

The Learning Experience

EXCLUSIVE NET-LEASE OFFERING



THE LEARNING EXPERIENCE

Offering Memorandum

16604 Old Statesville Road, Huntersville, NC 28078

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some

properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and 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 the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

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Table of Contents

Investment Highlights	4
Financial Overview	5
Tenant Overview	6
Location Overview	7
Surrounding Area	8-10
Local Map	11
Property/Area Photos	12-13
Market Overview	14
Demographics	15
Regional Map	16





Investment Highlights

About the Investment

- ✓ Long-Term, 17-Year Double-Net (NN) Lease
- ✓ Recent Construction | Built in 2013
- ✓ Two, Five -Year Options
- ✓ Corporate Tenant | Corporate Guarantee*

About the Location

- ✓ Perfect Day Care Location | Centrally Located Within Dozens of Neighborhoods and Business Centers
- ✓ Since Site Construction in 2013, Huntersville Has Seen A 10% Population Increase and is Projected to Grow Another 14% Through 2022
- ✓ Very Affluent Suburban Community | Average Household Income within a One-Mile Radius of the Subject Property is \$137,075
- ✓ Strong Traffic Counts | Old Statesville Road and Sam Furr Road | Average 22,480 and 31,560 Vehicles Per Day Respectively
- ✓ Positive Real Estate Fundamentals | Within Fifteen Miles of Charlotte, North Carolina
- ✓ Charlotte MSA | 2nd Largest Financial Center in U.S. | 20th Largest City in U.S. | Less Than 15 Miles from Charlotte Douglas International Airport (CLT) | 6th Busiest Airport in the United States | Serves Over 45,000,000 Passengers Annually
- ✓ 1.5 Miles From I-77, A Major North-South Corridor Serving Commuters To and From Charlotte
- ✓ Dense Retail Corridor | Whole Foods Market, Kohl's, Target, Marshalls, Staples, Lowes, The Home Depot, Harris Teeter, Dick's Sporting Goods, Barnes & Noble, Walgreens, CVS Pharmacy, Kirkland's, Chick-fil-A, Starbucks, Panera Bread, Ihop, Bob Evans and Many More

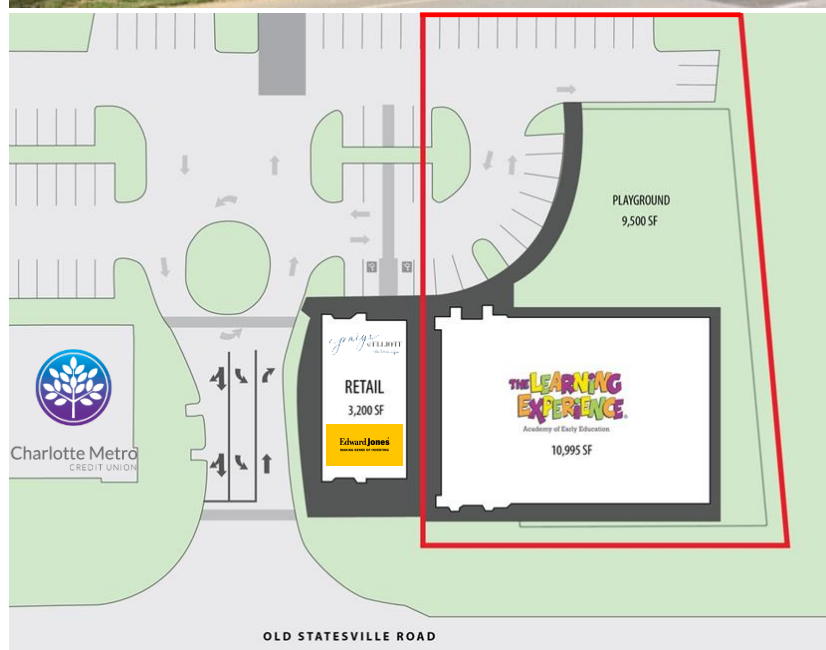
About the Tenant / Brand

- ✓ The Learning Experience is an American National Academy of Early Education Company
- ✓ The Learning Experience has over 250 Locations, More Than 70% of Which Are Franchised
- ✓ 35+ Centers Opening Annually

Favorable Industry Trends

- ✓ \$1.8 Billion Expected Industry Growth Over The Next Five Years
- ✓ 28 Million Children In The U.S. Under The Age of Six Years
- ✓ 10 Million Children In The U.S. Without Access to Quality Child Care

THE LEARNING EXPERIENCE





Financial Overview

PRICE: \$3,333,714 | CAP: 7.00% | RENT: \$233,360

THE OFFERING

Annual Rent	\$233,360
CAP Rate	7.00%
Purchase Price	\$3,333,714
Price / SF	\$314.43
Rent / SF	\$21.22

PROPERTY DESCRIPTION

Property	The Learning Experience
Property Address	16604 Old Statesville Rd
City, State, ZIP	Huntersville, NC 28078
Year Built / Renovated	2013
Building Size	10,995 SF
Lot Size	+/- 1.33 Acres
Type of Ownership	Fee Simple

LEASE SUMMARY

Property Type	Net-Leased Primary Education
Ownership Type	Private
Tenant / Guarantor	The Learning Experience, Inc*
Original Lease Term	17.0 Years
Lease Commencement	September 24, 2015
Lease Expiration	September 24, 2032
Lease Term Remaining	14.1 Years
Lease Type	NN
Roof & Structure	Landlord Responsible
Rental Increases	2% Annual
Options to Renew	Two (2), Five (5)-Year Options

Guaranty of rent shall be limited to a maximum liability of \$500,000 and shall be reduced by \$100,000 every year until \$0.

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
9/24/15-9/23/16	\$219,900.00	\$18,325.00	-
9/24/16-9/23/17	\$224,298.00	\$18,691.50	2.00%
9/24/17-9/23/18	\$228,783.96	\$19,065.33	2.00%
9/24/18-9/23/19	\$233,359.64	\$19,446.64	2.00%
9/24/19-9/23/20	\$238,026.83	\$19,835.57	2.00%
9/24/20-9/23/21	\$242,787.37	\$20,232.28	2.00%
9/24/21-9/23/22	\$247,643.12	\$20,636.93	2.00%
9/24/22-9/23/23	\$252,595.98	\$21,049.66	2.00%
9/24/23-9/23/24	\$257,647.90	\$21,470.66	2.00%
9/24/24-9/23/25	\$262,800.86	\$21,900.07	2.00%
9/24/25-9/23/26	\$268,056.87	\$22,338.07	2.00%
9/24/26-9/23/27	\$273,418.01	\$22,784.83	2.00%
9/24/27-9/23/28	\$278,886.37	\$23,240.53	2.00%
9/24/28-9/23/29	\$284,464.10	\$23,705.34	2.00%
9/24/29-9/23/30	\$290,153.38	\$24,179.45	2.00%
9/24/30-9/23/31	\$295,956.45	\$24,663.04	2.00%
9/24/31-9/23/32	\$301,875.58	\$25,156.30	2.00%

Option Schedule

Option 1 (Years 18-22)

9/24/32-9/23/33	\$307,913.09	\$25,659.42	2.00%
9/24/33-9/23/34	\$314,071.35	\$26,172.61	2.00%
9/24/34-9/23/35	\$320,352.78	\$26,696.06	2.00%
9/24/35-9/23/36	\$326,759.83	\$27,229.99	2.00%
9/24/36-9/23/37	\$333,295.03	\$27,774.59	2.00%

Option 2 (Years 23-27)

9/24/37-9/23/38	\$339,960.93	\$28,330.08	2.00%
9/24/38-9/23/39	\$346,760.15	\$28,896.68	2.00%
9/24/39-9/23/40	\$353,695.35	\$29,474.61	2.00%
9/24/40-9/23/41	\$360,769.26	\$30,064.10	2.00%
9/24/41-9/23/42	\$367,984.64	\$30,665.39	2.00%



Tenant Overview

THE LEARNING EXPERIENCE

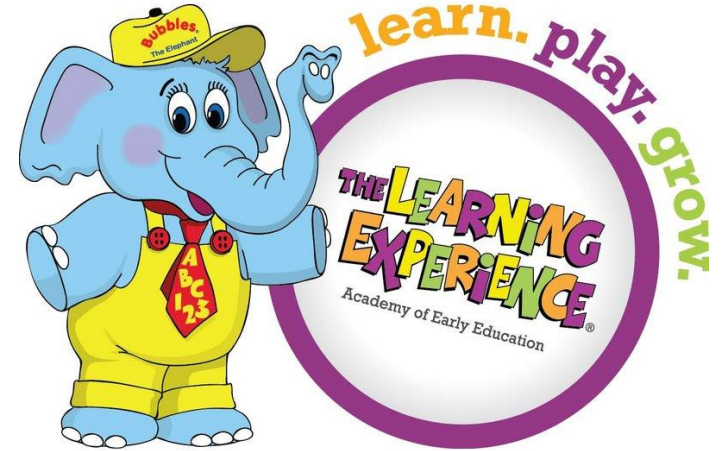
THE LEARNING EXPERIENCE

For more than 30 years, the founders of The Learning Experience, have been positively impacting the lives of children by developing and implementing ground-breaking care and early education programs throughout the country. Starting in 1980 with a single location in Boca Raton, FL, the unique and proprietary programs quickly caught on and expansion soon followed with there now being over 250 locations across the United States. The foundation of The Learning Experience was built on three key educational and care principles: cognitive, physical, and social; or as The Learning Experience says: “learn, play, and grow!”

The Learning Experience is an industry leader and one of the nation’s fastest growing early education and child care franchises, with a proven track record of success for both students and center franchisees. More than 95% of pre-school graduates read before kindergarten, and more than 70% of center franchisees buy additional units or refer new franchisees to the company. As a testament to the opportunities TLE provides, many parents with enrolled children also become franchisees. There are more than 200 The Learning Experience locations open or under development across the country.

THE NUMBERS

- 210% increase in 5-year system-wide revenue growth
- 45.5% compounded 5 year annual revenue growth
- 300+ corporate partners who refer their employees to The Learning Experience
- 250+ centers open and operating
- 35+ centers opening annually



Early Education / Child Care Industry

Join a growing industry that has enjoyed revenue increases of 210% over the past five years. With increasing numbers of working mothers and single parent households, and wide-spread recognition that early learning contributes to life-long success, the demand for quality child care and early education continues to rise. That’s why Entrepreneur Magazine recently named child care franchises the top industry to watch.

US Bureau of Labor Statistics

1. 70% of Mothers With Children Under 18 Now Work Outside the Home
2. The Rate of Working Mothers With Children Under a Year Old is 58.1%
3. The Fastest Employment Growth of All Industries Through at Least 2020 Will Occur in Child Care
4. Revenue Across The Child Care Industry Is Projected to Reach \$52.5 Billion by 2021



Location Overview

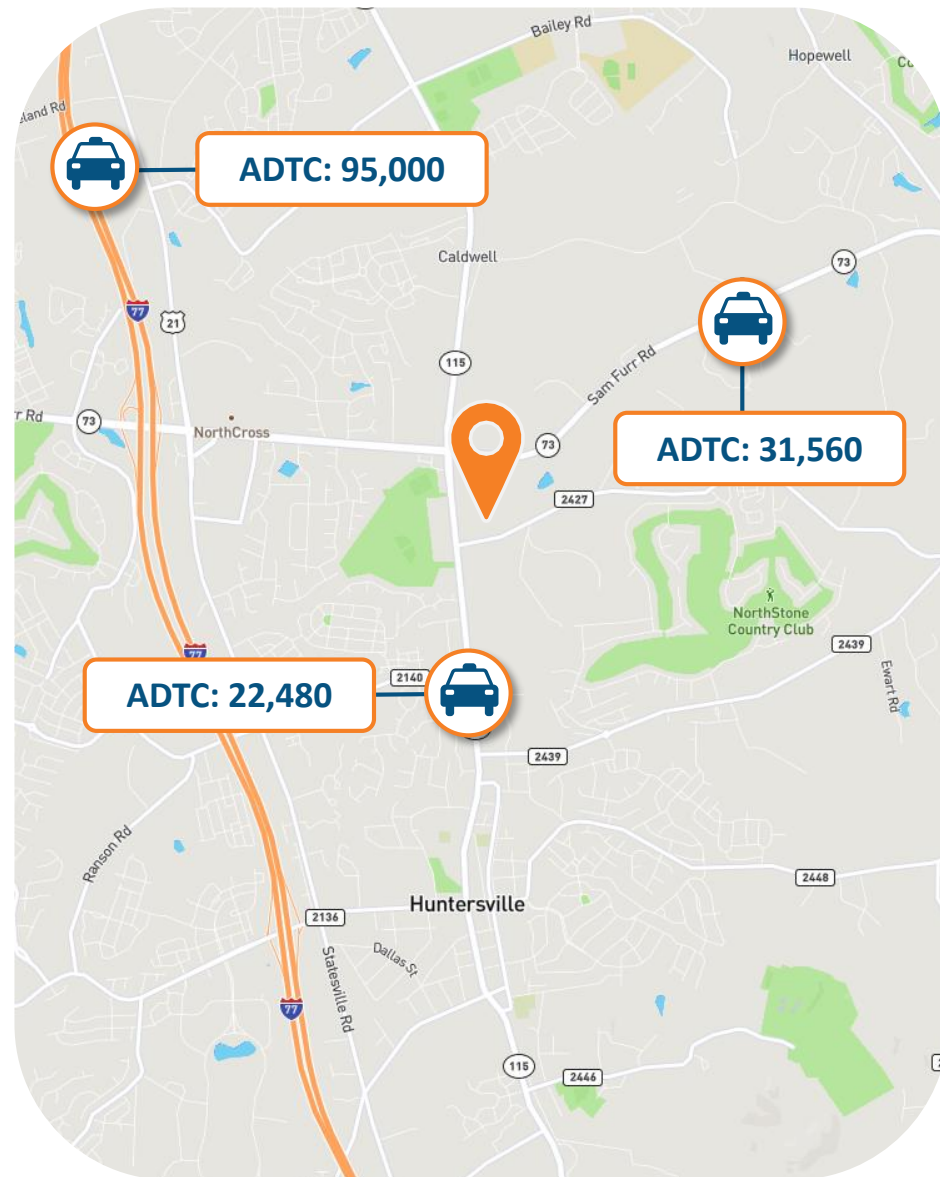
Property Address: 16604 Old Statesville Road, Huntersville, NC 28078

THE LEARNING EXPERIENCE

The subject investment property is situated on Old Statesville Road, which boasts average daily traffic counts exceeding 22,480 vehicles respectively. Old Statesville Road intersects with the Sam Furr Road, which brings an additional 31,560 vehicles into the immediate area on average daily. Sam Furr Road provides direct access to I-77, which provides route to Downtown Charlotte, located just 14 miles south from this Learning Experience. The property benefits from its prime location within the Charlotte metropolitan area, which has maintained significant growth, making Huntersville the 17th largest municipality in North Carolina. There are more than 48,370 individuals within a three-mile radius of the subject property and 97,522 individuals within a five-mile radius. This Learning Experience benefits from being located in an affluent suburban community, poised for continued growth. The average household income within a one-mile radius of the subject property is \$137,075.

The subject property benefits from being positioned just off of a highly dense retail corridor consisting of national and local tenants, shopping centers, and hotels all within close proximity of this property. Major national tenants include: Whole Foods Market, Kohl's, Target, Marshalls, Staples, Lowes, The Home Depot, Harris Teeter, Dick's Sporting Goods, Barnes & Noble, Walgreens, CVS Pharmacy, Kirkland's, Chick-fil-A, Starbucks, Panera Bread, Ithop, Bob Evans, as well as many more. The subject property benefits from its close proximity to several academic institutions. Most notable is Lake Norman Charter School, located less than 2 miles from the subject property, with a total enrollment exceeding 1,606 students.

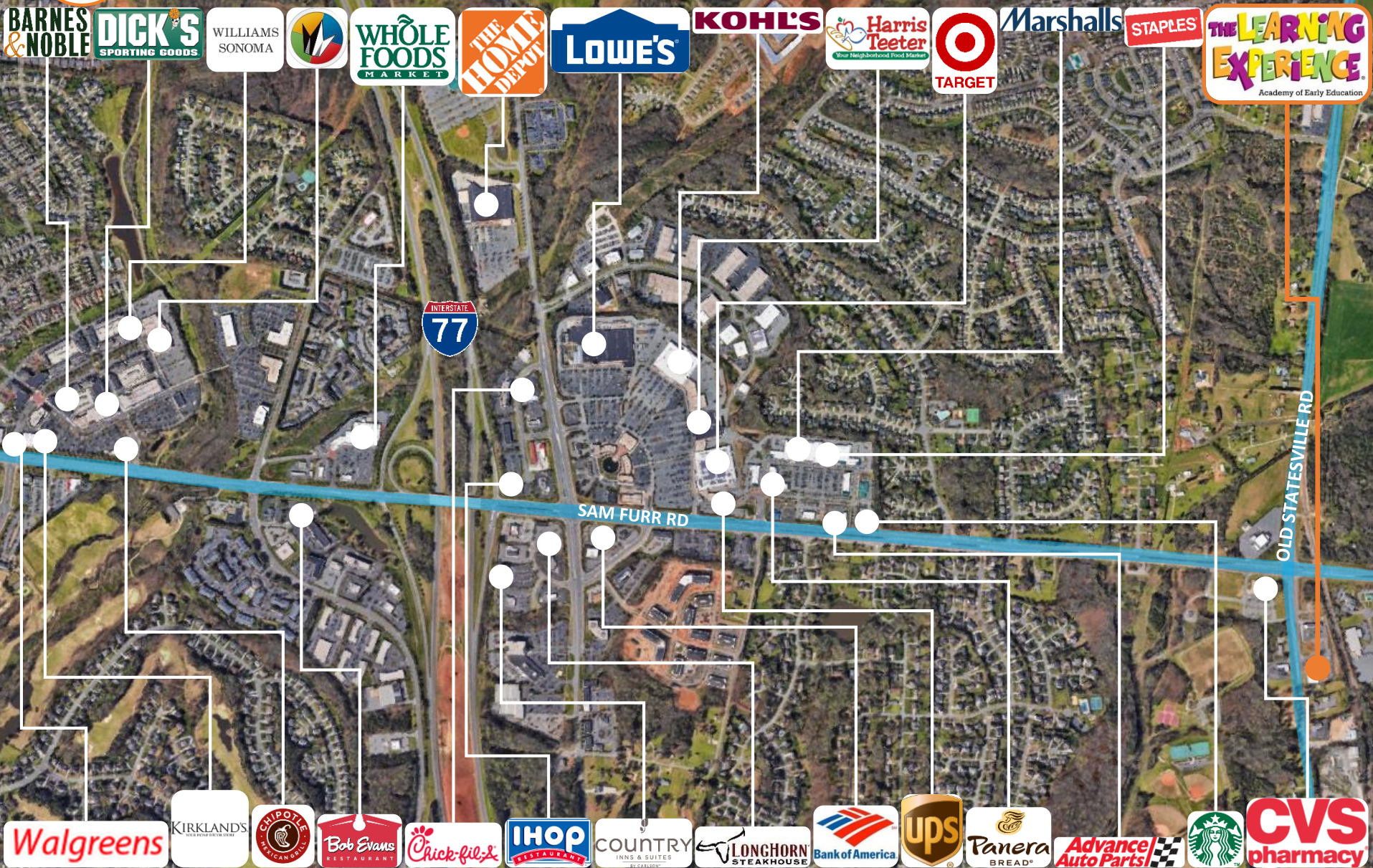
Huntersville is a large suburban town in Mecklenburg County, North Carolina located just 14 miles north of the bustling city of Charlotte, NC. Charlotte is the most populous city in North Carolina and the 17th most populous city in the United States. Charlotte is home to the corporate headquarters of Bank of America and the east coast operations of Wells Fargo, which along with other financial institutions makes it the third-largest banking center in the United States. Charlotte is home to a number of universities and colleges. Most notable is the University of North Carolina at Charlotte. The University of North Carolina at Charlotte is the largest institution of higher education in Charlotte and the fastest-growing institution in the UNC system, with a total enrollment of 29,308 students. The Charlotte Douglas International Airport is the sixth busiest airport in both the U.S. and the world overall as measured by traffic, with more than 45 million passengers during 2017. The Charlotte Center city has seen remarkable growth over the last decade. Numerous residential units continue to be built uptown, including over 20 skyscrapers under construction, recently completed, or in the planning stage. Many new restaurants, bars and clubs now operate in the Uptown area. Several projects are transforming the Midtown Charlotte/Elizabeth area.

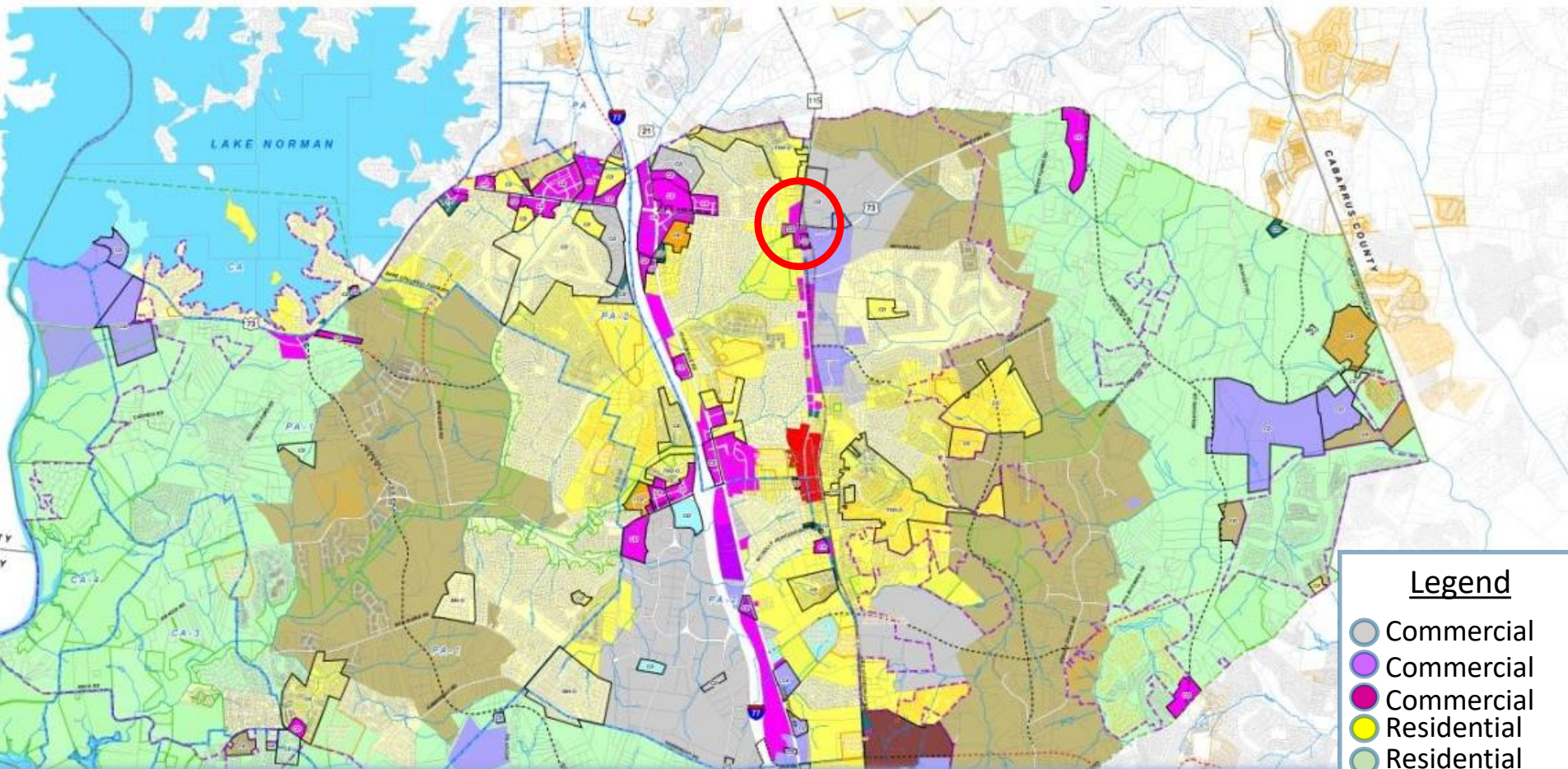




Surrounding Area

THE LEARNING EXPERIENCE





Legend

- Commercial
- Commercial
- Commercial
- Residential
- Residential
- Residential

Legend

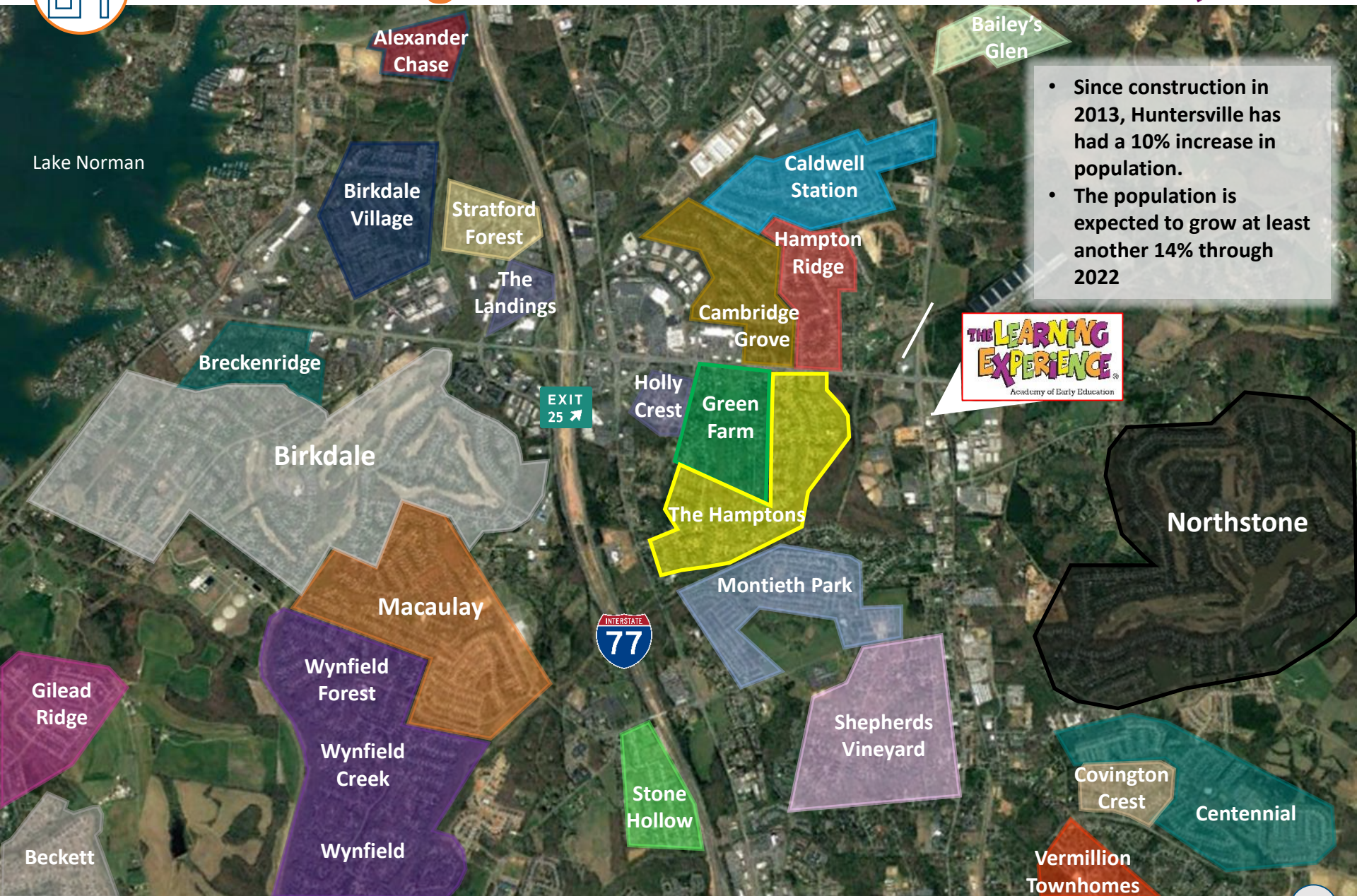
- Corporate Boundary
- Huntersville ETJ
- County Line
- Parcel
- School
- Railroad

- As this zoning map shows, the vast majority of Huntersville is zoned for residential development. Coupled with booming demographics, there continues to be substantial housing construction and population growth.
- With the absence of competing, enrollment-based daycare centers and lack of commercial zoning, the subject property provides a service that is in high demand for the considerable daytime population of Huntersville, as well commuters traveling to and from Charlotte.
- The subject property is situated on one, of two, major arteries bisecting the city and providing service to I-77 & I-485



Surrounding Communities

THE LEARNING EXPERIENCE



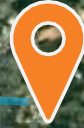


Local Map

Property Address: 16604 Old Statesville Road, Huntersville, NC 28078

THE LEARNING EXPERIENCE

To Downtown Charlotte
17.5 Miles
25 Min



Downtown Charlotte



Charlotte Douglas International Airport (CLT)



Property Photos





Surrounding Area



Charlotte Metro
CREDIT UNION



1.8 Acres | Commercial Zoning



Market Overview

City: Huntersville | County: Mecklenburg | State: North Carolina

Charlotte, North Carolina

Huntersville is a large suburban town in Mecklenburg County located just 14 miles north of Charlotte, North Carolina. Charlotte is located in the Piedmont and is the county seat of Mecklenburg County. Charlotte is the most populous city in North Carolina and the 17th-most populous city in the United States. Between 2004 and 2014, Charlotte was ranked as the country's fastest-growing metro area and tops the 50 largest U.S. cities as the millennial hub. Charlotte is home to the corporate headquarters of Bank of America and the east coast operations of Wells Fargo, which along with other financial institutions makes it the third-largest banking center in the United States. Charlotte has six Fortune 500 companies in its metropolitan area. Listed in order of their rank, they are: Bank of America, Lowes, Duke Energy, Nucor (steel producer), Sonic Automotive and Sealed Air Corp. The Charlotte area includes a diverse range of businesses, including foodstuffs such as Chiquita Brands International, Harris Teeter, Snyder's-Lance, Carolina Foods Inc, Bojangles', Food Lion, Compass Group USA, and Coca-Cola Bottling Co. Consolidated; motor and transportation companies such as RSC Brands, Continental Tire the Americas, LLC., Meineke Car Care Centers, Carlisle Companies. The Charlotte Region has a major base of energy-oriented organizations and has become known as "Charlotte USA – The New Energy Capital." In the region there are more than 240 companies directly tied to the energy sector, collectively employing more than 26,400 people. The area is an increasingly growing trucking and freight transportation hub for the East Coast. The Charlotte Center city has seen remarkable growth over the last decade. Numerous residential units continue to be built uptown, including over 20 skyscrapers under construction, recently completed, or in the planning stage. Many new restaurants, bars and clubs now operate in the Uptown area. Several projects are transforming the Midtown Charlotte/Elizabeth area.

Major Employers

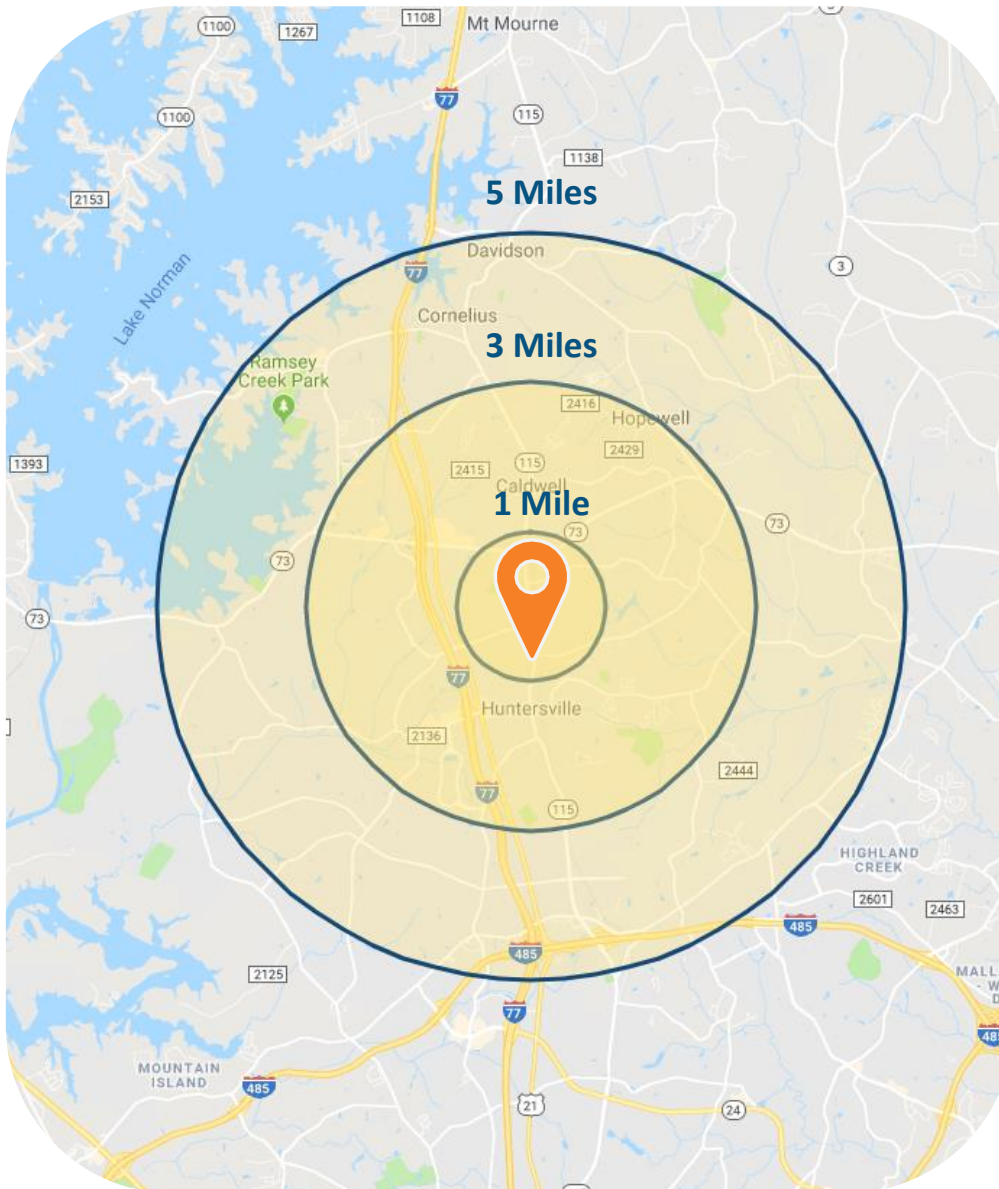
Employer	Estimated # of Employees
Durafiber Technologies	1,575
Samsung Electronics	1,204
Davidson College	644
National Aviation Services LLC	600
Momentive Performance Mtls Inc	532
Playpower Holdings Inc	424
Kellog	385
Rubbermaid	364
Forbo Siegling LLC	336
Huntersville Oaks-Brookwood	300
Win	300



Demographics

Property Address: 16604 Old Statesville Road, Huntersville, NC 28078

THE LEARNING EXPERIENCE



POPULATION

	1 Mile	3 Miles	5 Miles
2022 Projection	7,126	56,337	112,645
2017 Estimate	6,720	48,370	97,522
2010 Census	5,504	39,832	79,471
2000 Census	2,110	21,737	45,745

INCOME

Average	\$137,075	\$113,119	\$123,757
Median	\$108,384	\$90,057	\$90,634
Per Capita	\$46,584	\$44,641	\$48,126

HOUSEHOLDS

2022 Projection	2,442	22,620	44,249
2017 Estimate	2,284	19,064	37,725
2010 Census	1,877	15,737	30,680
2000 Census	750	8,284	17,088

HOUSING

2017	\$284,725	\$268,455	\$277,100
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EMPLOYMENT

2017 Daytime Population	4,588	41,849	90,302
2017 Unemployment	3.48%	3.45%	4.62%
2017 Median Time Traveled	28 Mins	27 Mins	28 Mins

RACE & ETHNICITY

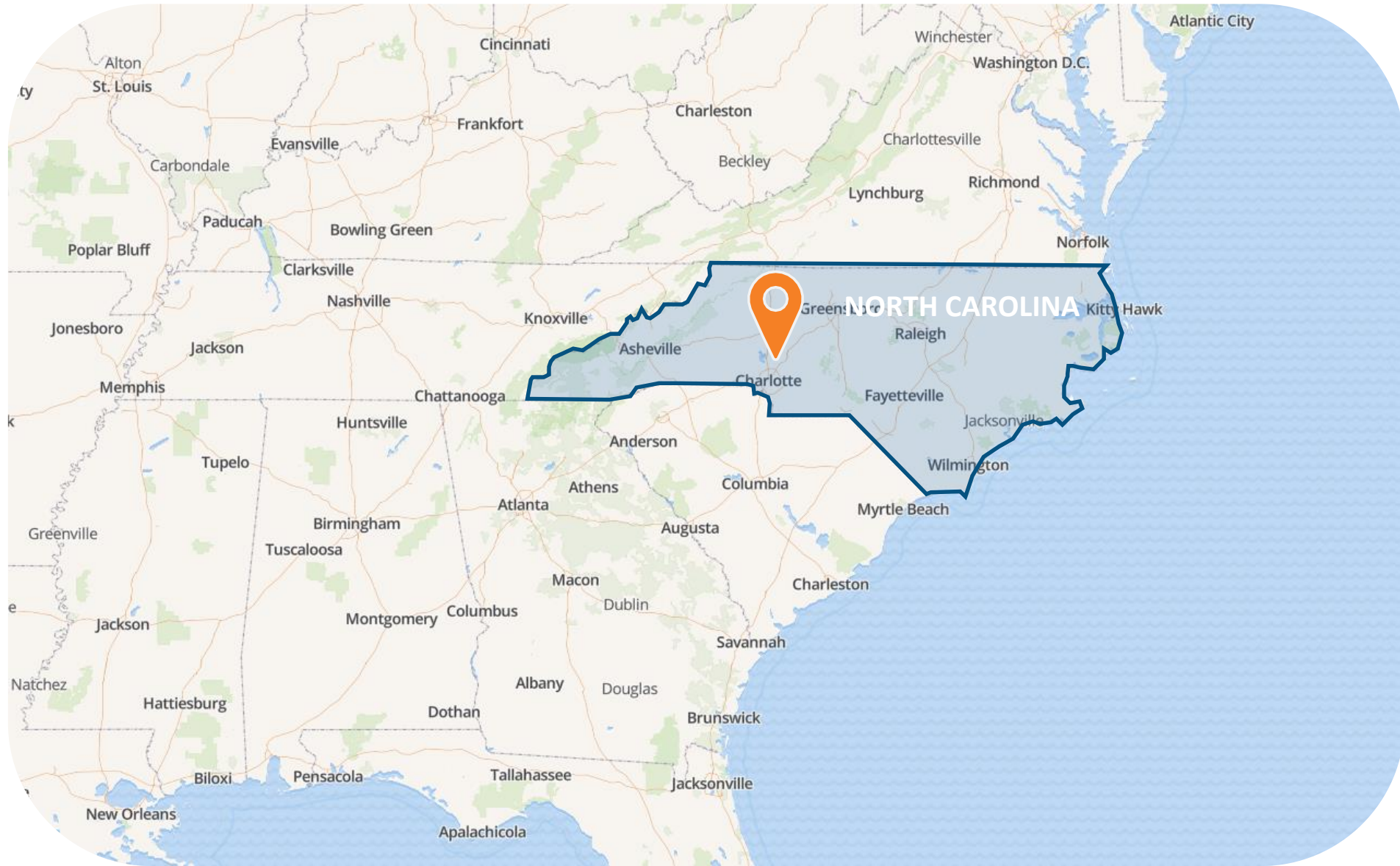
White	87.37%	83.00%	83.09%
Native American	0.01%	0.04%	0.03%
African American	6.47%	8.80%	8.69%
Asian/Pacific Islander	3.34%	3.28%	3.27%



Regional Map

Property Address: 16604 Old Statesville Road, Huntersville, NC 28078

THE LEARNING EXPERIENCE





Academy of Early Education

Marcus & Millichap

Offering Memorandum

Marcus & Millichap BOR:
Ben Yelm
Regional Manager, Charleston, Lic.# 303785
Charleston Office
151 Meeting Street
Suite 450
Charleston, SC 29401



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