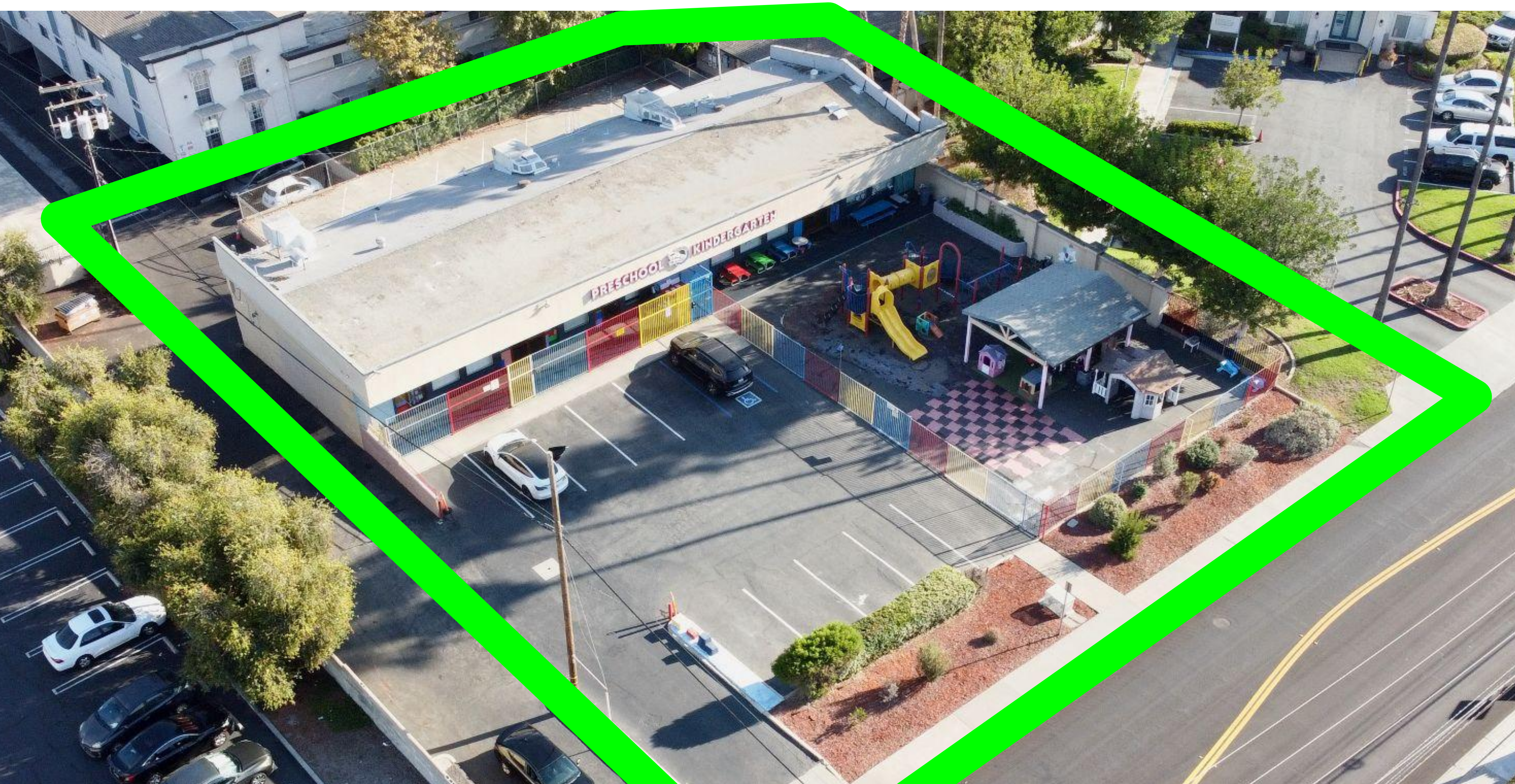
Turnkey Preschool | Licensed for 89 Children Strong Reputation | Prime Walnut Location Near Mt. SAC

Business and Real Estate included in Purchase Price



BJ Delhamer

Represented by Child Care Insite: specializing in child care centers sales nationwide

CCI CHILD CARE INSITE
COMMERCIAL REAL ESTATE

Outline does not represent exact parcel dimensions.

PROPERTY HIGHLIGHTS

Investment Executive Summary

20704 San Jose Hills Road, Walnut, CA 91789
Business & Real Estate | Licensed for 89 Children

Kid Junction Christian Preschool is a long-standing child care and early education center located in the highly sought-after city of Walnut, California. The offering includes both the business and real estate, with significant upside potential through facility improvements, enrollment growth, and positioning within a prime corridor adjacent to Mt. San Antonio College. With over 20 years of community presence, strong Yelp reviews, and valuable license capacity, this represents a rare opportunity to acquire a preschool in a supply-constrained market with strong investor and operator demand.

Bullet Point Summary

- Licensed for 89 Children (69 preschool, 20 school-age)
- Current Operations in 4,560 SF Building on 0.56 Acres
- Over 20 Years of Established Reputation and Strong Yelp Reviews
- Business & Real Estate Included in Offering
- Valuable Educational Zoning with Broader Commercial Flexibility
- Strong Fit for SBA 7(a) or Conventional Financing
- Potential to Enhance Value Through Facility Upgrades and Enrollment Growth
- Located in Walnut, a High-Income, Land-Constrained Market Adjacent to Mt. SAC
- Stable Community Recognition with Investor and Operator Buyer Appeal

Value-Add Strategies

Unlock substantial upside to increase revenue, efficiency, and long-term asset value:

Increase Enrollment
Capitalize on strong location demand near Mt. San Antonio College and Walnut's top-ranked schools by modernizing facilities and expanding enrollment back toward licensed capacity of 89 children.

Maximize Subsidy Participation
Pursue greater participation in available California child care funding programs such as CSPP, CCTR, and CACFP to enhance per-child income while maintaining affordability for families.

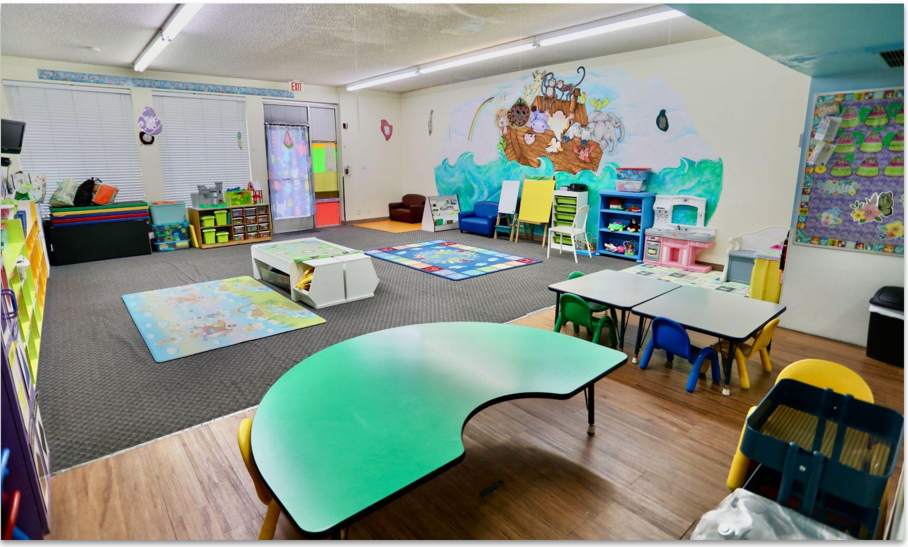
Reinvest in Facility Upgrades
Refresh classrooms, playgrounds, and curb appeal to align with parent expectations in this high-income market, directly supporting enrollment growth and premium positioning.

Adjust Tuition to Market Rates
Evaluate and align tuition across all programs with prevailing Walnut and eastern Los Angeles County rates, capturing the pricing power of this affluent, supply-constrained area.

Expand Program Offerings
Introduce enrichment opportunities such as STEM, art, language, and after-school care to broaden appeal, attract new families, and strengthen retention.

Boost Marketing & Community Outreach
Highlight the preschool's 20+ years of operation, strong Yelp reviews, and trusted reputation through digital campaigns, referral networks, and local partnerships to drive new enrollment.

INVESTMENT HIGHLIGHTS



Investment Highlights

Prime Location – 4,560 SF preschool on 0.56 acres in Walnut's central corridor, directly adjacent to Mt. San Antonio College and within one of the most sought-after school districts in California.

Significant Upside – Opportunity to expand enrollment back toward the licensed capacity of 89 children, increasing gross operating income by an estimated 40%–60% with improved utilization of classrooms and outdoor space.

Affluent Market – $123,000 median household income, strong dual-income households, and persistent demand for early education in a land-constrained city with limited supply of quality facilities.

Long-Standing Legacy – Over 20 years of continuous operation with strong Yelp reviews, trusted reputation, and established alumni relationships in the Walnut community.

Staffing Stability – Experienced educators and administrative staff available, maintaining compliance with California Title 22 licensing standards.

Strong Community Visibility – Excellent street presence with over 35,000 daily traffic counts nearby, plus opportunity to increase awareness through targeted marketing and digital presence.

High-Value Demographics – Trade area includes highly educated households, with strong disposable income and priority spending on private education.

Facility Enhancement Potential – Targeted capital improvements ($50k–$100k) could modernize branding, upgrade classrooms, and boost curb appeal, making the school more competitive against newer facilities.

Exit Valuation Potential – With enrollment restored and tuition aligned to market, projected NOI could support an exit value in the $3.2M–$3.5M range within five years.

Potential Exit Strategies

Strategic Buyer Acquisition
Sell to a regional or national preschool chain seeking expansion in Los Angeles County. Preschools with valuable licenses and prime locations near Mt. San Antonio College often command premium multiples in strategic acquisitions.

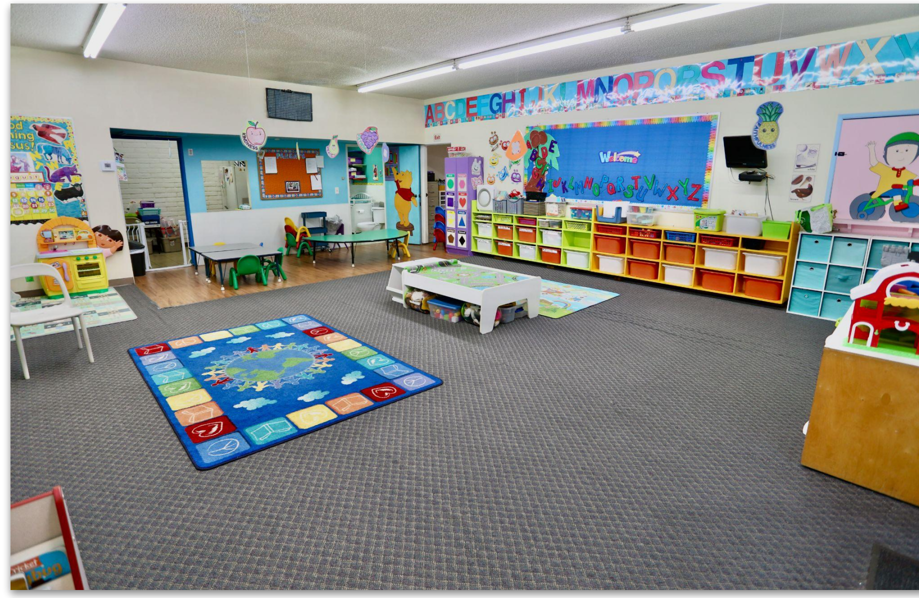
Real Estate Sale & Leaseback
Separate and sell the property to a childcare-focused real estate investment group while retaining or selling the business. This structure can unlock significant equity while allowing the school to continue operations under a long-term lease.

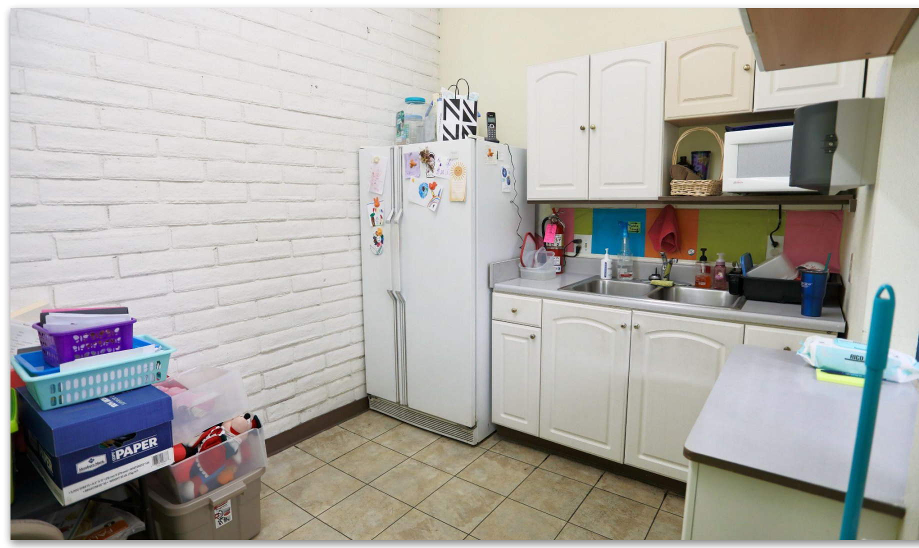
Refinance & Hold
After refreshing the facility, increasing enrollment toward licensed capacity of 89 children, and stabilizing NOI, refinance at the improved valuation to pull out capital while retaining long-term ownership and monthly income.

Private Equity Recapitalization
With full enrollment and right-sized staffing, attract attention from early childhood education investment funds seeking scalable operations in affluent, land-constrained markets.

Owner-Operator Retirement Sale
Market to another local operator or family-run buyer as a turnkey preschool with community reputation, staff infrastructure, and significant upside through facility improvements and enrollment growth.

Five-Year Hold & Market Exit
Target a ~$3.2M–$3.5M resale value within five years, assuming stabilized enrollment, tuition alignment to market rates, and continued appreciation in Walnut's high-income, supply-constrained real estate market.





FINANCIAL METRICS

Growth & Value-Add Potential

Revenue Growth Levers

Enrollment Upside: Current operations serve well below the licensed capacity of 89 children. Expanding enrollment toward capacity could add 40–50% in gross revenue with limited incremental staffing.

Tuition Adjustment Opportunity: Tuition rates can be gradually aligned with prevailing Walnut and eastern Los Angeles County benchmarks. A phased 5–10% increase would enhance revenue while remaining competitive for local families.

Extended Care & Enrichment Programs: Proximity to Mt. SAC and surrounding neighborhoods supports demand for before- and after-school care, as well as fee-based enrichment programs (STEM, language, arts, music).

Program Diversification: Potential to add transitional kindergarten or specialized learning tracks to attract premium-paying families and strengthen retention.

Operational Efficiencies

Experienced Team: Longstanding staff and leadership provide stability and reduce training and recruitment costs.

CACFP Eligibility: Facility qualifies for federal meal reimbursement programs, which can offset food expenses and improve margins.

Streamlined Administration: Established processes for billing, scheduling, and parent communication create efficiencies and position the school for growth.

Exit Strategy Friendly

SBA Financeable: Business and real estate structure are well-suited for SBA 7(a) or conventional financing, enhancing the buyer pool.

Scalable Model: Strong location, reputation, and operational systems make it attractive for operators seeking to expand portfolios or create multi-site platforms.

Real Estate Included: Ownership of the 0.56-acre site with a 4,560 SF building increases lender confidence and broadens appeal to both investors and owner-operators.

PROPERTY VIDEOS

Click on the video to the right to view the **walkthrough video** on YouTube.

Click on the video to the right to view the **aerial video** on YouTube.

LICENSE(S)

State of California

Department of Social Services

Facility Number: 198012307

Effective Date: 05/30/06 Total Capacity: 20

In accordance with applicable provisions of the Health and Safety Code of California, and its rules and regulations; the Department of Social Services hereby issues

this License to

CHIN H. CHANG

to operate and maintain a SCHOOL-AGE DC CENTER

Name of Facility

KID JUNCTION PRESCHOOL
20704 SAN JOSE HILLS ROAD
WALNUT CA 91789

This License is not transferable and is granted solely upon the following:

SCHOOL AGE CHILDREN FIRST GRADE AND ABOVE

Client Groups Served: CHILDREN

Complaints regarding services provided in this facility should be directed to:
L.A. DAY CARE-EAST DISTRICT OFFICE (323) 981-3350

Jo Frederick

Deputy Director,
Community Care Licensing Division

Authorized Representative
of Licensing Agency

06/19/06

State of California

Department of Social Services

Facility Number: 198012090

Effective Date: 12/01/05 Total Capacity: 69

In accordance with applicable provisions of the Health and Safety Code of California, and its rules and regulations; the Department of Social Services hereby issues

this License to

CHANG, CHIN HWAN

to operate and maintain a DAY CARE CENTER

Name of Facility

KID JUNCTION
20704 SAN JOSE HILLS ROAD
WALNUT CA 91789

This License is not transferable and is granted solely upon the following:

LICENSEE TO SERVE (69) PRESCHOOL CHILDREN AGES: 2 UNTIL ENTRY INTO KINDERGARTEN IN ROOMS #1 - #3.

Client Groups Served: CHILDREN

Complaints regarding services provided in this facility should be directed to:
L.A. DAY CARE-EAST DISTRICT OFFICE (323) 981-3350

Jo Frederick

Deputy Director,
Community Care Licensing Division

Authorized Representative
of Licensing Agency

WAIVER

STATE OF CALIFORNIA -- HEALTH AND HUMAN SERVICES AGENCY — ARNOLD SCHWARZENNEGER, *Governor*

DEPARTMENT OF SOCIAL SERVICES
COMMUNITY CARE LICENSING DIVISION
1000 Corporate Center Drive, Suite 200-B, Monterey Park, CA 91754

June 14, 2006 **WAIVER GRANTED**

Kid Junction Preschool/School Aged Program
20704 San Jose Hills Rd.
Walnut, CA 91789

Facility No: 198012090/198012307

Subject: Waiver Request

Dear Chin Chang:

This is in reply to your request for a waiver for your facility. California Code of Regulations, Title 22, Division 12, Chapter 1, Section 101338.2 requires 75 square feet per child of outdoor activity space based on the total licensed capacity. You have requested a waiver from this requirement. This request is based upon your proposal to use a staggered outdoor play schedule for multiple programs operating on this site.

In accordance with Section 101175, we are granting this waiver. The waiver is valid for the term of the license and is subject to review at the discretion of the licensing agency.

We are granting the waiver under the following conditions:

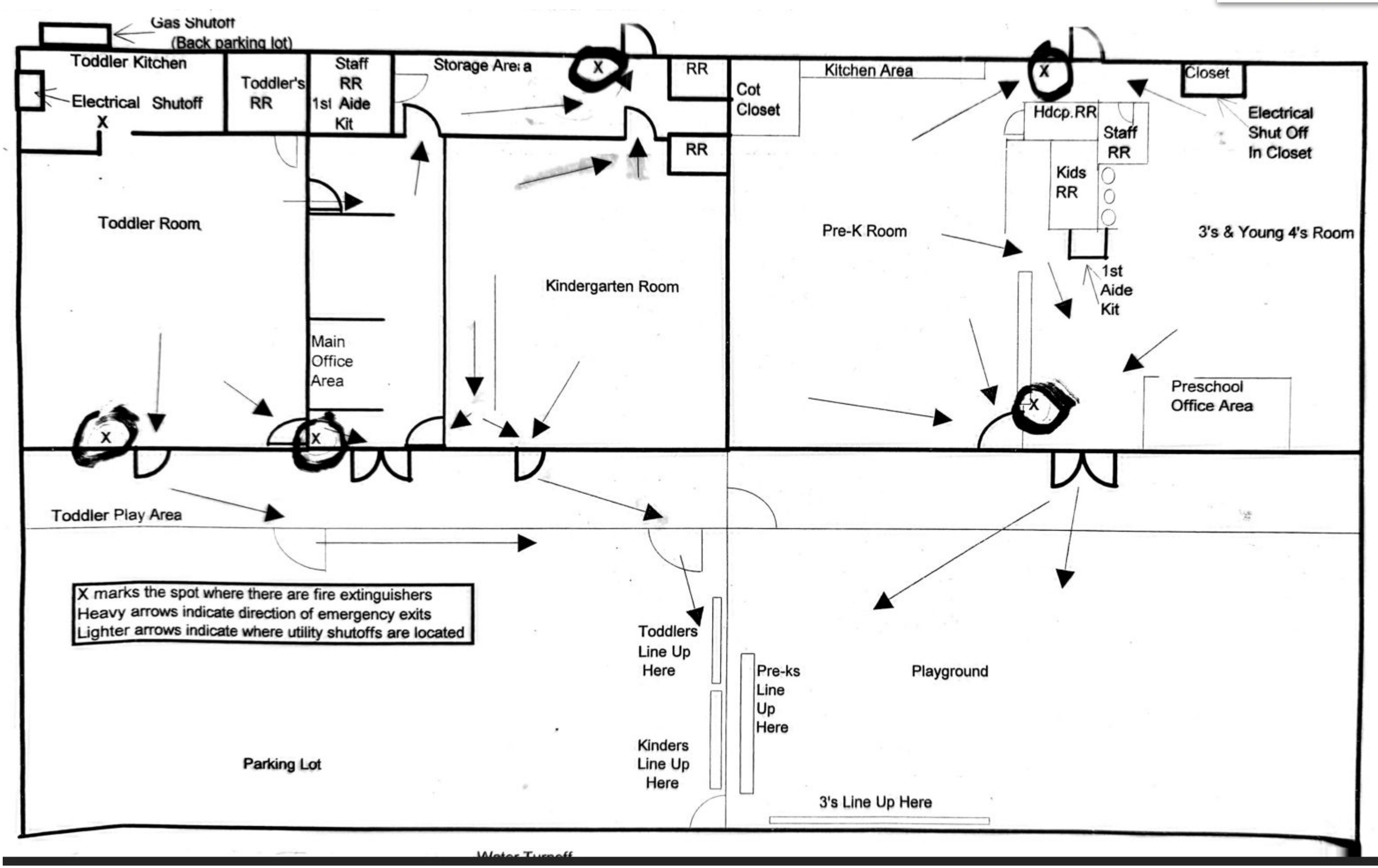
1. A schedule for staggered outdoor play shall be posted at all times.
2. The required teacher – child ratio shall be maintained at all times. No child shall be allowed on the playground without direct visual supervision by adult staff.
3. All children shall be adequately supervised to ensure that outdoor equipment is age-appropriate and is safe to children receiving care.

Failure to comply with the conditions may result in the termination of the waiver. <u>A copy of this document must be available for review at the facility.</u> If you have any questions regarding the above decision, or need further information, please contact Paul Zaragoza, Licensing Program Analyst at (323) 981-3371.

Sincerely,

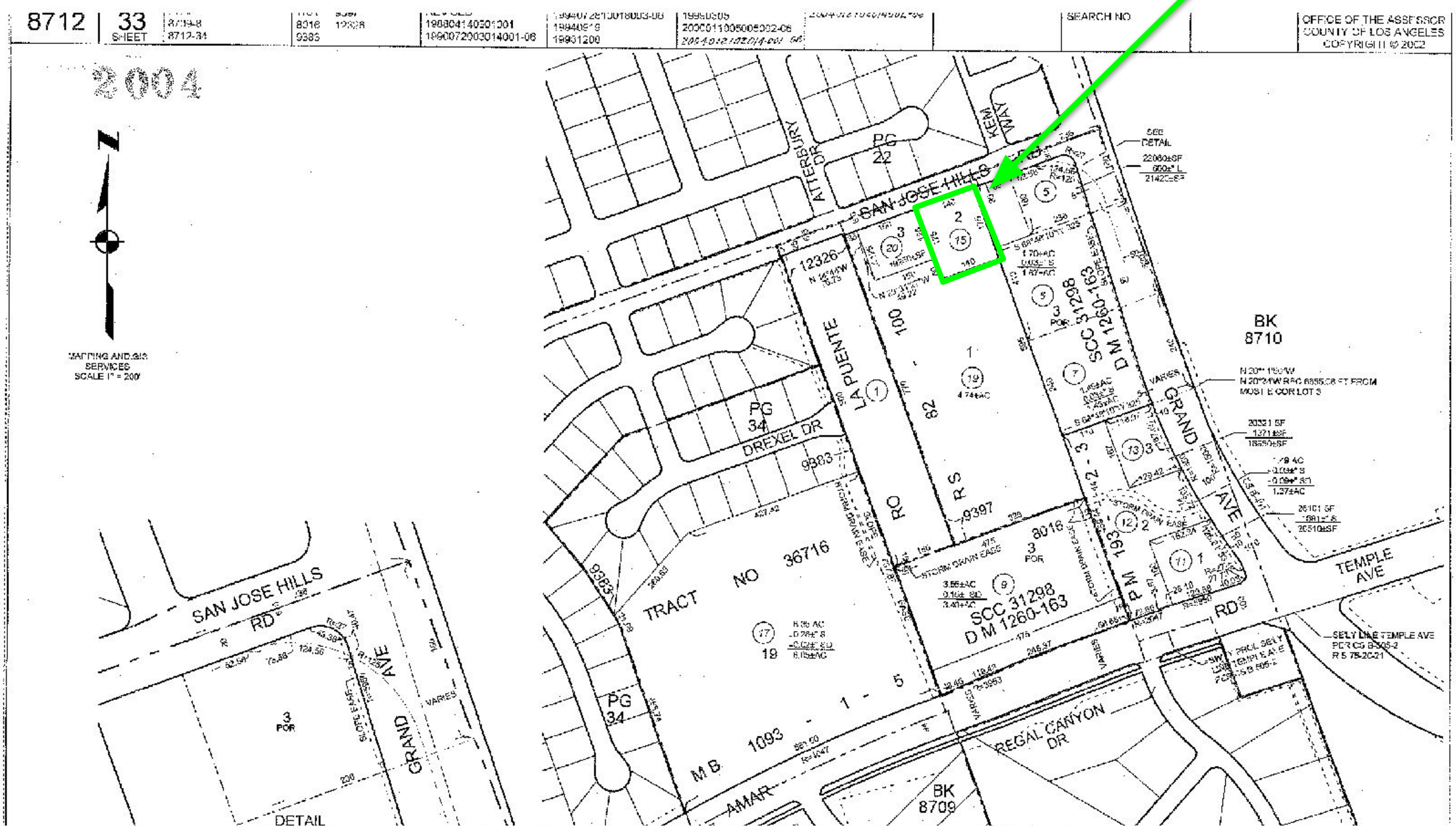
Maria Hendrix
Regional Manager

FLOOR PLAN



Gas Shutoff
(Back parking lot)
Toddler Kitchen
Electrical Shutoff
X
Toddler's RR
Staff RR
1st Aide Kit
Storage Area
X
RR
RR
Cot Closet
Kitchen Area
X
Hdcp.RR
Staff RR
Closet
Electrical Shut Off In Closet
Kids RR
Toddler Room
Pre-K Room
3's & Young 4's Room
Kindergarten Room
1st Aide Kit
Main Office Area
Preschool Office Area
X
X
X
Toddler Play Area
X marks the spot where there are fire extinguishers
Heavy arrows indicate direction of emergency exits
Lighter arrows indicate where utility shutoffs are located
Toddlers Line Up Here
Pre-ks Line Up Here
Playground
Parking Lot
Kinders Line Up Here
3's Line Up Here

PLAT MAP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SEARCH NO
OFFICE OF THE ASSESSOR
COUNTY OF LOS ANGELES
COPYRIGHT © 2002
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SERVICES
SCALE 1" = 200'
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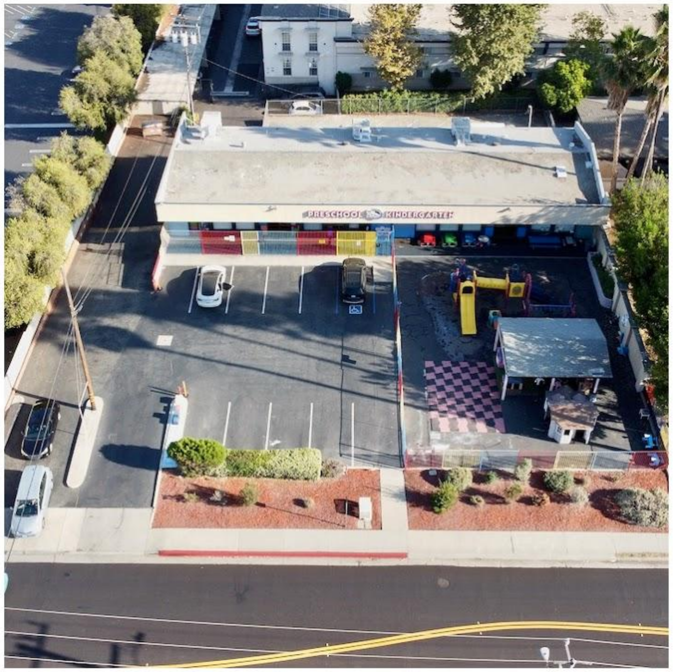
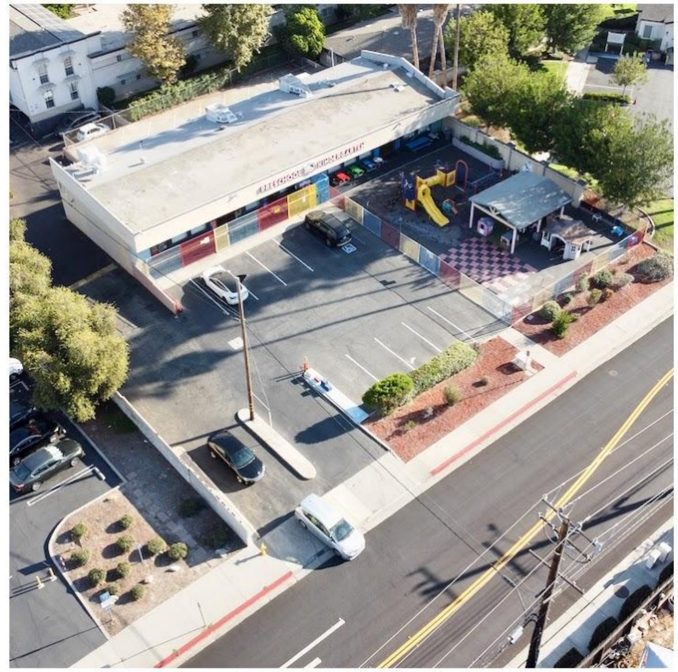
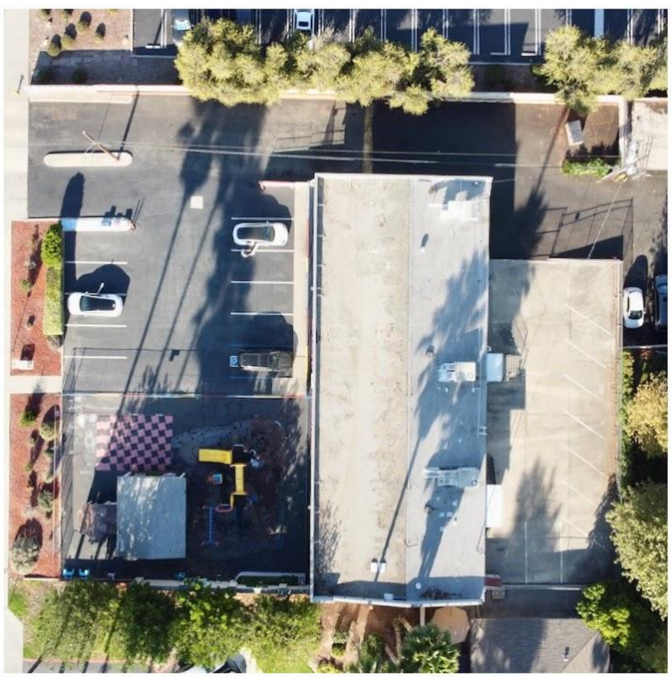
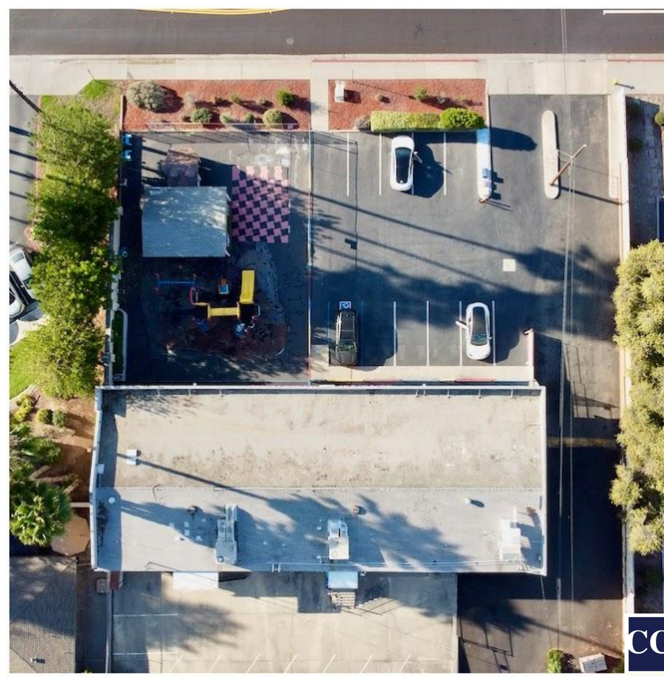
ATTERBURY DR
KEMWAY
PG 22
LA PUENTE RO
DREXEL DR
PG 34
TRACT NO 36716
M B 1093 - 1 - 5
SCC 31298
D M 1260-163
R S 82 - 100
P M 193 - 2 - 3
BK 8710
GRAND AVE
TEMPLE AVE
REGAL CANYON DR
AMAR RD
BK 8709
DETAIL

PHOTOS OF PROPERTY



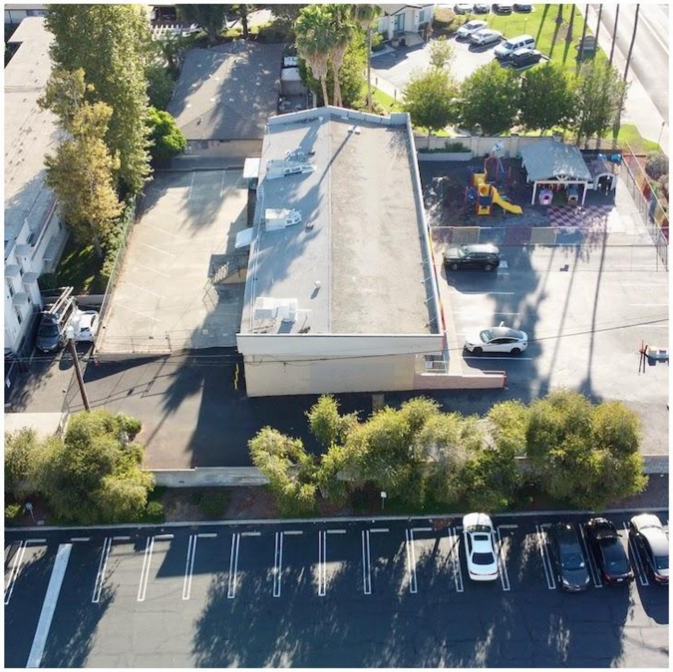


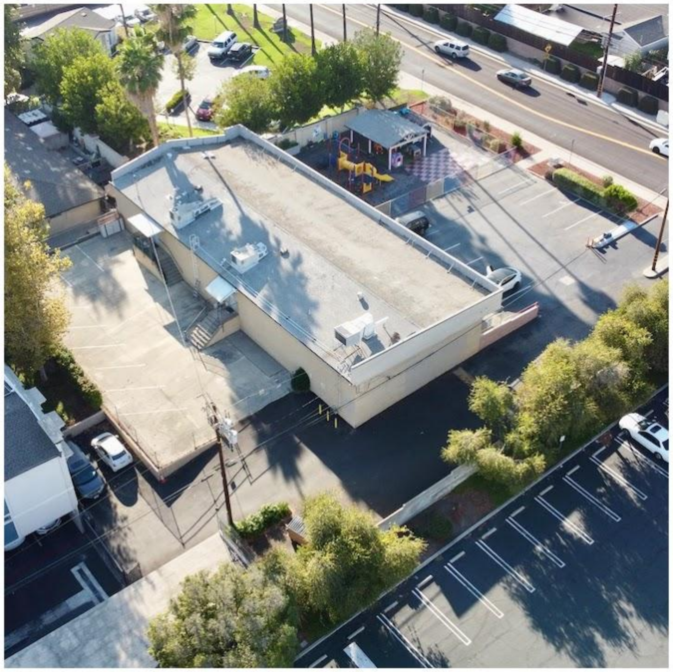




CHILD CARE INSITE
COMMERCIAL REAL ESTATE

PHOTOS OF PROPERTY





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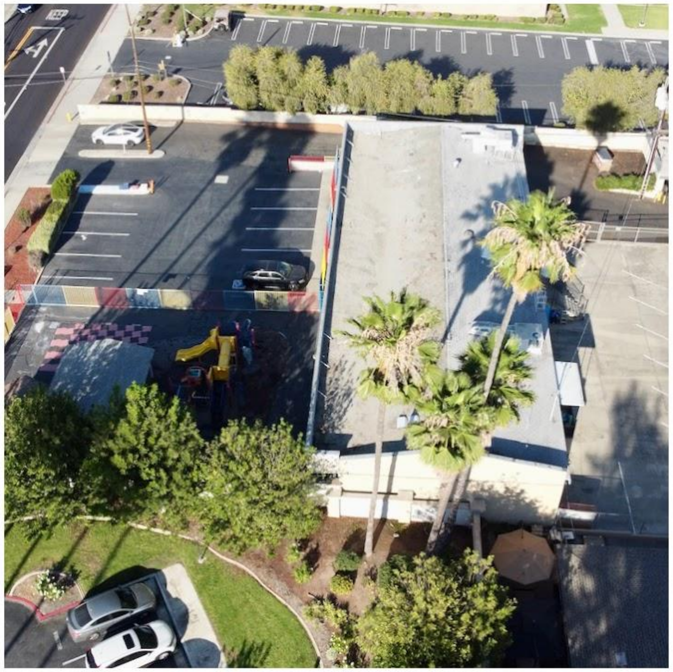

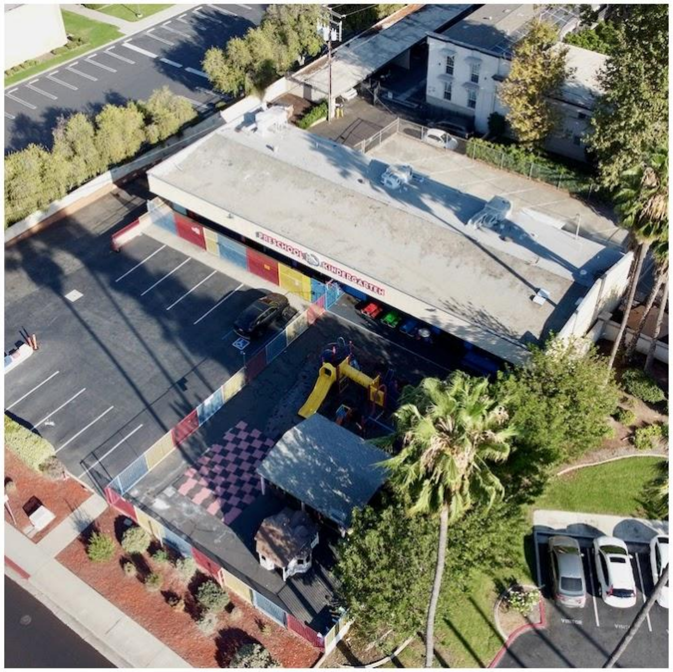

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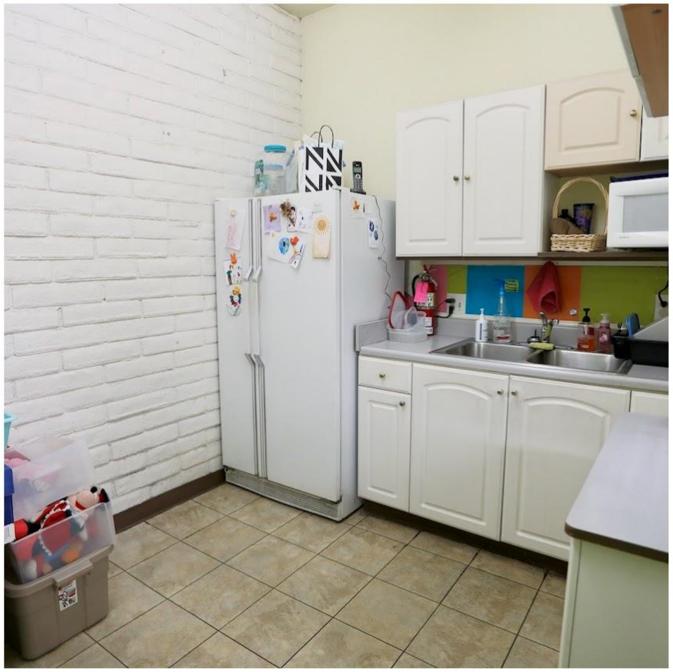

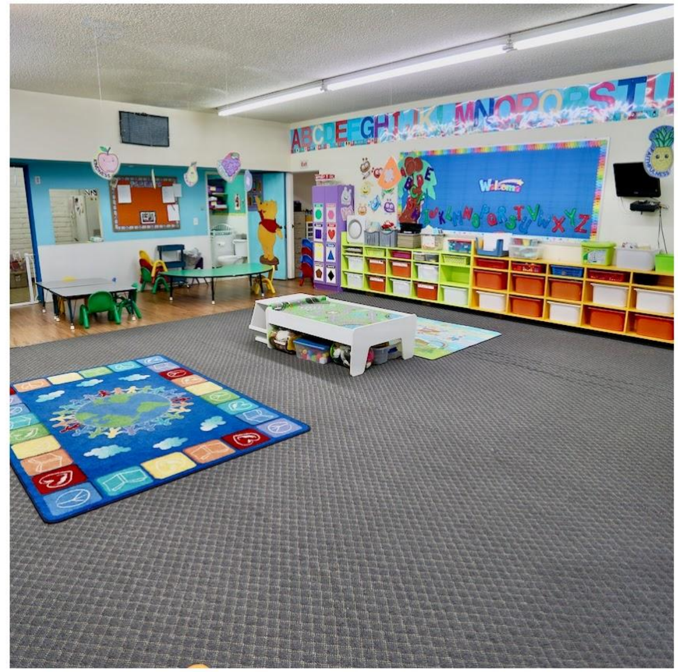

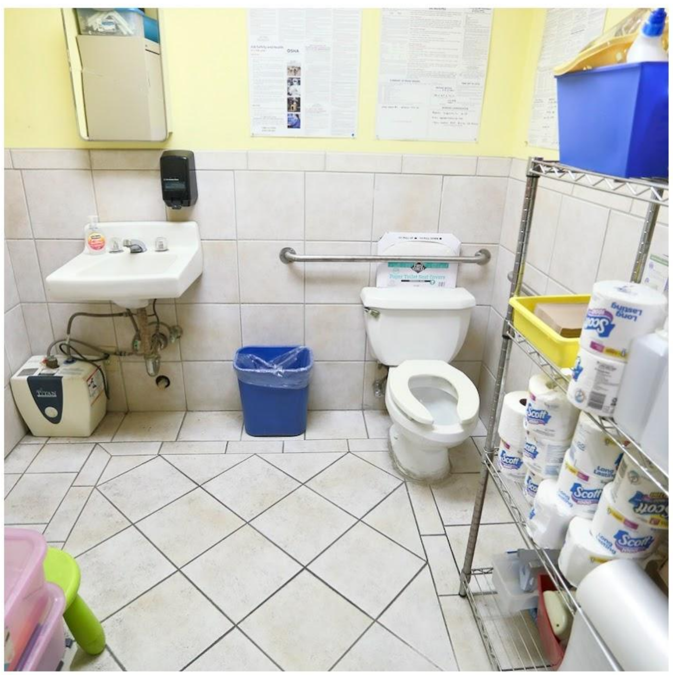

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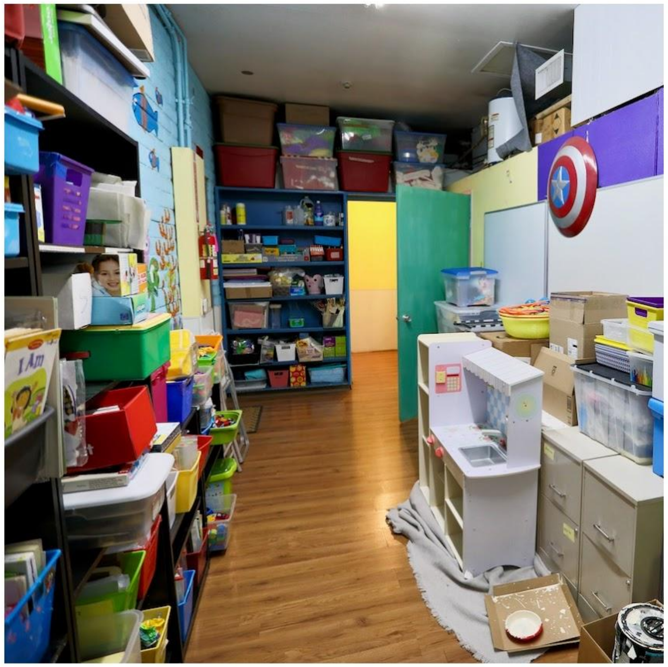

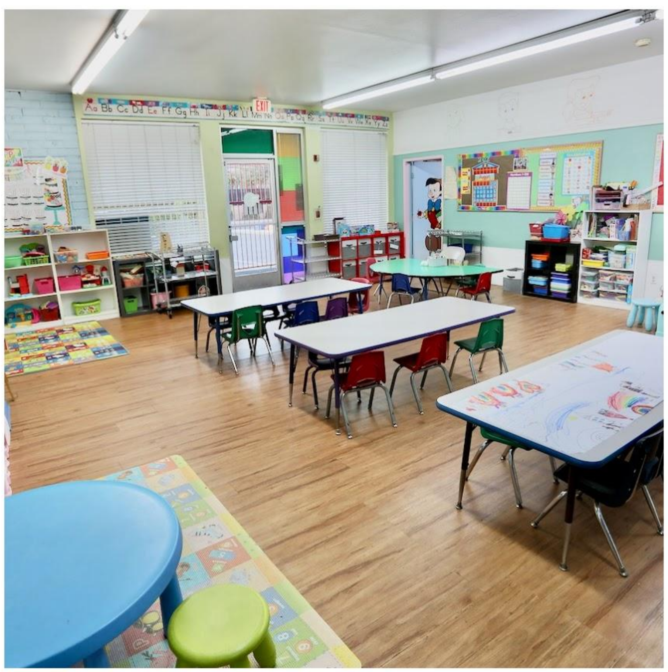

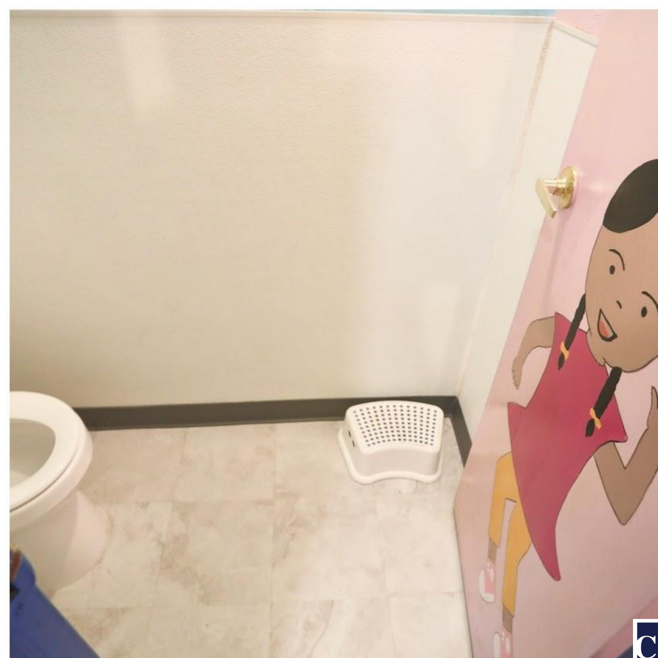

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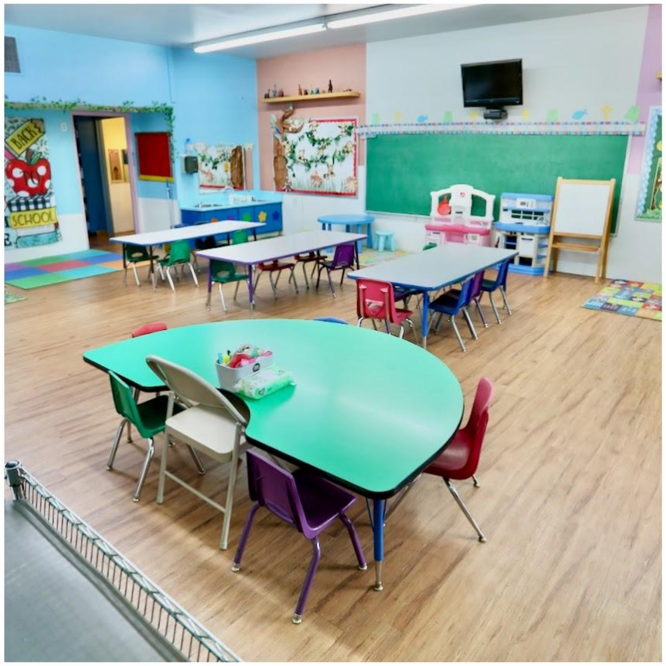

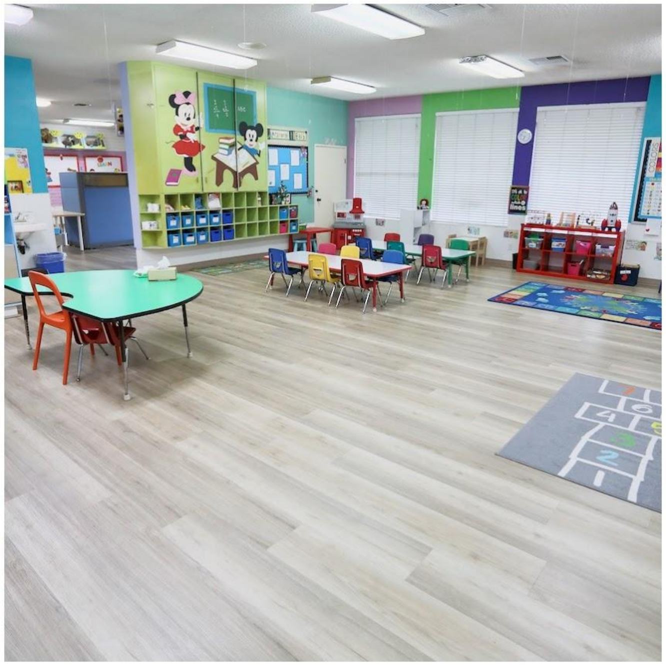

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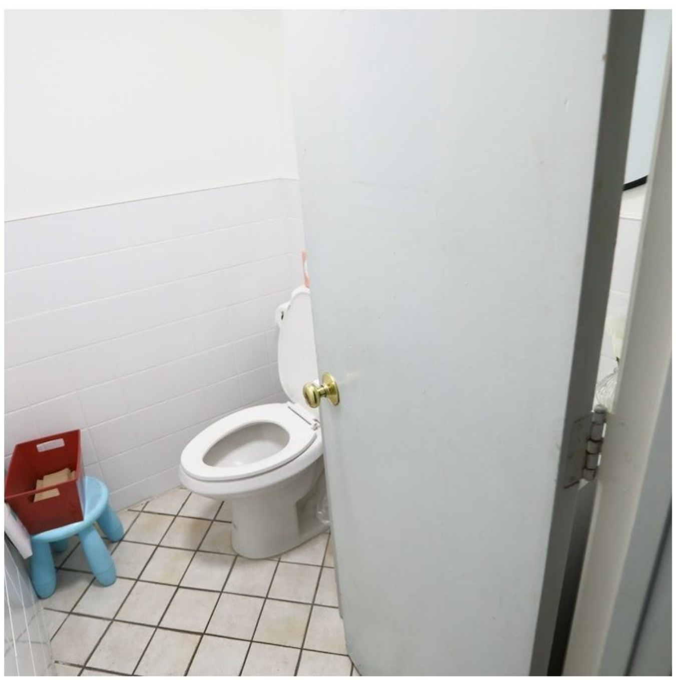
PHOTOS OF PROPERTY






CHILD CARE INSITE
COMMERCIAL REAL ESTATE

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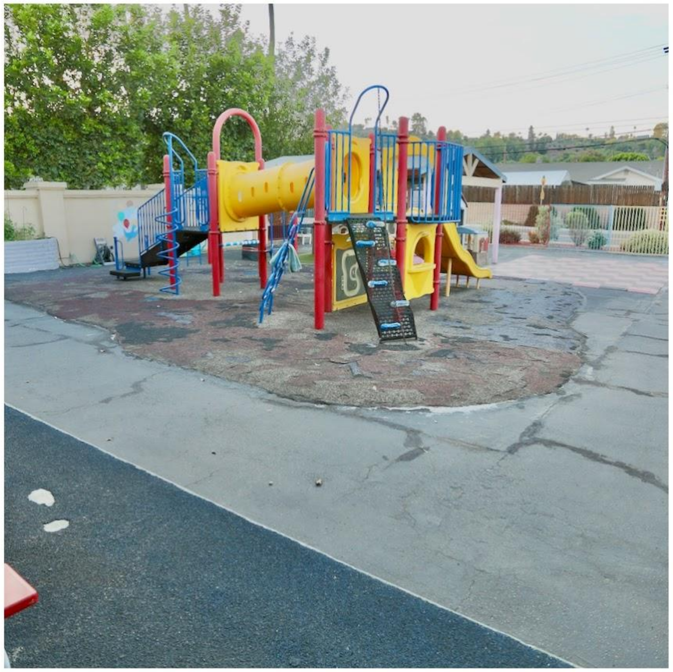

CHILD CARE INSITE
COMMERCIAL REAL ESTATE

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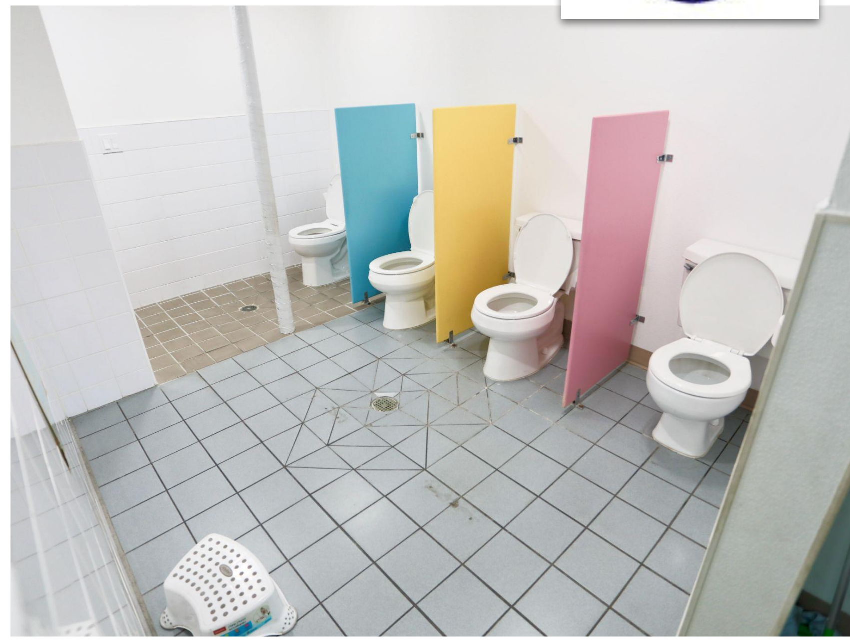
CHILD CARE INSITE
COMMERCIAL REAL ESTATE

AREA OVERVIEW



Median Household Income	Median Age	Total Population	1st Dominant Segment
$123,356	**45.5**	**39,364**	**Pacific Heights**

Consumer Segmentation

Life Mode

What are the people like that live in this area?

Upscale Avenues

Prosperous married couples living in older suburban enclaves

Urbanization

Where do people like this usually live?

Urban Periphery

City life for starting families in neighborhoods that fringe major cities

Top Tapestry Segments	Pacific Heights	Top Tier	Urban Villages	Savvy Suburbanites	Professional Pride
% of Households	9,393 (73.4%)	1,343 (10.5%)	1,020 (8.0%)	570 (4.5%)	473 (3.7%)
% of Los Angeles County	199,065 (5.8%)	132,964 (3.9%)	385,867 (11.2%)	38,227 (1.1%)	9,180 (0.3%)
Lifestyle Group	Upscale Avenues	Affluent Estates	Sprouting Explorers	Affluent Estates	Affluent Estates
Urbanization Group	Urban Periphery	Suburban Periphery	Urban Periphery	Suburban Periphery	Suburban Periphery
Residence Type	Single Family	Single Family	Single Family	Single Family	Single Family
Household Type	Married Couples	Married Couples	Married Couples	Married Couples	Married Couples
Average Household Size	3.09	2.83	3.54	2.78	3
Median Age	43.3	46	37.9	44.1	42.4
Diversity Index	75.7	50.9	87.1	49.7	57.1
Median Household Income	$124,100	$200,000	$92,500	$142,800	$176,700
Median Net Worth	$585,200	$1,487,500	$298,600	$988,200	$1,181,100
Median Home Value	$944,400	$966,000	$556,200	$513,900	$605,700
Homeownership	70.8 %	90.4 %	70.5 %	90.7 %	90.3 %
Employment	Professional or Mgmnt/Bus/Financial	Professional or Mgmnt/Bus/Financial	Services or Professional	Professional or Mgmnt/Bus/Financial	Professional or Mgmnt/Bus/Financial
Education	Bachelor's Degree	Grad/Prof Degree	High School Diploma	Bachelor's Degree	Bachelor's Degree
Preferred Activities	Enjoy visiting theme parks, eating out and stopping by Starbucks . Make phone calls overseas; some foreign travel.	Shop at high-end retailers . Frequent vacations that spare no expense.	Leisure focused on family activities . Fashion matters, spend liberally on new clothes.	They like to cook and prefer natural or organic products. . Pursue a number of sports, from skiing to golf.	Own latest tablets, smartphones and laptops . Upgrade picture-perfect homes.
Financial	Opt for low-risk investments.	Hire financial advisers	Saving is more limited than spending	Not afraid of debt	Hold 401(k) and IRA plans/securities
Media	Watch Showtime, HBO, Travel Channel, CNN	Consider the Internet, radio, and newspapers as key media sources	Media preferences vary	Well-connected and use techonology to stay current	Avid readers; epicurean, sports, home service magazines
Vehicle	Prefer imported, late-model vehicles	Purchase or lease luxury cars, preferably imports.	Own late model compact cars/SUVs	Prefer late model, family-oriented vehicles:	Own 3 or more vehicles

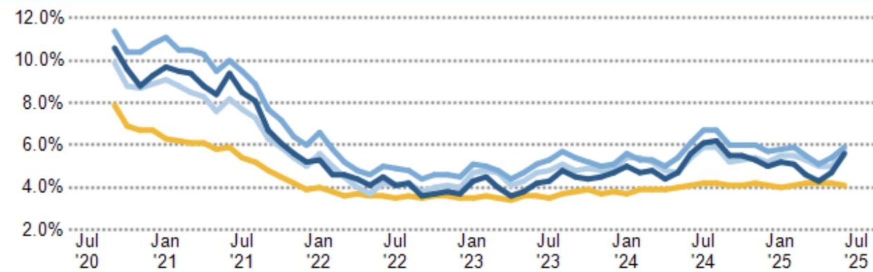
AREA OVERVIEW

Unemployment Rate

This chart shows the unemployment trend in an area, compared with other geographies.

Data Source: Bureau of Labor Statistics via PolicyMap

Update Frequency: Monthly



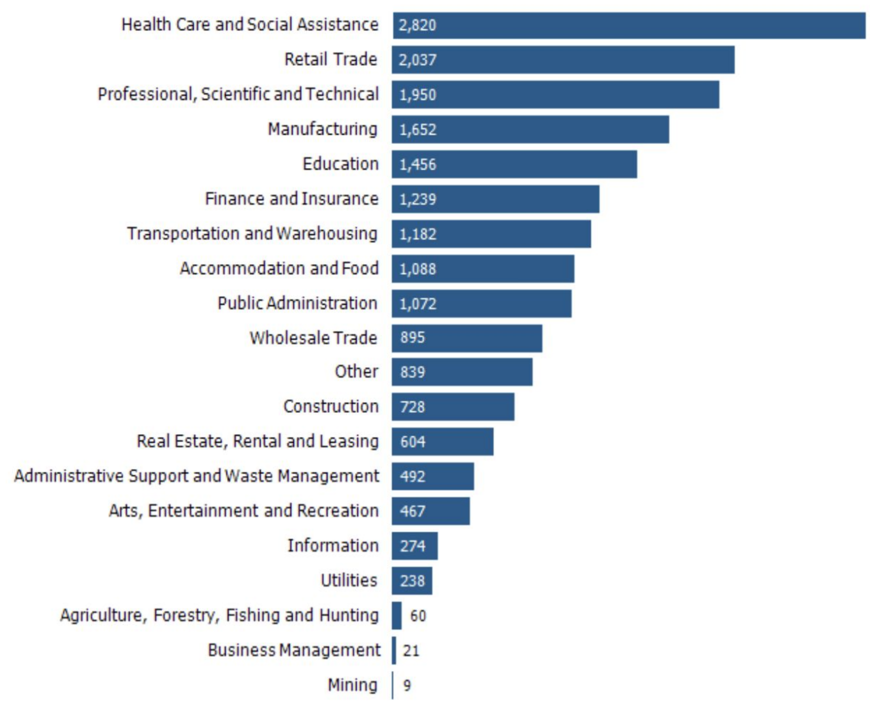
- Walnut
- Los Angeles County
- California
- USA

Employment Count by Industry

This chart shows industries in an area and the number of people employed in each category.

Data Source: Bureau of Labor Statistics via Esri, 2024

Update Frequency: Annually



AREA OVERVIEW

Walnut, CA 91789: Economic Comparison

Average Household Income

This chart shows the average household income in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2024

Update Frequency: Annually

2024
2029 (Projected)

Median Household Income

This chart shows the median household income in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2024

Update Frequency: Annually

2024
2029 (Projected)

Per Capita Income

This chart shows per capita income in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2024

Update Frequency: Annually

2024
2029 (Projected)

Average Disposable Income

This chart shows the average disposable income in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2024

Update Frequency: Annually

CHILD CARE INSITE
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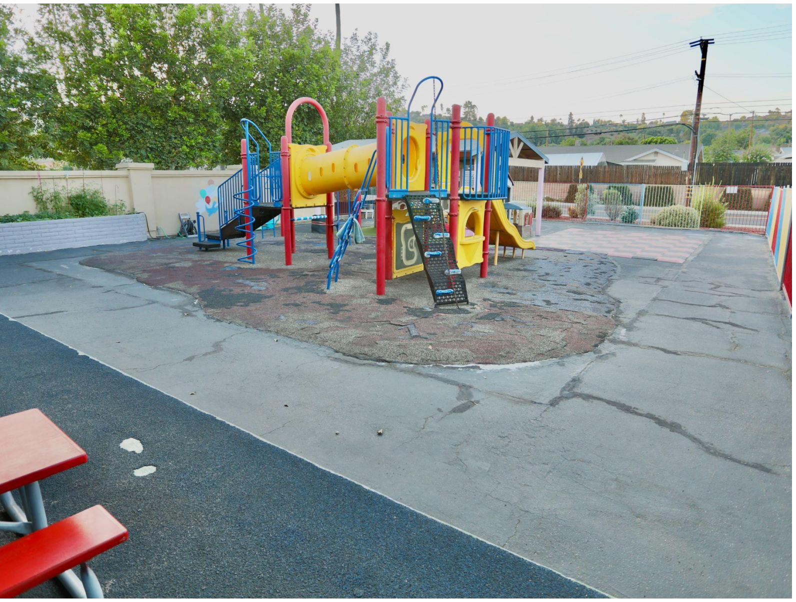
AREA OVERVIEW



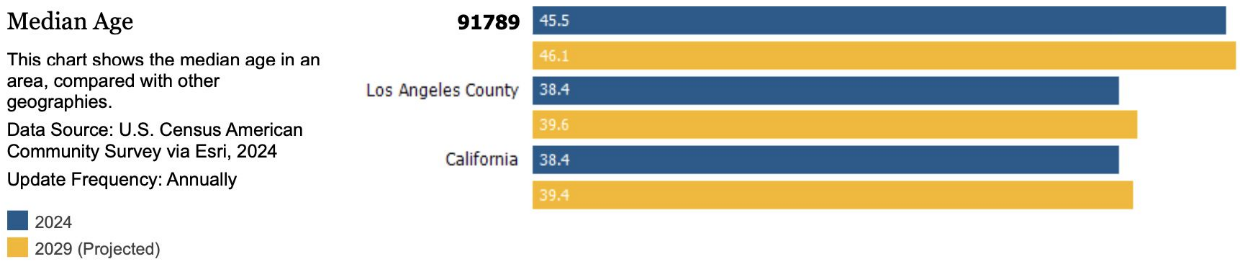
Walnut, CA 91789: Age Comparison

Median Age

This chart shows the median age in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2024

Update Frequency: Annually

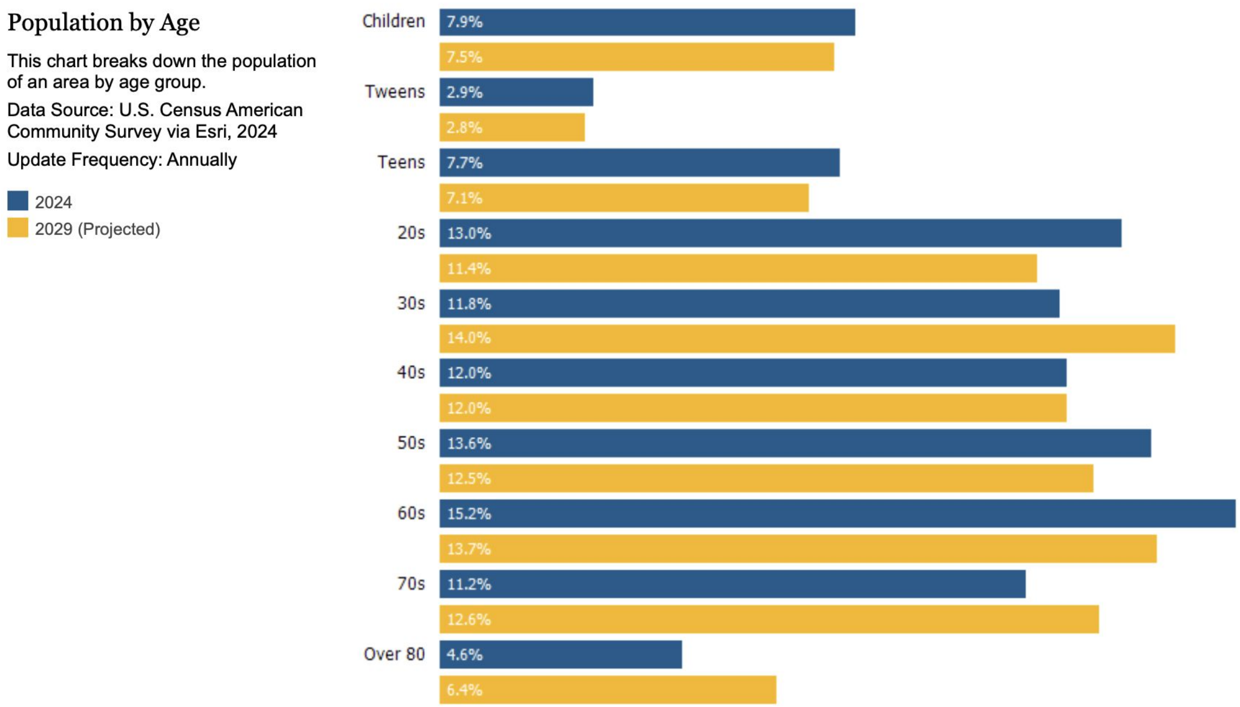


Population by Age

This chart breaks down the population of an area by age group.

Data Source: U.S. Census American Community Survey via Esri, 2024

Update Frequency: Annually



AREA OVERVIEW

Walnut, CA 91789: Home Value Comparison

Median Estimated Home Value

91789	$1,237,930
Los Angeles County	$885,680
California	$798,310

This chart displays property estimates for an area and a subject property, where one has been selected. Estimated home values are generated by a valuation model and are not formal appraisals.

Data Source: Valuation calculations based on public records and MLS sources where licensed

Update Frequency: Monthly

12 mo. Change in Median Estimated Home Value

91789	+7.7%
Los Angeles County	+0.8%
California	+0.4%

This chart shows the 12-month change in the estimated value of all homes in this area, the county and the state. Estimated home values are generated by a valuation model and are not formal appraisals.

Data Source: Valuation calculations based on public records and MLS sources where licensed

Update Frequency: Monthly

Median Listing Price

91789	$1,528,940
Los Angeles County	$999,000
California	$749,900

This chart displays the median listing price for homes in this area, the county, and the state.

Data Source: Listing data

Update Frequency: Monthly

12 mo. Change in Median Listing Price

91789	+7.0%
Los Angeles County	-4.9%
California	0.0%

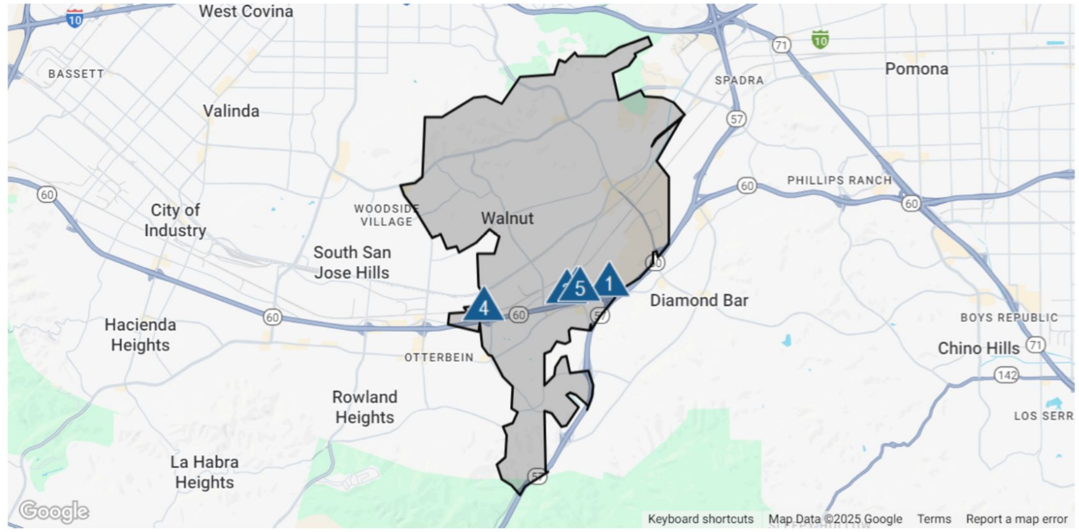
This chart displays the 12-month change in the median listing price of homes in this area, and compares it to the county and state.

Data Source: Listing data

Update Frequency: Monthly

AREA OVERVIEW

Traffic Counts



Daily Traffic Counts: Up 6,000 / day; 6,001 – 15,000; 15,001 – 30,000; 30,001 – 50,000; 50,001 – 100,000; Over 100,000 / day

1

348,000

2018 Est. daily traffic counts

Street: **60**
Cross: **Orange Fwy**
Cross Dir: **E**
Dist: **0.1 miles**

Historical counts

Year	Count	Type
2013	217,000	AADT
2012	226,000	AADT
2010	208,000	AADT
2009	208,000	AADT

2

293,800

2024 Est. daily traffic counts

Street: **Pomona Freeway**
Cross: **Gona Ct**
Cross Dir: **S**
Dist: –

Historical counts

Year	Count	Type
2021	271,500	AADT
2018	322,000	AADT

3

290,536

2024 Est. daily traffic counts

Street: **60**
Cross: **Adamsgrove Ave**
Cross Dir: **W**
Dist: –

Historical counts

Year	Count	Type
2018	285,000	AADT

4

290,536

2024 Est. daily traffic counts

Street: **60**
Cross: **Fairway Dr**
Cross Dir: **E**
Dist: –

Historical counts

Year	Count	Type
2018	285,000	AADT

5

273,235

2024 Est. daily traffic counts

Street: **CA 60**
Cross: –
Cross Dir: –
Dist: –

Historical counts

Year	Count	Type
2022	271,500	AADT

NOTE: Daily Traffic Counts are a mixture of actual and Estimates (*)

DISCLAIMERS

CONFIDENTIALITY DISCLAIMER & EXCLUSIVE AGENCY MEMORANDUM

This Exclusive Agency Memorandum (“Memorandum”) was prepared by Insite Commercial Real Estate Advisors (“IC”) on behalf of (“Seller”) and is confidential and furnished to prospective purchasers of the Property described herein subject to the terms of the Confidentiality Agreement previously provided to and executed by such prospective purchasers. This Memorandum is intended solely to assist prospective purchasers in their evaluation of the Property and their consideration of whether to purchase the Property. It is not to be used for any other purpose or made available to any other person without the prior written consent of IC.

This Memorandum is subject to errors, omissions, changes or withdrawal without notice and does not constitute a recommendation or endorsement as to the value of the Property by Seller/IC and their sources. Financial projections are provided as a reference and are based on assumptions made by Seller/IC and their sources. Prospective purchasers should make their own projections and reach their own conclusions of value. Certain portions of this Memorandum merely summarize or outline property information and are not intended to be complete descriptions.

This Memorandum was prepared on the basis of information available to the Seller and IC in connection with the sale of the Property. It contains pertinent information about the Property and the surrounding area but does not contain all the information necessary for a complete evaluation of the Property. The projected cash flow and other financial information contained herein is for general reference only.

Although the information contained in this Memorandum is believed to be accurate and reliable, neither the Seller nor IC guarantees its accuracy or completeness. Because of the foregoing and because the Property will be sold on an “as-is” basis, prospective purchasers should make their own independent assessments, investigations, and projections regarding the Property. Although additional material, which may include engineering, environmental, or other reports, may be provided to certain prospective purchasers as appropriate, such parties should confer with their own engineering and environmental experts, counsel, accountants, and other advisors and should not rely upon such material provided by Seller or IC.

Neither Seller nor IC nor any of their respective officers, advisors, agents, shareholders or principals has made or will make any representation or warranties, express or implied, as to the accuracy or completeness of the Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of the Memorandum or the contents. Analysis and verification of the information contained in the Memorandum is solely the responsibility of the prospective purchaser.

The Seller expressly reserves the right, in its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party at any time, with or without notice. The Seller shall have no legal commitment or obligation to any prospective purchaser unless and until a written Purchase and Sale Agreement has been fully executed and delivered and any and all conditions to the Seller’s obligations thereunder have been fully satisfied or waived. The Seller is responsible for any commission due to IC in connection with the sale of the Property. No other party, including IC, is authorized to make any representation or agreement on behalf of the Seller. This Memorandum remains the property of the Seller and IC and may be used only by parties approved by the Seller and IC.

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