

PETSMART

@ PACKWOOD CREEK EAST SHOPPING CENTER

4240 S MOONEY BLVD
VISALIA, CA 93277



PACKWOODS CREEK WEST

TARGET

KIRKLAND'S
YOUR HOME DECOR STORE

BEST BUY

+ many more

CORPORATE NNN LEASE : SINGLE TENANT INVESTMENT OPPORTUNITY

CBRE

±32,000 VPD

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VIEW PROPERTY VIDEO

Address:	4240 S. Mooney Blvd, Visalia, CA
Tenant/Lessee:	PETsMART (PETsMART, Inc.)
Offering Price:	\$5,960,000
Noi (Year 1):	\$363,344
Cap Rate (Year 1):	6.10%
Lease Expiration:	07/31/2029
Increases:	10% / 5 Yrs.
Lease Type:	NNN
Building Area:	19,638 SF
Land Area:	55,757 SF (1.28 Acres)
APN:	126-730-016-000
Zoning:	CR (Commercial)
Ownership:	FEE SIMPLE (Land & Building)
Parking:	Reciprocal
Traffic Counts:	+/- 32,000 VPD (S Mooney Blvd & Visalia Pkwy)



OFFERING PRICE
\$5,960,000



CAP RATE (YR 1)
6.10%

INVESTMENT HIGHLIGHTS

SECTOR LEADING TENANT / LOW MANAGEMENT HASSLE

Sector Leading Operator | Dominant Brand – Founded in 1986, PetSmart, Inc. is the largest specialty pet retailer of services and solutions for the lifetime needs of pets. With over 55,000 associates operating more than 1,500 pet stores in the United States, Canada, and Puerto Rico, as well as 200 in-store PetSmart PetsHotel dog and cat boarding facilities.

High Credit Tenancy / Recent Long-Term Renewal – 100% leased to PetSmart, the largest specialty pet retailer on a recently extended ten (10) year **Corporate NNN Lease** with built in 10% increases every five (5) years.

Proven Location – The subject property has operated as a PetSmart since its original construction in 2004. PetSmart recently exercised their second (2) and third (3) renewal options simultaneously showing their strong commitment to this location. The Visalia PetSmart location boasts sales that rank it in the top third of CA PetSmart stores.

Improving Returns – Due to embedded increases, the Net Operating Income is projected to increase 20% over the anticipated hold period, providing an inflation hedge compared to many “flat” STNL investments.

Coupon Clipper – NNN Lease Structure with limited Landlord Responsibility, perfect for passive investors looking to “collect coupons”.

INVESTMENT HIGHLIGHTS (CONTINUED)

EXCELLENT RETAIL LOCATION

Regional Draw – PetSmart is located within Packwood Creek East Shopping Center, one of Visalia's largest and most prominent Power Centers. The center features a dynamic tenant line up including: Lowe's, PetSmart, Pier1, Cost Plus World Market, Tuesday Morning, Guitar Center, and many more.

Strong Big Box Sales

The Big Box Anchor within Packwood Creek East (Lowe's) and immediately surrounding centers (Target in Packwood Creek West) and Costco boast extremely strong sales*

- Packwood Creek East Lowe's is Ranked #6 out of 86 store locations in CA
- Packwood Creek West Target is ranked #38 out of 168 store locations in CA
- Costco Warehouse annual sales are in excess of \$225 Million and Costco Fuel Sales of \$30 Million.

*source: Visalia Chamber of Commerce

High Identity / High Traffic Location – Ideal retail location with clear line of sight visibility, multiple ingress/egress driveways along South Mooney Boulevard and Visalia Parkway, and an intersection traffic count of \pm 32,000 VPD.

Residential and Commercial Proximity – Proximity to both commercial and residential density drives frequent customer visits / traffic to the center throughout the business day.

High Growth Trade Area

Visalia is the cultural, economic, and commercial hub of Tulare County. The thriving economy is comprised of farming, manufacturing, and distribution providers. **Retail sales per capita in Visalia are \$16,625, far exceeding California's of \$12,561**

STRONG SAN JOAQUIN VALLEY DEMOGRAPHICS

County Seat – As the county seat of Tulare County, Visalia serves as the economic and governmental center to one of the most productive single agricultural counties in the Country.

- More than 144,00 people and 59,828 employees with an Average Household Income of over \$83,000 (Projected Growth to \$100,599 by 2023) within a three (3) mile radius of the site.

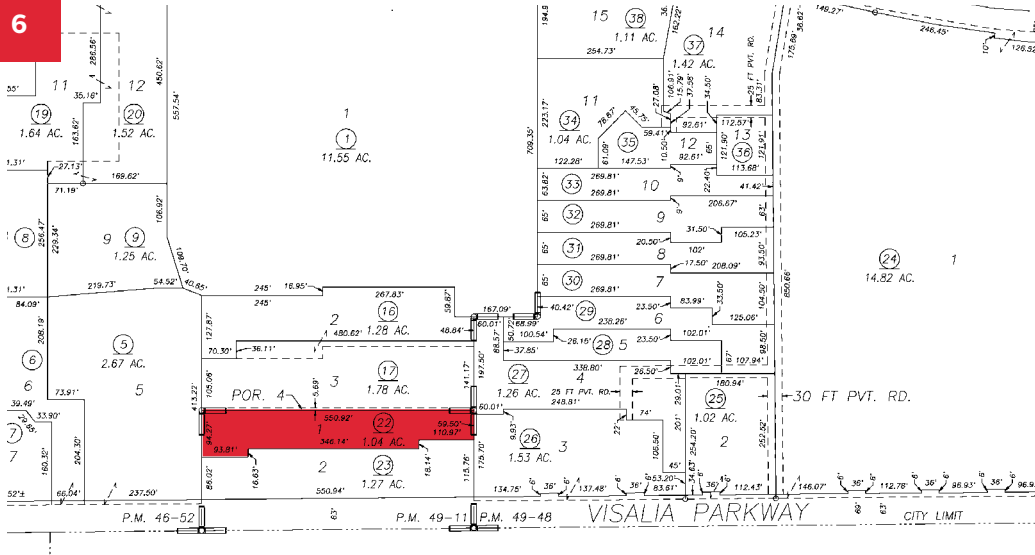
EXCELLENT 1031 EXCHANGE UPLEG OR PASSIVE PORTFOLIO ADDITION

Low Management Offering – National tenant with proven operating history or recently renewed long term NNN lease provides an excellent low management, low hassle investment opportunity.

Debt Free – PetSmart will be offered free and clear of existing financing, allowing new buyer an opportunity to customize debt to achieve optimal returns.

TRADE AREA SNAPSHOT DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
Population	7,909	65,360	114,724
Daytime Population	12,608	79,318	155,273
Households	2,886	23,985	49,643
Avg. Hh Income	\$78,031	\$78,715	\$83,022
Avg. Housing Value	\$313,251	\$328,592	\$338,681



LOCATION

4240 S. Mooney Blvd,
Visalia, CA



YEAR

2004



LAND AREA

(55,757 SF)



BUILDING SF

19,638 SF



ZONING

CR (Commercial)



PARKING

Reciprocal



TRAFFIC COUNT

+/- 32,000 VPD



ACCESS

2 Driveways (Visalia Pkwy)
3 Driveways (S Mooney Blvd)
3 Driveways (W Cameron Ave)



PACKWOOD CREEK EAST

The subject property is located within Packwood Creek East Shopping Center, one of Visalia's largest and most prominent Power Centers. The center features a dynamic tenant line up including: Lowe's, Michaels, PetSmart, Pier 1, Cost Plus World Market, Tuesday Morning, Guitar Center, and many more.

The synergistic mix of national credit tenants and strong regional/local retailers creates a true retail epicenter. Packwood Creek East is positioned along Visalia's main retail corridor, Mooney Blvd. The center is highly visible and easily accessible for both Visalia residents and neighboring communities.

SITE PLAN (PACKWOOD CREEK EAST)



RENT ROLL

Tenant	Area Sq. Ft.	Lease Dates		Rental Increase Date	Minimum Rent			Lease Type
		Begin	End		Annually	Monthly	\$/SF/Mo.	
PETSMART	19,368	7/31/04	7/31/29					NNN
			Current	08/01/2019 - 07/31/2024	\$363,344	\$30,279	\$1.56	
Occupied SF	19,638	100%		08/01/2024 - 07/31/2029	\$399,562	\$33,297	\$1.72	
Available SF	0	0%	Option 3	08/01/2029 - 07/31/2034	\$439,460	\$36,622	\$1.89	
Total SF	19,638	100%	Option 4	08/01/2034 - 07/31/2039	\$483,425	\$40,285	\$2.05	

Comments:

Tenant exercised their first (1) and second (2) renewal options simultaneously to extend lease term out an additional ten years.

Tenant participates in tax increase due to sale two (2) times for every five (5) year period.

Tenant has two (2) five (5) year options remaining.

YEAR 1 NOI SUMMARY : 08/01/2019 [CURRENT]

Base Rent (Year 1)	\$363,344
Expense Recovery	NNN
TOTAL GROSS REVENUE	\$363,344
TOTAL EXPENSES	NNN
NOI (Year 1)*	\$363,344

PRICING MATRIX*

Sale Price	\$/SF (Bldg.)	Cap Rate	\$/SF (Land)
\$5,960,000	\$303	6.10%	\$107



TENANT PROFILE



PETSMART, INC. is the largest specialty pet retailer of services and solutions for the lifetime needs of pets. PetSmart offers a varied selection of animals for sale and adoption such as dogs, cats, birds, fish, amphibians, reptiles, and several breeds of small animals like guinea pigs, chinchillas, gerbils, hamsters, and mice.

PetSmart owns several brands that produce a variety of products of dog and food and hard goods. Stores sell fish tanks, stands, aquarium decorations and accessories. PetSmart stores also offer veterinarian services in many stores through Banfield Pet Hospital.

PetSmart provides a broad range of competitively priced pet food and products, as well as pet-focused services such as dog training, pet grooming, pet boarding, PetSmart Doggie Day Camp, and pet adoption. PetSmart, together with nonprofits PetSmart Charities and PetSmart Charities of Canada, invite more than 3,000 animal welfare organizations to bring adoptable pets into stores so they have the best chance possible of finding a forever home. Through this in-store adoption program and other signature events, PetSmart has facilitated more than 7.4 million adoptions – more than any other brick-and-mortar organization.

In March 2015, a group of private equity firms led by BC Partners took the company private in a deal worth \$8.7 billion. PetSmart employs approximately 55,000 associates and operates more than 1,600 pet stores in the United States, Canada and Puerto Rico, as well as more than 200 in-store PetSmart PetsHotel dog and cat boarding facilities

Corporate Name PetSmart Inc

Type Private

Parent Co. Trade Name BC Partners Holdings, Inc

Ownership Private

No. of Locations 1,600

Headquarters Phoenix, AZ

Website www.petsmart.com

Year Founded 1986



LEASE ABSTRACT

ADDRESS	4240 S Mooney Blvd, Visalia, CA 93277
TENANT	PETsMART
LESSEE	PETsMART, Inc.
TYPE	NNN
ORIGINAL LEASE COMMENCEMENT	August 1, 2004
LEASE EXPIRATION	July 31, 2029
INCREASES	Lease Stated Increases (See Rent Roll)
KICK OUT	None
OPTIONS	Two (2) Five (5) Yr. Options Remaining
CAM RECOVERY	ProRata Share of Common Area Costs allocated to "Parcel 2" (PETsMART Parcel)
TAX RECOVERY:	Tenant shall pay to Landlord 100% of the Real Estate Taxes attributable to PETsMart Parcel
ADMIN. FEE	10% of CAM (exclusive of utilities, insurance, property taxes)
MGMT. FEE REIMBURSEMENT	None
CONTINUOUS OPERATION	Yes, If Tenant ceases to conduct business for a six (6) month period Landlord shall have right to terminate the lease with thirty (30) days prior written notice.
CO-TENANCY CLAUSES	If during Renewal Period one of Lowe's or Two Majors C,D, or E (see exhibit A in Lease) close for over 180 days. Tenant shall be entitled to 50% rent. If condition continues for one (1) year tenant may terminate lease with ninety (90) days notice.
ESTOPPEL	Must be executed within thirty (30) days of written request
EXCLUSIVE:	Yes, "Pet Store"
FIRST RIGHT OF REFUSAL TO PURCHASE:	None
USE:	The operation of PETsMART retail store.
PROP 13 TAX PROTECTION:	Tenant participates in tax increase due to sale two (2) times every five (5) years preceding previous transfer.
PERCENTAGE RENT:	None
GROSS SALES REPORTING:	N/A
SUBLEASE/ASSIGN:	Yes, however, tenant to remain fully liable for the lease.
UTILITIES:	Tenant pays directly.
INSURANCE:	Tenant reimburses 100% of the Insurance Costs incurred by Landlord within 30 days of statement receipt.
HVAC	Tenant is responsible
REPAIRS/MAINTENANCE (ROOF + STRUCTURE)	Landlord is responsible for Roof & Structure. Landlord may pass through roof membrane replacement amortized on a straightline basis over a minimum of eight (8) years.

SALE COMPS

STNL JR / BIG BOX GREATER CENTRAL VALLEY															
NO.	PROPERTY NAME	ADDRESS	CITY	STATUS	SALE DATE	SALE PRICE	PRICE/ SF BUILDING	CAP RATE	NOI / ANNUAL BASE RENT	BUILDING SIZE (SF)	LAND SIZE (SF)	LEASE TYPE	INCREASES	REMAINING LEASE TERM @ TIME OF SALE	BUYER PROFILE
1	Best Buy	4145 S Mooney Blvd	Visalia	Sold	May - 19	\$10,375,000	\$235	6.72%	697,500	41,000	143,748	NNN	10% / 5 Years	11 Years	REIT
2	Kirkland's, Tilly's Lane Bryant & US Armed Forces	4037 S Mooney	Visalia	On Market	On Market	\$11,390,000	\$398	6.00%	683,400	28,619	125,452	NNN	Multiple	Various	N/A
3	Tuesday Morning	4256 S Mooney Blvd	Visalia	Sold	March-18	\$2,963,000	\$247	6.50%	\$192,595	12,000	55,321	NNN	Unknown	10 Years	N. Cal Family Trust
4	Sportsman's Warehouse	4144 S Mooney Blvd	Visalia	Sold	March-18	\$6,550,000	\$216	6.73%	\$441,132	30,381	126,759	NNN	10% / 5 Years	10 years	C. Cal Family Trust
5	Former Sport Chalet (Tenant in Tow Best Buy)	4145 S Mooney Blvd	Visalia	Sold	October-18	\$5,106,500	\$125	Vacant	Vacant	41,000	143,748	N/A	N/A	N/A	N. Cal Private RE Co.
6	Dollar Tree	3529 W Noble Ave	Visalia	Sold	October-18	\$2,160,000	\$206	6.00%	\$129,600	10,500	N/A	NNN	Unknown	9 Years	N. Cal Private Investor 1031 X
7	Walgreens	444 W F St	Oakdale	Sold	February-18	\$8,400,000	\$555	5.60%	\$470,000	15,132	50,965	NNN	Unknown	17 years	N. Cal Private Investor 1031 X
8	Rite Aid	1735 E Walnut Ave	Visalia	Sold	August-16	\$8,000,000	\$463	5.67%	\$453,461	17,272	70,567	NNN	Unknown	10 Years	N. Cal Private Investor
9	CVS Drug Store	574 W Lacey Blvd	Hanford	Sold	February-16	\$6,701,500	\$450	4.90%	\$328,355	14,904	67,082	NNN	Unknown	24 Years	S. Cal Private Investor



AREA OVERVIEW | VISALIA CALIFORNIA



2019 POPULATION
134,521



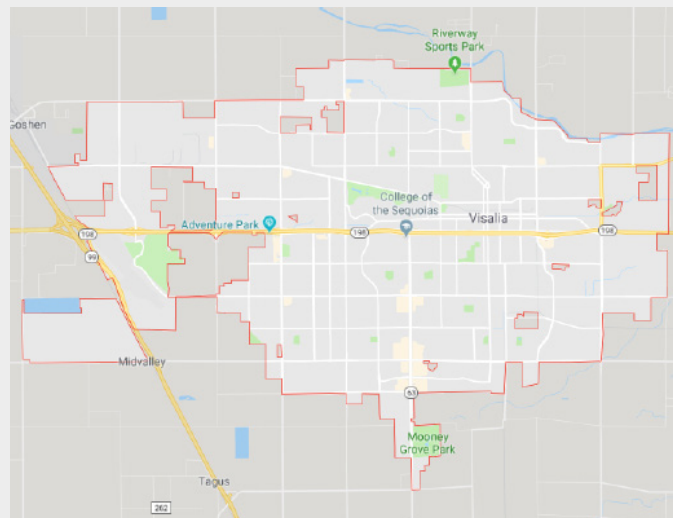
2019 EMPLOYEES
57,130



2019 HOUSEHOLDS
44,347



**2019 AVERAGE
HOUSEHOLD INCOME**
\$79,337



VISALIA, CA [QUICK FACTS]

- » Known as the "Gateway to the Sequoia and Kings Canyon National Parks," Visalia is situated in one of the most productive agricultural counties in the United States.
- » 180 miles north of Los Angeles, 230 miles southeast of San Francisco, and 36 miles west of Sequoia National Park.
- » Cultural, economic, and commercial hub of Tulare County.
- » Economy is a thriving mixture of industries with farming, manufacturing, and distribution as the most prominent.
- » Retail sales per capita in Visalia are \$16,625, far exceeding California's \$12,561 (2017)
- » Nearly \$130 million has been invested in the Visalia Industrial Park to conveniently connect Visalia to State Route 99 and the western U.S. making it an attractive city to major corporations for manufacturing and distribution centers.

TRADE AREA RETAIL MAP



POPULATION

	1 Mile	2 Milles	3 Milles
2018 Population - Current Year Estimate	7,909	65,360	144,724
2023 Population - Five Year Projection	8,080	66,581	150,527
2010 Population - Census	7,651	63,875	135,777
2000 Population - Census	6,045	53,905	103,973
2010-2018 Annual Population Growth Rate	0.40%	0.28%	0.78%
2018-2023 Annual Population Growth Rate	0.43%	0.37%	0.79%
2018 Median Age	33.80	35.50	33.00
2018 Employees	6,488	34,684	59,828

HOUSEHOLDS

	1 Mile	2 Milles	3 Milles
2018 Households - Current Year Estimate	2,886	23,599	47,901
2023 Households - Five Year Projection	2,943	23,985	49,643
2010 Households - Census	2,820	23,220	45,286
2000 Households - Census	2,254	20,064	35,228
2010-2018 Annual Household Growth Rate	0.28%	0.20%	0.68%
2018-2023 Annual Household Growth Rate	0.39%	0.33%	0.72%
2018 Average Household Size	2.73	2.74	2.99

INCOME

	1 Mile	2 Milles	3 Milles
2018 Households	2,886	23,599	47,901
Under \$15,000	231	2,554	4,817
\$15,000-\$24,999	294	2,274	4,562
\$25,000-\$34,999	269	2,312	4,431
\$35,000-\$49,999	366	3,057	6,038
\$50,000-\$74,999	537	4,104	8,445
\$75,000-\$99,999	460	3,095	6,025
\$100,000-\$149,999	450	3,567	7,417
\$150,000-\$199,999	155	1,437	3,146
\$200,000 and Over	122	1,198	3,020
2018 Average Household Income	\$78,031	\$78,715	\$83,022
2023 Average Household Income	\$93,556	\$94,596	\$100,599



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