

THE LEARNiNG EXPERiENCE

2601 EDUCATION LANE, MANASQUON, NJ 08736

SINGLE TENANT NNN INVESTMENT OPPORTUNITY



EXCLUSIVELY-MARKETED BY

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INVESTMENT SUMMARY



SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in a NNN leased, limited corporate guaranteed, freestanding, The Learning Center, investment property located in Manasquan, NJ. The tenant, The Learning Center, has signed a brand new 15 year lease with 2 (5-year) options to extend. The lease features rare 12% rental increases every 5 years throughout the initial term and at the beginning of each option period, steadily growing NOI and hedging against inflation. The lease is corporate guaranteed for 5 years and is then franchisee guaranteed by a 1-2 unit franchisee entity for the remainder of the lease. The lease is NNN with landlord responsibilities limited to roof & structure.

The subject property is currently under construction and is on schedule to be completed in April 2019. The Learning Center will feature a 10,000 SF, state of the art, building featuring The Learning Center's typical facade work and styling. The site also has a 5,400 SF, fenced in, outdoor play patio for the children in the back. In addition, the property will be fronted by 6 brand new luxury homes valued at an estimated \$800-\$900K, a testament to the areas affluence.

The Learning Center is strategically located along State Highway 70 (34,500 VPD) near the signalized, hard corner intersection with Morningstar Road. Moreover, the property is less than 1 mile south of State Highway 34 (26,100 VPD), a primary thoroughfare for residents and visitors to reach many of the beach side towns of NJ. State Highway 34 provides direct access to Point Pleasant Beach and Bay Head, two of the most popular and upscale waterfront towns along the state's coast. The asset benefits from nearby national/credit tenants that include a ShopRite, WaWa, Enterprise, Jersey Mike's, McDonald's, and more, increasing consumer traffic to the trade area. The Learning Experience benefits from its accessibility near major state highways and also from limited competition from local daycare centers as the asset is an established and recognized brand in the U.S. with multiple locations (300+). The 5-mile trade is supported by a population of nearly 133,500 residents with an affluent average household income of \$115,600. The immediate 1-mile household income soars to an incredible \$174,000, providing The Learning Center with a wealthy, direct consumer base to draw from.

PROPERTY CONSTRUCTION PHOTOS (1/31/19)



OFFERING SUMMARY



PARCEL MAP (Estimated - Subject to Change)



PROPERTY SPECIFICATIONS

Pricing:	\$4,296,000
Net Operating Income:	\$290,000
Cap Rate:	6.75%
Guaranty:	Limited Corporate (5-Years)
Tenant:	TLE at Manasquan, LLC
Lease Type:	NNN
Landlord Responsibilities:	Roof & Structure

OFFERING

Rentable Area:	10,000 SF
Land Area	3.00 Acres
Property Address:	2601 Educational Lane, Manasquan, NJ 08736
Year Built:	2019
Parcel Number:	52-00893-06-00049
Ownership:	Fee Simple (Land & Building Ownership)

INVESTMENT HIGHLIGHTS

Brand New 15-Year Lease | Limited Corporate Guaranty | Unique Rental Increases

- Brand new 15-year lease with 2 (5-year) options to extend
- The Learning Experience is corporate guaranteed for a limited time of 5-years before converting to a franchisee guaranty
- Rare 12% rental increases every 5 years throughout the initial term and at the beginning of each option period

NNN Lease | Fee Simple Ownership | Limited Landlord Responsibilities

- Tenant pays for CAM, taxes, and insurance
- Landlord responsibilities limited to roof & structure
- Ideal, low-management investment for an out-of-state, passive investor

Near Signalized, Hard Corner Intersection | Excellent Accessibility | Major Highways | Brand New 2019 Construction

- The asset is located along State Highway 70 (34,500 VPD) near the signalized, hard corner intersection with Morningstar Road
- Less than 1 mile south of State Highway 34 (26,100 VPD), a primary thoroughfare for residents and visitors to reach many of the beach side towns of NJ
- The site is currently under construction and is scheduled to open in April 2019
- State-of-the-art construction with high quality materials used to build the brands signature facade and style

Nearby Popular Beach Towns | Limited Competition

- State Highway 34 provides direct access to Point Pleasant Beach and Bay Head, two of the most popular and upscale waterfront beach towns along the state's coast
- Limited competition from local daycare centers as the asset is an established and recognized brand in the U.S. with multiple locations (300+)

National/Credit Tenant Presence | Increases Consumer Traffic

- The asset benefits from nearby national/credit tenants that include a ShopRite, WaWa, Enterprise, Jersey Mike's, McDonald's, and more
- Dense, infill trade area with high barriers for new development

Highly Affluent Trade Area | Ideal Demographics | Strong Direct Consumer Base | New Adjacent Luxury Homes

- The Learning Center serves over 133,000 residents and 51,000 daytime employees within a 5-mile trade area
- Extremely affluent 1-mile trade area with average household incomes soaring to \$174,000
- The subject site is adjacent to new luxury homes being built in front of The Learning Center that are valued at \$800-\$900K each



BRAND & FRANCHISEE HIGHLIGHTS

The Learning Experience History

- Founded in 1980 by the Weissman family in Boca Raton, FL
- One of the fastest growing early education and child care franchises in the nation for children six weeks to six years old
- Over 95% of pre-school graduates can read before kindergarten and 70% of franchisees buy additional units
- Proprietary curriculum for children to develop core academic skills, fitness and healthy life-style skills, and life and comfort skills

Facts & Stats

- The Learning Experience asks an average tuition of \$860 a month per child
- The corporate office in 2017 net nearly \$8.5MM in profit on more than \$22MM in revenue
- New learning centers that have been operational for 2-4 years average gross sales of \$1.3MM
- Franchisees can expect to be put through a 900-point evaluation every 2 years to ensure compliance with brand and regulatory standards

Growth & Numbers

- The brand has experienced a 210% increase in revenue over the last 5 years (2013-2018)
- In 2013 the brand had roughly 126 locations. Today the brand has over 300+ with 100 more in the pipeline across 22+ states
- Franchisee Times ranked the Learning Experience in their top 40 “Fast and Serious” list in 2017
- State-of-the-art construction with high quality materials used to build the brands signature facade and style

Experienced Management Team

- The Learning Experience was recently acquired in July 2018 by Golden Gate Capital, a San Francisco based private equity investment firm with over \$15 billion of capital under management
- The principals of Golden Gate have been successful in a wide range of industries and transaction types including going-private, corporate divestiture, and recapitalization, as well as debt and public equity investments
- Sponsored brands include Express Oil Change & Tire, Mavis Discount Tire, Bob Evans Restaurant, Red Lobster, Eddie Bauer, California Pizza Kitchen, Pacific Sunwear, Express, and Zales

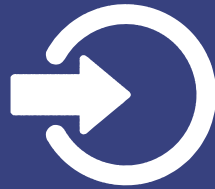


PROPERTY OVERVIEW



Location

Located in
Manasquan, NJ



Access

Morningstar Road
1 Access Point



Traffic Counts

State Highway 70
34,500 Cars Per Day

State Highway 35
26,100 Cars Per Day



Improvements

10,000 SF (Building)
5,400 SF (Outdoor Play Area)



Parking

There are approximately 44 parking spaces on the owned parcel. The parking ratio is approximately 4.40 stalls per 1,000 SF of leasable area.



Parcel

Parcel Number: 52-00893-06-00049
Acres: 3.00
Square Feet: 130,680 SF



Year Built

2019 (Opening April 2019)



Zoning

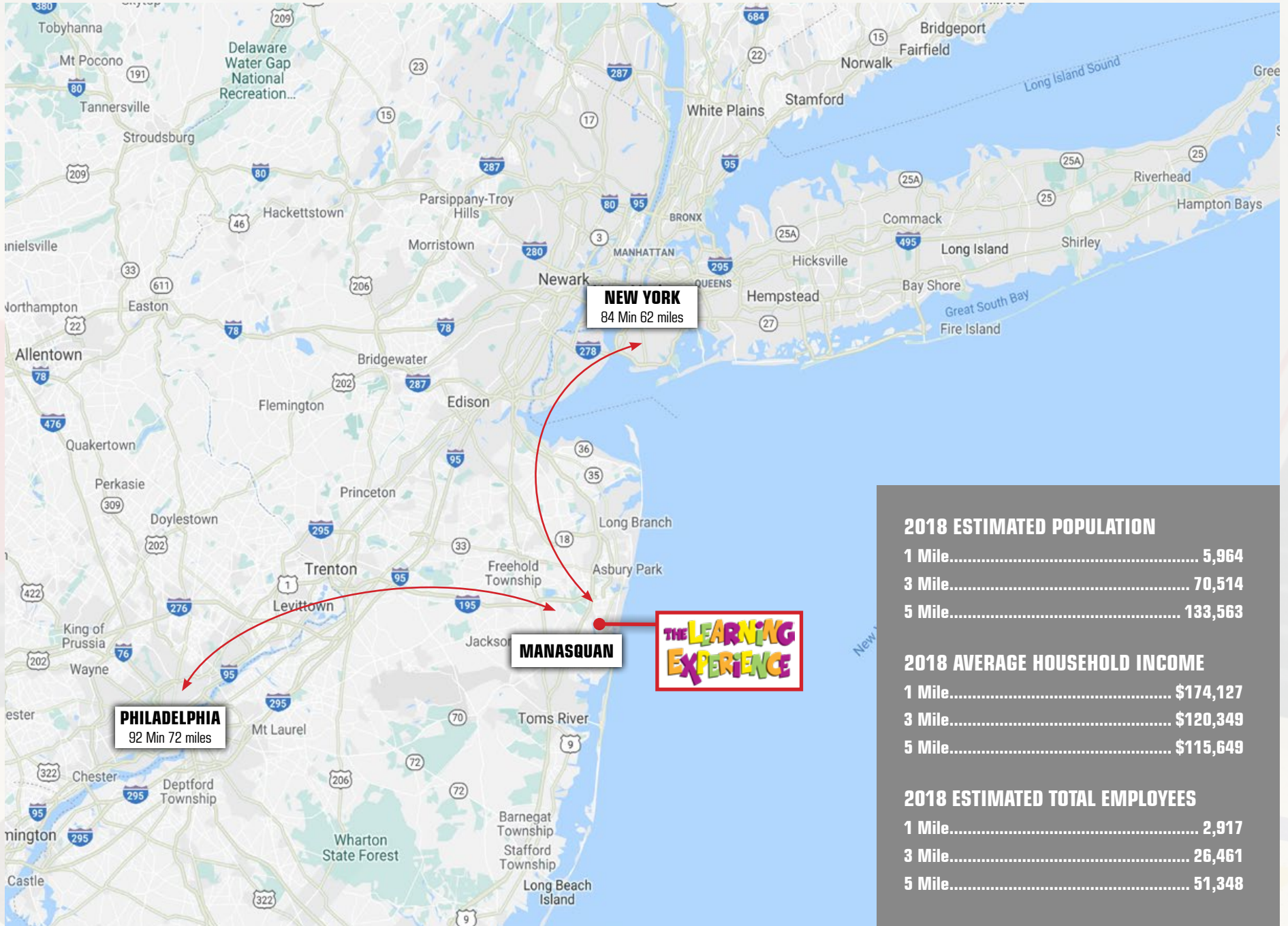
OP-10:
Office Park







LOCATION MAP



2018 ESTIMATED POPULATION

1 Mile.....	5,964
3 Mile.....	70,514
5 Mile.....	133,563

2018 AVERAGE HOUSEHOLD INCOME

1 Mile.....	\$174,127
3 Mile.....	\$120,349
5 Mile.....	\$115,649

2018 ESTIMATED TOTAL EMPLOYEES

1 Mile.....	2,917
3 Mile.....	26,461
5 Mile.....	51,348



AREA OVERVIEW

Manasquan, New Jersey

Manasquan is a borough in Monmouth County, New Jersey, United States. The Borough of Manasquan had a population of 6,102 as of July 1, 2018.

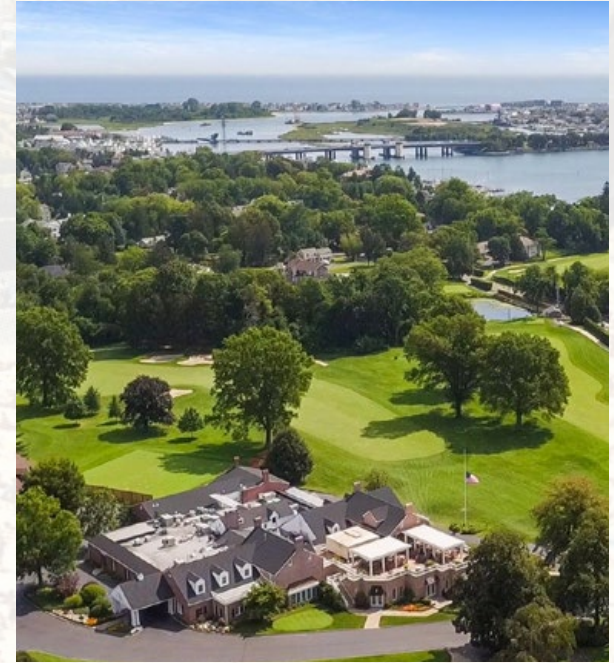
The borough's name is of Lenape origin, variously described as deriving from "Man-A-Squaw-Han" meaning "stream of the island of squaws", "an island with enclosure for squaws", "island door" or "point" / "top". Manasquan, Maniquan, Mannisquan, Manasquam, Squan, and Squan Village are variations on the original pronunciation and spelling.

Manasquan was formed as a borough by an act of the New Jersey Legislature on December 30, 1887, from portions of Wall Township, based on the results of a referendum held the previous day. New Jersey Monthly magazine ranked Manasquan as its 22nd best place to live in its 2008 rankings of the "Best Places to Live" in New Jersey.

As of May 2010, the borough had a total of 27.22 miles (43.81 km) of roadways, of which 24.56 miles (39.53 km) were maintained by the municipality, 1.56 miles (2.51 km) by Monmouth County and 1.10 miles (1.77 km) by the New Jersey Department of Transportation. Route 71 is the most significant highway running directly through the borough. The Garden State Parkway is the nearest major highway.

The Manasquan Public Schools serves students from kindergarten through twelfth grade. As of the 2011-12 school year, the district's two schools had an enrollment of 1,697 students and 123.6 classroom teachers (on an FTE basis), for a student-teacher ratio of 13.73:1. Schools in the district (with 2011-12 enrollment data from the National Center for Education Statistics) are Manasquan Elementary School with 678 students in grades K-8 and Manasquan High School with 1,019 students in grades 9-12. In addition to students from Manasquan, the district's high school also serves public school students from Avon-by-the-Sea, Belmar, Brielle, Lake Como, Sea Girt, Spring Lake, and Spring Lake Heights, who attend Manasquan High School as part of sending/receiving relationships with their respective districts. The two Manasquan public school buildings are across from each other on Broad Street, with Board of Education offices next door to the high school.

Monmouth County is a county located in Central New Jersey, in the United States within the New York metropolitan area, and the northernmost county along the Jersey Shore. As of July 1, 2017 the population was 626,351, the county fell to the fifth-most populous county in the state, having been surpassed by Hudson County.



AREA DEMOGRAPHICS

DEMOGRAPHICS	1 MILE	3 MILES	5 MILES
2018 Estimated Population	5,964	70,514	133,563
2023 Projected Population	6,052	71,931	136,405
2010 Census Population	5,749	69,071	130,196
Projected Annual Growth 2018 to 2023	0.29%	0.40%	0.42%
Historical Annual Growth 2010 to 2018	0.45%	0.25%	0.31%
2018 Estimated Households	2,354	27,597	52,533
2023 Projected Households	2,387	28,102	53,539
2010 Census Households	2,278	26,983	51,223
Projected Annual Growth 2018 to 2023	0.28%	0.36%	0.38%
Historical Annual Growth 2010 to 2018	0.40%	0.27%	0.31%
2018 Estimated White	96.30%	95.74%	94.85%
2018 Estimated Black or African American	1.14%	1.56%	2.04%
2018 Estimated Asian or Pacific Islander	1.31%	1.36%	1.61%
2018 Estimated American Indian or Native Alaskan	0.13%	0.10%	0.14%
2018 Estimated Other Races	0.45%	1.69%	2.05%
2018 Estimated Hispanic	3.50%	6.25%	7.29%
2018 Estimated Average Household Income	\$174,127	\$120,349	\$115,649
2018 Estimated Median Household Income	\$130,019	\$92,361	\$87,477
2018 Estimated Per Capita Income	\$69,129	\$47,611	\$45,869
2018 Estimated Total Businesses	362	3,106	5,591
2018 Estimated Total Employees	2,917	26,461	51,348



RENT ROLL

TENANT NAME	SQUARE FEET	LEASE TERM		RENTAL RATES							
		LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
The Learning Experience	10,000	April 2019	April 2029	Year 1	-	\$24,167	\$2.42	\$290,000	\$29.00	NNN	2 (5-Year)
(Limited Corporate Guaranty)		(est.)	(est.)	Year 6	12%	\$27,067	\$2.71	\$324,800	\$32.48		12% Incr. at beg.
				Year 11	12%	\$30,315	\$3.03	\$363,776	\$36.38		of each option



FINANCIAL INFORMATION

Price:	\$4,296,000
Net Operating Income:	\$290,000
Cap Rate:	6.75%
Guaranty:	Corporate

PROPERTY SPECIFICATIONS

Year Built:	2019
Rentable Area:	10,000 SF
Land Area:	3.00 Acres
Address:	2601 Educational Lane, Manasquan, NJ 08736

For financing options and loan quotes, please contact our SRS Debt & Equity team at debtequity-npb@srsre.com.

BRAND PROFILE



THE LEARNING EXPERIENCE CORP.

The Learning Experience Corp. operates child development centers in the United States. It offers child care services to infants, toddlers, twaddlers, preppers, preschoolers, and pre K and kindergarten children. The company also provides after school care services for children up to eight years of age. The Learning Experience Corp. was formerly known as The Learning Experience Holding Corp. and changed its name to The Learning Experience Corp. in November 2014. The company was founded in 1980 and is based in Boca Raton, Florida. It has other locations in the United States.

Company Type: Private

Locations: 300 +

Website: www.thelearningexperience.com





SRS

NATIONAL NET LEASE GROUP



1000+

PROPERTIES CURRENTLY REPRESENTED



600+

CLIENTS REPRESENTED IN 2016



\$2.6B*

TRANSACTION VALUE



20+

OFFICES



250+

BROKERS, PROFESSIONALS, AND STAFF



#1

LARGEST REAL ESTATE FIRM
EXCLUSIVELY DEDICATED TO RETAIL SERVICES IN NORTH AMERICA

This Offering Memorandum has been prepared by SRS National Net Lease Group (SRS) and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive submarket conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.

*STATISTICS ARE FOR 2017