



SINGLE TENANT INVESTMENT

198 S. POINT BLVD MCDONOUGH, GEORGIA



OFFERING MEMORANDUM

HFF

DISCLOSURES, NOTICES AND CONFIDENTIALITY

This Offering Memorandum has been prepared by HFF for use by a limited number of recipients. All information contained herein has been obtained from sources other than HFF, and neither Owner nor HFF, nor their respective equity holders, officers, employees and agents makes any representations or warranties, expressed or implied, as to the accuracy or completeness of the information contained herein. Further, the Offering Memorandum does not constitute a representation that no change in the business or affairs of the property or the Owner has occurred since the date of the preparation of the Offering Memorandum. All analysis and verification of the information contained in the Offering Memorandum is solely the responsibility of the recipient. HFF and Owner and their respective officers, directors, employees, equity holders and agents expressly disclaim any and all liability that may be based upon or relate to the use of the information contained in this Offering Memorandum.

Additional information and an opportunity to inspect the property will be made available upon written request to interested and qualified prospective investors.

Owner and HFF each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any recipient reviewing this Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner, a written agreement for the purchase of the property has been fully executed, delivered and approved by Owner and its legal counsel, and any obligations set by Owner thereunder have been satisfied or waived.

The recipient ("Recipient") agrees that (a) the Offering Memorandum and its contents are confidential information, except for such information contained in the Offering Memorandum, which is a matter of public record, or is provided from sources available to the public (b) the Recipient, the Recipient's employees, agents and consultants (collectively, the "need to know parties") will hold and treat it in the strictest of confidence, and the Recipient and the need to know parties will not, directly or indirectly, disclose or permit anyone else to disclose its contents to any other person, firm, or entity without the prior written authorization of HFF and the Owner, and (c) the Recipient and the need to know parties will not use or permit to be used this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Owner or HFF or for any purpose other than use in considering whether to purchase the property. The Recipient and the need to know parties agree to keep this Offering Memorandum and all confidential information contained herein permanently confidential and further agree to use this Offering Memorandum for the purpose set forth above. If the Recipient has no interest in the property, or if in the future the Recipient or owner discontinue such negotiations, the Recipient will return this Offering Memorandum to HFF.



INVESTMENT SALES:

Coler Yoakam
T 469.387.4652
cyoakam@hfflp.com

Nick Foster
T 949.798.4135
nfoster@hfflp.com

Michael Brewster
T 407.745.3911
mbrewster@hfflp.com

Mark West
T 469.232.1974
mwest@hfflp.com

Dallas | 2323 Victory Ave Suite 1200 | Dallas, TX 75219 | T 214.265.0880

Orlando | 300 S Orange Ave Suite 1250 | Orlando, FL 32801 | T 407.745.3900

Orange County | 4000 Macarthur Blvd Suite 1050 | Newport Beach, CA 92660 | T 949.253.8800

Holliday Fenoglio Fowler, L.P. ("HFF"), as exclusive advisor, is pleased to present the opportunity to acquire a 71,294 square foot Academy Sports + Outdoors located in McDonough, Georgia, in the Atlanta MSA.

INVESTMENT OVERVIEW

Sale Price	\$9,421,000			
Annual Rent	\$659,470			
Cap Rate	7.0%			
Address	198 S Point Blvd, McDonough, Georgia 30253			
Building GLA	71,294 SF			
Site Size	5.2 Acres			
Year Built	2011			
Ownership	Fee Simple			
Roof & Structure	Landlord Responsible			
Rent Start	April 2011			
Lease Expiration	March 2026			
Increases	\$0.50 PSF in April 2021 (5.4%) and \$0.50 PSF per Option			
Options	Six, 5-yr Renewal Options			
	Dates	Years	Rent PSF	Annual Rent
Annual Base Rent	Apr-11 - Mar-16	1-5	\$8.75	\$623,823
	Apr-16 - Mar-21	6-10	\$9.25	\$659,470
	Apr-21 - Mar-26	11-15	\$9.75	\$695,117
Option 1	Apr-26 - Mar-31	16-20	\$10.25	\$730,764
Option 2	Apr-31 - Mar-36	21-25	\$10.75	\$766,411
Option 3	Apr-36 - Mar-41	26-30	\$11.25	\$802,058
Option 4	Apr-41 - Mar-46	31-35	\$11.75	\$837,705
Option 5	Apr-46 - Mar-51	36-40	\$12.25	\$873,352
Option 6	Apr-51 - Mar-56	41-45	\$12.75	\$908,999

INVESTMENT HIGHLIGHTS

LEASE HIGHLIGHTS

- 8+ years of lease term remaining with minimal landlord responsibilities.
- Low single-digit current rent of \$9.25 PSF with an attractive \$0.50 PSF increase upcoming in 2021.
- Corporate lease with Academy, LTD.

LOCATION HIGHLIGHTS

- Located in McDonough, the Atlanta MSA's hub for distribution, with stellar connectivity along I-75 (131,800 VPD) and explosive warehouse growth resulting in a projected 7.8% population growth (5-mile).
- The nearest Academy Sports are located 30+ miles away in all directions, resulting in a highly captive customer base of over 244,000 residents in a 10-mile radius, projected to grow by 6.9% through 2022.
- Superior positioning in South Point, McDonough's premier shopping center and retail trade area, relative to big-box sporting good competition (DICK'S Sporting Goods / 3 miles northwest).

TENANT HIGHLIGHTS

- Academy Sports + Outdoors operates over 230 stores in 16 states with 23,000+ associates throughout the South, Southeast and Midwest. Sales exceed \$4.7 billion.
- Academy Sports + Outdoors offers a wide range of quality hunting, fishing and camping equipment, patio sets and barbecue grills, along with sports and recreation products at low prices.



SITE PLAN



LEASE / OPERATION NOTES

Lease Item	Section	Summary
Tenant	-	Academy, LTD.
Rent Commencement Date	1st Amend p. 1	April 1, 2011
Real Estate Taxes	-	Tenant pays taxes directly to the taxing authority.
CAM & Liability Insurance	-	South Point Retail Partners is the shopping center CAM operator. South Point Retail Partners sends Tenant an expense reconciliation and the Tenant sends Landlord the payment, which is then forwarded to South Point Retail Partners.
Tenant Insurance	-	Tenant maintains liability insurance and property insurance for the Premises.
Utility Charges	Lease p. 22, Section 15	Tenant shall pay all charges for gas, water, electricity, and any other utility services used solely on the Premises.
Landlord's Maintenance	Lease p. 19, Section 10.1	Landlord responsible for structural repairs to the roof, roof membrane, foundation, load bearing walls, and structure of the Premises. Landlord shall maintain the underground plumbing to the point of connection to the Premises. Landlord shall maintain the exterior walls, down spouts, and gutters of the Premises, excluding window glass, plate glass, and doors. Landlord responsible for extermination of termites.
Tenant's Maintenance	Lease p. 20, Section 11.1	Tenant shall maintain interior plumbing, window glass, plate glass and doors, heating and air conditioning, electrical systems, the interior surfaces of the Premises, and fire protection systems. If the HVAC system needs to be replaced during the last 3 years of the lease and Tenant replaces the system, then if Tenant does not exercise its next succeeding renewal option, the Landlord shall reimburse Tenant for the unamortized cost incurred by Tenant for HVAC replacement.
Go-Dark	Lease p. 13, Section 7.3	If Tenant ceases operation for 180 days or more, other than as a result of a remodel or pending sublet, Landlord may terminate the lease by giving Tenant written notice, except that Landlord shall reimburse Tenant for the unamortized cost of Tenant's leasehold improvements in excess of the improvement allowance and if Tenant is operating a sporting goods store containing at least 50,000 SF within 3 miles of the Premises, Landlord agrees not to lease space to a competitor for 1 year from termination.
Assignment and Subleasing	Lease p. 24, Section 18	Tenant may assign the Lease or sublease the Premises, in whole or in part, without consent from Landlord. Any assignment shall release Tenant from liabilities and obligations so long as the assignee has a net worth equal to or greater than \$200,000,000.

TENANT PROFILE

At 230+ locations, Academy Sports + Outdoors carries a wide range of quality hunting, fishing and camping equipment, patio sets and barbecue grills, along with sports and recreation products.

The first Academy store opened as a tire shop in San Antonio in 1938. It turned into a military surplus store, then began offering sports and outdoors equipment as it evolved into the Academy Sports + Outdoors. Presently, the more than 230 stores operate in 16 states, supported by more than 23,000 team members throughout the South, Southeast, and Midwest.

In 2017, Academy Sports + Outdoors opened its first stores in the following cities: Rockwall, TX; Poplar Bluff, MO; Paducah, KY; Starkville, MS; Manhattan, KS; Florence, AL; Weatherford, TX; Greensboro, NC; and Columbia, MO.

The company generated approximately \$4.7 billion of revenues for the twelve months ended January 28, 2017. Academy has been controlled by an affiliate of Kohlberg Kravis Roberts & Co L.P. ("KKR") since 2011. KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate, credit and, through its strategic partners, hedge funds. In April 2017, Moody's rated Academy, LTD. 'B2'.

NEAREST ACADEMY SPORTS + OUTDOORS LOCATIONS

City	Miles	Direction
Newnan	32.1	West
Snellville	33.4	North
Douglasville	39.3	Northwest



ACADEMY SPORTS + OUTDOORS

Ownership	Kohlberg Kravis Roberts & Co L.P. (NYSE: "KKR")
Tenant Credit Rating	Academy, LTD - Moody's 'B2'
No. of Locations	230
Headquartered	Katy, Texas
Website	http://www.academy.com/

ATLANTA MSA OVERVIEW

Center of the Southeast - Atlanta, known as the “Capital of the New South”, is the economic, transportation, and cultural hub of the Southeast. Its low cost-of-living, diverse job opportunities, and attractive amenity base has helped entice the largest net migration in the U.S. since 2000.

Fast Growing Population - The Atlanta MSA is one of the fastest-growing areas in the United States. Out of the ten largest U.S. MSAs, Atlanta experienced the fifth highest population growth at nearly 11% since 2010. Over the next five years, the City’s population is projected to grow by nearly 7% to 6.2 million residents. Total households, which increased by 1 million since 1990, are projected to increase by almost 150,000 over the next five years.

Employment Hub - Atlanta is the economic hub of the Southeast and a top ten U.S. economy based on GDP, which is \$339 billion. In 2016, it ranked fourth in year-over-year job growth out of all MSAs, which totaled 70,800 jobs. The City and its residents benefit from the wide variety of industry that is located in the area. Sixteen FORTUNE 500 companies are headquartered in Atlanta placing it third in the nation.

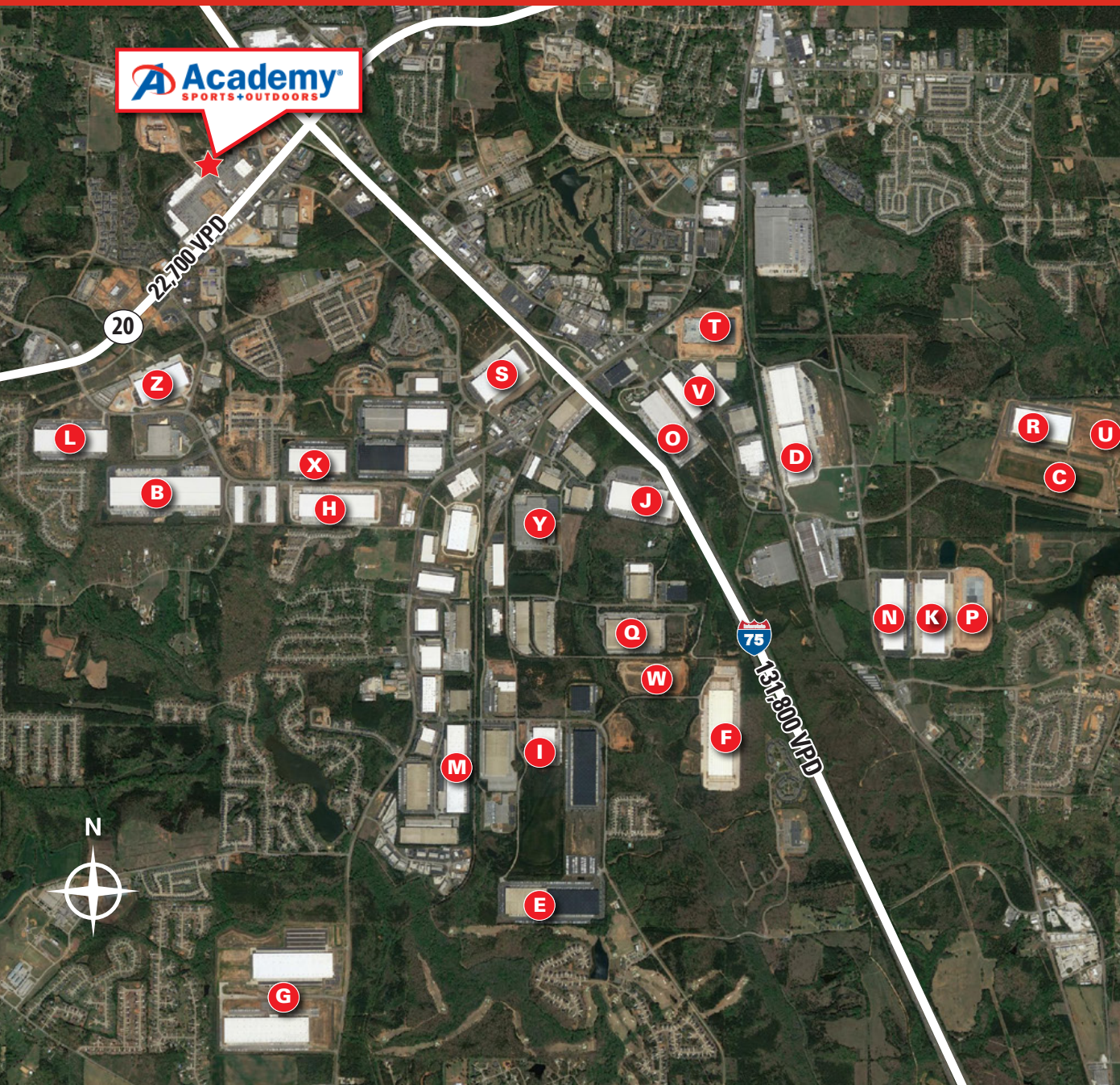
ATLANTA MSA, TOP CORPORATE EMPLOYERS	
Employer	# Atlanta Employees
Delta Air Lines	31,237
Emory Healthcare (University and Medical)	29,937
Home Depot	20,000
AT&T	17,882
WellStar Health System Inc.	13,500
United Parcel Service	9,385
Northside Hospital	9,016
Piedmont Healthcare	8,707
Children's Healthcare of Atlanta	7,452
Cox Enterprises Inc.	7,255
Centers for Disease Control	7,000
Bank of America	6,800
SunTrust Banks Inc.	6,800
Georgia Institute of Technology	6,500
Southern Company	6,247
Southwest	6,008
Lockheed Martin Aeronautics Co.	5,823
State Farm	5,747
Turner Broadcasting System Inc.	5,500
Wells Fargo	5,200
Coca-Cola Co.	5,000

CITIES WITH THE MOST FORTUNE 500 HEADQUARTERS		
Rank	City	# HQ
1	New York, NY	47
2	Houston, TX	22
3	Atlanta, GA	13*
4	Chicago, IL	9
	Dallas, TX	9
5	St. Louis, MO	7

*13 represents the number of FORTUNE 500 Headquarters within the city of Atlanta; 16 represents the number of FORTUNE 500 Headquarters located in metro Atlanta.

Projected Most Populated Metro Areas in 2020 (in millions)		
1	New York	20.59
2	Los Angeles	13.86
3	Chicago	9.77
4	Dallas	7.85
5	Houston	7.30
6	Miami	6.61
7	Washington D.C.	6.44
8	ATLANTA	6.21
9	Philadelphia	6.16
10	Phoenix	5.17

*Source: US Census Bureau



MCDONOUGH'S LARGEST INDUSTRIAL BUILDINGS A-Z				
Building Name	Status	Year Built	SF	
A Locust Grove Assemblage	Proposed	-	1,625,000	
B SouthPort Logistics Center	Existing	2006	1,600,000	
C Lambert Farms Logistics Park	Under Construction	2018	1,555,200	
D Whirlpool Atlanta	Existing	2008	1,505,000	
E ProLogis Park Greenwood - Bldg 1	Existing	2001	1,248,346	
F 1500 Medline Place	Existing	2016	1,069,200	
G Home Depot Fulfillment Center	Existing	2017	1,000,000	
H Georgia-Pacific	Existing	2012	900,640	
I Greenwood Industrial Bldg 400	Existing	2006	867,000	
J Building 300	Existing	2006	851,349	
K 130 Distribution Dr	Existing	2016	846,496	
L Westridge Distribution Center	Existing	2006	832,595	
M 201 Greenwood Ct	Existing	1999	800,000	
N 1793 Highway 42 S	Existing	2006	796,450	
O Midland - Nestle	Existing	1993	782,565	
P King Mill Distribution Park Phase II	Under Construction	2017	760,256	
Q Liberty Distribution 250	Existing	2001	759,300	
R 375 King Mill Rd	Existing	2015	752,590	
S McDonough Commerce Center	Existing	2016	714,560	
T Midland Logistics Center	Under Construction	2017	698,544	
U Lambert Farms - Building A2	Proposed	-	682,350	
V Interstate South Building 4	Existing	2006	676,000	
W Greenwood Industrial Bldg 200	Proposed	-	638,400	
X Liberty - Ford Parts Plant	Existing	1992	627,238	
Y Millard Refrigerated Services	Existing	1997	621,834	
Z Core 5 Logistics Center at Westridge	Existing	2017	612,551	

LOCATED IN ATLANTA'S DISTRIBUTION HUB MCDONOUGH, GEORGIA

Atlanta MSA - McDonough, located in Henry County, is 25 miles southeast of Downtown Atlanta and easily connected by I-75. McDonough is 20 miles southeast of Hartsfield-Jackson Atlanta International Airport which carries 100 million passengers annually making it the busiest airport in the world.

Fast Growing Population - The 5-mile population of 74,087 is projected to grow by 7.7% over the next 5 years, driven by explosive industrial development. The population has grown by 12.1% since 2010.

I-75 Interchange - Academy Sports is located less than half a mile from the I-75 and Highway 20 Interchange. I-75 carries 131,800 vehicles per day and Highway 20 carries 22,700 vehicles per day.

Distribution Hub - McDonough is home to more than 31.6 million square feet of existing industrial and distribution space. 3 projects are under construction totaling 3.0 million square feet and 15 more buildings totaling 5.8 million square feet are proposed. Development has increased rapidly in recent years with 6.4 million square feet of current inventory delivered since 2015. McDonough provides industrial space for companies such as Home Depot, Nestle, Ford, Pep Boys, Sunglass Hut, Kenworth Trucks, and many others.

South Point - Academy Sports is located in South Point, Henry County's largest regional shopping center, offering 700,000 square feet of upscale retail and dining destinations which are accompanied by the Hilton Garden Inn. 268 apartment units are under construction behind South Point at the Springs at McDonough. Residents will easily access the shopping center via South Point Boulevard. Across from South Point, McDonough Commons is under construction by GBT Realty and will be anchored by Burlington Coat Factory, Tuesday Morning, and Pet Supermarket.

Atlanta Motor Speedway - Academy Sports is 7.5 miles east of the Atlanta Motor Speedway, a 1.5 mile track that has hosted the NASCAR Cup Series stock car races annually since its inauguration in 1960. The stadium has a seating capacity of 71,000. The track will undergo its first repave following the 2018 race weekend.

DEMOGRAPHICS			
Description	3 Mile	5 Mile	10 Mile
Population			
2022 Projection	43,453	79,865	244,210
2017 Estimate	40,336	74,087	261,077
Growth 2017-2022	7.3%	7.7%	6.9%
Avg Household Income	\$65,776	\$73,099	\$71,927

Source: Spotlight





SINGLE TENANT INVESTMENT

198 S. POINT BLVD MCDONOUGH, GEORGIA



HFF
hfflp.com

INVESTMENT SALES

Coler Yoakam
T 469.387.4652
cyoakam@hfflp.com

Nick Foster
T 949.798.4135
nfoster@hfflp.com

Michael Brewster
T 407.745.3911
mbrewster@hfflp.com

Mark West
T 469.232.1974
mwest@hfflp.com

Dallas | 2323 Victory Ave Suite 1200 | Dallas, TX 75219 | T 214.265.0880
Orlando | 300 S Orange Ave Suite 1250 | Orlando, FL 32801 | T 407.745.3900
Orange County | 4000 Macarthur Blvd Suite 1050 | Newport Beach, CA 92660 | T 949.253.8800