



53,385
VPD

69 110 35



N CHURCH ROAD

NE BARRY ROAD

152

44,686
VPD

HELZBERG DIAMONDS

15.5-YEAR CORPORATE NET LEASE | BERKSHIRE HATHAWAY COMPANY

KANSAS CITY, MO



CAPITAL PACIFIC

Contact the team



JOHN ANDREINI
jandreini@capitalpacific.com

PH: 415.274.2715

CA DRE# 01440360

JUSTIN SHARP
jsharp@capitalpacific.com

PH: 415.274.7392

CA DRE# 01895013

**IN CONJUNCTION WITH
MO LICENSED BROKER:**

Adam S. Blue
Elevate Property Advisors

913.914.7010

adam@elevatecres.com

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



HELZBERG DIAMONDS

9300 NORTHEAST BARRY ROAD, KANSAS CITY, MO 64157

\$3,212,000

PRICE

6.00%

CAP

LEASE TYPE:	NN LEASE (LL ROOF & STRUCTURE)
LEASE TERM:	15.5 YEARS
LEASABLE SF:	3,212 SF
LAND AREA:	1.07 ACRES
NOI:	\$192,720
YEAR BUILT:	2003

15.5-year corporate net lease in Kansas City

10% rent bumps every 5 years and three 5-year options

Helzberg has been owned by Berkshire Hathaway (Warren Buffet) for 25 years and is headquartered in Kansas City

Pad to Target & Home Depot-anchored center

Just 0.4 miles from Highway 35 (54,544 VPD)

High income suburb - \$106,497 average HH income

Investment Highlights



SURROUNDING RETAIL

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

Capital Pacific is pleased to present the opportunity to acquire Helzberg Diamonds, a 3,212 SF corporate net lease investment located in Kansas City, MO. The newly remodeled, freestanding store is located at the entrance to a Premier Kansas City Shopping Center anchored by Super Target, TJ Maxx, Home Depot, and Bed Bath & Beyond.

The 15.5-year corporate net lease is signed by Helzberg's Diamond Shops, Inc., whose parent company is Berkshire Hathaway (Warren Buffet's holding company). Helzberg Diamonds has been owned by Berkshire Hathaway for over 25 years. The jewelry retailer has 230+ stores across the U.S. and is headquartered in Kansas City.

The lease features **10% rent increases every 5 years**, as well as **three 5-year options to extend** the term. The net lease structure means that the tenant pays taxes and insurance, and limits Landlord's responsibility to roof & structure (see lease abstract on page 7).

The subject property is a **high visibility outparcel to a busy Super Target** with excellent street appeal along NE Barry Road, which sees nearly 17,000 vehicles per day (VPD). Additionally, the property is **across the street from a Best Buy-anchored center and a Walmart Supercenter**.

The property is adjacent to Interstate 35 (54,544 VPD), the main arterial for a dense trade area that includes nearly 50,000 residents within a 3-mile radius and an **average household incomes of \$106,497**.

HELZBERG'S DIAMOND SHOPS, INC. IS ONE OF THE NATION'S LARGEST JEWELRY RETAILERS WITH OVER 230 STORES ACROSS THE U.S.

Income & Expense

PRICE	\$3,212,000	
Capitalization Rate:	6.00%	
Total Rentable Area (SF):	3,212	
Lot Size (AC):	1.07	
STABILIZED INCOME		
Scheduled Rent	\$192,720	
Effective Gross Income	\$192,720	
LESS		
Common Area	NNN	\$0.00
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
NET OPERATING INCOME	\$192,720	



Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY					
TENANT NAME	SQ. FT.			CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEARLY RENT/FT	
Helzberg Diamonds	3,212	5/4/2020	1/31/2026	\$192,720	\$16,060	\$192,720	\$5.00	\$60.00	
		2/1/2026	1/31/2031		\$17,666	\$211,992	\$5.50	\$66.00	
		2/1/2031	1/31/2036		\$19,433	\$233,191	\$6.05	\$72.60	
		Option 1	2/1/2036	1/31/2041		\$21,376	\$256,510	\$6.66	\$79.86
		Option 2	2/1/2041	1/31/2046		\$23,513	\$282,161	\$7.32	\$87.85
		Option 3	2/1/2046	1/31/2051		\$25,865	\$310,377	\$8.05	\$96.63
TOTALS:				\$192,720	\$16,060	\$192,720	\$5.00	\$60.00	



SURROUNDING RETAIL

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

Lease Abstract



RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
5/4/2020 - 1/31/2026	\$16,060	\$192,720
2/1/2026 - 1/31/2031	\$17,666	\$211,992
2/1/2031 - 1/31/2036	\$19,433	\$233,191

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 2/1/2036 - 1/31/2041	\$21,376	\$256,510
#2. 2/1/2041 - 1/31/2046	\$23,513	\$282,161
#3. 2/1/2046 - 1/31/2051	\$25,865	\$310,377

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

PREMISE & TERM

TENANT	Helzberg Diamonds
LEASE SIGNED BY	Helzberg Diamond's Shops, Inc.
LEASE TYPE	NN Lease (LL roof & structure)
TERM	15.5 Years
RENT COMMENCEMENT	May 4, 2020
OPTIONS	Three, 5-year options
YEAR RENOVATED	2020
PARKING SPACES	55 Spaces

EXPENSES

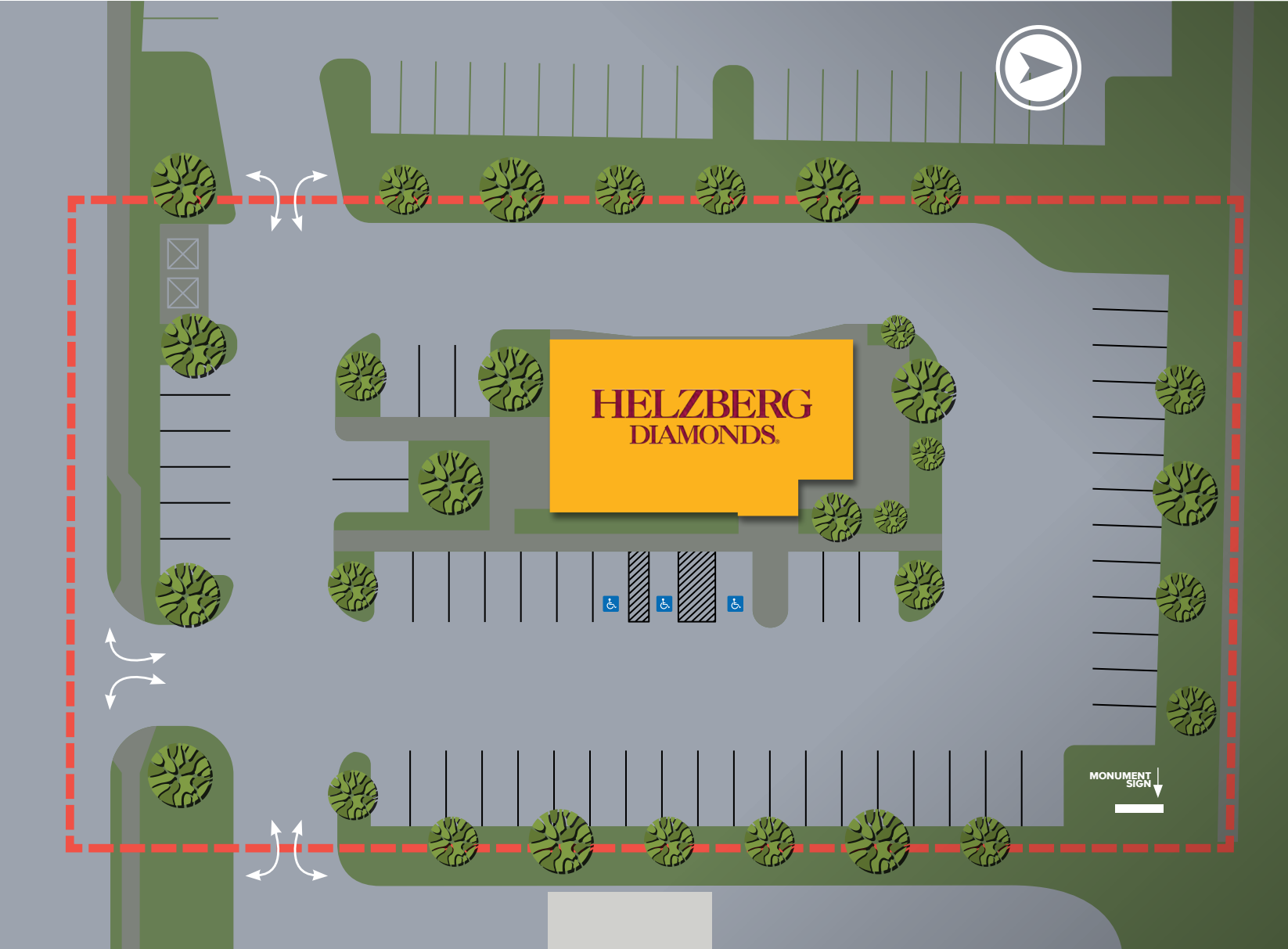
PROPERTY TAXES	Tenant's Responsibility
INSURANCE	Tenant's Responsibility
COMMON AREA	Tenant's Responsibility
ROOF & STRUCTURE	Landlord's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility

Site Plan

sf
3,212
RENTABLE SF

ac
1.07
ACRES


55
SPACES



This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

Tenant Overview

ABOUT PARENT CORPORATION

Berkshire Hathaway, founded by Warren Buffet, is an American multinational conglomerate holding company headquartered in Omaha, NE. The company wholly owns GEICO, Duracell, Dairy Queen, Fruit of the Loom, Helzberg Diamonds, Long & Foster, Pampered Chef, Forest River, and NetJets, and also has significant minority holdings in Kraft-Heinz Company, American Express, Wells Fargo, Coca-Cola, Bank of America, and Apple.

\$707.8 B

**TOTAL ASSETS
(2018)**

ABOUT SUBSIDIARY / LEASE GUARANTOR

Helzberg Diamonds was founded in 1915 in Kansas City, Kansas, and has since grown to over 230 jewelry store locations throughout the United States. In 1995, Helzberg Diamonds was acquired by Warren Buffet and became a part of Berkshire Hathaway's holdings. With more than 100 years of diamond expertise, they have earned a reputation built on trust, knowledge, and stare-worthy high quality diamonds, and are committed to sourcing metals that are environmentally and socially conscious.

\$550 M

ESTIMATED ANNUAL REVENUE

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

Retail Aerial



ULTA BEAUTY
HomeGoods
HOBBY LOBBY
five BELOW KIRKLAND'S
petco OFF BROADWAY SHOE WAREHOUSE
Academy SPORTS+OUTDOORS

Walmart Supercenter

61,871 VPD

35 110 69

ROCKY HORSE
 Old Country Store

FAIRFIELD INN & SUITES
 Marriott

Holiday Inn Express
Comfort Suites

Ford

LIBERTY HIGH SCHOOL

savers
DOLLAR GENERAL

Bath & Body Works
maurices

verizon Visionworks
Freddy's STEAKBURGERS

WAFFLE HOUSE

MINI-MART
PHILLIPS 66

FAMOUS FOR
Steak 'n Shake
STEAKBURGERS

BURGER KING

pepper's

N CHURCH ROAD

McDonald's

SPIRA CARE LIBERTY

JOY WOK

sam's club

KFC

BIG TIRES

54TH STREET

HELZBERG DIAMONDS
 a Berkshire Hathaway Company

SECURITY BANK
 OF KANSAS CITY

152 NE BARRY ROAD

44,686 VPD

LONGHORN
 STEAKHOUSE

BEAUTY BRANDS

Central Bank

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.



Retail Aerial



DQ
McDonald's
PRICE CHOPPER

ANYTIME FITNESS

LIBERTY HOSPITAL

Target
SuperTARGET.

KOHL'S

BED BATH & BEYOND

Office DEPOT

Michaels

THE HOME DEPOT

53,385 VPD

Batteries + Bulbs
Visionworks
FIVE GUYS
HyVee
Texas
cricet
IHOP
verizon
Freddy's STEAKBURGERS
Hampton Inn

GameStop
BEAUTY BRANDS

T.J. maxx

PETSMART

Panera
PIZZA Stoppie

HELZBERG DIAMONDS
a Berkshire Hathaway Company

N CHURCH ROAD

Waffle House
BURGER KING
Santitas

LONGHORN STEAKHOUSE

FAMOUS FOR Steak n Shake STEAKBURGERS

Central Bank

152

44,686 VPD

SECURITY BANK OF KANSAS CITY

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

Surrounding Retail



Demographics



POPULATION

	1-MILE	3-MILE	5-MILES
2010	3,773	43,128	83,610
2019	5,186	49,505	95,176
2024	5,792	52,892	101,404

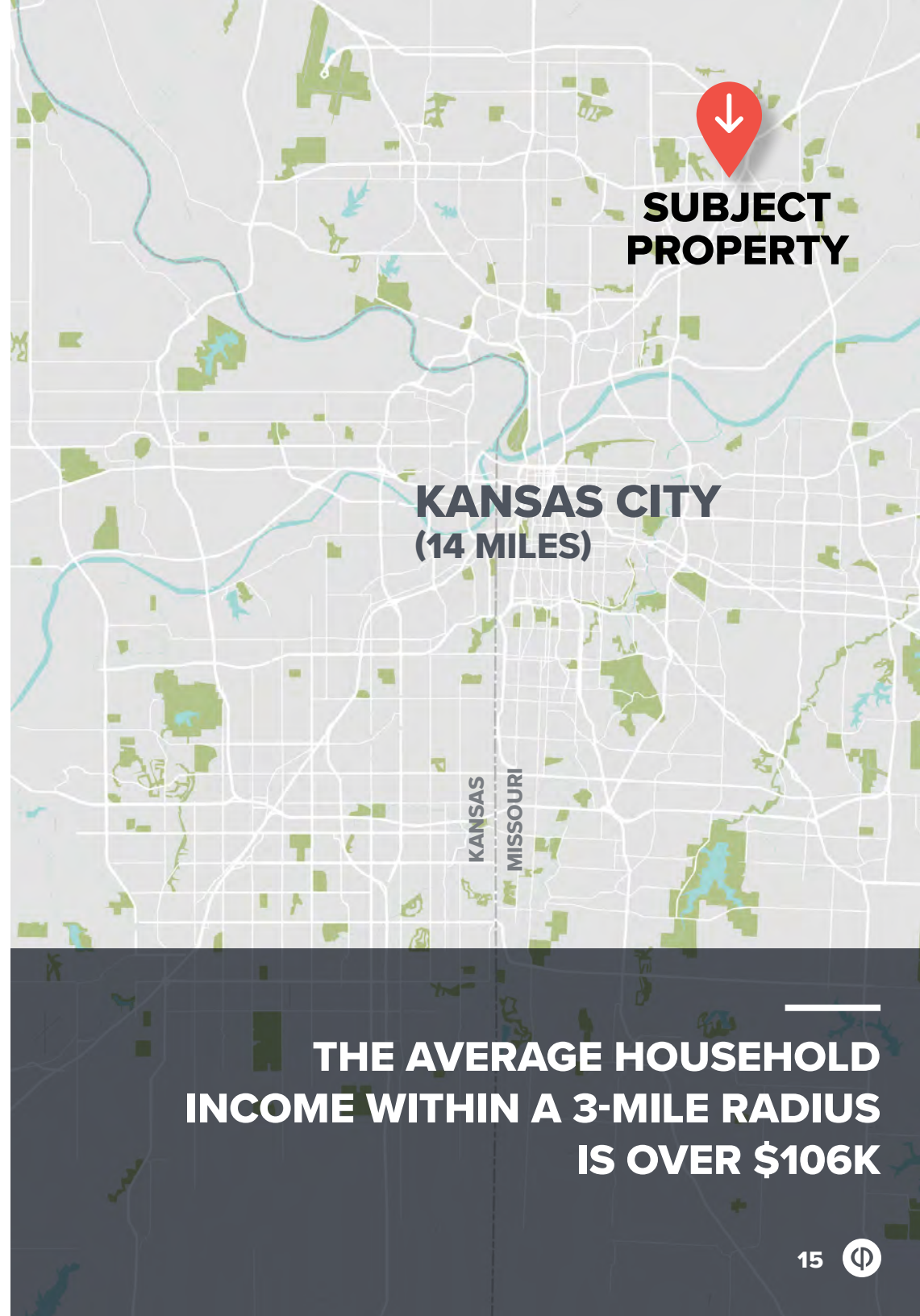


2019 HH INCOME

	1-MILE	3-MILE	5-MILES
Average	\$105,520	\$106,497	\$104,634

TOP EMPLOYERS IN KANSAS CITY MSA

EMPLOYER	# OF EMPLOYEES
Federal Government	18,744
Cerner Corporation	13,964
Children's Mercy Hospitals & Clinics	8,123
Internal Revenue Service	4,600
City of Kansas City	4,521



**SUBJECT
PROPERTY**

**KANSAS CITY
(14 MILES)**

**THE AVERAGE HOUSEHOLD
INCOME WITHIN A 3-MILE RADIUS
IS OVER \$106K**



KANSAS CITY is the sixth largest city in the Midwest with an estimated 2.34 million residents in the metropolitan area. The city is uniquely situated straddling the Kansas-Missouri state line at the confluence of the Missouri and Kansas Rivers.

The Kansas City MSA consists of a vibrant city and flourishing suburban communities, rolling hills and tree-lined boulevards. The region is home to a thriving economy driven by thousands of small businesses, tech start-ups, medical research, and headquarters of dozens of national companies, including Helzberg Diamonds, Cerner, Garmin, Freightquote, and H&R Block. The city is also one of ten regional office cities for the United States Government, making the U.S. Government the largest employer in the Kansas City metro area, with 150 federal agencies, and more than 18,000 employees.

MORE THAN 100,000 COLLEGE GRADUATES enter the KC workforce each year. There are many universities and colleges located in the Kansas City MSA, including the University of Missouri–Kansas City, Rockhurst University, and Kansas City Art Institute.

2.34 MILLION



**KANSAS CITY MSA
POPULATION
(ESTIMATED)**

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

Location Overview



THE KANSAS CITY MSA has a total population of 2.34 million residents, and its economy is matching the U.S. economy stride for stride, growing at almost the same rate. The MSA is expected to add 18,000 to 20,000 jobs per year over the next two

years. Kansas City now makes up 23% of the Kansas City metropolitan area's population.

Corporate headquarters, technology-based companies, entrepreneurs, freight-based companies and shared-service centers select Kansas City for its central location, educated workforce and access to a strong support network of public and private programs, civic-minded entrepreneurs and competitive incentives.

GENERAL STATS

6TH LARGEST CITY IN MIDWEST

SPREADING OVER **15** COUNTIES IN BOTH KANSAS AND MISSOURI

81,740 JOBS IN DOWNTOWN KANSAS CITY

3.6% UNEMPLOYMENT RATE

INVESTED OVER **6 BILLION** TO REDEVELOP DOWNTOWN AREA



Contact us.

JOHN ANDREINI

jandreini@capitalpacific.com

PH: 415.274.2715

CA DRE# 01440360

JUSTIN SHARP

jsharp@capitalpacific.com

PH: 415.274.7392

CA DRE# 01895013

**IN CONJUNCTION WITH
MO LICENSED BROKER:**

Adam S. Blue

Elevate Property Advisors

913.914.7010

adam@elevatecres.com

Copyright © 2020 Capital Pacific Partners

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

CAPITALPACIFIC.COM

**CAPITAL PACIFIC COLLABORATES.
CLICK HERE TO MEET OUR
SAN FRANCISCO TEAM.**



CAPITAL PACIFIC