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PROPERTY VIDEO**



**8900 S CONGRESS AVE**  
**AUSTIN, TX 78745**

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES





3 INVESTMENT OVERVIEW

6 TENANT MAP

13 FINANCIAL OVERVIEW

14 TENANT OVERVIEW

15 AREA OVERVIEW

## LISTING AGENTS

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**CHAD KURZ**

SVP & NATIONAL DIRECTOR

DIR (214) 692-2927

MOB (562) 480-2937

[chad.kurz@matthews.com](mailto:chad.kurz@matthews.com)

LIC # 01911198 (CA)

**CALVIN SHORT**

SVP & SENIOR DIRECTOR

DIR (949) 432-4506

MOB (310) 567-3525

[calvin.short@matthews.com](mailto:calvin.short@matthews.com)

LIC # 01927216 (CA)

**KYLE MATTHEWS**

BROKER OF RECORD

LIC # 9005919 (TX)



# INVESTMENT OVERVIEW



**8900 S CONGRESS AVE  
AUSTIN, TX 78745**



**\$8,591,000**  
PRICE



**5.75%**  
CAP RATE



**15 YEARS**  
LEASE TERM



**10% EVERY 5 YRS**  
INCREASES



**2019**  
YEAR BUILT







# INVESTMENT HIGHLIGHTS

## TROPHY LOCATION

- **Main Artery Location** - Gold's Gym is located on S. Congress Avenue in Austin, TX which is a main artery through the heart of Austin, TX and dead ends near the state capital of Texas. There are a combined **55,000 VPD** at the intersection of W. Slaughter Ln and S. Congress Ave.
- **Across from New HEB Grocer** - The subject property is **across from a brand new HEB** set to open in early 2020. HEB is the dominant grocer in Texas and was recently voted the **best grocery store in the United States**, over Trader Joe's and Whole Foods. The new store will be 127,000 SF and the **first HEB with a drive-thru lane for true Texas BBQ**.
- **South Park Meadows** - The Gold's Gym is **next to the South Park Meadows** shopping center which is nearly **1 million square feet of retail** anchored by Walmart, Target, Sam's Club, Hobby Lobby and Cinemark. Other retailers include Home Depot, Marshall's, Ross, Best Buy, Chick Fil A, Starbucks, Texas Roadhouse, Taco Bell, Wells Fargo, and many others.
- **Interstate 35** - The property is located near Interstate 35 which runs through the center of Austin, TX and connects Austin with Dallas to the north and San Antonio to the south. There are **over 215,000 VPD** commuting on I-35.

## LONG-TERM, NNN LEASE, FUTURE IMPROVING CASH FLOWS

- **State-of-the-Art Construction** - Gold's Gym newest **prototype building** at 38,000 square feet, with cardio equipment, resistance machines, personal training, state-of-the-art locker rooms, and a sauna/steam room.
- **15-Year Lease** - Gold's Gym signed a brand-new, 15-year lease that commenced in early 2020.
- **Long Track Record of Success** - Gold's Gym is **one of the largest gym brands in the world**, with over 700 locations in 28 countries and a leader in the now \$84 billion global fitness industry.



# INVESTMENT HIGHLIGHTS

- **NNN Lease** – In addition to base rent, the tenant reimburses for taxes, common area maintenance, building repairs, and insurance. Landlord is responsible for roof and parking lot replacement, only.
  - » **Roof Warranty** - 15-year manufacturer's roof warranty to be transferred to new owner at closing.
- **Strong Guaranty** – The tenant under the lease is Gold's Texas Holdings Group, Inc. which is a subsidiary of Gold's Gym and which operates more than 40 locations throughout Texas, with the majority being in the greater Austin area.
- **Replaceable Rent and Attractive Rent Increases** – **Gold's is paying just \$13 PSF annually** and has fixed, **10% rental increases** through the initial term and option periods

## HIGHLY AFFLUENT DEMOGRAPHICS AND ATTRACTIVE FUTURE GROWTH

- **Booming Population** - The immediate area experienced  $\pm 65\%$  growth over the last decade with several large multifamily developments and residential developments in the immediate area. The population is expected to continue to grow with new projects such as:
  - » Settle South Congress - 67 units
  - » Society - 262 units
  - » Highmark Townhomes - 50 units
  - » Oden Hughes Apartments - 300 units
- **Solid Demographics** - There are  $\pm 239,000$  people in the 5-mile radius with an average household income exceeding \$93,000 per year. The 5-mile radius has a consumer spending that exceeds \$2.1 Billion and is expected to exceed \$2.5 Billion in the next 5-years.
- **Expected population growth of over 9%** in the 1-mile and 8% in the 3 and 5-mile
- **Austin averages nearly 100 new residents moving** to the five-county Austin MSA **every day**, making it 8 years running as the fastest growing major metropolitan area in the country





SE

# STONECREEK RANCH



HENLEY | JOHNSTON  
& ASSOCIATES



MILESTONE  
COMMUNITY BUILDERS

VILLA HOMES AT  
EASTON PARK



BLAZIER  
ELEMENTARY SCHOOL  
AUSTIN Independent School District



M/I HOMES



Walgreens



SOUTHPARK  
CROSSING



Griffis Southpark  
APARTMENT HOMES



± 215,330 VPD

S. CONGRESS AVE



BRAND NEW  
OPENING SOON

W. SLAUGHTER LN  
± 40,500 VPD





# Southpark Meadows

•100+ RETAIL STORES AND RESTAURANTS, SPREAD OVER 1,000,000 SF

•ANCHORED BY WALMART, TARGET, BEST BUY, HOBBY LOBBY, J.C. PENNEY, BATH & BODY WORKS, PETSMART, ROSS, AND MORE

**Walmart**  
Supercenter

**Firestone**  
COMPLETE AUTO CARE

**SALLY BEYOND & ROSS**  
BED BATH & BEYOND  
verizon  
CHIPOTLE  
Office DEPOT  
LANE BRYANT  
HOBBY LOBBY  
Candy LEATHER  
BEST BUY

SW

**BOOT BARN**  
AT&T

**Conn's**  
HomePlus  
SPEC'S  
ARMSTRONG McCALL  
PROFESSIONAL BEAUTY SUPPLY

**AKINS**  
HIGH SCHOOL

**DOUBLE DAVE'S**  
PIZZAWORKS  
JOANN

**sam's club**

**MOD PIZZA**  
Bath & Body Works  
Taco Bell  
CINEMARK  
Austin's Pizza  
Amou's  
Taco Village

**Shoe Carnival**  
KAY  
JEWELERS  
ULTA  
H&R BLOCK  
BEALLS  
jcpenney  
DOLLAR TREE  
TARGET

**SOUTHPARK CROSSING**

**WHATABURGER**

**Steak 'n Shake**

**LONGHORN**  
STEAKHOUSE

**ROOMS TO GO**

**SERRANOS**

**TEXAS**  
COUNTRY

**MATTRESS FIRM**  
Sprint

**PETSMART**  
GameStop

**TACO BELL**

**SONIC**  
America's Drive-In

**rue21**  
Marshalls  
OLD NAVY

**Estates**

**Affinity**  
AT SOUTHPARK MEADOWS

**INTERSTATE 35**

± 215,330 VPD

**W. SLAUGHTER LN**  
± 40,500 VPD

**H-E-B**  
BRAND NEW  
OPENING SOON

**S. CONGRESS AVE**

**Walgreens**

**CHASE**

**Bill Miller**  
Bar-B-Q







**DOWN AUSTINTOWN**





Grand Opening 2020



H-E-B's first store to launch with a drive-thru lane for True Texas BBQ, which is rated the state's best BBQ Chain by Texas Monthly Magazine.







## POPULATION



## HOUSEHOLDS



## INCOME

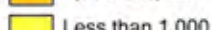


	2010 CENSUS	2020 ESTIMATE	2025 PROJECTION	2010 CENSUS	2020 ESTIMATE	2025 PROJECTION	2020 AVG. HOUSEHOLD INCOME
1-MILE	7,559	12,455 (64.8% ↑)	13,618 (9.33% ↑)	3,237	5,402 (66.9 ↑)	5,906 (9.33% ↑)	\$75,114
3-MILE	97,826	124,954 (27.7% ↑)	135,659 (8.57% ↑)	37,184	48,380 (30.1% ↑)	52,641 (8.81% ↑)	\$84,887
5-MILE	191,529	238,767 (24.7% ↑)	258,999 (8.47% ↑)	75,359	95,121 (26.2% ↑)	103,576 (8.89% ↑)	\$93,520

*\*Subject Property Demographics*

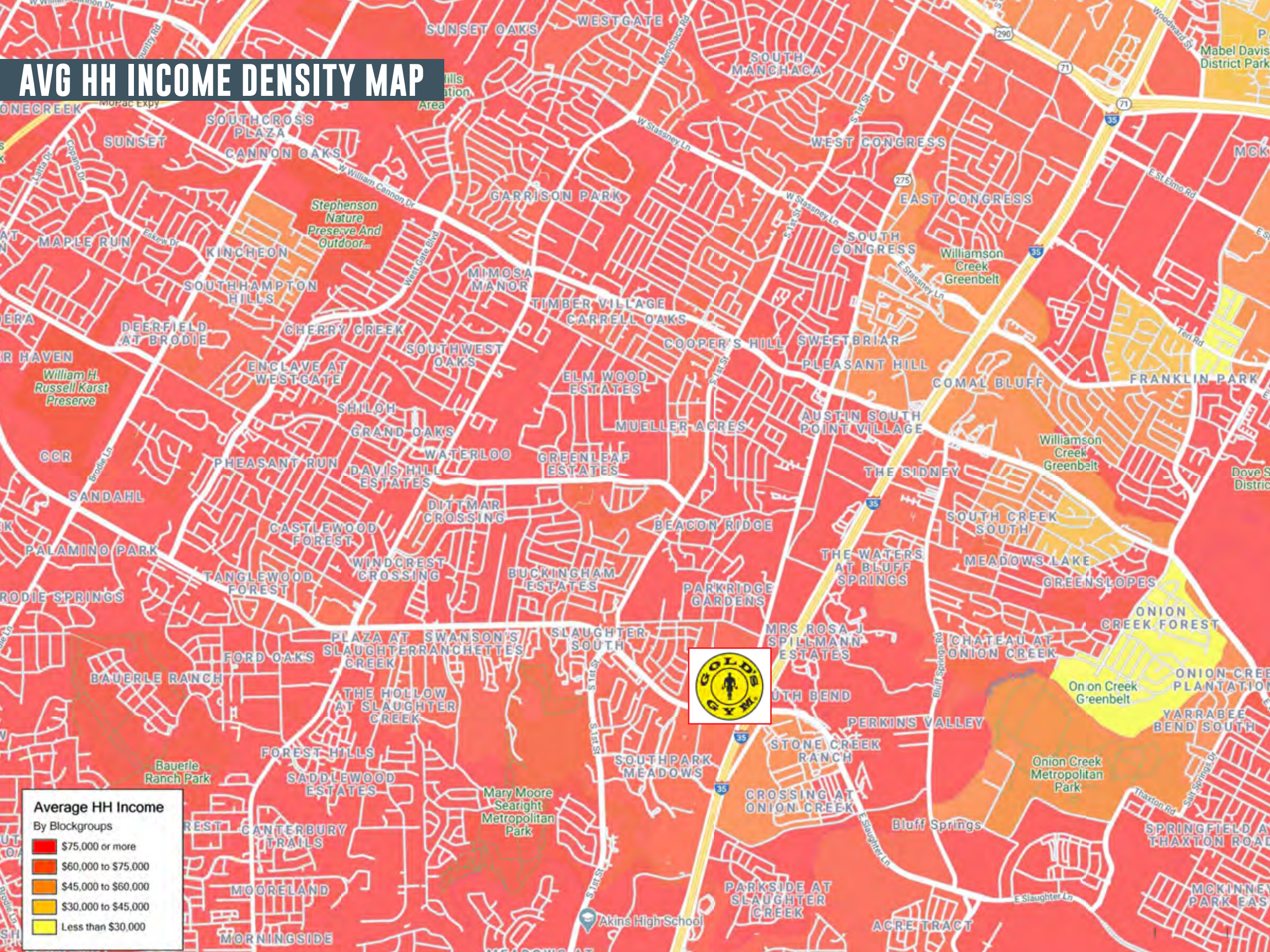








# AVG HH INCOME DENSITY MAP







## INVESTMENT SUMMARY

» OFFERING PRICE	\$8,591,000
» CAP RATE	5.75%
» TOTAL BUILDING AREA	± 38,000 SF
» TOTAL LAND AREA	± 5.24 Acres (± 228,254 SF)

## ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Rent PSF	CAP
Years 1-5	\$41,166.67	\$494,000	\$13.00	5.75%
Years 6-10	\$45,283.33	\$543,400	\$14.30	6.33%
Years 11-15	\$49,811.67	\$597,740	\$15.73	6.96%
Option 1	\$54,792.83	\$657,514	\$17.30	7.65%
Option 2	\$60,272.12	\$723,265	\$19.03	8.42%
Option 3	\$66,299.33	\$795,592	\$20.94	9.26%
Option 4	\$72,929.26	\$875,151	\$23.03	10.19%





## GOLD'S GYM

### TENANT OVERVIEW

Gold's Gym has been the world's trusted fitness authority since 1965. From its beginning as a small gym in Venice, California, Gold's Gym has grown into a global icon with more than 700 locations serving 3 million people across six continents each day.

Ranked "Highest in Customer Satisfaction among Health and Fitness Centers" by J.D. Power in 2015 and 2016, Gold's Gym is committed to providing an energetic and supportive environment to help customers achieve their fitness goals.



### GLOBAL HEALTH & FITNESS CLUB MARKET OVERVIEW

"The health and fitness club market was valued at USD 94.30 billion in 2018, and it is expected to reach USD 147.11 billion by 2024, witnessing a CAGR of 7.81% during the forecast period, 2019-2024. Consumers are willing to spend more on health and fitness club, with health aspects playing as a key role to drive the market growth across the world. The rising number of health clubs and gym with personal training and the latest fitness equipment is attracting consumers to join the health and fitness clubs, which is likely to influence the market growth in upcoming years. Increasing equipment and facility spaces in fitness clubs, such as hot yoga studios, high altitude training rooms, metabolic testing equipment, medical exercise areas, and day spas are gaining popularity among the consumers, which is further supporting the market growth. Attractive membership fees offered by fitness clubs, increasing spending on marketing and advertisement, are helping the health and fitness clubs to generate more revenue."

- Industry Research (April 2019)

-  **±3 M**  
MEMBERS WORLDWIDE
-  **700+**  
NO. OF LOCATIONS
-  **±10,000**  
NO. OF EMPLOYEES
-  **\$2.4 B**  
EST. ANNUAL REVENUE
-  **1965**  
YEAR FOUNDED
-  **DALLAS, TX**  
HEADQUARTERS



# AREA OVERVIEW

**#1 BEST PLACES TO LIVE**  
- U.S. NEWS & WORLD REPORT

**2<sup>ND</sup> SAFEST MAJOR CITY**  
- THE FBI

## AUSTIN, TX

Located in Central Texas in the foothills of Texas Hill Country, Austin is the state capital and the cultural and economic center of the Austin-Round Rock metropolitan area. Regarded by most as the best choice in Texas, the Austin area provides residents a balance of a strong economy, good education, attractive housing, a pleasant climate and plenty to do.

Visitors are welcome to indulge in the rich cultural heritage, plentiful entertainment amenities, unique attractions and outdoor recreation opportunities of this bustling, albeit laid-back, capital city. Surrounded by beautiful natural settings and abundant sunshine, Austin offers an unparalleled quality of life for its low cost of living.





IN PROXIMITY TO...

## NEW DEVELOPMENTS LOCATED IN DOWNTOWN AUSTIN, TX

### NATIIVO

NEAR THE RAINEY STREET  
HISTORIC DISTRICT.



THE 33-STORY NATIIVO TOWER  
AT 48 EAST AVE. OFFERS 249  
FOR-SALE UNITS.

WHEN UNITS AREN'T USED BY THE  
OWNERS, THEY WILL BE MADE  
AVAILABLE FOR RENT THROUGH  
AIRBNB.

MORE THAN 50% OF THE UNITS  
HAVE BEEN RESERVED SO FAR.

ACCORDING TO DEVELOPERS  
NEWGARD DEVELOPMENT CO.  
& AUSTIN-BASED PEARLSTONE  
PARTNERS.

### 6X GUADALUPE

AUSTIN'S TALLEST TOWER

THE TOWER WILL CONTAIN:

- 349 APARTMENTS
- 589,661 SQUARE FT. OF OFFICES
- 11,675 SQUARE FEET OF RETAIL

### THE QUINCY

THIS 30-STORY APARTMENT & OFFICE  
TOWER AT 91-93 RED RIVER ST.

THE TOWER WILL CONTAIN:

- 78,000 SQUARE FEET OF OFFICE
- 10,545 SQUARE FEET OF RETAIL
- 347 APARTMENT UNITS
- SEVEN FLOORS OF ABOVE-GROUND  
PARKING

INDEED TOWER

44 EAST TOWER

405 COLORADO

THE QUINCY

GOOGLE TOWER

NEW UT TOWER

THE TRAVIS

NATIIVO

6X GUADALUPE

90-92 RAINEY ST

HYATT CENTRIC

ALEXAN CAPITOL

AUSTIN MARRIOTT

HANOVER REPUBLIC

17TH & GUADALUPE

BLOCK 16

RAILYARD SITE

RED RIVER LUX HOTEL

SYMPHONY SQUARE

WEOWORK TOWER

MASONIC LODGE

THE REPUBLIC

BLOCK 87

FIFTH AND BRAZOS

300 COLORADO

DOWN  
AUSTIN TOWN

± 8 MI





A wide-angle photograph of the Austin skyline at sunset. The sky is a vibrant blue with scattered white and orange-tinted clouds. Sunbeams radiate from behind the clouds, creating a dramatic effect. The city's skyscrapers are illuminated with warm yellow and orange lights, reflecting on the water in the foreground. A dense line of green trees separates the city from the water. In the immediate foreground, a dark metal railing and a paved walkway are visible, suggesting the viewer is on a bridge or promenade looking across the water at the city.

## QUALITY OF LIFE

Austin is establishing itself as one of the best cities to live and work. As the country's eleventh largest city, it's expanding business and overall growth has validated Austin as a world leader in a variety of industries. From technology to innovation, energy, workforce development, music, food and culture, it's easy to see why this city continues to be America's favorite stomping ground. With unique programs to create a sustainable cultural and economic environment, Austin's vitality continues to flourish. Economic data suggests that there is no slowdown in sight for its future growth, positioning this city to leverage its strong educational base and talented workforce.

According to the U.S. Conference of Mayors, Austin is set to be the fastest growing large U.S. metro economy through 2020. The biggest economic development engine is Austin's high quality of life, attracting smart, creative and successful individuals. It's no wonder that its competitive advantage attracts major corporations such as Apple, AT&T, Dell and many others. The city offers something for everyone, including affordable housing, a safe environment, exceptional schools, as well as healthy and attractive neighborhoods. Austin provides big city amenities at a small town pace. These lifestyle and cultural assets will only continue to grow as Austin takes its place among the world's leading cities.





## BUSINESS CLIMATE

Texas consistently ranks as one of the nation's most favorable business climates based on its low tax burden and competitive regulatory environment. Austin's reputation in key industries such as technology, life sciences and advanced manufacturing has shaped a professional climate that attracts new businesses from all over the world.

As a place that has established itself as a world leader of technology, innovation, energy, and workforce development, Austin is a hotbed for creativity and commerce that is spearheading the region's business expansion and overall growth. Because people want to take advantage of the innovative, entrepreneurial spirit, the capital city continues to be a magnet for business, specifically high tech and small business startups.

Austin is well-positioned to do business with major markets in the United States and Latin America, allowing it to maintain a global competitive advantage. Consequently, the city also features national and global corporations among a strong network of independent, unique, locally owned firms and organizations.



# THE UNIVERSITY OF TEXAS AT AUSTIN

Also referred to as UT Austin, the University of Texas at Austin is the flagship school of the University of Texas System, which includes nine academic universities and six health institutions statewide. Located about one mile from the Texas State Capitol in Austin, this public research university has the seventh-largest single campus enrollment with over 51,000 students and 3,000 teaching faculty. More than 100 undergraduate and 170 graduate degrees are available to students as well as dozens of top-ranked programs with a proven record of success.

UT Austin continues to expand its facilities on campus and thanks to its proud alumni base of more than 482,000, which includes industry leaders like Michael Dell and Rex Tillerson, entertainers like Oscar-winning actor Matthew McConaughey, Academy Award-winning actress Marcia Gay Harden and film director Robert Rodriguez, as well as journalists' Bill Moyers and Walter Cronkite. An abiding symbol of the spirit of Texas, the university cultivates economic and social progress as a leading center of knowledge and innovation.



**15**

Undergraduate Programs  
Ranked in the Top 10 Nationally



**#7**

U.S. Public Colleges  
-*Business First*, 2019



**482,000**

Alumni Across the World



**124**

Countries Represented by the  
Student Body



***WHAT STARTS HERE CHANGES THE WORLD***



## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Gold's Gym** located at **8900 S Congress Ave, Austin, TX 78745** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.





## LISTING AGENTS

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### **KYLE MATTHEWS**

BROKER OF RECORD

LIC # 9005919 (TX)

**MATTHEWS<sup>TM</sup>**  
REAL ESTATE INVESTMENT SERVICES





## 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.

Kyle Matthews/Matthews Retail Group Inc.	<b>678067</b>	<b>kyle.matthews@matthews.com</b>	<b>(310) 919-5757</b>
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
<b>Kyle Matthews</b>	<b>678067</b>	<b>kyle.matthews@matthews.com</b>	<b>(310) 919-5757</b>
Designated Broker of Firm	License No.	Email	Phone
_____ Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
_____ Sales Agent/Associate's Name	License No.	Email	Phone

\_\_\_\_\_  
Buyer/Tenant/Seller/Landlord Initials

\_\_\_\_\_  
Date