Exclusive Multi-Family Offering

403 West Poplar Street | Olathe, KS 66061 | 39 Units | Opportunity Zone

Poplar Place

offering memorandum

Marketed by : Brice Bradshaw

Property Details : 39 Units + Office

Neighborhood : Central Core Olathe

Nearby : Johnson County Court House

Price : Market

# of Buildings : 5

REECE COMMERCIAL

POPLAR PLACE

403 & 407 West Poplar Street | Olathe, KS 66061 | 12 Units | Value-Add Opportunity

POPLAR PLACE

400 & 408 West Poplar Street | Olathe, KS 66061 | 18 Units | Value-Add Opportunity

POPLAR PLACE

404 West Poplar Street | Olathe, KS 66061 | 9 Units | Value-Add Opportunity

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Poplar Place | 39 Units

OFFERING & PROPERTY SUMMARY	
Asking Price	MARKET
Terms	Free & Clear
Address	400, 403, 404, 407 and 408 West Poplar Street Olathe, Kansas 66061
County	Johnson County
Neighborhood	Central Core - Olathe
Zoning	R-5 (Johnson County)
Year Built	1981/1982 (Johnson County)
# of Buildings	5
Building Construction	Wood Frame (structure), Poured Concrete (foundation), Concrete Slab (floor), and Vinyl Siding (walls)
Land Area	59,648 sq. ft. or 1.37 acres (previous appraisal)
Gross Building Area	29,149 square feet (previous appraisal)
Net Rentable Area	23,165 square feet (previous appraisal)
Stories	2.5
Units	39
Studio	1
Average Studio Size	395 sq. ft. (previous appraisal)
Average Studio Rent	$400
1 Bedroom Units	24
Average 1 Bedroom Size	583 sq. ft. (previous appraisal)
Average 1 Bedroom Rent	$438
2 Bedroom Units	14
Average 2 Bedroom Size	627 sq. ft. (previous appraisal)
Average 2 Bedroom Rent	$477

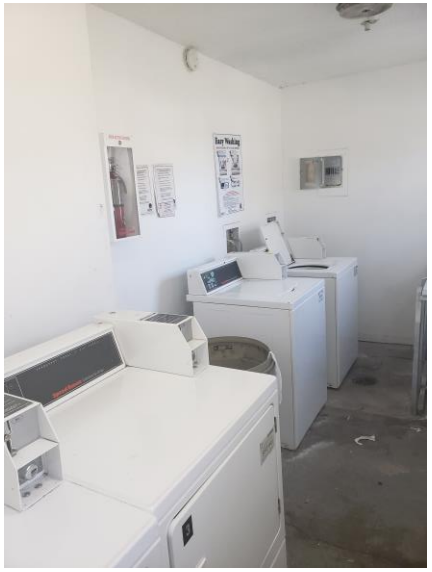
UTILITIES & AMENITIES SUMMARY	
Metering	Separate (All-electric)
Heat	Through-the-wall A/C units (all units); Baseboard Heat (select units)
A/C	Through-the-wall A/C units
Hot Water	Individual
Laundry	2 Laundry Centers (Building 400 & Building 403)
Entry	Secured entry
Parking	73 off-street parking spaces
Internet	Google Fiber
Landlord Utilities	Landlord pays water & trash (tenant's responsible for electricity)

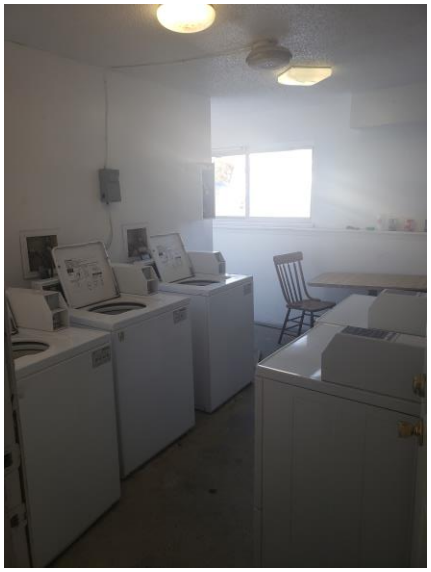
POPLAR PLACE | 39 UNITS

PROPERTY SUMMARY

Poplar Place is a spacious, 39-unit, all-electric apartment complex with a dedicated office located in the Central Core area of Olathe, Kansas. Located in an **Opportunity Zone**, the subject property contains a total of five 2.5-story walk-up apartment buildings (400, 403, 404, 407, 408). The **Opportunity Zones program** provides tax incentives for investors to re-invest their unrealized capital gains into Opportunity Funds that are dedicated to investing into Opportunity Zones (designated by the chief executives of every U.S. state and territory). Residents of Poplar Place have access to 73 off-street parking spaces and are provided with two laundry care centers in Building 400 and Building 403. Building 400's laundry room has three coin operated washers and dryers, and Building 403 has two coin operated washers and dryers. Poplar Place consist of 1 studio unit with an approximate unit size of 395 square feet, 24 one-bedroom units with an approximate unit size of 583 square feet, and 14 two-bedroom units with an approximate unit size of 627 square feet. A one-bedroom unit in Building 403 was converted to a dedicated management office, and possesses the potential to be converted back to its original use as a rentable unit. In October of 2018, the roofs on 4 of the 5 buildings were replaced (Building 404's roof not replaced).

Units at the complex feature carpet and vinyl tile flooring, many windows with excellent natural light, Google Fiber, fully equipped kitchens with dishwashers, walk-in closets, through-the-wall A/C units, baseboard heat, and balconies. The one-bedroom units have wood-framed decks that are accessed via sliding glass doors. Along with the through-the-wall A/C units, two-bedroom units also have baseboard heat. The units are separately metered for electric and each unit possesses individual hot water heaters. Tenants are responsible for their own electricity and the owner provides water, sewer and trash. The current owner of the subject property, Johnson County Housing Coalition, operates as a private, non-profit equal housing provider. Their mission is "to provide increased opportunities for decent, safe, affordable, accessible permanent housing and support services within Johnson County for people who have limited resources, including people with special needs." The model is to provide housing in Johnson County at below market rates and to rent to individuals and families that might not be able to rent through traditional housing options. Poplar Place's rents are typically 15% to 25% below current market rates, leaving new ownership strong upside and reposition potential. The complex is ideally located just blocks north of the Kansas School for the Deaf, Olathe City Council, Olathe Public Library and the Johnson County District Courthouse, and in one of the most prosperous counties in the country, Johnson County.





PROPERTY & UNIT AMENITIES

Opportunity Zone
All-electric complex
4 of 5 roofs new as of October 2018
Designated office for management (previously 1BR unit)
73 off-street parking spaces (previous appraisal)
2 Laundry Care Centers (Building 400 & Building 403)
Separately metered for electric
Individual Hot Water Heaters
Google Fiber
Carpet and vinyl tile flooring
Dishwashers
Large walk-in closets
Balconies (select units)
Through-the-wall A/C units (all units) & baseboard heat (select units)

Poplar Place | 39 Units

Site Plan/Building Layout

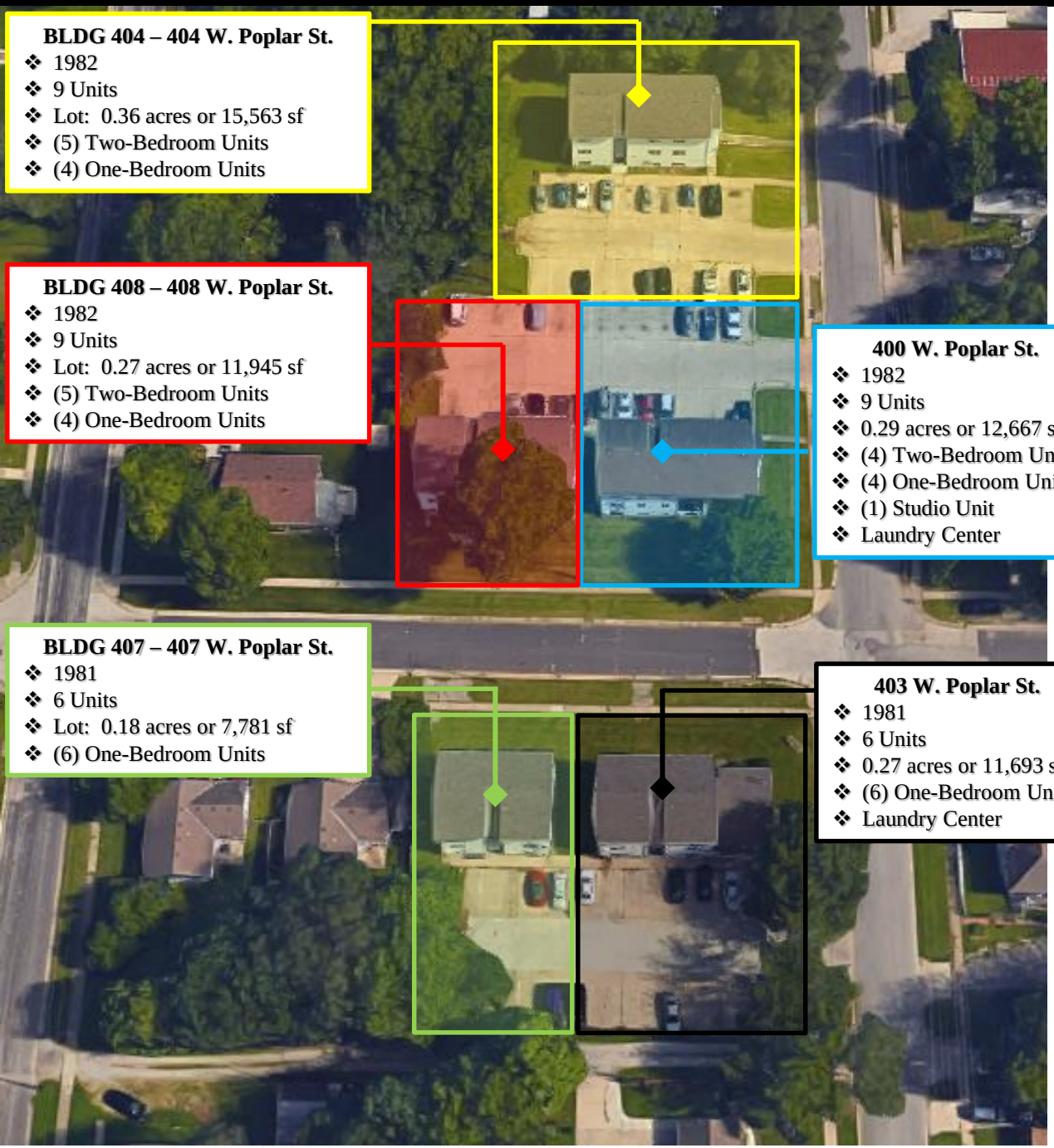
BLDG 404 – 404 W. Poplar St.
- 1982
- 9 Units
- Lot: 0.36 acres or 15,563 sf
- (5) Two-Bedroom Units
- (4) One-Bedroom Units

BLDG 408 – 408 W. Poplar St.
- 1982
- 9 Units
- Lot: 0.27 acres or 11,945 sf
- (5) Two-Bedroom Units
- (4) One-Bedroom Units

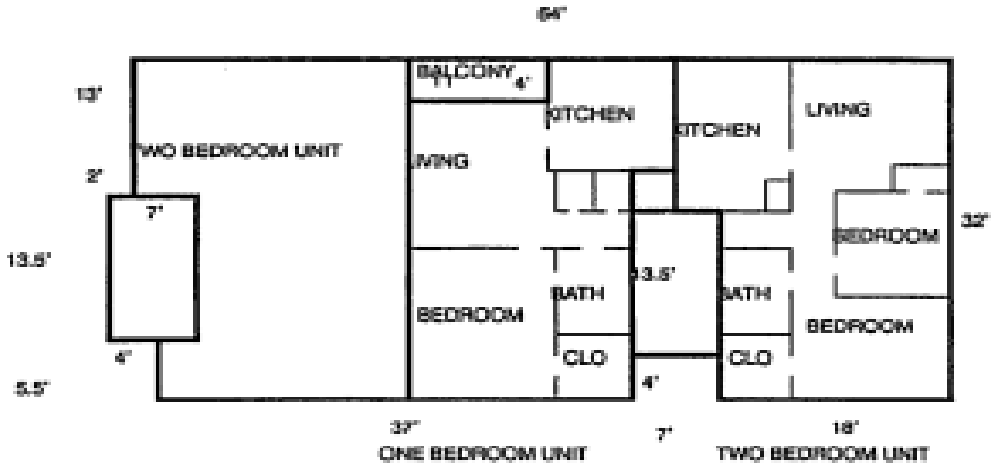
400 W. Poplar St.
- 1982
- 9 Units
- 0.29 acres or 12,667 sf
- (4) Two-Bedroom Units
- (4) One-Bedroom Units
- (1) Studio Unit
- Laundry Center

BLDG 407 – 407 W. Poplar St.
- 1981
- 6 Units
- Lot: 0.18 acres or 7,781 sf
- (6) One-Bedroom Units

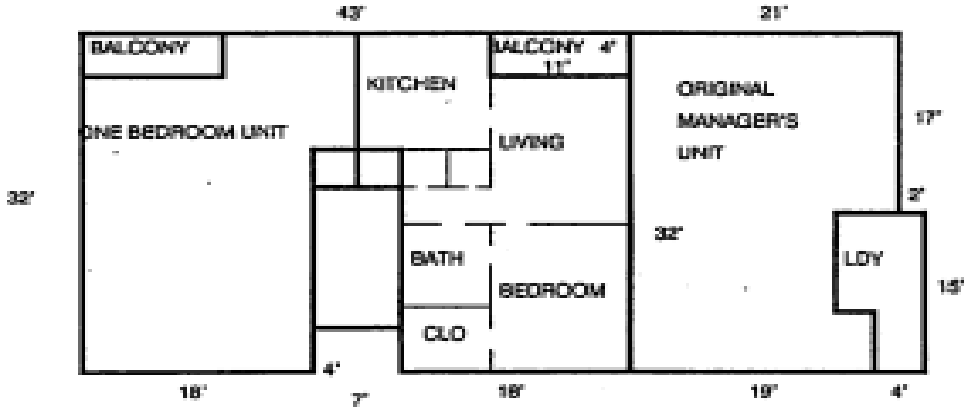
403 W. Poplar St.
- 1981
- 6 Units
- 0.27 acres or 11,693 sf
- (6) One-Bedroom Units
- Laundry Center



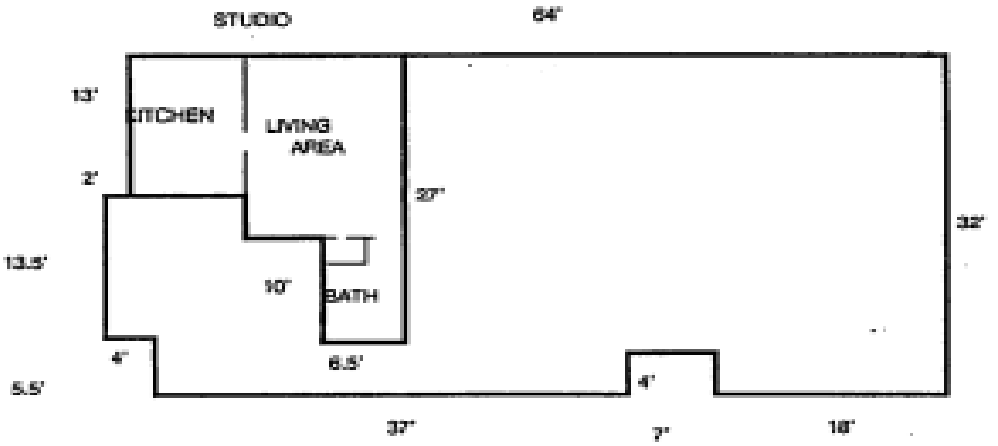
UPPER LEVELS BUILDINGS NORTH OF POPLAR



BUILDING WITH ONE BEDROOM UNITS PLUS MANAGERS UNIT

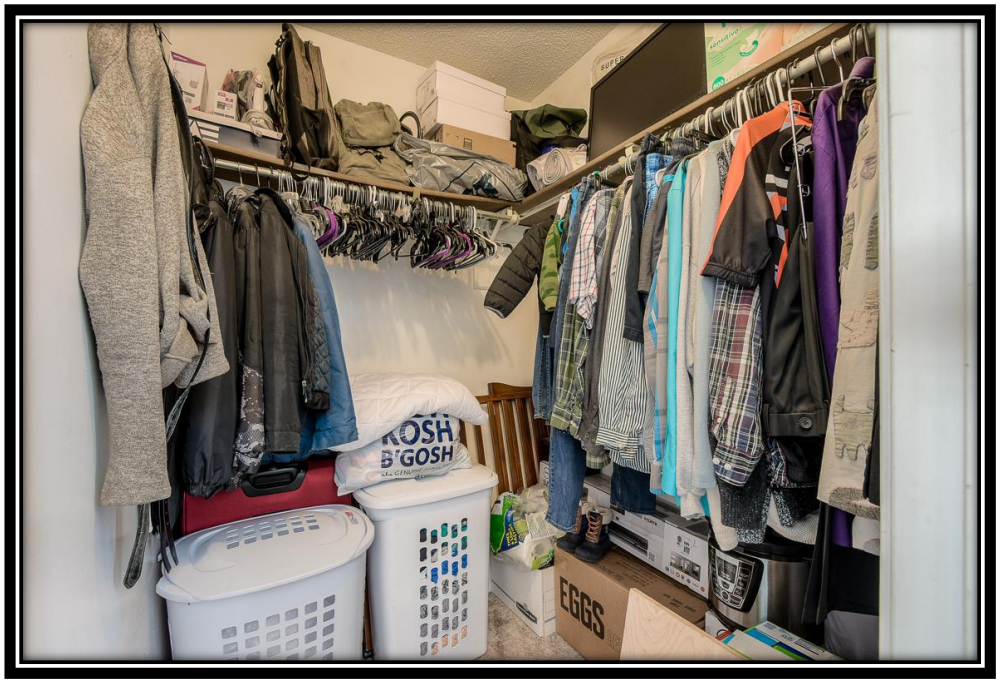


LOWER LEVEL OF UNITS NORTH OF POPLAR
STUDIO IN ONE BUILDING -SMALL ONE BEDROOM UNIT IN OTHER TWO



LIVING AREA PICTURES

BEDROOM PICTURES

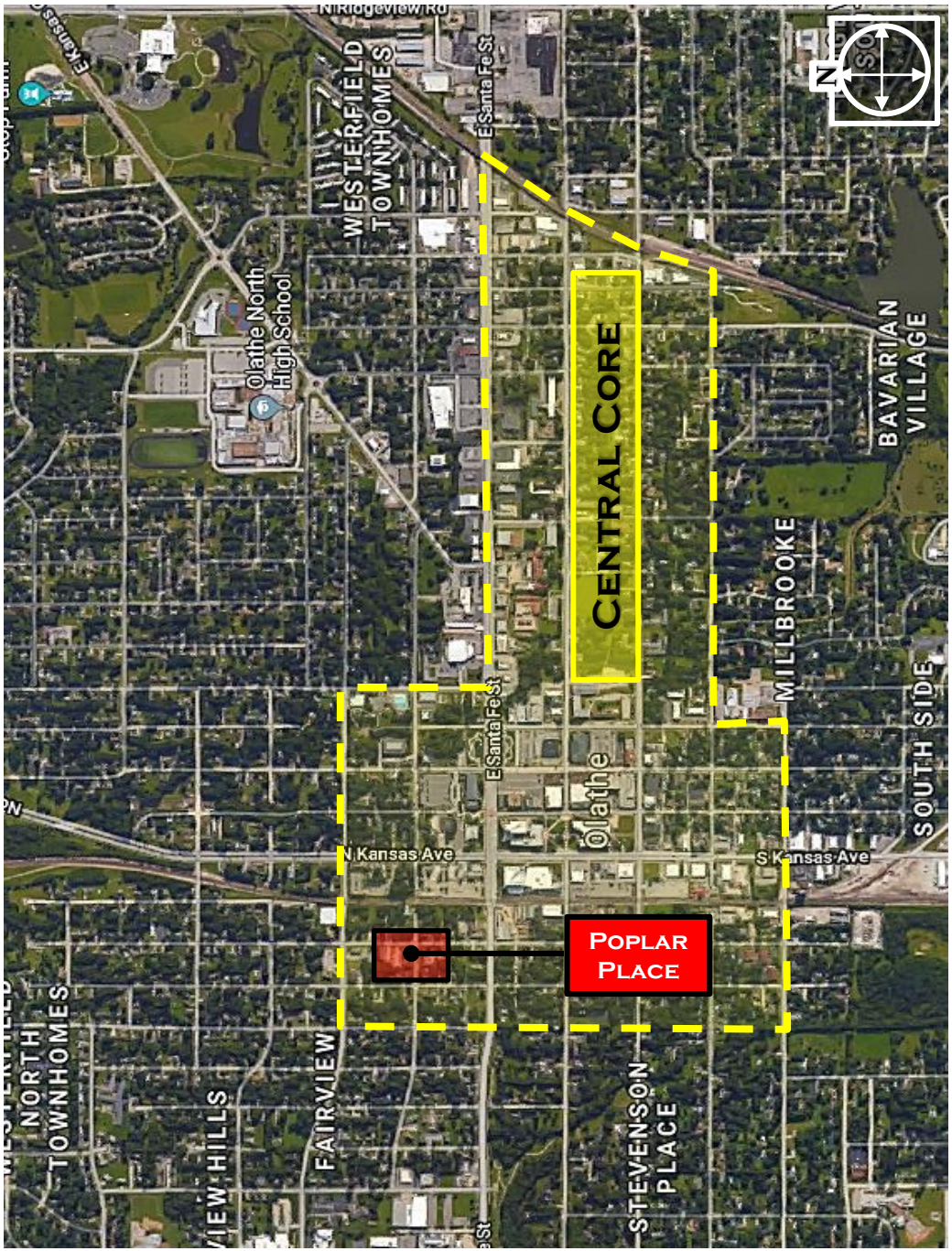


Neighborhood & Submarket Summary

Poplar Place is located in the Central Core neighborhood of Olathe, Kansas, 2-blocks west of Olathe City Hall. Olathe, the county seat of Johnson County, Kansas, is located approximately 25 miles southwest of downtown Kansas City, Missouri on Interstate 35 at the junction of U.S. 56 and 169 Highways and Kansas State Highways 7 and 150. Olathe, with a population of approximately 130,000, is the seventh largest city in Kansas and is one of the states most rapidly growing communities. The city is seeing explosive growth with new development and extensive redevelopment throughout the area. Starting in July of 2018, construction began on the new $193 million Johnson County Courthouse and the project is set to be completed by late 2020 with a move-in date of early 2021. The new courthouse, located 1-block east of Poplar Place and directly next to the old courthouse, will include 28-36 courtrooms and is being built specifically with attorney and judge needs in mind. The old courthouse will be converted to a public green space and the building will be torn down. The Central Core neighborhood celebrates the end of the work week each month during Fourth Fridays at Johnson County Square. This event features live music, shopping discounts and fun activities for all ages.

24/7 Wall St. recently named Olathe as one of America's Best Cities to Live coming in as the 11th best city on the list of 50. The City features an abundance shopping facilities, schools, hospitals, cultural centers, and other amenities while being named the 6th Safest City in America by MyLife. 24/7 Wall St. credited Olathe for its low poverty rate, low crime rate and strong income to home value ratio to justify the high ranking. Its close proximity to several major Interstates and rail lines will continue to positively effect the attraction of new businesses. 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 Sprint, Garmin International (located in Olathe), Black and Veatch, Bayer Animal Health, Honeywell, Waddell & Reed and YRC Worldwide. Notable awards in Olathe include:

- #1 on Zippia's list of "10 Happiest Cities in America"
- #1 on Allstate Insurance's list of "America's Best Drivers Report"
- #7 City Ranking by MyLife.com for the "Best Midsize City to Raise Children"
- #13 City Ranking by MyLife.com for the "Most Intelligent Midsize City"
- #3 City Ranking by MyLife.com for the "Best City for Newlyweds"
- Named Gold Level "Certified Healthy KC Organization" from Healthy KC.



Garmin Headquarters

Olathe Medical Center

MidAmerica Nazarene University

Olathe City Hall

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.

Olathe West High School
Home of the Owls
Walmart
Poplar Place
Johnson County District Court
Walgreens
Olathe Public Library
Museum of Deaf
History, Arts & Culture
Midamerica Nazarene University
South
The Great Mall Redevelopment Proposal
A proposed $271 million redevelopment of the former Great Mall of the Great Plans has been proposed and is progressing forward as of October 2018. The redevelopment plans consist of a 4,000-seat arena and ice-skating center, 250,000 square feet of entertainment, retail and restaurant space, two hotels, 300 apartment units and 200,000 square feet of office and medical office space.
Olathe Medical Center
Garmin
Google
N
Retail
Public
Business
Hospital/School
Great Mall Proposal

Current Rent Roll

Unit #	Unit Type	Unit SF	*Market Rent*	Rent	Annual Rent
400 A	Studio	395 +/-	*$450*	$400	$4,800
400 B	1x1	583 +/-	*$550*	$450	$5,400
400 C	2x1	627 +/-	*$635*	$480	$5,760
400 D	2x1	627 +/-	*$635*	$480	$5,760
400 E	1x1	583 +/-	*$550*	$450	$5,400
400 F	2x1	627 +/-	*$635*	$480	$5,760
400 G	1x1	583 +/-	*$550*	$200	$2,400
400 H	1x1	583 +/-	*$550*	$450	$5,400
400 I	2x1	627 +/-	*$635*	$465	$5,580
403 B	1x1	583 +/-	*$550*	$440	$5,280
403 C	1x1	583 +/-	*$550*	$450	$5,400
403 D	1x1	583 +/-	*$550*	$450	$5,400
403 E	1x1	583 +/-	*$550*	$435	$5,220
403 F	1x1	583 +/-	*$550*	$440	$5,280
403 G	1x1	583 +/-	*$550*	$435	$5,220
404 A	1x1	583 +/-	*$550*	$435	$5,220
404 B	1x1	583 +/-	*$550*	$450	$5,400
404 C	2x1	627 +/-	*$635*	$465	$5,580
404 D	2x1	627 +/-	*$635*	$480	$5,760
404 E	1x1	583 +/-	*$550*	$450	$5,400
404 F	2x1	627 +/-	*$635*	$480	$5,760
404 G	2x1	627 +/-	*$635*	$480	$5,760
404 H	1x1	583 +/-	*$550*	$440	$5,280
404 I	2x1	627 +/-	*$635*	$480	$5,760
407 A	1x1	583 +/-	*$550*	$450	$5,400
407 B	1x1	583 +/-	*$550*	$435	$5,220
407 C	1x1	583 +/-	*$550*	$435	$5,220
407 D	1x1	583 +/-	*$550*	$450	$5,400
407 E	1x1	583 +/-	*$550*	$440	$5,280
407 F	1x1	583 +/-	*$550*	$450	$5,400
408 A	1x1	583 +/-	*$550*	$450	$5,400
408 B	1x1	583 +/-	*$550*	$535	$6,420
408 C	2x1	627 +/-	*$635*	$485	$5,820
408 D	2x1	627 +/-	*$635*	$465	$5,580
408 E	1x1	583 +/-	*$550*	$450	$5,400
408 F	2x1	627 +/-	*$635*	$480	$5,760
408 G	2x1	627 +/-	*$635*	$480	$5,760
408 H	1x1	583 +/-	*$550*	$450	$5,400
408 I	2x1	627 +/-	*$635*	$480	$5,760
39		**23,165 +/-**	***$22,540***	**$17,600**	**$211,200**

Current Unit Mix

# of Units	Unit Type	Unit SF	Rent	Monthly Rent	Annual Rent	Rent Per SF
1	Studio	395 +/-	$400	$400	$4,800	$1.01
1	1x1	583 +/-	$535	$535	$6,420	$0.92
13	1x1	583 +/-	$450	$5,850	$70,200	$0.77
4	1x1	583 +/-	$440	$1,760	$21,120	$0.75
5	1x1	583 +/-	$435	$2,175	$26,100	$0.75
1	1x1	583 +/-	$200	$200	$2,400	$0.34
1	2x1	627 +/-	$485	$485	$5,820	$0.77
10	2x1	627 +/-	$480	$4,800	$57,600	$0.77
3	2x1	627 +/-	$465	$1,395	$16,740	$0.74
39		**23,165 +/-**		**$17,600**	**$211,200**	**$0.76**

Trailing 12 Financial Performance (October 2017 – September 2018)

Gross Scheduled Income - Current Rents	**$211,200**	**% GSI**	**Per Unit**
Vacancy & Credit Losses	$20,214	9.57%	$518.31
Other Income	$3,463	1.64%	$88.78
Adjusted Gross Income	**$194,449**	**% AGI**	**Per Unit**
Management Fee	$17,500	9.00%	$448.73
Repairs & Maintenance	$30,835	15.86%	$790.63
Lawn, Pest & Snow Removal	$4,267	2.19%	$109.41
Electric	$9,625	4.95%	$246.79
Water & Sewer	$12,991	6.68%	$333.10
Waste Removal	$3,382	1.74%	$86.72
Estimated Tax (501 C-3 did not pay)	$13,500	6.94%	$346.15
Office & Administration	$2,899	1.49%	$74.33
Insurance	$14,528	7.47%	$372.51
Total Expenses	**$109,527**	**56.33%**	**$2,808.38**
Net Operating Income	**$84,922**		**$2,177.48**

The current owner of the subject property, Johnson County Housing Coalition. , operates as a private, non-profit equal housing provider. Their mission is “to provide increased opportunities for decent, safe, affordable, accessible permanent housing and support services within Johnson County for people who have limited resources, including people with special needs.” The model is to provide housing in Johnson County at below market rates and to rent to individuals and families that might not be able to rent through traditional housing options.

Property Pro-Forma Unit Mix

# of Units	Unit Type	Unit SF	Rent	Total Monthly Rent	Annual Rent	Rent Per SF
1	Studio	395 +/-	$450	$450	$5,400	$1.14
25*	1x1	583 +/-	$550	$13,750	$165,000	$0.94
14	2x1	627 +/-	$635	$8,890	$106,680	$1.01
40		**23,165 +/-**		**$23,090**	**$277,080**	**$1.03**

Property Pro-Forma

Gross Scheduled Income - Market Rents	**$277,080**	**% GSI**	**Per Unit**
Vacancy & Credit Losses	$20,781	7.50%	$519.53
Other Income	$3,900	1.41%	$97.50
Adjusted Gross Income	**$260,199**	**% AGI**	**Per Unit**
Management Fee	$23,418	9.00%	$585.45
Repairs & Maintenance	$40,000	15.37%	$1,000.00
Cleaning, Lawn, Pest & Snow Removal	$11,700	4.50%	$292.50
Electric	$10,700	4.11%	$267.50
Water & Sewer	$13,800	5.30%	$345.00
Waste Removal	$3,500	1.35%	$87.50
Office & Administration	$3,000	1.15%	$75.00
Property Tax	$13,500	5.19%	$337.50
Insurance	$13,650	5.25%	$341.25
Replacement Reserves	$10,000	3.84%	$250.00
Total Expenses	**$143,268**	**55.06%**	**$3,581.70**
Net Operating Income	**$116,931**		**$2,923.28**

Our proforma encompasses the conversion of the dedicated office back to its original use as a rentable unit, totaling 40 total units. Our proforma assumes full occupancy of units at market rents. Our 'Gross Scheduled Income' revenue category encompasses annualized market rents. Additionally, our proforma assumes static vacancy (7.5%) and management (9%) charges. For our CAP rate calculations, we added replacement reserves of $250 per unit to account for expenditures.

Sources of Information

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 Olathe, Kansas
- Loopnet, CoStar, and Multiple Listing Services (MLS)
- Market participants and property managers familiar with the market area
- Public records, surveys, and appraisals

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.

Exclusively marketed by:
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