

THE LEARNING EXPERIENCE - 20 YR NNN LEASE

8693 NORTH SILVERBELL ROAD, MARANA, ARIZONA



REPRESENTATIVE PHOTO

OFFERING MEMORANDUM

Marcus & Millichap



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EMPLOYERS

- 1 The Ritz-Carlton Dove Mountain
- 2 Marana Unified School District
- 3 CTI, Inc.
- 4 CEMEX Marana Apex Concrete Plant
- 5 CalPortland Rillito Cement Plant
- 6 American Furniture Warehouse
- 7 Bill Luke Auto Dealership
- 8 Tucson Premium Outlets
- 9 Swire Coca-Cola, USA

HOUSING

- 10 Dove Mountain
- 11 San Lucas Homes
- 12 Gladden Farms
- 13 The Preserve and Retreats at Twin Peaks
- 14 Saguaro Bloom
- 15 Continental Ranch
- 16 Colina de Anza Traditions
- 17 Continental Reserve

SAFeway

ANYTIME FITNESS
Walgreens

Old Navy
maurices
TUCSON PREMIUM OUTLETS

AMERICAN
Furniture Warehouse
COMING SOON

TWIN PEAKS
K-8 SCHOOL

THE LEARNING
EXPERIENCE
Academy of Early Education

REDEEMER
LUTHERAN
SCHOOL

RATTLESNAKE RIDGE
ELEMENTARY SCHOOL

COYOTE TRAIL
ELEMENTARY SCHOOL

LEMAN ACADEMY
OF EXCELLENCE

Walmart

QUARRY PINES GOLF CLUB

W TWIN PEAKS ROAD

N SILVERBELL ROAD

N CORTARO ROAD



Executive Summary

8693 North Silverbell Road, Marana, AZ 85743

FINANCIAL SUMMARY

Price	\$5,627,000
Cap Rate	6.60%
Net Cash Flow	6.60% \$371,378
Building Size	9,058 SF; 7,133 SF Playground
Year Completed	2024
Lot Size	0.96 Acres

LEASE SUMMARY

Lease Type	Triple-Net (NNN) Lease ⁽¹⁾
Tenant	TLE at Silverbell, LLC
Guarantor	The Learning Experience Corp. ⁽²⁾
Est. Lease Commencement Date	March 2024
Est. Lease Expiration Date	March 2044
Lease Term	20 Years
Rental Increases	10% Every 5 Years; See Rental Chart
Renewal Options	2, 5 Year Options
Right of First Refusal	None

FOOTNOTES:

(1) – Landlord shall be responsible for the structural integrity of the Building.

(2) – Guarantor is The Learning Experience Corp. and the guaranty of rent shall be limited to a maximum liability amount of \$800,000 in the aggregate and this maximum amount shall be reduced by \$160,000 on each anniversary of the Effective Date, until such time as said amount has been reduced to Zero, at which time this Guaranty of Rent shall become null, void, and of no further force or effect.

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate to Buyer
Years 1 – 6	\$371,378.00	6.60%
Years 7 – 11	\$408,515.80	7.26%
Years 12 – 16	\$449,367.38	7.99%
Years 17 – 20	\$494,295.06	8.78%
Renewal Option 1	Annual Rent	Cap Rate to Buyer
Year 21	\$494,295.06	8.78%
Years 22 – 25	\$543,751.74	9.66%
Renewal Option 2	Annual Rent	Cap Rate to Buyer
Year 26	\$543,751.74	9.66%
Years 27 – 30	\$598,099.74	10.63%

Base Rent	\$371,378
Net Operating Income	\$371,378
Total Return	6.60% \$371,378



Americas
Furniture Warehouse

COMING SOON

Old Navy OFF 5TH
maurices

Hampton by Hilton BANANA REPUBLIC
SKECHERS GAP

TUCSON PREMIUM OUTLETS

104,575 CPD
INTERSTATE 10 FWY

QUARRY PINES GOLF CLUB

CONTINENTAL RANCH
COMMUNITY PARK

SELF STORAGE FACILITY
[COMING SOON]

**THE LEARNING
EXPERIENCE**
Academy of Early Education

WATERMARK
RETIREMENT COMMUNITIES®

Chevron

**NATIONAL
SELF STORAGE**

N SILVERBELL ROAD

16,700 CPD
N SILVERBELL ROAD

200 APARTMENT
UNITS COMING SOON

TWIN PEAKS
K-8 SCHOOL

Walgreens



ANYTIME
FITNESS



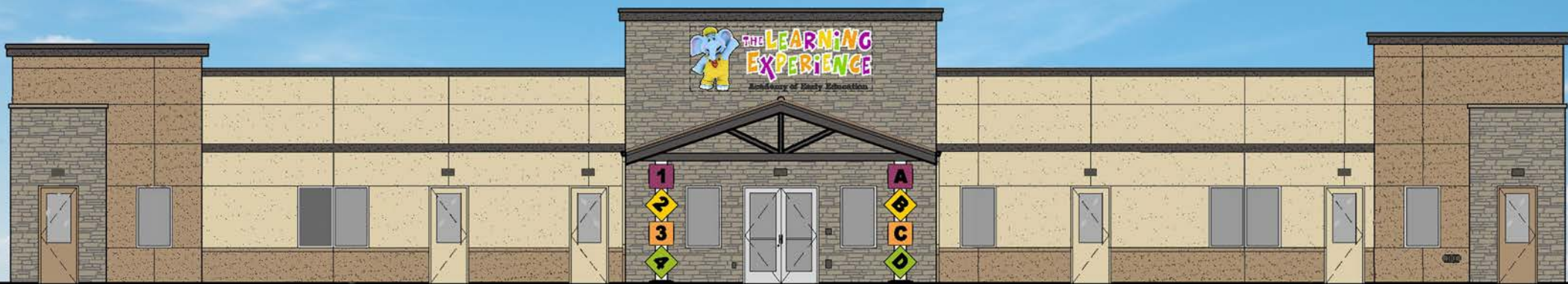
16,700 CPD
N SILVERBELL ROAD



200 APARTMENT
UNITS COMING SOON



Property Description



INVESTMENT HIGHLIGHTS

- » **Brand New 20-Year Triple-Net (NNN) Lease**
- » High-Quality 2024 Construction with a 7,133 SF Playground
- » **10 Percent Rental Increases Every Five Years with Multiple Renewal Options**
- » The Learning Experience is One of the Fastest-Growing Early Childhood Education Franchisors in the U.S. with 600 Centers Open or Under Development
- » **No. 1 Childcare Franchise by Entrepreneur Magazine and No. 1 Education Franchise by Franchise Business Review**
- » Situated in the Continental Ranch Master-Planned Community
- » **57,325 Residents within a Five-Mile Radius - Growing Trade Area in the Tucson MSA**
- » Average Household Income Exceeds \$136,000 in the Immediate Area
- » **Convenient Location Along North Silverbell Road (16,700 Cars per Day), Two Miles Off the Interstate 10 Freeway (104,575 Cars per Day)**
- » Close Proximity to National Retailers: Safeway, Fry's, Walmart, Starbucks, Kohl's, LA Fitness, TJ Maxx, Ross, Petco, etc.
- » **Lucid Motors, Procter & Gamble and Nikola within Easy 30 Minute Drive**



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2028 Projection	12,357	31,580	59,605
2023 Estimate	12,132	30,780	57,325

Households

2028 Projection	4,284	11,657	21,606
2023 Estimate	4,289	11,568	22,511
2023 Est. Households with Children	1,687	3,992	6,719

Income

2023 Est. Average Household Income	\$136,013	\$128,934	\$116,956
2023 Est. Median Household Income	\$105,286	\$99,864	\$89,161

Tenant Overview



DEERFIELD BEACH, FLORIDA
Headquarters



THELEARNINGEXPERIENCE.COM
Website



600+
Centers Open or
Under Development



2002
Founded

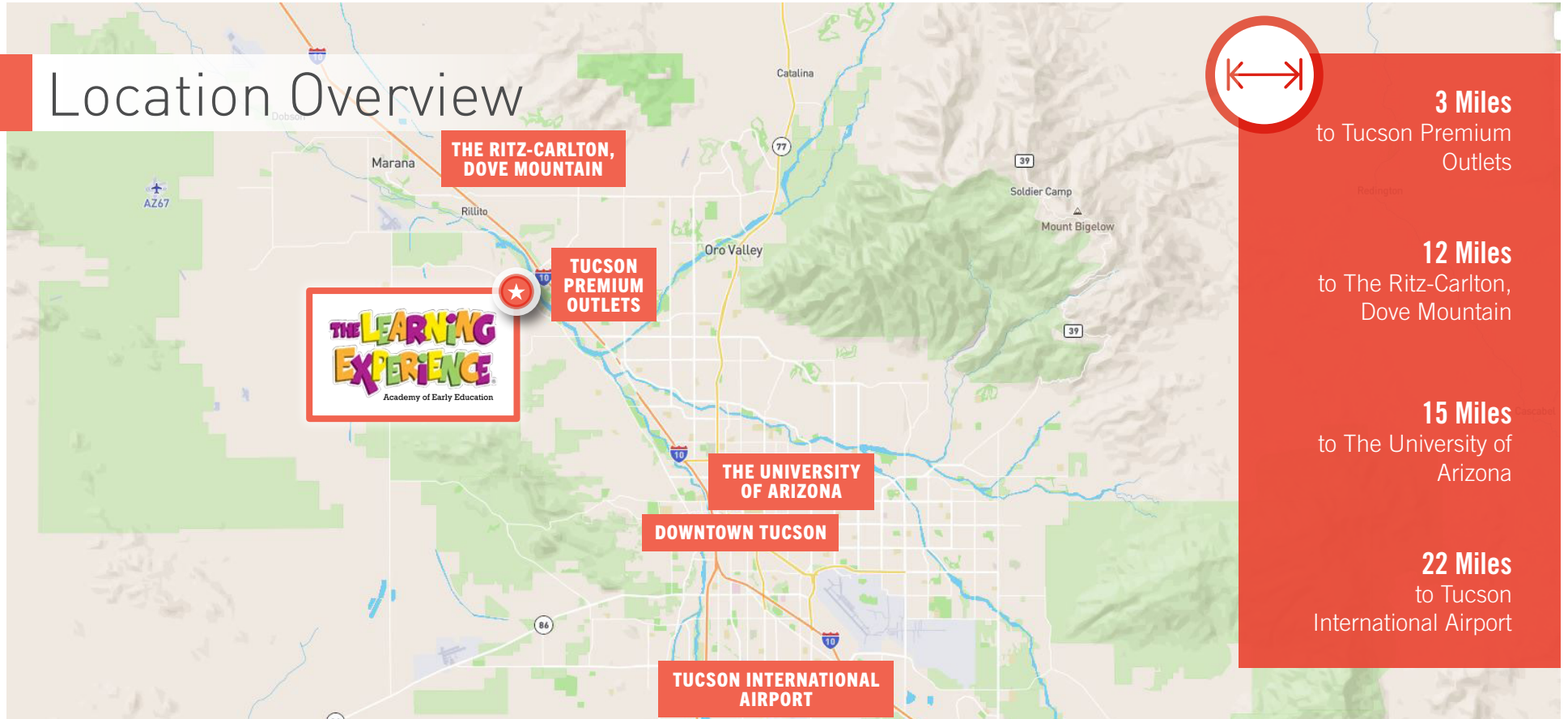
The Learning Experience ("TLE") is one of the fastest-growing early childhood education franchisors in the U.S. With more than 40 years of experience developing best-in-class childcare brands, the Weissman family founded TLE in 2002. Currently, TLE has roughly 600 centers open or under development. In 2020, TLE opened its first United Kingdom location as part of a strategic growth plan to expand the TLE footprint to 70+ centers in the U.K. over the next five years and grow its global presence. TLE serves 50,000 students daily and collaborates with 1,000 corporate partners. The company's 2023 system-wide sales totaled \$700 million. System-wide sales growth between 2018 and 2023 is projected to be 22%.

TLE locations feature approximately 10,000 square-foot centers with separate classrooms specifically designed to meet the needs of children of all ages, as well as spacious, fenced-in playgrounds with designated areas for infants, toddlers, and preschoolers. For the last 10 years, TLE has partnered with Make-A-Wish Southern Florida to teach its children the value of kindness and generosity in class, at home, and in their communities through its philanthropy curriculum.

Construction Photos | October 2023



Location Overview



Located just northwest of Tucson in southern Arizona, Marana is a town that lies mostly in Pima County with a small portion in Pinal County. Home to nearly 52,000 residents, it is among the fastest-growing cities in Arizona, growing at a rate of nearly 150 percent since 2000. Marana is home to a number of world-class science and technology companies and is also home to the Forbes 5-Star Rated world-class Ritz-Carlton Dove Mountain Resort.

In recent years, Marana has experienced rapid commercial and residential growth. The Tucson Premium Outlets, as well as the new 200,000-square-foot American Furniture Warehouse and Bill Luke Dealership, are located at I-10 and Twin Peaks Road. Near the Tucson Premium Outlets, Tucson Medical Center will be constructing a new health care campus.

Approximately six miles north of the subject property, Mesa, Arizona-based development company Bela Flor Communities is developing a 162-acre mixed-use project. This development will consist of residential, shopping, and entertainment, and is projected to add as many as 1,500 new residential units. In response, Marana Mayor Ed Honea stated to AZCentral.com that this project will be an asset adding much-needed rentals to the area to meet demand. This project will be adjacent to the 342-acre master-planned community, Mandarin, which is currently in development. With large companies such as Lucid Motors, Procter and Gamble, and Nikola Corporation having operations near Marana within an easy 30 minute drive, Mayor Honea attributes much of the town's growth to employees choosing to live in Marana.

Tucson Metropolitan Area

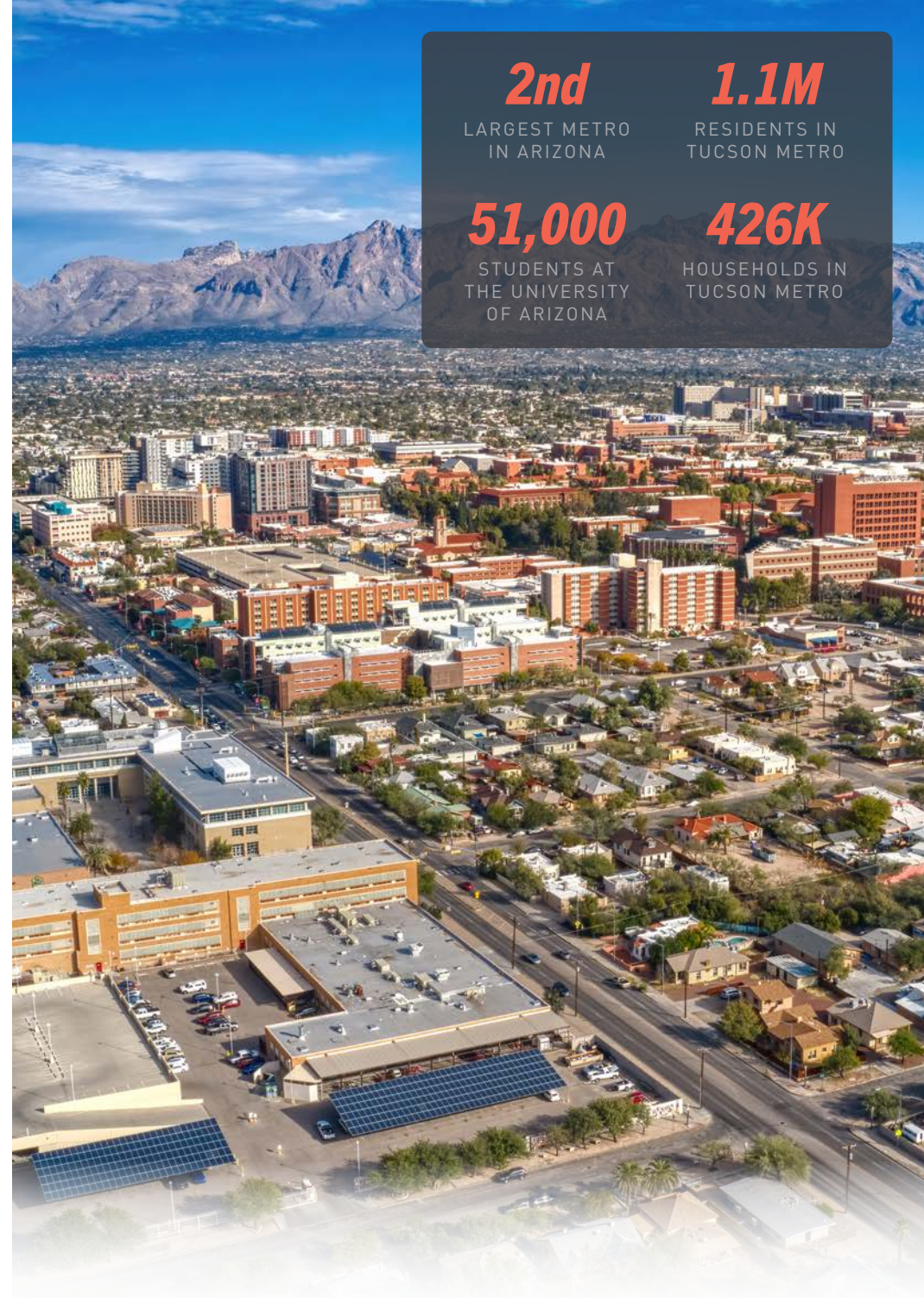
Tucson is the second largest metropolitan area in Arizona with just over one million residents and serves as an anchor to businesses located in the Southern Arizona corridor. Tucson offers its community an outstanding quality of life along with a low cost of doing business. Over the next five years, the metro is projected to add roughly 37,000 new residents.

TUCSON ECONOMIC OVERVIEW

Tucson is known for an innovative manufacturing industry in a variety of different sectors such as biotech, aerospace, healthcare, defense, optics, solar, information technology and water. Amazon, Raytheon Missile Systems, IBM, Texas Instruments, Intuit Inc., Universal Avionics and the University of Arizona are some of the top employers in Tucson where each has a significant presence within the community. In addition to Caterpillar and Amazon, Comcast and HomeGoods, all Fortune 500 companies, have added Tucson locations recently. Davis-Monthan Air Force Base, home to 15,000 employees, is a significant driver of Tucson's local economy.

THE UNIVERSITY OF ARIZONA

The University of Arizona is an integral part of Tucson. It has been named a Top 20 US public research institution, and enjoys a large student enrollment of 51,000 students and 16,000 administration staff members and faculty. As the city's largest employer, the University of Arizona is a significant economic driver in the metro. In addition to the campus, the university also oversees Tech Parks Arizona, which operates the UA Tech Park at Rita Road, UA Tech Park at The Bridges, and the Arizona Center for Innovation. These facilities offer more than 2 million square feet of high-tech office, R&D and laboratory space that houses roughly 6,000 workers at companies such as Raytheon, IBM, and Citi.



2nd
LARGEST METRO
IN ARIZONA

1.1M
RESIDENTS IN
TUCSON METRO

51,000
STUDENTS AT
THE UNIVERSITY
OF ARIZONA

426K
HOUSEHOLDS IN
TUCSON METRO

[exclusively listed by]

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