

PROPERTY PROFILE

Property Name:	CB Downtown Industrial, LLC
Address:	Downtown Kansas City, MO and Kansas City, KS
Description:	Cambridge Business Park (465,175 SF office/flex), Downtown Business Park (459,926 SF industrial) and Downtown Underground (739,495 SF industrial and self-storage)
Debt:	<p>Enterprise Bank – Swapped Loan Loan Balance of \$29.2M Maturity Date 05/15/2025 Fixed Rate (via swap) of 5.09%</p> <p>Enterprise Bank – Non-Swapped Loan Loan Balance of \$28.1M Maturity Date 05/15/2025 Interest is variable and currently estimated at 7.9%</p> <p>Enterprise Bank – Unfunded Loan (included with non-swapped loan above) Remaining Capacity of \$1,459,723, Maturity Date 05/15/2025 Interest is variable and currently estimated at 7.9%</p> <p>Enterprise Bank – OZ Loan Loan Balance of \$1.8M Maturity Date 05/15/2025 Interest is fixed at 4.0%</p>
General Partner:	CB Realty Capital, LLC
Limited Partners (%)	Dean Operations, Inc. (79.37%), BMPI Downtown Industrial (10.58%), CB Downtown Industrial Investors (10.05%)
TIF/CID/Other	Opportunity Zone on certain development land sites in MO

2023 ACTUALS & 2024 BUDGET

Key Opportunities & Challenges

Key Opportunities	Key Challenges
• Completed the 3101 Mercier elevator and new sales office	• Rising debt interest rates causing increased debt service and decreased cash flow.
• DTU chiller replacement, successful reduction of humidity	• Vacancies in BC1, 3175 Terrace and 1211 W Cambridge
• Installed new digital directory displays in Downtown Underground	• Mid-year implementation of new accounting system
• Expanded Smart Storage by more than 15,000 SF (10% expansion)	• Demising large vacancies to adjust to market needs
• Re-bid and replaced security vendor, increased use of technology	• Vendor failure to uphold water diversion contract
• Installed new Downtown Business Park entry signage on Mercier and Terrace Streets	• Significant increases in taxes and insurance costs
• Renewed Iconex at CCII (88,461 SF)	• Increases in vendor costs
• Leased 102 and 112 Abbie	• Upkeep, maintenance and security of Imperial Brewery
• Leased 3100 Terrace	• Fireline break in parking lot at Business Center 4
• Leased 114 Greystone	* Increases in utility expenses
• Completed major concrete/asphalt projects at 10 Cambridge	
• Implementation of new accounting system.	
• Collected approximately 92% of all YTD charges	
• Completed painting of exterior buildings in Downtown Business Park	
• Demolished Imperial Brewery to create two new development pads	
2024	
• Fastenal expansion at BC4	• Managing expenses to align with leasing
• Lease 1211 W Cambridge (17,206 SF)	• Leasing 1211 W Cambridge, 3175 Terrace, 10 Cambridge and 1155 Adams
• Lease 3175 Terrace (76,873 SF)	• Maintenance and upkeep of aging HVAC units
• Demise large vacancies to adjust to market demand for smaller spaces in Downtown Underground	• Filling large vacancies, sub-dividing spaces in the Downtown Underground
• Purchase new sweeper for underground	* Identify solutions for cooling tower replacement
• Hire new underground engineering consultant(s)	* Water runoff into Downtown Business Park along Mercier Street and into Downtown Underground
• Lease vacancy at 1155 Adams, renovate and expand restrooms	
• Complete the wayfinding painting project in Downtown Underground	
• Lease vacancy at 10 Cambridge	

Key Financial Projections

Metric	2024 Budget	Variance– 2024 Budget / 2023 Reforecast	2023 Reforecast	Variance– 2023 Reforecast / 2023 Budget	2023 Budget	2022 Actual
Occupancy (EOY)	84.94%	12.25%	72.69%	-11.36%	84.05%	74.76%
NOI	5,321,695	325,836	4,995,859	(949,588)	5,945,447	5,434,154
Cash Flow Generated	150,176	687,315	(537,139)	(1,985,546)	1,448,407	2,363,846
Distributions	-	802,272	(802,272)	751,728	(1,554,000)	(2,000,000)
Contributions	-	-	-	-	-	-
Valuation	84,841,000	-	84,841,000	1,328,000	83,513,000	85,005,000
Debt	(57,556,132)	1,582,876	(59,139,008)	3,089,352	(62,228,360)	(59,347,400)
Equity	27,284,868	1,582,876	25,701,992	4,417,352	21,284,640	25,657,600

Leasing

	2024 Budget		2023 Reforecast	
	New SF	Renew / Expand	New SF	Renew / Expand
Leased SF	217,745	206,288	138,494	227,843
% of Leased SF	13%	12%	8%	14%
Leases	18	27	26	23
Avg Rent \$/SF	7.94	8.74	6.93	7.29
Avg TI \$/SF	2.47	0.23	1.64	0.20

Avg Rent \$/SF	2024 Budget	2023 Reforecast	2023 Budget	2022 Actual
Cambridge Business Park	8.66	8.29	9.58	8.88
Downtown Business Park	4.24	4.37	4.70	4.55
Underground	2.92	2.76	3.07	2.91
Smart Storage	9.66	8.59	8.96	6.56
Total Property	5.52	5.32	5.91	5.57

Side Charge History

Metric	2024 Budget	2023 Reforecast	2023 Budget	2022 Actual
Opex	4,023,446	3,633,816	3,872,302	3,551,656
Management Fee	619,701	551,622	624,809	575,938
Real Estate Taxes	1,803,710	1,736,115	1,416,887	1,418,664
Total Operating Expense	6,446,857	5,921,553	5,913,998	5,546,258
Total Net RSF		1,664,546		
Total Opex per RSF	\$3.87	\$3.56	\$3.55	\$3.33

Capital Improvements

Project	2024 Budget		2023 Budget	
	Owner / Capital	Building / Operating	Owner / Capital	Building / Operating
Concrete/Asphalt Work		147,500	30,000	97,000
Bolting/Strapping	-	62,000	-	-
Security	26,500	10,000	-	10,000
Paint/Tuck Pt/Soffit	-	-	-	124,000
Liberty Bend	-	70,000	-	350,000
Fire Protection	-	43,000	-	-
Roofs	-	25,500	-	-
Roadway Sweeper	75,000	-	-	-
HVAC Replacements	280,000	13,500	-	-
Storage Signage	10,080	-	10,000	-
18&O Chiller			200,000	-
TOTAL \$	\$ 391,580	\$ 371,500	\$ 240,000	\$ 581,000

FUTURE OUTLOOK

Asset Strategy

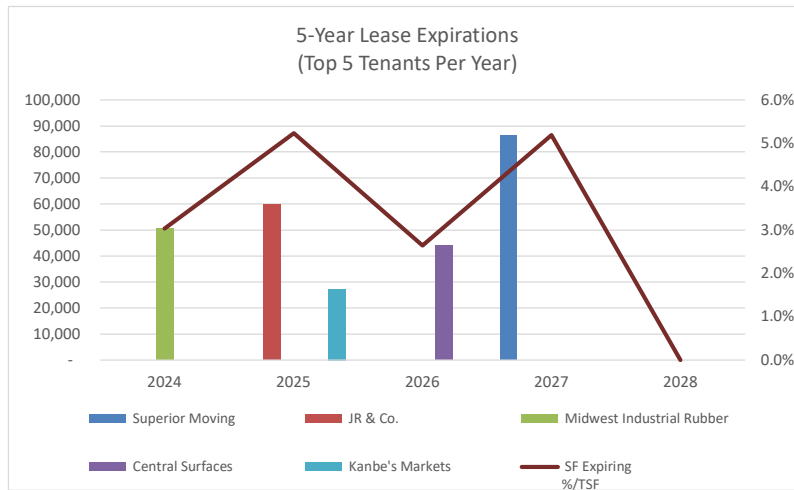
Plan- Multi strategy approach to improve cash flow and development at the property, including:

- Smart Storage expansion plan in Downtown Underground. Goal is to convert approximately 30,000 sf per year from \$3-\$4/sf net rental income to \$10+/sf net rental income space
- Demolished Imperial Brewery to create two development pads
- Hyperfocus on leasing vacant spaces and expansion of expiring tenants
- For 2024, key vacancies include: 3175 Terrace, 1155 Adams, 10 E. Cambridge and 1211 W. Cambridge.
- Top renewals in 2024 include, NuMotion, Jubilant Draximage and Central Surfaces
- Continue selling land parcels for development, following Holly property sale this year. Key parcels are Cambridge Crest, Imperial Crossing, lots north of 31st Street and lots 9 and 2 in Cambridge Business Park.

Capital Improvements include:

- New water diversion system for the DTU entrance
- Multiple asphalt and concrete repair projects
- New cooling tower
- Purchase new roadway sweeper
- HVAC upgrades in Smart Storage unit 464
- Additional keypads and cameras for Smart Storage expansion area

Lease Expirations



Total CBDI SF:	TOP TENANT EXPIRING EACH YEAR 2024-2028						
1,664,546	Superior Moving	JR & Co.	Midwest Industrial Rubber	Central Surfaces	Kanbe's Markets	SF Expiring %/TSF	Top 5 CBDI SF Expiring
2024	0	0	50,479	0	0	3.0%	50,479
2025	0	59,757	0	0	27,350	5.2%	87,107
2026	0	0	0	43,998	0	2.6%	43,998
2027	86,363	0	0	0	0	5.2%	86,363
2028	0	0	0	0	0	0.0%	0

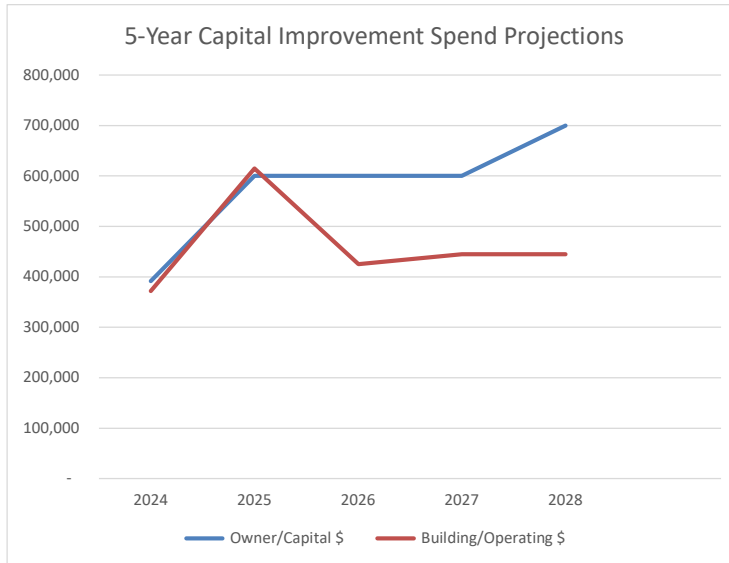
*Top 5 tenants per year selected for above data and graph.

Grand Total SF of Lease Expirations 2024-2028 (% of 1,664,546) ALL tenants included in below table

2024	2025	2026	2027	2028
242,405	245,409	119,157	123,227	116,243
14.56%	14.74%	7.16%	7.40%	6.98%

* Please note this number reflects ALL lease expirations

Capital Improvements



	Owner / Capital \$	Building / Operating \$
2024	391,580	371,500
2025	600,000	615,000
2026	600,000	425,000
2027	600,000	445,000
2028	700,000	445,000

Capital Improvement \$

Project	2024		2025		2026		2027		2028	
	Owner/ Capital	Building/ Operating	Owner/ Capital	Building/ Operating	Owner/ Capital	Building/ Operating	Owner/ Capital	Building/ Operating	Owner/ Capital	Building/ Operating
Concrete/Asphalt Work	-	147,500	-	400,000	-	140,000	-	220,000	-	90,000
Bolting/Strapping	-	62,000	-	20,000	-	50,000	-	50,000	-	50,000
HVAC	280,000	13,500	125,000	-	175,000	-	85,000	-	180,000	-
Equipment (Sweeper & Lift)	75,000	-	-	-	60,000	-	-	-	-	200,000
Roofs	-	25,500	395,000	-	295,000	-	-	-	490,000	-
Water diversion (DTU)	-	70,000	-	70,000	-	70,000	485,000	70,000	-	-
Signs	10,080	-	-	-	-	20,000	-	20,000	-	20,000
Security	26,500	10,000	-	-	-	-	-	30,000	-	30,000
Fire protection	-	43,000	-	25,000	-	25,000	-	25,000	-	25,000
Fencing & repairs	-	-	50,000	-	-	30,000	-	30,000	-	30,000
Plumbing	-	-	-	90,000	-	90,000	-	-	-	-
Landscaping	-	-	-	-	40,000	-	-	-	-	-
Golf Carts (DTU)	-	-	-	10,000	-	-	-	-	-	-
Vehicles, wraps & decals	-	-	30,000	-	30,000	-	30,000	-	30,000	-
TOTAL \$	\$ 391,580	\$ 371,500	\$ 600,000	\$ 615,000	\$ 600,000	\$ 425,000	\$ 600,000	\$ 445,000	\$ 700,000	\$ 445,000

2024 Financial Budget

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

CBDI VALUATION

Segment	Net Rentable SF	Occupied SF	% Occupied	% of Total Rentable SF	2024 Budget NOI	2024 Budget Adjustments	Proportional Negative NOI	2024 Budget NOI after Adjustments	Cap Rate	Valuation
Cambridge Business Park	465,175	371,645	79.89%	27.95%	\$ 2,620,231	\$ -	\$ (212,873)	\$ 2,407,358	7.00%	\$ 34,390,833
Downtown Business Park	459,926	381,465	82.94%	27.63%	\$ 1,533,615	\$ -	\$ (210,471)	\$ 1,323,144	7.00%	\$ 18,902,062
Downtown Underground	581,995	344,517	59.20%	34.96%	\$ 848,834	\$ 98,200	\$ (266,332)	\$ 680,702	8.00%	\$ 8,508,779
Smart Storage	157,450	141,005	89.56%	9.46%	\$ 1,080,743	\$ 64,593	\$ (72,052)	\$ 1,073,284	7.00%	\$ 15,332,628
Vacant Land/Holly House	3,853,427	-	0.00%	0.00%	\$ (761,727)	\$ -	\$ 761,727	\$ -	\$2.00/SF	\$ 7,706,854
	1,664,546	1,238,632	74.41%	100.00%	\$ 5,321,696	\$ 162,793	\$ -	\$ 5,484,489		\$ 84,841,000

As of 11/29/2023

Original Budget Statement of Changes in Cash Balance
CB Downtown Industrial
For Period Ending: Dec 2024

Accrual

Report includes an open period. Entries are not final.

Account #	Account Name	2024	2023		2023	2023		2024	2022	
		Original Budget	Reforecast	Variance	Reforecast	Original Budget	Variance	Original Budget	Actual	Variance
	Loan Costs	0	0	0	0	0	0	0	0	0
	Other Intangibles	0	0	0	0	0	0	0	0	0
	Gain (Loss) on Sale of Assets	0	0	0	0	0	0	0	0	0
	Net Cash Provided (Used) By Investing Activities	(712,173)	(1,236,972)	524,800	(1,236,972)	(937,140)	(299,832)	(712,173)	(1,752,939)	1,040,766
	CASH FLOWS FROM FINANCING ACTIVITIES									
	Increase (Decrease) in Mortgage Notes Payable	(1,185,922)	(208,392)	(977,530)	(208,392)	(362,475)	154,083	(1,185,922)	524,475	(1,710,397)
	Net Cash Provided (Used) By Financing Activities	(1,185,922)	(208,392)	(977,530)	(208,392)	(362,475)	154,083	(1,185,922)	524,475	(1,710,397)
	CASH FLOW (DEFICIT) GENERATED FOR THE PERIOD	150,176	(537,139)	687,315	(537,139)	1,448,407	(1,985,546)	150,176	2,363,846	(2,213,670)
	Distributions to Partners	0	(802,272)	802,272	(802,272)	(1,554,000)	751,728	0	(2,000,000)	2,000,000
	Contributions from Partners	0	0	0	0	0	0	0	0	0
	Net Cash Provided (Used) By Contributions (Distributions)	0	(802,272)	802,272	(802,272)	(1,554,000)	751,728	0	(2,000,000)	2,000,000
	NET INCREASE (DECREASE) IN CASH & EQUIVALENTS	150,176	(1,339,411)	1,489,587	(1,339,411)	(105,593)	(1,233,818)	150,176	363,846	(213,670)
	CASH & CASH EQUIVALENTS, BEGINNING OF PERIOD	1,754,041	3,093,445	(1,339,405)	3,093,445	3,199,099	(105,654)	1,754,041	3,199,099	(1,445,059)
	CASH & CASH EQUIVALENTS, END OF PERIOD	1,904,217	1,754,034	150,182	1,754,034	3,093,506	(1,339,472)	1,904,217	3,562,945	(1,658,728)
	Summary:									
	Restricted Cash & Cash Equivalents	1,109,167	1,081,680	27,487	1,081,680	506,618	575,063	1,109,167	1,118,370	(9,203)
	Unrestricted Cash & Cash Equivalents	795,075	672,360	122,715	672,360	2,586,868	(1,914,508)	795,075	1,975,075	(1,180,000)
	Total Restricted & Unrestricted Cash	1,904,243	1,754,041	150,202	1,754,041	3,093,486	(1,339,446)	1,904,243	3,093,445	(1,189,203)

Annual Budget Income Statement

CB Downtown Industrial

Accrual

For Period Ending: Dec 2024

Time: 8:40 AM

Account #	Account Name	2024	2023	2023		2024		2022		
		Original Budget	Reforecast	Variance	Reforecast	Original	Variance	Original Budget	Actual	Variance
INCOME										
	Minimum Rent	7,678,753	7,521,975	156,777	7,521,975	8,464,856	(942,881)	7,678,753	7,978,743	(299,990)
	CAM / Operating Costs	3,294,796	2,450,469	844,327	2,450,469	2,936,067	(485,598)	3,294,796	2,162,907	1,131,889
	Real Estate Taxes	175,991	337,996	(162,005)	337,996	1,565	336,431	175,991	377,971	(201,980)
	Utilities	0	104	(104)	104	4,300	(4,196)	0	10,527	(10,527)
	Direct Tenant	4,750	7,791	(3,041)	7,791	0	7,791	4,750	1,275	3,475
	Miscellaneous	1,567,356	1,458,974	108,382	1,458,974	1,432,433	26,541	1,567,356	1,382,382	184,974
	Parking	262,500	276,380	(13,880)	276,380	260,400	15,980	262,500	246,935	15,565
	TOTAL INCOME	12,984,146	12,053,689	930,457	12,053,689	13,099,622	(1,045,932)	12,984,146	12,160,740	823,406
EXPENSE										
	CAM / Operating Costs	4,023,446	3,633,816	(389,630)	3,633,816	3,872,302	238,486	4,023,446	3,551,656	(471,790)
	Real Estate Taxes	1,803,710	1,736,115	(67,595)	1,736,115	1,416,887	(319,228)	1,803,710	1,418,664	(385,046)
	Direct Tenant	4,750	3,409	(1,341)	3,409	68,458	65,049	4,750	3,301	(1,449)
	Parking	16,252	0	(16,252)	0	0	0	16,252	0	(16,252)
	General & Administrative	1,194,592	1,076,682	(117,910)	1,076,682	1,126,119	49,436	1,194,592	1,003,533	(191,059)
	Bad Debts	0	52,430	52,430	52,430	30,000	(22,430)	0	103,533	103,533
	Management Fees	619,701	551,622	(68,079)	551,622	624,809	73,188	619,701	575,938	(43,763)
	Leasing Fees	0	3,757	3,757	3,757	15,600	11,843	0	69,961	69,961
	TOTAL EXPENSE	7,662,451	7,057,830	(604,621)	7,057,830	7,154,174	96,344	7,662,451	6,726,586	(935,865)
	NET OPERATING INCOME	5,321,695	4,995,859	325,836	4,995,859	5,945,447	(949,588)	5,321,695	5,434,154	(112,459)
	Interest Expense, Net	(3,695,567)	(3,730,804)	35,237	(3,730,804)	(3,286,582)	(444,222)	(3,695,567)	(2,702,785)	(992,782)
	Depreciation & Amortization	(2,008,140)	(2,008,140)	0	(2,008,140)	(2,470,971)	462,831	(2,008,140)	(2,473,449)	465,309
	Prior Year Adjustments	0	14,786	(14,786)	14,786	0	14,786	0	44,387	(44,387)
	NET INCOME	(382,012)	(728,299)	346,287	(728,299)	187,894	(916,194)	(382,012)	302,308	(684,320)

All columns represent 12 months of activity