

EXCLUSIVE MULTI-FAMILY OFFERING

3022 MCGEE STREET | KANSAS CITY, MO 64108 | 12 UNITS | STABILIZED ASSET | \$980,000

3022 MCGEE OFFERING MEMORANDUM

MARKETED BY : Brice Bradshaw

PROPERTY DETAILS : 12 Units - 3-Stories - Union Hill

UNIT MIX : All 1-Bed/1-Bath (515 sf +/-)

YEAR BUILT : 1922

PRICE : \$980,000

ZONING : UR (Urban Redevelopment District)



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PROPERTY DESCRIPTION

3022 McGee is a historic 3-story, 12-unit apartment complex located in the quaint Union Hill neighborhood of Kansas City, Missouri. Union Hill is one of Kansas City's oldest and most charming neighborhoods featuring years of urban redevelopment. Built in 1922, 3022 McGee features a fenced/gated entry, brick exterior and 7 rear off-street parking spaces. All units at 3022 McGee are 1-bedroom/1-bathroom units with mostly identical footprints and an approximate unit size of 515-square-feet (+/-). The property is separately metered for gas and electric with common water & hot water throughout. The basement features a laundry care center (Jetz) and tenant storage lockers, and is accessed via the interior rear stairwell. All units at the complex feature central air/heat, hardwood floors, Google Fiber, double-pane windows, tub/shower, built-in bookshelves, ceiling fans and excellent natural lighting. Since 2015, the property has undergone and completed many renovations highlighted by the remodeling of 8 units. Renovations to the property completed since 2015 include new common hallway paint, new carpet and fixtures, new tiled entry (front & rear), extensive landscaping and tree removal, repainted exterior and fence, and parking lot flatwork. The 8 remodeled units feature refinished hardwood floors, new kitchen flooring, new paint, new lights/ceiling fans/blinds, new electrical outlets, new cabinets, granite countertops, new faucets, and several new refrigerators/stoves/toilets as needed. The property is owner-managed, stabilized and has a history of high occupancy. The Union Hill/Midtown area is one of Kansas City's strongest rental markets and continues to improve with further new development. The preservation and advancement of Union Hill is led by a local developer with a long history of ownership. The local, on-site team leads a 100-year master plan promoting longevity of the neighborhood while embracing Kansas City's history in all areas of the district.

DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
POPULATION	14,903	114,065	253,885
MEDIAN HH INCOME	\$42,665	\$45,575	\$44,680
MEDIAN AGE	38.6	36.8	36.3
HOUSEHOLDS	7,875	54,476	106,976
WALKABILITY SCORE	75 WALK SCORE AND 59 TRANSIT SCORE		
UNION HILL INFO	HTTPS://UNIONHILL.COM/		

OFFERING & PROPERTY SUMMARY

ASKING PRICE	\$980,000
TERMS	Free & Clear
ADDRESS	3022-3024 McGee Street Kansas City, Missouri 64108
COUNTY	Jackson County
NEIGHBORHOOD	Union Hill
YEAR BUILT	1922
STORIES	3
CONSTRUCTION/EXTERIOR	Brick Exterior, Stone/Brick/Masonry Foundation, Interior Wood Framing & Flat Roof
SITE AREA	0.19 acres or 8,248 sq. ft. (previous appraisal)
GROSS BUILDING AREA	7,344 sq. ft. excluding basement (previous appraisal)
ZONING	UR – Urban Redevelopment District
OCCUPANCY	100%
# OF UNITS	12
UNIT TYPE	1-BEDROOM / 1-BATHROOM
AVERAGE UNIT SIZE	515 sq. ft +/- (previous appraisal)
AVERAGE UNIT RENT	\$703

UTILITIES & AMENITIES SUMMARY

METERING	Separate Gas/Electric
HEAT	Forced Air Gas Furnaces
COOL	Central Air
HOT WATER	Central Boiler
BASEMENT	Common Laundry & Storage Lockers
PARKING	7 off-street parking at rear
ENTRY	Front Gated Entry & Rear Secured Entry
UTILITIES	Landlord pays water/hot water/trash



PROPERTY HIGHLIGHTS

- ❖ 12 UNITS – ALL 1-BED/1-BATH
- ❖ OFF-STREET PARKING @ REAR
- ❖ GATED FRONT SECURE ENTRY
- ❖ EXCELLENT LOCATION IN UNION HILL NEIGHBORHOOD
- ❖ NEW COMMON HALL CARPET & NEW TILED ENTRY
- ❖ NEW COMMON HALL LIGHTING & SIGNS
- ❖ UPDATES TO LANDSCAPING & TREE REMOVAL
- ❖ NEWER EXTERIOR BUILDING PAINT 2018
- ❖ EXTERIOR GATE REPAINTED 2018
- ❖ REPAVED PARKING LOT 2018
- ❖ RETILED BACK ENTRYWAY 2016
- ❖ 9 NEWER FURNACES SINCE 2015
- ❖ COMMON LAUNDRY & STORAGE LOCKERS

UNIT HIGHLIGHTS

- ❖ 515 SQUARE FEET (+/-)
- ❖ CENTRAL AIR/HEAT
- ❖ HARDWOOD FLOORS
- ❖ BUILT-IN SHELVES
- ❖ BATHROOM TUB/SHOWER
- ❖ SEPARATELY METERED GAS/ELECTRIC
- ❖ 8 REMODELED UNITS FEATURING REFINISHED HARDWOODS, NEW KITCHEN FLOORING, NEW PAINT & FIXTURES, NEW ELECTRICAL OUTLETS, NEW CABINETS, NEW FAUCETS & GRANITE
- ❖ GOOGLE FIBER











NEIGHBORHOOD & SUBMARKET SUMMARY

The 12 units at 3022 McGee are located just north of Crown Center in the historic Union Hill neighborhood of Kansas City, Missouri. Union Hill was established pre Civil War, in 1857, and is one of the oldest and continuous neighborhoods in Kansas City. Union Hill sits just blocks from Martini Corner, the Crossroads Arts District, Kauffman Center of Performing Arts, the Federal Reserve Bank, the World War I Museum and Metropolitan Community College-Penn Valley Campus. The neighborhoods 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. Other major employment centers such as Crown Center, Downtown Kansas City, and the Country Club Plaza are all within 4 miles of the subject property.

The neighborhood has seen extensive redevelopment over the past 10 years with most properties marked as 'Urban Redevelopment Districts'. Union Hill is a true urban neighborhood in Kansas City's largest residential and business district, spanning more than 16 city blocks within Midtown Kansas City. Overlooking Crown Center and the downtown skyline, Union Hill district offers convenient living surrounded by green space, dining, arts and a growing entertainment district. Attractions with the closest proximity to the neighborhood include the National World War I Museum, the Negro League Baseball Museum, the Power & Light District, Westport and Union Station. The Crossroads Art District, located just north of Union Hill, 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. Union Hill 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 Union Hill and Midtown is very strong and quite stable in the area due to the high quality of life and area amenities.





CROWN CENTER



UNION STATION



POWER & LIGHT



KAUFFMAN CENTER OF PERFORMING ARTS



NATIONAL WORLD WAR I MUSEUM

3022 McGEE STREET
KANSAS CITY, MO – UNION HILL

12 UNITS

AREA HIGHLIGHTS



MARTINI CORNER



CHILDREN'S MERCY ADELE CAMPUS



WESTPORT DISTRICT



TRUMAN MEDICAL CENTER

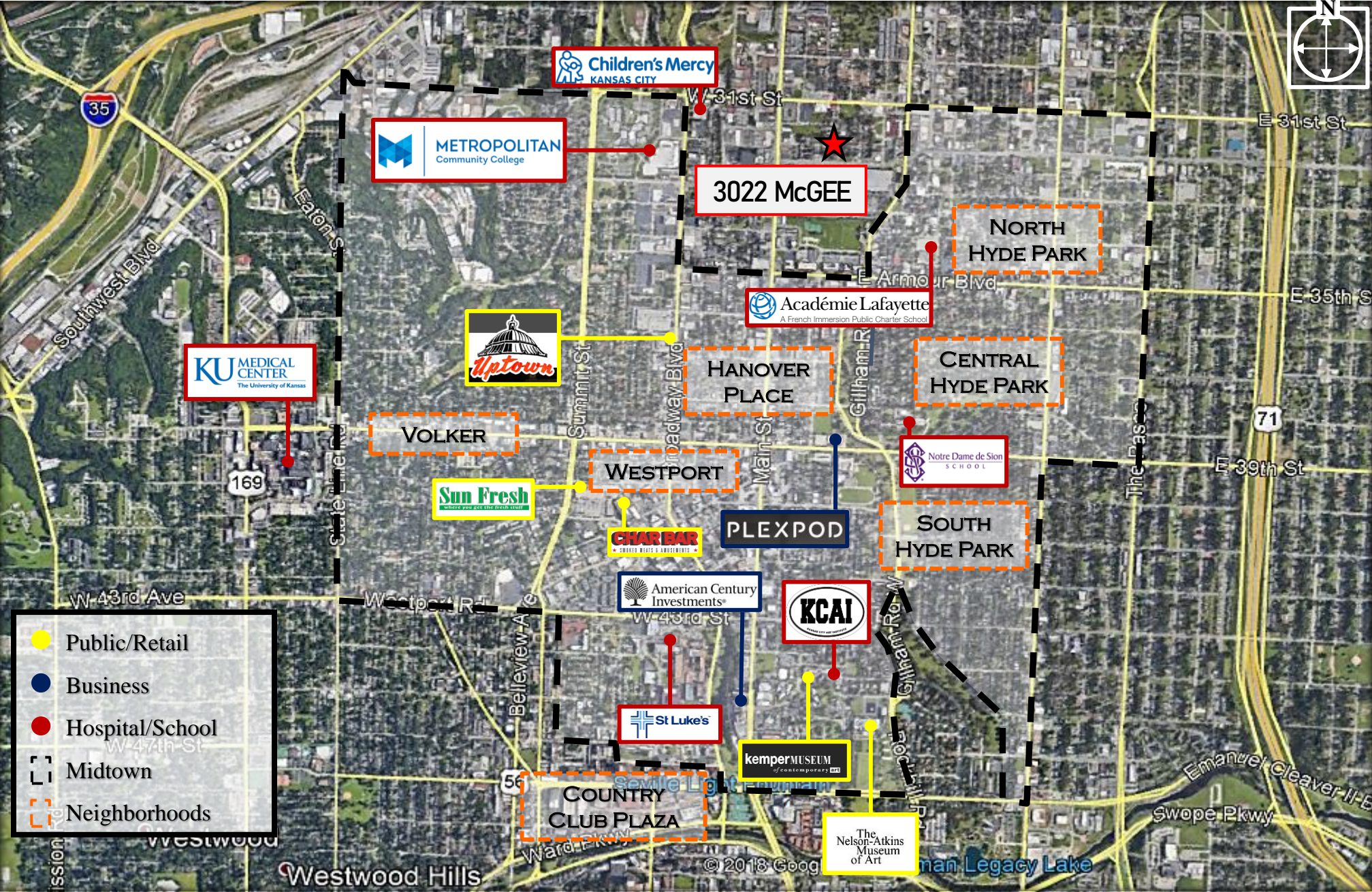


COLLEGE BASKETBALL EXPERIENCE

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	UNIT STATUS
101	1x1	515 +/-	\$725	\$8,700	\$1.41	Remodeled
102	1x1	515 +/-	\$750	\$9,000	\$1.46	Remodeled
103	1x1	515 +/-	\$625	\$7,500	\$1.21	
104	1x1	515 +/-	\$750	\$9,000	\$1.46	Remodeled
201	1x1	515 +/-	\$695	\$8,340	\$1.35	
202	1x1	515 +/-	\$625	\$7,500	\$1.21	
203	1x1	515 +/-	\$625	\$7,500	\$1.21	
204	1x1	515 +/-	\$725	\$8,700	\$1.41	Remodeled
301	1x1	515 +/-	\$760	\$9,120	\$1.48	Remodeled
302	1x1	515 +/-	\$760	\$9,120	\$1.48	Remodeled
303	1x1	515 +/-	\$695	\$8,340	\$1.35	Remodeled
304	1x1	515 +/-	\$695	\$8,340	\$1.35	Remodeled
12		6,180 +/-	\$8,430	\$101,160	\$1.36	8 Remodeled Units

2019 ACTUAL PERFORMANCE

RENTS RECEIVED	\$93,011	% RR	PER UNIT
OTHER INCOME	\$2,131	2.29%	\$178
ADJUSTED GROSS INCOME	\$95,142	% AGI	PER UNIT
PROPERTY TAX	\$8,735	9.18%	\$728
INSURANCE	\$3,977	4.18%	\$331
UTILITIES & LAWN *	\$12,435	13.07%	\$1,036
ADMIN & LEGAL	\$1,560	1.64%	\$130
REPAIRS & MAINTENANCE	\$3,893	4.09%	\$324
TOTAL EXPENSES	\$30,600	32.16%	\$2,550
NET OPERATING INCOME	\$64,542		\$5,379

** A water issue in 2019 caused utilities to have a significant spike up in comparison to the owner's historical averages. The water issue has since been corrected and utilities have been normalized in the pro-forma to the right to reflect typical performance.*

PRO-FORMA RENT ROLL – ALL UNITS REMODELED

UNIT #	UNIT TYPE	UNIT SF	MARKET RENT	ANNUAL RENT	RENT PER SF
101	1x1	515 +/-	\$760	\$9,120	\$1.48
102	1x1	515 +/-	\$760	\$9,120	\$1.48
103	1x1	515 +/-	\$760	\$9,120	\$1.48
104	1x1	515 +/-	\$760	\$9,120	\$1.48
201	1x1	515 +/-	\$760	\$9,120	\$1.48
202	1x1	515 +/-	\$760	\$9,120	\$1.48
203	1x1	515 +/-	\$760	\$9,120	\$1.48
204	1x1	515 +/-	\$760	\$9,120	\$1.48
301	1x1	515 +/-	\$760	\$9,120	\$1.48
302	1x1	515 +/-	\$760	\$9,120	\$1.48
303	1x1	515 +/-	\$760	\$9,120	\$1.48
304	1x1	515 +/-	\$760	\$9,120	\$1.48
12		6,180 +/-	\$9,120	\$109,440	\$1.48

PRO-FORMA FINANCIAL BREAKDOWN

GROSS POTENTIAL INCOME - MARKET RENTS	\$109,440	% GPI	PER UNIT
VACANCY & CREDIT LOSSES	\$5,472	5.00%	\$456
OTHER INCOME	\$2,400	2.19%	\$200
ADJUSTED GROSS INCOME	\$106,368	% AGI	PER UNIT
ADMIN & LEGAL	\$600	0.56%	\$50
REPAIRS & MAINTENANCE	\$8,400	7.90%	\$700
CLEANING, LAWN & SNOW REMOVAL	\$2,400	2.26%	\$200
MANAGEMENT	\$8,509	8.00%	\$709
UTILITIES	\$8,400	7.90%	\$700
PROPERTY TAX	\$8,735	8.21%	\$728
INSURANCE (2020)	\$4,198	3.95%	\$350
REPLACEMENT RESERVES	\$3,000	2.82%	\$250
TOTAL EXPENSES	\$44,242	41.59%	\$3,687
NET OPERATING INCOME	\$62,126		\$5,177

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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