

Marcus & Millichap  
TAG INDUSTRIAL GROUP

1701 MINNESOTA AVENUE

KANSAS CITY, KS 66102

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## KANSAS CITY, KS 66102

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Marcus & Millichap



The background of the page is a photograph of an industrial building. The left side shows the interior of a large, empty warehouse with a high ceiling supported by a grid of dark steel beams. The right side shows the exterior of the building, featuring light-colored corrugated metal siding and a concrete base. A thin orange horizontal line is positioned above the main title.

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# SECTION 1

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## INVESTMENT OVERVIEW

Marcus & Millichap

## OFFERING SUMMARY

- Adjacent to a High Barrier-to-Entry Submarket that has a Market Vacancy of 4.0 Percent
- There is Currently No New Industrial/Flex Construction Being Built in this Submarket
- Given the Low Vacancy Rate, Market Rent has Increased 7.4 Percent Year-Over-Year
  - Located 1.78 Miles from the Ramp to I-635, and 1.18 Miles from State Road 69
    - Triple-Net Lease in Place Minimizing Landlord Responsibilities
- The Tenant, Adepto Medical, is an Infusion Pump Company Specializing in the Sale, Rental, and Repair of Infusion Pumps
  - Located on Minnesota Avenue with 124' of Frontage

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 1701 Minnesota Avenue in Kansas City, Kansas, leased to Adepto Medical. The subject property consists of approximately 10,700 square feet of flex space and is situated on 0.34 acres of land. The asset features 124' of frontage along Minnesota Avenue. Major transportation channels are in close proximity to the property, with the onramp to Interstate 635 located just 1.78 miles away and State Road 69 situated 1.18 miles away. With an triple-net lease in place, the tenant is responsible for the building's real estate taxes, insurance, and CAM. The tenant, Adepto Medical, specializes in the sale, rental, and repair of infusion pumps used to transfer fluids, medication, or nutrients into a patient's circulatory system. Adepto Medical offers and services 60 makes and models of infusion pumps, and ships nationwide.

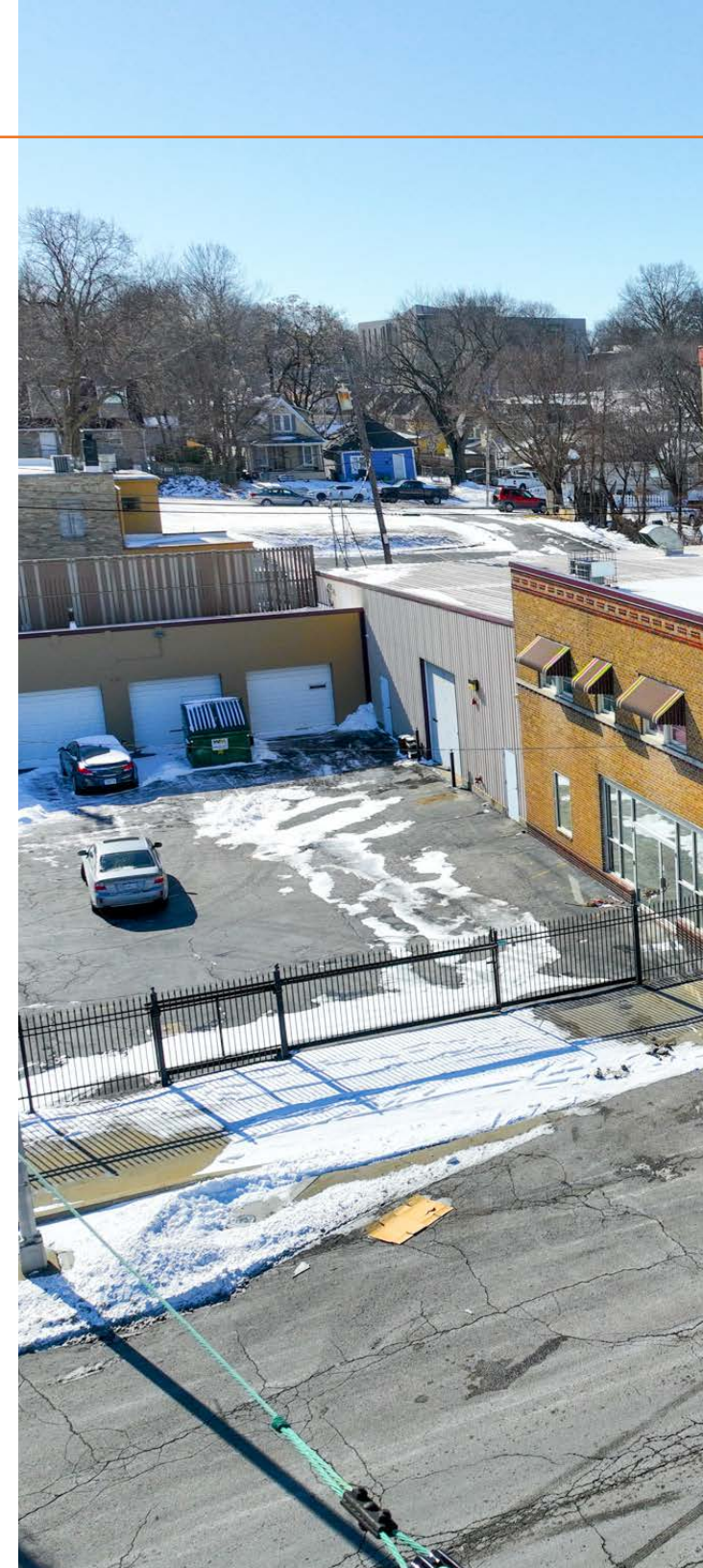
The property sits adjacent to Central KC KS/Fairfax, a high barrier-to-entry submarket with 16.1 million square feet of industrial space. For six years straight, the vacancy rate in the submarket has remained below 5.0 percent, concluding 2021 at 4.0 percent. Thanks to strong levels of demand, market rent growth hit 7.4 percent in 2021, representing the highest level on record. With no new industrial projects underway (including flex), rent growth should be unimpeded by new supply for the foreseeable future. Despite record rent growth, the submarket continues to offer a 27.0 percent discount in rent compared to the overall Kansas City industrial market (CoStar). As the overall market continues to boom, the submarket's proximity to downtown Kansas City will likely make it an attractive opportunity for tenants considering relocation or expansion.

Metro Kansas City is located in the heartland of America, as it sits close to both the geographic and population centers of the United States, and serves as a major regional commercial, industrial, distribution, and cultural hub. Within a two-day drive, 85 percent of the nation's population can be reached from Kansas. Kansas City, Kansas, known simply as "KC", is the third-largest city in the state, 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.

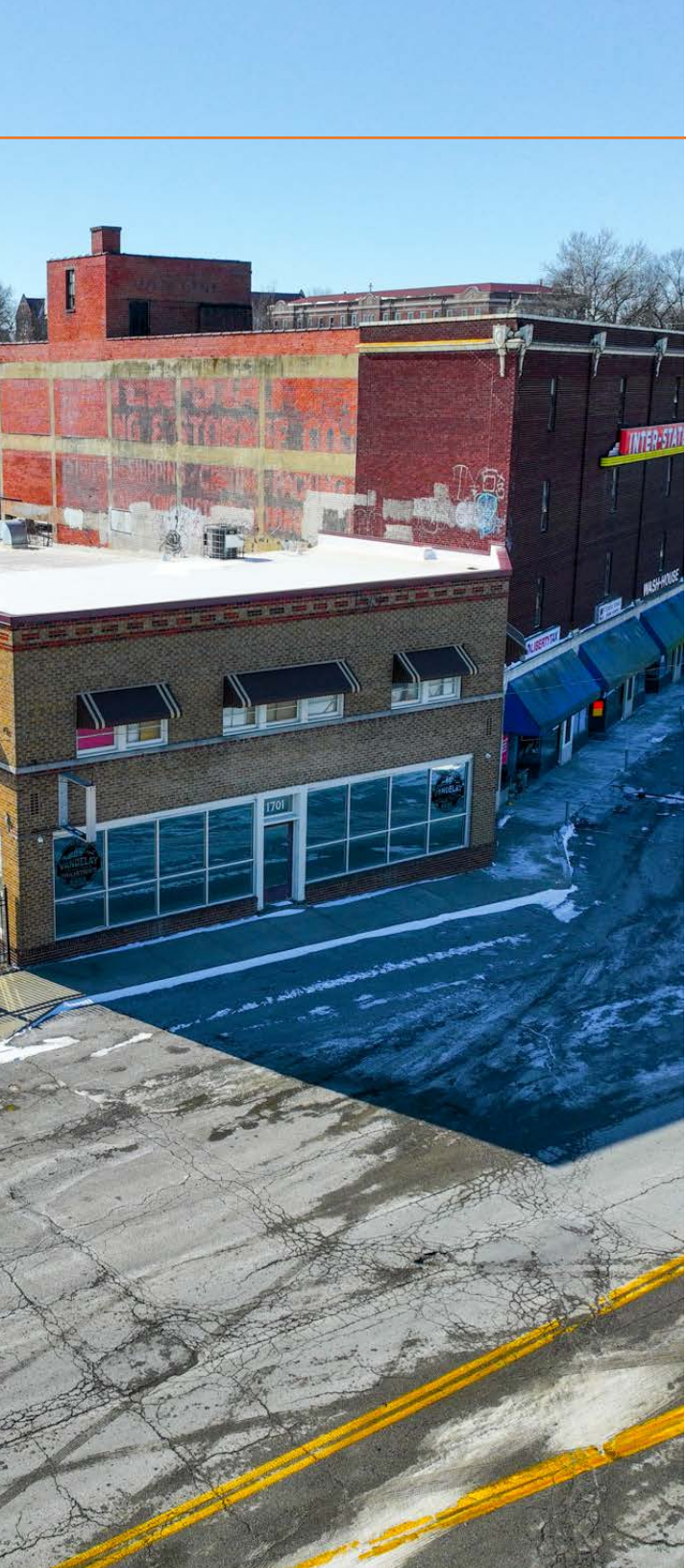
## PROPERTY DETAILS

1701 MINNESOTA AVENUE,  
KANSAS CITY, KS 66102

Number of Suites	1
Number of Buildings	1
Total Square Feet	10,700
Warehouse Square Feet	6,700
Office Square Feet	4,000
Office Ratio	37%
Year Built	1930/1995
Lot Size	0.34 Acres
Type of Ownership	Fee Simple
Clear Height	18' - 20'
Parking Spaces	10 Spaces
Parking Surface	Asphalt
Building Class	C
Tenancy	Single
Grade Level Doors	5
Sprinklers	Wet
Construction	Masonry/ Metal
Zoning	KC3
Age/Condition of Roofs	Good Condition
Age/Condition of HVAC	Good Condition
Market	Kansas City
Submarket	Central KC KS/ Fairfax
Market Vacancy	4.50%







### 1701 MINNESOTA AVENUE

KANSAS CITY, KS 66102

OFFERING PRICE  
**\$650,000**

CAP RATE  
**7.70%**

PRO-FORMA CAP RATE  
**10.10%**

Offering Price	\$650,000
Cap Rate	7.70%
Pro-Forma Cap Rate	10.10%
Price/SF	\$60.75
Total Square Feet	10,700
Rental Rate	\$6.45
Lease Type	Triple Net (NNN)
Lease Term	2 Years
Tenancy	Single
Occupancy	78.21%

Note: Backing Out \$10,500 in Lease-Up Cost

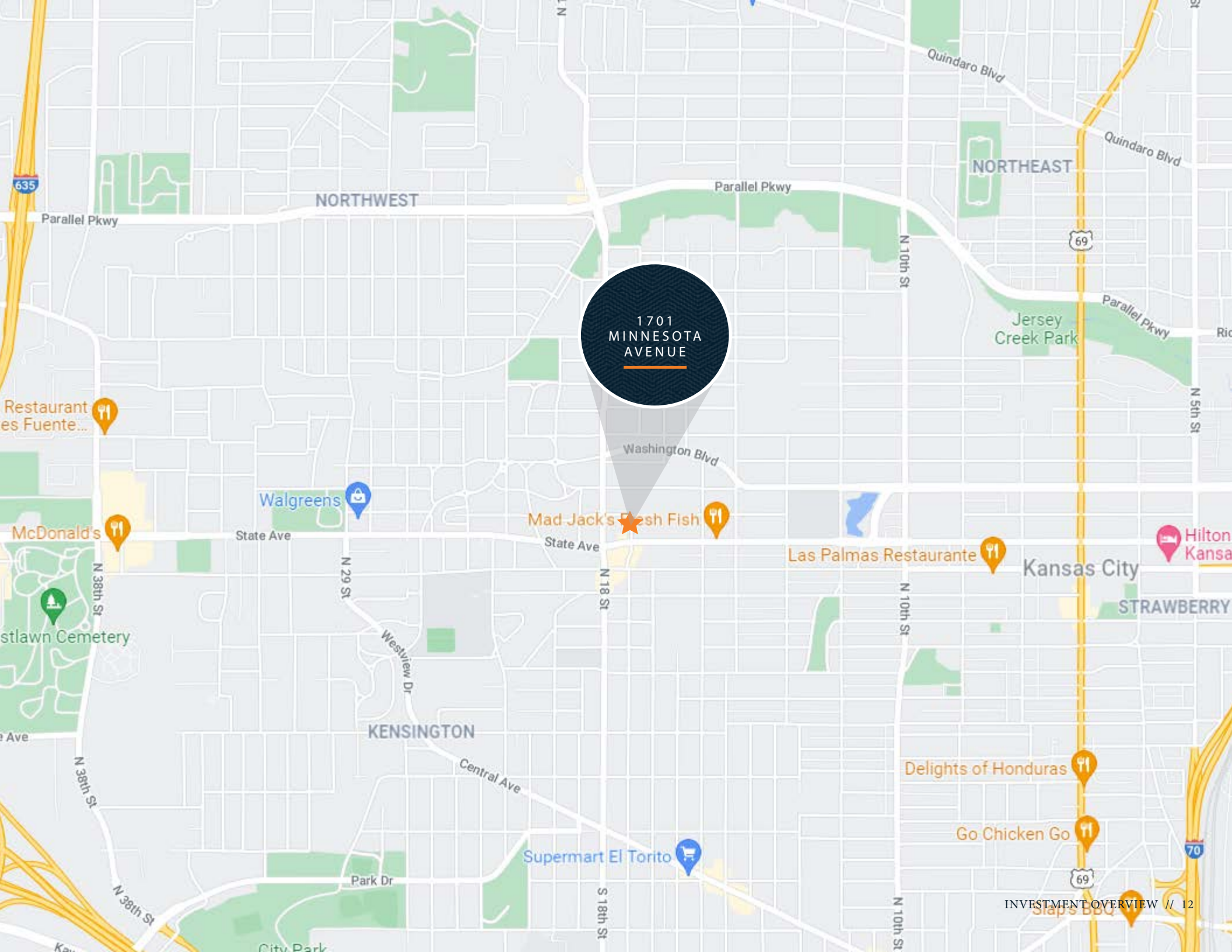
This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2022 Marcus & Millichap. All rights reserved. (Activity ID: ZAD0060060)

# RENT ROLL

Tenant Name	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Changes on	Rent Increase	Lease Type
			Comm.	Exp.							
Adepto Medical	8,368	78.2%	5/1/20	12/31/23	\$6.45	\$4,500	\$54,000	\$54,000	Feb-2022	\$5,400	NNN
Vacant	2,332	21.8%	Vacant	Vacant	\$0.00	\$0.00	\$0.00	\$11,660	N/A	N/A	NNN
<b>Total</b>	<b>10,700</b>				<b>\$6.45</b>	<b>\$4,500</b>	<b>\$54,000</b>	<b>\$65,660</b>			
Occupied Tenants: 1			Unoccupied Tenants: 1		Occupied GLA: 78.20%		Unoccupied GLA: 21.80%				
Total Current Rents: \$4,500					Occupied Current Rents: \$4,500		Unoccupied Current Rents: \$0				

## OPERATING STATEMENT

Income	Current		Per SF	Pro Forma		Per SF
Scheduled Base Rental Income	54,000		5.05	65,660		6.14
Expense Reimbursement Income						
Net Lease Reimbursement						
Insurance	2,510		0.23	3,210		0.30
Real estate Taxes	11,551		1.08	14,770		1.38
Total Reimbursement Income	\$14,061	78.2%	\$1.31	\$17,980	100.0%	\$1.68
Effective Gross Revenue	\$68,061		\$6.36	\$83,640		\$7.82
Operating Expenses	Current		Per SF	Pro Forma		Per SF
Insurance	3,210		0.30	3,210		0.30
Real Estate Taxes	14,770		1.38	14,770		1.38
Total Expenses	\$17,980		\$1.68	\$17,980		\$1.68
Expenses as % of EGR	26.4%			21.5%		
Net Operating Income	\$50,081		\$4.68	\$65,660		\$6.14



1701  
MINNESOTA  
AVENUE

Mad Jack's Fish Fish

Las Palmas Restaurante

Kansas City

STRAWBERRY

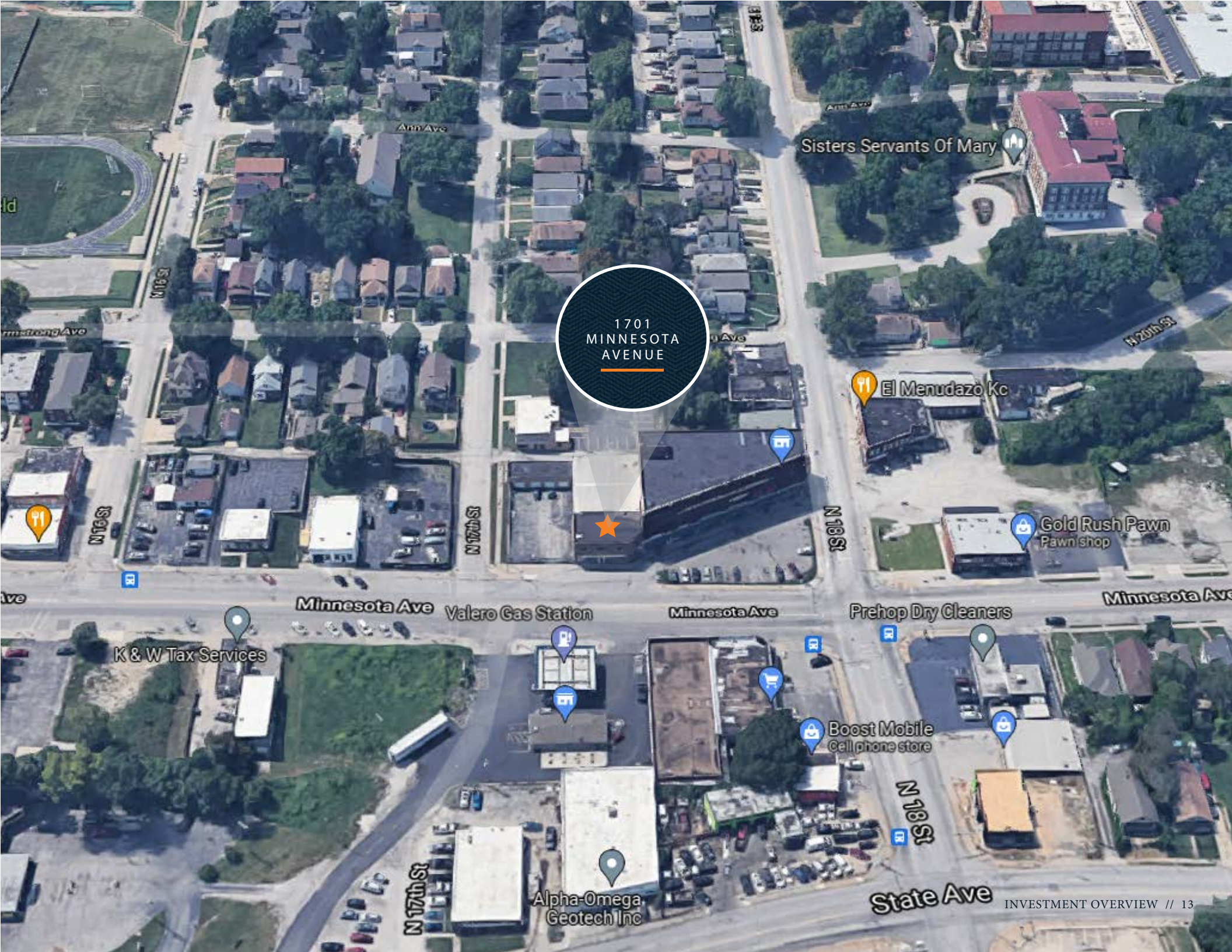
KENSINGTON

Delights of Honduras

Go Chicken Go

Supermart El Torito

1701 MINNESOTA AVENUE



Sisters Servants Of Mary

El Menudazo Kc

Gold Rush Pawn  
Pawn shop

Minnesota Ave Valero Gas Station

Minnesota Ave

Prehop Dry Cleaners

Minnesota Ave

K & W Tax Services

Boost Mobile  
Call phone store

Alpha-Omega  
Geotech Inc

State Ave



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## TENANT SUMMARY

“Our mission is to provide pumps that perform and solutions that last.”

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### TENANT

**Adepto Medical**

### HEADQUARTERS

**Kansas City, MO**

### DATE FOUNDED

**2011**

### NUMBER OF LOCATIONS

**3**

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[www.adeptomed.com](http://www.adeptomed.com)



Adepto Medical is a healthcare company that focuses on infusion pumps used to transfer fluids, medication, or nutrients into a patient’s circulatory system. Adepto Medical specializes in renting, servicing, and selling infusion pumps to hospitals, home infusion pharmacies, surgery centers, and oncology clinics. The company distinguishes itself by offering personalized customer service in addition to reliable products. Instead of using robots or phone prompts, the customer service hotline is fully serviced by live agents. Thanks in part to a team of experts that inspects every product before delivery, Adepto Medical’s infusion pumps have a 98.75 percent success rate. Adepto Medical offers and services 60 makes and models of infusion pumps, and pump service is facilitated within a five-day turnaround period. Adepto Medical operates three distribution centers across the country, allowing the company to offer overnight shipping to anywhere in the U.S. for no additional charge.

## 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 1,943 debt and equity financings in 2020



National platform operating within the firm's brokerage offices



\$7.67 billion total national volume in 2020



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

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### 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

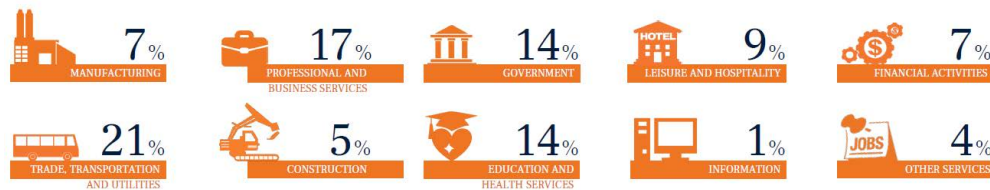


AFFORDABLE COST  
OF LIVING

# METROPLEX GROWTH

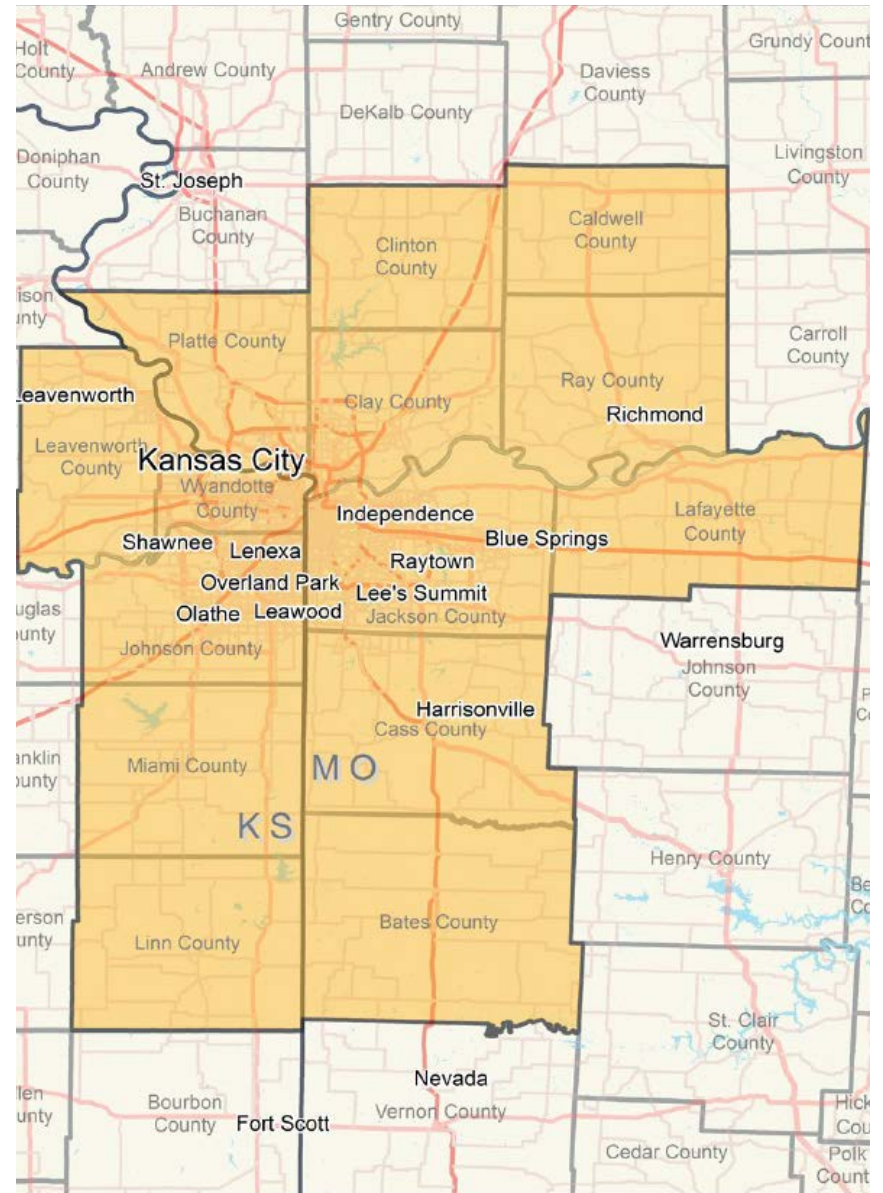
## ECONOMY

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.



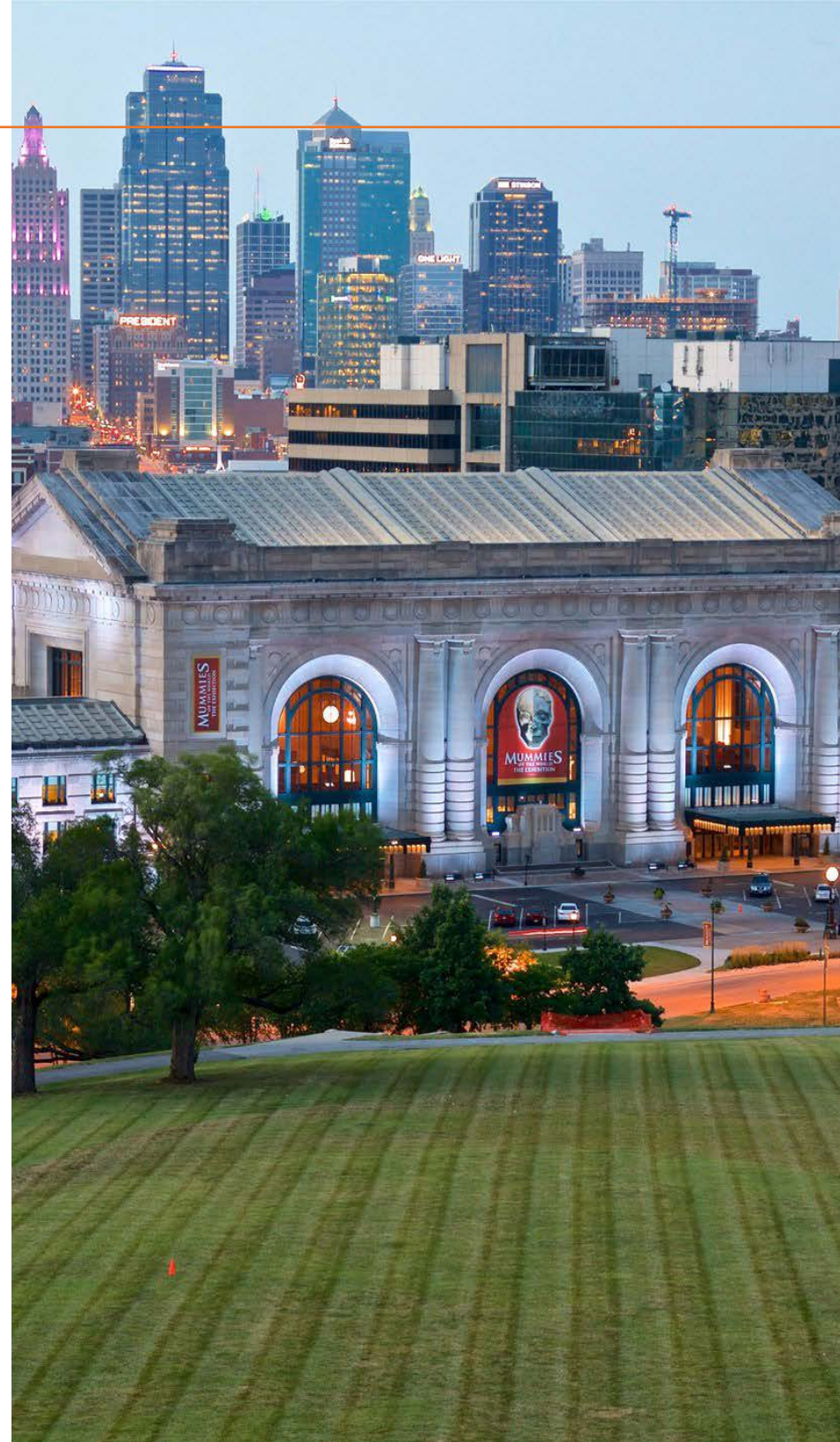
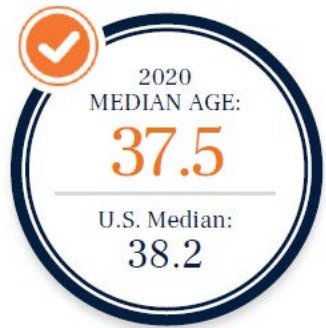
## QUALITY OF LIFE

Kansas City has a variety of entertainment options. The metro has three major professional sports franchises: the Kansas City Chiefs of the NFL, MLB's Kansas City Royals and Sporting KC of the MLS. The city boasts a rich jazz music history and houses the American Jazz Museum. Kansas City also features a downtown entertainment district that combines restaurants and retail, including the Sprint Center. Cultural venues include the Kemper Museum of Contemporary Art, Nelson-Atkins Museum of Art, the Lyric Opera of Kansas City and the Starlight Theatre. The metro maintains an exceptional education system with nationally ranked school districts, colleges, universities and institutions of advanced learning and research, including the University of Missouri-Kansas City.



## 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



148,905

Total Population  
Within 5 miles



\$56,430

Average Household Income  
Within 5 miles



62,915

Employees  
Within 1 mile

# DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
<b>2026 Projection</b>			
Total Population	18,818	60,856	152,844
<b>2021 Estimate</b>			
Total Population	18,580	60,434	148,905
<b>2010 Census</b>			
Total Population	17,897	58,493	138,942
<b>2000 Census</b>			
Total Population	18,097	61,125	141,739
<b>Daytime Population</b>			
2021 Estimate	16,540	69,802	268,360
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
<b>2026 Projection</b>			
Total Households	6,184	20,872	63,914
<b>2021 Estimate</b>			
Total Households	6,120	20,749	61,153
Average (Mean) Household Size	3.0	2.9	2.4
<b>2010 Census</b>			
Total Households	5,855	20,051	55,588
<b>2000 Census</b>			
Total Households	6,453	22,125	56,627

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
<b>2021 Estimate</b>			
\$200,000 or More	0.5%	0.6%	1.9%
\$150,000-\$199,999	1.2%	1.0%	2.4%
\$100,000-\$149,999	7.4%	6.0%	8.7%
\$75,000-\$99,999	10.0%	8.5%	10.1%
\$50,000-\$74,999	15.6%	16.1%	18.0%
\$35,000-\$49,999	15.7%	17.0%	16.0%
\$25,000-\$34,999	14.9%	14.5%	12.5%
\$15,000-\$24,999	15.1%	15.1%	12.7%
Under \$15,000	19.7%	21.2%	17.6%
Average Household Income	\$47,075	\$45,252	\$56,430
Median Household Income	\$35,343	\$34,347	\$41,846
Per Capita Income	\$15,721	\$15,659	\$23,477
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
<b>Population By Age</b>			
2021 Estimate Total Population	18,580	60,434	148,905
Under 20	34.5%	33.6%	27.6%
20 to 34 Years	23.0%	21.7%	26.1%
35 to 39 Years	7.8%	7.3%	7.8%
40 to 49 Years	12.7%	12.1%	11.8%
50 to 64 Years	14.3%	15.2%	16.0%
Age 65+	7.8%	10.0%	10.7%
Median Age	30.3	31.3	32.8
<b>Population 25+ by Education Level</b>			
2021 Estimate Population Age 25+	10,889	36,113	97,633
Elementary (0-8)	21.9%	18.0%	10.3%
Some High School (9-11)	15.0%	15.1%	11.4%
High School Graduate (12)	30.4%	32.4%	29.4%
Some College (13-15)	16.7%	18.0%	19.8%
Associate Degree Only	6.0%	6.0%	6.4%
Bachelor's Degree Only	6.5%	7.3%	14.9%
Graduate Degree	3.5%	3.4%	7.8%
<b>Travel Time to Work</b>			
Average Travel Time to Work in Minutes	23.0	23.0	22.0

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