OFFERING MEMORANDUM

3425 TERRACE STREET

Kansas City, Missouri 64111

$1.5M Asking Price	**7,000** SF Building
2.29 Acres Total Site	**M1-5** Zoning

Exclusively Offered By: **Parker Williams** | Midwest CRE Advisors | 816-499-3442 | mwcreadvisors.com

EXECUTIVE SUMMARY

3425 Terrace Street is a 7,000 SF metal warehouse on 2.29 acres (99,752 SF) of fully fenced, M1-5 zoned land in Midtown Kansas City. At just 7.0% building coverage, approximately 92,752 SF — roughly 2.13 acres — of the site is unencumbered outdoor yard, secured and available for immediate IOS or contractor use. In a submarket where infill parcels of this size are functionally unavailable to develop from scratch, the land is the asset.

At $1,500,000, this site offers a dual-track opportunity: an owner-user requiring operational flex space and secured outdoor storage, or an investor positioning the asset as Industrial Outdoor Storage (IOS) in one of the Midwest's most undersupplied markets.

Asking Price

$1,500,000

Building

7,000 SF

Site

2.29 Acres (99,752 SF)

Usable Yard

2.13 Acres (92,752 SF)

Zoning

M1-5 Industrial

Clear Height

25 Feet

Loading

1 Dock-High, 2 Drive-In

Occupancy

Vacant – Immediate

Year Built

1974

Annual Taxes (2025)

$12,520

INVESTMENT HIGHLIGHTS

1 Rare Infill Land Basis

M1-5 zoned parcels of 2+ acres in Midtown KC are functionally unavailable to develop from scratch. This site is priced at a discount to recent 2026 corridor transactions.

2 IOS Demand Absorbing KC Inventory

Recent 2025–2026 trades settled well below replacement cost. Equipment operators, contractors, and fleet managers are actively competing for fenced yards near the city core.

3 Owner-User Ready – Immediate Occupancy

Vacant warehouse with 25-ft clear heights, dock and drive-in loading, and 2+ acres of secured yard. Ownership at this basis likely generates lower total occupancy cost than leasing equivalent space.

4 I-70 Construction Tailwind

MoDOT's Improve I-70 KC project drives an 11-month full closure beginning January 2027, generating concentrated demand for contractor staging yards and laydown areas directly in this corridor.

INVESTMENT SCENARIOS

Scenario A: Owner–User Acquisition

Contractors, fleet operators, and equipment companies needing functional warehouse space plus secured outdoor storage. Immediate occupancy, no lease-up delay. Ownership at this basis likely costs less than leasing equivalent space in this submarket.

Scenario B: IOS Investor / Developer

Acquire a vacant, well-located IOS asset and stabilize it on a long-term NNN lease to an equipment rental, utility, or fleet tenant. Infill M1-5 yards of this size are functionally unavailable to replicate. Stabilized NOI of $150K–$190K/yr supports a compelling value-add return at today's basis.

Scenario C: Land Hold & Appreciation

Patient capital play for investors who see the Terrace Street corridor repricing and want to position ahead of it. Recent same-street transactions confirm institutional conviction. Low annual carry, contributing building, and strong asymmetric upside as the corridor continues to tighten.

PROPERTY & LOCATION

Site Specifications

Building Size
7,000 SF

Total Site
2.29 Acres / 99,752 SF

Usable Yard
92,752 SF (~2.13 acres)

Building Coverage
7.0%

Clear Height
25 Feet

Loading
1 Dock-High, 2 Drive-In

Floor
Concrete with drains

Utilities
Natural gas & electric in place

Security
Fully fenced perimeter

Construction
Metal / Steel Frame

Zoning
M1-5 Industrial Manufacturing

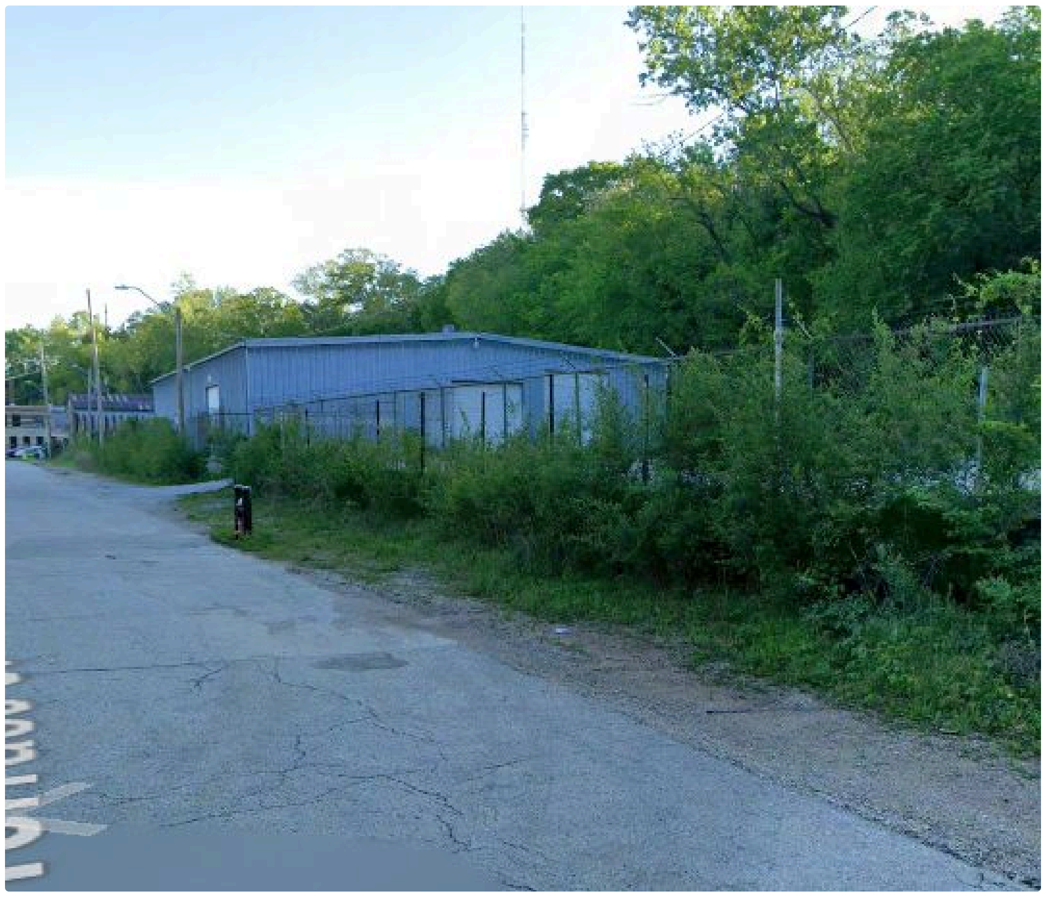
Location & Access

3425 Terrace Street sits in the Midtown KC industrial corridor with direct access to I-35, I-70, I-29, and I-49 — all four major Kansas City interstate corridors. Kansas City ranks as one of the top inland freight hubs in the US, with six Class I railroads converging in the metro and 250M+ tons of freight moved annually.

The Midtown location serves contractor staging, fleet service, and equipment storage users requiring centrally accessible, secured outdoor storage near the urban core. MoDOT's Improve I-70 project (full closure Jan 2027) is actively generating demand for laydown yards in this precise corridor.

PROPERTY PHOTOS

Building Interior — 25' Clear Height



Aerial View — 2.29 Acre Site

MARKET COMPARABLES

Sales Comps — M1–5 Industrial, Midtown Kansas City Corridor

Address	Sale Date	Price	Bldg SF	Lot Acres	$/SF	$/Acre	Notes
3434 Terrace St	Jun 2026	$2,453,850	9,480	0.24	$258.84	$10,406,489	Closest direct comp; same street; older metal structure
3327 Roanoke Rd	Apr 2026	$4,047,190	20,520	1.39	$197.23	$2,916,473	Most recent large-lot comp; M1-5; strong land basis
3331 Terrace St	Dec 2022	$798,000	19,643	1.03	$40.63	$773,631	Same street; similar vintage metal building
3151 Roanoke Rd	Jun 2021	$1,103,900	20,688	0.86	$53.36	$1,280,181	M1-5; comparable era industrial
3131 Bell St	Nov 2021	$625,000	22,912	0.84	$27.28	$742,457	Metal industrial; M1-5 corridor
3125 Roanoke Rd	Jul 2014	$1,410,000	28,967	1.24	$48.68	$1,135,083	Older comp; M1-5

- 2026 comps pricing at $197–$259/SF reflect land scarcity and IOS/redevelopment premiums, not in-place building value
- Pre-2022 comps at $27–$53/SF reflect pure metal building/functional industrial value — more relevant to an owner-user buyer
- Subject property at $1.5M = $214/SF is priced at the 2026 comp level, implying a land/repositioning premium story, not a building story

LEASE COMPARABLES

Active Lease Listings — Midtown KC Industrial

Address	SF	Asking Rate	Lease Type	Notes
2734 Cherry St, KC MO	9,000	$10.50/SF/YR	NNN	M1-5; flex/warehouse
2516 W Pennway St, KC MO	12,823	$8.52/SF/YR	—	Distribution/warehouse
735 Southwest Blvd, KC KS	3,100	$7.00/SF/YR	NNN	Warehouse; Kansas side
510 Division St, KC KS	5,000	$16.80/SF/YR	NNN	Small-bay infill; scarcity premium
3151 Roanoke Rd, KC MO	5,080	$8.00/SF/YR	NNN	Same corridor; M1-5

Sources: CREXi 08/31/2026; CommercialCafe Q2 2026. Market average: $8.14–$10.71/SF/YR NNN.

THE LAND ADVANTAGE

No Competitor Comes Close

2.29

Acres

3425 Terrace St (Subject)

0.27

Acres

3054 Southwest Blvd (nearest competitor)

0.24

Acres

3434 Terrace St (recent sale comp)

0

Acres

3323 Roanoke Rd (no usable yard)

The subject's 2.13 acres of usable yard is 8x more than the nearest active competitor — in the same zoning, same corridor, at a lower asking price.

ACTIVE LISTINGS FOR SALE

At $214/SF, the subject is priced in line with 2026 corridor trades — but the $/SF metric misses the point. No competing listing offers 2+ acres of contiguous fenced yard. This is a land play.

Active For-Sale Competition — As of August 31, 2026

Property	Asking			Notes
	Price	$/SF	DOM	
1204 W 27th St (The Roasterie Factory)	$5,200,000	—	46	Stabilized NNN; 6.71% cap; 12 yrs remaining; Opportunity Zone — validates $2.1M–$2.5M stabilized value for subject
3323 Roanoke Rd	$1,995,000	$119/SF	40	Most direct competitor; 16,750 SF; minimal yard; $495K more than subject with far less land
10 N Hill St, KC KS	$2,100,000	$69/SF	108	30,306 SF / 1955 vintage; Opportunity Zone; Wyandotte County; 3+ months, no contract
3054 Southwest Blvd	$985,000	$105/SF	264	Flex/auto; 0.27 acres; 9 months on market — market has passed
10 Lincoln St	Contact for Price	—	286	Flex/office hybrid; Kansas side; not a direct competitor

KEY TAKEAWAYS

Lowest Entry Price in Corridor

Subject at $1,500,000 is the lowest entry price for infill M1-5 industrial with meaningful outdoor storage in the corridor.

Direct Competitor Asks More, Offers Less

The only direct building-type competitor (3323 Roanoke Rd) asks $495,000 more while offering less than one-third of the usable outdoor acreage.

Only Pure IOS-Capable Site on Market

No other active listing provides 2+ acres of contiguous fenced yard — subject is the only pure IOS-capable site currently on the market.

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Qualified parties interested in receiving additional information, scheduling a property tour, or submitting an offer should contact the exclusive listing brokers directly.

Offers should be submitted in the form of a letter of intent including proposed purchase price, earnest money, inspection period, closing timeline, and evidence of financial capability. The seller reserves the right to accept or reject any offer without explanation.

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Our team provides comprehensive guidance on property details, financing options, and next steps.

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