

Tutor Time Child Care Center

Mesa, Arizona

Single-Tenant Net-Lease | 10+ Years Remaining | Corporate Guarantee

VIAONE



VIAONE Commercial Real Estate Group
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Investment Summary

Price	\$3,725,000
NOI	\$232,929
Year One Cap Rate	6.25%
Year Two Cap Rate	6.87%
Lease Type	NNN
Rent Increases Lease	Annual CPI,Capped at 3%
Term	10 Years
Commencement Lease	November 1, 2020
Expiration	October 31, 2030



***COVID Response:** Despite the government mandated shutdown in March, this Tutor Time has maintained its status as a top performing unit, while adjusting its operations to accommodate for pandemic related health & safety precautions. Upon reopening this unit saw a healthy re-enrollment of students, and has since seen an aggressive increase in enrollment. This resilience is contributed to decrease in unemployment rates, and more jobs returning to the market, furthering catering to the value of this asset and the strength of the trade area.

Rent Roll

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
\$238,321.72*	\$256,093.37*	\$263,290.90*	\$270,704.35*	\$272,948.33*	\$270,029.50	\$278,130.38	\$286,474.29	\$295,068.51	\$303,920.56

Tenant (Learning Care Group Inc.) and Landlord have agreed to a Lease extension reflective of 10 Years Commencing November 1, 2020. As a byproduct of the COVID 19 Pandemic, the Landlord and Tenant have agreed to extend the Lease term in exchange for a 6 Month Rent Deferral/Repayment agreement.

*Beginning on May 1, 2020 through October 31, 2020, the Basic Monthly Rental shall be \$10,783.78.

**Beginning on July 1, 2021 through June 30, 2025, the Basic Rental Deferral shall be Repaid in full - reflected in the Rent Roll above.

The Tenant is **NOT in default of the Lease as this is one of Learning Care Groups strongest performing units in AZ with a **+21 YEAR OPERATING**

Investment Highlights

VIAONE Commercial Real Estate Group is pleased to present this exclusive opportunity to acquire a single-tenant retail/childcare investment offering in Mesa (Phoenix), Arizona. This deep-rooted community established learning center is located at 1928 N. Gilbert Road, Mesa, AZ. The subject property consists of a freestanding 10,200 SF retail building sitting on 1 acre. The tenant has successfully operated at this location for over 21 years. The long-term tenant stability of the subject property is intrinsic to its strategic trade-area location in the vastly developing east valley of greater Phoenix. The tenant, guaranteed by its parent company, Learning Care Group, Inc., has renewed their long-term commitment to the subject property through a brand new 10 year NNN lease. The lease structure offers low management ownership coupled with stable long term cash flow through one of Learning Care Group's top performing center.

Distinguishing Factors. The asset distinction represents a level of investor confidence demonstrated through more than 21 years of proven asset performance enhanced by location value, just south of the highly trafficked intersection of N. Gilbert Rd. and E Mckellips Road. Several of the largest national and pandemic proof tenants make up the surrounding trade area including Starbucks, Dutch Bros, Dollar Tree, Chase Bank, EOS Fitness, and Banner Urgent Care. Further reinforcing the long term asset value and fear of relocation. Retailers like KTR (Kids that Rip, indoor action sports), also contribute to the family oriented community the subject property is located.

Mesa is a rapidly growing city with more than 450,000 residents and home to Apple's new 1 million square foot manufacturing facility. The city is also home to the largest school district in the state and its school system has 10,000 employees. Mesa has 16 schools of higher learning including Arizona State University's Polytechnic Campus, Arizona School of Health Sciences (medical center) and Arizona School of Health Sciences Dental School. Major industries include Banner Health System, Boeing, Talley Defense Systems, TRW Safety Systems and Apple. It is a city on the move, with an abundance of freeways, highways and state routes strategically located along commerce corridors and current and future population centers.

Tenant:

- Learning Care Group, Inc. the second largest for profit child care provider in North America
- Consistent, proven, and highly acclaimed track record as a child care operator that has been in business over 40 years with over 1,100 locations worldwide. Operates under the names of The Children's Courtyard, Child time Learning Centers, La Petite Academy, Montessori Unlimited, and Tutor Time.
- Consistent top enrollment Tutor Time unit in AZ.

Investment Details:

- Ideal 1031 exchange property
- Brand New 10 Year Lease
- Annual increases capped at 3%
- NNN Lease provides ease of ownership
- Ability to acquire free and clear of debt
- Excellent location and traffic counts
- This center has more than 21 Years of Operating History!



AREA MAP



TENANT OVERVIEW

Lease Abstract

Tenant	Tutor Time Learning Centers, LLC
Guarantor	Learning Care Group, Inc.
Original Lease New	June 30, 1999
Lease	November 1, 2020 - October 31, 2030
Year One NOI	\$232,929
Use	Child care facility
Property Taxes	Paid by Tenant
Insurance	Paid by Tenant
Utilities	Paid by Tenant
Maintenance	Paid by Tenant



Tutor Time is a subsidiary of Learning Care Group, Inc., one of the largest, for-profit providers of early childhood care and education services in the United States. Established in 1988, the Tutor Time Child Care/Learning Centers network is comprised of over 200 (franchisee and corporate) child care learning centers throughout the U.S., Hong Kong, Indonesia, Portugal, and the Philippines. A leader in early childhood education, over 25,000 students benefit from Tutor Time's award winning care.

Tutor Time serves the childcare needs of children from 6 weeks old and up, with summer camps and after school programs. The total capacity at the average Tutor Time facility is approximately 330 students with 30 employees. Each Tutor Time facility has ±22 classrooms and an outdoor playground.

Tutor Time's goal is to offer parents peace of mind by providing a nurturing, educational and developmental curriculum dedicated to a child's ever-changing needs. Their curriculum is the cornerstone of care, and Tutor Time is committed to growing the whole child: cognitively, physically, socially, and emotionally. The curriculum, created by early childhood education specialists and national experts, incorporates activities that encourage exploration, investigation and discovery.

ABOUT LEARNING CARE GROUP

www.learningcaregroup.com

Headquartered in Novi, Michigan, Learning Care Group, Inc. provides early education and care services to children between the ages of six weeks and 12 years under its umbrella of brands: The Children's Courtyard, Childtime Learning Centers, La Petite Academy, Montessori Unlimited and Tutor Time Child Care/Learning Centers. Learning Care Group has been in business for over 40 years. Between their five brands they have approximately 1,100 schools (corporate and franchise) and serve 166,000 children in the U.S. and internationally.

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PARTNER OF THE YEAR 2017



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Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum from VIAONE, you agree:

1. The Offering Memorandum and its contents are confidential;
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.

Owner and VIAONE Properties expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of 1928 N. Gilbert Road, Mesa, AZ or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including the Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or VIAONE Properties or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

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