

# DEER BROOK PLAZA

1121-1225 NE RICE ROAD, LEE'S SUMMIT, MO



**COLLIERS KANSAS CITY**  
4520 Main Street, Suite 1000  
Kansas City, Missouri 64111



# OFFERING SUMMARY

## DEER BROOK PLAZA 1121-1225 NE RICE ROAD LEE'S SUMMIT, MO

YEAR BUILT

1993

SQUARE FEET

53,327

OCCUPANCY

80%

TENANTS

19

BUILDINGS

2

PARKING RATIO

5.7:1,000

### SALE TERMS

Sale Price	\$6,775,000
Price Per Square Foot	\$127
Net Operating Income	\$525,206
In-Place Cap Rate	7.75%
Average Rent Per Square Foot	\$13.66 (NNN)

### THE PROPERTY

Deer Brook Plaza (the "Property") is a two-building, 53,327-square-foot inline retail center located along the east side of Highway 291 in Lee's Summit, Missouri. The Property was built in 1993 and is currently 80% occupied by 19 tenants. The offering presents an opportunity for an investor to purchase a stabilized retail center in one of the city's strongest retail corridors with a strong occupancy history and below market rents.

### VALUE-ADD OPPORTUNITY

The Property has 10,645 square feet of vacant space in four units that provides an opportunity for a new owner to immediately lease-up and increase the net operating income of the center. The Property has seen strong leasing momentum with six new leases representing 30% of the center completed in 2021. Furthermore, the new tenants at the Property have signed leases that average \$14.53/SF in net rents whereas the existing tenants are currently paying \$13.66/SF in net rents, allowing for strong rent growth at lease rollover.

### PRIME LOCATION

The Property is located along Highway 291, regarded as one of the strongest retail corridors in the Kansas City metro with national retailers including Walmart, Hobby Lobby, Sprouts, GameStop, Beauty Brands, Party City, At Home, Big Lots, and Hy-Vee. The Property sits parallel to Highway 291 offering excellent visibility from the highway, which boasts a traffic count that exceeds 27,000 cars per day.

### STRONG RETAIL FUNDAMENTALS

The inline design of the Property accommodates tenants that are actively looking for space in the Lee's Summit market. The lack of any big box spaces allows for flexibility in leasing when combining or demising adjoining suites. Furthermore, the Property has three access points, monument signage and an above market parking ratio of 5.7 to 1,000.

### DIVERSIFIED RENT ROLL

The tenant base in the Property comprises a mix of service-based companies and food service businesses, both of which offer protection from internet-based retailers. The service tenants include spas, fitness, education, financial services and tax preparation.

### NATIONAL TENANCY

The Property is home to several national retailers, including Pizza Hut, CosmoProf (Sally Beauty), Taco Via, Prometric, Merle Norman Cosmetics, Once Upon A Child, and Liberty Tax Service.

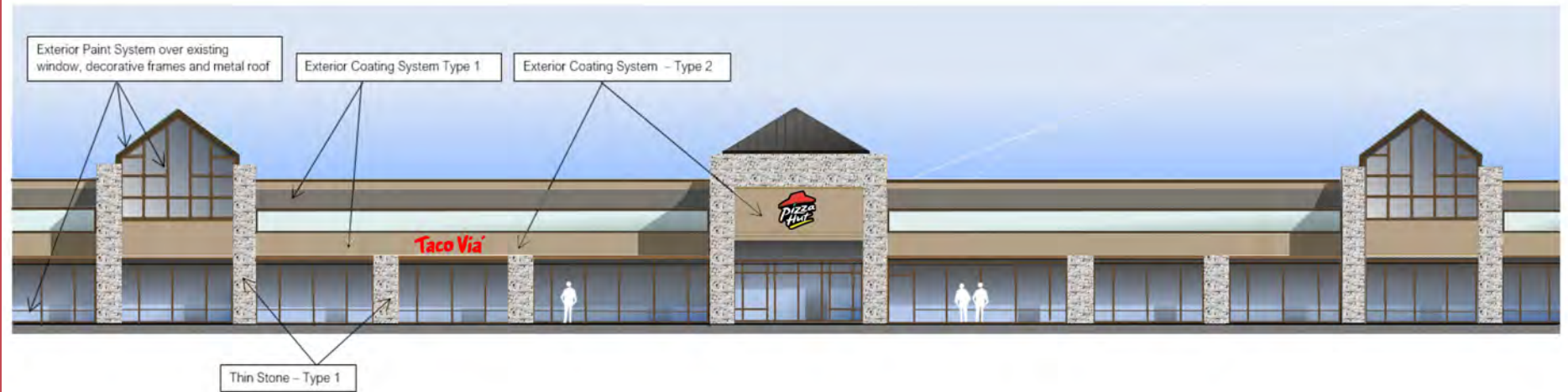
### BELOW REPLACEMENT COST

With the rise in construction costs, the Property offers an opportunity for an investor to purchase a stabilized inline retail center below the replacement cost.

# OFFERING SUMMARY

## PROPERTY REDEVELOPMENT

The Property is a strong candidate to be approved for a Community Improvement District ("CID"). If approved for a CID the new owner could use the public funds to renovate the façade, parking lot and landscaping at the Property which would help further increase leasing velocity and rental rates at the center. Following is a rendering the owner had completed for a potential redevelopment of the Property. The estimated cost of recent bids for the redevelopment was approximately \$800,000 for the façade work and \$250,000 for the parking lot work.





# TERMS OF SALE

## OWNERSHIP ENTITY

CP Deer Brook Plaza, LLC

## INTEREST OFFERED

100 percent fee simple

## OFFERING PRICE

\$6,775,000

## OFFERING PROCEDURE

Seller and agent will assess the qualifications of any party submitting a non-binding letter of intent in accordance with seller's objectives. In making this assessment, consideration will be given to a number of factors, including, but not limited to, price, timing of closing, and the perceived ability of the investor to complete the transaction.

## GUIDED PROPERTY TOURS

Property inspections will be made by appointment only and arranged through Colliers Kansas City. Inquiries should be directed to:

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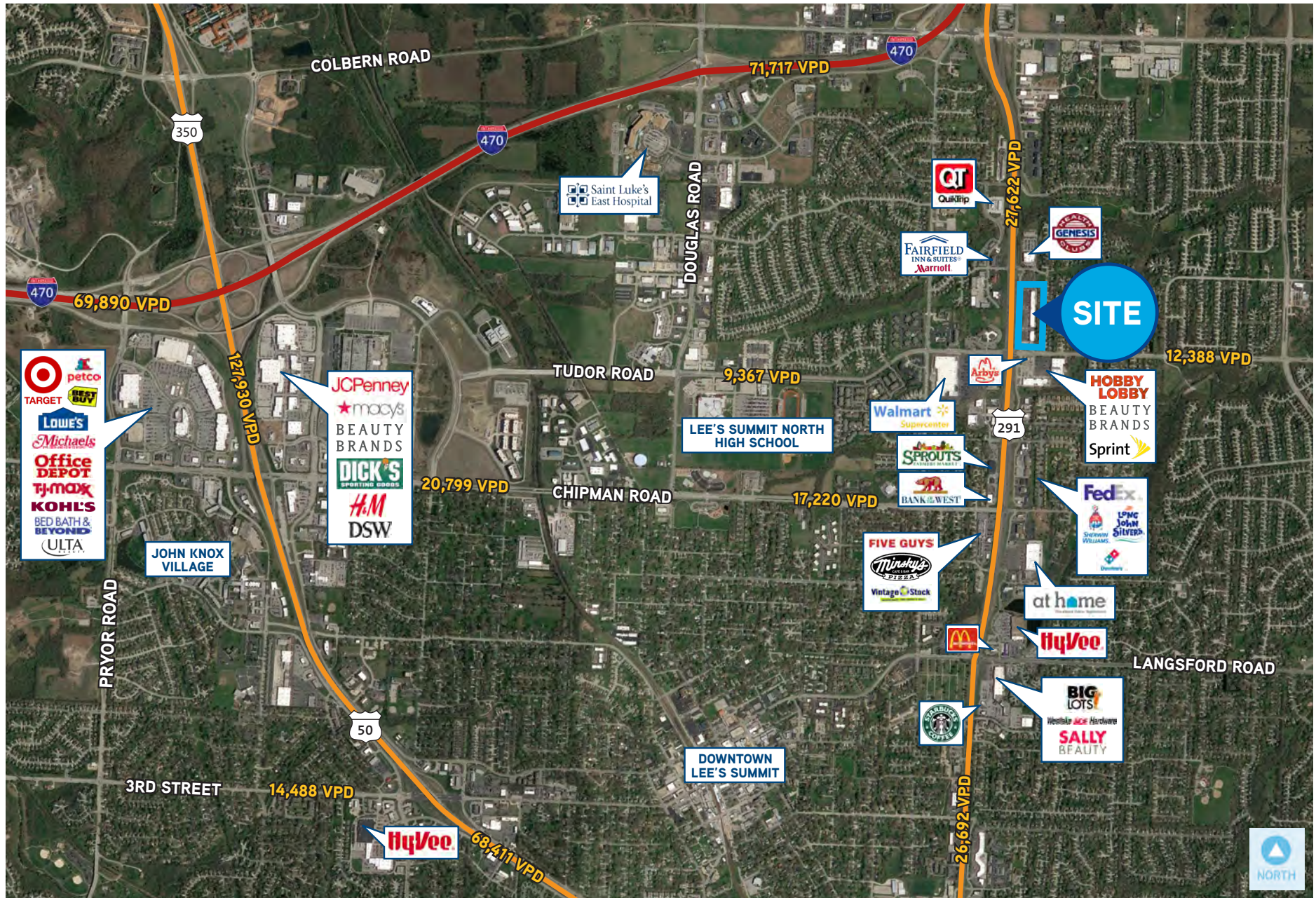
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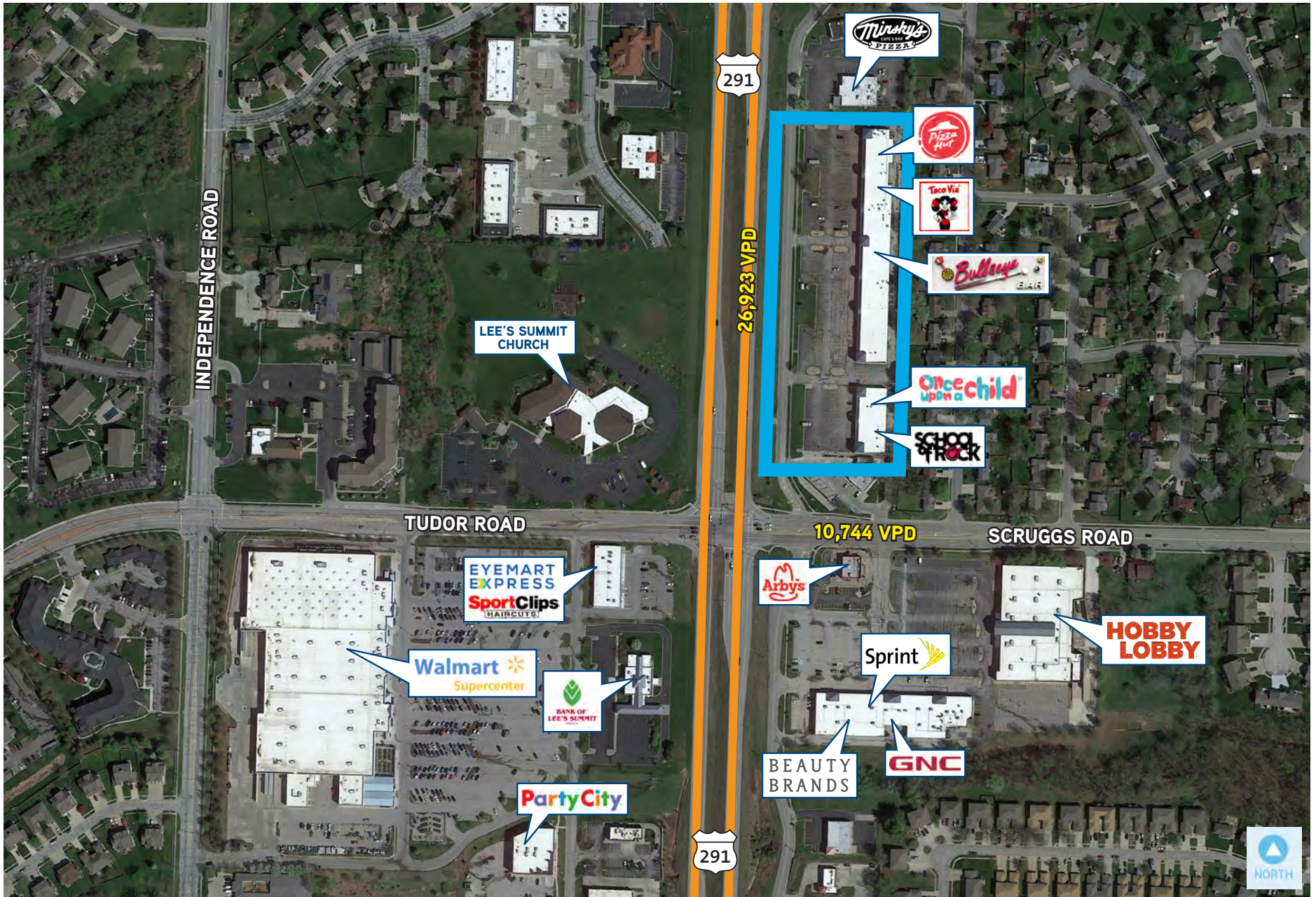


# AERIAL

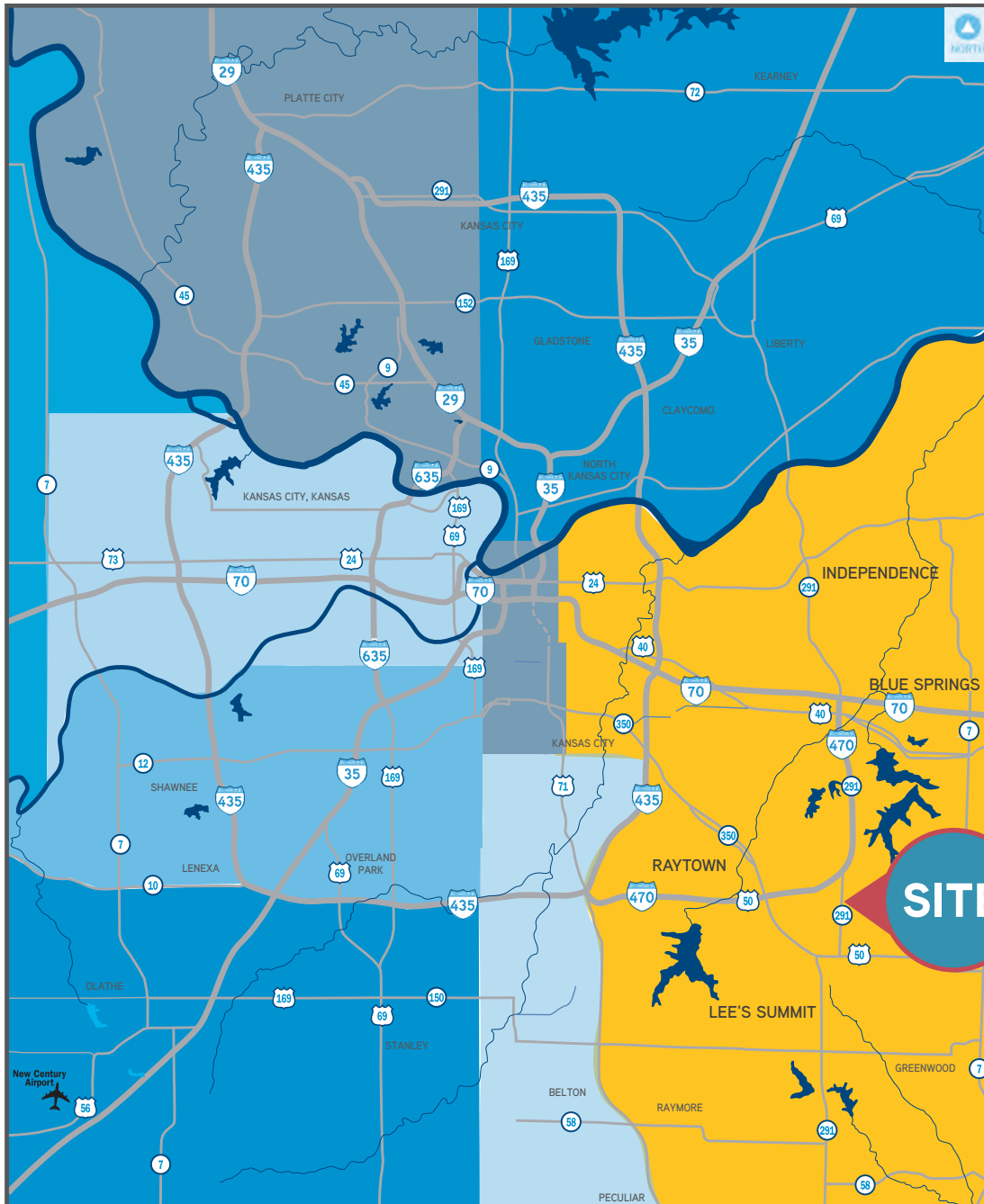




# AERIAL



# METRO MAP



## TOTAL POPULATION



1-MILE: 11,630  
3-MILE: 49,177  
5-MILE: 82,297

## DAYTIME POPULATION



1-MILE: 11,222  
3-MILE: 57,106  
5-MILE: 87,292

## HOUSEHOLD INCOME



1-MILE: \$91,281  
3-MILE: \$90,881  
5-MILE: \$108,315

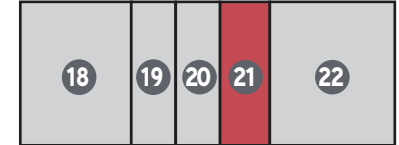
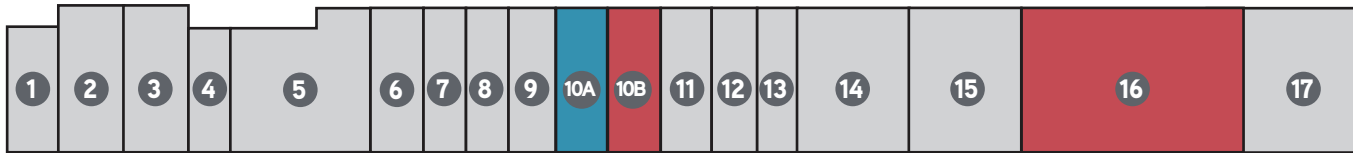
## BACHELOR'S DEGREE



1-MILE: 30.2%  
3-MILE: 27.6%  
5-MILE: 28.4%



# SITE PLAN












#	TENANTS	SF
1	Pizza Hut/Wing Street	1,500
2	CosmoProf	2,100
3	Taco Via	2,100
4	291 Nutrition	1,200
5	816 Fit	4,150
6	Adventure Cafe	1,682
7	Mint Asian Cafe & Sushi	1,400
8	Zangh Li	1,470
9	Prometric	1,330
10A	IN PROGRESS	1,745
10B	AVAILABLE	1,745
11	Merle Norman	1,750






#	TENANTS	SF
12	TD Scuba	1,870
13	Personal Finance Co.	930
14	Bullseye Bar	3,150
15	Continental Title	3,150
16	AVAILABLE	7,150
17	Comfort Dental	3,000
18	Once Upon A Child	3,850
19	Smoke Tokz	1,400
20	Liberty Tax	1,400
21	AVAILABLE	1,750
22	School of Rock	3,500



# TENANT PROFILES

TENANT	SIZE	WEBSITE	BUSINESS DESCRIPTION
	3,500 SF	<a href="http://www.schoolofrock.com">www.schoolofrock.com</a>	School of Rock offers music lessons, camps and workshops for musicians of all skill levels who play guitar, bass, drums, keyboard, and vocals.
	1,400 SF	<a href="http://www.libertytax.com">www.libertytax.com</a>	Liberty Tax is a franchise-driven tax preparation service provider.
Smoke Tokz	1,400 SF	<a href="https://headshopkc.com">https://headshopkc.com</a>	An independent multi-location company and Kansas City's premier smoke, vape and head shop.
	3,650 SF	<a href="http://www.onceuponachildleessummit.com">www.onceuponachildleessummit.com</a>	This chain operation is the largest reseller of children's clothing in Lee's Summit. They buy and sell gently used children's clothing, toys, and baby equipment.
	3,150 SF	<a href="http://ctitle.com">ctitle.com</a>	A title company with 15 locations in the Kansas City metro.
	3,000 SF	<a href="http://comfortdental.com">comfortdental.com</a>	A corporate lease where control over the dental care is the sole responsibility of the franchisee & owner dentists.
	3,150 SF	<a href="http://www.bullseyebar.com">www.bullseyebar.com</a>	Bullseye has been a neighborhood sports bar for over 25 years. It offers 16 beers on tap, pool, darts, shuffle-board, and music.
	930 SF	<a href="http://www.personalfinancecompany.com">www.personalfinancecompany.com</a>	Personal Finance Company is an affiliate of Mariner Finance and their subsidiary Pioneer Credit Company. They have offices in Illinois, Indiana, Kentucky, Missouri, Tennessee, and Wisconsin. They provide personal loans for debt consolidation, vacations, medical expenses, home furnishings, appliances, and emergencies.
	1,870 SF	<a href="http://www.tdscuba.com">www.tdscuba.com</a>	TD Scuba is a full service dive shop and 5-star PADI IDC Dive Center serving the Greater Kansas City area. They offer full dive certification in as little as two weekends.
	1,750 SF	<a href="http://www.merlenormanstudio.com">www.merlenormanstudio.com</a>	Merle Norman Cosmetics and Spa is a local business independently-owned and operated, and sells cosmetics, wigs and salon services.

# TENANT PROFILES

TENANT	SIZE	WEBSITE	BUSINESS DESCRIPTION
	1,330 SF	<a href="http://www.prometric.com">www.prometric.com</a>	Prometric is a leader in global test development and delivery solutions for academic, corporate, financial, government, healthcare, professional associations and technology markets. They operate as an independent, Delaware-based company, owned by investment funds affiliated with BPEA and governed by a Board whose membership represents an exceptional balance of skills and experience. They provide testing services and support test takers worldwide who take more than seven million tests each year in more than 180 countries.
	1,400 SF	<a href="http://www.mintsushikc.com">www.mintsushikc.com</a>	Mint is a local restaurant offering sushi and Asian cuisine.
Adventure Cafe	1,682 SF	n/a	A sole proprietor coffee shop and board game café.
816 Fit	4,150 SF	coming soon	An independent fitness business with individual and group training classes.
	1,500 SF	<a href="http://www.pizzahut.com">www.pizzahut.com</a>	Pizza Hut sells pizza, pasta, wings, desserts and drinks. Starting in 1958 in Wichita, Kansas, they now have 16,000 restaurants in 60 countries.
291 Nutrition	1,200 SF	<a href="http://www.PeoplesNutrition.Goherbalife.com">www.PeoplesNutrition.Goherbalife.com</a>	An independent Herbalife distributor with three Lee's Summit locations and multiple revenue streams from selling nutrition shakes and supplements, and health and wellness coaching.
	2,100 SF	<a href="http://www.taco-via.com">www.taco-via.com</a>	Taco Via is a franchise business with two locations in Lee's Summit, MO and Olathe, KS. They have been in business for 40 years serving fast casual Mexican food.
	2,100 SF	<a href="http://www.cosmoprofbeauty.com">www.cosmoprofbeauty.com</a>	CosmoProf is the leading distributor of salon products to Licensed Professionals in the beauty industry. With over 1,200 stores and 800 salon consultants, they are the ideal source for professional hair, skin, and nail products and supplies and equipment in all categories from the top manufacturers.



# LEE'S SUMMIT OVERVIEW

## LEE'S SUMMIT, MO

Sixteen miles southwest of downtown Kansas City, Lee's Summit, Missouri is one of the fastest growing communities within the Kansas City metro. Lee's Summit offers easy access to all points within the metro via interstates I-470, I-70 and I-49 and Highway 50. The area is experiencing unprecedented expansion and development due to growth in income, infrastructure and business-related incentives promoted by the Economic Council of Lee's Summit, Missouri.

Lee's Summit's current population is 99,637, a 40.03% increase since 2000. The 2021 median home value in Lee's Summit was \$255,645. With an affordable housing market, approximately 75% of the households are owner-occupied. The 2021 median household income for Lee's Summit is reported at \$93,661, well-above the \$70,082 median household income for the Kansas City metro area. The city's strong demographics and higher-income population base results in significant buying power in the regional trade area.

## RECENT DEVELOPMENT IN LEE'S SUMMIT

There has been a tremendous amount of commercial development in Lee's Summit over the past couple of years, with the majority of the commercial development focused on retail and office sectors.

A large amount of development activity has been focused along the intersection of Chipman Road and Highway 50. Summit Orchards and the Streets of West Pryor are the two largest mixed-use developments currently underway. Summit Orchards has added nearly 100,000 SF of new inline and retail pad sites. A freestanding, 20,000 SF Aldi along with HomeGoods, Ross Dress for Less and Five Below anchor the retail component with several pad users complimenting the project. NorthPoint Development completed two sizable multifamily developments located immediately north of Summit Orchards; The Donovan, a 327-unit complex, was delivered in Q3 2020, adding to Summit Square Luxury Apartments which opened in late 2017 with 320 apartments.



Drake Development is actively developing the Streets of West Pryor. The mixed-use development is located at the southwest corner of I-470 and Pryor Road, just west of Summit Woods. The \$178 million development is anchored by McKeever's Market, which opened in September 2020. Additional retail space in the development includes Firebirds, First Watch, Red Door Grill, and Shake Shack. Summit at West Pryor, a 275-unit luxury apartment complex, completed construction in summer 2021. Future phases of development include plans for a 185-room senior living facility, an 88-room hotel, and townhomes.

The ongoing growth in Lee's Summit includes the \$50 million Missouri Innovation Campus, a joint initiative of the University of Central Missouri and the R-7 Lee's Summit School District. Their grand opening was held in September 2018. Cerner recently invested \$500 million in a new data center at Summit Technology Campus. In March 2018, B&B Theaters completed a 27,935 SF theater complex in the New Longview mixed-use development. Pine Tree Plaza recently underwent a \$9.3 million renovation at 300 SW Blue Parkway, adding a 25,000 SF Planet Fitness and a 16,000 SF Harbor Freight Tools in early 2018. Paragon Star, a mixed-use development and soccer complex, is in early planning and construction phases.

# LEE'S SUMMIT OVERVIEW

Other recent developments in Lee's Summit include West Star's development of Todd George Marketplace, located at the northwest corner of Todd George and Highway 50. The center is anchored by a 68,000 SF Price Chopper and contains 33,000 SF of strip retail, home to several national and regional tenants.

## JACKSON COUNTY OVERVIEW

Jackson County, Missouri is the second-most populated county within the state, and home to four of the ten largest cities in Missouri. Currently, Jackson County has 711,205 residents, an 8.60% increase from 2000. Nearly 33% of working residents hold a bachelor's degree or higher, fostering a wide array of office developments, high-end restaurants and shops catering to the population. Several notable office buildings and retail centers in the county are a draw to residents metro wide. In addition to commercial developments, the area supports many well-established residential neighborhoods.

Jackson County has a household median income of \$58,413 with a median home value of \$174,428. Nearly 59% of households in Jackson County are owner-occupied, while the remaining 41% rent.

Jackson County has great access to major highways allowing for quick travel times to all areas within the Kansas City metro. I-435, the major transportation loop encompassing the majority of Kansas City metro residents, runs through the middle of Jackson County from east to west, and north to south. I-49 and I-35 run north and south through the county, providing easy access to Downtown Kansas City. I-70 also runs east and west providing convenient access to highways and other submarkets throughout the metro.

## MAJOR EMPLOYERS

GENERAL	TYPE OF OPERATION	EMPLOYEES
Lee's Summit R-7 Schools	Public school system	3116
Homeland Security - USCIS	Federal government	3000
Saint Luke's Health Systems	Healthcare	1430
Truman Medical Center - Lakewood	Healthcare	1200
John Knox Village	Retirement community	1000
Government Employees Hospital Association	Healthcare	880
City of Lee's Summit	City government	786
Lee's Summit Medical Center	Healthcare	730
CVS Caremark Call Center	Contact center	450
ReDiscover	Healthcare	450
Metropolitan Community College - Longview	Education	406
Quest Diagnostics	Medical laboratories	350
Unity Village	Religious organization	325
Aspen Contracting	Foundation contractors	300
Viracor Eurofins	Clinical and diagnostic testing	290
IPL-Plastics	Plastic container mfg.	271
R&D Leverage	Tool design, parts & distribution	265
Polytainers	Plastic container mfg.	260
Missouri State Highway Patrol	Legislative bodies	258
UMB Call Center	Contact center	200
Bennett Packaging-Kansas City	Commercial banking	185
JCI Industries	Pumps and motor sales/service	165
Reinhart Foodservices	Food manufacturing	140
Tingle Flooring	Warehouse and distribution	130
Billy Goat Industries	Commercial lawn equipment mfg.	125
Zerega	Pasta manufacturing	115
Summit Christian Academy	Education	111
County Beverage Co Inc.	Beer & Ale merchant wholesalers	100
HRS Erase Inc.	Pension funds	80
Mid-States Distributing	Farm industry retailer	70
Diamond Contractors	Commercial contractor	60
Venture Industrial Products	Sheet metal work manufacturing	60
Zoetis	Animal health	55
MC Power	Electric & construction	52
ULTRAX Aerospace Inc.	Electricity and signal testing	48

Source: KCADC and Lee's Summit Economic Development Council



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