

INVESTMENT OFFERING

KOHL'S

7801 Rogers Ave
Fort Smith, AR 72903



ACTUAL SITE

TABLE OF CONTENTS

KOHL'S

Financial Overview	3
Tenant Overview	4
Executive Summary	5
Photos	6-9
Maps	10-11
Market Overview	12
Demographic Report	13

DISCLAIMER

This Marketing Package was prepared by Wertz Real Estate Investment Services and David B Zacharia ("Broker") solely for the use of prospective buyer considering the purchase of the Property within (the "Property") and is not to be used for any other purpose. Neither the Broker nor the Owner of the Property make any representation or warranty, expressed or implied, as to the completeness or accuracy of the material contained in the Marketing Package.

Prospective purchasers of the Property are advised that changes may have occurred in the physical or financial condition of the Property since the time this Marketing Package or the financial statements herein were prepared. Prospective purchasers acknowledge that this Marketing Package and the financial statements herein were prepared by Broker, and not by Owner, and are based upon assumptions or events beyond the control of both Broker and Owner, and therefore may be subject to variation. Other than current and historical revenue and operating expense figures for the Property, Owner has not, and will not, provide Broker or any prospective purchaser with any projections regarding the Property. Prospective purchasers of the Property are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

The Marketing Package is a solicitation of interest only and is not an offer to sell the Property. The Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expression of interest or offers to purchase the Property and expressly reserve the right, at their sole discretion, to terminate discussions with any entity at any time with or without notice.

The Owner shall have no legal commitments or obligations to any entity reviewing the Marketing Package or making an offer to purchase the Property unless and until such offer is approved by Owner pursuant to its Governing Authorities and the signature of the Owner or Owner's representative is affixed to a Real Estate Purchase Agreement prepared by Owner.

This Marketing Package is confidential. By accepting the Marketing Package, you agree (i) that you will hold and treat the Marketing Package and its contents in the strictest confidence, (ii) that you will not photocopy or duplicate any part of the Marketing Package, (iii) that you will not disclose the Marketing Package or any of its contents to any entity without the prior authorization of the Owner, and (iv) that you will not use the Marketing Package in any fashion or manner detrimental to the Owner or Broker.

Broker has obtained the information contained in this Marketing Package from sources we believe to be reliable. However, we have not verified its accuracy and make no guarantee, warranty or representation about it. It is submitted subject to the possibility of errors, omissions, changes of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice. We include projections, opinions, assumptions, or estimates for example only, and they may not represent current or future performance of the Property. You and your tax and legal advisors should conduct your own investigations of the physical condition of the Property and of the financial performance of its future Ownerships.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT BROKER FOR MORE DETAILS.

For more information contact:

John R. Wertz
Tel: (619) 218-6427
jwertz@wertzrealestate.com
CA Lic No. 01448585

Greg LaBarre
Tel: (619) 997-1242
glabarre@wertzrealestate.com
CA Lic. No. 02069301

Listed with Arkansas
broker David B Zacharia
License PB00081524

WERTZ
REAL ESTATE INVESTMENT SERVICES

FINANCIAL OVERVIEW

OFFERING SUMMARY

PRICE	\$10,301,605
DOWN PAYMENT	100% / \$10,301,605
RENTABLE SQUARE FEET	62,117 SF
CAP RATE	6.85%
NET OPERATING INCOME	\$705,660
YEAR BUILT / RENOVATED	1999 / 2017
LOT SIZE	4.84 +/- Acres
TYPE OF OWNERSHIP	Fee Simple

TENANT SUMMARY

TENANT TRADE NAME	Kohl's
OWNERSHIP	Public
LEASE GUARANTOR	Corporate
LEASE TYPE	NNN
LANDLORD RESPONSIBILITIES	Roof, Structure, Parking Lot, CAM
RENT COMMENCEMENT DATE	12/22/1999
LEASE EXPIRATION DATE	06/30/2032
TERM REMAINING ON LEASE	Nine (9) Years
INCREASES	Structured Every 5-Years
OPTIONS TO RENEW	(3) 5-Year Options
RIGHT OF FIRST REFUSAL	No

**Property can be sold with assumable loan in the amount of \$6,675,000 at 5.30%, 30 year amortization and due September, 2028.*



ANNUALIZED OPERATING DATA

RENT INCREASES	ANNUAL RENT	MONTHLY RENT
07/01/17 - 06/30/22	\$684,014.00	\$57,001.16
07/01/22 - 06/30/27	\$705,660.00	\$58,805.00
07/01/27 - 06/30/32	\$727,306.00	\$60,608.83
07/01/32 - 06/30/37 (Option 1)	\$748,952.00	\$62,412.66
07/01/37 - 06/30/42 (Option 2)	\$770,598.00	\$64,216.50
07/01/42 - 06/30/47 (Option 3)	\$792,244.00	\$66,020.33

BASE RENT		\$705,660.00
NET OPERATING INCOME		\$705,660.00
TOTAL RETURN YR-1	6.85%	\$705,660.00

TENANT OVERVIEW

KOHL'S

KOHL'S CORPORATION

Kohl's is an American department store retail chain, operated by Kohl's Corporation. As of January 2022, it is the largest department store chain in the United States with over 1,100 stores in 49 states and approximately 110,000 employees. Kohl's became the largest department store chain in the United States in May 2012, holding that title ever since. The company is listed on both the S&P 400 and the Fortune 500. Kohl's business is built on a strong foundation of more than 65 million customers, an unmatched brand portfolio, industry-leading loyalty and Kohl's charge card programs, convenient and accessible nationwide store footprint, and large and growing digital business on Kohls.com and the Kohl's mobile app. Throughout its history, Kohl's and Kohl's care has donated more than \$815 million to nonprofits across the country to support family health and wellness.

The Kohl's logo, featuring the word "KOHL'S" in white, bold, sans-serif capital letters on a dark red rectangular background.

PROPERTY NAME	Kohl's
PROPERTY ADDRESS	7801 Rogers Ave Fort Smith, AR 72903
PROPERTY TYPE	Net Lease Department Store
OWNERSHIP	Public
LEASE GUARANTOR	Corporate
STOCK SYMBOL	KSS
BOARD	NYSE
TERM REMAINING ON LEASE	Nine (9) Years
OPTIONS TO RENEW INCREASES	(3) 5-Year Options Structured Every 5-Years
NET OPERATING INCOME	\$705,660.00
NO. OF LOCATIONS	1,165
HEADQUARTERED	Menomonee Falls, Wisconsin
WEBSITE	www.kohls.com
YEARS IN THE BUSINESS	Since 1963

EXECUTIVE SUMMARY

INVESTMENT OVERVIEW

The subject property is a Kohl's department store located in Ft. Smith, Arkansas – the third largest city in Arkansas. Kohl's has operated at this location since 1999 and currently has a lease in place through June 30, 2032 with 3 (5yr) options to extend. In 2017, Kohl's signed an amendment to their lease for a new 15-year base term with rental increases, demonstrating their long term commitment to this location. There is optional assumable financing available in the amount of \$6,675,000 at 5.30%, 30 year amortization and due September, 2028.

The property is strategically located in a dense retail trade area with major national tenants surrounding. The site benefits from its excellent access and visibility along Rogers Avenue, which boasts over 30,000 vehicles per day. The location was renovated in 2017 and there is currently a roof warranty in place into the year 2030. This is an anchor tenant in the busy Massard Farms Shopping Center which is across the street from Mercy's Fort Smith 336-bed hospital.

National retailers in the immediate vicinity include Lowe's Home Improvement, Sam's Club, Walmart, Ross Dress for Less, McDonalds, Chick-Fil-A, Texas Roadhouse, Panera, Freddy's, Taco Bell, Wendy's, Sonic, Cox Communications, Wells Fargo, IHOP, Raising Cane's, Goodwill, Applebee's, and many more. This is an excellent opportunity for an investor looking to purchase a stable, long term investment with minimal landlord responsibility.



KOHL'S

INVESTMENT HIGHLIGHTS

- Kohl's Has Occupied This Location Since 1999
- New 15-Year Lease with Rental Increases Signed in 2017, Demonstrating Their Long Term Commitment to the Location
- Assumable Financing Available w/ 5.30% Interest Rate
- Transferable Roof Warranty in Place Until 2030
- Excellent Visibility with 30,000 Vehicles Per Day on Rogers Ave
- Corporately Guaranteed Lease by Kohl's (NYSE: KSS)
- Strategically Located in Dense Retail Trade Area w/ 77,000 Residents in 5-Miles and Close Proximity to 336-Bed Hospital



AERIAL PHOTO



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

SUBJECT PROPERTY



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

SUBJECT PROPERTY



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

SITE PLAN



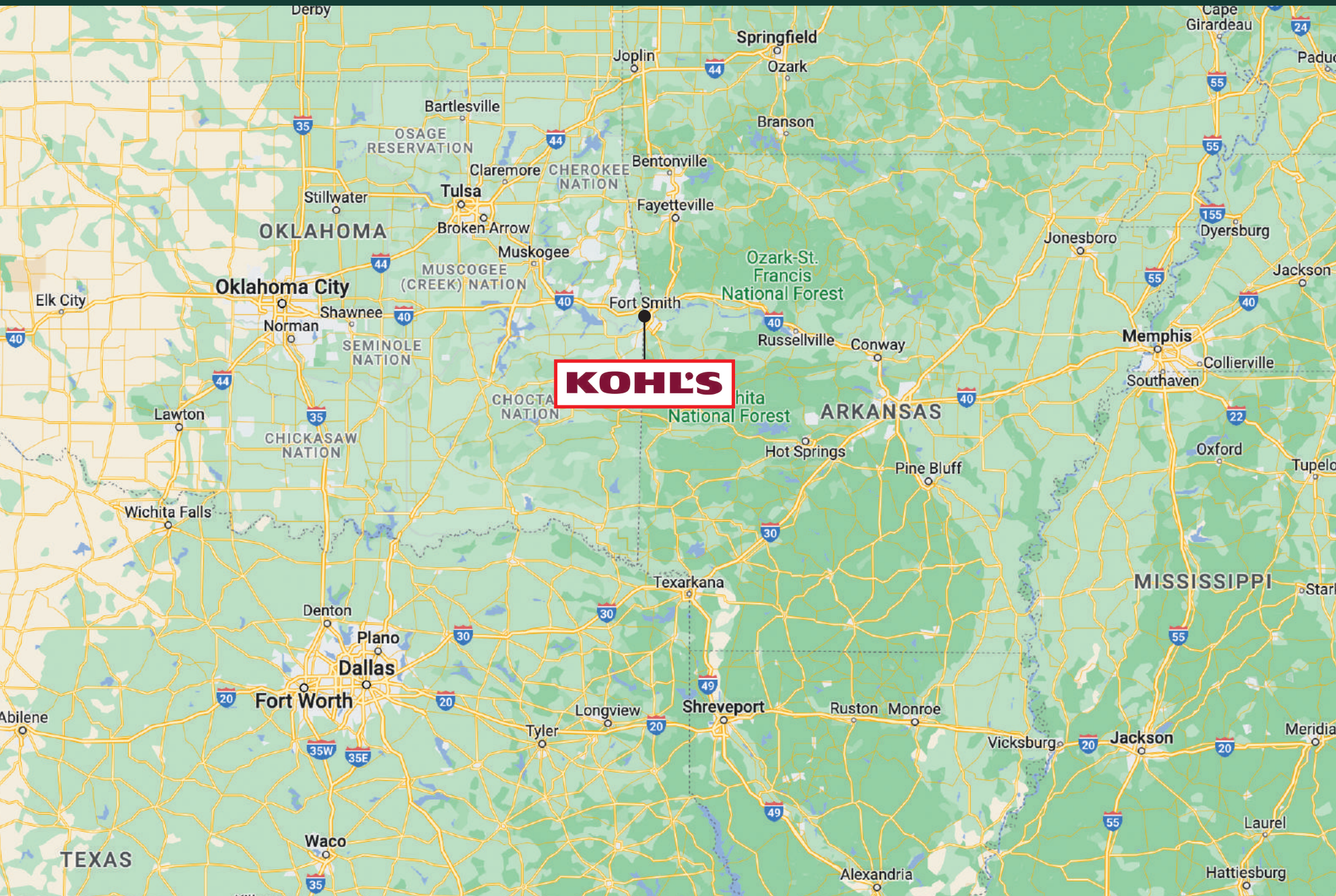
The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

LOCATION MAP



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

AREA MAP



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

MARKET OVERVIEW

FORT SMITH, ARKANSAS

Fort Smith is the third-largest city in Arkansas and one of the two county seats of Sebastian County. As of the 2020 census, the population was 89,142. It is the principal city of the Fort Smith, Arkansas–Oklahoma Metropolitan Statistical Area, a region of 298,592 residents that encompasses the Arkansas counties of Crawford, Franklin, and Sebastian, and the Oklahoma counties of Le Flore and Sequoyah. Established as a western frontier military post in 1817, Fort Smith was also a center of fur trading at this time. Today, Fort Smith is a major transportation hub for the surrounding region. It sits at the crossroads of two major interstate highways, is surrounded on three sides by the Arkansas River, is served by 1 major and 2 regional/switching railroad companies, and is the home of a regional airport.

Fort Smith has long been a regional manufacturing center, with major plants located in the city operated by Rheem, Trane, Georgia-Pacific, Gerber, Kraft Heinz Company-Planters Peanuts, Mars Petcare, Umarex USA, Graphic Packaging, International Paper, Pernod Ricard-USA, and many others. Fort Smith is also home to several corporations, including ABB Motors & Mechanical, ArcBest and poultry company OK Foods.

The main shopping destination of Western Arkansas and Eastern Oklahoma, Central Mall, is located in Fort Smith and is the state's largest indoor shopping center in terms of area. Tourists visit the famous Belle Grove Historic District, a 22-block area in downtown Fort Smith comprises nearly 25 restored homes that span 130 years of varying architectural styles. This area became an affluent residential area not long after Fort Smith was established in 1842, and was most heavily developed between about 1870 and 1930. It is one of the oldest residential neighborhoods in the state.

The city has one major university that is part of the University of Arkansas System. The University of Arkansas at Fort Smith was founded in 1928 as an extension of the Fort Smith Public School system. In 2007, the city of Fort Smith was selected as the site of the new United States Marshals Service National Museum, scheduled to open in 2023.



Fort Smith is the Third Largest City
in Arkansas After Little Rock & Fayetteville



Home to Several Corporations

Including ABB Motors & Mechanical, ArcBest
and poultry company OK Foods



Fort Smith is Home to
The University of Arkansas at Fort
Smith which was Founded in 1928



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

DEMOGRAPHIC REPORT

ACTUAL SITE



POPULATION	1 MILE	3 MILES	5 MILES
2028 Projection	5,058	29,321	77,929
2023 Estimate	5,029	28,925	77,528
2020 Census	5,017	28,729	77,398
Percent Change 2020-2023	0.24%	0.68%	0.17%
Percent Change 2023-2028	0.58%	1.37%	0.52%
Median Age	43.51	41.43	38.17

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2023 Est. Avg. HH Income	\$82,560	\$82,334	\$68,068
2028 Projection	2,184	12,914	32,811
2023 Est. Households	2,162	12,666	32,407
2020 Census	2,150	12,526	32,161
Percent Change 2020-2023	0.56%	1.12%	0.77%
Percent Change 2023-2028	1.02%	1.96%	1.25%

The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.



Wertz Real Estate Investment Services
3138 Roosevelt Street, Suite L
Carlsbad, CA 92008
Tel: (619) 218-6427
Fax: (858) 408-1830
www.wertzrealestate.com

Listed with Arkansas broker
David B Zacharia license PB00081524

Frequently Asked QUESTIONS...

1. As a licensee, am I required to use this Arkansas Real Estate Commission (AREC) Agency Representation pamphlet and / or disclosure form?

- No. The AREC *Agency Representation* pamphlet and disclosure form is a tool that Real Estate Agents may use to ensure their compliance with Commission Regulations 8.1, 8.2 and 8.3. An agent may certainly use alternative forms and / or procedures to comply with these regulations.

2. Can I distribute the brochure for informational purposes only?

- Yes. If you have other methods of disclosing your agency representation but would like to distribute the *Agency Representation* information displayed on the first two panels, discard the disclosure portion and distribute the *Agency Representation* information only.

3. What's the best way to use the disclosure form?

- When Option 1 of the disclosure form is applicable, the person that you do not represent should sign as receiving the agency disclosure.
- When Option 2 of the disclosure form is applicable, all persons receiving the disclosure should each sign a form.

Reminder: Regulations 8.1 and 8.2 require you to disclose to the other party who you represent in the transaction. These regulations allow you to verbally disclose, and require that you confirm in writing that you verbally disclosed, your agency relationship before the party signs the real estate contract or lease.

Arkansas Real Estate Commission

612 South Summit Street
Little Rock, AR 72201-4740
Phone: 501.683.8010
Fax: 501.683.8020

Website: www.arec.arkansas.gov

Commission Staff

Andrea S. Alford
Executive Director

Heather Garrett
AREC Supervisor

Published February 2020

AGENCY REPRESENTATION



WHO
DO
REAL
ESTATE
AGENTS
REPRESENT?

ARKANSAS
DEPARTMENT OF
LABOR AND
LICENSING

REAL ESTATE
COMMISSION

FEBRUARY 2020

Who Do Real Estate Agents Represent in a Real Estate Transaction?

Arkansas law requires every Real Estate Agent to clearly disclose to all parties in a real estate transaction which party(ies) he or she is representing. Real Estate Agents typically represent Sellers but can also represent Buyers as well as both Buyers and Sellers.

What Does It Mean to Represent a Seller?

A Real Estate Agent who enters into an agreement to sell property for an owner is known as the "Listing Agent" or "Agent for the Seller." A Listing or Seller's Agent represents the Seller in the transaction. That means that the Listing or Seller's Agent's primary duty is to protect and promote the interests of the Seller. As a Buyer not represented by a Real Estate Agent, you should keep any information that may place you at a disadvantage in negotiations confidential and undisclosed to the Seller or the Seller's Agent since that Seller's Agent has a duty to pass that information on to the Seller. Confidential information may include the Buyer's real estate needs or motivations, the highest price the Buyer is willing to offer, negotiating strategies or tactics, or financial situation.

What Does It Mean to Represent a Buyer?

A Real Estate Agent who enters into an agreement to only represent the Buyer in a real estate transaction is known as the "Buyer's Agent." A Buyer's Agent represents the Buyer in the transaction. That

means that the Buyer's Agent may assist the Seller who is not represented in selling the property, or deal with the Seller's Agent, but the Buyer's Agent's primary duty is to protect and promote the interests of the Buyer. As a Seller not represented by a Real Estate Agent, you should keep any information that may place you at a disadvantage in negotiations confidential and undisclosed to the Buyer or the Buyer's Agent since that Buyer's Agent has a duty to pass that information on to the Buyer. Confidential information may include the Seller's reason or motivation for selling, the lowest price the Seller will accept, negotiating strategies or tactics, or financial situation.

What Does It Mean to Represent Both Seller and Buyer?

A Real Estate Agent who enters into an agreement to represent the Seller and also enters into an agreement to represent the Buyer in the same transaction is known as a "Dual Agent." A Dual Agent most frequently occurs when a Real Estate Agent, or agents within the same real estate firm, represent both Seller and Buyer in the same transaction. Both Seller and Buyer must have given their written consent to such dual representation prior to or at the time of execution of any Agency Agreement, Listing Agreement or Real Estate Contract. Both Seller and Buyer should be aware that a possible conflict of interest may exist in this type of representation. A Dual Agent limits the duties described above in representing the Seller and Buyer by written agreements found in the Agency Agreement, Listing Agreement or Real Estate Contract. For instance, when representing both Seller and Buyer the Dual Agent would not disclose to one party confidential information obtained from the other party.

AGENCY REPRESENTATION DISCLOSURE FORM

David B Zacharia

Real Estate Agent

DZ Net Lease Realty

Real Estate Firm

7801 Rogers Ave

Real Estate Transaction Address

Fort Smith, AR 72903

City, State, Zip Code

The Real Estate Agent named above:
(Please initial the appropriate response below.)

1) _____ Does not represent me in this real estate transaction but represents only the
_____ Buyer or x Seller.

OR

2) _____ Represents all parties to this real estate transaction to which I previously consented through a separate written agency agreement.

Name of Party Receiving Agency Disclosure

I acknowledge that I am aware of and understand the disclosure information presented above.

Signature of Party Receiving Agency Disclosure

Date

**THIS IS NOT A CONTRACT OR
AGENCY AGREEMENT**