

# EXCLUSIVE MULTI-FAMILY OFFERING

3402 GILLHAM ROAD | KANSAS CITY, MO 64111 | 6 UNITS | VALUE-ADD REPOSITION | MARKET

## 3402 GILLHAM OFFERING MEMORANDUM

MARKETED BY : Brice Bradshaw & Parker Beck

PROPERTY DETAILS : 6 Units | Common Laundry | 100% Occupancy

UNIT MIX : All 2-Bedroom | 1-Bathroom Units - 1,050 SF +/-

YEAR BUILT : 1920

PRICE : MARKET

ZONING : R-1.5 | Broadway-Gillham Neighborhood





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## PROPERTY DESCRIPTION

The 6 units at 3402 Gillham are a charming 3-story brick complex ideally located in the historic Broadway-Gillham neighborhood of Kansas City, Missouri. Built in 1920, the building backs to a private entry to a public park with walking paths, playgrounds/athletic courts, and great views of this vintage neighborhood. The property offers on-street dead-end parking (E 34<sup>th</sup> Street) and parking along Gillham Road. 3402 Gillham features a full basement with individual storage units for tenants, central laundry (multiple machines on lease), automatic/censored lighting and convenient bike rack with easy in and out access through side entrance. The building is individually metered for gas and electric, provides common water/hot water, and has implemented \$30 RUBS as a bill-back for water. All units at the property feature hardwood floors, fully equipped kitchens, stainless steel appliances, decorative fireplaces, glass mosaic backsplash, central air, sunrooms, separate dining areas and Google Fiber. In 2013, the complex underwent a full renovation in which all units were completely updated with high-end finishes at the time. Other major improvements in 2013 include all new energy efficient windows, new plumbing lines, new siding and extensive entryway & common area work..

3402 Gillham neighbors several buildings restored by MAC Properties and is walking distance to Midtown Marketplace. The neighborhood combines old world character with modern new amenities while providing easy access to the area's dynamic culture and urban lifestyle. Extensive developments have occurred around the property over the last several years, with more to come now that the streetcar's extension is a reality. The nearly 4-mile extension has begun construction and will run down Main Street, through Midtown, ending at the UMKC Campus. Midtown development has continued to thrive with new apartments, offices, restaurants and stores opening even amid the coronavirus pandemic. Its close proximity to Westport, the Country Club Plaza, Kansas City's central commerce corridor, Crown Center, the Nelson-Atkins Museum and KU Medical provide the complex with an abundance of "qualified" tenants and make it a highly desirable area for renters. The complex has many possibilities and is currently 100% occupied with strong 3<sup>rd</sup> party management in place. New ownership has the option to run the property "as-is" or add value by installing washer/dryer in all units and minor kitchen/bathroom updates.

OFFERING & PROPERTY SUMMARY	
ASKING PRICE	MARKET
TERMS	Free & Clear
ADDRESS	3400-3402 Gillham Road Kansas City, MO 64111
COUNTY	Jackson County
NEIGHBORHOOD	Broadway-Gillham
ZONING	R-1.5
YEAR BUILT	1920
YEAR RENOVATED	2013
CONSTRUCTION/EXTERIOR	Brick & Vinyl Siding Exterior, Masonry Construction and Flat Roof
SITE SIZE	0.08 acres or 3,575 sq. ft. (County)
GROSS BUILDING AREA	6,954 sq. ft. (+/-)
NET RENTABLE AREA	6,300 sq. ft. (+/-)
STORIES	3
OCCUPANCY	100%
UNITS	6
2 BEDROOM 1 BATHROOM	6
AVERAGE UNIT SIZE	1,050 sq. ft. (+/-)
AVERAGE UNIT RENT	\$950

UTILITIES & AMENITIES SUMMARY	
METERING	Separate – Electric & Gas
HEAT	Forced Air Gas Furnaces
A/C	Central Air
HOT WATER	Common Water/Hot Water
INTERNET	Google Fiber
ENTRY	Front & Rear Secured
UTILITIES	Tenants responsible for gas/electric
LAUNDRY	Basement Laundry Room w/ multiple machines (Coin Mach)
PARKING	Dead-End Parking & On-Street Parking





## PROPERTY HIGHLIGHTS

- ❖ 6 UNITS – ALL 2-BED | 1-BATH
- ❖ DEADEND OFF-STREET PARKING AVAILABLE & ON-STREET PARKING
- ❖ EXCELLENT LOCATION NEAR WESTPORT, HOSPITAL HILL & PENN VALLEY
- ❖ SEPARATELY METERED – GAS, ELECTRIC
- ❖ NEW SENSORED EXTERIOR/INTERIOR LIGHTING
- ❖ VALUE-ADD OPPORTUNITY WITH WALKOUT PARK TRAIL AT REAR
- ❖ COMMON BASEMENT LAUNDRY & INDIVIDUAL STORAGE LOCKERS

## UNIT HIGHLIGHTS

- ❖ CENTRAL AIR/HEAT
- ❖ 1,050 SF (+/-)
- ❖ SUNROOM
- ❖ HARDWOOD FLOORING
- ❖ FULLY EQUIPPED KITCHENS
- ❖ STAINLESS STEEL APPLIANCES
- ❖ GRANITE COUNTERTOPS
- ❖ EXPOSED BRICK
- ❖ DECORATIVE FIREPLACE
- ❖ EXCELLENT NATURAL LIGHTING















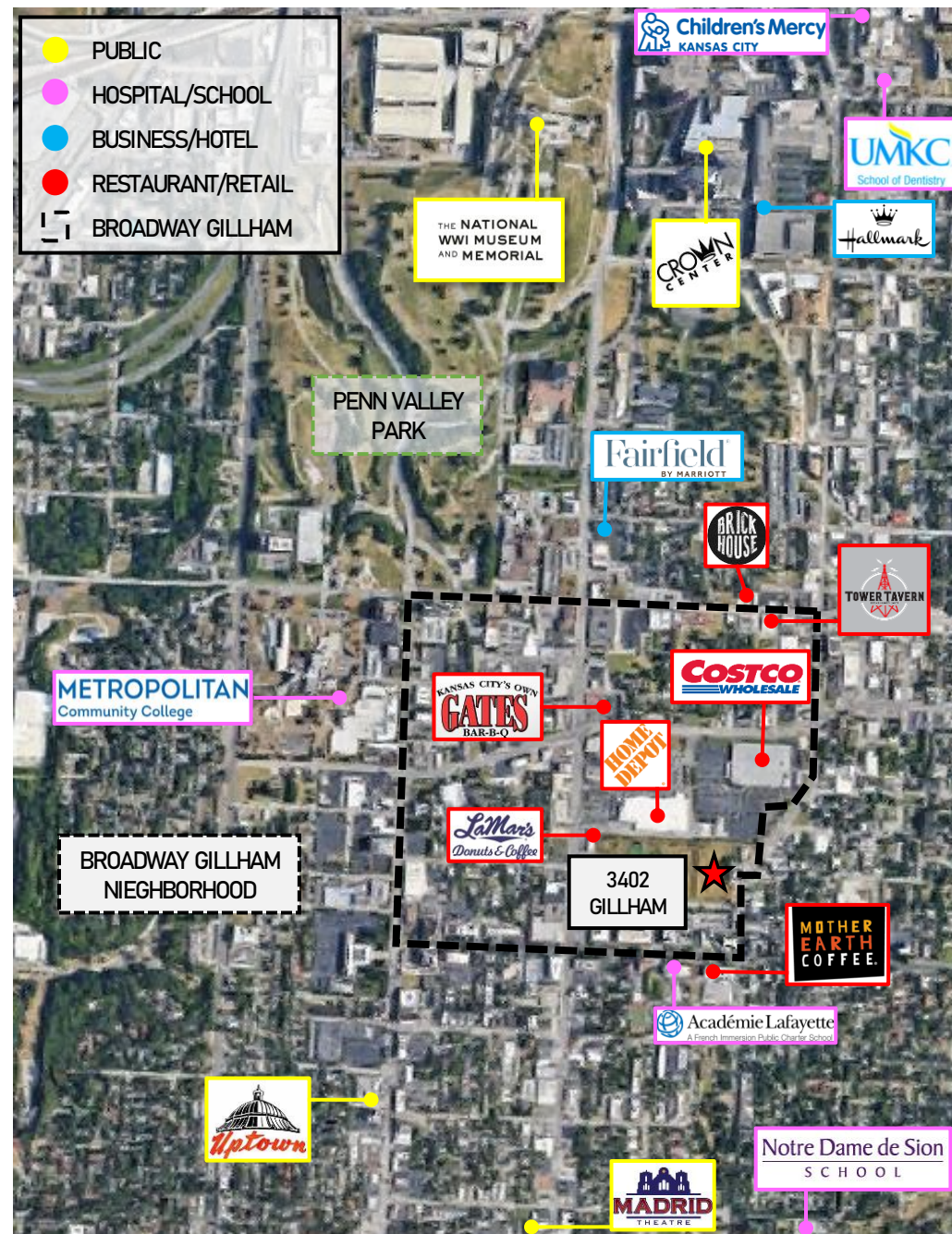






The 6 units at 3402 Gillham are located just south of Crown Center in the historic Broadway Gillham neighborhood of Kansas City, Missouri. The Broadway Gillham neighborhood is a peaceful, highly-walkable residential neighborhood located in the Old West Hyde Park Historic District. The neighborhood sits just blocks from Martini Corner, Westport, the Federal Reserve Bank, the World War I Museum and Metropolitan Community College-Penn Valley Campus. Just recently, KC Streetcar's extension plan was approved allowing it to run down Main Street, through Midtown, ending near the UMKC Campus at 51<sup>st</sup> & Brookside. The estimated \$350 million project will add eight more stops on each side of the street from Union Station to UMKC, with an estimated completion in 2025. The nearest stop to the subject property is 0.3 miles south on Main Street at Armour Boulevard. Broadway Gillham's close proximity to Downtown, Hospital Hill and Crown Center might be its greatest asset with more than 88,000 employees in those areas. Hospital Hill, situated immediately northeast of Union Hill, is comprised of Truman Medical Center, Children's Mercy Hospital, and the University of Missouri-Kansas City School of Medicine. These three medical facilities alone make up three of the city's largest employers in the area with nearly 7,000 employees and 2,500 students. Two major developments in the area include the \$200 million, state-of-the-art Children's Mercy Research Institute and Truman Medical Center's \$70 million University Health II facility, boasting 80,000-square-feet.

Hyde Park boasts a rich history and has a close proximity to Penn Valley Park, museums, local shops, restaurants, gastropubs, breweries and vibrant nightlife. Attractions with the closest proximity to the neighborhood include the Nelson-Atkins Museum, the Negro League Baseball Museum, Country Club Plaza, Power & Light District, and Union Station. The Crossroads Art District, located north of Broadway Gillham, is Kansas City's diverse enclave of creative businesses, boutique shops, unique restaurants, studios and art galleries. Kansas City's Power & Light District is the Midwest's premier entertainment epicenter. It is home to more than 50 distinctive and charismatic restaurants, bars, shops, and entertainment venues, offering something for everyone. Broadway Gillham is located within Kansas City's commerce corridor, which extends through Midtown north to Downtown Kansas City. The Country Club Plaza is the south border and the corridor is home to the World Headquarters of Hallmark Cards, American Century Investments, Lockton Insurance, and Russell Stover Candies. Rental demand in Broadway-Gillham and Midtown is very strong and quite stable in the area due to the high quality of life and area amenities.





**3402 GILLHAM RD**  
BROADWAY GILLHAM – KC, MO

**6 UNITS**

**AREA HIGHLIGHTS**



**CROWN CENTER**



**UNION STATION**



**GATES BBQ**



**KAUFFMAN CENTER OF PERFORMING ARTS**



**NATIONAL WORLD WAR I MUSEUM**

**KCCOMMERCIALNET**



3402 GILLHAM RD  
BROADWAY GILLHAM – KC, MO

6 UNITS

AREA HIGHLIGHTS



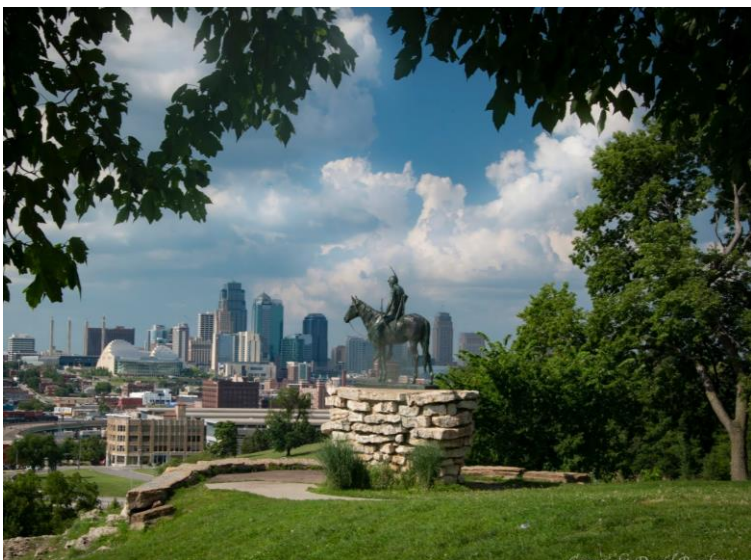
MARTINI CORNER



CHILDREN'S MERCY ADELE CAMPUS



WESTPORT DISTRICT



PENN VALLEY PARK



COUNTRY CLUB PLAZA



KC STREETCAR



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 3<sup>rd</sup> 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.







**NOVEMBER 2021 RENT ROLL**

UNIT #	UNIT TYPE	UNIT SF	RENT	ANNUAL RENT	RENT PER SF
1N	2x1	1,050 +/-	\$950	\$11,400	\$0.90
1S	2x1	1,050 +/-	\$950	\$11,400	\$0.90
2N	2x1	1,050 +/-	\$995	\$11,940	\$0.95
2S	2x1	1,050 +/-	\$950	\$11,400	\$0.90
3N	2x1	1,050 +/-	\$950	\$11,400	\$0.90
3S	2x1	1,050 +/-	\$900	\$10,800	\$0.86
6		6,300 +/-	\$5,695	\$68,340	\$0.90

**OCTOBER 2021 T12 FINANCIAL PERFORMANCE**

ADJUSTED GROSS INCOME	\$64,576	% AGI	UNIT
ADMINISTRATIVE EXPENSE	\$750	1.16%	\$125.05
REPAIRS & MAINTENANCE *	\$11,000	17.03%	\$1,833.33
MANAGEMENT	\$8,564	13.26%	\$1,427.26
UTILITIES	\$8,353	12.94%	\$1,392.20
PROPERTY INSUANCE	\$5,034	7.79%	\$838.92
PROPERTY TAX (2021)	\$3,533	5.47%	\$588.87
TOTAL EXPENSES	\$37,234	57.66%	\$6,205.63
NET OPERATING INCOME	\$27,343		

*\* \$4,500 OF REPAIRS & MAINTENANCE WERE REMOVED FROM THE T12 PROFIT & LOSS TO ACCOUNT FOR EXPENDITURES*

**PRO-FORMA RENT ROLL**

UNIT #	UNIT TYPE	UNIT SF	MKT RENT	ANNUAL RENT	RENT PER SF
1N	2x1	1,050 +/-	\$1,195	\$14,340	\$1.14
1S	2x1	1,050 +/-	\$1,195	\$14,340	\$1.14
2N	2x1	1,050 +/-	\$1,195	\$14,340	\$1.14
2S	2x1	1,050 +/-	\$1,195	\$14,340	\$1.14
3N	2x1	1,050 +/-	\$1,195	\$14,340	\$1.14
3S	2x1	1,050 +/-	\$1,195	\$14,340	\$1.14
6		5,400 +/-	\$7,170	\$86,040	\$1.14

**PROPERTY PRO-FORMA**

GROSS POTENTIAL INCOME (MARKET RENTS)	\$86,040	% GPI	PER UNIT
VACANCY & CREDIT LOSSES	\$4,302	5.00%	\$717.00
OTHER INCOME	\$1,800	2.09%	\$300.00
ADJUSTED GROSS INCOME	\$83,538	% AGI	PER UNIT
LEGAL & ADMINISTRATIVE	\$500	0.60%	\$83.33
REPAIRS & MAINTENANCE	\$5,400	6.46%	\$900.00
CLEANING, LAWN, PEST & SNOW	\$1,500	1.80%	\$250.00
MANAGEMENT FEE	\$6,683	8.00%	\$1,113.84
UTILITIES & TRASH	\$6,000	7.18%	\$1,000.00
INSURANCE	\$3,600	4.31%	\$600.00
PROPERTY TAX (2022)	\$3,500	4.19%	\$583.33
REPLACEMENT RESERVES	\$1,500	1.80%	\$250.00
TOTAL EXPENSES	\$28,683	34.34%	\$4,780.51
NET OPERATING INCOME	\$54,855		

THE PROPERTY PRO-FORMA ABOVE ASSUMES THE ADDITION OF WASHER & DRYER TO ALL UNITS, MODERATE UNIT MAKE-READIES & \$45 RUBS FEE FOR ALL UNITS. WE INCLUDED REPLACEMENT RESERVES OF \$250/UNIT TO ACCOUNT FOR EXPENDITURES.



## SOURCES OF INFORMATION

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- ❖ 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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