

The Learning Experience

8710 Park Central Dr, Richmond, VA

Offering Memorandum



Academy of Early Education



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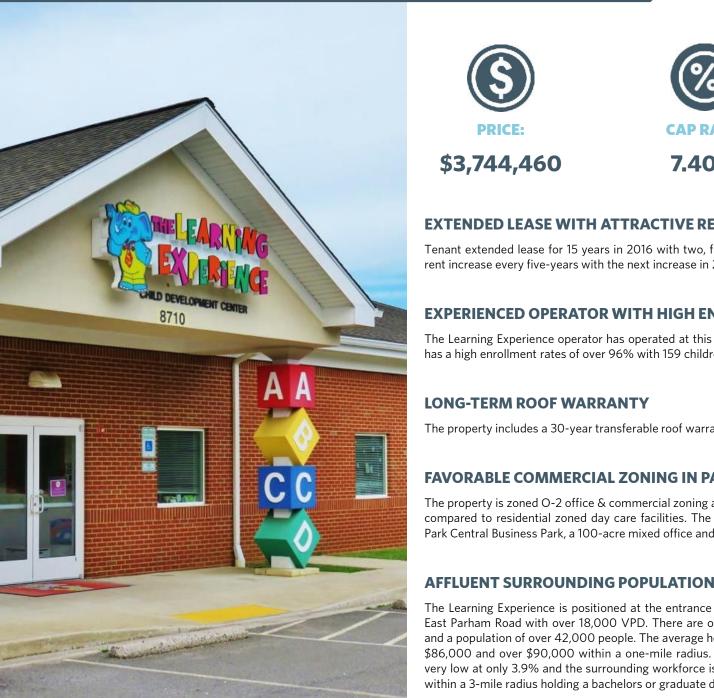
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INVESTMENT OVERVIEW





EXTENDED LEASE WITH ATTRACTIVE RENT INCREASE

Tenant extended lease for 15 years in 2016 with two, five-year options. Lease calls for an attractive 12% rent increase every five-years with the next increase in 2021.

EXPERIENCED OPERATOR WITH HIGH ENROLLMENT RATES

The Learning Experience operator has operated at this location for ten years. The current TLE franchisee has a high enrollment rates of over 96% with 159 children.

The property includes a 30-year transferable roof warrant with 20 years remaining.

FAVORABLE COMMERCIAL ZONING IN PARK CENTRAL DEVELOPMENT

The property is zoned O-2 office & commercial zoning allowing for a wide array of other uses in the future compared to residential zoned day care facilities. The Learning Experience is located at the entrance of Park Central Business Park, a 100-acre mixed office and industrial development.

AFFLUENT SURROUNDING POPULATION & HIGHLY EDUCATED WORKFORCE

The Learning Experience is positioned at the entrance of Park Central located at Park Central Drive and East Parham Road with over 18,000 VPD. There are over 19,000 households within a three-mile radius and a population of over 42,000 people. The average household income within a three-mile radius is over \$86,000 and over \$90,000 within a one-mile radius. The unemployment rate within a 3-mile radius is very low at only 3.9% and the surrounding workforce is well educated with over a third of the population within a 3-mile radius holding a bachelors or graduate degree.

FINANCIAL SUMMARY





Academy of Early Education

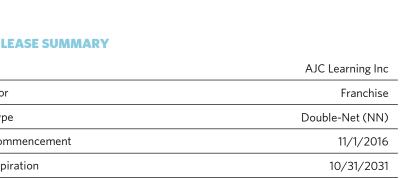


Tenant Guarantor

Price	\$3,744,460
CAP Rate	7.40%
Price/SF	\$340.41/SF
Gross Leasable Area (GLA)	11,000 SF
Year Built	2009
Lot Size	1.68 +/- Acres
Type of Ownership	Fee Simple

ANNUALIZED OPERATING INFORMATION

LEASE YEAR	ANNUAL RENT	MONTLY RENT	RENT/SF
11/1/2016 - 10/31/2021	\$277,090	\$23,090.83	\$25.19
11/1/2021 - 10/31/2026	\$310,310	\$25,859.17	\$28.21
11/1/2026 - 10/31/2031	\$347,600	\$28,966.67	\$31.60
Option 1 (2031 - 2036)	\$389,290	\$32,440.83	\$35.39
Option 2 (2036 - 2041)	\$436,040	\$36,336.67	\$39.64
NET OPERATING INCOME	\$277,090		



Lease Type	Double-Net (NN)
Lease Commencement	11/1/2016
Lease Expiration	10/31/2031
Term Remaining on Lease	12 Years
Rent Increases	Approx 12% Every 5-Years
Renewal Options	Two, Five-Years
Landlord Responsibility	Roof & Structure (30 Year Roof Warranty)
Tenant Responsibility	All Other Expenses



LEASE ABSTRACT

GUARANTOR	AJC Learning Inc. / Personally guaranteed by Adrianne Childs (TLE Franchisee)
NOTIFICATION PERIOD OF EXERCISE OPTIONS	Tenant will exercise an Option Term by giving Landlord written notice at least 180 days prior to the expiration of the Initial Term
LANDLORD OBLIGATIONS	Landlord, at its sole cost and expense, shall be responsible for the maintenance, repair and replacement of all the structural portions of the leased Premises, including, without limitation, the foundation, bearing walls, support beams, columns, structural portions of the roof, underground utility lines, and the water tightness of the Building.
TENANT OBLIGATIONS	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 the 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, and HVAC units and systems. Tenant shall keep the Lease Premises in a clean, sanitary and safe condition. Tenant shall maintain all utility lines, pay the cost of all daily utility services to the Leased Premises, including but not limited to, the cost of electricity, gas, water, garbage, sewage, cable and telephone service
REAL ESTATE TAXES	Tenant shall pay all Real Estate Taxes, which may be levied, assessed or charged against the lease Premises during the Term.
INSURANCE	Tenant, at its sole cost and expense, shall obtain and maintain with insurance companies reasonably approved by Landlord, insuring the fully replacement cost of the Leased Premises, comprehensive general public liability insurance, and all risk property insurance covering all of Tenant's leasehold improvements, trade fixtures and all personal property.
ASSIGNMENT & SUBLETTING	Landlord acknowledges that the Tenant and/or its affiliates are in the business of franchising childcare centers to qualified franchisees. Tenant may, at its sole option and without Landlord's consent, assign the Lease or sublease the lease premises to a Franchisee duly qualified by the Tenant pursuant to the Tenant's qualification procedures then in effect.
RIGHT OF FIRST REFUSAL	None
ESTOPPEL	15 Days

TENANT OVERVIEW



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 Weismann's developed quickly caught on and expansion soon followed. The foundation of The Learning Experience[®] was built on three key educational and care principles: cognitive, physical, and social; or as we say at TLE[®], "learn, play, and grow!"

- The Learning Experience







210% Increase

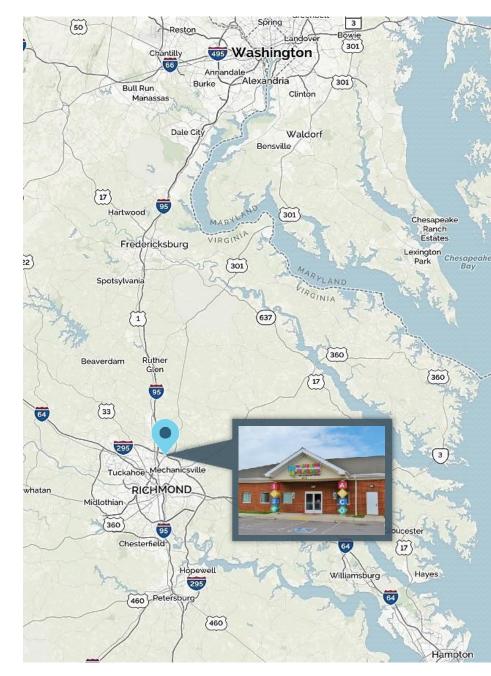
In Revenue Over Past Five Years

LOCATION & PROPERTY OVERVIEW

As the capital of Virginia, the Richmond Metropolitan Area is comprised of 13 counties and four cities located in central Virginia with a population of over 1.26 million make it the third-most populous metro in the state. The largest populations in the metro area are concentrated in the Chesterfield and Henrico counties. Richmond has an eclectic history dating back to over 400 years ago by the English colonist from Jamestown back in 1609 and was then founded in 1737. The Richmond area is home to several Fortune 500 companies, eight of which are headquarter in Richmond. These companies include: Altria Group, Performance Food Group, CarMax, Dominion Energy, Owens & Minor, Genworth Financial, Markel Corp and others. In addition to several Fortune 500 companies, The Richmond MSA is home to five accredited universities and colleges: VCU, University of Richmond, Randolph Macon College, Virginia Union University, and Virginia State University.



The Learning Experience is an 11,000 sq. ft. day care building with a 5,000 sq. ft. playground positioned on a 1.68 acres. The property is conveniently located near the intersection of Park Central Drive and East Parham Road within the Park Central commercial development and is less than a mile from the East Parham Road Exit 83B on I-95. East Parham Road has over 18,000 vehicles per day. Park Central is a 100-acre development consisting of office and flex space located in the heart of Henrico County. Companies within Park Central include, Ricoh USA, DHL Express, Anthem Blue Cross Blue Shield, ADT Security, and other. Unlike most day care facilities who are zoned residential, this location is zoned O-2 for office and commercial allowing for a wide array of other uses in the future. The TLE site is nestled within the Chamberlayne Farms community in the Fairfield district of Richmond, VA with over 1,500 households within a one-mile radius and over 19,000 households within a three-mile radius with an above average household income exceeding \$90,000.







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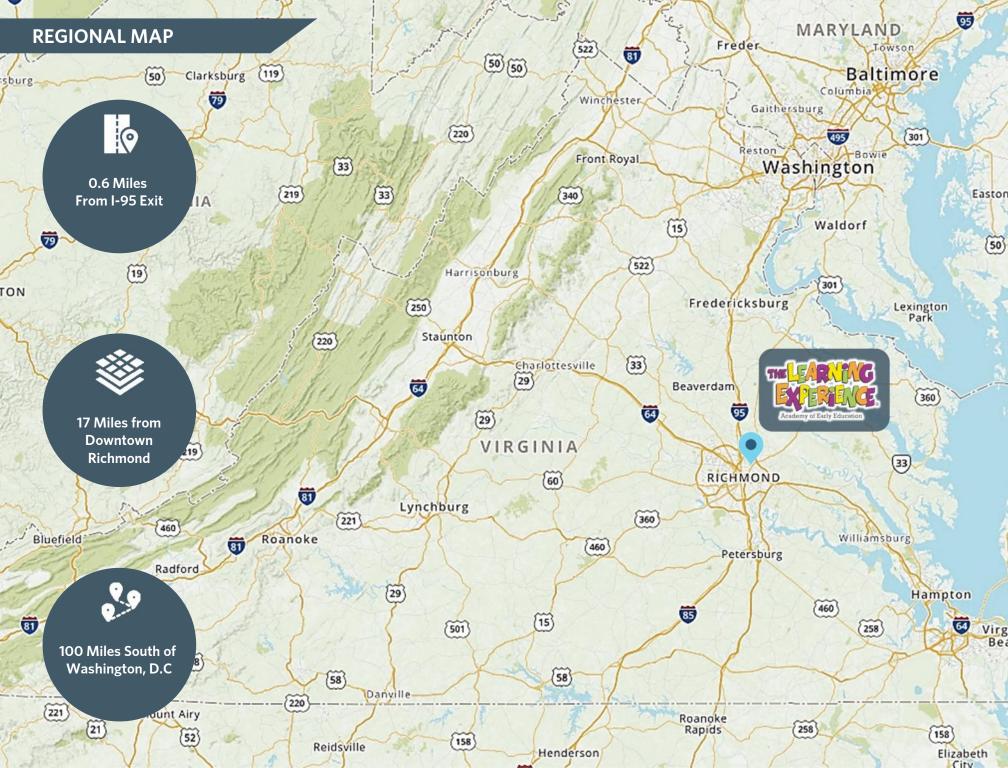
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DEMOGRAPHIC SUMMARY

POPULATION BY AGE PERCENT (%) * BASED ON 3 MILE RADIUS 2 4 6 8 10 12 14 16 18

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POPULATION, AGE & HOUSEHOLD



TOTAL POPULATION

MILES	2019	2024
1	2,781	3,716
3	36,494	48,917
5	118,819	145,450



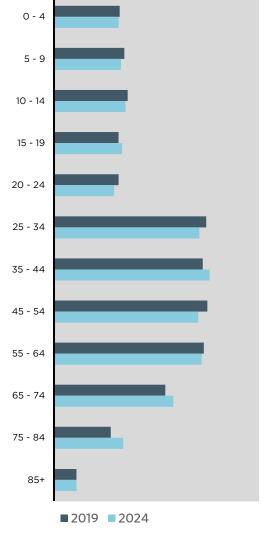
OWNER OCCUPIED UNITS

MILES	2019	2024
1	1,265	1,296
3	12,808	13,615
5	35,655	37,637



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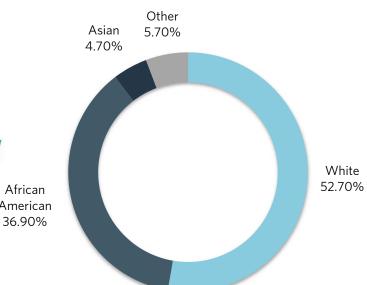
MILES	2019	2024
1	226	220
3	6,188	6,201
5	21,379	21,919





American 36.90%

*% of Population that identifies as Hispanic Origin is 5.4%



DEMOGRAPHIC SUMMARY

EMPLOYMENT, INCOME & EDUCATION

2024

\$100,989

\$98,006

\$97.438

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AVERAGE HOUSHOLD INCOME

2019

\$90,449

\$86,233

\$85.243

MILES

1

3

5









MEDIAN HOUSHOLD INCOME

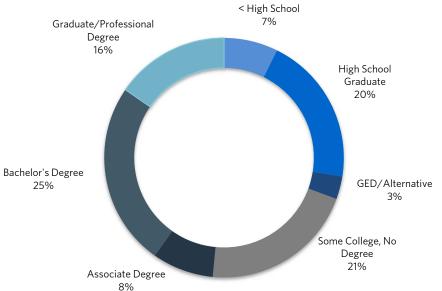
MILES	2019	2024
1	\$80,880	\$88,657
3	\$67,980	\$77,409
5	\$63,202	\$73,070



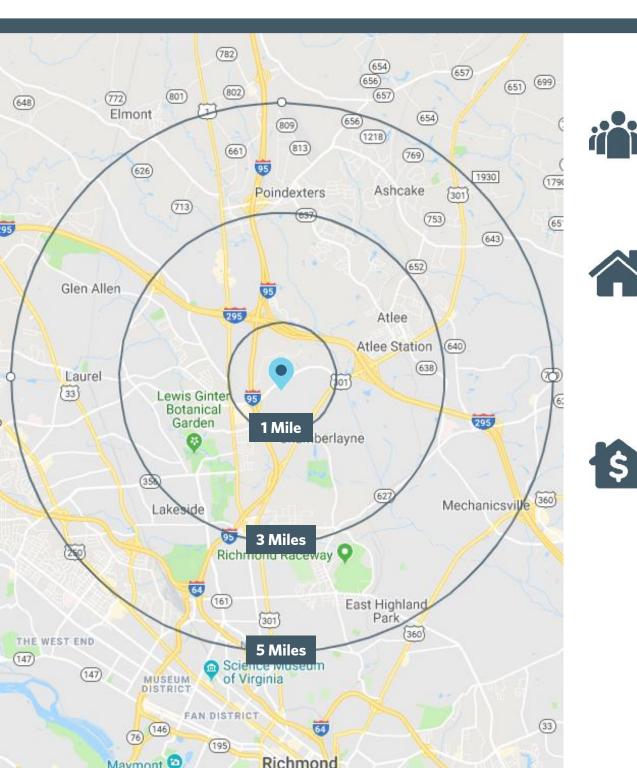
PER CAPITA INCOME

MILES	2019	2024
1	\$40,070	\$44,654
3	\$35,024	\$39,655
5	\$35,029	\$39,926





MARKET DEMOGRAPHICS



POPULATION	1 MILES	3 MILES	5 MILES
2010 Census Population	3,565	42,345	129,525
2019 Estimated Population	3,648	46,714	138,908
2024 Projected Population	3,716	48,917	145,450
Annual Growth 2018-2023	0.37%	0.93%	0.92%

HOUSEHOLDS	1 MILES	3 MILES	5 MILES
2010 Census Households	1,459	17,401	53,734
2019 Estimated Households	1,491	18,996	57,034
2024 Projected Households	1,516	19,816	59,556
 Occupied Units 			
2010 Census	1,258	11,892	34,040
2019 Estimate	1,265	12,808	35,655
2024 Projection	1,296	13,615	37,637

HOUSEHOLDS BY INCOME	1 MILES	3 MILES	5 MILES
2019 Estimate			
Under \$15,000	2.10%	8.30%	9.10%
\$15,000 - \$24,999	3.40%	7.40%	8.10%
\$25,000 - \$34,999	7.40%	7.30%	8.60%
\$35,000 - \$49,999	12.50%	13.00%	13.10%
\$50,000 - \$74,999	18.80%	17.80%	18.00%
\$75,000 - \$99,999	18.30%	15.20%	13.90%
\$100,000 - \$149,999	24.10%	17.50%	15.90%
\$150,000 - \$199,999	11.10%	8.60%	7.70%
\$200,000 +	1.90%	4.90%	5.60%
Median Household Income	\$80,880	\$67,980	\$63,202
Average Household Income	\$90,449	\$86,233	\$85,243
Per Capita Income	\$40,070	\$35,024	\$35,029





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Exclusively Listed By

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