



PLANET FITNESS

TYLER, TX

OFFERING MEMORANDUM



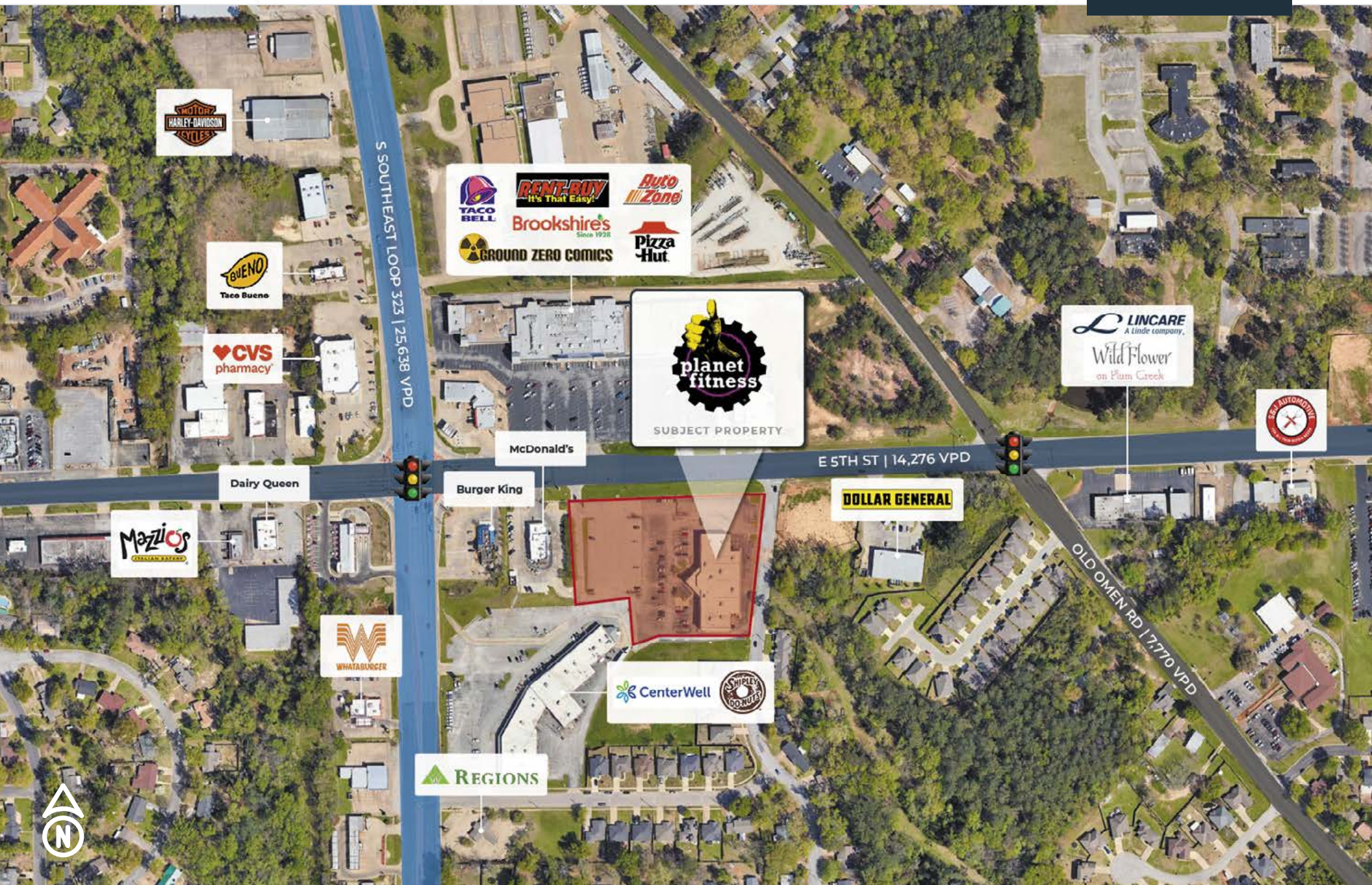
E 5TH ST | 14,276 VPD

LOOP
323

S SE LOOP 323 | 25,638 VPD

MARKET AERIAL

Marcus & Millichap
NNN FITNESS



INVESTMENT OVERVIEW

\$3,156,000

PURCHASE PRICE

6.50%

CAP RATE

OFFERING DETAILS

| | |
|---------------------------|---|
| ADDRESS | 2747 E 5th St, Tyler, TX 75701 |
| TENANT | Planet Fitness / Excel Fitness DFW IV, LLC (150+ Units) |
| LEASE TYPE | NN |
| LANDLORD RESPONSIBILITIES | Roof & Structure |
| NOI | \$205,200 |
| LEASE TERM | 10 Years |
| LEASE TERM REMAINING | 6.9 Years |
| LEASE EXPIRATION DATE | 4/30/31 |
| GLA | 22,800 SF |
| LOT SIZE | 3.70 AC |
| YEAR BUILT | 1990 |
| RENT PSF | \$9.00 |
| PRICE PSF | \$138.42 |
| OPTIONS | (2) 5 Year |
| INCREASES | 10% at Each Option |

RENT SCHEDULE

| LEASE YEARS | ANNUAL RENT | RENT PSF |
|----------------------|-------------|----------|
| 5/1/2024 - 4/30/2031 | \$205,200 | \$9.00 |
| Option 1 | \$225,720 | \$9.90 |
| Option 2 | \$248,292 | \$10.89 |

DEMOGRAPHICS

| 1 MILE POP | 1 MILE AHHI | 3 MILE POP | 3 MILE AHHI | 5 MILE POP | 5 MILE AHHI |
|------------|-------------|------------|-------------|------------|-------------|
| 8,857 | \$61,086 | 51,972 | \$71,422 | 105,209 | \$70,115 |

INVESTMENT HIGHLIGHTS



Recent Lease Extension

Planet Fitness recently extended the initial term of the lease for an additional 7 Years expiring on April 30th, 2031. The lease has (2) 5 year options remaining with 10% rental increases in each of the remaining options.



Franchisee of The Year 2019

Excel Fitness is a leading Planet Fitness franchisee center operator in the U.S. With over 150+ locations in Texas, Oklahoma, Utah, Missouri, Arkansas, Tennessee, Georgia, North Carolina, and Virginia. Excel Fitness was awarded Franchisee of the Year by Planet Fitness (2019).



Excellent Visibility Nearby Signalized Intersection

This property is ideally located near the intersection of S SE Loop 323 and Fifth St. with visibility to a combined 39,914 vehicles per day. The property is less than one mile away from Tyler Junior College (12,000+ students) & UT Tyler main campus (10,000+ students).



TENANT SUMMARY

Marcus & Millichap
NNN FITNESS



HVLP 2.0
Market Leader



32+ Yrs
In the Industry



2,599
Locations Worldwide



19.6 Million
Members Worldwide

TENANT OVERVIEW

Planet Fitness, founded in 1992 in Dover, NH, Planet Fitness is one of the largest and fastest-growing franchisors and operators of fitness centers in the world by number of members and locations. **As of March 31, 2024, Planet Fitness had approximately 19.6 million members and 2,599 stores** in all 50 states, the District of Columbia, Puerto Rico, Canada, Panama, Mexico and Australia.

The Company's mission is to enhance people's lives by providing a high-quality fitness experience in a welcoming, non-intimidating environment, which they call the Judgement Free Zone®. Planet Fitness offers a unique gym experience at an exceptional value, which attracts members who frequent the gym on a semi-regular basis.

www.planetfitness.com

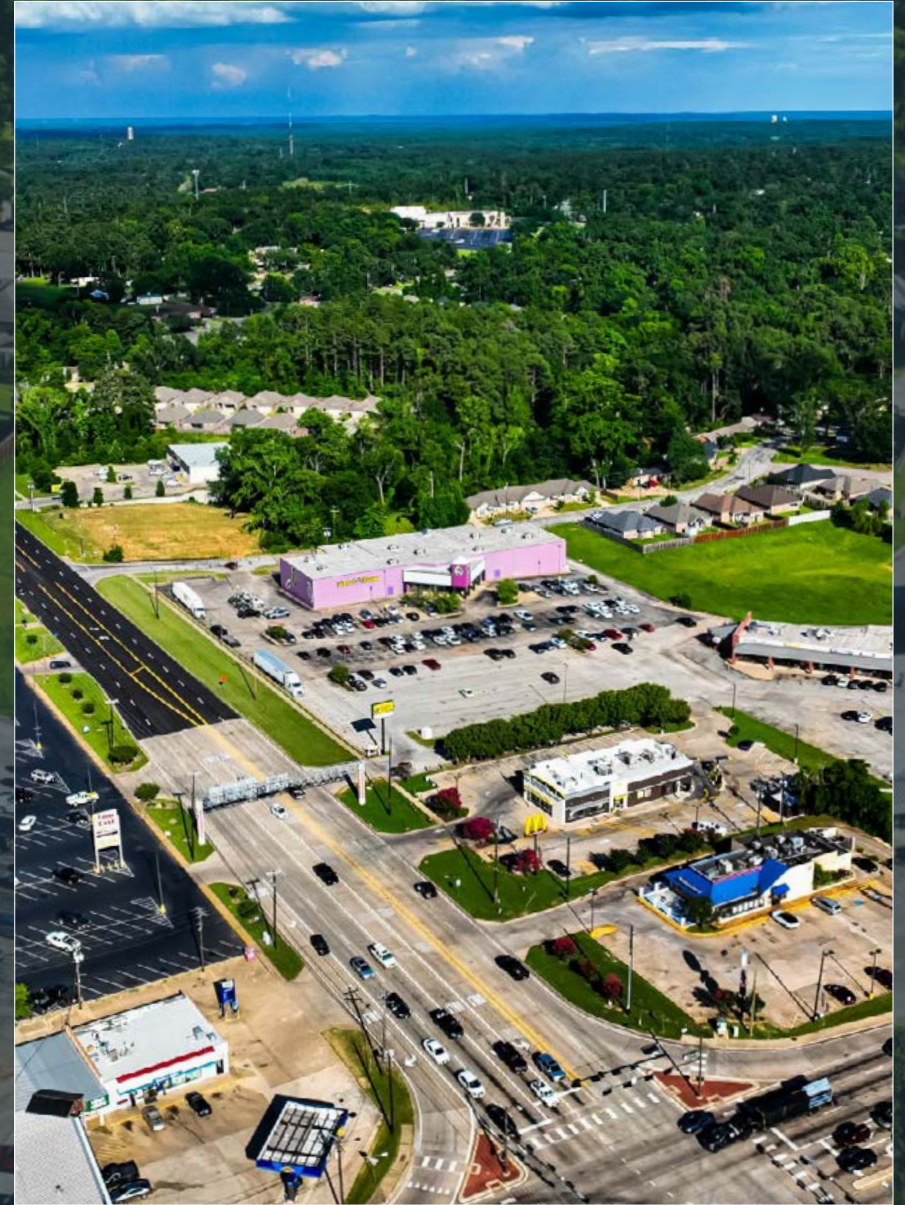
FRANCHISEE

Excel Fitness, is a franchisee of Planet Fitness based in the Austin, TX area and has been a portfolio company of Olympus Capital Partners since 2022.

Excel Fitness is a leading Planet Fitness franchisee group, Excel has over 150 locations in Texas, Oklahoma, Utah, Missouri, Arkansas, Tennessee, Georgia, North Carolina, and Virginia, and are continuing to build over 10 new locations each year. Excel Fitness was named 2019 Franchisee of the Year.

PROPERTY PHOTOS

Marcus & Millichap
NNN FITNESS



planet  fitness



MARKET AERIAL



SITE PLAN

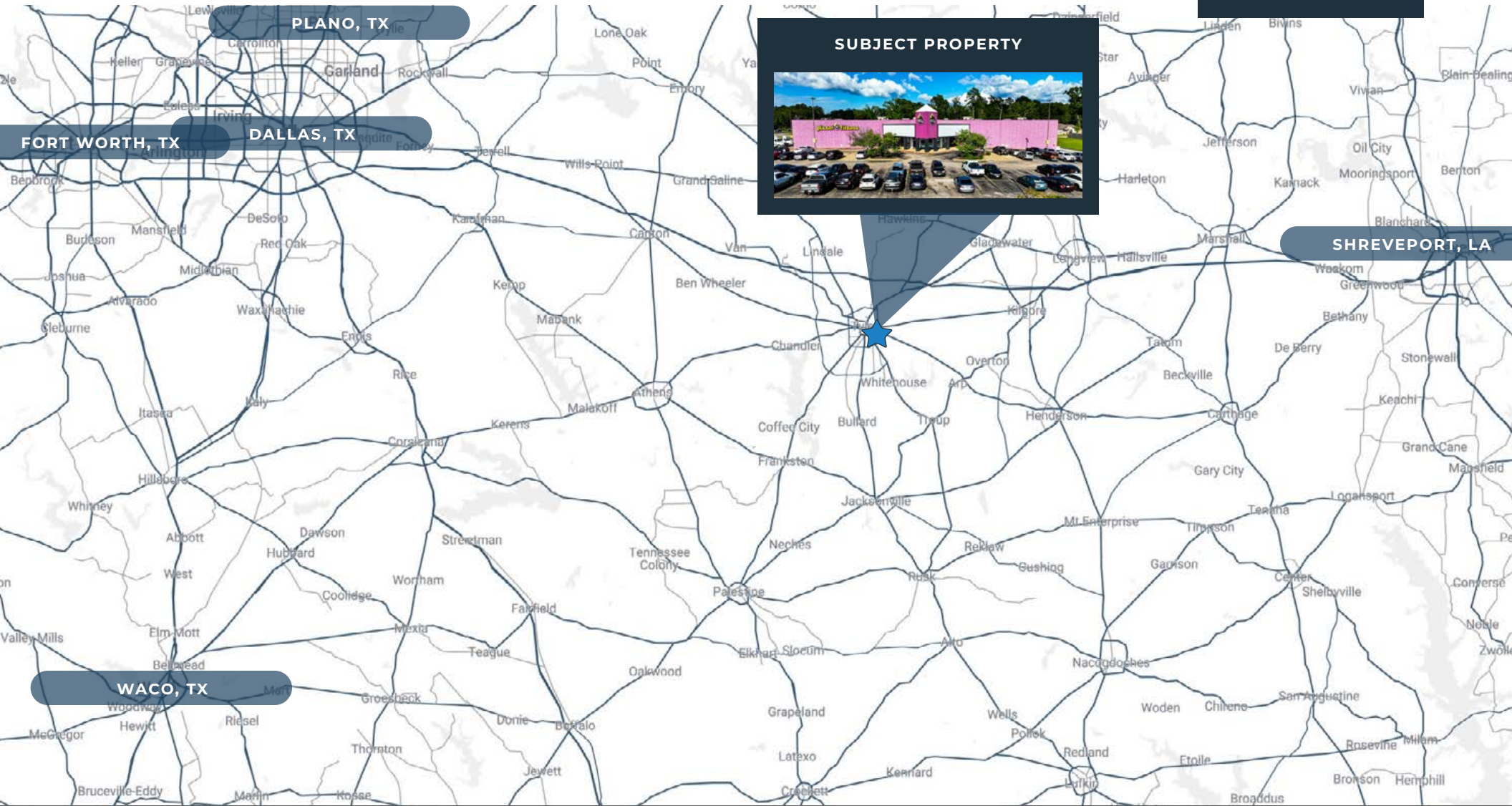
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| | | |
|------------------|---------------------|------------------------|
| 22,800 SF GLA | 3.70 AC LOT SIZE | ±293 SPACES PARKING |
|------------------|---------------------|------------------------|





REGIONAL OVERVIEW



TRAVEL DISTANCES



SHREVEPORT, LA

95.8 MILES

DALLAS, TX

100 MILES

PLANO, TX

112 MILES

WACO, TX

133 MILES

FORT WORTH, TX

135 MILES

DEMOGRAPHICS



TYLER, TX

| | 1 MILE | 3 MILES | 5 MILES |
|--------------------------|----------|----------|----------|
| POPULATION | | | |
| 2023 Population | 8,857 | 51,972 | 105,209 |
| 2028 Projection | 9,045 | 53,045 | 107,587 |
| HOUSEHOLDS | | | |
| 2023 Households | 3,315 | 19,793 | 40,178 |
| 2028 Projection | 3,378 | 20,168 | 40,993 |
| HOUSEHOLD INCOME | | | |
| Avg Household Income | \$61,086 | \$71,422 | \$70,115 |
| Median Household Income | \$48,677 | \$54,091 | \$51,676 |
| EDUCATION | | | |
| Some College, No Degree | 2,145 | 12,047 | 24,719 |
| Associate Degree | 459 | 2,762 | 5,255 |
| Bachelor's Degree | 936 | 6,183 | 11,452 |
| Advanced Degree | 388 | 3,206 | 5,598 |
| EMPLOYMENT | | | |
| Civilian Employed | 4,046 | 24,085 | 48,790 |
| Civilian Unemployed | 95 | 914 | 2,124 |
| Civilian Non-Labor Force | 2,646 | 15,232 | 30,438 |
| U.S. Armed Forces | 0 | 35 | 152 |

LOCATION SUMMARY

Marcus & Millichap
NNN FITNESS



Population: 105,995
2020 Census



Households: 37,747
2020 Census



Tyler-Longview
MSA

Known as the Rose Capital of America

Tyler, Texas is a small city located just over an hour from the Texas-Louisiana border. The Tyler Metropolitan Statistical Area lies in the Piney Woods region of East Texas and is home to 227,000 residents. The metro is growing fast and is expected to add roughly 7,000 people through 2024. The city of Tyler serves as the municipal and economic hub of Smith County. Located about 100 miles southeast of Dallas-Fort Worth with access to Interstate 20, Tyler functions as a key linkage for distribution between Texas and Louisiana. The major employers in the area include hospitals - UT Health East Texas and Christus Trinity Mother Frances, as well as Brookshire Grocery Company, Tyler Independent School District, and Suddenlink.

Known as the Rose Capital of America, a long history of rose cultivation and the country's largest rose garden granting Tyler this unique nickname. The city also hosts the annual Texas Rose Festival.



HEALTHCARE HUB

The East Texas Medical Center, a part of the UT Health System, employs over 3,000 people and provides healthcare services to the broader community.

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Like all real estate transactions, this potential investment carries significant risks. Each buyer and Professional Advisors must request and carefully review all information and documents related to the property and tenant which the buyer deems material to their particular needs. While the tenant's past performance at this or other properties might be an important consideration, past performance is not a guarantee or necessarily a reliable indication of future performance. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be based on a tenant's projected sales with little or no record of actual performance or comparable rents for the area. Future performance and investment returns are never guaranteed. Tenants and guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of their lease. Cash flow may be interrupted in part or in whole due to market, economic, environmental, or other conditions. Regardless of tenant history and lease guarantees, every buyer is responsible for conducting their own investigation of all matters affecting the intrinsic value of the property and any lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property as well as the lease rates and other terms the buyer might be able to negotiate with potential replacement tenants, considering the location of the property, market rental rates, and the buyer's legal ability to make alternate use of the property.

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary. All potential buyers are admonished and advised to engage Professional Advisors on legal issues, tax, regulatory, financial and accounting matters, and for questions involving the property's physical condition or financial outlook.

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7,546 Closed
Transactions in 2023

\$43.6B Total
Volume Closed in 2023

30 Transactions
Every Business Day

80+ Offices
Across the U.S. & Canada



Information About Brokerage Services

11-2-2015

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:
 - o that the owner will accept a price less than the written asking price;
 - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - o 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.

| | | | |
|---|-------------|-------------------------------|--------------|
| Marcus & Millichap | 9002994 | tim.speck@marcusmillichap.com | 972-755-5200 |
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| 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 |

Regulated by the Texas Real Estate Commission

| | |
|---|------|
| | |
| Buyer/Tenant/Seller/Landlord's Initials | Date |

Information available at www.trec.texas.gov
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