



**KinderCare**

LEARNING CENTERS

TAUNTON, MA

**HORVATH  
& TREMBLAY**



**SINGLE TENANT NET LEASE OPPORTUNITY**

## LEAD AGENTS



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Horvath & Tremblay is pleased to present the exclusive opportunity to purchase a Triple Net (NNN) Leased "KinderCare" investment property located at 1361 Somerset Avenue in Taunton, Massachusetts (the "Property"). Constructed in 1989, KinderCare has operated at this location for 30 years, and they recently extended their lease through August of 2028.

The Property is located on MA Route 138, a primary roadway providing direct access to downtown Taunton, and US Route 44. The location is just minutes away from downtown Taunton, offering convenient access to one of the regions largest workforces. KinderCare is well positioned to meet the needs of the area, as the only nationally recognized Daycare and Early Learning Center in Taunton.

- **LONG TERM OCCUPANCY:** KinderCare has occupied this location for Thirty (30) Years and recently extended their lease term through August 2028 – Eight (8) Years Remaining.
- **TRIPLE NET LEASE:** KinderCare has a Triple Net Lease with a scheduled rent increase in 2023, and at the start of their renewal option. With no management responsibilities this is an attractive investment for the passive real estate investor.
- **STRONG CORPORATE GUARANTOR:** Corporate guarantee from KinderCare Learning Center, LLC an American operator of for-profit child care and early childhood education facilities.
- **RECESSION RESISTANT INVESTMENT:** The Childcare and Early Development industry is projected to have recession resistant long-term growth.
- **GROWTH INDUSTRY:** According to The Business Research Company, the Child Care Service Industry is predicted to grow at a compounded annual growth rate of over 11% by 2022. As a well-established facility, KinderCare will be positioned to meet that demand.
- **E-COMMERCE RESISTANT INVESTMENT:** Child Care and Early Learning Centers represent a rare "E-Commerce Resistant" asset class.
- **NATIONAL TENANT:** KinderCare has more than 2,300 locations across the United States, and is the only nationally recognized Daycare and Early Learning center in Taunton, MA.
- **STRONG DEMOGRAPHICS:** 68,500+ people live within a 5-mile radius of the Property with an average household income of \$84,747 making this a very busy center with high enrollment capacity throughout the year.





**\$1,022,977**  
LIST PRICE



**6.75%**  
CAP RATE



**\$69,051**  
NET OPERATING INCOME

1361 SOMERSET AVE | TAUNTON, MA 02780



TYPE OF OWNERSHIP:	Fee Simple
YEAR BUILT:	1989
BUILDING AREA:	5,664 SF
LAND AREA:	0.87 +/- Acres
LESSEE:	Kindercare Learning Centers, LLC
LEASE TYPE:	Triple Net
COMMENCEMENT DATE:	08/24/1990
EXPIRATION DATE:	08/31/2028
LENGTH OF OCCUPANCY:	30 Years
LEASE TERM REMAINING:	8 Years
RENEWAL OPTIONS :	1, 5-Year Option

**EXPENSE RESPONSIBILITIES**

CAM & BUILDING REPAIRS	Tenant Responsibility
RE TAXES	Tenant Responsibility
PROPERTY INSURANCE	Tenant Responsibility
UTILITIES	Tenant Pays Directly
HVAC	Tenant Responsibility
ROOF	Tenant Responsibility
STRUCTURAL REPAIRS	Tenant Responsibility

**ANNUALIZED OPERATING DATA**

YEAR	START	END	TERM	RENT	% INC
29-33	09/01/2018 - 08/31/2023		CURRENT	\$69,051	
34-38	09/01/2023 - 08/31/2028			\$75,956	10.0%
39-43	09/01/2028 - 08/31/2033		OPTION 1	\$83,552	10.0%



## ABOUT THE TENANT

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 based in Portland, Oregon. The company provides educational programs for children from six weeks to 12 years old. KinderCare is the third-largest privately held company headquartered in Oregon. 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 uses low teacher-to-student ratios that allow teachers to focus on the individual learning styles and needs of each child. Teacher-to-student ratios increase with each age group. For example, the teacher-to-student ratio in preschool classrooms is one teacher to twelve students, higher than other childcare facilities in the area. For example, La Petite Academy has a teacher-to-student ratio of one teacher to eight students in the preschool classroom.

KinderCare offers a developmentally appropriate and comprehensive curriculum for children in each age group. Each hour of the day is scheduled, even transitions from one activity to the next are laid out in the curriculum provided to the teachers. Two week units are built around themes that will interest the child. The lesson plans and activities support the physical, cognitive, and social-emotional development of the children. Daily lesson plans are given to teachers to complete in the classroom with the children. The format of the lesson plans are rigid to ensure children receive the same education in order to achieve universal success. Activities are required to be displayed on boards that are expected to change each week.

KinderCare offers programming for school-age children, as well. KinderCare provides door-to-door transportation for children to and from school. Full-day care for summer, winter, and fall break is offered for school-age children as well. School-aged children typically spend two hours before and after school at KinderCare centers. The KinderCare school-age curriculum focuses on social-emotional development in order to support children in becoming the kindest, most capable, and most resilient version of themselves. Daily lesson plans and activities are expected to be completed, including STEM projects, creative arts projects, despite the limited hours.

KinderCare was acquired in 2005 by the Knowledge Learning Corporation (KLC) division of Michael Milken's privately held education services firm, Knowledge Universe. The deal, valued at over US\$1 billion, made KLC the nation's largest private child care and education provider. In 2012, company revenues were \$1.45 billion, down from \$1.6 billion in 2010. In July 2015, Partners Group, a Swiss enterprise, bought Knowledge Universe. Knowledge Universe renamed itself as KinderCare Education in January 2016. The parent company, KinderCare Education, also operates Knowledge Beginnings, Children's Creative Learning Centers (CCLC), and Champions



OVERVIEW

The city of Taunton totals 48.4 square miles and is the seat of Bristol County, Massachusetts. The city sits 18 miles east of Providence, Rhode Island, and 38 miles south of downtown Boston, Massachusetts. Taunton is positioned in the heart of southeast Massachusetts and bordered by Norton and Easton to the north, Raynham and Lakeville to the east, Dighton and Berkley to the south, and Rehoboth to the west. Taunton is one of the oldest towns in the United States and continues to be the demand driver in Bristol County. The city has an abundance of retail shopping, dining and entertainment destinations, catering to the region. Today the city is home to the corporate headquarters of many leading corporations in various industries, with an emphasis on semiconductor, silicon and electronics manufacturing, as well as biotech research. Taunton is also home to The Myles Standish Industrial Park, a thriving 809-acre business community, is one of the largest in New England with over 100 companies and 7,400 employees.

Taunton is the central highway hub of southeastern Massachusetts and adjacent to the interchange between Interstate 495 and Route 24, two principal highways that run through the city. U.S. Route 44 is Taunton's foremost east/west corridor and serves as a major roadway for traffic traveling between Providence, Rhode Island, and Massachusetts' south shore coastline beaches. Other important Taunton highways are Routes 138 and 140.



	3 MILES	5 MILES	10 MILES
<b>POPULATION</b>			
2020 Estimate	32,068	68,594	196,953
2025 Projection	32,889	70,427	201,774
2010 Census	30,378	65,339	188,298
<b>BUSINESS</b>			
2020 Est. Total Businesses	1,452	2,495	7,224
2020 Est. Total Employees	13,417	24,155	78,154
<b>HOUSEHOLDS</b>			
2020 Estimate	13,348	27,660	75,508
2025 Projection	13,530	28,066	76,523
2010 Census	12,184	25,418	69,556
<b>INCOME</b>			
Average Household Income	\$75,740	\$84,747	\$104,854
Median Household Income	\$62,844	\$69,736	\$86,844



**68,500+**  
PEOPLE WITHIN 5 MILES



**24,000+**  
EMPLOYEES WITHIN 5 MILES



**\$84,500+**  
AVERAGE HOUSEHOLD INCOME









  
**KinderCare**  
LEARNING CENTERS

SOMERSET AVE



