

# National Trust Small Deal Fund

## The Admiral Building, Kansas City, MO

The Admiral Building in downtown Kansas City was built in 1922 as one of the city's first Ford dealerships. It was once the jewel of Kansas City's first "Miracle Mile" from Grand Boulevard to Oak Street. Its large showroom windows on the first floor were dark for several years, however, as the dealership closed and vacancy set in. The deteriorating building contributed to the blighted nature of the northeast quadrant of downtown Kansas City. In March, 2004 the owners of McCownGordan Construction purchased the property—a Brownfield site—with the intention of rehabilitating it into their headquarters and additional office space for another tenant.



With help from federal and state historic tax credits and Brownfields tax credits, McCownGordan undertook a \$4.3 million rehabilitation of 422 Admiral. The redevelopment project addressed asbestos and lead-base paint contaminants, its lack of parking and a building envelope that had endured years of water damage. The result is a building transformed to its original grandeur, the removal of an underutilized and blighted property, 40 new jobs and a boost for the economic base of Kansas City.



Eighty percent of the federal tax credit equity will be paid once the project receives Part 3 (final) approval from the National Park Service. Six and one-half percent will be paid in at six months of break-even or better operations and the remaining 13.5% at 60 months following the placed-in-service date (the state historic tax credit equity was paid in one lump sum upon project completion).

Total Development Cost		\$4,335,267
Qualified Rehabilitation Expenditures		\$3,737,564
Federal Tax Credits	20.00%	\$747,513
Percentage to Small Deal Fund	99.99%	\$747,438
Federal Tax Credit Equity (per tax credit dollar)	\$0.89	\$665,220
Installments as Follows:		
Part 3	80%	\$532,176
6 Months Breakeven Operations	6.5%	\$43,239
Placed-in-service + 60 months	13.5%	\$89,805
	<b>100%</b>	<b>\$665,220</b>

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