Market Study - 500 Together.Homes KC - 202608

Market Study & Demand Analysis

500 Together.Homes KC

South Vine District, Kansas City, Missouri | 500-Home Development

Prepared by: Scale-Built Housing KC **Sponsor:** Daniel Edwards, Together.Homes / Scale-Built Housing KC **Date:** August 2026 **Version:** 1.4 — Aligned to the South Vine 500-Home Development Proforma 202608B (Primary Model, $50M Revolver). Restated 2026-08-12 for the 500-home programme (425 lot homes + 75 flats, five phases of 100) and the 2026-08-11 conservative repricing (hard $197.79/SF, price $321.00/SF). **This edition states income bands against their statutory definitions — workforce housing at 80–120% AMI, affordable housing at 80% AMI and below — and positions the development as an unsubsidized for-sale programme. It carries no affordability covenants, no income restrictions, and no subsidy dependency. See Sections 6.3 and 8. Source alignment:** Final restricted appraisal consultation by Todd Appraisal staff, File No. 25D049PVL40.01, report date May 1, 2026, effective date April 13, 2026. **Intended Users:** Senior Lender, Institutional Investors, Capital InVentures advisory, KCMO Office of Economic Development

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Letter of Transmittal

To the Intended Users of this Market Study:

This document presents a market study and demand analysis for **500 Together.Homes KC** — a 500-home development in the South Vine District of Kansas City, Missouri, financed by a **$50 million master revolving facility** and delivered in **five phases of 100 homes over 30 months**. The study is prepared as part of the 500 Together.Homes KC data room and is intended to support institutional investor diligence, senior debt underwriting, and applications for municipal tax abatement under Missouri's Chapter 353 and Chapter 99 (LCRA) programs.

The market analysis incorporated herein draws materially on a third-party USPAP-compliant restricted appraisal consultation of the South Vine District — the **final report dated May 1, 2026 (effective April 13, 2026)** — included in full as **Appendix A**. The third-party consulting study, prepared independently of the sponsor, reaches conclusions about market conditions, highest and best use, and coherence-based value formation that align directly with — and provide independent corroboration for — the 500 Together.Homes KC investment thesis.

Demographic, affordability, and demand-side data are drawn from authoritative public sources, including the U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) dataset, HUD income limits, the U.S. Census Bureau American Community Survey (ACS) 5-year estimates, the Mid-America Regional Council (MARC), the Kansas City Market Value Analysis (MVA) 2024, Freddie Mac Primary Mortgage Market Survey, and additional sources cited in the body of the report and in **Appendix F**.

This study should be read in conjunction with the **South Vine 500-Home Development Proforma (Primary Model)**, the production schedule it contains, and the Site Plans, all of which are part of the data room.

Respectfully submitted,

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Statement of Limiting Conditions and Reliance

1. This Market Study is a sponsor-prepared analysis. It is not a property appraisal under USPAP Standards 1 and 2, nor is it an offering document. It does not constitute a solicitation to invest. Offers to invest may only be made under a separately delivered Private Placement Memorandum and subscription documents.
2. The third-party consulting study attached as Appendix A was prepared by an independent USPAP-credentialed appraiser at the request of the sponsor. Conclusions therein are the appraiser's, not the sponsor's. The sponsor relies on the appraiser's analysis but does not warrant it.
3. Market data — pricing, absorption, demographics, employment, capital markets — is drawn from sources believed to be reliable but is not independently audited. Sources are cited inline and bibliographically in Appendix F.
4. Forward-looking statements regarding pricing, absorption, and market conditions are estimates based on current data and reasonable assumptions. Actual results may differ materially. Sensitivity ranges are provided in Section 14.
5. The tax-abatement eligibility analysis in Section 12 is a sponsor-prepared assessment of qualification under existing Missouri statute and KCMO ordinance. It is not a legal opinion and does not bind the City Plan Commission, City Council, EDCKC, or LCRA. Final determination of blighted-area designation rests with the City of Kansas City.
6. The AMI figures presented for each home type are **descriptive outputs, not targets**. They are derived from the methodology in Section 6 — computed from the sale price against current HUD income limits and mortgage terms — and re-derive as those inputs change. **They are not rent restrictions, price restrictions, income restrictions, or affordability covenants, and the development is not offered as subsidized or restricted housing.** Where this study uses the terms *workforce housing* and *affordable housing*, it uses them in their conventional statutory sense: **workforce housing = households at 80–120% of area median income; affordable housing = households at 80% AMI and below.**
7. This document is confidential. Distribution beyond the Intended Users requires sponsor consent.

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1. Executive Summary

1.1 The Development

The 500 Together.Homes KC development will deliver **500 homes in five phases of 100 over 30 months** in the South Vine District of Kansas City, Missouri. Phase 1 completes by month 9; construction concludes inside 27 months; the final homes sell by month 30. The development is structured as:

Tier	Units	Price Range	AMI Band	% of Total
Workforce band (80–120% AMI) — Type B townhomes + flats	**252**	$399,324–$403,048	**105–106% AMI**	**50%**
Above the workforce band — Type A townhomes + 3-unit townhomes	231	$481,500–$504,612	126–132% AMI	46%
Market (duplex)	12	$601,875–$722,250	158–189% AMI	2%
Custom (single-family)	5	$1,057,540–$1,199,865	277–314% AMI	1%
Blended	**500**	**$459,137 avg**	**120% AMI**	**100%**

Half the development — 252 homes — prices inside the workforce band as conventionally defined (80–120% of area median income), at 105–106%. The blended AMI across all 500 homes is **120%**: the development as a whole sits at the ceiling of the workforce band, with the balance of the mix above it at market and custom price points. **No home in the development is offered as affordable housing (80% AMI and below), and none needs to be** — the programme is underwritten entirely on private capital, without income restrictions, affordability covenants, or any subsidy award. AMI figures are live derivations from the methodology in Section 6 (HUD income limits + current mortgage terms), not static labels or commitments.

The development is financed by a **$50 million master revolving facility** — one instrument funding vertical construction of all 500 homes, the enterprise civil and land work, and a **$15 million land bank** held as first-lien collateral for the next phase of the surrounding assemblage. Modeled development peak outstanding is **$37,555,019 (75.11% of the facility)**, leaving **$12,444,981 of headroom**; net sale proceeds cover the peak draw **5.84 times**. Development revenue is **$229,568,275**, homebuilding gross margin **$32,929,018 (15.02%)**, and net margin after financing **$26,649,198 (12.16%)**.

1.2 Why This Market, Why Now

The Kansas City urban core, and the South Vine District specifically, presents a structural mismatch between demand and supply that the 500 Together.Homes KC development is purpose-built to close:

- **Regional shortfall:** 64,000 affordable units short across the KC region (MARC, April 2023). Annual production: 6,700 permits — an 85% increase is required to normalize.
- **Income-band gap:** Rentals under $1,000/month declined from 145,019 to 76,134 units in KC (2015–2024); 10,000 LIHTC units age out of affordability over the next decade.
- **Local demand:** Hospital Hill employs 12,251 (up 62% since 2002, including 9,047 at Children's Mercy); downtown CBD employs 127,000; the KC Streetcar Main Street Extension carried 11,397 trips/day in its first month (November 2025).
- **Supply-side absence:** KCMO has issued few new-construction permits in the urban core relative to population. In the 64127 eastern-adjacency portion of the assemblage, the median home value is approximately $105,000–$122,000 vs. $291,000 citywide — a discount that reflects century-old housing stock, not a discount in underlying location value. One block west, in the 64108 primary footprint (Beacon Hill), new construction already transacts at $263–$321/SF (Section 11) — direct evidence that the location value is present and that the eastern discount is a stock-and-coordination artifact the development resolves.

1.3 The Coherence Thesis

The 500 Together.Homes KC thesis turns on **coherence at scale**. The independent consulting study prepared by the appraiser (Appendix A) concludes that land value within the South Vine "Primary Market Cohort" is "not static, but contingent upon the structure and coordination of development activity." Where development is fragmented infill, values remain anchored to distressed-sale transactions and a 10% discount applies; where development achieves coordinated coherence comparable to greenfield delivery, values can support a structured premium and resolve the appraisal gap that has historically prevented new construction from penciling.

The 500 Together.Homes KC development is the operational vehicle that delivers that coordination: 500 transactions concentrated in a single census tract over **30 months** become the dominant comparable set for that tract, replacing distressed-sale anchors with new-construction comparables at 0.1–0.3 mile distance. The mechanism is endogenous: the development does not require external comp recovery to support its pricing.

1.4 Income-Band Position

The development is underwritten as **workforce housing that pencils on its own economics** — priced to bid-calibrated cost, with **252 of 500 homes inside the 80–120% AMI workforce band** at 105–106%, qualifying at standard mortgage terms with 5% down. That position is achieved through cost control and missing-middle density, not through public support: **no subsidy, no tax-credit equity, no income restriction and no affordability covenant is required for any home in the programme to close.**

This is a deliberate structural choice. Subsidy-dependent for-sale development conditions delivery on award calendars and compliance regimes; this programme is financeable on private-capital terms today, and its delivery schedule is not hostage to any public process. The Chapter 353 abatement (Section 12) and the assigned $2,600,000 Missouri NPA award are treated in this study as **development economics** — they improve carrying cost and per-home margin — not as affordability instruments or commitments to a restricted price. See Section 8.

1.5 Tax Abatement Support

The target census tracts qualify under Missouri's "blighted area" definition (Section 12). The standard KCMO abatement under Chapter 353 or LCRA (Chapter 99) is **75% of incremental property tax for 10 years and 37.5% for the following 15 years** — a 25-year structure consistent with the Beacon Hill precedent (Section 13). This abatement is incorporated into 500 Together.Homes KC underwriting as a development incentive aligned with City policy objectives for distressed-tract reinvestment.

1.6 Conclusions

Demand is supported. Pricing is supported. Absorption is supported. Tax abatement is supported. The market study finds that the 500 Together.Homes KC development is not only feasible but structurally necessary: the same forces that make the project required also make it the only intervention capable of resolving the appraisal-comp deadlock that has prevented private capital from serving the East Side market at scale.

2. Project Overview

2.1 Subject Property

The subject is the **South Vine District**, a 25.67-acre assemblage in the urban core of Kansas City, Missouri, within the historic Beacon Hill / 18th & Vine / Paseo West corridor. The primary development address is **2546 Woodland Avenue (ZIP 64108)**, and the assemblage extends east across the 64108/64127 boundary to include the adjacent Michigan Avenue parcels (ZIP 64127) and other partner-acquisition parcels. Anchoring the subject at the 64108 Woodland parcel places the development squarely within the Beacon Hill reinvestment submarket, one block west of the 64108/64127 line. The site is identified, described, and mapped in the third-party consulting study (Appendix A) and in the Site Plans (data room). The full site plan delivers 500 units across 114 lots at 15.6 units per acre.

Land use and entitlement — the full development program is carried by a Master Planned Development, over a 411-home by-right floor. The 2546 Woodland anchor parcel is zoned **R-1.5** (confirmed), the first (densest) tier of KCMO's residential districts, in which **every residential building type in the development — detached single-family, townhomes (3–9 attached units), and small multi-unit buildings — is permitted by-right** under Chapter 88 (§88-110-04-A), at up to ~29 dwelling units per acre and 45 ft of height (60 ft under the open-space option). **411 homes are as of right on the assemblage**, and roughly 150 on sponsor-owned land alone. The 500-home program needs 1,234 SF of site per unit, above the by-right density, so the balance is carried by a Master Planned Development — a Council-approved track (§88-280-01-A) that also carries the plat and the ground-floor live/work use at 2445 Michigan, which R-1.5 does not permit at all. §88-517-09 freezes the plan as filed. To build the planned for-sale program; tenure (for-sale vs. rental) is not a land-use matter under the code. The parcel is **outside** the 18th & Vine Historic District (no design review) and, by its published boundary, outside the Beacon Hill Chapter 353 redevelopment area (final legal boundary and absence of any overlay to be confirmed on the KCMO Parcel Viewer). Separately, the parcel's **future land use is "Downtown Residential"** (Greater Downtown Area Plan) — a designation the R-1.5 zoning already implements and exceeds for residential use, and which provides adopted-plan policy support to later rezone to the DR downtown district (§88-130) should the sponsor elect to add **ground-floor retail/restaurant with residential above** (permitted by-right in DR, with no residential density cap) or additional height. In short: **411 homes are entitled as of right today** and the full 500 is carried by an MPD, with a plan-backed path to downtown incentives held in reserve.

2.2 Development Schedule

The 500 Together.Homes KC development delivers **500 single-family and missing-middle homes in five phases of 100**, with phase construction starts at months 1, 6, 10, 14, and 18:

Phase	Construction Start	Homes	Status at Milestone
Phase 1	Month 1	100	Complete by month 9
Phase 2	Month 6	100	—
Phase 3	Month 10	100	—
Phase 4	Month 14	100	—
Phase 5	Month 18	100	Construction complete inside 27 months

Homes sell as they complete; the final homes sell by month 30, the end of the facility term. Production uses panelized wall, floor, and roof components from the Bilt-Blocks panelization facility at 3232 East 18th Street, a coordinated general-contractor structure, and a pre-permitted entitlement package prepared under existing zoning, with the Chapter 353 process running in parallel (Section 12.7).

2.3 Financing Structure

Element	Amount	Notes
Master revolving facility (the ask)	$50,000,000	One revolving line — all 500 homes + a $15M land bank; repaid by net home-sale proceeds
Development peak outstanding (modeled)	$37,555,019	**75.11% peak utilization — $12,444,981 of headroom**
— of which revolving construction, at the peak	$27,555,019	Retires in full at construction completion (month 27)
— of which land bank drawn, at the peak	$10,000,000	$5M draws at months 6 / 12 / 20; the third lands after the peak
Land bank facility allocation (held collateral)	$15,000,000	The month-30 balance, by design
Phase 1 separable first-100 peak	$34,615,731	The first phase stands alone if underwritten separately
Sponsor equity (junior)	$4,791,116	Owned-land contribution
NPA tax-credit award (assigned, verified)	$2,600,000	Missouri Neighborhood Preservation Act; realized per home at certificate of occupancy
Completion bond	$400,000	—

Net sale proceeds cover the peak draw **5.84x**. Collateral is a first-lien deed of trust on homes, land, and serviced lots, plus the held land bank. Development revenue is **$229,568,275**; homebuilding gross margin **$32,929,018 (15.02%)**; net margin after financing **$26,649,198 (12.16%)**; modeled interest reserve **$6,279,821**. The complete sources and uses, phase budgets, draw schedule, and unit economics are in the **South Vine 500-Home Development Proforma (Primary Model)** in the data room.

2.4 Sponsor

Scale-Built Housing KC is sponsored by Daniel Edwards through the Together.Homes platform. The sponsor team includes BNIM Architecture (project architect), 4Sight (computational design), and a contracted general contractor with QAQC oversight (resumes in EDC package, data room). Panelized wall, floor, and roof components are supplied by the Bilt-Blocks panelization facility (3232 East 18th Street).

3. Market Area Definition

3.1 Methodology

Market area boundaries are defined in three concentric tiers, consistent with appraisal-standard market analysis practice:

- **Primary Market Area (PMA):** the immediate geography within which the subject is the dominant comp-setter and from which the largest share of buyers will be drawn.
- **Secondary Market Area (SMA):** the broader urban-core context that influences pricing, perception, and feasibility.
- **Tertiary Market Area (TMA):** the regional context that establishes the macro frame — jobs, in-migration, capital markets.

Boundaries reflect a combination of (a) Census tract geography, (b) drive-time isochrones to major employment centers, and (c) sub-market identity as recognized in the KCMO Market Value Analysis (MVA) 2024 and by local market participants.

3.2 Primary Market Area

The PMA encompasses the South Vine District itself and the surrounding Paseo West / Beacon Hill / Wendell Phillips / 18th & Vine tracts. Approximate Census tract list (final tract IDs and a tract-level map are in Appendix E):

- ZIP 64108 — primary subject footprint (Beacon Hill / 18th & Vine / Hospital Hill corridor; the 2546 Woodland anchor parcel)
- ZIP 64127 — eastern adjacency (Michigan Avenue parcels, across the 64108/64127 line)
- ZIP 64128 — southern adjacency (18th & Vine trade area)

The PMA is approximately 1.0 mile in radius from the **2546 Woodland (64108) anchor**. It is the geography within which the development's 500 homes will reset the comparable-sales pool. The primary footprint sits in 64108 — the Beacon Hill submarket that already demonstrates active new-construction reinvestment pricing (Section 13) — while the assemblage extends east into 64127; the development's own at-scale deliveries then seed the comparable set that the 64127 parcels draw on.

3.3 Secondary Market Area

The SMA extends approximately 3.0 miles from the subject and includes:

- Hospital Hill / UMKC Health Sciences District (north)
- Downtown CBD (northwest)
- Crossroads Arts District (west)
- 18th & Vine entertainment district (south)
- East Side neighborhoods through Prospect Avenue (east)

The SMA defines the employment and amenity catchment for prospective 500 Together.Homes KC buyers.

3.4 Tertiary Market Area

The TMA is the Kansas City Metropolitan Statistical Area (MSA), comprising Jackson, Clay, Platte, and Cass counties in Missouri and Wyandotte, Johnson, Leavenworth, and Miami counties in Kansas. The TMA is the geography for HUD CHAS analysis (Section 5), regional housing-shortfall figures (MARC), and capital-markets context (Section 4).

3.5 Why These Boundaries

The PMA is small by appraisal convention, and that compactness is intentional. The 500 Together.Homes KC thesis depends on the development being large enough relative to the PMA's transaction volume to function as the dominant comp-setter. A 500-home development in a 1.0-mile PMA is a very large signal; the same development in a 5.0-mile PMA would be diluted. The compactness of the PMA is therefore a deliberate analytical choice that mirrors the operational reality of the development.

4. Economic and Demographic Drivers

4.1 Kansas City MSA Macro Conditions

The independent consulting study (Appendix A) characterizes the Kansas City MSA as “moderately supply-constrained, with improving but still limited inventory; experiencing stable pricing despite reduced transaction volume; supported by steady population growth and relative affordability; influenced by investor activity in entry-level segments.”

Selected MSA indicators (sources: appraisal Appendix A; CoStar; MARC 2024–2029 CEDS):

- **Population growth:** Approximately 25,000–40,000 net new residents per year.
- **Transaction volume:** Total home sales declined approximately 19% year-over-year in 2024 (rate-driven).
- **Pricing:** Median home values increased approximately 10% over the same period — a divergence between volume and pricing that signals underlying supply constraint.
- **Inventory:** Months of supply rose from 1.3 months at peak scarcity to approximately 2.7 months by late 2025 — still seller-leaning.
- **Permitting:** Suburban jurisdictions reported significant year-over-year permit increases in 2024–2025; **the City of Kansas City, Missouri lagged notably**, issuing relatively few permits relative to population. Restrictive policies regarding new construction are cited as a noted headwind for affordable housing.
- **Multifamily absorption:** Approximately 4,400 units absorbed over the past year, against approximately 5,000 new deliveries — vacancy ~8.3%, near long-term equilibrium.
- **Investor participation:** 17–26% of transactions in recent years, concentrated in entry-level segments.

4.2 Urban Core Conditions

The urban core is materially distinct from the broader MSA. Selected indicators (Appendix A):

- **Median home value (64127 eastern adjacency):** ~$105,000–$122,000 vs. ~$291,000 citywide. The 64108 primary footprint (Beacon Hill) is materially stronger — median ~$580K with new construction at $263–$321/SF (Section 11).
- **Housing stock:** Median age exceeds 100 years.
- **Tenure mix:** Approximately 54% renter-occupied (vs. citywide majority owner-occupied).
- **Median household income (urban core):** ~$37,950.
- **Transaction behavior:** Bifurcated — renovated/investor-ready properties move quickly; distressed/functionally obsolete properties experience extended marketing periods.
- **Land market:** Limited transparent transaction data; significant off-market activity through assemblages and partnerships.

4.3 Employment Anchors

The PMA and SMA are anchored by an unusually dense concentration of major employers within walking and short-drive distance:

Anchor	Employees	Distance from Subject	Notes
Downtown CBD	127,000	~1.7 miles / 4–5 min drive	Largest single employment node in the metro
Hospital Hill / UMKC Health Sciences District	12,251	~0.8 miles	Up from 7,548 in 2002 (+62%)
Children’s Mercy Hospital	9,047	within Hospital Hill	Single largest employer in the cluster
Crown Center / Union Station	(combined with downtown)	~1.2 miles	Anchor for Crown Center / 18th & Vine corridor
HDIB (under construction)	TBD	25th & Charlotte	Opens 2026; job-creation multiplier cited at 1 hospital position → 1.5 staff jobs + 2.5 households

The KC Streetcar Main Street Extension opened October 2025 and carried 11,397 trips/day in its first month (November 2025), against a pre-extension baseline of approximately 4,000 trips/day. The extension materially increases the subject area’s transit accessibility.

4.4 Downtown Investment Pipeline

Recent and planned downtown investment provides a strong macro tailwind for the subject area:

- **Recent cycle:** $3.3 billion in completed downtown investment.
- **Planned future:** $10.8 billion in announced or in-development projects.
- **Office-to-residential conversions:** 55 completed projects, 5,263 units, $1.2 billion invested — a structural source of new urban-core residential demand for adjacent neighborhoods.
- **Hospital Hill / HSD:** $550M+ in new construction triggered by the Health Sciences District; $234M in private developer investment in the surrounding area.
- **Royals stadium:** Crown Center stadium development under discussion using a tax-increment financing framework; the consulting study (Appendix A) provides extensive analysis of stadium-led redevelopment spillover and explicitly identifies the South Vine / 18th & Vine corridor as a tertiary district whose value capture depends on whether the city establishes a believable link to the new center of gravity.

4.5 South Vine District + Adjacent Neighborhood Demographics

Selected demographics for the PMA tract footprint (sources: ACS 5-year estimates; appraisal Appendix A; MARC):

Indicator	Value	Comparison
Median household income (64127 eastern adjacency)	$32,179	Lowest in KC; metro median $79K–$83K — characterizes the East Side adjacency, and is the renter-heavy first-time-buyer demand pool the workforce product serves
Median household income (urban core composite, per Appendix A)	~$37,950	—
Renter occupancy (Paseo West)	96.2%	Very high — large pool of first-time-buyer candidates
Vacancy rate	14.7%	Elevated vs. metro
Children below poverty	57.8%	—
Households without a car	24.4%	Reinforces transit-accessibility value
Black homeownership rate (KC)	43%	vs. 73% white
Mortgage denial rate (Black, KC metro)	11.47%	vs. 6.42% overall — 19th worst among 50 largest metros
Downtown KC population growth, 2000–2023	+139%	Projected 44,000 residents by 2035

Final tract-by-tract demographic tables and ACS source citations are in Appendix C.

5. HUD CHAS Demand Analysis

5.1 Methodology

The HUD Comprehensive Housing Affordability Strategy (CHAS) dataset combines U.S. Census Bureau American Community Survey (ACS) data with HUD income limits to quantify housing problems by tenure, household type, and income band relative to HUD Area Median Family Income (HAMFI). CHAS is the single most authoritative federal data source for affordable-housing demand analysis and is used by HUD, state housing finance agencies, and most LIHTC and HUD-financed projects to document demand.

The latest CHAS release is based on **2018–2022 ACS 5-year estimates** (released December 23, 2025). The geographic unit used here is the **Kansas City, MO-KS Metropolitan Statistical Area** (CBSA 28140). The pulled CHAS tables are saved at `market-study-research/02-chas-kc-cbsa.csv` and summarized in Appendix B.

5.2 Key Findings

Metric	Source	Figure
KC region affordable-housing shortfall	MARC, April 2023	64,000 units
Annual housing production (KC region)	MARC	6,700 permits/year
Increase required to normalize	MARC	+85%
LIHTC units aging out of affordability over next decade	Industry tracking	~10,000
Decline in rentals under $1,000/month, KC, 2015–2024	Industry tracking	145,019 → 76,134 (−47%)
Cost-burdened household increase	MARC, March 2026	+7%
ELI households in KC region unable to find affordable rental	National benchmark applied to KC	89%
Affordable units per 100 ELI renters (national)	NLIHC	64
Households at 50–80% HAMFI, KC CBSA	HUD CHAS 2018–2022, Table 8	153,080 (85,390 owner / 67,690 renter)
Cost-burdened (>30%) households at 50–80% HAMFI	HUD CHAS 2018–2022, Table 8	48,670
Households at 60–80% HAMFI with ≥1 housing problem	HUD CHAS 2018–2022, Table 11	28,736 (of 101,660 in the band)
Households at 60–120% HAMFI (the attainable band)	HUD CHAS 2018–2022, Table 11	282,985 — 51,191 with housing problems
Vacant-for-sale units affordable at 50–80% HAMFI, metro-wide	HUD CHAS 2018–2022, Tables 14A/B	785

5.3 Synthesis: Addressable Demand at the Development's Price Points

The 500 Together.Homes KC development places **252 of its 500 homes inside the workforce band — 80–120% of area median income — at 105–106%**, with the balance of the mix above that band at market and custom price points. For the KC metro, the HUD median family income for a four-person household is **$113,400** (current income-limit year; see Section 6). The workforce-band homes therefore price to households earning approximately **$119,000–$120,000**, and the development as a whole serves households from roughly **$119,000 upward**. The development does not target the sub-80% AMI affordable band and makes no claim to serve it.

At workforce-band pricing of **$399,324–$403,048**, with mortgage rates near 6.5% and standard conventional underwriting (30% housing ratio, 5% down), the qualifying buyer falls at **105–106% of the area median** — teachers, nurses, first responders, hospital and technical staff, and dual-earner service households. CHAS tabulations of cost-burdened households in the 80–120% HAMFI cohorts within the KC CBSA represent the directly addressable demand pool for that half of the programme, augmented by the very large renter population (96.2% renter occupancy in Paseo West) currently priced out of ownership by supply absence rather than income. The 231 homes above the band, at **$481,500–$504,612 (126–132% AMI)**, draw from the metro's move-up and dual-professional cohort, for which the urban core currently offers essentially no new-construction for-sale product at any price.

The 64,000-unit regional shortfall is approximately **128 times the 500-home development**. Even acknowledging that the development targets a specific income band and geography, the structural demand gap at the targeted price points is large enough that absorption risk from oversupply is not material at the development's scale.

5.4 Documentation in Appendix B

Appendix B contains the following CHAS tables for KC CBSA 28140:

- Table 1: Household income distribution by tenure and HAMFI band
- Table 2: Housing problems (cost burden, overcrowding, lacking facilities) by tenure and HAMFI band
- Table 3: Severe cost burden (>50% of income) by tenure and HAMFI band
- Table 7: Housing affordability mismatch (unit affordability vs. household income)

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6. AMI Methodology — the Income-Band Basis

6.1 Why a Methodology Section

Most market studies attach AMI labels to price tiers as static text. This study derives them. Every AMI figure in this document is computed from four citable, current inputs, and re-derives whenever those inputs change. The result is an income-band position a lender can audit line by line.

The bands, as this study uses them. Income-band terminology is used loosely across the industry; this study uses the conventional statutory definitions and applies them consistently:

Term	Band	Applies to this development
Affordable housing	80% AMI and below	**No homes.** The development makes no affordable-housing claim and carries no covenant, restriction or subsidy directed at this band.
Workforce housing	80–120% AMI	**252 homes (50%)** at 105–106% AMI
Market rate	Above 120% AMI	248 homes at 126–314% AMI

The distinction is material to how this study should be read. A development that carries affordability restrictions trades pricing freedom for subsidy and is exposed to award calendars, compliance regimes, and resale controls. **This development carries none of that.** Its income-band position is a *consequence* of its cost structure, not an obligation it has undertaken — and it can be re-derived, but not breached.

6.2 The Anchor Derivation

The methodology computes the home price a household at exactly 100% of area median income can afford at standard mortgage terms — the **100%-AMI home anchor** — and then expresses every home in the development as its sale price divided by that anchor.

Input	Value	Source
KC metro median family income (4-person)	**$113,400**	HUD income limits, current limit year
Mortgage rate (30-year fixed)	**6.5%**	Freddie Mac Primary Mortgage Market Survey, July 2026
Housing cost ratio	**30%** of gross income (PITI)	Standard underwriting
Down payment	**5%**	Conventional first-time-buyer terms
Property tax + insurance	**1.7%** of home value annually	KC-area composite

Working the mortgage math through those inputs produces a **100%-AMI home anchor of $382,008** — the price at which a median-income Kansas City household's full housing cost (principal, interest, taxes, insurance) equals 30% of gross income.

AMI% = sale price ÷ $382,008.

6.3 The Development Under the Methodology

Unit type	SF	Units	Sale Price	AMI
Townhome — Type A (20′ bay)	1,572	186	$504,612	132%
Townhome — Type B (16′ bay)	1,244	177	$399,324	**105%**
Flats — 2445 Michigan + 26th & Woodland	1,256	75	$403,048	**106%**
3-unit townhome	1,500	45	$481,500	126%
2-unit duplex	1,875	8	$601,875	158%
2-unit duplex	2,250	4	$722,250	189%
Single-family custom	2,625	4	$1,057,540	277%
Single-family custom	3,000	1	$1,199,865	314%
Blended (500)	**1,424**	**500**	**$459,137**	**120%**

The controlling finding: **252 of 500 homes (50%) price at 105–106% of area median income — inside the 80–120% workforce band — with no subsidy, no covenant and no income restriction.** A further 231 homes sit between 126% and 132%, above the workforce band; 17 more are market and custom product. The development **blends to 120% AMI — the ceiling of the workforce band.**

Two points of interpretation matter here.

First, the 2026-08-11 repricing moved this tier within the workforce band, not out of it. Before the repricing the same homes computed to 93–94% AMI; after it, 105–106%. Both figures sit inside the statutory 80–120% workforce definition, so the development's classification is unchanged. What moved is the position within the band — from the lower-middle to the upper-middle — as hard cost was recalibrated upward to bid evidence and price moved with it. This is a more conservatively costed model producing the same product classification.

Second, none of these figures is a commitment. They are arithmetic outputs — sale price divided by the $382,008 anchor — recomputed whenever HUD limits or mortgage rates move. The development achieves its position through bid-calibrated cost control and missing-middle density, not through public support, and it undertakes no obligation to hold any home at any band.

6.4 Maintenance of the Basis

The anchor is a live computation in the primary proforma (Assumptions, Affordability/AMI Basis section). It updates annually with the HUD income-limit release and with prevailing mortgage rates; all AMI figures in the model re-derive automatically. This study's AMI statements are as of the July 2026 basis stated above.

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7. Housing Need and Demand-Gap Analysis

7.1 Definition

The affordability gap is the difference, in a defined market area, between (a) the count of households at a given income band that need adequate, affordable housing and (b) the count of available units that meet that affordability test for that band. A negative gap (units exceed households) implies oversupply; a positive gap implies unmet demand.

7.2 The Attainable Band Gap — KC CBSA

Per HUD CHAS data (2018–2022 ACS, released December 2025; 14-county KC MO-KS CBSA aggregation, Appendix B): **28,736 households earning 60–80% of area median family income — out of 101,660 households in that band — experience at least one housing problem** (cost burden >30%, overcrowding, or incomplete kitchen/plumbing). Widening to the pure cost-burden measure, **48,670 households at 50–80% HAMFI are cost-burdened**. Across the full 60–120% attainable band, **282,985 households include 51,191 with housing problems**. Against that demand, vacant supply is nearly absent: only **785 vacant-for-sale units metro-wide** are valued in the 50–80% affordability range.

These figures confirm the structural unmet demand previously estimated at 20,000–30,000 households — at the top of that range on the housing-problems measure, and well above it on pure cost burden. Because the CHAS vintage (2018–2022) pre-dates the 2023–2025 rate and price run-up, these figures likely understate current stress. **The development addresses the upper portion of this need directly — 252 homes inside the 80–120% workforce band — and does not claim to serve the sub-80% affordable cohort.** The data is presented here as evidence of the depth of unmet demand in and around the development's price points, not as a need the development undertakes to close.

Within the PMA specifically, the gap is amplified by the structural conditions documented in Section 4: 96.2% renter occupancy in Paseo West, $32,179 median household income, and the absence of new-construction supply at any price point in the urban core.

7.3 Pipeline Erosion

The attainable-band gap is widening, not narrowing, on several axes:

- **Sub-$1,000/month rentals lost:** 145,019 → 76,134 (KC, 2015–2024). Loss of this stock pushes households into higher cost burden or out of the market.
- **LIHTC expirations:** ~10,000 units expected to age out of LIHTC affordability covenants over the next decade in the KC region — a demand event for attainable for-sale product as those households seek alternatives.
- **For-sale supply below $450,000 in the urban core:** The KCMO permit data referenced in Section 4 indicates very low new-construction permitting in the urban core; new for-sale supply at workforce price points is essentially absent.

7.4 Conclusion

The 500-home development addresses approximately **2–3% of the estimated attainable-band gap in the KC CBSA**, concentrated in a single submarket. The development is large enough to reset the comp pool in the PMA (Section 15) while small enough relative to the regional gap that oversupply risk is not material.

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8. Attainability Without Subsidy

8.1 Position

The development requires no subsidy, and is not structured to seek one. All 500 homes are underwritten on private capital through a single $50 million master revolving facility. There are no affordability covenants, no income restrictions, no resale controls, no tax-credit equity in the capital stack, and no public award on which delivery is conditioned.

That 252 of the 500 homes land inside the 80–120% AMI workforce band (Section 6) is an **outcome of the cost structure, not a program commitment.** It is produced by three things the sponsor controls: bid-calibrated cost discipline at $197.79/SF hard, missing-middle density that spreads land and civil cost across more units per acre, and vertical integration through Eastside Lumber on the material side.

8.2 Why This Matters to a Lender

Subsidy-dependent for-sale development carries risks this programme does not:

- **Schedule risk.** Award calendars (LIHTC, HOME, Housing Trust Fund) run on annual or semi-annual cycles that do not align with a 30-month revolving facility. A programme waiting on an award cannot commit to a draw schedule.
- **Compliance risk.** Income-restricted for-sale product carries qualification, monitoring, and resale-control obligations that survive the construction loan by decades, and that a lender must underwrite as an encumbrance on its collateral.
- **Pricing risk.** A restricted home cannot reprice with the market. The development's homes can.
- **Political risk.** Programmes whose delivery depends on a public award are exposed to changes in municipal and state policy between commitment and closing.

None of these apply here. Every home in the programme is an unrestricted, fee-simple, market-priced sale. The collateral is clean.

8.3 Incentives Are Economics, Not Affordability Instruments

Two public instruments do appear in the development's economics, and both are treated in this study as **margin and carrying-cost items rather than affordability commitments**:

Chapter 353 abatement. The 25-year property-tax abatement (Section 12) reduces the carrying cost of every home in the development. It is a development incentive granted for reinvestment in a qualifying distressed tract — earned on the blight finding, not on any affordability undertaking.

Missouri NPA tax credits. The development carries a **$2,600,000 Neighborhood Preservation Act award (assigned, verified)** across 65 units, realized per home at certificate of occupancy. It is a source line in the capital stack (Section 12), not a buyer-side writedown.

Neither instrument imposes an income restriction on any home, and neither is load-bearing: the model closes without a dollar of either.

8.4 Distributional Note

The development's contribution to Kansas City's housing need is **supply at scale in a tract that has received essentially none** — 500 new for-sale homes in 30 months where new-construction permitting has been close to absent (Section 10). Half of that supply lands in the workforce band on unsubsidized economics. The market-reentry lesson of Beacon Hill (Section 13) is that economics must work before anything else can follow; this development's answer is to make the economics work first, at scale, without asking the public balance sheet to close the gap.

9. Demand Documentation

> **Status note.** The sponsor maintains a parallel demand-documentation workstream to formalize and quantify the items in §9.1–§9.3. This work is in process; this version of the study presents the structural demand case (HUD CHAS, MARC regional shortfall, employment-cluster proximity, comparable-project absorption from Beacon Hill) as the operative basis for absorption support. Specific exhibits documenting the waitlist, employer commitments, and reservation pipeline will be incorporated as Exhibits 9-A through 9-C as that workstream produces deliverables.

9.1 Waitlist

The Together.Homes intake channel has maintained a continuous demand pipeline of **200+ families** at the South Vine corridor since 2016, captured at for-sale homeownership price points. Operator confirmation of the current waitlist count, screening criteria, and intake methodology — together with a dated affirmation suitable for institutional reliance — is being formalized as Exhibit 9-A.

9.2 Employer Workforce Housing Pipeline

The PMA and SMA employment cluster (Section 4.3) includes anchor employers with documented and growing workforce housing needs:

- **Children's Mercy Hospital** (9,047 employees) and the broader Hospital Hill / UMKC Health Sciences District (12,251 employees) operate in a tight regional labor market for clinical, nursing, and support staff. Workforce housing within walking and short-drive distance is a strategic recruiting and retention priority for these institutions — and the development's workforce-band homes price precisely to those payrolls (105–106% AMI).
- **HDIB** (opens 2026) will add additional clinical and research jobs at the 1.5 staff jobs + 2.5 households multiplier cited in Section 4.

Direct employer engagement — soliciting Letters of Intent, MOUs, or workforce-housing partnership commitments — is underway. Any executed instruments will be incorporated as Exhibit 9-B, at which point this section is reframed from demand-pipeline opportunity to documented commitment.

9.3 Pre-Sale Reservation Pipeline

A pre-sale reservation channel is being established alongside the Phase 1 production launch. Reservation agreements, deposits, and binding pre-sale contracts collected during this window will be summarized in Exhibit 9-C. Until that exhibit is populated, absorption support in this study rests on the structural demand case (Sections 5–7) and the comparable-project absorption data in Sections 13 and 14, which are sufficient to support the underwritten absorption velocity on a base-case basis.

9.4 Comparable Demand Signals

In the absence of (or in addition to) project-specific commitments, demand support is corroborated by:

- **Beacon Hill absorption:** The Beacon Hill redevelopment (Section 13) delivered 90+ new homes and 450 multifamily units over its ramp period in a directly adjacent submarket with materially weaker demographic and employment conditions than the South Vine PMA today. Its absorption demonstrates the existence of latent demand for new-construction product in the East Side urban core when product is delivered with credible coordination.
- **Office-to-residential conversion uptake:** 5,263 units delivered through 55 conversion projects with $1.2B in capital — these projects would not have proceeded absent demonstrated demand for urban-core residential product, including at price points within reach of the development's workforce and market tiers.
- **Streetcar ridership:** 11,397 trips/day on the Main Street Extension in its first month (vs. 4,000 baseline) confirms latent transit-oriented urban-core demand at scale.

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10. Supply Analysis

10.1 Existing Housing Stock — Primary Market Area

The PMA housing stock is dominated by single-family units with a median age exceeding 100 years (Appendix A). The stock divides into two functional segments:

1. **Distressed / functionally obsolete:** Trades at $30,000–$80,000 (Land Bank, foreclosure, deed-of-record gaps). This pool is the source of the persistent "appraisal gap" anchor described in Section 11 and Section 15.
2. **Renovated / repositioned:** Trades at $130,000–$250,000 with strong velocity for move-in-ready inventory.

The tenure mix is approximately 54% renter-occupied across the urban core (Appendix A); within Paseo West specifically, renter occupancy reaches 96.2% (Section 4). Vacancy is 14.7% in the immediate subject footprint.

10.2 Recent Permitting and New Construction

KCMO has lagged peer jurisdictions in new-construction permitting through the 2023–2025 cycle (Section 4.1). The independent consulting study (Appendix A) explicitly notes that "the City of Kansas City, Missouri has lagged notably behind in this regard, issuing relatively few permits compared to population size. This disparity has implications for urban core redevelopment, where supply remains particularly constrained."

Within the PMA specifically, identified new-construction permits issued in the 2020–2025 window are limited to scattered infill projects of fewer than 10 units each. There is no entitled or under-construction project of comparable scale to 500 Together.Homes KC within the PMA.

10.3 Pipeline of Competing Projects

A scan of publicly disclosed development pipelines within the PMA (sources: KCMO Office of Economic Development, EDCKC, MARC, Land Bank, KC Streetcar TOD planning) identifies the following project categories as competitive supply:

- **Office-to-residential conversions in the broader urban core:** 55 projects completed totaling 5,263 units over the recent cycle (Appendix A). These projects address downtown demand and do not compete directly with the development's for-sale, family-oriented product mix in the PMA, but they do absorb a portion of urban-core renter demand at the upper income bands.
- **Paseo Gateway / HUD Choice Neighborhoods:** $30 million HUD Choice Neighborhoods grant; replacement public housing and affordable units. This program addresses the deepest-affordability bands (≤30% AMI) and does not directly compete with the development's workforce tier; rather, it reinforces the broader district reinvestment narrative.
- **Beacon Hill ongoing and adjacent activity:** Continued infill on remaining Beacon Hill parcels and adjacent sites — provides comparable demand signal but is not competing supply at the development's scale.

The conclusion is that **no entitled or in-construction project within the PMA represents competing supply at the development's scale and price point**.

10.4 LIHTC Expirations as Demand-Side Pressure

Approximately 10,000 LIHTC units in the KC region are expected to age out of affordability covenants over the next decade. While LIHTC expirations are technically a supply event in the affordable-rental market, they function as a demand event for for-sale attainable housing: households previously housed at LIHTC rents will be pushed into either market-rate rentals (raising their cost burden) or first-time homeownership — the development's target market at its workforce-band price points (Section 6).

10.5 Distressed Inventory

The Kansas City Land Bank holds a meaningful inventory of vacant residential parcels in the PMA, available through partnership-acquisition channels. The South Vine assemblage incorporates Land Bank parcels in its 25.67-acre footprint. Foreclosure inventory is materially elevated relative to MSA averages (Appendix A discusses the "F/G market" Market Value Analysis tier).

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11. Comparable Sales and Pricing Analysis

11.1 Comparable Frameworks Available

The PMA's transaction history presents a methodological challenge that is central to this market study and to the 500 Together.Homes KC thesis. Three pricing reference frameworks coexist within the immediate subject area:

1. **Distressed-anchor framework:** $30,000–$80,000 trades drawn from foreclosure, Land Bank, and motivated-seller inventory in the 64127 eastern-adjacency portion of the assemblage. This is the data point an appraiser reaches for a subject anchored on the 64127 side; it is the framework the 64108 anchor is designed to move away from.
2. **Renovated-existing framework:** $130,000–$250,000 trades for rehab-completed homes with quality finishes. This is the framework used by investors and informed retail buyers.
3. **New-construction framework (the governing set for a 64108-anchored subject):** With the subject anchored at 2546 Woodland (ZIP 64108), the controlling comparables are the **Beacon Hill new-construction band of approximately $263–$321/SF** — Tracy Avenue and Forest Avenue (2400–2600 blocks), one block from the subject, from verified 2023–2026 sales and current listings (Appendix D) — with Columbus Park townhomes at $337–$350/SF confirming the townhome tier. This is a **robust, present comp set, not a scarce one**, and it is the framework a strict comparable-sales appraisal should use for the 64108-anchored subject. (Smaller 2-bedroom infill new builds further south at 4521 / 4527 Forest Ave, ZIP 64110, at $218–$230/SF represent a lower size-tier secondary reference, not the governing set.)

The independent consulting study (Appendix A) explicitly documents this segmentation, stating: "Aggregate statistics, such as median price or average days on market, can be misleading when applied broadly, as they mask the divergence between these two segments."

11.2 Sales Comparable Grid — East Side Submarkets

The following price/SF data has been compiled from internal market analysis (Together.Homes Market Analysis Report, March 2026; sources: Redfin, Zillow, Realtor.com, NeighborhoodScout, KCRAR):

Submarket	Median Sale Price	Median $/SF (Existing)	Avg Home Size	Days on Market
Blue Hills (64130/64110)	$110,000–$171,000	$117–$126	~1,150 SF	42
Marlborough (64131)	$105,000–$126,000	$102–$127	~1,200 SF	23
Wendell Phillips (PMA-adjacent)	$150,000–$245,000	$83–$98	~1,378 SF	30

Selected discrete comparable sales (existing resale, December 2025–February 2026):

Date	Submarket	Beds/Bath	SF	Sale Price	$/SF
Dec 19, 2025	Blue Hills (1429 E 49th St)	3/2	1,484	$224,900	$152
Dec 18, 2025	Marlborough	2/1	1,120	$120,000	$107
Dec 15, 2025	Marlborough	3/2	864	$89,900	$104
Dec 12, 2025	Blue Hills	2/1	870	$65,000	$74
Dec 11, 2025	Marlborough	3/3	2,400	$235,000	$98
Dec 3, 2025	Blue Hills	—	1,250	$180,000	$144

11.3 New Construction Comparables — Beacon Hill (64108), adjacent to the subject

The governing new-construction comp set for the 64108-anchored subject is the Beacon Hill development on Tracy Avenue and Forest Avenue, one block from 2546 Woodland (verified sales and current listings; data pulled July 2026 — Homes.com recorded sales, Redfin property records, developer listings; full detail and sourcing in Appendix D):

Address	Status	Bd/Ba	SF	Price	$/SF
2525 Forest Ave (64108)	SOLD Apr 2024	4/3.5	2,389	$695,000	$291
2400 Forest Ave (64108)	SOLD Aug 2023	4/3.5	3,000	$790,000	$263
2549 Tracy Ave (64108)	Listed 2026	3/2.5	1,949	$625,000	$321
2609 Forest Ave (64108)	Listed 2026	3/3.5	2,399	$699,900	$292
2230 Tracy Ave (64108)	Listed 2026	3/3.5	2,411	$669,900	$278
Columbus Park Townhomes (1015–1021 Pacific St)	Listed	3/3.5	1,900	$640K–$665K	$337–$350

Beacon Hill new-construction band: ~$263–$321/SF; ~$625K–$700K for 1,900–2,400 SF. Columbus Park townhomes confirm the townhome tier at $337–$350/SF; premium 2025 product (1911 Locust St, $455/SF; 2107 Belleview Ave, $331/SF) marks the ceiling.

For the secondary size-tier reference — smaller 2-bedroom infill new builds further south, ZIP 64110 (data January 2026):

Address	Beds/Bath	SF	List Price	$/SF
4521 Forest Ave #B (64110)	2/2	1,147	$250,000	$218
4527 Forest Ave #A (64110)	2/2	980	$225,000	$230

> **Data note.** The Beacon Hill figures are drawn from public sale records and current listings, not a live MLS/GRID extract; verified closed sales are labeled “SOLD.” An appraiser should confirm closed price and gross living area against MLS for the final report.

11.4 KCMO Market Value Analysis (MVA) Tier Context

The KCMO MVA 2024 tracks 465 block groups across nine market tiers (A–I). The PMA tracts fall into the **F and G tiers**, which represent markets with the following characteristics:

- Median home prices in similar-tier markets: $124,798–$206,617
- Only 37% of home sales involve mortgage financing (the balance are cash, investor, or distressed)
- Materially elevated foreclosure and vacancy rates
- Recognized eligibility for City reinvestment programs

The MVA F/G tier designation is one of the qualifying inputs for distressed-area determination under Chapter 353 and LCRA, addressed in Section 12.

11.5 Pricing by Product Tier

Tier	AMI Band	Price Range	Units	Realized $/SF
Workforce band (Type B townhomes + flats)	**105–106%**	$399,324–$403,048	**252**	$321
Above workforce band (Type A + 3-unit townhomes)	126–132%	$481,500–$504,612	231	$321
Market (duplex)	158–189%	$601,875–$722,250	12	$321
Custom (single-family)	277–314%	$1,057,540–$1,199,865	5	$400–$403
Blended average	**110%**	**$459,137**	**500**	**$322.54**

The blended $321/SF is supported by three legs:

- **The Beacon Hill new-construction comp band of $263–$321/SF (§11.3).** The development's realized **$321/SF sits within this band** — it prices *into* an existing, verifiable new-construction comp set one block from the subject, not above it. This is the structural effect of anchoring the subject in 64108: the pricing no longer needs to be defended as a premium over a distressed or scarce comp set; it is bracketed by current Beacon Hill new-construction transactions. The appraiser's **coherence premium (15–30%, Section 15.1)** and the **unit-size / family-configuration adjustment** (the development's 3-bedroom, 1,100–1,500 SF workforce product) provide additional support at the margin, but they are no longer load-bearing — the comp set carries the price on its own.
- **The income anchor.** Unlike comp-derived pricing, the development's pricing is validated against buyer capacity: the AMI methodology (Section 6) confirms that 252 of the 500 homes price at 105–106% of area median income — inside the workforce band — at standard mortgage terms. The relevant question for absorption is not "what did the distressed pool trade at" but "can the target buyer qualify" — and the answer is documented.
- **The contrast with the 64127 eastern-adjacency stock.** East Side (64127) existing resale runs $65–$118/SF; the 2500 block of Woodland itself currently holds parcels valued like that stock (e.g., 2524 Woodland at $36,500) while sitting *inside* the Beacon Hill new-build submarket. That gap — new construction in 64108 transacting at 3–4× the adjacent existing-stock $/SF — is the reinvestment delta the development captures, and it is already demonstrated on the ground in Beacon Hill (Section 13).

The development does not price off the MVA F/G existing-stock medians ($124,798–$206,617) or the 64127 distressed anchors; those describe the century-old stock in the eastern adjacency, not the 64108 Beacon Hill submarket the subject is anchored in and priced against.

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12. Census Tract Distressed Qualification and Tax Abatement Eligibility

> **Source note.** The statutory framework summary in §12.1–12.2 and the standard KCMO abatement-schedule figures referenced throughout this section are drawn from public sources — the Missouri Department of Economic Development, the Economic Development Corporation of Kansas City (EDCKC), and the City of Kansas City Office of Economic Development. They reflect program design as published, not a legal opinion, and are not lifted from the third-party consulting study attached as Appendix A. Redevelopers should engage Missouri redevelopment counsel (e.g., Polsinelli, Spencer Fane, Stinson) to confirm the application strategy and the specific abatement award before filing. Federal designations referenced in §12.4 (Opportunity Zone, QCT, DDA, NMTC) have been independently verified against current IRS and HUD designation data by the sponsor.

12.1 Statutory Framework

Missouri law provides two principal tax-abatement vehicles available to redevelopers of distressed urban property:

Chapter 353 — Urban Redevelopment Corporations Law (Mo. Rev. Stat. Ch. 353): - Available only for property within a "blighted area" as determined by the legislative authority of the city. - Requires the redeveloper to organize as a for-profit Urban Redevelopment Corporation. - Standard KCMO abatement structure: **75% of incremental ad valorem real property tax for 10 years; 37.5% for an additional 15 years; 25-year total abatement window.** - Administered locally by the Economic Development Corporation of Kansas City (EDCKC).

Chapter 99 (LCRA) — Land Clearance for Redevelopment Authority (Mo. Rev. Stat. Ch. 99): - Available within designated Urban Renewal Areas, or upon a project-specific blight study reviewed by the City Plan Commission and approved by City Council. - Issues a "certificate of qualification for tax abatement" upon proof of new construction or rehabilitation under an approved redevelopment plan. - Standard KCMO abatement structure: **75% for 10 years; 37.5% for 15 years; 25-year total abatement window.** - Administered locally by EDCKC.

12.2 “Blighted Area” Statutory Definition

Missouri statute defines a “blighted area” as one in which by reason of age, obsolescence, inadequate or outmoded design, physical deterioration, defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, unsanitary or unsafe conditions, deterioration of site improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, 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.

12.3 PMA Qualification Against the Statutory Tests

The South Vine District PMA satisfies multiple, independent statutory tests for blighted-area designation. The qualification analysis below cross-references PMA characteristics documented in Sections 4 and 10 against the statutory criteria.

Statutory Criterion	PMA Condition	Documentation
Age of structures	Median home age >100 years	Appraisal Appendix A; ACS
Obsolescence / outmoded design	Substantial portion of stock requires rehabilitation or full redevelopment	Appraisal Appendix A
Physical deterioration	14.7% vacancy rate; substantial Land Bank inventory; foreclosure prevalence	ACS; KC Land Bank
Diversity / fragmentation of ownership	9 South Vine parcels currently lack clean deed-of-record (sponsor work-in-process); broader fragmentation across the PMA	Sponsor records
Conditions retarding housing provision	KCMO permit data indicates virtually no new construction in the PMA over the 2020–2025 period despite substantial regional demand	Section 4.1; Section 10.2
Economic / social liability	Median household income $32,179 (lowest in KC); child poverty 57.8%; Black homeownership 43% vs. 73% white; mortgage denial rate 11.47% Black vs. 6.42% overall	Section 4.5

Each row above provides an independent basis for blighted-area designation. The cumulative case is substantially stronger than is typical for a Chapter 353 or LCRA application.

12.4 Federal Designations (Verified)

The following federal designations have been independently verified by the sponsor against current IRS and HUD designation data:

Opportunity Zone status: PMA tracts include designated Qualified Opportunity Zones under Internal Revenue Code §1400Z-1 (originally designated 2018; extended under subsequent federal legislation). Confirmed against the IRS Notice 2018-48 designated-tract list and any subsequent updates. Investor capital deployed into the 500 Together.Homes KC structure may qualify for OZ tax treatment subject to the standard QOF and timing requirements. Tract-level OZ overlay map is in **Appendix E**.

HUD Qualified Census Tract (QCT) status: PMA tracts qualify under HUD's annually published QCT designations. QCT status increases the eligible-basis boost for LIHTC projects from 100% to 130%. While 500 Together.Homes KC is not structured as a LIHTC project, QCT status is noted here only because it confirms that the tracts meet the underlying poverty-rate and median-family-income tests relevant to the blight finding (Section 12.1). The development is not structured to use it.

HUD Difficult Development Area (DDA) status: Verified at the SDDA (Small Difficult Development Area) level for the relevant KC ZIP codes. Map overlay in Appendix E.

New Markets Tax Credit (NMTC) eligibility: PMA tracts qualify as low-income communities under the §45D NMTC criteria (poverty rate ≥20% or median family income ≤80% of statewide / metro median, whichever applies). NMTC layering may be evaluated for any commercial component included in the development.

12.5 Quantitative Qualification Thresholds

Test	Federal/State Threshold	PMA Value	Pass?
Median family income vs. AMI (LIHTC QCT)	≤60% of AMI	~40% of MSA median	✓
Poverty rate (LIHTC QCT)	≥25%	57.8% (children)	✓
Vacancy rate (KCMO blight indicator)	meaningfully elevated	14.7%	✓
Median structure age (KCMO blight indicator)	≥50 years	>100 years	✓
Mortgage availability (HMDA proxy)	denial rate elevated	11.47% Black vs. 6.42% baseline	✓

12.6 Beacon Hill Precedent

The Beacon Hill redevelopment (Section 13) was approved under a **25-year Chapter 353 abatement structure** (100% for 10 years, 50% for 15 years, per the original redevelopment plan). The South Vine District is directly analogous in distressed-area characteristics, in geographic proximity, and in the public-policy objective of east-side reinvestment. The Beacon Hill abatement provides a directly applicable precedent for the 500 Together.Homes KC abatement application.

12.7 Sponsor's Abatement Strategy — Chapter 353

The 500 Together.Homes KC development will pursue **Missouri Chapter 353** as its primary tax-abatement vehicle. The strategy is designed around several specific advantages that Chapter 353 provides beyond the headline real-property abatement:

Headline abatement. 75% / 10 years + 37.5% / 15 years on incremental ad valorem real property tax — the standard KCMO Chapter 353 schedule, consistent with EDCKC program design.

Sales tax exemption on construction materials. Chapter 353 redevelopment-plan status enables exemption from Missouri sales tax on materials purchased for the redevelopment project. For a 500-home development with a substantial materials share of its hard costs, this is a material economic benefit that flows directly to project feasibility and pricing.

Master developer rights. A Chapter 353 redevelopment plan grants the redeveloper master-developer authority over the project area, including the ability to acquire, assemble, and dispose of property within the plan boundary, and to coordinate phasing and product mix across the assemblage. This authority is materially valuable for executing the Coherence Thesis (Section 15).

Zoning and planning rights. A Chapter 353 plan adoption process establishes coordinated zoning and planning rights aligned with the redevelopment plan, providing entitlement certainty across the project lifecycle.

Blighted-area designation already in place. The community within and adjacent to the South Vine District is already designated as a blighted area under prior City action — the qualification hurdle that typically extends the Chapter 353 timeline by months has already been cleared. The qualification analysis in §12.3 documents the multiple, independent statutory bases on which that designation rests; the existing designation provides a direct administrative path to plan adoption rather than requiring a de novo blight study.

Phasing strategy. Production begins immediately under existing zoning. **Phase 1 proceeds under current zoning without any zoning change required**, allowing construction to start while the Chapter 353 redevelopment plan moves through adoption. The 353 process runs in parallel with Phase 1 production, so by the time Phases 2–5 are in delivery, the redevelopment plan, abatement schedule, master-developer rights, and sales-tax exemption are in place to apply to the bulk of the development. This phasing protects against any delay in the 353 process while maximizing the long-tail benefit across the full development.

Treatment in this study. Abatement savings are carried as **development economics** — they reduce the carrying cost of every home and improve per-home margin (Section 8.3). They are not treated as an affordability instrument, are not tied to any income qualification, and impose no restriction on any home in the programme.

Supplementary federal layers (verified, §12.4): Opportunity Zone structuring for qualifying investor capital; QCT / DDA / NMTC eligibility preserved for any future affordable-tier financing layering or commercial component layering.

> *LCRA (Chapter 99) is not the primary vehicle for this filing but remains available as a supplementary tool if specific parcels fall outside the Chapter 353 plan boundary or require a parallel certificate-of-qualification process.*

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13. Comparable Project Case Studies

13.1 Beacon Hill — The Direct Analog

Site and program: Beacon Hill is a ~90-acre, mixed-use, New Urbanist redevelopment in the East Side urban core of Kansas City, located within the same broader district as the South Vine PMA. The original development plan, adopted in the early 2010s, called for substantial new residential construction, retained housing where feasible, walkable connections to nearby employment and transit, and a mix of incomes and professions. The 2011 residential market study explicitly framed the redevelopment as primarily market-rate and single-family in product mix — i.e., as a **market-reentry strategy for an area deemed severely distressed**, not as an affordability-preservation program.

Capital structure and incentives: The project was supported by 353 Redevelopment status and a **25-year Chapter 353 tax abatement (100% for 10 years, 50% for 15 years)** — a structure the appraiser describes as "substantial public support."

Outcomes: Per the independent consulting study (Appendix A), Beacon Hill produced more than 90 new homes, two multifamily projects totaling roughly 450 units, a retail component, and a hotel, while also rehabilitating existing houses. The appraiser writes:

> "Measured against [its market-reentry] objective, Beacon Hill performed well. The market turned from a neighborhood characterized by abandonment and weak demand to active reinvestment, new home construction, multifamily development and some retail uses … In strictly economic terms, Beacon Hill demonstrated that east side land could again command capital, absorb new housing, and support a premium tax base."

Lessons applied to 500 Together.Homes KC:

1. **The market-reentry mechanism works.** Beacon Hill demonstrates that a coordinated, abatement-supported, scale-appropriate residential development can shift an East Side submarket from distressed-anchor pricing to active reinvestment pricing within the ramp window.
2. **Scale and coherence matter.** The appraiser specifically notes that Beacon Hill's success aligned with research showing that "mixed use is not uniformly effective across all locations" — performance varies sharply with neighborhood structure, agglomeration effects, and the existence of a sufficient immediate customer base. Beacon Hill succeeded because it achieved sufficient scale within a coherent district plan.
3. **Distributional considerations.** The appraiser notes that Beacon Hill's market success "outpaced its distributive design" — meaning that the redevelopment achieved economic outcomes but did not specifically address affordability preservation. **500 Together.Homes KC answers this lesson with supply rather than restriction:** 252 of its 500 homes price inside the 80–120% workforce band on the development's own economics (Section 6), delivered at a scale and pace — 500 homes in 30 months — that no subsidised programme in the tract has approached. The distributional contribution is the volume of unrestricted workforce-band supply itself (Section 8.4).

13.2 Paseo Gateway / HUD Choice Neighborhoods

Program: HUD executed a Choice Neighborhoods Implementation Grant of $30 million for the Paseo Gateway, supporting replacement public housing units, affordable housing units, and homeowner facade improvements. This is a public-side reinvestment program operating in the broader district that overlaps with the PMA.

Relevance to 500 Together.Homes KC: Paseo Gateway operates at the deepest-affordability bands (≤30% AMI) and is complementary to, not competitive with, the development's workforce tiers. Its presence in the district reinforces public-policy support for east-side reinvestment and improves the macro narrative for institutional capital deployment.

13.3 Crossroads Office-to-Residential Conversions

Program: 55 office-to-residential conversion projects in the broader urban core, totaling 5,263 units and $1.2 billion in investment.

Relevance to 500 Together.Homes KC: These projects (a) confirm latent urban-core residential demand at scale and (b) absorb a portion of the higher-income urban-core demand pool, reducing the addressable market for the development's market and custom tiers but having minimal effect on the workforce-tier addressable demand.

13.4 Stadium-Adjacent District Development (National Comparables)

The independent consulting study (Appendix A) provides extensive analysis of stadium-led redevelopment spillover at Camden Yards (Baltimore), Gateway (Cleveland), Capitol Riverfront (Washington, D.C.), the Battery (Atlanta / Braves), and Mercedes-Benz Stadium (Atlanta / Falcons). The appraiser's central finding is that stadium spillover into tertiary districts is **not automatic** and depends on the extent to which the city establishes a believable link between the stadium district and the adjacent neighborhood.

The appraiser's three-tier framework for stadium spillover outcomes — standalone venue / district-support / full mixed-use catalyst — is incorporated by reference here. The South Vine District sits in the tertiary tier relative to the proposed Crown Center stadium; the value-capture outcome depends materially on whether KCMO extends UR zoning, land assembly support, and public-realm investment into the corridor. 500 Together.Homes KC, by undertaking the largest single coordinated residential investment in the corridor in a generation, is itself one of the strongest credibility signals available to attract that public-side commitment.

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14. Pricing and Absorption Forecast

14.1 Absorption Schedule

Homes sell as they complete, phase by phase:

Milestone	Timing	Cumulative Homes
Phase 1 construction start	Month 1	—
Phase 1 complete	Month 9	100
Phases 2–4 in production	Months 6–18	rolling
Phase 5 construction start	Month 18	—
Construction complete	Inside month 27	500 built
Final homes sold	Month 30	500 sold

The blended absorption requirement across the 30-month facility term is approximately 17 homes per month, sustained by three phases running concurrently at steady state. Sale absorption rolls with completion — the revolving facility is repaid from net sale proceeds as each home closes, which is what holds the modeled peak to $37,555,019 — 75.11% of the facility.

14.2 Absorption Support

The required absorption pace is supported by:

- **Beacon Hill analog:** 90+ new homes + 450 multifamily units delivered over its ramp window in a directly adjacent submarket with weaker demographic conditions.
- **Waitlist:** 200+ family waitlist (Section 9.1) provides immediate-market absorption support for early phases.
- **Employer pipeline:** Hospital Hill and downtown CBD employer base (Section 4.3) provides ongoing buyer-pool replenishment — payrolls that map directly onto the 105–106% AMI workforce-band homes.
- **Streetcar TOD demand:** Main Street Extension first-month ridership (11,397 trips/day) confirms latent transit-oriented demand.
- **Regional gap:** the 64,000-unit shortfall ensures absorption is not constrained by regional demand at any plausible scale for this development.
- **No subsidy dependency:** absorption does not wait on any award, qualification process or compliance regime — every home is an unrestricted sale to any qualifying buyer (Section 8).

14.3 Sensitivity Analysis

Variable	Base Case	Downside	Upside
Blended sale price	$459,137	−10% ($379,880)	+5% ($443,193)
Absorption velocity	per Section 14.1	−20% (slower sales; facility term extension)	per base
Mortgage rate	6.5%	8.5%	5.5%
Hard cost / home (development blend)	$255,601	+10% ($281,161)	per base

The development's financial resilience derives from its structure rather than from price appreciation assumptions: the facility revolves (net sale proceeds repay draws continuously), net sale proceeds cover the modeled peak draw 5.84 times, and a development contingency reserve of 2% of home construction ($3,653,111) is funded in the budget but not drawn in the base case. Detailed sensitivity outputs are in the primary proforma (data room). The point of this market study is to confirm that the demand-side assumptions used in the financial model are well-supported by external data; it is not to re-derive the financial sensitivities themselves.

A note on the mortgage-rate sensitivity: because the AMI basis (Section 6) is a live computation, a rate move changes the 100%-AMI anchor and therefore the effective AMI positioning of every home. At higher rates the same prices read as higher AMI (fewer qualifying buyers per band); because no home carries a covenant, the development's counterweight is pricing and product flexibility rather than a subsidy layer (Section 8.2).

14.4 Risk Factors Specific to Demand and Pricing

- **Mortgage availability:** The PMA's elevated mortgage denial rate (11.47% Black vs. 6.42% overall) is a structural risk to absorption velocity. Mitigation: sponsor relationships with CDFI lenders, down-payment-assistance coordination (KCMO and state-level), and HUD Section 184 / 502 program awareness for qualifying buyers. These are buyer-side mortgage-access measures; they place no restriction on the homes themselves.
- **Stadium-district uncertainty:** If Crown Center stadium development does not advance, the upside spillover to the PMA does not materialize. Base-case underwriting does not assume stadium spillover; any spillover is treated as upside.
- **Interest-rate trajectory:** Mortgage rates materially above the 6.5% basis compress qualifying buyer counts at the workforce tier. Mitigation: phased delivery, and the ability to reprice and re-mix product between tiers as market conditions evolve — a flexibility the development retains precisely because no home carries a price or income restriction.
- **Construction cost inflation:** Mitigated by the bid-calibrated cost basis and the funded development contingency.

15. Highest and Best Use and Coherence-Based Value Conclusion

15.1 The Appraiser's Coherence Framework

The independent consulting study (Appendix A) introduces and develops a **coherence-based value adjustment framework** that is central to interpreting the South Vine District's value formation under different development scenarios. The framework recognizes that "land value within the Primary Market Cohort is not static, but contingent upon the structure and coordination of development activity."

The appraiser identifies three coherence tiers:

Coherence Tier	Development Pattern	Pricing Effect vs. Baseline
Low	Isolated infill, limited coordination across parcels	~10% discount to baseline; values anchored to inconsistent observable transactions
Moderate	Clustering of projects, greater consistency in product type, partial alignment in timing	0–10% premium to baseline; emerging market structure begins to support pricing
High	Coordinated development comparable to greenfield delivery	Structured premium; market response to coherent program

The appraiser observes that "the absence of a unified development pattern prevents the formation of a clear pricing signal, resulting in continued dispersion and limited buyer confidence" — precisely the condition that has historically prevented private capital from serving the East Side market at scale.

15.2 The Keystone Improvement Concept

The appraiser further develops a **keystone improvement** concept: in transitional environments where direct comparable data is limited, "the keystone element … serves as the defining feature of many mixed use developments. The importance extends beyond individual financial performance as it establishes the identity, quality standard, and perceived viability of the broader project … the keystone improvement acts as the first credible signal to the market."

The development's Phase 1 — 100 homes complete by month 9 — functions as the keystone improvement for the South Vine District's full trajectory. Its execution quality, design coherence, and absorption performance establish the pricing signal that subsequent phases inherit.

15.3 Application to 500 Together.Homes KC

The 500-home development is a deliberate, operational implementation of the appraiser's high-coherence tier. The mechanics are direct:

1. **Concentration:** 500 transactions concentrated in a 1.0-mile PMA over 30 months exceed the natural PMA transaction volume by a meaningful multiple, making 500 Together.Homes KC the dominant comp-setter.
2. **Coordination:** A single sponsor, single financing structure, single architectural language, single construction pipeline, and single pricing strategy across all 500 homes ensure that the resulting transactions form a coherent comparable set, not a fragmented one.
3. **Time compression:** The 30-month delivery window — materially compressed from conventional phased development — means the transactions arrive while still fully relevant to subsequent appraisal work, rather than aging out before the cohort reaches comp-pool maturity.
4. **Resolution of the appraisal gap:** As 500 new-construction transactions enter the PMA's comp pool, distressed-anchor transactions ($30K–$80K Land Bank/foreclosure) shift from being the dominant comp set to being one of multiple data points. Appraisers using strict comparable-sales methodology must use the new-construction comps as the primary reference, and the historical "appraisal can't pencil" problem resolves endogenously.

15.4 Highest and Best Use

Under the appraiser's analytical framework (Appendix A), the highest and best use of the South Vine District is a **coordinated, mixed-tenure residential development with an ownership-weighted product mix, delivered at sufficient scale to establish a coherent pricing signal in the Primary Market Cohort.** The 500-home development — 50% inside the 80–120% workforce band, 46% above it at market price points, 2% duplex and 1% custom, all owner-occupied for-sale — implements this highest-and-best-use conclusion at the operational level.

The appraiser specifically notes that "the introduction of dense, walkable residential development with a significant ownership component, represents the most direct and empirically grounded method of transforming the district from a subsidized event driven island into a self-sustaining urban node." The 500 Together.Homes KC development is that introduction.

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16. Statement of Market Support

This Market Study and Demand Analysis finds that the 500 Together.Homes KC development — 500 homes in five phases over 30 months in the South Vine District of Kansas City, Missouri — is supported on each of the five dimensions material to institutional underwriting:

Demand is supported. HUD CHAS, MARC regional shortfall data, the 200+ family waitlist, the 12,251-employee Hospital Hill cluster within walking distance, the 127,000-employee downtown CBD within 1.7 miles, the office-to-residential conversion uptake, and the streetcar Main Street Extension ridership all confirm a structural and persistent demand pool at the development's target price points that exceeds its capacity by multiple orders of magnitude.

Pricing is supported. The blended $459,137 per home ($321/SF realized) is supported on three legs. First, the comparable new-construction set: with the subject anchored at 2546 Woodland (ZIP 64108), the governing comparables are the Beacon Hill new-construction transactions immediately adjacent to the site — a band of approximately **$263–$321/SF** (roughly $625K–$700K for 1,900–2,400 SF; Section 11 and Appendix D), with Columbus Park townhomes at $337–$350/SF confirming the townhome tier. The development's **$321/SF price on every non-custom home sits at the top of that band — at its comparable set, not above it** — which is the structural difference the 64108 anchor makes. Second, the income anchor — 252 of 500 homes price at 105–106% of area median income and qualify at standard mortgage terms (Section 6). Third, the documented new-build premium over the renovated-existing inventory band and the appraiser's coherence-premium framework (Appendix A).

The income-band position is supported, and requires no subsidy to hold. Half the development — 252 homes — prices inside the 80–120% AMI workforce band, achieved through bid-calibrated cost and missing-middle density and validated by a live, citable AMI methodology (HUD income limits + Freddie Mac rates). That position is an output of the cost structure, not a covenant: the development carries no income restrictions, no resale controls and no subsidy dependency, and every home in it is an unrestricted fee-simple sale.

Absorption is supported. The Beacon Hill comparable absorbed approximately 540 residential units (90 single-family + 450 multifamily) over its ramp window in an adjacent submarket with materially weaker demographic conditions than the South Vine PMA today. Waitlist depth, employer pipeline, and regional shortfall scale all reinforce the required pace of approximately 17 homes per month at steady state.

Tax abatement is supported. The PMA tracts satisfy multiple, independent statutory tests for blighted-area designation under Mo. Rev. Stat. Chs. 99 and 353. The Beacon Hill 25-year abatement provides a direct precedent. The recommended abatement structure of 75% / 10 years + 37.5% / 15 years is the standard KCMO instrument and is incorporated into the development's underwriting on a base-case basis.

The independent consulting study attached as Appendix A reaches conclusions on highest and best use, coherence-based value formation, and the keystone-improvement role of coordinated development that align directly with the 500 Together.Homes KC investment thesis. The independence of that analysis — prepared by a USPAP-credentialed third party, not at the sponsor's direction with respect to conclusions — provides material independent corroboration of the thesis from a source whose interests are not aligned with the sponsor's.

The 500 Together.Homes KC development is, in summary, both feasible and structurally necessary. The same conditions that make the development required also make it the only intervention capable of resolving the appraisal-comparable deadlock that has prevented private capital from serving the East Side market at scale.

Appendices

Appendix A — South Vine District USPAP Restricted Appraisal Consultation

The full text of the third-party consulting study is attached separately. **Final report:** Todd Appraisal, File No. 25D049PVL40.01, report date May 1, 2026, effective date April 13, 2026. Source file: `market-study-research/wendell-phillips-source/Deliver/25D049PVL40.01 Wendell Phillips Market Study.pdf`. Text-extracted version: `market-study-research/06-appraisal-FINAL-full-text.txt`. The full restricted report and its appendices remain in the controlled data room; this study incorporates only the market findings necessary to explain demand, supply, pricing risk, absorption logic, and the coordinated-development thesis.

Appendix B — HUD CHAS Data Tables (Kansas City, MO-KS MSA, CBSA 28140)

Pulled from the HUD CHAS dataset, 2018–2022 ACS 5-year release (December 23, 2025). Tables include:

- B1: Household income distribution by tenure and HAMFI band
- B2: Housing problems by tenure and HAMFI band
- B3: Severe cost burden (>50% income) by tenure and HAMFI band
- B7: Housing affordability mismatch

Data file: `market-study-research/02-chas-kc-cbsa.csv`.

Appendix C — Census ACS Demographic Pulls — Target Tracts

To be populated with tract-level ACS 5-year data for the PMA tract footprint (final tract IDs to be confirmed against Census TIGER/Line for ZIPs 64108 [primary], 64127, 64128). Tables to include:

- C1: Total population, age distribution, race/ethnicity composition
- C2: Household composition, family structure, children
- C3: Median household income, income distribution
- C4: Tenure, housing units, vacancy
- C5: Educational attainment, employment, commute
- C6: Vehicle availability, transit access

Output file: `market-study-research/03-acs-target-tracts.csv` (pending pull).

Appendix D — Comparable Sales Detail

Detailed transaction-level comparable sales data for the PMA and adjacent East Side submarkets, January 2025 – April 2026. Source: KCRAR MLS extract via Together.Homes Market Analysis Report (March 2026); Redfin; Zillow. Output file: `market-study-research/04-comp-sales.csv`.

Appendix E — Map Portfolio

The map portfolio comprises seven maps (E1–E7). Detailed production specifications — source data, recommended tools, layer composition, annotations, and caption text for each — are documented in the companion research file `market-study-research/05-map-specifications.md`. The maps will be produced by the sponsor team and incorporated as image inserts in a subsequent revision of this PDF.

#	Map	Source / Tool
E1	Market Area Boundaries (PMA / SMA / TMA)	Google My Maps + concentric rings around 2546 Woodland (64108)
E2	KCMO MVA 2024 Tier Overlay	KCMO Housing Department / Reinvestment Fund
E3	HOLC 1939 Grade Overlay (D25)	Mapping Inequality, University of Richmond
E4	HUD Qualified Opportunity Zones	HUD CDFI Fund Mapping Tool
E5	HUD QCT and DDA Overlays	HUD User SADDA tool
E6	Drive-Time Isochrones from Major Anchors	TravelTime / Mapbox Isochrone API
E7	Existing UR Zoning Extent	KCMO Open Data Portal

Appendix F — Source Citations

Federal - U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS) Data, 2018–2022 ACS 5-year release, December 23, 2025. https://www.huduser.gov/portal/datasets/cp.html - U.S. Department of Housing and Urban Development, Income Limits (current limit year). https://www.huduser.gov/portal/datasets/il.html - U.S. Census Bureau, American Community Survey 5-Year Estimates (most recent release). - U.S. Department of Housing and Urban Development, Qualified Census Tracts and Difficult Development Areas (annual designation). - Internal Revenue Code §1400Z-1, Qualified Opportunity Zones (original 2018 designation; subsequent extensions). - Freddie Mac, Primary Mortgage Market Survey (July 2026).

State and Local - Mo. Rev. Stat. Ch. 353 (Urban Redevelopment Corporations Law). - Mo. Rev. Stat. Ch. 99 (Land Clearance for Redevelopment Authority). - Mo. Rev. Stat. §135.475–135.487 (Neighborhood Preservation Act). - City of Kansas City, Missouri, Office of Economic Development. https://www.kcmo.gov/city-hall/departments/city-manager-s-office/office-of-economic-development/initiatives-and-programs - Economic Development Corporation of Kansas City. https://edckc.com/agencies/chapter-353-program/ - Kansas City Market Value Analysis 2024. - Mid-America Regional Council, 2024–2029 Comprehensive Economic Development Strategy. - Mid-America Regional Council, Regional Housing Needs Assessment, April 2023. - Kansas City Land Bank parcel inventory.

Industry and Research - CoStar Group, Kansas City market reports. - Kansas City Regional Association of REALTORS® (KCRAR). - Redfin, Zillow, Realtor.com, NeighborhoodScout (tract-level pricing). - Brookings Institution, “The devaluation of assets in Black neighborhoods” (2022). - Bureau of Labor Statistics, Quarterly Census of Employment and Wages, KC MSA. - National Low Income Housing Coalition, “The Gap” (annual). - The Beacon (KC), tax incentive reporting, 2021.

Third-Party Consulting Study (Appendix A) - Restricted Appraisal Consultation, South Vine District / Wendell Phillips, Todd Appraisal, USPAP-compliant, final May 1, 2026, effective April 13, 2026 (File No. 25D049PVL40.01).

Sponsor-Provided - Together.Homes KC — South Vine 500-Home Development Proforma (Primary Model, $50M Revolver), July 2026. - South Vine — Site Plans (500 units / 114 lots / 25.67 acres). - Together.Homes Market Analysis Report — Three Target Areas, March 4, 2026.

End of Market Study and Demand Analysis, v1.2, July 2026.