



OFFERING MEMORANDUM

Cadence Academy Preschool

2391 NEW SALEM HIGHWAY | MURFREESBORO, TN

PREPARED BY

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OFFERING SUMMARY

NAI Nashville Stanton Group, as Exclusive Agent of the Seller, is pleased to present a Cadence Academy Preschool (the "Property"). The property is a 10,500 rentable square foot located at 2391 New Salem Highway in Murfreesboro, Tennessee. This opportunity includes a strong credit tenant that is one of the premier early childhood educators in the U.S. operating over 200 private preschools.





Location

Cadence Academy Education

2391 New Salem Highway | Murfreesboro, TN

Offering consists of a preschool building sitting on approximately 1.45 acres.

Offering Summary

Price	\$4,521,951
CAP Rate	6.15%*
NOI	\$278,100
Price Per Square Foot	\$430.00
Building Square Footage	10,500 SF
Year Built	2018
Tenant	Cadence Education, LLC
Guarantee	Cadence Education, LLC

*February 2021

Investment Highlights

- About 10.5 years remaining on a 11-year absolute triple net (NNN) lease with zero landlord responsibility
- Strong credit Tenant- Cadence Education is one the premier early childhood educators in the United States operating over 200 private preschools
- Population of 106,574 residents with an average household income of \$83,325 within a 5-mile radius
- Strategically located with frontage along New Salem Highway
- Cadence Education provides high quality childcare and preschool programs for kids 6 weeks to 12 years old



PROPERTY SUMMARY

Cadence Academy is located along on New Salem Highway, a commuter street averaging 31,692 vehicles passing by daily less than a mile away from Interstate 24. The site is positioned in a growth area of Murfreesboro and is within close proximity to multiple neighborhood. The 5-mile trade area is supported by more than 106,574 residents and 52,350 daytime employees. Residents within 1 mile of the property boast an affluent average household income of over \$83,325. Murfreesboro is a city in and the county seat of Rutherford County. According to the U.S. Census Bureau, Murfreesboro is one the 15 fastest growing cities (50,000 residents or more) in the United States. Murfreesboro is also home to Middle Tennessee, the largest undergraduate university in state of Tennessee, with 22,000 students enrolled.



Property Description

Property Name	Cadence Academy Education
Address	2391 New Salem Highway
County	Rutherford
Year Built	2018
Rentable Square Feet	10,500 SF
Number of Buildings	1
Stories	1
Zoning	Commercial
Parcel Numbers	114 015.07
Land Area	1.45 Acres

Traffic Counts

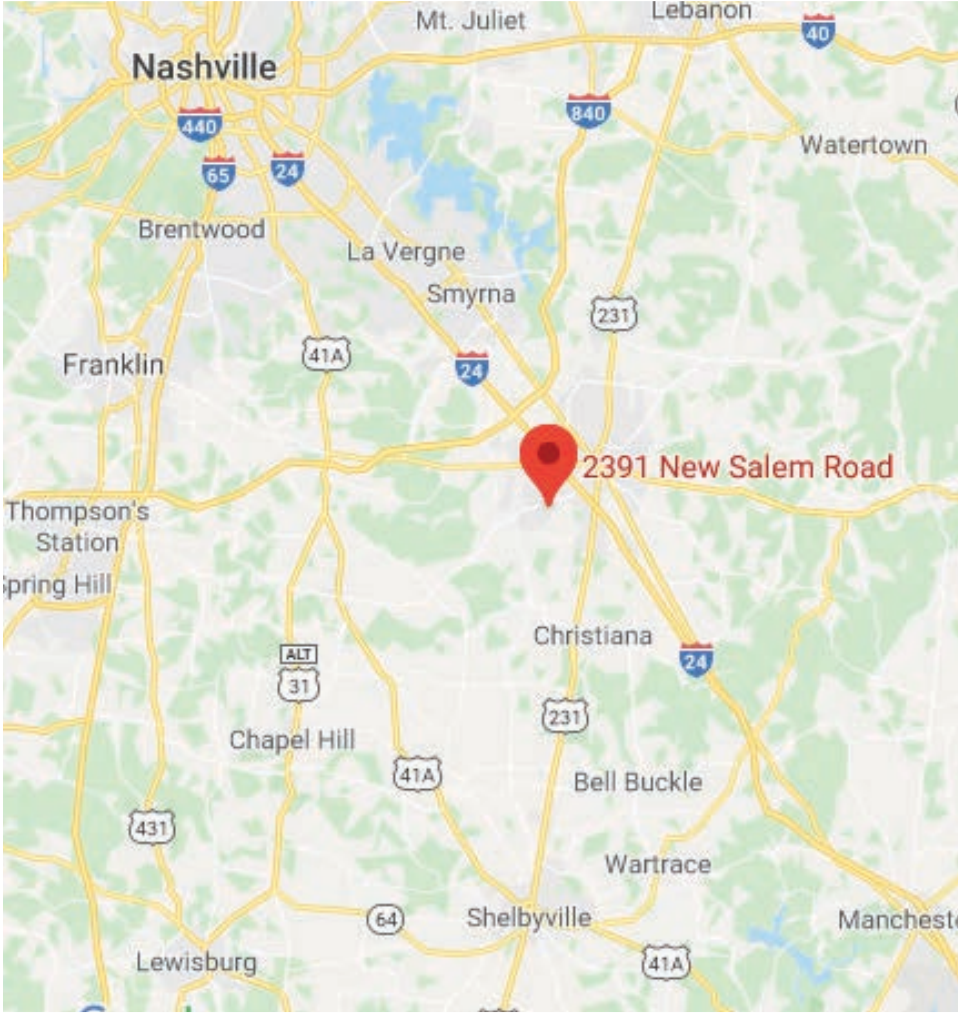
Collection Street	Cross Street	Traffic Volume	Year	Distance
New Salem Hwy	Salem Creek Dr	16,564 VPD	2020	0.21 miles
New Salem Hwy	Saint Andrews Dr	15,645 VPD	2018	0.30 miles
New Salem Hwy	Cason Lane	31,692 VPD	2020	0.03 miles

*Source: CoStar

MAPS & AERIALS



MAPS & AERIALS



AREA RETAILERS AERIAL



An aerial photograph of a school building with a grey roof and light-colored walls. In the foreground, there is a playground with colorful equipment. A large, stylized red question mark is overlaid on the left side of the image. A white diagonal banner with a red border runs from the top right towards the center, containing the word 'FINANCIALS'.

FINANCIALS

FINANCIAL ANALYSIS

Financial Overview

Price	\$4,521,951
CAP Rate	6.15%*
Year Built	2016
Building Square Footage	10,500 SF
Lot Size	1.15 Acres
Type of Ownership	Fee Simple
Tenant	Cadence Education, LLC
Gurantee	Cadence Education, LLC
Lease Type	NNN
Initial Lease Term	11 Years
Roof and Structure	Landlord
Rent Commencement	02/14/2020
Lease Expiration	02/28/2031
Term Remaining on Lease	10.5 Years
Increases	3% Annual
Options	Two 5-Years *February 2021

Annualized Operating Data

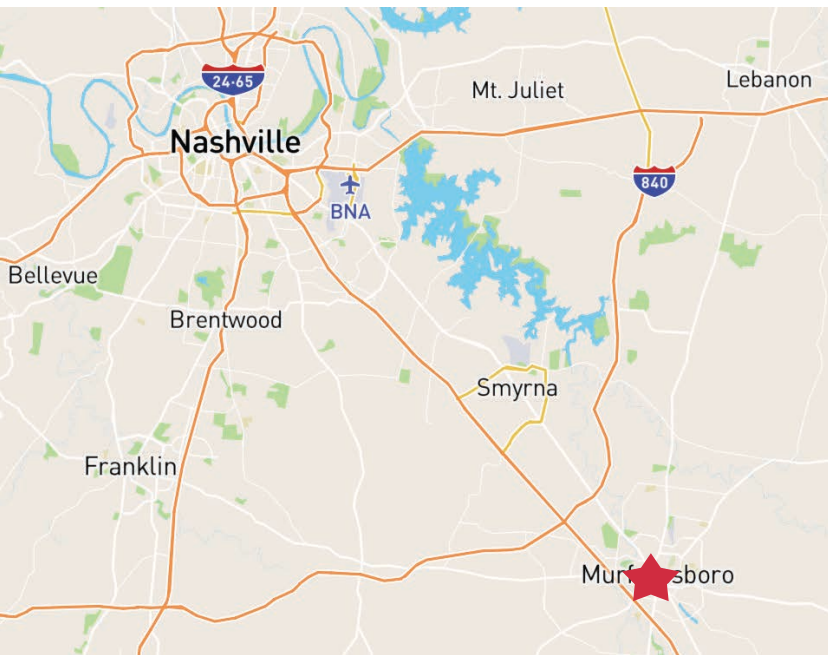
Rent Increases	Annual	Monthly
2/14/2020 - 2/28/2021	\$270,000.00	\$22,500.00
3/1/2021 - 2/28/2022	\$278,100.00	\$23,175.00
3/1/2022 - 2/28/2023	\$286,443.00	\$23,870.25
3/1/2023 - 2/28/2024	\$295,036.29	\$24,586.36
3/1/2024 - 2/28/2025	\$303,887.38	\$25,323.95
3/1/2025 - 2/28/2026	\$313,004.00	\$26,083.67
3/1/2026 - 2/28/2027	\$322,394.12	\$26,866.18
3/1/2027 - 2/28/2028	\$332,065.94	\$27,672.16
3/1/2028 - 2/28/2029	\$342,027.92	\$28,502.33
3/1/2029 - 2/28/2030	\$352,288.76	\$35,228.88
3/1/2029 - 2/28/2030	\$362,857.42	\$30,238.12

Landlord maintenance: at its sole cost & expense, Lessor shall be responsible for keeping the roof exterior walls and building structure (including foundations, bearing and sub-flooring) of the property in good order and repair and replacing the same as necessary.

An aerial photograph of a school building with a grey shingled roof and light-colored walls. The building has several dormer windows. In the foreground, there is a parking lot with several blue handicapped parking symbols. A dark blue SUV is parked in one of the spaces. To the left of the building, there is a playground with colorful equipment. The background shows a green lawn and trees. A large, stylized red number '4' is overlaid on the left side of the image, with a white diagonal line cutting through it.

AREA OVERVIEW

AREA OVERVIEW - MURFREESBORO



- Murfreesboro is a city in and the county seat of Rutherford County, Tennessee
- The population was 145,791 in 2020 according to the Rutherford County Chamber.
- #1 largest suburb in the Nashville MSA
- Rutherford County has top rated schools, the 5th best school in the US is in Murfreesboro. (Central Magnet)
- It is Tennessee's fastest growing major city and one of the fastest growing cities in the country
- Murfreesboro is also home to Middle Tennessee State University, the largest undergraduate university in the state of Tennessee, along with Motlow State Community College, and TN College of Applied Technology. Combined, the school has 26,000+ student enrollment.



DEMOGRAPHICS

	1 Mile Radius	3 Mile Radius	5 Mile Radius
POPULATION			
Population (Current)	9,434	47,363	106,574
Population (5 Yr. Forecast)	10,727	53,696	120,364
Percent Forecast (5 Yr. Forecast/Current Yr.)	13.71%	13.37%	12.94%
HOUSEHOLDS			
Total Households (Current)	3,540	17,918	39,818
Total Households (5 Yr. Forecast)	4,015	20,270	44,910
Percent Forecast (5 Yr. Forecast/Current Yr.)	13.42%	13.13%	12.79%
POPULATION BY RACE			
White	7,181	36,650	80,960
Black	1,375	6,885	17,694
Asian	20	214	530
Native American and Alaska Native	591	2,104	4,129
Hawaiian & Pacific Island	8	50	88
Other	258	1,460	3,173
AVERAGE HOUSEHOLD INCOME			
	\$83,325	\$81,292	\$77,511
BUSINESS & EMPLOYMENT			
Total Employees	1,241	20,432	52,350
Total Establishments	109	1,664	5,54
Total Consumer Expenditures	\$94,015	\$466,565	\$1,001,399



TENANT PROFILE



CADENCE ACADEMY



Cadence Academy Preschool provides exceptional childcare and preschool programs for ages 6 weeks to 12 years old at over 220 private preschools in 21 states. The company has locations in Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Georgia, Iowa, Illinois, Kansas, Kentucky, Massachusetts, Missouri, New York, New Jersey, Oregon, Pennsylvania, North Carolina, Rhode Island, South Carolina, Tennessee, Texas, Virginia and Washington. Their early education programs gently guide young children towards important developmental milestones and have been proven to prepare children for the transition into kindergarten. The Academy offers Infant Care, Toddler Care, Early Preschool, Preschool, and Pre-Kindergarten programs for preschool children and Before & After School Care and Summer Camp for elementary children. Each month, their passionate preschool teachers introduce new skills across 9 different learning domains through our Ascend Curriculum. This skill-based curriculum progressively builds important skill sets in subjects such as Literacy, Mathematics, Physical Fitness, and Cultural Understanding. These skills are later fine-tuned in Kindergarten Club so that the graduating prekindergarten students are confident and ready for elementary school.





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