

# BUSY BEES - 12 YR ABS NNN

3700 W RAY RD, CHANDLER, AZ 85224 (PHOENIX MSA)

- » 990+ UNIT GLOBAL OPERATOR
- » LOW PRICE POINT CHILDCARE CENTER
- » AFFLUENT DEMOGRAPHICS - \$128,003 AVERAGE HOUSEHOLD INCOME WITHIN 1 MILE



The best start in life

[WWW.BUSYBEESGLOBAL.COM](http://WWW.BUSYBEESGLOBAL.COM)



OFFERING MEMORANDUM

Marcus & Millichap



**TARGET** **HOBBY LOBBY**  
**JCPenney**  
**SPROUTS** **FARMERS MARKET** **MOUNTAIN SIDE FITNESS** **Burlington**  
**petco** **PET SMART**  
**BEST OfficeMax** **Marshalls**  
**BUY JOANN** **Michaels**  
**Party City** **Pier 1 imports** **AMC**  
**KIRKLAND'S** **BIG 5 THEATRES**

**Walmart** **DOLLAR TREE** **IKEA**  
**Supercenter** **STAPLES** **Total Wine & MORE**  
**Ashley HOMESTORE** **COSTCO** **DICK'S SPORTING GOODS** **PET SMART**  
**LIFETIME FITNESS** **at home** **FLOOR DECOR** **MAIN EVENT**  
The Home Décor Superstore

**ASU** ARIZONA STATE UNIVERSITY **Research Park**  
**GoDaddy US** **Edward Jones**  
**Amkor Technology** **amazon** **FOODS** **iridium**  
**Viasat** **DIGITAL REALTY**


**Busy Bees**  
 The best start in life

**PET SMART** **Walmart** **HOBBY LOBBY**  
**NORDSTROM** **petco** **Supercenter** **DOLLAR TREE**  
**rack** **ULTA BEAUTY** **Conn's** **Cheddar's** **Red Robin**  
**LOWE'S** **Pier 1 imports** **Michaels** **buybuy BABY** **IN-N-OUT**  
Where Creativity Happens

**THE HOME DEPOT** **SAM'S CLUB** **WORLD MARKET** **planet fitness**  
**Sur la table** **planet fitness**  
**ULTA BEAUTY** **LOWE'S** **BED BATH & BEYOND** **KREI**  
**Bath&BodyWorks** **Bassett** **Orangetheory FITNESS**

  
**CHANDLER CAMPUS**

**PHOENIX PREMIUM OUTLETS**  
A SIMON CENTER

**TRADER JOE'S** **MOD**  
**CHIPOTLE** **MEXICAN GRILL**  
**TACO BELL** **Walgreens**  
**SAFeway** **Little Caesars**  
**BR** **baskin robbins** **BANK OF AMERICA**  
**DOLLAR TREE** **fray's Marketplace**  
**CHASE**

  
**WILD HORSE PASS**

**CHANDLER FASHION CENTER**  
**NORDSTROM**  
**lululemon** **athletica** **Apple**  
**SEPHORA** **COACH**  
**LUSH** **FRESH HANDMADE COSMETICS**  
**LUCKY BRAND** **POTTERY BARN**  
**ATHLETA** **VICTORIA'S SECRET**  
**H&M** **Harkins THEATRES**

**THE HOME DEPOT** **SAFeway**  
**Starbucks** **Wendy's**  
**ARCO** **SHERWIN WILLIAMS**  
**CHIPOTLE** **MEXICAN GRILL**

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**CORONA DEL SOL  
HIGH SCHOOL**

**KYRENE DEL CIELO  
ELEMENTARY SCHOOL**



**CHANDLER TRADITIONAL  
ACADEMY**



**KYRENE DE LAS BRISAS  
ELEMENTARY SCHOOL &  
KYRENE APRENDE  
MIDDLE SCHOOL**



**KYRENE TRADITIONAL  
ACADEMY**



**DESERT BREEZE  
PARK**

**CHANDLER  
CORPORATE CENTER**



**Michaels**



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# Executive Summary

3700 W Ray Rd, Chandler, AZ 85224

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$3,553,000</b>
Cap Rate	6.50%
Building Size	10,904 SF
Net Cash Flow	6.50% \$230,968
Year Built	1995
Lot Size	1.46 Acres

## LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Valley Child Care & Learning Centers, Inc. / Busy Bees
Lease Commencement Date	April 1, 2022
Lease Expiration Date	March 31, 2037
Lease Term Remaining	12 Years
Rental Increases	2% Annual Increases
Renewal Options	5, 5 Year Options
Right of First Refusal	None

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
4/1/2024 – 3/31/2025	\$230,968.00	6.50%
4/1/2025 – 3/31/2026	\$235,587.36	6.63%
4/1/2026 – 3/31/2027	\$240,299.11	6.76%
4/1/2027 – 3/31/2028	\$245,105.09	6.90%
4/1/2028 – 3/31/2029	\$250,007.19	7.04%
4/1/2029 – 3/31/2030	\$255,007.33	7.18%
4/1/2030 – 3/31/2031	\$260,107.48	7.32%
4/1/2031 – 3/31/2032	\$265,309.63	7.47%
4/1/2033 – 3/31/2034	\$270,615.82	7.62%
4/1/2034 – 3/31/2035	\$276,028.14	7.77%
4/1/2035 – 3/31/2036	\$281,548.70	7.92%
4/1/2036 – 3/31/2037	\$287,179.68	8.08%

<b>Base Rent</b>	<b>\$230,968</b>
<b>Net Operating Income</b>	<b>\$230,968</b>
<b>Total Return</b>	<b>6.50% \$230,968</b>





CHANDLER CORPORATE CENTER

KYRENE DE LAS BRISAS  
ELEMENTARY SCHOOL &  
KYRENE APRENDE  
MIDDLE SCHOOL

CVS  
pharmacy



MCRAY PLAZA



40,500 CPD  
W RAY RD

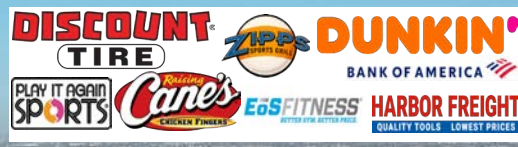
PARKSIDE PROFESSIONAL PLAZA  
(MEDICAL / BUSINESS OFFICES)



THE VENTURA APARTMENTS







**CORONA DEL SOL  
HIGH SCHOOL**

**KYRENE DEL CIELO  
ELEMENTARY SCHOOL**



**SAN TIERRA APARTMENTS**



**PARKSIDE PROFESSIONAL PLAZA  
(MEDICAL / BUSINESS OFFICES)**



**THE VENTURA APARTMENTS**

**40,500 CPD**  
W RAY RD





# Property Description



## INVESTMENT HIGHLIGHTS

- » **12 Years Remaining on Absolute NNN Lease**
- » Corporately Run Location from Busy Bees who Operates 990 Centers Globally, with 119 Centers in the US, and Strong Growth Plans.
- » **Tenant is Backed by The Ontario Teacher's Fund, Pension is Invested in Busy Bees, and has Invested in Brands Like 24 Hour Fitness, Flynn Restaurant Group and Several Others**
- » Average Household Income Exceeds \$128,000 within a 1-Mile Radius
- » **2% Annual Increases with Multiple Renewal Options**
- » 308,774 Residents within a 5-Mile Radius
- » **Busy Bees has Acquired 9 Schools in the Phoenix Market, This School Represents Further Market Expansion**
- » BrightPath Kids is one of North America's largest child care providers



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2028 Projection	17,799	114,968	322,352
2023 Estimate	17,136	109,876	308,774
Growth 2023 – 2028	3.87%	4.63%	4.40%

### Households

2028 Projection	7,241	46,234	131,066
2023 Estimate	6,952	43,966	125,098
Growth 2023 – 2028	4.16%	5.16%	4.77%

### Income

2023 Est. Average Household Income	\$128,003	\$124,028	\$109,982
2023 Est. Median Household Income	\$97,589	\$95,891	\$82,974

# Tenant Overview




Busy Bees is a leading international childcare business, focused on providing outstanding early years education to children, from babies, to school age. Founded in the UK in 1983, today Busy Bees operates around 1,000 sites in 10 countries, including the USA, Canada, Australia, Singapore, Malaysia and Italy. Our global diversification has also helped ensure the group's ongoing resilience against economic, political and regulatory volatility in any particular territory. We see North America as a huge growth opportunity, and we aim to become one of the region's top 10 largest childcare providers. Busy Bees entered the market in 2017 with the acquisition of BrightPath Canada, with 78 centres. This was followed by the acquisition of Educational Playcare in the US two years later, with 19 centers. Our leadership team puts children's learning and development at the heart of everything we do, driving best practice and sustained global growth.

Today, Busy Bees - operating under the BrightPath brand - has 80+ centers in the USA across the states of Arizona, Connecticut, Delaware, Kentucky, Massachusetts, New York, Ohio and Pennsylvania. In Canada, Busy Bees has more than 80 sites in large provincial hubs including Toronto, Ottawa and Calgary. Busy Bees centers are mostly found in suburban communities, where they are conveniently positioned for working families.

 **LONDON, UNITED KINGDOM**  
Headquarters

 **BUSYBEEGLOBAL.COM**  
Website

 **1,000+**  
Centers Open or  
Under Development

 **1983**  
Founded



# Property Photos





# Location Overview



Located in Metropolitan Phoenix, Chandler embodies an active lifestyle with easy access to outdoor recreation with endless family-fun, award-winning events, world-class golf facilities, and a vibrant downtown. Visitors and residents enjoy the diverse community with its vibrant restaurants of every cuisine, premier shopping, arts and culture and a wide range of things to do all year-round.

In recent years, Chandler's borders have been expanded and the population has boomed from 30,000 in 1980 to more than 240,000 today. The economic base of Chandler has been diversified. While agriculture is still somewhat of a vital element, Chandler now enjoys a strong manufacturing and electronics sector.

Motorola and Intel combine for five plants in Chandler, including Motorola's

Iridium and Intel's Pentium III chip facilities. Other high tech industries are Rogers, Avnet, AMKOR, SpeedFam, Orbital Sciences and Microchip Technology. Over 75 percent of Chandler's 30,000 manufacturing employees are in high tech fields; the national average is 15 percent.

The Price Corridor is the foremost example of how strategic investment in infrastructure and long-term planning can positively shape a community. High capacity utilities, preserved employment sites, well placed parks and numerous residential options make the area appealing to companies and individuals alike. Price Corridor's commercial real estate mix includes Class "A" office, executive office suites, light industrial parks, mixed-use projects and corporate and technology campus settings.







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the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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