

A 10,850 SF NET-LEASED RETAIL CENTER



PACIFIC
DENTAL SERVICES*



WEST LAWRENCE
DENTISTRY



565 WAKARUSA DRIVE

LAWRENCE, KS (UNIVERSITY OF KANSAS)

BLUE
WEST
CAPITAL

Investment Overview

The Offering: Blue West Capital is pleased to present the sale of a new construction Class A multi-tenant retail property located in Lawrence, Kansas. The property is 100% leased to national e-commerce resistant tenants – AT&T, Pacific Dental, SportClips, Orangetheory Fitness, and Smoothie King. All of the leases are triple net (NNN) and feature rental increases in the primary term. This investment offers a future owner a passive investment with minimal landlord responsibilities.

Lawrence, KS is located 45 minutes west of Kansas City, and 30 minutes east of Topeka, the state capital. Lawrence is home to the University of Kansas, the local demand driver of the region. Lawrence offers a rich and fascinating history, a wide range of exciting cultural experiences, nationally recognized educational institutions, and some of the most unique and enjoyable shopping opportunities in the Midwest.

The University of Kansas (KU), located just over 3 miles from the property, is a public research university and the largest university in the state of Kansas. KU has a total enrollment of 27,000+ students.



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Executive Summary



6TH & WAKARUSA

565 Wakarusa Drive, Lawrence, KS 66049

\$5,414,000

PRICE

6.00%

CAP RATE

LEASABLE SF

10,850 SF

NOI

\$324,831

OCCUPANCY

100%

PRICE PSF

\$498.99

YEAR BUILT

2018

SURFACE PARKING

84 SPACES

- **New construction Class-A** multi-tenant property leased to **national e-commerce resistant** tenants (AT&T, Pacific Dental, SportsClips, Orangetheory Fitness, and Smoothie King)
- **Long term triple net leases** give the simplicity of passive ownership with fixed rental increases
- **Outparcel to a Walmart Supercenter**, increasing foot and vehicle traffic to the property and tenants
- Close proximity to the **University of Kansas**, the **largest university** in Kansas (27,000+ Students)
- Located at the **signalized intersection** of 6th Street & Wakarusa Drive, **the primary intersection of the trade area**
- Over **49,000 people** living within **three miles** with average annual household incomes in **excess of \$92,000**
- Adjacent to **Lawrence Free State Highschool (1,867+ Students)**
- National retailers in the immediate trade area include **Sprouts Farmers Market, Dillons Food Store, McDonald's, Starbucks, T-Mobile, CVS, Taco Bell, Discount Tire, Big O Tires, Old Chicago, Burger King, Arby's, Slim Chickens, Zaxby's** and numerous others

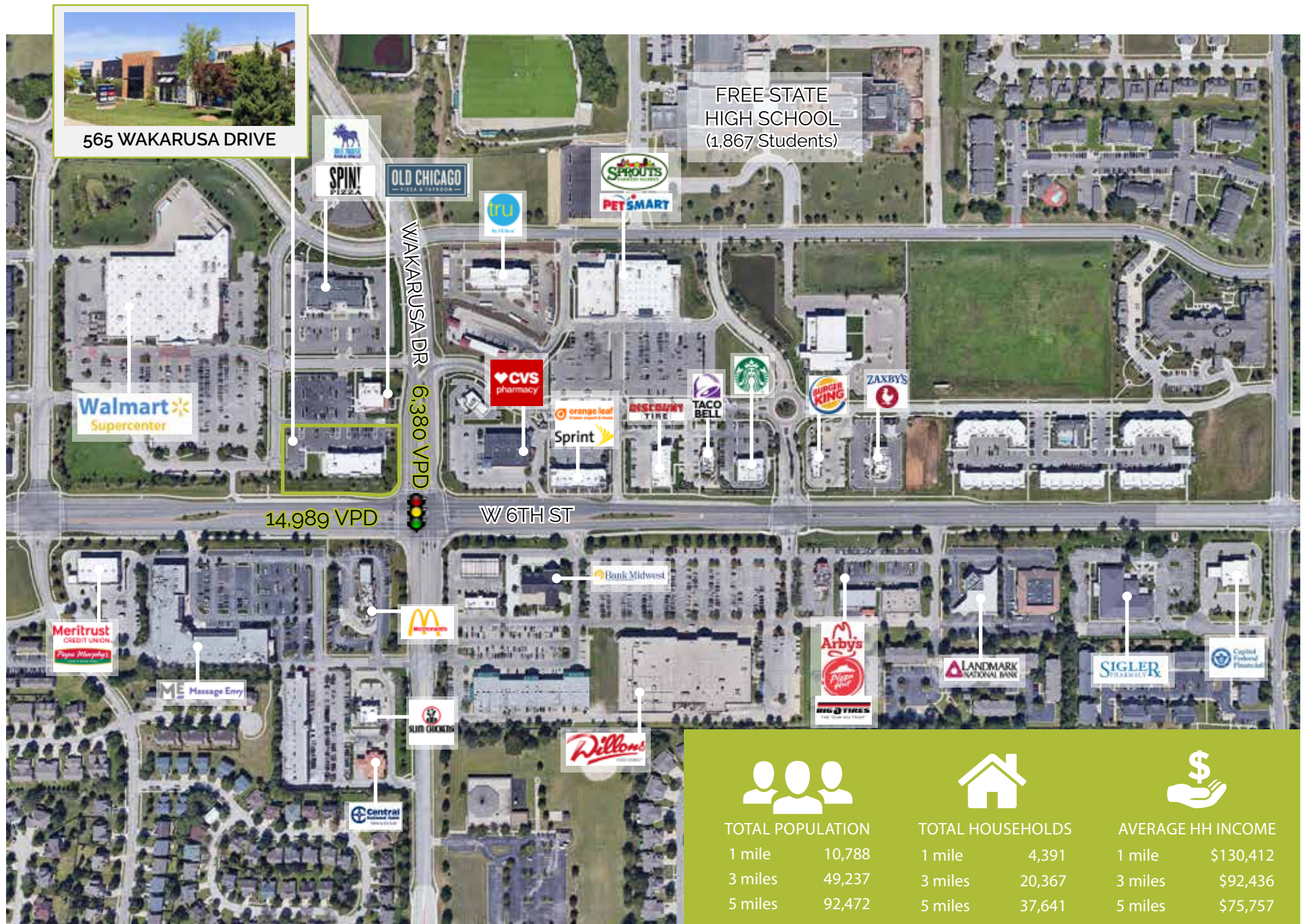
Aerial - North Facing



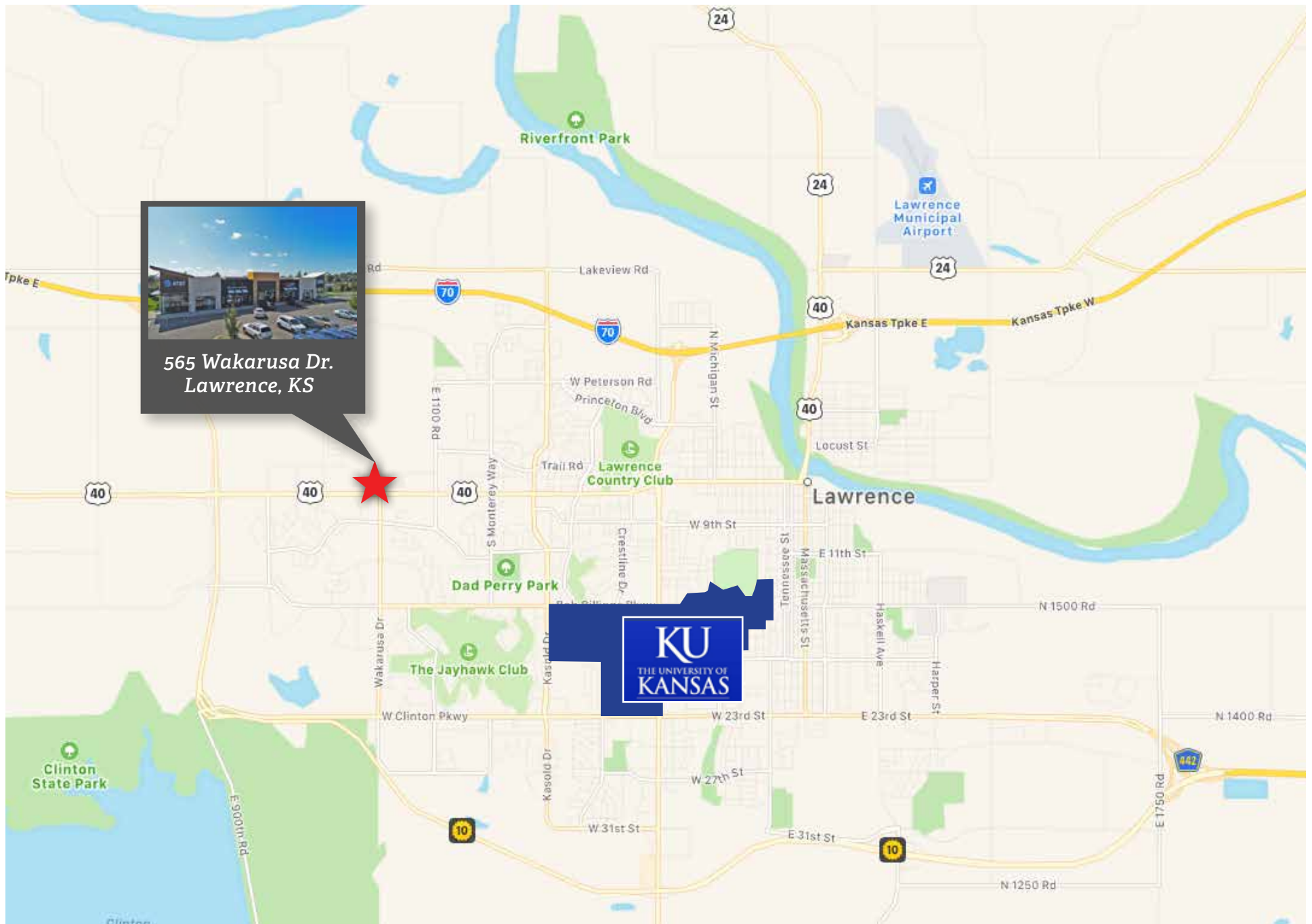
Aerial - South East Facing



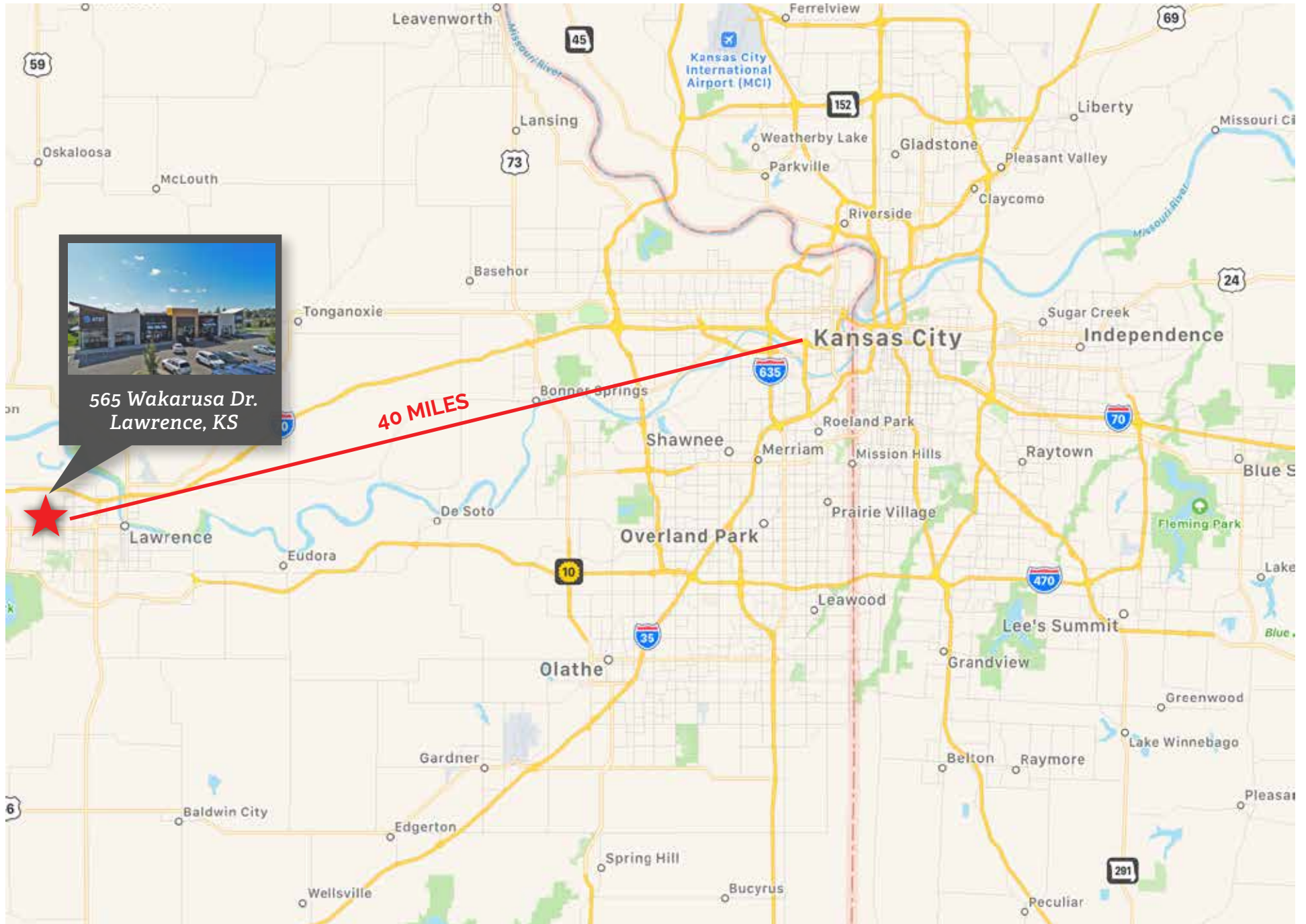
Aerial



Map



Map





Location Overview

Lawrence Lawrence is just 45 minutes west of Kansas City and 30 minutes east of the state capital of Topeka. Lawrence is the seat of Douglas County, which is also home to Baldwin City, Eudora, and Lecompton, three excellent communities that contribute greatly to our region. Downtown Lawrence features the most visited tourist attraction in the state in 2018, Massachusetts Street, lined with locally owned shops, restaurants, music venues, and plenty of history. Lawrence Public Schools maintains neighborhood elementary schools around the city. No matter your style, Lawrence and Douglas County has a place for you.



The University of Kansas (KU) is a public research university and the largest university in the state of Kansas. KU campuses are located in Lawrence, Wichita, Overland Park, Salina and Kansas City, with the main campus located in Lawrence on Mount Oread, the highest point in Lawrence. The university was established in 1866, under a charter granted by the Kansas Legislature in 1864. The University's enrollment has grown for the fifth straight year, according to data released in 2018 by the Kansas Board of Regents. Additionally, KU has recruited the most talented freshman class in history and set all-time highs in retention and graduation rates. KU has 27,000+ students enrolled across all campuses, an increase of 63 students from last year. It is KU's highest enrollment since 2011. Additionally, the freshman class grew to 4,164 students, marking the sixth time in seven years the freshman class has grown. KU also set records for retention and graduation this year.

TOP PRIVATE EMPLOYERS (BY # OF EMPLOYEES)



10,116 Employees



1,450 Employees



849 Employees



750 Employees



500 Employees



2,100 Employees



900 Employees



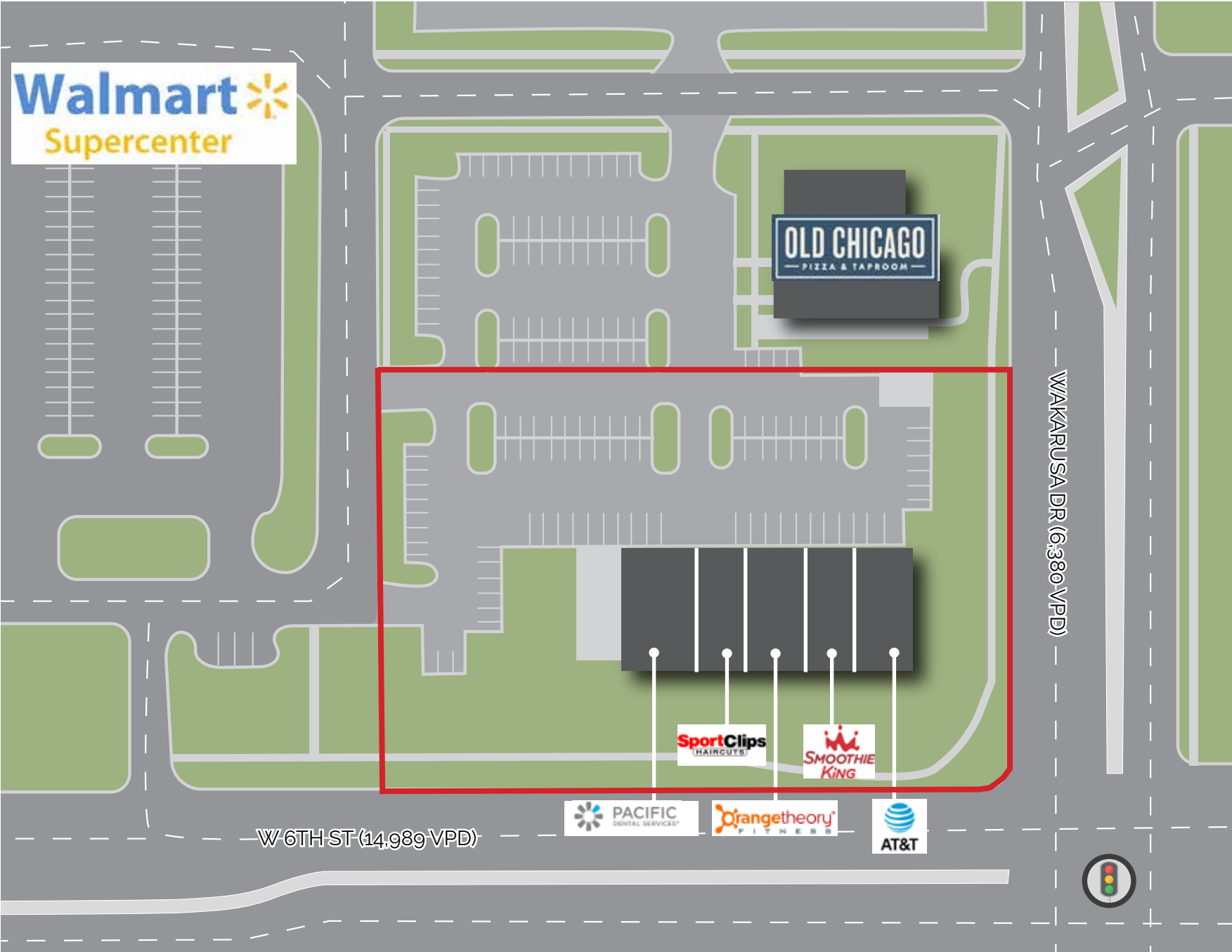
800 Employees

680 Employees

260 Employees



Site Plan



Property Photos



Income & Expense

CURRENT		
Price		\$5,414,000
Capitalization Rate		6.00%
Price Per Square Foot		\$498.99
Total Leased (SF)	100%	10,850 SF
Total Vacant (SF)	0%	0 SF
Total Rentable Area (SF)		10,850 SF
INCOME	PER SF	AS-IS
Scheduled Rent	\$29.94	\$324,830
Expense Reimbursement	\$13.62	\$147,783
POTENTIAL GROSS REVENUE	\$43.56	\$472,613
General Vacancy	-	-
EFFECTIVE GROSS INCOME		\$472,613
EXPENSES	PER SF	AS-IS
CAM	(\$1.00)	(\$10,850)
Management Fee	(\$1.23)	(\$13,346)
Insurance	(\$0.94)	(\$10,199)
Property Taxes	(\$10.45)	(\$113,388)
TOTAL OPERATING EXPENSES	(\$13.62)	(\$147,783)
NET OPERATING INCOME		\$324,830



Tenant Mix

PACIFIC DENTAL

Founded in 1994 Pacific Dental Services (PDS) is one of the country's leading dental support organizations, providing supported autonomy that enables dentists to concentrate on clinical excellence and the highest levels of cost-effective comprehensive patient care. PDS pioneered the concept of Modern Dentistry so that dentists are equipped to combine advances in the latest technology with the best operational practices and procedures, highly skilled support staff and a commitment to ongoing training and education. PDS continues to grow, with over 700 supported dental offices across the United States and plans to expand into several new markets.

www.pacificdentalservices.com

Lease Guarantor: Corporate



SPORTCLIPS

SportClips was founded in 1993 by Gordon Logan in Austin, TX and today is one of the fastest-growing franchise systems with over 1,600 locations in the US and Canada. SportClips aims to provide men and boys with haircuts that fit their everyday needs all while making them feel comfortable doing so. The MVP Haircut is the franchise's most popular haircut giving customers a complete salon experience featuring a precision haircut, plus a legendary hot steamed towel, massaging shampoo, and a relaxing neck and shoulder treatment.

www.sportclips.com

Lease Guarantor: Franchisee (18 locations)



ORANGETHEORY FITNESS

Orangetheory Fitness (OTF) offers group personal training workouts based on High Intensity Interval Training (HIIT) that blend cardiovascular and strength training. OTF originated with a single studio in Florida nine years ago, and is now the fastest growing fitness business in the world with over 825 locations in the United States and 1,260 worldwide.

www.orangetheoryfitness.com

Lease Guarantor: Franchisee (20 locations)



SMOOTHIE KING

From the beginning, founder Steve Kuhnau started blending for a purpose – solving his chronic food allergies. Handcrafted by our blendologists, every one of our Smoothies is still blended with a purpose – yours. Among our 900+ locations worldwide, power a workout, lose weight or make food choices you feel good about with the right nutritious Smoothie for your goals and Healthy Rewards tailored just for you.

www.smoothieking.com

Lease Guarantor: Franchisee (10 locations)



AT&T (PRIME COMMUNICATIONS)

AT&T is an American multinational telecommunications corporation and is the second largest provider of cell phones, while also providing data plans, tablets, and broadband subscription television services. As of 2018, AT&T serves over 150.2 million mobile customers worldwide.

Prime Communications has more than 2,000 locations in 28 states. Prime is the largest privately held AT&T Authorized Retailer in the US. Established in 1999 and takes great pride in being one of AT&T's premier partners. Prime Communications create simple, easy-to-understand solutions for customers who are eager to connect with AT&T's latest technologies for personal and business communication, home entertainment and home automation.

www.primecomms.com

Lease Guarantor: Franchisee (2,000+ locations)



Lease Comparables



SUBJECT PROPERTY		
Property:	6th & Wakarusa Drive	
Address:	565 Wakarusa Dr, Lawrence, KS	
Year Built:	2018	
	<u>High</u>	<u>Low</u>
NNN Rent Range::	\$33.50	\$28.00
Lease Size Range:	3,000 SF	1,200 SF
Tenants:	AT&T, Smoothie King, Sports Clips, Orange Theory	



PROPERTY 1:		
Property:	4701 Bauer Farm Dr	
Address:	4701 Bauer Farm Dr, Lawrence, KS	
Year Built:	2013	
	<u>High</u>	<u>Low</u>
NNN Rent Range::	\$29.50	
Lease Size Range:	1,593 SF	
Tenants:	Starbucks Coffee & Earthwise Pet Supply SportCLips	



PROPERTY 2:		
Property:	525 Wakarusa Dr	
Address:	525 Wakarusa Dr, Lawrence, KS	
Year Built:	2016	
	<u>High</u>	<u>Low</u>
NNN Rent Range::	\$26.00	\$26.00
Lease Size Range:	1,222 SF	1,150 SF
Tenants:	Blue Moose, Spin Pizza, Eat Fit, & Uniquely Ku	



PROPERTY 3:		
Property:	4801 W Bauer Farm Dr	
Address:	4801 W Bauer Farm Dr, Lawrence, KS	
Year Built:	2010	
	<u>High</u>	<u>Low</u>
NNN Rent Range::	\$25.00	\$25.00
Lease Size Range:	1,865 SF	1,967 SF
Tenants:	Great Clips, Sprint, & Burger by Briggs	

Disclaimer

This confidential Offering Memorandum has been prepared by Blue West Capital, LLC ("Blue West Capital") for use by a limited number of qualified parties. This Offering Memorandum has been provided to you at your request based upon your assurances that you are a knowledgeable and sophisticated investor in commercial real estate projects and developments. Blue West Capital recommends you, as a potential buyer/investor, should perform your own independent examination and inspection of the property described herein as 6th & Wakarusa (the "Property") and of all of the information provided herein related to the Property. By accepting this Offering Memorandum, you acknowledge and agree that you shall rely solely upon your own examination and investigation of the Property and you shall not rely on any statements made in this Offering Memorandum or upon any other materials, statements or information provided by Blue West Capital or its brokers.

Blue West Capital makes no guarantee, warranty or representation about the completeness or accuracy of the information set forth in this Offering Memorandum. You are responsible to independently verify its accuracy and completeness. Blue West Capital has prepared the information concerning the Property based upon assumptions relating to the general economy, its knowledge of other similar properties in the market, and on other market assumptions including factors beyond the control of the Blue West Capital and the Owner of the Property. Blue West Capital makes no representation or warranty as to either the accuracy or completeness of the information contained herein, and the information set forth in this Offering Memorandum is not intended to be a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be accurate, Blue West Capital and the Property Owner disclaim any responsibility or liability for any inaccuracies. Further, Blue West Capital and the Property Owner disclaim any and all liability for any express or implied representations and warranties contained in, or for any omissions from, the Offering Memorandum and for any other written or oral communication transmitted or made available to you. Blue West Capital shall make available to you, as a qualified prospective investor, additional information concerning the Property and an opportunity to inspect the Property upon written request.

This Offering Memorandum and the contents are intended to remain confidential except for such information which is in the public domain or is otherwise available to the public. By accepting this Offering Memorandum, you agree that you will hold and treat Offering Memorandum in the strictest confidence, that you will not photocopy or duplicate it, or distribute it. You agree you will not disclose this Offering Memorandum or its contents to any other person or entity, except to outside advisors retained by you and from whom you have obtained an agreement of confidentiality, without the prior written authorization of Blue West Capital. You agree that you will use the information in this Offering Memorandum for the sole purpose of evaluating your interest in the Property. If you determine you have no interest in the property, kindly return the Offering Memorandum to Blue West Capital at your earliest convenience.



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