



Corporate Guaranty (NYSE: KLC) | CPI Increases Every 5 Years | 240,000+ People in 5-Miles



OFFERING MEMORANDUM

**DULUTH, GEORGIA (ATLANTA MSA)**

Marcus & Millichap  
THE SULO GROUP

# OFFERING SUMMARY

## PROPERTY ADDRESS

### KinderCare (Crème de la Crème)

2349 Meadow Church Rd  
Duluth, GA 30097

## OFFERING SUMMARY

Price:	\$9,264,269
Cap Rate:	8.00%
Net Operating Income:	\$741,141
Building Square Footage:	21,538 Sq Ft
Year Built:	2007
Lot Size:	+/- 2.60 Acres

## LEASE SUMMARY

Tenant:	Crème de la Crème
Guaranty:	Corporate
Rent Commencement:	12/19/2014
Lease Expiration:	9/30/2032
Lease Term Remaining:	6+ Years
Lease Type:	Absolute Net
Roof and Structure:	Tenant Responsible
Rental Increases:	CPI Capped at 10.00% Every 5 Years
Renewal Options:	Five, Five-Year
Right of First Refusal:	None

## OPERATING DATA

Year	Start Date	End Date	Annual Rent	Cap Rate
9-18	12/19/2022	9/30/2032	\$741,141	8.00%
19-23 <b>(Option 1)</b>	10/1/2032	9/30/2037	\$815,256	8.80%
24-28 <b>(Option 2)</b>	10/1/2037	9/30/2042	\$896,781	9.68%
29-33 <b>(Option 3)</b>	10/1/2042	9/30/2047	\$986,459	10.65%
34-38 <b>(Option 4)</b>	10/1/2047	9/30/2052	\$1,085,105	11.71%
39-43 <b>(Option 5)</b>	10/1/2052	9/30/2057	\$1,193,616	12.88%

# INVESTMENT HIGHLIGHTS

- **Corporate Guaranty (NYSE: KLC) from the #1 Corporate Operator in the Country**
  - KinderCare is the largest private provider of high-quality early childhood education in the US by center capacity with the ability to serve over 200,000 children across its more than 2,400 centers and sites.
  - KinderCare currently operates in over 40 states across the United States.
  - #1 largest childcare brand with \$2.66 billion in 2024 reported annual revenue.
- **KinderCare Completed IPO in October 2024**
  - KinderCare completed its IPO in October 2024, raising approximately \$616M in proceeds and receiving a credit rating upgrade as a result.
  - FY 2024 revenues of \$2.66B, a 5.9% increase over the previous year.
- **6+ Years Remaining with CPI Increases Every 5 Years**
  - The KinderCare. corporately guaranteed lease, has over 6 years remaining.
  - The lease features CPI rental increases every 5 years, capped at 10.00% 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.
- **Over \$164,000,000 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, including Tulsa's universal pre-K program, are more likely to enroll in college and potentially experience higher earnings in adulthood.
- **Atlanta MSA – 240,000+ People in 5-Miles**
  - Atlanta's economy is highly diversified, with the metro's top employers representing a wide variety of sectors.
  - With few natural barriers to limit development, tremendous population growth over the past decade expanded the metro's borders, and the region now has a population of roughly 6.0 million people. Over the next five years the region is expected to add approximately 316,000 residents.
  - The urban core has been the epicenter of several major construction projects in recent years, with Centennial Yards headlining urban renewal in downtown Atlanta.



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



# AERIAL OVERVIEW



**Subject Property**



**KinderCare**

Meadow Church Way



**JASLINKS**  
HEALTHCARE SERVICES, INC.



**Macley Family Practice**  
& Walk-in Clinic

Meadow Church Rd

DEMOGRAPHICS	
<b>POPULATION (2023):</b>	
1-Mile Radius	8,123
3-Mile Radius	85,159
5-Mile Radius	240,400
<b>HOUSEHOLD INCOME (AVERAGE):</b>	
1-Mile Radius	\$109,929
3-Mile Radius	\$99,614
5-Mile Radius	\$99,007

# AERIAL OVERVIEW



# TENANT PROFILE

In 1969, the first KinderCare opened its doors in Montgomery, Alabama, to support record numbers of mothers entering the workforce. Over 50 years later, we take pride in providing safe, nurturing care for children of modern working parents so they can pursue their dreams.

Today, KinderCare Learning Companies helps organizations and their employees better integrate work with life as the nation’s leading provider of employer-sponsored child care benefits. We’ve partnered with over 600 organizations to answer their working parents’ call for quality child care in the communities where they work and live nationwide.

Explore opportunities across our family of brands—KinderCare® Learning Centers, Champions®, and Crème de la Crème®! We also offer child care solutions that organizations can add to employee benefit packages. And we partner with schools and entire districts to bring extended-day programs to their learning communities, including before- and after-school programs and seasonal break camps.

With over 37,000 teachers and staff across more than 2,400 locations in 40 states and Washington, D.C., there’s no limit to what you can achieve here and what we can achieve together. Think competitive, family-friendly benefits, professional development, generous paid time off, and a work-life balance that helps you thrive.



**Company Type:** Public  
**Location:** Lake Oswego, Oregon (2,400+ Locations)  
**Website:** <https://www.kindercare.com/>

**\$2.66B**  
 2024 Total Revenue

**NYSE: KLC**  
 Publicly Traded Company

**2,400+**  
 Locations Globally

## 2025 | TOP 20 CORPORATE CHILD CARE COMPANIES

	ORGANIZATION	HEADQUARTERS	CAPACITY (EST.)	# OF CENTERS (EST.)
1	<b>KinderCare Learning Centers</b>	<b>Oregon</b>	<b>200,000</b>	<b>2,400</b>
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

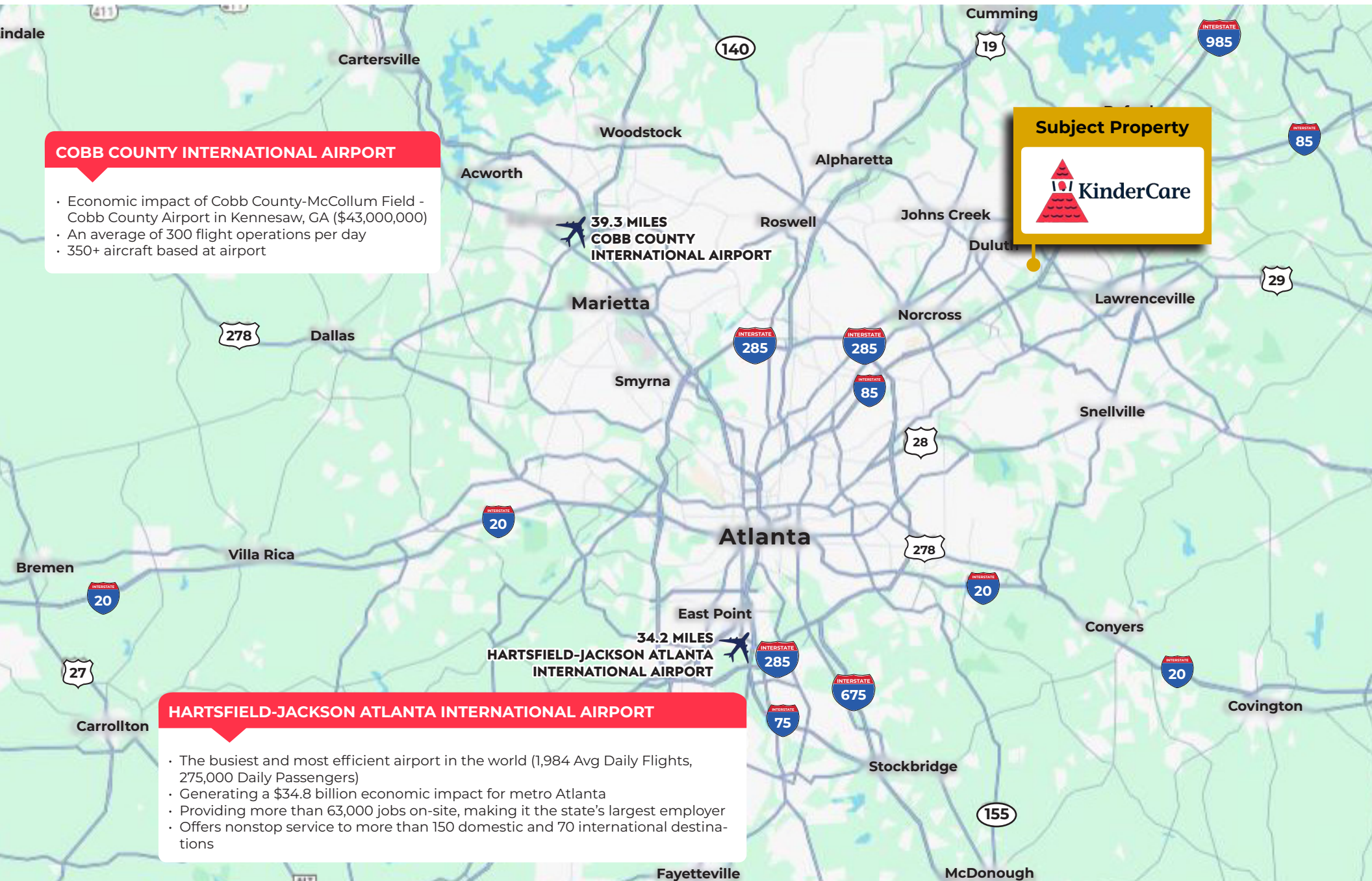
Based on data supplied by the organizations. Data on capacity is total licensed capacity as of January 1, 2025

\*Data from January 2024 report. \*\*Data from January 2023 report.

# PROPERTY PHOTOS



# REGIONAL MAP



## COBB COUNTY INTERNATIONAL AIRPORT

- Economic impact of Cobb County-McCollum Field - Cobb County Airport in Kennesaw, GA (\$43,000,000)
- An average of 300 flight operations per day
- 350+ aircraft based at airport

**Subject Property**



## HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT

- The busiest and most efficient airport in the world (1,984 Avg Daily Flights, 275,000 Daily Passengers)
- Generating a \$34.8 billion economic impact for metro Atlanta
- Providing more than 63,000 jobs on-site, making it the state's largest employer
- Offers nonstop service to more than 150 domestic and 70 international destinations

# AREA OVERVIEW

## DULUTH

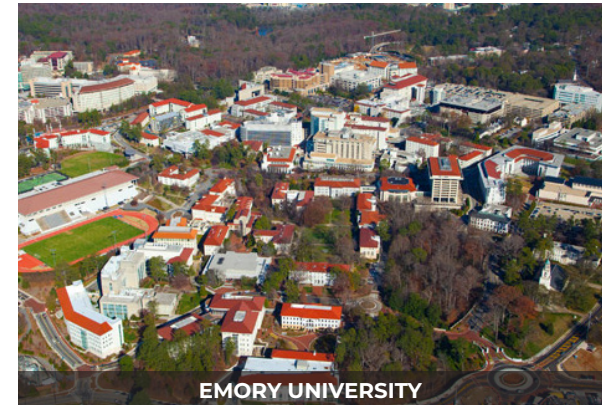
- A vibrant, diverse suburb located 25 miles northeast of Atlanta in Gwinnett County.
- It is recognized for its strong community atmosphere, festivals, and cultural diversity.
- The heart of the city is its downtown, featuring restaurants, breweries, a Town Green that hosts events, and Parsons Alley for dining. It is highly walkable and frequently hosts events, such as the Duluth Fall Festival.
- The city is economically stable and debt-free. It is home to the agricultural manufacturer AGCO and major commercial corridors along Peachtree Industrial Boulevard and Pleasant Hill Road.
- McDaniel Farm Park provides green space, and the city is located near the Chattahoochee River and Lake Lanier.
- Thanks to its convenient access to I-85, residents can easily commute to Atlanta's major job centers in tech, healthcare, education, and entertainment.
- Top-rated schools, cultural diversity, and a strong sense of civic pride, Duluth is a dynamic place to live, work, and thrive.

## ATLANTA

- The Atlanta metro encompasses 29 counties in northwestern Georgia. The region now has a population of roughly 6.1 million people.
- Mercedes-Benz Stadium has been a catalyst for redevelopment in the urban core of Atlanta, while Truist Park has prompted new development northwest of downtown Atlanta.
- The volume of new projects in the downtown and midtown sections of the metro will present additional housing, entertainment and retail opportunities.
- More than 50 institutions of higher learning call Atlanta home, including Emory University, Georgia Institute of Technology, Georgia State University and Spelman College.
- Ted Turner's media empire was based in Atlanta, and many related production companies still have a presence in the metro today. Georgia's film and TV production tax credits have helped to retain entertainment industry jobs. As music production has dispersed across the country in the internet age, Atlanta's cultural influence has grown as well.
- Outdoor and sports enthusiasts will find plenty to enjoy. Mild weather year-round allows residents to hike, paddle and bike on the many trails in and around Atlanta.
- Atlanta is home to professional sports franchises in the NFL, MLB, NBA, NHL, MLS and WNBA.

## ECONOMY

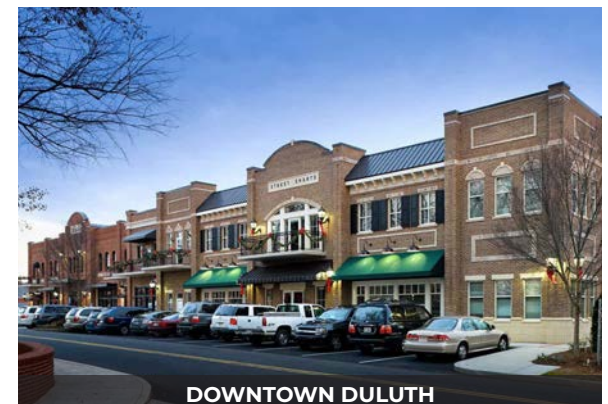
- Atlanta's economy is highly diversified, with the metro's top employers representing a wide variety of sectors.
- Atlanta is also host to a Federal Reserve Bank branch and the headquarters for the Center for Disease Control.
- Hartsfield-Jackson airport is the world's busiest by passenger volume.



**EMORY UNIVERSITY**



**ATLANTA BOTANICAL GARDEN**




**DOWNTOWN DULUTH**

# DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2010 Population	6,297	71,166	200,219
2020 Population	7,414	83,278	236,353
2024 Population	8,123	85,159	240,400
2029 Population	8,497	86,676	246,172
HOUSEHOLDS			
2010 Households	2,444	25,702	70,556
2020 Households	2,869	31,091	83,980
2024 Households	3,207	32,722	88,720
2029 Households	3,384	33,577	91,201
OWNER OCCUPIED HOUSING UNITS			
2010 Owner Occupied Housing Units	44.5%	48.9%	53.3%
2020 Owner Occupied Housing Units	33.1%	41.3%	48.0%
2024 Owner Occupied Housing Units	34.5%	41.9%	48.3%
2029 Owner Occupied Housing Units	35.2%	42.2%	48.4%
RENTER OCCUPIED HOUSING UNITS			
2010 Renter Occupied Housing Units	48.6%	43.9%	39.4%
2020 Renter Occupied Housing Units	57.6%	52.7%	46.9%
2024 Renter Occupied Housing Units	56.5%	52.1%	46.6%
2029 Renter Occupied Housing Units	56.1%	51.9%	46.5%
AVERAGE HOUSEHOLD INCOME	<b>\$109,929</b>	<b>\$99,614</b>	<b>\$99,007</b>


AREA SNAPSHOT



240,400

POPULATION (5-MILE)


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269,698

DAYTIME POPULATION (5-MILE)


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3.3%

POPULATION GROWTH (2025-2029)

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\$109,929

AVERAGE HOUSEHOLD INCOME (1-MILE)

# CONFIDENTIALITY & DISCLAIMER

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