



SINGLE TENANT NET LEASE INVESTMENT KINDERCARE MCHENRY, IL

SINGLE-TENANT INVESTMENT PROPERTY



4717 W. CRYSTAL LAKE ROAD :: MCHENRY, ILLINOIS

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CBRE

EXECUTIVE SUMMARY

Kindergarten • 4717 W. Crystal Lake Road • McHenry, IL

CBRE is pleased to present for purchase the “fee simple interest” in a KinderCare property located in the Chicago suburb of McHenry, approximately 50 miles northwest from downtown Chicago. The subject property is located at 4717 W. Crystal Lake Road, directly across the street from McHenry High School - West Campus. Traffic counts on Crystal Lake Road are 13,000 cars per day.

Kindergarten has been a tenant at this location since 1994. Kindergarten recently executed a brand new lease amendment with a 5-year extension expiring on March 31, 2019 showing a high level of commitment to the site. This amendment includes two 5-year options with rent bumps. In addition, although the building and improvements sit on roughly 3/4 of one acre, the property being sold consists of approximately 3.55 acres.



INVESTMENT SUMMARY

Offering Price:	\$520,790
Cap Rate:	10.0%
Lease Structure:	Net
Parcel Size:	±3.6 acres
Building Size:	±4,500
Year Built:	1967
Tenant:	Knowledge Universe Education, LLC (Kindergarten)
Lease Commencement:	April 1, 1994
Lease Expiration:	March 31, 2019
Current Rent:	\$52,079
Renewal Options:	2 five year options
Option Rent:	\$55,725 - 4/1/2019 \$59,626 - 4/1/2024
Landlord Responsibilities:	Roof and structure

INVESTMENT HIGHLIGHTS

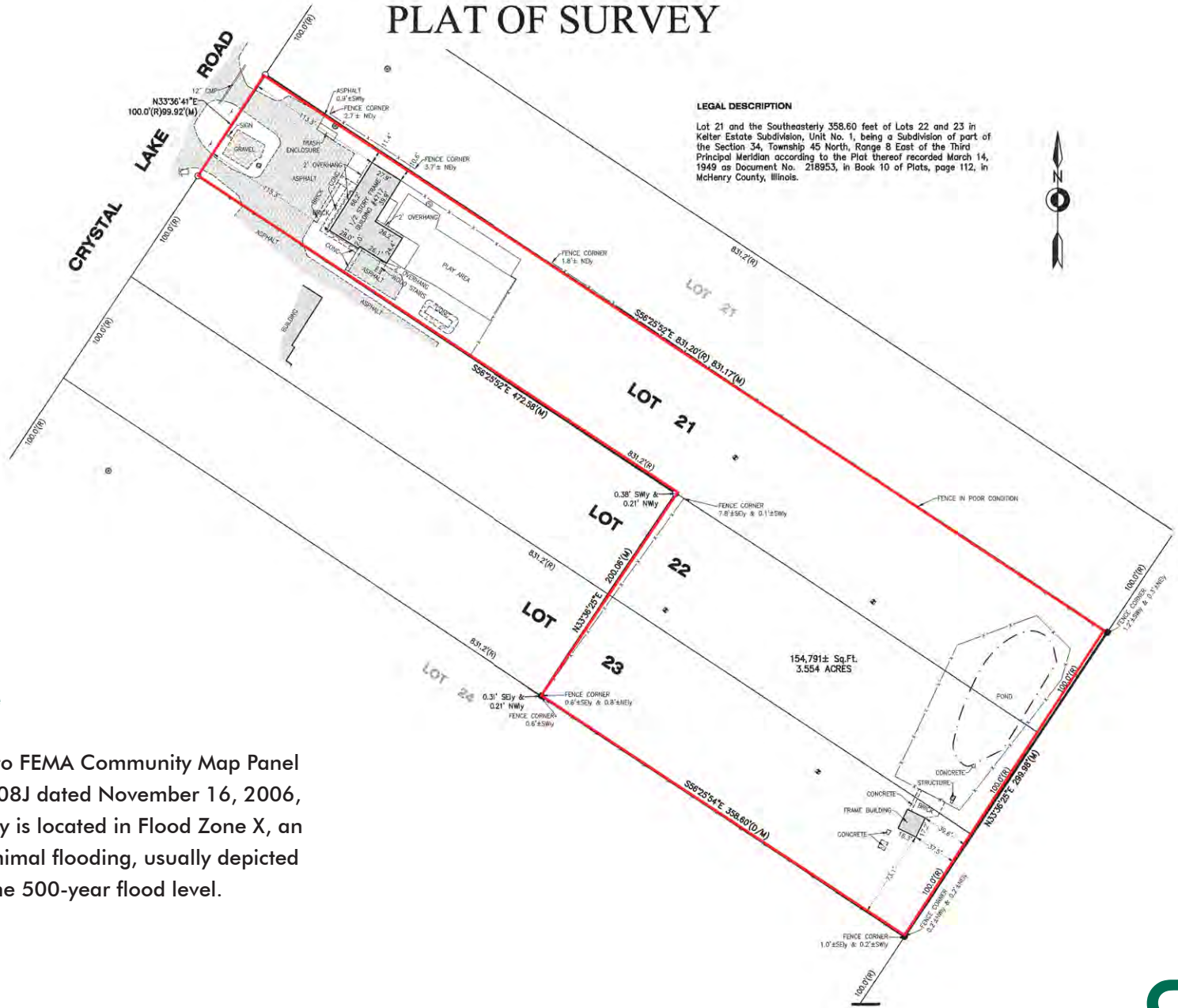
- **Net Lease** - This is a net leased investment with over five years of term remaining.
- **Industry Leader** - KinderCare Learning Centers is the nation's leading childhood education provider operating over 1,600 centers across the country. The parent company, Knowledge Universe, is the largest private early childhood education provider in the United States.
- **Accredited Center** - This location is one of 500 accredited by the National Association for the Education of Young Children and the National Accreditation Commission for early care and education programs.
- **Commitment to the site** - KinderCare has been at this location since 1994 and recently executed a lease amendment with a fresh 5-year term and two additional 5-year options.
- **Additional Land** - Although the building and improvements sit on roughly 3/4 of one acre, the property being sold consists of approximately 3.55 acres.
- **Chicagoland MSA** - McHenry, Illinois is located 50 miles northwest of downtown Chicago and is the first stop on the Metra Union Pacific/Northwest train into the city.



SITE PLAN

KinderCare • 4717 W. Crystal Lake Road • McHenry, IL

PLAT OF SURVEY



LEGAL DESCRIPTION
 Lot 21 and the Southeasterly 358.60 feet of Lots 22 and 23 in Kelter Estate Subdivision, Unit No. 1, being a Subdivision of part of the Section 34, Township 45 North, Range 8 East of the Third Principal Meridian according to the Plat thereof recorded March 14, 1949 as Document No. 218953, in Book 10 of Plots, page 112, in McHenry County, Illinois.

Flood Zone

According to FEMA Community Map Panel 17111C0208J dated November 16, 2006, the property is located in Flood Zone X, an area of minimal flooding, usually depicted as above the 500-year flood level.



AERIAL VIEW

KinderCare • 4717 W. Crystal Lake Road • McHenry, IL



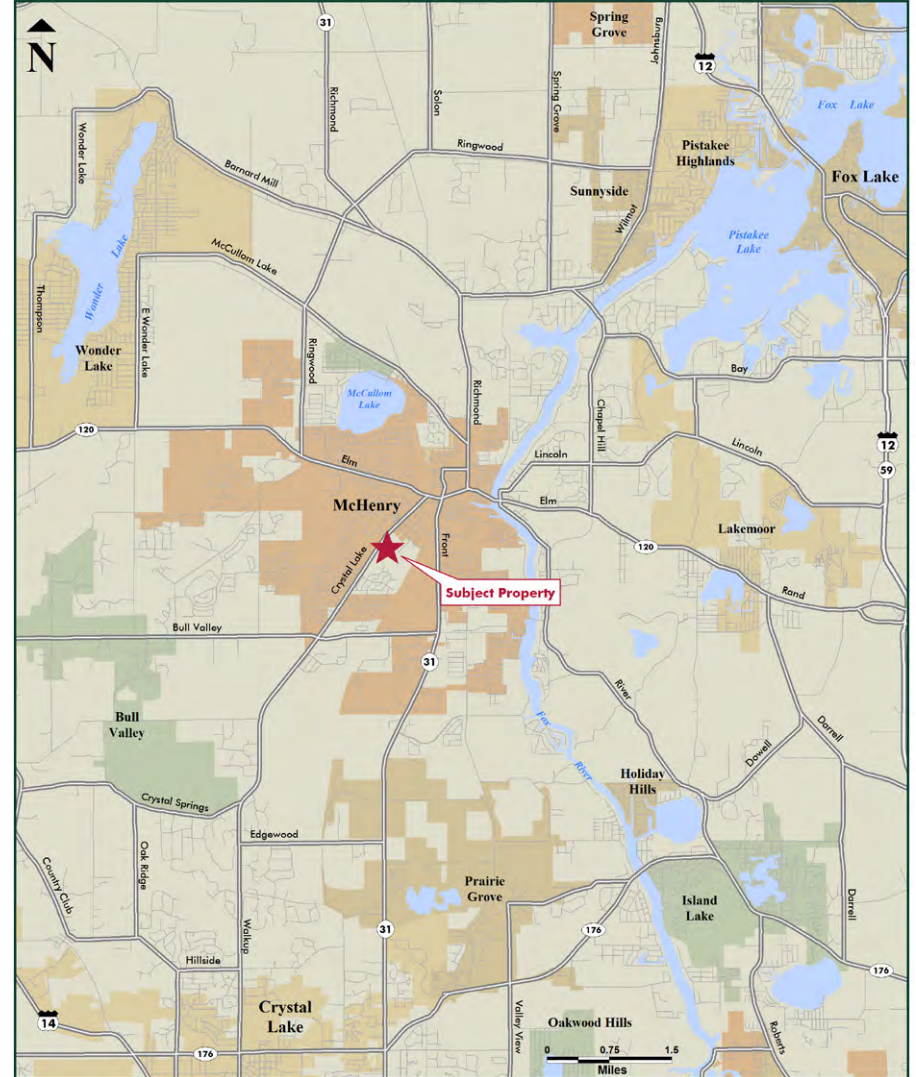
PROPERTY PHOTOGRAPHS

KinderCare • 4717 W. Crystal Lake Road • McHenry, IL



REGIONAL & LOCATOR MAPS

KinderCare • 4717 W. Crystal Lake Road • McHenry, IL



THE TENANT

KinderCare • 4717 W. Crystal Lake Road • McHenry, IL



KinderCare Learning Centers, Inc.
Parent Company: Knowledge Universe

KinderCare Learning Centers is the nation's leading early childhood education and care provider operating more than 1,600 community-based centers across the country, of which more than 500 are accredited by the National Association for the Education of Young Children (NAEYC) and the National Accreditation Commission for Early Care and Education Programs (NAC).

The parent company, Knowledge Universe, is a global education company with a network of more than 3,000 education locations globally, employing over 30,000 teachers and professional staff, as well as large online schools, colleges and school management systems which touch over five million students daily. Knowledge Universe offers services in three key segments: early childhood education, primary and secondary education and higher education.

Knowledge Universe operates under a number of banners including KinderCare Learning Centers, Knowledge Beginnings, CCLC, The Grove School, Champions, and Cambridge Schools brands.

Knowledge Universe Early Childhood Education Companies



Knowledge Universe Primary/Secondary Educational Institutions and Businesses



LEASE ABSTRACT

KinderCare • 4717 W. Crystal Lake Road • McHenry, IL

Tenant	Knowledge Universe Education LLC d/b/a KinderCare				
Premises	Approximately 4,500 SF				
Lease Term	April 1, 1994 - March 31, 2019				
Rent Commencement	April 1, 1994				
Lease Extensions	Two 5-year options				
Annual Base Rent	4/1/2014	-	3/31/2019	\$4,340	\$52,079
Option Rent	4/1/2019	-	3/31/2024	\$4,644	\$55,725
	4/1/2029	-	3/31/2029	\$4,969	\$59,626
Tenant Responsibilities	Taxes, insurance, utilities				
Landlord Responsibilities	Roof, structure				

MARKET OVERVIEW

KinderCare • 4717 W. Crystal Lake Road • McHenry, IL

McHenry is a Chicago suburb located approximately 50 miles north from downtown Chicago, situated in eastern McHenry County. McHenry is an attractive and growing community that offers a full range of entertainment and recreational opportunities as well as fine shops, stores and restaurants. With its good school system and multitude of transportation options, McHenry is a great place to establish a residence or a business.

McHenry is home to a population of 27,351 residents in 10,238 households. It is a growing community; the population increased 24% between 2000 and the 2010. Average household income in McHenry is \$73,646, which is 5.8% higher than the average for the US of \$69,637.

McHenry County is centrally located between three major metropolitan areas: Chicago, Rockford and Milwaukee. Being the middle of this triangle of business expansion has helped make McHenry County one of the fastest growing counties in Illinois, and it is the sixth largest county in the state by population. Long known as a center of agriculture and recreation, it has more recently experienced rapid rates of suburbanization and urbanization. Major employers in McHenry County include Centegra Health System, Dana Corporation, Sage Products, Brown Printing and McHenry County College. There are 33 industrial and business parks located throughout the county. For those who work downtown, McHenry is the first stop heading in to Chicago on the Union Pacific Northwest line that arrives at Ogilvie station.

The KinderCare property is located on the eastern side of Crystal Lake Road, a primary thoroughfare through the city that runs northeast-southwest with a traffic count of 13,000 vehicles per day.

City of McHenry



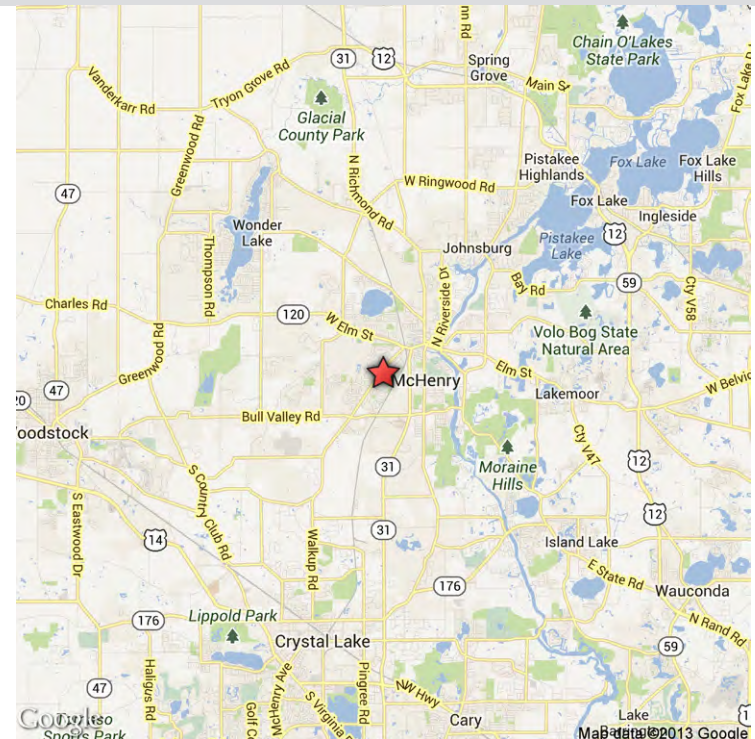
Population
27,351



Households
10,238



Average HH Income
\$73,646



DEMOGRAPHICS

KinderCare • 4717 W. Crystal Lake Road • McHenry, IL

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	1 Mile	3 Miles	5 Miles	
POPULATION	2013 Estimated Population	8,596	34,512	60,631
	2018 Projected Population	8,620	34,863	60,692
	2010 Census Population	8,587	34,295	60,623
	2000 Census Population	6,949	28,346	52,023
	Growth 2010-2013	0.11%	0.63%	0.01%
	Growth 2013-2018	0.28%	1.01%	0.10%
	2013 Estimated Median Age	39.05	38.59	39.51
	2013 Estimated Average Age	39.37	38.21	38.47
HOUSEHOLDS	2013 Estimated Households	3,254	12,998	22,689
	2018 Projected Households	3,268	13,212	22,859
	2010 Census Households	3,245	12,830	22,515
	2000 Census Households	2,643	10,328	18,567
	Growth 2010-2013	0.27%	1.31%	0.77%
	Growth 2013-2018	0.43%	1.64%	0.75%
	2013 Est. Average Household Size	2.53	2.64	2.68
	INCOME	2013 Est. Median HH Income	\$60,924	\$62,317
2018 Projected Median HH Income		\$60,554	\$61,787	\$65,074
2000 Census Median HH Income		\$52,698	\$57,473	\$60,427
2013 Est. Average HH Income		\$70,734	\$73,932	\$79,248
2013 Est. Per Capita Income		\$26,777	\$27,845	\$29,656
HOUSING	2013 Estimated Housing Units	3,478	13,949	24,484
	2013 Estimated Occupied Units	3,254	12,998	22,689
	2013 Estimated Vacant Units	224	951	1,795
	2013 Est. Owner Occupied Units	2,264	10,130	18,467
	2013 Est. Renter Occupied Units	990	2,869	4,222
	2013 Est. Median Housing Value	\$171,026	\$177,935	\$185,717
	2013 Estimated Average Housing Value	\$185,606	\$210,169	\$229,012

Source: CBRE Mapping Center / Claritas

THE MARKET: Chicago

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POPULATION

- City of Chicago: 2.7 million
- Chicago MSA: 9.8 million
- 3rd largest MSA in the US
- Employees: 4+ million



ECONOMY

- Gross Domestic Product: \$571 billion
- 28 Fortune 500 companies
- 265,000 businesses
- 4+ million employees
- 46.2 million tourists annually



CULTURE & RECREATION

- 70 museums
- More than 200 theaters
- More than 7,300 restaurants
- 26 miles of lakefront
- 552 parks
- 7 major sports teams

TRANSPORTATION

- Midway International Airport - 9.4 million passengers annually
- O'Hare International Airport - 32.1 million passengers annually
- Hub for 6 of the nation's 7 class I railroads
- 6 major interstates

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purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

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If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

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- A. Listing Agent through George Good, Bob Mahoney, Rich Frolik, Christian Williams, Derrick Almassy and Mike Kaider are acting as Agent(s) of the Seller of the Property, and
- B. Any information given by Prospective Purchaser to Listing Agent may be disclosed to the Seller.

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