



BUSINESS BAROMETER

1st Quarter 2009

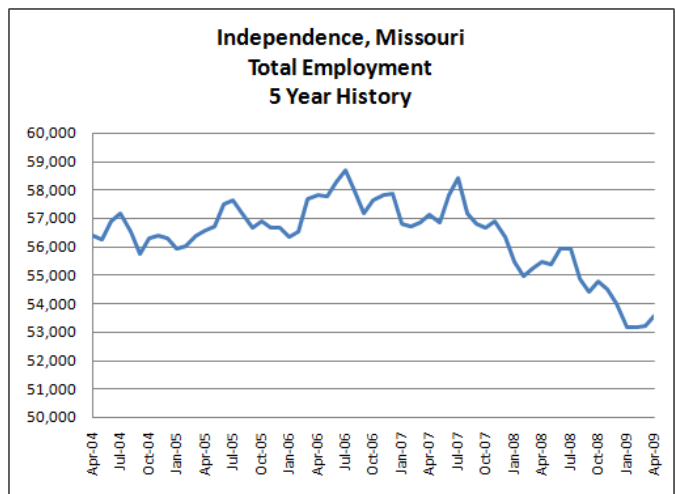
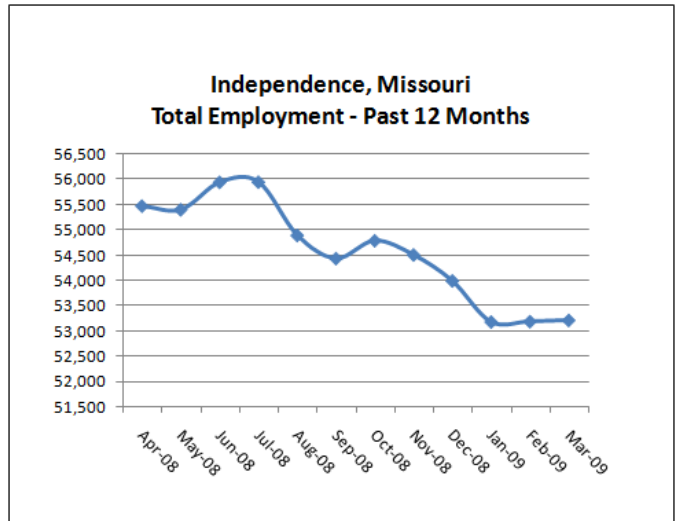
A quarterly economic update from the Independence Council for Economic Development

Vol.3 No.1

Employment Figures Show Gain

An 18 month downward trend in total employment figures in Independence showed a slight uptick during the recently completed quarter. Although still well below the peak employment levels of July 2007, the positive growth may be an initial sign of stronger economic conditions on the horizon. It is evident that recovery will be very long term and could take as long as 3 years to reach previous levels according to many economists and labor analysts.

Unemployment, while up significantly over the same period last year, actually was below the state average and has shown that the impact of job loss has been less severe in Independence during the course of the ongoing recession than in other areas of the state which saw higher percentages of increase during the past 12 months.



Civilian Employment by Quarter - Independence

	2006	2007	2008	2009	% Change 2008-2009
First Quarter	55,893	56,786	55,223	53,196	-3.7%
Second Quarter	56,699	57,255	55,606	n/a	n/a
Third Quarter	56,983	57,460	55,091	n/a	n/a
Fourth Quarter	57,156	56,637	54,430	n/a	n/a

Unemployment by Quarter - Independence

	2006	2007	2008	2009	% Change 2008-2009
First Quarter	5.36%	5.30%	6.06%	8.93%	2.87%
Second Quarter	5.10%	4.93%	5.93%	n/a	n/a
Third Quarter	5.50%	5.33%	6.80%	n/a	n/a
Fourth Quarter	5.06%	5.57%	7.03%	n/a	n/a

First Quarter 2009 Employment Data		
	Civilian Employment	Unemployment Rate
US	140,124,667	8.8%
Missouri	2,729,898	9.0%
St. Louis MSA	1,291,009	9.2%
Jefferson City MSA	71,019	7.6%
Kansas City	955,759	8.4%
Springfield MSA	198,765	8.0%
Joplin MSA	77,887	7.2%
Columbia MSA	86,344	6.0%
Independence MSA	53,196	8.9%

Source: MERIC

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Jackson County 1st Quarter New and Existing Home Sales

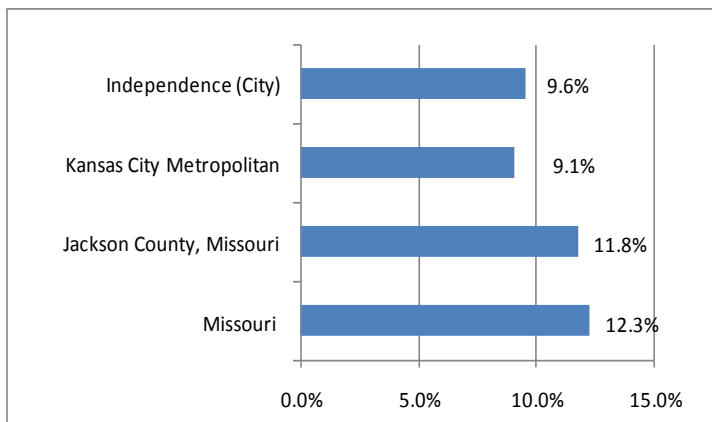
	Number of Homes Sold	Average Sale Price
January	495	\$104,492
February	508	\$108,081
March	689	\$117,026
First Quarter Totals	1692	\$109,866

Source: Heartland MLS

2009 Apartment Vacancy Study

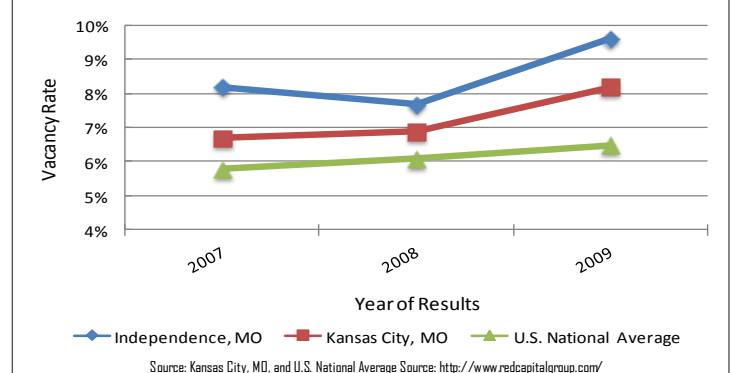
The Independence Council for Economic Development (ICED) recently completed the annual Apartment Vacancy Survey for 2009. Fifty-two multi-family apartment complexes were contacted and of those, 77% participated in the survey. The 2009 figures show a vacancy rate of 9.63%, up 1.92% since 2008. Although Independence, Missouri vacancy rates have been slightly higher in the past two years than those of both the Kansas City, Missouri, and U.S. national averages, the 1.92% rise in vacancy proves consistent with the metropolitan and national averages, as Kansas City, Missouri reported a 1.30% increase and the U.S. reported a 0.40% increase.

2009 Housing Vacancy



Source: Experian

Apartment Vacancy Survey Results 2007-2009



Source: Kansas City, MO, and U.S. National Average Source: <http://www.redcapitalgroup.com/>

Jackson County Residential Real Estate Sales Total Dollar Volume

	Q1 2008	Q1 2009	% Change 2008-2009
Resale			
Sale Volume	\$222,936,725	\$159,295,916	-28.55%
YTD Totals	\$222,936,725	\$159,295,916	-28.55%
New Home			
Sale Volume	\$40,494,283	\$28,782,693	-28.92%
YTD Totals	\$40,494,283	\$28,782,693	-28.92%

Source: Heartland MLS

1st Quarter Building Permits in Independence

	Q1 2008	Q1 2009	% Change 2008-2009
Single Family Units			
Number	20	4	-80.0%
YTD Totals	20	4	-80.0%
Multi-Family Units			
Number	0	0	0.0%
YTD Totals	0	0	0.0%

Source: Heartland MLS

Missouri Retail Sales Comparison			
2008 to 2009 First Quarter Comparison			
City	Jan to Mar 08	Jan to Mar 09	% Change
Independence	\$ 404,770,841	\$ 393,421,676	-2.80%
Total Missouri Cities	\$ 14,863,869,684	\$ 13,401,297,690	-9.84%
County			
Jackson	\$ 1,962,383,254	\$ 1,859,286,791	-5.25%
Total Missouri Counties	\$ 17,801,620,192	\$ 15,204,409,209	-14.59%

Source: Based on sales tax records from the City of Independence, Jackson County and the Missouri Department of Revenue

Cost of Living Index

U.S. Average	100%
Columbia	91.0%
Kansas City/Independence	95.5%
St. Joseph	93.0%
St. Louis	87.6%
Springfield	89.6%

Source: ACCRA

Independence Lodging Occupancy

	2008	2009	% Change
January	45.3%	35.4%	-9.90%
February	59.0%	44.4%	-14.6%
March	49.1%	47.0%	-2.1%

Source: Smith Travel Research Report



ACCRA Cost of Living Index Kansas City MSA

1st Quarter

95.5%

(U.S. Average = 100%)

BUSINESS NEWS

1st Quarter Headlines

- Corner Café Opens to Long Lines in Independence
- Events Center Construction Underway, New GM Hired
- Alliant Techsystems Wins \$49M Army Contract, \$7M Green Ammo Contract
- 23 Local Companies Recognized with ICED Impact Awards
- Survey of Local Companies Shows Optimism Despite Economic Conditions
- Cargo Largo Receives Tax Credits for \$34M Expansion Project
- Noland Road Business Retention Survey Underway
- Business Incubator Project Vies for TIF Funds for Redevelopment of Former Independence Regional Health Center



210 West Truman Road
 Independence, MO 64050
 www.independencemo.biz

FOCUS ON

METRO KANSAS CITY COMMERCIAL REAL ESTATE MARKET

INDUSTRIAL MARKET STATISTICS

SUBMARKET	EXISTING PROPERTIES						ABSORPTION		CONSTRUCTION	
	BLDGS	TOTAL INVENTORY SF	DIRECT VACANCY RATE	SUBLEASE VACANCY RATE	TOTAL VACANCY RATE	VACANCY RATE PRIOR QTR	NET ABSORPTION CURRENT QTR SF	NET ABSORPTION YTD SF	COMPLETIONS CURRENT QTR SF	UNDER CONSTRUCTION SF
METROPOLITAN KANSAS CITY:										
Johnson County	912	50,324,000	6.4%	0.1%	6.5%	6.3%	(90,000)	(90,000)	0	1,270,000
Wyandotte County	372	26,888,000	6.8%	0.7%	7.5%	6.5%	(244,000)	(244,000)	15,000	0
Executive Park/ Northland Park	180	15,814,000	4.9%	0.6%	5.5%	4.1%	(214,000)	(214,000)	0	215,000
Jackson County	788	54,959,000	6.9%	0.1%	6.9%	6.9%	(5,000)	(5,000)	0	0
North Kansas City	254	15,356,000	5.9%	0.1%	5.9%	4.1%	(287,000)	(287,000)	0	0
KCI	60	4,392,000	9.0%	0.3%	9.2%	9.7%	51,000	51,000	37,000	0
Riverside	36	1,876,000	17.4%	0.0%	17.4%	18.6%	23,000	23,000	0	20,000
Other Northland	68	14,925,000	10.9%	0.0%	10.9%	8.0%	(433,000)	(433,000)	0	0
Cass County	11	408,000	7.2%	0.0%	7.2%	7.2%	0	0	0	0
MARKET TOTAL	2,681	184,942,000	6.9%	0.2%	7.2%	6.5%	(1,199,000)	(1,199,000)	52,000	1,505,000
QUARTERLY COMPARISON AND TOTALS										
Q1-09	2,681	184,942,000	6.9%	0.2%	7.2%	6.5%	(1,199,000)	(1,199,000)	52,000	1,505,000
Q4-08	2,679	184,892,000	6.2%	0.3%	6.5%	5.5%	(739,000)	3,522,000	1,053,000	431,000
Q3-08	2,672	183,839,000	5.3%	0.2%	5.5%	6.2%	2,200,000	4,261,000	972,000	1,270,000
Q2-08	2,667	182,867,000	6.0%	0.2%	6.2%	6.7%	1,491,000	2,061,000	767,000	1,564,000
Q1-08	2,656	182,100,000	6.4%	0.3%	6.7%	6.8%	570,000	570,000	412,000	1,666,000

The information contained in this report was provided by sources deemed to be reliable. However, no guarantee is made as to its accuracy or reliability. As new, corrected or updated information is obtained, it is incorporated into both current and historical data, which may invalidate comparison to previously issued reports.

Source: Colliers Turley Martin Tucker