

Marcus & Millichap  
TAG INDUSTRIAL GROUP

3231 SOUTHEAST 6TH AVENUE  
TOPEKA, KS 66607

# NON-ENDORSEMENT & DISCLAIMER NOTICE

## CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc.

© 2021 Marcus & Millichap. All rights reserved.

## NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers. Activity ID: ZAC0060256

## SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.  
PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

**Marcus & Millichap**  
TAG INDUSTRIAL GROUP

OFFICES THROUGHOUT THE U.S. AND CANADA  
[www.marcusmillichap.com](http://www.marcusmillichap.com)

3231 SOUTHEAST 6TH AVENUE  
TOPEKA, KS 66607

PRESENTED BY

---

**ADAM ABUSHAGUR**

Senior Managing Director Investments  
National Office and Industrial Properties Group  
Dallas Office  
Office 972.755.5223  
Adam.Abushagur@marcusmillichap.com  
License TX 661916

**TYLER SHARP**

Associate  
National Office and Industrial Properties Group  
Chicago Office  
Office (312) 327-5446  
Tyler.Sharp@marcusmillichap.com  
License: IL 475.177869

BROKER OF RECORD

---

**COLBY HAUGNESS**

Kansas Broker of Record  
7400 College Boulevard, Suite 105,  
Overland Park, KS 66210  
Tel: (816) 410-1025  
Colby.Haugness@marcusmillichap.com  
License: KS 00241410

DEBT CONTACT

---

**FRANK MONTALTO**

Vice President - Debt & Equity Structured Finance  
333 West Wacker Drive, Suite 200  
Chicago, IL 60606  
Tel: (312) 327-5421  
frank.montalto@marcusmillichap.com  
License: IL: 475.180369

Marcus & Millichap





# TABLE OF CONTENTS

01

## INVESTMENT OVERVIEW

### SECTION 1

Offering Summary • Property Details • Offering Highlights • Rent Roll • Operating Statement  
Regional Map • Aerial Map • Property Photos  
Acquisition Financing

02

## MARKET OVERVIEW

### SECTION 2

Market Analysis • Demographic Analysis

Marcus & Millichap



# SECTION 1

---

## INVESTMENT OVERVIEW

Marcus & Millichap

- 306,941-Square-Foot Manufacturing Asset Situated on 42.23 Acres
  - Excess Land for Further Development and Outside Storage
- Features Two Dock-High Doors, Three Grade-Level Doors, 240 Parking Spaces, and Heavy Power
  - 22% Occupancy with a Market Vacancy of 5.4% Creates Investment Opportunity
  - Strategically Located Industrial Warehouse with Proximate Access to Major Freeways

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 3231 Southeast 6th Avenue in Topeka, KS (approximately one hour from Kansas City, KS). The subject property consists of approximately 306,941 square feet of office warehouse space and is situated on 42.23 acres of land. The asset features two dock-high doors, three grade-level doors, 940 parking spaces, and heavy power. With excess land, the property can support further development and outside storage. At 22 percent occupancy, the asset creates an investment opportunity to take advantage of the market's low vacancy rate of 5.4 percent. The industrial warehouse is strategically located with proximate access to Interstates 70 and 470.

Industrial vacancies in the Topeka submarket remain unperturbed by the recent economic upheaval. In fact, the vacancy rate has edged downward by 180 basis points to 5.3 percent over the past four quarters. Annual net absorption came in at about 350,000 square feet, substantially above the five-year average. Rents grew 2.4 percent over the past 12 months, which is roughly in line with the average annual gain over the past decade. There is only one industrial property currently under construction in the Topeka submarket. The 10,000-square-foot building represents the first new construction in the submarket in more than three years (CoStar). With demand far outpacing existing and new supply, the Topeka submarket presents a sound opportunity for investors.

Kansas City, abbreviated as "KCK", is the third-largest city in the State of Kansas, the county seat of Wyandotte County, and the third-largest city of the Kansas City metropolitan area. Kansas City is the home to the General Motors Fairfax Assembly Plant, which manufactures the Chevrolet Malibu and the Buick LaCrosse. In addition, Associated Wholesale Grocers and Kansas City Steak Company are based within the city. The largest employer is the University of Kansas Hospital. The adjoining University of Kansas Medical Center, including the schools of medicine, nursing, and allied health, is also among the city's largest employers (with a student population of about 3,000). Kansas City was ranked in 2010 as the #7 best city in the U.S. to start over after foreclosure.

## PROPERTY DETAILS

### 3231 SOUTHEAST 6TH AVENUE, TOPEKA, KS 66607

Number of Suites	3
Number of Buildings	1
Total Square Feet	306,941
Year Built	1987
Lot Size	42.23 Acres
Type of Ownership	Fee Simple
Parking Spaces	940
Parking Surface	Concrete
Building Class	C
Tenancy	Multi Tenant
Dock High Doors	2
Grade Level Doors	3
Construction	Masonry
Power	600 - 2,700a/480v Heavy
Zoning	I-1 Light Industrial
Age/Condition of Roofs	8 Years Old
Age/Condition of HVAC	8 Years Old
Market	Kansas City
Submarket	Topeka
Market Vacancy	5.40%





3231 SOUTHEAST 6TH AVENUE

TOPEKA, KS 66607

OFFERING PRICE  
**\$5,950,000**

CAP RATE  
**3.67%**

PRO-FORMA CAP RATE  
**12.05%**

Offering Price	\$5,950,000
Cap Rate	3.67%
Pro-Forma Cap Rate	12.05%
Price/SF	\$19.38
Total Square Feet	306,941
Rental Rate	\$4.92
Lease Type	Triple Net (NNN)
Tenancy	Multi Tenant
Occupancy	22.89%

FINANCING

Loan Amount	\$3,570,000
Loan Type	New
Interest Rate	5.50%
Amortization	0 Years
Year Due	2023

Loan information is subject to change. Contact your Marcus & Millichap Capital Corporation representative.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2021 Marcus & Millichap. All rights reserved. (Activity ID: ZAC0060256)

## RENT ROLL

Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Lease Type	Renewal Options and Option Year Rental Information
				Comm.	Exp.						
Payless	1	34,000	11.1%	N/A	3/30/22	\$3.76	\$10,666	\$127,992	\$127,992	NNN	-
Conduent State Healthcare	2	36,266	11.8%	12/1/20	1/31/27	\$6.00	\$18,133	\$217,596	\$217,596	NNN	Two 5-Year Renewal Options
Vacant	3	236,675	77.1%	N/A	N/A	\$0.00	\$0.00	\$0.00	\$473,882	NNN	-
<b>Total</b>		<b>306,941</b>				<b>\$4.92</b>	<b>\$28,799</b>	<b>\$345,588</b>	<b>\$819,470</b>		
Occupied Tenants: 2				Unoccupied Tenants: 1		Occupied GLA: 22.90%		Unoccupied GLA: 77.10%			
Total Current Rents: \$28,799						Occupied Current Rents: \$28,799		Unoccupied Current Rents: \$0			

### Notes:

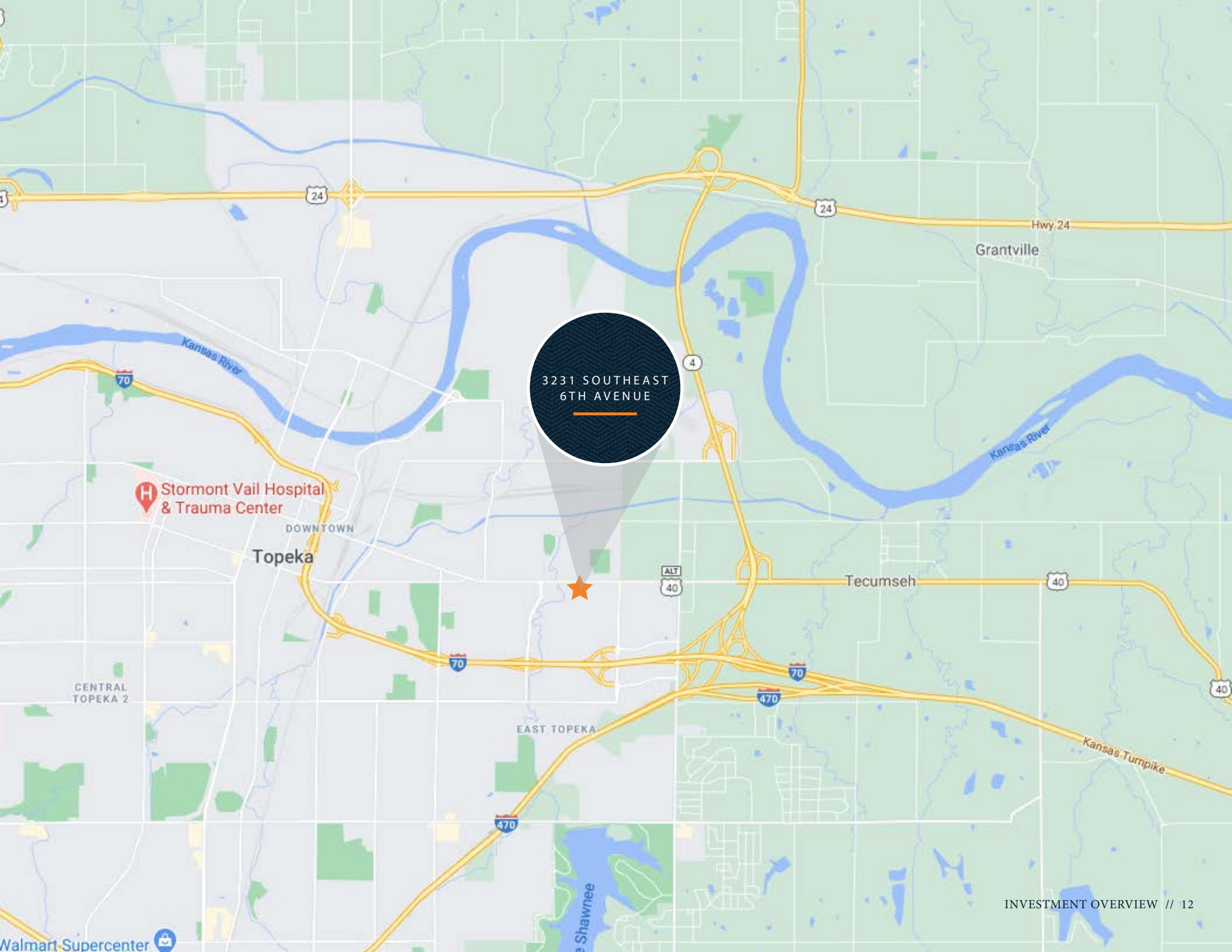
Conduent State Healthcare: Right to Terminate: Tenant shall have the right to terminate the lease, without need for cause, effective at anytime after the last day of the 3rd year of the term. Six (6) months prior written notice to the landlord is required.

Conduent State Healthcare: Right of First Offer to Lease: Tenant shall have the right of first offer on any and all space on the 1st floor of the building.

## OPERATING STATEMENT

Income	Current		Per SF
Scheduled Base Rental Income	361,992		1.18
Expense Reimbursement Income			
Net Lease Reimbursement			
Insurance	17,104		0.06
Real estate Taxes	20,525		0.07
Total Reimbursement Income	\$37,629	22.8%	\$0.12
Effective Gross Revenue	\$399,621		\$1.30

Operating Expenses	Current		Per SF
Insurance	75,000		0.24
Real Estate Taxes	90,000		0.29
Total Expenses	\$165,000		\$0.54
Expenses as % of EGR	41.3%		
Net Operating Income	\$234,621		\$0.76



3231 SOUTHEAST  
6TH AVENUE

Stormont Vail Hospital  
& Trauma Center

Topeka

Tecumseh

Forest Park

Deer Creek

3231 SOUTHEAST  
6TH AVENUE

EAST END

Deer Creek

SE Deer Creek Trafficway

40th St

SE Norwood St

SE Fairfax St

SE Kouns St

SE Rodgers St

Temple of Deliverance Church



## CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources, providing the most competitive rates and terms.

We leverage out prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac, and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



Closed 1,944 debt and equity financings in 2019



National platform operating within the firm's brokerage offices



\$7.18 billion total national volume in 2019



Access to more capital sources than any other firm in the industry

## WHY MMCC?

Optimum financing solutions to enhance value

Enhanced control through MMCC's ability to qualify investor finance contingencies

Enhanced control through quickly identifying potential debt/equity sources, processing, and closing buyer's finance alternatives

Enhanced control through MMCC's ability to monitor investor/due diligence and underwriting to ensure timely, predictable closings



## SECTION 2

---

### MARKET OVERVIEW

Marcus & Millichap



# KANSAS CITY

## KANSAS

---

The Kansas City metro sits close to both the geographic and population centers of the United States and serves as a major regional commercial, industrial and cultural hub. The market consists of 14 counties: Clay, Bates, Cass, Platte, Clinton, Caldwell, Jackson, Lafayette and Ray counties in Missouri; and Johnson, Linn, Miami, Leavenworth and Wyandotte counties in Kansas. The metro has 2.2 million residents. Jackson is the most populous county with 709,000 people, followed by Johnson with 605,000 residents. Kansas City, Missouri, is the largest city with 491,000 citizens, followed by Overland Park, Kansas, with 190,000 people.



CENTRAL LOCATION



EXPANSIVE  
TRANSPORTATION  
SYSTEM

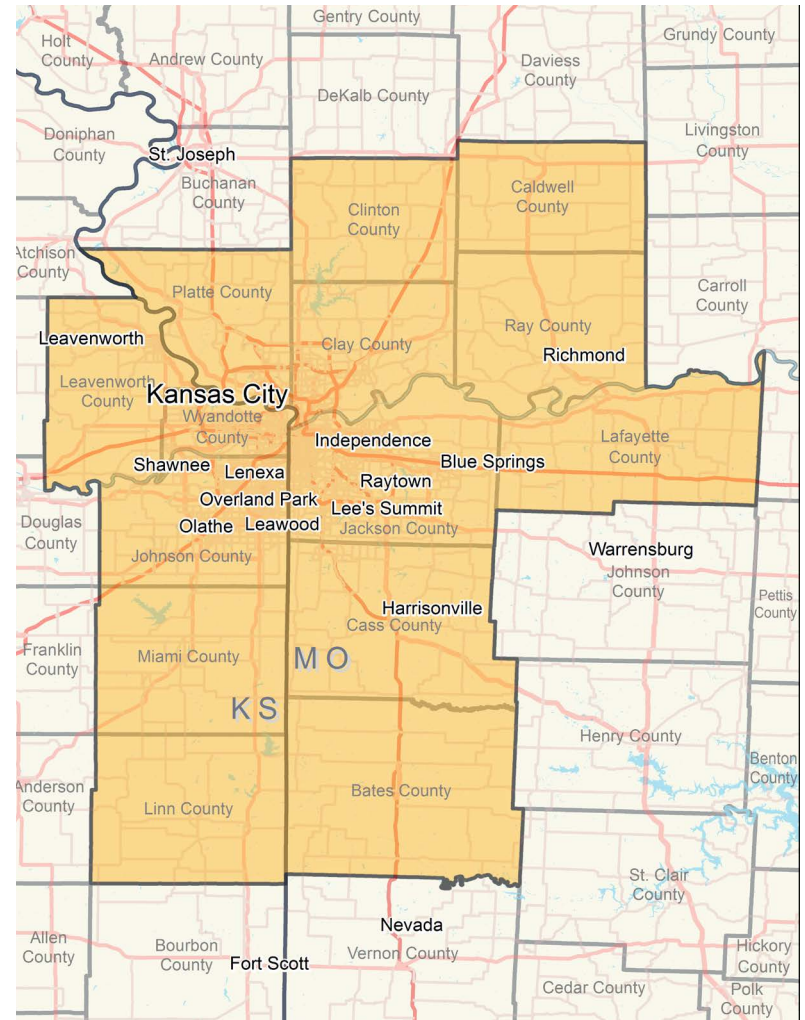


AFFORDABLE COST  
OF LIVING

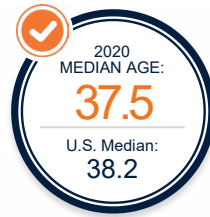
# METROPLEX GROWTH

## ECONOMY

Its central location, extensive transportation network and intermodal facilities make the metro an important logistics and distribution hub. An increase in import volumes at U.S. ports will drive intermodal activity in the region this year. Lower costs of living and doing business as well as an educated workforce attract corporations and job seekers to the metro. Kansas City is home to two 500 Fortune companies: Seaboard and Cerner. Expanding industries in the metro include finance and insurance, engineering, life sciences, manufacturing and information technology.



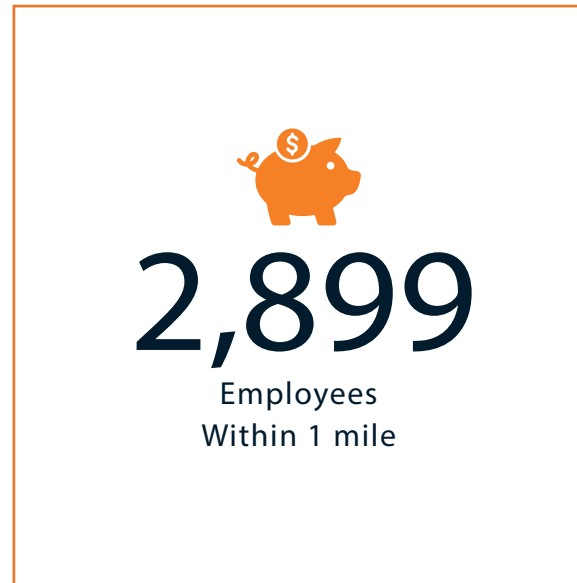
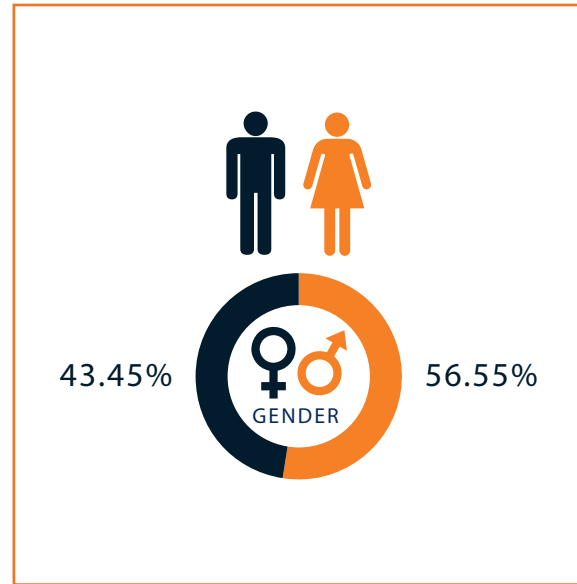
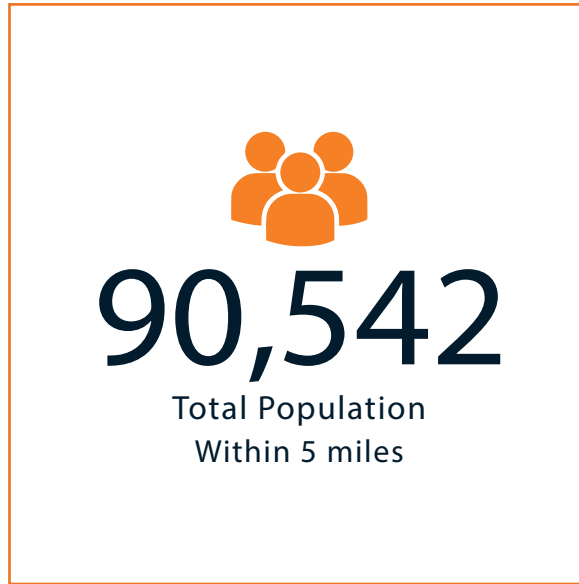
## METROPLEX GROWTH



The metro is expected to add nearly 70,700 people over the next five years, resulting in the formation of approximately 33,300 households. A median home price below the U.S. median has produced a homeownership rate of 65 percent, slightly exceeding the national rate. Roughly 36 percent of residents age 25 and older have bachelor's degrees; of those residents, 13 percent have also earned a graduate or professional degree.



## DEMOGRAPHICS



# DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Population	4,623	39,157	90,369
■ 2020 Estimate			
Total Population	4,571	39,039	90,542
■ 2010 Census			
Total Population	4,525	39,006	91,003
■ 2000 Census			
Total Population	4,479	37,712	89,790
■ Daytime Population			
2020 Estimate	3,970	48,765	111,988
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Households	1,432	14,879	36,393
■ 2020 Estimate			
Total Households	1,409	14,783	36,305
Average (Mean) Household Size	2.77	2.52	2.41
■ 2010 Census			
Total Households	1,383	14,676	36,277
■ 2000 Census			
Total Households	1,465	14,743	36,603

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2020 Estimate			
\$200,000 or More	1.79%	1.37%	1.67%
\$150,000 - \$199,000	0.32%	1.57%	2.13%
\$100,000 - \$149,000	6.95%	9.06%	10.10%
\$75,000 - \$99,999	6.93%	11.16%	12.09%
\$50,000 - \$74,999	12.18%	17.81%	19.69%
\$35,000 - \$49,999	16.14%	15.24%	15.39%
\$25,000 - \$34,999	15.20%	11.73%	11.26%
\$15,000 - \$24,999	18.74%	13.34%	13.00%
Under \$15,000	21.77%	18.74%	14.65%
Average Household Income	\$46,143	\$54,043	\$59,058
Median Household Income	\$31,142	\$40,885	\$45,112
Per Capita Income	\$16,414	\$21,121	\$24,201
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2020 Estimate Total Population	4,571	39,039	90,542
Under 20	30.49%	29.44%	28.14%
20 to 34 Years	22.80%	19.08%	20.48%
35 to 39 Years	8.04%	6.87%	6.75%
40 to 49 Years	11.99%	11.61%	11.23%
50 to 64 Years	15.51%	18.33%	18.33%
Age 65+	11.17%	14.67%	15.06%
Median Age	33.04	36.06	36.00
■ Population 25+ by Education Level			
2020 Estimate Population Age 25+	2,860	25,142	58,997
Elementary (0-8)	5.57%	4.27%	2.91%
Some High School (9-11)	15.74%	10.96%	8.41%
High School Graduate (12)	42.49%	39.57%	35.19%
Some College (13-15)	21.43%	21.32%	22.32%
Associate Degree Only	4.14%	6.05%	6.55%
Bachelors Degree Only	4.69%	10.78%	14.88%
Graduate Degree	2.49%	4.92%	8.18%
■ Time Travel to Work			
Average Travel Time in Minutes	20	20	19

# 3231 SOUTHEAST 6TH AVENUE TOPEKA, KS 66607

## PRESENTED BY

---

### ADAM ABUSHAGUR

Senior Managing Director Investments  
National Office and Industrial Properties Group  
Dallas Office  
Office 972.755.5223  
Adam.Abushagur@marcusmillichap.com  
License TX 661916

### TYLER SHARP

Associate  
National Office and Industrial Properties Group  
Chicago Office  
Office (312) 327-5446  
Tyler.Sharp@marcusmillichap.com  
License: IL 475.177869

## BROKER OF RECORD

---

**COLBY HAUGNESS**  
Kansas Broker of Record  
7400 College Boulevard, Suite 105,  
Overland Park, KS 66210  
Tel: (816) 410-1025  
Colby.Haugness@marcusmillichap.com  
License: KS 00241410

## DEBT CONTACT

---

**FRANK MONTALTO**  
Vice President - Debt & Equity Structured Finance  
333 West Wacker Drive, Suite 200  
Chicago, IL 60606  
Tel: (312) 327-5421  
frank.montalto@marcusmillichap.com  
License: IL: 475.180369

**Marcus & Millichap**  
TAG INDUSTRIAL GROUP