



Pathway Capital Group Inc.



# Sunrise Preschools



—Offering Memorandum

## Sunrise Preschools (Child Development Schools)

350 N. 96th Avenue, Tolleson, AZ 85353 (Phoenix MSA)

In Association with Scott Reid & ParaSell, Inc. | A Licensed Arizona Broker #CO709902000

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Notice to AZ residents and property owners:  
Consistent with state of AZ regulations, please  
direct all inquiries to AZ broker

## –Investment Summary

# Sunrise Preschools (Child Development Schools)

350 N. 96th Avenue, Tolleson, AZ 85353 (Phoenix MSA)

Listing Price

**\$3,450,200**

Cap Rate

**7.50%**

## Investment Highlights

- Part of a 2-Property Portfolio | Available Individually or Combined (Contact Broker)
- Absolute NNN Lease with Scheduled Rental Increases
- Corporate Lease & Corporate Guaranty (Full Duration of the Lease)
- Three 3-Year Renewal Options
- Waitlisted Across Multiple Classrooms

## Location Highlights

- 339K+ Population Within 5 Miles | ~6% Projected Growth by 2030
- \$109K+ Average HH Income Within 3 Miles | ~14% Projected Growth by 2030
- Active Retail Development in Area: Dutch Bros, Rally's, WoodSpring Suites, and More
- Adjacent to Major National Distribution Centers – Driving Employee Demand
- Nearby National Brands Include Dutch Bros, Chick-fil-A, Costco, Raising Cane's, Starbucks, and More
- \$527M+ Spent on Education & Daycare in a 10-Mile Radius
- Feeder School for Tolleson Elementary School, Porfirio H. Gonzales Elementary School, Desert Oasis Elementary School, and Arizona Desert Elementary School

## Tenant Highlights

- Sunrise Preschools' Parent Company, Child Development Schools, Inc., is a Top 50 Corporate Early Education Operator with Over 260 Locations Across 11 States
- Child Development Schools has Been Operating for Over 38 Years
- 100% Corporate Operator, No Franchised Location
- Sunrise Preschools' is Deeply Embedded in the Local Market, Operating in Arizona since 1982, Making it One of the Longest-Tenured Childcare Brands in the State.



—Why Buy Early Education Real Estate?



## Advantages of Early Childcare/Education Real Estate

### —Higher Cap Rates Without Sacrifice

Over the last 5 years we have seen an 86-basis point spread on average between single-tenant net-leased retail & early education/childcare despite attractive locations & solid tenants due to a lack of knowledge about the property type.

### —High Growth Business

Early childcare/education is a \$60B+ industry with projected growth to \$83B+ by 2030.

### —Recession & E-Commerce Resistant

Early education is considered recession-resistant because working parents continue to rely on childcare regardless of economic conditions, making it an essential, non-discretionary service as well as “Amazon proof.”

### —Easy To Re-Tenant

Early education properties are easy to re-tenant, with high demand from other childcare operators and flexible layouts that also appeal to medical and service-based users.

### —“Sticky” Business Model

Parents don’t typically switch schools once enrolling, often enroll all their children & recommend other families.

### —Recognized As An “Essential Business”

Early education and childcare are recognized by both federal and state governments as essential services, especially during emergencies, due to their critical role in supporting working families and child development.

### —Institutional Investment

Institutional investors are heavily invested in early education businesses and are the predominant owners of early education/childcare real estate.

### —Appreciation Potential

Early education properties offer strong upside potential, with cap rate compression at market peak and added value if a smaller tenant improves credit or gets acquired.

## –Property Overview

### Property Details

Address	350 N. 96th Avenue, Tolleson, AZ 85353
Ownership Type	Fee Simple (Land & Building)
Building Size (SF)	8,775
Lot Size (AC)	1.38
Year Built	2017

### Lease Abstract

Tenant	Sunrise Preschools
Guarantor/Signator	Corporate
Base Lease Term	15.00
Remaining Term	6.21
Rent Commencement	6/16/2017
Lease Expiration	6/30/2032
Net Operating Income**	\$258,765
Increases	5% Every 3 Years
Options	3, 3 Yrs
Lease Type	Absoulute NNN
Taxes	Tenant
Maintenance	Tenant
Insurance	Tenant

*\*All property & lease information to be independently verified by Buyer during Due Diligence Period.*

*\*\*Based on upcoming rental esclation of 7/1/2026*



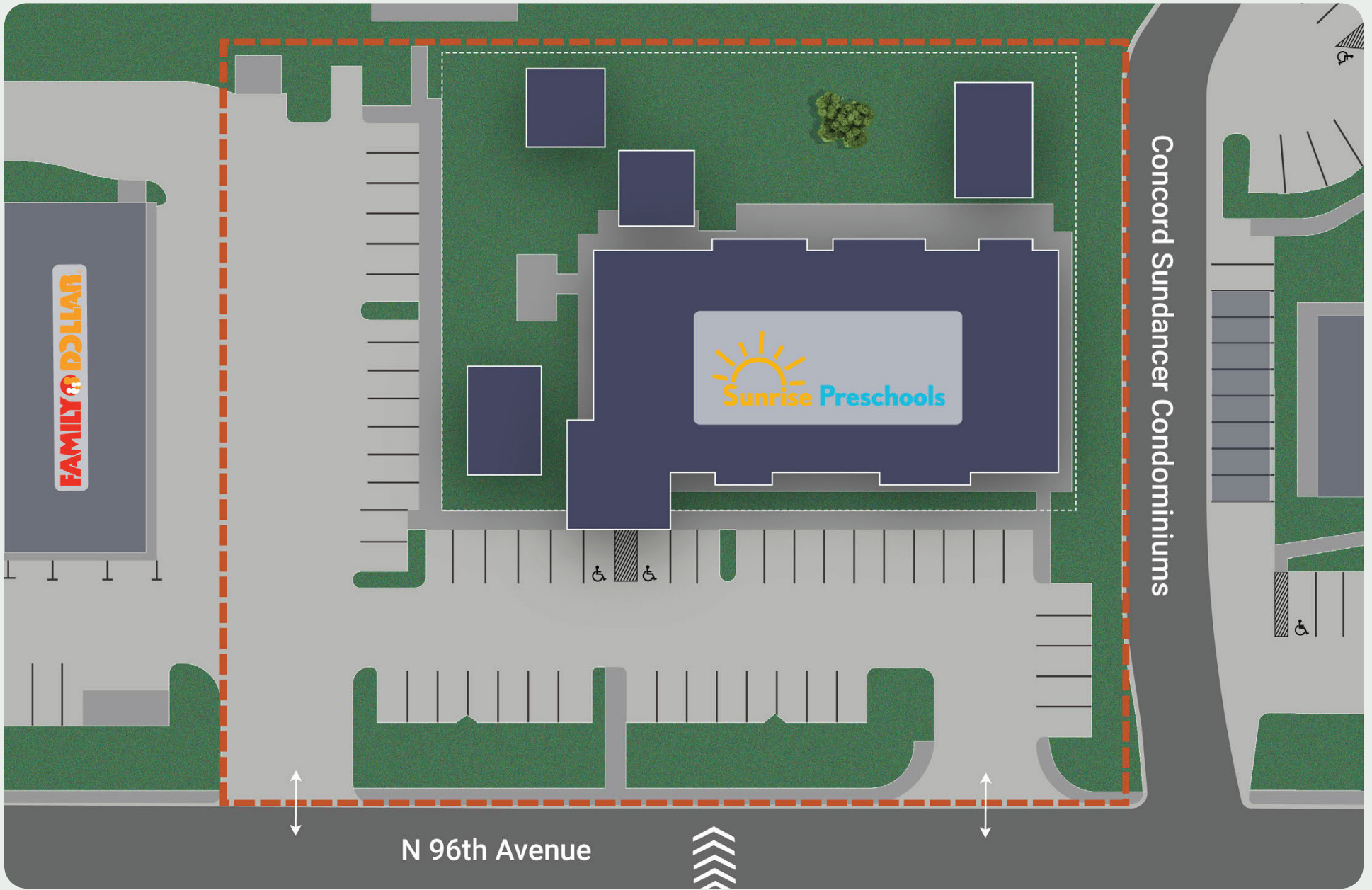
### Rent Schedule

Year	Annual Rent	Monthly Rent	Rental Increases
1-3	\$223,531	\$18,628	-
4-6	\$234,708	\$19,559	5%
7-9	\$246,443	\$20,537	5%
10-12	\$258,765	\$21,564	5%
13-15	\$271,703	\$22,642	5%

### Option Periods

Year	Annual Rent	Monthly Rent	Rental Increases
16-18	\$285,289	\$23,774	5%
19-21	\$299,553	\$24,963	5%
22-24	\$314,531	\$26,211	5%

—Site Plan




## About Child Development Schools

Established in 1988, Child Development Schools operates as three early childhood education brands – Childcare Network, Sunrise Preschools, and My Small Wonders



 <b>Enrollment</b> 30,000+ Children	 <b>Age Range</b> 6 Weeks to 12 Years	 <b>Childcare Centers</b> 260+
 <b>Number of States</b> 11	 <b>Headquarters</b> Austin, TX	 <b>Website</b> <a href="#">Click Here &gt;&gt;</a>


**Growing Our Legacy of Excellence** Our mission is to give every child a great start in life, a safe and caring environment during their time with us, and an innovative educational experience that stays with them for life.



**Childcare Network** provides children from infancy to school age with a safe, fun environment to learn and grow. With over 230 schools across 10 states, children are encouraged and guided in order to thrive.

**Programs**


- Bright Baby
- Smart Steps Toddler Academy
- Free Pre-K
- Ready 2 Learn
- Young Achiever’s Club
- PREKPA
- Adventure Summer Camp



**Sunrise Preschools** is a network of 29 schools located in Phoenix, Arizona and surrounding areas. They proudly provide families in Arizona with a safe, educational environment for children ages infancy to school age.

**Programs**

- Infant (6 Weeks - 12 Months)
- Toddler (12 Months - 24 Months)
- 2 Year Old (24 Months - 36 Months)
- 3 Year Old (Preschool)
- 4 Year Old (Pre-K)
- School Age Child (5 - 12 Year Olds)
- Adventure Summer Camp



With centers in Texas and Oklahoma, **My Small Wonders** uses their proprietary curriculum and principles of whole child development to promote the growth and education of children, from infancy to school age.

**Curriculum Highlights**

- Enhancing social-emotional skills
- Growing speech and language development
- Practicing self-expression through creative arts
- Learning critical thinking skills
- Building number recognition and math confidence
- Encouraging early literacy skills
- Developing problem solving skills
- Honing hand-eye coordination
- Expanding communication skills through Spanish and Sign Language

## About Sunrise Preschools

**Sunrise Preschools** is a well-established early childhood education provider specializing in preschool and childcare services. Founded in 1982, the company has built a strong reputation for delivering structured learning programs in a safe and nurturing environment. The brand operates under its parent company, Child Development Schools, which manages a network of childcare centers across the United States.

Headquartered in Tempe, Arizona, Sunrise Preschools has a significant presence throughout the Greater Phoenix area, serving families with convenient, community-focused locations.

Sunrise Preschools offers a range of programs including infant care, toddler development, preschool, and pre-kindergarten education, catering to working families and supporting early childhood development. Its long-standing market presence and affiliation with a national operator contribute to its stability as a reliable retail tenant in the education and childcare sector.

<b>Trade Name</b>	Sunrise Preschools
<b>Parent Company</b>	Child Development Schools
<b>Company Type</b>	Private
<b>Locations</b>	± 29
<b>Founded</b>	1982
<b>Headquartered</b>	Tempe, AZ
<b>Website</b>	<a href="http://www.sunrisepreschools.com">www.sunrisepreschools.com</a>



—Exterior Photos



—Surrounding Photos



## —Location Overview

### Tolleson, AZ

- Tolleson is a city in Maricopa County, Arizona. It is part of the Phoenix Metropolitan Area (West Valley)
- Positioned near major highways: I-10, Loop 101, and Loop 202 and is Strategic logistics hub for distribution across the Southwest.
- Approximately 10 miles west of downtown Phoenix.
- Tolleson has a population of 10,395 in 2026.

### Economic Overview

- The economy is driven by warehousing, distribution, manufacturing, and food processing.
- Recognized as one of Arizona's key logistics and distribution centers. Rail access via Union Pacific Railroad enhances freight movement capabilities.
- Major companies like PepsiCo, Sysco, Albertsons, and Carvana have a strong presence. Tolleson attracts a large commuter workforce from the Phoenix metro area.
- Proximity to Phoenix Sky Harbor International Airport and Phoenix Goodyear Airport enhances air freight and corporate accessibility.

### Notable Developments/Upcoming Projects

- The I-10 Innovation Center, a ~662,000 SF industrial park, was recently acquired for ~\$94M, highlighting strong investor demand and asset value growth.
- Continued warehouse and fulfillment center expansion driven by ecommerce and regional distribution demand across the Phoenix West Valley.
- Investments in rail infrastructure, including expansion of the Tolleson Rail
- Corridor and new rail spur connections, are enhancing freight and industrial capabilities.
- Ongoing industrial park expansions and redevelopment of land parcels to accommodate large-scale logistics users and manufacturing operations.



## —Location Overview

### Phoenix-Mesa MSA

- The Phoenix metropolitan area, also known as the Valley of the Sun, the Salt River Valley, metro Phoenix, or The Valley, is the largest metropolitan statistical area in the Southwestern United States, with its largest principal city being the city of Phoenix.
- Region is known for its accessibility, vibrant workforce, and exceptional quality of life as well as being one of the best cities for various industries and operations.
- Phoenix-Mesa metro maintains momentum as nation's No. 1 industrial market – AZ Big Media 2025

### Economic Overview

- Phoenix Area - Real GDP: \$322.794B as of 2023.
- The Phoenix MSA is home to 68% of the state's population and has been one of the top growth areas in the nation.
- The current metro area population of Phoenix in 2025 is 4,834,000, a 1.19% increase from 2024.
- The Phoenix MSA has a diverse economy with major employers in healthcare, aerospace, technology, and retail. Banner Health, Freeport-McMoRan, Honeywell Aerospace, Intel, and Sprouts Farmers Market are among the largest employers.
- Phoenix-Mesa metro's economy is one of the best in the US, study finds. - AZ Central 2025
- Phoenix-Mesa metro ranked No. 1 in nation for manufacturing growth- Phoenix Business Journal –2024
- Top Employers of Phoenix MSA are State of Arizona, Banner Health, Amazon, Walmart, Frys Food Stores, Maricopa County, Wells Fargo, Maricopa County Community College District and Arizona State University.

### Notable Developments/Upcoming Projects

- In Phoenix, TSMC is ramping up its multibillion-dollar chip manufacturing campus, contributing over 1,000 new high-tech jobs and reinforcing the city's global role in semiconductor production.
- In Chandler, Applied Materials completed the \$41 million acquisition of a newly constructed industrial facility developed by GO Industrial. The building, located in a key technology corridor, is expected to support Applied's expansion of semiconductor equipment production and related R&D activities.

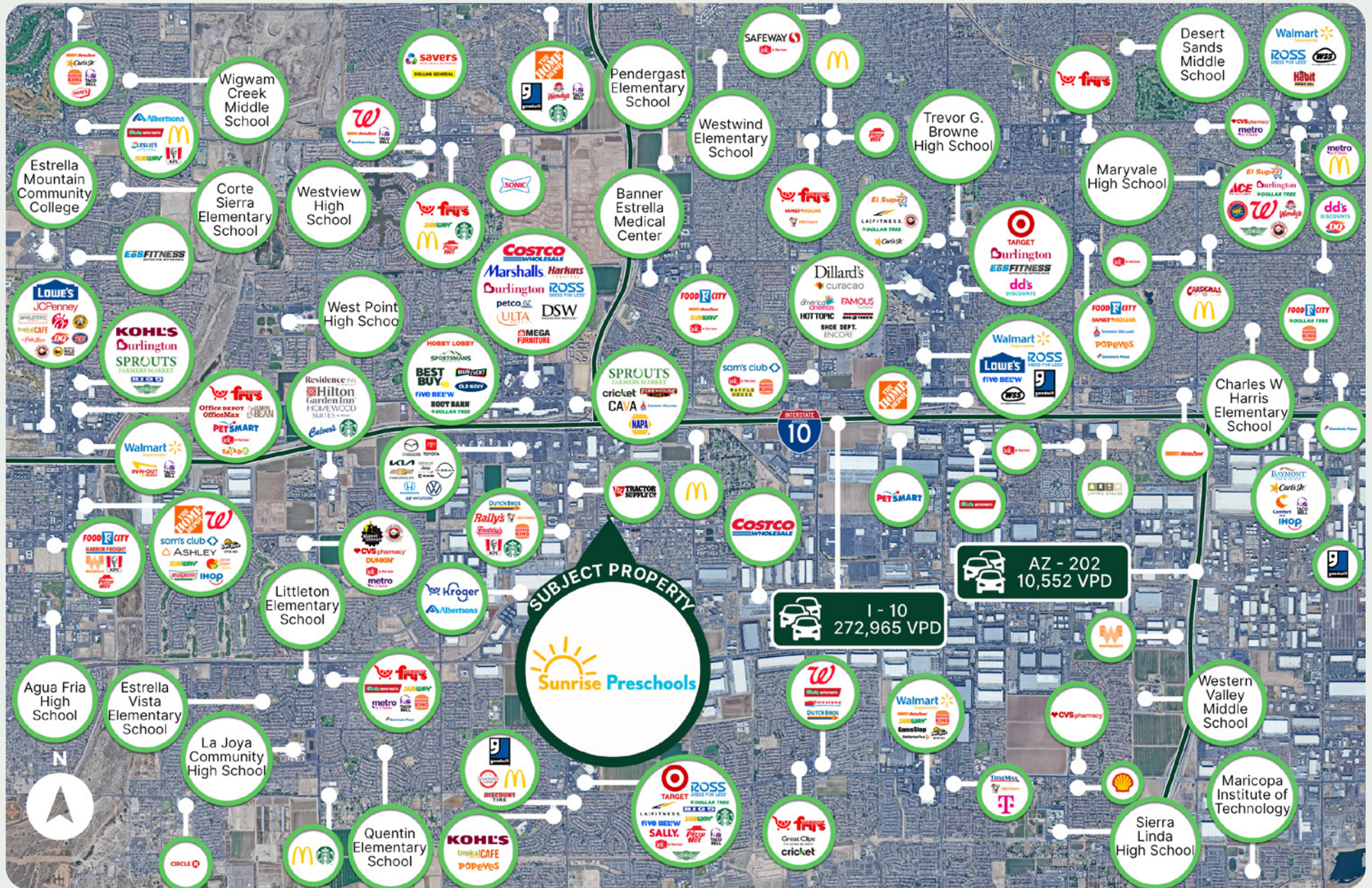


—Close Aerial

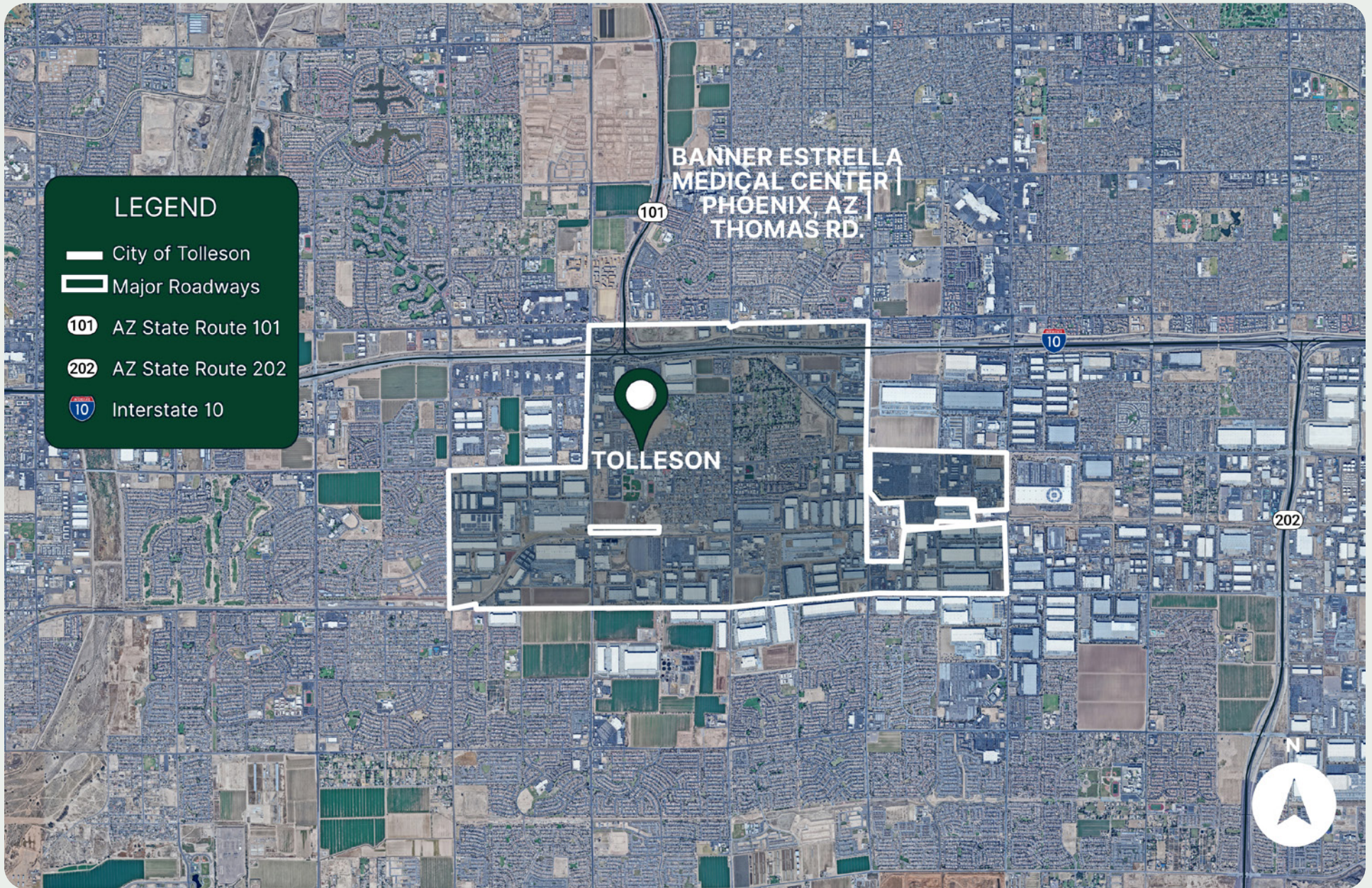




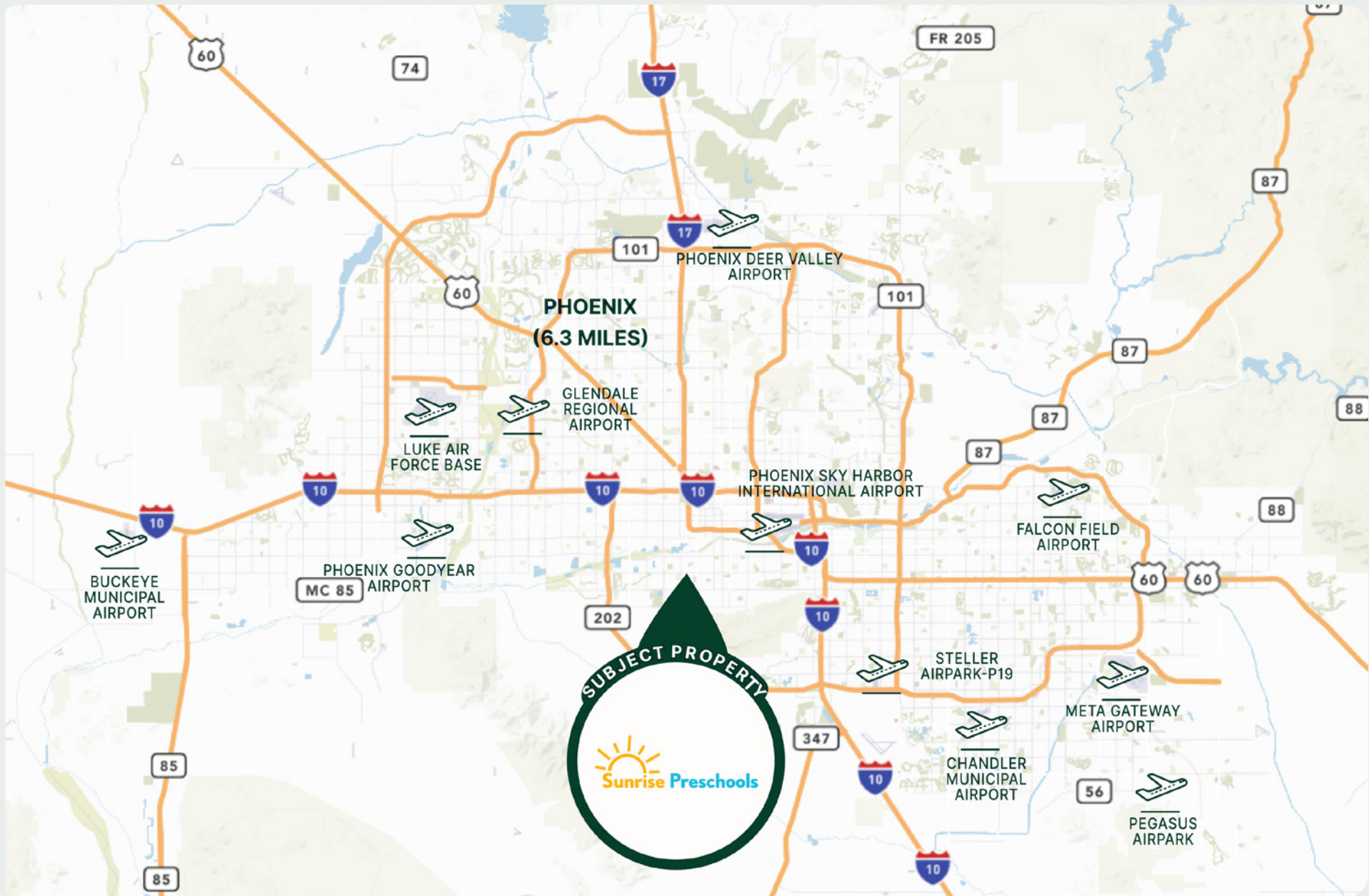
—Wide Aerial



—Location Map



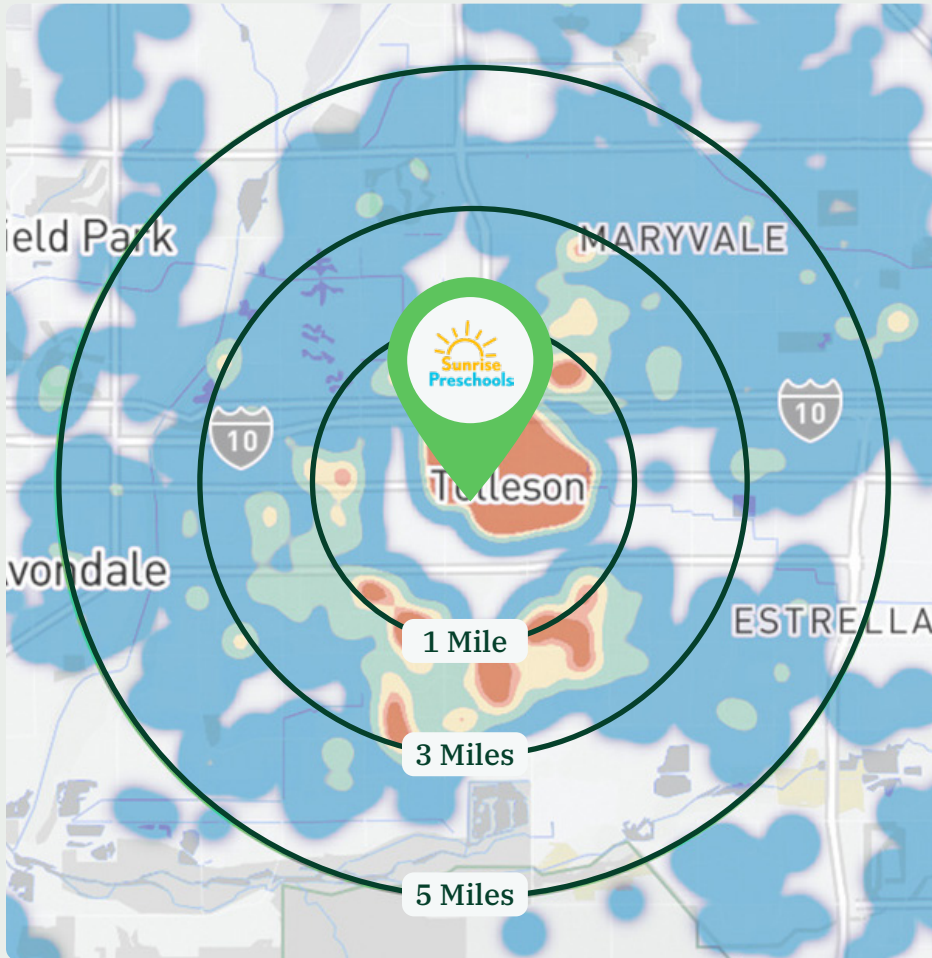
—Regional Map



—Demographics

350 N. 96th Avenue, Tolleson, AZ 85353

Visitation Heat Map



Population	1 Mile	3 Miles	5 Miles
2025 Population	5,909	122,465	339,246
2030 Population	7,107	131,073	359,397
% Change	20.27%	7.03%	5.94%

Income	1 Mile	3 Miles	5 Miles
2025 Average HH Income	\$56,337	\$109,757	\$100,747
2030 Average HH Income	\$63,084	\$124,873	\$115,729
% Change	11.98%	13.77%	14.87%

Households	1 Mile	3 Miles	5 Miles
2025 Households	1,857	35,178	99,146
2030 Households	2,252	38,147	106,509
% Change	21.27%	8.44%	7.43%

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