



4th Quarter, 2018

## Quarterly Review



Pictured Above: On November 1, 2018, a portion of 47th Street on the Country Club Plaza in Kansas City, Missouri received an honorary designation as James H. Block Blvd.

Over 70 years ago, James "Jimmy" Block co-founded Block & Company, Inc., Realtors. Jimmy's son, David M. Block, continues to operate Block & Company, Inc., Realtors to this day in the same building and at the same desk as his father on the corner of 47th & Pennsylvania.

## The Block & Company, Inc., Realtors Quarterly Review

### Letter from President David M. Block



I would like to start out by thanking all of our employees, consultants, and brokerage group on the fantastic work they put forth in 2018.

The spirit of entrepreneurship is alive and well in Kansas City and at Block & Company. It has been fascinating to observe the growth and transformation that is occurring specifically within the restaurant and retail sectors of commercial real estate. Our restaurant brokerage portfolio is expanding even further with the influx of new and exciting food concepts continuously emerging. We've also seen a major transition in the retail sector of our brokerage portfolio with several new tenants who have brought a unique approach to the entertainment sector. Online-based retailers, as well as family owned and operated retail users, continue to be incredibly active with filling vacancies in shopping centers throughout the region.

Another thrilling aspect is that our existing tenants in these centers have benefited greatly from the increased traffic flow from these new users.

Block & Company's Hotel Division saw tremendous activity this year with multiple sales and new construction projects in developments throughout Greater Kansas City. Our Construction Management Division completed a number of renovation and groundup projects this past year and continues to gain momentum with several new projects lined up for 2019. 2018 was a very active year again for new investment sales and 1031 tax free exchange deals. New opportunity zone designations look to be a another great investment vehicle full of opportunity in 2019.

There is much excitement involving the firm's prospects for 2019 and we owe it all to our people on the ground working day in and day out who have built this company into a 73 year old commercial real estate institution serving Greater Kansas City and the continental US.

Sincerely,

[David M. Block](#)

President, Block & Company, Inc., Realtors

### Profile of the Quarter:

#### *David Harris, CRRP, Property Manager*



In this quarter's newsletter, the firm would like to recognize [David Harris](#) of Block & Company for his commitment to excellence and service. David joined Block & Company in 2010 and currently he works as a Property Manager. He is involved with the management of 9 retail, office, and industrial properties throughout the Kansas City Metropolitan Area and St. Louis totaling approximately 700,000 SF.

David received his Certified Shopping Center Manager (CSM) designation from the International Council of Shopping Centers (ICSC) in 2016. The CSM designation recognizes those who bring the highest levels of professionalism, knowledge, and commitment to a code of professional ethics to the commercial real estate industry. In 2018, David received his Certified Retail Real Estate Professional (CRRP) designation from the International Council of Shopping Centers (ICSC).

The CRRP designation recognizes those who have reached a level of industry fluency. This is a comprehensive certification, recognizing people who have demonstrated knowledge of the many disciplines within the retail real estate industry. This recognition and designation is a result of a two year evaluation of those in our industry. Congratulations, David, on this fantastic achievement!

## BLOCK NewsBytes: Selected Deals of the Quarter

*A look into a few of BLOCK's most noteworthy sales & transactions*



### Block & Company sells shopping center in Crawfordsville, IN, marks the 11th sale of a 13 center portfolio assignment

On behalf of the seller, [David M. Block](#) and [Max DiCarlo](#) of the firm recently sold an estimated 25,750 square foot retail center in Crawfordsville, Indiana for \$633,400 to Hoosier Heartland State Bank. The Big R anchored shopping center is located across the street from Home Depot and Sears and next to Walmart Supercenter at 1611 & 1671 S. US Highway 231. This will be the 11th shopping center sale of the original 13 center portfolio assignment. Block & Company, Inc., Realtors was also the management and leasing company for the shopping center. The remaining shopping centers are for sale in two states throughout the Midwest. [Click here](#) for more information.



### Whiskey Tango Night Club in Grain Valley, Missouri sells for \$2 Million

Whiskey Tango Night Club in Grain Valley, Missouri recently sold for a sale price of \$2,000,000 in late October. The transaction included the rights to the business name, the 25,300 square foot building, and the 12.5 acres of ground it sits on. The country-western nightclub features a concert stage, dance floor, event space, and a steak & burger menu. The property is located at 401 E. South Outer Belt Road in Grain Valley, MO and four Block & Company, Inc., Realtors agents were involved in the sale transaction. [Bill Maas, CCIM](#) and [William Glasgow](#) of the firm represented the sellers and [Phil Peck, CCIM](#) and [Shawn Stuckey](#) of the firm represented the buyers. [Read More](#)



### Ni Hao Fresh, a Bo Lings fast casual concept, comes to Mission Crossing in Mission, KS

[Max DiCarlo](#) and [David M. Block](#) of the firm successfully negotiated the lease transaction for Ni Hao Fresh in the Mission Crossing Center. Ni Hao Fresh is a fast casual Poke and Stir Fry concept created by the founders of Bo Lings and will be their first location. The new restaurant now occupies a 2,426 square foot building located at 6029 Metcalf Ave. in Mission, KS.



### Brand new QuikTrip coming to North Kansas City, MO near Armour Road and Interstate 29

On behalf of the seller, [Jody Minder](#) and [David M. Block](#) of the firm successfully negotiated the investment sale of 2 acres of ground to QuikTrip. The property is located at 1401 Armour Rd in North Kansas City, MO and has fantastic visibility and accessibility from Interstate 29. An office facility currently sits on the property which will be demolished for the construction of a brand new QuikTrip. Construction is scheduled to begin this summer.



### BluSky Salon Suites signs long term lease in Corbin Park Retail Village in Overland Park, KS

BluSky Salon Suites recently signed a long term lease deal at Corbin Park, a popular shopping center located off of 135th Street and Metcalf Avenue in Overland Park, Kansas. [Max Kosoglad](#) of the firm successfully negotiated the lease transaction. BluSky Salon Suites is an upscale salon & spa, providing expert services from hair care specialists in a lush, relaxing environment. They are expected to be open in early 2019. Block & Company, Inc., Realtors will also be handling the management of the property.

**TempStop acquires former Pilot location in Grain Valley, MO for \$2.5mm**



TempStop, a chain of convenience stores based out of Lee's Summit, MO, recently purchased the the former Pilot truck stop location in Grain Valley, MO for \$2.5mm. The site has been a mainstay for truckers for over 30 years. However, changes to the layout of the Hwy 40 interchange in recent years have posed some accessibility issues for semi-trucks, thus, creating traffic flow complications for Pilot.

Larry Patel, the property owner, hired William Glasgow of Block & Company, Inc., Realtors to be the listing agent. Glasgow, who has been one of the top performing commercial agents in Eastern Jackson County for over 20 years, reached out to Terry Green, the owner of TempStop. Green has always had interest in the site's prime location. Once the property was officially listed on the market, an acquisition plan was initiated.

TempStop initiated discussions with The City of Grain Valley to completely redevelop property. In a recent press release, the company outlines how the deal came to fruition:

*"As the years have progressed, the state and city have made several road improvements to the interchange and Hwy 40, that made it pretty difficult for semi-trucks to get in and out easily. So in our redevelop ideas with the city, we all decided that the plans for the new facility should not include a fuel island for fueling semi-trucks. By agreeing to that, we were able to design a more convenient entrance and exit for car and light duty truck traffic."*

TempStop's redevelopment plans include a newly constructed, 6,500 square foot convenience store featuring two food concepts with drive-thru window access, a sit-down dining area, beer cave, expanded liquor section, and a traditional grocery and soft drink section. The redevelopment project will include a brand new, concrete parking lot and two fueling canopies for nolead, mid-grade, premium, E-85, and light duty diesel.

TempStop is also excited to announce that an agreement has been made with BP Oil to bring back the AMOCO fuels brand to Kansas City.



For more information on the deal, contact William Glasgow:

- [William's Profile](#)
- Email: [wglasgow@blockandco.com](mailto:wglasgow@blockandco.com)
- Office: 816-412-7394

**Block & Company's Mark McConahay writes informative piece on Kansas City's retail market trends in Heartland Real Estate Business**

**KANSAS CITY RETAIL MARKET FOLLOWS NATIONWIDE TRENDS**

The last time I wrote a review about commercial real estate in greater Kansas City was about five years ago, and retail expansion was still raging with national anchors, junior boxes and restaurants adding units in all submarkets. The scenery has changed a bit since then in the retail sector of commercial real estate, but it's not doom and gloom.

Fast forward to the fourth quarter of 2018. Every city is experiencing similar retail store closures, consolidations and bankruptcies that have negatively impacted shopping centers across the country. Kansas City has not been immune from the fallout. But not all closings should be viewed as negative. For smaller space users like Mattress Firm, the expected closures will create opportunities in increasingly tight trade areas.

As a tenant rep broker, I can attest to the difficulty in identifying A-rated locations in many hot submarkets. For larger anchor spaces the options are more challenging. We have seen many of these properties redeveloped as non-retail uses, such as health clubs, auto dealerships, hotels, urgent care and religious or educational facilities. It's more noteworthy when an anchor space is leased to another retailer.

Despite the retail consolidations, developers continue to announce retail projects. Here is a brief look at some of the projects making news in Kansas City:

**Mentum:** Originally developed as The Great Mall of the Great Plains, the ill-fated and ill-named mall was demolished in 2016. Earlier this year, Woodbury Corp. announced that it would redevelop the site with a \$271 million mixed-use project named Mentum. Plans include retail, multifamily, entertainment

and commercial components along with a 4,000-seat ice arena to host a semi-professional hockey team and provide community ice, which is extremely scarce in the city. Additional draws include a climbing facility, movie theater, fitness center and golf range.

**Mission Gateway:** This redevelopment project dates back to 2004 when Cameron Group purchased the Mission Center indoor mall with plans to demolish it for a 203,000-square-foot Walmart Supercenter. After years of battles with city approvals, the developer has finally broken ground on the project, but without Walmart. The project will be anchored by a 40,000-square-foot food hall concept developed by celebrity chef Tom Colicchio, two hotels totaling 200 rooms, 168 apartments, 195,000 square feet of retail space and 45,000 square feet of office space.

**Nordstrom's:** The upscale retailer has recently announced that it will be relocating from 200,000 square feet at its original location for the last 20 years in Oak Park Mall to 122,000 square feet in the Country Club Plaza. The new space will need extensive redevelopment, including the relocation of Capital Grille. The Plaza, which sold in 2016 for \$660 million to Taubman Centers Inc. and Macerich Co., lost several longtime tenants earlier this year. But new-to-market concepts include True Food Kitchen, Shake Shack and other new local concepts.

**Brookridge:** The largest mixed-use project on the drawing board locally is the \$1.8 billion Brookridge development in Overland Park. The developer, Chris Curtin, continues to navigate the troubled waters of STAR bonds. The 140-acre development will include 1.8 million square feet of office space, 240,000 square

feet of retail, 550 hotel rooms, 2,000 apartments and a 3,500-seat indoor arena.

Here are a few predictions and observations for Kansas City in 2019:

**Opportunity Zones:** As part of President Trump's new tax plan, look for these incentives to continue to gain favor from local investors. Already law firms, title companies and accountants in the area are adding Opportunity Zone departments. Real estate professionals should understand the benefits to buyers and sellers.

**KCI:** Look for additional cost overruns and delays in Kansas City's new single terminal airport, scheduled to open in October 2022. The original price tag has risen from \$1 billion to \$1.9 billion. The project is long overdue and important in the imaging of the city. Current facilities were basically rendered obsolete with the security changes of 9/11.

**Hyperloop:** Don't look now but Kansas City - St. Louis route is a finalist for the first Virgin Hyperloop One. This construction would allow travel from Kansas City to St. Louis in 30 minutes instead of the 3.5-hour drive time. Economic impacts would be huge.

**Amazon Prime Pantry:** In October, Amazon announced that Kansas City would become the newest city to offer two-hour delivery grocery delivery in 2019. The impact for the local grocers will be minimal initially, but as consumer patterns change so will grocery delivery growth. It may take a couple years, but grocery delivery will be a game changer in a couple of years similar for restaurant delivery.

Mark McConahay is vice president of Block & Co. Inc. Realtors.

**Kansas City's**  
 PREMIER COMMERCIAL REAL ESTATE COMPANY

**BLOCK & COMPANY, INC.** REALTORS

In the Skelly Building on the Country Club Plaza | 605 W. 47th Street, Ste. 200, Kansas City, MO 64112 | 816.753.6000 | www.blockandco.com

**BLOCK Philanthropy:**

*A look into the firm's charitable contributions around our community*



**Block & Co. staff raises Christmas fund for Family of 7**

Block & Company is proud of all of our employees and agents who participated in December's charity opportunity. The Christmas fundraiser program was coordinated through [Operation Breakthrough](#), an organization that provides a safe, loving and educational environment for children in poverty and to empower their families through advocacy, emergency aid and education.

Block & Company was honored to provide an amazing Christmas for the family of 7 that we adopted this year. Each child received not only a new winter coat, but at least 3 presents, plus a gift card for the grandmother that cares for them, as well as enough money for them to have a great Christmas dinner. In addition, we were able to buy diapers for the two little 1 year old grandchildren she cares for. Great job everyone!



**James H. Block Scholarship recipient announced at the Gilbert/Robinson Restaurant Association Dinner**

Each year, an inspiring student from an area college is awarded with the James H. Block Scholarship. Cecilia Knight from Louisburg, Kansas was 2018's scholarship recipient. Cecilia is the oldest of twelve siblings in her family. Her family operates a homesteading farm that produces all their own meat, including rabbits and fish. The family also processes fruit, has a small baking facility and a beekeeping operation. Cecilia is attending Johnson County Community College in the Chef Apprentice Program. Her goal is to have her own restaurant at some point in the future. Cecilia was awarded the scholarship at the Gilbert/Robinson Awards & Dinner Party hosted by the Greater Kansas City Restaurant Association.



**Emilie Rosebud Diabetes Research Foundation hosts benefit at the Cornbread Buffet**

The [Emilie Rosebud Diabetes Research Foundation](#) (ERDRF) recently held a fundraiser at the exciting new Cornbread Buffet in The Landing Shopping Center. Guests enjoyed a fantastic spread of delicious food & drinks, as well as live music. The money raised from the event will directly fund diabetes research at area hospitals in an effort to find a cure for the disease once and for all. Thanks to all who made it out to the event!

A special thanks goes out to our event sponsors:  
Cornbread Buffet | Block & Company, Inc., Realtors  
UMKC - Regnier Institute For Entrepreneurship and Innovation  
Belfonte Ice Cream | Full Employment Council | Reinhart Food Service



**Alexander's Goodwin's GoFundMe campaign raises \$18,000 in 2018 for cancer remission treatment**

Alexander Goodwin, a 10-year-old boy who has beat Ewing sarcoma, an extremely rare form of cancer, is now in remission! His parents, Jeff and Maria, brought Alexander from the UK to Kansas City in 2016 to find better treatment after hearing a bad prognosis from their local doctors. Against all odds, Alexander has since won the battle. However, remission treatment is still a critically vulnerable stage. Being from the UK, Jeff and Maria do not have health insurance coverage in the US and have had no choice but to pay out of pocket for Alexander's treatment.

Block & Company has been closely following the story of young Alexander since his arrival to Kansas City in 2016 and is honored to have established a relationship with the Goodwin family since. In early 2018, Block & Company set up a GoFundme Page after finding out about the cost of remission treatment. The GoFundMe campaign has proudly raised over \$18k but more still needs to come. Please consider helping out the Goodwin Family by [donating to Alexander's Campaign](#).

**Alexander Goodwin's Treatment**

\$18,386 raised

**BLOCK Entertainment**

*A look into the firm's quarterly activities & events*

**Block Holiday Party 2018**

Block & Company's 2018 Holiday Party was hosted at the brand new Johnny Kaw's Yard Bar in Westport. Staff members enjoyed a festive evening with dinner catered in from Rudy's Tenampa Taqueria, drinks, and a gift raffle.



**The Annual Block Halloween Costume Contest & Parade 2018**

Photos from Block & Company's annual Halloween contest, parade, and dinner hosted by Bo Ling's on the Country Club Plaza.



**Featured Listing**  
**For Sale or Lease | 201 East Partridge Ave | Independence, MO**  
Agents: Tony DeTommaso | Mark McConahay | Bill Maas, CCIM

201 E. Partridge Avenue is a four story office complex with amenities and incentives that make it ideal to be a corporate headquarters.  
23,640 sq ft building | 1.26 acres property | Superb highway access to I-70 | 5,910 sq ft on each floor with conference and break rooms | Centrally located in Independence | City and state incentives available



**23,640 SF OFFICE BUILDING** FOR SALE OR LEASE  
201 E. Partridge Ave., Independence, MO



**SALE PRICE: \$2,495,000 | LEASE RATE: \$13/SF**

**DEMOGRAPHICS**

	1 mile	3 miles	5 miles
Estimated Population	8,286	81,996	149,801
Avg. Household Income	\$76,451	\$62,434	\$64,292

- Ideal for corporate headquarters or campus
- Major city and state incentives available
- 23,640 sq ft building on 55,078 sq ft of land
- Four story building with atrium on each floor
- Five minutes from Interstate 70
- Centralized Independence location
- 5,910 sq ft on each floor
- Conference and break rooms on all floors
- All brick building

CLICK HERE TO VIEW MORE LISTING INFORMATION

For More Information Contact:  
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BILL MAAS, CCIM | 816.412.7992 | tmaas@blockandco.com

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