

Marcus & Millichap  
TAG INDUSTRIAL GROUP

PENTAIR  
3601 FAIRBANKS AVENUE

KANSAS CITY, KS 66106

# 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.

© 2024 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: ZAF0370207

## 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)



PENTAIR  
3601 FAIRBANKS AVENUE  
KANSAS CITY, KS 66106

PRESENTED BY

---

**TYLER SHARP**

Vice President of Investments  
Office & Industrial Division  
Chicago Office  
Office (312) 327-5446  
Tyler.Sharp@MarcusMillichap.com  
License: IL 475.177869

**CLAYTON ISACSON**

Associate  
Office & Industrial Division  
Chicago Office  
Office (312) 327-5471  
Clayton.Isacson@MarcusMillichap.com  
License: IL 475.199599

**ADAM ABUSHAGUR**

Senior Managing Director Investments  
Office & Industrial Division  
Dallas Office  
Office (972) 755-5223  
Adam.Abushagur@MarcusMillichap.com  
License: TX 661916

BROKER OF RECORD

---

**COLBY HAUGNESS**

Kansas Broker of Record  
9393 West 110th Street, Suite. 500  
Overland Park, KS 66210  
Tel: (816) 410-1010  
Colby.Haugness@MarcusMillichap.com  
License: 00241410

DEBT CONTACT

---

**FRANK MONTALTO**

Managing Director, Capital Markets  
333 West Wacker Drive, Suite 200  
Chicago, IL 60606  
Tel: (312) 327-5421  
Frank.Montalto@MarcusMillichap.com

**Marcus & Millichap**  
TAG INDUSTRIAL GROUP







# TABLE OF CONTENTS

01

## INVESTMENT OVERVIEW

### SECTION 1

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

02

## MARKET OVERVIEW

### SECTION 2

Market Analysis • Demographic Analysis

Marcus & Millichap

The background of the slide is a dark, blue-tinted photograph of an industrial interior. It shows a large, multi-level structure with metal beams, pipes, and several hanging industrial lamps. The lighting is dim, creating a moody atmosphere. The structure appears to be a large warehouse or a factory interior.

# SECTION 1

---

## INVESTMENT OVERVIEW

Marcus & Millichap

## OFFERING SUMMARY

- 364,510-Square-Foot Single-Tenant Manufacturing and Warehousing Facility Situated on 22.86 Acres
- Features Five Buildings, 13'-30' Clear Height, Eight Dock Doors, 18 Grade Doors, and M-3 Heavy Industrial Zoning
  - Located Adjacent to BNSF's Intermodal and within Two Miles of Both I-635 and I-70
- Leased to Long-term Occupant, Pentair | Publicly Traded Global Manufacturer of Water Solutions
  - Submarket Rent Growth Above 10-Year Average at 6.5%

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 3601 Fairbanks Avenue in Kansas City, Kansas, leased to Pentair Flow Technologies, LLC. The subject property consists of approximately 364,510 square feet of manufacturing and warehouse space and is situated on 22.86 acres of land. Zoned for M-3 heavy industrial use, the five-building asset features a clear height between 13' and 30', eight dock-high doors, 18 grade-level doors, and heavy three-phase power with 800 amps and 277 to 480 volts. Located adjacent to a major BNSF intermodal rail hub, the property sits in proximity to the interchange between Interstates 635 and 70. Occupying the property since 1997, the tenant recently signed a new long-term triple-net lease from March 2024 through August 2032. At \$1.13 per square foot, the below-market rental rate increases 3.0 percent annually with two five-year renewal options. As a subsidiary of the publicly traded company, Pentair plc, (NYSE: PNR), the tenant is a leading global manufacturer of residential and commercial water solutions.

The subject property is located within the relatively small Turner submarket containing 7.9 million square feet of industrial space. During the third quarter of 2024, the vacancy rate jumped 150 basis points to 7.3 percent due to negative net absorption. Annual rent growth slowed by 50 basis points on the quarter to 6.5 percent but remains well above the 4.3 percent 10-year average. Asking rents in the Turner submarket now average about \$7.40 per square foot. With only 200,000 square feet under construction representing 2.5 percent of inventory, vacancies and rent growth will largely be determined by demand (CoStar).

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

PENTAIR

3601 FAIRBANKS AVENUE, KANSAS CITY, KS 66106

Number of Suites	1
Number of Buildings	5
Total Square Feet	364,510
Building 1: Main Building	213,087
Building 2: Transload Logistics	124,505
Building 3: Weld Shop	8,040
Building 4: Paint Shop	3,569
Building 5: R&D	15,309
Year Built	1930/1951/1953/1954/1963
Lot Size	22.86 Acres
Type of Ownership	Fee Simple
Clear Height	13'-30'
Parking Surface	Asphalt
Building Class	C
Tenancy	Single
Dock High Doors	8
Grade Level Doors	18
Construction	Metal
Power	Heavy 3-Phase
Zoning	M-3
Market	Kansas City
County	Wyandotte
Submarket	Turner
Market Vacancy	5.40%
Submarket Vacancy	5.20%

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. © 2024 Marcus & Millichap. All rights reserved. (Activity ID: ZAF0370207)







OFFERING HIGHLIGHTS

PENTAIR

3601 FAIRBANKS AVENUE, KANSAS CITY, KS 66106

OFFERING PRICE	CAP RATE	PRO FORMA CAP RATE
\$5,900,000	7.00%	7.21%
Offering Price	\$5,900,000	
Cap Rate	7.00%	
Pro Forma Cap Rate	7.21%	
Price/SF	\$16.19	
Total Square Feet	364,510	
Rental Rate	\$1.13	
Lease Type	Absolute Triple-Net	
WALT	7.80	
Rental Increases	3% Annually	
Tenancy	Single-Tenant	
Occupancy	100.00%	

DEBT QUOTE

Loan Amount	70%
Interest Rate	6.45%
Term	5 Years
Amortization Period	25 Years

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. © 2024 Marcus & Millichap. All rights reserved. (Activity ID: ZAF0370207)

# RENT ROLL

Tenant Name	Square Feet	% Bldg Share	Lease Dates Comm. Exp.		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Changes on	Rent Increase	Lease Type	Renewal Options and Option Year Rental Information
Pentair Flow Technologies, LLC	364,510	100.0%	3/1/24	8/31/32	\$1.13	\$34,421	\$413,052	\$425,443	Sep-2025	3.00%	NNN	Two (2) Five (5) Year Options with 3% Annual Escalations  First Option Ann. Base Rent: \$523,241.45   Second Option Ann. Base Rent: The Greater of \$606,580.25 or FMV
Total	364,510				\$1.13	\$34,421	\$413,052	\$425,443				
Occupied Tenants: 1			Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%					
			Total Current Rents: \$34,421		Occupied Current Rents: \$34,421		Unoccupied Current Rents: \$0					

Notes: Pentair has Occupied the Premesis Since 8/23/1997 Now In Their Third Amendment.

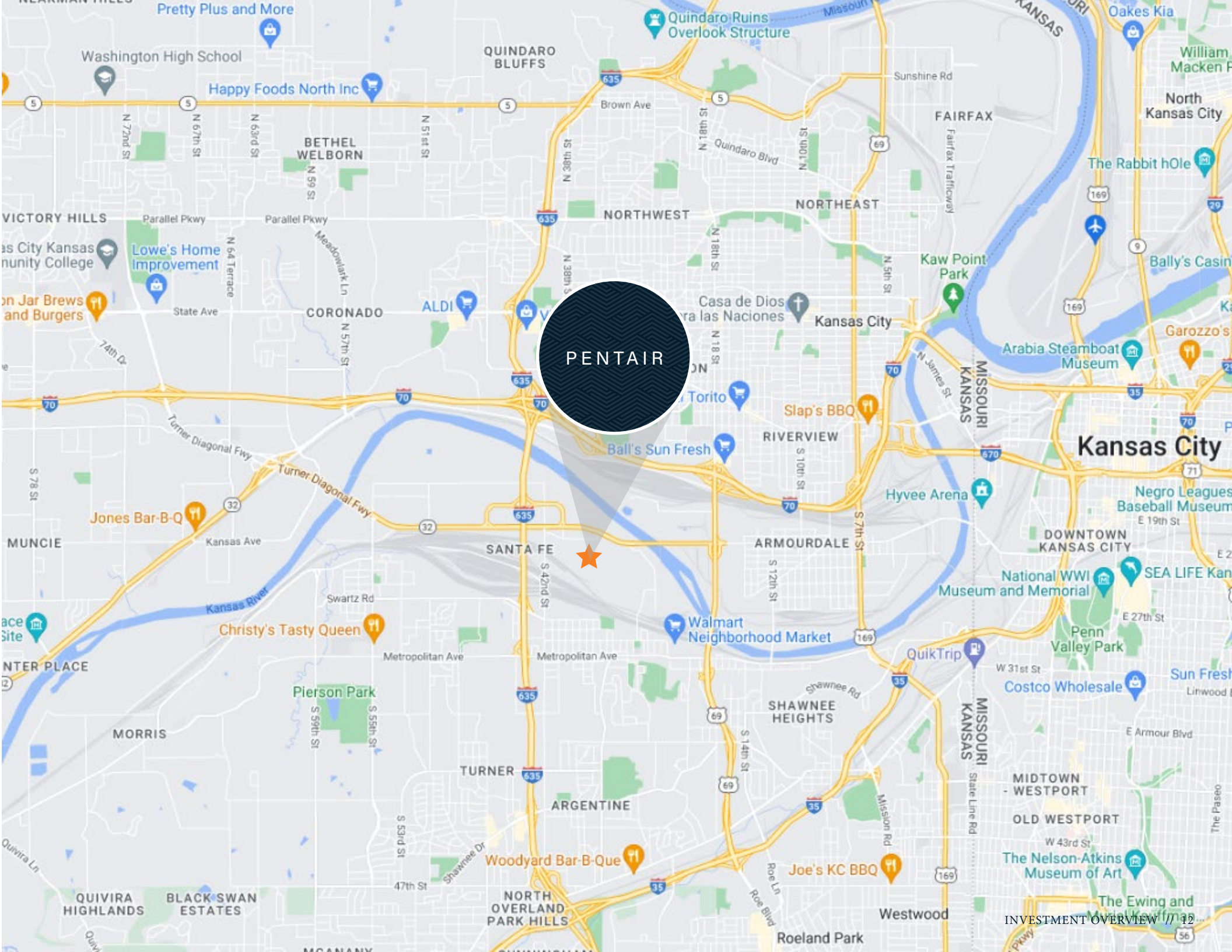


## OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF	Notes
Scheduled Base Rental Income	413,052	1.13	425,443	1.17	
Expense Reimbursement Income					
Net Lease Reimbursement					
Insurance	145,804	0.40	145,804	0.40	
Real estate Taxes	256,178	0.70	281,796	0.77	
Total Reimbursement Income	\$401,982 100.0%	\$1.10	\$427,600 100.0%	\$1.17	
Effective Gross Revenue	\$815,034	\$2.24	\$853,043	\$2.34	

Operating Expenses	Current	Per SF	Pro Forma	Per SF	
Insurance	145,804	0.40	145,804	0.40	Assumption: \$0.40 PSF
Real Estate Taxes	256,178	0.70	281,796	0.77	Pro Forma Grossed 10%
Total Expenses	\$401,982	\$1.10	\$427,600	\$1.17	
Expenses as % of EGR	49.3%		50.1%		
Net Operating Income	\$413,052	\$1.13	\$425,443	\$1.17	



PENTAIR

Kansas City





PENTAIR







---

## TENANT SUMMARY

“We help the world sustainably move, improve and enjoy water, life’s most essential resource.”

---

TENANT  
Pentair Flow Technologies, LLC

HEADQUARTERS	DATE FOUNDED
London, England	1966

REVENUE	EMPLOYEES
\$4.1 Billion	10,500

---

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



Pentair Flow Technologies, LLC is a subsidiary of Pentair plc, a publicly traded leading manufacturer of various water solutions around the world. The company operates through three segments: Flow, Water Solutions, and Pool. The Flow segment designs, manufactures, and sells fluid treatment and a host of pump products and systems for everything from pressure vessels to water disposal pumps. The Water Solutions segment provides commercial and residential water treatment products and systems such as pressure tanks and commercial ice machines. The Pool segment provides residential and commercial pool equipment and accessories comprising pumps, filters, heaters, and more (Yahoo Finance). In addition to the U.S., Pentair maintains operations in Western Europe, China, Eastern Europe, Latin America, the Middle East, Southeast Asia, Australia, Canada, and Japan.

## 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 2,143 debt  
and equity  
financings in 2023



National platform operating  
within the firm's  
brokerage offices



\$86.3 billion total  
national volume  
in 2023



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



The background of the slide is a dark, blue-tinted photograph of an industrial interior. It shows a large, multi-level structure with a complex network of steel beams, pipes, and overhead lighting fixtures. The perspective is looking upwards, emphasizing the height and scale of the facility.

## SECTION 2

---

### MARKET OVERVIEW

Marcus & Millichap

# KANSAS CITY MISSOURI

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, as well as Johnson, Linn, Miami, Leavenworth and Wyandotte counties in Kansas. The metro has 2.2 million residents. Jackson is the most populous county with 727,400 people, followed by Johnson with 616,100 residents. Kansas City, Missouri is the largest city, with 511,200 citizens, followed by Overland Park, Kansas, with 201,500 people. Its central location, extensive transportation network and intermodal facilities make the metro an important logistics and distribution hub. Kansas City is also home to the Federal Reserve Bank of Kansas City, one of the 12 Federal Reserve System.



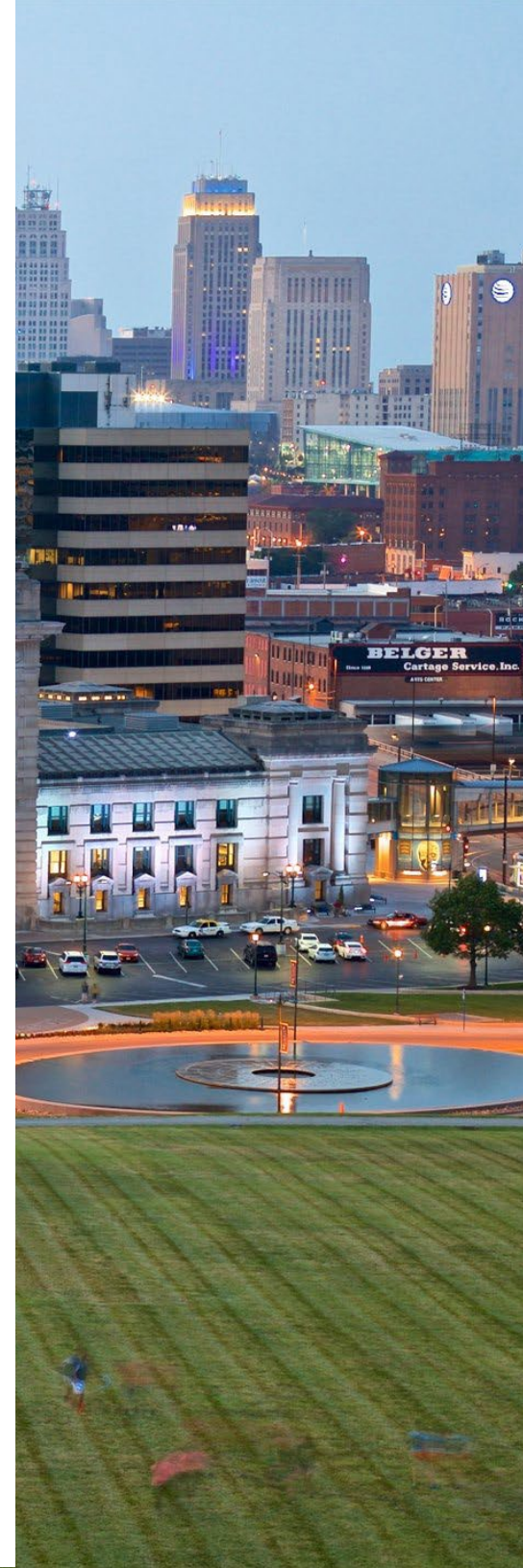
CENTRAL  
LOCATION



EXPANSIVE  
TRANSPORTATION  
SYSTEM



AFFORDABLE  
COST-OF-LIVING





## METROPLEX GROWTH

### ECONOMY

An increase in import volumes at U.S. ports will drive intermodal activity in the region this year. Expanding industries in the metro include finance and insurance, engineering, life sciences, manufacturing and information technology. 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 one Fortune 500 company — Seaboard.



**7%**  
MANUFACTURING



**17%**  
PROFESSIONAL AND  
BUSINESS SERVICES



**14%**  
GOVERNMENT



**10%**  
LEISURE AND HOSPITALITY



**7%**  
FINANCIAL  
ACTIVITIES



**20%**  
TRADE, TRANSPORTATION,  
AND UTILITIES



**5%**  
CONSTRUCTION



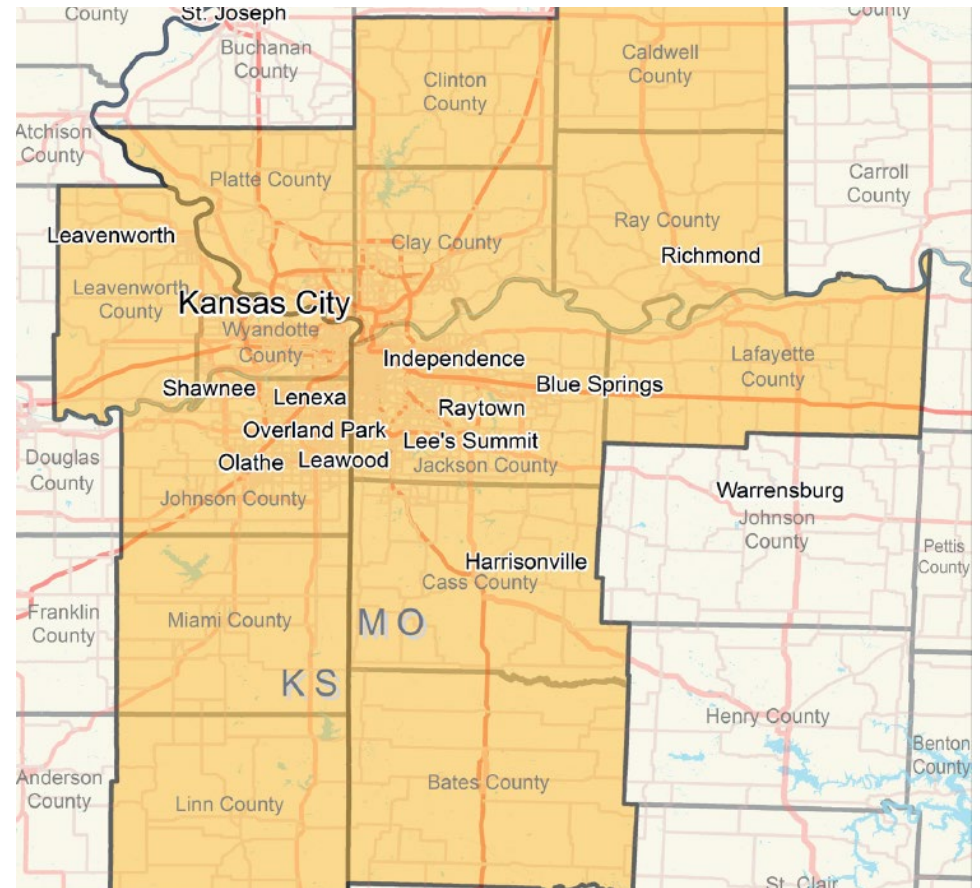
**14%**  
EDUCATION AND  
HEALTH SERVICES



**2%**  
INFORMATION



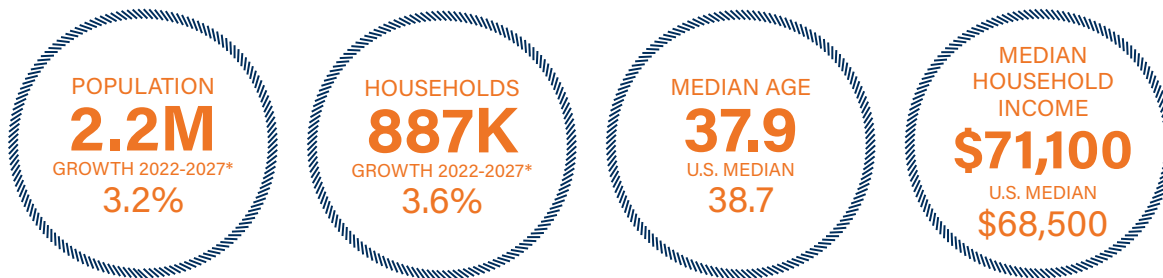
**4%**  
OTHER SERVICES



## METROPLEX GROWTH

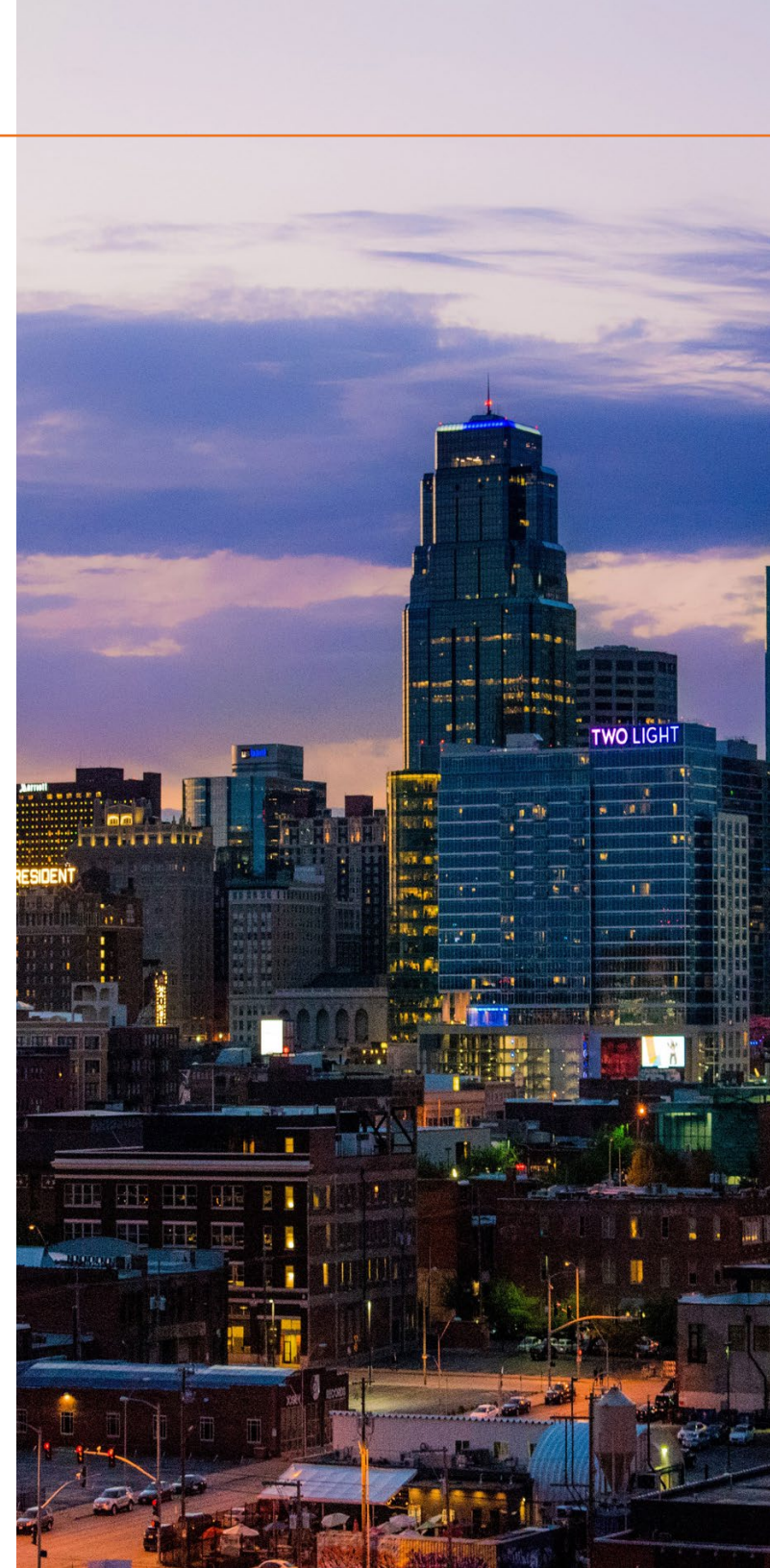
### DEMOGRAPHICS

The metro is expected to add nearly 70,400 people over the next five years, resulting in the formation of approximately 32,000 households. A median home price below the U.S. median has produced a homeownership rate of 66 percent, slightly exceeding the national rate. Roughly 36 percent of residents have at least a bachelor's degree; 13 percent have also earned a graduate or professional degree.



### 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 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 T-Mobile 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.





## DEMOGRAPHICS



**184,721**  
Total Population  
Within 5 Miles



**\$66,577**  
Average Household Income  
Within 5 Miles



**86,096**  
Employees  
Within 1 Mile

## DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
<b>2027 Projection</b>			
Total Population	2,226	65,011	188,143
<b>2022 Estimate</b>			
Total Population	2,232	64,724	184,721
<b>2010 Census</b>			
Total Population	2,152	62,339	173,585
<b>2000 Census</b>			
Total Population	2,292	64,246	179,374
<b>Daytime Population</b>			
2022 Estimate	8,569	67,245	271,801
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
<b>2027 Projection</b>			
Total Households	826	21,775	81,124
<b>2022 Estimate</b>			
Total Households	827	21,720	78,616
Average (Mean) Household Size	2.8	2.9	2.3
<b>2010 Census</b>			
Total Households	806	21,035	72,336
<b>2000 Census</b>			
Total Households	867	22,718	74,854

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
<b>2022 Estimate</b>			
\$200,000 or More	0.1%	0.6%	3.0%
\$150,000-\$199,999	0.6%	1.4%	3.2%
\$100,000-\$149,999	9.6%	8.4%	10.8%
\$75,000-\$99,999	5.7%	11.1%	12.5%
\$50,000-\$74,999	15.6%	19.7%	19.3%
\$35,000-\$49,999	18.0%	16.5%	15.4%
\$25,000-\$34,999	16.0%	13.2%	11.1%
\$15,000-\$24,999	15.1%	12.4%	10.6%
Under \$15,000	19.3%	16.7%	14.2%
Average Household Income	\$45,332	\$51,641	\$66,577
Median Household Income	\$34,689	\$42,095	\$48,791
Per Capita Income	\$16,845	\$17,557	\$28,560
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
<b>Population By Age</b>			
2022 Estimate Total Population	2,232	64,724	184,721
Under 20	30.2%	33.5%	26.1%
20 to 34 Years	21.1%	22.2%	25.9%
35 to 39 Years	6.6%	7.4%	7.9%
40 to 49 Years	11.1%	12.3%	11.8%
50 to 64 Years	14.8%	14.9%	16.2%
Age 65+	16.1%	9.7%	12.1%
Median Age	34.1	31.2	33.9
<b>Population 25+ by Education Level</b>			
2022 Estimate Population Age 25+	1,422	38,664	124,552
Elementary (0-8)	17.7%	17.3%	8.5%
Some High School (9-11)	17.6%	14.6%	9.2%
High School Graduate (12)	35.1%	34.8%	27.3%
Some College (13-15)	14.9%	17.5%	19.0%
Associate Degree Only	5.0%	5.9%	6.6%
Bachelor's Degree Only	4.7%	6.6%	19.0%
Graduate Degree	5.1%	3.3%	10.4%
<b>Travel Time to Work</b>			
Average Travel Time to Work in Minutes	23.0	23.0	21.0



# PENTAIR

3601 FAIRBANKS AVENUE  
KANSAS CITY, KS 66106

## PRESENTED BY

### TYLER SHARP

Vice President of Investments  
Office & Industrial Division  
Chicago Office  
Office (312) 327-5446  
Tyler.Sharp@MarcusMillichap.com  
License: IL 475.177869

### CLAYTON ISACSON

Associate  
Office & Industrial Division  
Chicago Office  
Office (312) 327-5471  
Clayton.Isacson@MarcusMillichap.com  
License: IL 475.199599

### ADAM ABUSHAGUR

Senior Managing Director Investments  
Office & Industrial Division  
Dallas Office  
Office (972) 755-5223  
Adam.Abushagur@MarcusMillichap.com  
License: TX 661916

## BROKER OF RECORD

### COLBY HAUGNESS

Kansas Broker of Record  
9393 West 110th Street, Suite. 500  
Overland Park, KS 66210  
Tel: (816) 410-1010  
Colby.Haugness@MarcusMillichap.com  
License: 00241410

## DEBT CONTACT

### FRANK MONTALTO

Managing Director, Capital Markets  
333 West Wacker Drive, Suite 200  
Chicago, IL 60606  
Tel: (312) 327-5421  
Frank.Montalto@MarcusMillichap.com

**Marcus & Millichap**  
TAG INDUSTRIAL GROUP