

OFFERING MEMORANDUM

\$4,571,000 | 7.00% CAP RATE

- » New 15-Year Net Lease with Scheduled Rental Increases
- » National Tenant with 300+ Locations and Growing
- » High-Traffic Location with Great Visibility
 - » 42,014 AADT at Signalized Intersection
- » Located in Dense Retail Corridor
- » Strong Customer Base with Affluent Demographics
 - » High Average Household Income of \$120,315 Within One Mile
 - » Located in Missouri's Wealthiest County
 - » Population of 161,054 Within a Five-Mile Radius
- » Prime Location in Bedroom Community with High Demand for Childcare and Early Education
- » New 2019 Construction



FILE PHOTO

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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Leased Investment Team

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INVESTMENT SUMMARY

ADDRESS	Highway 94 and Florence Drive, St. Peters, Missouri		
PRICE	\$4,571,000		
CAP RATE	7.00% return (8.21% average cap rate)		
NOI	\$320,000		
TERM	15 years		
RENT COMMENCEMENT	September 1, 2019 (estimated)		
LEASE EXPIRATION	August 31, 2034 (estimated)		
RENTAL INCREASES	8% rental increases every five (5) years		
	YEAR	RENT	RETURN
	1-5	\$320,000	7.00%
	6-10	\$345,600	7.56%
	11-15	\$373,248	8.17%
	16-20 (Option 1)	\$403,056	8.82%
	21-25 (Option 2)	\$435,348	9.52%
	*For the first year of the lease, Tenant shall receive a rent concession and pay the greater of 16% of Tenant's annual gross revenue or \$129,333.		
YEAR BUILT	2019		
BUILDING SF	10,000 SF building + 4,950 SF playground		
PARCEL SIZE	1.16 acres (50,530 SF)		
LEASE TYPE	Net, with tenant responsible for all insurance, taxes, and maintenance, excluding roof and structure		

LONG-TERM LEASE WITH SCHEDULED RENTAL INCREASES

- » New 15-year net lease with two five-year options
- » 8% rental increases every five years, providing a hedge against inflation

NATIONAL TENANT WITH BRAND RECOGNITION AND GROWTH

- » Over 300 locations in 22 states
- » Tenant experienced 210% increase in five-year system-wide revenue growth and is one of the fastest growing franchises in its industry
- » Ranked in the Franchise 500 nine years in a row

HIGH-TRAFFIC LOCATION WITH ROBUST DEMOGRAPHICS

- » Excellent access and visibility to 42,014 vehicles per day at the signalized intersection of Highway 94 and Florence Drive
- » Affluent area, with an average household income of \$120,315 within one mile and average household incomes exceeding \$100,000 within three- and five-mile radii, significantly higher than national and regional averages
- » St. Charles County is the richest county in Missouri
- » Large population of 161,054 within five miles of the property
- » St. Charles County is one of the fastest growing counties in the country, with double-digit growth percentages in every decade since the 1970s

BEDROOM COMMUNITY WITH HIGH DEMAND FOR CHILDCARE AND EARLY EDUCATION

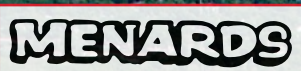
- » Located in St. Charles County in the city of St. Peters, a family-oriented community whose average residents include working executives and school-age children
- » Public school districts in St. Charles County rank in the top 25% of all Missouri districts
- » Community places a high value on education; nearly 43% of all St. Charles County residents 25 years or older have a college degree
- » Many residents commute to St. Louis and the surrounding communities for work, creating a high demand for childcare services



FILE PHOTO



OLD HICKORY
GOLF CLUB



Central Elementary School &
Hollenbeck Middle School
(1,400+ students)



Highway 364
(28,980 AADT)



Highway 94
(42,014 AADT)





SCC
ST. CHARLES COMMUNITY COLLEGE
(11,892 students and
940 employees)

Saeger Middle School &
Francis Howell Central High School
(2,670+ students)

Deer Creek Crossing

Dierbergs **Party City**
SHERWIN WILLIAMS **jiffy lube** **McDonald's**

O'Fallon Crossing Shopping Center

Walgreens **CVS/pharmacy**

Mannino's MARKET

BEMO

GRACIE REALTY
RE/MAX

J. NOTO BAKERY

364 / Highway 364 (28,980 AADT)

94 / Highway 94 (42,014 AADT)

THE LEARNING EXPERIENCE
Academy of Early Education
(Under Construction)

GOLD'S GYM



SPIRIT OF ST. LOUIS
AIRPORT (KSUS)

TARGET
DICK'S SPORTING GOODS
ULTA BEAUTY
PartyCity
ETHAN ALLEN
Qdoba MEXICAN GRILL
TACO BELL

ALDI
THE HOME DEPOT

Whitmoor
COUNTRY CLUB®
(36-hole championship golf course and banquet hall)

Strathallbyn Farms Club

Chesterfield Commons
Sam's Club
Walmart Supercenter
COST PLUS
WORLD MARKET
OfficeMax
BEST BUY
Michael's Where Creativity Happens
LONGHORN STEAKHOUSE
Olive Garden ITALIAN KITCHEN

GOLD'S GYM

St. Louis Premium Outlets
Cane's Raising CHICKEN FINGERS
the old spaghetti factory
LANE BRYANT
COACH
SAKS FIFTH AVENUE
adidas FACTORY OUTLET
SKECHERS OUTLET

THE LEARNING EXPERIENCE
Academy of Early Education
(Under Construction)



94 / Highway 94 (42,014 AADT)

J. NOTO BAKERY

GRACIE
BALMAIN
RE/MAX



Independence
Elementary School
(706 students)

Bryan Middle School
(914 students)

OFFICE PARK

CenterPointe
HOSPITAL
(150 beds)

INDUSTRIAL REGION

Walgreens
Mad Dog & Cats
Restaurant & Bar



THE LEARNING
EXPERIENCE
Academy of Early Education
(Under Construction)



94 | Highway 94 (42,014 AADT)

SITE PLAN



VACANT LOT FOR
FUTURE DEVELOPMENT

**THE LEARNING
EXPERIENCE**
Academy of Early Education
10,000 SF

OUTDOOR
PLAY AREA
4,950 SF

RETENTION
BASIN

MONUMENT SIGN

FLORENCE DRIVE

MONTECITO TERRACE

HIGHWAY 94



TENANT SUMMARY



Founded in 1980, The Learning Experience is one of the nation's fastest growing childcare and early education franchises, with over 300 child development centers open or under development in 22 states. The Learning Experience offers childcare and early education services to infants, toddlers, twaddlers, preppers, preschoolers, and pre-K and kindergarten children. The company also provides before and after school care services for children up to eight years of age.

With a 210% increase in five-year system-wide revenue growth and over 35 new centers opening annually, Forbes named the company one of the "Best Franchises to Buy in 2015". The Learning Experience was ranked in the Franchise 500 in each of the past nine years (2011-2019).

The early education and childcare industry has grown exponentially over the past decade and shows no signs of slowing down. The U.S. Bureau of Labor Statistics projects that day care businesses will have some of the fastest employment growth of all industries through 2020. Demand for childcare services is driven primarily by growth in the youth population. According to a recent U.S. Census Bureau estimate, there are currently over 24 million children under the age of six living in the United States. Of those 24 million, 15.1 million require childcare. As a result, industry growth is expected to continue at a steady pace. In 2018, the childcare industry netted revenues of \$53 billion; over the next five years the childcare industry's revenue is forecasted to increase at an average annual rate of 3.4% to \$62.6 billion.

In 2018, The Learning Experience was acquired by Golden Gate Capital, a private equity investment firm with over \$15 billion of capital under management.

For more information, visit www.thelearningexperience.com and www.goldengatecap.com.

HEADQUARTERS	Boca Raton, FL	# OF LOCATIONS	300+
SALES	\$236.6M	OWNERSHIP	Private

LEASE ABSTRACT

TENANT	TLE at St. Peters-Hwy 94, LLC		
GUARANTY	The Learning Experience Corp.		
ADDRESS	Highway 94 and Florence Drive, St. Peters, Missouri		
RENT COMMENCEMENT	September 1, 2019 (estimated)		
LEASE EXPIRATION	August 31, 2034 (estimated)		
RENEWAL OPTIONS	Two (2) five (5) year options		
RENTAL INCREASES	YEAR	RENT	RETURN
	1-5 6-10 11-15 16-20 (Option 1) 21-25 (Option 2)	\$320,000 \$345,600 \$373,248 \$403,056 \$435,348	7.00% 7.56% 8.17% 8.82% 9.52%
*For the first year of the lease, Tenant shall receive a rent concession and pay the greater of 16% of Tenant's annual gross revenue or \$129,333.			
REAL ESTATE TAXES	Tenant is responsible for taxes.		
INSURANCE	Tenant is responsible for insurance.		
REPAIR & MAINTENANCE	Tenant is responsible for all repair and maintenance of the parking lot and all nonstructural portions of the Premises.		
MAINTENANCE BY LANDLORD	Landlord is responsible for the repair and maintenance of the roof and all structural portions of the Premises.		
RIGHT OF FIRST REFUSAL	None		

PROPERTY OVERVIEW

LOCATION

The property is conveniently located at the signalized intersection of Highway 94 and Florence Drive, with excellent visibility and access to 42,014 vehicles per day directly in front of the property. Highway 94 serves as one of St. Charles County's primary east-west transportation routes, and the property is in a strong retail corridor. Gold's Gym is directly adjacent to the property, and several shopping centers featuring a healthy mix of national, regional, and local retailers are within walking distance. Notable retailers located in the nearby area include Walgreens, Target, Home Depot, Chick-fil-A, Schnucks, and many others.

Several schools are near the property, including Independence Elementary School (706 students), Bryan Middle School (914 students), and Central Elementary School and Hollenbeck Middle School (over 1,400 students). All these schools are part of St. Charles County's highly-rated school districts, which rank in the top 25% of all Missouri school districts. The property is surrounded by affluent residential neighborhoods; the average household income within one mile of the property is \$120,315, and average household incomes within three- and five-mile radii exceed \$100,000. The surrounding area is also densely populated, with 161,054 residents living within five miles of the property. Additionally, a majority of the county's workforce works outside of the home, and many residents commute to St. Louis and the surrounding communities for work, providing a high demand for childcare services.

ACCESS

Access from Florence Drive

TRAFFIC COUNTS

Highway 94: 42,014 AADT
Highway 364: 28,980 AADT

PARKING

36 parking stalls, including two (2) handicap stalls

YEAR BUILT

2019

NEAREST AIRPORT

St. Louis Lambert International Airport (STL)

FILE PHOTO



36
PARKING
STALLS



2019
YEAR BUILT



42K
TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**
ST. LOUIS LAMBERT
INTERNATIONAL
AIRPORT

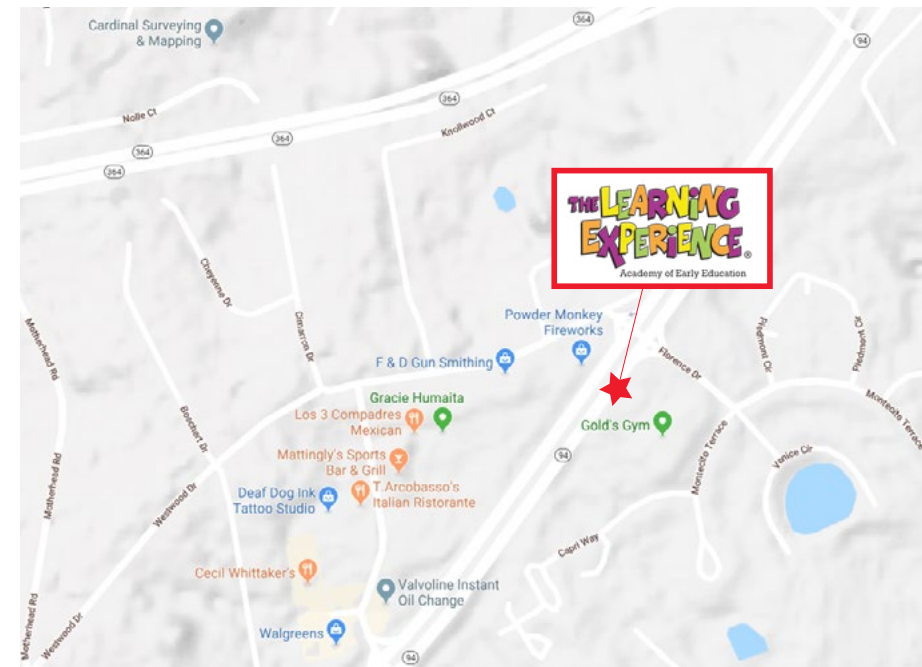
AREA OVERVIEW

St. Peters is a city in St. Charles County. With a 2019 population of 58,648, St. Peters is the tenth largest city in Missouri. St. Peters has been ranked in Money magazine's Top 100 Best Places to Live multiple times, including being ranked #15 in 2017. St. Charles County is part of the St. Louis, MO-IL Metropolitan Statistical Area (MSA) and contains many of the city's northwestern suburbs. As of 2019, the population was 395,504, making it Missouri's third most populous county. St. Charles County has been one of the fastest growing counties in the country for decades, with double-digit growth percentages in every decade since the 1970s. St. Charles County is the richest county in Missouri, with a median household income of \$71,077 as of 2015. Additionally, St. Charles County, as part of the St. Louis MSA, enjoys Missouri's second lowest ACCRA Cost of Living Indices as reported by the Council for Community and Economic Research. Among large U.S. cities, this puts St. Louis/St. Charles County among the most affordable in America. Overall, St. Charles County's cost of living score is 90.64 compared to the national average, according to Sperling's BestPlaces. The county features a cross-section of industry, as well as extensive retail and some agriculture. With the Missouri River on the south and east and the Mississippi River on the north, the county is served by Interstates 70 and 64 and enjoys ease of access to Interstates 44, 55, and 270.

Greater St. Louis is the metropolitan area that completely surrounds and includes the independent city of St. Louis. It includes parts of both the U.S. states of Missouri and Illinois. St. Louis is the largest metro area in Missouri, and is the second largest in Illinois. The economy of metro St. Louis relies on service, manufacturing, trade, transportation of goods, and tourism. The St. Louis MSA is home to the headquarters of nine Fortune 500 companies, the third highest in the Midwest. The area has also become known for its growing medical, pharmaceutical, and research presence. St. Louis has two professional sports teams: the St. Louis Cardinals of Major League Baseball and the St. Louis Blues of the National Hockey League. The city is commonly identified with the 630-foot tall Gateway Arch in St. Louis.

- » Westplex is an area within St. Charles County that used to be called "The Golden Triangle". The "triangle" was formed by Interstate 70 to the north, Missouri Highway 94 to the southeast, and Interstate 64 to the southwest. Since almost all the growth in St. Charles County was within this triangle, it was dubbed the "Golden" area of St. Charles County, hence, Golden Triangle. Today the Westplex is made up of St. Charles, St. Peters, Weldon Spring, Cottleville, Dardenne Prairie, O'Fallon, Lake St. Louis, Wentzville, and St. Paul. The subject property is located within this area.
- » Since 1993, St. Charles County's population has grown by 70%, and the county lead Missouri in population growth in 2016.
- » Public school districts in St. Charles County rank in the top 25% of all Missouri districts.
- » The St. Louis MSA's economy makes up approximately 40% of the Gross State Product of Missouri.

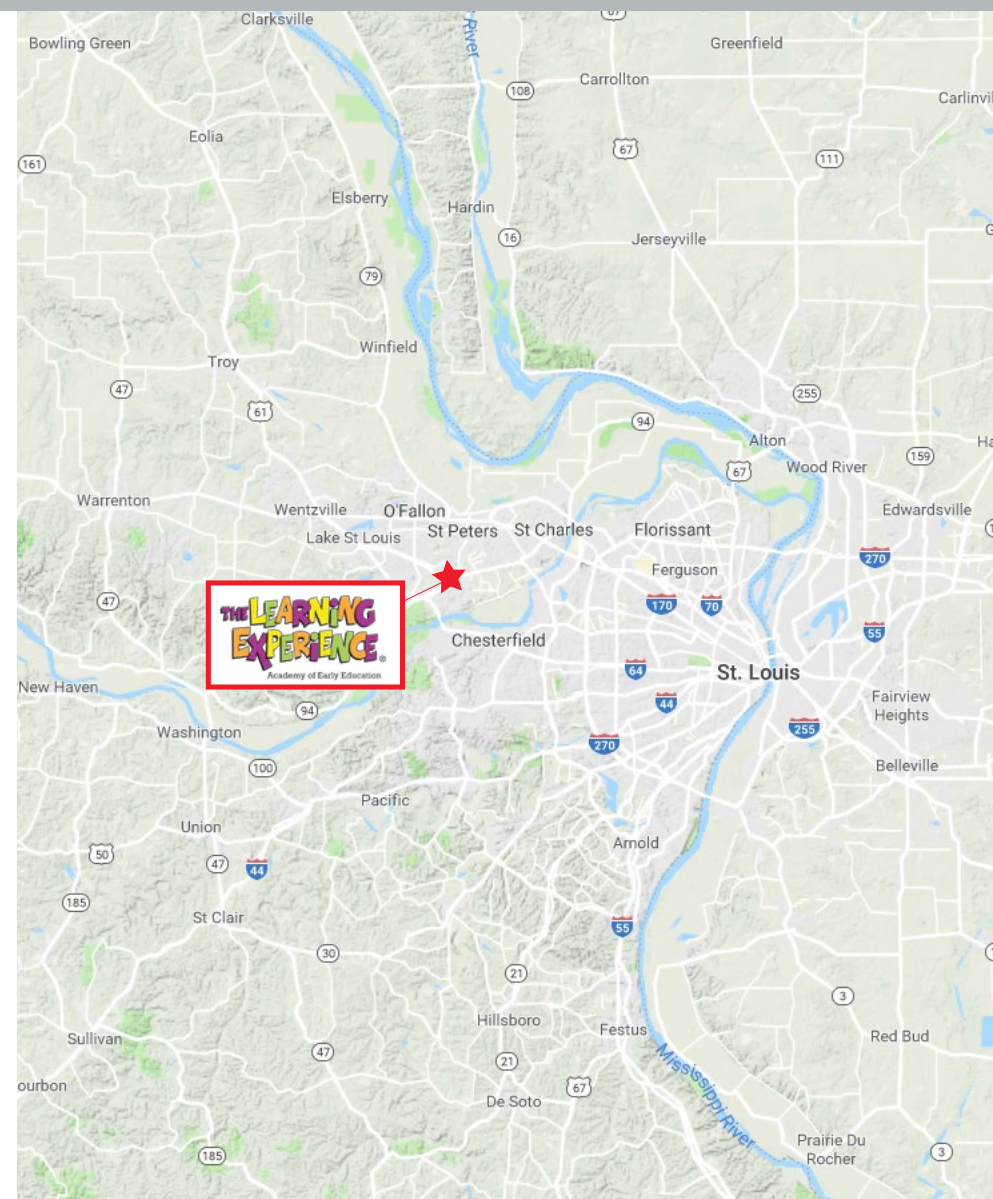
MAJOR EMPLOYERS IN ST. LOUIS MSA	# OF EMPLOYEES
BJC HEALTHCARE	28,975
WALMART	22,290
WASHINGTON UNIVERSITY IN ST. LOUIS	16,903
SSM HEALTH CARE	16,140
MERCY HEALTH	15,174
BOEING DEFENSE, SPACE & SECURITY	13,707
SCOTT AIR FORCE BASE	12,600
U.S. POSTAL SERVICE	12,000
SCHNUCKS MARKETS INC.	9,510
MERCY CLINIC	9,305



DEMOGRAPHIC PROFILE

2018 SUMMARY	1 Mile	3 Miles	5 Miles
Population	6,945	54,571	161,054
Households	2,580	19,297	58,487
Families	1,923	15,303	44,442
Average Household Size	2.66	2.82	2.75
Owner Occupied Housing Units	2,291	17,110	51,451
Renter Occupied Housing Units	289	2,187	7,036
Median Age	44.4	39.6	39.0
Average Household Income	\$120,315	\$114,520	\$103,331

2023 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	7,450	58,513	172,007
Households	2,777	20,740	62,616
Families	2,062	16,400	47,383
Average Household Size	2.65	2.81	2.74
Owner Occupied Housing Units	2,474	18,454	55,183
Renter Occupied Housing Units	303	2,286	7,433
Median Age	45.1	40.7	40.1
Average Household Income	\$136,957	\$128,268	\$116,496



AVERAGE HOUSEHOLD INCOME OF \$120,315
WITHIN ONE MILE



POPULATION OF 161,054
WITHIN FIVE MILES

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