



REPRESENTATIVE PHOTO



GOLD'S GYM | ABSOLUTE NNN LEASED OFFERING

3000 BLACKBURN ST, AMARILLO, TX 79109

OFFERING MEMORANDUM Presented By:

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DISCLAIMER & CONFIDENTIALITY

The material contained in this Investment Offering Brochure is furnished solely for the purpose of considering the purchase of the property within and is not to be used for any other purpose. This information should not, under any circumstances, be photocopied or disclosed to any third party without the written consent of The Kase Group or Owner, or used for any purpose whatsoever other than to evaluate the possible purchase of the Property.

The only party authorized to represent the Property Owner (“Owner”) in connection with the sale of the Property is The Kase Group Advisor listed in this proposal, and no other person is authorized by the Owner to provide any information or to make any representations other than contained in this Investment Offering Brochure. If the person receiving these materials does not choose to pursue a purchase of the Property, this Offering Brochure must be returned to The Kase Group.

Neither The Kase Group Advisor nor the Owner or its affiliates make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied upon as a promise or representation as to the future performance of the Property. This Offering Brochure may include certain statements and estimates by The Kase Group with respect to the projected future performance of the Property. These Assumptions may or may not be proven to be correct, and there can be no assurance that such estimates will be achieved. Further, The Kase Group Advisor and the Owner disclaim any and all liability for representations or warranties, expressed or implied, contained in or omitted from this Investment Offering Brochure, or any other written or oral communication transmitted or made available to the recipient. The recipient shall be entitled to rely solely on those representations and warranties that may be made to it in any final, fully executed and delivered Real Estate Purchase Agreement

between it and Owner. The information contained herein is subject to change without notice and the recipient of these materials shall not look to Owner or The Kase Group Advisor, nor any of their officers, employees, representatives, independent contractors or affiliates, for the accuracy or completeness thereof. Recipients of this Investment Offering Brochure are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

This Investment Offering Brochure is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate negotiations with any entity, for any reason, at anytime with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Investment Offering Brochure or making an offer to purchase the Property unless and until the Owner executes and delivers a signed Real Estate Purchase Agreement on terms acceptable to Owner, in Owner’s sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agreed to release the Owner and The Kase Group Advisor from any liability with respect thereto.

To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.

Recipients of Offering Brochure shall not contact employees or tenants of property directly or indirectly regarding materials without prior written approval.

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INVESTMENT OVERVIEW

Subject property is a 42,141 square-foot Gold's Gym in Amarillo, TX. The NNN lease calls for zero landlord obligations with annual increases in rent and four 5 year options to renew. The lease has a strong personal guarantee. This unit is operated by K/M Amarillo Sports Teams, LLC. This asset is situated in a major retail trade area and surrounded by national retailers including The Home Depot, Chipotle, Whataburger, Popeyes, and many others.



INVESTMENT HIGHLIGHTS

LONG TERM ABSOLUTE NNN LEASE

100% FEE SIMPLE INTEREST

ZERO LANDLORD RESPONSIBILITIES

ANNUAL INCREASES IN RENT

PERSONAL GUARANTEE

STRONG OPERATOR

LOCATED ON A MAJOR COMMERCIAL THOROUGHFARE

OFFERING SPECIFICATIONS

PRICE \$3,691,742

CAP RATE 7.75%

NET OPERATING INCOME \$286,110

SQUARE FOOTAGE 42,141

LOT SIZE 2.91

YEAR BUILT 1980

FINANCIAL SUMMARY

GOLD'S GYM | ABSOLUTE NNN LEASED OFFERING

3000 BLACKBURN ST, AMARILLO, TX 79109

FEE SIMPLE OWNERSHIP

\$3,691,742 | 7.75%

SUMMARY

TENANT NAME	K/M AMARILLO SPORTS TEAMS, LLC
SQUARE FOOTAGE	42,141
LEASE START	01/01/2017
LEASE END	01/31/2032
INITIAL TERM	13 YEARS REMAINING
ANNUAL RENT	\$286,110
EXTENSION OPTIONS	FOUR, 5 YEAR
INCREASES	ANNUALLY, LESSER OF 2% OR 1.25X CPI

OPERATING SUMMARY

	NET OPERATING INCOME	CAP RATE
2019	\$286,110	7.25%
2020	\$291,832	7.90%
2021	\$297,669	8.06%
2022	\$303,622	8.22%
2023	\$309,695	8.39%
2024	\$315,889	8.56%
2025	\$322,206	8.73%
2026	\$328,650	8.90%
2027	\$335,223	9.08%
2028	\$341,928	9.26%
2029	\$348,767	9.45%
2030	\$355,742	9.64%
2031	\$362,857	9.83%

TENANT OVERVIEW

ABOUT GOLD'S GYM

Gold's Gym International, Inc. is an American chain of international co-ed fitness centers (commonly referred to as gyms) originally started by Joe Gold in Venice Beach, California. Each gym features a wide array of exercise equipment, group exercise classes and personal trainers to assist clients. Its headquarters are in Dallas, Texas.

Joe Gold opened the first Gold's Gym in August 1965, in Venice Beach, California. Dubbed “the Mecca of bodybuilding”, it was frequented by Arnold Schwarzenegger and Dave Draper and featured in the docudrama Pumping Iron (1977), which brought attention not only to the gym itself but also to bodybuilding and physique in general. To this day, Gold's is considered a landmark in bodybuilding culture and has achieved cult status.

In 1970, Gold sold the at-the-time failing gym to Bud Danits, an antique dealer, and Dave Saxe, a jeweler. They ran the gym for almost two years, and when they realized it was not feasible for them, they were going to close it and reopen the premises as an antiques shop. They offered it to a gym member, Ken Sprague, who purchased it in late 1971, and Gold's was saved as a gym.

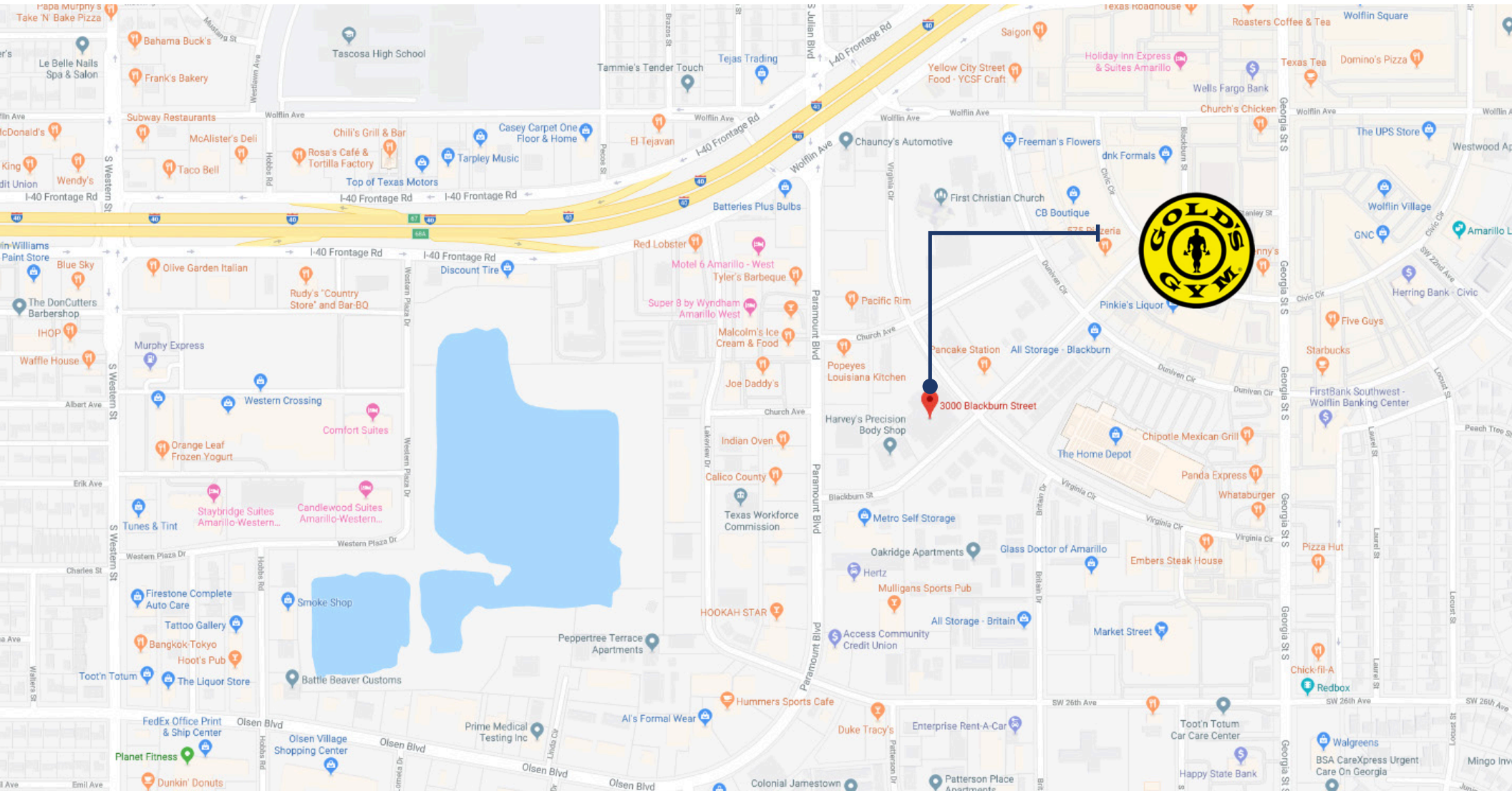


LOCATION AERIAL



DEMOGRAPHICS

	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	93,675	176,850	225,922
NUMBER OF HOUSEHOLDS	38,989	69,737	85,488
AVERAGE HOUSEHOLD INCOME	\$63,665	\$71,998	\$73,495
MEDIAN AGE	36.50	36.50	36.80



AREA OVERVIEW

AMARILLO, TX

Amarillo is the 14th-most populous city in the state of Texas. It is also the largest city in the Texas Panhandle, and the seat of Potter County. A portion of the city extends into Randall County. The estimated population was 199,826 as of 2017. The Amarillo metropolitan area has an estimated population of 276,020 in four counties as of 2017. The metro population is projected to surpass 310,000 in 2020.



DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	93,675	176,850	225,922
NUMBER OF HOUSEHOLDS	38,989	69,737	85,488
TOTAL NO. PERSONS PER HOUSEHOLD	2.40	2.50	2.60
AVERAGE HOUSE VALUE	\$125,172	\$135,054	\$135,732
AVERAGE HOUSEHOLD INCOME	\$63,665	\$71,998	\$73,495
AVERAGE AGE	36.50	36.50	36.80
WHITE	81,116	152,562	193,378
BLACK	6,946	12,857	16,311
AM. INDIAN & ALASKAN	1,061	2,036	2,613
ASIAN	2,198	5,407	8,772
HAWAIIAN & PACIFIC ISLAND	79	175	225
OTHER	2,275	3,812	4,624



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.



TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date



AMARILLO | TEXAS



WWW.THEKASEGROUP.COM

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