



Representative Photo



**EMBREE**  
CAPITAL MARKETS

**Petco**

117 Tanglewood Pkwy. Elizabeth City, NC 27909

# DISCLAIMER & CONFIDENTIALITY

The information contained herein is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from the Embree Group of Companies (Embree Group) and should not be made available to any other person or entity without the written consent of the Embree Group (the Embree Group collectively refers to Embree Capital Markets Group, Inc., Embree Asset Group, Inc., Embree Healthcare Group, Inc., and Embree Construction Group, Inc.). This brochure has been prepared to provide summary information to prospective investors and to establish a preliminary level of interest in establishing an investment relationship with the Embree Group, which may or may not include the sale or purchase of any specific property referenced herein. Several Embree Group employees are licensed real estate agents and brokers in various states. The information contained herein is not a substitute for a thorough due diligence investigation. The Embree Group has supplied information in this brochure from sources we believe are reliable; however, all potential Buyers and Investors must take appropriate measures to investigate and verify the income and expenses for any specific property, the future projected financial performance of any specific property, the size and square footage of any specific property and its improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant or any tenant's plans or intentions to continue its occupancy of any specific property. The Embree Group reserves the right to withdraw this solicitation at any time without prior notice. The information contained herein is based upon sources deemed to be reliable, but the accuracy of the information is not guaranteed, nor should the information contained herein be considered all inclusive. Statements contained herein which involve matters of opinion, whether or not identified to be that only, are not representations of fact. The price and terms of this offering may be subject to change at any time. The Embree Group is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of the Embree Group, its affiliates or subsidiaries, or any agent, product, or commercial listing of The Embree Group, and is solely included for the purpose of proving tenant lessee information about this listing to prospective customers.

\*Embree affiliates have an ownership interest in the subject property.

## Exclusively Offered By



**JOSIAH BYRNES**

PRESIDENT

M +1.719.243.6569

JByrnes@EmbreeGroup.com

# TABLE OF CONTENTS

01 Executive Summary	Property & Lease Details	05
	Area Overview	06
	Company Overview	07
02 Maps & Aerials	Site Plan	09
	Surrounding Aerial	10
	Midrange Aerial	11
	Local Context	12
03 Analytics	Demographic Analysis	14

# 01

## EXECUTIVE SUMMARY

Property & Lease Details .....	05
Area Overview .....	06
Company Overview .....	07

# PROPERTY & LEASE DETAILS

## Offering Overview

Embree Capital Markets Group is pleased to present a build-to-suit Petco locate in Elizabeth City, NC. This is an opportunity for an investor to acquire a well-located Petco retail store with an attractive 15-year absolute NNN lease that features 8.5% rental increases every five years.



PURCHASE PRICE

**\$5,195,000**



CAP RATE

**6.00%**



ANNUAL RENT

**\$311,696**



LEASE TYPE

**ABSOLUTE NNN**

## THE OFFERING

Address	117 Tanglewood Pkwy, Elizabeth City, NC
Tenant	Petco Animal Supplies Stores, Inc.
Guarantor	Petco Animal Supplies Stores, Inc.

## SITE DESCRIPTION

Year Built	2023
Building SF	Approx. 10,900 SF
Lot Size	Approx. 2.09 Acres

## INVESTMENT SUMMARY

Asset Class	Single-Tenant Retail
Ownership Interest	Fee Simple
Monthly Rent	\$25,975
Rent Commencement	6/30/2023
Lease Expiration	6/30/2038
Lease Term	15-Years
Renewal Options	Five, 5-Year
Lease Escalations	8.5% Every 5-Years
ROFR	None
Estoppel	30-Day Turnaround

- 18,000+ Vehicles Per Day Traffic Counts
- Outparcel to Walmart Supercenter
- Strong Retail Location
- 46,000+ Population Within 10-Miles



## AREA OVERVIEW

### Elizabeth City, NC

Elizabeth City is situated in northeastern North Carolina, specifically in Pasquotank County. It is conveniently located along the Pasquotank River and is within proximity to the Albemarle Sound and the Outer Banks. The city enjoys easy access to major transportation routes, including U.S. Highway 17, connecting it to neighboring cities and metropolitan areas.

The city's population is estimated to be approximately 46,000 people within a 10-mile radius, with a balanced distribution between age groups. The community values inclusivity and is known for its welcoming and friendly atmosphere.

The local economy in Elizabeth City is driven by a variety of sectors, contributing to its stability and growth. The city serves as a regional hub for government services, as it houses several federal and state agencies, including the United States Coast Guard Base Elizabeth City. The healthcare industry is also prominent, with the presence of multiple medical centers and clinics. Additionally, education plays a significant role in the economy, with Elizabeth City State University serving as a major employer and educational institution.

The city's waterfront area offers picturesque views, walking trails, and opportunities for boating and fishing. The Museum of the Albemarle showcases the region's history and cultural heritage, while the Arts of the Albemarle provides a platform for local artists to exhibit their work. Various parks, golf courses, and community centers offer additional options for leisure and entertainment. The city provides a comprehensive range of community services, including public safety, healthcare facilities, libraries, and recreational programs. Shopping centers, restaurants, and local businesses cater to residents' daily needs, ensuring easy access to essential amenities.





# COMPANY OVERVIEW

# petco



## Investment Summary

Company Type	(NYSE: WOOF)
2021 Revenue	\$5.8+ Billion
YoY Revenue Growth	\$18%
2021 Adjusted EBITDA	\$591 Million
YoY Adjusted EBITDA	22%
Store Count	1,500+
Employees	28,000+
Total Active Customers	24.1+ Million
Website	www.Petco.com

- The significant work Petco has done over the last four years to retool Petco positioned us well in 2021, delivering 18% revenue growth for the year with overall share gains in food, in digital and in veterinary services.
- More than 54% of pet parents are looking for a one-stop-shop for their pet's needs.
- The total pet merchandise category is \$72 billion, projected to grow at a 7% CAGR to 2025.
- In 2021, Petco added millions of net new customers, bringing their total active customer count to 24.1 million at the end of fiscal 2021. 2021 revenue grew 18% to \$5.8 billion, the highest in company history. For the fourth quarter of 2021, revenue grew 13% with comparable sales up 14%, or 30% on a 2-year stack with strength in transactions and average basket trends. Adjusted EBITDA<sup>1</sup> outpaced revenue growth for the year, up 22% to \$591 million.
- This year Petco saved nearly 400,000 pet lives, and in partnership with Merck, Petco distributed over half a million free vaccines to under-resourced communities as part of their 1 million free vaccines commitment.
- More than 1,500 pet care centers in the U.S., Mexico and Puerto Rico, their digital channel, and their flexible fulfillment options.
- As of January 29, 2022, Petco operated 197 full service veterinary hospitals with planned expansion to approximately 900 hospitals over time.
- The U.S. pet care industry is large and growing, serving millions of households with pets, and represented a total addressable market of \$119 billion in 2021.
- Petco Love, formerly the Petco Foundation, is a

nonprofit organization that is changing lives by making communities and pet families healthier, stronger, and closer. It is a separately incorporated 501(c)(3) nonprofit organization supported both by contributions from us and contributions from Petco customers and community partners.

- Comparing fiscal 2021 and fiscal 2020, Petco achieved the following results: (1) an increase in net sales from \$4.92 billion to \$5.81 billion, representing period-over-period growth of 18.0%; (2) comparable sales growth of 18.9%; (3) an increase in operating income from \$194.4 million to \$266.1 million, representing period-over-period growth of 36.9%; (4) an improvement in net cash flows provided by operating activities from \$268.6 million in fiscal 2020 to \$358.2 million in fiscal 2021.
- Net sales increased \$886.9 million, or 18.0%, to \$5.81 billion in fiscal 2021 compared to net sales of \$4.92 billion in fiscal 2020, driven by a 18.9% increase in their comparable sales.
- In fiscal 2021, pet care center merchandise delivered growth of 15.4% with higher retail traffic and strong growth in all major categories, including consumables, supplies, and companion animals. Their e-commerce and digital sales increased 21.1% from fiscal 2020 to fiscal 2021, reflecting their expanded brand assortment, enhanced personalization and extended fulfillment options.
- Petco Health and Wellness Company, Inc. (together with its consolidated subsidiaries, the "Company") is a category-defining health and wellness company focused on improving the lives of pets, pet parents, and its own partners with 1,433 pet care centers in 50 states, the District of Columbia and Puerto Rico as of January 29, 2022.

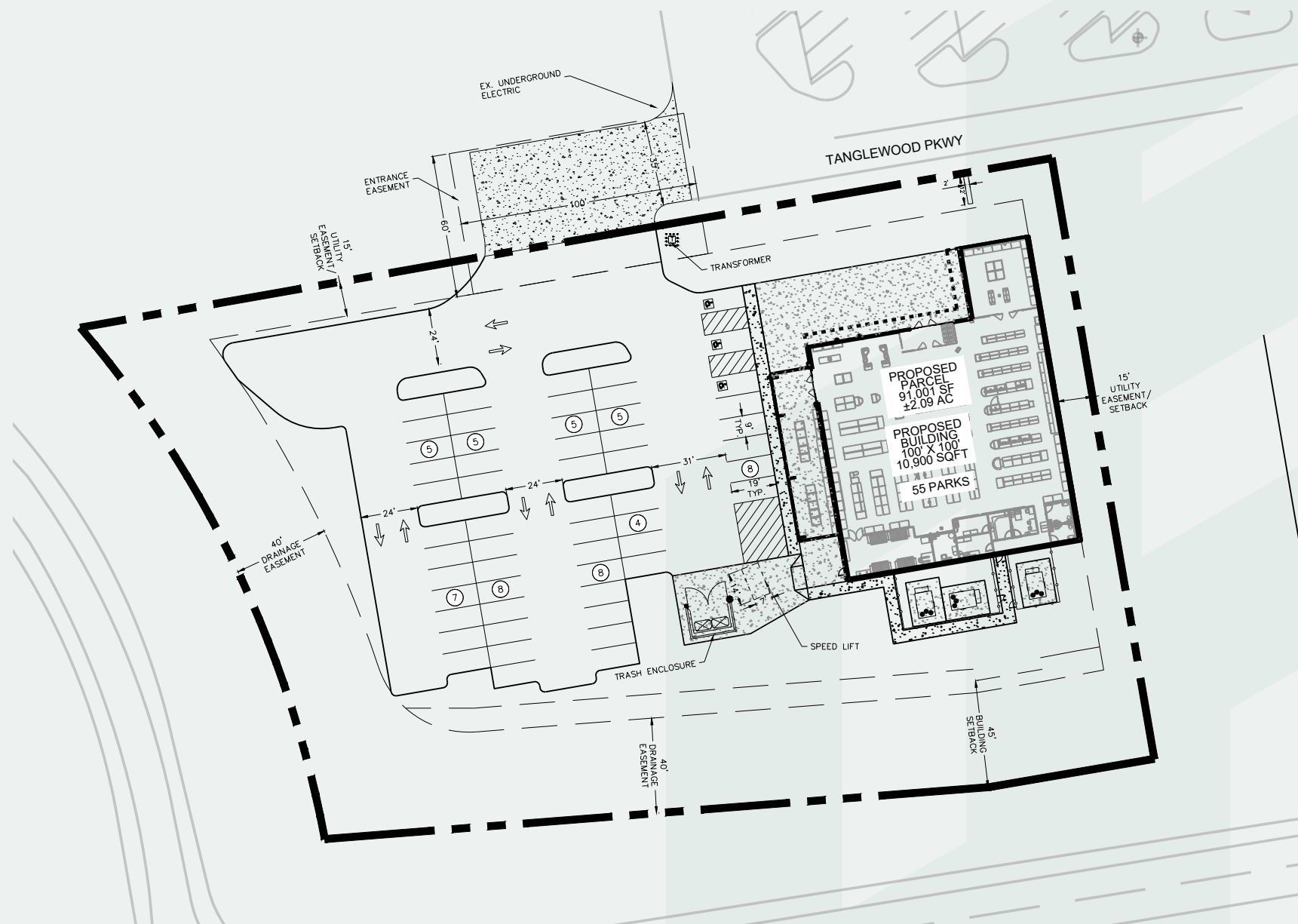
# 03

## MAPS & AERIALS

Site Plan .....	09
Surrounding Aerial .....	10
Midrange Aerial .....	11
Local Context .....	12



# SITE PLAN



## SURROUNDING AERIAL

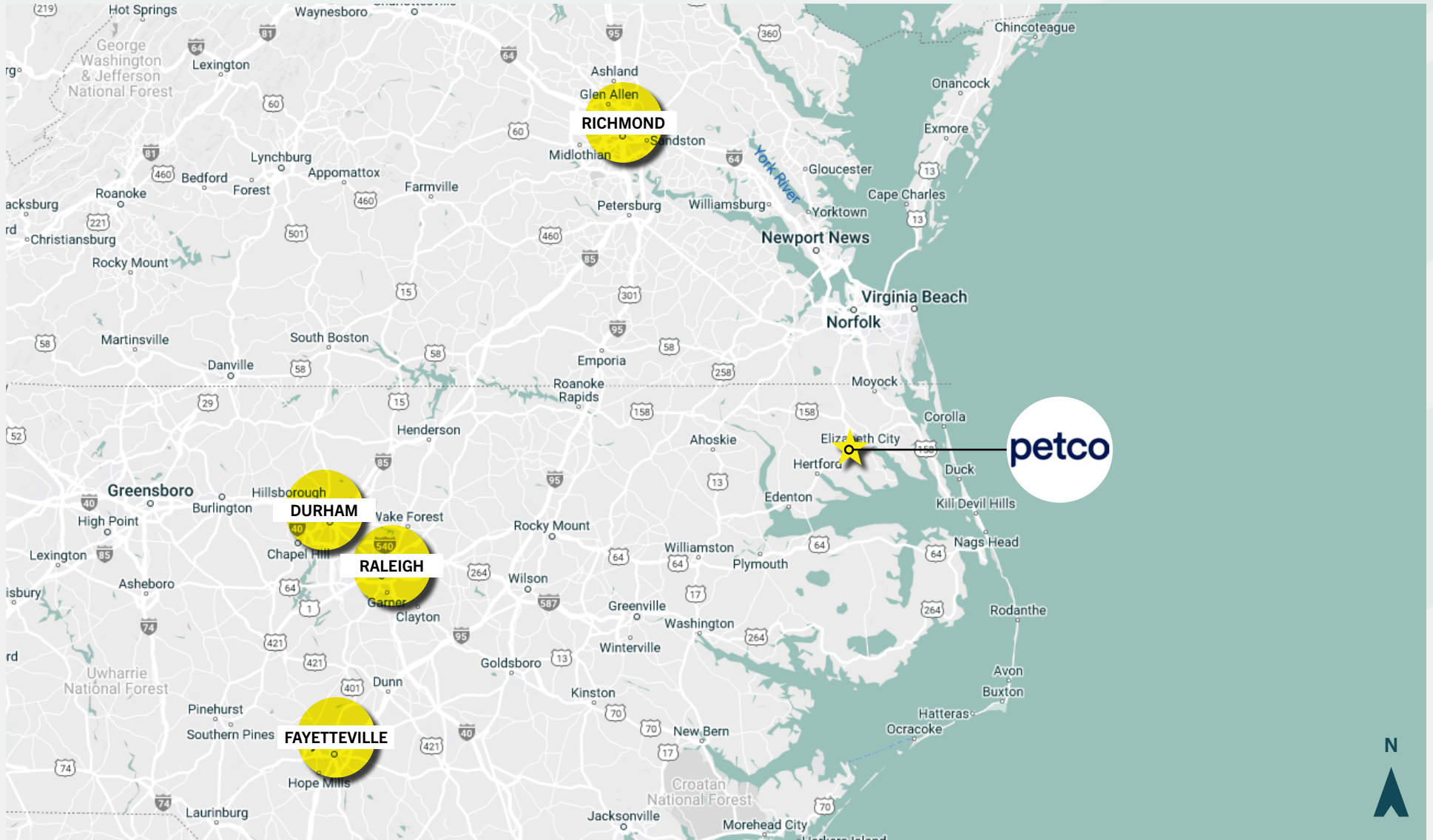








## LOCAL CONTEXT



RICHMOND (107 MILES); RALEIGH (136 MILES); DURHAM (146 MILES); FAYETTEVILLE. (169 MILES);

# 04

## ANALYTICS

Demographic Analysis .....	15
----------------------------	----

# DEMOGRAPHIC ANALYSIS



POPULATION	3 MILE	5 MILES	10 MILES
<b>2028 Projection</b>	7,393	27,295	46,979
<b>2023 Estimate</b>	7,151	26,655	46,039



HOUSEHOLDS			
<b>2028 Projection</b>	2,725	10,622	17,820
<b>2023 Estimate</b>	2,618	10,374	17,445



AVG. HOUSEHOLD INCOME			
Average Household Income	\$78,166	\$64,601	\$68,278
Less than \$25,000	241	2,429	3,918
\$25,000 - \$50,000	564	2,547	4,403
\$50,000 - \$75,000	587	1,996	3,143
\$75,000 - \$100,000	574	1,605	2,444
\$100,000 - \$125,000	289	682	1,402
\$125,000 - \$150,000	178	475	807
\$150,000 - \$200,000	146	470	875
More than \$200,000	37	168	452



## ABOUT EMBREE GROUP

### CONTENTS

Embree Group provides nationwide turnkey real estate services, specializing in build-to-suit development, design/build, general construction, program management, and capital markets for specialty retail, financial, automotive, restaurant, healthcare and senior living facilities. Embree's fully integrated, in-house services allow us to become an extension of the client's organization. Since 1979, Embree's foundation has been built on developing tailored programs for 350+ national clients. The firm is headquartered near Austin, Texas, with regional offices located in the Dallas-Fort Worth area. Over the past 46 years, Embree's executive team has developed, built, or transacted more than 20,000 assets in all 50 states, Puerto Rico, and Canada with a total market value in excess of \$14 billion.

### Contact Details

For more information about this listing, please contact:

**JOSIAH BYRNES**

PRESIDENT

[JByrnes@EmbreeGroup.com](mailto:JByrnes@EmbreeGroup.com)



**EMBREE**  
CAPITAL MARKETS