

**SINGLE TENANT
INVESTMENT OPPORTUNITY**



**YULEE
JACKSONVILLE MSA
FLORIDA**



OFFERING MEMORANDUM





TABLE OF CONTENTS

03 EXECUTIVE SUMMARY

05 INVESTMENT HIGHLIGHTS

08 TENANT OVERVIEW

11 MARKET OVERVIEW



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The Shopping Center Group, as exclusive agent on behalf of the Owner, is proud to offer for sale a 100% interest in a freestanding Petco at Amelia Concourse in Yulee (Jacksonville MSA), Florida (the "Property"). The Property totals 15,335 square feet ("SF") of gross leasable area and is shadow anchored by a Target and a Home Depot, both of which are busy stores that serve a very wide trade area. Petco was constructed in 2006 and recently renewed for five years. The Property features a corporate lease guarantee and is being offered on a free and clear basis.

Petco is located at The Shoppes at Amelia Concourse, which is at the signalized intersection of Highway A1A and Chester Road in Yulee. The Property is located approximately 6 miles east of Interstate 95, 6 miles west of the renowned Amelia Island beachfront community, and 11 miles north of the Jacksonville International Airport. The area of Yulee is a bedroom community for those that commute to Jacksonville, the naval submarine base or Southeast Georgia. With an expected population growth rate of 11% from 2018 to 2023, the area surrounding The Shoppes at Amelia Concourse is expected to be one of the fastest growing regions in North Florida

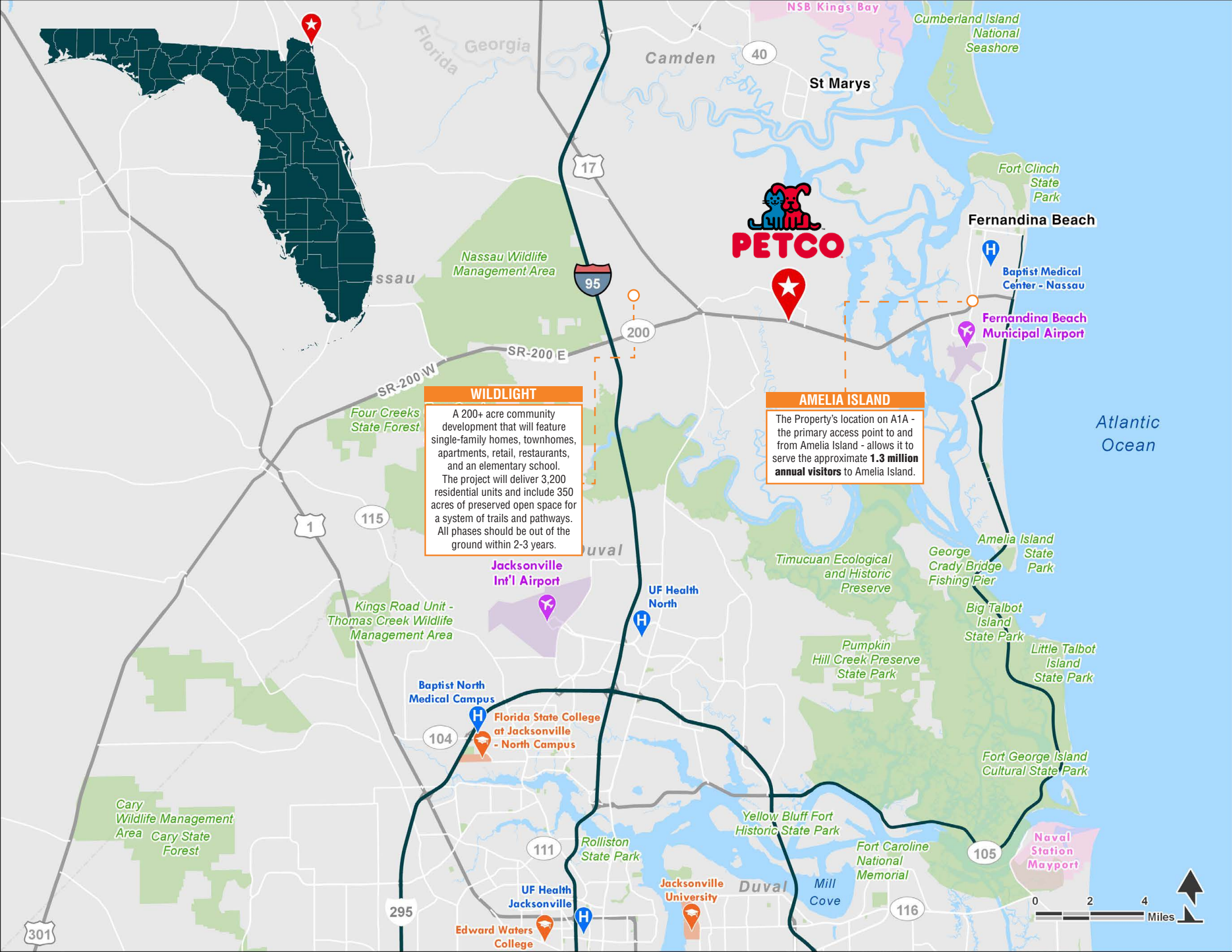
ASKING PRICE

\$3,490,000 | 7.25%



**463713 State Road 200 (A1A)
Yulee, FL**

GLA	15,335 SF
Land Area	+/- 1.5 Acres
Year Built	2006
Annual Base Rent	\$253,028 (\$16.50/SF)
Rent Commencement	January 20, 2008
Rent Expiration	January 31, 2023
Options	One, Five-Years (10% increases each option)
Lease Type	NN (Landlord responsibilities limited to roof, structure, fire safety, and capital repairs.)
Asking Price	\$3,490,000 (\$228/SF)
Cap Rate	7.25%



WILDLIGHT

A 200+ acre community development that will feature single-family homes, townhomes, apartments, retail, restaurants, and an elementary school. The project will deliver 3,200 residential units and include 350 acres of preserved open space for a system of trails and pathways. All phases should be out of the ground within 2-3 years.

AMELIA ISLAND

The Property's location on A1A - the primary access point to and from Amelia Island - allows it to serve the approximate **1.3 million annual visitors** to Amelia Island.

INVESTMENT HIGHLIGHTS

SEASONED TENANCY

Petco has operated at the Property since 2008 and has shown strong commitment to the Property by recently exercising its first five-year renewal.

PRIME LOCATION

Petco is ideally situated at the primary retail intersection of the trade area. In addition to serving the very rapidly growing immediate trade area, the Property's location on A1A - the primary access point to and from Amelia Island - allows it to serve the approximate 1.3 million annual visitors to Amelia Island. There are approximately 35,500 cars a day along A1A.

CORPORATE GUARANTEE

Lease is guaranteed by Petco Animal Supplies, Inc., a credit rated tenant with over 1,500 stores nationwide. Petco generates over \$4 Billion in annual revenues and is rated B3 by Moody's.

IDEAL SHADOW ANCHORS

Target and Home Depot are the ideal shadow anchor tenants, drawing shoppers to the center from a very wide trade area. The nearest Home Depot and Target stores are located 15 miles south 25 miles to the south, respectively.

STRONG POPULATION GROWTH & INCOME

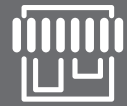
There are an estimated 37,885 residents within a 15 minute drive from the Property, as well as 14,995 daytime employees. Within this area, the average household income is \$84,955 and purchasing power further bolstered by over 1.3 million annual visitors to nearby Amelia Island. The population is expected to grow by almost 11% through 2023.



TENANT HIGHLIGHTS



\$4.2 BILLION
IN COMPANY
REVENUE



1500+
NATIONWIDE
LOCATIONS








11 YEARS
OPERATING AT
THIS LOCATION



CORPORATE
LEASE
GUARANTEE

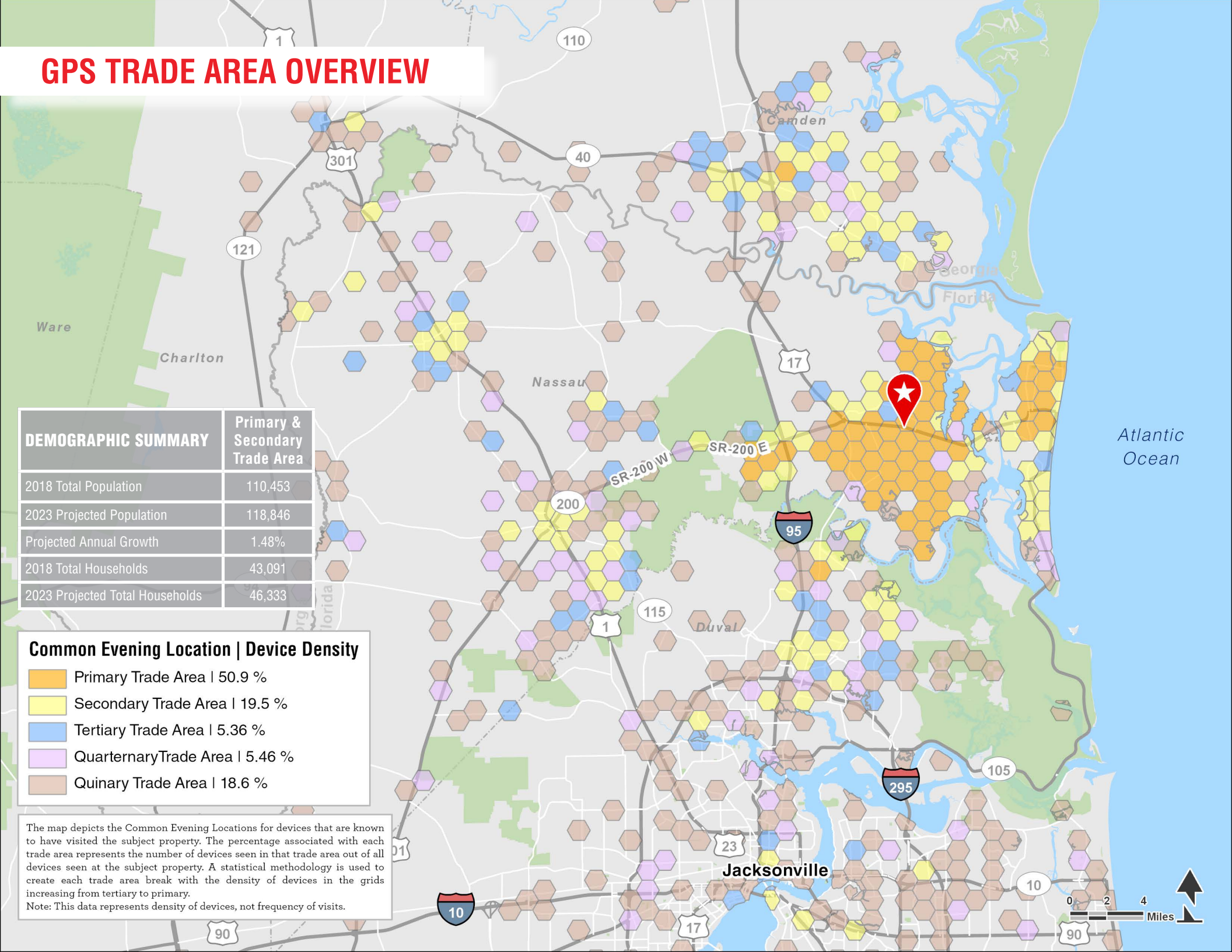
GPS TRADE AREA OVERVIEW

DEMOGRAPHIC SUMMARY	Primary & Secondary Trade Area
2018 Total Population	110,453
2023 Projected Population	118,846
Projected Annual Growth	1.48%
2018 Total Households	43,091
2023 Projected Total Households	46,333

Common Evening Location Device Density	
	Primary Trade Area 50.9 %
	Secondary Trade Area 19.5 %
	Tertiary Trade Area 5.36 %
	Quarternary Trade Area 5.46 %
	Quinary Trade Area 18.6 %

The map depicts the Common Evening Locations for devices that are known to have visited the subject property. The percentage associated with each trade area represents the number of devices seen in that trade area out of all devices seen at the subject property. A statistical methodology is used to create each trade area break with the density of devices in the grids increasing from tertiary to primary.

Note: This data represents density of devices, not frequency of visits.



LOOKING SOUTH

DOWNTOWN JACKSONVILLE

30 MINUTE DRIVE



JACKSONVILLE
INTERNATIONAL AIRPORT



YULEE MIDDLE &
HIGH SCHOOL



THE RESERVE APARTMENTS

300 UNITS



TENANT OVERVIEW

Petco Animal Supplies, Inc. is a privately-owned pet retailer with approximately \$4.2 Billion in annual revenues and more than 1,500 locations throughout the United States, Mexico, and Puerto Rico. This includes over 85 locations of its smaller neighborhood brand, Unleashed by Petco. Founded in 1965 as a mail order veterinary supplies business, the company has seen exceptional growth and was

purchased by CVC Capital Partners and the Canada Pension Plan Investment Board for \$4.6 billion in 2015. The company operates as a specialty retailer of pet food, supplies, and pet-related services. In July of 2018, Petco opened the first PetCoach in an effort to Amazon-proof its business. The service-oriented concept uses approximately one-third of its space for inventory, while the rest is dedicated to grooming, veterinary care, and other services. Petco is headquartered in San Diego, California.



CREDIT RATING
B3 MOODY'S



HEADQUARTERS
SAN DIEGO, CA



WEBSITE
WWW.PETCO.COM



LOCATIONS
1,500+



OWNERSHIP
PRIVATE



YEAR FOUNDED
1965





LEASE ABSTRACT

Tenant Name

Petco

Legal Entity

**Petco Animal
Supplies Stores, Inc.**

Demised Premises

15,335 SF

Lease Type

NN

Lease Commencement

1/20/2008

Lease Expiration

1/31/2023

Renewal Option

One / 5-Yrs.

Renewal Option Notice

Nine (9) Months

Lease Term

Tenant's initial ten (10) year term ran from January 20, 2008 through January 31, 2018. Tenant recently exercised its first five-year renewal option with term from February 1, 2018 through January 31, 2023.

Percentage Rent

None

Sale Reporting

Not required to report

Common Area Maintenance

(Section 14.0 of Lease) Tenant is required to pay its pro rata share (PRS) of CAM expenses. CAM expenses include repairing, repainting and restriping the parking areas, cleaning, sweeping and other janitorial services, sanitation, snow and ice removal, maintenance of refuse receptacles, replanting, maintenance and irrigation of existing landscaping, repairing directional signs, parking lot curbs, parking lot poles, other markers, maintenance and replacement of lighting and other utilities, pylon signs, and security. Plus a 8% administrative fee (excluding on insurance, and utility charges). CAM increases are capped at 5% annually. Current 2019 CAM cap is estimated at \$1.87/SF. No management fee.

PRS is equal to SF over the total GLA of the shopping center.

Insurance Reimbursements

(Section 19.0 of Lease) Tenant is required to pay its pro rata share (PRS) of all-risk, replacement cost and commercial general liability insurance and other commercially reasonable insurance.

PRS is equal to SF over the total GLA of the shopping center.

Real Estate Tax Reimbursements

(Section 15.0 of Lease) Tenant is required to pay its pro rata share (PRS) of all real estate taxes, special and general assessments property taxes and assessments. Tenant shall pay 100% of all Taxes levied or assessed against the improvements on the Premises and the pro rata portion of the land containing the premises provided.

PRS is equal to SF over the total GLA of all improvements included in such billing.

Maintenance & Repairs

(Section 6.04 of Lease) Landlord agrees to keep, maintain and replace the foundations, the plumbing system, the utility lines to the premises all to the extent outside of the premises, the sprinkler mains, structural systems including the roof, roof membrane covering, and load-bearing walls, floor slabs and structural exterior walls.

Tenant shall maintain and make all repairs and alterations to the premises to keep the premises in good condition including the storefront, glass, signs, ceilings, interior walls, interior side of perimeter walls, floor, floor coverings, plumbing, electric, HVAC, all other building utilities and systems, sprinklers, and lighting fixtures.

Base Rent Schedule

BEG	END	PSF	Monthly	Annual
2/1/18	1/31/23	\$16.50	\$21,086	\$253,028

Option Rent Schedule

BEG	END	PSF	Monthly	Annual
2023 (Option II)	2028	\$18.15	\$23,194	\$278,330



LEASE ABSTRACT CONTINUED

Exclusive Rights

Landlord agrees not to lease to, nor approve any sublease or assignment of lease or change in use for any tenant, sub-tenant, assignee, or user which utilizes ten percent (10%) or more of its leased area or 500 SF, whichever is less, for the sale of pet food and supplies, fish, birds, small animals, reptiles, grooming, training or veterinary services.

Co-Tenancy

(Section 4B of Lease) If Target (or a like replacement) is not open and operating for ninety (90) days, Tenant have the right to pay 3% of gross sales in lieu of base rent. Tenant may terminate if Landlord does not lease to a like replacement within 360 days after the expiration of such 90 day period.

Estoppel Requirement

(Section 32.0 of Lease) Within twenty (20) days after Landlord's request.

Continuous Operation

(Section 37.0 of Lease) Tenant shall have the right, at any time after thirty-six months following the commencement date to cease business operations at the premises, but otherwise remain liable under the terms of this Lease. If Tenant goes dark, Landlord has termination rights.

Assignment & Subleasing

(Section 27.0 of Lease) Tenant shall have the absolute right without Landlord's consent to sublet to a concession or to assign or otherwise transfer its interest in the Lease to any parent or operating subsidiary of Tenant, or subsidiary of Tenant's parent or to a corporation with which it may merger or consolidate.

Prohibited Uses

Subject to the prohibited uses and restrictions of the REA.

Parking

(Section 40.0 of Lease) The number of parking spaces in the common area shall not be fewer than the greater of those required by applicable code or (ii) four (4) spaces per 1,000 square feet of leasable area within the shopping center.

Early Termination

None



MARKET OVERVIEW

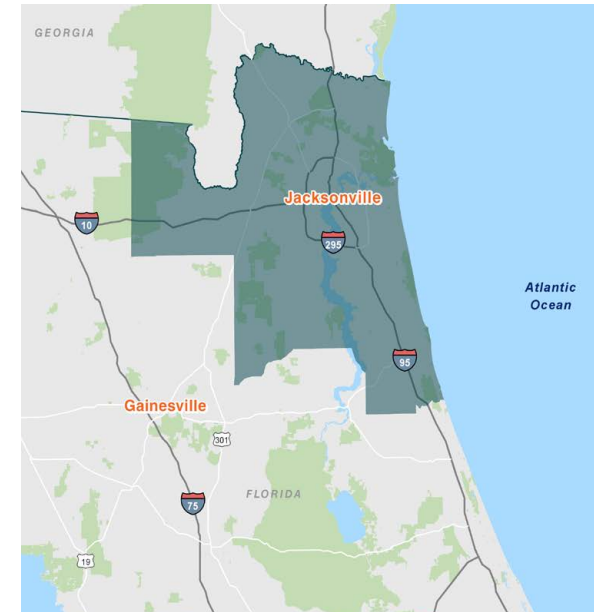


MSA

The Jacksonville MSA is located in the northeast corner of Florida. The MSA consists of five counties: Duval, Clay, St Johns, Nassau, and Baker. Due to its positioning on the St. John's River and the Atlantic Coastline, the Jacksonville MSA is home to a thriving port, which has an annual economic impact of over \$19 billion and accounts for 65,000 jobs. The port drives an impressive naval and military presence that includes the Naval Station Mayport, Naval Air Station Jacksonville, Blount Island Command of the Marines, and the Naval Submarine Base Kings Bay. These bases form the 3rd largest military presence in the United States. Thanks in large part to the stability provided by the port, Jacksonville has seen steady population growth, ranking as the 12th fastest growing city in the country according to 2016 Census estimates. It is the 4th largest MSA in the state of Florida with a population of approximately 1,478,212 people; a 7.2 percent increase over the 2010 Census population.

ECONOMY

The city of Jacksonville serves as the seat of Duval County, the center of the Jacksonville MSA, and the economic and cultural capital of Northeast Florida. The largest city by land area in the contiguous United States, Jacksonville's strategic location, intermodal hub, low construction costs and pro-business environment make it one of the most attractive areas in the Southeast. The city is home to three fortune 500 companies (CSX Corp, Fidelity National Financial Inc., and Fidelity National Information Services Inc.) and was ranked by Forbes as number two in the nation for technology services jobs growth.

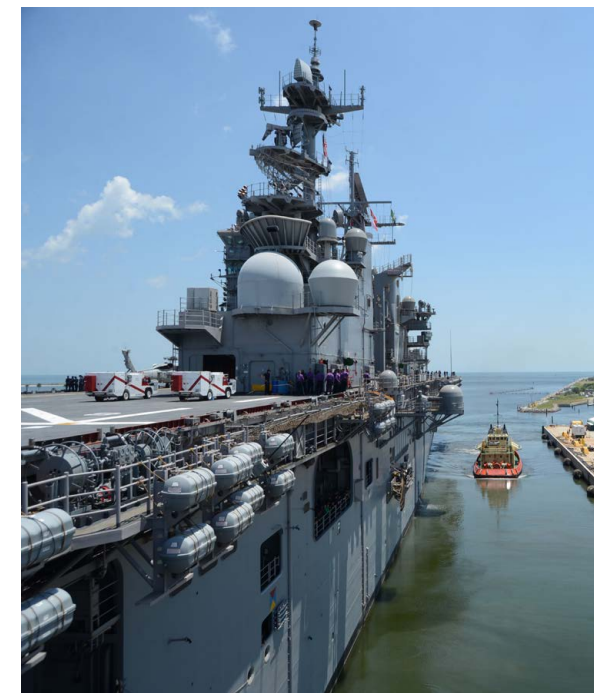


TRANSPORTATION

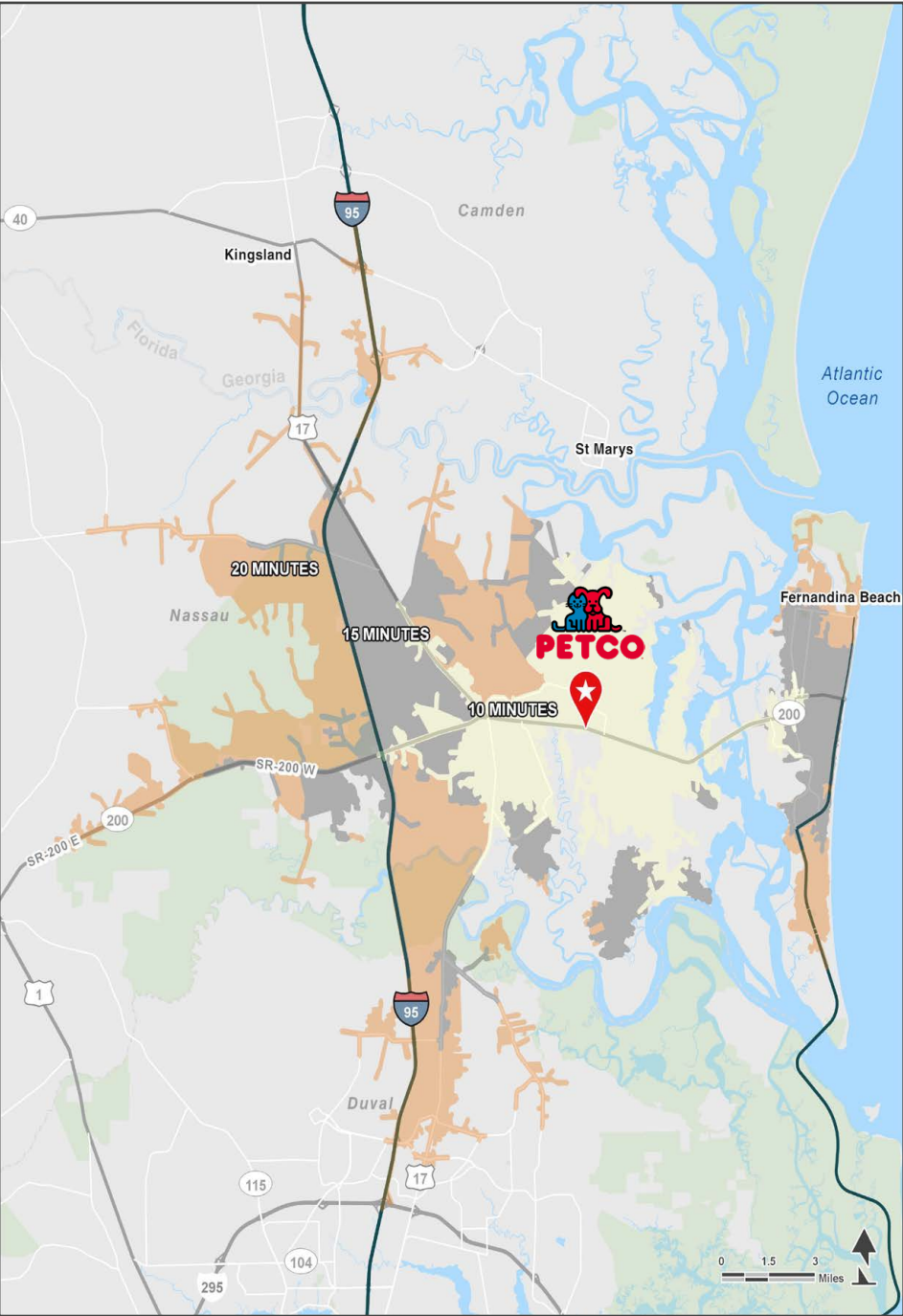
Residents of the MSA are served by Jacksonville International Airport, which hosts nearly six million passengers annually. The airport, located in Duval County, is currently served by 7 major airlines and 13 commuter airlines. Major roadways in the area include Interstate 10, Interstate 95, and Interstate 295. Interstate 10 routes west to Houston. Interstate 95 routes north to Washington, D.C. and runs south to Miami. Interstate 295 serves as a beltway routing around the city and connects to all of the interstate highways. The intersections of I-10 and I-95 in Jacksonville is the busiest intersection in the region with 200,000 vehicles passing through each day.

LIFESTYLE

Jacksonville's growth reflects the positive economic environment it has created, but there is more to the area's allure than jobs. Nestled along miles of temperate Atlantic Ocean beaches and its network of waterways, Jacksonville is flourishing with activity. The city is home to the Jacksonville Jaguars of the National Football League and also boasts one of the top public education systems in the country. Seven of Jacksonville's high schools appeared in Newsweek magazine's annual list of the country's top public high schools. The area is also home to ten colleges and universities, including Florida State College at Jacksonville, University of North Florida, and St. Johns River State College. Jacksonville colleges and universities have a combined enrollment of 114,405 students.



DRIVE TIME DEMOGRAPHICS



Demographics	10-Min Drivetime	15-Min Drivetime	20-Min Drivetime
2018 Total Population	18,422	37,885	47,833
2023 Projected Population	20,983	42,212	53,132
Projected Annual Growth 2018 to 2023	2.64%	2.19%	2.12%
2018 Total Households	7,024	14,925	19,087
2023 Projected Total Households	7,971	16,530	21,068
2018 Average Household Income	\$83,820	\$84,955	\$89,231
2018 Median Household Income	\$63,748	\$62,814	\$64,207
2018 Number of Businesses	682	1,656	2,032
2018 Total Number of Employees	6,103	14,995	19,600

*ESRI forecast for 2018 and 2023.



LOOKING EAST

AMELIA ISLAND
1.3 MILLION VISITORS ANNUALLY

FERNANDINA BEACH
MUNICIPAL AIRPORT

State Road A1A

35,500 ADT

VILLAGES OF AMELIA
publix
KOHLS
TJ-maxx
ULTA
JO-ANN
fabric and craft stores

Lowe's

Walmart
supercenter

AMELIA STATION
Winn-Dixie
Carmike Cinemas

Panera
BREAD

SUNTRUST

Dollar Tree

ZAXBY'S

McDonald's

chili's

Starbucks
COFFEE

WELLS
FARGO

THE HOME
DEPOT

Protected Wetlands

TARGET

PETCO

HIBBETT SPORTS

Protected Wetlands

SYNOVUS

AutoZone

ANYTIME
FITNESS

COUNTRY ISLES APARTMENTS
255 UNITS

Shoppes at
Amelia Concourse
Stats



1.3M
ESTIMATED
VISITS SINCE AUGUST



181,000
ESTIMATED
MONTHLY VISITS



74,600
ESTIMATED MONTHLY
CUSTOMERS



DISCLAIMER

This Offering Memorandum has been prepared by TSCG for use by a limited number of parties to evaluate the potential acquisition of Petco in Yulee, Florida (the "Property"). All projections have been developed by TSCG, Owner and designated sources, are based upon assumptions relating to the general economy, competition, and other factors beyond the control of TSCG and Owner, and therefore are subject to variation. No representation is made by TSCG or Owner as to the accuracy or completeness of the information contained herein, and nothing contained herein is or shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein has been obtained from sources deemed to be reliable and believed to be correct, TSCG, Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, TSCG, Owner and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or for omissions from, the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient.

The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or Owner since the date of preparation of the Offering Memorandum. Analysis and verification of the information contained in the Offering Memorandum is solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the property will be made available to interested and qualified prospective investors upon written request. Owner and TSCG each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any entity reviewing this Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner, a written agreement for the purchase of the property has been fully executed, delivered and approved by Owner and its legal counsel, and any obligations set by Owner thereunder have been satisfied or waived.

This Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose this Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owner or TSCG and that you will use the information in this Offering Memorandum for the sole purpose of evaluating your interest in the property and you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of Owner or TSCG. If you have no interest in the property, please return the Offering Memorandum to TSCG.

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