

KOHL'S

OFFERING
MEMORANDUM

FORNEY, TEXAS

Marcus & Millichap
NNN DEAL GROUP



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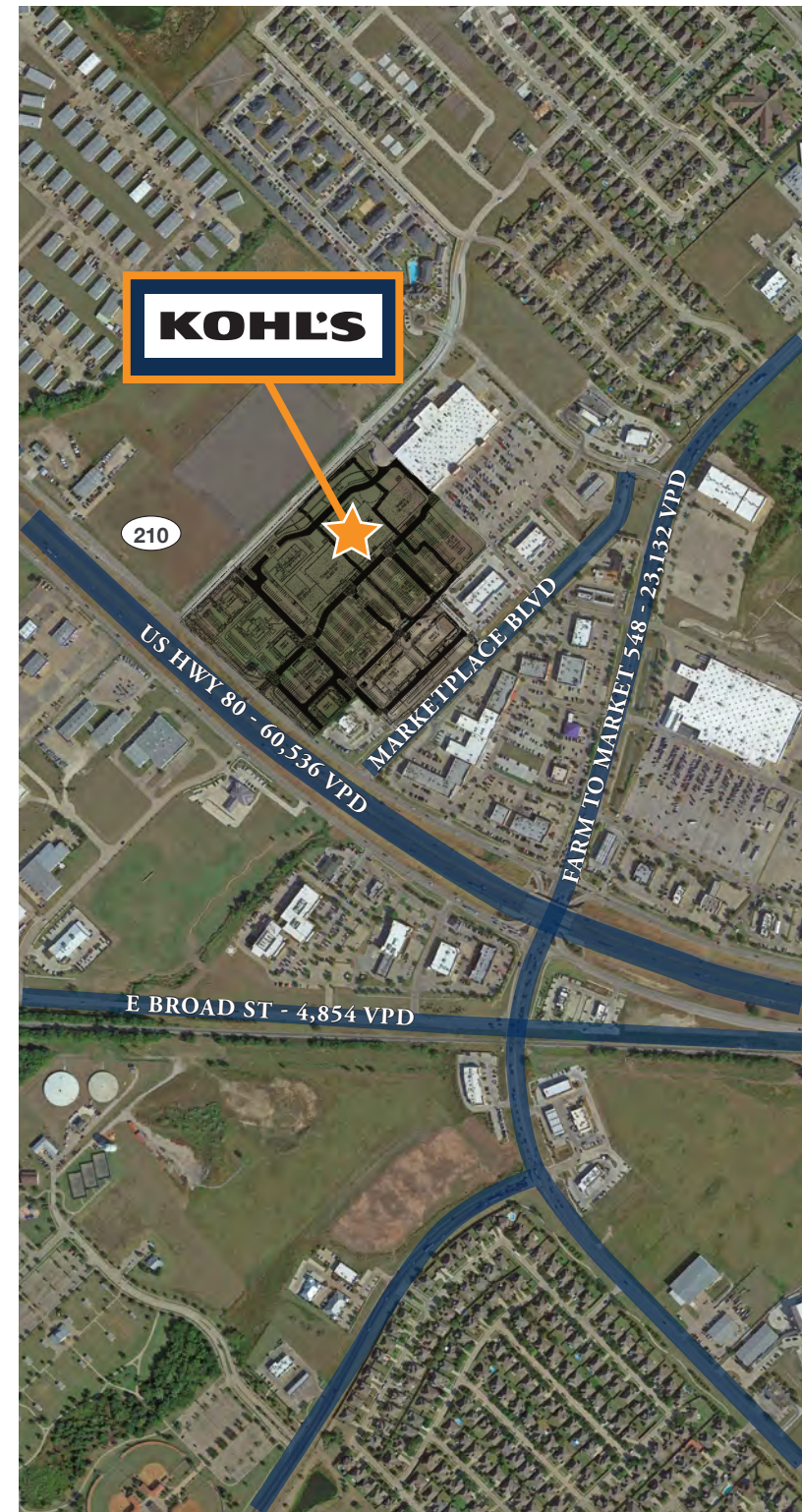
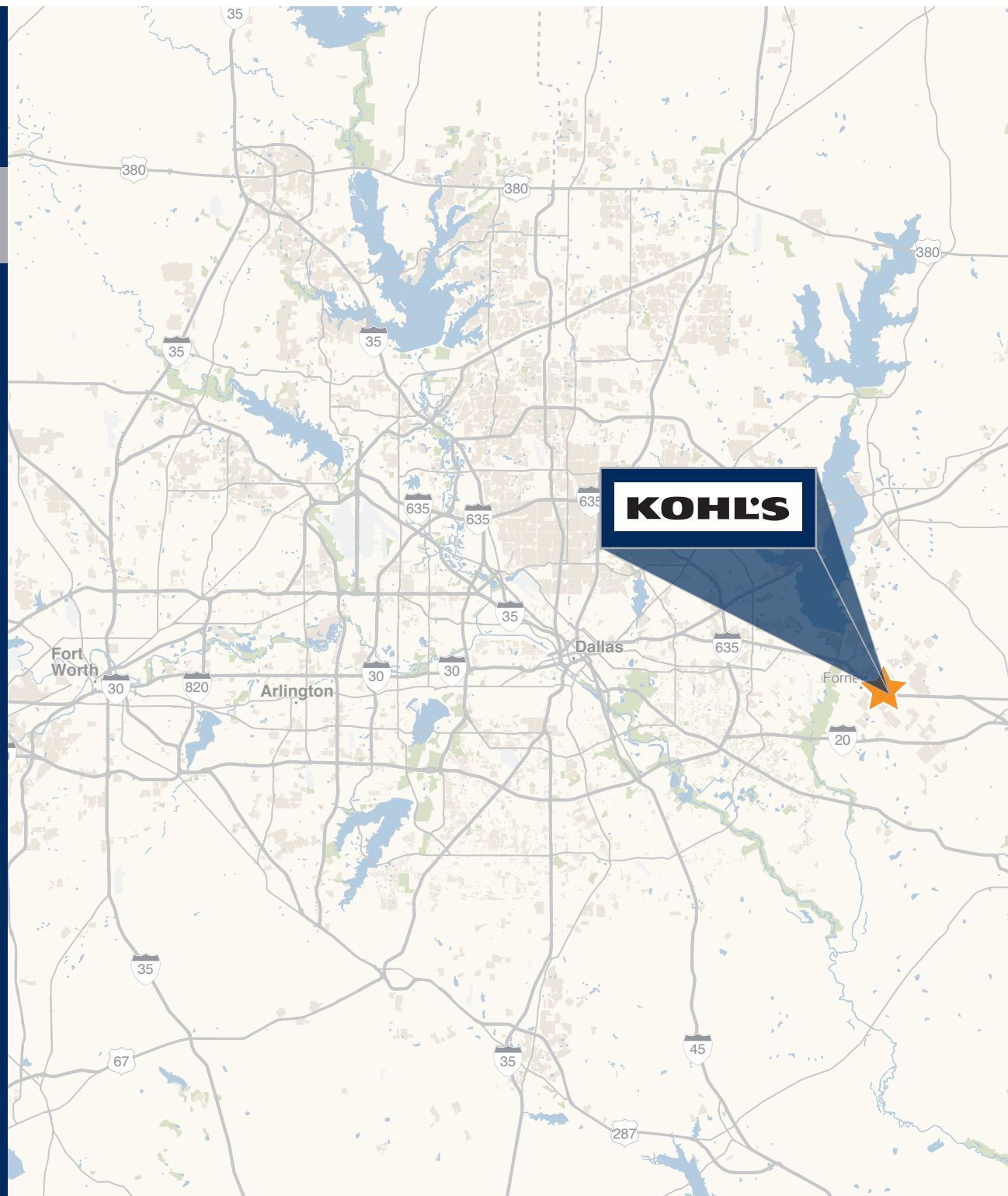


TABLE OF CONTENTS

Investment Summary	4
Investment Highlights.....	5
Aerial Map	6
Tenant Summary.....	7
Site Plan.....	9
Location Map.....	10
Location Highlights	11
Location Overview	12
Demographics	17



INVESTMENT SUMMARY

MARKET PLACE BLVD (OLD FM 548) & STATE HWY 80, FORNEY, TEXAS, 75126

PRICE: \$7,389,381

CAP: 5.65%

NOI: \$417,500

OVERVIEW

Price	\$7,389,381
Gross Leasable Area (GLA)	55,000 SF
Estimated Lot Size	5.14 Acres
Net Operating Income	\$417,500
CAP Rate	5.65%
Year Built	2023

LEASE ABSTRACT

Lease Type	NNN
Lease Term	15 Years
Lease Start (estimate)	April 2023
Lease Expiration (estimate)	April 2038
Renewal Options	8x5
Increase	10% every 5 years
Landlord Obligations	None At All

ANNUALIZED OPERATING DATA

Base Term	Annual Rent
Years 1-5	\$417,500
Years 6-10	\$459,250
Years 11-15	\$505,175
Option 1	\$555,693
Option 2	\$611,262
Option 3	\$672,388
Option 4	\$739,627
Option 5	\$813,589
Option 6	\$894,948
Option 7	\$984,443
Option 8	\$1,082,887

INVESTMENT HIGHLIGHTS

NNN

Brand New 15 Year NNN Lease



Brand New 2023 Construction



Regular 10% Rent Increases Every 5 Years and Includes Eight, 5-year Option Periods



Corporate Guaranteed by one the largest national retailers with over 1,160 locations in 49 states



Kohl's is Publicly Traded (NYSE:KSS) and is ranked #183 on the Fortune 500



Location will include a Sephora, and Amazon Pick-up and Drop-off Center as part of their new and innovative brand partnerships



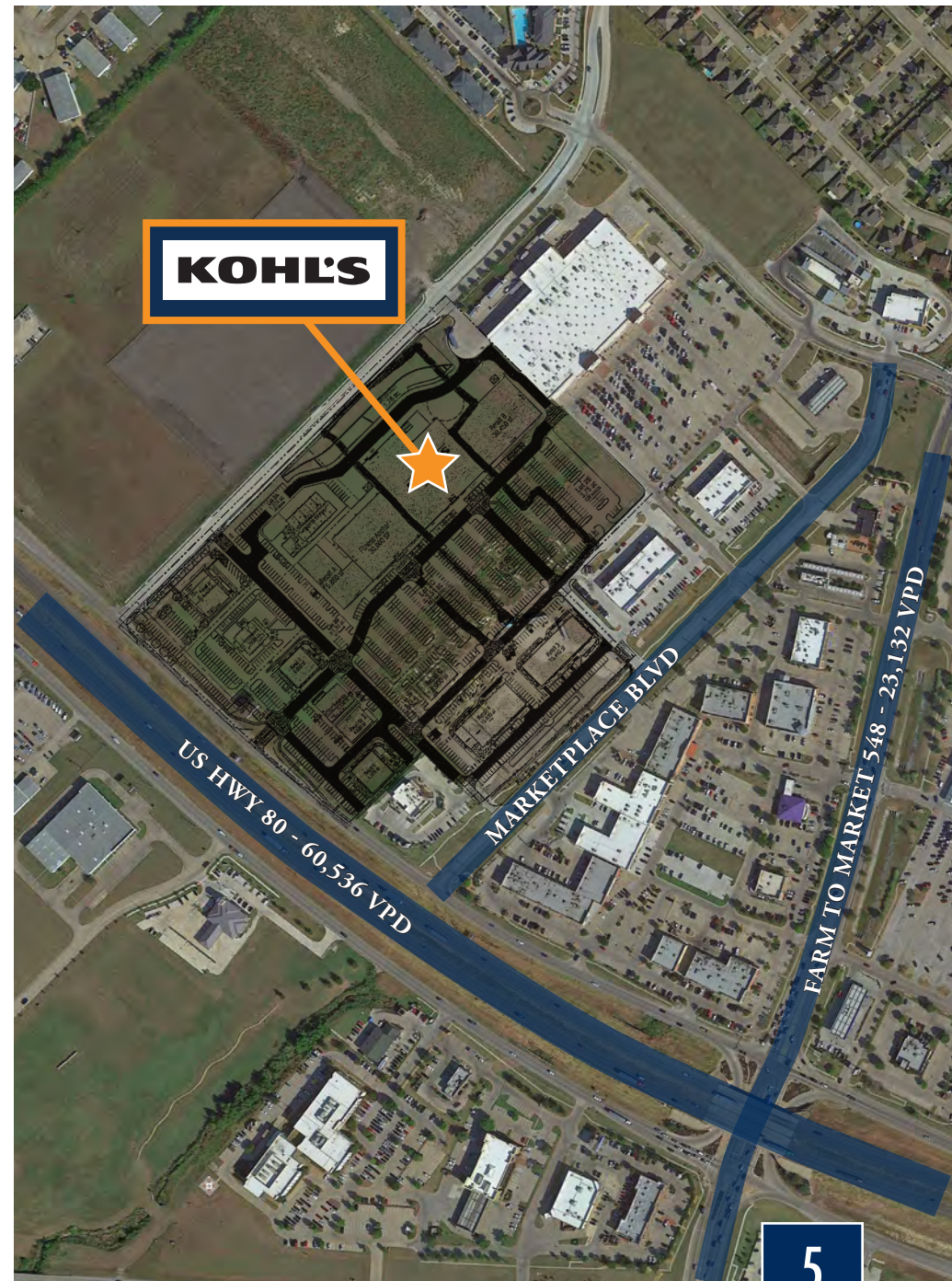
Kohl's is world's 2nd largest department store by revenue, earning over \$19.4 Bil in 2021.



Forney Marketplace is a Brand New Retail Development Anchored by Kroger



Site has Excellent Visibility Directly off US-80, the city's main artery and is part of the Dallas-Fort Worth metroplex



NEW DEVELOPMENTS

- 1 **SUBJECT SITE: Forney Marketplace**
- 26 acre retail center
- 2 **Gateway Retail Plaza** - 40 acre retail center
- 3 **Gateway Parks** - 1,850 home master planned community - 540 acres
- 4 **New Construction Multi Family** - 984 Units
- 5 **Commercial, Light Industrial, Retail** - 800 acres
- 6 **Commercial, Office, Hotel, Medical, Multifamily, Retail** - 300 acres
- 7 **Commercial, Office, Retail** - 40 acres along FM 548
- 8 **Future Entertainment Center**



KOHL'S

TENANT SUMMARY

KOHL'S

In September 2022, Kohl's is celebrating 60 years of providing customers with the great brands, value and convenience every day. What began as one store in Wisconsin has expanded into a leading omnichannel retailer with more than 1,100 locations in 49 states.

The first Kohl's department store opened in Brookfield, Wis., in 1962. When the company went public in 1992, there were 76 Kohl's stores in the Midwest. In 2003, 28 stores opened in California, giving Kohl's a coast-to-coast presence for the first time in our history. Over the years, Kohl's has evolved and grown its shopping experience, including groundbreaking partnerships with Sephora and Amazon. Stores that once sold a little of everything - even motor oil and lawn mowers - have transformed into a destination for active and casual lifestyles and prestige beauty.

Kohl's Now: Today, with 80 percent of Americans living within 15 miles of a Kohl's store, they continue to innovate and offer shoppers convenient services, opportunities for discovery and an overall inviting experience. Store investment and modernization strategies include new store format tests, service pilots, merchandising evolutions, and more, all while still providing an industry-leading shopping experience that our customers know and love.

During each holiday season, 600 Kohl's stores offer customers access to prestige beauty offerings through the Sephora at Kohl's shop experience. We also recently announced that Kohl's will expand its partnership to include a Sephora presence at all Kohl's locations.



KOHL'S



MENOMINEE FALLS, WI

HEADQUARTERS

99,000+

EMPLOYEES

1,161

LOCATIONS
(AS OF OCTOBER, 2022)

NYSE:KSS

PUBLICLY TRADED

1962

FOUNDED

\$19.4 BIL

2021 REVENUE

MAXWELL KOHL

FOUNDER

WWW.KOHL'S.COM

WEBSITE

TENANT SUMMARY

KOHL'S STRATEGY & VISION

Kohl's vision is to be the most trusted retailer of choice for the active and casual lifestyle and its strategy is focused on delivering long-term shareholder value. In 2021, Kohl's delivered all-time record earnings per share, significantly ahead of expectations. The operating margin of 8.6% exceeded the 2023 goal two years ahead of plan, a direct result of efforts to restructure the business to be more profitable.

On February 2nd, 2023 Tom Kingsbury was appointed as the new CEO of Kohl's. Kingsbury has more than 40 years of retail industry experience serving in executive leadership and board roles at Kohl's, Burlington Stores, and The May Department Stores Company. He led Burlington Stores, as president and CEO from 2008 to 2019. With an exceptional track record of growing retail businesses, Kingsbury says "This is a pivotal time for Kohl's, and I am excited and energized to work with our talented team to elevate our performance and create value."



COMPELLING PARTNERSHIPS

Kohl's has compelling partnerships that are unique in the industry. These partnerships build on Kohl's innovative, bold and disruptive spirit and provide differentiated experiences that attract customers to Kohl's through:

- Growing Sephora to a \$2 billion business through an expanded store rollout to 850 stores and continued innovation to drive customer growth and engagement;
- Continuing to acquire millions of new customers with Amazon Returns; and
- Being a destination for iconic national brands and continuing to enhance the portfolio consistent with the Company's strategy.

EXPANDING KOHL'S OMNICHANNEL REACH

Kohl's has a large national store fleet and will build on its strong and growing base of 65 million customers by expanding its store portfolio, building its digital business, and increasing relevancy to attract more customers through:

- Opening more than 100 new smaller format Kohl's stores over the next four years;
- Growing the digital business to \$8 billion by enhancing discovery
- Rolling out self-serve buy online, pick up in store to all stores in 2022, and continuing to test self-serve returns and check-out; and
- Expanding Kohl's Media Network as a way to leverage the Company's strong omnichannel capability.

SITE PLAN







PRINCIPLE EMPLOYERS FORNEY, TEXAS

COMPANY	EMPLOYEES
Forney Independent School District	1,390
WalMart	398
Smurfit Kappa	260
Intex Electric	250
Kroger Marketplace	222
Steve Silver Company	200
Lowe's Home Improvemnet	165
City of Forney	160
Goodyear Tire & Rubber	160
Ridgecrest Healthcare & Rehab	160

LOCATION HIGHLIGHTS

FORNEY, TEXAS



Part of the Dallas-Fort Worth metroplex and is in Kaufman County, one of the fastest growing counties in the nation



Forney is undergoing rapid development with plans for 25,000 new homes and population expected to exceed 100,000 in the next five years



Located directly off US-80, just 20 miles east of the Dallas city center



The new development site is surrounded by top national tenants, including Kroger, Walmart, Lowe's, CVS, and many more

LOCATION OVERVIEW

DALLAS-FORT WORTH

The Dallas/Fort Worth Metroplex is the fourth most populous metro in the nation, with an aggregate of nearly 7.7 million residents. It is composed of 13 counties, stretching nearly 10,000 square miles. The core cities of Dallas and Fort Worth house 1.3 million and 900,000 residents respectively. Strong corporate relocations and job gains continually draw new residents to the region, which has added more than 100,000 more people since the onset of the COVID-19 health crisis. In keeping with historical trends, Collin and Denton counties have received the majority of growth. To accommodate the additional traffic, the region's transportation network is evolving. The expansion of the transportation network is vital to supporting the substantial developments in housing, retail and industrial, allowing commuters to access the metro's numerous corporations and expanding array of industries.

METRO HIGHLIGHTS



SUBSTANTIAL POPULATION GAINS

Dallas/Fort Worth's population growth in recent years ranks among the highest in the United States for a major metro.



LARGE CORPORATE BASE

The Metroplex is home to 22 Fortune 500 companies and many regional headquarters, drawing workers and residents.



MAJOR DISTRIBUTION CENTER

The area's extensive network of rail and highways, along with the International Inland Port of Dallas and multiple airports, ensure its status as a distribution hub.



LOCATION OVERVIEW

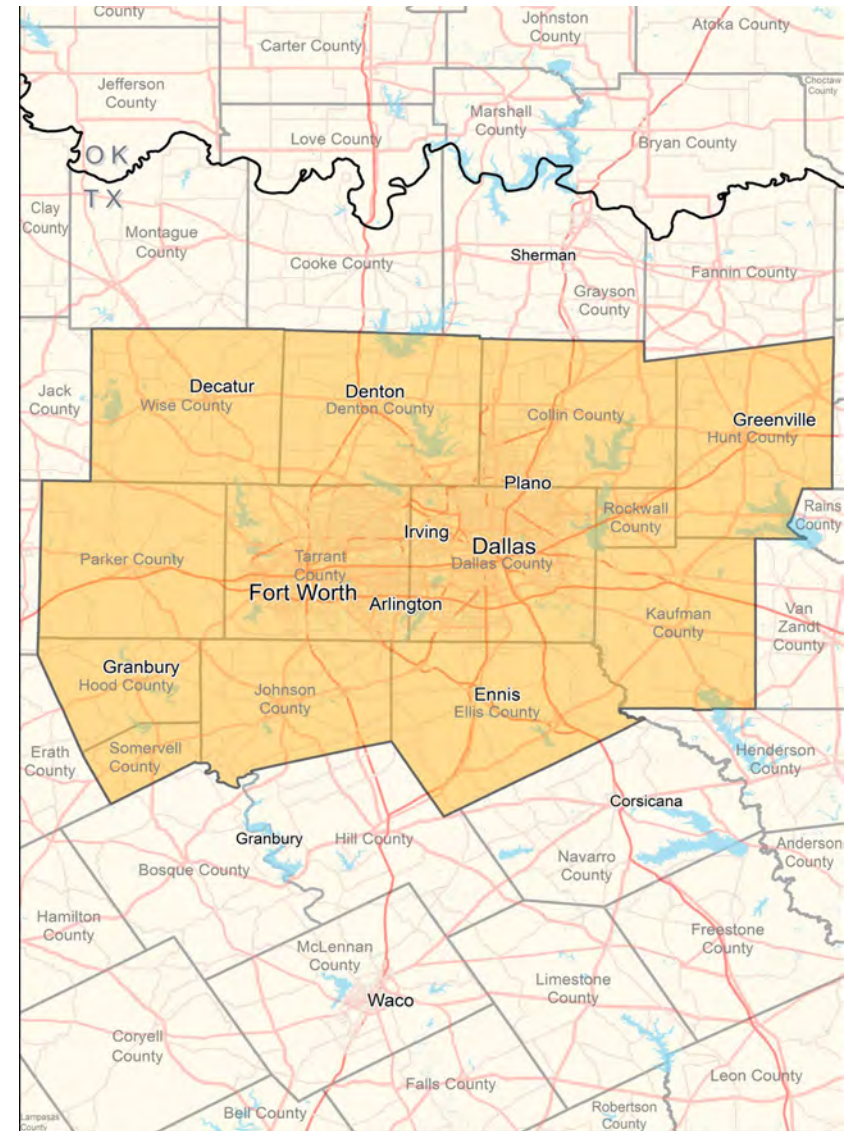
TRANSPORTATION

- The area is connected to the rest of the nation by way of Interstates 20, 30, 35, 45, 345, 635 and 820, along with other major thoroughfares.
- Dallas Area Rapid Transit covers Dallas and 12 surrounding cities, and it consists of buses and a light-rail system.
- Freight-serving lines in the region include Union Pacific, BNSF and Kansas City Southern. BNSF is headquartered in Fort Worth.
- Trinity Railway Express and Amtrak provide passenger rail service.
- Via rail to Houston Port, and Highways 20 and 45, the International Inland Port of Dallas connects the region to global markets and trade.
- Two airports that service passengers are Dallas/Fort Worth International and Dallas Love Field, while Fort Worth Alliance is the center of a major cargo alliance. There are also 13 smaller airports in the area.
- The Alliance Global Logistics Hub is one of two intermodal facilities in Texas that connects road, rail and air.



MORE THAN
80

MILES OF A LIGHT-RAIL SYSTEM
SERVING DALLAS AND
SURROUNDING CITIES

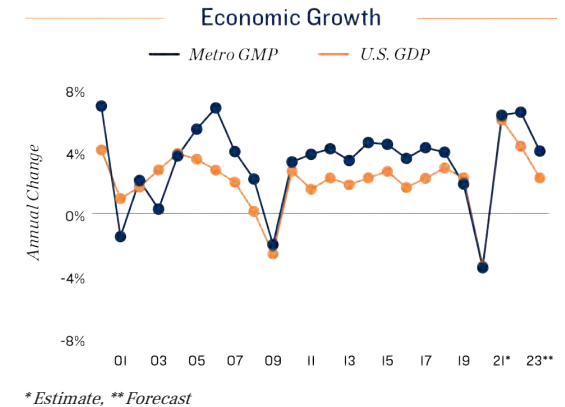


LOCATION OVERVIEW

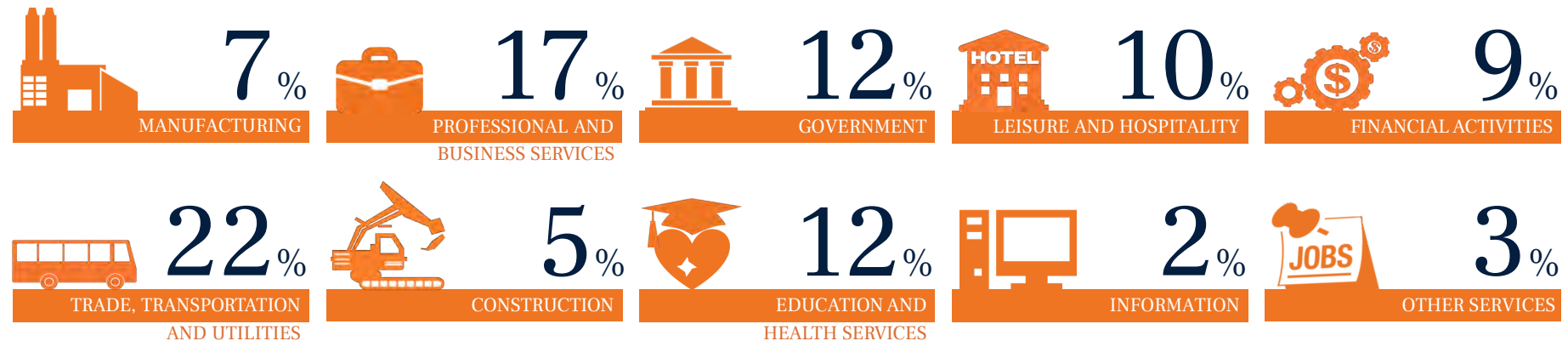
ECONOMY

- The Metroplex's central location, temperate climate, no state income tax and a right-to-work labor policy attract employers.
- Dallas-Fort Worth is one of the nation's largest employment markets, with nearly 4.0 million jobs. The labor force has doubled since 1990.
- The region is home to 22 Fortune 500 companies in a variety of sectors, including American Airlines Group, Southwest Airlines, Fluor, AT&T, Tenet Healthcare, Kimberly-Clark and D.R. Horton.
- The area is forecast to add jobs at an average annual rate of 1.7 percent through 2025, more than triple the U.S. level.
- Economic expansion will be further fueled by a rise in financial services and high-tech companies.

MAJOR AREA EMPLOYERS
AMR/American Airlines
Baylor Scott & White Health
Texas Health Resources
Texas Instruments
Bank of America
Lockheed Martin
Verizon Communications
JPMorgan Chase
HCA North Texas Division
UT Southwestern Medical Center



SHARE OF 2021 TOTAL EMPLOYMENT

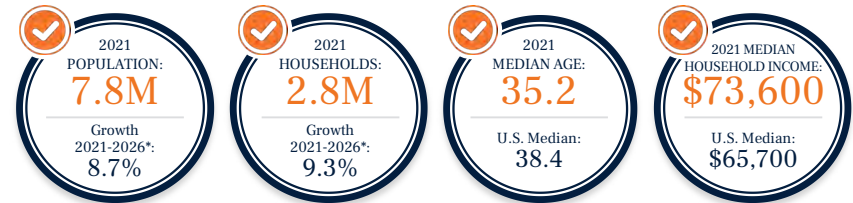


LOCATION OVERVIEW

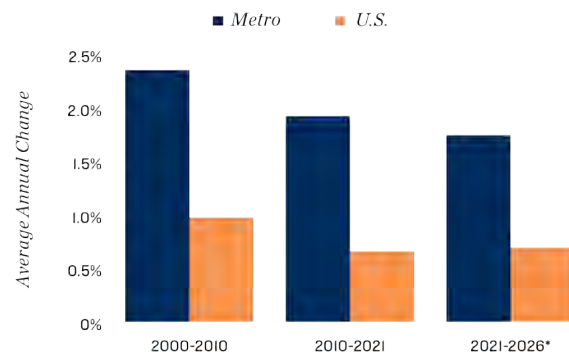
DEMOGRAPHICS

- Roughly 678,600 new people are expected through 2026, fueled by robust job growth, natural increases and north-to-south migration.
- The Metroplex is projected to add 260,400 households during the same period, generating the need for additional housing options.
- A younger population resides in the Metroplex, indicated by a median age that is below that of the U.S. measure.
- An educated population provides a skilled labor pool and higher incomes. Almost 34 percent of residents ages 25 and older have at least a bachelor's degree, compared with 31 percent for the nation. The median income is \$7,900 above the national level.
- Given the market's younger median age, approximately 60 percent of residents owned their homes in 2020 — providing a vibrant rental market.

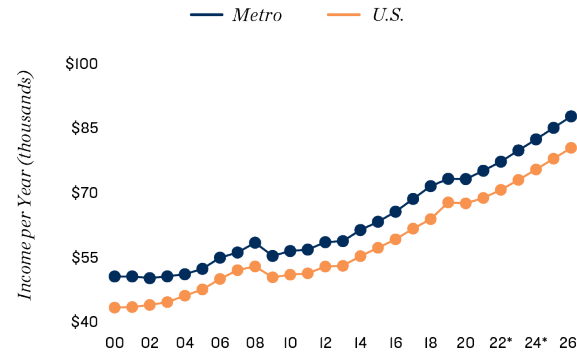
QUICK FACTS



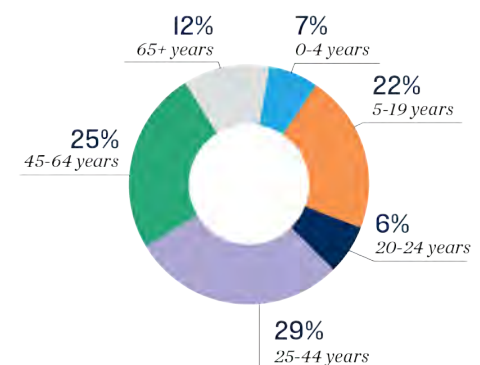
Population Growth



Median Household Income



2021 Population by Age



*Forecast

LOCATION OVERVIEW

QUALITY OF LIFE

The Metroplex provides residents with an unparalleled lifestyle at a reasonable cost. The region continually ranks high for its affordability, when compared with other large metros. A temperate climate provides ample opportunities for outdoor enthusiasts to enjoy. The region has many golf courses and activities at the metro's several reservoirs. Dallas/Fort Worth hosts professional teams in baseball, football, hockey and basketball.

Numerous educational institutions contribute to a continued supply of educated workers. The University of Texas at Dallas, University of North Texas, Texas Woman's University-Denton, Southern Methodist University, Texas Christian University and the University of Texas at Arlington are among the numerous higher education institutions in the region. Metroplex residents are proximate to nationally recognized health centers, including Parkland Memorial Hospital, Baylor University Medical Center and Texas Health Harris Methodist Hospital Fort Worth. Four medical schools also contribute to Dallas/Fort Worth's excellent health care providers.

\$264,500

MEDIAN HOME PRICE



150+

VARIOUS MUSEUMS AND ART GALLERIES



150

PUBLIC AND PRIVATE GOLF COURSES



SPORTS



EDUCATION



SMU

UNT | DALLAS
UNIVERSITY OF NORTH TEXAS AT DALLAS



ARTS & ENTERTAINMENT



Kimbell
Art Museum



Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

DEMOGRAPHICS / FORNEY, TX

KOHL'S



59,530

Total Population Within 5-Mile Radius



\$117,032

Average Household Income
Within 5-Mile Radius



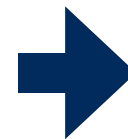
\$97,881

Median Household Income
Within 5-Mile Radius



18,894

Total Households in 5-Mile Radius



71.6

From 2010

POPULATION	1 MILE	3 MILES	5 MILES
2027 Projection	7,733	43,908	71,368
2022 Estimate	6,415	36,490	59,530
Growth 2022 - 2027	20.55%	20.33%	19.88%
2000 Census	1,466	6,997	11,576
2010 Census	3,723	21,312	34,870
Growth 2000 - 2010	154.07%	204.58%	201.22%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2027 Projections	2,601	13,883	22,737
2022 Estimate	2,162	11,516	18,894
Growth 2022 - 2027	20.33%	20.55%	20.34%
2000 Census	520	2,343	3,838
2010 Census	1,265	6,722	11,005
Growth 2000 - 2010	143.22%	186.83%	186.70%

HOUSEHOLDS BY INCOME (2022 Est.)	1 MILE	3 MILES	5 MILES
\$200,000 or More	6.76%	7.41%	7.72%
\$150,000 - \$199,999	10.98%	10.86%	10.78%
\$100,000 - \$149,999	27.35%	29.17%	29.96%
\$75,000 - \$99,999	16.38%	17.61%	17.84%
\$50,000 - \$74,999	18.38%	17.61%	16.96%
\$35,000 - \$49,999	9.11%	8.14%	8.12%
\$25,000 - \$34,999	4.07%	3.69%	3.50%
\$15,000 - \$24,999	3.25%	2.62%	2.45%
\$10,000 - \$14,999	1.38%	1.03%	1.03%
Under \$9,999	2.35%	1.86%	1.65%
2022 Est. Average Household Income	\$110,039	\$114,702	\$117,032
2022 Est. Median Household Income	\$92,370	\$96,387	\$97,881
2022 Est. Per Capita Income	\$37,087	\$36,200	\$37,145

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
2022 Estimated Population by Age	6,415	36,490	59,530
Under 4	8.3%	8.2%	8.4%
5 to 14 Years	19.5%	19.6%	19.1%
15 to 17 Years	5.3%	5.4%	5.2%
18 to 19 Years	2.8%	2.8%	2.7%
20 to 24 Years	5.5%	5.1%	5.1%
25 to 29 Years	6.1%	5.8%	6.1%
30 to 34 Years	8.1%	8.1%	8.1%
35 to 39 Years	9.1%	9.4%	9.1%
40 to 49 Years	15.5%	15.1%	14.6%
50 to 59 Years	10.1%	9.8%	10.2%
60 to 64 Years	3.8%	3.8%	4.0%
65 to 69 Years	2.3%	2.7%	2.9%
70 to 74 Years	1.6%	1.9%	2.1%
Age 75+	2.1%	2.3%	2.5%
2022 Median Age	31.7	32.1	32.3

2022 Population 25 + by Education Level	3,764	21,520	35,420
Elementary (0-8)	1.78%	1.77%	1.68%
Some High School (9-11)	5.13%	5.57%	5.86%
High School Graduate (12)	27.55%	27.64%	27.29%
Some College (13-15)	28.83%	28.36%	28.28%
Associates Degree Only	9.77%	9.18%	9.01%
Bachelors Degree Only	19.42%	19.31%	19.28%
Graduate Degree	6.53%	7.22%	7.57%

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