

INVESTMENT OFFERING

LA PETITE ACADEMY

220 Exchange Place Northwest
Huntsville, AL 35806



TABLE OF CONTENTS



Financial Overview	3
Tenant Overview	4
Executive Summary	5
Property Photos	6-10
Location Map	11
Area Map	12
Market Overview	13
Demographic Report	14

DISCLAIMER

This Marketing Package was prepared by Wertz Real Estate Investment Services and DZ Net Lease Realty, LLC ("Broker") solely for the use of prospective buyer considering the purchase of the Property within (the "Property") and is not to be used for any other purpose. Neither the Broker nor the Owner of the Property make any representation or warranty, expressed or implied, as to the completeness or accuracy of the material contained in the Marketing Package.

Prospective purchasers of the Property are advised that changes may have occurred in the physical or financial condition of the Property since the time this Marketing Package or the financial statements herein were prepared. Prospective purchasers acknowledge that this Marketing Package and the financial statements herein were prepared by Broker, and not by Owner, and are based upon assumptions or events beyond the control of both Broker and Owner, and therefore may be subject to variation. Other than current and historical revenue and operating expense figures for the Property, Owner has not, and will not, provide Broker or any prospective purchaser with any projections regarding the Property. Prospective purchasers of the Property are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

The Marketing Package is a solicitation of interest only and is not an offer to sell the Property. The Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expression of interest or offers to purchase the Property and expressly reserve the right, at their sole discretion, to terminate discussions with any entity at any time with or without notice.

The Owner shall have no legal commitments or obligations to any entity reviewing the Marketing Package or making an offer to purchase the Property unless and until such offer is approved by Owner pursuant to its Governing Authorities and the signature of the Owner or Owner's representative is affixed to a Real Estate Purchase Agreement prepared by Owner.

This Marketing Package is confidential. By accepting the Marketing Package, you agree (i) that you will hold and treat the Marketing Package and its contents in the strictest confidence, (ii) that you will not photocopy or duplicate any part of the Marketing Package, (iii) that you will not disclose the Marketing Package or any of its contents to any entity without the prior authorization of the Owner, and (iv) that you will not use the Marketing Package in any fashion or manner detrimental to the Owner or Broker.

Broker has obtained the information contained in this Marketing Package from sources we believe to be reliable. However, we have not verified its accuracy and make no guarantee, warranty or representation about it. It is submitted subject to the possibility of errors, omissions, changes of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice. We include projections, opinions, assumptions, or estimates for example only, and they may not represent current or future performance of the Property. You and your tax and legal advisors should conduct your own investigations of the physical condition of the Property and of the financial performance of its future Ownerships.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT BROKER FOR MORE DETAILS.

For more information contact:

John R. Wertz
Tel: (619) 218-6427
jwertz@wertzrealestate.com
CA Lic No. 01448585

Greg LaBarre
Tel: (619) 997-1242
glabarre@wertzrealestate.com
CA Lic. No. 02069301

Listed with Alabama broker
DZ Net Lease Realty, LLC
Lic. No. 98934

WERTZ
REAL ESTATE INVESTMENT SERVICES

FINANCIAL OVERVIEW

OFFERING SUMMARY

PRICE	\$2,722,782
DOWN PAYMENT	100% / \$2,722,782
RENTABLE SQUARE FEET	9,785 SF
CAP RATE	5.75%
NET OPERATING INCOME	\$156,560
YEAR BUILT / RENOVATED	1989 / 2021
LOT SIZE	1.40 +/- Acres
TYPE OF OWNERSHIP	Fee Simple

TENANT SUMMARY

TENANT TRADE NAME	La Petite Academy
OWNERSHIP	Private
LEASE GUARANTOR	Corporate
LEASE TYPE	NN
ROOF & STRUCTURE	Landlord Responsible
ORIGINAL LEASE TERM	Ten (10) Years
RENT COMMENCEMENT DATE	02/01/2021
LEASE EXPIRATION DATE	01/31/2031
TERM REMAINING ON LEASE	8+ Years
INCREASES	10% Every (5) Years
OPTIONS TO RENEW	(4) 5-Year Options
RIGHT OF FIRST REFUSAL	No



ANNUALIZED OPERATING DATA

RENT INCREASES	ANNUAL RENT	MONTHLY RENT
Years 1-5	\$156,560.00	\$13,046.67
Years 6-10	\$172,216.00	\$14,351.33
Years 11-15 (Option 1)	\$189,437.60	\$15,786.47
Years 16-20 (Option 2)	\$208,381.36	\$17,365.11
Years 21-25 (Option 3)	\$229,219.50	\$19,101.62
Years 26-30 (Option 4)	\$252,141.45	\$21,011.79
BASE RENT		\$156,560.00
NET OPERATING INCOME		\$156,560.00
TOTAL RETURN YR-1	5.75%	\$156,560.00

TENANT OVERVIEW



LA PETITE ACADEMY

La Petite Academy, Inc., is one of the nation’s largest educational daycare companies, with more than 450 schools across the country. Headquartered in Novi, MI., all their schools are licensed by the state where it operates. In addition, each adheres to the highest standards of safety, security, cleanliness, teaching, and loving care. Every Academy operates the way any good neighborhood business does. “We know our community and we understand how best to serve the parents and children who live there.” – La Petite Academy

Over the years, La Petite Academy has become widely recognized for their innovation, leadership, and reputation for excellence in early education. As a pioneer in education-based care, La Petite Academy is matched by very few organizations for the perspective and insight we’ve achieved.

In 2007, La Petite Academy became part of the Learning Care Group, one of the largest providers of early childhood care and educational services in the United States. Founded in the 1960s, it is the second-largest for-profit childcare provider in North America, operating over 950+ schools under the La Petite Academy, Childtime, Tutor Time, The Children’s Courtyard, Montessori Unlimited, Everbrook Academy, Creative Kids Learning Center, U-GRO, Young School, and Pathways Learning Academy brands, primarily in the United States. Learning Care Group is owned by American Securities.



PROPERTY NAME	La Petite Academy
PROPERTY ADDRESS	220 Exchange Place Northwest Huntsville, AL 35806
PROPERTY TYPE	Single Tenant Net Lease
OWNERSHIP	Private
LEASE GUARANTOR	Corporate
TERM REMAINING ON LEASE	8+ Years
OPTIONS TO RENEW	(4) 5-Year Options
LEASE TYPE	NN
ROOF & STRUCTURE	Landlord Responsible
INCREASES	10% Every 5-Years
YEAR 1 NET OPERATING INCOME	\$156,560.00
NO. OF LOCATIONS	450+
HEADQUARTERED	Novi, MI
WEBSITE	www.lapetite.com
YEARS IN THE BUSINESS	Since 1968

EXECUTIVE SUMMARY

INVESTMENT OVERVIEW

The subject property has a recently signed 10-year corporate lease by La Petite Academy in the heart of Huntsville, Alabama. The lease includes 10% rental increases every 5-years, with the first rental increase scheduled for year-6, and throughout the 4 (5) year option periods. The property is strategically located in an extremely dense residential and business-oriented part of Huntsville. It is less than 1-mile from Cummings Research Park, Redstone Arsenal Army Post, and Redstone Gateway. With over 113,000 people in a 5-mile radius with over 6% growth projections over the next 5 years, this La Petite Academy is not only positioned very well geographically but also for long term stability as an investment opportunity.

Cummings Research Park, Redstone Arsenal Army Post, and Redstone Gateway are all located within 1-mile of the subject property and combine for over 70,000 employees, 13,500 students, and 300 businesses. National retailers in the immediate vicinity include Barnes & Noble, DICK'S Sporting Goods, Bed Bath & Beyond, Belk Department Store, Old Navy, Panera, BJ's Restaurant & Brewhouse, P.F. Chang's, and more, including numerous museums, hotels, and event centers. This is an excellent opportunity for an investor to purchase a long-term corporately guaranteed investment in a booming market.



INVESTMENT HIGHLIGHTS

- Brand New 10-Year Corporate Lease w/ 10% Rent Increases
- Cummings Research Park, Redstone Arsenal, and Redstone Gateway are all Located within 1-mile and Combine for Over 70,000 Employees, 13,500 Students, and 300 Businesses
- 1/2-Mile from US Space & Rocket Center, also known as "Earth's Largest Space Museum" (Established 1965)
- Great Visibility & Access Right Off I-565 & Research Park Blvd with Traffic Counts Exceeding 140,000 Vehicles Per Day
- Dense Trade Area with over 113,000 Residents in 5-Miles
- 6.0% Expected Population Growth Over the Next 5-Years (Huntsville is the Fastest Growing Metro in Alabama and by 2023 it will be the Most Populated Metro in the State)



AERIAL PHOTO



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

SUBJECT PROPERTY



Cummings Research Park
(2nd Largest Research Park in U.S. & 4th
Largest in the World w/ Over 26,000
Employees & 13,500 Students)



Exchange Place NW

Cummings Research Park, Redstone Arsenal,
& Redstone Gateway are all Located within
1-mile & Combine for Over 70,000 Employees,
13,500 Students, & 300 Businesses

SUBJECT PROPERTY



BRIDGE STREET TOWN CENTRE

belk H&M apple OLD NAVY

The Cheesecake Factory chico's

CINEMARK CENTURY THEATRES Cinemark Goodtime ATHLETA

SEPHORA BARNES & NOBLE BOOKSELLERS

Cummings Research Park
(2nd Largest Research Park in U.S. & 4th
Largest in the World w/ Over 26,000
Employees & 13,500 Students)

Madison Hills
Center

Sherwood Baptist
Church

Cummings Research Park,
Redstone Arsenal, and
Redstone Gateway are
all Located within 1-Mile
and Combine for Over
70,000 Employees, 13,500
Students, & 300 Businesses

 **La Petite**
ACADEMY

26,000 VPD

**6.0% Expected
Population Growth
Over Next 5-Years**

 **PROMETRIC** 

The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

SUBJECT PROPERTY



Redstone Arsenal
United States Army Post
(40,000 Employees)

REDSTONE
GATEWAY

Research Park Blvd

72,000 VPD

I-565

67,000 VPD

MarshMcLennan
Agency

SONESTA®
Simply Suites

CRISIS SERVICES
OF NORTH ALABAMA

PROMETRIC
BBB

La Petite
ACADEMY

Exchange Place NW

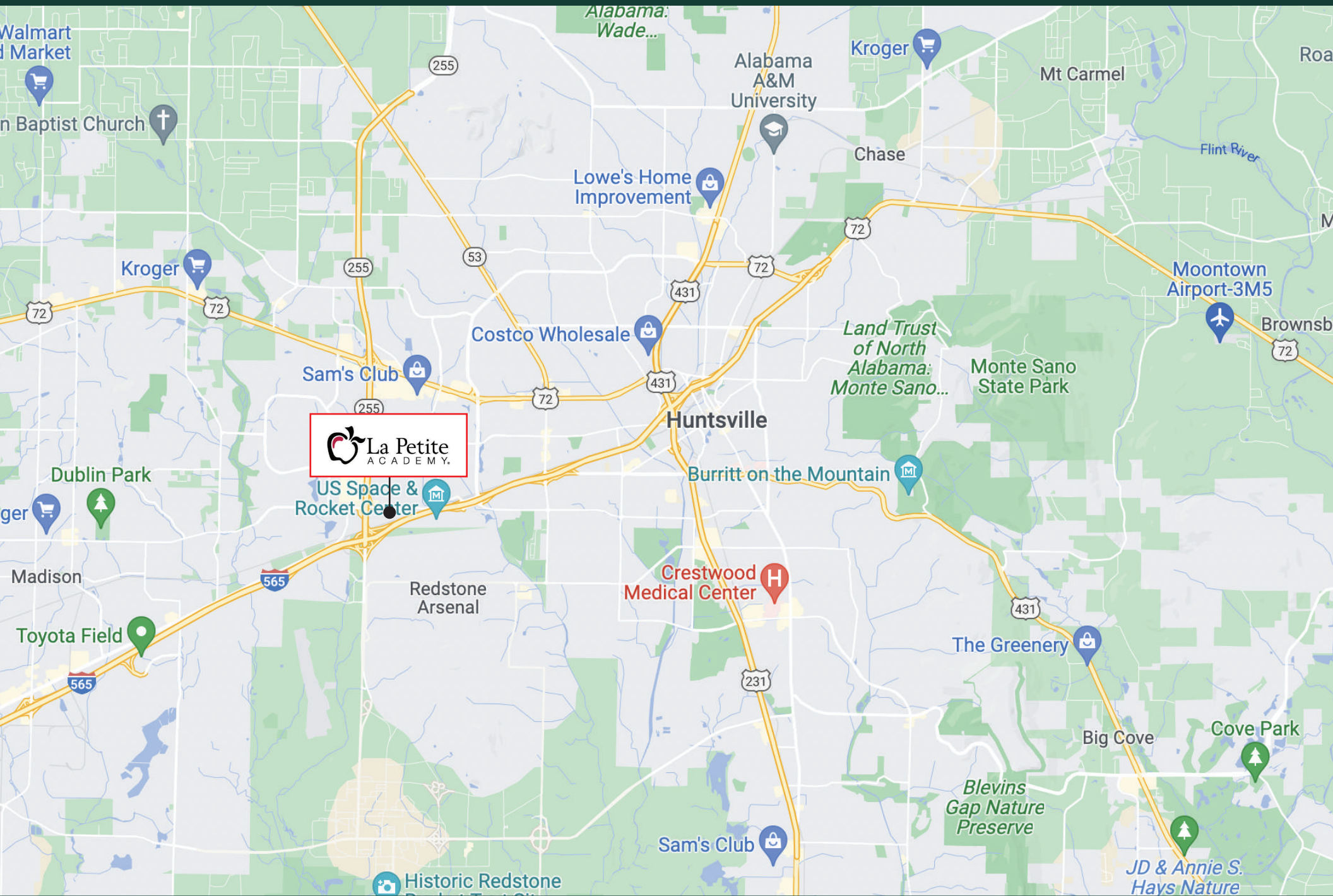
6.0% Expected
Population Growth
Over Next 5-Years

SUBJECT PROPERTY



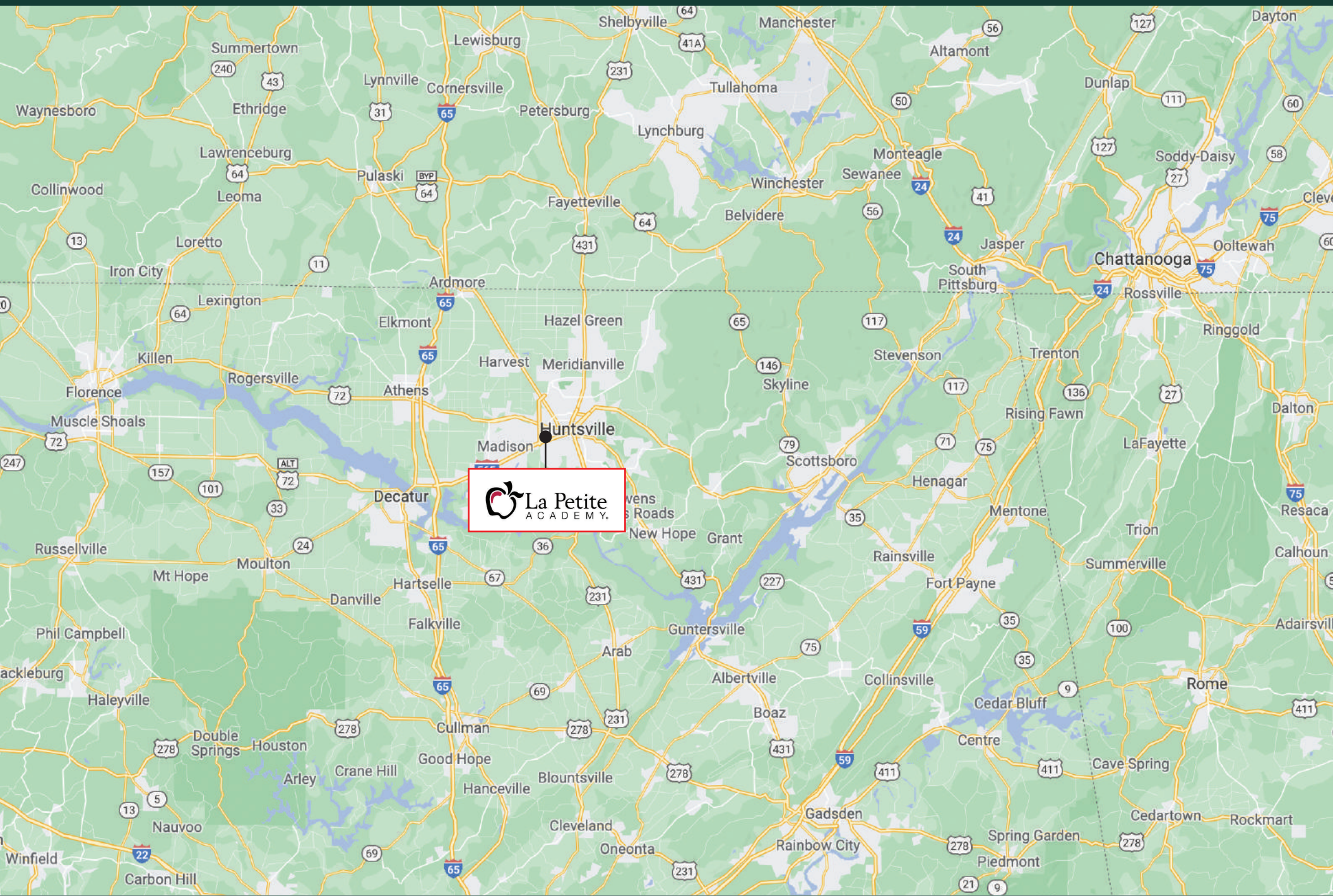
The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

LOCATION MAP



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

AREA MAP



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

MARKET OVERVIEW

HUNTSVILLE, ALABAMA

Athens is a city in Limestone County, Alabama, United States. The community is a growing eastern suburb of Huntsville located just 20 miles east of downtown. Athens is part of the Huntsville Metropolitan Area, which is the fastest growing and 2nd most populous metro area in Alabama after the Birmingham Metropolitan Area. The Huntsville Metropolitan Statistical Area is included in the Huntsville–Decatur–Albertville, AL Combined Statistical Area. This CSA spans up to 6 counties in north Alabama with about 790,000 people making this the 64th largest CSA in the country. Huntsville is the largest city in the area with a population of 205,079 people, and a metro population of 475,458. Decatur is the second largest city with a population of 58,815 people, and a metro population of 164,233. Albertville has a population of 23,421 and a metro population of 98,776. In 2005, Forbes magazine named the Huntsville-Decatur Combined Statistical Area as 6th best in the nation for doing business, and number one in terms of the number of engineers per total employment.

Huntsville's main economic influence is derived from aerospace and military technology. Redstone Arsenal, Cummings Research Park (CRP), and NASA's Marshall Space Flight Center comprise the main hubs for the area's technology-driven economy. CRP is the second largest research park in the United States and the fourth largest in the world. University of Alabama in Huntsville is a center for technology and engineering research in the area. There are commercial technology companies such as the network access company ADTRAN, computer graphics company Intergraph and designer and manufacturer of IT infrastructure Avocent. Cinram manufactures and distributes 20th Century Fox DVDs and Blu-ray Discs out of their Huntsville plant. Sanmina-SCI has a presence in the area. Fifty-seven Fortune 500 companies have operations in Huntsville.



64th Largest Metropolitan
Region in the Country



Ranked as the Fastest
Growing Metro Area in Alabama



Home to Fifty-Seven
Fortune 500 Companies



The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

DEMOGRAPHIC REPORT

REPRESENTATIVE PHOTO



POPULATION	1 MILE	3 MILES	5 MILES
2027 Projection	4,017	37,752	119,899
2022 Estimate	3,808	35,800	113,026
2010 Census	3,513	32,474	98,740
Percent Change 2010-2022	8.40%	10.24%	14.47%
Percent Change 2022-2027	5.49%	5.45%	6.08%
Median Age	38.14	33.50	36.27

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2022 Est. Avg. HH Income	\$64,286	\$66,306	\$78,586
2027 Projection	2,175	17,028	51,704
2022 Est. Households	2,049	16,043	48,472
2010 Census	1,848	14,292	41,472
Percent Change 2010-2022	10.88%	12.25%	16.88%
Percent Change 2022-2027	6.15%	6.14%	6.67%

The information contained herein has been obtained from the owners or from other sources deemed reliable. We have no reason to doubt its accuracy but regret we cannot guarantee it. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. All properties subject to change or withdrawal without notice. Wertz Real Estate Investment Services, Inc.

WERTZ

REAL ESTATE INVESTMENT SERVICES

Wertz Real Estate Investment Services
3138 Roosevelt Street, Suite L
Carlsbad, CA 92008
Tel: (619) 218-6427
Fax: (858) 408-1830
www.wertzrealestate.com

Listed with Alabama broker
DZ Net Lease Realty, LLC license 98934

Conclusion

After reading this consumer information booklet, you should sign a brokerage agreement that contains a statement of the services to be provided by the real estate professional. Remember, if you do not sign a brokerage agreement, by law, the licensee working with you will be considered a transaction broker. Ask your real estate licensee to clarify and explain anything in this booklet that you do not fully understand before signing a contract for real estate brokerage services. You are encouraged to sign the disclosure form and retain a copy for your records.

Acknowledged and Accepted:

Seller/Landlord

By: _____ Date: _____

Buyer/Tenant

By: _____ Date: _____

A Consumer Information Booklet

What Consumers Need To Know When Working With A Real Estate Broker

Published as a public service by the Alabama Real Estate Commission and developed with the assistance of the Alabama Research and Education Center at the University of Alabama.



Revised September 8, 1998

As real estate transactions have become more complex and varied, the types of real estate brokerage arrangements available to the public have evolved to meet the changing needs of consumers entering this market. This booklet is intended to provide buyers and sellers with a description of the different types of brokerage arrangements so that consumers can choose the type of brokerage services best suited to their needs.

Know Your Rights

At the initial contact between a licensee (both sales persons and brokers) and the public, the licensee shall be considered to be a transaction broker. As soon as reasonably possible and before the exchange of confidential information, Alabama law requires the licensee to provide you with a written disclosure form that describes different types of brokerage arrangements. You are encouraged to read and sign this disclosure form.

After disclosure you may then choose the type of brokerage agreement best suited to your needs. This brokerage agreement will contain a statement of the specific brokerage services the broker will provide. In the absence of a signed brokerage agreement, the transaction brokerage relationship will remain in effect. Make sure you talk to the real estate licensee with whom you are working to determine the type of services you need or will receive under alternative brokerage arrangements.

Customer or Client?

The most important thing you need to know when working with a real estate licensee is whether you

are a client or a customer. A licensee owes certain duties to a client that are different from the services the licensee performs for a customer.

Agent and Client

An agent is a person who acts for or represents you in negotiations with other parties. The client or principal is the person the agent represents. The licensee when acting as an agent must loyally represent the best interest of the client by placing the interests of the client ahead of the interests of any other party. In a real estate transaction, when a real estate salesperson is employed as an agent, the salesperson is obligated to negotiate the best price and terms for his or her client.

What is a Customer?

A customer is a person who is provided services by a real estate broker, but who is not a client of the broker. In this case, the real estate licensee is not acting as an agent. The actual services you receive from a real estate broker depend on the arrangement that is established between you and the licensee. The different types of real estate agreements are described below.

There are basically three types of real estate brokerage relationships that can be established between the consumer and a real estate licensee: Single agency, limited consensual dual agency, and a transaction brokerage arrangement.



Transaction Brokerage

Transaction brokerage describes a brokerage arrangement whereby the real estate licensee assists one or more parties, who are customers, in a contemplated real estate transaction, without being the agent, fiduciary, or advocate of that party to the transaction. This means that real

estate brokers and salespeople can act as intermediaries between buyers and sellers. With this type of brokerage arrangement, home buyers and sellers are customers and not clients of the licensee with whom they are working. The basic function of the licensee is to bring buyers and sellers together so that a real estate sale can be completed. Sellers will employ the licensee to help market their real estate by identifying qualified buyers and showing their properties to prospective purchasers. This will usually also involve advertising properties for sale in newspapers and other media. Sellers will commonly also rely on the expertise, experience, and advice of the real estate licensee to help make their property ready for sale and determine an appropriate asking price. Buyers, in turn, rely on the services of brokers to find and show them suitable real estate that they can afford and have the desired characteristics. Real estate professionals may also help consumers obtain mortgage financing as well as assist them with finalizing the real estate sale and recording the deed and other documents associated with the sale.

Transaction brokerage arrangements are usually best suited for consumers who are primarily interested in the marketing services and expertise that can be provided by real estate professionals, but who do not need an agent to represent them in the negotiations for the sale or purchase of real estate. Under transaction brokerage, the licensee must provide brokerage services to all parties honestly and in good faith and avoid showing favoritism to either buyer or seller. Alabama law also requires all licensees exercise reasonable care and skill when providing brokerage services, answer all questions completely and accurately, and present all written purchase offers to sellers promptly and in a truthful manner.

Licensees must also keep confidential any information given to them in confidence, unless disclosure of this information is required by law. For sellers, this means that licensees must answer a buyer's questions about the condition of the property completely and honestly. In addition, the buyer must be told about any hidden defects known to the licensee that could affect the health or safety of occupants.

Single Agency

A single agency arrangement describes a relationship whereby the real estate licensee represents only one party in a real estate sales transaction. In the case of a single agency brokerage arrangement, the real estate licensee represents either the buyer or the seller, but not both parties to the real estate transaction. This type of brokerage arrangement is most appropriate for consumers who need the advice and negotiating skills of real estate professionals in addition to their marketing services. If a seller enters into a single agency agreement with a real estate broker, the broker is referred to as a seller's agent. Under this arrangement the broker must represent only the seller in the negotiations with buyers. Here the broker will seek the highest possible price and best possible sale terms for the seller. This type of brokerage arrangement can involve the use of subagents, especially in situations where properties are marketed through a multiple listing service.

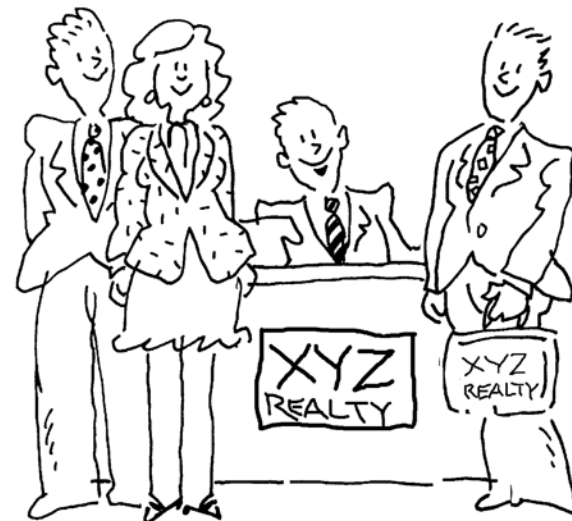
Subagents are empowered to act for another broker in performing real estate services for that broker. The subagent owes the same duties to the broker's client as the broker. If a broker is an agent of the seller, then the subagent is also the seller's agent. When examining properties advertised through a multiple listing service it is important for buyers to determine whether the licensee that is showing them properties is acting in the capacity of a transaction broker, seller's agent, or as a subagent of the seller.

Buyers should exercise care with respect to the information they reveal to licensees working as seller agents. For example, if you are the customer it would not be wise to tell a licensee the maximum price you would be willing to pay for a particular property when considering making

a formal purchase offer. If you are the customer, the broker's primary responsibility is to the seller. In this case, the licensee, as the seller's agent, must convey such information to the seller.

A buyer's agent describes a real estate licensee who is employed by and represents only the buyer in a real estate transaction. This relationship is created by a written transaction. This transaction should clearly state the service the agent will perform for the buyer as well as specify how the licensee is paid for services rendered in connection with the real estate sale. In this case, the buyer is the client or principal and the real estate broker is the agent of and represents the buyer in dealings with sellers.

This type of real estate brokerage agreement should be used when the buyer needs guidance and representation when negotiating with sellers to purchase real estate. Buyers moving to a new location and who are unfamiliar with local market conditions would be those consumers most likely to benefit from this type of agency arrangement. It is becoming increasingly common in multiple listing situations for the selling broker (a licensee working with and showing properties to the buyer) to be an agent of the buyer and the listing broker to represent the owner-seller. Here, both the buyer and seller, working through their respective agents, could negotiate at arm's length with the benefit of professional help.



Limited Consensual Dual Agent

Limited consensual dual agency is an agency relationship where the real estate brokerage company represents both the buyer and the seller in the same real estate transaction. Consensual dual agency requires the licensee to obtain the written consent of both the buyer and the seller to act as their agent. The two most common circumstances where dual agency is encountered are (1) when two or more salespersons licensed under the same broker each represent a different party to the transaction, and (2) when one licensee represents both the buyer and seller in the same sales transaction.

One major advantage of limited consensual dual agency is that it allows broader marketing opportunities than single agency arrangements. With this type of transaction, salespeople can show houses of owners that they represent as agents to their buyer clients. Consensual dual agency is common in the larger real estate markets where real estate companies often have a large number of properties listed for sale. Many of these properties may be desirable to their buyers. With a dual agency agreement, these properties can be shown to their buyer clients.

In the case of dual agency, the principle function of the licensee is to help both parties reach mutually satisfactory outcome to their negotiations. The dual agent must avoid showing favoritism to either party and refrain from revealing confidential information that could prove detrimental to one side or the other. Although buyers and sellers may not benefit from the full range of services or agent loyalty that could otherwise be provided with a single agency arrangement, consensual dual agency does offer consumers more assistance and guidance than would be possible under a transaction brokerage agreement.

When considering signing a dual agency agreement, it is very important that you talk with the broker to determine the types of service that will be provided, and what types of information you will share with the broker and broker's other clients.