

BURNS MCDONNELL

**NET LEASE
INVESTMENT
OPPORTUNITY**



INVESTMENT GRADE*

LONG-TERM LEASE

2019 RENOVATION

CLASS A OFFICE

KANSAS CITY, MISSOURI

THE OFFERING

Jones Lang LaSalle Americas, Inc. is pleased to offer the opportunity to acquire the 100% fee-simple interest in 9201 State Line Road in Kansas City, MO (the “Property”). Situated in the prestigious Ward Parkway submarket less than ten miles south of Downtown Kansas City, this 155,925 square foot Class A asset is 100% leased to Burns & McDonnell (the “Tenant” or “Company”). Burns & McDonnell moved into the Property in 2011 and in 2019, executed a brand new 12-year net lease extension. As part of its renewed commitment to the Property, over \$3.0 million in base building and tenant improvements were completed, with additional upgrades ongoing.

Established in 1898, Burns & McDonnell is globally recognized as a leading engineering, architecture, construction, environmental and consulting firm. Headquartered in Kansas City, MO, with 123+ years of operating history, the Company is consistently a top ranked performer in its industry and shown incredible resiliency through the global pandemic, generating a record setting \$5.3 billion in revenue to support nearly 15,000 projects and hiring more than 600 employees in 2020.



ASSET PROFILE

Address	9201 State Line Road, Kansas City, MO 64114
Building Size	155,925
Site Area	7.17 Acres
Year Built / Renovated	1963 And 1985 / 2003 And 2019
Parking Ratio	3.12 Per 1,000 Sf (Parking Garage)
Tenant	Burns & McDonnell Engineering Company
Lease Type	Net (Minimal Landlord Responsibilities)
Lease Expiration	May 2031
Forward Year Noi (Psf)¹	\$1,656,284 (\$10.62 PSF)
Annual Escalations	1.50%
Renewal Options	None

(1) As of January 1, 2022

Note: Investment grade defined as a shadow credit rating based on JLL review of tenant financials.

PROMINENT TENANCY IN BURNS & MCDONNELL

- Exceptional, credit-worthy tenant
- \$5.3 Billion gross revenue in 2020²
- Globally recognized and top ranked engineering firm

(2) Revenue as reported by Company website and press release

SIGNIFICANT ON-SITE OPERATIONS

- Long-standing, in-place occupancy since 2011
- Less than one-half mile to Tenant’s Global HQ
- Essential consumer-facing, engineering personnel

RECENT RENOVATIONS, CLASS A QUALITY

- Over \$3 million in recent renovations
- Upgraded structured parking with direct building access
- Energy-Star labeled

PRESTIGIOUS WARD PARKWAY SUBMARKET

- Affluent residential demographics
- Minimal competitive full-building options
- Nearly 22% rent growth since 2013

INVESTMENT HIGHLIGHTS

INDUSTRY LEADING TENANT AND TOP 10 EMPLOYER IN KANSAS CITY

Burns & McDonnell, one of Kansas City’s most dynamic and well-known companies, is a globally recognized full-service architecture and design firm with a rich 123+ year operating history that provides more than 350 engineering, architecture, construction, environmental, and consulting services across its 11 operating divisions. The company serves government, manufacturing, transportation, power, aviation, environmental, telecommunications, and water sectors, among others. Burns & McDonnell has steadily expanded its Kansas City office footprint, which currently

exceeds 1.1 million square feet to support its growing operations. Burns & McDonnell has shown incredible resiliency through the global pandemic, generating a record setting \$5.3 billion in revenue to support nearly 15,000 projects and hiring more than 600 employees in 2020¹. Burns & McDonnell’s growth is expected to accelerate following the U.S. Senate’s overwhelming approval of a ±\$1.2 trillion infrastructure bill set to rebuild the nation’s roads and bridges, power grids, airports, and new climate initiatives.

TENANT HIGHLIGHTS



123+ Years
of operating history



7,600+
employees globally



Significant 2020 company growth hiring over
600 employees



\$5.3 Billion
revenue in 2020¹

#1 Largest Engineering Firm in Kansas City
Kansas City Business Journal (2021)

#1 Design Firm in Midwest
ENR (2021)

#1 Healthiest Employer
Kansas City Business Journal (2020)

#1 Power Transmission and Distribution
ENR (2016–2021)



COMPANY OVERVIEW

CATEGORY	SUMMARY	DETAIL
Company	Burns & McDonnell	https://www.burnsmcd.com/
Founded	1898	123+ year operating history
Employees	7,600+	From 11 countries
Locations	60+ offices globally	11 specialized industries
Ownership	Privately held	100% employee-owned
2020 Revenue ¹	\$5.3B	33% growth 2019-2020

(1) Revenue as reported by Company website and press release

INVESTMENT HIGHLIGHTS

AMENITY-RICH CLASS A QUALITY

- Extensive HVAC modernizations, roof replacement, parking garage refurbishments and tenant improvements in excess of \$3.0 million
- \$1.4 million in planned capital improvements by Tenant
- Premier office build-out with designs to meet Burns & McDonnell's architectural excellence
- Multiple collaborative conference centers, coffee bars, tenant lounges, expansive corporate board room and full-service cafeteria and dining area
- Fully secured building access with dramatic lobby and floor-to-ceiling window-line with abundant natural light and excellent views
- Executive parking garage with direct building access

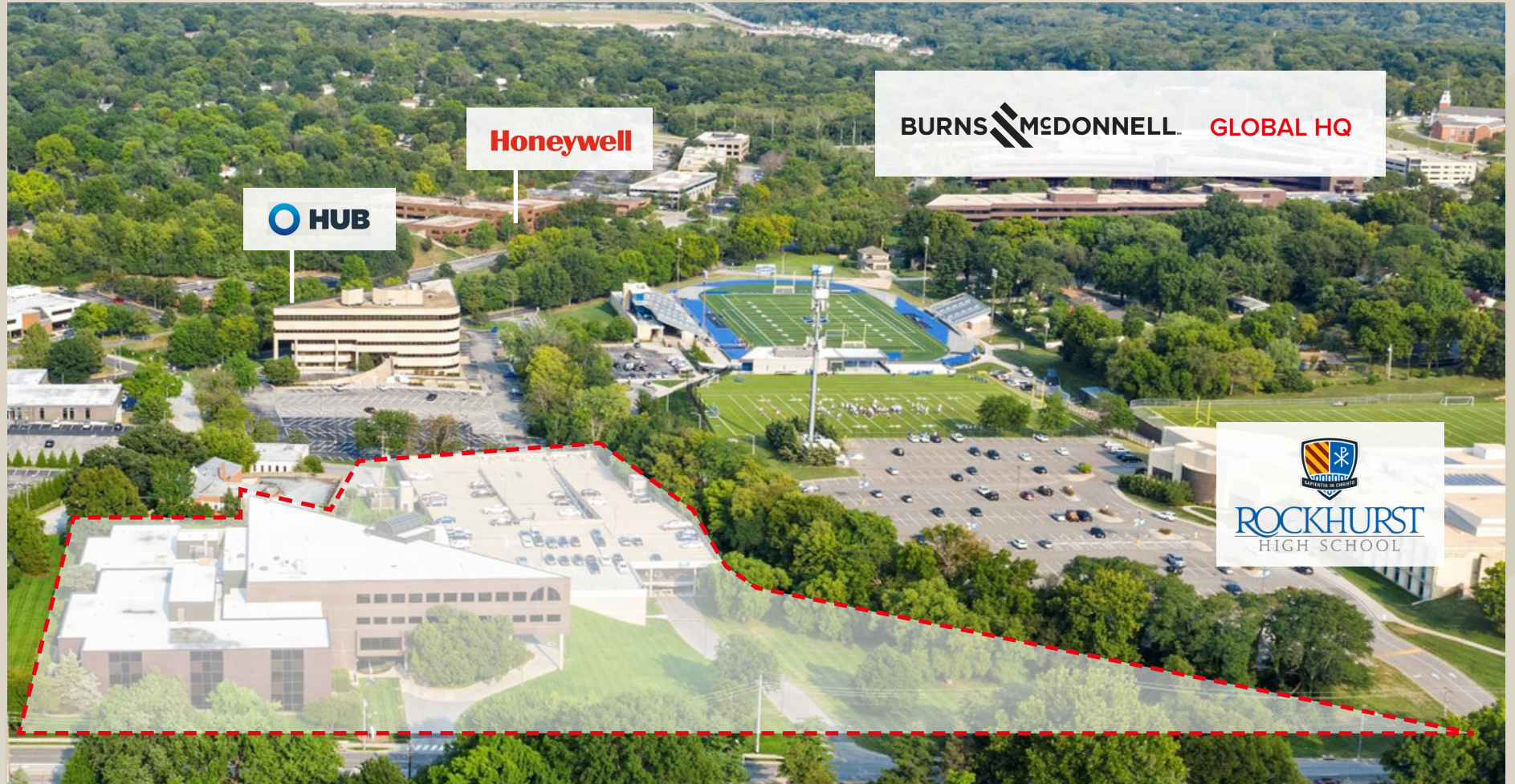


EXECUTIVE
PARKING GARAGE

CLASS A
INTERIOR FINISHES

FULLY SECURED
BUILDING ACCESS

\$3+ MILLION
IN RECENT RENOVATIONS

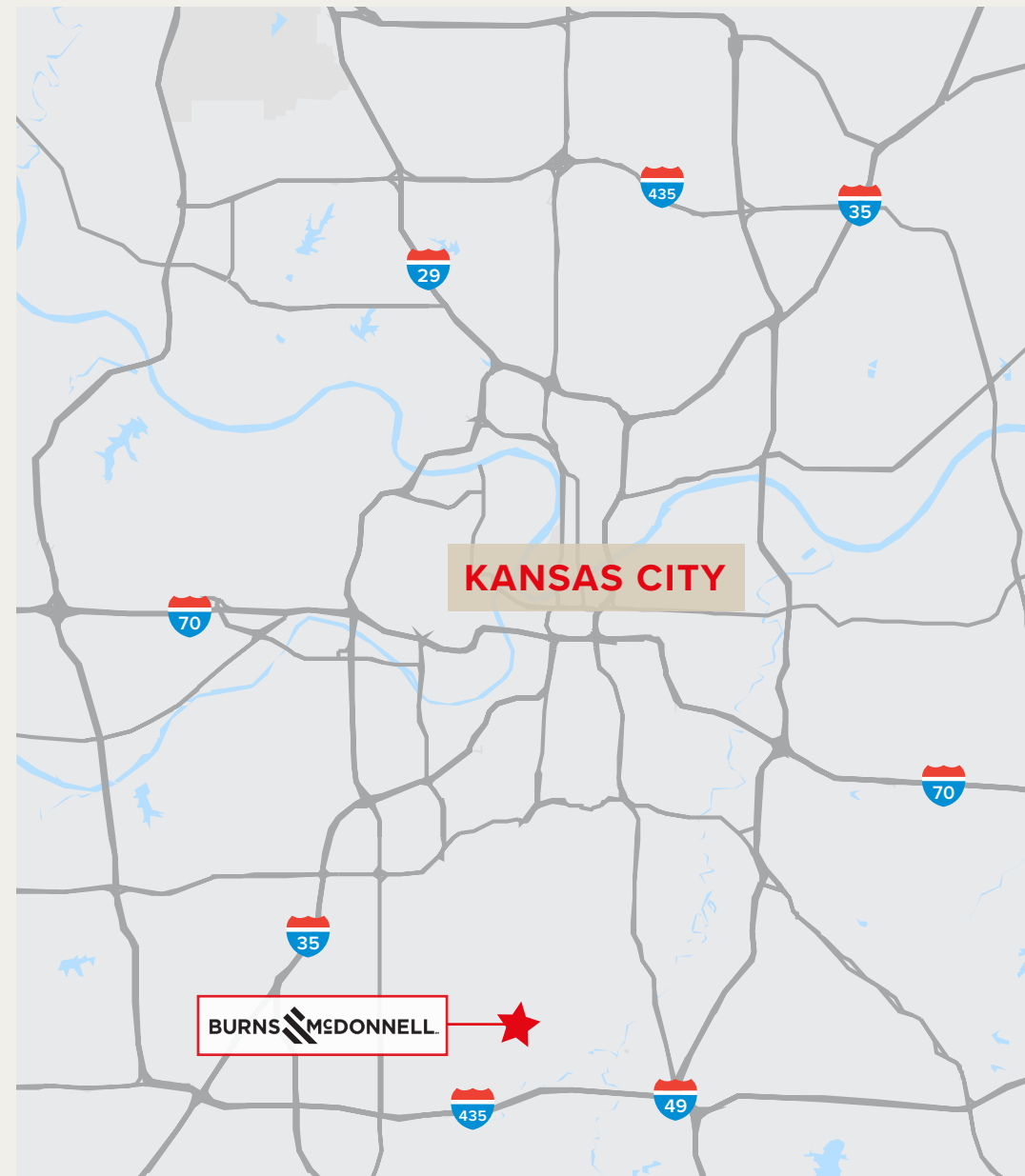


CORPORATE DESTINATION IN HIGH PERFORMING SUBMARKET

The Kansas City metro is home to numerous large corporates supported by a highly educated workforce, economic diversification, low cost of doing business, unique cultural diversity, and Central U.S. location. Specifically, major corporates have recognized advantages of the Ward Parkway submarket and have migrated to the area, resulting in a supply-constrained office submarket averaging sub-7% vacancy since 2017 with minimal large-block space availabilities.

PRESTIGIOUS WARD PARKWAY SUBMARKET HIGHLIGHTS

- Large corporate destination with a highly recognizable tenant roster
- 6.9% average vacancy since 2017, which compares favorably to broader market of 8.2%
- Nearly 22% rent growth since 2013 (2.7% CAGR)
- Amenity rich and extremely affluent residential community producing over \$140,000 average HH income (1-mile radius)
- Proximate commercial and residential developments bolstering the submarket's appeal
- Historically favorable Missouri tax incentives attracting new occupiers



SIGNIFICANT SITE OPERATIONS

- The Property houses essential employees specific to engineering, technology and security functions for Burns & McDonnell customers
- Tenant has occupied the Property since 2011 and affirmed its commitment by executing a 12-year net lease extension in March 2019
- Less than one-half mile to Tenant's Global Headquarters and fully committed to Ward Parkway Corridor occupying over 1.1 million square feet
- Burns & McDonnell's 123+ year operating history in Kansas City reinforces surety of income and high likelihood of renewal

OPTIMAL NET LEASE STRUCTURE

- 100% net leased to Burns & McDonnell inclusive of 1.50% annual escalations, expiring May 2031
- Minimal landlord responsibilities for roof and structure diminished by recent HVAC modernizations, roof replacement, parking garage refurbishments, and tenant improvements in excess of \$3.0 million
- Highly replicable rent basis in a market with minimal full building options of similar quality translates to a high likelihood of Burns & McDonnell renewal
- No remaining contractual renewal options provides an investor a mark-to-market opportunity upon lease expiry





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