

Academy Sports + Outdoors Distribution Center

KATY, TX



1,500,596 SF NATIONAL DISTRIBUTION HEADQUARTERS | ABSOLUTE NNN LEASE WITH 8.6 YEARS OF REMAINING TERM
ATTRACTIVE ASSUMABLE DEBT FINANCING | HOUSTON MSA



THE OFFERING

JLL is pleased to offer qualified investors the opportunity to purchase the fee simple interest in the Academy Sports + Outdoors Distribution Center (“the Property”), a 1,500,596 square foot industrial facility that serves as Academy’s distribution headquarters in Katy, TX. 100% leased to Academy Sports + Outdoors (“the Tenant”) with 8.6 years of remaining term, Academy has occupied this site as their national headquarters since 1990 and in 2014 constructed a 210,000 square foot Class-A office building for their corporate HQ (office building not included in the Offering). The entire campus serves as a mission critical facility for the publicly traded retailer and employs over 2,800 individuals. The 1,500,596 square feet of industrial spaces was constructed across multiple phases spanning from 1973 to 2011 and serves 120 retail locations in Texas, Louisiana, and Oklahoma. The Katy distribution HQ is the largest of Academy’s three distribution centers that service 18 states and 268 retail stores. The Property features 15.83 acres of paved trailer parking along with ±800,000 SF of mezzanine space (not included in the GBA). Since Academy’s Initial Public Offering in October 2020, the Fortune 500 company’s market capitalization has increased by 5.5x in less than three years as a result of their successful retail store openings, year-over-year revenue growth, and healthy balance sheet. Located within the Houston MSA, Katy has experienced 48% population growth over the past decade as Houston’s westward migration trend continues. The West Houston industrial market has been an enormous beneficiary of this population growth demonstrated by the presence of users and owners such as Amazon, Prologis, Exeter, & EastGroup immediately proximate to the Property. The Property’s location in West Houston and accessibility to Interstate 10 allows the tenant to easily serve a population of 25 million (Austin, San Antonio, Dallas, and Houston) all within a 5-hour drive.

The tenant’s absolute NNN lease with 8.6 years of lease term remaining allows investors the unique opportunity to experience robust cash flow via the acquisition of a 100% leased mission-critical headquarters facility with accretive assumable debt financing.

PROPERTY OVERVIEW

1800 N Mason Rd, Katy, TX 77449

Property Address

1,500,596 SF

Total Building (SF)

±1,250,000 SF

Warehouse (SF)

±250,000 SF

Office (SF)

1973 - 2011

Year Built

100%

Occupancy

Academy, Ltd.

Tenant

8.6 Years

Remaining Lease Term

32' - 50'

Clear Height

417 Spaces

Car Parking Spaces

550 Spaces

Trailer Parking Spaces

15.83 Acres

Trailer Parking

±93.49 Acres

Land Size

36.85%

Coverage Ratio

**ATTRACTIVE ASSUMABLE
DEBT GENERATING
IMPRESSIVE CASH ON
CASH RETURNS**

**MISSION CRITICAL
HEADQUARTERS
LOCATION**

**ABSOLUTE NNN LEASE
WITH 8.6 YEARS OF
LEASE TERM REMAINING**

**PROVEN TENANT
COMMITMENT TO THE
PROPERTY**

**LOCATED AMONG
INSTITUTIONALLY
OWNED ASSETS**

**WEST HOUSTON
POPULATION BOOM**

**SURROUNDED BY
WEST HOUSTON'S TOP
EMPLOYERS**

**DISTRIBUTION LOCATION
WITHIN REACH OF 25
MILLION RESIDENTS
(TEXAS TRIANGLE)**

**CORPORATE RETAILER
SUCCESS STORY**

**EXCELLENT CREDIT
HISTORY WITH
INVESTMENT GRADE
TRAJECTORY**



DRIVE TIME MAP



Academy Sports
& Outdoors
Distribution Center

Brookshire
13 MILES
14 MINS

Katy
5.3 MILES
8 MINS

Cinco Ranch
4.2 MILES
6 MINS

I-10
0.9 MILES
1 MINS

Energy Corridor
7.2 MILES
8 MINS

Westpark Tlwy
6.5 MILES
10 MINS

Sugarland
18.6 MILES
24 MINS

Cypress
17.3 MILES
21 MINS

Bridgeland
14.4 MILES
20 MINS

Hwy 290
13.8 MILES
16 MINS

Hwy 6
9.4 MILES
13 MINS

Bltwy 8
12.3 MILES
14 MINS

Hwy 90
16.9 MILES
20 MINS

610
18.5 MILES
16 MINS

Hwy 288
32.5 MILES
35 MINS

Texas Medical Center
30 MILES
35 MINS

Houston CBD
27.1 MILES
30 MINS

I-45
26.2 MILES
24 MINS

IAH
39.0 MILES
35 MINS

Hobby Int. Airport
35.2 MILES
35 MINS

La Porte
50.6 MILES
45 MINS

Bayport Container Terminal
56.0 MILES
55 MINS

EAST FACING AERIAL

West Houston Airport

Downtown Houston
23.0 Miles

The Galleria
16.5 Miles

Energy Corridor
4.0 Miles

West Memorial
8,155 Households

10
256,291 VPD

StratTsphere Alpha
Datacenter

Trailer Parking
15.83 Acres

Academy Sports + Outdoors
Additional Bulk Warehouse
(not included in offering)

POINTSMITH

Mason Creek
Business Center
mapletree

Morton Ranch High School
2,529 Students

Mason Ranch
EQT | EXETER

Academy Sports + Outdoors
Corporate HQ Office Building
(not included in offering)

Mason Rd | 34,190 VPD

Franz Rd

Academy
SPORTS+OUTDOORS
DISTRIBUTION CENTER
1,500,596 SF

SKYBOX
DATACENTERS

Academy Sports + Outdoors Distribution Center

TENANT OVERVIEW

STOCK SYMBOL

NASDAQ: ASO

STOCK PRICE

(as of 03/08/2023)

\$60.56 PER SHARE

MARKET CAPITALIZATION

(as of 03/08/2023)

4.88 BILLION

CREDIT RATING

MOODY'S: BA2 / STABLE OUTLOOK

2022 REVENUE

\$6.77 BILLION

FORTUNE 500

#481

YEAR FOUNDED

1938

EMPLOYEES

17,000+

RETAIL LOCATIONS

268 STORES

HEADQUARTERS

KATY, TX



Academy Sports & Outdoors, Inc. owns and operates sporting goods and outdoor recreation retail stores. It offers hunting, fishing, and camping equipment and gear, sports and leisure products, footwear, and apparel. The company organizes its merchandise in four divisions: Outdoors, Sports and Recreation, Apparel and Footwear. The company was founded in 1938 by Max Gochman and is headquartered in Katy, TX. KKR partnered with Academy in 2011 to revamp corporate leadership and set the company on a path for growth. Since then, with KKR as the company's largest shareholder, Academy has become one of the most notable successes in the retail industry by growing their online sales and streamlining its product line-up to carve out its own niche brand. The company went public via IPO at \$13.00 a share in October 2020 and KKR sold the remainder of its shares via secondary public offering in September 2021. Today, the company's market capitalization has increased by 5.5x in less than three years. In 2022 Academy successfully executed their plan to open 9 new retail stores and is on track to open 80-100 new stores by year 2026.



ACADEMY RETAIL STORES ARE LOCATED IN MSA'S WITH POSITIVE DEMOGRAPHIC TRENDS

2x
Population Growth Rate
vs. U.s. Average

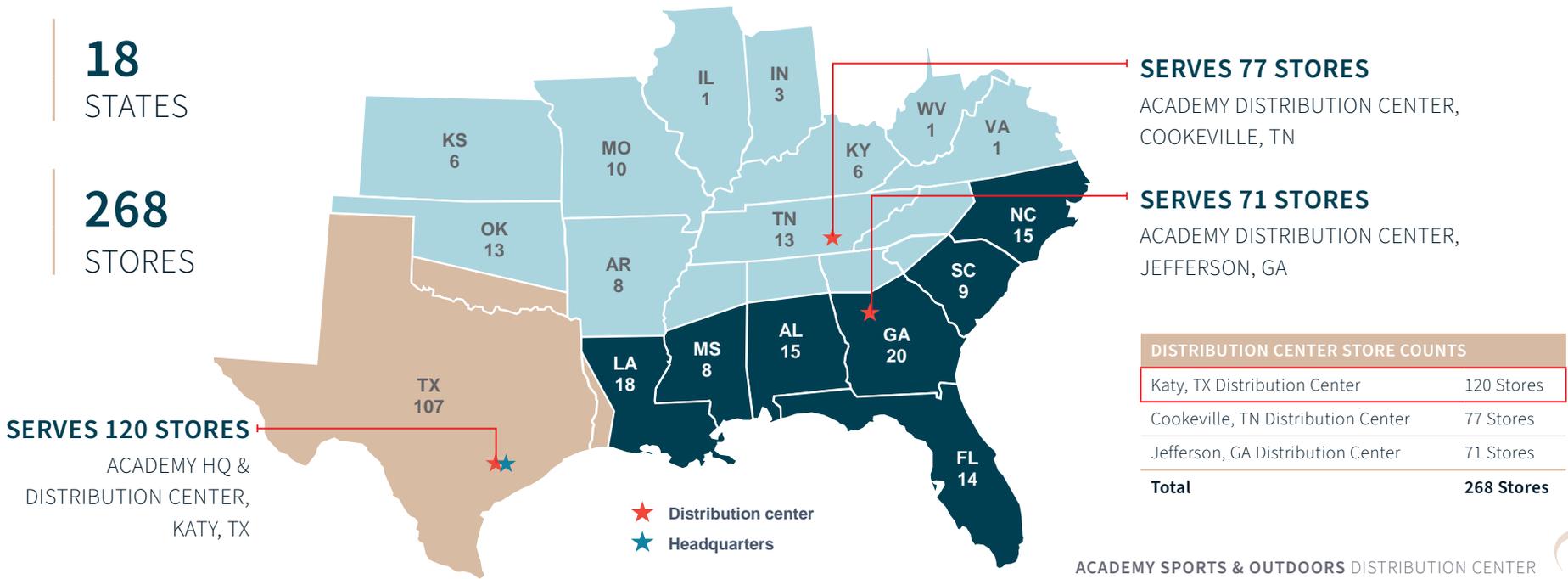
20 BPS
Higher Real GDP Growth

29%
of Stores are in the Top 5
Fastest Growing MSAs

7 of 10
Fastest Growing MSAs



ATTRACTIVE REGIONAL PRESENCE



CORPORATE RETAILER SUCCESS STORY

Academy Sports + Outdoors partnered with private equity firm KKR in 2011 to revamp corporate leadership and set the company on a path for growth. Since then, with KKR as the company's largest shareholder, Academy has become one of the most notable successes in the retail industry by growing their online sales and streamlining its product line-up to carve out its own niche brand. The company went public via IPO at \$13.00 a share in October 2020 and KKR sold the remainder of its shares via secondary public offering in September 2021. Today, the company's market capitalization has increased by 5.5x in less than three years. In 2022 Academy successfully executed their plan to open 9 new retail stores and is on track to open 80-100 new stores by year 2026.

ACADEMY SPORTS + OUTDOORS (NASDAQ: ASO) HISTORICAL STOCK PERFORMANCE

\$13.00 PER SHARE
(IPO DATE OF 10/2/2020)

\$60.56 PER SHARE
(AS OF 3/8/2023)

\$4.88 B

Market Cap

8.52

Price-Earnings Ratio

1.06M

Average Volume

0.50%

Dividend Yield

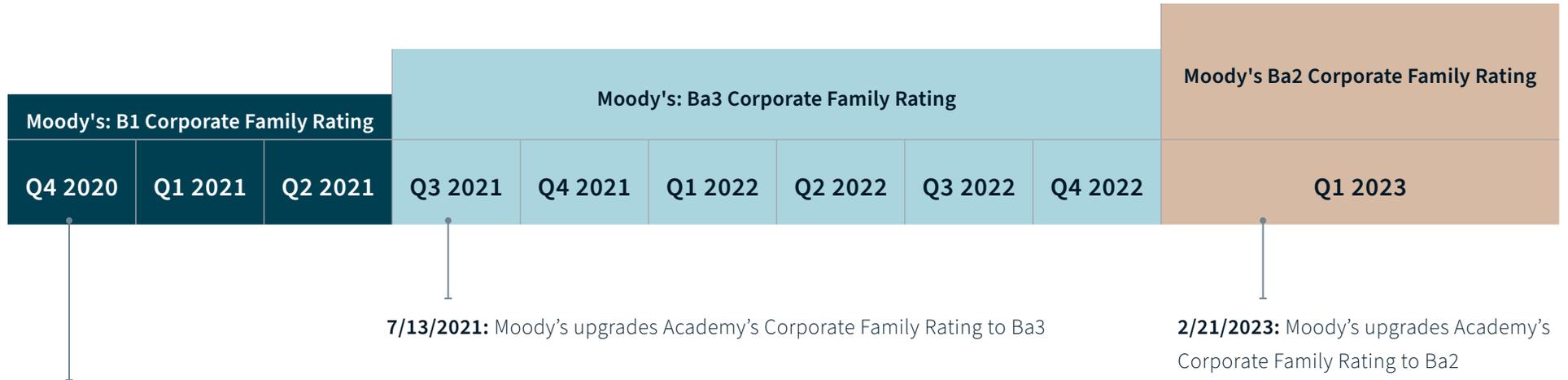
\$63.89

52 Week High

\$25.10

52 Week Low

EXCELLENT CREDIT HISTORY WITH INVESTMENT GRADE TRAJECTORY



MOODY'S RATING ACTION (2/21/2023): The upgrades reflect Academy's continued outperformance relative to expectations and the overall retail industry. The upgrade also reflects Academy's sizable debt repayments and Moody's expectations for balanced financial strategies. Academy's reduced debt levels supports its ability to maintain stable credit metrics. Academy has repaid nearly \$1.1 billion of debt since 2018, including \$100 million repaid in 2022. Moody's estimates that debt to EBITDA will increase to about 2.0x over the next 12-18 months from 1.6x for the LTM ended 10/29/2022. While Moody's expects demand for the sporting goods sector to be constrained by declining consumer disposable income in 2023, Academy's value focused price point will allow them to maintain mostly steady operating performance in 2023 as consumers remain value focused in the face of ongoing inflation. In addition, Academy's operational improvements put in place under new leadership just prior to the pandemic will allow them to maintain the majority of its margin improvements which will partially mitigate any demand weakness and operating income

PROPERTY DESCRIPTION

TOTAL

ADDRESS:	1800 N Mason Rd, Katy, Texas 77449
SIZE (SF):	1,500,596 SF
Warehouse (SF)	±1,250,000 SF
Office (SF)	±250,000 SF
Mezzanine (SF)	±800,000*
YEAR BUILT:	1973 - 2011
CLEAR HEIGHT:	32' - 50'
STORIES:	1 to 4 stories (including mezzanine space)
ELEVATORS:	5
DOCK DOORS:	243
DRIVE-IN DOORS:	3
TRAILER PARKING:	550 Spaces (15.83 Acres)
CAR PARKING:	417 Spaces

CONSTRUCTION

EXTERIOR WALLS:	Tilt-wall, brick, and metal
FOUNDATION:	Concrete slab
ROOF TYPE:	BUR (Bitumen Cap Sheet and Gravel Surfaced), TPO, & Metal

MECHANICAL

FIRE PROTECTION:	100.0% fire-sprinklered
HVAC:	Roof-mounted & central system

**Mezzanine space not included in the GBA*



SITE PLAN

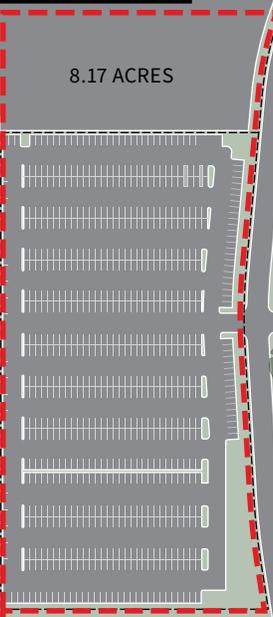
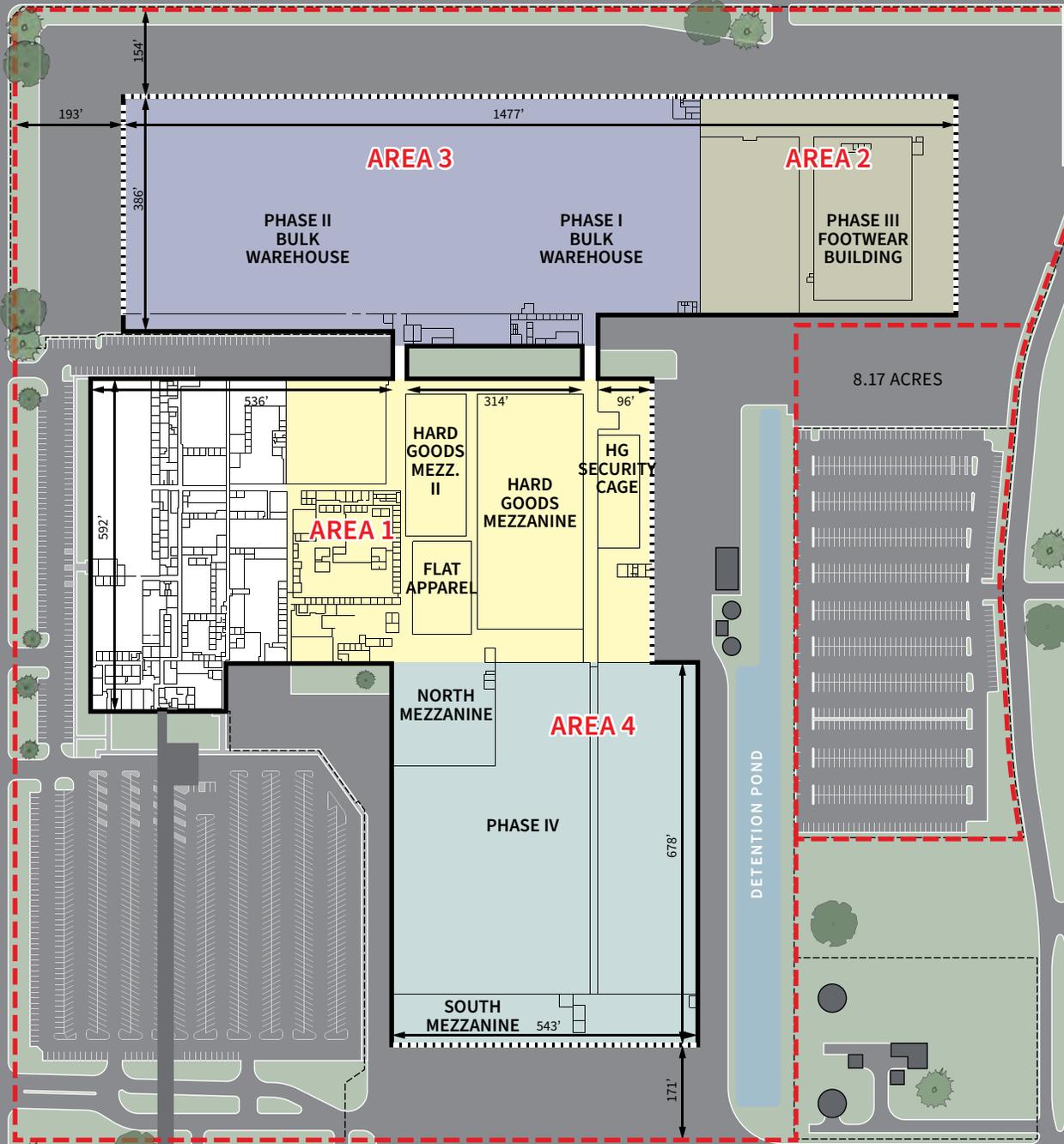


FRANZ ROAD

MASON ROAD

ECHELON DRIVE

	AEA 1	AREA 2	AREA 3	AREA 4
Clear Heights	32'	40'	33'	50'
Column Spacings	50' x 25'	50' x 50'	48' x 54'	45' x 45'



PRIMWEST PARKWAY

RUTLEDGE ROAD

CAMPANILE DRIVE

DETENTION POND

MASON ROAD

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