

Members:

Kansas City Business Journal - April 12, 2010
[/kansascity/stories/2010/04/12/story2.html?b=1271044800%5E3168951](http://kansascity/stories/2010/04/12/story2.html?b=1271044800%5E3168951)

KANSAS CITY BUSINESS JOURNAL

Friday, April 9, 2010

Mission Farms plows on, expands

Successful project hoes a new row

Kansas City Business Journal - by [Rob Roberts](#) Staff Writer

Driving by the **Mission Farms** development on Interstate 435, you'd have to say, "It's a great location, but you can't get there from here."

Despite its lack of quick highway access, the Leawood project has been successful and now is expanding from the east side to the west side of Mission Road.

The first developers to mix residential, retail and office uses in one Johnson County location, Mission Farms owners Doug Weltner and Mark Sutherland have sold 3.5 acres to local apartment developers Terry O'Leary and Steve Coon of **Land Development Strategies LLC**. O'Leary and Coon plan to break ground later this year for The Village at Mission Farms, a 215-apartment complex with secured parking and other upscale amenities for monthly rates between \$700 and \$1,500. It will kick off a 20-acre expansion west of Mission Road that will include 17 town houses, a 120-room hotel, 100,000 square feet of retail space and as much as 90,000 square feet of offices.

"The thing people don't understand today is that we've only built 15 or 20 percent of this project," said Weltner, a broker and principal with **Grubb & Ellis/The Winbury Group**. "We've got a lot more to build."

Construction in Mission Farms began in 2006 on 27 acres along the east side of Mission Road near 107th Street — a site formerly occupied by the Saddle and Sirloin Club. Three buildings on that site now house 60,000 square feet of retail space, which is 100 percent occupied; 30,000 square feet of office space, which is 85 percent leased; and 60 condominiums, 45 of which have been sold or leased.

Three more buildings housing roughly 150,000 square feet of additional office space are planned on the original 27-acre Mission Farms site, Weltner said. And because that mixed-use development — ultimately a \$200 million project — is doing so well, Weltner has launched another one a few blocks west, between Roe and Nall avenues.

That project, Highlands Village, is being developed on 53 acres by Weltner and Perry

MEDIA



MISSION FARMS EXPANDS



Sutherland, Mark Sutherland's cousin.

As part of the infrastructure work for Highland Village and Mission Farms' expansion, the developers are extending Indian Creek Parkway west from Mission Road to Nall Avenue.

That will allow quicker access to and from I-435 for Mission Farms patrons and residents. But David Block, a principal of **Block & Co. Inc. Realtors**, said the development seems to be doing fine without it. Three reasons for Mission Farms' success, Block said, are its visibility from the interstate, the neighborhood feel the developers have created via traditional building designs and materials, and the high-caliber regional restaurateurs and boutique retailers they have attracted.

"But the main reason they're doing well and expanding in this economy is they have no competition over there," Block said. "That makes it conducive for folks who want to get out in that part of the north Johnson County market because it's the only place you can go."

Weltner agreed, adding that O'Leary and Coon "get to build 215 units here, and their closest competitor can't get (a new development site) within three or four miles of them."

O'Leary, a former managing principal for the Kansas City brokerage office of Colliers Turley Martin (now Cassidy Turley), said most suburban apartment projects average about 13 units an acre. His four-story project in Mission Farms will accommodate 60 to 70 units an acre thanks to the dense MXD zoning category that Weltner helped Overland Park and Leawood officials add to their development arsenals. MXD zoning also is in place in Highlands Village, Weltner said.

Both developments also benefit from the Sutherland family lumber fortune. Weltner and the Sutherlands are developing the retail and office portions with 100 percent private financing, and partners with residential experience are being brought in to complete the housing elements.

That practice began with the original 60 condos in Mission Farms, which were developed by **Robben Development Co.** of Leawood. In addition, land on the north side of the existing Mission Farms buildings has been sold to local developer Mike Fox, who plans the Manors of Mission Farms, including 20 town houses and six lakefront homes.

"The residential feel is huge for us because of where we're located, in the middle of a residential neighborhood," Weltner said. "This is a true in-fill market, and we were able to take advantage of that by creating a more quality destination than north Johnson County had seen in some time."

Had there been a highway interchange there, he said, residents of the area probably would have been subjected to a cookie-cutter power retail center rather than the existing blend of shops and gathering spots, which range in local color from Blanc Burgers + Bottles to the Blue Koi.

"This is truly a place where you can live, work and have dinner," Mark Sutherland said, "and when Terry's (apartment) project goes in, it's really going to enhance that atmosphere."