VOSS CAPITAL

832.519.9427

info@vosscap.com

3773 Richmond Avenue, Suite 500 Houston, Texas 77046

KIM – Kimco Realty Corp. **7/25/2018**

KIM's portfolio is comprised of high-quality, grocer-anchored centers trading at a large discount to private market transaction comps. Additional upside possible with its Albertsons stake.

Company Description

KIM owns 475 U.S. shopping centers, 70% or which are in coastal markets including New York, Philadelphia, D.C., LA, Miami, and the Bay Area. Kimco has been refining its portfolio over the past few years by disposing of its lower quality Midwest assets and power centers and now generates 74% of its annual base rent from grocery-anchored centers. Grocery-anchored centers' valuations have remained sticky in private market transactions despite the broader panic over brick and mortar retail.

Only three tenants make up over 2% of KIM's annual base rent; these are TJ Maxx, Home Depot and Ahold Delhaize. Other top 10 tenants include Ross, Albertsons, Walmart and Whole Foods.

KIM has arguably the best debt profile in the retail REIT space with 98% of its debt fixed rate and a weighted-average debt maturity of 10.8 years with only 10% of debt maturing before 2021.

Thesis

- KIM has made strides to improve the quality of its portfolio and has disposed of its lower quality power centers, specifically those in the Midwest which are most at risk of further big box bankruptcies. Now, with 70% of the portfolio in coastal markets and 74% of rent coming from grocery-anchored centers, KIM's public market valuation, an implied 7.2% cap rate, is at odds with what its portfolio would be worth to a private buyer.
- KIM is on track to dispose of $800 million of non-core assets this year at valuations at or above what the entire REIT is trading for in the public markets. These proceeds are then expected to be used for share buybacks ($300 million) and development/redevelopment projects ($500 million) with 9% - 11% unlevered yields.
    - KIM also believes they have a further $2 billion in redevelopment opportunities in the future which includes densifying properties for mixed use.
- Ultimately, we think just continued performance from KIM in the form of same-center NOI growth, strong lease spreads and completion of redevelopment and development projects will relieve the overly negative sentiment surrounding the stock and retail REIT sector as a whole.
- KIM has average mark-to-market rent opportunities within its portfolio of 31% for leases expiring over the next 3 years, with anchor box opportunities in its top coastal markets ranging from 40% - 110%.
- Outside of the stock re-rating to be more in line with recent transaction comps there is additional embedded upside not included in our price target. KIM holds a stake in Albertson's which seems to be overlooked by some. If the Albertsons/Rite Aid merger goes through in 2H 2018 and Albertsons is able to become a public company, then KIM will own a 7% stake they can then monetize which we estimate could be worth $670 - $925 million based on the average of current public grocer comps. The ownership stake is currently recorded on KIM's balance sheet at cost at $140 million.

Valuation

At $16.70/share KIM is currently valued at:

- 7.2% implied cap rate
- 6.7% dividend yield
- 11.6x FFO

Base case: $20.50 price target. Applying a 6.5% cap rate on LTM NOI. Recent secondary market power centers sales are averaging around 7.5% cap rates so I'm giving 100 bps premium to KIM's overall portfolio which is comprised of coastal markets and grocery-anchored centers. This seems like a more than fair valuation estimate given the higher quality and growth potential of these properties.

Bull case: $23.50 price target. Applying a 6.0% cap rate on LTM NOI. This is based on private market transaction comps for well-located, grocery-anchored centers which have maintained sticky valuations in the 5% - 6% range. So even my bull case is using the upper end of that range when there are no doubt properties in KIM's portfolio that could sell for 5% caps. This also assumes no NOI boost over next 18 months from redevelopment projects, many of which the capex has already been spend and the NOI is in fact set to turn on over the next year.

Bear case: $13.50 price target. This would be an implied 8.0% cap on trailing NOI. This is draconian and would be well below private market transaction comps and could come about from a renewed panic over retail due to some unforeseen bankruptcies or a broader economic downturn.

KIM Valuation using LTM NOI							
Current Price:	$16.70			**Cap Rate**			
LTM NOI	**1,006,389**	**8.00%**	**7.50%**	**7.00%**	**6.50%**	**6.25%**	**6.00%**
Enterprise Value		12,579,863	13,418,520	14,376,986	15,482,908	16,102,224	16,773,150
Implied Market Cap		5,786,626	6,625,283	7,583,749	8,689,671	9,308,987	9,979,913
Implied Stock Price		**$13.62**	**$15.59**	**$17.85**	**$20.45**	**$21.91**	**$23.49**
Equity Upside:		***-18%***	***-7%***	***7%***	***22%***	***31%***	***41%***
Est. Dividend	$1.12						
Total $ Return incl. Dividend		-$1.96	$0.01	$2.27	$4.87	$6.33	$7.91
Total 1-Year Return		**-12%**	**0%**	**14%**	**29%**	**38%**	**47%**

Private Market Transaction Comps for Properties Sold by Public REITs in 2017/2018

REIT	**Amount of Dispositions ($M)**	**Wgt. Avg. Cap Rate**	**Description of Assets Sold**
KIM	$800	7.75%	"non-core, Midwest, heavily weighted towards power centers"
KRG	$90	6.80%	"non-core assets"
REG	$275	7.50%	"non-strategic, non-core, secondary and tertiary markets"
WRI	$268	7.30%	"non-core markets, limited growth prospects"
RPAI	$918	7.70%	"bigger format centers"

Voss Variant View

Our view here is that physical retail is not going extinct - the opposite of the way the market has acted over the past 12 - 18 months. Many of the problems individual retailers have faced over the past couple years have largely stemmed from over-leveraged balance sheets and a neglect of their store base. We believe what is happening is simply a rotation from the retailers of yesterday, who failed to adapt to changing consumer tastes and update their stores (e.g. Toys R Us), to more contemporary retailers, many of whom began purely online but have now admitted the need for brick and mortar locations.

While the struggles of retailers and risks facing malls and shopping centers are undeniable, there is a misunderstanding when it comes to public REITs of who it most at risk. A recent Green Street survey showed that 85% of investors believed public retail REITs owned 25% - 65% of shopping center sq. ft. in the US. When in fact, the actual number is less than 13% and it is mostly comprised of the highest quality assets. We think this misconception has contributed to the massively overdone sell off of any REIT associated with retail. While we agree that REITs owning enclosed malls in secondary and tertiary markets do face existential risk, the selloff over the past year and half doesn't seem to have discriminated among retail asset types. REITs like KIM who own grocery-anchored centers in many tier 1 markets have traded as high as 8.5% implied cap rates while the majority of its assets would likely trade hands in the private market for 5% - 6% rates or lower.

Key Metrics

- Renewal lease spreads have remained steady in the 7% - 10% range for the past three years while new lease spreads can range from high-teens up to 52%.
- Same center NOI growth accelerated to start the year to 2.6%. Excluding some lingering effects of the hurricanes last year, growth would have been 2.8%.
- Overall, annual base rent has grown at a near 4% CAGR over the past three years to $15.69 in Q1 and is a dollar higher at $16.69 when excluding ground leases.

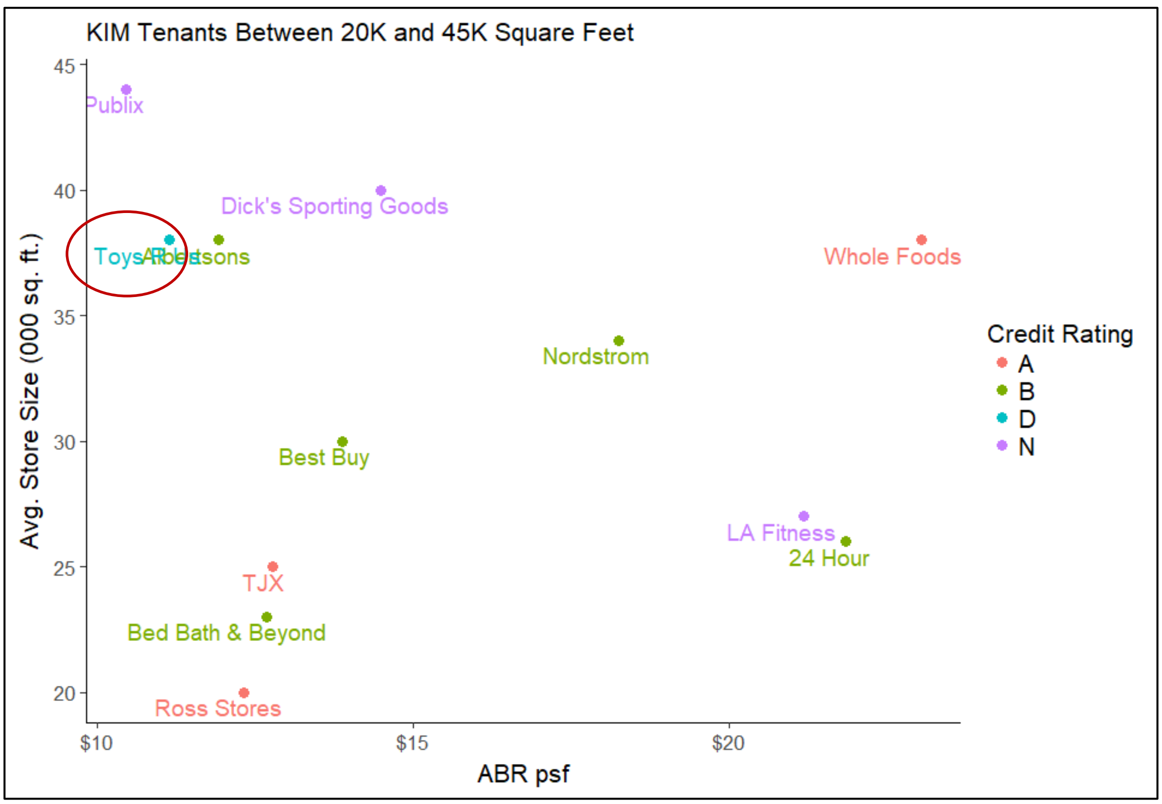
KIM Key Metrics	2015				2016				2017				2018	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
New Lease Spreads	19%	26%	29%	25%	19%	30%	27%	37%	18%	17%	52%	13%	16%	
Renewal Lease Spreads	8%	9%	6%	8%	6%	11%	8%	7%	10%	8%	8%	8%	7%	
Blended Lease Spreads	10%	12%	11%	11%	8%	16%	13%	15%	11%	11%	16%	9%	8%	
Same-Center NOI	3.2%	3.7%	2.4%	2.8%	1.5%	3.1%	3.3%	2.7%	2.2%	0.3%	3.1%	1.2%	2.6%	
Occupancy	95.7%	95.7%	95.9%	95.8%	96.0%	96.1%	95.1%	95.4%	95.4%	95.6%	95.8%	96.0%	96.1%	**CAGR**
ABR	$14.00	$14.13	$14.31	$14.46	$14.67	$14.78	$14.94	$15.08	$15.23	$15.25	$15.34	$15.41	$15.69	3.9%

Risks

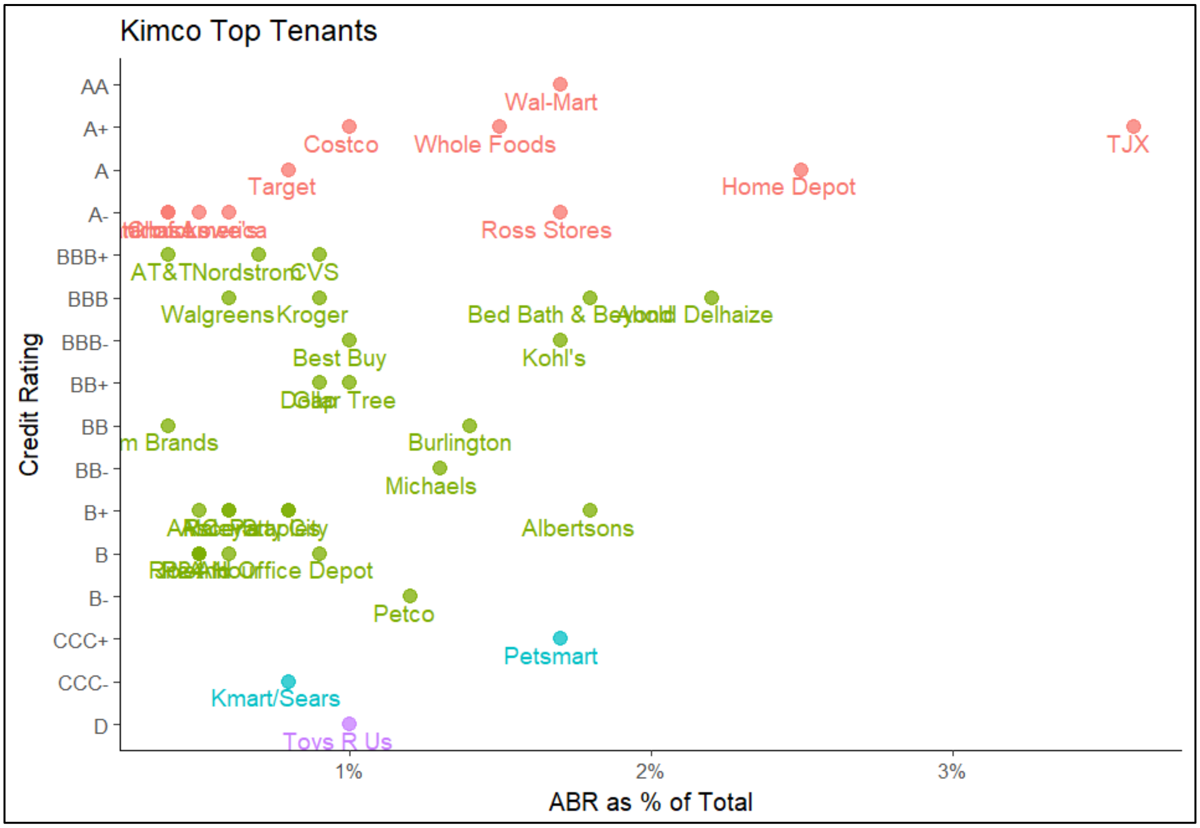
The most obvious risk and the reason why valuations in the REIT space have been so depressed is the fear of further retail bankruptcies, Toys R Us being the most recent.

Mitigant: The management team has proven to be proactive in dealing with tenant bankruptcies and KIM's properties are desirable, making the spaces easy to quickly fill. KIM has 22 Toys R Us locations that make up only 90 bps of ABR. KIM moved quickly in dealing with the bankruptcy news and has already signed leases and LOIs with other retailers ready to fill much of the space.

Furthermore, it will ultimately be beneficial to replace Toys R Us as a tenant. Of KIM's current major tenants who occupancy 20K - 40K sq. ft. spaces, as Toys R Us does, Toys pays the least in rent at only $11/sq. ft. Comparable-sized, more desirable retailers include grocers and gyms such as Whole Foods, LA Fitness and 24 Hour Fitness who pay $15 - $23 per sq. ft., representing 36% - 110% mark-to-market opportunities.



Additionally, **only 2 of KIM's top 50 tenants are below B-rated**: Kmart/Sears and Petsmart. Sears makes up 60 bps of ABR for KIM, down from 14% at one point historically. Kimco would in fact love to get these remaining Sears boxes back because these last few stores are sitting on the best pieces of real estate and have 300% - 400% mark-to-market opportunities.



Conclusion

At $16.70/share, we see KIM with 30% - 50% potential upside (including expected dividend) within a ~ 1-year time frame and fairly limited downside given the depressed valuation.

Q2 2018 Update **7/31/2018**

Overall a good quarter. Strongest SS NOI growth in 4 years. New lease spreads a little weak at 12% but this can vary a lot quarter to quarter. Renewals were good at 9%, upper end of historical range.

Toys R Us is going to be a drag on SS NOI and occupancy in Q3 but the company still raised SS NOI guidance for the year to 2% - 2.5%.
Paying their most expensive debt early, some 6.875% bonds due in October 2019. Using disposition proceeds to pay these. Now have > 11 year weighted average maturity and no debt maturing before 2020.

Still getting just above 7.5% cap rates for dispositions, well on track to be close to $900 million in dispositions for the year. Bidding pools in the private market are deeper than last year. Seeing quality assets in core markets go for 5% and under cap rates.

Albertsons/Rite Aird deal sounding iffy on whether it will go through or not. Glass Lewis recommended against it. The vote is in August. But again, that would just be extra upside and accelerate some things they can do like paying down debt and funding redevelopment projects. Being able to realize the value of its Albertson isn't included in any of the guidance or plans.

KIM *(in $USD thousands)*

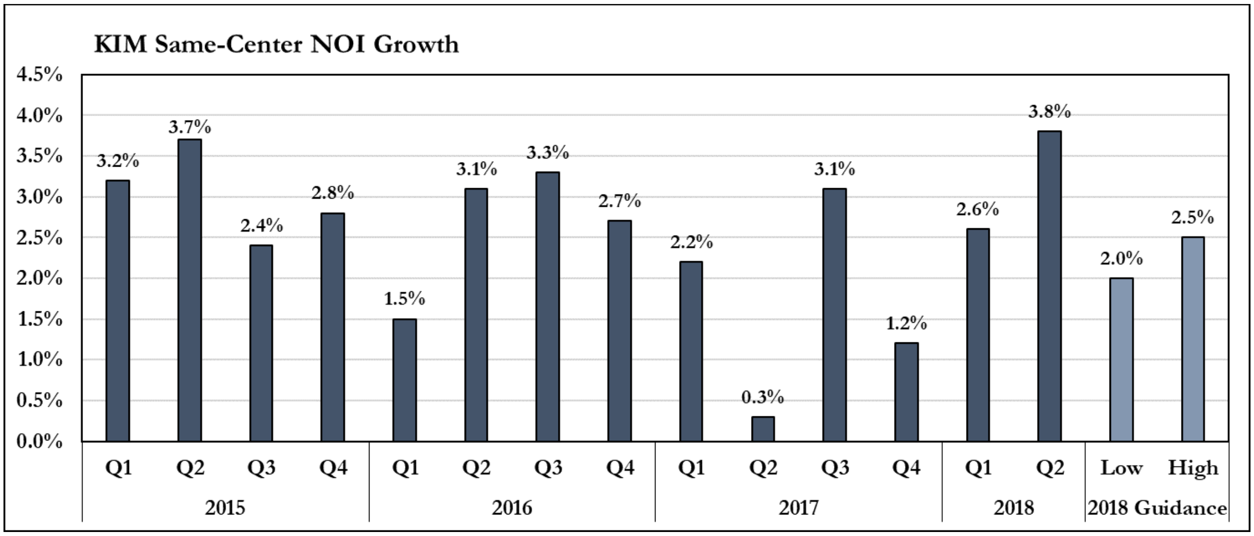
Market Cap	**7,083,066**
Net Debt	5,650,901
Preferreds	1,064,500
Minority Interest	77,836
Current EV	**13,876,303**
2018 FFO/Share	$1.45
P/FFO	**11.5x**
LTM NOI	1,006,389
Implied Cap Rate	**7.3%**
Annualized Div.	$1.12
Dividend Yield	**6.7%**

Price	**$16.67**
Shares	424,899
52-Week High	$27.86
52-Week Low	$13.16

KIM Valuation using LTM NOI							
Current Price:	$16.67			**Cap Rate**			
LTM NOI	**1,006,389**	**8.00%**	**7.50%**	**7.00%**	**6.50%**	**6.25%**	**6.00%**
Enterprise Value		12,579,863	13,418,520	14,376,986	15,482,908	16,102,224	16,773,150
Implied Market Cap		5,786,626	6,625,283	7,583,749	8,689,671	9,308,987	9,979,913
Implied Stock Price		**$13.62**	**$15.59**	**$17.85**	**$20.45**	**$21.91**	**$23.49**
Equity Upside:		***-18%***	***-6%***	***7%***	***23%***	***31%***	***41%***
Est. Dividend	$1.12						
Total $ Return incl. Dividend		-$1.93	$0.04	$2.30	$4.90	$6.36	$7.94
Total 1-Year Return		**-12%**	**0%**	**14%**	**29%**	**38%**	**48%**

Same-center NOI

- 3.8% in Q2, was 3.9% including redevelopments. Strongest quarter in 4 years. 80% of this growth came from increasing base rents.
- Raising full-year guidance from 1.5% - 2% up to 2% - 2.5% and believe they'll be at the upper end of that.



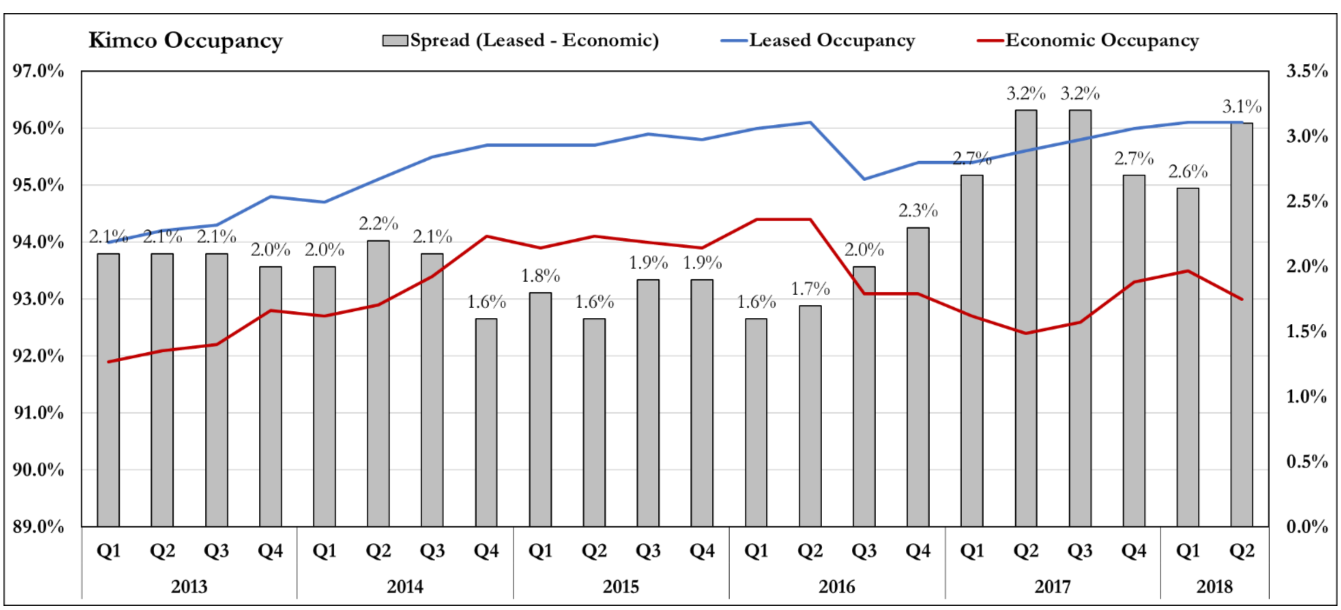
Lease Spreads and Key Metrics

- New lease spreads not particularly strong at 12% but not bad
- Renewal spreads at the upper end of their typical range though at 9%
- ABR of $15.95 was up 4.6% y/y, above its CAGR of 4.1%

KIM Key Metrics	2015				2016				2017				2018		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
New Lease Spreads	19%	26%	29%	25%	19%	30%	27%	37%	18%	17%	52%	13%	16%	12%	
Renewal Lease Spreads	8%	9%	6%	8%	6%	11%	8%	7%	10%	8%	8%	8%	7%	9%	
Blended Lease Spreads	10%	12%	11%	11%	8%	16%	13%	15%	11%	11%	16%	9%	8%	9%	
Same-Center NOI	3.2%	3.7%	2.4%	2.8%	1.5%	3.1%	3.3%	2.7%	2.2%	0.3%	3.1%	1.2%	2.6%	3.8%	
Occupancy	95.7%	95.7%	95.9%	95.8%	96.0%	96.1%	95.1%	95.4%	95.4%	95.6%	95.8%	96.0%	96.1%	96.1%	CAGR
ABR	$14.00	$14.13	$14.31	$14.46	$14.67	$14.78	$14.94	$15.08	$15.23	$15.25	$15.34	$15.41	$15.69	$15.95	4.1%

Occupancy

- Overall occupancy up 50 bps y/y to 96.1%.
- Small shop occupancy at an all-time high at 90.2%. Anchor occupancy up 60 bps y/y to 98.1%
- After decreasing for a couple quarters, the spread between leased occupancy and economic occupancy widened again to 3.1%. This was mostly due to the Toys R Us boxes where leases have been signed but the tenants haven't paid rent yet. Will likely stay wide next quarter or two and then be a tailwind for SS NOI in 2019 (assuming no other large bankruptcies).



- Not seeing any shorter-term leases being signed. Weighted average lease term for same-space leases: 7 years; for total leases: 9.2 years. Length of lease terms in-line or better than the median for past few years at 6.9 years and 7.3 years respectively. This, plus good spreads, are a good sign for demand.

Weighted-Avg. Lease Terms	2015				2016				2017				2018		
(Years)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Median
New Leases	13.2	10.4	9.2	12.1	9.4	12.9	10.6	12.3	10.3	10.6	11.9	12.8	9.1	9.9	10.6
Renewals	5.3	5.2	5.6	5.1	5.4	5.5	5.2	6.8	5.9	5.7	5.5	5.3	5.5	5.9	5.5
Total Same Space Leases	**6.6**	**6.1**	**6.3**	**6.9**	**5.7**	**7.8**	**6.9**	**8.1**	**6.3**	**7.3**	**6.8**	**6.9**	**5.8**	**7.0**	**6.9**
Non-Comp Leases	8.5	9.2	8.8	9.8	8.7	8.3	11.1	8.2	10.4	9.5	8.7	10.8	9.3	13.9	9.3
Total Lease	**6.7**	**6.6**	**6.7**	**7.6**	**5.9**	**7.9**	**7.5**	**8.1**	**6.7**	**7.7**	**7.1**	**7.6**	**6.0**	**9.2**	**7.3**

Debt and Capital

- Bought back $51 million of stock at an average price of $14.53 in Q2. A 10% FFO yield and 7.7% dividend yield.
- YTD have bought back $75 million at an average price of $14.73.
- KIM is using proceeds from their dispositions to exercise its make-whole provision and repay early $300 million of 6.875% bonds due in October 2019. Was the most expensive debt KIM had.
- Now have no debt maturing before 2020 and weighted average maturity is > 11 years.

On Toy R Us

- The liquidation process is taking longer than expected. Kind of a good and bad thing. Good thing is that some of the stores are still paying rent. Bad part is you would like to get new tenants in there.
- KIM has 22 Toys boxes. 7 of these locations have been filled with tenants who took the whole box. This is good that they haven't had to split any up yet, just having retailer who will take the whole thing. Another 7 are still paying rent. And there are 8 who KIM is still working to fill and there is demand for them.
- Toys R Us will have a max 70 – 80 bps impact on occupancy and SS NOI in Q3. KIM still raised SS NOI guidance for the year despite this.

On Dispositions

- *"The vibrant private market valuations coupled with widely available debt financing and strong pricing for our Midwest assets continues to demonstrate the disconnect between public and private pricing"*
- Sold $320 million in Q2. This bring the total dispositions so far this year to $530 million. The have sold another $49 million in Q3 so far and have another $200 million under contract. So, all together, **YTD they have $775 million sold or under contract.** Well on pace to be toward the upper end of the $700 - $900 million plan for the year.
- Cap rates have been around 7.5%
- Description of assets sold: flat or low growth assets, 96% average occupancy, stabilized, in many cases good credit, ABR right around or slightly below the rest of the portfolio, don't have the redevelopment or value-add potential that the coastal/Texas portfolio does.
- Seeing bidding pools deeper than last year

On Albertsons

- Glass Lewis recommended voting against the Albertsons-Rite Aid deal, vote is going to be held in August.
- KIM reiterates that nothing in their guidance or plans includes expected proceeds from their Albertsons stake. If it goes through it will purely be upside and will simply accelerate de-levering and funding projects but they don't need the capital to execute. KIM has plenty of liquidity.

Other

- No material changes in the valuations or investor appetite for high-quality assets in core markets. **Seeing transactions for quality shopping centers going for < 5% cap rates** in South Florida, New Jersey, Southern California, DC and other core markets.
- Retailers focusing their openings on the top 20 markets where populations are growing, wages are rising, and employment is rising.
- We're at a **40-year low for new supply in retail real estate**. Land, labor and construction costs are all rising.

- KIM is trying to make their centers “vibrant campuses” where shoppers stay and hang out for extended periods of time
- Retailers are telling them that tax reform has been a major factor in their expansion plans Supreme Court ruling on interest sales tax levels the playing field. Could accelerate omni-channel strategies.

Q3 2018 Update **10/25/2018**

Overall, kind of just steady as she goes for KIM in Q3. The company did raise full year 2018 guidance:

- Both FFO and SS NOI guidance raised at the midpoint.
- Dispositions look like they are going to come in at the higher end of the expected range while redevelopment and development investment coming in at the lower end. Can likely use that difference to pay down debt or buy back shares around this level.

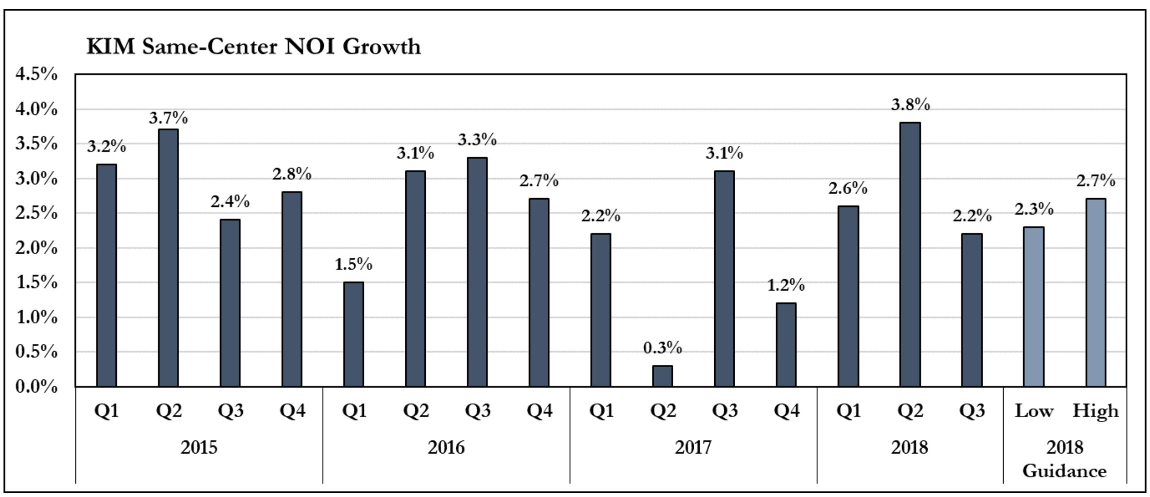
2018 Full Year Guidance

Guidance (per diluted share)	Current	Previous
Net Income attributable to common shareholders:	$1.00 to $1.06	$0.92 to $1.00
NAREIT FFO:	$1.45 to $1.47	$1.43 to $1.46
FFO as adjusted:	$1.44 to $1.46	$1.43 to $1.46

Reconciliations are provided for these current forward-looking non-GAAP metrics (NAREIT FFO and FFO as adjusted) in the tables accompanying this press release.

Pro-rata Operational Assumptions	Current	Previous
Same-property NOI (excluding redevelopments):	2.30% to 2.70%	2.00% to 2.50%
Net dispositions (7.50% to 8.00% blended cap rate):	$800 million to $900 million	$700 million to $900 million
Total redevelopment & development investment:	$425 million to $475 million	$425 million to $525 million

While Q3 SS NOI was expected to be lower than Q2 and was at 2.2% vs. 3.8%, full year SS NOI growth now expected to be 2.5% at the midpoint. Of the 2.2% SS NOI growth in Q3, 10 bps came from redevelopment projects coming online. This amount should increase in the coming quarters as the slate of projects are starting to turn on.



Occupancy dipped slightly but stills above Q3 2016 – Q2 2017 levels. Small shop occupancy hit a record high this quarter at 90.8%. Anchor occupancy was 97.6% which included a 40 bps impact from Toys R Us.

Would love to see them get back to double-digit lease spreads soon, still in the ~9 range for the past four quarters. Renewals very stable, averaging 8% - 9% for years.

KIM Key Metrics	2015				2016				2017				2018			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
New Lease Spreads	19%	26%	29%	25%	19%	30%	27%	37%	18%	17%	52%	13%	16%	12%	12%	
Renewal Lease Spreads	8%	9%	6%	8%	6%	11%	8%	7%	10%	8%	8%	8%	7%	9%	8%	
Blended Lease Spreads	10%	12%	11%	11%	8%	16%	13%	15%	11%	11%	16%	9%	8%	9%	9%	
Same-Center NOI	3.2%	3.7%	2.4%	2.8%	1.5%	3.1%	3.3%	2.7%	2.2%	0.3%	3.1%	1.2%	2.6%	3.8%	2.2%	
Occupancy	95.7%	95.7%	95.9%	95.8%	96.0%	96.1%	95.1%	95.4%	95.4%	95.6%	95.8%	96.0%	96.1%	96.1%	95.8%	**CAGR**
ABR	$14.00	$14.13	$14.31	$14.46	$14.67	$14.78	$14.94	$15.08	$15.23	$15.25	$15.34	$15.41	$15.69	$15.95	$16.08	4.0%

Notes from Earnings Call

On the retail environment

- Consumer confidence is at a nearly 18-year high, retail sales projections for the holiday season are north of 4%.
- Seeing major shifts in consumer preferences and shopping habits. This has resulted in a form of retail Darwinism. It's the legacy retailers that didn't adapt or invest in their stores that are going bankrupt. This is leaving behind the savvy, well-capitalized and also the newer creative concepts who are taking market share.
- Target is a great example of one who has invested in its stores and adapted. Just posted strongest SSS in 13 years with 6.5%.

Toys R Us

- Of the 21 Toys R Us boxes, 13 have been re-leased with LOIs and pending leases on the remaining 8 locations.
  - Of the 13, six were quickly assumed by retailers so there was no downtime in rents. Then six more were later single-tenant backfills, so no capex to split the box was necessary and then one was box split to two different retailers. Of the remaining four with LOIs or pending leases, only 4 could potentially be box splits.

Dispositions, Debt and Investment

- KIM sold 10 shopping centers in the quarter for $154 million of proceeds. This brings the total dispositions to date to 49 centers for $722 million.
- Cap rates on dispositions "firmly" within the 7.5% - 8.0% range
- With the portfolio right-sized and ideally positioned exiting the year, there will be significantly less dispositions in 2019. Implies maybe around $200 million worth. The focus in 2019 will instead be on internal growth opportunities.
- 10.7 weighted-average maturity on debt now
- No unsecured debt maturing until May 2021 and only $120 million in mortgage debt maturing before then.

On market valuations

- There has been a "tangible increase in investor demand" for KIM's assets throughout the year. They mention that private equity capital is plentiful and debt is readily available. They also say they have been approached to do some larger portfolio sales, but have decided to finish out the 2018 disposition plan with the single property sales.
- Core institutional assets in several coastal markets are going for low 5% and high 4% cap rates.
- While grocery-anchored centers are still getting the best cap rates, the ones with best-in-class grocers (Sprouts, Whole Foods, Trader Joes) have seen even stickier and lower rates. A couple assets just sold in Raleigh, Portland and Northern California for sub 5% rates.

Other

- The goal is to put best-in-class tenants in centers that are going to drive traffic at all points during the day. These tenants include: TJX and all their banners, Burlington, Ross, Sprouts, Trader Joe's and Whole Foods. When you get these tenants in a center it compresses the cap rate of the whole asset and drives "a tremendous amount of traffic".
- KIM has discussed other ways of monetizing its Albertsons stake but ultimately thinks an IPO is the best way to go. Instead of the merger route to get public, it may do a traditional IPO in 2019. So far this year the company has improved their operations, de-levered by paying down $1.5 billion in debt, going from $11 billion to $9.5 billion, and is expected to do over $1 billion in FCF.
- One of KIM's big development projects opened recently, Lincoln Square in Philadelphia. This is what KIM sees as a "window into the future of what we expect from out mixed use centers". The property has apartments and a Sprouts which opened with "lines around the block".

Valuation

The stock can just not get out of this 7.5% cap rate range. It can go to $20/share and still be above a 6.5% cap rate. The company is targeting a long-term > 2.5% SS NOI growth run rate and 5% FFO growth or higher.

KIM *(in $USD thousands)*

Market Cap	**6,500,955**
Net Debt	5,430,940
Preferreds	1,064,500
Minority Interest	77,847
Current EV	**13,074,242**
2018 FFO/Share	$1.46
P/FFO	**10.5x**
LTM NOI	995,760
Implied Cap Rate	**7.6%**
Annualized Div.	$1.12
Dividend Yield	**7.3%**

Price	**$15.30**
Shares	424,899
52-Week High	$27.86
52-Week Low	$13.16

KIM Valuation using LTM NOI							
Current Price:	$15.30			**Cap Rate**			
LTM NOI	**995,760**	**8.00%**	**7.50%**	**7.00%**	**6.50%**	**6.25%**	**6.00%**
Enterprise Value		12,447,000	13,276,800	14,225,143	15,319,385	15,932,160	16,596,000
Implied Market Cap		5,873,713	6,703,513	7,651,856	8,746,098	9,358,873	10,022,713
Implied Stock Price		**$13.82**	**$15.78**	**$18.01**	**$20.58**	**$22.03**	**$23.59**
Equity Upside:		***-10%***	***3%***	***18%***	***35%***	***44%***	***54%***
Est. Dividend	$1.12						
Total $ Return incl. Dividend		-$0.36	$1.60	$3.83	$6.40	$7.85	$9.41
Total 1-Year Return		**-2%**	**10%**	**25%**	**42%**	**51%**	**61%**

Disclosures and Notices:

The information contained herein reflects the opinions and projections of Voss Capital, LLC ("Voss") as of the date of publication, which are subject to change without notice at any time subsequent to the date of issue. Voss does not represent that any opinion or projection will be realized. All information provided is for informational purposes only and should not be deemed as investment advice or a recommendation to purchase or sell any specific security. None of the information contained is either an offer to sell nor an offer to buy any securities, investment product or investment advisory services, including interests in Voss Value Master Fund (the "Master Fund" or "Long/Short Fund") or the Voss Value-Oriented Special Situations Fund. Performance figures for the "Long/Short Fund" from the inception date of October 3, 2011 through December 31, 2019 are calculated based on Voss Value Fund, L.P., (the "Predecessor Fund") a predecessor to the Master Fund. The Predecessor Fund was part of a restructure to a master feeder structure on January 1, 2020. Beginning January 1, 2020, all investment activity is conducted by the Fund, which has 2 feeder funds, and therefore performance figures from January 1, 2020 onward are calculated based on the Master Fund. All limited partners to the Long/Short Fund invest in the Fund through one or more of the following feeder funds: Voss Value Offshore Fund, Ltd. (the "Offshore Fund") and the Predecessor Fund (each a "Feeder Fund"). Actual returns are specific to each investor investing through a Feeder Fund. Each Feeder Fund was established at different times and has varying subsets of investors who may have had different fee structures than those currently being offered. As a result of differing fee structures, differing tax impact on onshore and offshore investors, the timing of subscriptions and redemptions, and other factors, the actual performance experienced by an investor may differ materially from the performance reported above. Performance figures for the Predecessor Fund are contributable to Travis Cocke as sole portfolio manager. Mr. Cocke maintains the same the position with the Fund and the Fund will employ a similar strategy as the Predecessor Fund. The Voss Value-Oriented Special Situations Fund, LP, (the "Long-Only Fund") launched on July 1, 2021 and trades roughly pari-passu with the long book of the Long/Short Fund. Investors have differing fee structures than those currently being offered. As a result of differing fee structures, differing tax impact on investors, the timing of subscriptions and redemptions, and other factors, the actual performance experienced by an investor may differ materially from the performance reported. Travis Cocke is the sole portfolio manager of the Voss Value-Oriented Special Situations Fund.The information contained herein is subject to a more complete description and does not contain all of the information necessary to make an investment decision, including, but not limited to, the risks, fees and investment strategies of the Long/Short Fund and the Long-Only Fund. Any offering is made only pursuant to the relevant information memorandum, together with current financial statements of the Feeder Funds, if available, and a relevant subscription application, all of which must be read in their entirety. No offer to purchase interests will be made or accepted prior to receipt by the offeree of these documents and completion of all appropriate documentation. All investors must be "accredited investors", "qualified clients" and "qualified purchasers", as defined in securities laws before they can invest in the Feeder Funds or the Long-Only Fund. While performance results might be shown as compared to various benchmarks or indices, there is no guarantee that the strategy behind the performance results is similar or fully comparable to that of the benchmarks or indices listed. References made to the S&P 500 Index ("S&P") and the Russell 2000 Index ("R2K") are for comparative purposes only. The securities and exposures contained within the highlighted benchmark indices are unmanaged and do not necessarily correspond to the investments and exposures that will be held and are therefore of limited use in predicting future performance or evaluating risk. The S&P is a broad-based measurement of changes in the stock market based on the performance of 500 widely held large-cap common stocks. The R2K is a measurement of changes in the US small-cap equity universe, represented by approximately 2000, mostly small-cap, common stocks. These indices may reflect positions that are not within Voss's investment strategy, and Voss is less diversified than the broad-based indices. The benchmark indexes do not charge management fees or brokerage expenses and no fees were deducted from the benchmark performance shown.

All information presented herein has been compiled by Voss, and while it has been obtained from sources deemed to be reliable, no guarantee is made with respect to its accuracy. Past performance does not guarantee future results. While the information presented herein is believed to be reliable, no representation or warranty is made concerning the accuracy of any data presented. Certain information contained in this letter constitutes "forward-looking statements" which can be identified by the use of forward-looking terminology such as "may," will," "should," "expect," "attempt," "anticipate," "project," "estimate, or "seek" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results in the actual performance of the Voss Funds may differ materially from those reflected or contemplated in such forward-looking statements. There can be no guarantee that any Voss Funds will achieve its investment objectives and Voss does not represent that any opinion or projection will be realized.