



Childcare Network

Corporate Guaranty (272+ Locations) | 10.00% Increase Every 5 Years | Recent 5-Year Lease Extension



OFFERING MEMORANDUM
VALDOSTA, GEORGIA

Marcus & Millichap
THE SULO GROUP

OFFERING SUMMARY



PROPERTY ADDRESS

Childcare Network

3584 Mt Zion Church Rd
Valdosta, GA 31605

OFFERING SUMMARY

Price:	\$1,445,000
Cap Rate:	7.75%
Net Operating Income:	\$112,004
Building Square Footage:	9,576 Sq Ft
Year Built:	2006
Lot Size:	+/- 1.50 Acres

LEASE SUMMARY

Tenant:	Child Development Schools, Inc.
Guaranty:	Corporate
Lease Commencement:	8/1/2006
Rent Commencement:	10/1/2026
Lease Expiration:	9/30/2031
Lease Term Remaining:	5+ Years
Lease Type:	Absolute Net
Roof and Structure:	Tenant Responsible
Rental Increases:	10.00% Increase Every 5 Years
Renewal Options:	One, Five-Year
Right of First Refusal:	None

OPERATING DATA

Year	Start Date	End Date	Annual Rent	Cap Rate
21-25	10/1/2026	9/30/2031	\$112,004	7.75%
26-30 (Option 3)	10/1/2031	9/30/2036	\$123,204	8.52%

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.
- **5+ Years Remaining | Absolute NNN Lease**
 - The CDS Inc. corporately guaranteed lease, has over 5 years remaining with one, 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.
- **Valdosta, GA – Rapid Economic Growth & Strategic Anchors**
 - Valdosta is experiencing a multi-year economic surge, making it a high-conviction market for capital placement. In the past four years, the region has secured over \$742.3 million in capital investments from nine new industries and 28 existing industry expansions, creating 1,150 new jobs.
 - The city has a retail sales figure exceeding \$3 billion annually, with a “retail pull factor” of 2.17—the second highest in the state—indicating it draws consumers from a massive regional radius.
 - The economy is insulated by large, stable institutions that provide a steady floor for local commerce.
- **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>
--	--	---

SITE PLAN



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

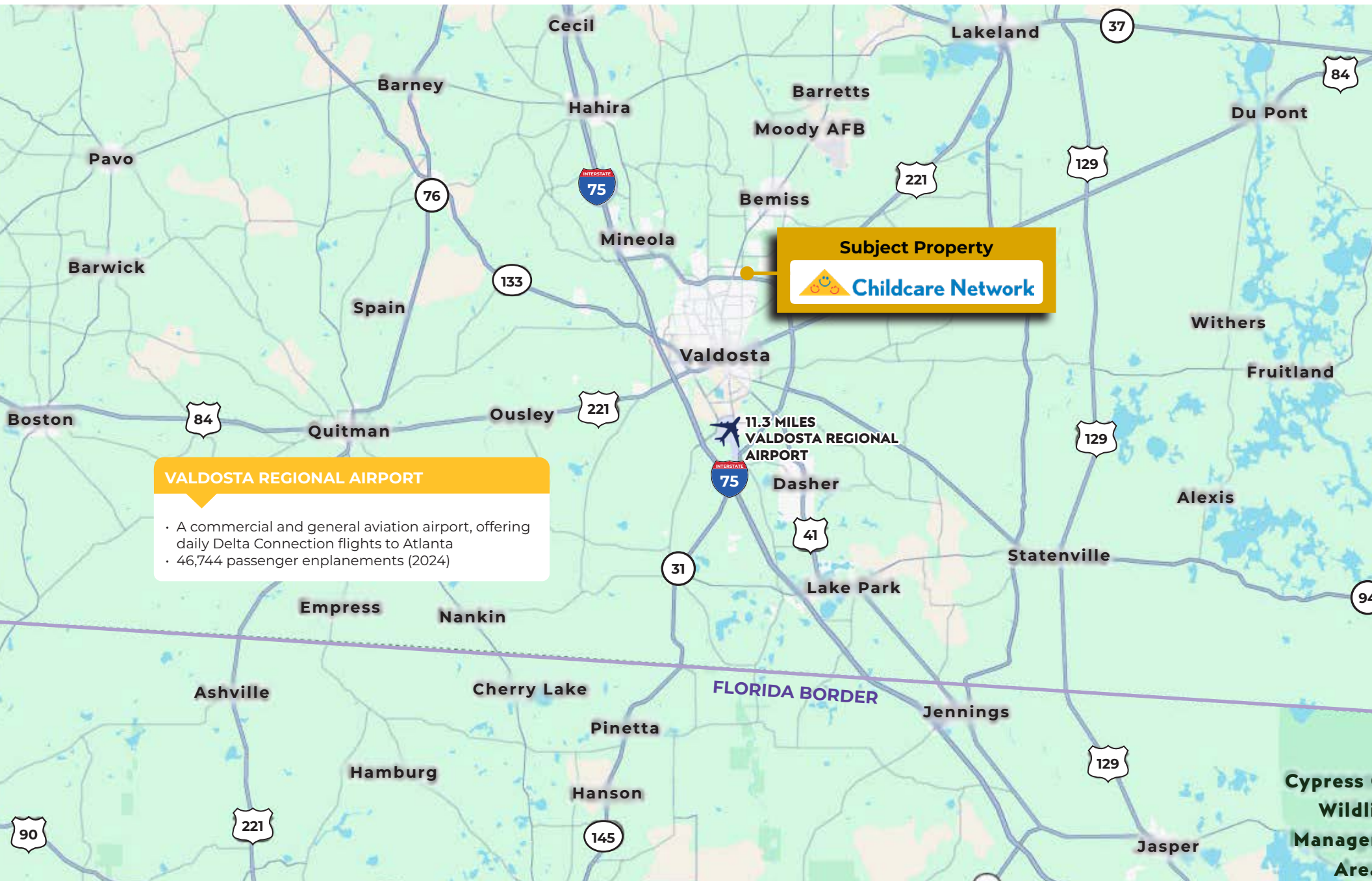
	ORGANIZATION	HEADQUARTERS	CAPACITY (EST.)	# OF CENTERS (EST.)
1	KinderCare Learning Centers	Oregon	200,000	2,400
2	Learning Care Group	Michigan	167,000	1,103
3	Bright Horizons	Massachusetts	115,000	1,028
4	Cadence Education	Arizona	53,400	326
5	Child Development Schools	Texas	46,916*	272*
6	Spring Education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





VALDOSTA REGIONAL AIRPORT

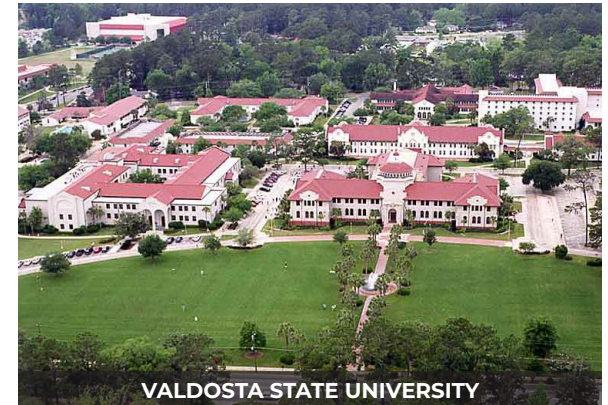
- A commercial and general aviation airport, offering daily Delta Connection flights to Atlanta
- 46,744 passenger enplanements (2024)

VALDOSTA

- A historic city known as the “Azalea City” and “Tittletown,” located in South Georgia along I-75 near the Florida border.
- It is known for its southern charm and rich agricultural history, particularly in cotton and tobacco.
- Home to Wild Adventures Theme Park, numerous historic sites like The Crescent, and a vibrant downtown district with shopping and dining.
- Major employers include Moody Air Force Base, South Georgia Medical Center, and Valdosta State University.
- Valdosta State University, a significant regional educational institution established in 1906.
- Tourism is based on numerous fishing lakes and rivers in the vicinity and on the Grand Bay Wildlife Management Area 10 miles north and Moody Air Force Base, 12 miles northeast, also contribute to the economy.
- Tourism is a major contributor to Valdosta’s economy, generating over \$422 million in visitor spending in 2023 and supporting more than 5,400 jobs.
- Valdosta is home to South Georgia Medical Center, which has nearly 3,000 employees. It boasts nationally recognized heart and stroke programs.
- From local breweries and wine bars to soul food and fine dining restaurants, there’s always a table set for you in Valdosta.
- Here, you’ll find local markets, produce stands, u-pick farms and farm-to-table restaurants that utilize fresh, local produce grown right here in Valdosta and surrounding areas.
- Downtown, also known as the City Center Arts District, where creative spirit and artisan vibes come to life through traditional art, theatre, entertainment and more.
- Buildings that were erected during Valdosta’s post-Civil War economic boom through the turn of the 20th Century have been lovingly preserved and restored, providing downtown an artful foundation and streetscape.

ECONOMY

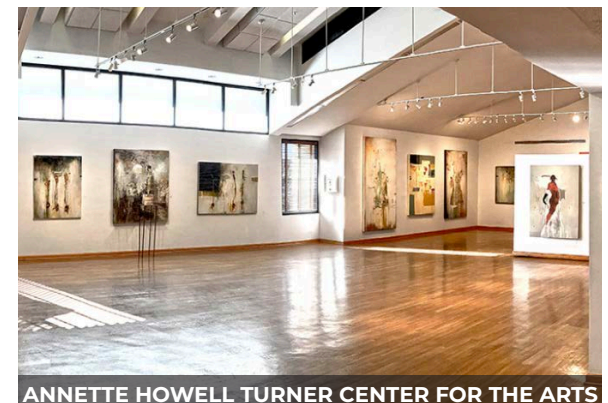
- Interstate 75 passes through Valdosta. Its proximity to Tallahassee, Jacksonville, and a collection of smaller southern Georgia cities enhances the local industrial sector. Lowe’s, Home Depot and Dillard’s are only some of the companies with distribution facilities here.
- Archer Daniels Midland, South Georgia Pecan and DuPont are among the companies that compose the local agriculture and food processing segment.
- Valdosta State University, with more than 10,000 students and 1,300 employees, has a sizable economic impact on the region.



VALDOSTA STATE UNIVERSITY



GRAND BAY WILDLIFE MANAGEMENT AREA




ANNETTE HOWELL TURNER CENTER FOR THE ARTS

DEMOGRAPHICS


POPULATION	1-MILE	3-MILE	5-MILE
2010 Population	4,762	34,241	67,495
2020 Population	5,298	37,030	72,433
2024 Population	5,580	40,289	77,906
2029 Population	5,776	42,433	81,568
HOUSEHOLDS			
2010 Households	1,896	13,500	25,482
2020 Households	2,098	14,863	28,065
2024 Households	2,260	16,789	31,316
2029 Households	2,345	17,799	33,022
OWNER OCCUPIED HOUSING UNITS			
2010 Owner Occupied Housing Units	49.9%	42.7%	42.7%
2020 Owner Occupied Housing Units	44.6%	37.9%	39.4%
2024 Owner Occupied Housing Units	44.7%	38.3%	39.8%
2029 Owner Occupied Housing Units	44.6%	38.4%	39.9%
RENTER OCCUPIED HOUSING UNITS			
2010 Renter Occupied Housing Units	44.6%	49.6%	48.0%
2020 Renter Occupied Housing Units	49.2%	54.2%	51.2%
2024 Renter Occupied Housing Units	48.9%	53.7%	50.7%
2029 Renter Occupied Housing Units	48.9%	53.5%	50.6%
AVERAGE HOUSEHOLD INCOME	\$71,726	\$73,304	\$71,817

AREA SNAPSHOT




77,906

POPULATION (5-MILE)




88,959

DAYTIME POPULATION (5-MILE)



4.7%

POPULATION GROWTH (2024-2029)



\$71,726

AVERAGE HOUSEHOLD INCOME (1-MILE)

Exclusively Listed by:

Dominic Sulo

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

Broker of Record:

John Leonard
Regional Manager
License: 252904

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 Real Estate Investment Services of Atlanta, Inc. ("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.