Exclusive Multi - Family Offering

9400 W. 81st | Overland Park, KS 66204 | 34 Units | Johnson County | Value-Add Opportunity

Grant Court

offering memorandum

Marketed By : Brice Bradshaw

Property Details : 34 Units (Studios, 1BR & 2BR)

# of Buildings : 4

Nearby : AdventHealth Shawnee & Oak Park Mall

Price : Market

Property Area : 2.09 Acres and 63 parking spaces

REECE COMMERCIAL

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Grant Court | 34 Units

OFFERING & PROPERTY SUMMARY	
Asking Price	MARKET
Terms	Free & Clear
Address	9400 W. 81st Street Overland Park, KS 66204
County	Johnson County
Neighborhood	Garnett Highlands
School District	Shawnee Mission West
Nearby	AdventHealth Shawnee Mission, Oak Park Mall, Downtown Overland Park and many parks
Zoning	R-3 – Garden Apartment District (Johnson County)
Year Built	1970 (Johnson County)
Construction/Exterior	Wood Frame, Concrete Foundation, Painted Board & Wood Trim Exterior, and Pitched Roof with Asphalt Composition
Land Area	91,040 sq. ft. or 2.09 acres (previous appraisal)
Net Rentable Area	30,827 sq. ft. (+/-)
# of Buildings	4
Stories	2 & 3 Stories
Units	34
2 Bedroom 2 Bathroom	18
Average Unit Size	1,050 sq. ft. (+/-)
Average Unit Rent	$891
1 Bedroom 1 Bathroom	14
Average Unit Size	775 sq. ft. (+/-)
Average Unit Rent	$745
Studio Units	2
Average Unit Size	537 sq. ft. (+/-)
Average Unit Rent	$688

UTILITIES & AMENITIES SUMMARY	
Metering	Separate Electric & Common Gas
Heat	Forced Air Gas Furnaces (roughly 5 units converted to electric)
A/C	Central Air
Hot Water	Common Hot Water (multiple hot water heater units in series)
Laundry	Washer/Dryer in select units (20) & common laundry in basements
Common Area & Entry	Large community courtyard area with pergola & Secured Entry
Parking	63 off-street parking spaces
Internet	Cable/Internet Ready
Landlord Utilities	Landlord pays gas, water & trash (tenant's responsible for electricity)
Storage	Basement Storage Lockers & ample additional basement space

Grant Court | 34 Units

Property Summary

Built in 1970, Grant Court is a spacious 34-unit garden-style apartment complex located near Downtown Overland Park in the highly desirable area of Johnson County, Kansas. The subject property sits just several minutes east of massive new developments that have been completed or are underway. These new developments in Downtown Overland Park total over 600 rental units and consist of luxury apartments and senior/assisted living units. Still in the works is the new Edison District, which is expected to be done in late Fall of 2019. The complex is also situated just minutes away from AdventHealth Shawnee Mission, Oak Park Mall and Shawnee Mission West High School.

Lying on over 2-acres of land, Grant Court features 4 buildings centered around a courtyard area featuring an ample amount of green space and pergola with a picnic area. Buildings at the complex stand 2 and 3-stories and the complex provides 63 off-street parking spaces on the south side nearest 81st Street. A large majority of the units at Grant feature private balconies/patios that provide scenic views of the central courtyard area. Of the 34 units at the complex, 18 are two-bedroom/two-bathroom units, 14 are one-bedroom/one-bathroom units, and 2 are studio units. The 2-bedroom units have an approximate unit size of 1,050 sf (+/-) and the 1-bedroom units have an average unit size of 775 sf (two floorplans). The 2 studio unit possess different floorplans and have an average unit size of 537 sf (+/-). Each building provides tenant's basement access to free additional storage and owner-owned laundry machines. Grant Court is separately metered for electric and has common gas (2 large public service meters).

All units at Grant Court feature large floor plans, carpet (main areas/bedrooms) and vinyl flooring (kitchens/bathrooms), central air, dishwashers, fireplaces, a dining room, and are cable ready. Specific units at the complex feature stackable in-unit washers/dryers (20 in total), balconies/patios, vaulted ceilings, ceiling fans, updated appliances, and conversion to electric furnaces and electric stoves. Management has implemented monthly RUBS utility charges for 22 of the 34 units ranging from $25 to $45 effective September 1st, 2019. These utility charges are a billback for water & gas and fluctuate based on whether or not the units have washer/dryer and the unit's mix. Tenants are responsible for electricity and the landlord is responsible for gas, water and trash. The property is well positioned for new owners to continue updates and increase rents. Minor updates to kitchens, bathrooms and fixtures as well as the continued addition of washers/dryers to units could result in higher rents. The open canvas courtyard area and potential addition of ceiling fans to all units are other areas that possess value-add potential.

PROPERTY & UNIT HIGHLIGHTS
4 Buildings (2 & 3-Stories)
Separately metered for electric – Central Air
Common Gas – Forced Air Gas Furnaces (most units)
Common Hot Water (multiple hot water heater tanks in series)
63 off-street parking spaces
Secured Entry to units & basement access in all buildings
Storage Lockers & Owner-owned laundry machines in basements
Central Courtyard Area with pergola and picnic area
Newly Painted Trim around buildings & some updates to landscaping
Balconies/Patios & Vaulted Ceilings (majority of units)
Fireplaces
Stackable In-unit Washer/Dryer (20 units)
Dishwashers
Carpet (main areas/bedroom) & Vinyl (kitchen/bathroom)
Landlord responsible for gas/water/trash; Tenant responsible for electric
Newly implemented monthly RUBS fee for water & gas
Excellent Johnson County Location near Downtown Overland Park
Shawnee Mission West School District
>90% Occupancy
Value-Add Opportunity

Living Area Pictures

Kitchen Pictures

Bedroom Pictures

Bathroom Pictures

Neighborhood & Submarket Summary

Overland Park, with a population of approximately 190,000, is the second largest City in Kansas and the largest city in affluent Johnson County. Overland Park is one of the fastest growing communities in the Kansas City metropolitan area and boasts an excellent public education system, with schools all across town earning top marks. Overland Park is seeing explosive growth with new development and extensive redevelopment throughout the city. An area recently impacted by this redevelopment is Downtown Overland Park, just several minutes east of Grant Court. Since 2018, 4 new apartments complexes have been put in or are under construction in Downtown OP, totaling over 600 units. These new developments consist of luxury apartments as well as senior/assisted living projects. In July 2018, the Overland Park City Council also approved the Edison District development located 2 blocks west of Metcalf on 80th. This modern office space is projected to be completed in late Fall of 2019 and will include retail shops, restaurants and green space. Provided is a link to more detailed information on each of these new developments (Downtown OP Development Link). Overland Park boasts a strong, desirable rental market, resulting in high rankings in WalletHub's 2019 lists for "Best Places to Rent" and "Best Real Estate Markets". Overland Park checked in at #2 on the "Best Place to Rent" list which was based upon rental market & affordability and quality of life. Additionally, it came in at #3 on the "Best Real Estate Markets" list which is based upon real estate market trends and the affordability & economic environment.

In 2019, Niche named Overland Park to its Top 100 "Best Places to Live in America" coming in at #7. Overland Park provides residents with an abundance of city parks, excellent schools, exceptional public services, entertainment options, superb recreational facilities, a stable economy and strong governance. Kansas Tourism named the Overland Park Arboretum & Botanical Gardens and Deanna Rose Children's Farmstead to its lists of "Top Attractions in the State". The Arboretum offers hiking trails, gardens, classes and events, and the Farmstead is a family attractions with animals, a schoolhouse and Indian encampments. Overland Park also features one of the nations finest soccer facilities (named Top Soccer City by Livability) and nicest Farmer's Markets (located in the heart of Downtown OP) and regarded as the best farmer's market in the state by tripping.com. Other notable Overland Parks awards include can be found at the provided links and below (Overland Park City Awards and Overland Park Community Rankings):

- #1 on "2019 Best Cities to Buy a House in America" by Niche
- #4 on "2019 Cities with Best Public Schools" by Niche
- #6 on "2019 Best Cities to Raise Family" by Niche
- #14 on "2019 Best Cities to Live" by Niche
- #17 on "2019 Most Undervalued Cities in America" by SmartAsset
- #20 on "2019 Best Cities for Jobs" by WalletHub
- #1 on "2018 Best City for People with Disabilities" by Wallethub.com
- #10 on "2018 Most Educated Cities in the U.S." by Consumers Advocate
- #12 on "2018 Happiest City in America" by WalletHub
- #14 on "2018 Where Are Millennials Moving" by SmartAsset

Other important attractions and facilities located within Overland Park and close to the subject property include Shawnee Mission Medical Center, Oak Park Mall, TopGolf, the Overland Park Convention Center, the Metcalf Shopping District, American Museum of Natural History Exhibitions and Scheels. Overland Park is home to the headquarters of Sprint, Johnson County Community College and Black & Veatch. The city's housing market ranks are among the nation's most affordable according to Forbes, and Overland Park claims the lowest percentage of families living below the poverty line. Johnson County is one of the wealthiest counties in the United States featuring a high quality of life, award winning schools, thriving business community, low crime rate, extensive government services, beautiful parks and recreation areas, and well-planned business communities. Johnson County is home to the headquarters of Garmin International, Bayer Animal Health, Honeywell, Waddell & Reed and YRC Worldwide.

Grant Court | 34 Units

Downtown Overland Park

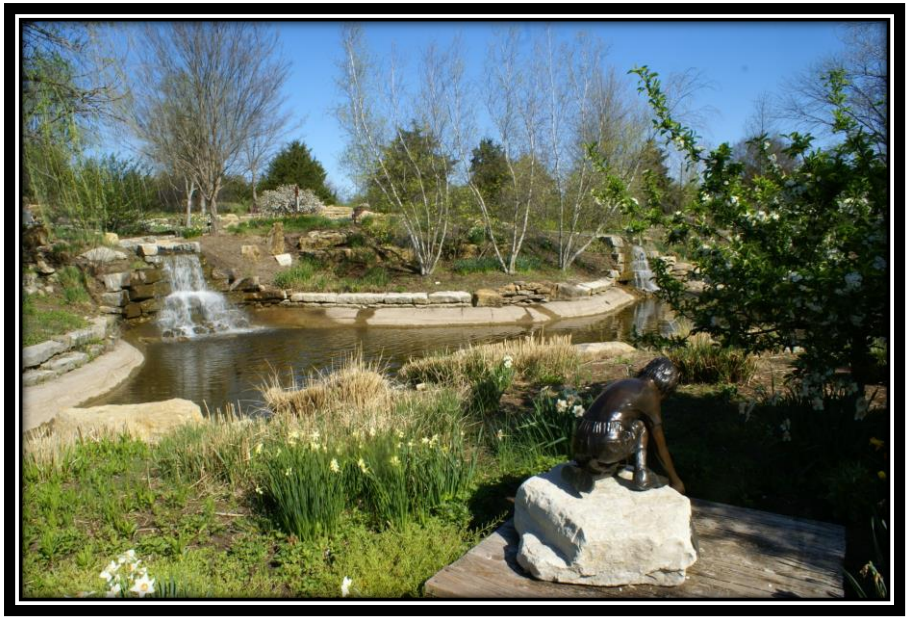
Downtown OP Farmer's Market

Oak Park Mall

Advent Health Shawnee Mission

Grant Court | 34 Units

Deanna Rose Children's Farm

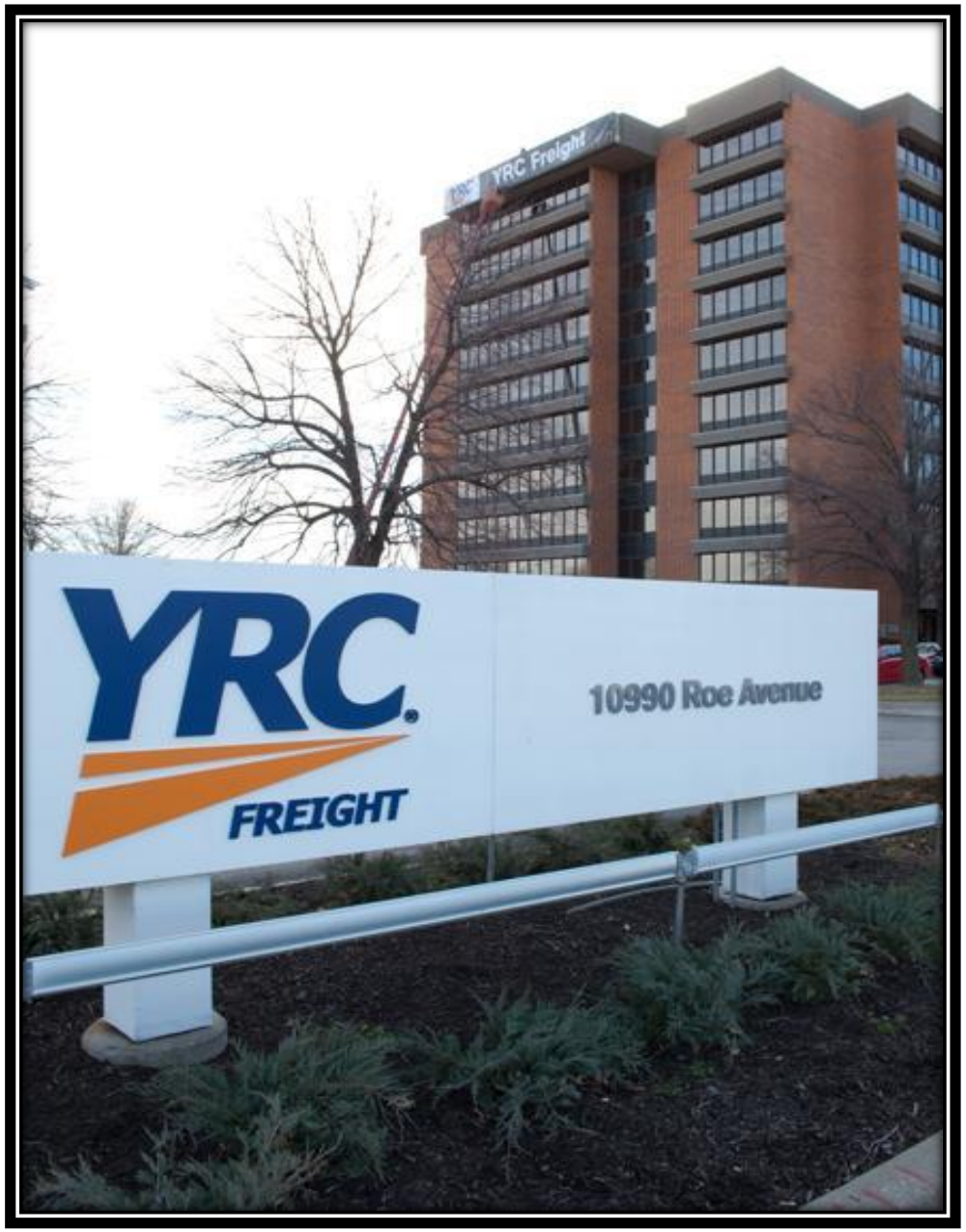


Overland Park Arboretum

Overland Park Soccer Complex

Topgolf

Grant Court | 34 Units



YRC Worldwide

Sprint World Headquarters

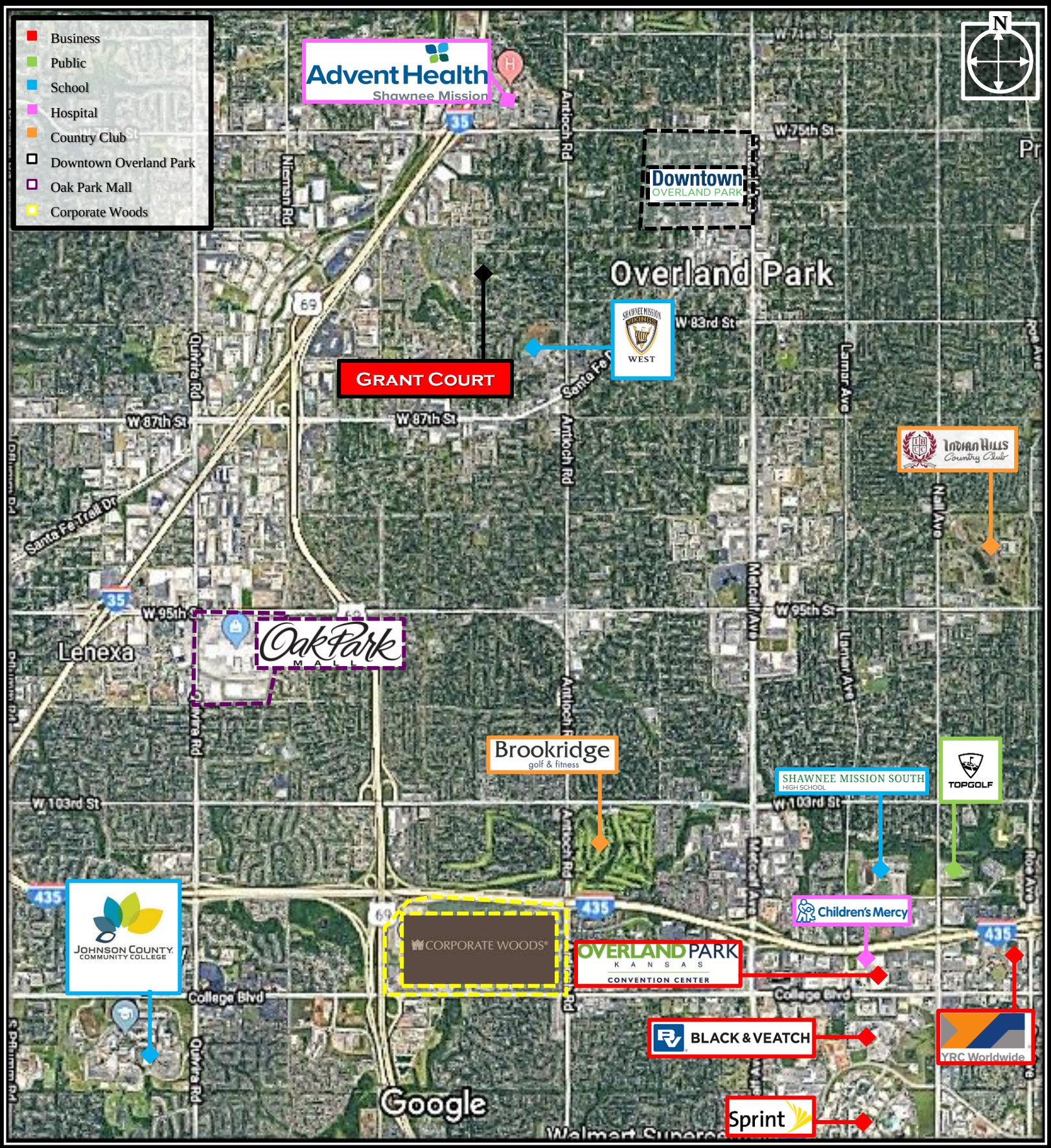
Johnson County Community College

Grant Court | 34 Units

Map Overview

Grant Court | 34 Units

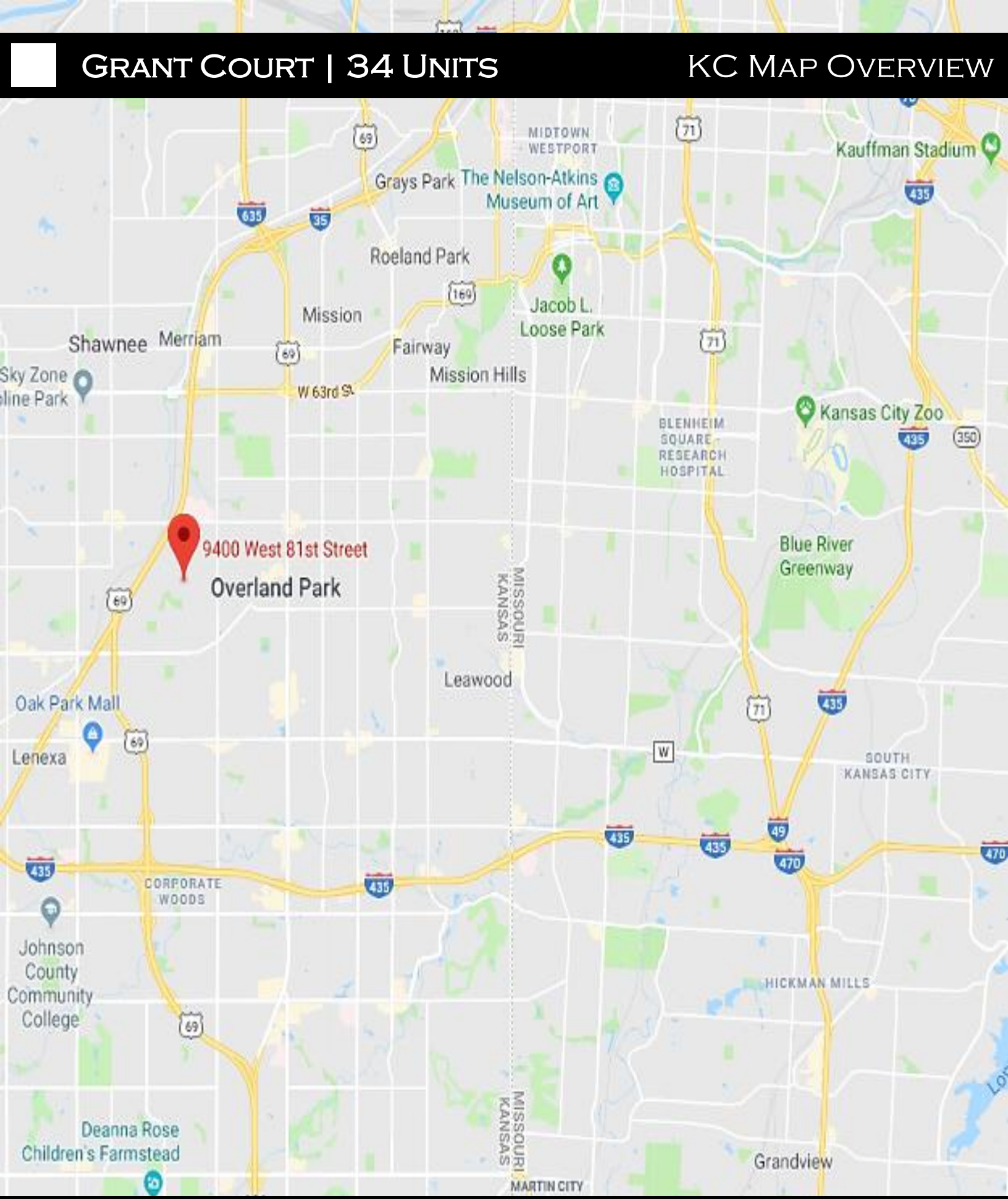
Map Overview



KCCommercial.net

Grant Court | 34 Units

KC Map Overview



Kansas City Information

The Kansas City Metropolitan Area is home to 2.1 million people and is dissected North to South by the Kansas and Missouri State Line. U.S. News recently analyzed 100 cities in the United States to try and find the best places to live based on quality of life and the job market in each city, as well as the value of living there and people's desire to live there. Kansas City ranked #49 on the list and continues to gain attraction throughout the country. The Huffington Post recently named Kansas City as the “Coolest” City in America and, for the fifth year in a row, named Kansas City the #1 affordable getaway. In Travel + Leisure's "America's Favorite Places" survey, readers voted Kansas City #24 while the Culture Trip voted Kansas City as one of the "12 Best U.S. cities for culture." Kansas City is famous for its musical heritage and has been a great jazz city since the 1930's. The history of the city's music and art heritage can be explored at the American Jazz Museum, the Kauffman Center, the Kemper Museum of Contemporary Art and the Nelson-Atkins Museum of Art. The Nelson-Atkins Museum of Art was named the #1 best museum in the U.S. by both *USA Today* and Yelp. Additionally, Yelp's #5 best museum in the country went to the National WWI Museum & Memorial, the only WWI museum in the country.

ZipRecruiter, an online job platform, concluded that Kansas City is the 4th best metro area in the country to find a job in 2017. The Kansas City area is home to such companies as: Hallmark, H&R Block, Black & Veatch, Seaboard, DST Systems, Russell Stovers, Garmin and Sprint. 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. Forbes ranked Kansas City as the 3rd best city for renters out of 46 cities because they have the most investor interest, while also declaring Kansas City to have the best “rental affordability” among the 46 city list. WalletHub reaffirmed Forbes lofty ranking by putting Kansas City in its Top 50 for "Best Real-Estate Markets" for large cities. 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 recently expanded 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.

For the sports fan, the Kansas City area has it all including the NFL’s Chiefs, MLB’s Royals, MLS’s Sporting Kansas City, the T-Bones a minor league baseball team, several of the finest golf courses in the United States, the Kansas Speedway one of NASCAR’s newest tracks, the College Basketball Hall of Fame and much more. Kansas City is home to Schlitterbahn Waterpark 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.

Grant Court - 34 Units - Current Rent Roll									
Unit #	**Unit Type**	**Unit SF**	***Market Rent***	**Rent**	**Water Fee**	**Total Rent**	**Annual Rent**	**Rent Per SF**	**Washer/Dryer**
1	2x2	1050	*$995*	$925		$925	$11,100	$0.88	Yes
2	Studio	375	*$625*	$625	$25	$650	$7,800	$1.67	
3	2x2	1050	*$995*	$925		$925	$11,100	$0.88	Yes
4	2x2	1050	*$950*	$895	$35	$930	$11,160	$0.85	
8	Studio	700	*$750*	$750	$35	$785	$9,420	$1.07	Yes
15	2x2	1050	*$950*	$800	$35	$835	$10,020	$0.76	
101	2x2	1050	*$995*	$995		$995	$11,940	$0.95	Yes
102	2x2	1050	*$995*	$995	$45	$1,040	$12,480	$0.95	Yes
103	2x2	1050	*$950*	$925		$925	$11,100	$0.88	
104	2x2	1050	*$995*	$875	$45	$920	$11,040	$0.83	Yes
105	1x1	710	*$750*	$750	$25	$775	$9,300	$1.06	
106	1x1	710	*$750*	$750	$25	$775	$9,300	$1.06	
107	2x2	1050	*$995*	$995		$995	$11,940	$0.95	Yes
108	2x2	1050	*$995*	$850	$45	$895	$10,740	$0.81	Yes
109	1x1	824	*$795*	$725	$35	$760	$9,120	$0.88	Yes
110	1x1	824	*$775*	$680		$680	$8,160	$0.83	
111	1x1	824	*$775*	$710	$25	$735	$8,820	$0.86	
112	1x1	824	*$795*	$795		$795	$9,540	$0.96	Yes
114	1x1	710	*$750*	$750		$750	$9,000	$1.06	
115	2x2	1050	*$995*	$875	$45	$920	$11,040	$0.83	Yes
201	2x2	1050	*$995*	$995		$995	$11,940	$0.95	Yes
202	2x2	1050	*$995*	$840	$45	$885	$10,620	$0.80	Yes
203	2x2	1050	*$995*	$840	$45	$885	$10,620	$0.80	Yes
204	2x2	1050	*$950*	$775	$35	$810	$9,720	$0.74	
205	1x1	824	*$795*	$795		$795	$9,540	$0.96	Yes
206	1x1	710	*$750*	$675	$25	$700	$8,400	$0.95	
207	2x2	1050	*$995*	$895	$45	$940	$11,280	$0.85	Yes
208	2x2	1050	*$950*	$815	$35	$850	$10,200	$0.78	
209	1x1	824	*$795*	$795		$795	$9,540	$0.96	Yes
210	1x1	824	*$795*	$795		$795	$9,540	$0.96	Yes
211	1x1	710	*$750*	$715	$25	$740	$8,880	$1.01	
212	1x1	824	*$795*	$795	$35	$830	$9,960	$0.96	Yes
214	1x1	710	*$750*	$695	$25	$720	$8,640	$0.98	
215	2x2	1050	*$995*	$925	$45	$970	$11,640	$0.88	Yes
34		**30827**	***$29,880***	**$27,940**	**$780**	**$28,720**	**$344,640**	**$0.91**	**20**

Grant Court - 34 Units - Current Unit Mix							
# of Units	Unit Type	Unit SF	Rent	RUBS Charge	Total Monthly Rent	Annual Rent	Rent Per SF
1	Studio	375	$625	$25	$650	$7,800	$1.67
1	Studio	700	$750	$35	$785	$9,420	$1.07
2	1x1	710	$750	$25	$1,550	$18,600	$1.06
1	1x1	710	$750		$750	$9,000	$1.06
1	1x1	710	$715	$25	$740	$8,880	$1.01
1	1x1	710	$695	$25	$720	$8,640	$0.98
1	1x1	710	$675	$25	$700	$8,400	$0.95
4	1x1	824	$795		$3,180	$38,160	$0.96
1	1x1	824	$795	$35	$830	$9,960	$0.96
1	1x1	824	$725	$35	$760	$9,120	$0.88
1	1x1	824	$710	$25	$735	$8,820	$0.86
1	1x1	824	$680		$680	$8,160	$0.83
3	2x2	1050	$995		$2,985	$35,820	$0.95
1	2x2	1050	$995	$45	$1,040	$12,480	$0.95
3	2x2	1050	$925		$2,775	$33,300	$0.88
1	2x2	1050	$925	$45	$970	$11,640	$0.88
1	2x2	1050	$895	$45	$940	$11,280	$0.85
1	2x2	1050	$895	$35	$930	$11,160	$0.85
2	2x2	1050	$875	$45	$1,840	$22,080	$0.83
1	2x2	1050	$850	$45	$895	$10,740	$0.81
2	2x2	1050	$840	$45	$1,770	$21,240	$0.80
1	2x2	1050	$815	$35	$850	$10,200	$0.78
1	2x2	1050	$800	$35	$835	$10,020	$0.76
1	2x2	1050	$775	$35	$810	$9,720	$0.74
34		**30827**			**$28,720**	**$344,640**	**$0.93**

Grant Court (34 Units) - T12 P&L (September 2018 - August 2019)			
Rents Received	**$308,141**	**% RR**	**Per Unit**
Other Income	$11,472	3.72%	$337.42
Adjusted Gross Income	**$319,614**	**% AGI**	**Per Unit**
Legal & Administrative	$4,629	1.45%	$136.14
Repairs & Maintenance	$37,709	11.80%	$1,109.08
Cleaning, Lawn, Pest & Snow Removal	$6,063	1.90%	$178.33
Utilities	$32,799	10.26%	$964.68
Property Management	$20,083	6.28%	$590.68
Building Insurance 2019	$14,403	4.51%	$423.62
Property Tax * (2018 Tax)	$26,144	8.18%	$768.93
Total Expenses	**$141,830**	**44.38%**	**$4,171.46**
Net Operating Income	**$177,784**		**$5,228.95**

The financial breakdown to the left encompasses the trailing 12 financial performance from September 2018 to August 2019. The current owner and management have just implemented a monthly RUBS utility fee to tenants starting in September 2019. These charges are now active for 22 units and range from $25 to $45. 10 of the 12 units without RUBS fees are within their current lease agreements and cannot be amended. The other 2 units without RUBS fees are currently vacant. The RUBS amount varies depending on the size of the unit and whether or not it has a washer/dryer. In the last 12 months, the owner went through refinancing and was encouraged to keep occupancy high, therefore they did not push rents. Since the refinance, the property has been achieving higher rent in all unit types and collections will only increase as the RUBS charges take effect. For our financial breakdown, we included the 2018 tax amount as well as 2019 insurance.

Grant Court | 34 Units

Current In-Place Rents with Pro-Forma Expenses

Grant Court - 34 Units - Current Unit Mix							
# of Units	Unit Type	Unit SF	Rent	RUBS Charge	Total Monthly Rent	Annual Rent	Rent Per SF
1	Studio	375	$625	$25	$650	$7,800	$1.67
1	Studio	700	$750	$35	$785	$9,420	$1.07
2	1x1	710	$750	$25	$1,550	$18,600	$1.06
1	1x1	710	$750		$750	$9,000	$1.06
1	1x1	710	$715	$25	$740	$8,880	$1.01
1	1x1	710	$695	$25	$720	$8,640	$0.98
1	1x1	710	$675	$25	$700	$8,400	$0.95
4	1x1	824	$795		$3,180	$38,160	$0.96
1	1x1	824	$795	$35	$830	$9,960	$0.96
1	1x1	824	$725	$35	$760	$9,120	$0.88
1	1x1	824	$710	$25	$735	$8,820	$0.86
1	1x1	824	$680		$680	$8,160	$0.83
3	2x2	1050	$995		$2,985	$35,820	$0.95
1	2x2	1050	$995	$45	$1,040	$12,480	$0.95
3	2x2	1050	$925		$2,775	$33,300	$0.88
1	2x2	1050	$925	$45	$970	$11,640	$0.88
1	2x2	1050	$895	$45	$940	$11,280	$0.85
1	2x2	1050	$895	$35	$930	$11,160	$0.85
2	2x2	1050	$875	$45	$1,840	$22,080	$0.83
1	2x2	1050	$850	$45	$895	$10,740	$0.81
2	2x2	1050	$840	$45	$1,770	$21,240	$0.80
1	2x2	1050	$815	$35	$850	$10,200	$0.78
1	2x2	1050	$800	$35	$835	$10,020	$0.76
1	2x2	1050	$775	$35	$810	$9,720	$0.74
34		**30827**			**$28,720**	**$344,640**	**$0.93**

Grant Court (34 Units) - Current In-Place Rents with Increased Pro-Forma Expenses			
Gross Potential Income - Current Rents & RUBS	**$344,640**	**% GSI**	**Per Unit**
Vacancy & Credit Losses	$17,232	5.00%	$506.82
Other Income	$6,800	1.97%	$200.00
Adjusted Gross Income	**$334,208**	**% AGI**	**Per Unit**
Legal & Administrative	$1,700	0.51%	$50.00
Repairs & Maintenance	$27,200	8.14%	$800.00
Cleaning, Lawn, Pest & Snow Removal	$6,800	2.03%	$200.00
Utilities	$30,600	9.16%	$900.00
Property Management	$26,737	8.00%	$786.37
Building Insurance	$15,571	4.66%	$457.97
Property Tax * (2019 Projected Tax @ Sale)	$37,000	11.07%	$1,088.24
Replacement Reserves	$8,500	2.54%	$250.00
Total Expenses	**$154,108**	**46.11%**	**$4,532.58**
Net Operating Income	**$180,100**		**$5,297.07**

The pro-forma to the left assumes full occupancy at the current rental rates being achieved in the rent roll above. The Gross Potential Income also encompasses annualized current RUBS in units where implemented. We used a fixed 5% for 'Vacancy & Credit Losses' and 8% for the 'Management Fee'. We increased taxes from the previous year to account for the new assessment post sale. For our CAP rate calculations, we added replacement reserves of $250 per unit to account for expenditures. The property is well positioned for new owners to continue updates and increase rents. Minor updates to kitchens, bathrooms, fixtures, and full installation of washers/dryers in all units could result in higher rents. The open space in basement also provides an opportunity for further value-add.

Grant Court - Pro-Forma Market Rents Unit Mix with RUBS Utility Charges							
# of Units	Unit Type	Unit SF	Market Rent	RUBS Charge	Total Monthly Rent	Annual Rent	Rent Per SF
1	Studio	375	$625	$25	$650	$7,800	$1.67
1	Studio	700	$750	$35	$785	$9,420	$1.07
6	1x1	710	$750	$25	$4,650	$55,800	$1.06
6	1x1	824	$795	$35	$4,980	$59,760	$0.96
2	1x1	824	$775	$25	$1,600	$19,200	$0.94
13	2x2	1050	$995	$45	$13,520	$162,240	$0.95
5	2x2	1050	$950	$35	$4,925	$59,100	$0.90
34		**30827**			**$31,110**	**$373,320**	**$0.97**

Grant Court (34 Units) - Property Pro-Forma with Market Rents & RUBS			
Gross Potential Income - Market Rents & RUBS	**$373,320**	**% GPI**	**Per Unit**
Vacancy & Credit Losses	$18,666	5.00%	$549.00
Other Income	$6,800	1.82%	$200.00
Adjusted Gross Income	**$361,454**	**% AGI**	**Per Unit**
Legal & Administrative	$1,700	0.47%	$50.00
Repairs & Maintenance	$27,200	7.53%	$800.00
Cleaning, Lawn, Pest & Snow Removal	$6,800	1.88%	$200.00
Utilities	$30,600	8.47%	$900.00
Property Management	$28,916	8.00%	$850.48
Building Insurance	$15,571	4.31%	$457.97
Property Tax * (2019 Projected Tax @ Sale)	$37,000	10.24%	$1,088.24
Replacement Reserves	$8,500	2.35%	$250.00
Total Expenses	**$156,287**	**43.24%**	**$4,596.69**
Net Operating Income	**$205,167**		**$6,034.31**

The property pro-forma to the left assumes full occupancy at the market rents listed in the table above. This pro-forma also assumes the full implementation of monthly RUBS charges to all units ranging from $25 to $45 depending on unit type, size and laundry setup (RUBS encompassed in top line). We used a fixed 5% for 'Vacancy & Credit Losses' and 8% for the 'Management Fee'. We increased taxes from the previous year to account for the new assessment post sale. For our CAP rate calculations, we added replacement reserves of $250 per unit to account for expenditures. The property is well positioned for new owners to continue updates and increase rents. Minor updates to kitchens, bathrooms and fixtures could result in higher rents. The continued addition of washers/dryers to the remaining units and the full conversion to all electric furnaces and stoves will further increase the value.

Sources of Information

This offering memorandum was prepared by the Broker solely for the use of perspective purchasers of the property. Neither the Owner nor Broker makes any representation or warranty as to the completeness or the accuracy of the material contained in this offering memorandum. All information is based on surveys, public records and old appraisals. The financial 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 Commercial/KCCommercial.net 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 factor having to do with the valuation of property. All information outlined in this offering memorandum was obtained from a number of sources, including but not limited to the following:

- The Johnson County Assessor's Office and online databases
- The City of Overland Park, Kansas
- Loopnet, CoStar, and Multiple Listing Services (MLS)
- Market participants and property managers familiar with the market area
- Public records, surveys, and appraisals

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