



OFFERING MEMORANDUM

NNN LEASED INVESTMENT PROPERTY

*New Dream Family Center in
Eugene, OR*



KIDDER.COM

km Kidder
Mathews



INVESTMENT HIGHLIGHTS

PROPERTY OVERVIEW

TENANT	New Dream Family Center, 501(c)(3) nonprofit*
FOUNDED	2009
MAIN CENTER	1295 W 18th Ave, Eugene, OR
NEW DREAM ANNEX	1244 W 17th Ave, Eugene, OR
RESIDENCE	1270 W 17th Ave, Eugene, OR
TOTAL BUILDING SIZE	12,769 SF
TOTAL SITE AREA	24,523 SF (0.563 AC)
ZONING	R-1, Single Family Residential with Conditional Use Permit
TOTAL LICENSED CAPACITY	133 children

INVESTMENT OVERVIEW

PRICE	\$2,837,000
CURRENT ANNUAL RENT	\$185,856 or \$14.56/SF/Yr
LEASE STRUCTURE	Modified NNN**
CAP RATE	6.00%
CURRENT TERM EXPIRES	12/31/2028
ANNUAL ESCALATIONS	% change in CPI
RENEWAL OPTIONS	None

*Entity not for sale

**See page 11 for breakdown



AMONG THE TOP *PREMIER* CHILDCARE FACILITIES IN EUGENE

SIGNIFICANT VALUE-ADD OPPORTUNITY

The current lease, set to expire on December 31, 2028, is priced below market rent. However, with no tenant renewal options in place, new ownership has the opportunity to not only bring the base rental rate to market, but also optimize tenant expense responsibilities and implement standard annual escalations.

Adding to the property's value, New Dream Family Center leases the entire site, which consists of three separate parcels and operates under two distinct childcare licenses, offering flexibility for future leasing strategies.

EXCEPTIONAL DESIGN & CAMPUS-LIKE SETTING

The property consists of three separate buildings, including the Main Center, Annex, and Residence, offering a cohesive and functional campus feel. These structures have been specifically improved and adapted for childcare operations, featuring multiple classrooms, a gymnasium, outdoor play areas, and ADA-compliant facilities.

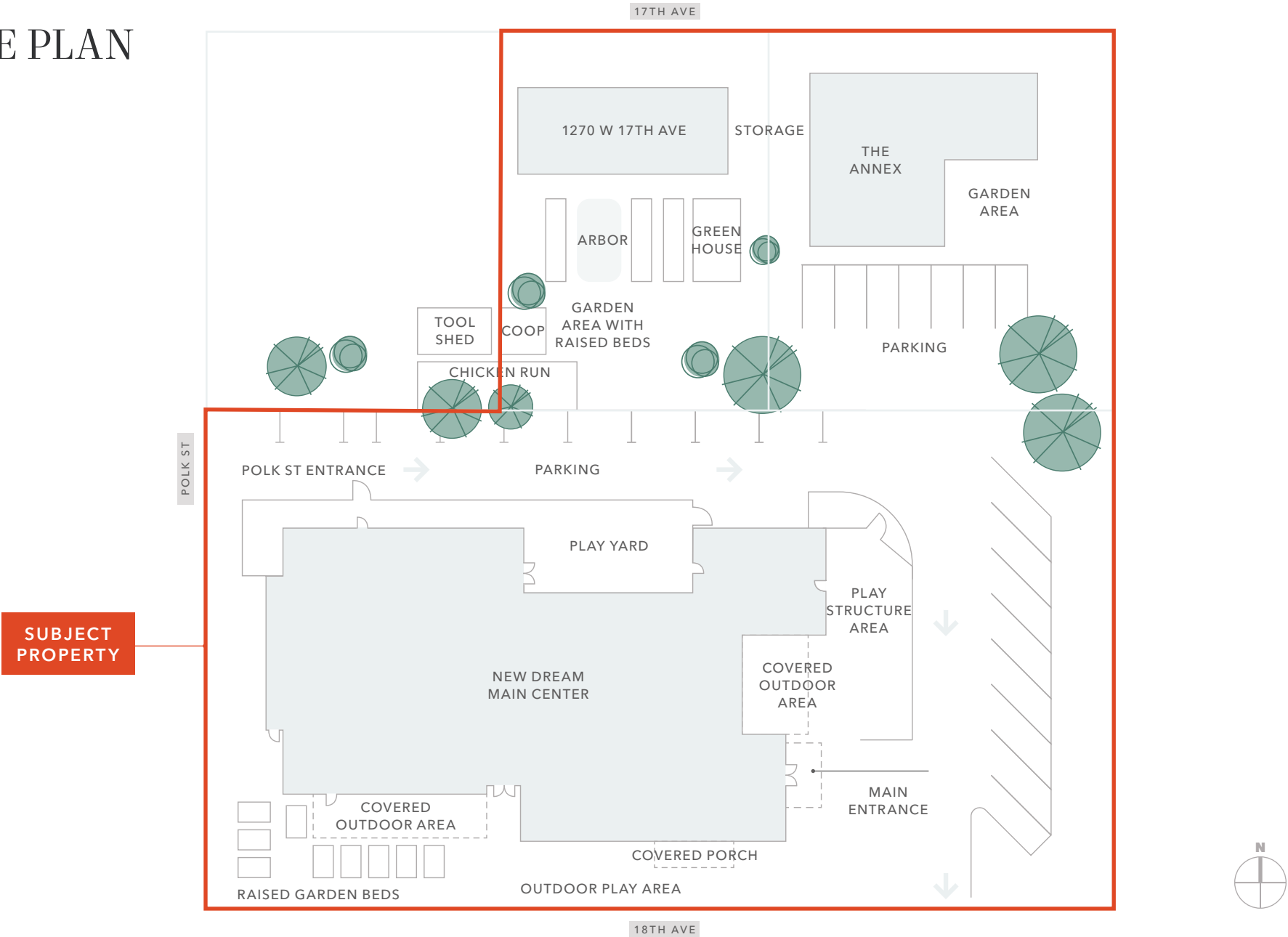
RECENT CAPITAL IMPROVEMENTS

The property has undergone extensive upgrades, including a 23.4 megawatt solar panel installation, newer membrane roof, updated HVAC systems, energy-efficient lighting, and all ADA-compliant restrooms. These enhancements ensure operational efficiency and reduce long-term maintenance costs.

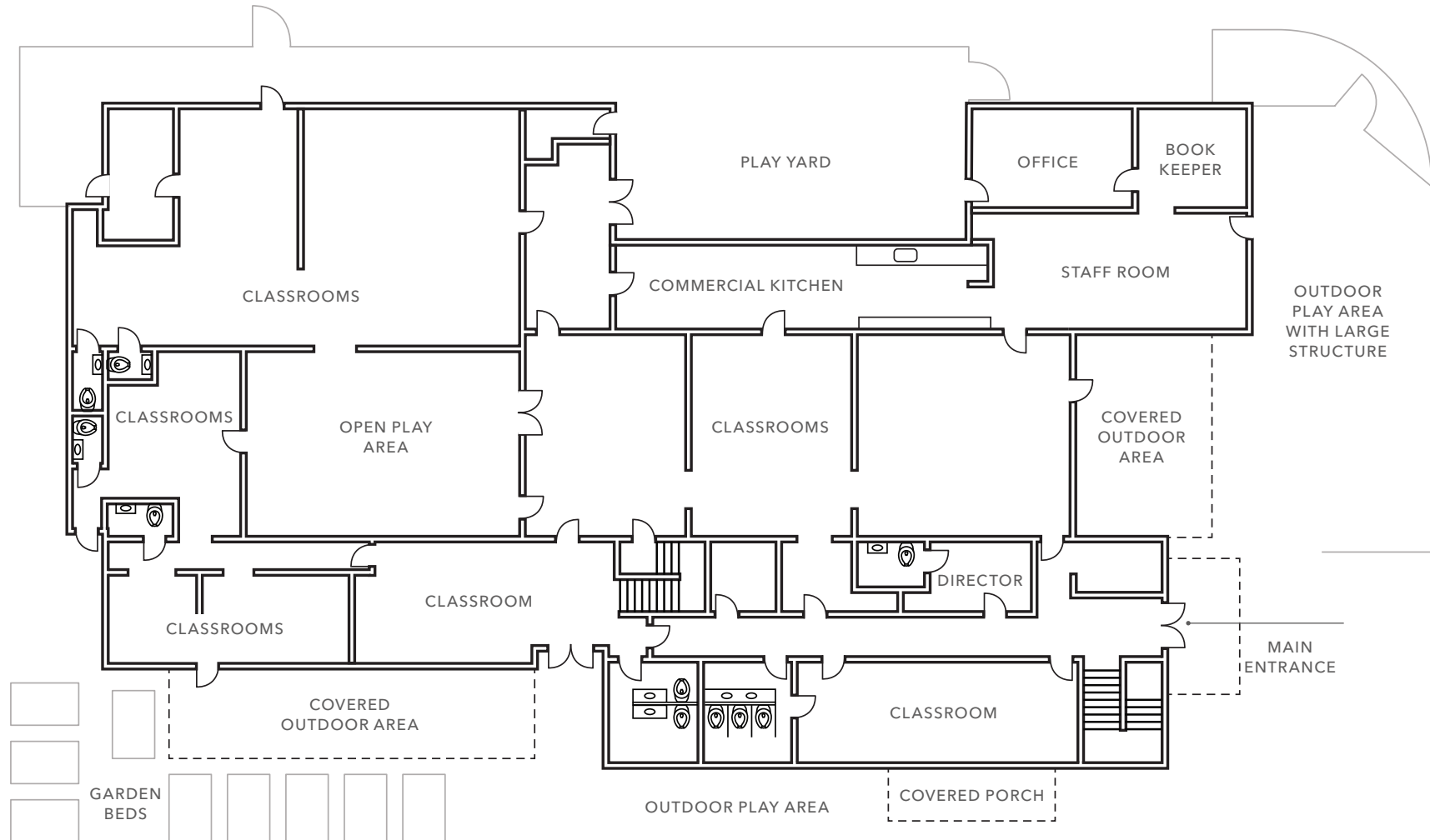
ESSENTIAL TENANT

New Dream Family Center is a well-established 501(c)(3) nonprofit organization that has been serving the Eugene community since 2009. As a mission-driven organization, it provides an essential service that is recession-resistant and e-commerce-proof.

SITE PLAN



MAIN CENTER FLOOR PLAN



PROPERTY OVERVIEW

MAIN CENTER - 1295 W 18TH AVE

Originally built as a church in 1958, extensively remodeled into a fully-equipped childcare facility

PROPERTY OVERVIEW

BUILDING SIZE	10,157 SF
PARCEL SIZE	24,394 SF (0.56 AC)
REGULATION	Licensed Child Care Center
LICENSING CAPACITY	This facility is independently licensed for 117 children
AGES SERVED	1 Month - 12 Years

EXTERIOR

Wood frame and stucco construction
Painted wood siding
Low-sloping built-up membrane roof with solar panels & high ceilings
Membrane roof maintenance

INTERIOR

Entry area, secure check-in
Director's office, classrooms, staff room, kitchen, and pantry
Eight (8) ADA-compliant restrooms
Gymnasium area & multiple play areas
2nd floor after-school area, addtl. storage rooms, office, and ADA restroom



AMENITIES

Outdoor covered decks, wooden play structures, and concrete patios
17 dedicated parking spaces, plus 1 ADA space
Mature landscaping with underground sprinkler system

UPGRADES COMPLETED FROM 2006 - 2009

23.4-megawatt Solar Array solar panels were added on three sections of membrane roof at a cost of \$180,000 in 2006
Kitchen upgrades and remodel, 2009
Replacement of all overhead lighting to energy efficient fixtures, 2009
Electrical rewiring, replacement of service panel, 2009
Window replacement, 2009

UPGRADES FROM 2014 - PRESENT

New exterior siding & insulation	Fire door replacement
Addition of overhead radiant heaters	New decks
New ADA bathrooms	Main electrical panel replacement
Bryant forced air natural gas heating system & ducting	New membrane roof over the gym
	New fascia

PROPERTY OVERVIEW

THE ANNEX 1244 W 17TH AVE

Originally a single-family residence, converted for childcare use

PROPERTY OVERVIEW

BUILDING SIZE	1,598 SF
PARCEL SIZE	8,276 SF (0.19 AC)
REGULATION	Certified Family Child Care Center
LICENSING CAPACITY	This facility is independently licensed for 16 children
AGES SERVED	3 - 5 Years

COMPLETED UPGRADES

New roof
Siding
Insulation
Covered decks on three sides
Electrical
Kitchen upgrades
Additional ADA restroom



BUILDING DETAILS

Equivalent to a 4-bed, 1.5 bath home
Converted garage into classroom/living space
A new ADA-compliant restroom was added, equipped with a toilet, sink, hot water heater, and an exterior sink
Standard residential kitchen layout
Brick fireplace present in the living area
Covered deck along three sides (East, West & South)
Uncovered concrete patio at the Southeast corner
Gable roof with composition shingles
Electric baseboard heating
Combination of incandescent and fluorescent lighting fixtures
Extensively upgraded for use in the New Dream Child Care Center
Functions as an extension of the main childcare facility
The Annex has been the most profitable area of the Center
The backyard spaces of the New Dream Annex, 1270 & 1290 W 17th Ave are contiguous

PROPERTY OVERVIEW

1270 W 17TH AVE

Occupied by a staff member, providing security and maintenance

PROPERTY OVERVIEW

1,014 SF building size (plus 300 SF attached garage)

New roof, plumbing, sump pump

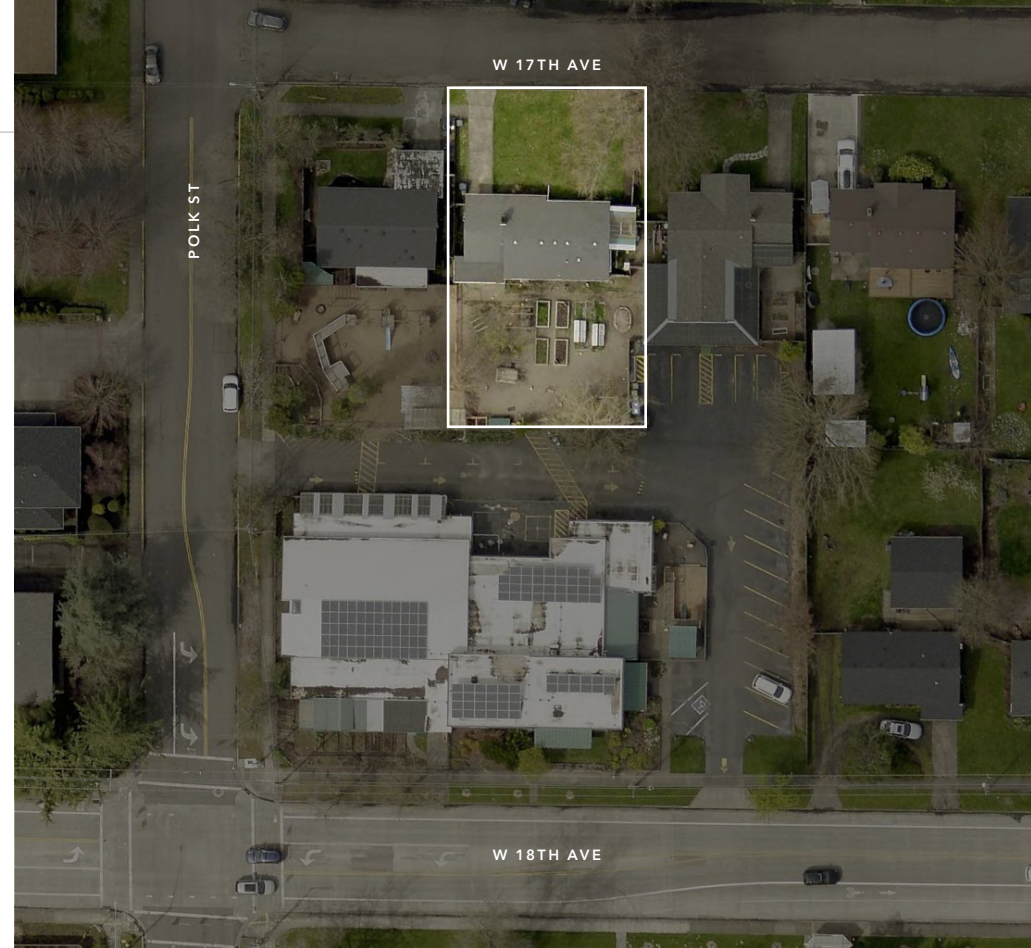
Vinyl windows, coved ceilings, hardwood floors

Backyard features a playground, garden area & chicken coop

Backyard space is contiguous with the New Dream Annex and 1290 W 17th Ave

Staff resident is also the license holder for the New Dream Annex

Family Day Care Home classification technically requires the license holder to live in the home, this rule is not strictly enforced



PROPERTY OVERVIEW



ANNEX YARD



MAIN CENTER YARD



GARDEN AREA

LOCATION OVERVIEW



FINANCIAL ANALYSIS

INCOME

	SF	\$/SF	%	\$/YR
BASE RENTAL REVENUE	12,769	\$14.56	100%	\$185,856
POTENTIAL GROSS INCOME	12,769		100%	\$185,856
LESS: VACANCY AND CREDIT LOSS			5.00%	(\$9,293)
EFFECTIVE GROSS INCOME		\$13.83		\$176,563

OPERATING EXPENSES

	\$/SF	% EGI	Annual
PROPERTY TAXES ON SINGLE-FAMILY RESIDENCE			\$2,802
RESERVES FOR REPLACEMENT	\$0.28	2.0%	\$3,531
TOTAL OPERATING EXPENSES	\$0.50	3.6%	\$6,333
NET OPERATING INCOME	\$13.33		\$170,230
CAP RATE			6.00%
PRICE			\$2,837,000
PRICE/SF			\$222

At the culmination of the current term, new ownership has the opportunity to not only bring the base rental rate to market, but also optimize tenant expense responsibilities and implement standard annual escalations.

TENANT RESPONSIBILITIES

UTILITIES & OPERATING COSTS	Covers 100% of electricity, water, gas, sewage, telephone, and all other utilities
INSURANCE	Pays 100% of liability and fire insurance
REAL PROPERTY TAXES	Applies for a tax exemption; responsible if exemption is denied (except for Residence, which Lessor covers)
REPAIRS & MAINTENANCE	Responsible for all interior and exterior upkeep, except for Lessor's structural obligations
LIFE SAFETY	Maintains fire alarm system, extinguishers, and compliance with safety codes

LANDLORD EXPENSE RESPONSIBILITIES

STRUCTURAL REPAIRS & MAINTENANCE	Roof, exterior walls, foundation, gutters, downspouts, unexposed electrical/plumbing, and structural sidewalk issues (if reported)
REAL PROPERTY TAXES	Pays taxes on the Residence

TENANT PROFILE

The mission of the New Dream Family Center is to create social change through promoting strong families, healthy kids, community connections, and economic security.

Founded in 2009, the New Dream provides a community-based program for families who want the best quality child care available, and a whole-child integrated curriculum that is grounded in the context of our community.

New Dream Family Center's philosophy is to provide inclusive Reggio inspired environments with a strong focus on organic gardening, STEM, and sustainable practices. We strive to provide our children with emergent opportunities for individuality, autonomy, and critical thinking, while promoting respectful engagement between teachers, children, and families.

As a non-profit 501(c)(3) organization, the New Dream Family Center is thriving due in part to careful managing of our financial resources, and in this way offers ongoing economic support to the community. We have a diverse Board of Directors who oversee the fiscal management and support the Management Team by being available when we have policy questions or a crisis like the pandemic comes along. The Board of Directors are drawn from committed individuals from all walks of life in our community. They are professionals and many are parents, but above all share a common interest in the mission of New Dream.

They and we believe that child care rooted in cultural education and environmental stewardship is the best way to nurture childhood curiosity and learning. At New Dream, kids explore their natural world in our organic gardens, see the simple wonder of our chickens laying eggs, and embrace diversity in their classrooms.



→ [VIEW TENANT WEBSITE](#)

DEMAND DRIVERS

The area's demographics indicate strong demand for a childcare facility, with many young children, working parents, strong incomes, and a high renter population supporting its viability.

STRONG DEMAND FROM FAMILIES WITH YOUNG CHILDREN

There are 712 children under 5 years old within a 1-mile radius, making up 3.6% of the total population. Expanding to a 3-mile radius, the number increases to 3,537 children, and within a 5-mile radius, it jumps to 8,355 children. This indicates a significant number of families needing childcare services.

3,537

CHILDREN UNDER 5 YRS
WITHIN A 3-MILE RADIUS

8,355

CHILDREN UNDER 5 YRS
WITHIN A 5-MILE RADIUS

HOUSEHOLD INCOME SUPPORTS AFFORDABILITY

The high number of working parents increases demand for reliable childcare facilities. Within 1 mile, the labor force includes 11,296 employed individuals, with a large portion working in education (12%), healthcare (5.4%), and social assistance (14%), sectors that often require childcare support.

Within 3 miles, 53,907 individuals are employed, and within 5 miles, employment increases to 102,575.

HIGH CONCENTRATION OF WORKING PARENTS

Median Household Income within a 1-mile radius is \$51,597, increasing to \$56,192 within 3 miles and \$59,928 within 5 miles. Many families earn within the middle-income range, making childcare a financially viable option for them.

\$56,192

MEDIAN HOUSEHOLD
INCOME, 3-MILE RADIUS

\$59,928

MEDIAN HOUSEHOLD
INCOME, 5-MILE RADIUS

OTHER FACTORS

Renter-occupied housing is dominant in the area. 5,937 rental units are within 1 mile. Renters are often younger families who require childcare services due to work schedules and lack of in-home support.

The area has a large population employed in education (17.8% within 1 mile and 18.5% within 3 miles), indicating a family-friendly setting where parents seek quality childcare.

Despite stable population growth, a rising median age means more households will soon need child care.

DEMAND FOR CHILDCARE

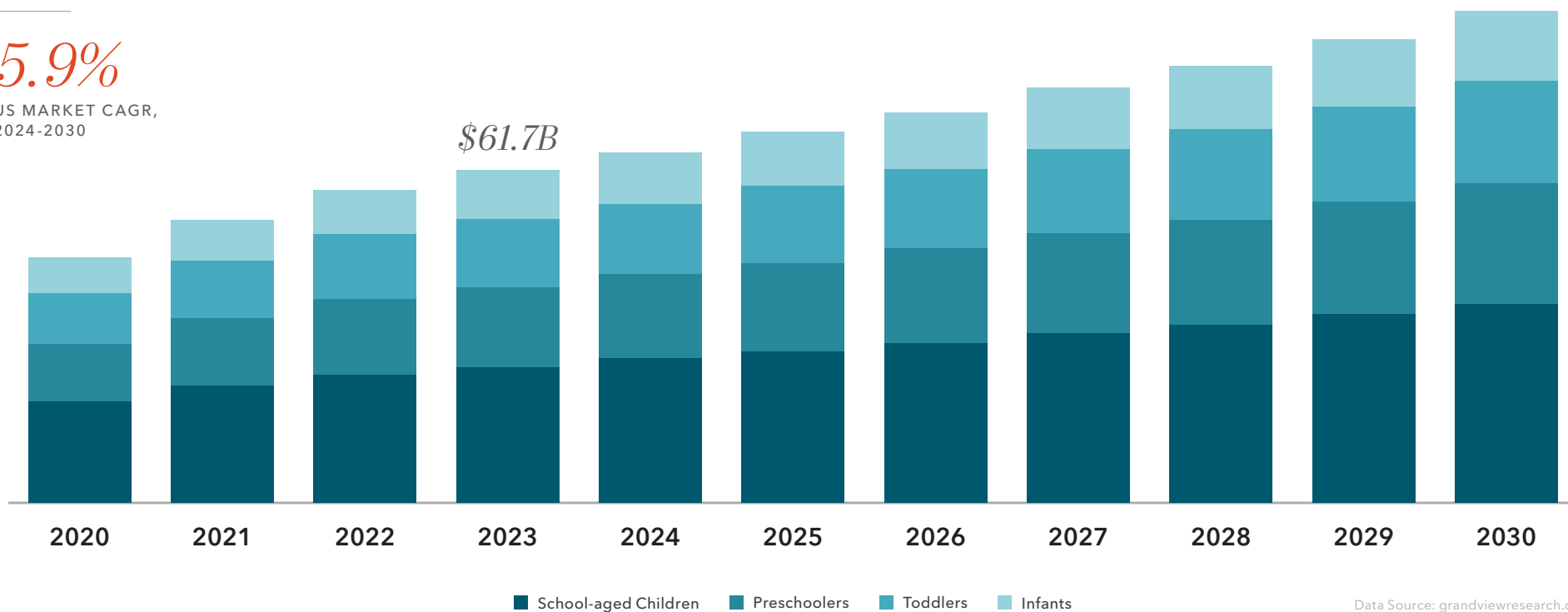
The U.S. childcare market size was estimated at USD 61.70 billion in 2023 and is expected to grow at a CAGR of 5.86% from 2024 to 2030. The market growth is driven by the increased demand due to more parents returning to offices, advancements in learning technologies, and government funding, specifically for single and working mothers.

US CHILDCARE MARKET - SIZE, BY AGE GROUP, 2020-2030 (USD BILLION)

5.9%

US MARKET CAGR,
2024-2030

\$61.7B



This property presents a prime investment opportunity in a sector experiencing critical demand and limited supply. Childcare facilities are among the most sought-after asset classes, benefiting from long-term tenant stability and consistent cash flow due to the nationwide shortage of childcare options.

Exclusively listed by

REBECCA O'LEARY, CCIM
Senior Vice President
503.221.2279
rebecca.oleary@kidder.com

RYAN O'LEARY
First Vice President
503.221.2294
ryan.oleary@kidder.com

TEAMOLEARY.COM
KIDDER.COM

