

Marcus & Millichap
NNN FITNESS

LA | FITNESS
CLUB STUDIO
AUSTIN | TEXAS
OFFERING MEMORANDUM

BRAND NEW
CLUB STUDIO
CONVERSION

LA | FITNESS

CLUB STUDIO



\$117K

Average HHI 1-Mile



18.5 Year

Lease Term



B/Stable

S&P Rating

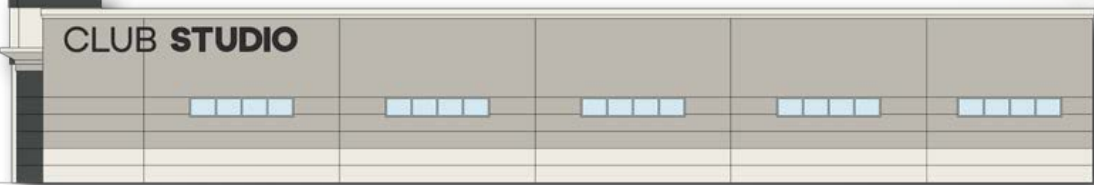
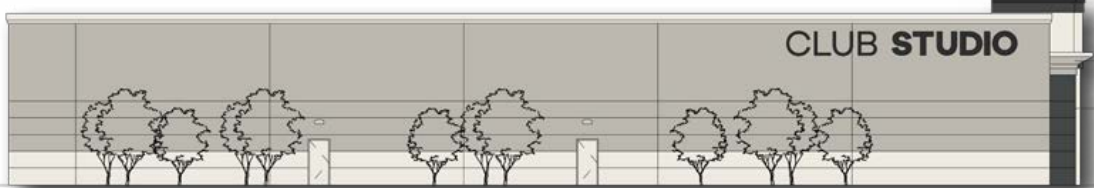
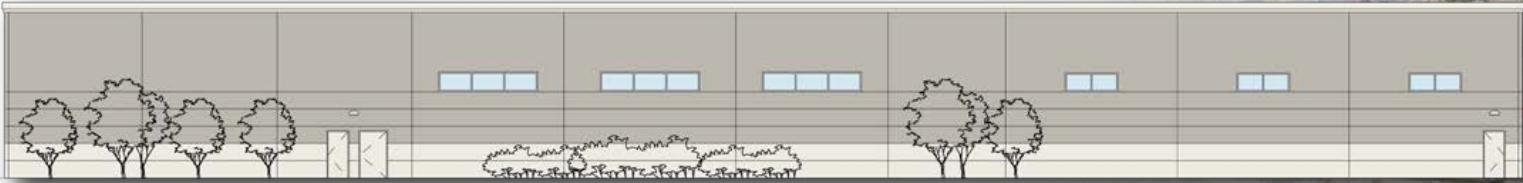


2.5 Million

MSA Population

EXTERIOR ELEVATIONS

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BRAND NEW
 **CLUB STUDIO**
CONVERSION

RETAIL AERIAL

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NNN FITNESS



INVESTMENT OVERVIEW

\$18,092,300
Purchase Price


6.50% | **18.5 Years**
Cap Rate | Lease Term

OFFERING DETAILS

ADDRESS	1824 W. Slaughter Lane
CITY, STATE	Austin, TX
TOTAL GLA	37,000 SF
LOT SIZE	7.72 AC
PARKING	±259 Spaces
YEAR BUILT	2015
TENANT	LA Fitness
TI ALLOWANCE	\$4,562,500



 [Click to View Google Map](#)

 [Click to View Street View](#)



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LEASE DETAILS

EXTENDED TERM COMMENCEMENT	7/24/2026*
EXTENDED TERM EXPIRATION	7/23/2044
LEASE TYPE	NNN**
NOI	\$1,176,000***
RENT PSF	\$31.78
PRICE PSF	\$488.98
OPTIONS	(2) 5 Years
INCREASES	10% Every 5 Years

*Expected Re-Opening Date
**Landlord has roof & structure
***LL to credit difference in current rent through escrow

Brand New Club Studio Conversion

This freestanding LA Fitness location was strategically targeted to be converted to Fitness International's new high-end, luxury Club Studio concept and will undergo an extensive remodel.

Dominant Austin Market Fundamentals

Situated in one of the fastest-growing major metros in the country, the asset stands to benefit from Austin's expanding population, economic resilience, and ongoing migration trends favoring health-conscious, lifestyle-oriented communities.

RENT SCHEDULE

LEASE YEARS	ANNUAL RENT
Current - 7/23/2026	\$800,935
7/24/2026 - 7/23/2031	\$1,176,000
7/24/2031 - 7/23/2036	\$1,293,600
7/24/2036 - 7/23/2044	\$1,422,960
Option 1	\$1,565,256
Option 2	\$1,721,782

Corporate-Backed Security

Leased by Fitness International, LLC, the parent company of LA Fitness, with 728+ locations and an S&P 'B/Stable' rating.

High-Traffic, Affluent Location

Strategically located on W. Slaughter Lane, the property benefits from strong demographics, and visibility to over 71,000 vehicles per day—driving consistent foot traffic and membership potential.

PROPOSED FINANCING

DEBT QUOTE	
INITIAL PRINCIPAL	\$9,950,765 (55%)
INTEREST RATE	5.90%
AMORTIZATION PERIOD	25 YEARS
ANNUAL PAYMENT	\$762,072
MONTHLY PAYMENT	\$63,506

CASH FLOW	
PURCHASE PRICE	\$18,092,300
DOWN PAYMENT	\$8,141,535 (45%)
LTV	55%
NOI	\$1,176,000
CAP	6.50%
DCR	1.543
INITIAL PRINCIPAL	\$9,950,765.00 (55%)
INTEREST RATE	5.90%
AMORTIZATION PERIOD	25 YEARS
ANNUAL PAYMENT	\$762,072
MONTHLY PAYMENT	\$63,506
MONTHLY INCOME	\$34,494
ANNUAL INCOME	\$413,928
CASH ON CASH RETURN	5.08%
TOTAL YEAR 1 RETURN	7.29%



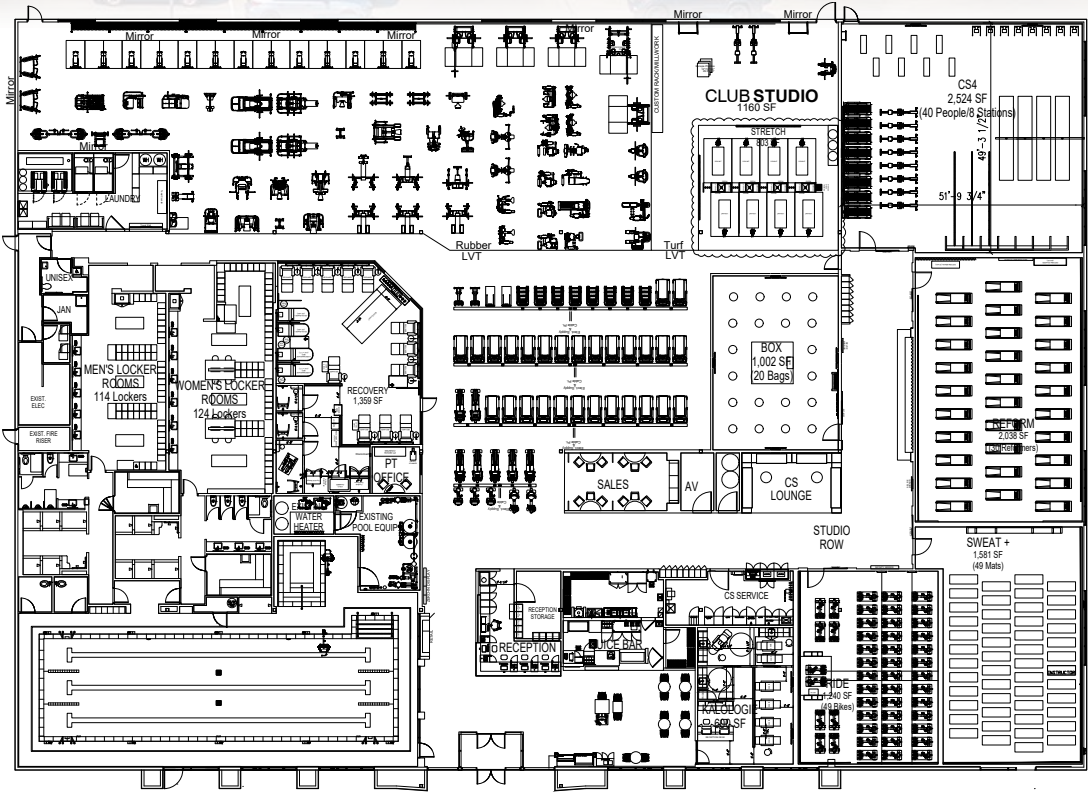
CLUB STUDIO CONVERSION PLANS

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CONVERSION DETAILS	
SUBMITTED TO THE CITY	6/23/2025
CONSTRUCTION COMMENCEMENT	10/13/2025
EXPECTED COMPLETION	7/24/2026
ABATED RENT PERIOD	270 Days*
TI ALLOWANCE	\$4,562,500
FIRST INSTALLMENT OF TI	After 50% of Construction is Completed

**LL to credit abated rent through escrow*



TENANT SPACE PLANS

RETAIL AERIAL



RETAIL AERIAL

VISIT
Austin
DOWNTOWN AUSTIN
8 MILES

Austin-Bergstrom
International Airport

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CASEY ELEMENTARY
SCHOOL

NEW HOME NOVEL MASTER-PLANNED
CO. COMMUNITY DEVELOPMENT

RIGHTSPACE
STORAGE

INTERSTATE
35
126K+ VPD
2 MILES

O'Reilly
AUTO PARTS

AutoZone

DOLLAR GENERAL

LA FITNESS | CLUB STUDIO
SUBJECT PROPERTY

TACO CABANA
MEXICAN RETRO CAFE

ExtraSpace
Storage

SONIC

DUTCH BROS

POPEYES
LOUISIANA KITCHEN

MENCHACA RD | 31,446 VPD

TURBO TINT

WALGREENS

W SLAUGHTER LN | 40,515 VPD

DISCOUNT
TIRE

BURGER KING

7
ELEVEN

Exxon



TENANT SUMMARY

Club Studio | Fitness International LLC

Club Studio, is Fitness International's Newest Concept. It's a cutting-edge fitness experience that brings together boutique fitness classes and luxury amenities into one gym. Club Studio was founded in 2022 in Irvine, CA. Club Studio houses five dedicated group fitness studios—HIIT, hot yoga, cycling, boxing, and reformer Pilates—paired with cryotherapy services and more typical big-box offerings like free weights, swimming pool, basketball court, and more.

S&P upgraded LA Fitness parent company Fitness International LLC to "B" to reflect the company's intent to obtain new revolving credit facilities and refinance its existing credit facilities pushing due dates to 2028 & 2029. Offering multiple boutique studio classes and high-end health club amenities comes with higher membership fees. S&P expects the company to expand into the high-end market with additional Club Studio locations over the next several years.

WWW.CLUBSTUDIOFITNESS.COM



B/Stable
S&P Rating



2022
Year Founded



Irvine
Headquarters



Luxury
Amenities





PARENT SUMMARY

LA Fitness | Fitness International LLC

Fitness International, LLC, known as LA Fitness, is the largest non-franchised fitness club operator in the United States and Canada. Founded in 1984 and headquartered in Irvine, Calif., LA Fitness is one of the fastest growing sports club chains with more than 728+ locations across the United States and Canada. RetailStat, LLC estimates the company has annual revenue of \$2.09 billion in 2023. LA Fitness was also ranked #1 out of 100 in Club Industry's Top 100 Health Clubs of 2019.

LA Fitness clubs offer state-of-the-art equipment and cardio areas, group and specialty classes, indoor heated lap pools, whirlpool spas and saunas, racquetball and basketball courts, full locker facilities, personal trainers, and babysitting. In 2022, they launched its Club Studio Fitness brand, which operates as a cutting-edge fitness experience that brings together boutique fitness classes and luxury amenities into one gym.

WWW.LAFITNESS.COM



40+ YRS
In the Industry



728+
Locations in
the U.S.



\$2.09 B
2023 Est.
Revenue



14,000+
Employees



SITE MAP

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37,000 SF GLA

7.72 AC LOT SIZE

2015 YEAR BUILT

EXTERIOR PHOTOS



REPRESENTATIVE PHOTOS

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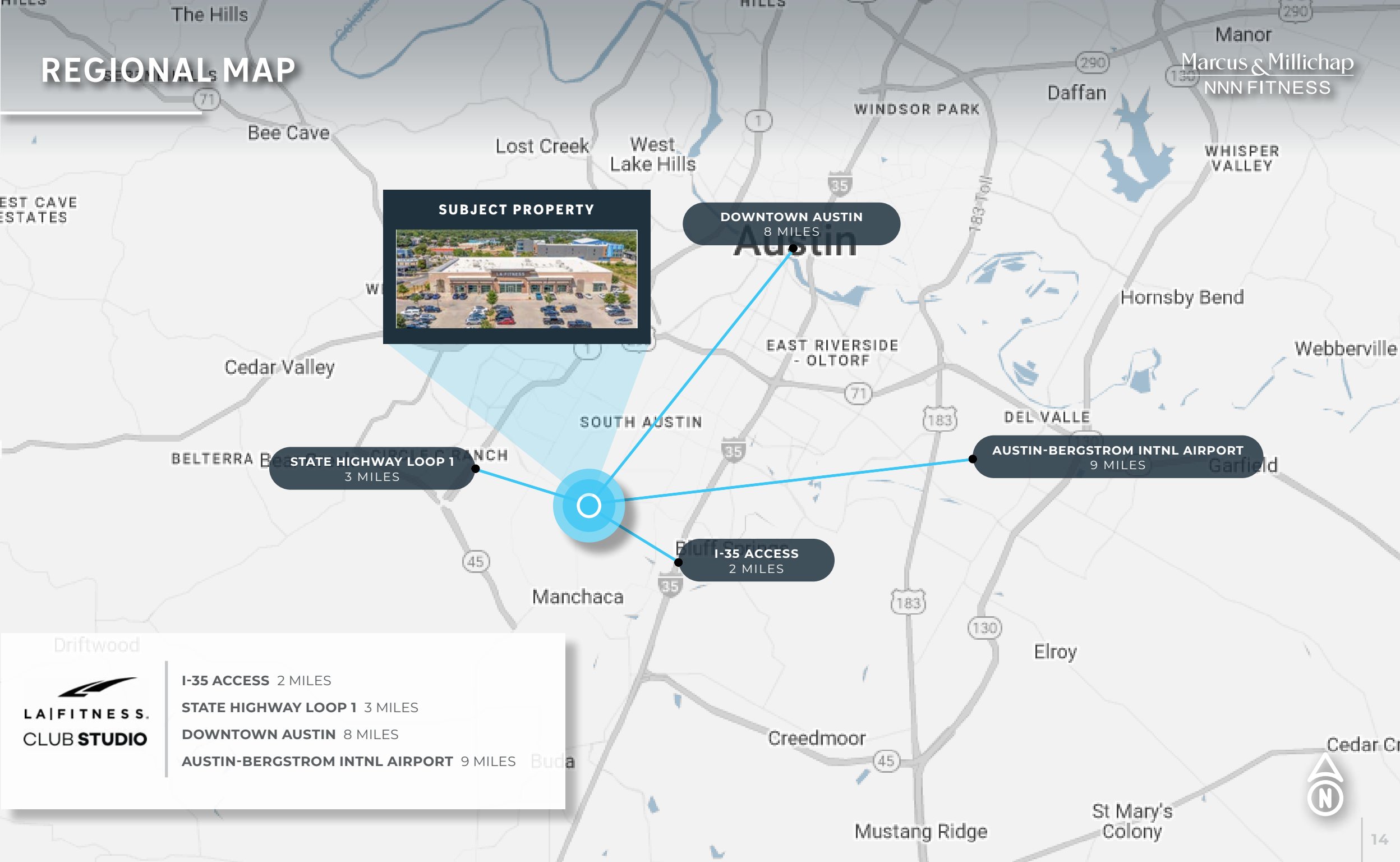
REPRESENTATIVE PHOTOS



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REGIONAL MAP



- I-35 ACCESS 2 MILES
- STATE HIGHWAY LOOP 1 3 MILES
- DOWNTOWN AUSTIN 8 MILES
- AUSTIN-BERGSTROM INTNL AIRPORT 9 MILES



RAPID POPULATION & JOB GROWTH

Austin remains one of the fastest-growing metros in the U.S., with a population surpassing 2.5 million. Fueled by strong in-migration, the metro continues to attract young professionals and families. The region added over 45,000 new jobs year-over-year.

TECH & INNOVATION HUB

Nicknamed "Silicon Hills," Austin boasts a thriving tech ecosystem. Major players like Apple, Tesla, Dell, Google, Amazon, Meta, and Samsung continue expanding operations. The tech sector represents nearly 20% of total employment, driving high-wage growth and innovation.

STRONG REAL ESTATE & CONSTRUCTION SECTOR

Austin's commercial and residential real estate markets remain active. Over 7 million square feet of industrial and office space is under development. Residential demand is strong, supported by population growth and corporate relocations.



DEMOGRAPHICS



POPULATION	1 MILE	3 MILES	5 MILES
2024 Population	15,792	112,847	239,192
2029 Projection	16,985	121,854	259,142



HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2024 Households	6,501	48,006	99,168
2029 Projection	7,036	52,203	108,172



HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
Avg Household Income	\$117,212	\$108,849	\$109,332
Median Household Income	\$87,626	\$86,240	\$85,465



EDUCATION	1 MILE	3 MILES	5 MILES
Some College, No Degree	3,252	22,209	42,336
Associate Degree	899	6,695	14,303
Bachelor's Degree	4,083	30,186	59,283
Advanced Degree	1,689	12,704	29,244



EMPLOYMENT	1 MILE	3 MILES	5 MILES
Civilian Employed	9,603	69,535	144,422
Civilian Unemployed	226	1,960	4,752
U.S. Armed Forces	17	81	115

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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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AUSTIN | TEXAS

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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.*

11-2-2015

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.

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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

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Date

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