

# petco®

*Corporate Signed, NNN Investment  
with New 10-Year Extension*



9004 VERNON RD, LAKE STEVENS, WA 98258

LAKE STEVENS



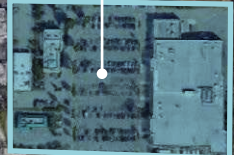
Lake Stevens



SUBJECT PROPERTY



35,668+ VPD



FRONTIER VILLAGE SHOPPING CENTER



26,375+ VPD

91ST AVE NE



VERNON RD

7 MIN DRIVE To I-5 & Everett



# PETCO

## LAKE STEVENS, WA

The Verger Team is pleased to present the opportunity to acquire a Single Tenant - NNN, Petco located in Lake Stevens, Washington, with a newly executed 10-Year Lease Extension. The 11,550 SQFT property is leased directly to Petco Animal Supplies Stores, Inc., the Corporate Operating entity with over 1,500 Locations Nationwide. The lease includes Scheduled Rent Increases every 5-Years, offering predictable income growth with minimal landlord expense exposure.

Strategically positioned within a high-barrier-to-entry retail corridor, the property offers excellent visibility and access along State Route 204, the primary east-west arterial connecting Lake Stevens to Everett and the I-5 corridor, with close proximity to State Route 9, the area’s dominant north-south highway. The site is surrounded by strong national retailers including Safeway, Target, and Ace Hardware, reinforcing its position within a proven retail trade area.

Strong demographics, historically low retail vacancy, and the continued growth of the Snohomish County economy, supported by major employers such as Boeing and the U.S. Navy, further underpin the long-term performance of the investment.



**\$4.38M**

PRICE

**6.50%**

CAP RATE

**10+YRS**

LEASE TERM

### PROPERTY DETAILS

|                      |  |
|----------------------|--|
| PRICE                | \$4,380,000  |
| CAP RATE             | 6.50%  |
| NOI                  | \$284,708  |
| LEASE TYPE           | NNN  |
| REMAINING TERM       | 10+ Years  |
| RENT INCREASES       | \$11,550 rent escalation every 5-Years through options |
| RENEWAL OPTIONS      | (4), 5-Year Options                                    |
| RENTABLE SF          | 11,550 SF  |
| LAND AREA            | 43,996 SF   1.01 Acre                                  |
| YEAR BUILT/RENOVATED | 2015   |
| PARCEL #             | 00518000002100   |
| OWNERSHIP            | Fee Simple   |

# INVESTMENT HIGHLIGHTS



## *Recent 10-Year Lease Extension*

Petco has exercised its Renewal Option early, securing an additional 10-Years of Firm Term and reinforcing its long-term commitment to the location.



## *NNN Lease Structure*

Petco operates under a NNN lease structure, providing the landlord with minimal management and expense responsibility.



## *Corporate Signature*

Petco Animal Supplies Stores, Inc., the corporate operating entity, operates more than 1,500 locations nationwide, providing added assurance of lease performance.



## *Growing Industry*

Over the past decade, the U.S. pet care industry has expanded from approximately \$99 billion in 2015 to over \$145 billion today, driven by rising pet ownership and sustained consumer spending.



## *Sub-Market Vacancy*

According to CoStar, the Lake Stevens retail submarket exhibits historically low vacancy, currently estimated at 2.5%.



## *Strong Retail Trade Area with High Barriers to Entry*

Surrounded by national retailers including Safeway, Target, Walgreens, Ace Hardware, and others, the property sits within a well-established retail corridor with limited new supply.



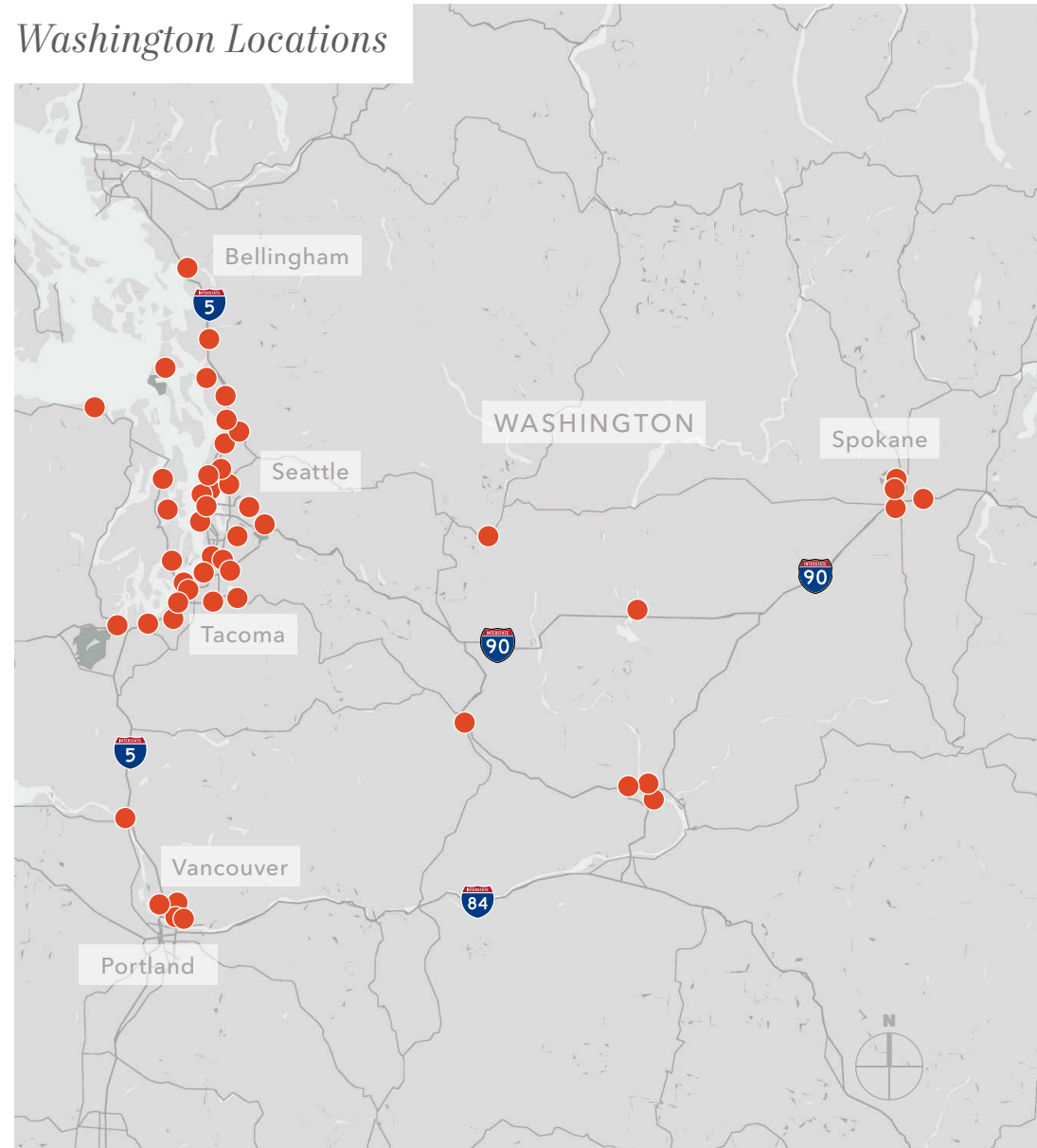
*Petco, founded in 1965, has over 1,500 locations across the United States, Mexico, and Puerto Rico, establishing itself as a leader in the national pet specialty retail industry.*

The company's strategic growth includes significant expansion and innovation, notably the introduction of in-store veterinary hospitals and comprehensive pet health and wellness services. With revenues surpassing \$6 billion, Petco demonstrates robust financial performance and a strong foothold in the pet care sector.

**COMPANY OVERVIEW**

|                     |   |
|---------------------|---|
| OWNERSHIP           | Public  |
| YEAR FOUNDED        | 1965  |
| EMPLOYEES           | 27,000-29,000                                   |
| # OF LOCATIONS      | ~1,500 across the U.S., Mexico, and Puerto Rico |
| REVENUE (2024 EST.) | \$6.1B +  |
| HQ LOCATION         | San Diego, California                           |

*Washington Locations*



# VALUATION

**\$4,380,000**

PRICE

**6.50%**

CAP RATE

Analysis period: 03/01/2026 - 02/28/2027

## CASH FLOW SUMMARY

| Scheduled Revenue                          | Annual           | Price/SF       |
|--|------------------|----------------|
| Scheduled Base Rent                        | \$284,708        | \$24.65        |
| <b>Total Effective Gross Revenue (EGR)</b> | <b>\$284,708</b> | <b>\$24.65</b> |
| <b>Operating Expenses</b>                  |                  |                |
| Property Taxes                             |                  | NNN            |
| Insurance                                  |                  | NNN            |
| CAM  |                  | NNN            |
| <b>Total Operating Expenses</b>            |                  | NNN            |
| <b>Net Operating Income</b>                | <b>\$284,708</b> |                |

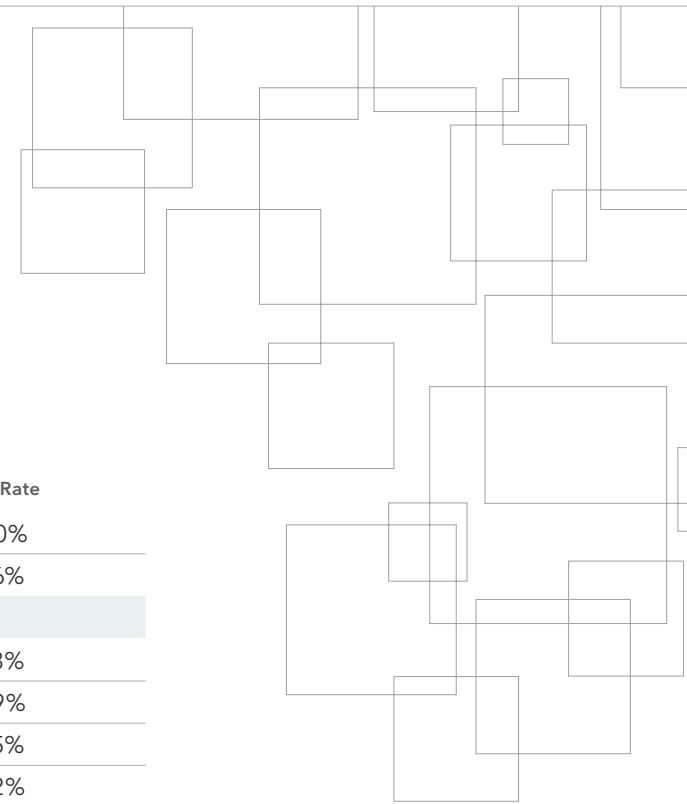


# RENT ROLL

|               |                      |
|---------------|----------------------|
| LEASE TERM    | 1/1/2016 - 1/31/2036 |
| BUILDING SIZE | 11,550 SF            |

## RENT SUMMARY

| Date                     | Monthly Base Rent  | Annual Base Rent | Increase | Rent/SF/Yr     | Cap Rate     |
|--------------------------|--|------------------|----------|----------------|--------------|
| 2/1/2026                 | \$23,726   | \$284,708        |          | \$24.65        | 6.50%        |
| 2/1/2031                 | \$24,688   | \$296,258        | 4%       | \$25.65        | 6.76%        |
| <b>Renewal Options</b>   | <b>4, 5-YEAR RENEWAL OPTIONS AVAILABLE, 180-DAY NOTICE</b> |                  |          |                |              |
| 2/1/2036                 | \$25,651   | \$307,808        | 3.9%     | \$26.65        | 7.03%        |
| 2/1/2041                 | \$26,614   | \$319,368        | 3.8%     | \$27.65        | 7.29%        |
| 2/1/2046                 | \$27,576   | \$330,908        | 3.6%     | \$28.65        | 7.55%        |
| 2/1/2051                 | \$28,538   | \$342,458        | 3.6%     | \$29.65        | 7.82%        |
| <b>Current Base Rent</b> | <b>\$23,726</b>  | <b>\$284,708</b> |          | <b>\$24.65</b> | <b>6.50%</b> |



# LEASE ABSTRACT

|                           |   |
|---------------------------|---|
| TENANT                    | Petco   |
| GUARANTOR                 | Petco Animal Supplies Stores, Inc. a Delaware Corporation |
| COMMENCEMENT DATE         | 1/17/2016   |
| CURRENT EXPIRATION DATE   | 1/31/2036   |
| LEASE TYPE                | NNN   |
| INITIAL TERM              | 10 Years  |
| OPTIONS                   | (4) 5-Year Options  |
| PERCENTAGE RENT           | No  |
| RIGHT OF FIRST REFUSAL    | No  |
| DOES TENANT REPORT SALES? | No  |
| ADMINISTRATION FEE        | No  |
| CAM CAP                   | No  |

## LANDLORD OBLIGATION

LANDLORD RESPONSIBILITIES Landlord is responsible for Foundation, Exterior Walls and Roof Repair/Replacement.

## TENANT OBLIGATIONS

|                         |  |
|-------------------------|--|
| COMMON AREA MAINTENANCE | Tenant is responsible for all Common Area Maintenance, including HVAC Repair/Replacement, Parking Lot, Landscaping, and Exterior Lighting. |
| INSURANCE               | Tenant must maintain, at Tenant's expense a General Liability Insurance, including Casualty/Special Cause of Loss Insurance.               |
| PROPERTY TAXES          | Tenant is responsible for Property Taxes.  |
| UTILITIES               | Tenant is responsible for Utilities.   |

# LOCATION OVERVIEW



# LOCATION OVERVIEW



**SUBJECT  
PROPERTY**

DWELLERS DRINKERY

VERNON RD

204

26,375+ VPD

|  |  |
|--|--|
|  |  |
|  |  |

76



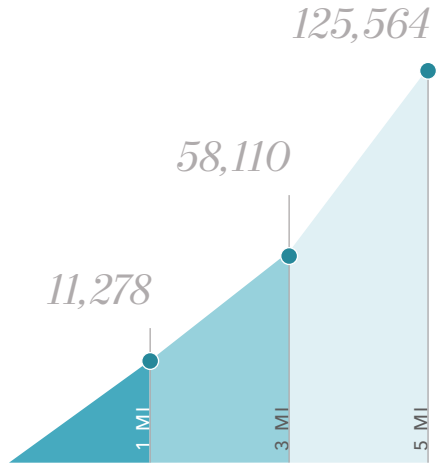
# LOCATION OVERVIEW



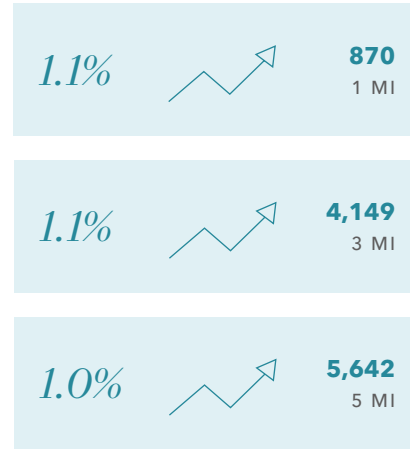
# DEMOGRAPHICS

Data Source: ©2023, Sites USA

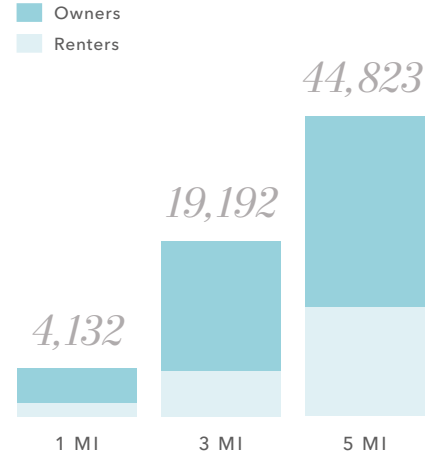
## 2025 POPULATION



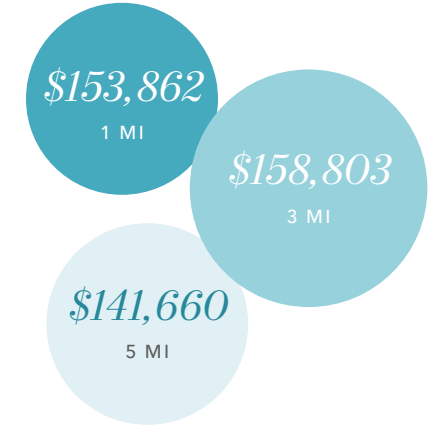
## 2024-2029 POP. GROWTH



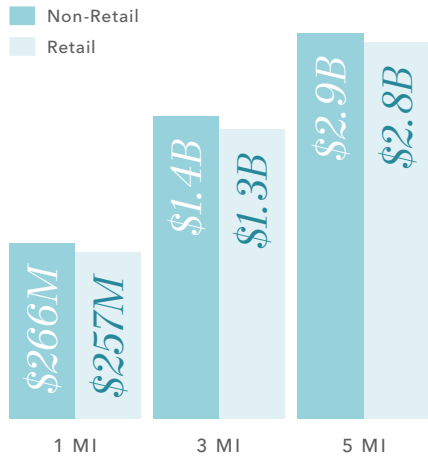
## HOUSEHOLDS



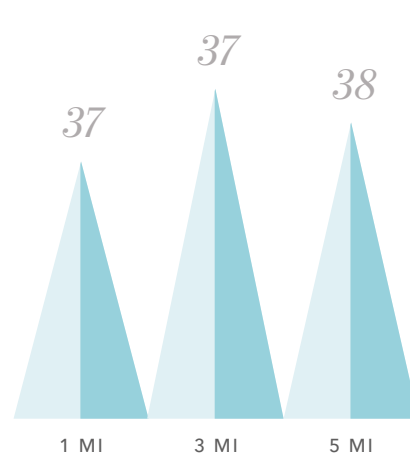
## AVERAGE HH INCOME



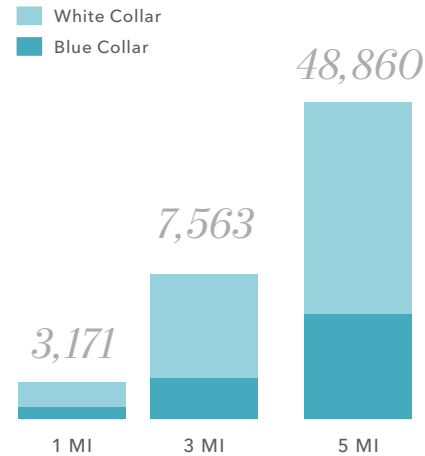
## 2025 CONSUMER SPENDING



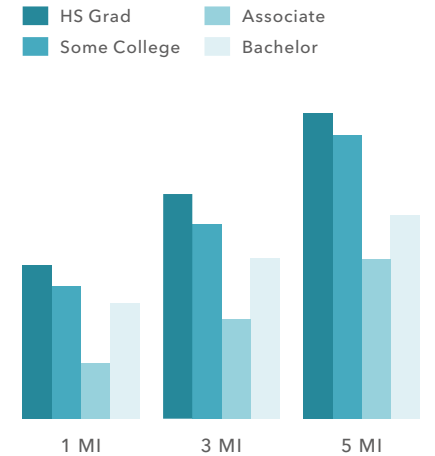
## MEDIAN AGE

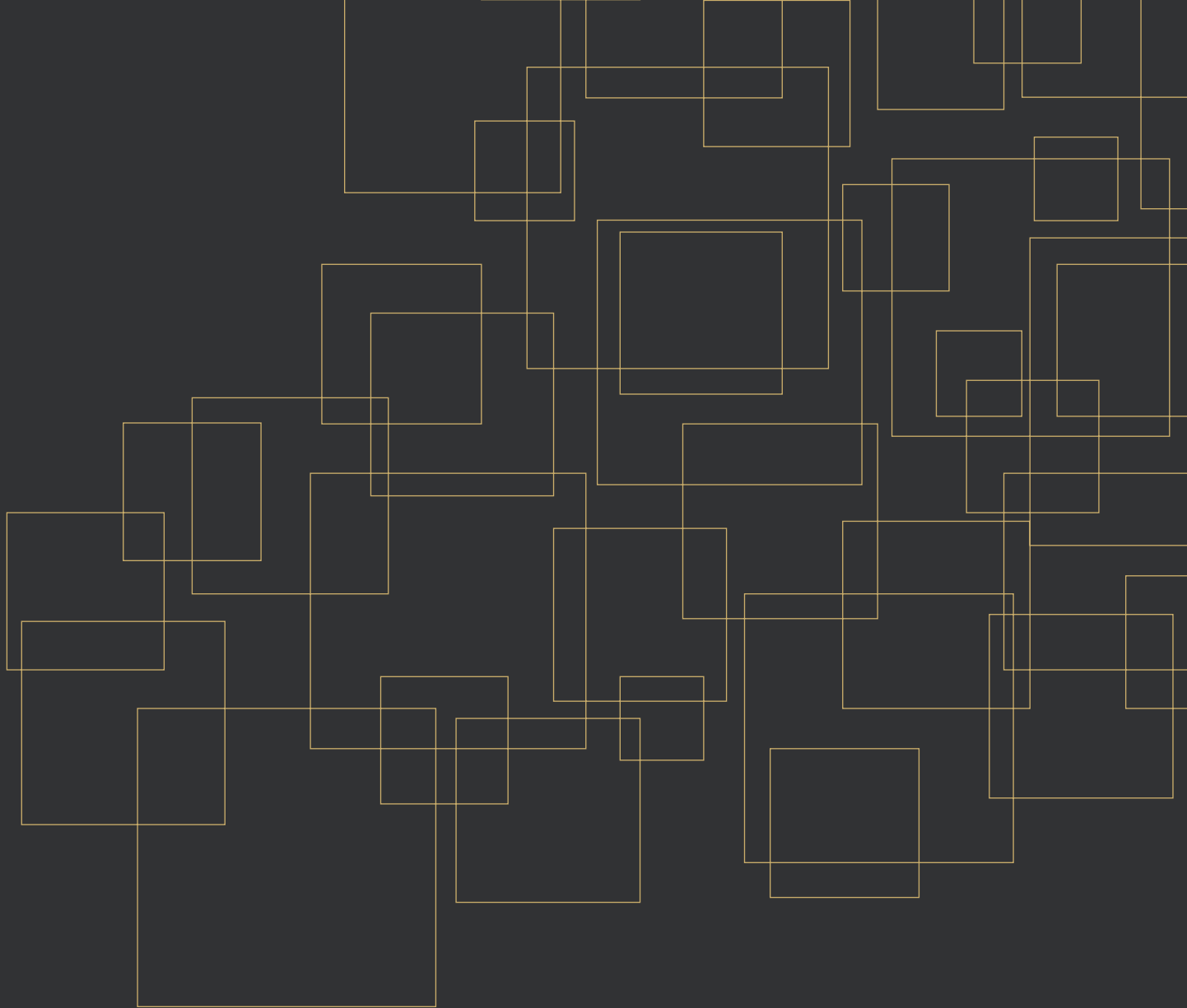


## EMPLOYMENT



## EDUCATION OVERVIEW





*Exclusively listed by the Verger Team*

**MAGGIE VERGER**

Vice President  
206.600.8500  
maggie.verger@kidder.com

**KEVIN VERGER**

Vice President  
206.946.9425  
kevin.verger@kidder.com

[KIDDER.COM](http://KIDDER.COM)

