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COMMERCIAL REAL ESTATE

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2023 BUSINESS PLAN
AC City Center Lenexa



PROPERTY PROFILE

Property Name:	Hampton Building
Property Legal Name:	AC City Center Lenexa, LLC
Address:	8800 Renner Blvd, Lenexa, KS 66219
Description:	2 floors, 18,863 RSF (10,566 RSF office, 8,297 RSF retail)
Debt:	\$4,363,492 balance at 1/1/23, Third Loan Modification (1/1/22 - 3/1/29), 3.7% interest, 25 year amortization, balloon payment of \$3,580,933 at 3/1/29
Major Investors (%):	CAMS V (50%), Jon, Keith, James Copaken (16.667% each)
TIF/CID/Other	TIF, CID

2022 ACTUALS & 2023 BUDGET

Key Opportunities & Challenges

Key Opportunities	Key Challenges
2022	
<ul style="list-style-type: none"> • Martin City Brewery opened this past summer which brought the occupancy to 100% • • • • 	<ul style="list-style-type: none"> • With the early success of Martin City Brewery, parking is very tight • • • •
2023	
<ul style="list-style-type: none"> • There is a strong chance development will begin on Restaurant Row just north of the building, which will help drive traffic to Hampton • • • • • 	<ul style="list-style-type: none"> • Tight parking will remain an issue until neighboring parking structures are built • • • • •

Key Financial Projections

Metric	2023 Budget	Variance– 2023 Budget / 2022 Reforecast	2022 Reforecast (as of 9/30)	Variance– 2022 Reforecast / 2022 Budget	2022 Budget	2021 Actual
Occupancy (EOY)	100.00%	0.00%	100.00%	0.00%	100.00%	68.00%
NOI	411,059	54,445	356,614	(3,713)	360,327	58,693
Cash Flow Generated	107,447	552,576	(445,129)	(456,980)	11,851	516,152
Distributions	(65,000)	(40,000)	(25,000)	25,000	(50,000)	-
Contributions	-	-	-	-	-	-
Valuation (1)	6,269,000	-	6,269,000	725,508	5,543,492	5,543,492
Debt	(4,257,995)	114,622	(4,372,617)	33,733	(4,406,350)	(4,480,000)
Equity	2,011,005	114,622	1,896,383	759,241	1,137,142	1,063,492

(1) - Valued at a cap rate of 7.5% plus Area A land (4.5 acres) valued at \$8/sf

Leasing

	2023 Budget		2022 Reforecast	
	New SF	Renew / Expand	New SF	Renew / Expand
Leased SF	-	-	6,073	-
% of Leased SF	0%	0%	32%	0%
Leases	-	-	1	-
Avg Rent \$/SF	\$ -	\$-	\$26	\$-
Avg TI \$/SF	\$ -	\$-	\$55	\$-

Metric	2023 Budget	Variance– 2023 Budget / 2022 Reforecast	2022 Reforecast (as of 9/30)	Variance– 2022 Reforecast / 2022 Budget	2022 Budget	2021 Actual
Ave Rent \$/SF (Property Wide)	25.39	(4.80)	20.59	0.35	20.95	4.50

Side Charge History

Metric	2023 Budget	Variance– 2023 Budget / 2022 Reforecast	2022 Reforecast (as of 9/30)	Variance– 2022 Reforecast / 2022 Budget	2022 Budget	2021 Actual
CAM / Opex	89,311	(6,541)	82,770	(10,228)	72,542	89,508
Management Fee	22,559	(4,150)	18,409	378	18,787	6,774
Real Estate Taxes	151,178	(37,044)	114,134	-	114,134	73,350
Total Operating Expense	263,048	(47,735)	215,313	(9,850)	205,463	169,632
Total Net RSF			19,094			
Total Opex per RSF	\$13.78	-\$2.50	\$11.28	-\$0.52	\$10.76	\$8.88

Capital Improvements

Project	2023 Budget		2022 Reforecast		2022 Budget	
	Owner / Capital	Building / Operating	Owner / Capital	Building / Operating	Owner / Capital	Building / Operating
		-		-		-
		-		-		-
		-		-		-
		-		-		-
		-		-		-
		-		-		-
		-		-		-
TOTAL \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

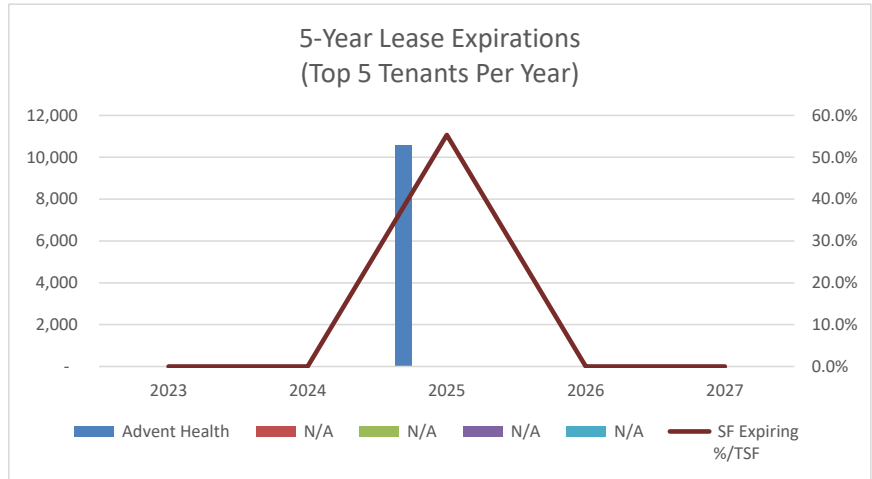
FUTURE OUTLOOK (as directed by Owner Rep)

Asset Strategy

Plan:

* Continue work to develop Restaurant Row and remaining vacant land. We have two LOIs and a development plan under way

Lease Expirations



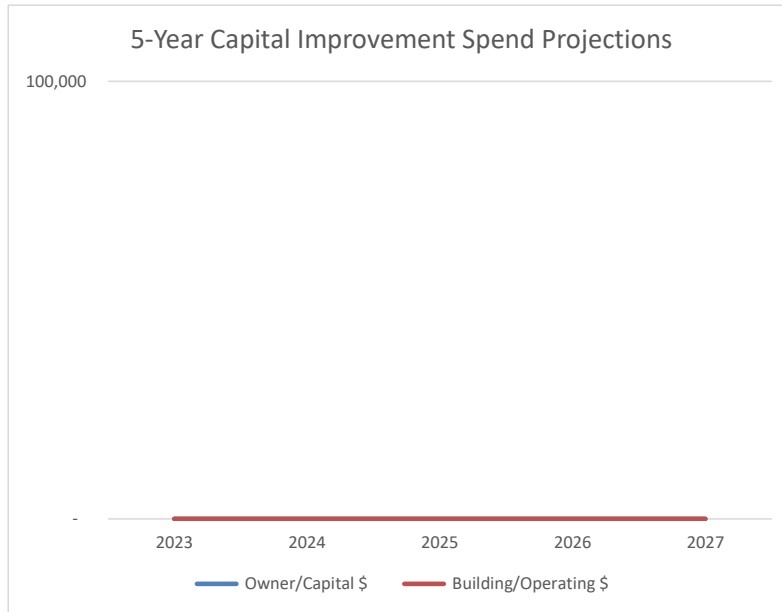
Total SF:	TENANTS EXPIRING 2023-2027						
19,094	Advent Health	N/A	N/A	N/A	N/A	SF Expiring %/TSF	Total SF Expiring
2023	0	0	0	0	0	0.0%	0
2024	0	0	0	0	0	0.0%	0
2025	10,566	0	0	0	0	55.3%	10,566
2026	0	0	0	0	0	0.0%	0
2027	0	0	0	0	0	0.0%	0

Top 5 tenants per year selected for above data and graph.

Grand Total of Lease Expirations (% of 19094) All tenants included in below table

2023	2024	2025	2026	2027
0	0	10,566	0	0
0.00%	0.00%	55.34%	0.00%	0.00%

Capital Improvements



	Owner / Capital \$	Building / Operating \$
2023	-	-
2024	-	-
2025	-	-
2026	-	-
2027	-	-

Capital Improvement \$

Project	2023		2024		2025		2026		2027	
	Owner/ Capital	Building/ Operating	Owner/ Capital	Building/ Operating	Owner/ Capital	Building/ Operating	Owner/ Capital	Building/ Operating	Owner/ Capital	Building/ Operating
		-								
		-								
		-		-		-		-		-
				-		-		-		-
				-						
TOTAL \$	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-

2023 Financial Budget

- Original Budget Statement of Changes in Cash
- Annual Summary Budget Income Statement

Original Budget Statement of Changes in Cash Balance
AC City Center Lenexa, LLC
For Period Ending: Dec 2023

Accrual

Entities Include: ('263000', '263100')

Report includes an open period. Entries are not final.

Account #	Account Name	2023 Original Budget	2022 Reforecast	Variance	2022 Reforecast	2022 Original Budget	Variance	2023 Original Budget	2021 Actual	Variance
CASH FLOWS FROM OPERATING ACTIVITIES										
	Net Income	138,447	52,719	85,728	52,719	36,552	16,167	138,447	(275,123)	413,569
	Adjustments to reconcile net income to net cash provided by operating activities									
	Depreciation	97,152	97,157	(5)	97,157	97,154	3	97,152	103,268	(6,116)
	Amortization	31,164	28,447	2,717	28,447	12,242	16,206	31,164	34,388	(3,224)
	Other Income	0	0	0	0	0	0	0	0	0
	Other Expenses	0	0	0	0	0	0	0	0	0
	Interest Expense	0	0	0	0	0	0	0	0	0
	Investment Income	0	0	0	0	0	0	0	0	0
	Loss (Gain) on Sale of Assets	0	0	0	0	0	0	0	0	0
	Decrease (Increase) in operating assets									
	Accounts Receivable, Trade	0	(5,337)	5,337	(5,337)	(13,768)	8,431	0	(1,672)	1,672
	Other Receivables	32,801	27,668	5,133	27,668	34,172	(6,504)	32,801	(1,307,093)	1,339,894
	Advances to Affiliates	0	1,020	(1,020)	1,020	0	1,020	0	(3,386)	3,386
	Other Assets	(125)	(27,435)	27,310	(27,435)	(203)	(27,233)	(125)	23,972	(24,097)
	Increase (Decrease) in operating liabilities									
	Accounts Payable, Trade	0	(178)	178	(178)	0	(178)	0	(8,030)	8,030
	Accrued Interest	(366)	(960)	594	(960)	1,608	(2,568)	(366)	16,500	(16,866)
	Accrued Expenses	18,722	19,674	(952)	19,674	20,589	(914)	18,722	18,751	(29)
	Deferred Revenue	(23,850)	(33,255)	9,405	(33,255)	(19,890)	(13,365)	(23,850)	1,289,923	(1,313,773)
	Tenant/Customer Deposits	0	12,652	(12,652)	12,652	0	12,652	0	0	0
	Net Cash Provided (Used) By Operating Activities	293,945	172,172	121,773	172,172	168,456	3,716	293,945	(108,502)	402,447
CASH FLOWS FROM INVESTING ACTIVITIES										
	Tenant Improvements	0	(379,400)	379,400	(379,400)	(334,650)	(44,750)	0	0	0
	Commissions	0	1,575	(1,575)	1,575	(3,815)	5,390	0	47,541	(47,541)
	Other Capital	(62,841)	(74,193)	11,352	(74,193)	(62,440)	(11,753)	(62,841)	(57,658)	(5,183)
	Accrued Capital Projects	0	0	0	0	0	0	0	0	0
	Deferred Commissions	0	(7,721)	7,721	(7,721)	(58,050)	50,329	0	(50,329)	50,329
	Land Held for Development	0	0	0	0	0	0	0	0	0
	Land Held for Sale	0	0	0	0	0	0	0	0	0
	Development Studies	0	0	0	0	0	0	0	0	0
	Investments	0	0	0	0	0	0	0	0	0
	Loan Costs	0	(43,929)	43,929	(43,929)	0	(43,929)	0	0	0

Original Budget Statement of Changes in Cash Balance
AC City Center Lenexa, LLC
For Period Ending: Dec 2023

Accrual

Entities Include: ('263000', '263100')

Report includes an open period. Entries are not final.

Account #	Account Name	2023 Original Budget	2022 Reforecast	Variance	2022 Reforecast	2022 Original Budget	Variance	2023 Original Budget	2021 Actual	Variance
	Other Intangibles	0	0	0	0	0	0	0	31,686	(31,686)
	Gain (Loss) on Sale of Assets	0	0	0	0	0	0	0	0	0
	Net Cash Provided (Used) By Investing Activities	(62,841)	(503,668)	440,827	(503,668)	(458,955)	(44,713)	(62,841)	(28,761)	(34,080)
	CASH FLOWS FROM FINANCING ACTIVITIES									
	Increase (Decrease) in Mortgage Notes Payable	(114,622)	(107,383)	(7,239)	(107,383)	302,350	(409,733)	(114,622)	653,415	(768,037)
	Net Cash Provided (Used) By Financing Activities	(114,622)	(107,383)	(7,239)	(107,383)	302,350	(409,733)	(114,622)	653,415	(768,037)
	CASH FLOW (DEFICIT) GENERATED FOR THE PERIOD	116,482	(438,879)	555,361	(438,879)	11,851	(450,731)	116,482	516,152	(399,670)
	Distributions to Partners	(65,000)	(25,000)	(40,000)	(25,000)	(50,000)	25,000	(65,000)	0	(65,000)
	Contributions from Partners	0	0	0	0	0	0	0	0	0
	Net Cash Provided (Used) By Contributions (Distributions)	(65,000)	(25,000)	(40,000)	(25,000)	(50,000)	25,000	(65,000)	0	(65,000)
	NET INCREASE (DECREASE) IN CASH & EQUIVALENTS	51,482	(463,879)	515,361	(463,879)	(38,149)	(425,731)	51,482	516,152	(464,670)
	CASH & CASH EQUIVALENTS, BEGINNING OF PERIOD	154,257	621,598	(467,341)	621,598	199,095	422,503	154,257	105,446	48,811
	CASH & CASH EQUIVALENTS, END OF PERIOD	205,739	157,718	48,021	157,718	160,946	(3,228)	205,739	621,598	(415,859)
	Summary:									
	Restricted Cash & Cash Equivalents	107,009	88,287	18,722	88,287	88,287	0	107,009	67,698	39,311
	Unrestricted Cash & Cash Equivalents	98,731	65,970	32,761	65,970	72,659	(6,689)	98,731	553,900	(455,168)
	Total Restricted & Unrestricted Cash	205,740	154,257	51,483	154,257	160,946	(6,689)	205,740	621,598	(415,858)

Annual Budget Income Statement
AC City Center Lenexa, LLC
For Period Ending: Dec 2023

Account #	Account Name	2023	2022	2022			2023	2021		
		Original Budget	Reforecast	Variance	Reforecast	Original	Variance	Original Budget	Actual	Variance
INCOME										
	Minimum Rent	484,817	393,179	91,638	393,179	399,926	(6,748)	484,817	85,925	398,892
	CAM / Operating Costs	54,349	53,436	914	53,436	44,485	8,951	54,349	62,629	(8,280)
	Real Estate Taxes	89,741	77,292	12,449	77,292	77,292	0	89,741	51,337	38,403
	Direct Tenant	9,610	7,418	2,192	7,418	9,000	(1,582)	9,610	6,482	3,128
	Miscellaneous	72,464	58,706	13,758	58,706	74,000	(15,294)	72,464	79,976	(7,512)
	TOTAL INCOME	710,981	590,030	120,951	590,030	604,703	(14,673)	710,981	286,350	424,631
EXPENSE										
	CAM / Operating Costs	69,911	68,846	(1,065)	68,846	60,942	(7,904)	69,911	79,615	9,704
	Real Estate Taxes	151,178	114,134	(37,044)	114,134	114,134	0	151,178	73,350	(77,828)
	Direct Tenant	9,610	7,567	(2,043)	7,567	9,000	1,433	9,610	6,950	(2,660)
	General & Administrative	9,950	11,637	1,687	11,637	4,914	(6,723)	9,950	51,076	41,126
	Management Fees	22,559	18,409	(4,150)	18,409	18,787	378	22,559	6,774	(15,785)
	TOTAL EXPENSE	263,208	220,593	(42,615)	220,593	207,776	(12,817)	263,208	217,764	(45,444)
	NET OPERATING INCOME	447,773	369,437	78,336	369,437	396,927	(27,490)	447,773	68,586	379,187
	Interest Expense, Net	(161,610)	(175,813)	14,203	(175,813)	(214,379)	38,566	(161,610)	(197,062)	35,452
	Depreciation & Amortization	(128,316)	(128,332)	16	(128,332)	(109,396)	(18,936)	(128,316)	(131,062)	2,746
	Prior Year Adjustments	0	2,278	(2,278)	2,278	0	2,278	0	(5,692)	5,692
	NET INCOME	157,847	67,571	90,276	67,571	73,152	(5,581)	157,847	(265,230)	423,077