



12+ Years Remaining | Absolute NNN Lease | Corporate & Ultra High Net Worth Personal Guarantee



OFFERING MEMORANDUM
SMYRNA, TENNESSEE (NASHVILLE MSA)

Marcus & Millichap
THE SULO GROUP



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OFFERING SUMMARY

PROPERTY ADDRESS

The Learning Zone

200 Great Circle

Smyrna, TN 37167

OFFERING SUMMARY

Price:	\$7,626,000
Cap Rate:	6.75%
Net Operating Income:	\$514,780
Building Square Footage:	15,648 Sq Ft
Year Built:	2022
Lot Size:	+/- 2.48 Acres

LEASE SUMMARY

Tenant:	DTD MIDTN, Inc.
Guaranty:	Corporate
Lease Execution:	5/19/2021
Rent Commencement:	9/12/2022
Lease Expiration:	9/30/2037
Lease Term Remaining:	12+ Years
Lease Type:	Absolute Net
Roof and Structure:	Tenant Responsible
Rental Increases:	2.00% Annually
Renewal Options:	Three, Five-Year

OPERATING DATA

Year	Start Date	End Date	Annual Rent	Cap Rate
4	10/1/2025	9/30/2026	\$514,780	6.75%
5	10/1/2026	9/30/2027	\$525,076	6.89%
6	10/1/2027	9/30/2028	\$535,577	7.02%
7	10/1/2028	9/30/2029	\$546,289	7.16%
8	10/1/2029	9/30/2030	\$557,214	7.31%
9	10/1/2030	9/30/2031	\$568,359	7.45%
10	10/1/2031	9/30/2032	\$579,726	7.60%
11	10/1/2032	9/30/2033	\$591,320	7.75%
12	10/1/2033	9/30/2034	\$603,147	7.91%
13	10/1/2034	9/30/2035	\$615,210	8.07%
14	10/1/2035	9/30/2036	\$627,514	8.23%
15	10/1/2036	9/30/2037	\$640,064	8.39%
16-20 (Option 1)	10/1/2037	9/30/2042	\$652,866	8.56%
21-25 (Option 2)	10/1/2042	9/30/2047	\$720,816	9.45%
26-30 (Option 3)	10/1/2047	9/30/2052	\$795,839	10.44%

Lease Comments: Annual increase in options

INVESTMENT HIGHLIGHTS

- **12+ Years Remaining with 2.00% Annual Increases**
 - The Learning Zone signed a new 15-year lease at the subject property in 2022.
 - The lease has no landlord responsibilities and offers 2.00% annual increases throughout the base term.
 - In addition to the 15-year base lease term, the tenant has three, five-year options to renew with the same rent increase structure annually.
- **Corporate Guarantee (30+ Locations) & Personal Guarantee from Founder**
 - The Lease is backed by a corporate guarantee from the following companies:
 - Never Grow Up, Inc. (17+ Locations and \$30M+ YE 2024 Revenue)
 - DTDMidTN (13+ Locations and \$32M+ YE 2024 Revenue)
 - Personal Guarantee from the Founder (Mid 8-Figure Net Worth)
- **Nashville MSA - 500%+ Population Growth Since 2000**
 - Smyrna, located just 20 minutes south of Nashville, is a rapidly expanding suburban city within the Nashville Metropolitan Statistical Area (MSA).
 - Known as the epicenter of country music, the Nashville metro contains a population of about two million within 14 counties.
 - The population will increase at a faster pace than the nation over the next five years.
- **Over \$72,000,000 Spent on Education and Daycare in a 5-Mile Radius**
 - A strong focus on education and early childhood development can make a city more attractive to businesses and skilled workers, contributing to overall economic growth.
 - Participants in early childhood programs are more likely to enroll in college and potentially experience higher earnings in adulthood.
- **Demand For Child Care Remains Extremely Strong**
 - The U.S. child care market size was valued at USD 60.4 billion in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 4.18% from 2023 to 2030.
 - The key factor driving the growth is the rising demand for early daycare & education services with more parents returning to working in offices, the rising number of single & working mothers, advancements in learning technologies for children, and the accessibility of government funding.
 - The expenditure on daycare in the U.S. is very high. As per the cost of care survey facilitated by the U.S. Department of Health and Human Services, the expenditure on these services reached up to 7% of the household income in 2021.
 - Families in the U.S. are willing to spend more on child care services, indicating the high service demand in the U.S.



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.



4.18%
Annual
Growth

Expected Growth Rate
from 2023 to 2030



\$60.4B
Industry

Expected to Grow to
\$83.6B by 2030



47%
Market
Share

U.S. ECE Segment
in 2022

SITE PLAN



AERIAL OVERVIEW



AERIAL OVERVIEW



AERIAL OVERVIEW



DEMOGRAPHICS

POPULATION (2024):

1-Mile Radius	6,447
3-Mile Radius	47,707
5-Mile Radius	107,343

HOUSEHOLD INCOME (AVERAGE):

1-Mile Radius	\$112,722
3-Mile Radius	\$101,486
5-Mile Radius	\$100,837

Rock Springs Rd
 13,660 CPD

TENANT PROFILE

Learning Zone Child Care is a network of preschools and daycares with multiple locations in the Nashville, Tennessee area, and throughout Tennessee, as well as in Huntsville, Alabama. They offer programs for children aged 6 weeks to 5 years, focusing on early learning through a STEAM (Science, Technology, Engineering, Art, and Math) curriculum. Learning Zone emphasizes imaginative play, hands-on interaction, and nurturing a child's unique potential.

Teachers are trained to provide age-appropriate lessons and activities that foster verbal communication, problem-solving, scientific reasoning, and logical thought. They often operate in modern, state-of-the-art facilities designed to support early learning.

They offer summer day camps for children up to age 12 and after-school programs for kindergarteners through 12-year-olds.

Company Type: Private

Location: (13 Locations)

Website: <https://www.learningzonechildcare.com/>





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

PROPERTY PHOTOS

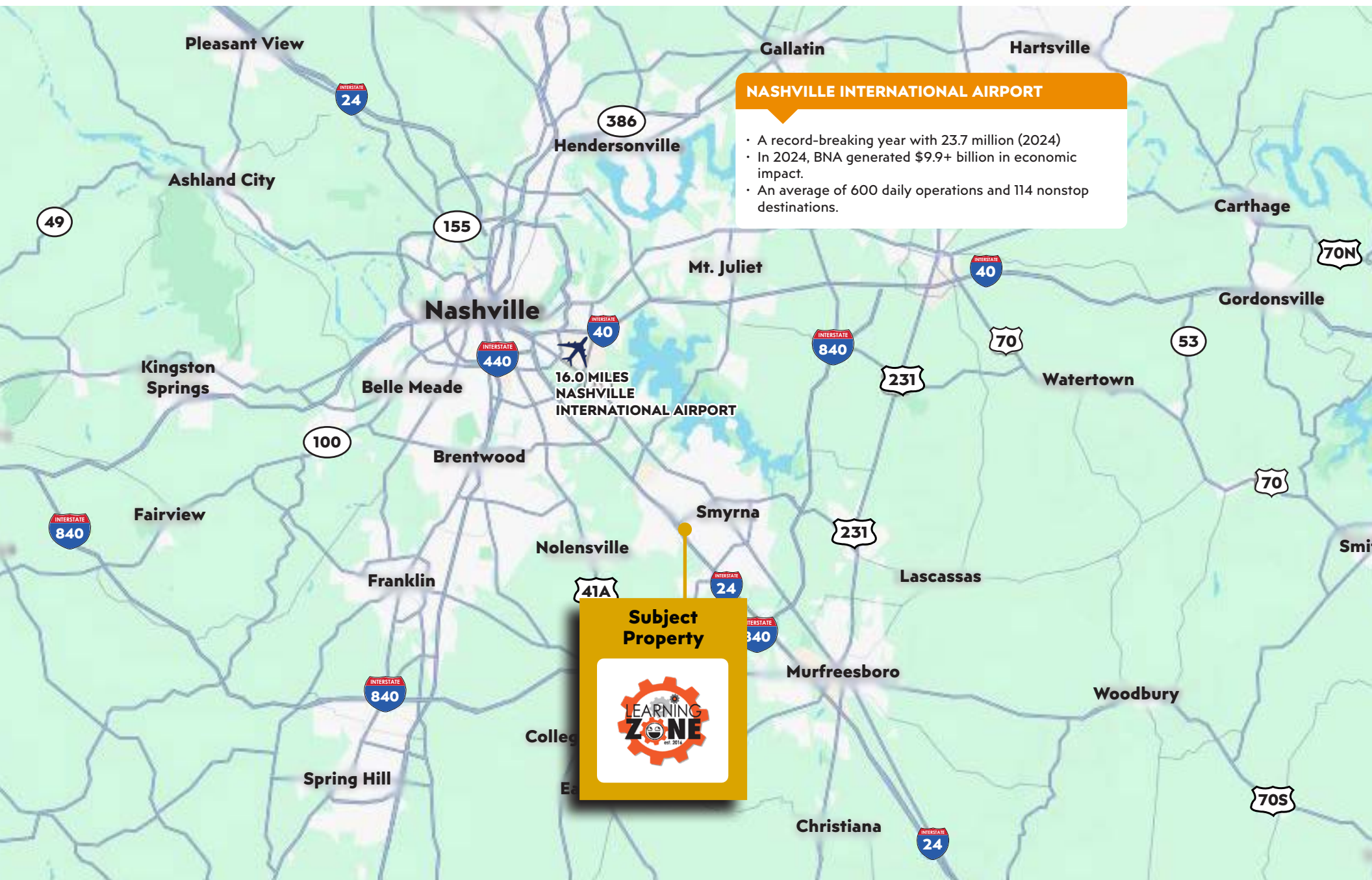




PROPERTY PHOTOS



REGIONAL MAP



AREA OVERVIEW

SMYRNA

- Located approximately 20 minutes from Nashville, Smyrna, TN is a family-friendly town with many amenities including great outdoor activities and historic sites.
- Smyrna was named one the top ten cities to retire by US News & World Report.
- A great greenway system, golf course, a low property tax rate and access to Percy Priest make Smyrna a draw for those seeking an active lifestyle.
- This vibrant, growing community of more than 40,000 residents is home to a Nissan factory, the city's largest private employer.
- Motlow State Community College offers secondary education opportunities and TriStar Stone Crest Medical Center provides top notch health care.
- A significant mark in the history of Smyrna was the impoundment of Percy Priest Lake in the 1960's. he lake not only serves as a tremendous supply of quality water to the area, but also is home to a variety of recreational opportunities.
- Smyrna is also home to the Smyrna airport which is Tennessee's third-largest general aviation airport.
- Smyrna is the 15th largest city in Tennessee, but its property taxes are the third lowest in the state.

NASHVILLE

- Known as the cultural epicenter of country music, the Nashville metro contains roughly 2.1 million residents across 14 counties that span from highly urban to rural and sparsely populated.
- Davidson is the most populous county, with about 755,000 people, and is home to a large portion of Nashville, the capital city, which has over 727,000 residents.
- The metro is located in the north-central portion of the state of Tennessee, in a topographical region called the Central Basin.
- The Cumberland River, which juts through the region, adds to the local economic base and enhances Nashville's quality of life.
- Contributing to its economy, the metro has a strong intermodal infrastructure network, linking it to other population hubs in the south, midwest and northeast. E-commerce is also a growing presence, with Amazon's Operations Center of Excellence in the metro.
- Music may be an integral piece of Nashville's cultural identity, the Music City has a lot more to offer, including history, cuisine, professional sports, education institutions, natural beauty and Southern charm.
- Music is alive not only at the Grand Ole Opry, but also at the Ryman Auditorium, Fontanel Mansion, Schermerhorn Symphony Center and the Tennessee Performing Arts Center.
- For country music fans, there is the Country Music Hall of Fame and Museum. Performing arts include the Nashville Ballet, Nashville Symphony, Nashville Opera, Nashville Repertory Theatre, Nashville Children's Theatre and ACT 1 (Artist's Cooperative Theatre). Museums in the metro include the Tennessee State Museum, the Vanderbilt University Fine Arts Gallery and Frist Art Museum.



MOTLOW STATE COMMUNITY COLLEGE



PERCY PRIEST LAKE



COUNTRY MUSIC HALL OF FAME AND MUSEUM

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2010 Population	4,440	35,178	77,537
2020 Population	6,143	44,342	97,603
2024 Population	6,447	47,707	107,343
2029 Population	6,813	50,493	115,461
HOUSEHOLDS			
2010 Households	1,745	12,916	27,579
2020 Households	2,263	15,867	34,044
2024 Households	2,431	17,364	38,197
2029 Households	2,556	18,457	41,226
OWNER OCCUPIED HOUSING UNITS			
2010 Owner Occupied Housing Units	51.4%	66.8%	69.9%
2020 Owner Occupied Housing Units	42.4%	59.5%	63.6%
2024 Owner Occupied Housing Units	44.8%	59.7%	64.0%
2029 Owner Occupied Housing Units	46.4%	59.9%	64.4%
RENTER OCCUPIED HOUSING UNITS			
2010 Renter Occupied Housing Units	41.2%	27.1%	24.3%
2020 Renter Occupied Housing Units	43.5%	35.2%	32.0%
2024 Renter Occupied Housing Units	41.5%	35.2%	31.7%
2029 Renter Occupied Housing Units	40.2%	35.0%	31.4%
AVERAGE HOUSEHOLD INCOME	\$112,722	\$101,486	\$100,837

AREA SNAPSHOT



107,343
POPULATION (5-MILE)



106,018
DAYTIME POPULATION (5-MILE)



9.8%
POPULATION GROWTH (2023-2028)



\$112,722
AVERAGE HOUSEHOLD INCOME (1-MILE)