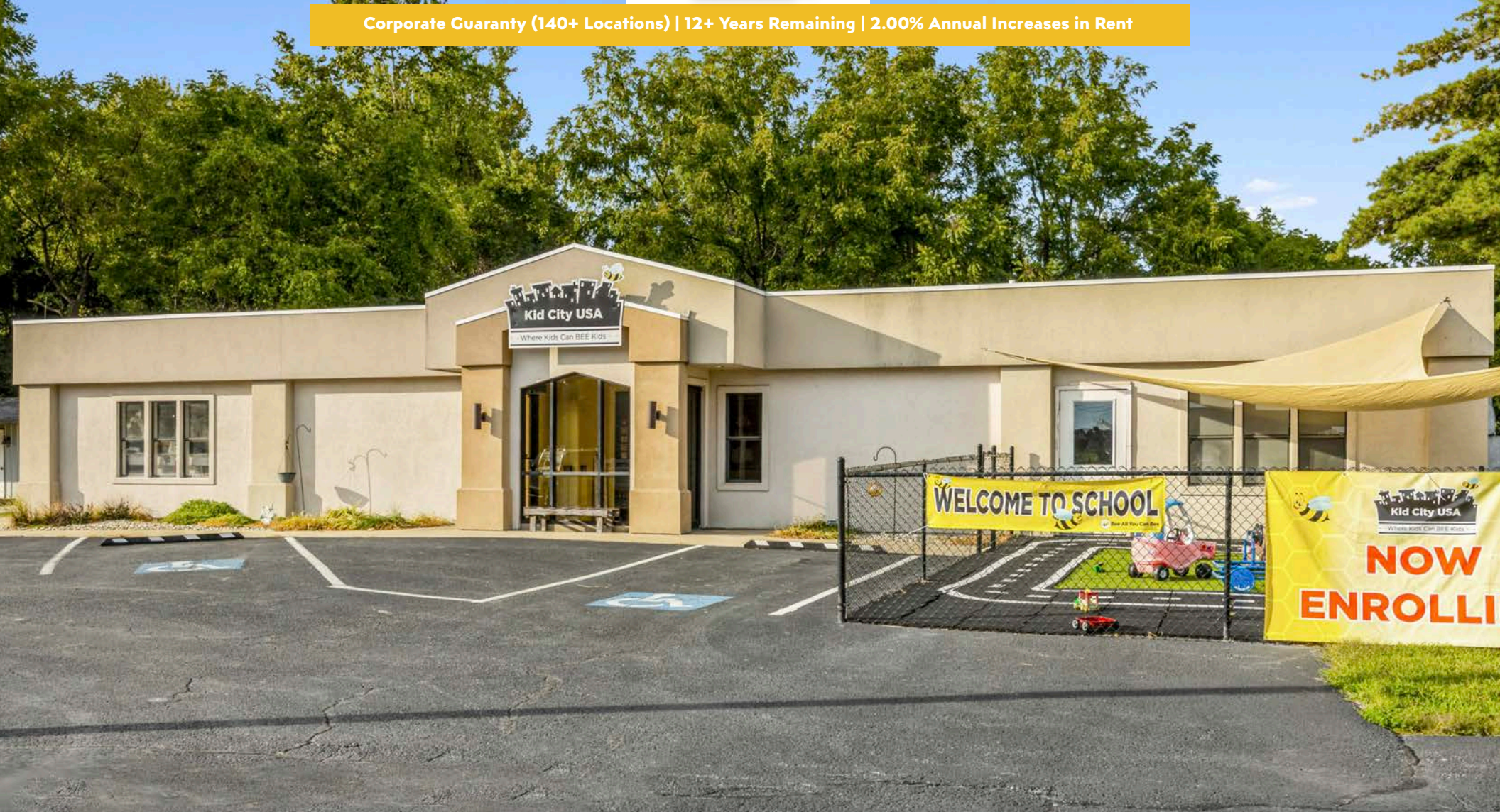




Corporate Guaranty (140+ Locations) | 12+ Years Remaining | 2.00% Annual Increases in Rent



OFFERING MEMORANDUM
PETERSBURG, INDIANA (EVANSVILLE MSA)

Marcus & Millichap
THE SULO GROUP

CONFIDENTIALITY & DISCLAIMER



Exclusively Listed by:

Dominic Sulo

Senior Managing Director
CHICAGO OAKBROOK
Tel: (630) 570-2171
DSulo@marcusmillichap.com
License: IL 475.134920

Broker of Record:

Josh Caruana
Regional Manager
License: RB14034355

Marcus & Millichap

Oakbrook, IL
1 Mid America Plaza #200
Oakbrook Terrace, IL 60181
P: +1 630-570-2200

Information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

MARCUS & MILLICHAP HEREBY ADVISES ALL PROSPECTIVE PURCHASERS OF SINGLE TENANT NET LEASED PROPERTY AS FOLLOWS:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a single tenant property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a single tenant property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any single tenant property to determine to your satisfaction with the suitability of the property for your needs.

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.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this single tenant property.

OFFERING SUMMARY

PROPERTY ADDRESS

Kid City USA

106 W. Pike Avenue

Petersburg, IN 47567

OFFERING SUMMARY

Price: \$1,104,000

Cap Rate: 7.50%

Net Operating Income: \$82,776

Building Square Footage: 5,284 Sq Ft

Year Built | Renovated: 1997 | 2022

Lot Size: +/- 0.79 Acres

LEASE SUMMARY

Tenant: Kid City USA Enterprises, Inc.

Guaranty: Corporate and Personal

Lease Commencement: 11/1/2022

Rent Commencement: 1/1/2023

Lease Expiration: 12/31/2037

Lease Term Remaining: 12+ Years

Lease Type: Triple Net

Roof and Structure: Tenant 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
4	1/1/2026	12/31/2026	\$82,776	7.50%
5	1/1/2027	12/31/2027	\$84,432	7.65%
6	1/1/2028	12/31/2028	\$86,120	7.80%
7	1/1/2029	12/31/2029	\$87,843	7.96%
8	1/1/2030	12/31/2030	\$89,599	8.12%
9	1/1/2031	12/31/2031	\$91,391	8.28%
10	1/1/2032	12/31/2032	\$93,219	8.44%
11	1/1/2033	12/31/2033	\$95,084	8.61%
12	1/1/2034	12/31/2034	\$96,985	8.78%
13	1/1/2035	12/31/2035	\$98,925	8.96%
14	1/1/2036	12/31/2036	\$100,903	9.14%
15	1/1/2037	12/31/2037	\$102,922	9.32%
16-20 (Option 1)	1/1/2037	12/31/2041	\$104,980	9.51%
21-25 (Option 2)	1/1/2041	12/31/2045	\$115,906	10.50%

INVESTMENT HIGHLIGHTS

- **12+ Years Remaining with 2.00% Annual Increases in Rent**
 - Kid City USA is 3+ years into a 15-year lease, offering long-term cash flow through December 2037 with two, five-year extension options immediately following the Base Term.
 - The lease is absolute net in nature, leaving the Landlord zero obligations with Tenant responsible for all maintenance, repair and replacement of the to the property.
 - 2.00% annual rental increases provide contractual rent growth for the remainder of the base lease term and the two, five-year option periods.
- **Corporate (140+ Locations) and Personal Guaranty in Place**
 - Kid City USA currently operates over 140 locations across twelve states.
 - Kid City USA landlord's benefit from not only a corporate guaranty, but also a personal guaranty from the founder and CEO of the company Audrey Bruner.
- **Evansville MSA – 3rd Largest City in Indiana**
 - Evansville is the third-largest city in Indiana. Evansville is the social and economic hub for our region, which includes Southwest Indiana, Southeast Illinois and Northwest Kentucky.
 - The Ohio River traverses the region, providing a border between the two states. The metro is home to the Port of Evansville, which expedites the movement of cargo from barge to rail and truck.
 - Major industries in the area include health care, finance, education and manufacturing. Among the companies headquartered in the metro are Atlas Van Lines, Koch Enterprises, OneMain Financial and Berry Global. University of Southern Indiana is also one of the city's leading employers.
- **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

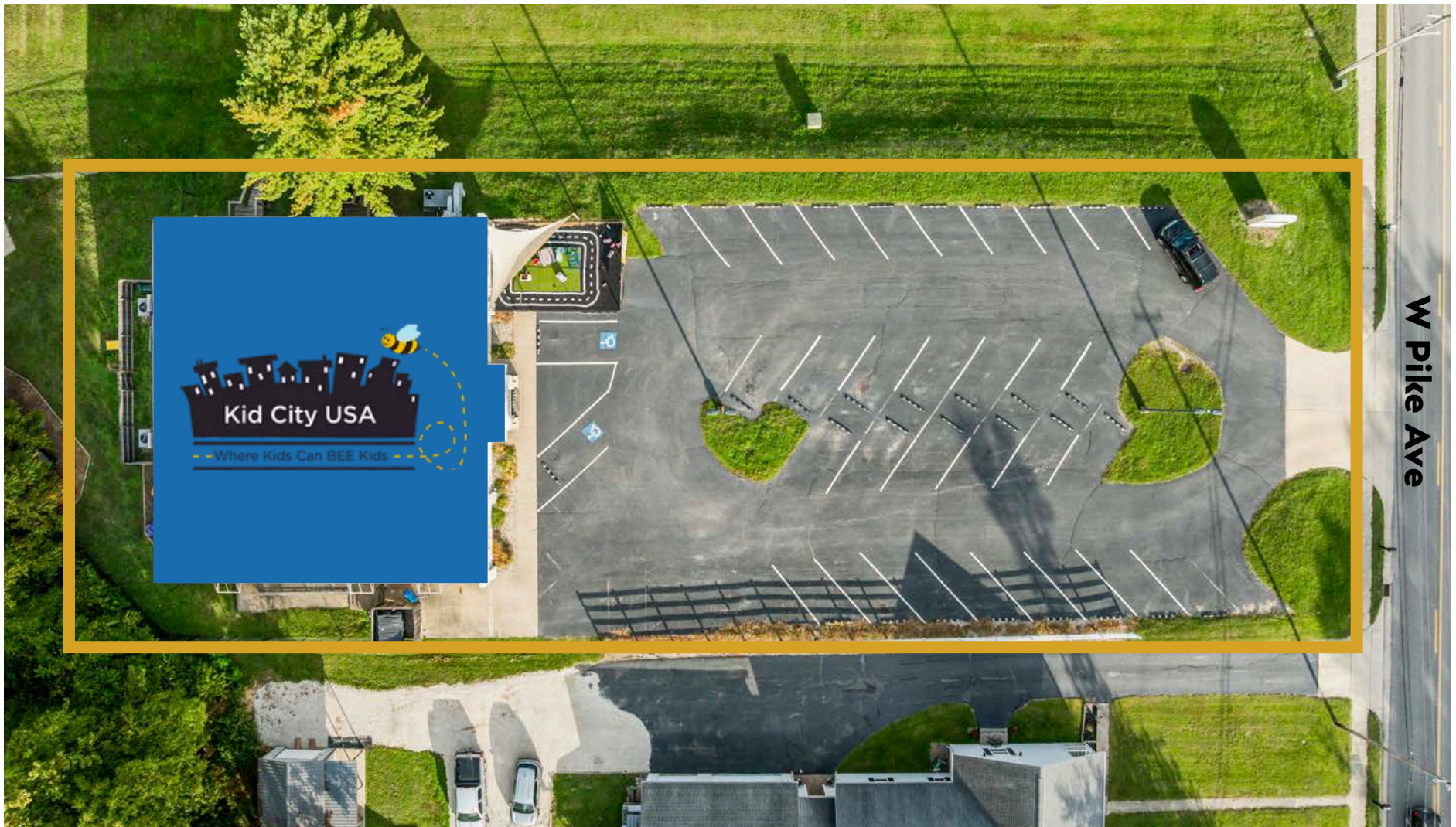
Expected to Grow to
\$83.6B by 2030



47%
Market
Share

U.S. ECE Segment
in 2022

SITE PLAN



AERIAL OVERVIEW



DEMOGRAPHICS

POPULATION (2024):

3-Mile Radius	3,799
5-Mile Radius	4,791
10-Mile Radius	11,942

HOUSEHOLD INCOME (AVERAGE):

3-Mile Radius	\$70,503
5-Mile Radius	\$70,599
10-Mile Radius	\$74,598

Subject Property



TENANT PROFILE

Kid City USA Enterprises offers unparalleled preschool, daycare, and before & after school programs nationwide. Over the last 25 years, Kid City USA has rapidly expanded to over 140 locations. Our franchise opportunities are great for both individuals wanting to put their degree in education to work or investors seeking to own one to several locations.

Kid City is committed to exceptional childcare and early childhood education in a homelike environment. Kid City is a place "Where Kids Can 'BEE' Kids". We are committed to providing families with a safe, healthy, structured environment filled with love and encouragement. Our program works diligently to develop the social, emotional, cognitive, physical and character development of each individual child. We respect the uniqueness of each family's customs and beliefs. Kid City does not discriminate against anyone (child or adult, staff or parent) based on sex, age, religion, natural origin, race, marital status, physical or mental disability, or veteran status. We practice an open-door policy and encourage parents to "bee" an active part in their children's learning and development process.

We pride ourselves on allowing children to grow and develop in a hands-on, literacy enriched environment. Use of TV or video is limited to educational purposes only with proper authorization. At Kid City USA, we use curriculum to promote the development of all stages in each child. Most of all, we provide our families with loving, trained caregivers who understand that all children develop differently.

Company Type: Private
Location: Port Orange, Florida (140+ Locations)
Website: <https://kidcityusa.com/>

2000

Year
Founded

140+

Locations
Across 12 States

25+

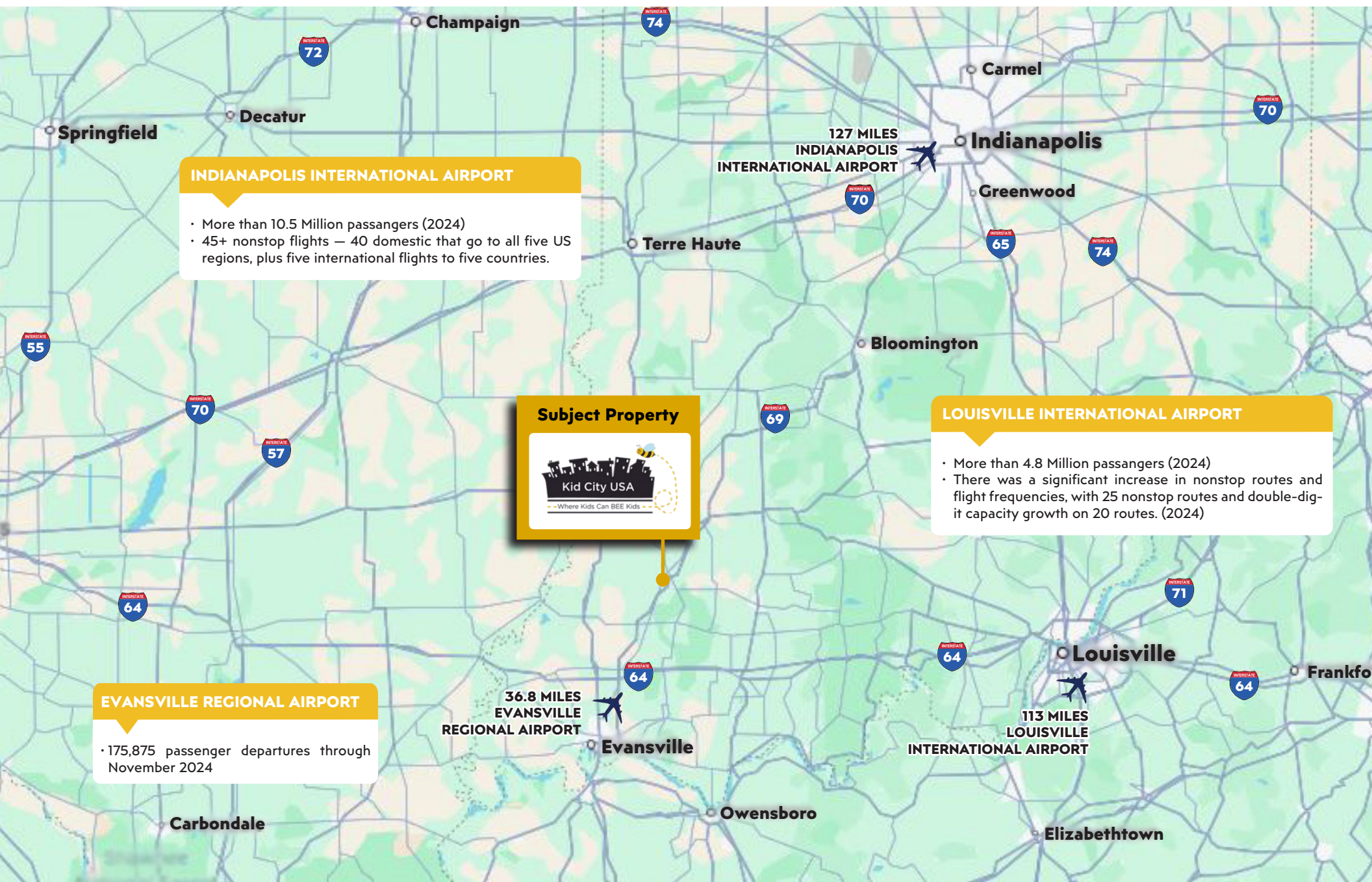
Years in
the Business



PROPERTY PHOTOS



REGIONAL MAP



AREA OVERVIEW

PETERSBURG

- On the county seat of Pike County, known for its peaceful, small-town atmosphere and community spirit, and serves as a hub for local government and services.
- Founded in 1817 and named for founder Peter Brenton, the town has a rural charm, a median age around 43, and a population of about 2,141, with most residents owning their homes. The economy is influenced by the power, coal mining, and electricity generation industries.
- Residents can enjoy Hornady Park and Prides Creek Park, which features a lake, a golf course, and a conservatory district.
- The city holds a Buffalo Trace Festival each year.
- Those willing to travel a little further, options like the Lincoln Boyhood National Memorial and Indiana Caverns are accessible.

EVANSVILLE

- Evansville is the third-largest city in Indiana. Evansville is the social and economic hub for our region, which includes Southwest Indiana, Southeast Illinois and Northwest Kentucky.
- The Ohio River traverses the region, providing a border between the two states. The metro is home to the Port of Evansville, which expedites the movement of cargo from barge to rail and truck.
- Major industries in the area include health care, finance, education and manufacturing. Among the companies headquartered in the metro are Atlas Van Lines, Koch Enterprises, OneMain Financial and Berry Global. University of Southern Indiana is also one of the city's leading employers.
- A major center for medical science industries and health care, the metro is home to Deaconess Hospital, as well as Ascension St. Vincent Evansville.
- Manufacturing operations are a significant driver of economic activity. Companies with operations in the metro include Kaiser Aluminum in Newburgh, AK Steel in Rockport, SABIC in Mount Vernon and Toyota Motor Manufacturing in Princeton.
- With more than 80 attractions, Evansville has something for everyone to see and do. Spend the day on a wild adventure at Mesker Park Zoo and Botanic Garden, discover our unique neighborhoods, journey along the riverfront, entertain the kids at the Children's Museum of Evansville, explore our numerous trails and walking paths and so much more.
- Evansville is home to national retailers, local boutiques and everything in between.
- A haven for food enthusiasts, offering a wide range of flavors, from local favorites to international cuisine. Whether you're craving hearty comfort food, seeking out farm-to-table freshness, or eager to explore innovative culinary creations, Evansville has a dining experience to satisfy every palate. Additionally, the city boasts a thriving craft beverage scene, including breweries, wineries, and specialty coffee shops, where you can indulge in the finest libations.



PRIDES CREEK PARK



MESKER PARK ZOO



**UNIVERSITY OF
EVANSVILLE**

DEMOGRAPHICS

POPULATION	3-MILE	5-MILE	10-MILE
2010 Population	3,952	5,027	12,688
2020 Population	3,843	4,854	12,069
2024 Population	3,799	4,791	11,942
2029 Population	3,798	4,789	11,915
HOUSEHOLDS			
2010 Households	1,622	2,031	5,023
2020 Households	1,593	1,978	4,831
2024 Households	1,606	1,992	4,851
2029 Households	1,616	2,003	4,867
OWNER OCCUPIED HOUSING UNITS			
2010 Owner Occupied Housing Units	68.4%	70.5%	73.7%
2020 Owner Occupied Housing Units	64.1%	66.9%	72.3%
2024 Owner Occupied Housing Units	64.6%	67.3%	72.5%
2029 Owner Occupied Housing Units	64.7%	67.4%	72.5%
RENTER OCCUPIED HOUSING UNITS			
2010 Renter Occupied Housing Units	23.1%	20.9%	16.9%
2020 Renter Occupied Housing Units	25.0%	22.3%	16.9%
2024 Renter Occupied Housing Units	24.6%	21.9%	16.7%
2029 Renter Occupied Housing Units	24.5%	21.9%	16.7%
AVERAGE HOUSEHOLD INCOME	\$70,503	\$70,599	\$74,598

AREA SNAPSHOT



11,942
POPULATION (10-MILE)



9,454
DAYTIME POPULATION (10-MILE)



1.0%
POPULATION GROWTH (2024-2029)



\$70,503
AVERAGE HOUSEHOLD INCOME (3-MILE)