960	588
2023	3,811	2,096	629
2024	4,058	2,232	670
Average Annual Demand (2015-2024)	218	120	36 7.6%
Total Demand (2015-2024)	1,965	1,081	324

*55% over 75 live alone per the U.S. Census Bureau, 2013

*30% need at least 3.0 ADLs per Caregiver.org "Selected Long-Term Care Statistics"

Source: THK Associates, Inc.

E. Demand for Nursing Home Facilities

Based on the supply analysis earlier in section VII-4, the entry level price point for a nursing home unit is about \$4,136 per month. Based on this minimum threshold, the 75 plus population is qualified by those who can afford nursing home with just their existing income. Accordingly there are approximately 1,022 persons in the PTA in 2015 that are qualified by age and income, and this figure is projected to grow to 1,981 persons by 2024, as shown in Table VII-8

Further scrutiny of this age group is shown in Table VII-9. This part of the analysis adjusts the incomes for the 75 plus age population to take into consideration the value of their assets that might be liquidated in order to fund nursing home. Based on Sitewise/Tetrad, the average home value in the primary trade area is \$266,290. Assuming that 75% of the 75 plus population own their own home and assuming the full value of the home is placed in an investment returning 5% simple interest each year, the annual incomes for this age cohort are adjusted upward to account for the home sale. With this adjustment, Table VII-9 shows the additional seniors that are now able to meet or exceed the minimum threshold for nursing home services. The total count of 75 plus aged seniors who can qualify after sale of their home is 279 in 2015, which is projected to grow to 542 over the next ten years.

Finally, the analysis at this point looks at those who are likely going to have Alzheimer's. According to the 2013 Alzheimer's disease Facts and Figures as reported by the Alzheimer's Association, approximately 11% of seniors over 65 have Alzheimer's while approximately 32% over the age of 85 have the disease. As shown in table VII-10, the PTA population who is qualified by age and income, including income after the sale of a home, is further refined by those who are likely to need nursing home assistance. Based on the preceding analysis, the PTA can expect the nursing home population to grow by 136 people annually on average over the next decade with 18 people specifically each year needing total private pay memory care nursing home facilities

SENIOR HOUSING MARKET ANALYSIS

Table VII-8: Nursing Home Demand, Qualified by Income in ArrowHead Centre PTA, 2015-2024

Minimum Rent per comps: \$4,136
 Income used for housing: 100%
 Tax Bracket: 15%

Annual Income	Monthly Rent Amount	2015	2019	2024
Under \$10,000	Under \$710	-	-	-
\$10,000 - \$14,999	\$710 - \$1,059	-	-	-
\$15,000 - \$19,999	\$1,060 - \$1,419	-	-	-
\$20,000 - \$24,999	\$1,420 - \$1,769	-	-	-
\$25,000 - \$29,999	\$1,770 - \$2,119	-	-	-
\$30,000 - \$34,999	\$2,130 - \$2,479	-	-	-
\$35,000 - \$39,999	\$2,480 - \$2,829	-	-	-
\$40,000 - \$44,999	\$2,830 - \$3,189	-	-	-
\$45,000 - \$49,999	\$3,190 - \$3,539	-	-	-
\$50,000 - \$59,999	\$3,540 - \$4,249	35	47	68
\$60,000 - \$74,999	\$4,250 - \$5,309	312	420	604
\$75,000 - \$99,999	\$5,310 - \$7,079	303	409	588
\$100,000 - \$124,999	\$7,080 - \$8,849	132	178	256
\$125,000 - \$149,999	\$8,850 - \$10,619	89	120	173
\$150,000 - \$199,999	\$10,630 - \$14,169	74	99	143
\$200,000 & Above	\$14,170 & Above	77	104	150
75+ Population, Qualified by Income:		1,022	1,378	1,981

Source: THK Associates, Inc.

Table VII-9: Additional Nursing Home Demand, Qualified by Home Sale in ArrowHead Centre PTA, 2015-2024

Minimum Rent per comps: 4,136
 Income used for housing: 100%
 Tax Bracket: 15%

Home Value: \$266,290
 Safe Investment Rate: 5.00%
 Additional Income from Sale: \$15,000
 Owner Occupied: 75%

Annual Income After Home Sale	Monthly Rent Amount	2015	2019	2024
Under \$25,000	Under \$1,770	-	-	-
\$25,000 - \$29,999	\$1,770 - \$2,120	-	-	-
\$30,000 - \$34,999	\$2,130 - \$2,480	-	-	-
\$35,000 - \$39,999	\$2,480 - \$2,830	-	-	-
\$40,000 - \$44,999	\$2,830 - \$3,190	-	-	-
\$45,000 - \$49,999	\$3,190 - \$3,540	-	-	-
\$50,000 - \$54,999	\$3,540 - \$3,900	-	-	-
\$55,000 - \$59,999	\$3,900 - \$4,250	27	37	53
\$60,000 - \$64,999	\$4,250 - \$4,600	114	153	220
\$65,000 - \$74,999	\$4,600 - \$5,310	138	187	268
\$75,000 - \$89,999	\$5,310 - \$6,370	-	-	-
\$90,000 - \$114,999	\$6,380 - \$8,150	-	-	-
\$115,000 - \$139,999	\$8,150 - \$9,920	-	-	-
\$140,000 - \$164,999	\$9,920 - \$11,690	-	-	-
\$165,000 - \$214,999	\$11,690 - \$15,230	-	-	-
\$215,000 & Above	\$15,230 & Above	-	-	-
75+ Population, Qualified after Home Sale:		279	377	542

Source: THK Associates, Inc.

SENIOR HOUSING MARKET ANALYSIS

Table VII-10: Projected Nursing Home Demand in ArrowHead Centre PTA, 2015-2024

Private Pay Demand						
Year	Age & Income Qualified	%	75-84 Memory		85+ Memory	
	Population		Care Demand ¹	%	Care Demand ²	Total Private Pay Memory Care
2015	1,301	78.3%	112	21.7%	90	202
2016	1,415	79.0%	123	21.0%	95	218
2017	1,528	79.6%	134	20.4%	100	234
2018	1,642	80.3%	145	19.7%	104	249
2019	1,755	80.9%	156	19.1%	107	264
2020	1,909	81.5%	171	18.5%	113	284
2021	2,063	82.2%	186	17.8%	118	304
2022	2,216	82.8%	202	17.2%	122	324
2023	2,370	83.4%	217	16.6%	126	343
2024	2,523	84.1%	233	15.9%	129	362
Average Annual Demand (2015-2024)		136	13		4	18 6.7%
Total Demand (2015-2024)		1,222	121		38	160

Source: THK Associates, Inc.

SENIOR HOUSING MARKET ANALYSIS

F. Senior Housing Total Pent-up Demand

Pent up demand can be determined simply by looking at occupancy rates in the primary trade area. The following vacancy rates are blended from multiple vacancy rate figures derived from Table VII-4, which appeared earlier in this senior housing analysis. As shown in the supply section of this report back in Table VII-4, there is a 91.3% total occupancy rate across all assisted living facilities in the PTA, with at 97.5% occupancy rate for those located in Osage Beach, for an average of 94.4%. For nursing home facilities, there is a 92.8% total occupancy rate across all nursing home facilities in the PTA, with at 92.0% occupancy rate for those located in Osage Beach, for an average used of 92.4%. The one independent living facility currently has an 80.0% occupancy rate. These rates are used to calculate the Pent-up demand shown in Table VII-11 through Table VII-13.

As shown in Table VII-11, in order to quantify the pent-up demand for assisted living beds, THK has taken the total demand for 2015 as estimated earlier in Table VII-7 and applied a 94.4% occupancy rate as calculated above in order to arrive at a total demand with vacancy of 326 beds. This figure is adjusted downward to account for the currently existing 17 available beds in order to arrive at a pent-up demand of 309 beds, or 201 beds after adjusting for a 35% factor. The pent-up demand figures are adjusted by 35% because 20% of the potential residents will choose to receive in home care and 10% of potential residents will not be attracted to the specific concept at the subject site. As shown in Table VII-12, in order to quantify the pent-up demand for nursing home beds, THK has taken the total demand for 2015 as estimated earlier in Table VII-10 and applied a 91.3% occupancy rate as calculated above in order to arrive at a total demand with vacancy of 185 beds. This figure is adjusted downward to account for the currently existing 39 available beds in order to arrive at a pent-up demand of 146 beds, or 95 beds after further adjusting for a 35% factor. Table VII-13 highlights that 685 independent living units are currently in pent-up demand in 2015. The 685 bed figure derives from the ratio of independent beds (67) to total assisted living and nursing home beds shown in Table VII-14 (54), multiplied by the total of assisted living beds and nursing home beds (345+202) shown in Table VII-11 and Table VII-12.

Table VII-14 details the demand and absorption potentials at the Arrowhead Centre subject site. Annual demand for assisted living and nursing homes derives from Table VII-7 (36) and VII-10 (18). The independent living annual demand derives from the average annual growth of the 75 plus population in the PTA (255) as shown earlier in Table VII-2, less the annual average assisted living and nursing home demand, and multiplied by a 33.3% capture rate of remaining 75 plus year olds. A generic site capture rate is calculated by looking at the number of new competitors the subject site might have and assumes an equal percentage of the market is assumed by each competitor. It seems reasonable to suggest that within the PTA there will be one competitor for each type of senior facility. Assuming that the subject site would be within a reasonable similarity in age to any new competition products it is safe to assume that each competitor, including the subject site developer, will capture an equal share of the demand. This equal share equates to 50.0% of assisted living demand, 50.0% of nursing home demand, and 50% of independent living demand. Furthermore, because current developers and builders already existing in the PTA will have an easier time transitioning to assisted living or independent living product than nursing home product, the subject site is assumed to capture 50.0% of the assisted living and independent living pent-up demand and 75% of the nursing home pent-up demand.

In total, the Arrowhead Centre subject site is projecting to capture pent-up demand for 100 assisted living beds in 2016, and an annual average demand of 18 beds, reaching full absorption of 90 beds in the first year in 2016. The Arrowhead Centre subject site is projecting to capture pent-up demand for 71 nursing home beds in 2016, and 9 new beds annually, reaching full absorption of 80 beds in the

SENIOR HOUSING MARKET ANALYSIS

first year in 2016. The subject site is projecting to capture pent-up demand for 176 independent living beds in 2016, along with 34 new beds annually from 2016 to 2017, reaching full absorption by the second year in 2017.

Table VII-11: Pent-up Demand for Assisted Living, 2015

2015 Total Bed Demand:	345
Ave. Occupancy of Existing:	94.4%
2015 Total Demand with Vacancy:	326
Available Beds:	17
Potential Pent Up Demand for Assisted Living:	309
Realistic Pent Up Demand:	201

Source: THK Associates, Inc.

Table VII-12: Pent-up Demand for Nursing Home Living, 2015

2015 Total Bed Demand:	202
Ave. Occupancy of Existing:	92.4%
2015 Total Demand with Vacancy:	187
Available Beds:	39
Potential Pent Up Demand for Assisted Living:	148
Realistic Pent Up Demand:	96

Source: THK Associates, Inc.

Table VII-13: Pent-up Demand for Independent Living, 2015

2015 Total Bed Demand:	685
Ave. Occupancy of Existing:	80.0%
2015 Total Demand with Vacancy:	548
Available Beds:	6
Potential Pent Up Demand for Assisted Living:	542
Realistic Pent Up Demand:	352

Source: THK Associates, Inc.

SENIOR HOUSING MARKET ANALYSIS

Table VII-14: Demand and Absorption at ArrowHead Centre PTA, 2015-2024

	Assisted Living	Nursing Home	Independent Living	Annual Total	Cumulative Total
Minimum Rental Rate:	\$2,118	\$4,136	\$1,995		
Annual Avg. Demand in the Primary Trade Area	36	18	67	121	--
Number of New Competitors:	1	1	1	--	--
Generic Site Capture Rate:	50.0%	50.0%	50.0%	--	--
Projected Site Capture Rate:	50.0%	50.0%	50.0%	--	--
Total Pent Up Demand	201	96	352		
Initial Pent up Capture	50.0%	75.0%	50.0%		
Initial Pent up Demand to Site	100	72	176		
Annual Absorption (Units)					
2015		***Planning and Site Preparation***			
2016	90	80	210	380	380
2017	-	-	21	21	401
Total	90	80	231	401	401
Average Net Density	15.0	15.0	15.0		--
Net Acres	6.0	5.3	15.4	26.7	--
Source: THK Associates, Inc.					

SENIOR HOUSING MARKET ANALYSIS

G. Senior Housing Development Potentials at Arrowhead Centre

Based on the preceding analysis of existing supply along with the increase in the 75 plus population and their corresponding income levels, THK has looked at each specific senior care use above and projected demand for the subject site. Given the Arrowhead Centre site location, an analysis of competitive residential projects in PTA, and the physical characteristics of the Arrowhead Centre subject sites proposed development; THK feels that the Arrowhead Centre property can very successfully offer assisted living, nursing home and independent living product.

THK Associates has used a 50.0% capture rate of new demand for all three aforementioned senior living products. Based on pent-up demand, THK Associates has used a 50.0% capture rate for assisted living beds, a 75.0% capture rate for nursing home beds, and a 50.0% capture rate for independent living beds. THK estimates that the Arrowhead Centre subject site could absorb 90 assisted living beds in the first year of 2016, 80 nursing home beds in the first year of 2016, and 231 independent living beds in the first two years by 2017.

The currently existing senior product in the PTA is extremely old and obsolete, which is a reason rates are well below market. The average age of assisted living product is 1989, and the average age of skilled nursing is 1984. Furthermore, several senior facilities are located on the outskirts of the PTA and are experiencing higher vacancies and lower rates which suffice to pull the PTA averages down, while rates and vacancies are stronger around the subject site. THK Associates believes that new senior product located at the subject site will achieve rental rates between \$3,000 and \$4,000 for assisted living and between \$4,000 and \$5,000 for skilled nursing per month, which is comparable to new product in city locations.

APARTMENT MARKET ANALYSIS

VIII. APARTMENT MARKET ANALYSIS

A. PROJECTED APARTMENT DEMAND BY UNIT TYPE

The success potential for new residential development is subject to a variety of pressures including interest rates, inflation, as well as various social, political and economic influences. Previous sections of this report projected overall growth in population and households for the market and submarket areas, and those projections determined the aggregate demand for new housing. Historical trends and current activity in new apartment construction were also examined for trend analysis with population, demographic, and economic conditions. Table VIII-1 summarizes the projected demand for various residential housing types for the 3-County market areas based on annual household growth over the 2015 to 2024 time period. Table VIII-1 highlights that the 3-County market will demand an average of 811 renter and owner occupied housing units annually. According to table, 41.2% of occupancy is within apartments, while the remaining 58.8% of occupancy is for home ownership within the 3-County area. Apartments are projected to be 334 units annually over the 2015 to 2024 time period within the Three-County area, as shown in Table VIII-1

Table VIII-2 shows the historical population and household relationship among the Three-County market and the Arrowhead Centre PTA. Over the 2010 to 2014 time period, population in the PTA grew by 299 people and 153 households annually on average. THK Associates anticipates these figures to grow by 321 and 167 moving forward over the 2015 to 2024 time period, as shown in Table VIII-3.

APARTMENT MARKET ANALYSIS

Table VIII-1: 3-County Projected Residential Demand, 2015-2024

Ownership Units								
Year	Households	Annual Household Growth	Total Housing Unit Demand	Total Ownership	Detached	Attached	RV & Mobile Homes	Total Rental
2015	37,868	436	715	430	317	91	22	285
2016	38,312	444	729	437	321	93	23	292
2017	38,774	462	758	452	331	97	23	306
2018	39,245	471	773	459	335	100	24	314
2019	39,735	489	802	474	345	104	25	329
2020	40,233	498	818	480	348	106	25	338
2021	40,745	512	840	491	355	110	26	349
2022	41,274	530	869	505	364	114	27	364
2023	41,818	543	892	516	370	118	28	376
2024	42,374	557	914	526	376	121	28	388
Average Annual Demand	40,038	494	811	477	346	105	25	334
			100.0%	58.8%	42.7%	13.0%	3.1%	41.2%
Total Demand			8,110	4,768	3,462	1,055	251	3,342

Source: THK Associates, Inc.,

APARTMENT MARKET ANALYSIS

**Table VIII-2: Population and Household Trends in the 3-County Market Area
and the Arrowhead Centre PTA, 1980-2014**

						Annual Average			
						1990-2014		2000-2014	
						Numerical	Percent	Numerical	Percent
3-County Area	1980	1990	2000	2010	2014				
Population	52,356	63,769	79,924	89,315	89,378	1,067	1.4%	675	0.8%
Households	20,166	25,551	32,913	37,435	37,432	495	1.6%	323	0.9%
Housing Units	35,285	48,070	58,631	69,458	69,453	891	1.5%	773	1.2%
Seasonal Units	12,014	18,635	21,712	24,423	24,421	241	1.1%	194	0.8%
Arrowhead Centre PTA									
Population	--	13,896	19,082	22,386	23,273	391	2.2%	299	1.4%
Households	--	5,751	8,328	10,059	10,468	197	2.5%	153	1.6%
Housing Units	--	10,820	14,835	18,664	17,795	291	2.1%	211	1.3%
Seasonal Units	--	4,127	5,977	7,744	6,804	112	2.1%	59	0.9%
Arrowhead Centre PTA as a percent of the 3-County Area									
Population	--	21.8%	23.9%	25.1%	26.0%	36.6%	--	44.3%	--
Households	--	22.5%	25.3%	26.9%	28.0%	39.7%	--	47.3%	--
Housing Units	--	22.5%	25.3%	26.9%	25.6%	32.6%	--	27.3%	--
Seasonal Units	--	22.1%	27.5%	31.7%	27.9%	46.3%	--	30.5%	--

Source: U.S. Bureau of the Census and THK Associates, Inc.

**TABLE VIII-3: Projected Population and Household Trends in the 3-County
Market Area and the Arrowhead Centre PTA, 2015-2024**

						Annual Average			
						2015-2019		2015-2024	
						Numerical	Percent	Numerical	Percent
3-County Area	2015	2019	2024						
Population	90,230	93,910	99,190			920	1.0%	996	1.1%
Households	37,868	39,735	42,374			467	1.2%	501	1.3%
Housing Units	70,262	73,725	78,623			866	1.2%	929	1.3%
Seasonal Units	24,706	25,923	27,645			304	1.2%	327	1.3%
Primary Trade Area									
Population	23,580	24,807	26,470			307	1.3%	321	1.3%
Households	10,609	11,254	12,117			161	1.5%	167	1.5%
Housing Units	18,685	19,619	20,894			234	1.2%	245	1.2%
Seasonal Units	7,144	7,501	7,989			89	1.2%	94	1.2%
Arrowhead Centre PTA as a percent of the 3-County Area									
Population	26.1%	26.4%	26.7%			33.3%	--	32.3%	--
Households	28.0%	28.3%	28.6%			34.5%	--	33.4%	--
Housing Units	26.6%	26.6%	26.6%			27.0%	--	26.4%	--
Seasonal Units	28.9%	28.9%	28.9%			29.3%	--	28.7%	--

Source: U.S. Bureau of the Census and THK Associates, Inc.

APARTMENT MARKET ANALYSIS

B. APARTMENT RENTAL CAPACITY

To better quantify the demand for new residential units in the PTA, THK breaks down the existing households by income bracket and then converts those ranges to home purchasing and monthly rental capacity. It is assumed that renters spend 20% of their income on rental apartments on average in the Arrowhead Centre PTA. Table VIII-4 shows the income range of the population within the Arrowhead Centre PTA along with their allocated rental capacity.

According to Table VIII-4, based on a median household income of \$50,309, residents in the Arrowhead Centre PTA would likely afford an apartment for their respective household at around \$840 monthly. It should be noted that after the \$800 to \$900 range, renters typically turn to considering home ownership options.

Table VIII-5 highlights the annual average new unit PTA demand by unit type based on income levels and the percentage of households in those income brackets from Table VIII-4. As shown, there are 86 rental units demanded annually in the Arrowhead Centre PTA, for an annual average of 40.7% of total housing unit demanded.

APARTMENT MARKET ANALYSIS

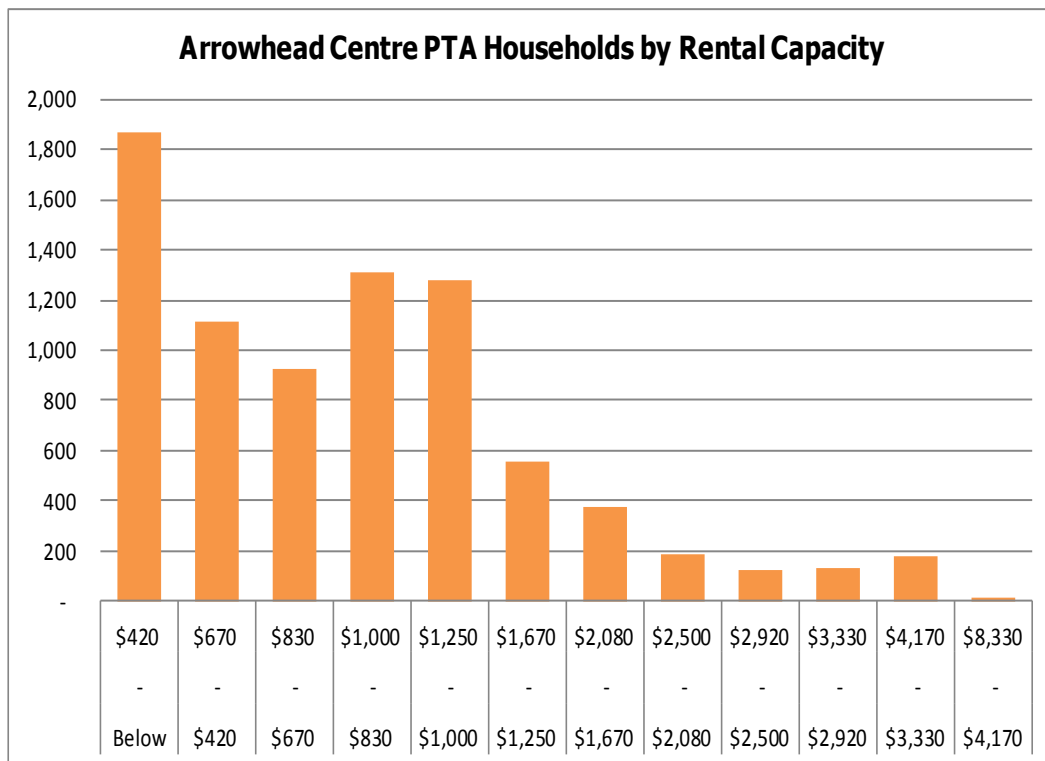
Table VIII-4: Arrowhead Centre PTA Purchasing and Rental Capacity, 2015

Income Range	Percentage of Households	Number of Households	Home Purchasing Capacity	Monthly Rental Capacity
Below - \$24,999	21.9%	14,669	Under \$70,400	Below - \$420
\$25,000 - \$39,999	18.1%	12,160	\$70,400 - \$112,700	\$420 - \$670
\$40,000 - \$49,999	10.7%	7,214	\$112,700 - \$140,800	\$670 - \$830
\$50,000 - \$59,999	9.0%	6,025	\$140,800 - \$169,000	\$830 - \$1,000
\$60,000 - \$74,999	12.7%	8,540	\$169,000 - \$211,200	\$1,000 - \$1,250
\$75,000 - \$99,999	12.4%	8,306	\$211,200 - \$281,600	\$1,250 - \$1,670
\$100,000 - \$124,999	5.4%	3,614	\$281,700 - \$352,100	\$1,670 - \$2,080
\$125,000 - \$149,999	3.6%	2,444	\$352,100 - \$422,500	\$2,080 - \$2,500
\$150,000 - \$174,999	1.8%	1,228	\$422,500 - \$492,900	\$2,500 - \$2,920
\$175,000 - \$199,999	1.2%	793	\$492,900 - \$563,300	\$2,920 - \$3,330
\$200,000 - \$249,999	1.3%	864	\$563,300 - \$704,100	\$3,330 - \$4,170
\$250,000 - \$499,999	1.7%	1,163	\$704,100 - \$1,408,300	\$4,170 - \$8,330
\$500,000 & More	0.1%	91	\$1,408,300 & Above	\$8,330 & Above
Median*	\$50,309		\$157,400	\$840

Assumptions

- *20% Rental Payment to Income Ratio
- *20 Down Payment
- *360 month Term
- *0.04375 Rate
- *0.01 Taxes

Source: THK Associates, Inc., Sitewise Tetrad STI Data



APARTMENT MARKET ANALYSIS

Table VIII-5: Arrowhead Centre PTA Projected Residential Demand, 2015-2024

Year	Households	Annual Household Growth	Total Housing Unit Demand	Ownership Units					RV & Mobile	Total Rental
				Total Ownership	Detached	Attached				
2015	10,609	142	232	140	103	29		7		93
2016	10,770	161	264	158	116	34		8		106
2017	10,932	161	264	158	116	34		8		106
2018	11,093	161	264	157	115	34		8		107
2019	11,254	161	264	157	115	34		8		107
2020	11,426	173	283	168	122	37		9		115
2021	11,599	173	283	167	121	37		9		116
2022	11,771	173	283	167	121	37		9		117
2023	11,944	173	283	166	120	37		9		117
2024	12,117	173	283	166	119	38		9		118
Average Annual Demand		11,351	165	271	160	117	35	8		110
				100.0%	59.3%	43.2%	13.0%	3.1%		40.7%
Total Demand				2,706	1,604	1,168	352	84		1,102

Source: THK Associates, Inc.

APARTMENT MARKET ANALYSIS

C. EXISTING APARTMENT SUPPLY

Table VIII-6 highlights the number of apartment communities with the Arrowhead Centre PTA. The table further shows the total units by one, two and three bedrooms, along with corresponding vacancy rates. There are 75 one bedroom units, which average \$456 per month, have an average of 674 square feet, and a 91.8% occupancy rate, while averaging 24 units per building. There are 229 two bedroom units, which average \$531 per month, have an average of 823 square feet, and a 90.9% occupancy rate, while averaging 31 units per building. In the Arrowhead Centre PTA, two bedroom units account for 70% of the market. There are only 21 one bedroom units, which average \$584 per month, have an average of 1118 square feet, and a 83.4% occupancy rate, while averaging 21 units per building. In total the Arrowhead Centre primary trade area has roughly 325 residential units at an average year built of 1992; they are currently achieving an average occupancy rate of 90.6%, as shown below in Table VIII-6. Apartment complexes like Cherokee Ridge Apartments and Ozark Gardens Apartments have mentioned that there is a severe lack of new rental apartments as residents struggle to find vacant units, and very few new apartments, small ones at that have been built over the past decade. A map of the aforementioned apartment complexes are detailed in Figure-14 below.

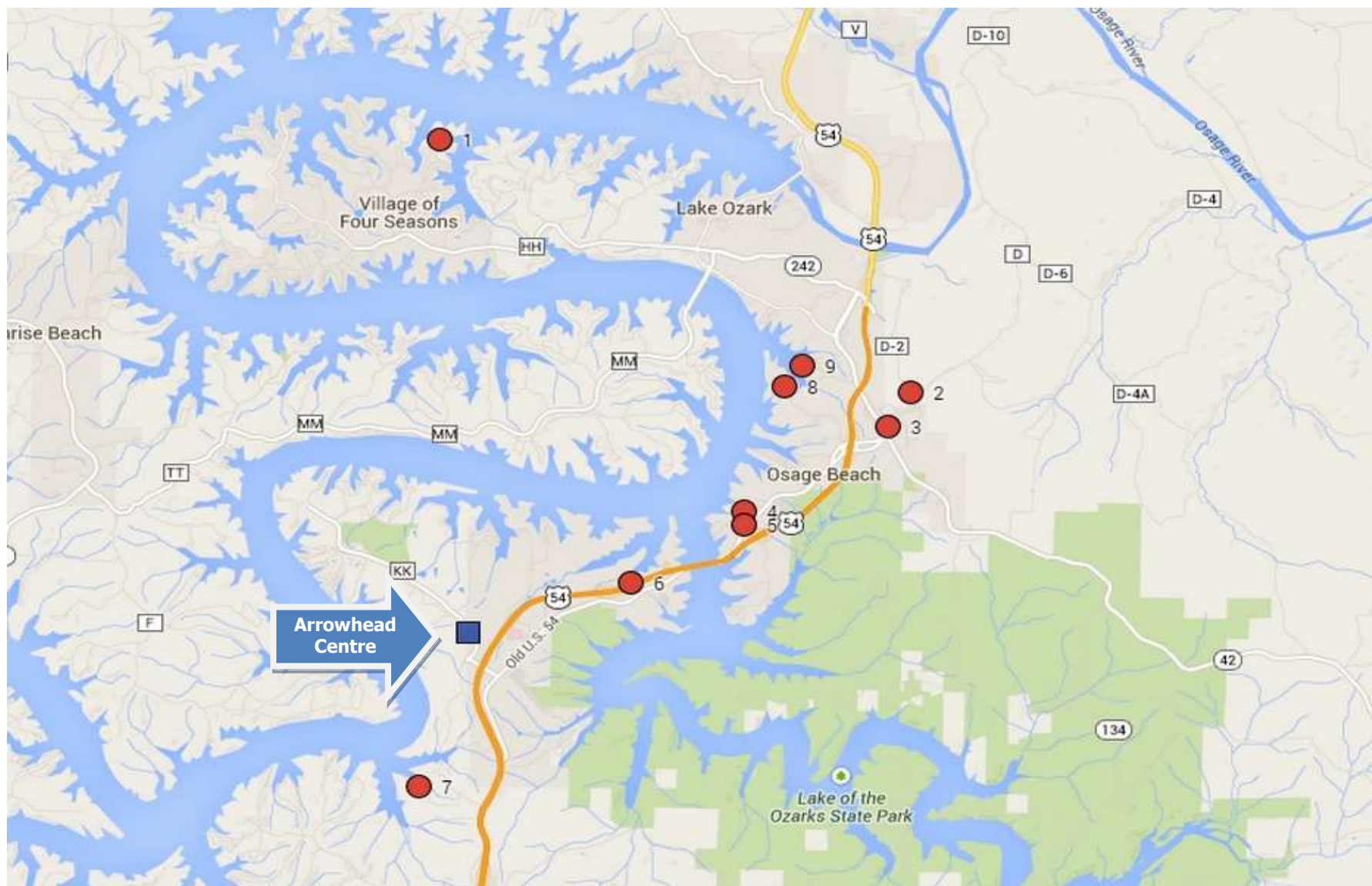
APARTMENT MARKET ANALYSIS

TABLE VIII-6: Apartments in the Arrowhead Centre PTA, 2015

Facility	City	Phone	Year	Total Units	1 Bedroom			2 Bedroom			3 Bedroom			Occupancy
					Units	Rent	Sq Ft	Units	Rent	Sq Ft	Units	Rent	Sq Ft	
1 Cherokee Ridge Apartments	Lake Ozark	573-365-2077	2003	20	4	\$550	635	16	\$695	832	--	--	--	80%
2 Osage Ridge Apartments	Lake Ozark	573-348-1551	1985	72	36	\$430	680	36	\$495	880	--	--	--	86%
3 Ozark Gardens Apartments	Osage Beach	573-348-2249	1995	60	30	\$435	700	30	\$535	800	--	--	--	100%
4 Wimaca Oak Apartments	Osage Beach	573-348-9790	2006	32	3	\$475	625	29	\$550	700	--	--	--	94%
5 Redbud Apartments	Osage Beach	573-216-2735	2003	10	2	\$525	700	8	\$625	980	--	--	--	90%
6 Mariners Cove Apartments	Osage Beach	573-348-3664	1975	50	--	--	--	50	\$475	700	--	--	--	92%
7 Camden Place Apartments	Osage Beach	573-365-7780	2014	31	--	--	--	31	\$575	850	--	--	--	95%
8 Mace Road Apartments	Osage Beach	573-216-2735	1987	18	--	--	--	12	\$525	950	6	\$600	1150	89%
9 Timberridge Apartments	Osage Beach	573-216-2735	1989	32	--	--	--	17	\$500	900	15	\$575	1100	81%
Weighted Average			1992	36	24	\$456	674	31	\$531	823	12	\$584	1118	90.6%
Total Units				325	75			229			21			
Average Vacancy					91.8%			90.9%			83.4%			

Source: Thk Associates, Inc.

Figure 14- ARROWHEAD CENTRE PTA APARTMENT SUPPLY MAP



D. Apartment Demand and Absorption Potential

Table VIII-10 projects the demand and absorption for rental apartment at the subject site from 2016 to 2024. The generic site capture rate is based on the number of competitors currently building in the PTA from Table, which is a maximum on one competitor in each price range. The projected site capture rate is derived from adjusting the generic figure for market variability among supply, demand, location and other competitive factors. Annual absorption rates are calculated by multiplying projected site capture rates of apartments at specific price ranges by the percentage demand for that apartment price range by the annual average demand for that price range. The subject site is projecting absorbing a total of 25 apartments annually from 2016 to 2024.

On average, there will be 12 units demanded annually for apartments priced below \$670, four units annually for apartments priced between \$670 and \$830, three units annually for apartments priced between \$830 and \$1,000, and five units annually for apartments priced between \$1,000 and \$1,250, while we are anticipating building zero units above \$1,250 in the Arrowhead Centre PTA. Absorption of the aforementioned units will occur over the 2016 to 2024 time period until a total of 222 units are absorbed.

APARTMENT MARKET ANALYSIS

TableVIII-10: Projected Attached Demand and Absorption, 2015-2024

Unit Prices:	Below \$670	\$670 \$830	\$830 \$1,000	\$1,000 \$1,250	\$1,250 Above	Annual Total	Cumulative Total
Percentage of Households	40.0%	10.7%	9.0%	12.7%	27.6%	100%	--
Average Annual Demand	44	12	10	14	30	110	--
Competitive Projects	1	1	1	1	1	5	--
Generic Site Capture Rate:	50.0%	50.0%	50.0%	50.0%	50.0%		--
Projected Site Capture Rate:	27.5%	35.0%	35.0%	35.0%	0.0%		--
Annual Absorption (Units)							
2015		***Planning and Preparation***					
2016	12	4	3	5	0	25	25
2017	12	4	3	5	0	25	50
2018	12	4	3	5	0	25	75
2019	12	4	3	5	0	25	100
2020	12	4	3	5	0	25	125
2021	12	4	3	5	0	25	150
2022	12	4	3	5	0	25	175
2023	12	4	3	5	0	25	200
2024	10	4	3	4	0	22	222
Total Absorption	107	37	31	43	0	222	222
Annual Average Absorption	21	7	6	9		10.9	--
Average Net Density	18.0	16.0	14.0	12.0		15.0	--
Annual Average Net Acres	1.2	0.5	0.4	0.7		0.7	--
Net Acres	5.9	2.3	2.2	3.6		3.5	--

Source: THK Associates, Inc.

APARTMENT MARKET ANALYSIS

SUMMARY AND RECOMMENDATIONS:

BASED ON THE PRECEEDING MARKET ANALYSIS AND FINDINGS, THK HAS POSITIONED THE PLANNED USES FOR THE SUBJECT PROPERTY IN THE MARKETPLACE. THE FOLLOWING IS THE SUMMARY OF THE ABSORPTION POTENTIAL FOR THE 226.31 ACRE ARROWHEAD REDEVELEOPMENT BASED ON REAL ESTATE PRODUCT TYPE.

District Totals

Total Parcels	Zoning	Absorption Years	Units/ Rooms	Square Feet	Parking Spaces	Acres	Density or F.A.R
	Nursing Home	1.0	80	-	76	7.10	-
	Assisted Living	1.0	90	-	76	7.10	-
	Independent Living	2.0	231	-	336	35.33	-
	Retail & Big Box	5.0	-	479,627	3,152	117.99	0.09
	Apartment	9.0	222	-	444	0.00	-
	Office/Flex/Storage	5.7	-	281,387	995	28.07	0.23
	Hotel	2.7	90	-	110	2.23	-
Total		3.8	713	761,014	5,187	197.82	0.32
Total w/ sq. ft. added to districts 1, 2, 4 & 7				1,441,118			

Source: Yung Design Group and THK Associates, Inc.

APPENDIX

APPENDIX A:

U.S. TRAVEL ANSWER SHEET

FACTS ABOUT A LEADING AMERICAN INDUSTRY THAT'S MORE THAN JUST FUN



LEISURE TRAVEL

- Direct spending on leisure travel by domestic and international travelers totaled **\$564 billion** in 2011.
- Spending on leisure travel generated **\$86 billion** in tax revenue.
- 3 out of 4** domestic trips taken are for leisure purposes (77%).
- U.S. residents logged **1.5 billion** person-trips* for leisure purposes in 2011.
- Top leisure travel activities for U.S. domestic travelers: (1) visiting relatives; (2) shopping; (3) visiting friends; (4) fine dining; and (5) beaches.

BUSINESS TRAVEL

(Including Meetings, Events and Incentives)

- Direct spending on business travel by domestic and international travelers, including expenditures on meetings, events and incentive programs (ME&I), totaled **\$249 billion** in 2011.
- ME&I travel accounted for **\$99 billion** of all business travel spending.
- U.S. residents logged **458 million** person-trips* for business purposes in 2011, with more than one-third (36%) for meetings and events.
- For every dollar invested in business travel, businesses benefit from an average of **\$12.50** in increased revenue and **\$3.80** in new profits (Oxford Economics).

* Person-trip defined as one person on a trip away from home overnight in paid accommodations or on a day or overnight trip to clubs 50 miles or more (one-way) away from home



INTERNATIONAL TRAVEL

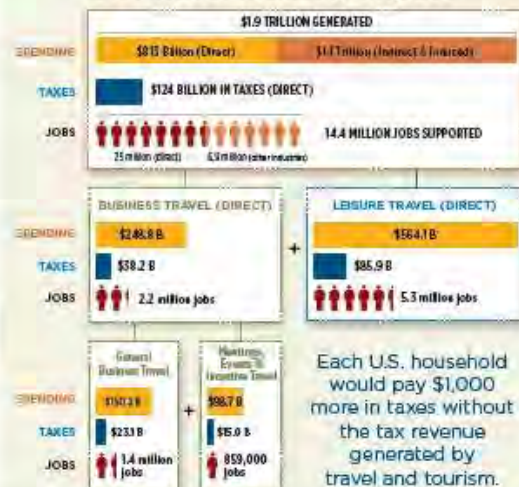
- In 2011, international traveler spending (export receipts) totaled **\$153 billion** and travel spending abroad by Americans totaled **\$110 billion** (travel import payments), creating a trade surplus of **\$43 billion** in favor of the U.S.
- The U.S. received **62.3 million** international arrivals in 2011. Of those, approximately **27.9 million** were from overseas markets and **34.4 million** were from Canada and Mexico.
- The United States' share of total international arrivals is **6.4%** (down from 7.5% in 2000).
- International travel spending directly supported about **1.2 million** U.S. jobs and wages of **\$28.5 billion**.

Direct spending by resident and international travelers in the U.S. averaged **\$2.2 billion a day, \$92.8 million an hour, \$1.5 million a minute and \$25,778 a second.**

The U.S. Travel Association is the national, non-profit organization representing all components of the travel industry that generates \$1.9 trillion in economic output. It is the voice for the collective interests of the U.S. travel industry and the association's 1,400 member organizations. U.S. Travel's mission is to promote and facilitate increased travel to and within the United States. U.S. Travel is proud to be a partner in travel with American Express®. For more information, visit www.ustravel.org or www.TravelEffect.com.

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U.S. Travel Industry Impact



Source: U.S. Travel Association
Note: Direct spending totals do not include international passenger fares

SOURCES OF TRAVEL SPENDING



TOTAL: \$813 billion

Source: U.S. Travel Association

BY THE NUMBERS

(all data 2011)

\$1.9 trillion: Economic output generated by domestic and international visitors (includes \$813 billion in direct travel expenditures that spurred an additional \$1.1 trillion in other industries)

14.4 million: Jobs supported by travel expenditures (includes 7.5 million directly in the travel industry and 6.9 million in other industries)

\$194.5 billion: Wages shared by American workers directly employed by travel

\$124 billion: Tax revenue generated by travel spending for federal, state and local governments

2.7%: Percentage of nation's gross domestic product (GDP) attributed to travel and tourism

No. 1: Where travel ranks among all U.S. industry exports

1 out of 8: U.S. jobs that depend on travel and tourism

No. 6: Where travel ranks in terms of employment compared to other major private industry sectors

98%: Percentage of travel industry firms with 500 or fewer employees

2 billion: Number of person-trips* that Americans took for business and leisure purposes

62.3 million: Number of international arrivals in the U.S. in 2011, including 27.9 million from overseas markets

Travel is among the **top 10** industries in 48 states and D.C. in terms of employment

TOP 5 INTERNATIONAL MARKETS TO USA (ARRIVALS)

ORIGIN OF VISITOR	2011
Canada	21.0 million
Mexico	13.4 million
United Kingdom	3.8 million
Japan	3.2 million
Germany	1.8 million

TOP 5 HIGH-GROWTH MARKETS THRU 2016 (forecast)

ORIGIN OF VISITOR	ARRIVALS % CHANGE '16/'11
China	274%
Brazil	135%
Russia	131%
Australia	94%
Argentina	70%

Source: U.S. Department of Commerce—Office of Travel and Tourism Industries

U.S. TRAVEL
ASSOCIATION

(01/2013)

END OF REPORT

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EXHIBIT 13

Resume of Developer

Jim Klausman

Jim Klausman is the President/CEO of Midwest Health, Inc. Topeka, KS. Midwest Health manages fifty-two senior living centers located in Kansas, Nebraska, Iowa, and Oklahoma, employing over 2,300 associates. The centers include assisted living, skilled nursing, and senior independent living apartments. Mr. Klausman is a founder and principal in the company.

Mr. Klausman received his B.A. in Political Science from Washburn University in 1974. He is a licensed nursing home administrator.

Mr. Klausman served on the Washburn University Board of Regents from 2010 to 2015, and served as Chairman from 2011 to 2013. He has served on the St. Francis Hospital Board from 2008 to 2014. He served as President of the Kansas Health Care Association, the largest senior care association in Kansas, in 1979, and again in 2007-2008. He is a past Chairman of the Greater Topeka Chamber of Commerce. He currently serves on the board of Junior Achievement of Kansas, and the Advisory Board of US Bank, Topeka. He serves on the board of KC Hopps Restaurants, Kansas City.

For further information, visit <http://www.midwest-health.com/>

The following are a few of the real estate developments that Mr. Klausman has been responsible for:

Rolling Hills Retirement Community, Topeka, KS

Lexington Park Retirement Community, Topeka, KS

Pioneer Ridge Retirement Community, Lawrence, KS

Stonybrook Retirement Community, Manhattan, KS

Twin Oaks Retirement Community, Lansing, KS

Homestead of Chariton Assisted Living, Chariton, IA

Homestead of Albia Assisted Living, Albia IA

The Dibble Building-Office Remodel Downtown Topeka KS

2641 Wanamaker-Office Building, Topeka KS

Blue Moose Restaurant Topeka

{50009 / 66714; 621712. }

Stroud's Restaurant, Overland Park, KS

Stroud's Restaurant, Independence, MO

Blue Moose Restaurant, Overland Park, KS

Developments in Progress

Arrowhead Retirement Community, Osage Beach, MO

Winghaven Retirement Community, O'Fallon, MO

Ranch House Retirement Community, Garden City, KS

Wheatfield Village, Mixed Use Retail/Office/Apartments, Topeka, KS

Topeka Public Market, Topeka, KS

Kansas Hotel, Topeka, KS

Garv Mitchell's Experience. Gary Mitchell specializes in golf course, resort, residential and commercial development and is based in Osage Beach, Missouri. He brings specific expertise in market research, land planning, entitlements, financing, construction budgeting, community and commercial product design, marketing and sales. Gary Mitchell is an established and well-respected businessman within the community. The following are some of the projects with which Mr. Mitchell has been involved:

Real Estate Projects:

- **The Community of Old Hawthorne, Columbia, Missouri.** Mr. Mitchell became part owner in 2005 and was responsible in creating this unique project. Old Hawthorne is a 631-acre mixed-used project and is the official golf club of the University of Missouri men's and ladies' golf teams. It has been one of the most successful projects in the Midwest with over \$15 million in sales the first six months and another \$12 million in sales closed in spring of 2008. Old Hawthorne is the largest project ever zoned in Columbia/Boone County. This project was built with various forms of participation by the City of Columbia and University of Missouri.
- **Dogwood Hills Golf Course and Resort Inn, Osage Beach, Missouri.** Mr. Mitchell became part owner in 1980 and has been involved in all aspects of this company and has served as the president for 24 years.
- **Rivercut Golf Course Community, Springfield, Missouri.** Mr. Mitchell became part owner in 1993 was responsible in creating this international award winning project. Rivercut is a 670-acre master plan development and is the largest project ever zoned in Springfield/Greene County. This project also was built with various forms of participation by the City of Springfield and Greene County.
- **Steak N' Shake Restaurant, Osage Beach, Missouri.** Mr. Mitchell secured a "built to suit" project for the owner of Prewitt's Point.
- **Kentucky Fried Chicken, Forsyth, Missouri.** Mr. Mitchell was the co-developer of a commercial lot which was sold for a KFC Restaurant.
- **Casey's Convenience Store, Forsyth, Missouri.** Mr. Mitchell was the developer of a commercial lot which was sold to Casey's Convenience Stores from Des Moines, Iowa.
- **Country Mart Grocery Store, Forsyth, Missouri.** Mr. Mitchell was the developer of a prime 14 acres commercial site which was sold for a Country Mart Grocery Store.

- **Sonic Restaurant, Forsyth, Missouri.** Mr. Mitchell secured a sale for the owner of the Country Mart Grocery Store for a Sonic Restaurant for his out parcel.

Energy Projects:

- **4G SMART-NET project in Washington, DC.** Mr. Mitchell has secured a \$100 million dollar funding commitment for his client to develop a 4G SMART-NET technology in three buildings in Washington, DC. The funding commitment also has been approved for 15 additional buildings in the DC area for the same technology. The first bond issue is due to close in 60 to 90 days.
- **W.W.T. Energy, LLC wind farm project in Hardeman County, Texas.** Mr. Mitchell has formed a Texas energy company with his partner Butch Tabor to develop a 200-MW wind farm in Hardeman County, Texas. This project is in the development stages and is currently collecting wind data to complete the project's financing package. The company owns or controls over 30,000 acres of land in the prime wind country of Texas.
- **Other Renewable Energy Projects.** Mr. Mitchell is also working on renewable energy projects in different development stages in the following areas: Kansas, Colorado, Nevada, Virgin Island, Malaysia and Sweden.

For further information, please visit www.rivercut.com and www.oldhawthorne.com

What they say about Gary Mitchell:

John T. Russell/Retired Senator 33rd District

"My long relationship with Gary Mitchell and his family has been a treasured experience. Their strong work ethic, honesty and moral values combined with community service bring out the good in all those to whom they come in contact. Communities around the state have benefited from Gary's knowledge of business and development and previously, Missouri acknowledged this talent with an award from the Division of Tourism.

Gary Mitchell will be an asset to whatever project or organization in which he would become involved."

Tom Finnie/Retired City of Springfield City Manager

"Gary Mitchell is a first class individual and great person to partner with on a project. He does what he says he will do and does it with style. He was the leader on our Rivercut Golf Course and Golf Community, and this is an outstanding golf course and housing development. Gary takes the extra steps to make a project great. I would be pleased to have Springfield work with him again if given the opportunity."

Bill Hobbs/Retired City of Springfield-Greene County Parks and Recreation Project Manager

"Rivercut Golf Course and Golf Community is one of southwest Missouri's finest golf communities. A championship public course and a 1200 home residential community have been blended into the pristine countryside and James River Valley. Gary Mitchell was the leading visionary that made this community asset a reality. As the project manager for more than twenty years on Springfield-Greene County Park Board projects, I found Gary Mitchell and his staff a pleasure to work with. As a developer he does the extras that separate a good project from a great project.

I would strongly recommend Gary for any golf course, residential, or land development project."

Roger Wilson/Retired State Senator and Lieutenant Governor

"I met Gary through the tourism industry because of his strong interest in promotion of the Lake of the Ozarks and its many fine golf courses. While I was on the Tourism Commission as a State Senator and later Lieutenant Governor I could always rely on Gary to provide accurate information and be a team player with the rest of the state.

His leadership has helped propel the Lake of the Ozarks to golf destination status. His tools were a local lodging tax for cooperative marketing, which Gary was instrumental in passing and a strong working relationship with the legislature and the Division of Tourism. In fact, Gary was recognized as a true advocate for the state of Missouri when he received Tourism's "Wake Up to Missouri Award."

Greg Gagnon/Former President Central Bank of Lake of the Ozarks

"Gary has been a valued customer of Central Bank for over twenty years, always providing us with accurate and detailed financial statements from the operation of Dogwood Hills Golf Course. He always does what he says he is going to do and is equipped with the knowledge and experience to take on large-scale community projects.

Above all, his leadership skills and commitment to excellence speak for themselves. It is my pleasure to speak on Gary's behalf."

Jim Divincen/CEO/President Tri-County Lodging Association

"Gary is the founding father of the Lake of the Ozarks Tri-County Lodging Tax, which industry experts have stated could be one of the best lodging taxes ever written! Gary vision to unify the lodging community in an effort to better sell our destination has been invaluable for the tourism community here at the Lake. Our Lodging Tax has enabled us to consistently grow tourism revenues year over year at the Lake of the Ozarks. These

promotional funds are a primary reason why Camden County has been one of the top five fastest growing counties in the State for the last several years. Gary was also the first Chairman for the Tri-County Lodging Association, which is charge of promoting the Lake with the lodging tax funds for the past 8 years.”

Steve T. Walker/Executive Director/Lake of the Ozarks Golf Council

“In 1990, Gary Mitchell took the lead in establishing the Lake of the Ozarks Golf Council. As co-owner of one of the most successful golf resorts at the Lake, he saw the need to promote golf as one cohesive attraction, rather than just a collection of individual courses. Gary’s vision and determination have helped turn the Lake of the Ozarks into mid-America’s premier golf destination. Since the inception of the Golf Council’s marketing efforts, annual golf revenue has more than doubled.

Bringing people and businesses together to work towards one common goal is usually easier said than done. But because of Gary’s leadership and his ability to create a partnership among a diverse group of golf courses and resorts at the Lake, a successful marketing organization was formed. Eleven years later we continue to grow and expand our promotional efforts.”



MIDWEST HEALTH



OUR.
Family.
caring for yours.



OUR FAMILY, OUR STORY

Midwest Health, like many other innovative companies, started in a garage. In this instance, the "garage" was Sears automotive in Topeka, Kansas, where friends Butch Eaton and Jim Klausman were selling tires and DieHard batteries while attending Washburn University. Nearing graduation, the two were presented an opportunity to lease a nursing home from Joan and Harold Russell of Topeka. Jim's parents and grandparents were some of the early pioneers in delivering long term care to seniors in need. Jim had grown up visiting his grandparents nursing home each summer in Easton, KS, and then working at his parents nursing home in Valley Falls, KS. as a teen. As new graduates of Washburn, Jim and Butch teamed up in 1977 to form Midwest Health and carry on the tradition of providing quality care to seniors.

That same family tradition that marked Midwest's formation continues today. Butch and Jim's sons, Lee and Brett, joined the company in 1999 and have worked from the bottom up, starting with mowing lawns, to being licensed administrators managing both nursing homes and assisted living, to now as Vice Presidents, with Lee responsible for Senior Living and Brett, Operations. Two other VP's, Joe Perkin and Marie Vogel also grew up in long term care, with Joe's responsibilities in Assisted Living and Marie's in Skilled Nursing. One other integral member of the team is Mike Tryon, CPA, CFO. Mike started with Midwest at the age of 28, thirty years later Mike continues to oversee the finances of the company ensuring that



OUR FAMILY, OUR STORY

we have a strong base to provide both quality services as well to continue the growth that has occurred over the past 37 years.

From the one nursing home in 1977, Midwest Health has grown to multiple centers in a four state area and is one of the largest regional providers in the country. Midwest Health was one of the first companies to provide Assisted Living, in both Kansas and the nation. Today Midwest Health is the largest Kansas provider of Assisted Living. Midwest has extensive experience in the development of new senior living campuses, with many of the companies senior living centers built from the ground up.

OUR MISSION & VISION

OUR MISSION: Midwest Health is dedicated to delivering senior services through innovation, quality, and customer satisfaction.

OUR VISION: Clinical Excellence, Financial Excellence, Customer Satisfaction.

This Mission and Vision will be our guiding principles as a company.



OUR TEAM

JIM KLAUSMAN

President / CEO



Jim Klausman has been President and CEO of Midwest Health since 1977. He received his BA in Political Science from Washburn University, Topeka, in 1974. Mr. Klausman has been a licensed adult care administrator since 1974 and has served as administrator of several of the company's facilities. He currently is responsible for the operations of the companies. Mr. Klausman served as President of the Kansas Health Care Association, the industry's largest trade association, in 1979 and again in 2007-2008. He is a past Chairman of the Greater Topeka Chamber of Commerce. He served as the President of the Northeast Kansas Junior Achievement and is currently on the board. He serves on the Board of Directors of St. Francis Hospital, Topeka, KS.

OUR TEAM

BRETT KLAUSMAN

Vice President of Operations



Brett Klausman has been a VP of Operations since 2004. He received his BS in Business from Kansas University in 2000. He has been a licensed adult care home administrator since 2002 and has been the administrator of several of the company's facilities. He oversees the operations of Midwest Health, the management arm of the company.

LEE EATON

Vice President of Senior Living



Lee Eaton has served as Vice President since 2004. He is a graduate of Washburn University School of Law and previously worked for the Kansas Attorney Generals Office. He has been a licensed adult care home administrator since 2002 and has been the administrator of several of the company's facilities. He oversees operations all ancillary businesses, including Independent Living, Home Health, Hospice, Pharmacy, Transportation, Therapy Services, and Durable Medical Equipment. Lee has served as the Government Affairs Chairperson for the Kansas Health Care Association and is currently the President of the Kansas Adult Care Executives Association.

OUR TEAM

JOE PERKIN

Vice President of Assisted Living



Joe Perkin has been a Vice President since 2006. He is a graduate of Missouri State University, majoring in gerontology with a minor in business. He oversees the operations of all of Midwest's Assisted Living properties located in four states. He has served as a director in several of the company's assisted livings. Joe currently serves on the National Center for Assisted Living board of directors, the nation's largest assisted living trade organization.

MARIE VOGEL

Vice President of Skilled Nursing



Marie Vogel has been Vice President of Skilled Nursing since late 2013, where she was promoted from Vice President of Quality Assurance. She oversees the operations of all Midwest's Skilled Facilities. She is a graduate of Kansas State University and has been the administrator of several of the company's facilities. Marie currently serves on the Kansas Health Care Association Board as well as the Kansas Adult Care Executives Board.

OUR PASSION

ASSISTED LIVING

Our assisted living community offers a warm and inviting atmosphere that allow residents to relax and enjoy every day. We strive to provide all the amenities of home to make them feel comfortable. Whatever residents like to do, they'll be among friends who share common interests and needs. Residents also receive professional health care and personalized assistance as needed.

Residents are given access to individualized, around-the-clock care provided by a licensed and certified staff. With private rooms and the freedom to make their own choices, residents can stay in control of their lives.

Services Provided

- Licensed staff on duty 24 hours a day
- Licensed nurse on call 24 hours a day
- Assistance with dressing, bathing & medications
- Three home-cooked meals each day, with accommodations for special dietary needs
- 24-hour emergency communication system
- Health care services
- Weekly housekeeping
- Personal laundry & linens



MIDWEST HEALTH

OUR
Family.
caring for yours.



ASSISTED LIVING



OUR PASSION

SKILLED NURSING

Around the Clock, Supportive Care

We provide professional care to serve the personalized needs of every resident, including licensed nurses, certified nurse aides, dietitians, therapists, social workers and activity directors. Here, residents are able to enjoy an exceptional setting combined with around-the-clock skilled nursing.

In our home-like settings, our primary concern is each resident achieving the best quality of life possible. Positive physical surroundings are known to contribute in a significant way to individual's feeling of well-being and contentment, which affects overall health.

Services Provided

If your needing ongoing, personal caregiving assistance, you can typically expect these types of services to be provided by a community.

- Licensed nursing staff on duty 24 hours a day
- Individual treatment and care plans
- House physicians regularly scheduled
- Group and individual activities



MIDWEST HEALTH

OUR
Family.
caring for yours.



SKILLED NURSING





MIDWEST HEALTH

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caring for yours.



RAPID RECOVERY



OUR PASSION

INDEPENDENT LIVING

More Freedoms, Fewer Worries

Interesting and exciting social, recreational and educational activities and events are part of everyday activities. Independent living not only offers the services and amenities for the lifestyle you want, but it also offers peace of mind.

Services Provided

If your needing ongoing, personal caregiving assistance, you can typically expect these types of services to be provided by a community.

- 24-Hour staffing
- Nutritional means
- Housekeeping
- Social & recreational programs



MIDWEST HEALTH

OUR
Family.
caring for yours.



INDEPENDENT LIVING



OUR QUALITY

AWARDS & CERTIFICATIONS

Midwest Health has eight (8) out of ten (10) facilities with a 4 or 5 Star rating.

- Halstead Health ~ 5 Star
- Valley Falls ~ 5 Star
- Pioneer Ridge ~ 5 Star
- Countryside ~ 5 Star
- Rolling Hills ~ 5 Star
- Stoneybrook ~ 4 Star
- Lexington Park ~ 4 Star
- Holiday Resort ~ 4 Star

Midwest Health was awarded the AHCA/NCAL National Quality Award.

- Bronze Quality Award Facilities are:
- Countryside
- Halstead Health & Rehab
- Pioneer Ridge Health Care
- Homestead of Olathe
- Maple Ridge
- Homestead of Garden City
- Homestead of Leawood
- Eaglecrest Independent & Assisted Living

PEAK 2.0 Level 2 Awards:

- Stoneybrook
- Rolling Hills
- Countryside
- Pioneer Ridge



U.S. News & World Report

- Countryside
- Halstead Health
- Pioneer Ridge
- Rolling Hills
- Valley Falls

**2025 AMENDMENT TO THE
ARROWHEAD CENTRE TAX INCREMENT FINANCING PLAN**

CITY OF OSAGE BEACH, MISSOURI

Background: On June 24, 2015, the Tax Increment Financing Commission of the City of Osage Beach, Missouri (the “TIF Commission”) held a public hearing regarding the Arrowhead Centre Tax Increment Financing Plan (the “Original Redevelopment Plan” and as amended herein, the “Redevelopment Plan”) and the “Redevelopment Projects” described therein. The Redevelopment Plan applies to an approximately 226-acre “Redevelopment Area” that includes the property of the former Dogwood Hills Golf Course, as shown on the map attached hereto as **Exhibit A**. As described in the Original Redevelopment Plan, the Redevelopment Area was divided into eight “Redevelopment Project Areas” (each, an “RPA”) so that tax increment financing (“TIF”) and the Redevelopment Projects could be initiated on a phase-by-phase basis as development occurred in the Redevelopment Area.

On July 16, 2025, the Board of Aldermen of the City of Osage Beach, Missouri (the “City”) adopted Ordinance No. 15.56 approving the Original Redevelopment Plan. Ordinances initiating tax increment financing in each RPA and approving the Redevelopment Projects for each RPA were introduced at the July 16, 2015 Board of Aldermen meeting and were tabled with the intent of being taken up for final passage at a later date.

On February 18, 2016, the Board of Aldermen adopted Ordinance No. 15.57 initiating TIF in “RPA I” and approving the Redevelopment Project for RPA I. Arrowhead Senior Living was subsequently developed within RPA I. Accordingly, the maximum term of TIF in RPA I is February 18, 2016 through February 17, 2039 (i.e., 23 years).

On June 17, 2025, the Board of Aldermen adopted Ordinance Nos. 15.58, 15.59, 15.60, 15.61, 15.62, 15.63 and 15.64 initiating TIF in and approving Redevelopment Projects for “RPA II,” “RPA III,” “RPA IV,” “RPA V,” “RPA VI,” “RPA VII” and “RPA VIII,” respectively. Accordingly, the maximum term of TIF in RPAs II - VIII is June 17, 2025 through June 16, 2048.

The purposes of this amendment are:

1. Consolidate RPAs II - VIII into a single “RPA II” as shown on **Exhibit B** attached hereto. Because RPAs II - VIII have the same term, consolidating these RPAs into a single RPA will make administration of the TIF area more simple. Moreover, given the limitations in Section 99.810, RSMo., there is no longer any legal ability to initiate TIF on a phase-by-phase basis in RPAs II - VIII.

2. Allow the Redevelopment Projects described in the Original Redevelopment Plan for each of RPAs II - VIII to be developed anywhere in the newly consolidated RPA.

*Revisions to
Plan:*

1. The references to “eight” Redevelopment Project Areas in the first full paragraph on page 2 of the Original Redevelopment Plan are replaced with “two.”
2. The definitions of the Redevelopment Projects II – VIII on pages 11-12 of the Original Redevelopment Plan are hereby amended to include all such Redevelopment Projects in Redevelopment Project II.
3. The definitions of the Redevelopment Project Areas II – VIII on pages 12-14 of the Original Redevelopment Plan are hereby amended to consolidate such Redevelopment Project Areas into Redevelopment Project Area II.
4. The descriptions of the Redevelopment Projects II – VIII on pages 25-26 of the Original Redevelopment Plan are hereby amended to include all such Redevelopment Projects in Redevelopment Project II. Furthermore, for purposes of clarity, references to approximate numbers of units, square footages and specific uses are intended for illustrative purposes. Specific uses, square footages and unit counts of Redevelopment Project components will be subject to market demand, zoning and other governmental approvals associated with the development of real property. However, to qualify for tax increment financing assistance under the Redevelopment Plan, such uses must be generally consistent with the institutional, residential, recreational, retail and office uses described on pages 2-3 of the Original Redevelopment Plan.
5. The Schedule of Development on pages 26-27 of the Original Redevelopment Plan will be revised to reflect that development within the newly consolidated RPA II is anticipated begin in 2026.

* * *

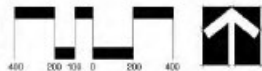
EXHIBIT A

Map of Redevelopment Area



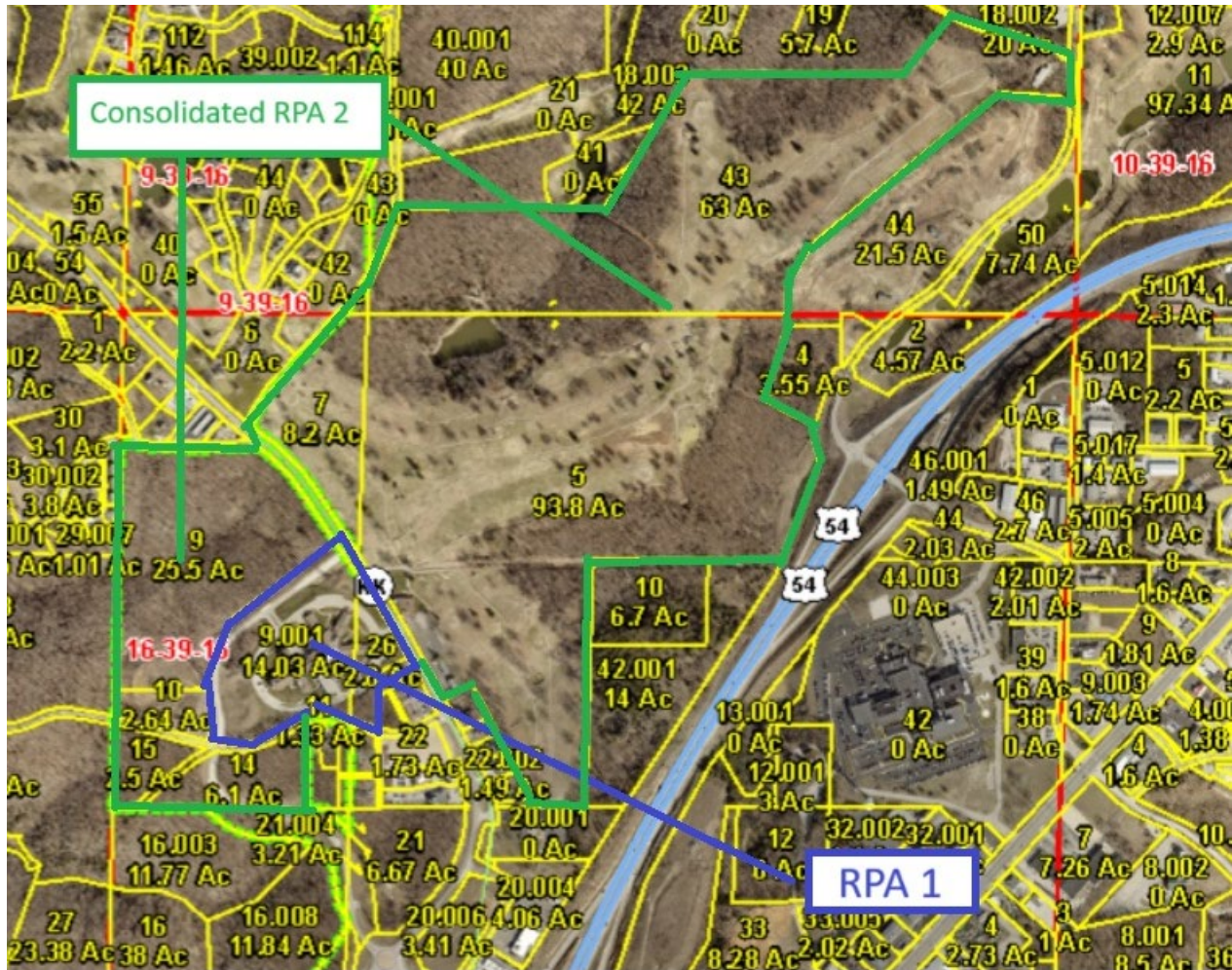
ARROWHEAD CENTER
JOB# 7178

DATE: NOVEMBER 14, 2014



Map is for illustrative purposes only; legal descriptions in Original Redevelopment Plan control the boundaries.

Map of RPAs (Consolidated RPA 2)



Map is for illustrative purposes only; legal descriptions in Original Redevelopment Plan control the boundaries.

RESOLUTION 2025-25

RESOLUTION OF THE TAX INCREMENT FINANCING COMMISSION OF THE CITY OF OSAGE BEACH, MISSOURI, APPROVING THE 2025 AMENDMENT TO THE ARROWHEAD CENTRE TAX INCREMENT FINANCING PLAN AND EXPRESSING ITS RECOMMENDATIONS TO THE BOARD OF ALDERMEN OF THE CITY OF OSAGE BEACH, MISSOURI.

WHEREAS, the Board of Aldermen of the City of Osage Beach, Missouri (the “City”), has duly created the Tax Increment Financing Commission of the City of Osage Beach, Missouri (the “TIF Commission”); and

WHEREAS, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the “TIF Act”), authorizes the TIF Commission to hold public hearings with respect to proposed redevelopment areas, redevelopment plans and redevelopment projects (including amendments thereto) and to make recommendations thereon to the Board of Aldermen; and

WHEREAS, following a duly-noticed public hearing and receipt of a recommendation from the TIF Commission, the City adopted the following ordinances with respect to the Arrowhead Centre Tax Increment Financing Redevelopment Plan (the “Original Redevelopment Plan”):

- (a) Ordinance No. 15.56 approving the Original Redevelopment Plan;
- (b) Ordinance No. 15.57 approving the redevelopment project for “RPA I” as described in the Original Redevelopment Plan;
- (c) Ordinance No. 15.58 approving the redevelopment project for “RPA II” as described in the Original Redevelopment Plan;
- (d) Ordinance No. 15.59 approving the redevelopment project for “RPA III” as described in the Original Redevelopment Plan;
- (e) Ordinance No. 15.60 approving the redevelopment project for “RPA IV” as described in the Original Redevelopment Plan;
- (f) Ordinance No. 15.61 approving the redevelopment project for “RPA V” as described in the Original Redevelopment Plan;
- (g) Ordinance No. 15.62 approving the redevelopment project for “RPA VI” as described in the Original Redevelopment Plan;
- (h) Ordinance No. 15.63 approving the redevelopment project for “RPA VII” as described in the Original Redevelopment Plan; and
- (i) Ordinance No. 15.64 approving the redevelopment project for “RPA VIII” as described in the Original Redevelopment Plan;

WHEREAS, an amendment to the Original Redevelopment Plan has been prepared and is attached as **Exhibit A** hereto (the “2025 Amendment”); and

WHEREAS, the 2025 Amendment consolidates RPA II through RPA VIII into a single redevelopment project area and provides flexibility to undertake redevelopment project activities designated for the original RPA II through RPA VIII anywhere in the newly consolidated redevelopment project area; and

WHEREAS, after all proper notice was given, the TIF Commission held a public hearing in conformance with the Act on August 14, 2025, and received comments from all interested persons and taxing districts relative to the approval of the 2025 Amendment and the revisions to the redevelopment projects described therein;

NOW, THEREFORE, BE IT RESOLVED BY THE TAX INCREMENT FINANCING COMMISSION OF THE CITY OF OSAGE BEACH, MISSOURI, AS FOLLOWS:

1. The TIF Commission hereby ratifies and confirms the setting of the date of this public hearing.

2. The 2025 Amendment and the revisions to the redevelopment projects described therein are hereby adopted and approved. The TIF Commission hereby recommends that the Board of Aldermen adopt an ordinance in the form required by the TIF Act to approve the 2025 Amendment and the revisions to the redevelopment projects described therein.

3. The officers of the TIF Commission are hereby authorized and directed to execute all documents and take such necessary steps as they deem necessary and advisable to carry out and perform the purpose of this Resolution.

ADOPTED by the Tax Increment Financing Commission of the City of Osage Beach, Missouri, this ____ day of August, 2025.

Chairman

ATTEST:

Secretary

EXHIBIT A

2025 AMENDMENT

[On file with the City Clerk]