

LITTLE SCHOLARS REAL ESTATE
Child Care Brokerage Specialists Since 1992

YEAR-END 2025

U.S. Child Care Market Report

Trends, Capital Markets & 2026 Outlook

100+

Tracked 2025 Sales

7.10%

Median Closing Cap Rate

18

States Transacted In

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Executive Summary

The U.S. child care real estate sector entered 2026 in a paradoxical position: short-term operating pressure on national operators is colliding with one of the most acute structural supply shortages of any retail asset class. Public operators are guiding to modestly lower occupancy and EBITDA in 2026, yet listings for institutional-quality child care properties rose 14% year-over-year, average national cap rates have held near 6.91%, and private capital is forming dedicated funds to scale exposure to the sector.

Three storylines define the next twelve months: (1) the post-ARPA funding cliff is permanently removing supply that will not return, (2) the institutional buyer pool is deepening and rewarding well-located NNN-leased assets with credit tenants, and (3) operators that own brand, curriculum, and digital enrollment infrastructure are outperforming independents by 300–500 bps of margin. For owners, this is a window to harvest value on stabilized assets while underwriting discipline still favors quality over yield.

2025 in Numbers

<p>100+ TRACKED 2025 SALES</p>	<p>7.10% MEDIAN CAP RATE</p>	<p>15 TLE SALES — #1 TENANT</p>	<p>+14% LISTINGS YOY</p>
<p>~\$2.7B KINDERCARE FY25 REVENUE</p>	<p>12% U.S. STAFF VACANCY RATE</p>	<p>\$100M FORTEC × EQUITURN FUND</p>	<p>70% RURAL FAMILIES IN A DESERT</p>

Sources: Crexi (comp set), KinderCare FY25 filing, B+E Net Lease Mid-Year 2025, Center for American Progress.

Market Overview

Demand fundamentals remain durable

Industry fundamentals across the U.S. child care sector continue to reflect long-term structural strength, supported by sustained female labor-force participation, limited new supply, return-to-office mandates, and growing recognition of early childhood education as essential infrastructure. The U.S. child care services market is currently sized at roughly \$65 billion and is forecast to reach \$99–110 billion by 2033–2035 — a CAGR of roughly 5.0–5.3% globally.

The infant care segment (0–12 months) is the fastest-growing format, expanding at approximately 9.5% CAGR as shorter parental-leave windows and RTO policies push parents to secure formal infant slots earlier. Digital and hybrid programs are growing at roughly 8.1% CAGR, supporting operators that have invested in enrollment and parent-engagement technology.

Supply remains structurally undersupplied

Industry research published throughout 2025 continued to identify a significant structural undersupply of licensed child care capacity. In 2025, 70% of families in remote rural areas live in a licensed child care desert, and majority-Hispanic/Latino communities are classified as deserts at an average rate of 52.2%. New development remains constrained by zoning, elevated construction costs, and complex licensing and entitlement processes — and government funding initiatives have not meaningfully increased net new supply.

“Capacity constraints — not lack of demand — remain the primary limiting factor in many markets, supporting long-term pricing power for well-positioned operators.”

Bright Horizons Family Solutions · 2025 Management Commentary

The ARPA Funding Cliff

Why existing supply got more valuable in 2025

The American Rescue Plan Act provided roughly \$24 billion in pandemic-era child care stabilization grants — funding that helped keep 220,000 programs open and served 10 million children. Initial appropriations expired September 30, 2023, and the remaining funding fully expired September 30, 2024. The post-cliff data is now in, and it is reshaping the supply side of the market.

45

NC LICENSED PROGRAMS CLOSED IN
Q4 2025

\$24B

ARPA CHILD CARE STABILIZATION
(EXPIRED)

3.2M

CHILDREN PROJECTED TO LOSE A SPOT

What the cliff means for owners and investors

- **Permanent supply destruction.** North Carolina alone lost 45 licensed programs in Q4 2025 — the state's largest single-quarter contraction since June 2023. Michigan's YMCA, the state's largest provider, closed multiple centers post-cliff. New entrants are not replacing closed capacity at scale.
- **Tuition pricing power for survivors.** Programs that remained open are passing labor costs through to families. Operators with brand, scale, and B2B revenue channels are absorbing pricing increases more efficiently than independents.
- **Real-estate scarcity premium.** Existing, operating, purpose-built facilities with stable enrollment have a wider moat than they did pre-pandemic. This is the single most important reason cap rates have held up through the broader retail repricing of 2023–2025.

Public Operator Commentary

KinderCare Learning Companies — NYSE: KLC

KinderCare reported Q4 FY2025 results in March 2026, beating consensus on adjusted EPS (\$0.12 vs. \$0.09 consensus, +33%) on full-year revenue of approximately \$2.73 billion. Management's FY2026 guidance, however, sets a more cautious tone: revenue of \$2.7–2.75 billion (flat to modestly higher) and adjusted EBITDA of \$210–230 million, implying a 25–30% decline from the \$300 million achieved in FY2025.

Management attributed the EBITDA pressure to an expected ~3% occupancy decline, partially offset by a ~3% tuition increase, ~0.5% from new center openings, ~1.0% from B2B/Champions growth, and ~0.5% from tuck-in acquisitions. The Champions before- and after-school program is a particular bright spot, opening 24 new sites across 11 states in Q4 and reaching 1,153 total sites with \$215 million of FY2025 revenue.

“Well-located, purpose-built facilities continue to outperform and remain central to KinderCare's long-term growth strategy. Secondary or underperforming assets are being evaluated more critically.”

KinderCare Learning Companies · FY2025 Management Discussion

Implication for owners: assets with strong demographics, functional layouts, and proven operating history remain highly attractive to KLC and to institutional credit-tenant buyers. Conversely, assets with locational or physical obsolescence face increasing scrutiny in lease renewals and dispositions.

Bright Horizons Family Solutions — NYSE: BFAM

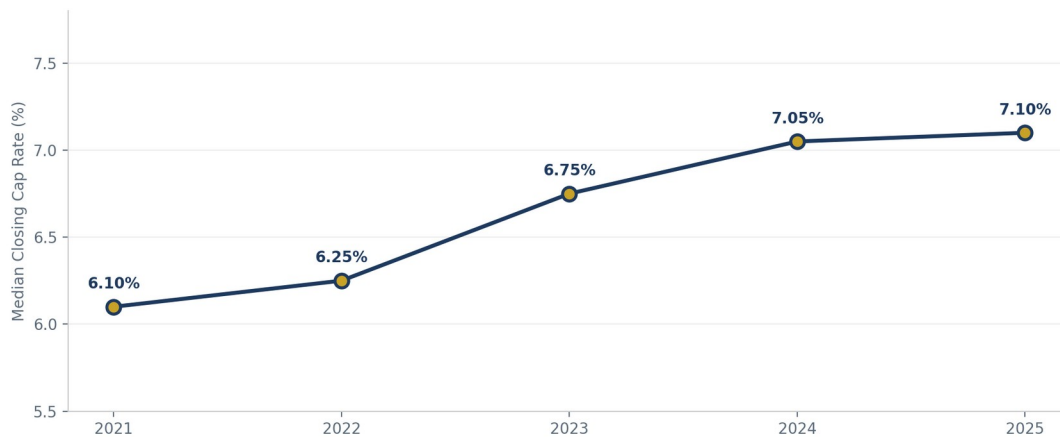
Bright Horizons reported continued strength in employer-sponsored child care client demand in 2025, alongside improving utilization across early education and back-up care segments. Margin pressure in 2025 was driven almost entirely by labor costs — U.S. childcare worker vacancy rates reached 12% in 2025 — rather than by demand weakness. Management reiterated that capacity, not demand, remains the binding constraint in most markets.

Implication for owners: the scarcity of purpose-built facilities reinforces the value of existing assets, particularly those secured by long lease terms with established operators. BFAM's reliance on employer-funded channels also makes its real estate footprint more recession-resilient than typical retail.

Capital Markets & Investor Activity

Investor appetite for child care real estate remained active in 2025, but the buyer pool became more selective. Pricing now turns primarily on three variables: tenant credit quality, remaining lease term, and rent coverage supported by site-level enrollment. High-quality assets leased to national or strong regional operators continue to command premium pricing and attract a deep buyer pool — including private capital seeking defensive cash flow, institutional investors allocating to “essential services” real estate, and 1031-exchange buyers focused on long-term income stability.

Median Closing Cap Rates — National Child Care Real Estate (Illustrative)



Illustrative trend; specific cap rates vary by tenant credit, lease term, and market.

Tenant Watch — M&A and Consolidation

Three consolidation themes are reshaping tenant credit in 2025–2026:

- **Brand operators outperform independents.** Bright Horizons, KinderCare, and Learning Care Group reportedly outperform independents by 300–500 bps of margin, supported by curriculum IP, digital enrollment, and employer-funded channels. This margin gap is widening, not narrowing.
- **PE-backed roll-ups accelerating.** Endeavor Schools (backed by Leeds Equity) crossed 60 schools across 13 states in 2025, with acquisitions in Colorado, Georgia, and Virginia. Expect more platform-and-bolt-on activity through 2026.
- **Capital is forming dedicated vehicles.** Fortec, a national developer focused on early-education projects, partnered with Equiturn in 2025 to launch a \$100 million early education real estate fund — a clear signal that institutional capital views the sector as scalable rather than niche.

2026 Outlook & Watch List

Looking ahead, the child care real estate sector is positioned for measured but durable growth. Demand fundamentals remain intact, new supply is limited, and well-located centers operated by experienced tenants are expected to retain liquidity. Assets exhibiting functional obsolescence, weaker enrollment trends, or short remaining lease terms may face valuation pressure as buyers apply greater underwriting discipline.

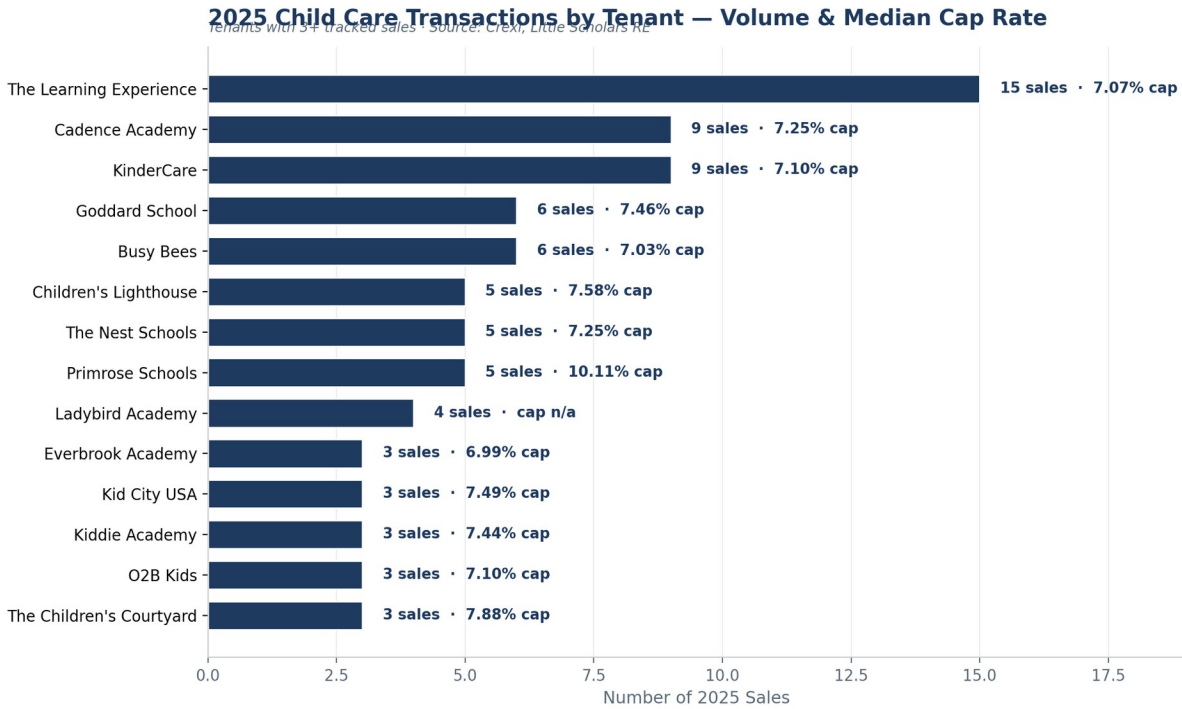
For owners, 2026 presents a window to evaluate exit timing while institutional interest remains strong, reposition assets through lease restructures or operator transitions, and capitalize on the continued institutionalization of child care real estate.

What we are watching

- **Federal childcare tax credit legislation** — sustained bipartisan discussion through 2025 with potential 2026 action; would expand demand for licensed slots.
- **State-level subsidy programs** filling the ARPA gap — uneven coverage, with meaningful 2025 programs in NY, NM, VT, and CA worth tracking by market.
- **Return-to-office acceleration** — supports infant and toddler enrollment (the fastest-growing segments) and pushes employers to expand on-site and back-up care benefits.
- **Labor cost trajectory** — wage inflation is moderating but the 12% vacancy rate persists; operators with brand and B2B revenue absorb labor costs more efficiently.
- **Refinancing wall** — loans originated at sub-5% cap rates in 2021–2022 are reaching renewal; expect more lease restructures and operator transitions in 2026–2027.

2025 Sold Comps – Volume by Tenant

The Learning Experience led 2025 by a wide margin with 15 tracked sales at a 7.07% median closing cap, reflecting strong NNN credit and consistent purpose-built product. Cadence Academy and KinderCare each cleared 9 tracked sales, with Cadence (7.25%) trading slightly wider than KinderCare (7.10%). Primrose Schools' 10.11% median reflects two transitional assets with weaker enrollment that distort the small sample; core Primrose product continues to trade in the high-6s to low-7s.



Source: Crexi. Tenants with 3+ tracked sales. Some cap rates reflect non-core or transitional assets.

2025 Sold Comps – Full Transaction Table

Comparable sales are primarily national or regional child care facilities ranging from approximately 6,000 to 15,000+ square feet, sourced from Crexi. Certain transactions may not be reflected due to data limitations or off-market activity.

Property	City, ST	Sale Date	Sale Price	Year Built	Closing NOI	Cap Rate	Sold \$/SF
Big Blue Marble	Marietta, GA	08/20/25	\$3,302,700	1993	\$214,678	6.50%	\$334.82
BrightPath Three Child Care Center	Elmer, NJ	10/02/25	\$2,284,000	2010	\$171,360	7.50%	\$333.63
Busy Bees	Phoenix, AZ	04/07/25	\$3,350,000	1995	\$235,587	7.10%	\$523.86
Busy Bees	Phoenix, AZ	04/14/25	\$3,300,000	1985	\$235,587	7.10%	\$311.28
Busy Bees	Glendale, AZ	04/07/25	\$3,300,000	1988	\$235,587	7.10%	\$311.28
Cadence Academy	Naperville, IL	10/07/25	\$2,994,388	1995	\$214,000	7.25%	\$297.83
Cadence Academy	Columbia, SC	10/07/25	\$2,994,388	1995	\$217,093	7.25%	\$297.83
Cadence Academy	Charleston, SC	10/02/25	\$2,994,384	1997	\$217,093	7.25%	\$307.18
Cadence Academy	Huntersville, NC	10/07/25	\$5,191,000	2009	\$376,326	7.25%	\$436.77
Cadence Academy	Myrtle Beach, SC	10/07/25	\$2,994,387	1999	\$217,093	7.25%	\$308.83
Cadence Academy	Wilmington, NC	10/07/25	\$4,988,000	2005	\$324,212	6.50%	\$417.16
Cadence Academy	Columbia, SC	10/07/25	\$2,994,386	1996	\$217,093	7.25%	\$297.62
Children's Lighthouse	Tucson, AZ	07/25/25	\$4,289,250	2010	\$312,120	7.46%	\$287.10
Children's Lighthouse	Phoenix, AZ	12/26/25	\$4,500,000	2010	—	—	\$285.18
Children's Lighthouse	Hooper, KS	01/06/26	\$4,565,725	2005	\$265,740	8.30%	\$258.66
Children's Lighthouse	Olathe, KS	03/27/25	\$2,569,560	2009	—	—	\$306.20
Children's Lighthouse	Tulsa, OK	03/27/25	\$3,182,029	2009	\$403,288	7.00%	\$376.81
Children's Lighthouse	Renton, WA	10/01/25	\$2,780,000	1987	\$173,602	6.24%	\$380.09
Children's Lighthouse	Naples, FL	05/12/25	\$2,250,000	2009	—	—	\$425.49
Children's Lighthouse	Akron, OH	07/25/25	\$2,700,000	1988	—	—	\$262.50
Children's Lighthouse	Sacramento, CA	12/29/25	\$8,832,000	2017	—	—	\$1,101.17
Coastal Academy	Moncks Corner, SC	06/20/25	\$2,175,000	1984	—	—	\$186.23
Goddard School	Lake Mary, FL	07/24/25	\$6,474,440	2009	—	—	\$792.47
Goddard School	Baltimore, MD	07/27/25	\$5,030,000	2013	\$536,753	6.93%	\$485.89
Goddard School	Fort Worth, TX	07/24/25	\$2,800,000	2014	\$261,680	8.00%	\$420.79
Goddard School	Farragut, TN	04/07/25	\$3,350,000	2003	—	—	\$416.26
Goddard School	Peoria, AZ	06/09/25	\$3,950,000	2007	—	—	\$340.75
Goddard Montessori	Rockland, NY	10/30/25	\$8,740,000	2002	\$566,100	7.50%	\$694.83
Ivy Kids	Charleston, SC	07/25/25	\$4,740,000	1988	\$268,909	6.50%	\$259.81
Ivy Kids Roswell West	Roswell, GA	07/25/25	\$5,200,000	1990	\$345,801	9.44%	\$273.96
Kid City USA	Catawba, NC	08/14/25	\$2,768,000	1982	\$199,716	7.21%	\$283.88
Kid City USA	Astoria, ID	08/14/25	\$2,073,300	1989	\$158,004	9.27%	\$140.89
Kid City USA	Lake Mary, FL	07/30/25	\$3,800,000	1990	\$269,735	7.49%	\$140.04
Kid City USA	Albuquerque, NM	08/15/25	\$2,103,500	1971	—	—	\$176.33
Kiddie Academy	Stone Mountain, GA	07/16/25	\$2,750,020	1990	—	—	\$367.84
Kiddie Academy	Wheaton, IL	08/07/25	\$5,150,000	1991	\$383,250	7.44%	\$872.88

Property	City, ST	Sale Date	Sale Price	Year Built	Closing NOI	Cap Rate	Sold \$/SF
Kiddie Academy	Katy, TX	11/26/25	\$5,320,000	2001	—	—	\$390.60
Kid's R Kids	Houston, TX	12/04/25	\$3,838,123	2005	—	—	\$195.30
Kids Time Academy	Canton, OH	10/21/25	\$3,733,333	2004	—	—	\$276.56
Kidstown Academy	Oakland Park, FL	09/23/25	\$3,100,000	1962	—	—	\$220.58
Kid Camp Montessori Preschool	Plano, TX	01/14/25	\$1,702,400	1995	—	—	\$293.41
Kinder World Preschool	Sacramento, CA	08/11/25	\$2,400,000	1965	—	—	\$514.58
KinderCare	Greenwood Village, CO	01/28/25	\$9,000,000	1980	\$74,250	7.33%	\$785.27
KinderCare	Clarksville, TN	11/03/25	\$6,840,000	2000	—	—	\$829.09
KinderCare	Roseville, CA	07/15/25	\$2,460,000	1985	\$105,145	7.20%	\$236.44
KinderCare	Belleville, IL	05/20/25	\$1,550,000	1992	\$475,000	30.65%	\$172.22
KinderCare	Tulsa, OK	07/21/25	\$5,759,000	1984	\$403,288	7.00%	\$416.85
KinderCare	Renton, WA	10/01/25	\$2,780,000	1987	\$173,602	6.24%	\$380.09
KinderCare	Lake Villa, IL	09/25/25	\$6,357,649	2023	—	—	\$409.28
KinderCare	Rocklin, CA	11/20/25	\$2,700,000	1995	—	—	\$469.09

2025 Sold Comps • Continued

Property	City, ST	Sale Date	Sale Price	Year Built	Closing NOI	Cap Rate	Sold \$/SF
La Petite Academy	Tucson, AZ	11/05/25	\$3,166,750	2005	—	—	\$213.07
La Petite Academy	Lake Mary, FL	11/15/25	\$5,272,000	1988	\$80,280	6.06%	\$213.07
Ladybird Academy	Windermere, FL	11/19/25	\$5,854,000	2019	—	—	\$384.98
Ladybird Academy	Coral Springs, FL	11/19/25	\$8,146,100	2015	—	—	\$629.33
Ladybird Academy	Orange, FL	03/10/26	\$5,419,000	2018	\$4,729,800	7.19%	\$563.66
Learning Patch Children's Center	Orangevale, CA	07/25/25	\$2,400,000	1986	—	—	\$367.84
Lightbridge Academy	Bethlehem, PA	11/19/25	\$5,140,689	2014	\$323,000	7.24%	\$605.32
Lightbridge Academy	Troy, MI	11/27/25	\$1,890,000	1985	\$506,122	26.78%	\$141.90
Lightbridge Academy	Apex, NC	08/13/25	\$5,045,500	2021	—	—	\$565.65
Lil' Explorers	Albertville, AL	06/25/25	\$5,025,100	2002	—	—	\$319.76
Nest Schools — Charlotte	Charlotte, NC	12/22/25	\$4,923,000	2005	\$337,000	6.85%	\$419.73
O2B Kids	Overland Park, KS	10/03/25	\$3,250,000	2016	—	—	\$393.65
O2B Kids	Columbia, MO	08/27/25	\$5,050,000	2013	\$362,372	7.20%	\$473.30
O2B Kids	St. Charles, MO	07/25/25	\$5,624,000	2014	\$313,686	7.00%	\$272.12
Oak Tree Kids Academy	Humble, TX	04/17/25	\$5,300,000	1985	—	—	\$281.25
Pinnacle Montessori	Frisco, TX	05/29/25	\$3,180,000	2015	\$546,400	7.30%	\$335.72
Pinnacle Montessori — Warren Pkwy	Frisco, TX	10/02/25	\$4,725,400	2018	\$445,901	9.44%	\$273.96
Primrose Schools	Canton, GA	04/01/25	\$4,275,000	2006	—	—	\$431.12
Primrose Schools	Okarche, OK	10/27/25	\$5,170,500	2020	—	—	\$463.86
Primrose Schools	Meridian, ID	10/07/25	\$3,325,000	2023	—	—	\$243.30
Primrose Schools	Tampa, FL	09/05/25	\$6,700,000	2007	\$428,053	6.35%	\$505.52
Primrose Schools	Oklahoma City, OK	09/05/25	\$6,000,000	2012	—	—	\$505.52
Sunrise Preschools	Chandler, AZ	07/08/25	\$4,200,000	1988	—	—	\$293.40
The Children's Courtyard	Fayetteville, NC	09/26/25	\$2,900,000	2010	\$203,400	7.01%	\$245.97
The Children's Courtyard	St. Charles, IL	08/22/25	\$2,476,460	2001	\$190,296	7.68%	\$226.77
The Children's Courtyard	West Jordan, UT	07/15/25	\$3,125,000	2015	\$484,311	15.50%	\$266.77
The Learning Circle	St. Cloud, FL	01/27/25	\$1,800,000	2012	—	—	\$181.45
The Learning Experience	Auburn, PA	10/15/25	\$3,800,000	1979	\$291,600	7.67%	\$244.69
The Learning Experience	Blue Ash, OH	01/22/25	\$6,500,000	2010	\$440,000	6.77%	\$671.14
The Learning Experience	Glass Creek, IN	05/22/25	\$4,600,000	2008	\$368,500	7.68%	\$456.35
The Learning Experience	Belmont, NC	01/22/25	\$4,000,000	2013	\$337,500	7.50%	\$552.02
The Learning Experience	Odessa, FL	12/06/25	\$5,543,000	2023	\$370,000	6.68%	\$554.02
The Learning Experience	Harrisburg, NC	11/22/25	\$5,500,000	2023	\$370,000	6.92%	\$379.05
The Learning Experience	Houston, TX	11/26/25	\$3,790,500	2023	\$385,000	10.16%	\$417.51
The Learning Experience	Charlotte, NC	07/22/25	\$4,150,000	2013	\$293,425	7.07%	\$405.97
The Learning Experience	Manassas, VA	04/01/25	\$6,750,000	2023	\$468,300	6.94%	\$605.27
The Learning Experience	Riverview, FL	05/28/25	\$4,300,000	2020	—	—	\$423.63
The Learning Experience	Centennial, CO	10/28/25	\$5,433,200	2023	\$383,000	7.05%	\$543.30
The Learning Experience	Mansfield, TX	04/22/25	\$3,665,480	2023	\$308,000	8.40%	\$740.35

Property	City, ST	Sale Date	Sale Price	Year Built	Closing NOI	Cap Rate	Sold \$/SF
The Learning Experience	Reston, TX	12/29/25	\$5,194,297	2023	\$371,378	7.15%	\$570.79
The Learning Experience	Marlborough, MA	06/13/25	\$4,575,000	2023	\$308,000	6.73%	\$453.87
The Learning Experience	Boysds, MD	10/02/25	\$5,261,000	2022	\$263,153	11.64%	\$127.31
The Learning Experience	Spring, TX	10/29/25	\$3,844,000	2023	\$284,463	7.40%	\$226.77
The Learning Experience	Pasadena, TX	08/14/25	\$1,383,200	1992	—	—	\$181.14
The Nest Schools	Centennial, CO	12/22/25	\$4,923,000	2005	\$297,224	6.82%	\$412.65
The Nest Schools	San Antonio, TX	08/25/25	\$6,564,159	2007	\$475,904	7.25%	\$531.90
The Nest Schools	Lakeland, FL	09/27/25	\$5,834,500	1980	\$422,994	7.25%	\$209.32
The Nest Schools	Littleton, CO	10/02/25	\$4,245,000	2010	\$297,138	7.00%	\$396.41
The Nest Schools	Noblesville, IN	07/15/25	\$1,650,000	1979	\$171,090	10.37%	\$103.21
Tierra Encantada	Addison, TX	07/29/25	\$5,000,000	1992	\$376,410	7.53%	\$469.88

Summary Statistics — Tenants with 3+ Tracked Sales

Tenant	2025 Sales	Median Closing Cap Rate
The Learning Experience	15	7.07%
Cadence Academy	9	7.25%
KinderCare	9	7.10%
Goddard School	6	7.46%
Busy Bees	6	7.03%
Children's Lighthouse	5	7.58%
The Nest Schools	5	7.25%
Primrose Schools	5	10.11%*
Ladybird Academy	4	n/a
Everbrook Academy	3	6.99%
Kid City USA	3	7.49%
Kiddie Academy	3	7.44%
O2B Kids	3	7.10%
The Children's Courtyard	3	7.88%

*Primrose median is skewed by two transitional/non-core assets. Core Primrose product continues to trade in the high-6s to low-7s.

Current Opportunities for Sale

A curated selection of on-market and off-market opportunities currently represented by Little Scholars RE. Contact us for detailed offering memoranda, financials, and tour scheduling.

FOR SALE

Creative Years Nursery School

21710 Golden Triangle Rd, Santa Clarita, CA

\$5,375,000

Business + Real Estate (fee simple)

205+ children • Infant • Toddler • Preschool • TK

FOR SALE

The Goddard School of Twinsburg

2608 Glenwood Dr, Twinsburg, OH

\$2,500,000

Business only - real estate via leaseback

224+ children • Infant • Toddler • Preschool • Pre-K

OFF-MARKET

Legacy Preschool + Real Estate

Woodland Hills, CA • Off-market

\$3,500,000

Business + Real Estate (fee simple)

100+ children • Preschool

OFF-MARKET

Premier Westside Early Learning

West Los Angeles, CA • Off-market

Price upon inquiry

Business

Infant • Toddler • Preschool

For offering memoranda or off-market introductions, contact Alan@LittleScholarsRE.com • 818-917-7723

Recent Transactions

A representative selection of recent transactions across business-only, real-estate-only, and combined deals. Forty-plus closed transactions to date — full list available on request.



SOLD

Mission Bay Montessori Academy

2640 Soderblom Ave, San Diego, CA
Business



LEASED

Montessori Rancho Santa Margarita

28672 Deerpath, Rancho Santa Margarita, CA
Business



SOLD

Peter Pan Preschool

2055 Santa Clara Ave, Alameda, CA
Business



SOLD

Little Seeds Children's Center

2055 Santa Clara Ave, Alameda, CA
Business



SOLD

Kiddie Haven Preschool

2783 Gulfstream Rd, Lake Worth Beach, FL
\$4,200,000 • 10,000 SF
Business + RE



SOLD

10th St Preschool

1444 10th St, Santa Monica, CA
\$725,000
Business



SOLD

Church School

1754 West Avenue L12, Lancaster, CA
\$920,000
Business + RE



SOLD

KinderCare

16149 West Foothill Blvd, Fontana, CA
\$4,690,000 • 9,967 SF
Real Estate



LEASED

The Learning Experience

17131 Beach Blvd, Huntington Beach, CA
Business

How We Help Owners & Investors

1031 EXCHANGE BUY-SIDE

Source NNN-leased child care assets with national-credit tenants to satisfy 1031 deadlines. We maintain ongoing relationships with The Learning Experience, KinderCare, and Bright Horizons developers to surface off-market inventory before it lists.

OPERATING BUSINESS ACQUISITIONS

Identify and underwrite high-performing operating preschools for purchase. Our team independently models enrollment, ratio compliance, and labor cost trajectories — capabilities most brokers do not bring to the table.

LEASE RESTRUCTURE & RENEGOTIATION

Renegotiate underperforming or expiring leases with national operators. We have helped landlords convert short-term gross leases into long-term NNN structures that materially expand the buyer pool at exit.

SITE SELECTION & GROUND-UP DEVELOPMENT

Evaluate raw or repositioning sites for child care use. Through our preferred-developer relationship with The Learning Experience, we can structure Letter-of-Intent terms and execute leases within weeks of site submittal nationwide.

Why Choose Little Scholars RE

OPERATOR-LANDLORD-DEVELOPER

We have operated, owned, developed, and leased child care facilities since 1992 — including 18 years operating two schools with average enrollment above 350 students. Most brokers underwrite child care as retail; we underwrite it as a business.

NATIONAL REACH IN 18+ STATES

We have closed child care transactions across nearly 20 states, supported by local partner brokers in every major U.S. market. Whether your asset is in California, Texas, the Mid-Atlantic, or Florida, we have the local market intelligence to position it.

UNMATCHED OPERATOR RELATIONSHIPS

Direct relationships with The Learning Experience, KinderCare, Bright Horizons, Endeavor Schools, Cadence Academy, and regional brands give us access to off-market lease opportunities and 1031-friendly inventory that other brokers cannot source.

RIGOROUS UNDERWRITING & DILIGENCE

Our CFO is a former multi-center director and franchisee. We model labor, ratios, enrollment, and rent coverage at the site level — letting buyers and sellers transact with credible numbers, not back-of-envelope assumptions.

Client Testimonials



Bill Haddad

President of American Fruit (Monster Energy) - Former Tutor Time Franchisee

“Alan developed and sold us the franchise for two Tutor Times in Santa Clarita, which we successfully ran for over 15 years. There is no broker more knowledgeable of the child care business.”



Percy Vaz

Founder & CEO, Amcal Housing - Former Tutor Time Landlord

“Alan is the most knowledgeable person I know on all aspects of child care. He has been an owner, an operator, a developer, and a broker — with numerous transactions in the business for over three decades.”



Richard Weissman

CEO & Founder, The Learning Experience

“When I first co-founded Tutor Time, Alan was the highest-producing developer. Later, as we expanded under The Learning Experience, we tapped Alan as a real estate broker who has been integral to our national site expansion.”



Wade Wu

President, PID Holdings - Former KinderCare Landlord

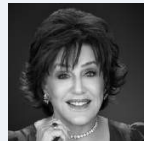
“Alan Stahl is a professional problem solver, with all the capabilities needed to effectively negotiate with prospective tenants. He provides the highest level of service and knowledge in the industry — highly recommended.”



Kevin Parker

President, Armstrong Properties, Inc.

“It has been a pleasure working with Alan and his team on bringing The Learning Experience to several Armstrong properties in California and nationwide. We continue to be impressed with Alan's knowledge of the child care industry and the expediency with which we work through transactions.”



Adrienne Rubin

Tutor Time Landlord

“If you're interested in buying or selling a pre-school, Alan is the most knowledgeable person you can find. He owned and operated his own school, and as a real estate developer for himself and others he is a true authority in the marketplace. An advisor you can trust.”

Meet the Team



Alan Stahl

Chief Executive Officer

Alan Stahl brings more than five decades of investment and real estate experience, with nearly 35 years focused specifically on the child care sector. He founded Future In-Site Realty Associates in 1992 and has since developed nearly 2,500 multifamily units and more than 40 preschools nationwide.

Widely recognized as a leading expert in child care brokerage and operations, Alan has developed and sold 25 Tutor Time Child Care Learning Centers, leased over 45 local and national child care facilities, and directly operated multiple centers with average enrollment exceeding 350 students for nearly two decades. His hands-on experience as an owner, operator, developer, and broker provides clients with deep insight into both operational performance and long-term asset value.

30+

YEARS OF EXPERIENCE

70+

CHILD CARE TRANSACTIONS

18+

STATES TRANSACTED IN



Debbie Stahl

Chief Financial Officer

Debbie's hands-on experience as both a franchisee, business manager, and director of multiple child care centers — each with an average enrollment of over 300 students — provides our team with a comprehensive understanding of the inner workings of a preschool. Her expertise in financial management, payroll, and daily operations enables us to analyze prospective child care centers with exceptional precision. Whether determining the health of a center, renegotiating leases, or ensuring tenants meet financial expectations, Debbie's insights are integral to our success.

Methodology

Comparable sales presented in this report are primarily national or regional child care facilities ranging from approximately 6,000 to 15,000+ square feet, sourced from Crexi. Off-market transactions, asset-purchase only deals (no real estate), and certain confidential dispositions may not be reflected. Cap rates are reported as the ratio of stated closing NOI to sale price; where NOI was not reported, cap rate is shown as not available. Outlier transactions (transitional or non-core assets) are noted in the summary statistics.

About Little Scholars RE

Little Scholars RE is the brand of Future In-Site Realty Associates, Inc., a child care brokerage and advisory firm founded in 1992. The firm represents owners, investors, operators, and developers in transactions across the United States. DRE #01299139.