

EXCLUSIVE MULTI-FAMILY OFFERING

5116 BALTIMORE AVE | KANSAS CITY, MO 64112 | 6 UNITS | VALUE-ADD OPPORTUNITY | \$700,000

5116 BALTIMORE

OFFERING MEMORANDUM

MARKETED BY : Brice Bradshaw

PROPERTY DETAILS : 6 Units – 3-Stories

UNIT MIX : All 2-Bed/1-Bath (900 sf +/-)

YEAR BUILT : 1923

PRICE : \$700,000

ZONING : R-5



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PROPERTY HIGHLIGHTS

- ❖ 6 UNITS
- ❖ ALL 2-BED/1-BATH
- ❖ OFF-STREET PARKING @ REAR
- ❖ 100% OCCUPANCY
- ❖ FRONT & REAR SECURE KEYCODE ENTRY
- ❖ OWNER-OWNED LAUNDRY MACHINES IN BASEMENT
- ❖ EXCELLENT LOCATION IN HIGHLY COVETED SOUTH PLAZA
- ❖ STABILIZED ASSET WITH VALUE-ADD UPSIDE
- ❖ ADJACENT TO VISITATION CATHOLIC SCHOOL

UNIT HIGHLIGHTS

- ❖ 900 SQUARE FEET (+/-)
- ❖ PRIVATE PATIO/BALCONY
- ❖ EXCELLENT NATURAL WINDOW LIGHTING
- ❖ FULLY EQUIPPED KITCHENS
- ❖ HARDWOOD FLOORS
- ❖ WINDOW UNITS & RADIATORS
- ❖ SEPARATELY METERED GAS/ELECTRIC
- ❖ ADDITIONAL STORAGE AREA IN REAR STAIRWELL



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Guided property tours will be arranged on a reserved basis as requested by potential investors. Do not explore property unaccompanied or disturb tenants. Property Tours to be scheduled through the Reece Commercial broker. Tours will require approval by broker, management and owner. Broker and Owner reserve the right to set tour times and dates. Please do not contact third party management or tenants.

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While the materials provide a summary of the available information and details of the property, the information is not a substitute for you completing a thorough due diligence investigation of your own and by professionals of your choosing. Reece Commercial has not conducted any investigation and does not make any warranty or representation, with respect to the income, expenses, the projected financial performance or future uses of the property. To the extent any such information is provided, it is acknowledged to be estimated and not reliable for making future projections. All features, plans, square footages are approximate and may be subject to change without notice. Further, no representations or warranties either express or implied, are made as to the accuracy of the information or with respect to the suitability, usability, feasibility, merchantability or physical condition of the property and improvements – including but not limited to the presence or absence of any environmental conditions or compliance with State, Federal or local regulations.

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PROPERTY DESCRIPTION

The 6 units at 5116-5118 Baltimore are a 3-story, classic-style brick complex ideally located in the highly coveted South Plaza neighborhood. Built in 1923, the building features a flat TPO roof, secure front & rear keycode entry, and private patios/balconies that provide a great view of the neighborhood. All units at 5116 are 2-bedroom / 1-bathroom units with mostly identical footprints and an approximate unit size of 900 sf (+/-). The units feature hardwood floors, window AC units, radiator heat, dishwashers (5 units) and excellent natural lighting from many windows throughout the units. The units are separately metered for gas and electric with common hot water. The basement features high ceilings, a laundry care center (owner-owned machines) and additional tenant storage. The basement could be developed into a new tenant amenity. The complex has boiler heat with the boiler being less than 5 years old. Off-street parking spaces are provided at the rear of the building with ample on-street parking available at the front. 5116-5118 has many possibilities, a new owner could continue to operate it "as is" or add value by remodeling kitchens, bathrooms and HVAC systems. The property is owner-managed and neighboring complexes that have been substantially upgraded are achieving rent price points in the \$1250+ per month range, allowing a new buyer many options with management & finishes.

DEMOGRAPHICS

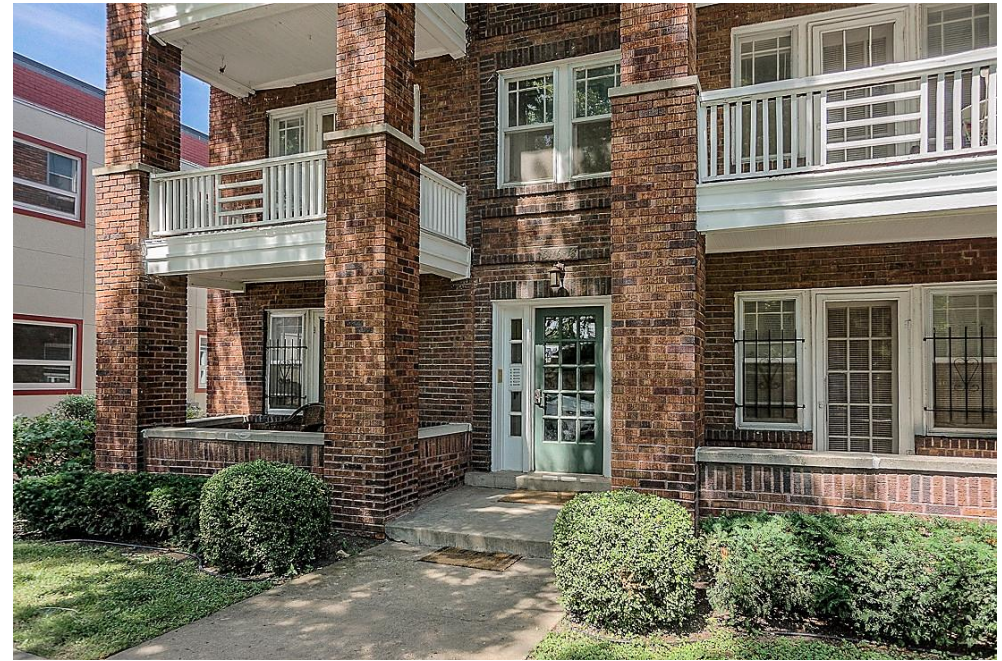
	1 MILE	3 MILES	5 MILES
POPULATION	15,164	121,409	254,891
MEDIAN HH INCOME	\$82,635	\$56,727	\$53,023
MEDIAN AGE	37.8	38.1	37.8
HOUSEHOLDS	7,997	55,830	114,656
WALKABILITY SCORE	87 WALK SCORE AND 46 TRANSIT SCORE		
MAIN STREET INFO	MAIN STREET CORRIDOR PLAN (VIDEO)		

OFFERING & PROPERTY SUMMARY

ASKING PRICE	\$700,000
TERMS	Free & Clear
ADDRESS	5116 Baltimore Avenue Kansas City, Missouri 64112
COUNTY	Jackson County
SUBDIVISION	South Plaza
YEAR BUILT	1923
STORIES	3
CONSTRUCTION/EXTERIOR	Brick & Siding Exterior, Masonry Construction and Flat TPO Roof
SITE AREA	0.20 acres or 8,712 sq. ft. (CoStar)
GROSS BUILDING AREA	6,156 sq. ft. (CoStar)
ZONING	R-5
OCCUPANCY	100%
# OF UNITS	6
UNIT TYPE	2-BEDROOM / 1-BATHROOM
AVERAGE UNIT SIZE	900 sq. ft +/- (City)
AVERAGE UNIT RENT	\$892

UTILITIES & AMENITIES SUMMARY

METERING	Separate Gas/Electric/Water
HEAT	Radiator/Central Boiler
HVAC	Window Units
HOT WATER	Central Boiler
LAUNDRY	Common Laundry in basement (owner owned)
PARKING	Off-street parking at rear (ample on-street parking)
ENTRY	Front & Rear Keycode Entry





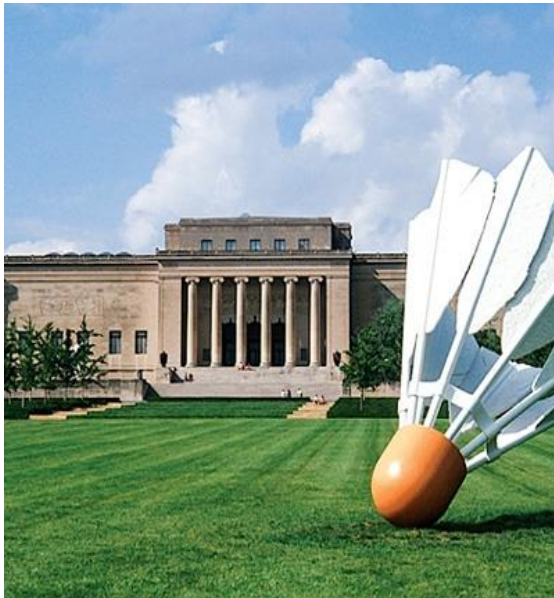




NEIGHBORHOOD & SUBMARKET SUMMARY

The 6 units at 5116 Baltimore are located just west of the University of Missouri Kansas City (UMKC) in the storied South Plaza neighborhood of Kansas City, Missouri. South Plaza is a vibrant residential/commercial community where businesses, neighborhoods and institutions reinforce one another. Lying in the middle of Kansas City, the neighborhood is inhabited by nearly 2,500 residents and sits blocks away from historical sites, parks, theaters, art studios and restaurants. Loose Park, one of the most interactive parks in the city, lies just minutes away, with a running track, playgrounds, a mini water park, a rose garden and areas for picnicking. The area remains known for its welcoming community and various architectural styles that represent Kansas City. The neighborhood boasts several strips that have various bars and restaurants around 50th and Main Street and is considered a walker-friendly neighborhood offering easy access to stores, schools, museums and cultural institutions. The Country Club Plaza and Westport are also nearby, featuring nearly 200 specialty shops and restaurants, fountains, tennis courts, gardens, and an annual Shakespeare Festival. The Country Club Plaza is Kansas City's premier retail, dining and entertainment destination. The Country Club Plaza, inspired by Spanish Architecture was first established in 1922 and remains a highly sought after residential and commercial location. "The Plaza" is home to many Kansas City cultural traditions and experiences including the Plaza Art Fair, Waterfire and the Plaza Lighting Ceremony. The area features many parks and walking trails including scenic Brush Creek. The Country Club Plaza is the south border of Kansas City's commerce corridor which extends through Midtown north to Downtown Kansas City. The corridor is home to the World Headquarters of Hallmark Cards, American Century Investments, Lockton Insurance and Russell Stover Candies. Three of Kansas City's largest law firms Polsinelli PC, Dentons and Husch Blackwell Sanders LLP are located on the Country Club Plaza. The Plaza 36 is just minutes away from the Nelson-Atkins Museum of Art, the Kemper Museum of Modern Art and the James C. Olson Performing Arts Center at UMKC. The complex is ideally situated only minutes from Downtown, the Westport Entertainment District, St. Luke's Hospital, Crown Center, Union Station, the IRS office complex, the University of Kansas Medical Center, Children's Mercy Hospital, Truman Medical Center, Penn Valley Community College, the Federal Reserve Bank, the Stowers Institute for Medical Research, the University of Missouri Kansas City (UMKC) main campus and the separate campuses of UMKC Schools of Dentistry, Nursing, Pharmacy and Medicine. Rental demand is very strong and quite stable in the area due to the high quality of life and area amenities.





NELSON-ATKINS



COUNTRY CLUB PLAZA



WESTPORT DISTRICT



UNIVERSITY OF MISSOURI-KANSAS CITY



ROCKHURST UNIVERSITY



STOWERS INSTITUTE



AMERICAN CENTURY TOWERS



KANSAS CITY ART INSTITUTE



KAUFFMAN FOUNDATION



KEMPER MUSEUM OF CONTEMPORARY ART

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 WWII Museum & Memorial, the only WWII 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.



CURRENT RENT ROLL

UNIT #	UNIT TYPE	UNIT SF	RENT	ANNUAL RENT	RENT PER SF
1S	2x1	900 +/-	\$850	\$10,200	\$0.94
1N	2x1	900 +/-	\$900	\$10,800	\$1.00
2S	2x1	900 +/-	\$900	\$10,800	\$1.00
2N	2x1	900 +/-	\$900	\$10,800	\$1.00
3S	2x1	900 +/-	\$900	\$10,800	\$1.00
3N	2x1	900 +/-	\$900	\$10,800	\$1.00
6		5,400 +/-	\$5,350	\$64,200	\$0.99

PRO-FORMA RENT ROLL WITH MAJOR RENOVATIONS

UNIT #	UNIT TYPE	UNIT SF	MARKET RENT	ANNUAL RENT	RENT PER SF
1S	2x1	900 +/-	\$1,250	\$15,000	\$1.39
1N	2x1	900 +/-	\$1,250	\$15,000	\$1.39
2S	2x1	900 +/-	\$1,250	\$15,000	\$1.39
2N	2x1	900 +/-	\$1,250	\$15,000	\$1.39
3S	2x1	900 +/-	\$1,250	\$15,000	\$1.39
3N	2x1	900 +/-	\$1,250	\$15,000	\$1.39
6		5,400 +/-	\$7,500	\$90,000	\$1.39

OWNER REPORT EXPENSES – 2019

EXPENSE CATEGORY	AMOUNT	PER UNIT
Water	\$4,198	\$699.67
Gas	\$4,477	\$746.17
Electric	\$533	\$88.83
Property Tax (2019)	\$3,364	\$560.67
Insurance	\$5,346	\$891.00
TOTAL EXPENSES	\$17,918	\$2,986.33

The above table references the 2019 owner generated expenses. The property is owner-managed, therefore there is no management fee or professionally generated profit & loss statements. Insurance for the building is exceptionally high and a product of owner not shopping rates. The property pro-forma to the right assumes significant renovations including the conversion to central air, extensive unit updates and the implementation of management. We included replacement reserves of \$200/unit to account for expenditures in our pro-forma.

PRO-FORMA FINANCIAL BREAKDOWN

PROPERTY PRO-FORMA WITH MAJOR RENOVATIONS			
GROSS SCHEDULED INCOME - MARKET RENTS	\$90,000	%GSI	PER UNIT
Vacancy & Credit Losses	\$4,500	5.00%	\$750.00
Other Income	\$600	0.67%	\$100.00
ADJUSTED GROSS INCOME	\$86,100	%AGI	PER UNIT
Admin & Legal	\$300	0.35%	\$50.00
Mangement Fee	\$6,888	8.00%	\$1,148.00
Repairs & Maintenance	\$3,600	4.18%	\$600.00
Cleaning, Lawn & Snow Removal	\$1,500	1.74%	\$250.00
Utilities	\$5,400	6.27%	\$900.00
Property Tax (2019)	\$3,364	3.91%	\$560.67
Insurance	\$3,000	3.48%	\$500.00
Replacement Reserves	\$1,200	1.39%	\$200.00
TOTAL EXPENSES	\$25,252	29.33%	\$4,208.67
NET OPERATING INCOME	\$60,848		\$10,141.33

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 Jackson County Assessor's Office and online databases
- ❖ The City of Kansas City, Missouri
- ❖ 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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