

EXCLUSIVE MULTI-FAMILY OFFERING

3635 WALNUT STREET | KANSAS CITY, MO 64111 | 26 UNITS | TURNKEY STABILIZED ASSET

NOLA OFFERING MEMORANDUM

MARKETED BY : Brice Bradshaw

PROPERTY DETAILS : 26 Units – 1BR & 2BR units

RENOVATION: 2019-2020 (completed December 2020)

YEAR BUILT : 1967

PRICE : MARKET

ZONING : R-1.5



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PROPERTY DESCRIPTION

The NOLA apartment complex is an attractive, recently renovated 3-building (adjoined) garden-style apartment complex ideally located in the Midtown/Westport area of Kansas City, Missouri. The complex stands 3-stories with a newly painted brick exterior & new modern decks featuring a new stamped concrete community courtyard with pergola, seating and grills. The lower level of the buildings is partially below grade and units are accessed via partially enclosed stairwells which have been redone. The complex provides new gated keycode secured access and 21 off-street parking spaces in the newly asphalted parking lot. Over the last 18 months, the property has undergone and completed an extensive rehab that includes new metal signage, new exterior lighting, new mansard, roof/flashing work, a new roof hatch, many new downspouts, new fencing, new courtyard drainage system, new HVAC's in over half the units, a refinished courtyard wall and sidewalk updates. Other updates to the exterior over the last 4 years include new windows & new sliding doors throughout.

NOLA is comprised of 26 total units, 10 one-bedroom units and 16 two-bedroom units. The one-bedroom/one-bathroom units have 4 slightly different floor plans with an approximate unit size of 700 square feet. The two-bedroom/one-bathroom units also have 4 slightly different floor plans with an approximate unit size of 900 square feet. Built in 1967, NOLA has undergone significant unit by unit upgrades over the last several years that were just completed in December 2020. Improvements to units at the complex include new appliances packages for kitchens, granite countertops, newer fixtures & flooring, the addition of in-unit washer/dryer in all units, new cabinet faces and new ceiling fans (many units). All units at the complex are separately metered for gas/electric and have access to Google Fiber. Select units at the complex feature balconies/patios (19), decorative fireplaces (21) and walk-in closets. Tenants are responsible for gas and electric, while the landlord is responsible for water, sewer and trash. The complex is ideally located just one block off Main Street, the soon to be completed streetcar expansion, and one block from the new Plexpod Campus (old Westport Middle School) in Hyde Park, a highly desirable area in Midtown. Its close proximity to Westport, the Country Club Plaza, Kansas City's central commerce corridor, KCAI, the Nelson-Atkins Museum and KU Medical provide the complex with an abundance of "qualified" tenants.

OFFERING & PROPERTY SUMMARY

ASKING PRICE	Market
TERMS	Free & Clear
ADDRESS	3635 Walnut Street Kansas City, MO 64111
COUNTY	Jackson County
NEIGHBORHOOD	Hanover Place
ZONING	R-1.5
YEAR BUILT	1967
RENOVATION PERIOD	18-month rehab completed December 2020
CONSTRUCTION/EXTERIOR	Masonry/wood frame construction; Garden-Style; Brick Exterior; Flat TPO Roofs
SITE SIZE	25.420 sq. ft. or 0.58 acres (previous appraisal)
NET RENTABLE AREA	21,400 sq. ft. (+/-)
BUILDINGS	3 (adjoined)
STORIES	3
UNITS	26
2 BEDROOM 1 BATHROOM	16
AVERAGE UNIT SIZE	900 sq. ft. (+/-)
AVERAGE UNIT RENT	\$1,041
1 BEDROOM 1 BATHROOM	10
AVERAGE UNIT SIZE	700 sq. ft. (+/-)
AVERAGE UNIT RENT	\$887

UTILITIES & AMENITIES SUMMARY

METERING	Separate (Gas & Electric)
HEAT	Gas
A/C	Central Air
HOT WATER	Central Water Heaters
LAUNDRY	Washer/Dryer in units
ENTRY	Secure Keycode Gated Access
PARKING	21 off-street spaces & ample on-street parking
INTERNET	Google Fiber
LANDLORD UTILITIES	Landlord pays water, hot water & trash



PROPERTY HIGHLIGHTS

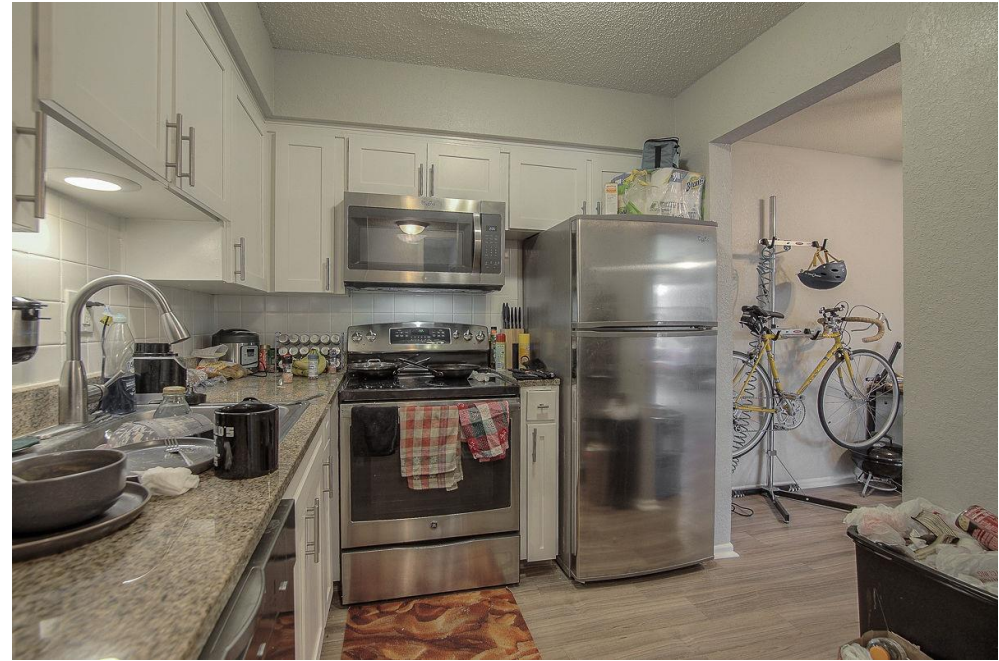
- ❖ FULLY RENOVATED COMPLEX
- ❖ 21 OFF-STREET PARKING SPACES
- ❖ NEW STAMPED CONCRETE COURTYARD WITH PERGOLA & GRILLS
- ❖ NEW EXTERIOR PAINT & SIGNAGE
- ❖ NEW, MODERN DECKS, DECK RAILINGS & FENCING
- ❖ NEWER WINDOWS & SLIDING DOORS
- ❖ NEW KEYCODE ENTRY GATES
- ❖ NEW ASPHALT OVERLAY, SIDEWALK SECTIONS & SIDEWALK REPAIRS
- ❖ REFINISHED STAIRWELLS & NEW LIGHTING
- ❖ NEW MANSARD & ROOF HATCH WITH ROOF/FLASHING WORK DONE
- ❖ NEW HVAC SYSTEMS IN 50%+ OF UNITS
- ❖ NEW COURTYARD DRAINAGE SYSTEM & MANY NEW DOWNSPOUTS
- ❖ REFINISHED COURTYARD WALL

UNIT HIGHLIGHTS

- ❖ 26 UNITS - 1BR & 2BR UNITS
- ❖ CENTRAL AIR/HEAT & GOOGLE FIBER
- ❖ BALCONIES/PATIOS (MAJORITY OF UNITS)
- ❖ DECORATIVE FIREPLACES (MOST UNITS)
- ❖ STACKABLE WASHER/DRYER
- ❖ GRANITE COUNTERTOPS
- ❖ NEWER APPLIANCE PACKAGES FOR KITCHENS
- ❖ MANY UNITS UPGRADED DURING RENOVATION WITH NEW CABINET FACES & CEILING FANS
- ❖ HARDWOOD & CARPET FLOORING
- ❖ FULLY EQUIPPED KITCHENS
- ❖ 4 AIRBnB UNITS W/ SHORT-TERM RENTERS











NOLA APARTMENTS

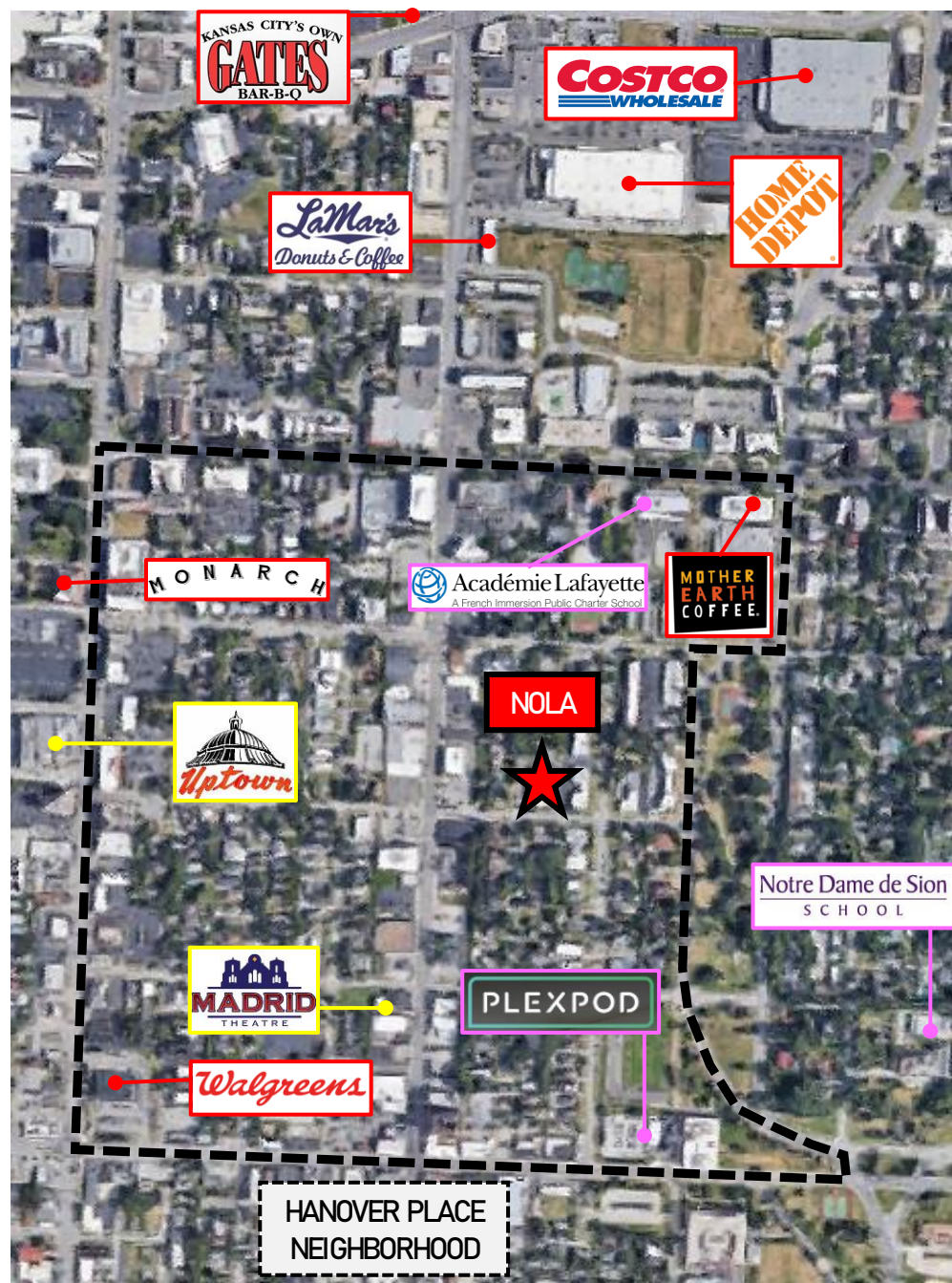
KANSAS CITY, MO - HANOVER

26 UNITS

NEIGHBORHOOD/SUBMARKET SUMMARY

The 26 units at NOLA are located just a few blocks south of the Broadway Gillham shopping center near Westport in the Midtown area of Hyde Park in Kansas City, Missouri. Hyde Park is a vibrant residential/commercial community where businesses, neighborhoods and institutions reinforce one another. Located just north of Westport, the NOLA is stationed in the neighborhood of Hanover Place, a subdivision of the Hyde Park area. It is inhabited by nearly 2,500 residents, 1,400 homes and 200 businesses. Broad streets, soaring trees and a selection of exceptional coffee shops, theaters and stores make the neighborhood ideal for residents who prefer the quieter side of town. Home to some of the oldest buildings in the city, Hyde Park's storied history combined with its thriving arts and entertainment movement attracts lifelong residents. The convenience of its close proximity to the Crossroads, Country Club Plaza, and Westport make Hanover Place an ideal location. The Sustainable Development Partners Kansas City have recently announced its partnership with Plexpod to develop the world's largest co-working facility at the Westport Commons (previously Westport Middle School) two blocks south of NOLA. Development of the entrepreneurial center has completed, and the facility encompasses a next-gen workspace for entrepreneurs, start-ups, and growth stage companies of all sizes. Additionally, the planned 3.5-mile extension of Kansas City's streetcar down Main Street continues to drive investors/residents to the area. Two proposed stops are within blocks of NOLA at Armour & Main Street and 39th & Main Street.

The Crossroads Art District, located north of the NOLA, is Kansas City's diverse enclave of creative businesses, boutique shops, unique restaurants, studios and art galleries. 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 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. NOLA is just minutes away from the Nelson-Atkins Museum of Art, the Kemper Museum of Modern Art, the Kansas City Art Institute, 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 near the Country Club Plaza and Westport due to the high quality of life and area amenities.





MARTINI CORNER



COUNTRY CLUB PLAZA



WESTPORT DISTRICT



UNION STATION



CHILDREN'S MERCY HOSPITAL



NELSON-ATKINS MUSEUM



AMERICAN CENTURY TOWERS



KANSAS CITY ART INSTITUTE



WESTPORT PLEXPOD



UNIVERSITY OF KANSAS MEDICAL CENTER

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.



DECEMBER 2020 RENT ROLL

UNIT #	UNIT TYPE	UNIT SF	MARKET RENT	RENT	OTHER CHARGES	TOTAL RENT	ANNUAL RENT	RENT PER SF
101	1x1	700 +/-	\$925	\$925		\$925	\$11,100	\$1.32
103	2x1	900 +/-	\$1,095	\$995	\$45	\$1,040	\$12,480	\$1.11
104	2x1	900 +/-	\$1,095	\$1,010	\$45	\$1,055	\$12,660	\$1.12
105	2x1	900 +/-	\$1,095	\$995	\$45	\$1,040	\$12,480	\$1.11
106	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
107	1x1	700 +/-	\$925	\$895	\$50	\$945	\$11,340	\$1.28
108	1x1	700 +/-	\$925	\$895	\$30	\$925	\$11,100	\$1.28
109	1x1	700 +/-	\$925	\$895	\$30	\$925	\$11,100	\$1.28
201	2x1	900 +/-	\$1,095	\$1,050	\$65	\$1,115	\$13,380	\$1.17
202	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
203	2x1	900 +/-	\$1,095	\$1,050	\$65	\$1,115	\$13,380	\$1.17
204	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
205	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
206	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
207	1x1	700 +/-	\$925	\$895	\$30	\$925	\$11,100	\$1.28
208	1x1	700 +/-	\$925	\$895	\$30	\$925	\$11,100	\$1.28
209	1x1	700 +/-	\$925	\$895	\$30	\$925	\$11,100	\$1.28
301	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
302	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
303	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
304	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
305	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
306	2x1	900 +/-	\$1,095	\$1,050	\$45	\$1,095	\$13,140	\$1.17
307	1x1	700 +/-	\$925	\$825	\$50	\$875	\$10,500	\$1.18
308	1x1	700 +/-	\$925	\$825	\$30	\$855	\$10,260	\$1.18
309	1x1	700 +/-	\$925	\$895	\$30	\$925	\$11,100	\$1.28
26		21,400 +/-	\$26,770	\$25,490	\$1,070	\$26,560	\$318,720	\$1.19

PRO-FORMA UNIT MIX

# OF UNITS	UNIT TYPE	UNIT SF	MARKET RENT	MONTHLY RENT	ANNUAL RENT	RENT PER SF
10	1x1	700 +/-	\$925	\$9,250	\$111,000	\$1.32
16	2x1	900 +/-	\$1,095	\$17,520	\$210,240	\$1.22
26				\$26,770	\$321,240	\$1.27

PRO-FORMA RUBS BREAKDOWN

# OF UNITS	UNIT TYPE	UNIT SF	RUBS FEE	MONTHLY RUBS	ANNUAL RUBS
10	1x1	700 +/-	\$30	\$300	\$3,600
16	2x1	900 +/-	\$45	\$720	\$8,640
26				\$1,020	\$12,240

PRO-FORMA FINANCIAL BREAKDOWN

GROSS POTENTIAL INCOME (w/ RUBS)	\$333,480	%GPI	PER UNIT
VACANCY & CREDIT LOSSES	\$16,674	5.00%	\$641.31
OTHER INCOME	\$2,600	0.78%	\$100.00
ADJUSTED GROSS INCOME	\$319,406	%AGI	PER UNIT
LEGAL & ADMINISTRATIVE	\$1,950	0.61%	\$75.00
REPAIRS & MAINTENANCE	\$26,000	8.14%	\$1,000.00
CLEANING, LAWN, PEST & SNOW	\$10,400	3.26%	\$400.00
UTILITIES	\$22,100	6.92%	\$850.00
MANAGEMENT	\$27,150	8.50%	\$1,044.21
PROPERTY TAX (2021 ESTIMATE)	\$12,000	3.76%	\$461.54
INSURANCE	\$12,400	3.88%	\$476.92
REPLACEMENT RESERVES	\$6,500	2.04%	\$250.00
TOTAL EXPENSES	\$118,500	37.10%	\$4,557.67
NET OPERATING INCOME	\$200,906		\$7,727.17

THIS PROPERTY PRO-FORMA ASSUMES FULL OCCUPANCY AT MARKET RENTAL RATES. THE GROSS POTENTIAL INCOME ENCOMPASSES BOTH RENT AND THE CURRENT RUBS UTILITY FEES BEING CHARGED AT THE BUILDING. BOTH VACANCY AND MANAGEMENT HAVE BEEN FIXED AT 5% AND 8.5% WITH INCREASES MADE TO TAXES FOR 2021.

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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