



Brand New 10-Year Lease Extension | Corporate Guaranty (272+ Locations) | 2.00% Annual Increases



OFFERING MEMORANDUM
LOCUST GROVE, GEORGIA (ATLANTA MSA)

Marcus & Millichap
THE SULO GROUP

OFFERING SUMMARY

PROPERTY ADDRESS

Childcare Network
655 Strickland Road
Locust Grove, GA 30017

OFFERING SUMMARY

Price:	\$2,149,000
Cap Rate:	7.00%
Net Operating Income:	\$150,453
Building Square Footage:	13,579 Sq Ft
Year Built:	2007
Lot Size:	+/- 3.25 Acres

LEASE SUMMARY

Tenant:	Child Development Schools, Inc.
Guaranty:	Corporate
Lease Commencement:	7/26/2013
Rent Commencement:	8/1/2025
Lease Expiration:	7/31/2035
Lease Term Remaining:	10+ Years
Lease Type:	Triple Net
Roof and Structure:	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
1	8/1/2025	7/31/2026	\$150,453	7.00%
2	8/1/2026	7/31/2027	\$153,462	7.14%
3	8/1/2027	7/31/2028	\$156,531	7.28%
4	8/1/2028	7/31/2029	\$159,662	7.43%
5	8/1/2029	7/31/2030	\$162,855	7.58%
6	8/1/2030	7/31/2031	\$166,112	7.73%
7	8/1/2031	7/31/2032	\$169,434	7.88%
8	8/1/2032	7/31/2033	\$172,823	8.04%
9	8/1/2033	7/31/2034	\$176,280	8.20%
10	8/1/2034	7/31/2035	\$179,805	8.37%

INVESTMENT HIGHLIGHTS

- **Corporate Guaranty from Top 5 Operator in the Country (272+ Locations)**
 - Child Development Schools, Inc. is one of the Top 5 Corporate childcare companies in the country.
 - Child Development Schools, Inc. currently operates over 272 locations across eleven states.
- **Brand New 10-Year Lease Extension with 2.00% Annual Rental Increases**
 - The CDS Inc. corporately guaranteed lease, has over 10 years remaining on the extended lease term with two, five-year options to extend.
 - The lease features 2.00% annual rental increases throughout the extended term and continuing into the option periods, growing NOI and hedging against inflation.
- **Brand New Roof in 2024 with 10-Year Transferable Warranty**
 - The subject property has a 12+ year operating history as a Childcare Network and recently extended its lease for an additional 10 years.
 - The tenant pays for CAM, taxes, and insurance and the landlord's responsibilities are limited to roof & structure. The landlord replaced the roof in March of 2024 and has a 10-year transferable warranty in place.
 - This property is an ideal, low-management investment for a passive investor.
- **Atlanta MSA – Most Populous City in Georgia**
 - Atlanta's economy is highly diversified, with the metro's top employers representing a wide variety of sectors.
 - 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.



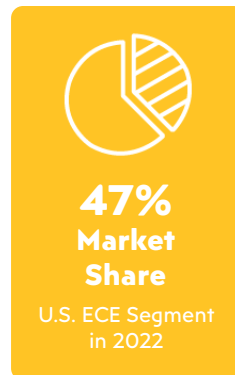
WHY BUY A DAYCARE CENTER?

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.

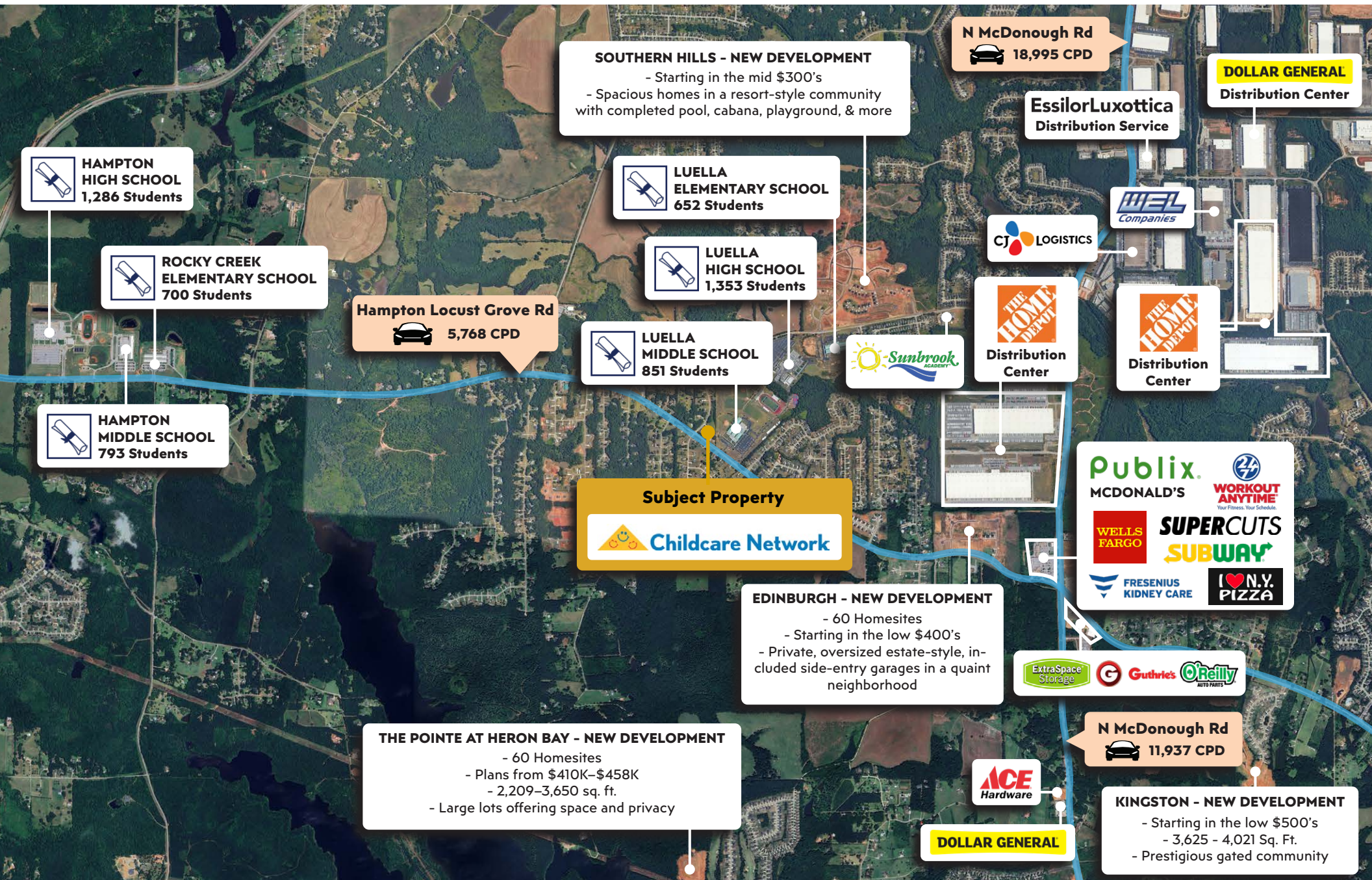
The market is benefiting from the advancement of learning technologies for children. Educational tools like Starfall, based on advanced technology, are transforming the U.S. childcare market by providing engaging activities and games for children to learn art, languages, and mathematics.



SITE PLAN



AERIAL OVERVIEW



TENANT PROFILE

Childcare Network was founded in 1988 in Columbus, Georgia with the initial acquisition of just two schools. Today, Childcare Network is the fourth largest private child care provider in the United States.

Comprised of over 260 schools in 11 southern states —with an enrollment of 30,000+ children— Childcare Network is committed to being the “Working Parent’s Best Friend!” We achieve this mission by providing high quality services at an affordable price and utilizes a proprietary curriculum known as High Reach that is individualized for each age group.

At Childcare Network, our goal is to give every child a strong start in life by providing a safe and caring environment while they are with us. We focus on offering an innovative educational experience that will benefit them for years to come. We believe that we are more than just a daycare; we create a nurturing and supportive space that helps children grow not only academically but also socially and emotionally. Our dedicated and passionate teachers work hard to help each child reach their full potential, sparking their curiosity and imagination while encouraging a lifelong love of learning.

Our child-centric educators are adventure-architects. They help your child grow by creating exciting adventures, crafting engaging activities and sparking curiosity to ignite a sense of wonder in every child. Our proprietary HighReach Learning curriculum is based around the idea that children learn best when they are actively engaged in hands-on experiences, exploration and play. Through a combination of structured activities and child-initiated play, we foster a love for learning and help children develop essential skills.



Company Type: Private
Location: Austin, Texas (272+ Locations)
Website: <https://childcarenetwork.com/>

#5

Top Ranked
Corporate Operator

30,000+

Serving Children
Aged 6-12

272+

Locations in 11
States

2025 | TOP 20 CORPORATE CHILD CARE COMPANIES

	ORGANIZATION	HEADQUARTERS	CAPACITY (EST.)	# OF CENTERS (EST.)
1	KinderCare Learning Centers	Oregon	200,000	2,400
2	Learning Care Group	Michigan	167,000	1,103
3	Bright Horizons	Massachusetts	115,000	1,028
4	Cadence Education	Arizona	53,400	326
5	Child Development Schools	Texas	46,916*	272*
6	Spring Education Group	California	39,488**	182**
7	Busy Bees North America	Canada	32,784	223
8	Premier Early Education	Illinois	25,000	160
9	Endeavor Schools	Florida	22,000	110
10	The Sunshine House	South Carolina	21,000	140
11	Kids and Company, Ltd.	Canada	14,612	159
12	New Horizon Academy	Minnesota	15,673	103
13	Big Blue Marble Academy	Alabama	15,149	83
14	O2B Kids	Florida	14,078	75
15	Early Learning Academies	Virginia	13,294	77
16	Otter Learning	South Carolina	10,500	76
17	The Nest Schools	Florida	9,300	54
18	The Gardner School	Tennessee	7,600	39
19	LLE Educational Group	Virginia	7,000	47
20	Never Grow Up, Inc.	Tennessee	6,613	46

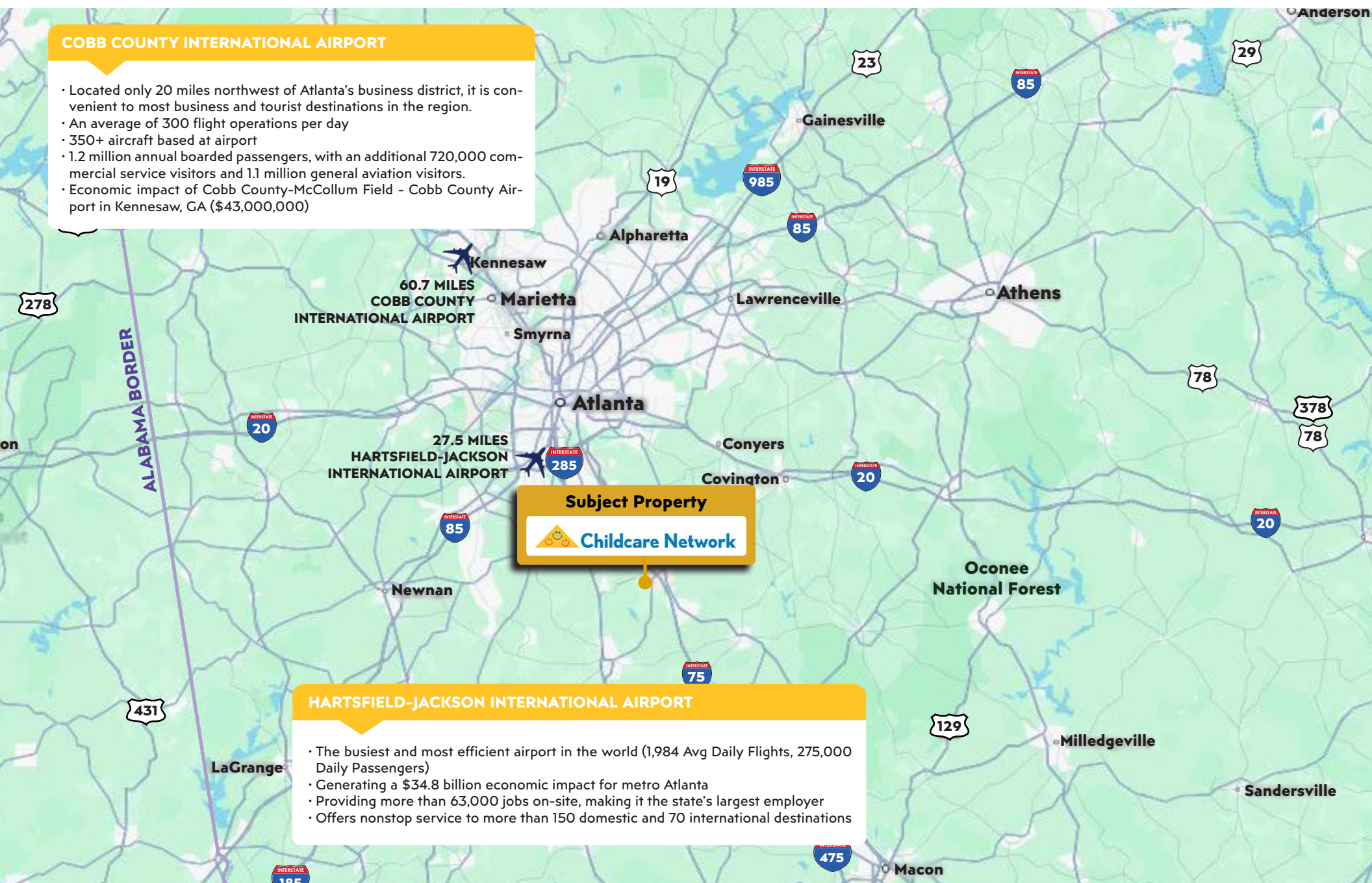
Based on data supplied by the organizations. Data on capacity is total licensed capacity as of January 1, 2025

*Data from January 2024 report. **Data from January 2023 report.

PROPERTY PHOTOS



REGIONAL MAP



AREA OVERVIEW

LOCUST GROVE

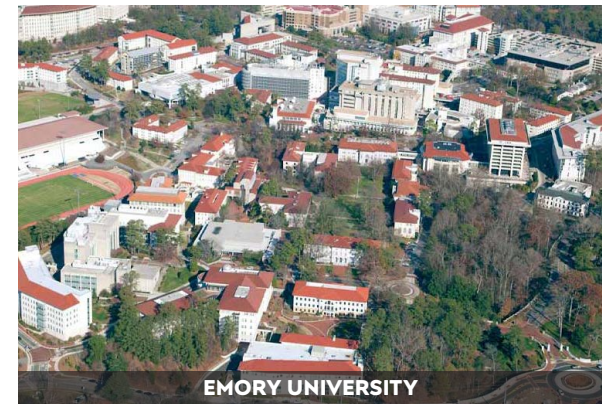
- A historic railroad town located halfway between Atlanta and Macon, with easy access to I-75 and Hartsfield-Jackson Atlanta International Airport. Nestled just 30 miles south of Downtown Atlanta, Locust Grove, Georgia is home to an impressive selection of attractions, from shopping to train watching to hiking and beyond.
- Businesses are more diversified, with industrial, warehousing, retail, medical and government services the primary sectors of the local economy.
- Major employers include Tanger Outlet Center (over 4 million visitors annually), Walmart #5709 (opened March 16, 2011), Smead Manufacturing, Sims Superior Seating, Southern Pine Flooring, Strong Rock Christian Schools, Henry County Board of Education, the City of Locust Grove, Ingles grocery store, and various other small but important businesses and medical services.
- Future developments include a 5,700 square foot Generation III Prototype QuikTrip travel center and a future South Campus of Piedmont-Henry Medical Center.
- There are 158 properties in Locust Grove that are listed on the National Register of Historic Places and is home to an eclectic mix of shops that offer everything from antiques to modern apparel.
- Visit the Cubihatcha Outdoor Center, and take a walk through nature along the two main trails. At Tanger Station Park and Warren Holder Park, you can have a picnic while the kids burn off steam on the playground area.
- Noah's Ark Animal Sanctuary is home to more than 1,000 abused, neglected and surrendered animals and is a non-profit educational sanctuary sitting on 250 acres.

ATLANTA

- The Atlanta metro encompasses 29 counties in northwestern Georgia. The region now has a population of roughly 6.1 million people.
- Mercedes-Benz Stadium has been a catalyst for redevelopment in the urban core of Atlanta, while Truist Park has prompted new development northwest of downtown Atlanta.
- The volume of new projects in the downtown and midtown sections of the metro will present additional housing, entertainment and retail opportunities.
- More than 50 institutions of higher learning call Atlanta home, including Emory University, Georgia Institute of Technology, Georgia State University and Spelman College.
- Outdoor and sports enthusiasts will find plenty to enjoy. Mild weather year-round allows residents to hike, paddle and bike on the many trails in and around Atlanta.
- 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 percent ahead of the year-end 2019 mark at the beginning of 2024



DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2010 Population	2,151	12,793	33,500
2020 Population	2,670	16,656	43,722
2024 Population	2,656	17,525	46,009
2029 Population	2,774	18,598	48,744
HOUSEHOLDS			
2010 Households	688	3,963	11,314
2020 Households	891	5,413	15,403
2024 Households	960	5,974	17,013
2029 Households	1,009	6,380	18,185
OWNER OCCUPIED HOUSING UNITS			
2010 Owner Occupied Housing Units	79.0%	72.0%	66.6%
2020 Owner Occupied Housing Units	77.7%	72.5%	65.9%
2024 Owner Occupied Housing Units	77.1%	72.7%	66.0%
2029 Owner Occupied Housing Units	76.9%	72.6%	65.9%
RENTER OCCUPIED HOUSING UNITS			
2010 Renter Occupied Housing Units	12.4%	18.1%	22.6%
2020 Renter Occupied Housing Units	20.6%	23.6%	29.2%
2024 Renter Occupied Housing Units	21.2%	23.4%	29.1%
2029 Renter Occupied Housing Units	21.3%	23.4%	29.2%
AVERAGE HOUSEHOLD INCOME	\$116,560	\$116,498	\$101,571

AREA SNAPSHOT



46,009
POPULATION (5-MILE)



45,552
DAYTIME POPULATION (5-MILE)



4.9%
POPULATION GROWTH (2023-2028)



\$116,560
AVERAGE HOUSEHOLD INCOME (1-MILE)

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