

EXCLUSIVE MULTIFAMILY OFFERING



Priced Below

July 2009 Appraisal

PRICE: \$43,900 | 4 UNITS

4-1BD/1BA

4221 Pearl

4221 Pearl | Kansas City, KS

- ❖ In High Traffic Area
- ❖ Near Major Employment Centers
- ❖ Individually Metered
- ❖ Needs Some Rehab
- ❖ Currently Has Two Tenants
- ❖ Forced Air Gas Furnaces in Each Unit

Bradshaw & Hargis

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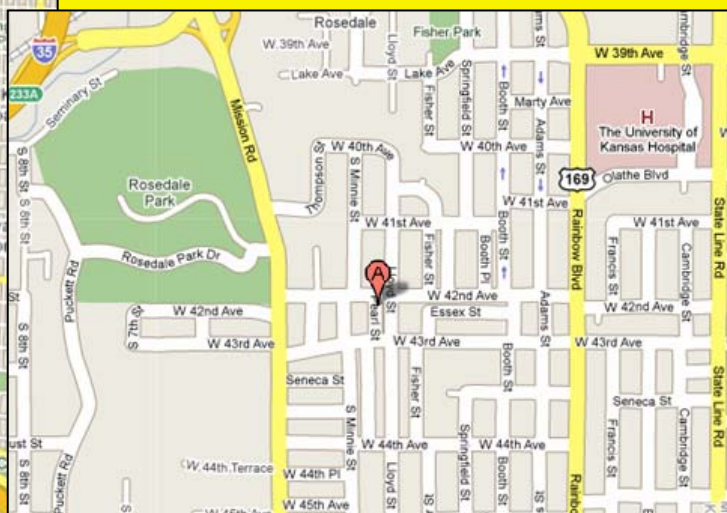
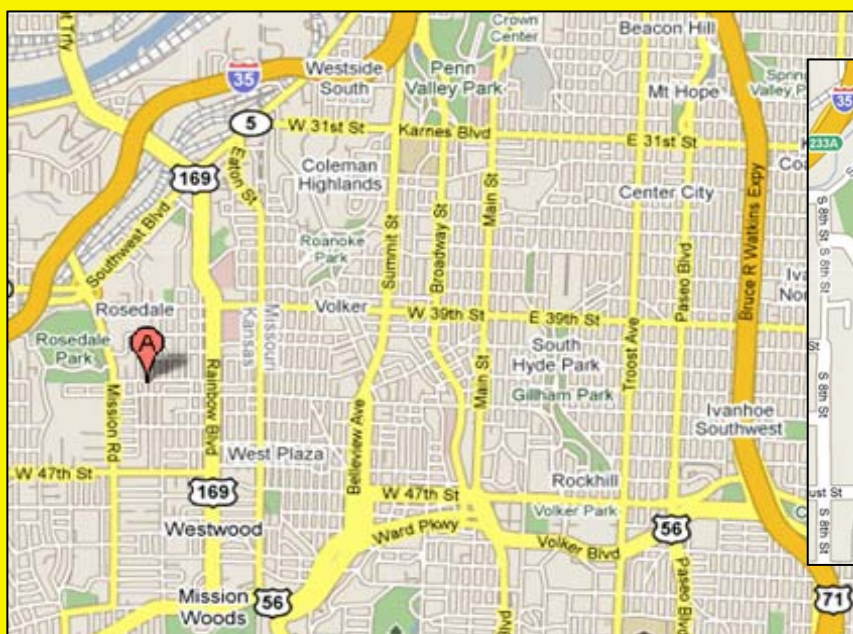
4221 Pearl | Price \$43,900 | Units 4

PROPERTY DESCRIPTION

4221 Pearl is a four unit apartment building in a high traffic area of the 43rd Street corridor. The exterior is wood siding with a pitched roof. The property features all one bedroom one bath units with forced air gas furnaces. The property recently received a new roof. This is a value added project with strong upside potential. The property is priced below a July 2009 "as is" appraisal. Two units need full rehab and are not occupied. The property also needs new gutters and some exterior cosmetic work. The property is part of a trust with multiple properties and no individual profit and loss history exists. 4221 Pearl features units that are individually metered for gas, electric and water.



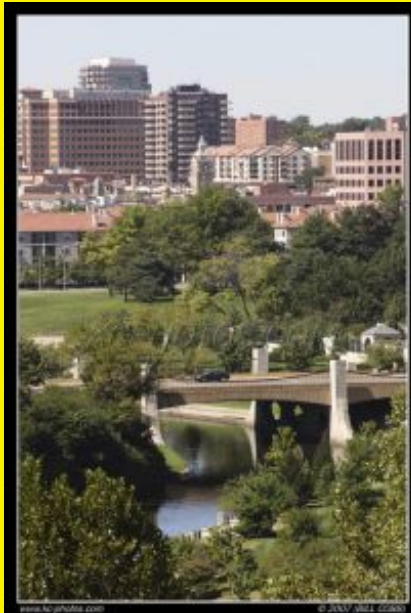
LOCATION MAP



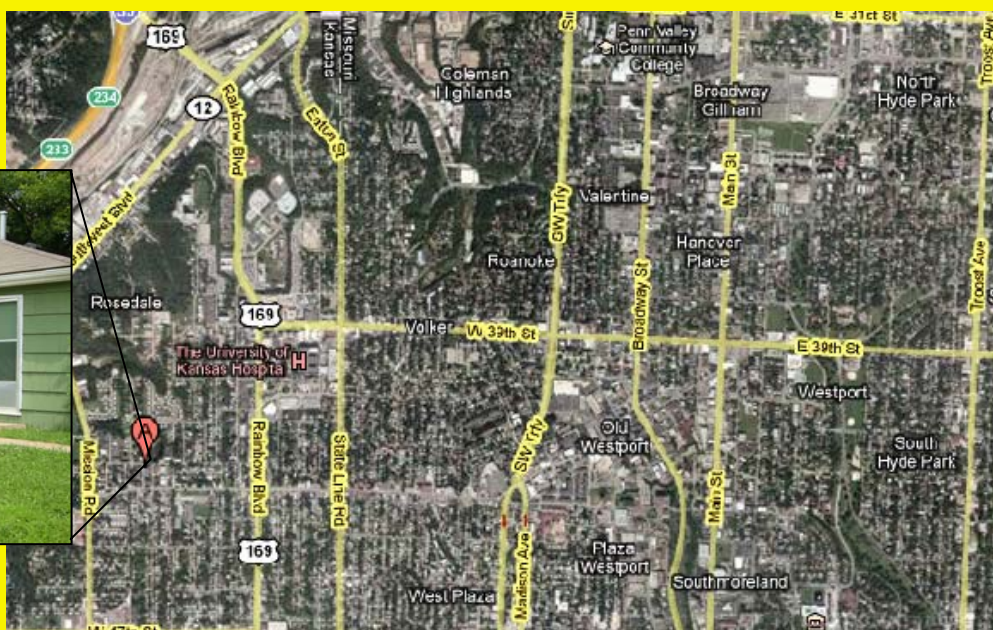
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NEIGHBORHOOD DESCRIPTION

4221 Pearl is located just blocks from the University of Kansas Medical Center and the University of Kansas Hospital in Wyandotte County, Kansas. The University of Kansas Medical Center is a major research institution focusing on bioscience research, health science research, education and patient care. 4221 Pearl is located on the 43rd Street corridor a major traffic artery leading to the Country Club Plaza, the Westport Historic District and major employment centers. The complex is a few blocks from Rosedale Park and offers easy access to I-35.



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Kansas City Information

The Kansas City Metropolitan Area is home to 2.4 Million people and is dissected North to South by the Kansas and Missouri State Line. Expansion Management Magazine ranks Kansas City as #3 on the "hottest cities" for expansions and relocations list and #2 in best places in the United States to locate a company. Kansas City is ranked #3 in U.S. cities for European Investment. The Kansas City area is home to such companies as: Hallmark, H&R Block, Black & Veatch, DST Systems, Russell Stover, YRC Worldwide, Garmin and Sprint Nextel Corporation. Kansas City is also home to an expanding Biotechnology Industry including the Stowers Institute for Medical Research, the Kansas Life Sciences Innovation Center, the Biotechnology Development Center, Xenotech and Proteon Therapeutics.

Money Magazine examined over 1,300 cities and chose the best places to live in 2005. Two of the metro's cities ranked in the top 100. Kansas City, Missouri was named one of only 10 All-American Cities for 2006.

According to POLICOM, the Kansas City Metropolitan Area ranks #10 for economic strength out of 361 statistical areas in the United States.

The General Motors Fairfax facility in Kansas City, Kansas is ranked as the most productive auto assembly plant in North America (HARGOUR CONSULTING REPORT). The expanding Ford Motor assembly plant in Kansas City builds the popular F-150 pickup truck and the Hybrid, Ford Escape. Kansas City also has a large Harley Davidson assembly plant near the airport.

Kansas City is the second largest U.S. railroad hub in terms of volume (measured in units) and the biggest in terms of tonnage. The area is also home to YRC Worldwide, the largest trucking company in the nation.

Kansas City is among the nation's top Real Estate markets: In November 2006, Kansas City was ranked #16 in (EXPANSION MANAGEMENT MAGAZINE'S ANNUAL TOP 40) Real Estate Markets.

For the sports fan, the Kansas City area has it all including the NFL's Chiefs, MLB's Royals, MLS's Wizards, Arena Football's Brigade, the T-Bones a minor league baseball team, several of the finest golf courses in the United States, the Kansas Speedway NASCAR's newest track, the new College Basketball Hall of Fame and much more. Kansas City is also currently developing the world's largest outdoor water park near the Kansas Speedway and is home to Worlds of Fun, Oceans of Fun and the Great Wolf Lodge, which are all large entertainment parks and destinations.

Education is also an integral piece of the Kansas City metropolitan area. The area has a number of major colleges and universities such as the University of Kansas, Kansas University Medical Center, the University of Missouri Kansas City and Rockhurst University along with many others. The area is proud to have 3 of the top 10 Public School Districts in the United States.

PROPERTY INFORMATION

Number of Units	4
Year Constructed	1946
Type of Buildings	Wood Frame
Parking	Street
Metering	Separate
HVAC	No
Hot Water	Individual
Roof	Pitched
Exterior	Wood

Units In Need of Rehab



INVESTMENT INFORMATION

Price	\$43,900
Price/Unit	\$10,975
Pro Forma Cap Rate	15.25%
Loan Amount	\$35,120
Down Payment	\$8,780
Interest Rate	6.25%
Amortization	30 Years
Monthly Payments	\$216.24



This property summary includes assumptions, which represent a projection of future events and assumptions which may or may not occur. Absolutely no tax or legal advice is being implied or given. These projections may not and should not be relied upon to indicate results, which might be obtained. Income collected and expenses incurred will vary depending upon the type of management employed. Therefore, all information provided is solely for the purpose of permitting parties to determine whether or not the property is of such type and general character as might interest them in this purchase, and Reece and Nichols Realtors/Bradshaw & Hargis makes no warranty as to the accuracy of such information. Interested persons are expected to acquaint themselves with the property and arrive at their own conclusions as to physical condition, number and occupancy of revenue producing units, estimates of operating costs, tax matters and any factors having to do with the valuation of property.

4221 Pearl Proforma with Rehab & Acquisition Costs

MULTI - FAMILY STAT / PROFORMA SHEET

Property Address: 4221 Pearl		State: KS		Zip	BRICE BRADSHAW Phone: 913-901-6305 Fax: 913-901-6450 www.kccommercial.net
City: Kansas City	Total Costs: \$60,900				
Date:					
MLS No.:					
Directions:					

Unit Description			Current Rental Data			Market Rental Data		
# of Units	# Bed	# Bath	Unit Rent	Mo. Rent	Yearly Rent	Unit Rent	Mo. Rent	Yearly Rent
1	1	1	\$325	\$325	\$3,900	\$395	\$395	\$4,740
1	1	1	\$425	\$425	\$5,100	\$395	\$395	\$4,740
2	1	1	\$395	\$790	\$9,480	\$395	\$790	\$9,480
			\$0	\$0	\$0	\$0	\$0	\$0
			\$0	\$0	\$0	\$0	\$0	\$0
			\$0	\$0	\$0	\$0	\$0	\$0
TOTALS				\$1,540	\$18,480	TOTALS	\$1,580	\$18,960

PROFORMA		↓		↓	
6	GROSS SCHEDULED INCOME:	\$18,480	% GSI	% GSI	\$18,960
7	Vacancy and Credit Losses:	\$1,848 ←	10.0%	10.0% →	\$1,896
8	Other Income:	\$300 ←	1.6%	1.6% →	\$300
9	ADJUSTED GROSS INCOME (L6-(L7+L8)):	\$16,932	% AGI	% AGI	\$17,364
10	Accounting and Legal:	\$0 ←	0.0%	0.0% →	\$0
11	Advertising:	\$200 ←	1.2%	1.2% →	\$200
12	Repair and Maintenance:	\$3,200 ←	18.9%	18.4% →	\$3,200
13	Insurance:	\$950 ←	5.6%	4.6% →	\$800
14	Management:	\$1,331 ←	8.0%	8.0% →	\$1,365
15	Taxes:	\$1,616 ←	9.5%	9.3% →	\$1,616
16	Refuse:	\$0 ←	0.0%	0.0% →	\$0
17	Electric:	\$150 ←	0.9%	0.9% →	\$150
18	Gas:	\$150 ←	0.9%	0.9% →	\$150
19	Water & Sewer:	\$50 ←	0.3%	0.3% →	\$50
20	Other:	\$0 ←	0.0%	0.0% →	\$0
21	Total Expenses(sum L10 - L20):	\$7,647 ←	45.2%	43.4% →	\$7,531
22	Net Operating Income(L9 minus L21):	\$9,285			\$9,833
23	Less Annual Debt Service:	3,600 ←	21.3%	20.7% →	3,600
24	Net Income (Cash Flow) L22-L23):	5,686			6,233
25	CAP RATE (NOI ÷ PURCHASE PRICE):	15.25%			16.15%
26	RETURN ON INVESTMENT (NI ÷ DOWN):	46.68%			51.18%

Estimated Financing

Purchase Price:	\$60,900	6.25%	Interest
20% Down:	\$ 12,180	30	:Years Amortized
Amount Financed:	\$48,720	\$ 299.98	:P&I Monthly Payment

Description: This is a post rehab proforma. Two units need significant work to be in rentable condition, the property needs new guttering and some cosmetic improvements to the exterior. This proforma uses an estimate of \$17,000 for improvements and final price of \$60,900.

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