

Kmart store on Bloomington's east side closing in - Herald-Times (Bloomington, IN) - April 22, 2016

April 22, 2016 | Herald-Times (Bloomington, IN) | Ernest Rollins 812-331-4357 | erollins@heraldt.com

The **Kmart** store at 3216 E. Third St. in Bloomington will close in late July, according to a statement from Sears Holdings, the parent corporation of both Sears and **Kmart**.

The Bloomington store was among 65 Kmarts, two Super Ks and 10 Sears stores whose imminent closing was reported Thursday by the company. The only other Indiana store on the list was a **Kmart** in New Albany. The Sears store in College Mall, which was not part of Thursday's announcement, is already in the process of closing.

Sears confirmed in mid-March that the mall store would close at the end of its lease in July; a Whole Foods 365 Market will be taking over that location after demolition and new construction. Howard Reifs, corporate communications director for Sears Holdings, said in an email that there is no store opening planned for Bloomington, when asked if Sears might relocate to the **Kmart** building on East Third.

The westside **Kmart** store at 3175 W. Third St. was not on the closings list.

Sears Holdings said the closings are designed to restore the company to profitability. According to the release, the stores' recent and historical performance, timing of lease expirations and an evaluation of store portfolios were taken into account when deciding which properties to close. Employees affected by the closures will receive severance and will have the opportunity to apply for open positions at area **Kmart** or Sears stores, the release stated.

According to the news release, liquidation of items in the stores being closed is set to begin May 12.

The eastside **Kmart** store is located on 10.47 acres of a larger parcel that includes Bloomingfoods Market and Deli East, according to Monroe County's GIS system. The property is owned by Latimer, Fred & Dorothy Trust & Conard Family Trust & Prugh, Margaret Trust & Butcher, Charles M Family Trust out of New York.

Kmart leases just the land from the trust; the building, which is owned by **Kmart**, has an assessed value of \$1,035,000, according to county property records.

John West, a commercial broker with FC Tucker, said marketing a commercial property of that size is probably going to require a national search. He said the location of the building is fine, but it could be a challenge finding a developer willing to take the whole building. As for its use, West said there is the possibility it could be redeveloped into something completely different. He added some developers may consider dividing the building into smaller spaces in order to get them filled.

City planner Jackie Scanlan said the property is zoned commercial arterial. According to the city's Unified Development Ordinance, commercial arterial is intended for higher intensity commercial developments along major thoroughfares. Some of the permitted uses include retail operations

such as furniture or sporting goods stores, as well as banks and business offices.

As for how long it could potentially stay on the market once Sears Holdings is done moving out, West said that is uncertain, adding the old Wal-Mart property on the west side is one example of how long it could take to fill a similar commercial space. That building next to Sam's Club was vacant for nearly seven years before becoming a Rural King Supply store in 2013.

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