



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



OFFERING MEMORANDUM
SPRING HILL, TENNESSEE (NASHVILLE MSA)

Marcus & Millichap
THE SULO GROUP



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OFFERING SUMMARY

PROPERTY ADDRESS

The Learning Zone

216 Town Center Parkway

Spring Hill, TN 37174

OFFERING SUMMARY

Price:	\$7,718,000
Cap Rate:	6.75%
Net Operating Income:	\$520,935
Building Square Footage:	13,718 Sq Ft
Year Built:	2024
Lot Size:	+/- 2.67 Acres

LEASE SUMMARY

Tenant:	DTD MIDTN, Inc.
Guaranty:	Corporate + High Net Worth Personal
Lease Execution:	10/28/2021
Rent Commencement:	1/15/2024
Lease Expiration:	1/31/2039
Lease Term Remaining:	12+ Years
Lease Type:	Absolute Net
Roof and Structure:	Tenant Responsible
Rental Increases:	2.00% Annually
Renewal Options:	Three, Five-Year
Right of First Refusal:	72 Hours of Tenant's Receipt

OPERATING DATA

Year	Start Date	End Date	Annual Rent	Cap Rate
3	2/1/2026	1/31/2027	\$520,935	6.75%
4	2/1/2027	1/31/2028	\$531,354	6.88%
5	2/1/2028	1/31/2029	\$541,981	7.02%
6	2/1/2029	1/31/2030	\$552,820	7.16%
7	2/1/2030	1/31/2031	\$563,877	7.31%
8	2/1/2031	1/31/2032	\$575,154	7.45%
9	2/1/2032	1/31/2033	\$586,657	7.60%
10	2/1/2033	1/31/2034	\$598,391	7.75%
11	2/1/2034	1/31/2035	\$610,358	7.91%
12	2/1/2035	1/31/2036	\$622,566	8.07%
13	2/1/2036	1/31/2037	\$635,017	8.23%
14	2/1/2037	1/31/2038	\$647,717	8.39%
15	2/1/2038	1/31/2039	\$660,672	8.56%
16-20 (Option 1)	2/1/2039	1/31/2044	Market	
21-25 (Option 2)	2/1/2044	1/31/2049	Market	
26-30 (Option 3)	2/1/2049	1/31/2054	Market	



INVESTMENT HIGHLIGHTS

- **12+ Years Remaining with 2.00% Annual Increases**
 - The Learning Zone signed a new 15-year lease at the subject property in 2024.
 - 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**
 - Spring Hill, located just 40 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 \$107,000,000 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

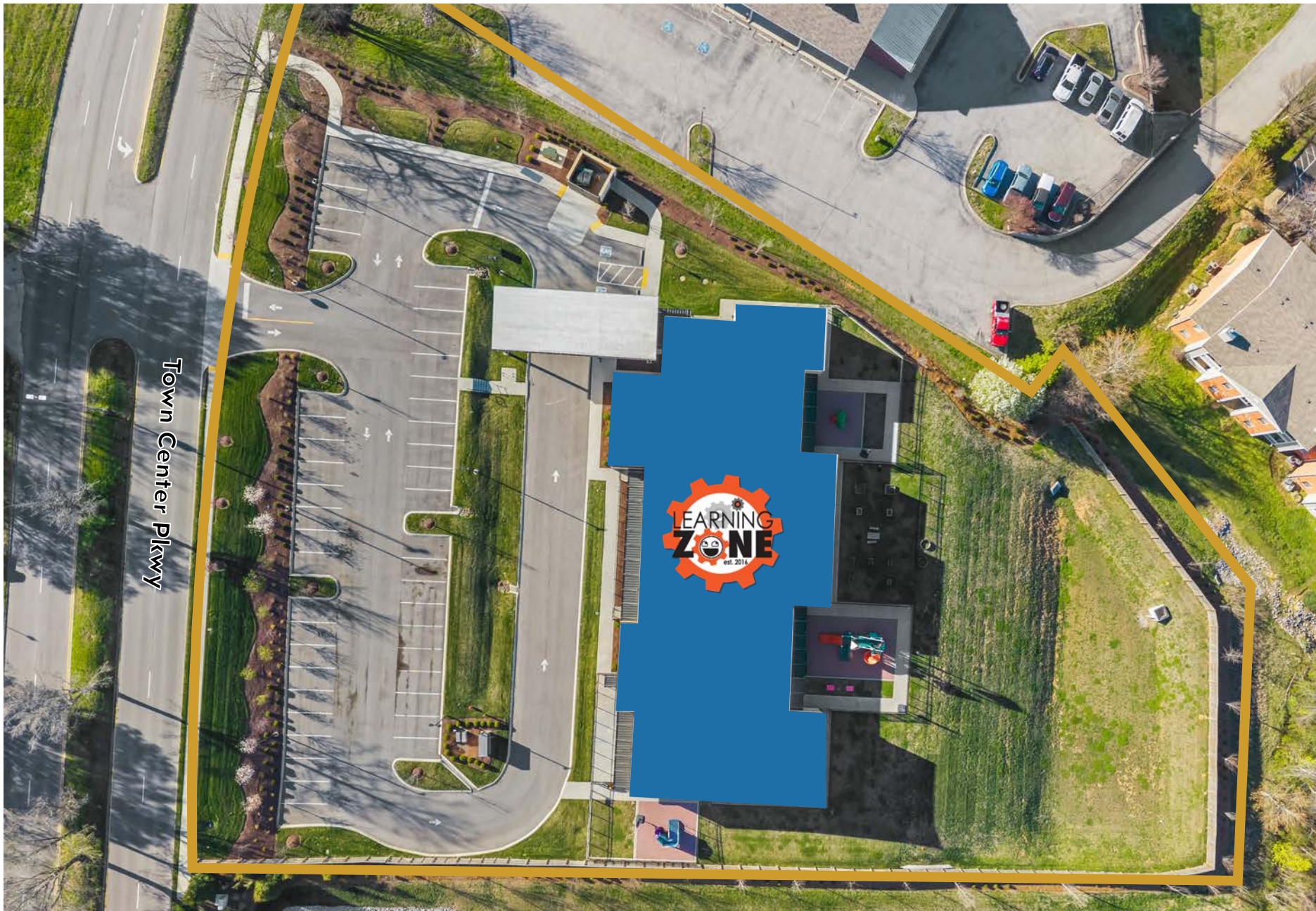


47%
Market
Share

U.S. ECE Segment
in 2022



SITE PLAN



AERIAL OVERVIEW



AERIAL OVERVIEW



The General Motors Spring Hill Assembly Plant (“the Plant” or “the Facility”) is one of GM’s most significant U.S. manufacturing assets, located in the rapidly growing Nashville metropolitan region. The Facility has served as a cornerstone of GM’s North American production network for decades and has recently undergone major modernization to support the company’s transition toward electric vehicle (EV) manufacturing.

Site Characteristics

- Large-scale industrial campus with multiple production buildings
- Assembly operations, stamping, paint, general assembly, and powertrain components
- Adjacent Ultium Cells battery facility (joint venture), supporting GM’s EV strategy
- 7.9 million sqft on 2,100 acres

Core Capabilities

- High-volume automotive assembly
- EV platform integration
- Flexible production lines capable of supporting multiple vehicle types
- Skilled union workforce with deep manufacturing experience



Town Center Pkwy

Town Center Townhomes

Subject Property

NASHVILLE
34.6 Miles North



AERIAL OVERVIEW



THE CROSSINGS OF SPRING HILL

The Columns on Main
310 Units

SUBWAY

SONIC

BW
Best Western

KIDDIE ACADEMY
EDUCATIONAL CHILD CARE

Dominos

MAURY REGIONAL HEALTH

FIVE GUYS
BURGERS and FRIES

THE HOME DEPOT

MCDONALD'S
NAPA
FOOD LION

Fozzy's

Town Center Townhomes

Town Center Pkwy

AMC

Red Robin
GOURMET BURGERS & BEERS

LONGHORN STEAKHOUSE

Hampton Inn

Villages at Spring Hill Apartments
176 Units

Subject Property

DEMOGRAPHICS

POPULATION (2024):

1-Mile Radius	3,399
3-Mile Radius	33,149
5-Mile Radius	71,621

HOUSEHOLD INCOME (AVERAGE):

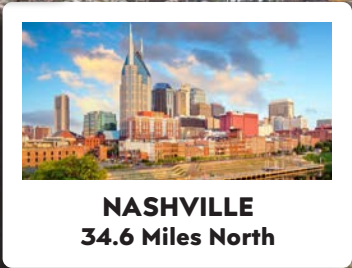
1-Mile Radius	\$116,912
3-Mile Radius	\$121,969
5-Mile Radius	\$128,808

TENANT PROFILE



Office Building

Villages at Spring Hill Apartments
176 Units



Town Center Townhomes

Town Center Pkwy



TENANT PROFILE

The Learning Zone, a privately owned, award-winning pre-school, stands as a beacon of excellence in the early childhood education industry. The unique educational experience, supported by a research based curriculum, ensures holistic child development from infancy to preschool years. Renowned for its commitment to high quality care, The Learning Zone transcends traditional daycare norms, nurturing young minds through an innovative, family-oriented approach, and setting a new standard for preschool education.

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.

The owner of The Learning Zone boasts an unparalleled track record in the industry and has expanded his operations across three sister brands over the last two decades. Overseeing a portfolio of more than 40 facilities, his remarkable history speaks volumes about his expertise, having never closed a single location and maintaining all ownership corporately.

Company Type: Private

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

20+
Years in
Operation

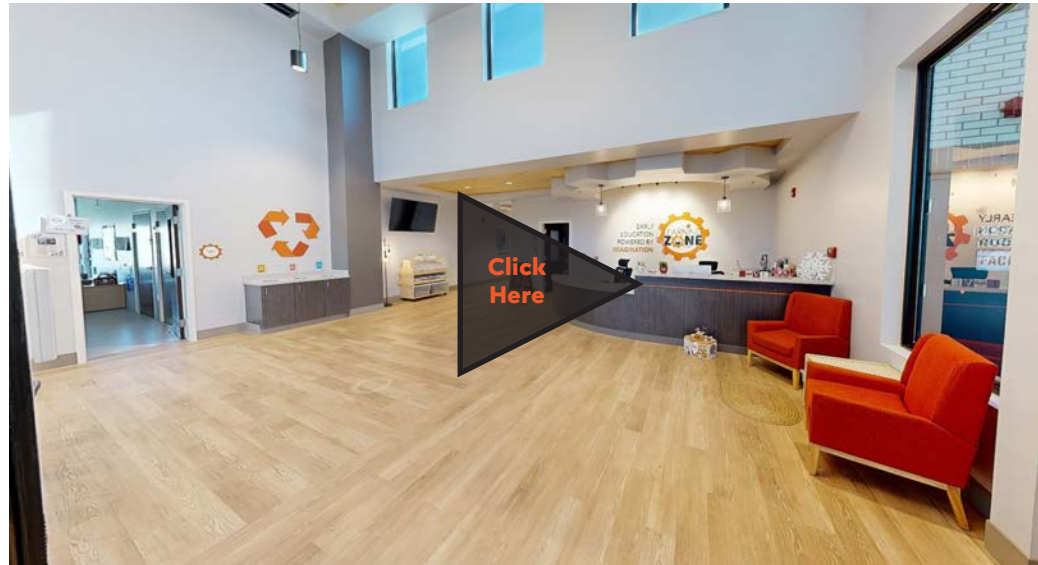
**100% Retention
Rate**
Zero Locations Closed

\$10M+
Combined
EBITDA

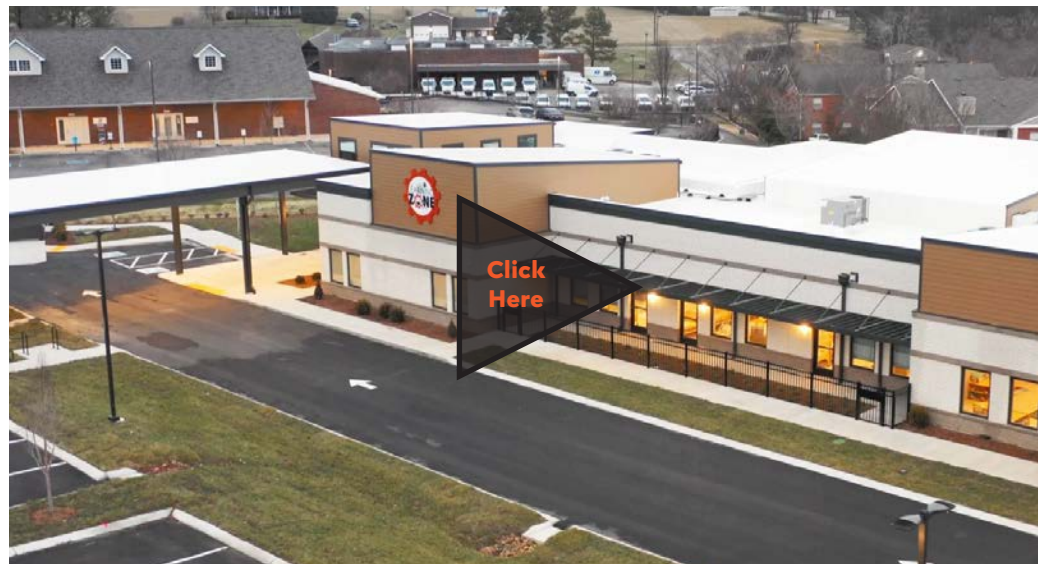


TENANT PROFILE

Tour Inside Property



Video of Property





PROPERTY PHOTOS





REGIONAL MAP



AREA OVERVIEW

SPRING HILL

- One of the fastest growing cities in Tennessee, Spring Hill is known for offering a mix of old and new.
- Located just south of Nashville, between Franklin and Columbia, Spring Hill provides a convenient location for businesses and residents looking to be close to major attractions and distribution channels.
- Potential residents will find vast and rapidly expanding subdivisions and new commercial centers sprinkled amongst historic properties and a Civil War battlefield.
- The city of Spring Hill blends rustic Tennessee countryside and historic sites with specialty local shops and fun activities, appealing to the interests of any visitor.
- Explore the thriving community of today with charming storefronts, Southern eateries, and family-friendly attractions; then step back into history to learn about the Battle of Spring Hill and its significance in the Civil War.
- Amble through the backroads as you make your way to Spring Hill, which is just south of Franklin, and be sure to make a stop in nearby Thompson's Station.

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	1,604	16,202	36,222
2020 Population	2,655	28,384	60,233
2024 Population	3,399	33,149	71,621
2029 Population	3,807	35,712	77,652
HOUSEHOLDS			
2010 Households	687	5,756	12,471
2020 Households	1,080	9,946	21,076
2024 Households	1,428	12,014	25,875
2029 Households	1,611	13,097	28,388
OWNER OCCUPIED HOUSING UNITS			
2010 Owner Occupied Housing Units	67.0%	76.2%	77.5%
2020 Owner Occupied Housing Units	74.2%	66.9%	70.4%
2024 Owner Occupied Housing Units	74.1%	66.2%	70.0%
2029 Owner Occupied Housing Units	74.0%	65.9%	69.8%
RENTER OCCUPIED HOUSING UNITS			
2010 Renter Occupied Housing Units	24.9%	16.8%	15.7%
2020 Renter Occupied Housing Units	20.9%	28.3%	25.4%
2024 Renter Occupied Housing Units	20.7%	28.8%	25.6%
2029 Renter Occupied Housing Units	20.8%	29.1%	25.7%
AVERAGE HOUSEHOLD INCOME	\$116,912	\$121,969	\$128,808

AREA SNAPSHOT




71,621

POPULATION (5-MILE)




49,043

DAYTIME POPULATION (5-MILE)



9.8%

POPULATION GROWTH (2023-2028)



\$116,912

AVERAGE HOUSEHOLD INCOME (1-MILE)