



11+ years of remaining lease term | Corporate tenant with potential upcoming IPO | Income tax-free state | Serves the 4th largest army population in the U.S. | Double-digit population growth

Attractive Clarksville TN-KY MSA location

130 S. HAMPTON PLACE | CLARKSVILLE, TN



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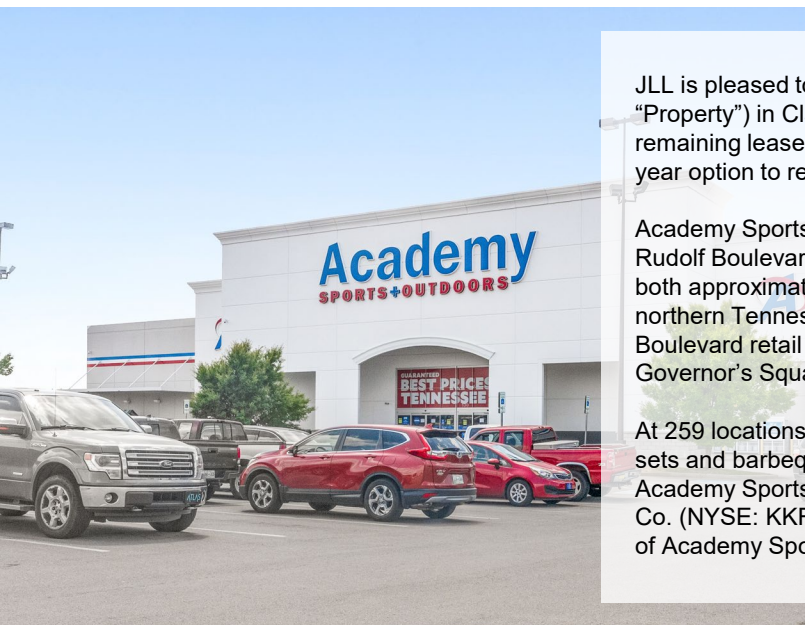


INVESTMENT Summary

Academy Sports | 130 S. Hampton Place, Clarksville, TN



The Offering



JLL is pleased to exclusively offer the opportunity to acquire a single-tenant property corporately leased to Academy Sports (the "Property") in Clarksville, Tennessee. Academy Sports commenced its lease in April 2014 and now has more than 11 years of remaining lease term. This NN lease features \$0.50/SF rental increases in 2024 and at the beginning of each three (3), five (5) year option to renew.

Academy Sports is situated within one of the largest retail clusters in northern Tennessee. This 7.28-acre parcel sits off Wilma Rudolf Boulevard, Clarksville's main retail artery that spans from Downtown Clarksville to the Tennessee and Kentucky border, both approximately 6 miles away from the Property. Additionally, Wilma Rudolf Boulevard connects directly to I-24, one of northern Tennessee's major interstate system that travels through Clarksville to Downtown Nashville. The Wilma Rudolf Boulevard retail corridor encompasses more than 2.7 million square feet of retail space, is home to the 1.1 million square foot Governor's Square Mall and boasts 39,000 VPD.

At 259 locations nationwide, Academy Sports + Outdoors carries a wide range of quality hunting, fishing, and camping gear, patio sets and barbeque grills as well as sporting and recreational equipment from renowned brands. Headquartered in Katy, Texas, Academy Sports + Outdoors is one of the nation's largest sporting and outdoor stores. Academy Sports' parent company, KKR & Co. (NYSE: KKR), recently announced that Academy Sports privately filed for an initial public offering. At a similar multiple to one of Academy Sports' publicly-traded rivals, the company could be valued at \$2.5 billion or more (*Bloomberg*).

PROPERTY SUMMARY

| | |
|----------------------|---|
| Address | 130 S. Hampton Place, Clarksville, TN 37040 |
| Price | \$9,132,000 |
| Cap Rate | 7.85% |
| NOI | \$716,890 |
| Lease Type | Fee Simple: NN |
| Building Size | 71,689 SF |
| Parcel Size | 7.28 Acres |
| Year Built | 2014 |
| Tenant | Academy, Ltd. |
| Remaining Lease Term | 11.6 Years (Expiration: 4/30/2032) |
| Options | Three (3), Five (5) Year Options |
| Rental Increases | \$0.50/SF in 2024 and every Option Period |



Investment Highlights



Attractive, NN (limited Landlord responsibilities) Academy Sports lease with more than 11+ years of term remaining and three (3), five (5) year options to renew. Rent increases \$0.50/SF in 2024 and at the beginning of all option periods. Corporately leased to Academy Sports, Ltd. – wholly owned subsidiary of KKR.



KKR & Co. recently announced that Academy Sports has confidentially filed for an initial public offering that could happen before year end 2020, which could dramatically enhance the value of the company.



Situated on Wilma Rudolf Boulevard (39,000 VPD) in northern Clarksville, one of the largest retail corridors in northern Tennessee with nearly 2.7 million square feet of retail space. Academy Sports in Clarksville is ranked in the 84th percentile of all apparel stores in the U.S. based on customer traffic counts (*Placer A.I.*).



Easily accessible due to its close proximity to I-24, less than 1 mile away, and its location along Wilma Rudolf Boulevard – equidistant from Downtown Clarksville and the Tennessee / Kentucky border.



Proximate to multiple shopping centers with nationally recognized tenants such as Kohl's, Michaels, Kirkland's, Books-A-Million, and Buffalo Wild Wings. Additionally, the Academy Sports is directly across the street from the 1.1 million square foot Governor's Square Mall.



Less than 6 miles away from Downtown Clarksville and Austin Peay State University. Austin Peay State University is Tennessee's fastest growing university with its student enrollment projected to go from 11,000 students to more than 15,000 by 2025. Approximately 15 miles away is Fort Campbell, the 4th largest military population in the U.S. with over 237,000 residents including military, family, and personnel.



Clarksville, TN was ranked No. 1 Best Place to Live in 2019 by Money Magazine and is consistently ranked No. 5 fastest growing markets in the U.S. Also, Clarksville's population is projected to grow more than 12% between 2020 and 2025.





TENANT Summary

Academy Sports | 130 S. Hampton Place, Clarksville, TN



Academy Sports + Outdoors | Clarksville, TN

Academy Sports Overview



At 259 locations nationwide, Academy Sports + Outdoors carries a wide range of quality hunting, fishing, and camping equipment, patio sets and barbecue grills as well as sporting and recreation products from renowned brands. Headquartered in Katy, Texas, Academy Sports & Outdoors is one of the nation's largest sporting goods and outdoors stores.

Founded in 1938 by the Gochman family, the first Academy store opened as a tire shop in San Antonio, Texas. It tuned into a military surplus store, then began offering sports and outdoors equipment as it evolved into the Academy Sports + Outdoors it is today. Presently, there are 259 stores in 16 states, all supported by more than 20,000 team members throughout the South, Southeast, and Midwest.

In 2011, leading global investment firm Kohlberg Kravis Roberts & Co. ("KKR") acquired Academy Sports + Outdoors due to its perfect fit into KKR's long term investment strategy. KKR chose Academy Sports because of the unparalleled foundation built by the Gochman family coupled with the company's rich history, existing network, and dedication to its associates.

The company generated approximately \$4.8 billion in revenue for the 12 months ending February 1, 2020. Academy Sports has been controlled by KKR since its acquisition in 2011. Currently, Academy Sports, Ltd. is rated B3 by Moody's and CCC+ by S&P Global Ratings.

[academy.com](https://www.academy.com)

CORPORATE OVERVIEW

Kohlberg Kravis Roberts & Co. (Parent Company)

| | |
|----------------|---------------------|
| Ownership | Public – KKR (NYSE) |
| Credit Rating | CCC+ Stable (S&P) |
| Headquarters | Katy, TX |
| # of Locations | 259 |





FINANCIAL Analysis

Academy Sports | 130 S. Hampton Place, Clarksville, TN



Lease Abstract



\$9,132,000
Asking Price

7.85%
Cap Rate

\$716,890
Annual Rent

LEASE DETAIL

| | |
|-------------------|---|
| Address | 130 S. Hampton Place, Clarksville, TN 37040 |
| Tenant | Academy, Ltd. |
| Building Size | 71,689 SF |
| Parcel Size | 7.28 Acres |
| Year Built | 2014 |
| Annual Rent | \$716,890 |
| Rent/SF | \$10.00 |
| Lease Type | Fee Simple: NN |
| Roof & Structure | Landlord Responsibility |
| Rent Commencement | 04/15/2014 |
| Lease Expiration | 04/30/2032 |
| Remaining Options | Three (3), Five (5) Year Options |
| Rental Increases | \$0.50/SF in 2024 and every Option Period |

RENT SCHEDULE

| Description | Dates | Annual Rent | % Increase |
|-----------------------------|-------------------------|-------------|------------|
| Current Term (Years 1-5) | 04/15/2014 – 04/30/2019 | \$681,046 | |
| Current Term (Years 6-10) | 05/01/2019 – 04/30/2024 | \$716,890 | 5.26% |
| Current Term (Years 11-18) | 05/01/2024 – 04/30/2032 | \$752,735 | 5.00% |
| Option Term 1 (Years 19-23) | 05/01/2032 – 04/30/2037 | \$788,579 | 4.76% |
| Option Term 2 (Years 24-28) | 05/01/2037 – 04/30/2042 | \$824,424 | 4.55% |
| Option Term 3 (Years 29-33) | 05/01/2042 – 04/30/2047 | \$860,268 | 4.35% |



Lease Abstract

TENANT RESPONSIBILITY DETAIL

| | |
|-----------------------|---|
| Maintenance & Repairs | Tenant shall maintain in good repair and condition all portions of the Premises which are not the Landlord's responsibilities; including but not limited to exterior walls, HVAC, electrical and plumbing systems, interiors, fire protection and others. Includes waste and trash. |
| Insurance | Tenant shall, at its sole expense, (i) maintain commercial general liability insurance and, if necessary, commercial umbrella and/or excess insurance with respect to the Premises insuring both Tenant and LL, and (ii) special form property insurance. |
| Taxes | Tenant shall pay any and all real property taxes and assessments levied against Tenant's Parcel. |
| Utilities | Tenant shall pay before delinquency all charges for gas, water, electricity and utility services solely on the Tenant's Parcel during term hereof by Tenant. |
| CAM | Tenant, at its sole expense, shall keep and maintain the Common Area located on Tenant's Parcel to a standard of maintenance and repair consistent with the requirements in the REA including the shared detention pond. |

LANDLORD RESPONSIBILITY DETAIL

| | |
|-----------------------|---|
| Maintenance & Repairs | Landlord shall at its sole expense make all structural repairs to the Premises, including but not limited to all repairs to the roof and roof membrane, foundation, load bearing walls, and any other structural members of the Premises. |
|-----------------------|---|





LOCATION Overview

Academy Sports | 130 S. Hampton Place, Clarksville, TN



Academy Sports + Outdoors | Clarksville, TN

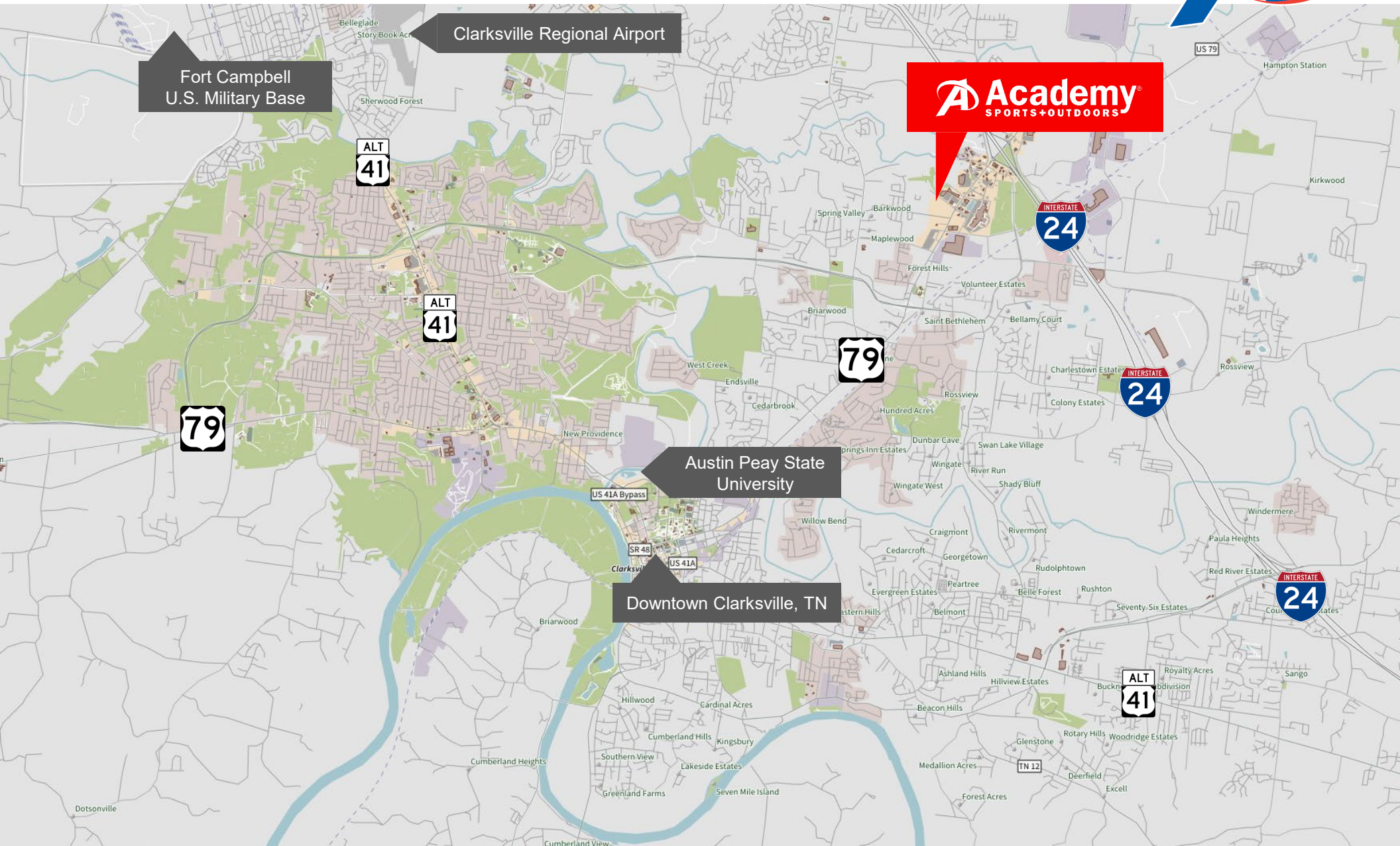
Site Plan



Surrounding Retail & Amenities



Clarksville, Tennessee



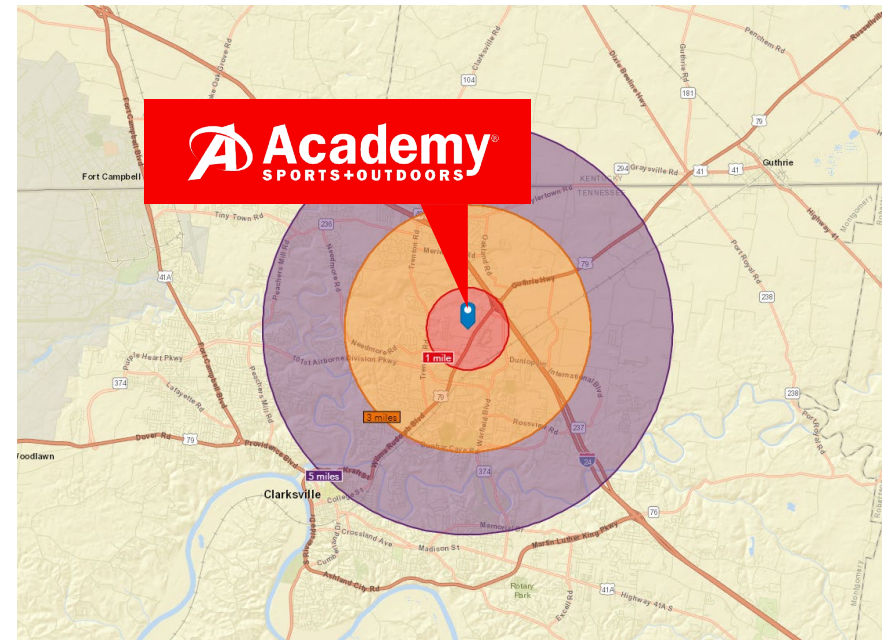
Clarksville, Tennessee

THE GATEWAY TO THE SOUTH AND BEST PLACE TO LIVE

Clarksville is a community in the heart of Tennessee located 50 miles north of Nashville. Clarksville has recently been named the 5th Fastest Growing City in the Nation, Number 1 Market for First Time Home Buyers, and Number 4 in the US for Alternative Energy Industry Leaders. Into the next decade, Clarksville appears to be on the cusp of another economic boom with projected population growth from 2020 to 2025 to be in the double digits within a 5-mile radius of Academy Sports and almost 6.5% for the entire city.

With more than 58,000 employees, the largest industries in Clarksville are Retail Trade, Health Care & Social Assistance, and Manufacturing. The Clarksville-Montgomery County is home to a Google Data Center, Hankook Tires, LG Electronics, and the fastest growing university in Tennessee. Less than 15 miles north of Clarksville, the Fort Campbell military base provides a stable employment base to the city's economy with over 26,000 active troops and nearly 240,000 citizens in the surrounding area to support the base. As a result, almost 25% of Clarksville-Montgomery County School students are Military Dependents.

A positive net migration of young people is shown through a declining median age and *REALTOR.com* placing Clarksville the #3 Where Millennials Are Buying Homes. Strong employment, a low cost of living, and a prime location are just three of the many factors that resulted in some of the largest economic media outlets such as Money Magazine to name Clarksville the "2019 Best Place to Live".



CLARKSVILLE MSA DEMOGRAPHICS

| | | |
|--|------------------------------------|---|
| 314,509 POPULATION | 116,171 TOTAL HOUSEHOLDS | \$68,379 AVG. HH INCOME |
| 136,186 CIVILIAN LABOR FORCE | 33.0 yrs. MEDIAN AGE | 25.1% OF POPULATION HOLD A BACHELORS DEGREE OR HIGHER |

AREA ACCOLADES AND RECOGNITION

| | | |
|--|--|---|
| No. 1 2019 Best Place to Live <i>Money Magazine</i> | No. 3 Cities Where Millennials are Moving <i>REALTOR.com</i> | No. 9 Out of 399 MSAs for Economic Strength <i>Area Development</i> |
|--|--|---|

SUBJECT PROPERTY DEMOGRAPHIC PROFILE

| Population | 1-Mile | 3-Mile | 5-Mile |
|------------------------------------|----------------------|----------------------|-----------------------|
| 2020 Total | 4,113 | 32,875 | 71,823 |
| 2025 Projection | 4,613 | 37,116 | 80,240 |
| 2020 - 2025 Growth | 12.2% | 12.9% | 11.7% |
| Bachelor's Degree or Higher | 35.9% | 31.2% | 31.4% |
| Households | 1-Mile | 3-Mile | 5-Mile |
| 2020 Total | 1,885 | 13,331 | 28,801 |
| 2020 - 2025 Growth | 12.4% | 13.1% | 11.8% |
| Household Income | 1-Mile | 3-Mile | 5-Mile |
| 2020 Average | \$68,419 | \$71,955 | \$75,604 |
| 2020 - 2025 Growth | 7.2% | 8.3% | 8.3% |
| Total Economic Buying Power | \$128 Million | \$959 Million | \$2.18 Billion |

Total economic buying power is the product of Avg. HH Income and Total Number of HHs



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