



KinderCare[®]
LEARNING CENTERS

▲ New Construction Long-Term Corporate Lease ▲
▲ Top 5 Wealthiest Communities in Nebraska ▲ Fixed 10% Increase in April 2022 ▲



OFFERING MEMORANDUM
OMAHA, NEBRASKA



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS



OFFERING MEMORANDUM

OMAHA, NEBRASKA

TABLE OF CONTENTS:

Offering Summary	3
Investment Highlights	4
Why Buy a Daycare Center?	6
Site Plan / Parcel Map	8
Aerial Overview	9
County Overview	12
Regional Map	13
Tenant Profile	14
Area Overview	15
Demographics	17

EXCLUSIVELY LISTED BY:

Ed Hanley

President

kindercareomaha@higrea.com

844.818.7526 | NE Lic. #20180041



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS

OFFERING SUMMARY

KINDERCARE



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS

LOCATION

KinderCare
520 N. 152nd Avenue Circle
Omaha, NE 68154

OFFERING SUMMARY

Price:	\$5,955,000
Current Net Operating Income (NOI):	\$396,000
Current Capitalization Rate:	6.65%
May 2022 Net Operating Income (NOI):	\$435,600
May 2022 Capitalization Rate:	7.31%
Net Rentable Area:	13,355
Year Built:	2017
Lot Size (Acres):	2.23

LEASE TERMS (1)

Guarantor:	KUEHG Corp.
Lease Commencement:	4/7/2017
Lease Expiration:	4/30/2032
Lease Type:	NNN
Roof:	Tenant Responsibility
Structure:	Landlord Responsibility
Monthly Rent:	\$33,000
Annual Rent:	\$396,000
Rental Increases:	10% Every 5 Years
Renewal Options:	Three 5-Year @ 10% Each Option

(1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.



INVESTMENT HIGHLIGHTS

KINDERCARE



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS

- **New Construction Corporate KinderCare Adjacent to Grocery Anchored Shopping Center:**

- 12.5 years remaining on original 15-year lease with 10% increases every 5 years
- Three 5-year renewal options with 10% increases each option
- Corporate KinderCare guaranteed lease
- #1 largest childcare provider in the U.S.
- KinderCare serves approximately 186,000 enrolled children in more than 1,500 locations, over 600 before-and-after school programs, and over 100 employer-sponsored centers across 40 states and the District of Columbia



- **Surrounded by 4 of the Top 6 Wealthiest Zip Codes in the State:** Average household incomes in a 1-mile radius exceed \$131,000
- **Ideal Highway Location Allowing Families in Neighboring Communities to Utilize the Subject Property:** U.S. 6/Dodge Road is the main east/west thoroughfare in Omaha
- **One Exit Away From One of "The Most Prestigious Business Parks in the Midwest":** 80-acre property home to Yahoo, Zurich, Aerotek, First National Bank, and more
- **A Single-Tenant Daycare Center is an Internet-Resistant Investment Poised for Long-Term Success**





- **Favorable Nearby Growth & Development:** The population has grown 43% within a 5-mile radius and is projected to grow approximately 9% by 2023
 - 47% growth in households in 5-mile radius; 13% projected growth from 2018 to 2023
 - **Heartwood Preserve:** 500-acre, \$1.2 billion mixed-use redevelopment; under construction
 - **Avenue One:** 200-acre, \$1 billion mixed-use development; Western Gateway to Omaha; under construction
 - #1 "Best Places for Young Professionals in Nebraska" – Niche (2019)
 - #3 "Best Places to Live in Nebraska" – Niche (2019)
- **Huge Growth in Childcare Centers in the U.S. (see page 6):**
 - \$47 billion industry (12.5 million children) and expected growth of over \$1.8 billion over the next 5 years
 - One in three families spends 20% or more of their annual household income on childcare
- **The Subject Property is Poised for Immediate Success Through Strategic Real Estate:**
 - Over 86,000 households with nearly 16,000 children under the age of 5 within a 5-mile radius of the subject property
 - The property is located within the Millard Public School District
 - ◆ #2 "Best School Districts in Nebraska" – Niche (2020)
 - Walking distance to Aldrich Elementary School (465 students) and Grace Abbott Elementary School (435 students)



NOT A PART



WHY BUY A DAYCARE CENTER?

KINDERCARE



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS

DAYCARE INDUSTRY IS POISED FOR LONG-TERM GROWTH

- A daycare center is an **internet-resistant** investment
- Huge growth in child education centers in the U.S and in local market
- **25% growth** from 2007-2015 in average annual expenditure on child care services in the U.S.
- 210% revenue increase over the past 5 years in the daycare industry
- 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
- **\$3.3B in total sales** in 2018 for the childhood learning category, up 9.2% from 2017
- Kiddie Academy leads the way with a 23.7% increase in system wide sales among child care brands posting sales gains of more than 10%



7%
INCREASE

IN THE NUMBER OF
CHILDREN UNDER 5
IN THE NEXT 20 YEARS

\$47B
INDUSTRY

EXPECTED GROWTH
OF OVER \$1.8B OVER
THE NEXT 5 YEARS

\$12.5
MILLION

CHILDREN ARE
IN SOME TYPE OF
DAYCARE EVERY WEEK





OUTDOOR PLAY AREAS

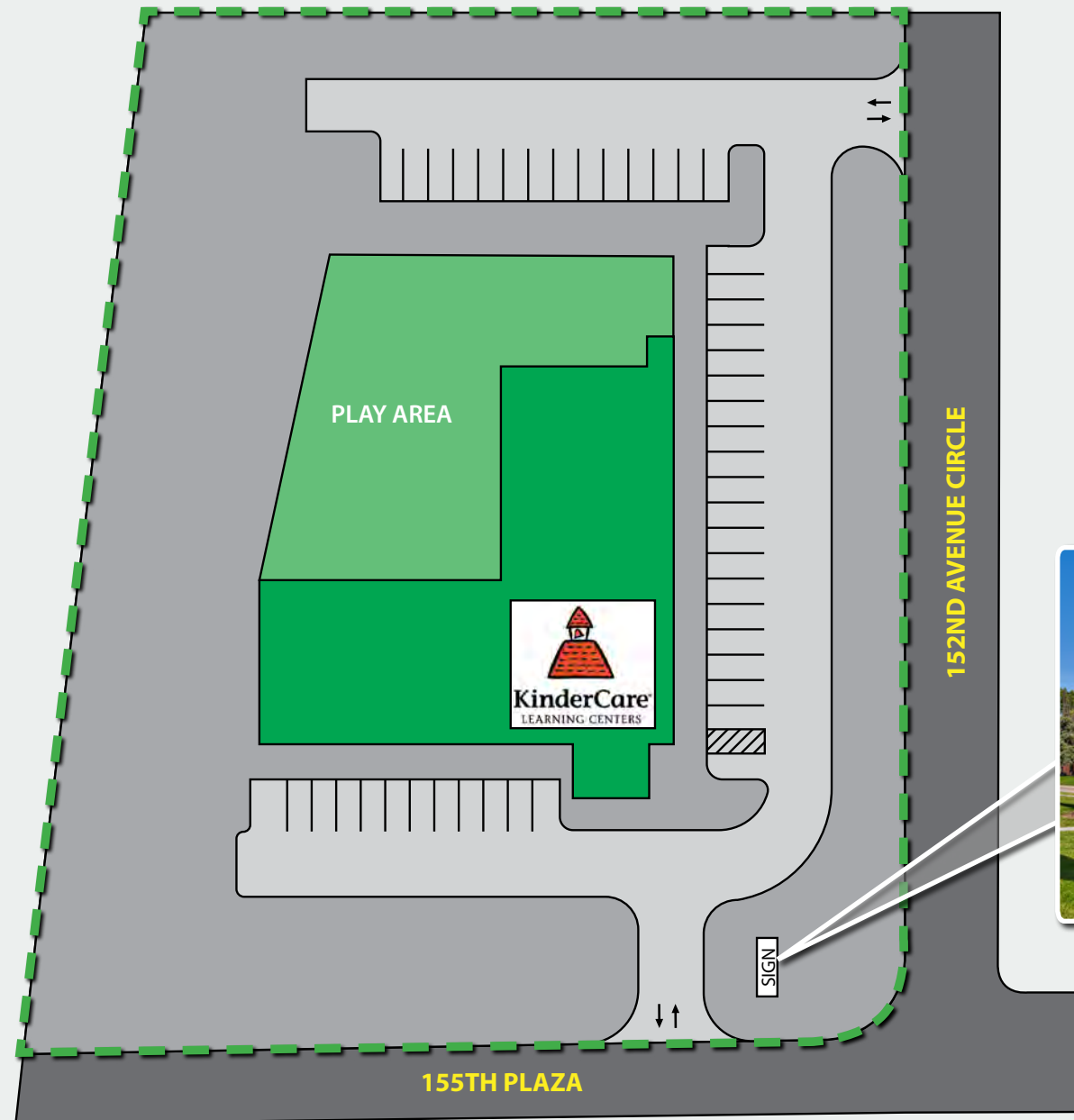


SITE PLAN / PARCEL MAP

KINDERCARE



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS



PROPERTY PARCEL

APN: R-17-W355-2000-0001



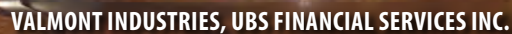
SUBJECT PROPERTY



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS



Regus
CORPORATE OFFICE



AERIAL OVERVIEW

KINDERCARE



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS



DEMOGRAPHICS

	Population	AHHI
1-Mile Radius	13,043	\$131,886
3-Mile Radius	92,603	\$122,835
5-Mile Radius	221,281	\$112,785



AERIAL OVERVIEW

KINDERCARE



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS



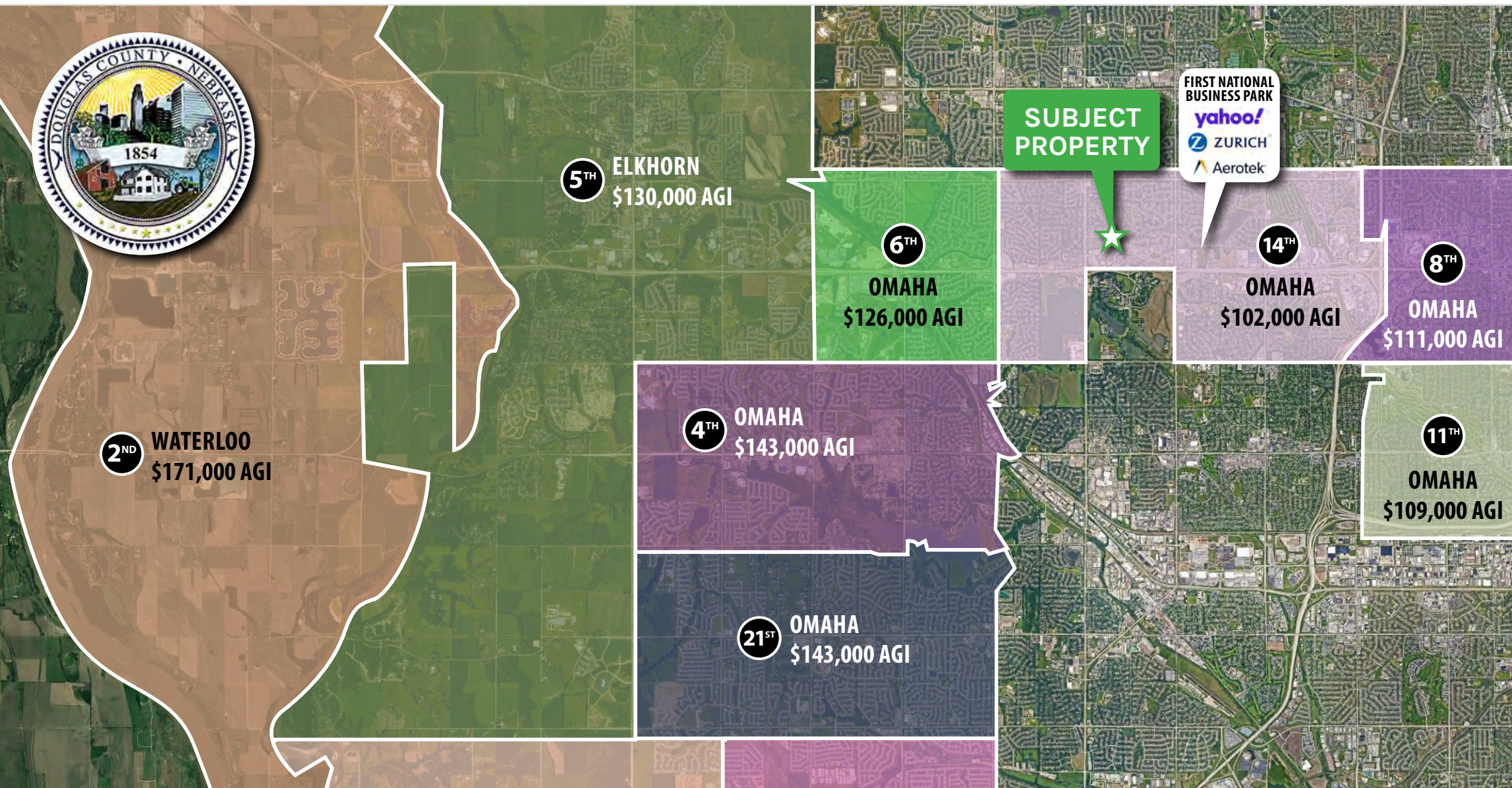
The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.

COUNTY OVERVIEW

MOST AFFLUENT ZIP CODES



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS



TOP 25 WEALTHIEST
Zip Codes in Nebraska

#1

AHHI IN THE STATE
- Boystown -

564K

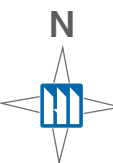
DAYTIME POPULATION
- Omaha -

#1

GROWING CITY (COUNTY)
- Bennington -

#1

BEST COUNTY FOR
YOUNG PROFESSIONALS



The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.



TENANT PROFILE

KINDERCARE



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS



KinderCare Learning Centers is the largest childcare provider in the United States, with more than 1,500 learning centers in 40 states and Washington D.C. Since 1969, the company has specialized in providing early childhood

education and care, creating research-backed classrooms, and programs that allow children to thrive. Results from the 2019 BRIGANCE® and TerraNova® national studies confirmed the impact that KinderCare programs have, showing that KinderCare children are better prepared for first grade, and the longer that children are enrolled in KinderCare programs, the sooner they achieve developmental milestones. The company employs over 30,000 teachers who serve 186,000 children every day.

Known for its red-roofed structures and friendly environment, KinderCare Education is 1 of only 17 other companies to ever win 3 consecutive years as a Gallup Great Workplace. KinderCare Education remains the first and only company in the early childhood education industry to be recognized by Gallup for this award, and one of only 40 companies worldwide to receive this distinction. The award honors organizations that have proven their ability to achieve exceptionally high levels of workplace engagement by investing in their people and culture.

KinderCare Education is the parent company of KinderCare Learning Centers and includes the additional brands of Knowledge Beginnings, Champions, The Grove School, and Cambridge Schools. The institution has delivered 24 quarters of top-line and bottom-line consecutive earnings growth. In 2018, the company further cemented its role as the largest childcare provider with the successful acquisition of Rainbow Child Care Center and its 150 centers in 16 states. Rainbow was the 8th largest child care provider in the nation at the time. The company confirmed this was the largest single acquisition for KinderCare since the company merged with Knowledge Learning Corporation in 2005.

- ***Gallup Great Workplace Award, (2017, 2018, 2019)***
- ***#1 Largest Childcare Provider***

Company Type: Private
Locations: 1,500
Website: www.kindercare.com



Omaha, Nebraska

- Largest city in Nebraska
 - 468,000 population; 942,000 in the metropolitan area
 - ◆ 3.6% population growth in 2018
- #2 "Top 10 Best U.S. Cities" – Resonance Consultancy (2019)

ECONOMY

- Diverse and stable economy specializing in trade, transportation and utilities; professional and business services; and education and health services
- Low cost of living and competitive wages drive economic growth
 - #3 "Among Comparative Cities For Cost Of Doing Business" - Greater Omaha Chamber (2019)
 - Top 5 "Most Popular Destinations For Millennials To Move And Stay" - Forbes (2019)
- 3% unemployment rate (versus 3.7% in the U.S.)
- \$58.1 billion gross metropolitan product;
- Largest employers are Offutt Air Force Base (7,500+ employees), CHI Health (7,500+ employees), and Methodist Health System (5,000+ employees)
- Widely recognized as one of the nation's most competitive and successful economic and quality of life environments
 - #1 "Economy and Standard of Living" - Resonance Consultancy (2019)
 - #1 "Beyond Silicon Valley: 5 Up-And-Coming Tech Hotspots" - Livability (2018)
 - #5 "10 U.S. Cities Where Employees Are Happiest" - Fortune (2018)
 - Top 10 "Housing Markets For Millennials" - CNBC (2019)
- \$1.8 billion in capital investment in the region in 2018
- \$2 billion annual economic impact from tourism
- Home to the corporate headquarters of 4 Fortune 500 companies and 4 Fortune 1000 companies, including Berkshire Hathaway, Union Pacific, and TD Ameritrade



#2

**TOP 10 BEST
U.S. CITIES**
– RESONANCE CONSULTANCY (2019)

Top 5

**MOST POPULAR
DESTINATIONS FOR
MILLENNIALS**
– FORBES (2019)

#1

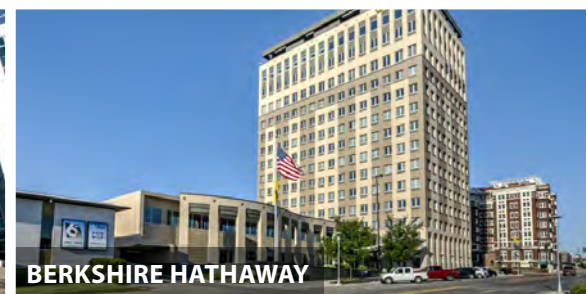
**5 UP-AND-COMING
TECH HOTSPOTS**
– LIVABILITY (2018)



DOWNTOWN OMAHA



CHI HEALTH CENTER



BERKSHIRE HATHAWAY



Omaha, Nebraska cont.

- #7 "Best Cities To Raise A Family" – Forbes (2018)
- #20 "Top 100 Best Places To Live" – Livability (2019)
- **Valmont Industries** - Relocating its headquarters from across the street; new \$50 million HQ Building will be 50% larger and hold 500 employees (previous location held 110 employees)

DEVELOPMENTS

- One of the largest urban developments in the U.S.
- **Heartwood Preserve** - 500-acre mixed-use urban redevelopment project expected to have upwards of 15,000 residents and 2 million square feet of commercial space; under construction
 - **Applied Underwriters** - New 50-acre campus; phase 1 includes a 260,000 square foot building which will accommodate 500 employees; phase 2 will add a new wing, which will hold hundreds of more employees
 - **Carson Group** - \$500 million Eppley Airport expansion/renovation
 - Other projects include up to 2,100 housing units, hotels, retailers, senior living facility, and auto dealerships
- **Riverfront Development** - \$290 million master planned revitalization with new amenities, public spaces, trails, and an urban beach; under construction
- **Conagra Campus** - \$500 million urban redevelopment part of the Riverfront Development; under construction
- **Avenue One** - 200 acres; \$1.2 billion mixed-use development; under construction
 - Includes 800,000 square feet of office, 700,000 square feet of retail, hotel, and 2,000 residential units
 - ◆ Bringing 6,500 permanent jobs
 - ◆ phase 1 complete early 2020



#1

**ECONOMY AND
STANDARD OF LIVING**
– RESONANCE CONSULTANCY (2019)

\$1.8B

**IN REGIONAL
CAPITAL INVESTMENT**

\$2B

**ANNUAL ECONOMIC IMPACT
FROM TOURISM**



BOB KERREY PEDESTRIAN BRIDGE



1416 DODGE OFFICE



HEARTWOOD PRESERVE



	<u>1-Mile</u>	<u>3-Mile</u>	<u>5-Mile</u>
Population			
2023 Projection	12,980	100,578	241,027
2018 Estimate	13,043	92,603	221,281
2010 Census	12,904	83,576	195,478
2000 Census	14,186	68,180	154,421
Growth 2010-2018	1.08%	10.80%	13.20%
Households			
2023 Projection	4,657	38,988	94,607
2018 Estimate	4,618	35,336	86,128
2010 Census	4,533	31,824	76,170
2000 Census	4,490	24,188	58,712
Growth 2000-2010	0.96%	31.57%	29.73%
Growth 2010-2018	1.88%	11.04%	13.07%
Growth 2018-2023	0.84%	10.34%	9.84%
2018 Est. Population by Single-Classification Race			
White Alone	11,880	82,028	193,422
Black or African American Alone	179	2,537	8,475
American Indian and Alaska Native Alone	39	250	597
Asian Alone	616	5,010	10,621
Native Hawaiian and Other Pacific Islander Alone	1	19	89
Some Other Race Alone	153	1,102	3,275
Two or More Races	174	1,488	4,242
2018 Est. Population by Ethnicity (Hispanic or Latino)			
Hispanic or Latino	431	3,461	9,621
Not Hispanic or Latino	12,612	89,142	211,660
2018 Est. Average Household Income	\$131,886	\$122,835	\$112,785

CONFIDENTIALITY AGREEMENT

KINDERCARE



HANLEY INVESTMENT GROUP, INC.
REAL ESTATE ADVISORS

The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. All financial projections are based on assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker and, therefore, are subject to material variation. This Marketing Package does not constitute an indication that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the information herein. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective buyers.

Neither Owner nor Broker nor any of their respective officers, Agents or principals has made or will make any representations or warranties, express or implied, as to the accuracy or completeness of this Marketing Package or any of its contents, and no legal commitment or obligation shall arise by reason of the Marketing Package or its contents. Analysis and verification of the information contained in the Marketing Package is solely the responsibility of the prospective buyer, with the Property to be sold on an as is, where-is basis without any representations as to the physical, financial or environmental condition of the Property.

Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or terminate discussions with any entity at any time with or without notice. Owner has no legal commitment or obligations to any entity reviewing this Marketing Package or making an offer to purchase the Property unless and until such sale of the Property is approved by Owner in its sole discretion, a written agreement for purchase of the Property has been fully delivered, and approved by Owner, its legal counsel and any conditions to the Owner's obligations thereunder have been satisfied or waived.

This Marketing Package and its contents, except such information which is a matter of public record or is provided in sources available to the public (such contents as so limited herein called the Contents), are of a confidential nature. By accepting this Marketing Package, you unconditionally agree that you will hold and treat the Marketing Package and the Contents in the strictest confidence, that you will not photocopy or duplicate the Marketing Package or any part thereof, that you will not disclose the Marketing Package or any of the Contents to any other entity (except in the case of a principal, who shall be permitted to disclose to your employees, contractors, investors and outside advisors retained by you, or to third-party institutional lenders for financing sought by you, if necessary, in your opinion, to assist in your determination of whether or not to make a proposal) without the prior authorization of the Owner or Broker, and that you will not use the Marketing Package or any of the Contents in any fashion or manner detrimental to the interest of the Owner or Broker.

EXCLUSIVELY LISTED BY:

Ed Hanley

President

kindercareomaha@higrea.com

844.818.7526 | NE Lic. #20180041



\$6+ BILLION

retail sales nationwide



SHARED DATABASE

collaborative proprietary database



TOP BROKERAGE GLOBALLY

in investment sales



COSTAR POWER BROKER

top sales brokers & firm in OC



NATIONWIDE REACH

retail & investors across the U.S.