

OFFERING MEMORANDUM

The Raytown 3 Portfolio | Kansas City Metro



SOMERSET VILLAGE



COACHLAMP CORNER



RAYTOWN VILLAGE

PREPARED BY

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Exclusively Presented By:

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EXECUTIVE SUMMARY

Coachlamp Corner

EXECUTIVE SUMMARY



Zeal Property Advisors, LLC is pleased to present the exclusive offering of The Raytown 3 Portfolio (“The Property”), a 365-unit workforce housing apartment portfolio consisting of three apartment communities located in Raytown, Missouri within the Kansas City Metro. The Property underwent extensive renovations by the current ownership in 2020-2021 consisting of all new roofs, HVAC, electrical, breaker boxes, low-flow upgrades, LED conversion and more. The Raytown 3 Portfolio is strategically located within close proximity allowing for investors to capitalize on management efficiencies and submarket unit control. Approximately 225 units remain in classic condition allowing investors to add significant value. Investors may also capitalize on immediate value-add components such as increasing rents to market on renovated units and implementing RUBS.

Please reach out to the Brokers for more information on offering procedures or to discuss this opportunity directly.

INVESTMENT HIGHLIGHTS

- Offered Free and Clear
- Major CapEx Campaign by Current Ownership
- Ability to Renovate 65%+ Units
- Operational Value-Add Components
- Economic Scale and Unit Control
- All Assets Located Within Close Proximity For Management Efficiency



PRICE: **Market**



NOI: **\$2,063,722**



CAP RATE: **N/A**



PROPERTY OVERVIEW

Raytown Village

PROPERTY OVERVIEW

The Raytown 3 Portfolio is a 365-unit workforce housing portfolio consisting of three apartment communities built in 1967, 1968 and 1974. The Property underwent significant renovations by the current ownership in 2020 + 2021. Renovations include new 30-year TPO roofs on Somerset Village and Coachlamp Corner and new pitched roofs on Raytown Village. All properties have upgraded electrical, significant HVAC units replaced, asphalt overlay, exterior painted, landscaping and new Hardie Board siding at Coachlamp Corner. All properties have additionally been upgraded with low-flow (416 stealth toilets and aerators) and LED lighting throughout common areas and unit interiors. Approx. 140 units have been renovated with LVT flooring throughout living room, kitchen and bath, Formica counters, refinished/replaced cabinets, sinks, vanity, tub surround, fixtures and white/black appliances. A full list of recent upgrades can be found in the deal room. The Property offers its residents a plethora of amenities including on-site leasing offices, sparkling pools with sundeck, outdoor courtyard space and clean laundry facilities. The Raytown 3 Portfolio offers investors significant scale and unit control in a submarket that has strong underlying fundamentals such as supply constraints and low cost of living.

Property Overview			
Property	Somerset Village	Coachlamp Corner	Raytown Village
Address	6000 Raytown Rd, Raytown, MO	7228 Raytown Rd, Raytown, MO	7705 Raytown Rd, Raytown, MO
Units	145	118	102
Year Built	1968	1967	1974
# of Buildings	12 Buildings 3 Stories	9 Buildings 3 Stories	5 Buildings 3 Stories
Lot Size	4.59 AC	4.14 AC	4.41 AC
RSF	108,350	106,700	63,000
Water/Sewer	Central Paid by Owner	Central Paid by Owner	Central Paid by Owner
Electric	Individual Paid by Tenant	Individual Paid by Tenant	Individual Paid by Tenant
Gas	Individual Paid by Tenant	Individual Paid by Tenant	None
Hot Water	Central Domestic Gas	Individual 40 Gal Gas	Central Domestic Electric
HVAC	Central Air Gas	Central Air Gas	Central Air Electric
Laundry	Common 14 Facilities - Jetz	Common 6 Facilities - Jetz	Central Laundry Facility - Jetz
Wiring	Copper	Aluminum Kohler Pigtail	Copper
Plumbing	Cast Iron	Cast Iron	Cast Iron
Roofs	TPO + Pitched Replaced 2021	TPO Replaced 2021	Pitched Replaced 2021
Windows	Single Frame	Single Frame	Single Frame
Exterior	Brick & Vinyl	Brick & Hardie Board New	Vinyl With Stone Accent
Construction Type	Wood	Combination	Wood



PROPERTY PHOTOS

Somerset Village

SOMERSET VILLAGE - EXTERIOR PHOTOS



SOMERSET VILLAGE - UNIT INTERIOR PHOTOS



COACHLAMP CORNER - EXTERIOR PHOTOS



COACHLAMP CORNER - UNIT INTERIOR PHOTOS



RAYTOWN VILLAGE - EXTERIOR PHOTOS



RAYTOWN VILLAGE - UNIT INTERIOR PHOTOS





Raytown Village

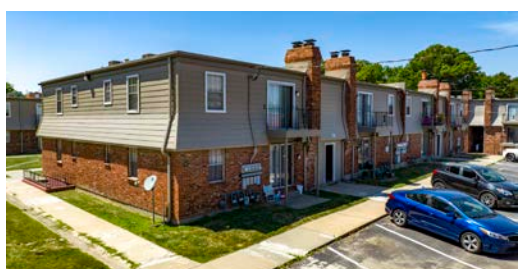


AERIALS

REGIONAL MAP



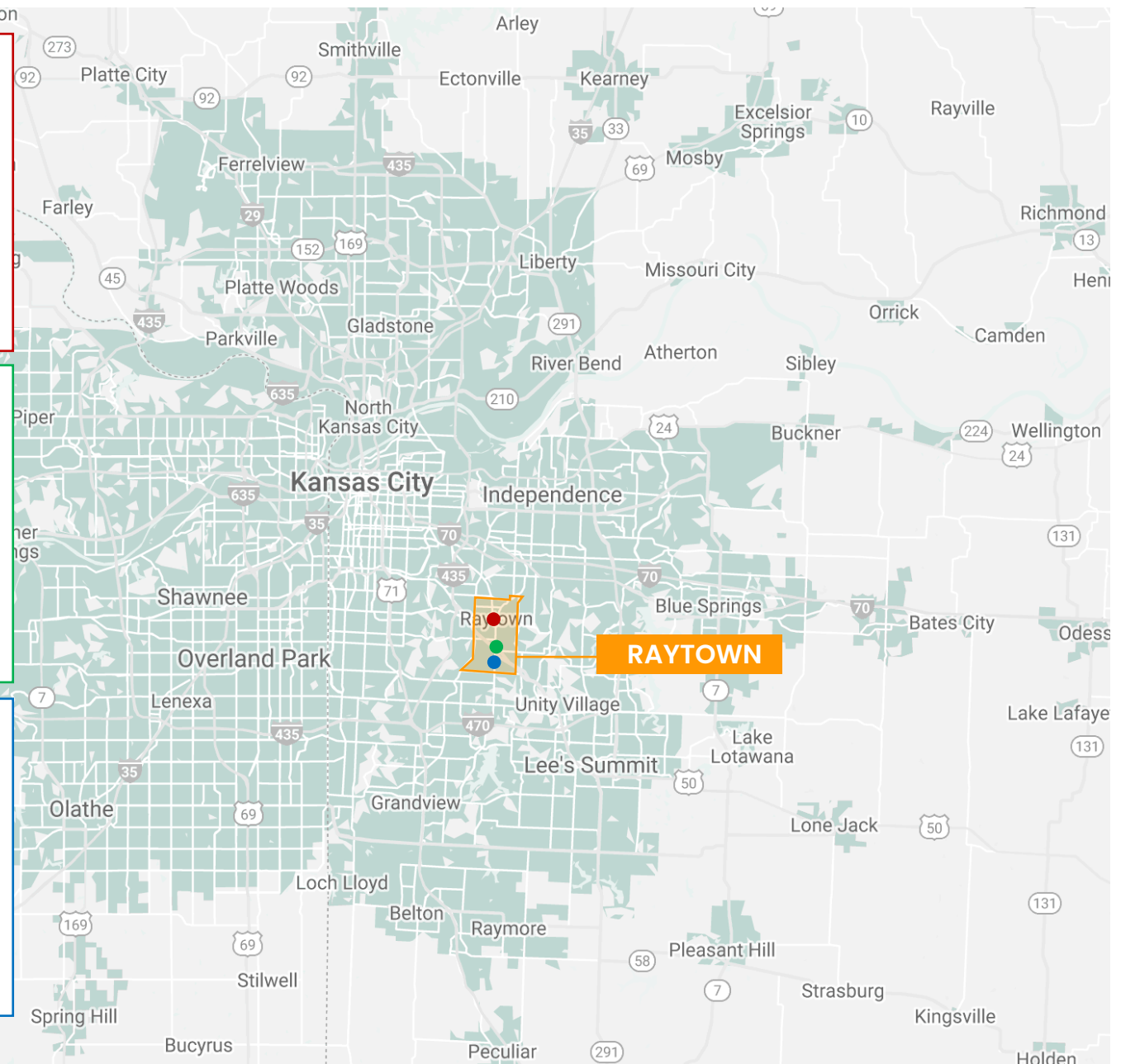
SOMERSET VILLAGE
6000 Raytown Rd, Raytown, MO



COACHLAMP CORNER
7228 Raytown Rd, Raytown, MO



RAYTOWN VILLAGE
7705 Raytown Rd, Raytown, MO



SOMERSET VILLAGE AERIAL



COACHLAMP CORNER AERIAL



RAYTOWN VILLAGE AERIAL





- **SOMERSET VILLAGE**
6000 Raytown Rd, Raytown, MO
- **COACHLAMP CORNER**
7228 Raytown Rd, Raytown, MO
- **RAYTOWN VILLAGE**
7705 Raytown Rd, Raytown, MO



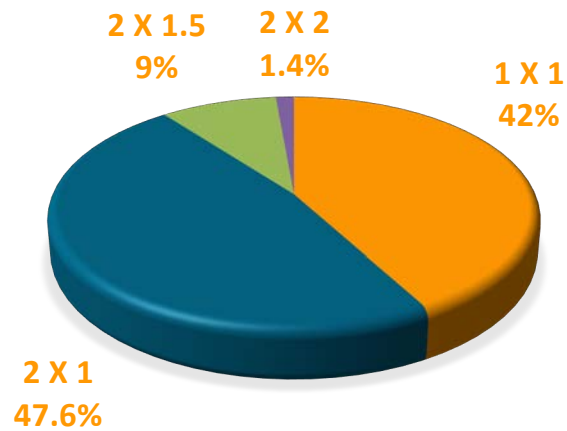
FINANCIALS



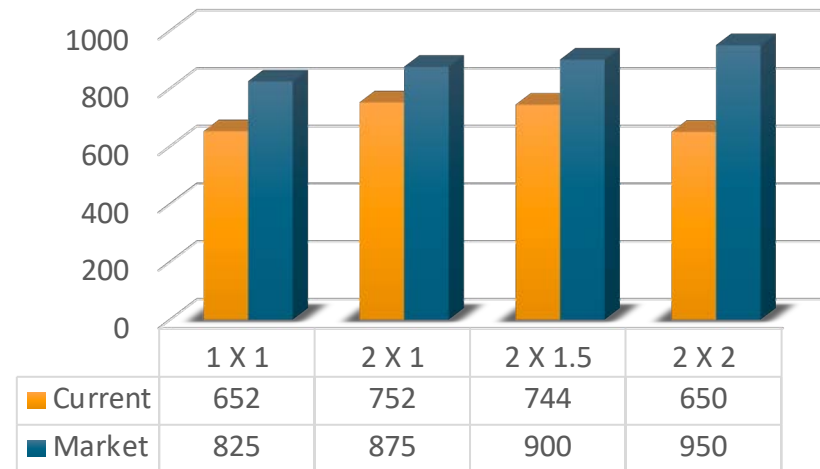
SOMERSET VILLAGE - RENT ROLL SUMMARY

Unit Type	Count	% Total	Size (SF)	Avg Rent	Avg Rent / SF	Market Rent
1 X 1	61	42%	650	\$652	\$1.01	\$825
2 X 1	69	47.6%	800	\$752	\$0.94	\$875
2 X 1.5	13	9.0%	900	\$744	\$0.83	\$900
2 X 2	2	1.4%	900	\$650	\$0.72	\$950
TOTAL / AVERAGE	145	100%	747	\$710	\$0.95	\$857

UNIT MIX



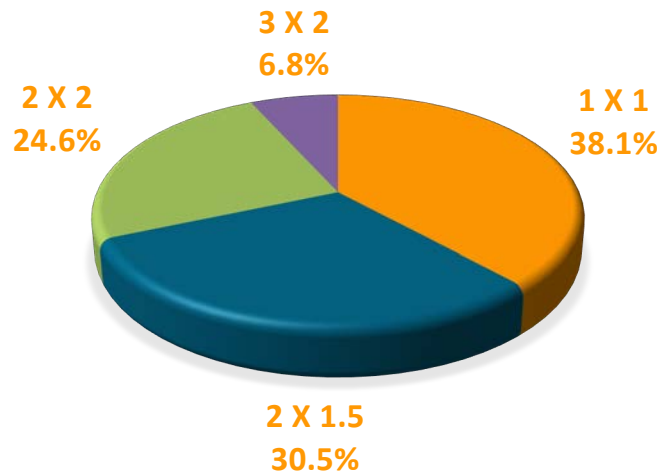
UNIT RENT



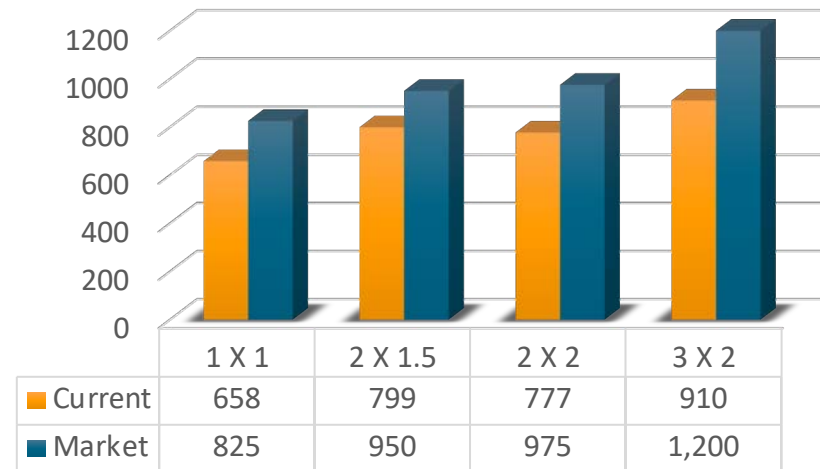
COACHLAMP CORNER - RENT ROLL SUMMARY

Unit Type	Count	% Total	Size (SF)	Avg Rent	Avg Rent / SF	Market Rent
1 X 1	45	38.1%	650	\$658	\$1.01	\$825
2 X 1.5	36	30.5%	1,050	\$799	\$0.76	\$950
2 X 2	29	24.6%	1,050	\$777	\$0.74	\$975
3 X 2	8	6.8%	1,150	\$910	\$0.79	\$1,200
TOTAL / AVERAGE	118	100%	904	\$747	\$0.82	\$925

UNIT MIX



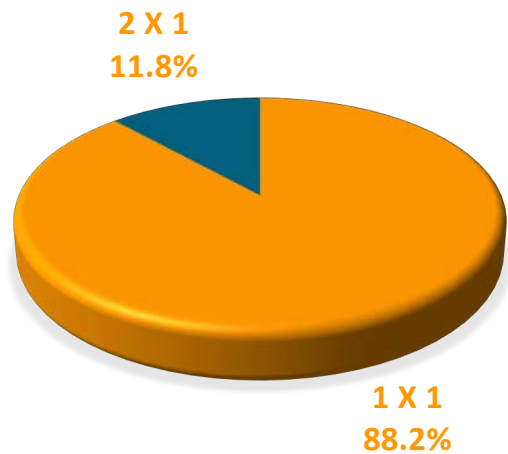
UNIT RENT



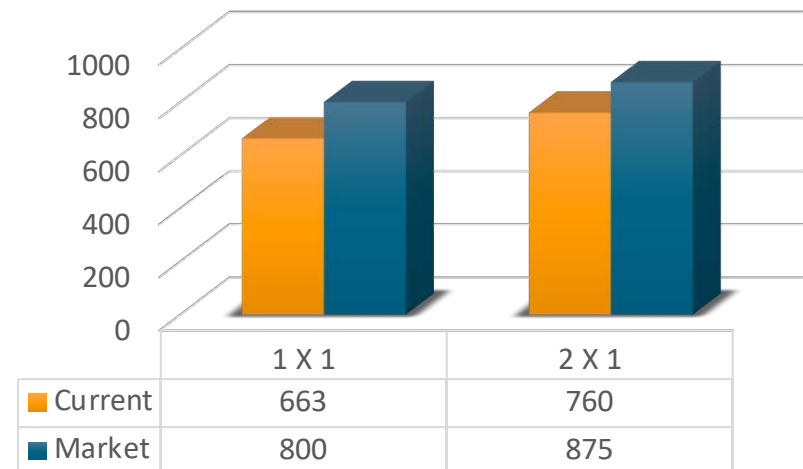
RAYTOWN VILLAGE - RENT ROLL SUMMARY

Unit Type	Count	% Total	Size (SF)	Avg Rent	Avg Rent / SF	Market Rent
1 X 1	90	88.2%	600	\$663	\$1.10	\$800
2 X 1	12	11.8%	750	\$760	\$1.01	\$875
TOTAL / AVERAGE	102	100%	618	\$675	\$1.09	\$808

UNIT MIX



UNIT RENT



FINANCIAL ANALYSIS

	T-1 July	Year 1	Pro Forma	Notes	Per Unit
INCOME					
Gross Scheduled Rent	\$3,271,595	\$3,369,742	\$3,792,000	[1]	\$10,389
Physical Vacancy	(315,600) 9.6%	(168,487) 5.0%	(189,600) 5.0%		(519)
Concessions	(32,472) 1.0%	(16,848) 0.5%	(18,960) 0.5%		(52)
Bad Debt	None	(16,848) 0.5%	(18,960) 0.5%		(52)
Total Vacancy	(348,072) 10.6%	(202,183) 6.0%	(227,520) 6.0%		(623)
Economic Occupancy	89.4%	94.0%	94.0%		
Effective Rental Income	2,923,523	3,167,559	3,564,480		9,765
Utility Reimbursements	None	187,245	187,245	[2]	513
Other Income	205,039	205,039	205,039		561
Effective Gross Income	\$3,128,562	\$3,559,843	\$3,956,764		\$10,840
EXPENSES					
Real Estate Taxes	130,992	138,851	147,182	[3]	403
Insurance	151,130	164,250	164,250		450
Utilities	316,290	299,650	299,650	[4]	820
Trash Removal	37,297	29,200	29,200		80
Repairs and Maintenance	33,936	118,625	118,625		325
Contract Services	120,586	91,250	91,250		250
Turnover	None	82,125	82,125		225
Marketing / Advertising	3,745	36,500	36,500		100
Payroll	398,201	383,250	383,250		1,050
General and Administration	29,771	45,625	45,625		125
Management Fee	31,285 (1.0%)	106,795 (3.0%)	118,702 (3.0%)	[5]	325
Replacement Reserves	None	None	91,250		250
Total Expenses	\$1,253,233	\$1,496,121	\$1,607,609		\$4,404
Net Operating Income	\$1,875,329	\$2,063,722	\$2,349,155		\$6,436

Notes

[1] Pro Forma GSR reflects unit mix section market rents annualized.

[2] Utility Reimbursements reflect \$45 flat charge for water, sewer, trash and pest at 95% physical occupancy.

[3] RE Taxes calculated assuming the acquisition of the seller's entity which would result in a non fee transfer of title and not subject to reassessment relative directly to the sale.

[4] Utilities calculated using T-3 annualized water expense via new low flow upgrades, reduction in electric expense via higher occupancy and recent LED conversion and T12 common area gas.

[5] Management Fee increased to account for third party management.

PRICING SUMMARY

Summary		Unit Mix		
Price	Market	Unit Type	Average	Pro Forma
Number of Units	365	1 X 1	\$658	\$814
Price Per Unit	N/A	2 X 1	\$753	\$875
Rentable SF	278,050	2 X 1.5	\$784	\$937
Price Per SF	N/A	2 X 2	\$769	\$973
Lot Size	13.14 Acres	3 X 2	\$910	\$1,200
Year Built	1967 1968 1974	Total/Avg	\$711	\$865
Type of Ownership	Fee Simple			

Debt Analysis			
Loan Type	Bank	Bridge	Agency
Proposed Financing	First Loan	First Loan	First Loan
Loan Amount	75-80% of Total Project Cost	80% LTV 100% of CapEx	TBD
Term	5-Years	3-Years	10-Years
Interest Rate	5.35%	5.50%	5.0%
Amortization	25-Years	N/A	30-Years
Interest Only	12-24 Months	Full Term	2-3 Years
Pre-Payment Penalty	None	None	YM
DSCR	1.25x (Stabilized NOI)	1.0x	1.25x
Recourse	Yes	No	No

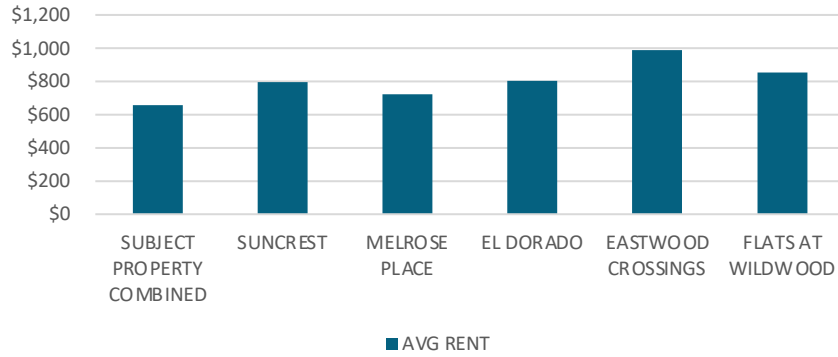


RENT COMPARABLES

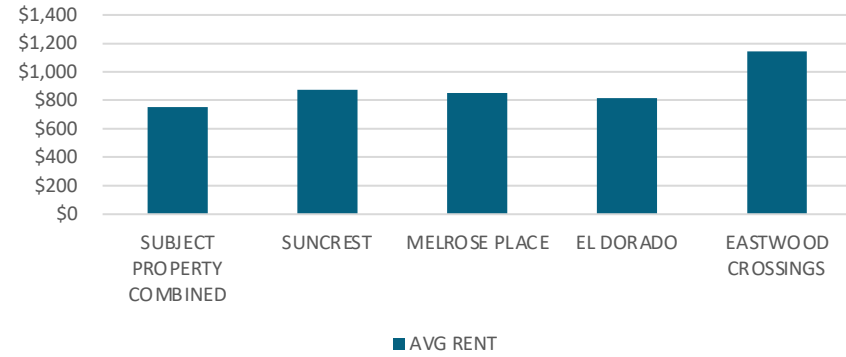
Coachlamp Corner

RENT COMPARABLES

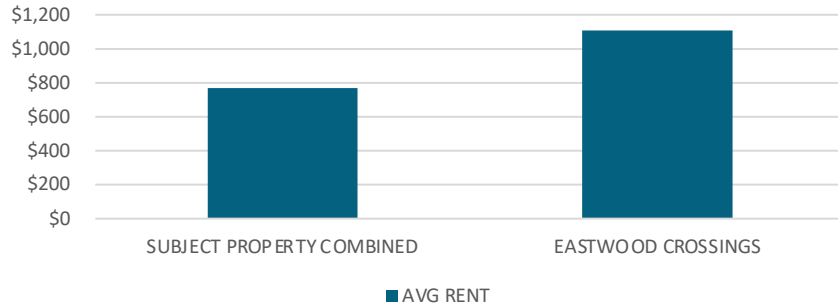
1X1



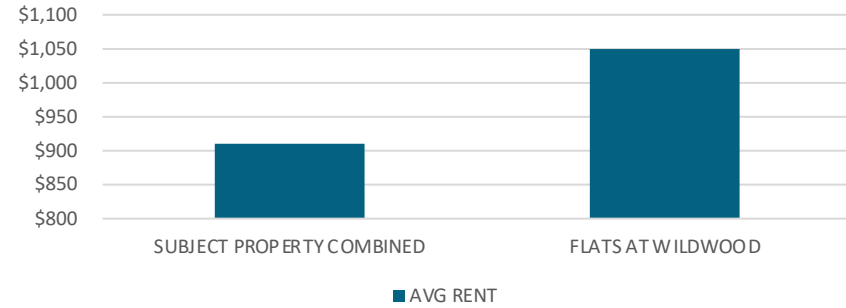
2X1



2X2



3X2



SUBJECT PROPERTY COMBINED	UNITS	AVG RENT
1x1	196	\$658
2x1	81	\$753
2x1.5	49	\$784
2x2	31	\$769
3x2	8	\$910
TOTAL/AVG	365	\$711

RENT COMPARABLES

SUBJECT PROPERTY – RAYTOWN, MO

Somerset Village - 6000 Raytown Rd
 Coachlamp Corner – 7228 Raytown Rd
 Raytown Village - 7705 Raytown Rd



SUBJECT PROPERTY COMBINED	UNITS	AVG SF	AVG RENT	ACG RENT/SF
1x1	196	627	\$658	\$1.05
2x1	81	792	\$753	\$0.95
2x1.5	49	1,010	\$784	\$0.77
2x2	31	1,040	\$769	\$0.74
3x2	8	1,150	\$910	\$0.79
TOTAL/AVG	365	762	\$711	\$0.93

SUNCREST APARTMENTS

9805 E 61st St, Raytown, MO



SUNCREST	UNITS	AVG SF	AVG RENT	ACG RENT/SF
1x1	10	676	\$795	\$1.18
2x1	37	808	\$875	\$1.08

MELROSE PLACE

6541 Raytown Rd, Raytown, MO



MELROSE PLACE	UNITS	AVG SF	AVG RENT	ACG RENT/SF
1x1	25	625	\$722	\$1.24
2x1	26	705	\$850	\$1.21

RENT COMPARABLES

EL DORADO APARTMENTS

8911 E 67th St, Kansas City, MO



EL DORADO	UNITS	AVG SF	AVG RENT	ACG RENT/SF
1x1	16	612	\$804	\$1.31
2x1	40	812	\$817	\$1.00

EASTWOOD CROSSINGS

7000 Crabapple Ln, Kansas City, MO



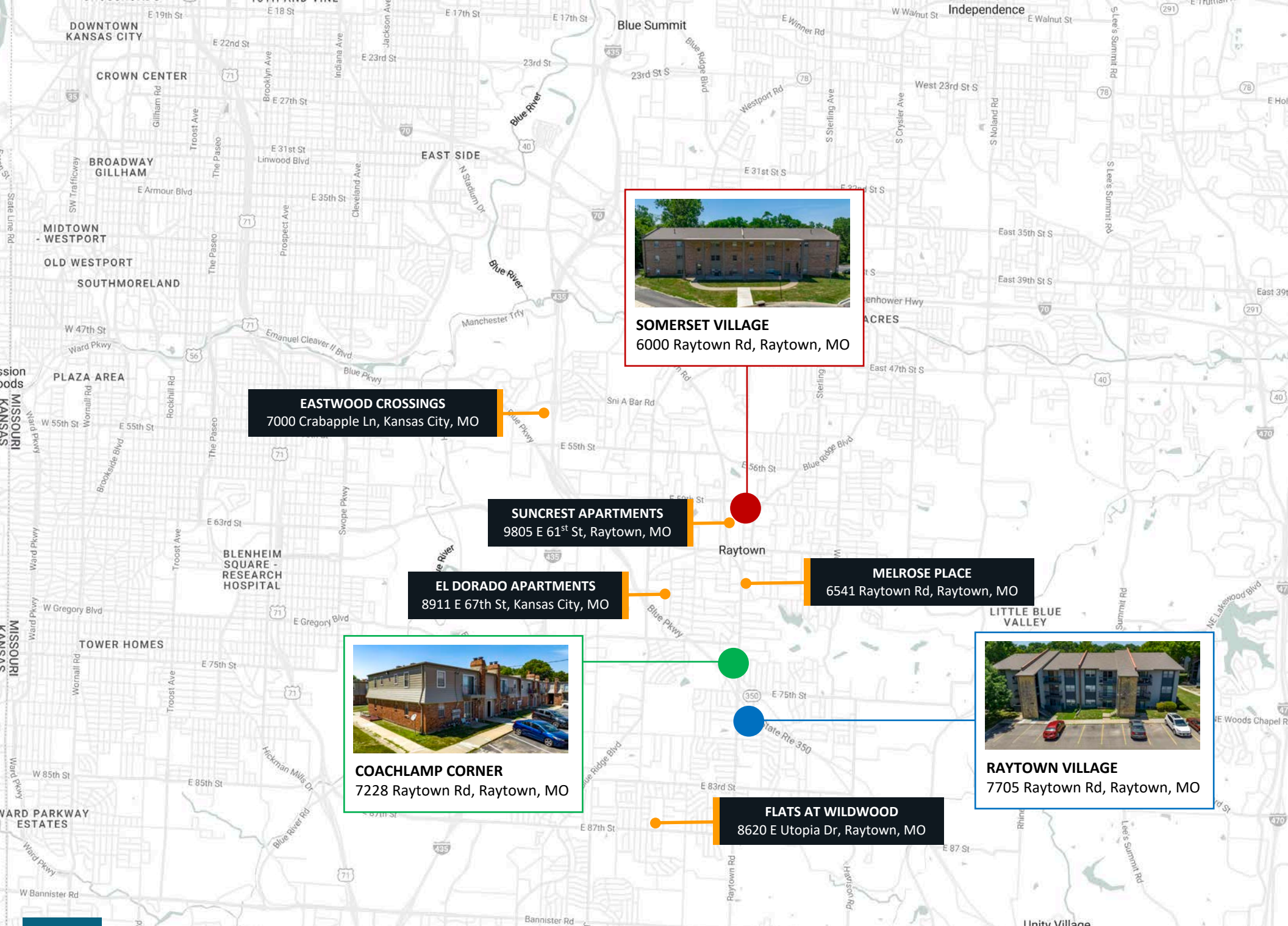
EASTWOOD CROSSINGS	UNITS	AVG SF	AVG RENT	ACG RENT/SF
1x1	181	941	\$988	\$1.05
2x1	106	1,055	\$1,143	\$1.08
2x2	22	1,055	\$1,109	\$1.05

FLATS AT WILDWOOD

8620 E Utopia Dr, Raytown, MO



FLATS AT WILDWOOD	UNITS	AVG SF	AVG RENT	ACG RENT/SF
1x1	38	693	\$852	\$1.23
3x2	12	1,045	\$1,050	\$1.00



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6000 Raytown Rd, Raytown, MO

EASTWOOD CROSSINGS
7000 Crabapple Ln, Kansas City, MO

SUNCREST APARTMENTS
9805 E 61st St, Raytown, MO

EL DORADO APARTMENTS
8911 E 67th St, Kansas City, MO

MELROSE PLACE
6541 Raytown Rd, Raytown, MO



COACHLAMP CORNER
7228 Raytown Rd, Raytown, MO

FLATS AT WILDWOOD
8620 E Utopia Dr, Raytown, MO



RAYTOWN VILLAGE
7705 Raytown Rd, Raytown, MO

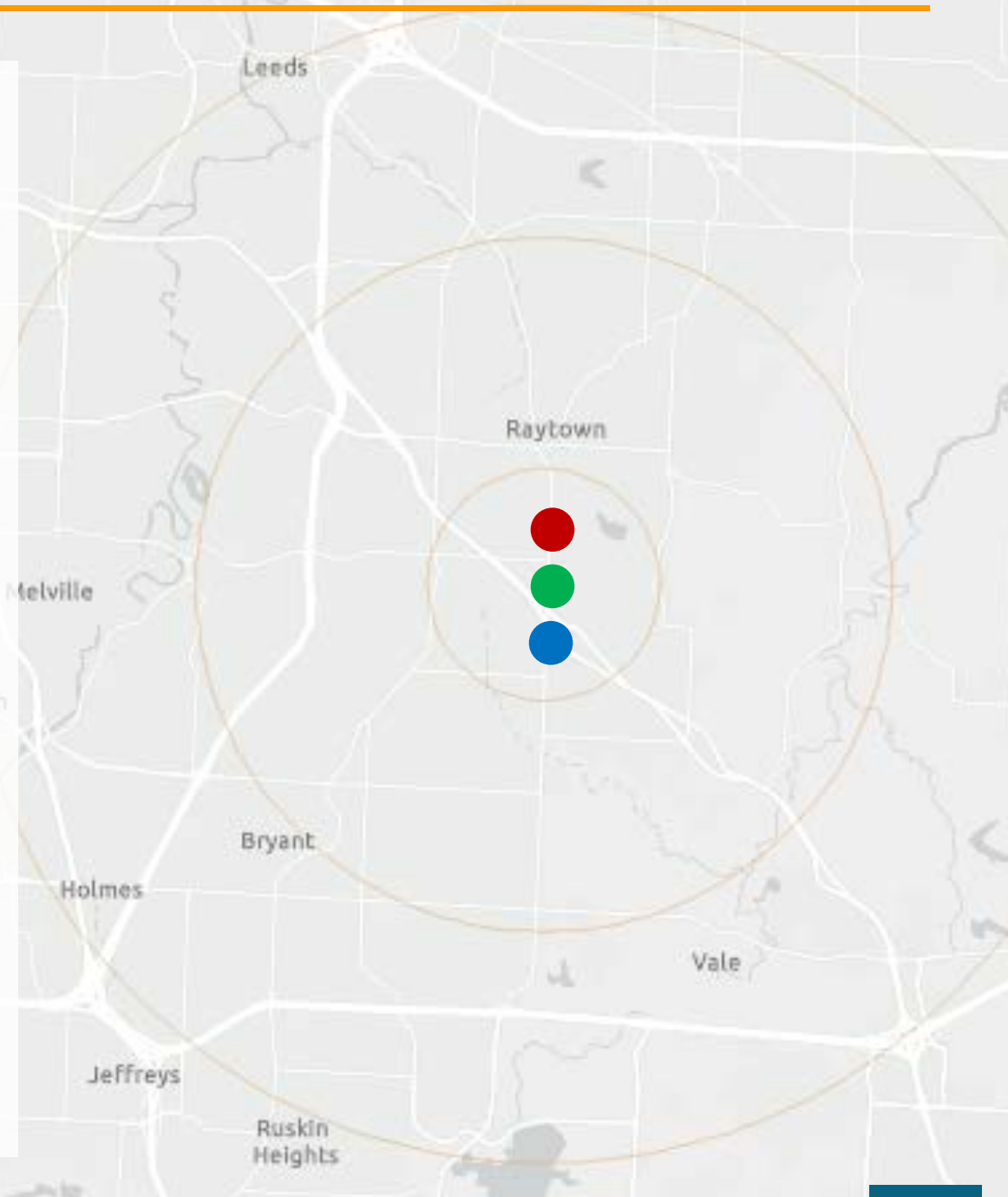


DEMOGRAPHICS

Raytown Village

DEMOGRAPHIC SUMMARY



2022 SUMMARY	1 MILE	3 MILES	5 MILES
Population	8,622	52,830	11,9467
Households	3,878	21,995	49,509
Families	2,364	13,892	31,013
Average Household Size	2.24	2.37	2.38
Owner Occupied Housing Units	2,482	14,377	30,240
Renter Occupied Housing Units	1,396	7,617	19,269
Median Age	41.4	41.1	40.3
Median Household Income	\$62,018	\$59,226	\$56,173
Average Household Income	\$76,758	\$74,749	\$76,368
2027 SUMMARY	1 MILE	3 MILES	5 MILES
Population	8,622	52,526	120,108
Households	3,841	21,925	49,874
Families	2,345	13,891	31,340
Average Household Size	2.23	2.36	2.38
Owner Occupied Housing Units	2,521	14,657	30,849
Renter Occupied Housing Units	1,320	7,268	19,024
Median Age	41.8	41.4	40.7
Median Household Income	\$70,403	\$69,837	\$65,444
Average Household Income	\$89,748	\$88,413	\$90,138





ZEAL
PROPERTY ADVISORS



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