

Golfsmith HQ bought by L.A. investor; plans to divvy up space for other companies

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The Golfsmith International Holdings Inc. headquarters in North Austin was purchased by a Los Angeles company in bankruptcy proceedings without facing any competitive bids.

BH Management LLC, through its affiliated BH Properties, purchased the four-building, 332,345-square-foot property on 40 acres for \$20.5 million. The property at 11000 N. I-35 near Braker Lane most recently was valued for tax purposes by the Travis Central Appraisal District in excess of \$27.7 million. Golfsmith purchased the land and began building its multifaceted facilities there in the early 1990s.



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It was a thriving business for many years but changing consumer tastes in recreation and a radically shifting retail landscape spelled its demise.

Golfsmith filed for [Chapter 11 bankruptcy last fall](#). The brand and some of the company's 140 retail stores [were sold to Dick's Sporting Goods Inc. for \\$70 million](#) with the balance of the assets scheduled for liquidation.

The acquisition is BH Properties' first in Austin.

"We're very excited to finally be able to break into the Austin market," said [Andrew Van Tuyle](#), BH Properties chief acquisitions officer.

The California real estate company plans to reposition the property in a fashion similar to its investment last year in Fort Worth where it acquired a 1.8 million-square-foot distribution facility portfolio from RadioShack, which filed for bankruptcy in 2015.

In that instance, BH Properties has either leased or sold portions of the asset in what is described as a "value-added" proposition.

"They actively look for this type of opportunity through research, broker contacts and other resources," said BH Properties spokesman [Gary Marsh](#).

Marsh said no other investors expressed interest in the property. The bankruptcy court dispensed with a scheduled auction and awarded BH Properties the right to purchase. The deal closed Wednesday afternoon.

Van Tuyle said the company garnered bankruptcy court approval and outdistanced any potential competition because of its track record.

"The terms and timing as set by the court and receiver were so tight and rigorous that BH Properties was able to respond to them as has been our history and reputation for the ability to execute a quick close," Van Tuyle said.

BH Properties is not a developer and any substantial reconfiguration or construction is not expected, but cosmetic enhancements likely will be in the works. The asset is well-situated in an area with easy highway access, more affordable housing and an ample workforce. The property has potential office, distribution and retail uses — and comes with a driving range and a putting green.

"It remains to be determined what they will do with the open acreage and driving range," Marsh said.

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