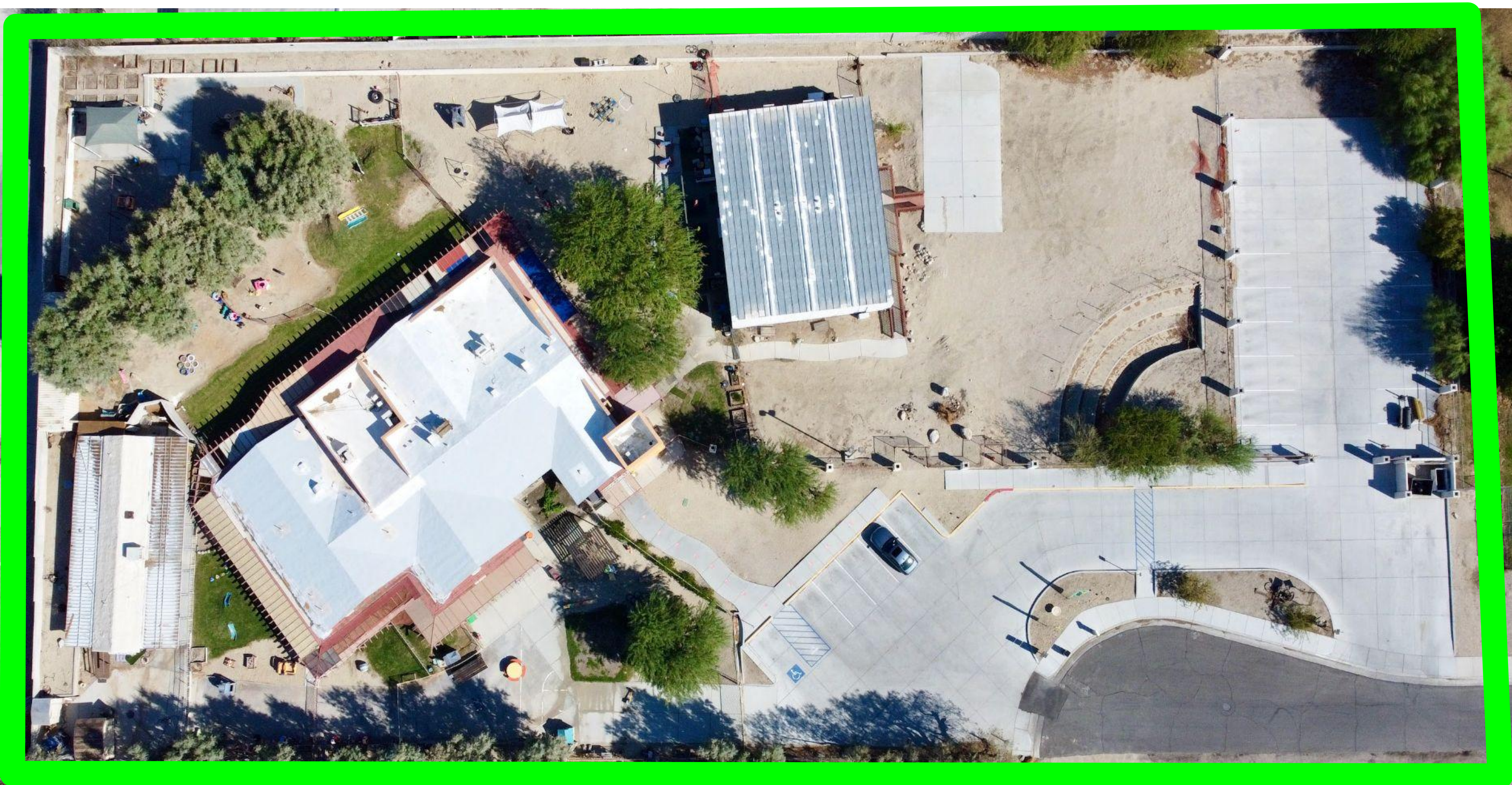
Torrance | 156-Student License | Business-Only Sale
Long-Established w/ Stable Financials & Strong Upside

Business Offered With New Lease (Real Estate Not Included)



BJ Delhamer

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

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Outline does not represent exact parcel dimensions.

EXECUTIVE SUMMARY

Rare High-Capacity Preschool Campus with Immediate Income and Multiple Value-Creation Paths

This offering presents a unique opportunity to acquire a fully improved 1.87-acre preschool property licensed for 156 children, with tenant income in place through December 2026 and future owner-user or re-tenant opportunity upon lease expiration.

Assets of this scale are increasingly difficult to replicate under current zoning and entitlement standards. The combination of land size, existing infrastructure, and licensing footprint creates durable long-term value independent of current tenancy.

Highlights

- 1.87-acre parcel with approximately 11,000 SF across main building, modular classrooms, and mobile unit
- Triple-net style structure, tenant responsible for taxes, insurance, utilities, and maintenance
- Six gated playgrounds with dedicated outdoor restrooms
- 26 on-site parking spaces with efficient circulation for drop-off and pick-up
- Adjacent to Della S. Lindley Elementary, supporting consistent enrollment demand
- Licensed for 156 children
- Tenant in place through December 2026
- Future owner-user or re-tenant opportunity post-lease

Asking Price: $2,600,000

Pricing reflects in-place income with future owner-user or re-tenant flexibility.

THE OPPORTUNITY

WHY THIS ASSET STANDS OUT

This campus represents a nearly irreplaceable combination of land and infrastructure that is increasingly difficult to replicate under today's zoning and entitlement environment.

Key differentiators include:

• 156-child license on a full 1.87-acre parcel, a configuration rarely available in today's market
• Site replication is effectively impossible due to current zoning, entitlement timelines, and licensing hurdles
• Six gated playgrounds with dedicated outdoor restrooms enabling simultaneous program use
• 26 on-site parking spaces with efficient curb flow supporting parent drop-off circulation
• Direct adjacency to Della S. Lindley Elementary creating consistent enrollment demand
• Underlying land and infrastructure retain long-term value regardless of future operator

This is a scale asset in a market dominated by small, constrained child care sites.

LICENSING OVERVIEW

Program and License Overview

- **Total Licensed Capacity: 156 Children**
  - – Infant License: 14
  - – Preschool / Day Care License: 84
  - – School Age License: 56
- Six separate classrooms with direct access to gated outdoor play areas

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PROPERTY OVERVIEW

Real Estate Fundamentals

- **Land Size:** 1.87 acres
- **Building Area:** Approximately 11,000 SF across main structure, modulars, and mobile unit
- **Construction:** Single-story layout designed for child care operations
- **Site Conditions:** Flat parcel with full utility access and functional drainage
- **Playgrounds:** Six fully gated outdoor play yards, each with private outdoor restroom access
- **Parking:** 26 on-site striped spaces with wide circulation loop for smooth drop-off and pick-up

Key Differentiator

Most child care properties in the region sit on **parcels half this size or smaller**, often with constrained outdoor space and limited parking. This site offers a rare combination of **scale, infrastructure, and zoning** that is no longer feasible to replicate under today's entitlement conditions.

OWNERSHIP AND MANAGEMENT

Current Operating Structure

- Ownership maintains limited involvement focused on compliance and financial oversight
- Daily operations handled by long-term tenant with established staffing and systems
- Enrollment, staffing, and licensing processes are already embedded
- Minimal landlord oversight required under current structure
- Stable program delivery provides continuity for transition or repositioning

Buyer Control Opportunity

Future ownership may elect to maintain passive income or pursue owner-user occupancy following lease expiration.

- Expense optimization under owner control

This structure provides immediate income with future owner-user or re-tenant flexibility upon lease expiration.

INCOME OVERVIEW

Current In-Place Real Estate Income (Passive Hold)

Tenant: Established long-term operator (identity disclosed after NDA)
Lease Term: January 1, 2016 through December 31, 2026

- Current Monthly Rent: $5,000
- Annual Base Rent: $60,000

Tenant Responsibilities

- Property taxes
- Insurance
- Utilities
- Interior and exterior maintenance

Structure functions similar to NNN, minimizing landlord operating exposure.

Lease Provisions

- Annual rent increases of up to $1,000 based on tenant capacity
- Maximum allowable rent of $8,000 per month under current agreement
- One 10-year renewal option at Fair Market Value subject to independent appraisal
- Tenant holds Right of First Refusal if property is sold

This structure provides stable short-term income while preserving future repositioning flexibility.

VALUATION SUMMARY

Real Estate Valuation

Replacement of a licensed campus on nearly two acres is no longer feasible under current zoning and CDSS entitlement standards.

Value drivers include:

- Approximately 11,000 SF of improved structures
- 1.87-acre parcel with established child care infrastructure
- Tenant-paid operating expenses under current lease

Comparable sales support a value range of approximately $2.40M to $2.75M.

Pricing Metrics at Asking

- Approximately $236 per square foot
- Approximately $16,600 per licensed child
- Approximately $1.39M per acre

Asking Price: $2,600,000

Positioned below replacement economics while offering immediate income and future owner-user or re-tenant positioning following lease expiration.

BUYER PROFILE AND NEXT STEPS

Ideal Buyer Profiles

• Owner-operators seeking long-term control of a high-capacity licensed campus
• Owner-users seeking long-term control of licensed real estate
• Investors pursuing special-use real estate with repositioning upside
• Education-focused buyers seeking essential-service assets
• 1031 exchange buyers prioritizing land value with income in place

How to Position a Successful Offer

Seller prioritizes certainty of execution.

Successful offers will typically include:

• Clean purchase structure
• Proof of funds or lender pre-approval
• Accelerated inspection timeline
• Defined post-lease operational strategy

Next Steps

• Review lease and disclosures
• Complete underwriting based on selected strategy (investor or operator)
• Submit LOI outlining price, timeline, and terms

Qualified buyers are encouraged to proceed at the $2,600,000 asking price.

ADDL. MEDIA & PROPERTY CONTENT

To support your review and underwriting, we have created a **dedicated online media page** with expanded visuals and walkthrough content for this offering.

At the link below, you will find:
• Full interior and exterior photo gallery
• Walk-through video of the facility
• Aerial drone video and site views
• Additional visual context to supplement the Offering Memorandum

Access the media page here:
https://childcareinsite.com/7udj872/

We encourage all prospective buyers to review the media content prior to submitting a Letter of Intent, as it provides valuable insight into the layout, condition, and overall quality of the property and operations.

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LICENSE(S)

Facility Detail

STRONG FOUNDATIONS LEARNING CENTER Stay Updated

Status: Licensed

Lic. Date: 7/23/2012

Address:
72400 LA CANADA WAY
THOUSAND PALMS, CA 92276
Licensee Name: MADRID, TIFFANY

Phone: (760) 668-6103
Facility Number: 334841689
Facility Capacity: 14
Facility Type: INFANT CENTER

State Licensing Office Contact Information
Regional Office: **RIVERSIDE CC RO**
Address: 3737 MAIN ST., SUITE 700
RIVERSIDE, CA 92501
Phone: (951) 782-4200

Facility Detail

STRONG FOUNDATIONS LEARNING CENTER Stay Updated

Status: Licensed

Lic. Date: 7/23/2012

Address:
72400 LA CANADA WAY
THOUSAND PALMS, CA 92276
Licensee Name: MADRID, TIFFANY

Phone: (760) 668-6103
Facility Number: 334841687
Facility Capacity: 84
Facility Type: DAY CARE CENTER

State Licensing Office Contact Information
Regional Office: **RIVERSIDE CC RO**
Address: 3737 MAIN ST., SUITE 700
RIVERSIDE, CA 92501
Phone: (951) 782-4200

Facility Detail

STRONG FOUNDATIONS LEARNING CENTER Stay Updated

Status: Licensed

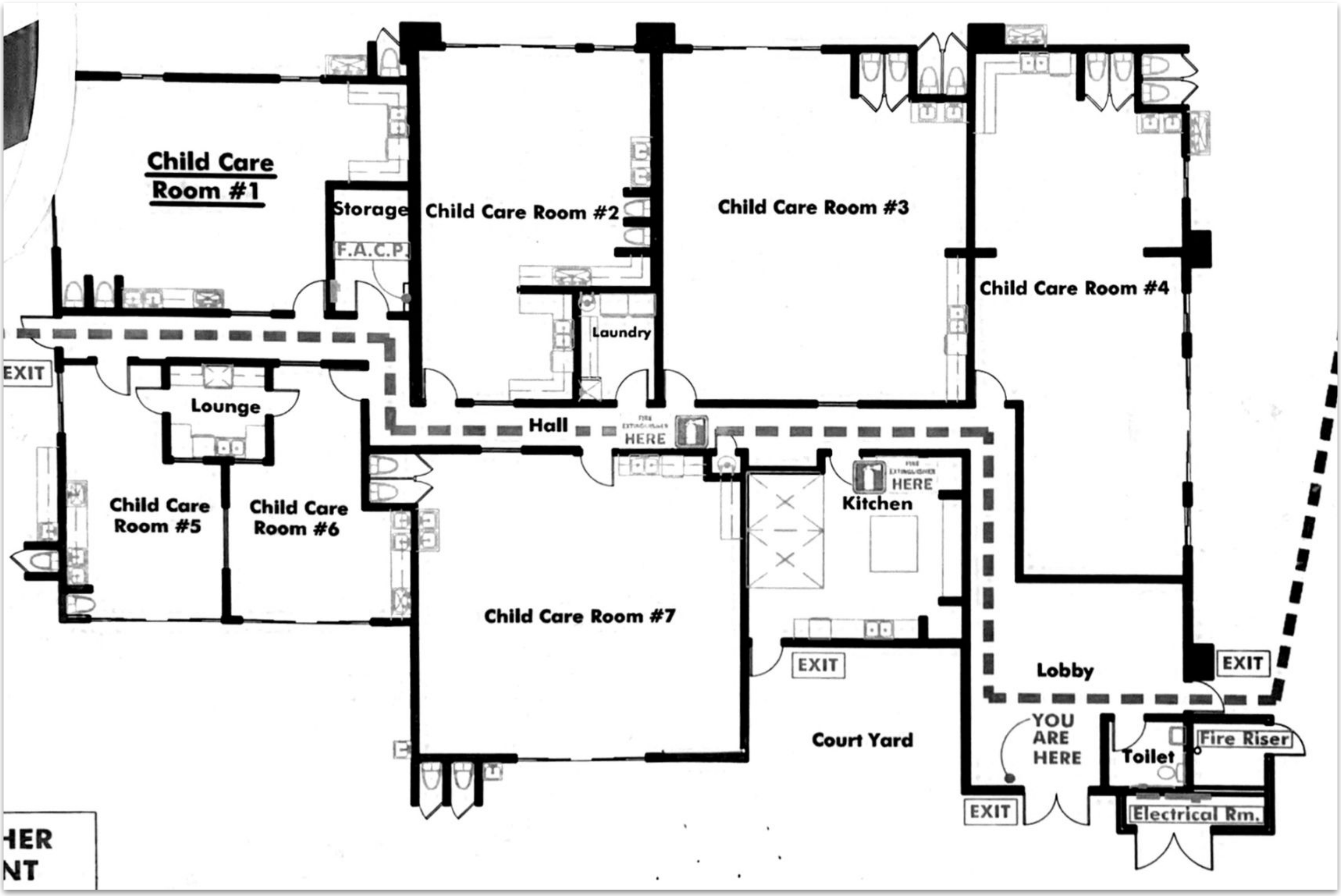
Lic. Date: 7/23/2012

Address:
72400 LA CANADA WAY
THOUSAND PALMS, CA 92276
Licensee Name: MADRID, TIFFANY

Phone: (760) 668-6103
Facility Number: 334841688
Facility Capacity: 56
Facility Type: SCHOOL AGE DAY CARE CENTER

State Licensing Office Contact Information
Regional Office: **RIVERSIDE CC RO**
Address: 3737 MAIN ST., SUITE 700
RIVERSIDE, CA 92501
Phone: (951) 782-4200

FLOOR PLAN (MAIN BUILDING ONLY)



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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.

BJ DELHAMER

Vice Principal

Insite Commercial Real Estate

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