

KROGER FUEL STATION

9222 N RODNEY PARHAM ROAD

LITTLE ROCK, ARKANSAS



TABLE OF CONTENTS



Executive Summary	3
Lease Abstract	4
Rent Schedule	5
Property Photographs	6
Aerial View	7
Retail Trade Area	8
Tenant Profile	9
Location Overview	10
Demographics	11
Confidentiality & Disclaimer	12



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EXECUTIVE SUMMARY

Savills, as the exclusive advisor to the Seller, is pleased to present the investment opportunity of a Kroger-branded fuel station located at 9222 N Rodney Parham Road in Little Rock, Arkansas.

The property is subject to a Ground Lease with just under 9 years remaining on the Primary Term and four 5-year Options to Extend. The absolute NNN Lease provides for Two Percent (2.00%) annual rental increases throughout the Primary Term and Option Periods.

ADDRESS	9222 N Rodney Parham Road
CITY, STATE, ZIP	Little Rock, Arkansas 72227
PRICE	\$1,342,840
NOI	\$67,142
CAP RATE	5.00%
LEASE TYPE	Ground Lease
LEASE COMMENCEMENT DATE	April 6, 2011
LEASE EXPIRATION DATE	April 5, 2031
REMAINING PRIMARY TERM	+/- 9 Years
OPTIONS TO EXTEND	Four 5-Year Options
RENTAL INCREASES	2% Annually
TENANT	Kroger Limited Partnership I
GUARANTOR	The Kroger Co.
GUARANTOR CREDIT	BBB (S&P); Baa1 (Moody's)
BUILDING SIZE	189 SF
LOT SIZE	29,185 SF 0.67 Acres
YEAR BUILT	2011
APN	43L-156-00-010-00

INVESTMENT HIGHLIGHTS

- Absolute NNN Ground Lease
- Just under 9 years remaining on Primary Term
- Four 5-Year Options to Extend
- Attractive 2% Annual Rental Increases throughout Primary Term and Option Periods
- Credit Tenant/Guarantor: The Kroger Co. (S&P: BBB; Moody's: Baa1)

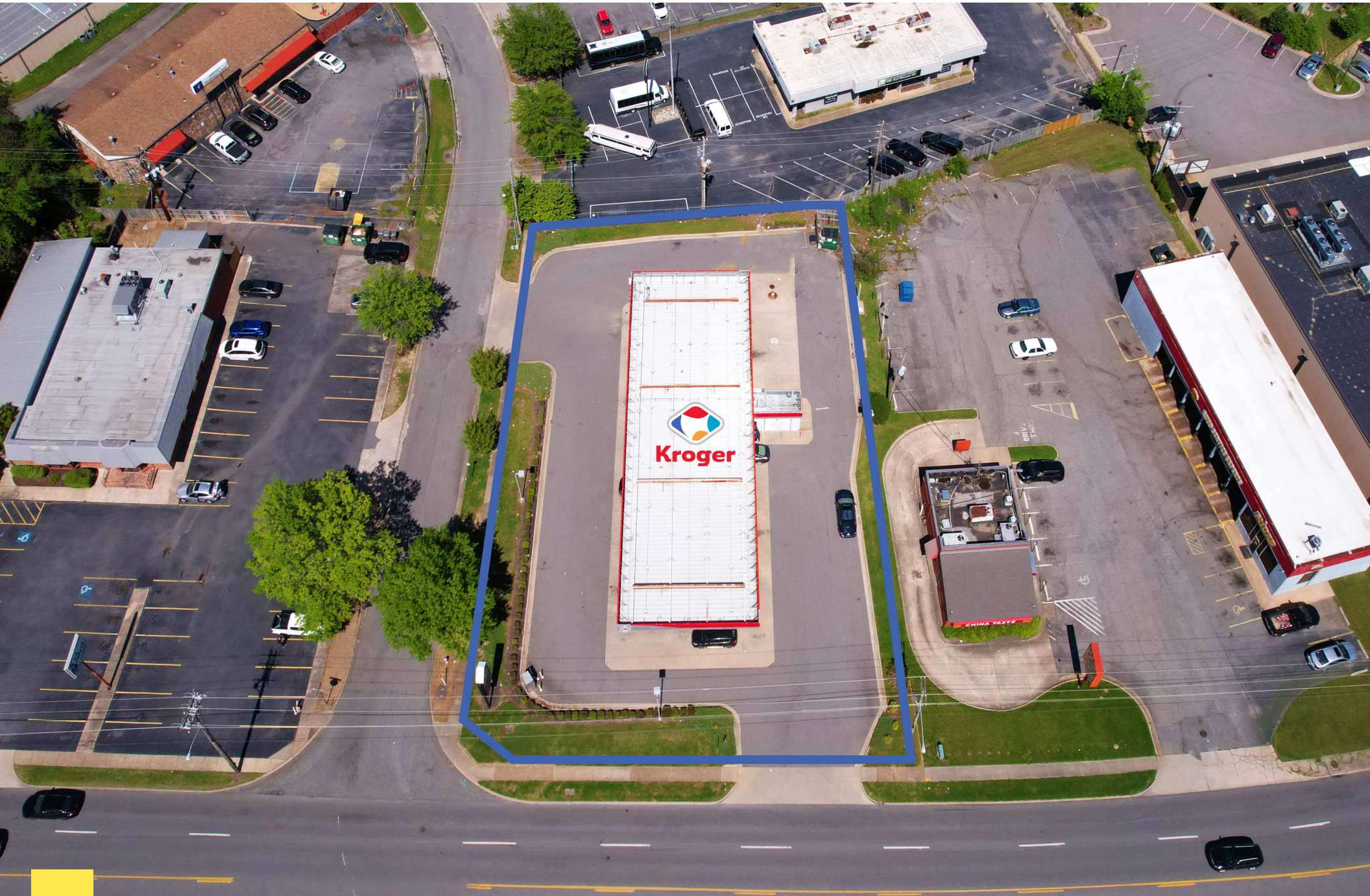


Tenant	Kroger Limited Partnership I
Guarantor	The Kroger Co.: BBB (S&P); Baa1 (Moody's)
Lease Commencement Date	April 6, 2011
Lease Expiration Date	April 5, 2031
Remaining Term	+/- 9 Years
Options to Extend	Four 5-Year Options
Current Annual Rent	\$67,142
Rental Increases	2% Annually throughout Primary Term and Option Periods
Lease Type	Ground Lease (Absolute NNN)
Property Taxes	Tenant Responsibility
Roof & Structure	Tenant Responsibility
Repairs & Maintenance	Tenant Responsibility
Insurance	Tenant Responsibility
Landlord Responsibilities	None
Holding Over	125%
Assignment & Subletting	With Landlord's written consent, not to be unreasonably withheld
Alterations	Without Landlord's written consent to the extent such additions or alterations are in compliance with all applicable laws
ROFR	No
Purchase Option	Yes; Upon expiration of Primary Term with at least One Hundred Eighty (180) days, but not more than Three Hundred Sixty Five (365) days prior written notice. If the Purchase Price cannot be agreed upon by Landlord and Tenant, the Purchase Price shall be the Fair Market Value as determined and reconciled by an Appraiser of Landlord's choosing and an Appraiser of Tenant's choosing.

Primary Term	Annual Rent	Monthly Rent	Rental Increase	Cap Rate
Current - 4/5/2023	\$67,142	\$5,595	2.00%	5.00%
4/6/2023 - 4/5/2024	\$68,485	\$5,707	2.00%	5.10%
4/6/2024 - 4/5/2025	\$69,855	\$5,821	2.00%	5.20%
4/6/2025 - 4/5/2026	\$71,252	\$5,938	2.00%	5.31%
4/6/2026 - 4/5/2027	\$72,677	\$6,056	2.00%	5.41%
4/6/2027 - 4/5/2028	\$74,130	\$6,178	2.00%	5.52%
4/6/2028 - 4/5/2029	\$75,613	\$6,301	2.00%	5.63%
4/6/2029 - 4/5/2030	\$77,125	\$6,427	2.00%	5.74%
4/6/2030 - 4/5/2031	\$78,668	\$6,556	2.00%	5.86%
Average Cap Rate Over Remaining Primary Term				5.42%

Option Periods	Total Rent	Average Monthly Rent	Annual Increases	Average Cap Rate
4/6/2031 - 4/5/2036	\$417,578	\$6,960	2.00%	6.22%
4/6/2036 - 4/5/2041	\$461,040	\$7,684	2.00%	6.87%
4/6/2041 - 4/5/2046	\$509,025	\$8,484	2.00%	7.58%
4/6/2046 - 4/5/2051	\$562,005	\$9,367	2.00%	8.37%
Cumulative Average Cap Rate				6.89%







TENANT PROFILE



Kroger's history dates back to 1883 when Barney Kroger invested \$372, his life savings, to open a single grocery store. His first store was located in downtown Cincinnati and his mindset is reflected by his motto: "Be particular. Never sell anything you would not want yourself."

The company has since grown astronomically and, as the nation's largest grocer, now encompasses nearly 2,800 stores in 35 states and the District of Columbia operating under 28 different names.

The Kroger Co. operates its grocery retail stores in supermarket (Kroger, Ralph's, Dillons, King Soopers, Fry's, QFC, City Market, Owen's, Jay C, Pay Less, Baker's, Gerbes, Harris Teeter, Pick 'n Save, Metro Market & Mariano's), multi-department store (Fred Meyer), price-impact warehouse store (Food 4 Less & Foods Co) and marketplace store (Fry's Marketplace, King Soopers Marketplace, Kroger Marketplace & Smith's Marketplace) formats.

In 1998, The Kroger Co. began selling petroleum at its supermarkets to enhance its one-stop-shopping experience. As of 2021, the company owned and operated over 1,600 fuel stations typically consisting of three to seven fuel pumps and kiosks selling snacks, candy and miscellaneous oil-related products all located under a well-lit canopy covering the entire station.



KROGER AT A GLANCE



\$137.9 Billion
2021 Total Sales



2,726
Supermarkets



1,613
Fuel Stations



500,000
Employees

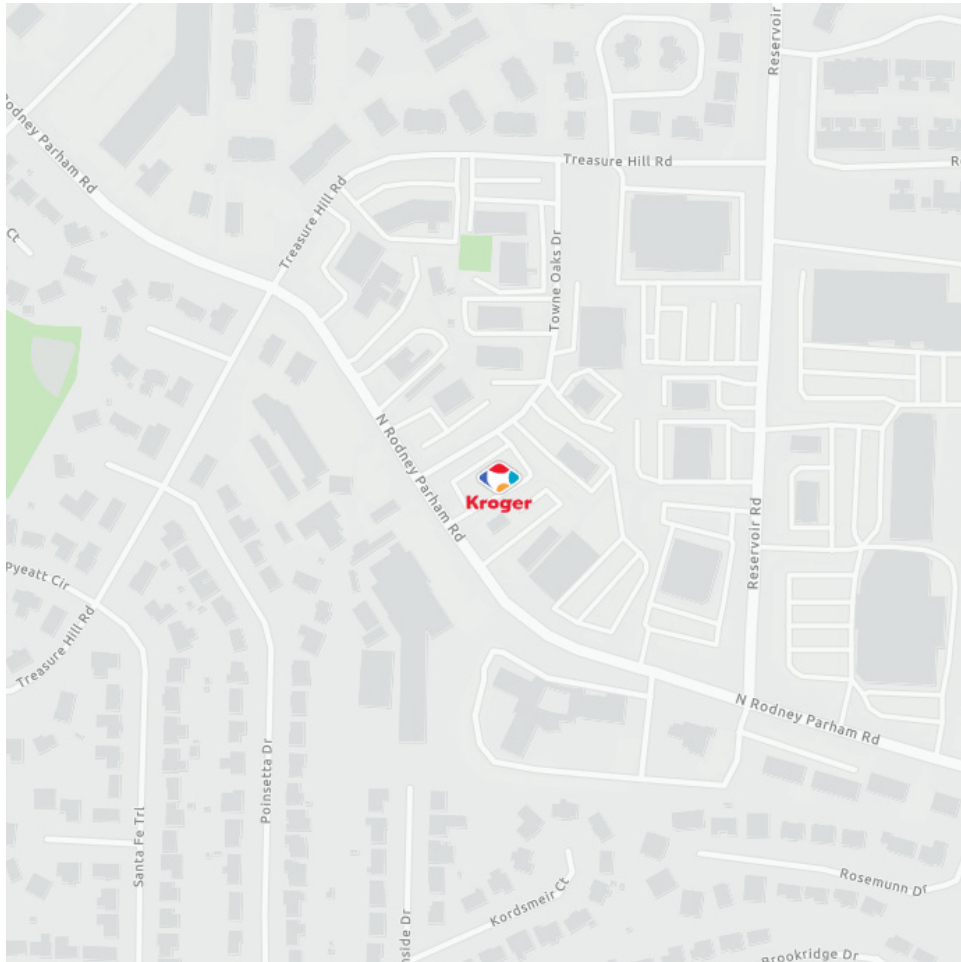


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States & D.C.



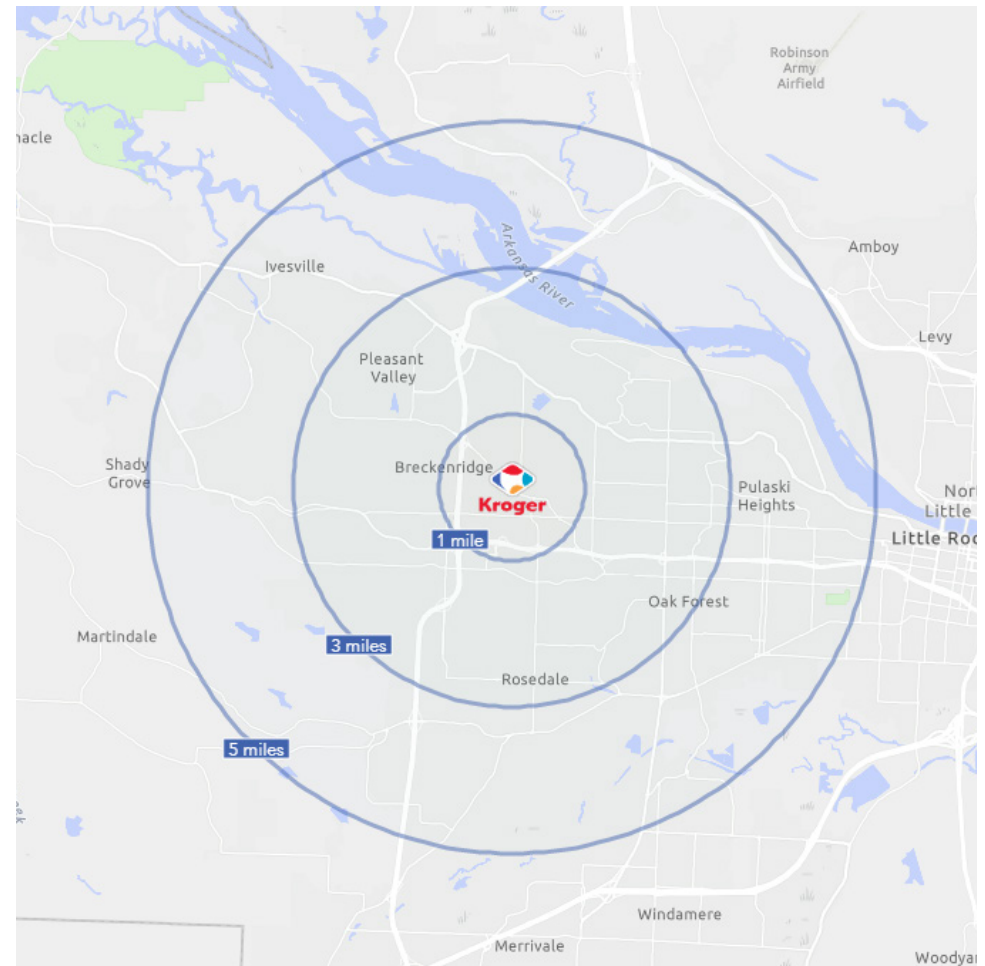
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Distribution Centers





The Subject Property is located on N Rodney Parham Road, which connects with I-430 to its northwest and I-630 to its southeast, resulting in the benefit of significant daily traffic flow in excess of 20,000 VPD. Its corner location at the intersection of N Rodney Parham Road and Towne Oaks Drive also affords it excellent exposure (+/- 102' of frontage on N Rodney Parham Road and +/- 182' of frontage on Towne Oaks Drive), and two points of ingress/egress allowing for ease of access to the property for consumers.

Little Rock is located along the Arkansas River in the central region of the State and serves as the State Capital. It is perhaps most notably home to the William J. Clinton Presidential Library and Museum (which is within a 15-minute drive of the Subject Property), as well as many other attractions such as Esse Purse Museum, the Little Rock Zoo, the Old State House Museum and Pinnacle Mountain State Park. The city is also home to an array of major employers including federal, state and local government agencies employing nearly 72,000 people, the University of Arkansas for Medical Services (9,700 employees), Baptist Health (7,340 employees) and the Little Rock Air Force Base (4,500 employees).



KEY FACTS

(5 Mile Radius)



138,300

Total Population



60,030

Total Households



\$81,811

Average Household Income

Population

	1 Mile	3 Miles	5 Miles
2010 Population	10,429	75,397	131,812
2020 Population	10,174	76,958	138,300
2025 Projection	10,090	77,853	140,694
2018-2023 Annual Rate	(0.17%)	0.23%	0.34%
Median Age	38.8	38.6	38.2

Households

2010 Households	4,797	34,569	57,970
2020 Households	4,632	35,044	60,030
2025 Projection	4,579	35,337	61,141
2018-2023 Annual Rate	(0.27%)	0.20%	0.46%
Average Household Size	2.13	2.16	2.23

Income

2020 Median Household Income	\$53,040	\$55,933	\$54,813
2025 Median Household Income	\$55,806	\$59,815	\$59,215
2018-2023 Annual Rate	1.02%	1.35%	1.56%
2020 Average Household Income	\$66,431	\$81,222	\$81,811
2025 Average Household Income	\$72,826	\$89,000	\$90,544
2018-2023 Annual Rate	1.86%	1.85%	2.05%

Savills Inc., representative of the Seller, is solely authorized to present this investment offering (the “Offering”). This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the fee simple interest in the property located at 9222 N Rodney Parham Road, Little Rock, AR 72227 (the “Property”).

Prior to submitting an offer to purchase the Property, interested parties should perform and rely upon their own investigations, analyses, estimates and projections and otherwise satisfy any concerns regarding material aspects of the proposed transaction including, but not limited to legal, municipal, environmental, operational, seismic, financial and physical issues, and all other matters affecting or pertaining to the Property. The Seller will be offering the Property including all appurtenances and tenant improvements, solely on an “As-Is, With-All-Fault” basis, without any representations or warranties. No person is authorized to make any representations or warranties on behalf of the Seller regarding the Property. Any and all information regarding the Property provided to any interested party by the Seller or Savills Inc., including all information contained in the Offering, is provided without any representation or assurance express or implied, regarding the accuracy, completeness or current status of applicability of such information. Each interested party is expected to undertake such reviews and investigations and make such inquiries as such party may believe to be necessary, appropriate or advisable for the purpose of forming a decision to make an offer to acquire the Property.

The Owner expressly reserves the right, as its sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or to terminate discussions with an entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner’s obligations therein have been satisfied or waived.

The material contained herein is confidential and is presented strictly as information for the exclusive use of the prospective purchaser. Receipt and review of this Offering by the prospective purchaser constitutes an agreement not to divulge, share or distribute the information to any other party, except the prospective purchaser’s legal counsel and financial advisors, without the prior specific written authorization of the Seller or Savills Inc. Each prospective purchaser shall also agree to and comply with the provisions of the confidentiality agreement executed by such prospective purchaser prior to receipt of this Offering.

This Offering is submitted subject to errors, changes, omissions, changes in price, market and other conditions. It contains selected information pertaining to the Property and does not purport to be all-inclusive or to contain all of the information that prospective purchasers may desire. It should be noted that any and all market analyses, estimates, and projections contained in this Offering are provided for general reference purposes only and are based on assumptions related to the general economy, competitions, real estate market trends, and other factors beyond the control of the Seller or Savills Inc.

Such analyses, estimates and projections are therefore subject to material variation, and may not be consistent with the views or assumptions held by other professionals.

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