



615 1ST AVE SE, CEDAR RAPIDS, IA 52403

OFFERING MEMORANDUM

CORPORATE GUARANTEE

#1 LARGEST CHILDCARE PROVIDER

NEW 10 YEAR LEASE IN 2022

TOOK OVER AN EXISTING DAYCARE SCHOOL



NOW
KINDERCARE
800-461-2244
www.kindercareschools.com



615

KinderCare

Early Childhood Education

Preschool

Kindergarten

First Grade

Second Grade

Third Grade

Fourth Grade

Fifth Grade

Sixth Grade

Seventh Grade

Eighth Grade

Ninth Grade

Tenth Grade

Eleventh Grade

Twelfth Grade



615 1ST AVE SE, CEDAR RAPIDS, IA 52403

OFFERING PRICE: \$3,584,000 CAP RATE: 6.75%

GROSS LEASABLE AREA: +/- 34,483 SF

PRICE / SF: \$103.94

NET OPERATING INCOME: \$241,913

CURRENT OCCUPANCY: 100%

YEAR BUILT / RENOVATED: 1970

LOT SIZE: +/- 0.71 AC

TYPE OF OWNERSHIP: Fee Simple

PROPOSED FINANCING: 60% LTV / 5 YR TERM / 25 YR AMORT / 6.15% RATE

CASH ON CASH RETURN: \$73,278 / 5.11%

TOTAL RETURN: \$110,707 / 7.72%



[CLICK TO VIEW ON GOOGLE MAPS](#)





RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current – 10/31/2027	\$241,913	\$20,159	\$7.02	6.75%
11/1/2027 - 10/31/2032	\$266,105	\$22,175	\$7.72	7.42%
Option 1	\$292,715	\$24,393	\$8.49	8.17%
Option 2	\$321,986	\$26,832	\$9.34	8.98%

LEASE SUMMARY

LEASE TYPE:	Double-Net
LEASE GUARANTEE:	Corporate
OPTION TO PURCHASE / ROFR:	N/A
SALES / FINANCIAL REPORTING:	Public Company
RENT COMMENCEMENT:	10/31/2022
LEASE EXPIRATION:	10/31/2032
RENT INCREASES:	10% In Year 6
OPTIONS:	Two – Five Year Options



INVESTMENT HIGHLIGHTS

BUILDING OVERVIEW

- +/- 34,483 SQUARE FEET
- +/- 0.71 AC PARCEL
- BUILT IN 1970
- COURTYARD PLAYGROUND
- INDOOR GYM FOR THE KIDS ON RAINY DAYS
- COMMERCIAL KITCHEN WITH TYPE 2 HOOD
- SMALL FITNESS AREA FOR STAFF
- LARGE CONFERENCE ROOM FOR TRAININGS AND/OR PARENT CONFERENCES

KINDERCARE

- CORPORATE GUARANTEE – 1,400+ LOCATIONS
- FOUNDED: 1969
- #1 LARGEST CHILDCARE PROVIDER
- HEADQUARTERS: PORTLAND, OR

LEASE OVERVIEW

- 10 YEAR LEASE
- 10% RENT INCREASE IN YEAR 6
- SEVEN YEARS REMAIN
- TWO-FIVE YEAR OPTIONS

DOUBLE-NET+ LEASE

- TENANT RESPONSIBLE FOR REAL ESTATE TAXES
- TENANT RESPONSIBLE FOR CAM
- TENANT RESPONSIBLE FOR INSURANCE
- LANDLORD RESPONSIBLE FOR ROOF & STRUCTURE

LOCATION

- HARD CORNER
- DOWNTOWN LOCATION
- DRIVE UP/DROPOFF
- ADJACENT TO CEDAR RAPIDS FIRE STATION

DEMOGRAPHICS

- OVER 146,000 RESIDENTS WITHIN FIVE MILES
- AVERAGE HOUSEHOLD INCOME OF \$78,316 WITHIN FIVE MILES

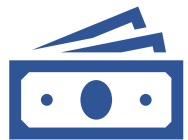
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AVERAGE HOUSEHOLD
INCOME FIVE MILE RADIUS

\$78,316



HOUSEHOLDS WITHIN FIVE
MILE RADIUS

62,489

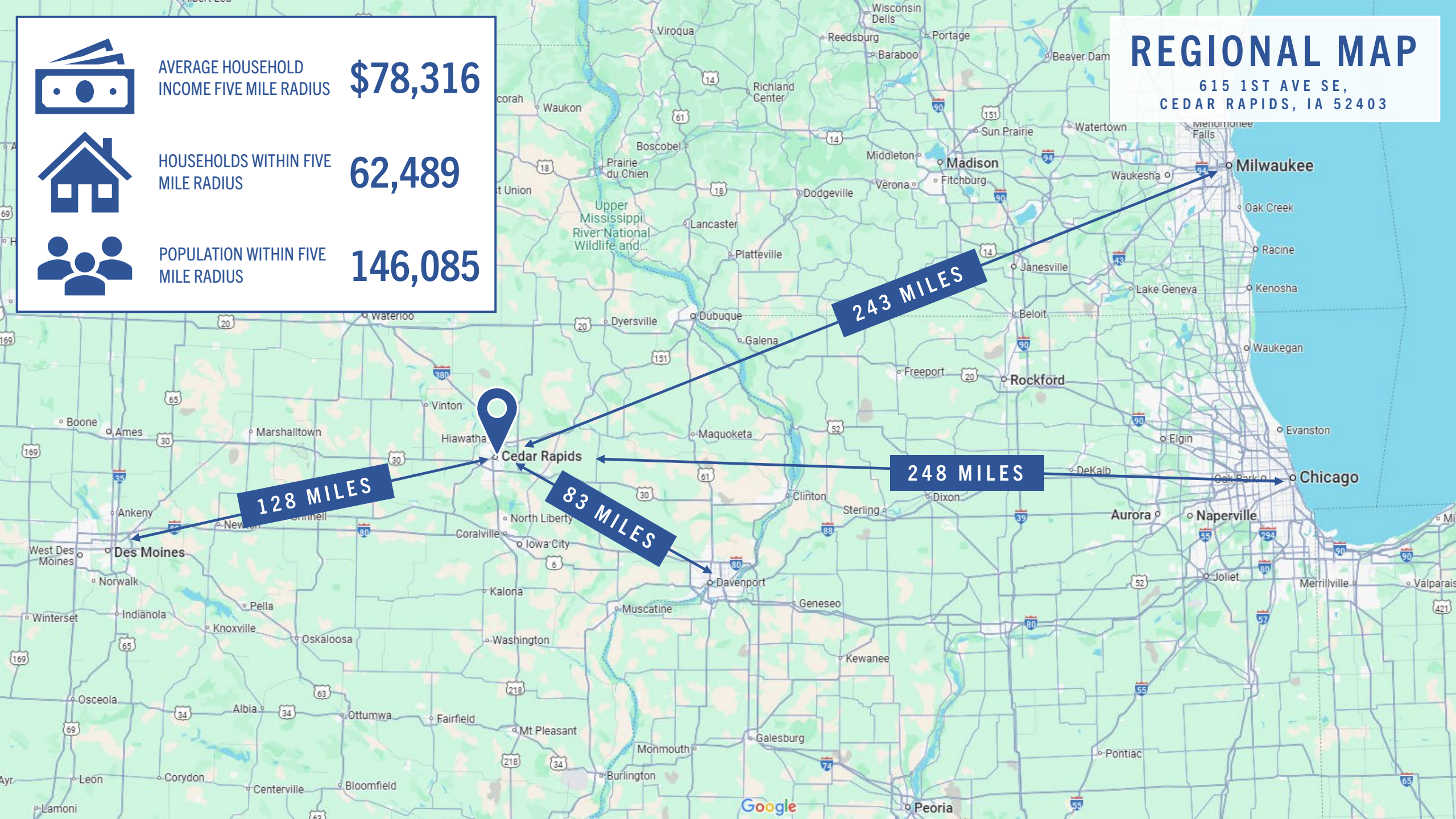


POPULATION WITHIN FIVE
MILE RADIUS

146,085

REGIONAL MAP

615 1ST AVE SE,
CEDAR RAPIDS, IA 52403





DEMOGRAPHICS SUMMARY

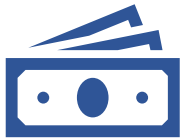
POPULATION	3 Miles	5 Miles	10 Miles
2029 Projection	76,113	145,680	209,483
2024 Population	76,355	146,085	210,046
2020 Population	76,622	146,285	210,691
Median Age	38.6	38.7	39.7

INCOME	3 Miles	5 Miles	10 Miles
Average	\$72,959	\$78,316	\$88,961
Median	\$58,841	\$61,613	\$68,384

TRAFFIC COUNTS	
1 st Ave E	16,021 (2020)

HOUSEHOLDS	3 Miles	5 Miles	10 Miles
2029 Projection	32,900	62,317	86,834
2024 Households	33,009	62,489	87,079
2020 Households	33,150	62,557	87,374

Source: © COSTAR 2024



AVERAGE HOUSEHOLD INCOME
FIVE MILE RADIUS \$78,316



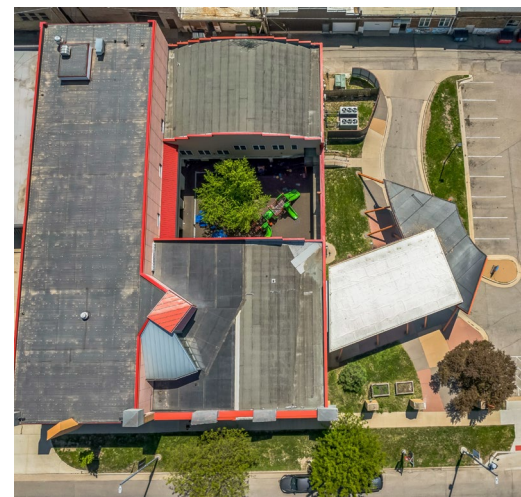
HOUSEHOLDS WITHIN FIVE MILE
RADIUS 62,489



POPULATION WITHIN FIVE MILE
RADIUS 146,085



DAILY TRAFFIC COUNTS 16,021



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ACTIVITY ID:



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OFFERING MEMORANDUM

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