

**AVISON
YOUNG**

The Kress Building

Fort Worth, TX

INVESTMENT OPPORTUNITY





Executive Overview

Avison Young is pleased to exclusively offer The Kress (the “Property”), a historic landmark in downtown Fort Worth featuring residential multifamily lofts and upscale retail space. Constructed in 1936 as a department store by Samuel H. Kress, the previously measured +45,982 square foot four-story art deco building was converted to loft apartments in 2006 and further updated in 2008, retaining its original appeal. Today, approximately 22,206 square feet of premium living space is 78.5% leased with historically high resident retention.

Listed in the U.S. Register of Historic Places in 2007, The Kress building was envisioned by Samuel Kress as a “work of public art that would contribute to the cityscape”. When it was built it quickly became one of the nation’s coveted five-and-dime stores, and it has strongly delivered through the years. The iconic landmark is just off of 5th and Main streets, within blocks of Sundance Square, Bass Performance Hall, the 40-story 777 Main (previously Carter-Burgess Plaza), XTO Energy and a wide range of restaurants, hotels, corporate offices, renowned museums and more.

The preserved architectural gem offers investors a unique opportunity to acquire a true historic landmark in one of the nation’s strongest economic centers. The building’s 24 multifamily loft units offer upside potential with the below-market rental rates. Other significant value creation exists through the lease-up of the 12,000+ square feet street level retail which will be master leased up to two years by the Seller combined with the additional 7,906 square feet of basement retail space currently leased to Escape the Room.

ASSET PROFILE





KRESS BUILDING

604 MAIN STREET
BUILT IN 1936

LISTED IN THE
NATIONAL REGISTER OF HISTORIC PLACES
BY THE UNITED STATES
DEPARTMENT OF THE INTERIOR





Investment Highlights

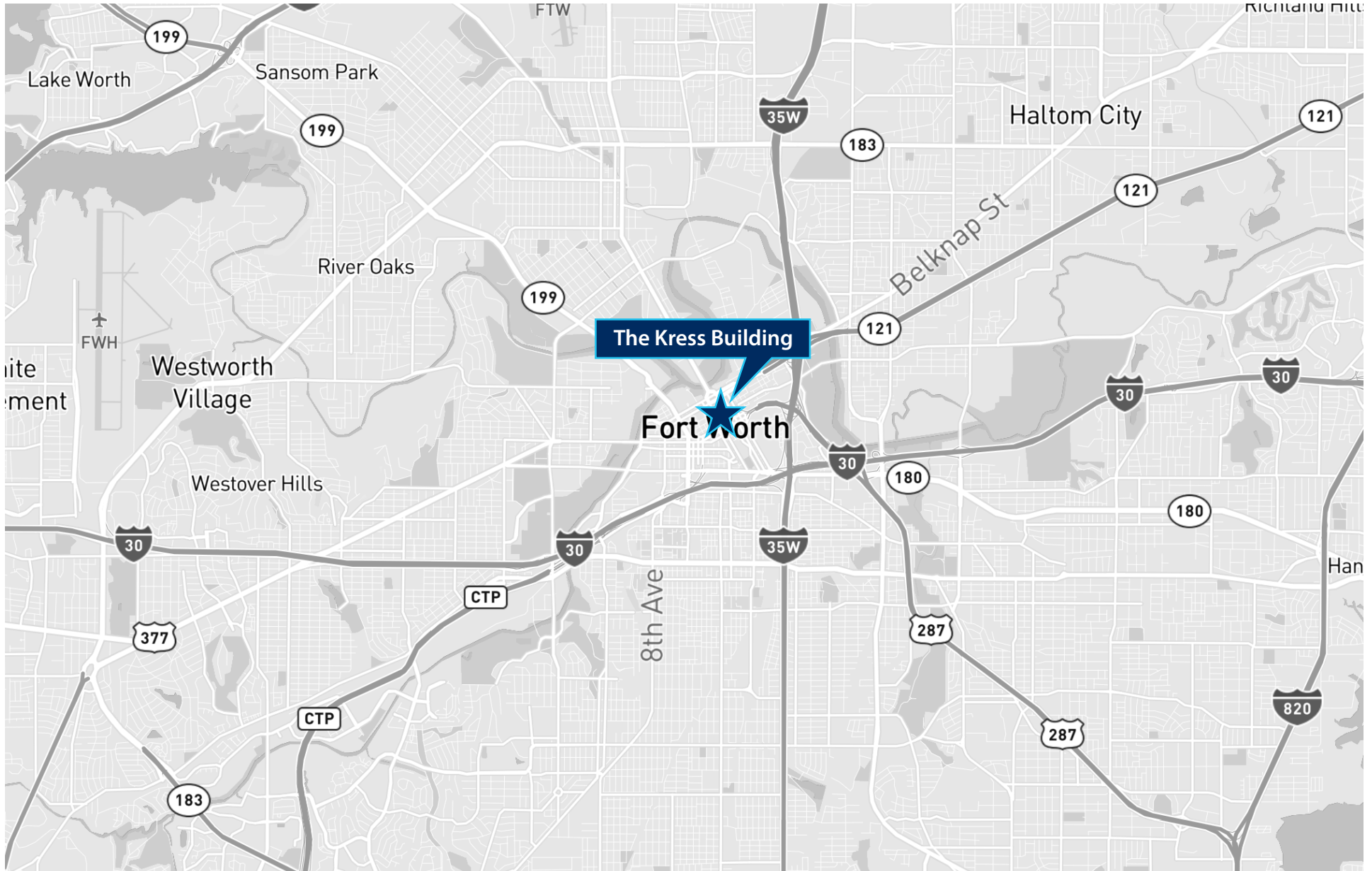
The Kress is a truly unique investment opportunity for an investor or end user. The property is one block from the Fort Worth downtown epicenter—Sundance Square. The aerial shots included in this OM demonstrate the irreplaceable location for this mixed-use property. There are four levels above ground, and an iconic Kress basement space comprised of 7,906 square feet, which is currently fully leased.

The downtown Fort Worth submarket performs at a high level in multifamily and retail space. In this micro sector, multifamily is pushing 97% occupancy and retail space sports less than a 4% vacancy rate. There is not a tighter submarket in the DFW metroplex.

The current ownership, an entity of the Firebird restaurant chain, is willing to offer a master lease for the recently completed, but unoccupied restaurant vacancy, allowing time to reposition and release this portion of the property. There has been substantial tenant improvement dollars spent on the exiting restaurant space which is exceptionally adaptable and estimated to have ceiling heights nearing 30' tall. The restaurant equipment and other personal property are available for purchase. The studio-style multifamily is both contemporary and trendy and the units have a long history of high-percentage occupancy.

Projected cash flow and net operating income are represented in the following pages. The estimated NOI year one of the cash flow anticipates a Seller master lease of the 10,000 square foot existing Meso Maya space and lease up of the vacant apartment units. The long term outlook for this submarket and product type is positive.

Property Location



Close Proximity to Key Destinations



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