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COMMERCIAL REAL ESTATE

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**2024 BUSINESS PLAN**  
**AC City Center Lenexa**



**PROPERTY PROFILE**

<b>Property Name:</b>	Hampton Building
<b>Property Legal Name:</b>	AC City Center Lenexa, LLC
<b>Address:</b>	8800 Renner Blvd, Lenexa, KS 66219
<b>Description:</b>	2 floors, 18,863 RSF (10,566 RSF office, 8,297 RSF retail)
<b>Debt:</b>	\$4,257,997 balance at 1/1/24, 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
<b>Major Investors (%):</b>	CAMS V (50%), Jon Copaken (16.667%), Keith Copaken (16.667%), James Copaken (16.667%)
<b>TIF/CID/Other</b>	TIF, CID

**2023 ACTUALS & 2024 BUDGET**

**Key Opportunities & Challenges**

Key Opportunities	Key Challenges
<b>2023</b>	
<ul style="list-style-type: none"> <li>This was the first full year of full occupancy allowing for the collection of maximum rent.</li> </ul>	<ul style="list-style-type: none"> <li>With the traffic from Martin City Brewery patrons, parking is tight</li> </ul>
<b>2024</b>	
<ul style="list-style-type: none"> <li>Development has begun on Restaurant Row just north of the building, which will create exposure and help drive traffic to Hampton</li> <li>Martin City' performance in 2023 was 10%-15% below proforma but they are optimistic about 2024</li> </ul>	<ul style="list-style-type: none"> <li>Tight parking will remain an issue until neighboring parking structures are constructed</li> <li>The Advent Health lease expires 12/31/25 with an option to renew. Advent must provide landlord a 1 year notice prior to the option, so the renewal option commitment will need to be secured prior to 12/31/24.</li> </ul>
<ul style="list-style-type: none"> <li>Market rents for the area are \$36/sf for office and \$30/sf NNN for retail. Currently Academy Bank is at \$35/sf, Advent Health is \$23.50/sf and Martin City Brewery is \$26/sf, which allows room for an increase upon renewal.</li> </ul>	
<ul style="list-style-type: none"> <li>There are still two undeveloped parcels on which AC2CCL will develop the third and fourth buildings of Restaurant Row.</li> </ul>	

**Key Financial Projections**

Metric	2024 Budget	Variance– 2024 Budget / 2023 Reforecast	2023 Reforecast (as of 9/30)	Variance– 2023 Reforecast / 2023 Budget	2023 Budget	2022 Actual
<b>Occupancy (EOY)</b>	100.00%	0.00%	100.00%	0.00%	100.00%	68.00%
<b>NOI</b>	\$487,158	\$383,520	\$103,638	(\$344,135)	\$447,773	\$398,141
<b>Cash Flow Generated</b>	\$207,694	(\$991,281)	\$1,198,975	\$1,000,452	\$198,523	(\$370,983)
<b>Distributions</b>	(\$200,000)	\$891,984	(\$1,091,984)	(\$1,026,984)	(\$65,000)	\$0
<b>Contributions</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Valuation (1)</b>	\$6,092,575	\$0	\$6,092,575	(\$176,425)	\$6,269,000	\$5,543,492
<b>Debt</b>	(\$4,139,450)	\$118,547	(\$4,257,997)	(\$2)	(\$4,257,995)	(\$4,372,618)
<b>Equity</b>	\$1,953,125	\$118,547	\$1,834,578	(\$176,427)	\$2,011,005	\$1,170,874

(1) - Valuation based on stabilized fair market value.

**Leasing**

	2024 Budget		2023 Reforecast	
	New SF	Renew / Expand	New SF	Renew / Expand
Leased SF	0	0	0	0
% of Leased SF	0%	0%	0%	0%
Leases	0	0	0	0
Avg Rent \$/SF	\$0.00	\$0.00	\$0.00	\$0.00
Avg TI \$/SF	\$0.00	\$0.00	\$0.00	\$0.00

Metric	2024 Budget	Variance– 2024 Budget / 2023 Reforecast	2023 Reforecast (as of 9/30)	Variance– 2023 Reforecast / 2023 Budget	2023 Budget	2022 Actual
Avg Rent \$/SF (Property Wide)	\$26.05	\$0.66	\$25.39	\$0.00	\$25.39	\$20.59

**Side Charge History**

Metric	2024 Budget	Variance– 2024 Budget / 2023 Reforecast	2023 Reforecast (as of 9/30)	Variance– 2023 Reforecast / 2023 Budget	2023 Budget	2022 Actual
CAM / Opex	\$86,391	(\$9,177)	\$77,214	(\$7,303)	\$69,911	\$82,546
Management Fee	\$23,204	(\$901)	\$22,303	\$256	\$22,559	\$19,701
Real Estate Taxes	\$163,314	(\$3,983)	\$159,331	(\$8,153)	\$151,178	\$114,134
Total Operating Expense	\$272,909	(\$14,061)	\$258,848	(\$15,200)	\$243,648	\$216,381
Total Net SF			19,094			
Total Opex per SF	\$14.29	(\$0.74)	\$13.56	(\$0.80)	\$12.76	\$11.33

**Capital Improvements**

Project	2024 Budget		2023 Reforecast		2023 Budget	
	Owner / Capital	Building / Operating	Owner / Capital	Building / Operating	Owner / Capital	Building / Operating
		-		-		-
<b>TOTAL \$</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

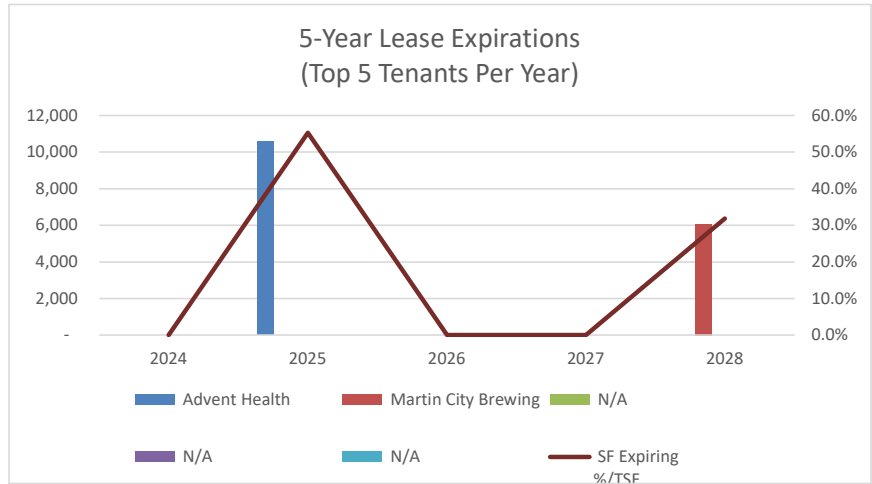
**FUTURE OUTLOOK (as directed by Owner Rep )**

**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**



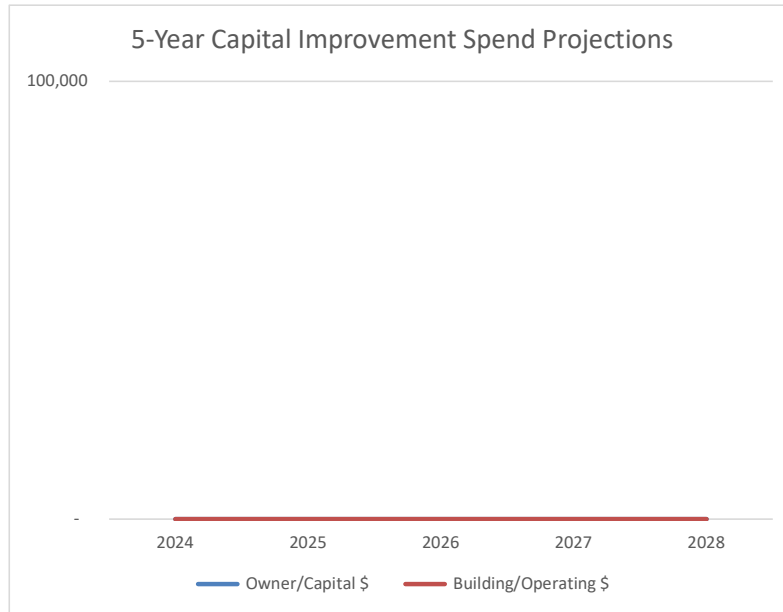
Total SF:	TENANTS EXPIRING 2024-2028						
	Advent Health	Martin City Brewing	N/A	N/A	N/A	SF Expiring %/TSE	Total SF Expiring
19,094							
2024	0	0	0	0	0	0.0%	0
2025	10,566	0	0	0	0	55.3%	10,566
2026	0	0	0	0	0	0.0%	0
2027	0	0	0	0	0	0.0%	0
2028	0	6,073	0	0	0	31.8%	6,073

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

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

2024	2025	2026	2027	2028
0	10,566	0	0	6,073
0.00%	55.34%	0.00%	0.00%	31.81%

**Capital Improvements**



	Owner / Capital \$	Building / Operating \$
2024	-	-
2025	-	-
2026	-	-
2027	-	-
2028	-	-

**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
None planned		-								
		-								
		-		-		-		-		-
				-		-		-		-
				-						
<b>TOTAL \$</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>	<b>\$-</b>

**2024 Financial Budget**

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