



*ACTUAL SITE PHOTO



OFFERING
MEMORANDUM

KINDERCARE ABSOLUTE NNN LEASED OFFERING

1625 EAST FARWELL ROAD SPOKANE, WA 99208

OFFERING MEMORANDUM
PRESENTED BY:

MICHAEL PAEZ

VICE PRESIDENT OF
INVESTMENT SALES

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This Investment Offering Brochure is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate negotiations with any entity, for any reason, at anytime with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Investment Offering Brochure or making an offer to purchase the Property unless and until the Owner executes and delivers a signed Real Estate Purchase Agreement on terms acceptable to Owner, in Owner's sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agreed to release the Owner and The Kase Group Advisor from any liability with respect thereto.

To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.

Recipients of Offering Brochure shall not contact employees or tenants of property directly or indirectly regarding materials without prior written approval.

TABLE OF CONTENTS

| | |
|----|----------------------------|
| 04 | INVESTMENT OVERVIEW |
| 05 | FINANCIAL SUMMARY |
| 06 | TENANT OVERVIEW |
| 07 | LOCATION AERIAL |
| 09 | PROPERTY PHOTOS |
| 10 | REGIONAL OVERVIEW |
| 11 | DEMOGRAPHICS |
| 12 | AREA OVERVIEW |



INVESTMENT OVERVIEW



The Kase Group is pleased to present the opportunity to acquire a freestanding KinderCare property located in Spokane, WA, which is one of the top growth markets in the US. The subject property measures 9,897 SF and sits on 2.34 acres. KinderCare has been at this location since 2000 and will sign a new five-year lease at the close of escrow. The lease is absolute NNN with no landlord obligations and an 7.5% rental increase at the next option.

Backed by a strong job and housing market, Spokane is currently the third fastest-growing construction market in the US. Most notably, Amazon is expected to open a 2.5M square-foot fulfillment center in mid-2020, at the cost of \$181M. The center is expected to employ over 1,500 workers.

INVESTMENT HIGHLIGHTS

RELIABLE CORPORATE TENANT WITH LONG OPERATING HISTORY

ZERO LANDLORD OBLIGATIONS

SCHEDULED INCREASES IN RENT

STRONG DEMOGRAPHICS - 34K PEOPLE WITHIN 3 MILES

NEARBY ELEMENTARY FEEDER SCHOOLS

OFFERING SPECIFICATIONS

PRICE \$3,135,465

CAP RATE 6.75%

NET OPERATING INCOME \$211,644

SQUARE FOOTAGE 9,897

LOT SIZE 2.34 AC

MARKET SPOKANE

FINANCIAL SUMMARY

KINDERCARE ABSOLUTE NNN LEASED OFFERING

1625 E FARWELL RD. SPOKANE, WA 99208

\$3,135,465 • 6.75%

SUMMARY

| | |
|----------------|-----------------------------|
| TENANT NAME | KinderCare Learning Centers |
| SQUARE FOOTAGE | 9,897 SF |
| LEASE START | COE |
| LEASE END | 2025 |
| ANNUAL RENT | \$211,644 |
| OPTIONS | One, 5-Year |
| INCREASES | 7.5% at Option |

OFFERING SUMMARY

| | NET OPERATING INCOME | CAP RATE |
|-----------|-------------------------|----------|
| YEARS 1-5 | \$211,644 | 6.75% |
| OPTION 1 | \$227,517 | 7.26% |

TENANT OVERVIEW



KINDERCARE

KinderCare Learning Centers is an American operator of for-profit child care and early childhood education facilities founded in 1969 and currently owned by KinderCare Education. The company provides educational programs for children from six weeks to 12 years old. In terms of size, KinderCare is the third-largest privately held company headquartered in Oregon, and the company's executive leadership operates out of Portland. In 39 states and the District of Columbia, some 200,000 children are enrolled in more than 1,600 early childhood education community centers, over 600 before-and-after school programs, and over 100 employer-sponsored centers. KinderCare Education employs approximately 30,000 people in the United States; its headquarters are in Portland, Oregon.



1,900 LOCATIONS



30,000+ EMPLOYEES

LOCATION AERIAL



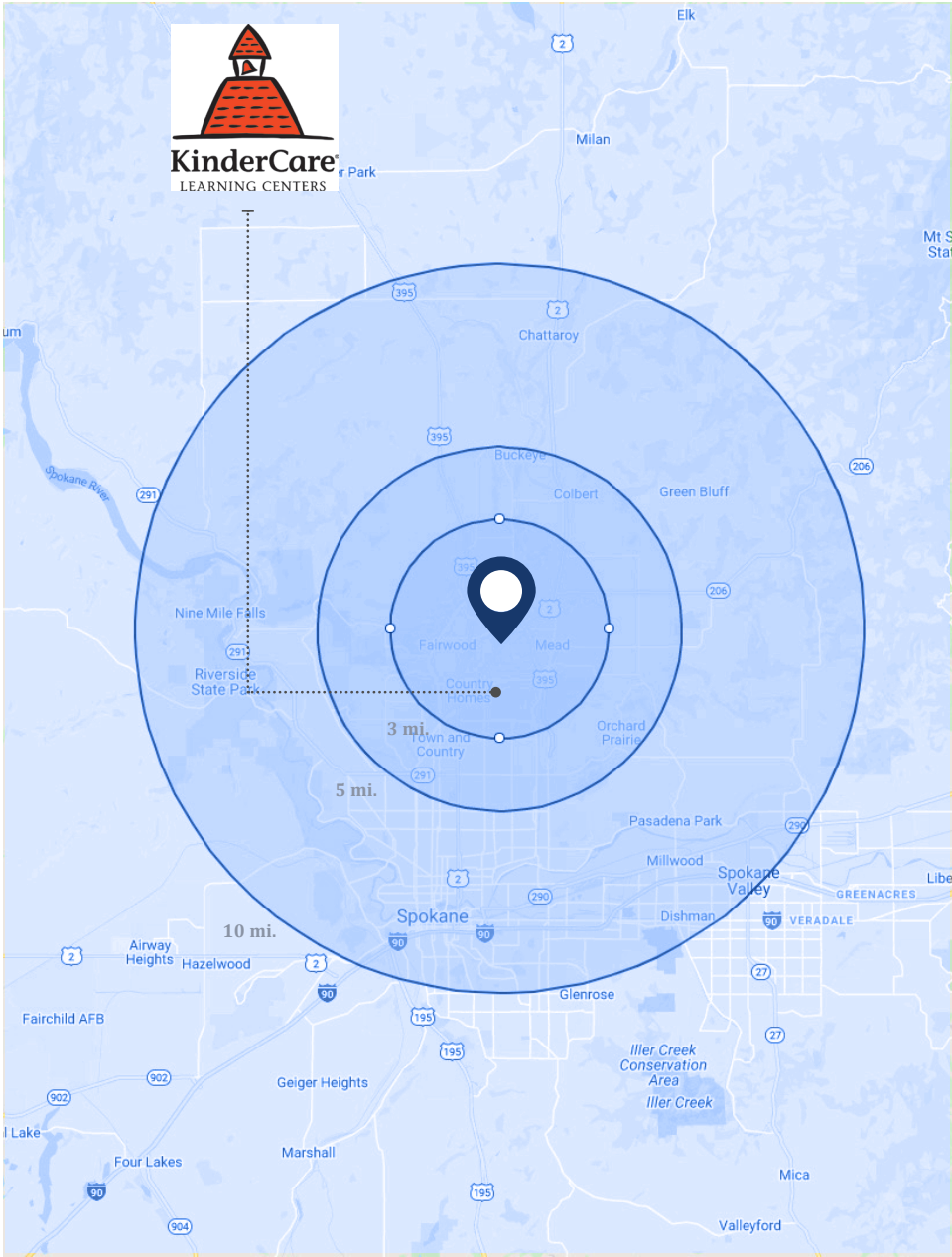
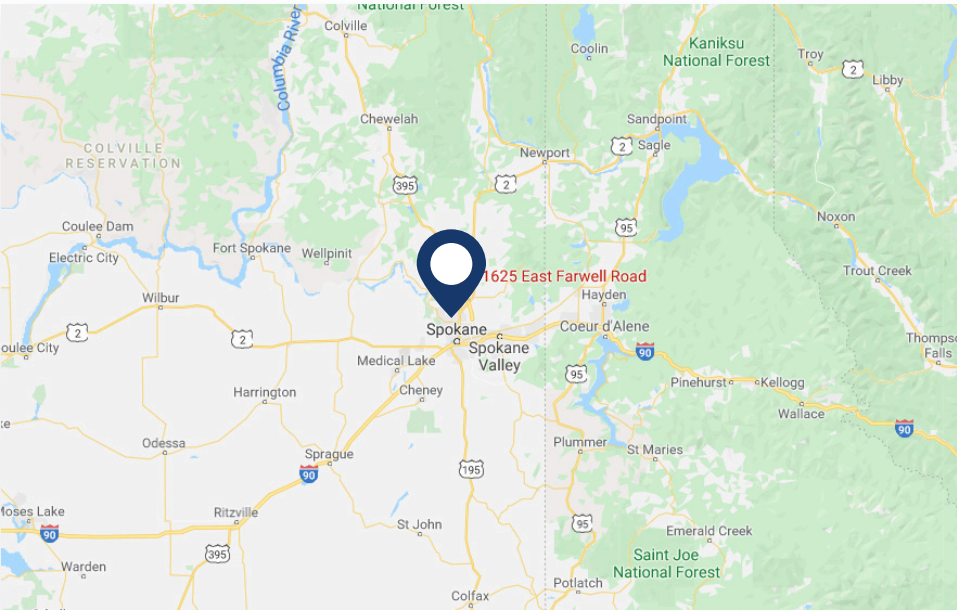
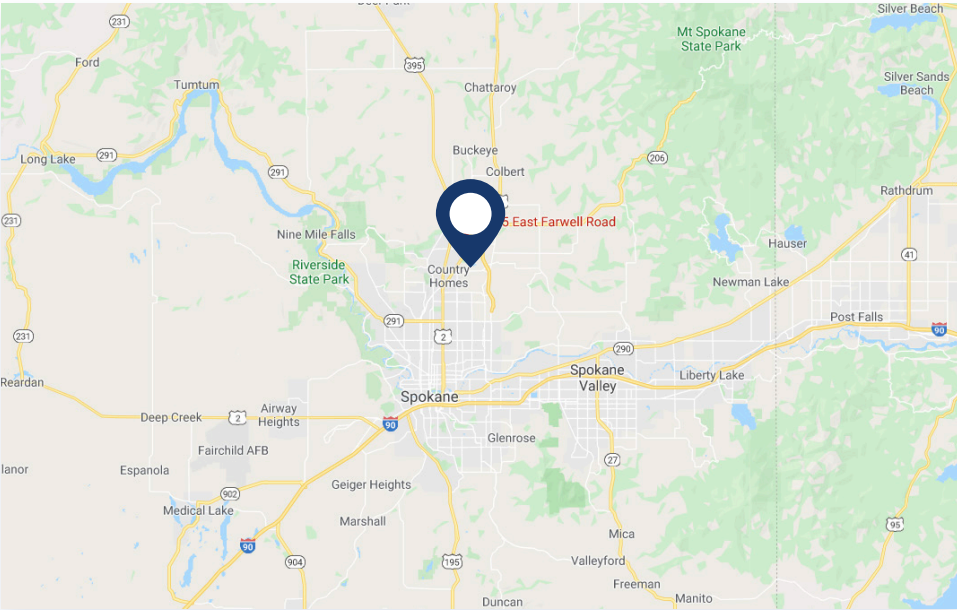
LOCATION AERIAL



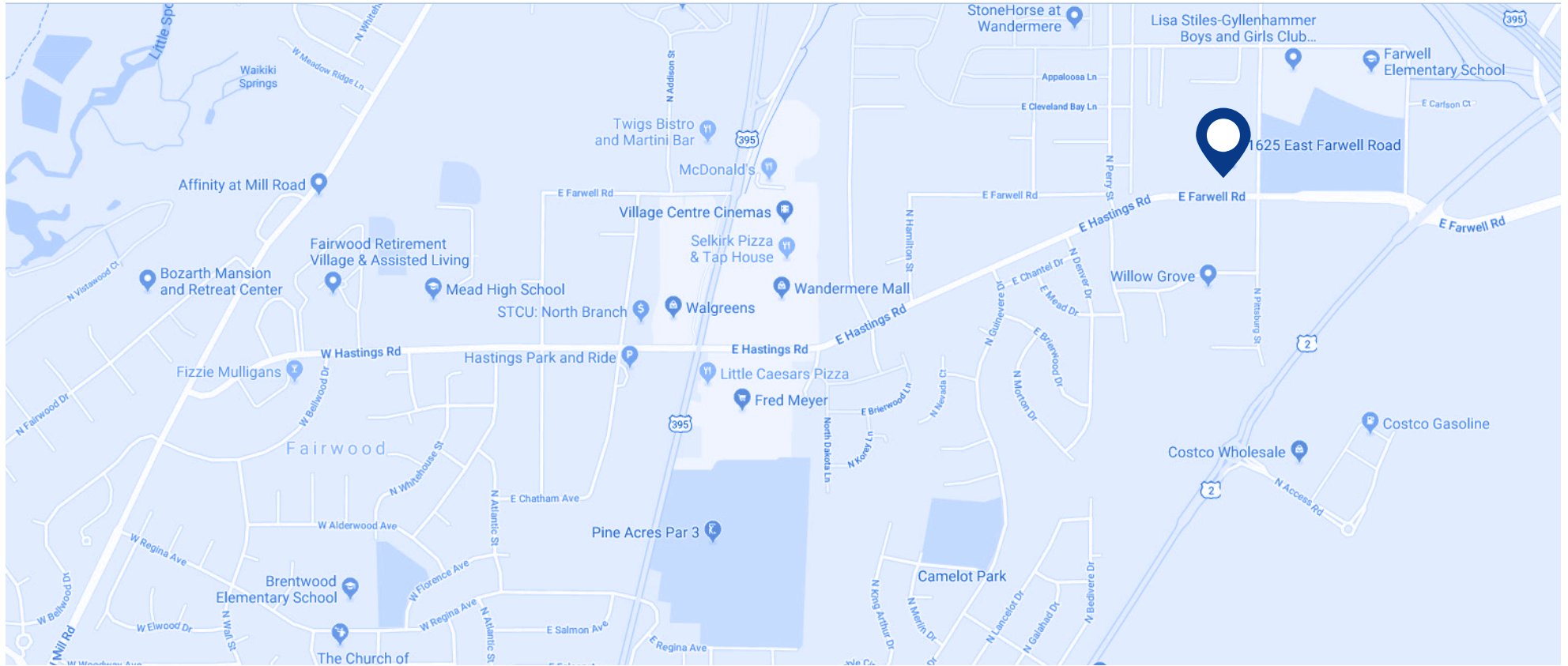
PROPERTY PHOTOS



REGIONAL OVERVIEW



DEMOGRAPHICS



| | 3 MILES | 5 MILES | 10 MILES |
|---------------------------------|-----------------|-----------------|-----------------|
| TOTAL POPULATION | 34,908 | 91,365 | 301,828 |
| TOTAL HOUSEHOLDS | 13,033 | 35,352 | 122,491 |
| AVERAGE HOUSEHOLD INCOME | \$77,758 | \$74,628 | \$66,819 |
| AVERAGE AGE | 38.50 | 38.20 | 38.20 |

AREA OVERVIEW

| DEMOGRAPHICS | 3 MILES | 5 MILES | 10 MILES |
|---------------------------|-----------|-----------|-----------|
| TOTAL POPULATION | 34,908 | 91,365 | 301,828 |
| TOTAL HOUSEHOLDS | 13,033 | 35,352 | 122,491 |
| PERSONS PER HOUSEHOLD | 2.60 | 2.50 | 2.40 |
| AVERAGE HOUSEHOLD INCOME | \$77,758 | \$74,628 | \$66,819 |
| AVERAGE HOUSE VALUE | \$240,275 | \$207,258 | \$184,767 |
| AVERAGE AGE | 38.50 | 38.20 | 38.20 |
| WHITE | 31,901 | 81,660 | 265,580 |
| BLACK | 369 | 1,415 | 6,720 |
| AM. INDIAN & ALASKAN | 517 | 1,612 | 6,360 |
| ASIAN | 645 | 2,202 | 7,504 |
| HAWAIIAN & PACIFIC ISLAND | 329 | 1,019 | 2,231 |
| OTHER | 1,146 | 3,457 | 13,433 |

SPOKANE, WASHINGTON

Spokane is a city in Spokane County in the state of Washington in the northwestern United States. It is located in eastern Washington along the Spokane River adjacent to the Selkirk Mountains and west of the Rocky Mountain foothills—92 miles south of the Canada-US border, 18 miles west of the Washington-Idaho border, and 279 miles east of Seattle along Interstate 90.

The Spokane metropolitan area consists of Spokane County. As of the 2018 census estimates, the Spokane metropolitan area had a population of 573,493, Directly east of Spokane County is the Coeur d'Alene Metropolitan Statistical Area, which consists of Kootenai County, Idaho, anchored by the city of Coeur d'Alene. The urban areas of the two MSAs largely follow the path of Interstate 90 between Spokane and Coeur d'Alene. The Spokane area has suffered from suburbanization and urban sprawl in past decades, despite Washington's use of urban growth boundaries; the city ranks low among major Northwest cities in population density and smart growth. The Spokane and Coeur d'Alene Metropolitan Statistical Areas (MSA) are now included in a single Combined Statistical Area (CSA) by the Office of Management and Budget.



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