



Corporate Guaranty (272+ Locations) | 10.00% Increase Every 5 Years | Over 195,000 People in 5-Miles



OFFERING MEMORANDUM

MATTHEWS, NORTH CAROLINA (CHARLOTTE MSA)

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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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OFFERING SUMMARY



PROPERTY ADDRESS

Childcare Network

10540 Monroe Rd
Matthews, NC 28105

OFFERING SUMMARY

Price:	\$2,137,142
Cap Rate:	7.00%
Net Operating Income:	\$149,600
Building Square Footage:	13,269 Sq Ft
Year Built Renovated:	1958 2020
Lot Size:	+/- 2.48 Acres

LEASE SUMMARY

Tenant:	Child Development Schools, Inc.
Guaranty:	Corporate
Rent Commencement:	3/1/2020
Lease Expiration:	2/28/2035
Lease Term Remaining:	8+ Years
Lease Type:	Absolute Net
Roof and Structure:	Tenant Responsible
Rental Increases:	10.00% Increase Every 5 Years
Renewal Options:	Four, Five-Year
Right of First Refusal:	None

OPERATING DATA

Year	Start Date	End Date	Annual Rent	Cap Rate
6-10	3/1/2025	2/28/2030	\$149,600	7.00%
11-15	3/1/2030	2/28/2035	\$164,560	7.70%
16-20 (Option 1)	3/1/2035	2/28/2040	\$181,016	8.47%
21-25 (Option 2)	3/1/2040	2/28/2045	\$199,117	9.31%
26-30 (Option 3)	3/1/2045	2/28/2050	\$219,029	10.24%
31-25 (Option 4)	3/1/2050	2/28/2055	\$240,932	11.27%

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.
- **8+ Years Remaining | Absolute NNN Lease**
 - The CDS Inc. corporately guaranteed lease, has over 8 years remaining with four, five-year options to extend.
 - The lease features 10.00% rental increases every 5 years and continuing into the option periods, growing NOI and hedging against inflation.
 - The lease features zero landlord responsibilities, allowing for a passive investment for a new landlord.
- **Charlotte MSA – Most Populous City in North Carolina**
 - Charlotte, North Carolina, known as the “Queen City,” is the state’s most populous city and a major U.S. financial hub, second only to NYC in banking.
 - Located in Mecklenburg County, it is a rapidly growing, diverse city with a population of over 874,000, offering a blend of Southern charm, vibrant Uptown culture, and booming industries like energy and technology.
 - As of 2026, it remains one of the fastest-growing major cities in the U.S., with approximately 157 people moving to the region daily.
- **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.

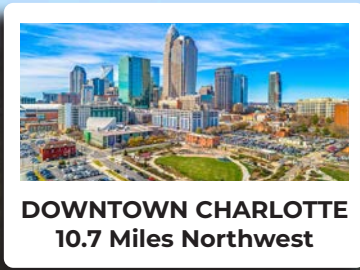


 <p>4.18% Annual Growth</p> <p>Expected Growth Rate from 2023 to 2030</p>	 <p>\$60.4B Industry</p> <p>Expected to Grow to \$83.6B by 2030</p>	 <p>47% Market Share</p> <p>U.S. ECE Segment in 2022</p>
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AERIAL OVERVIEW

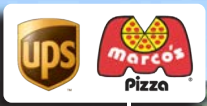
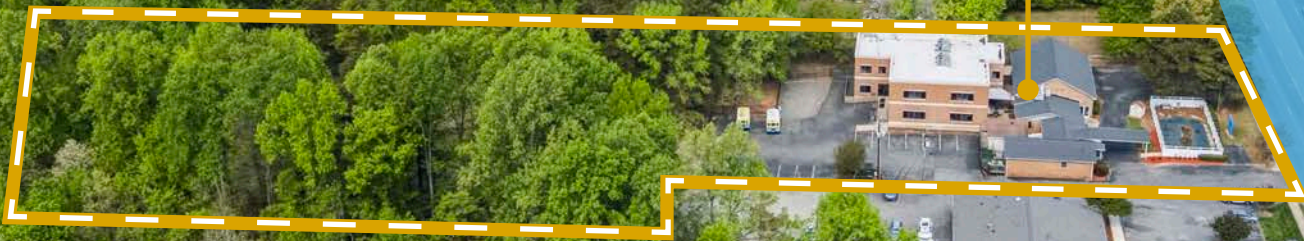



AERIAL OVERVIEW



Somerstone Estates

Subject Property
 **Childcare Network**



Monroe Rd
 35,984 CPD

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

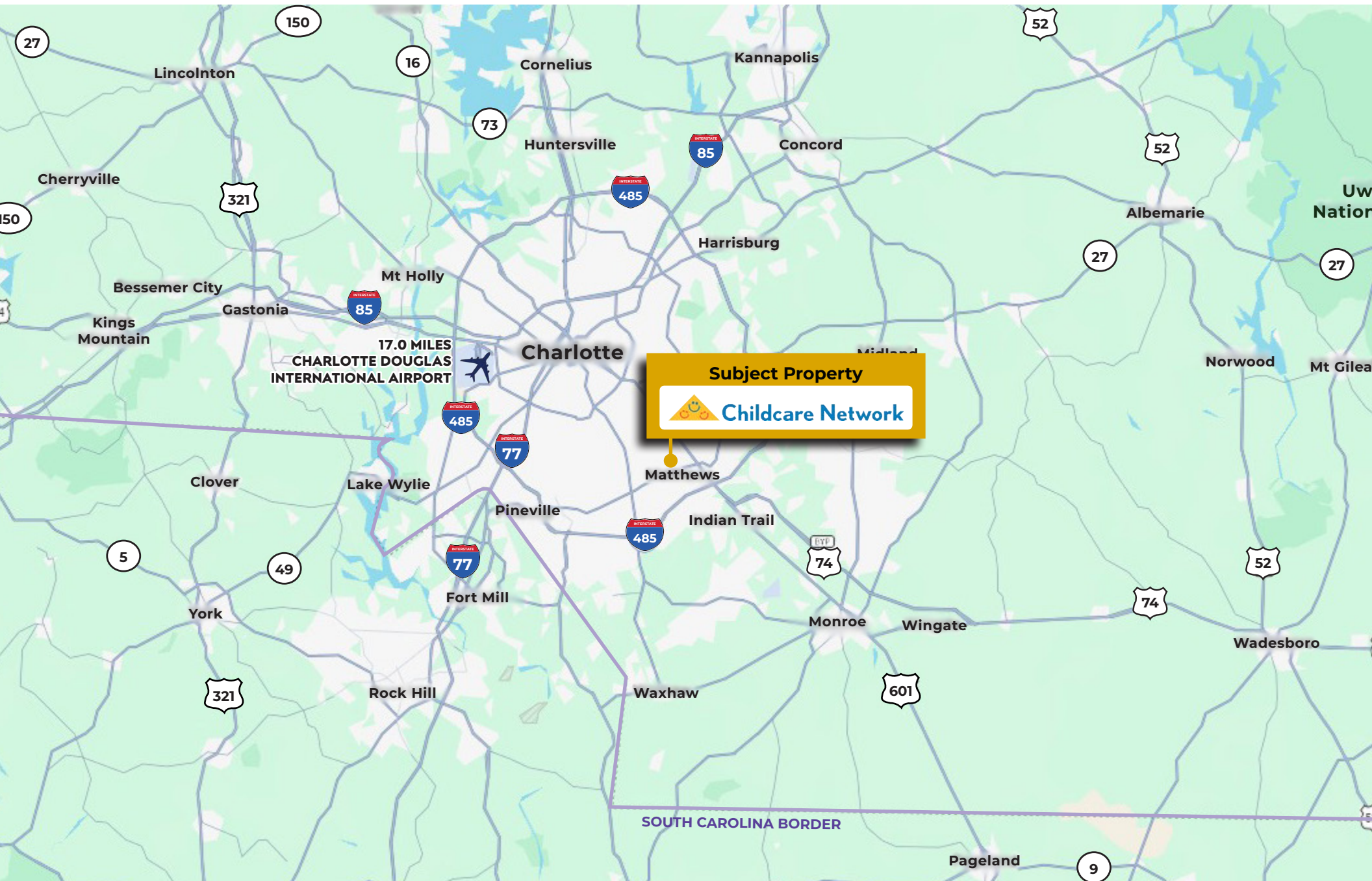
	ORGANIZATION	HEADQUARTERS	CAPACITY (EST.)	# OF CENTERS (EST.)
1	KinderCare Learning Centers	Oregon	200,000	2,400
2	Learning Care Group	Michigan	167,000	1,103
3	Bright Horizons	Massachusetts	115,000	1,028
4	Cadence Education	Arizona	53,400	326
5	Child Development Schools	Texas	46,916*	272*
6	Spring Education 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





MATTHEWS

- Nestled between Charlotte and Union County, Matthews offers big city amenities with a small-town feel.
- Annual festivals, family-friendly entertainment and plenty of recreational amenities have made it one of the most desired locations in the region.
- Downtown Matthews is a vibrant destination buzzing with nightlife, exciting restaurants, and shopping. Matthews is a great place for all who live, work or play here.
- Popular attractions like Renfrow Hardware, a 120-year-old store located along Trade Street, and the Matthews Farmers Market. The Farmers Market is the largest producer-only farmers market in the Charlotte region.
- Squirrel Lake Park near downtown is the perfect spot for walking, fishing and just enjoying wooded views. This 29-acre park is tucked between two Matthews neighborhoods on Pleasant Plains Road.

CHARLOTTE

- Located between the Blue Ridge Mountains and coastal plains, the Charlotte metro stretches 3,198 square miles across the Piedmont region of the Southeastern United States.
- A strong financial presence has helped the local population grow to more than 2.8 million citizens, becoming one of the nation's fastest-growing metros over the past 15 years.
- Air travel is served by Charlotte Douglas International Airport — the sixth-busiest airport in the country.
- Charlotte is within day-trip distance of the Pisgah and Uwharrie national forest, as well as the man-made Lake Norman.
- Cultural amenities include the Bechtler Museum of Modern Art, Historic Rosedale Plantation, Wells Fargo History Museum, Charlotte Symphony Orchestra, Opera Carolina and the Carolina Renaissance Festival.
- The Carolina Panthers and Charlotte Hornets both have stadiums in Uptown Charlotte. The metro includes the legendary Charlotte Motor Speedway that hosts major NASCAR races.
- Barbecue joints that have been perfecting their craft for generations, chefs pushing Southern flavors in new directions and fresh seafood that tastes like the ocean is right outside the door.

ECONOMY

- Although the finance sector is a large driver of the economy, manufacturing, health care and energy industries also play vital roles.
- Seven Fortune 500 firms have headquarters in the Charlotte metro: Bank of America, Lowe's, Duke Energy, Honeywell, Nucor, Brighthouse Financial, Truist Financial, LPL Financial, Albemarle and Sonic Automotive.
- The Charlotte metro benefits from North Carolina's low-tax business environment, for which it is frequently ranked among the top states for competitiveness.



SQUIRREL LAKE PARK



UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE




CHARLOTTE MOTOR SPEEDWAY

DEMOGRAPHICS


POPULATION	1-MILE	3-MILE	5-MILE
2010 Population	5,136	64,188	171,394
2020 Population	5,644	69,210	189,302
2024 Population	6,166	71,302	195,871
2029 Population	6,510	73,682	202,858
HOUSEHOLDS			
2010 Households	2,310	25,849	67,300
2020 Households	2,528	28,017	73,694
2024 Households	2,859	30,087	79,616
2029 Households	3,031	31,164	82,707
OWNER OCCUPIED HOUSING UNITS			
2010 Owner Occupied Housing Units	53.7%	58.5%	62.4%
2020 Owner Occupied Housing Units	49.5%	56.8%	61.6%
2024 Owner Occupied Housing Units	50.8%	57.1%	61.9%
2029 Owner Occupied Housing Units	51.3%	57.3%	62.1%
RENTER OCCUPIED HOUSING UNITS			
2010 Renter Occupied Housing Units	41.8%	35.7%	30.5%
2020 Renter Occupied Housing Units	45.6%	38.7%	33.7%
2024 Renter Occupied Housing Units	44.4%	38.5%	33.4%
2029 Renter Occupied Housing Units	43.9%	38.3%	33.3%
AVERAGE HOUSEHOLD INCOME	\$122,998	\$125,552	\$132,998

AREA SNAPSHOT




195,871

POPULATION (5-MILE)




175,616

DAYTIME POPULATION (5-MILE)



5.5%

POPULATION GROWTH (2024-2029)



\$122,998

AVERAGE HOUSEHOLD INCOME (1-MILE)