MONARCH
COMMERCIAL ADVISORS

IN PARTNERSHIP WITH LOCKEHOUSE RETAIL GROUP

CALIFORNIA SHOE PALACE PORTFOLIO

Six Shoe Palace Properties in California

Contact Broker for Details: **Dave Lucas** | President, Monarch Commercial Advisors | (925) 744-5217 | dave@monarchcommercial.com
In Partnership with: **Jon Woodcox** | Partner, Lockehouse Retail Group

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03 SITE LOCATIONS IN CALIFORNIA

Price	**$23,563,000**
Cap Rate	**6.75%**
Net Operating Income	**$1,590,578**
Price Per Square Foot	**$527.05**
Total Leased SF	**44,707 SF**
Total Vacant SF	**0 SF**

The Shoe Palace Portfolio

The Shoe Palace Portfolio consists of six 100% leased street-retail properties leased to one of the nation's leading athletic footwear and apparel retailers. The stores are well-established and strategically located throughout California in densely populated urban trade areas. The properties feature a combination of flagship urban storefronts and dominant neighborhood retail locations, benefiting from strong pedestrian activity, high traffic counts, and long-standing tenant occupancy. With lease structures that include scheduled rent increases and extension options, the portfolio offers stable in-place cash flow, attractive income growth, and exposure to some of California's most established and underserved retail corridors.

Shoe Palace / JD Sports Financial Snapshot

- $16.6B+ (£12.7B) Global Group Revenue (FY26)
- £462M Free Cash Flow (FY26), +36% YoY
- Net Cash Position Before Lease Liabilities
- FTSE 100 Constituent (LSE: JD.)
- 97,000+ Employees Worldwide

Key Deal Drivers

- 250+ Shoe Palace Stores Across 13 States
- 50%+ Store Count Growth Since JD Acquisition (2020)
- Subsidiary of the World's Largest Specialty Sneaker Retailer
- 2,000+ US Locations Across the JD Sports Platform
- Authorized Retailer of Exclusive Nike, Jordan & Adidas Releases
- Family-Led by Co-Founder & CEO Ralph Mersho

Email Brokers for Full Portfolio Offering Memorandum

The West Coast's Premier Sneaker & Lifestyle Retailer

Shoe Palace is one of the leading athletic footwear, apparel, and lifestyle retailers in the United States, serving sneaker enthusiasts, families, and fashion-forward consumers across California and the broader West Coast and Sun Belt. Founded in 1993 in San Jose, California, the company operates more than 250 stores across 13 states and continues to expand under the ownership of FTSE 100 parent JD Sports Fashion PLC. Shoe Palace serves as an authorized retailer of the most sought-after brands in the category — including Nike, Jordan Brand, Adidas, New Balance, and Puma — with privileged access to exclusive global drops and limited-edition releases.

The company is a wholly-owned subsidiary of JD Sports Fashion PLC (LSE: JD.), the world's leading specialty retailer of sports fashion and lifestyle brands and a constituent of the FTSE 100. The founding family continues to lead the business, preserving the operator culture that has defined the brand for more than three decades. Shoe Palace's unique positioning at the intersection of sneaker culture, West Coast identity, and authentic connection with Hispanic and Latino consumers allows it to outperform across diverse markets and retail environments.

Momentum Fueled by Scale, Culture, and Strategic Growth

Shoe Palace is experiencing strong momentum as sneaker culture has surged into the mainstream of global fashion, driven by Nike, Jordan, and Adidas brand partnerships, celebrity collaborations, and the growing influence of streetwear on broader consumer apparel spending. This renewed cultural relevance — combined with the operational and merchandising scale of JD Sports' global platform — has positioned Shoe Palace as one of the most strategically valuable sneaker retailers in the United States.

The company's growth trajectory reflects this tailwind, with the store footprint expanding more than 50% since the JD Sports acquisition — from 167 stores in 2020 to over 250 stores across 13 states today — and apparel revenue mix nearly doubling from 6% to 10%+ of sales. Strategic initiatives, including the launch of the "Nine Three" flagship concept (a deliberately limited seven-store program in trophy markets such as Downtown Los Angeles, San Francisco Union Square, and Melrose Avenue) and partnerships with global brand partners on exclusive drops and limited releases, have further elevated the brand's cultural relevance and customer loyalty.

Supported by these dynamics, Shoe Palace continues to expand aggressively under JD Sports ownership. As sneaker and lifestyle retail transitions from cyclical category to enduring cultural mainstay, Shoe Palace's combination of 31-year operating history, family-led leadership, FTSE 100 parent backing, and deep cultural authority underscores its rising prominence and long-term staying power in the retail landscape.

JD Sports: Global Scale Supporting Long-Term Tenant Stability

JD Sports Fashion plc (LSE: JD) is the world's leading retailer of sports fashion and athletic lifestyle brands, operating a global portfolio of more than 4,500 stores across North America, Europe, Asia-Pacific, and the Middle East. As a constituent of the FTSE 100 Index, JD Sports generated approximately $16.6 billion in revenue during fiscal year 2026 and maintains a strong balance sheet supported by significant free cash flow generation and a net cash position before lease liabilities.

The company's platform includes some of the most recognized banners in athletic retail, including JD Sports, Hibbett, DTLR, Shoe Palace, Finish Line, Size?, and Sprinter. Through these brands, JD Sports has established itself as the preferred distribution partner for global footwear and apparel leaders including Nike, Jordan Brand, Adidas, New Balance, ASICS, Puma, and On Running.

In 2020, JD Sports acquired Shoe Palace, recognizing the company's unique cultural relevance, dominant West Coast presence, and deep connection with sneaker enthusiasts and Hispanic consumers. Since the acquisition, Shoe Palace has expanded its store count by more than 50%, growing from 167 locations to over 250 stores across 13 states while benefiting from JD Sports' global merchandising capabilities, supply chain infrastructure, and vendor relationships.

The combination of Shoe Palace's locally embedded brand identity and JD Sports' institutional scale creates a powerful competitive advantage that is difficult to replicate. Access to exclusive product launches, limited-edition releases, and premium vendor partnerships continues to drive customer traffic and reinforce Shoe Palace's position as one of the most influential specialty sneaker retailers in the United States.

For investors, JD Sports provides the financial strength, operational resources, and long-term growth platform behind the Shoe Palace brand. The company's global scale, diversified revenue base, and leadership position within the athletic retail sector offer meaningful credit enhancement and support the long-term viability of Shoe Palace's expanding store portfolio.

CONTACT BROKERS FOR FULL OFFERING

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