



Brand New 20-Year Lease | 2.00% Annual Increases | AHHI Exceeds \$107,000 in 1-Mile



OFFERING MEMORANDUM
MARIETTA, GEORGIA (ATLANTA MSA)

Marcus & Millichap
THE SULO GROUP

OFFERING SUMMARY

PROPERTY ADDRESS

Big Blue Marble Academy
 2040 MacLand Crossing Circle
 Marietta, GA 30008

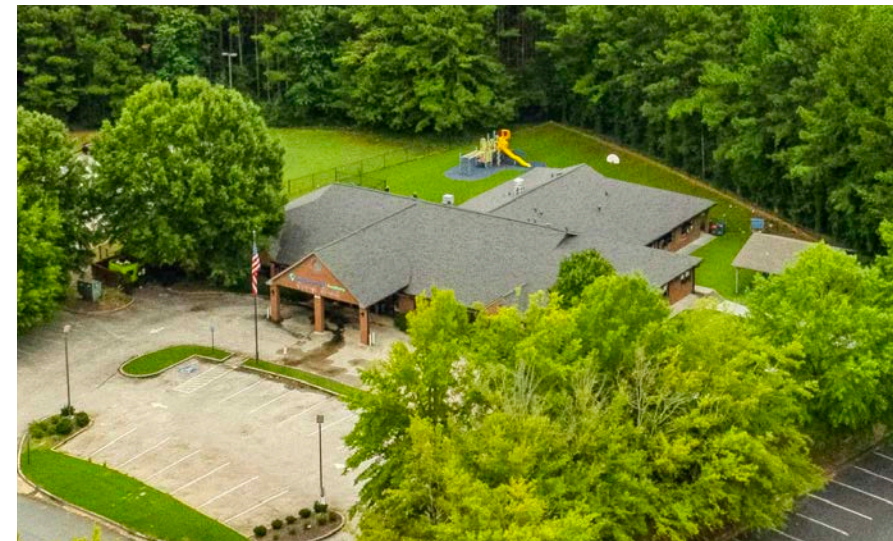
OFFERING SUMMARY	
Price:	\$3,578,000
Cap Rate:	6.00%
Net Operating Income:	\$214,678
Building Square Footage:	9,864 Sq Ft
Year Built Renovated:	1997 2024
Lot Size:	+/- 1.39 Acres

LEASE SUMMARY	
Tenant:	Big Blue Marble Academy
Guaranty:	Corporate
Rent Commencement:	1/1/2024
Lease Expiration:	12/31/2043
Lease Term:	20 Years
Lease Type:	Triple Net
Structure and Foundation:	Landlord Responsible
Rental Increases:	2.00% Annual Increases
Renewal Options:	Two, Five-Year
Right of First Refusal:	None

OPERATING DATA				
Year	Start Date	End Date	Annual Rent	Cap Rate
2	1/1/2025	12/31/2025	\$214,678	6.00%
3	1/1/2026	12/31/2026	\$218,972	6.12%
4	1/1/2027	12/31/2027	\$223,351	6.24%
5	1/1/2028	12/31/2028	\$227,819	6.37%
6	1/1/2029	12/31/2029	\$232,375	6.49%
7	1/1/2030	12/31/2030	\$237,022	6.62%
8	1/1/2031	12/31/2031	\$241,763	6.76%
9	1/1/2032	12/31/2032	\$246,598	6.89%
10	1/1/2033	12/31/2033	\$251,530	7.03%
11	1/1/2034	12/31/2034	\$256,561	7.17%
12	1/1/2035	12/31/2035	\$261,692	7.31%
13	1/1/2036	12/31/2036	\$266,926	7.46%
14	1/1/2037	12/31/2037	\$272,264	7.61%
15	1/1/2038	12/31/2038	\$277,709	7.76%
16	1/1/2039	12/31/2039	\$283,264	7.92%
17	1/1/2040	12/31/2040	\$288,929	8.08%
18	1/1/2041	12/31/2041	\$294,708	8.24%
19	1/1/2042	12/31/2042	\$300,602	8.40%
20	1/1/2043	12/31/2043	\$306,614	8.57%

INVESTMENT HIGHLIGHTS

- **Recent Big Blue Marble Academy Acquisition of a Profitable and Established Discovery Point School (Contact Agent for Details)**
 - Big Blue Marble Academy acquired a profitable Discovery Point School in 2023, further expanding their brand presence outside of Atlanta
 - Brand New 20-Year Lease
 - 2.00% annual rent increases, including the option periods.
 - The tenant has two five-year options to renew at the expiration of the 20-year initial term.
- **Corporate Guaranty from Top 15 Operator in the Country (77+ Locations)**
 - Big Blue Marble Academy is one of Top 15 Corporate childcare companies in the country.
 - Big Blue Marble Academy currently operates over 77 locations across eight states.
- **Big Blue Marble Academy Acquired by Leeds Equity Partners**
 - Leeds Equity is a New York-based private equity firm dedicated exclusively to partnering with management teams in the education, training, and information services industries (the “Knowledge Industries”).
 - The firm was founded in 1993 and currently manages approximately \$5 billion of capital across a broad spectrum of companies within the Knowledge Industries.
 - Leeds Equity seeks to leverage its sector-focused expertise and market insights to create long-term value for its partner companies and investors.
- **Atlanta MSA – Most Populous City in Georgia**
 - The Atlanta metro encompasses 29 counties in northwestern Georgia.
 - With few natural barriers to limit development, tremendous population growth over the past decade expanded the metro’s borders, and the region now has a population of roughly 6.0 million people. Over the next five years the region is expected to add approximately 316,000 residents.
 - The urban core has been the epicenter of several major construction projects in recent years, with Centennial Yards headlining urban renewal in downtown Atlanta.



WHY BUY A DAYCARE CENTER?

The U.S. child care market is expected to grow at a compound annual growth rate of 4.18% from 2023 to 2030 and is expected to reach USD 83.6 billion by 2030.

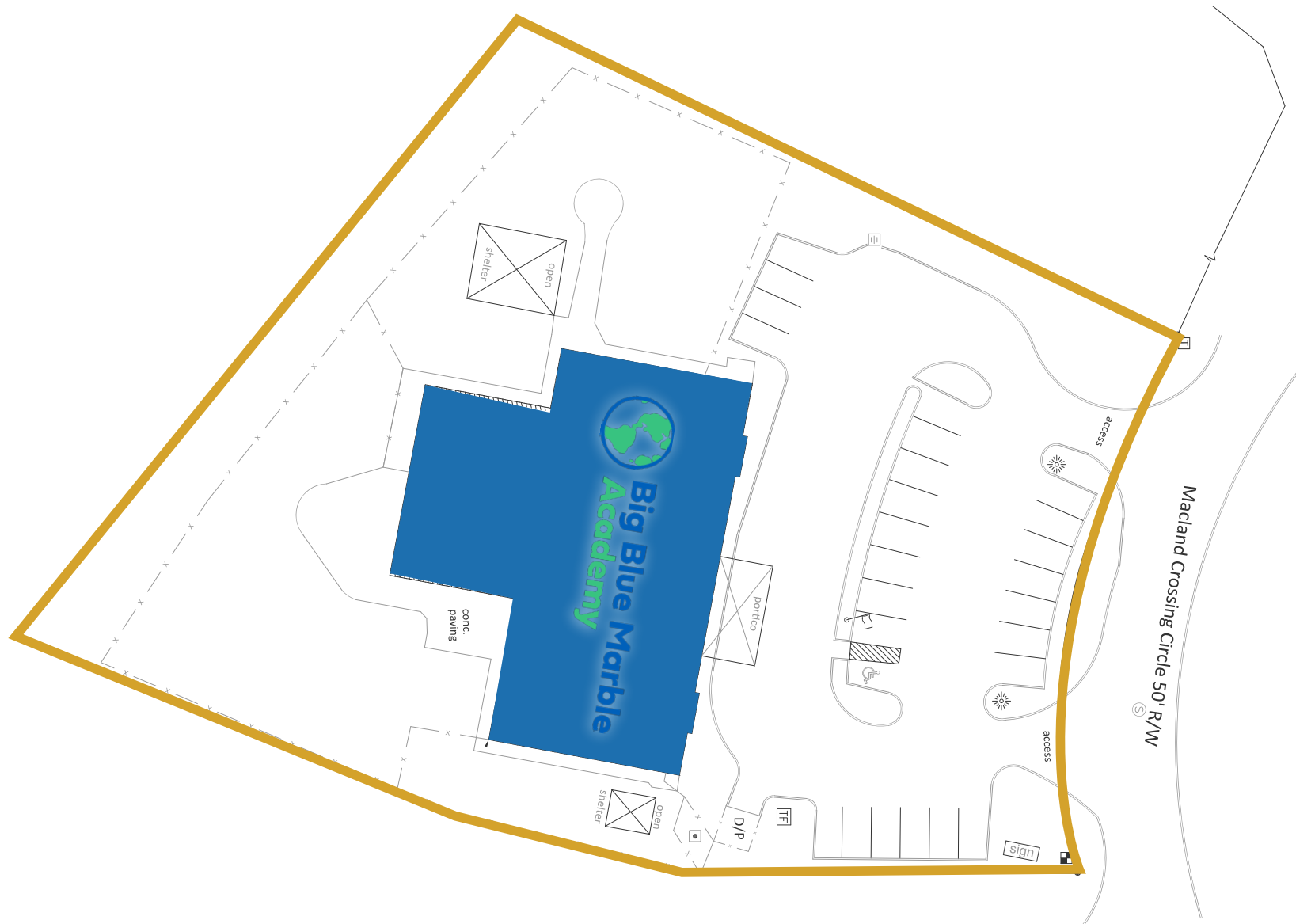
The key factors driving the U.S. child care market growth include increasing government funding for childcare, rising demand for daycare centers; and an increase in the number of women employment.

The early education and daycare segment dominated the U.S. child care market with a share of around 47% in 2022. This is attributable to the increase in the rising demand along with the government funding to child care centers.

The market is benefiting from the advancement of learning technologies for children. Educational tools like Starfall, based on advanced technology, are transforming the U.S. childcare market by providing engaging activities and games for children to learn art, languages, and mathematics.



SITE PLAN



AERIAL OVERVIEW



Primrose Schools
The Leader in Early Education and Care®

Publix

The UPS Store

BANK OF AMERICA

PARADISE
SMOOTHIE JUICE BAR

marco's
Pizza

Wendy's

WALGREENS

MacLand Rd
38,730 CPD

DOLLAR TREE

Powder Springs Rd SW
22,247 CPD

Regions

Pepp Boys

REGIONS

Chick-fil-e

UNITED STATES
POSTAL SERVICE

Subject Property
Big Blue Marble Academy

AERIAL OVERVIEW



TENANT PROFILE

At Big Blue Marble Academy, we understand what developing minds need to be successful in preschool and in life. Research shows that the first five years of a child’s life are transformative for growing children’s minds and developing their social-emotional skills. Whether you’re looking for early care, daycare, preschool, or after-school care, we’ve designed our programs around what your child needs for their age and stage of development.

At the core of our curriculum is a focus on global education, which enhances children’s perspective and understanding of the world outside their community. We teach children the importance of giving back and helping others in need, through hands-on activities and “Heart Projects.” We provide the structure children need, while also encouraging their natural curiosity and love of learning. Big Blue Marble Academy provides a true home away from home for your child.

At Big Blue Marble Academy, our Global Passport to Learning combines best practices in early childhood education with a play-based approach that ignites a love of learning and discovery for all ages. As we explore the world with your child, we are preparing them with the necessary skills to succeed in kindergarten and beyond. Through each month-long theme, children explore and celebrate different countries and cultures in lessons prepared by our team of early childhood experts.



Company Type: Private
Location: Auburn, Alabama (77 Locations)
Website: <https://bbmacademy.com>

#13
 Top Ranked
 Corporate
 Operator

\$5B+
 Leeds Equity Partners
 Capital in Knowledge
 Industries

\$95M+
 2023
 Annual
 Revenue

Avathon Capital Sells Big Blue Marble Academy to Leeds Equity Partners

Under Avathon's ownership, Big Blue Marble more than tripled in size to 67 schools across eight states and grew to become one of the largest early childhood education providers in the country

CHICAGO, Jan. 3, 2024 /PRNewswire/ -- Avathon Capital ("Avathon"), the Chicago-based private equity firm exclusively investing in lower middle-market companies in the education and work-force markets, announced the sale of its portfolio company, Big Blue Marble Academy ("BBMA") to Leeds Equity Partners ("Leeds Equity"). Founded in 2012, BBMA is a leading provider of early childhood education known for its distinctive programs catering to children from infancy to age four.

"We have proudly served our students and families for over a decade," said Nan Rikard, Founder and Board Member of BBMA. "I partnered with Avathon because they understood our mission of providing children with the opportunity to reach their full potential and they had a vision to accelerate BBMA's growth while also focusing on the impact we had on the communities we serve. I could never have imagined the company reaching this milestone. It's a testament to Avathon, their leadership, and commitment to the industry."

Since Avathon's initial investment in 2018, BBMA has grown to now educate over 10,000 students and employ over 2,000 in staff while supporting working families across the Southeastern United States.

Full Article: <https://www.prnewswire.com/news-releases/avathon-capital-sells-big-blue-marble-academy-to-leeds-equity-partners-302025376.html>

2023 | TOP 20 CORPORATE CHILD CARE COMPANIES

	ORGANIZATION	HEADQUARTERS	CAPACITY (EST.)	# OF CENTERS (EST.)
1	KinderCare Learning Centers	Oregon	195,000	1,501
2	Learning Care Group	Michigan	161,000	1,071
3	Bright Horizons	Massachusetts	120,000	1,081
4	Cadence Education	Arizona	47,861	285
5	Child Development Schools	Texas	46,000	269
6	Spring Education Group**	California	39,488	182
7	The Learning Experience	Florida	39,038	328
8	The Sunshine House	South Carolina	22,000	132
9	Endeavor Schools	Florida	19,500	94
10	Premier Early Education	Illinois	15,000	90
11	New Horizon Academy	Minnesota	13,811	93
12	Early Learning Academies	Virginia	13,700	74
13	Big Blue Marble Academy	Alabama	12,349	60
14	Children of America**	Florida	11,285	61
15	O2B Kids	Florida	9,675	47
16	The Nest Schools	Florida	7,260	44
17	The Gardner School	Tennessee	6,300	32
18	Never Grow Up, Inc	Tennessee	5,850	40
19	Acelero Learning	New York	5,341	51
20	Learning Jungle	Canada	5,173	50

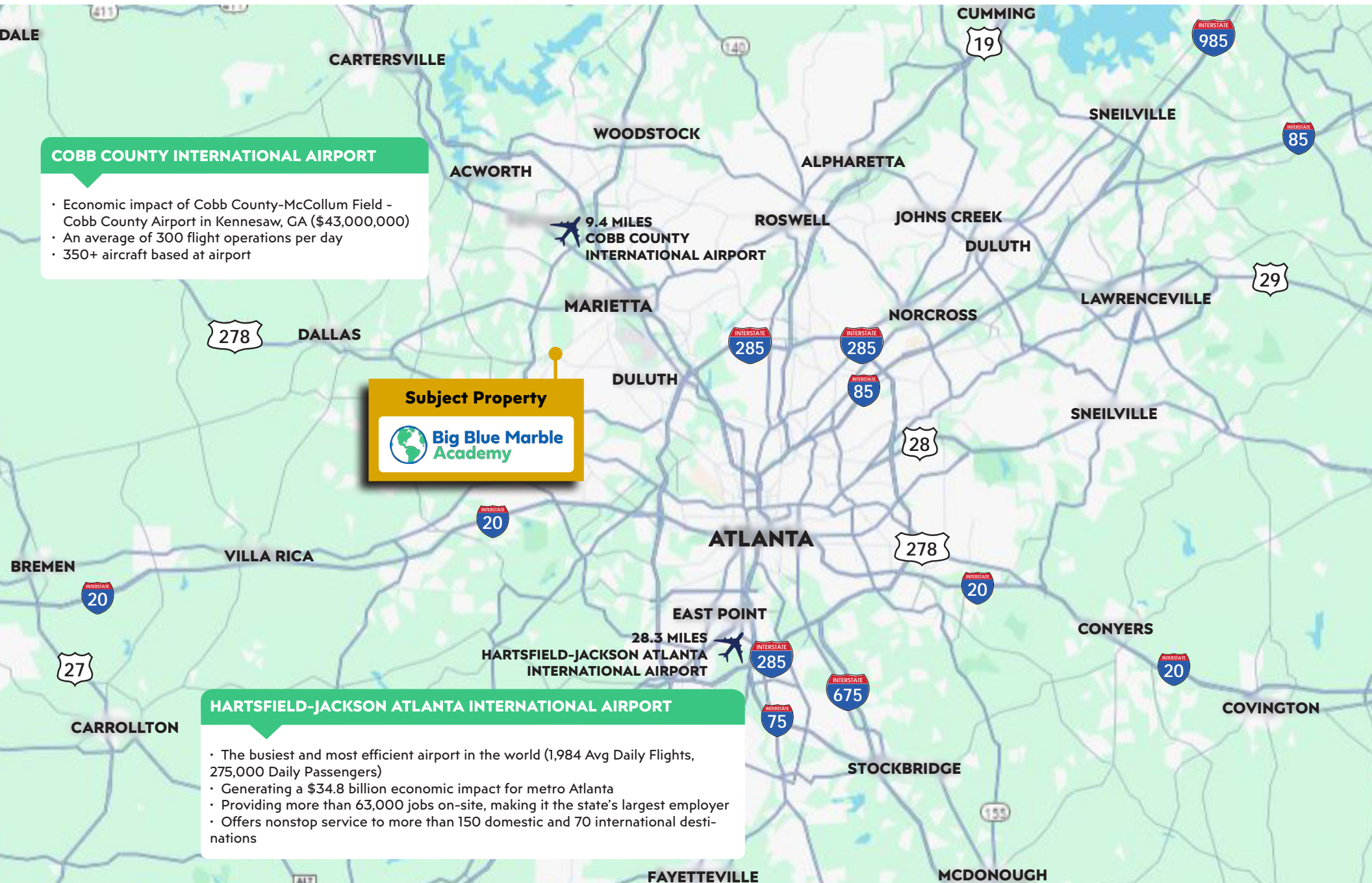
Based on data supplied by the organizations. Data on capacity is total licensed capacity as of January 1, 2023

**Data from January 2022 report

PROPERTY PHOTOS



REGIONAL MAP



COBB COUNTY INTERNATIONAL AIRPORT

- Economic impact of Cobb County-McCollum Field - Cobb County Airport in Kennesaw, GA (\$43,000,000)
- An average of 300 flight operations per day
- 350+ aircraft based at airport

Subject Property



HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT

- The busiest and most efficient airport in the world (1,984 Avg Daily Flights, 275,000 Daily Passengers)
- Generating a \$34.8 billion economic impact for metro Atlanta
- Providing more than 63,000 jobs on-site, making it the state's largest employer
- Offers nonstop service to more than 150 domestic and 70 international destinations

AREA OVERVIEW

MARIETTA

- Marietta, Georgia is located along the dramatic backdrops of the Chattahoochee River and historic foothills of Kennesaw Mountain, 18 miles northwest of downtown Atlanta.
- Marietta boasts historic attractions, culinary delights, great shopping, and a lively arts and culture scene.
- Marietta Square is the vibrant heart where visitors begin their adventure, surrounded by museums, live music, theater, and diverse cultural events.
- From hiking to dining, entertainment and shopping, our historic city serves as a backdrop to a variety of vibrant, modern experiences and is the perfect place to gather with friends and family.
- Marietta's dining scene is a testament to its diversity and culture, offering an incredible variety that caters to every culinary craving.
- Marietta attracts nearly one million annual visitors.
- Marietta's sound economic foundation is rooted in its base of numerous businesses and a longstanding aeronautics industry. Furthermore, expanding economic clusters in health services, hospitality, tourism, and entertainment, keep Marietta well positioned for continuing private sector investment, new business, and industry development.
- Marietta's first-class education system provides a variety of educational opportunities at all levels of education, including several colleges and vocational schools.

ATLANTA

- The Atlanta metro encompasses 29 counties in northwestern Georgia.
- With few natural barriers to limit development, tremendous population growth over the past decade expanded the metro's borders, and the region now has a population of roughly 6.0 million people. Over the next five years the region is expected to add approximately 316,000 residents.
- The urban core has been the epicenter of several major construction projects in recent years, with Centennial Yards headlining urban renewal in downtown Atlanta.
- More than 50 institutions of higher learning call Atlanta home, including Emory University, Georgia Institute of Technology, Georgia State University and Spelman College.
- Atlanta is home to professional sports franchises in the NFL, MLB, NBA, NHL, MLS and WNBA.

ECONOMY

- Atlanta's economy is highly diversified, with the metro's top employers representing a wide variety of sectors.
- A business-friendly environment has translated to a rapidly growing economy as the pandemic has subsided, with the employment base 6.1% ahead of the year-end 2019 mark at the beginning of 2024



KENNESAW MOUNTAIN NATIONAL BATTLEFIELD PARK



MARIETTA SQUARE




SMITH GILBERT GARDENS

DEMOGRAPHICS


POPULATION	1-MILE	5-MILE	10-MILE
2010 Population	7,584	66,581	159,244
2020 Population	8,861	73,937	176,637
2023 Population	8,555	73,119	175,658
2028 Population	8,716	76,863	183,116
HOUSEHOLDS			
2010 Households	2,593	22,236	56,642
2020 Households	3,057	25,419	64,274
2023 Households	3,087	26,177	65,782
2028 Households	3,156	27,642	68,789
OWNER OCCUPIED HOUSING UNITS			
2010 Owner Occupied Housing Units	83.9%	69.1%	66.7%
2020 Owner Occupied Housing Units	0.8%	0.6%	0.6%
2023 Owner Occupied Housing Units	81.2%	64.7%	64.8%
2028 Owner Occupied Housing Units	81.0%	63.8%	64.3%
RENTER OCCUPIED HOUSING UNITS			
2010 Renter Occupied Housing Units	16.1%	30.9%	33.3%
2020 Renter Occupied Housing Units	0.2%	0.4%	0.4%
2023 Renter Occupied Housing Units	18.8%	35.3%	35.2%
2028 Renter Occupied Housing Units	19.0%	36.2%	35.8%
AVERAGE HOUSEHOLD INCOME	\$107,194	\$97,256	\$100,652

AREA SNAPSHOT




175,658

POPULATION (5-MILE)




158,785

DAYTIME POPULATION (5-MILE)



4.9%

POPULATION GROWTH (2023-2028)



\$107,194

AVERAGE HOUSEHOLD INCOME (1-MILE)

CONFIDENTIALITY & DISCLAIMER

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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