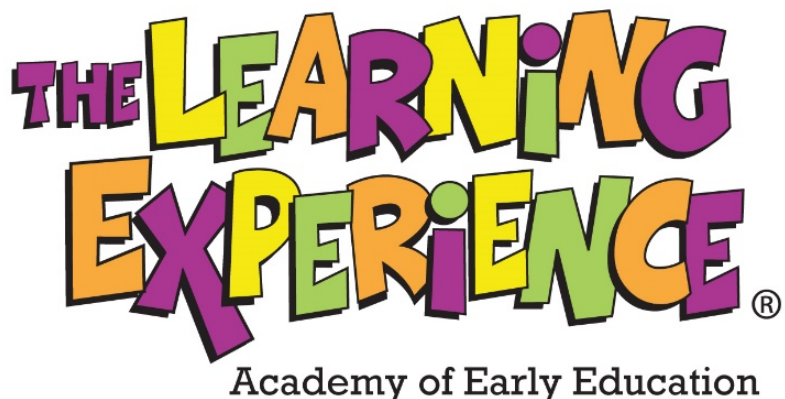




THE LEARNING EXPERIENCE (15-YEAR TRIPLE NET LEASE)

7.25% CAP RATE • 2017 CONSTRUCTION • PROVEN OPERATING LOCATION • STRONG DEMOGRAPHICS
3821 E League City Parkway, League City, TX 77573





For more than 30 years, the founders of The Learning Experience®, the Weissman family, 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 that the Weissmans developed quickly caught on and expansion soon followed.

The Learning Experience focuses on high-income demographic areas and provides best-in-class education and childcare. They also provide before and after school care as well as summer camps. There are currently 19 locations in Houston and over 300 locations open or under development nationwide.

Historical and Future Growth

MINIMUM OPERATOR REQUIREMENTS

Liquid Capital	\$150,000
Upfront Costs	\$60,000 Franchise Fee + \$30,000 Development Costs
Total Investment Cost	\$500,000 - \$800,000

MINIMUM DEMOGRAPHIC REQUIREMENTS

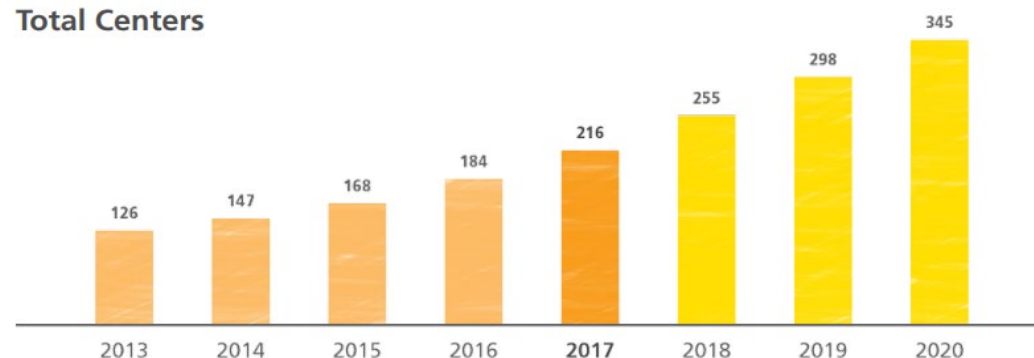
	3-Mile	5-Mile
Population	30,000+	75,000+
Children Under 6 Years	3,500+	5,000+
Average Household Income	\$75,000+	

System Wide Sales

(in thousands)



Total Centers





ACQUISITION BY GOLDEN GATE CAPITAL

The Learning Experience was just purchased by Golden Gate Capital, a San Francisco-based private equity investment firm with over \$15 billion of capital under management.

Golden Gate Capital has a long and successful history of investing in high growth, high margin consumer sector businesses such as Red Lobster, Eddie Bauer, and Express Oil Change.

This new capital infusion will give The Learning Experience greater experience to execute on their expansion plan, as well as strengthening the company financially.

The Learning Experience has consistently generated double-digit annual growth for the past 15 years, a remarkable record in the childcare industry that underscores that it is a clear leader in the early childhood education sector.

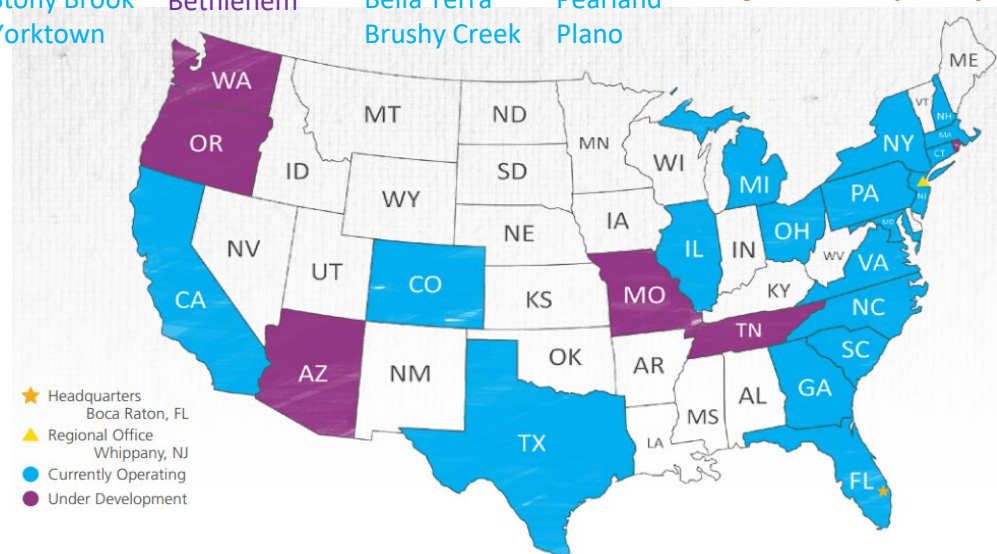
Golden Gate Capital's acquisition will permit the company to continue to grow and develop while remaining focused on the firm's roots of providing the highest standards of excellence in academic, physical, and social education to TLE children.

Website: www.goldengatecap.com



With more than 300 locations open, or under development, The Learning Experience has become the Nation's fastest growing childcare franchise!

Arizona	Florida	Lemont	Sterling Heights	Marlton	Bronx	North Carolina	Downingtown	Buda	Plano II
Chandler	Apopka	Naperville	Troy	Matawan	Brooklyn	Apex	Doylestown	Castle Hills	Richmond
Eastmark	Boca Raton	Suaganash		Middletown	Brooklyn II	Cary	Exton	Cedar Park	Sachse
Gilbert	Boynton Beach	South Elgin	Missouri	Monmouth	Brooklyn III	Cary II	Levittown	Coppell	San Marcos
Gilbert II	Brandon	West Loop	Manchester	Montgomery	Brooklyn IV	Chapel Hill	Limerick	Cypress	Sienna Plantation
Goodyear	Clearwater		St. Peters	Montvale	Centereach	Charlotte	Macungie	Dickinson	Spring
Mesa	Coral Springs	Maryland	Ellisville	Mt. Laurel	Deer Park	Charlotte II	Nazareth	Eldridge	Spring II
	Davie	Bel Air		North Bergen	Dobbs Ferry	Charlotte III	Philadelphia	Frisco	Spring III
California	Deerfield Beach	Gambrills	New Hampshire	N. Brunswick	East Islip	Durham	Warminster	George Town	Sugar Land
Antioch	Fish Hawk	Millersville	Merrimack	N. Haledon	E. Northport	Fuquay Varina	West Chester	Hickory Creek	Sugar Land II
Brentwood	Heathrow	Owings Mills		Old Bridge	Islandia	Holly Springs		Humble	Tomball
Eastvale	Jacksonville		New Jersey	Paramus	Long Island	Huntersville	Rhode Island	Hurst	West University
Lincoln	Jacksonville II		Basking Ridge	Parsippany	Manhattan	Mooresville	Warwick	Hutto Gattis	
Oceanside	Jacksonville III	Massachusetts	Berkeley	Piscataway	Massapequa	Raleigh		Katy	Virginia
Redlands	Jacksonville IV	Andover	Blackwood	Princeton	Medford	Raleigh II	South Carolina	Keller	Aldie
Riverside	Jacksonville V	Ashland	Bridgewater	Ramsey	Middle Island	Stallings	Tega Cay	Kingwood	Ashburn
Rocklin	Lake Worth	Billerica	Cedar Grove	River Vale	Monroe	Wake Forest		League City	Chantilly
Rohnert Park	Lakewood Ranch	Chelmsford	Cherry Hill	Roseland	Mount Sinai		Tennessee	Magnolia	Glen Allen
Simi Valley	Miami Biscayne	Danvers	Denville	Sayreville	New York City	Ohio	Hendersonville	Mansfield	Manassas
Vacaville	Miramar	Foxboro	East Brunswick	Sewell	Northpoint	Dublin	Mount Juliet	Manvel	Richmond
Walnut Creek	Miramar II	Franklin	East Rutherford	Somerset	Riverdale	Lewis Center	Spring Hill	McKinney	Sterling
	New Tampa	Hingham	East Windsor	Tenafly	Wilmington	New Albany		McKinney II	Woodbridge
Colorado	Nocatee	Littleton	Eatontown	Tinton Falls	Rocky Point	Pennsylvania	Texas	McKinney III	Washington
Arvada	Odessa	Marlborough	Edison	Toms River	Ronkonkoma	Aubrey	Allen	Murphy	Mill Creek
Aurora	Oldsmar	Milford	Englewood Cliffs	Union	Staten Island	Bensalem	Atascocita	N. Flower Mound	
Brighton	Orlando	Shrewsbury	Franklin Lakes	Voorhees	Stony Brook	Bethlehem	Audubon	N. Katy	
Centennial	Palm Beach	South Easton	Hackensack	Waldwick	Yorktown		Bella Terra	Pearland	
Fort Collins	Palm Harbor	Tewksbury	Hamilton	Wall			Brushy Creek	Plano	
Lafayette	Riverview	Tyngsboro	Hillsborough	Warren					
Littleton	Sunrise	Wilmington	Hoboken	Wayne					
Littleton II	West Palm Beach		Hopewell	Windsor					
Reunion	Windermere	Michigan	Howell	Westhampton					
Thornton		Canton	Jackson	Whippany					
Westminster	Illinois	Farmington Hills	Lawrenceville	Woodbridge					
Westminster II	Aurora	Independence	Ledgewood		New York				
	Backtown	Northville	Livingston		Bayport				
Connecticut	Bolingbrook	Northville II	Lyndhurst		Bayside				
Cromwell	Crest Hill	Novi	Manahawkin		Bellmore				
Danbury	Gurnee	Shelby	Manalapan		Bellrose				
New Town	Lake in the Hills	South Lyon	Manasquan		Bronx				
	Lake Zurich		Mansfield						





OFFERING SUMMARY

Price	\$3,448,000
Net Operating Income	\$250,000
Capitalization Rate	7.25%
Price / SF	\$344.80
Rent / SF	\$25.00
Lease Type	NNN (Landlord Responsible for Roof & Structure)
Gross Leasable Area	10,000 SF
Year Built / Renovated	2017
Lot Size	1.03 acre(s)

Current →

RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT PSF	CAP RATE
Year 1	\$250,000	\$20,833	\$25.00	7.25%
Year 2	\$250,000	\$20,833	\$25.00	7.25%
Year 3	\$250,000	\$20,833	\$25.00	7.25%
Year 4	\$250,000	\$20,833	\$25.00	7.25%
Year 5	\$250,000	\$20,833	\$25.00	7.25%
Year 6	\$275,000	\$22,917	\$27.50	7.98%
Year 7	\$275,000	\$22,917	\$27.50	7.98%
Year 8	\$275,000	\$22,917	\$27.50	7.98%
Year 9	\$275,000	\$22,917	\$27.50	7.98%
Year 10	\$275,000	\$22,917	\$27.50	7.98%
Year 11	\$302,500	\$25,208	\$30.25	8.77%
Year 12	\$302,500	\$25,208	\$30.25	8.77%
Year 13	\$302,500	\$25,208	\$30.25	8.77%
Year 14	\$302,500	\$25,208	\$30.25	8.77%
Year 15	\$302,500	\$25,208	\$30.25	8.77%

INVESTMENT HIGHLIGHTS

- High Income, High Growth Submarket
- “Recession-Proof” Fastest Growing Childcare Company in the USA
- New Construction with Warranties Transferred to Buyer at Closing
- Robust Demographics and High Barriers to Entry
- Corporate Guaranty of \$500,000 with a Burn-Off of \$100,000 Per Year
- No State Income Tax
- 8.12% Average CAP Rate Over Initial Lease Term



Newman Kelly Real Estate Investment Services is pleased to present for sale The Learning Experience (TLE) in League City, TX. The 10,000 square foot building is ideally located in the heart of the high income communities of South Shore Harbor and Mar Bella at the entrance to the 125 acre Clear Creek ISD school complex with an Elementary School, Intermediate School, and a High School. This location is ideal for childcare because parents can drop their young children off on their way to dropping the older ones off at school.

League City is one of the fastest growing suburbs in Houston and boasts an average household income exceeding \$119,000.

The Learning Experience has 13 years remaining on a 15-year lease that features two 5-year options. Additionally, the lease offers 10% increases every 5 years in the base term as well as the option periods. This cumulative rent growth insures the investor's return will keep pace with inflation.

The Learning Experience has over 300 locations across the country with dozens more being strategically developed at this time. The real estate was selected due to high existing demand, strong household income, population density, and ongoing demand.

The childcare industry is forecasted to increase revenue at a 3.4% annual rate to an impressive \$62.1 Billion industry. Nationwide, over 60% of the 24 million children under the age of six require child care as demographics continue the long standing trend of dual-income households. The Learning Experience has been in the industry for more than 30 years with revenue growing by 210% over the past 5 years alone.

DEMOGRAPHICS

	1 Miles	3 Miles	5 Miles
POPULATION			
2022 Projection	10,506	60,457	127,528
2017 Estimate	8,590	55,307	119,768
2010 Census	5,482	45,098	101,372
2000 Census	3,720	32,167	78,366
INCOME			
Average	\$119,107	\$101,923	\$98,970
Median	\$89,354	\$77,375	\$71,210
Per Capita	\$43,834	\$37,406	\$38,266
HOUSEHOLDS			
2022 Projection	3,881	22,513	49,877
2017 Estimate	3,161	20,287	46,230
2010 Census	2,056	16,647	39,171
2000 Census	1,368	11,560	30,464
HOUSING			
2017	\$216,416	\$199,737	\$197,087
EMPLOYMENT			
2017 Daytime Population	6,439	41,376	100,762
2017 Unemployment	3.61%	4.36%	4.51%
2017 Median Time Traveled	34	32	31
RACE & ETHNICITY			
White	79.48%	79.33%	77.99%
Native American	0.01%	0.05%	0.06%
African American	7.53%	5.70%	6.50%
Asian/Pacific Islander	4.94%	3.75%	4.25%

LEASE ABSTRACT

TAXES: Tenant shall be responsible for all Real Estate Taxes during the term. Tenant shall reimburse the Landlord for Real Estate Taxes on a monthly basis, by paying to the landlord one twelfth (1/12) of the Landlord's estimate of Real Estate Taxes for each tax year. Tenant shall pay to Landlord the difference within thirty (30) days following Tenant's receipt of Landlord's Statement. Landlord shall refund any overpayment to Tenant contemporaneously with such statement.

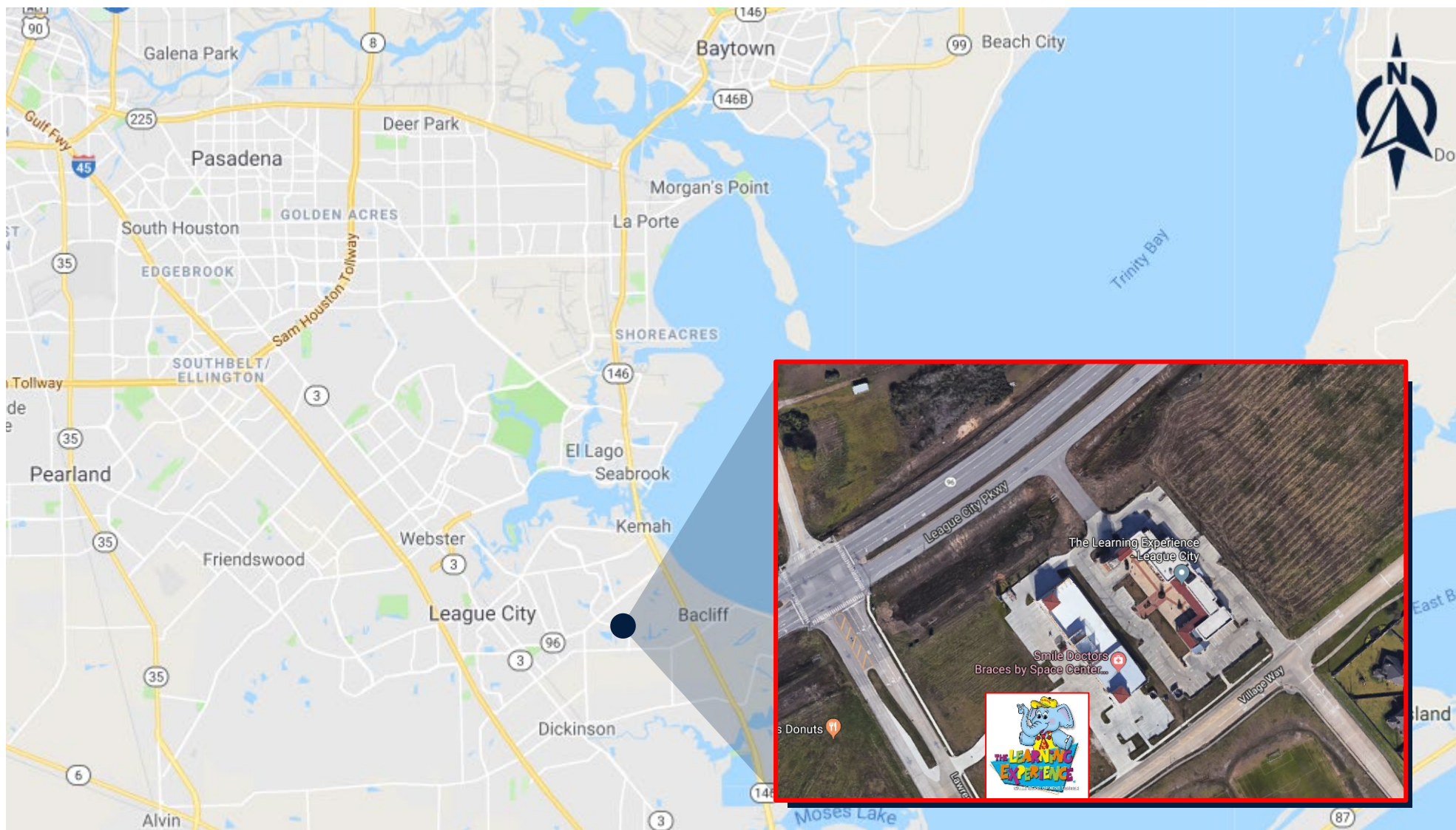
MAINTENANCE: Landlord, at its sole cost and expense, shall be responsible for the maintenance, repair, and replacement of all the beams, columns, structural portions of the roof, underground utility lines, and the water tightness of the Building. Tenant, at its sole cost and expense, shall keep clean and maintain in good order, condition and repair and replace the Leased Premises and every part thereof, except as specified as Landlord's responsibility. Including, without limitation, the Building front and exterior portions of all doors, windows, and plate glass surrounding the Leased Premises, all plumbing within the Building, fixtures and interior walls, floors, systems, interior building appliances, air conditioning and heating units and systems, and shall refurbish, and remodel the Leased Premises and any part and portion thereof from time to time to assure that the same are kept in first class, tenantable and attractive condition through the Term.

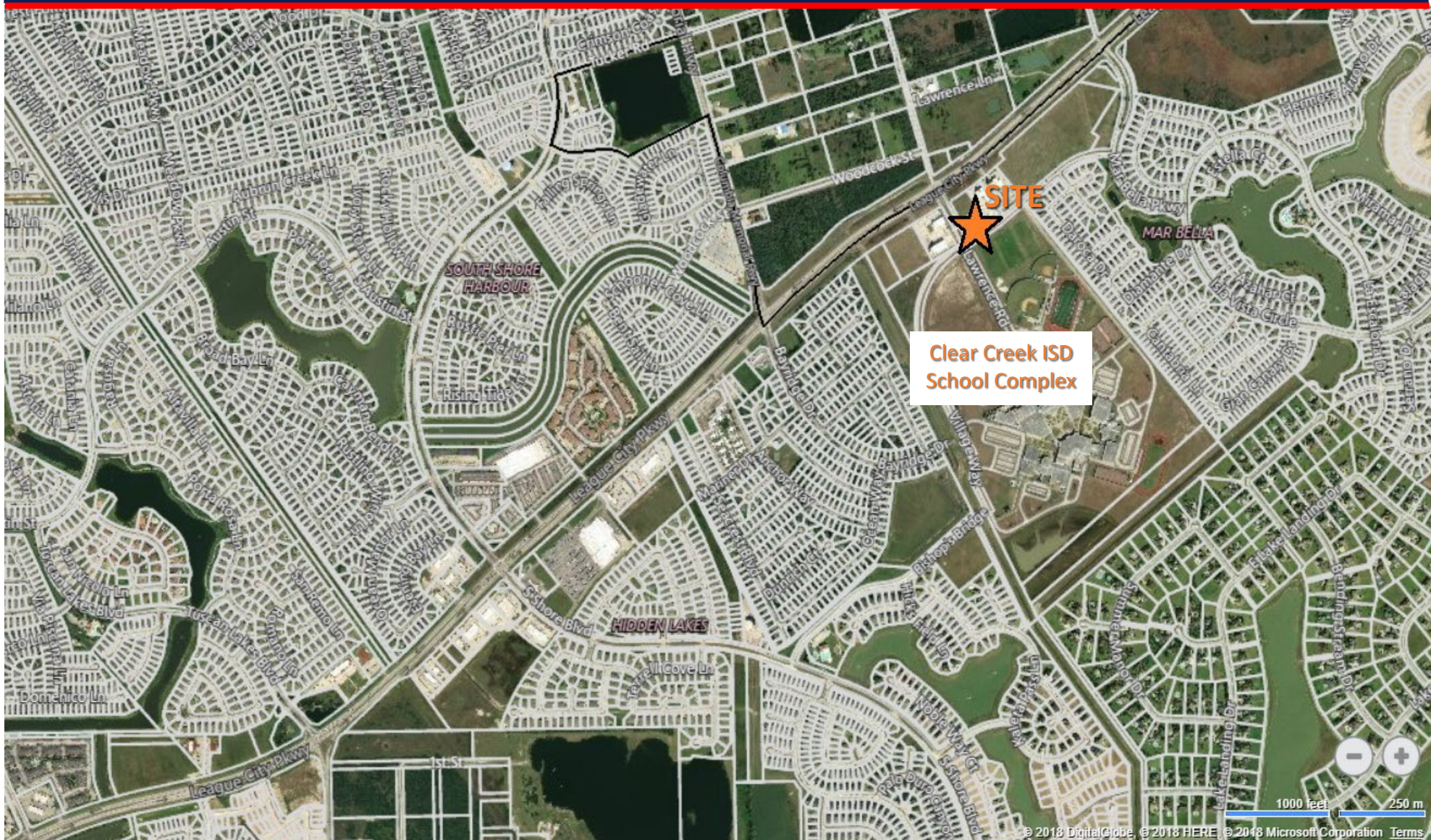
NOTE TO PURCHASER: *The Property is new construction and includes a new 20-Year Warranty for the roof. There are additional warranties for the other construction items. All warranties will be transferred to the buyer upon closing.*

INSURANCE: During the Term, Tenant, at its sole cost and expense, shall obtain and maintain with reputable insurance companies licensed in the State, the following policies of insurance: Special Form Cause of Loss; Commercial General Liability; and All Risk insurance.



3821 E League City Pkwy, League City, TX 77573





This location is in the heart of South Shore Harbor and Mar Bella at the entrance to the 125 acre Clear Creek ISD school complex with an Elementary School, Intermediate School, and a High School. This is an ideal location for childcare because parents can drop their young children off on their way to dropping their older children off at school.







INFORMATION ABOUT BROKERAGE SERVICES

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

Licensed Broker /Broker Firm Name or Primary Assumed Business Name

License No.

Email

Phone

Designated Broker of Firm

License No.

Email

Phone

Licensed Supervisor of Sales Agent/Associate

License No.

Email

Phone

Sales Agent/Associate's Name

License No.

Email

Phone

Buyer/Tenant/Seller/Landlord Initials

Date