



PetVet Care
CENTERS

Merced, CA 95348

**Veterinary
Investment Opportunity**

Offering Memorandum

NNN Lease | ±4 Years Remaining | 3% Annual Escalators | Two, 5-Year Options



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PROPERTY OVERVIEW

PetVet Care Centers
3113 Beachwood Dr Merced, CA 95348



EXECUTIVE SUMMARY



The Opportunity

Matthews™ Healthcare Division is pleased to exclusively offer the opportunity to acquire a single-tenant veterinary hospital located in Merced, CA, tenanted by PetVet Care Centers. PetVet Care Centers is a nationwide veterinary network that partners with locally led hospitals to deliver high-quality, comprehensive pet care. By supporting clinical teams with strong resources and advanced capabilities, PetVet helps practices provide consistent, compassionate care and grow across a range of services.

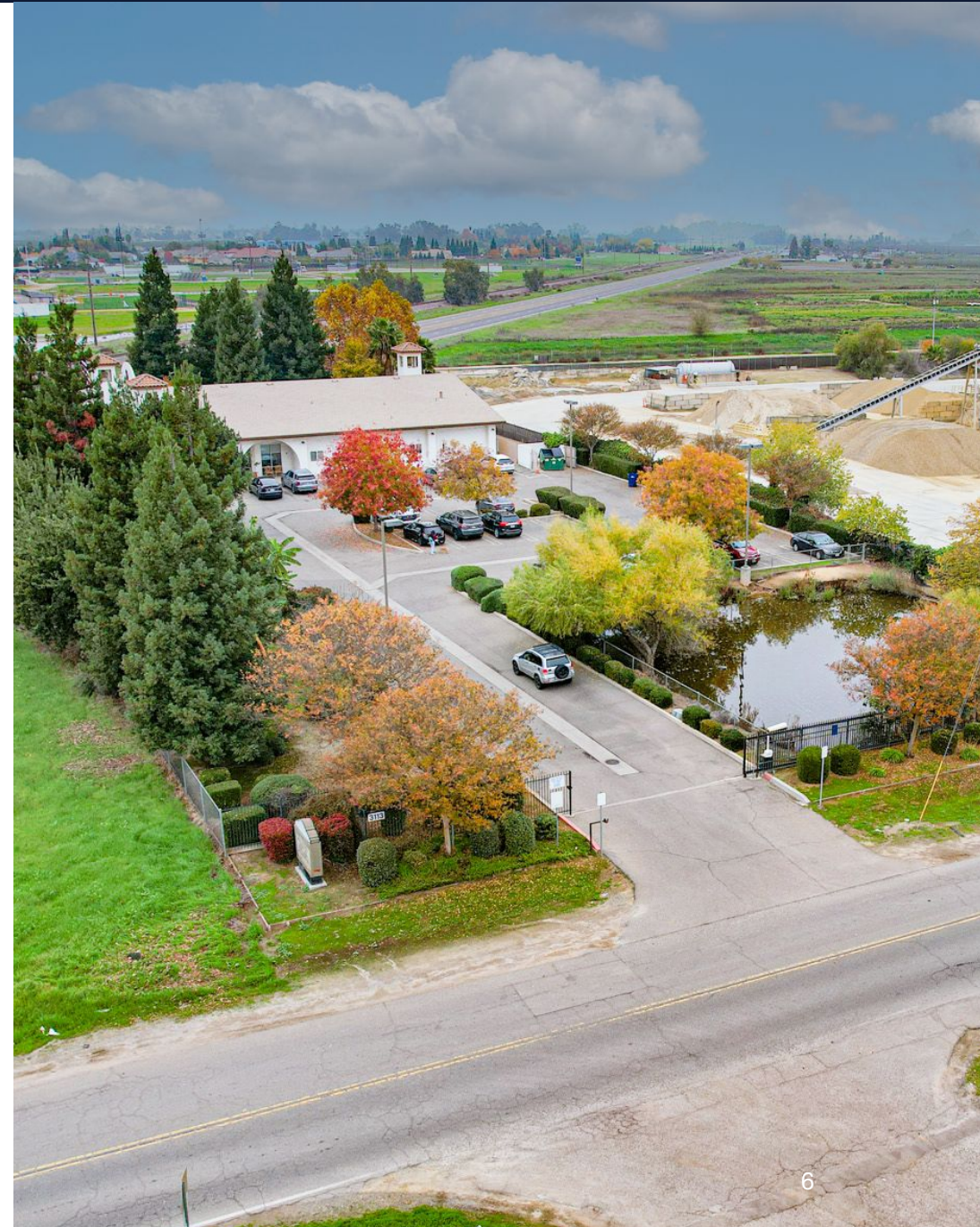
Located in Merced, the practice is strategically positioned along Beachwood Drive, offering direct street frontage and easy access to major transportation routes, including CA-99 and SR-59. This asset benefits from favorable demographics with a population of over 137,000 within a 5-mile radius of the site.

There are over 4 years remaining on the lease with 3% built-in annual rent bumps and two, five-year options to extend. This is an ideal investment for a local or national investor looking to acquire a stable, long-term investment in the Merced market.



INVESTMENT HIGHLIGHTS

- **Stable Investment** - The property is backed by a long-term NNN lease with over 4 years remaining and dependable 3% annual rent increases, providing consistent income growth and long-term security for investors.
- **Scheduled Rental Increases | Hedge Against Inflation** - The lease features 3% annual rental escalators, providing a future owner with a boost in cash flow and a hedge against inflation throughout the life of their investment.
- **Healthcare Real Estate | Recession Resistant Property** - Veterinary Hospitals are extremely sought-after investments for their resistance to downturns in the economy and e-commerce trends that affect traditional retail properties.
- **Prime Location** - The ±8,000 SF practice is extremely well located along Beachwood Dr, offering excellent visibility and easy access to major transportation routes, including CA-99 and SR-59. This asset benefits from favorable demographics, with a population of over 137,000 within a 5-mile radius of the site.
- **Comprehensive Services | Multi-Doctor Location** - PetVet Care Centers provides comprehensive, high-quality veterinary care through a network of locally led hospitals supported by experienced clinicians and staff. With a broad range of medical, surgical, and preventive services, PetVet delivers consistent, dependable care for pets and their families. Its integrated, multi-hospital model promotes long-term stability while enabling continued growth across general practice, specialty, and emergency services.



INVESTMENT HIGHLIGHTS



- **High-Visibility Location** - This well-positioned clinic benefits from excellent accessibility in a growing area of Merced. Surrounded by established neighborhoods, expanding residential development, and nearby commercial corridors, the location supports consistent traffic and sustained long-term demand.
- **Tenant Investment in Location** - Pet hospitals rarely relocate due to the difficulty of retaining the same patients in a new location and the high costs associated with moving and build-outs.
- **Concentrated Corridor** - The property is surrounded by a mix of residential communities, schools, parks, hospitals, and major retailers, including Target, Walmart, Dutch Bros Coffee, Sprouts Farmers Market, Costco Wholesale, In-N-Out Burger, Golden Valley Health Centers, Dignity Health Hospital, Juniper Elementary School, and Marketplace at Merced, all just ± 5 miles away.
- **Very Passive Lease Structure** - There are minimal landlord responsibilities throughout the lease term, offering a passive investment for both local and national investors.
- **Robust Growth in Industry** - The global veterinary services market size is expected to reach \$142 Billion by 2025, with a CAGR of 5.6% during that period.





 **Merced-Castle Airport**
±4.9 Miles Away

Subject Property

MERCED COLLEGE
±9,100 Students

**+ Dignity Health Hospital
Mercy Medical Center**
±186 Beds

 **Stone Ridge Christian High**
±448 Students

JCPenney KOHL'S
TARGET Michaels

 **Joe Stefani Elementary**
±608 Students

BEST BUY

 **Merced High School**
±1,951 Students

 **Franklin Elementary School**
±568 Students



ROSS
DRESS FOR LESS®
Food 4 Less
FURNITURE CITY



99

Quad 88

±59,000 VPD

W Olive Ave ±27,290 VPD

Walmart
Supercenter

SAFeway
Manufacturing

panera
BREAD™

Save Mart
Staples

LOWE'S
BIG 5
SPORTING GOODS
DOLLAR TREE **ASHLEY**

HOBBY LOBBY **HARBOR FREIGHT** **food maxx**

 **Merced-Regional Airport**
±4.9 Miles Away

RSr ±12,050



COSTCO
WHOLESALE

3113 Beachwood Dr
Merced, CA 95348

±8,000 SF
GLA

1999
Year Built

±22,200
Vehicles Per Day (Beachwood Dr)

NNN
Lease Type

\$221.07
Price Per SF



FINANCIAL OVERVIEW

PetVet Care Centers
3113 Beachwood Dr Merced, CA 95348



FINANCIAL SUMMARY



\$1,768,546

List Price

7.00%

Cap Rate

\$15.47

Rent Per SF

\$123,798

NOI

Property Details

Tenant Trade Name	PetVet Care Centers
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NNN
Occupancy	100%
Original Lease Term	5 Years
Rent Commencement Date	2/1/2020
Lease Expiration Date	2/1/2030
Term Remaining on Lease	±4.17 Years
Base Rent	\$123,798
Increases	3% Annual
Options	Two, 5-Year Options
Landlord Responsibilities	Roof and Structure

Annualized Operating Data

	Monthly Rent	Annual Rent	Rent Psf	Cap Rate
Current Year	\$123,798	\$10,316.52	\$15.47	7.00%
Year 2	\$127,512	\$10,626.02	\$15.94	7.21%
Year 3	\$131,338	\$10,944.80	\$16.42	7.43%
Year 4	\$135,278	\$11,273.14	\$16.91	7.65%
Year 5	\$139,336	\$11,611.34	\$17.42	7.88%
Year 6	\$143,516	\$11,959.68	\$17.94	8.11%
Option 1 - Year 1	\$147,822	\$12,318.47	\$18.48	8.36%
Option 1 - Year 2	\$152,256	\$12,688.02	\$19.03	8.61%
Option 1 - Year 3	\$156,824	\$13,068.66	\$19.60	8.87%
Option 1 - Year 4	\$161,529	\$13,460.72	\$20.19	9.13%
Option 1 - Year 5	\$166,374	\$13,864.54	\$20.80	9.41%
Option 2 - Year 1	\$171,366	\$14,280.48	\$21.42	9.69%
Option 2 - Year 2	\$176,507	\$14,708.89	\$22.06	9.98%
Option 2 - Year 3	\$181,802	\$15,150.16	\$22.73	10.28%
Option 2 - Year 4	\$187,256	\$15,604.66	\$23.41	10.59%
Option 2 - Year 5	\$192,874	\$16,072.80	\$24.11	10.91%

TENANT OVERVIEW

PetVet Care Centers
3113 Beachwood Dr Merced, CA 95348



TENANT OVERVIEW



Year Founded
2012

Headquarters
Westport, CT

Ownership Status
Private

Employees
1,000+

Locations
450+



Tenant Overview

PetVet Care Centers is a leading national network of veterinary hospitals in the United States, operating a diversified portfolio of general-practice, specialty, emergency, and equine veterinary hospitals. With a rapidly growing footprint and strong private-equity backing, PetVet has developed a scalable platform that leverages centralized resources while preserving local hospital autonomy and veterinarian leadership, a business model positioned to capitalize on rising pet ownership and increasing demand for veterinary services.

Why Invest in PetVet Care Centers?

- **Resilient, Recurring Revenue Model:** Veterinary services offer stable, non-cyclical demand, driven by pet ownership trends and recurring medical needs.
- **National Footprint:** Over 450 hospitals across 39+ states, offering geographic diversification and strong market penetration.
- **Diversified Veterinary Offerings:** Broad service mix includes general practice, emergency, specialty, and equine care, supporting multi-channel revenue generation.
- **Strong Private Equity Backing:** Supported by institutional capital from firms like KKR, CVC Credit, and Golub Capital, ensuring financial discipline and growth resources.
- **Scalable Operating Platform:** Centralized corporate infrastructure allows for cost efficiencies, while local hospitals retain clinical autonomy to preserve service quality.
- **Experienced Executive Leadership:** 2025 CEO appointment of Eric Enderle brings proven healthcare rollout expertise and signals long-term operational focus.

MARKET OVERVIEW

PetVet Care Centers
3113 Beachwood Dr Merced, CA 95348



MERCED, CA

Market Demographics



86,333

Total Population

\$53,931

Median HH Income

27,221

of Households

53.4%

Homeownership Rate

35,800

Employed Population

17.9%

% Bachelor's Degree

29.8

Median Age

\$342,300

Median Property Value

Local Market Overview

Merced's growing population and relatively modest home-ownership rate suggest a stable base of households likely to rent — often a demographic associated with pet ownership, given flexibility and mobility. The city's median age skews younger, which tends to correlate with higher pet adoption rates and more frequent use of veterinary services (wellness visits, vaccinations, routine care). As local incomes gradually rise, many households may prioritize pet care and wellness, especially given broader national trends toward increased pet healthcare spending. This dynamic supports demand for both basic veterinary services and more specialized or preventive care, making Merced a favorable location for new or expanded veterinary hospitals and clinics.

Furthermore, as demand for general healthcare and social assistance services grows in the broader area (as seen with the city's broader shift toward healthcare, retail, and services), there is likely ripple-demand in complementary sectors such as pet care. The presence of existing veterinary practices, but not necessarily saturation, suggests room for additional high-quality, full-service animal hospitals offering wellness, diagnostics, surgery, and possibly boarding or specialty care (exotics, for instance). For investors or operators considering expansion, Merced represents a value-oriented yet growing market with potentially unmet demand in animal care.

Property Demographics

Population	3-Mile	5-Mile	10-Mile
Five-Year Projection	44,872	134,080	
Current Year Estimate	44,653	132,410	
2020 Census	41,123	123,646	
Growth Current Year-Five-Year	0.49%	1.26%	
Growth 2020-Current Year	8.59%	7.09%	
Households	3-Mile	5-Mile	10-Mile
Five-Year Projection	14,651	43,394	
Current Year Estimate	14,037	41,265	
2020 Census	12,983	38,651	
Growth Current Year-Five-Year	4.37%	5.16%	
Growth 2020-Current Year	8.12%	6.77%	
Income	3-Mile	5-Mile	10-Mile
Average Household Income	\$93,574	\$97,938	

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3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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