

KINDERCARE

855 Paseo Westpark | Irvine, CA 92606

OFFERING MEMORANDUM

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AREA OVERVIEW

KINDERCARE

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OFFERING MEMORANDUM





TUSTIN LEGACY

INDUSTRIAL SECTOR
± 10,000,000 SF



PASEO WESTPARK

UCI University of California, Irvine
± 33,500 TOTAL ENROLLMENT



PLAZA PARK

WEST PARK POOL



PASEO WESTPARK



INDUSTRIAL SECTOR
± 4,000,000 SF

JAMBOREE ROAD
± 52,000 VPD



PASEO WESTPARK

WEST PARK POOL

CHASE

petco

99 RANCH MARKET

McDonald's

TASTY NOODLE HOUSE

O'Reilly AUTO PARTS

TASTE OF TAIWAN

Tasty Garden

M. AZHOUN DINE & DRINK

SAM WOO RESTAURANT

ALL THAT BARBECUE

BevMo!

SUPERCUTS

SUBWAY

Starbucks

Albertsons

USbank

WELLS FARGO

KOHL'S

HARVARD AVE
± 15,000 VPD



PASEO WESTPARK

WESTPARK POOL

EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS

LOCATION

- **Prime SoCal Real Estate** – The subject property sits on over an acre of land in Orange County.
- **#1 Rated City in Orange County** – According to Niche, Irvine and its various neighborhoods monopolize the “2021 Best Places to Live in Orange County” list by holding 9 out of the top 10 spots. Westpark where the subject property is located is ranked #2 on that list for good reason. The surrounding homes are valued in the low to mid one-million-dollar range, average household income within 1 mile is \$155k+, the public school system is top 5 nationally, and it’s one of the country’s best cities to raise a family.
- **Top 3 City to Raise a Family** – Wallethub analyzed and ranked 182 U.S. cities and determined that Irvine, CA ranked 3rd best city to raise a family due in large part to its “Health & Safety” category which ranked #1 on that list and more importantly to this deal its “Education & Childcare” ranked #3.
- **Large University Town** – The University of California – Irvine which has a student population of 37,000+ is one of the best colleges in California. The UCI Anteaters have NCAA Division 1 athletic programs for Baseball, Women’s Basketball, and Men’s Basketball who made it the March Madness Tournament in 2020.
- **Second Largest MSA in the Country** – Los Angeles-Long Beach-Anaheim MSA is the 2nd largest metropolitan area in the country with an estimated 13 million people.

LEASE

- **Corporate Lease** – Kindercare, who has 1,500+ locations and 36,000+ employees and 200,000+ students enrolled in their centers, is the tenant on the lease.
- **Ideal 1031 Exchange Candidate** – Due to an early renewal, there are 8+ years remaining on the lease, which offers long-term and steady cash flow.
- **Zero Landlord Responsibilities** – Tenant takes care of taxes, insurance, and all maintenance, offering a “hands off” passive investment for both locals and out-of-state investors.
- **Extreme Commitment by Tenant** – Kindercare has been operating at this location for 17+ years. Halfway through their first renewal and in the middle of a pandemic, landlord struck a deal with them that lead to an early renewal out to 2029 with its scheduled rent increase.

FINANCIAL OVERVIEW



\$6,170,200

LIST PRICE



\$277,659

NOI



4.50%

CAP RATE



±49,353 SF

LOT SIZE

BUILDING INFO

Address	855 Paseo Westpark Irvine, CA 92606
GLA of Building	±9,783 SF
Lot Size	±47,353 SF (±1.09 Acres)

TENANT SUMMARY

Tenant Name	Kindercare
Type of Ownership	Fee Simple
Lessee Entity	Corporate
Lease Type	NNN
Roof and Structure	Tenant Responsible
Term Remaining	±7.5 Years
Original Lease Term	15 Years
Lease Commencement Date	2/9/04
Lease Expiration Date	2/28/29
Options	2,5-Year
GLA (SF)	±9,783
Lot Size	±49,353 SF (±1.08 Acres)
ROFR	15 Business Days

ANNUALIZED OPERATING DATA

Date	Monthly Rent	Annual Rent	Annual Rent/SF
Current - 2/28/2024	\$23,138	\$277,659	\$28.38
3/1/2024 - 2/28/2029	\$24,064	\$288,765	\$29.52
Option 3	\$25,026	\$300,316	\$30.70
Option 4	\$26,027	\$312,328	\$31.93

*Stated rents assume CPI increases reach the allotted 4% ceiling per the lease

DEBT QUOTE

Please contact a Matthews™ Capital Markets Agent for financing options:

Patrick Flanagan

Phone: (214) 620-1939

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TENANT OVERVIEW



1,500+
LOCATIONS



36,000+
EMPLOYEES



200,000+
STUDENTS OVERVIEW

| KINDERCARE OVERVIEW

KinderCare Learning Centers is an American operator of for-profit child care and early childhood education facilities. KinderCare Learning Centers was founded in 1969 and is 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. The teacher-to-student ratio in preschool classrooms is one teacher to twelve students, higher than other childcare facilities in the area. KinderCare offers a developmentally appropriate and comprehensive curriculum for children in each age groups. 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.

KinderCare offers programs 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.

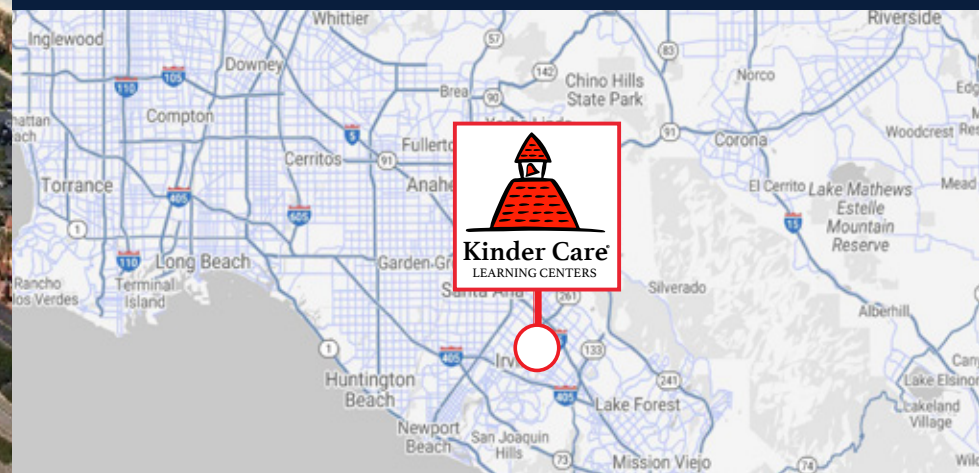
AREA OVERVIEW

IRVINE, CA

Situated in Orange County, California, the city of Irvine is one of the most prominent areas to live and raise a family. Not only does it have a top-tier university, UC-Irvine, but it also has one of the best public school systems in the entire country. Location wise, it's next to John Wayne Airport, Newport Beach, Tustin, and Costa Mesa, which offers residents easy access to the beach and businesses easy access to valuable office and industrial space. Irvine, Tustin, and Costa Mesa have millions of square feet to offer nearby.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2026 Projection	24,953	203,482	501,097
2021 Estimate	24,852	199,837	489,579
2010 Census	23,557	173,976	412,069
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2026 Projection	8,333	73,156	165,702
2021 Estimate	8,352	71,997	161,905
2010 Census	8,217	63,602	136,533
INCOME	1-MILE	3-MILE	5-MILE
Avg HH Income	\$151,127	\$129,478	\$128,362



ECONOMY

As one of the biggest, most culturally diverse, and successful master-planned communities in the country, Irvine is an ideal location for business. With a diverse local economy, access to a talented labor force, mild climate, and great quality of life, Irvine is a safe and fiscally sound community for businesses and working professionals. The city is home to over 25,000 businesses, most of which are technology and bioscience companies. Irvine has more than 10,000 acres of space available for business use. Major industrial and commercial centers in the city include Irvine Business Complex, University Research Park, and the Irvine Spectrum. Irvine is also home to UC Irvine, a premier research university known for its academics and innovations. The city is served mainly by Interstate 5 and Interstate 405. Interstate 5 connects the city to Los Angeles, San Diego, and other Orange County cities. Interstate 405 connects the city to Westminster, Fountain Valley, and Costa Mesa.

#3 IN BEST PLACES TO RAISE A FAMILY

(WalletHub, 2021)

#1 PLACE TO START A BUSINESS IN CALIFORNIA

(Wallethub, 2021)

#1 BEST PLACE TO LIVE

(Best of Orange County, 2021)

#5 BEST PUBLIC SCHOOLS IN AMERICA

(Niche, 2021)

ATTRACTIONS

A Southern California economic center, Irvine is a postcard destination of Orange County. Well executed city planning and diverse natural spaces provide tourists plenty of places to explore, including the Irvine Spectrum Center outdoor shopping center with a Ferris wheel. Outdoor attractions and cultural appeal collide at the Orange County Great Park in Irvine, with unique park amenities in the form of sports complexes, art galleries, and a big orange balloon ride.

A popular day or weekend trip from Irvine, the neighboring city of Newport Beach provides the fastest route to the ocean and a scenic coastal getaway. From Newport Beach, the charming neighborhood of Balboa Island is easily accessible, adding even more scenic seaside appeal. Under an hour's drive from Los Angeles, Irvine provides a welcome getaway from the sprawl of the city. Find the best places to visit with our list of the top things to do in Irvine.

WESTPARK II

As part of Irvine, CA, Westpark contributes to Irvine's reputation as being one of America's safest cities since 2005. Irvine Unified School District enjoys a lasting status as a high-quality educational district, and Westpark's public schools mirror the district's example.

#2 BEST PLACE TO LIVE IN ORANGE COUNTY

(Niche, 2021)

#1 BEST PLACE TO RAISE A FAMILY IN ORANGE COUNTY

(Niche, 2021)

IRVINE SPECTRUM CENTER

The Irvine Spectrum is not just an outdoor shopping center but rather a one-stop destination. Most known for its LED 108-foot-high Giant Wheel attraction and 100+ boutiques and shops, it also offers the Improv Comedy Club, a 21-screen movie and IMAX theater, a 24-hour fitness center, a spa and more than 30 dining establishments from gourmet to quick grab-and-go

NORDSTROM

FABLETICS

ANTHROPOLOGIE

HOLLISTER



TARGET



REGAL

Brandy Melville

URBAN OUTFITTERS



**california
PIZZA KITCHEN**



P.F. CHANG'S

Habana



**WOOD RANCH
BBQ & GRILL**





UNIVERSITY OF CALIFORNIA IRVINE

Known for its academic excellence and diversity, the University of California, Irvine is one of the country's top public research institutions. UCI offers 87 bachelor's degrees, 84 master's degrees, and 53 doctorate degrees. Popular areas of study include biological sciences, computer science, and psychology. The university is home to the nation's first school of social ecology, as well as The Blum Center for Poverty Alleviation, a program that targets inequality through education, research, and innovative practices. The UC Irvine Anteaters compete in the Big West Conference at the Division I level. The Anteaters have won 28 national championships in nine different team sports. Currently, more than 37,000 students attend UC Irvine. Overall, UC Irvine has an annual economic impact of \$7 billion in Orange County.

#2 IN TOP PERFORMERS ON SOCIAL MOBILITY

(U.S. NEWS & WORLD REPORT, 2021)

#8 IN TOP PUBLIC SCHOOLS

(U.S. NEWS & WORLD REPORT, 2021)



The county is well known for its tourism, as well as over 40 miles of California beaches/coastline.



Orange County is an educational hub containing 9 universities.



Orange County is home to several well-known shopping malls including South Coast Plaza, Fashion Island, Brea Mall, Irvine Spectrum and Downtown Disney.

ORANGE COUNTY

One of California's densest county's population-wise, is an entertainment capital in California. It is home to Disneyland Resorts, Knott's Berry Farm, Medieval Times, Pirates Dinner Adventure, Hornblower Cruises & Events, Catalina Flyer, 40 miles of beaches, a professional baseball team (Los Angeles Angels of Anaheim), Mighty Ducks hockey team, two major universities, University of California, Irvine, and California State University Fullerton, and more! With a population of over 3.176 million residents, Orange County is the third-most populous county in California. There are 34 incorporated cities within the county. There is no defined urban center of Orange County, most of the county is comprised of suburban neighborhoods aside from older cities within the county such as Anaheim, Fullerton, Huntington Beach, and Orange which have traditional downtown centers.

Orange County is an educational hub containing 9 junior colleges and 15 four-year universities including California State University, Fullerton, and the University of California, Irvine.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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REAL ESTATE INVESTMENT SERVICES

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