

10-PROPERTY CHARTER SCHOOL PORTFOLIO

FOR SALE

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Single-Tenant Net Leased Investments
with WALT of 13.6 Years

Portfolio Overview

Colliers is pleased to exclusively offer for sale to qualified investors a portfolio of 10 high-performing charter schools strategically located in three states – Michigan, Ohio, and Florida (“Portfolio”) that are subject to long-term, absolute NNN lease structures. This Portfolio consists of ±529,128 square feet located on ±78.6 acres and offers an investor with an institutional-quality investment of reliable cash flow. The leases are with strong local, regional and national operators; and provide the necessary checks and balances to secure the cash flow, maintain appropriate oversight, and assure optimal performance throughout the investment.

Overall, the Portfolio provides a weighted average lease term (“WALT”) of 13.6 years, with individual lease terms that range from 9.8 to 18.3 years. The rental income in the first year is \$7.025 million (July 1, 2021 to June 30, 2022), with an average rent per square foot of only \$13.28. These schools are strategically located, and within highly desirable growth markets including Miami, Orlando, Columbus, Cincinnati, Cleveland, and greater Detroit.

Charter schools are tuition-free public schools created through an agreement or “charter” typically between the school and the local district school board. This agreement gives the charter school a measure of expanded freedom relative to traditional public schools in return for a commitment to higher standards of accountability. Minnesota passed the first charter school law in 1991. Today, 44 States, the District of Columbia, Puerto Rico, and Guam have enacted charter school legislation and seen extraordinary public participation in this education services option. Since their inception, charter schools have played a key role in increasing parental choices in public education; and providing innovative learning opportunities for students.

At the national level during the 2019-2020 school year, more than 435 new charter schools opened. An estimated 150,000 additional students are attending charter schools in the 2019-2020 school year compared with the previous year. With the addition of these new charter schools and students, there are now more than 7,500 charter public schools enrolling an estimated 3.3 million students throughout the United States. Enrollment in charter public schools has grown eightfold during the past 15 years.

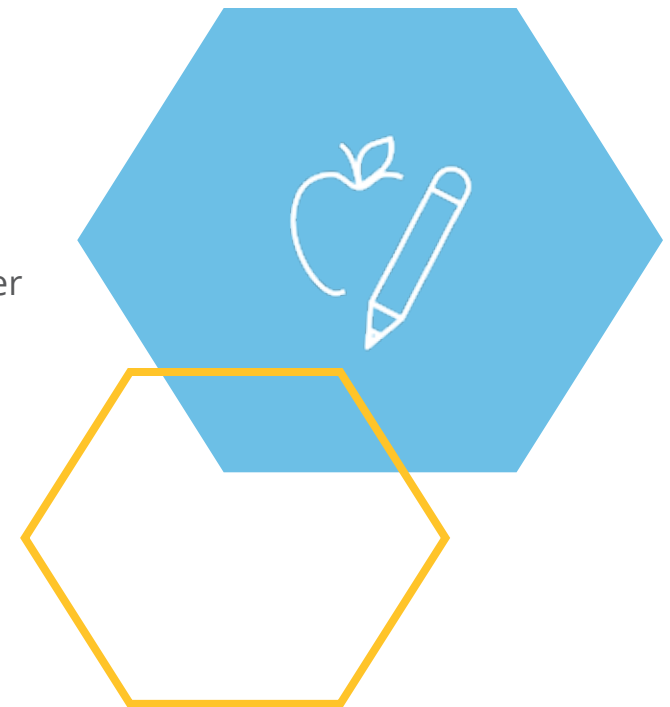


This Portfolio offering provides an investor the following **benefits**:

- Assets that are **purpose-built** or **extensively renovated** for use as a charter public school
- **Well-established, strategic, high-demand** locations with **substantial** population growth
- The schools' locations create **high barriers to entry** for other traditional and charter public schools
- **Absolute NNN** leases require **no landlord obligations**
- The Portfolio consists of **strong** national, regional, and local **operators**
- The new owner will have a **direct dialogue** to create **deep** and **sustainable relationships** into the charter public school marketplace with these **strong** operators

PORTFOLIO HIGHLIGHTS:

- > Year 1 est NOI: \$7,025,240
- > Absolute NNN portfolio
- > WALT of 13.60 years remaining
- > Annual rent increases
- > Low rent basis of \$13.28/SF NNN
- > Offered free and clear of any debt
- > Attractive financing options are available
- > Top nationally recognized charter public school operators
- > Concentrated in two regions, spread across three states



In **Florida**, during the 2019-2020 school year, **±329,216** students were enrolled in **673** charter public schools.



In **Ohio**, during the 2019-2020 school year, **±102,560** students were enrolled in **313** charter public schools



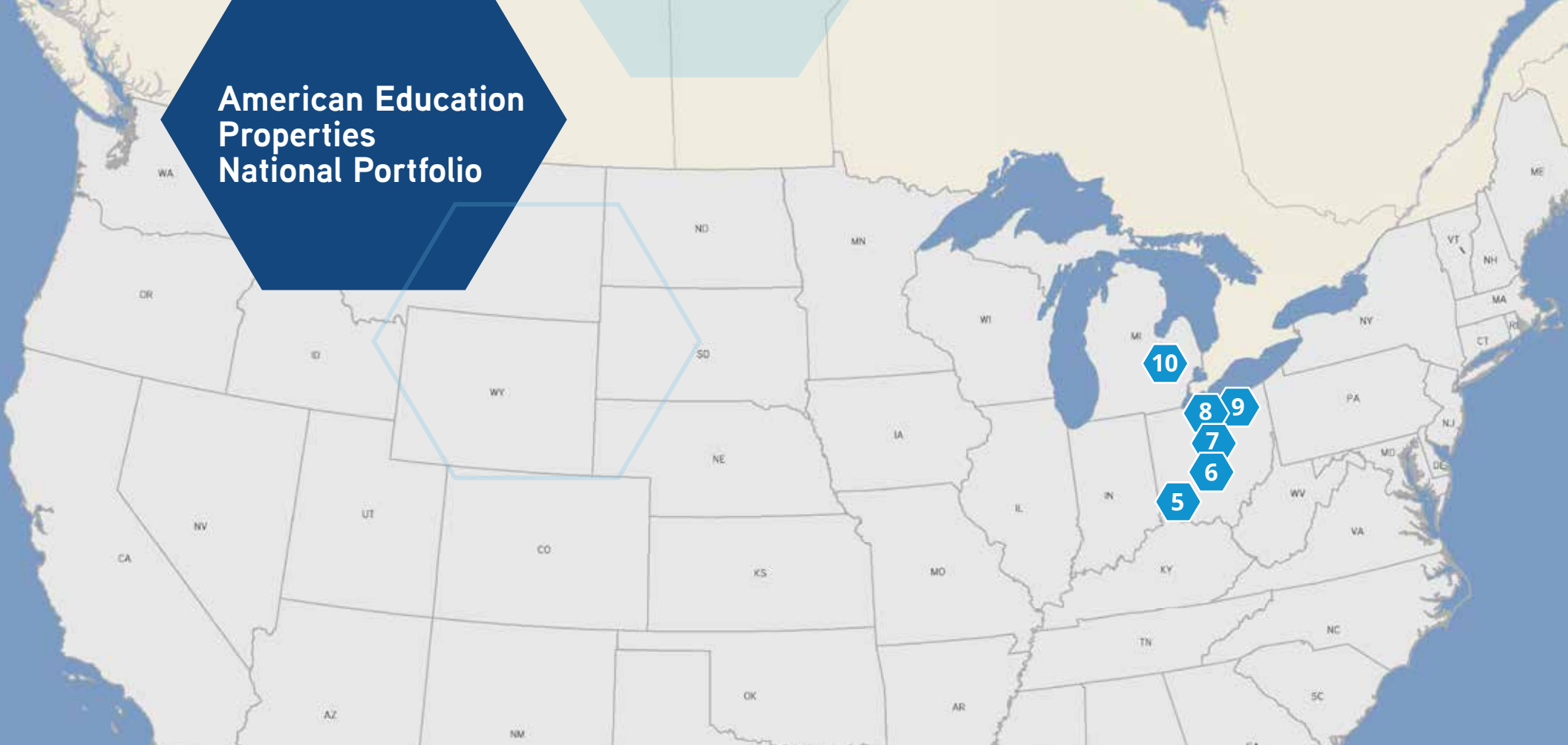
CLEVELAND ARTS & SOCIAL SCIENCES ACADEMY



In **Michigan**, during the 2019-2020 school year, **±43,556** students were enrolled in **369** charter public schools



American Education Properties National Portfolio



10-Property Portfolio

South

- 1** Renaissance Charter School at Plantation
6701 W Sunrise Blvd, Plantation, FL
- 2** Renaissance Charter School at University
8399 N University Dr, Tamarac, FL
- 3** Championship Academy of Distinction - Davie Campus
3367 N University Dr, Davie, FL
- 4** St. Cloud Preparatory Academy
3101 Progress Ln, St. Cloud, FL

Midwest

- 5** Northside Prep Academy
4750 Winton Rd, Cincinnati, OH
- 6** South Scioto Performance Academy
2200 Winslow Dr, Columbus, OH
- 7** Cesar Chavez College Preparatory School
2400 Mock Rd, Columbus, OH
- 8** Cleveland Arts & Social Sciences Academy
10701 Shaker Blvd, Cleveland, OH
- 9** Lake Erie Preparatory School
14405 St. Clair Ave, Cleveland, OH
- 10** Genesee STEM Community Charter School
5240 Calkins Rd, Flint Township, MI



Portfolio Summary

	Summary Totals	Renaissance Plantation	Renaissance Tamarac
Address		6701 W Sunrise Blvd Plantation, FL	8399 N University Dr Tamarac, FL
Building Size (SF)	529,128	74,849	105,002
Year Built		1970/2013(R)	1982/2012(R)
Land Area (Acres)	78.62	5.89	9.21
Initial Lease Term		20	20
Lease Expiration		8/31/2031	8/31/2032
Yrs Remaining	9.8 to 18.3 Yrs	10.17 Yrs	11.18 Yrs
WALT - in Yrs	13.60		
Renewal Options	Between 2 and 4, 5 yr options	4, each for 5 years	4, each for 5 years
Purchase Options	3 of the 10	None	None
Termination Option	South Scioto, Northside Prep, and Lake Erie	None	None
In-Place NOI (7/21-6/22)	\$7,025,240	\$1,228,301	\$1,681,521
Rent Per Sq Ft	\$13.28	\$16.41	\$16.01

Championship Academy

St Cloud Preparatory Academy

3367 N University Dr
Davie, FL

3101 Progress Ln
St Cloud, FL

57,858

36,144

1999/2012(R)

2014

2.06

10.57

20

20

10/31/2038

9/30/2039

17.35 Yrs

18.26 Yrs

2, each for 5 years

4, each for 5 years

None

None

None

None

\$732,532

\$1,350,000

\$12.66

\$37.35

Portfolio Summary

	Northside Prep Academy	South Scioto	Cesar Chavez
Address	4750 Winton Rd Cincinnati, OH	2200 Winslow Dr Columbus, OH	2400 Mock Rd Columbus, OH
Building Size (SF)	47,436	28,308	30,600
Year Built	1900 & 1955	1961/2015(R)	1958/1992(R)
Land Area (Acres)	3.33	7.35	7.00
Initial Lease Term	15	20	20
Lease Expiration	6/30/2035	4/2/2035	4/2/2035
Yrs Remaining	14.01 Yrs	13.76 Yrs	13.76 Yrs
WALT - in Yrs			
Renewal Options	4, each for 5 years	3, each for 5 years	3, each for 5 years
Purchase Options	None	In 2024 and 2029	In 2024 and 2029
Termination Option	If tenant loses its charter school contract	If the state funding is reduced by > 50%	none
In-Place NOI (7/21-6/22)	\$300,000	\$146,840	\$92,095
Rent Per Sq Ft	\$6.32	\$5.19	\$3.01

Cleveland Arts & Social Sciences Academy

Lake Erie

Genesee STEM Academy

10701 Shaker Blvd
Cleveland, OH

46,194

1959/2010(R)

2.59

20

1/8/2035

13.53 Yrs

3, each for 5 years

None

None, but sub-lease may if contract terminated w/ St. Aloysius Orphanage

\$530,281

\$11.48

14405 St Clair Ave
Cleveland, OH

51,560

1921/2015(R)

1.86

20

12/20/2035

14.48 Yrs

3, each for 5 years

None

If tenant loses its charter school contract

\$305,677

\$5.93

5240 Calkins Rd
Flint, MI

51,177

1994/2017(R)

25.77

20

8/31/2036

15.18 Yrs

3, each for 5 years

in 2021, 2026, and 2031

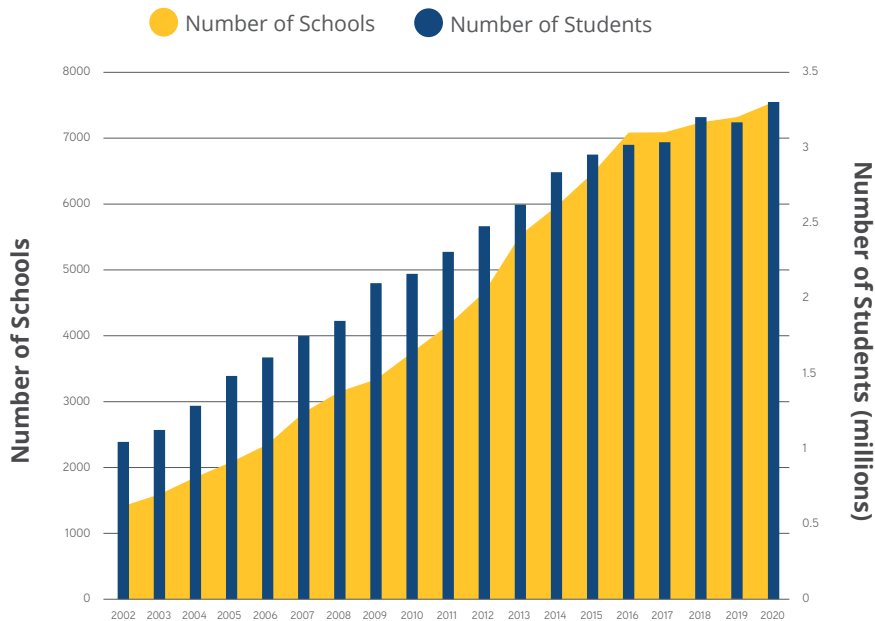
None

\$657,992

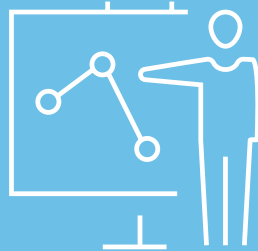
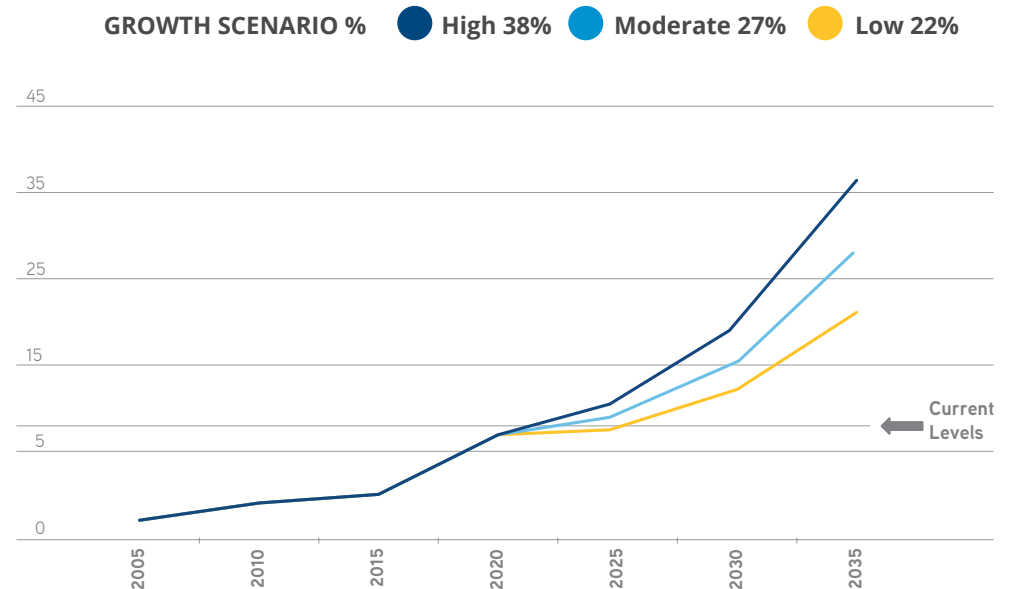
\$12.86

Charter School Trends

Approximately **3.3 million students** now attend public charter schools, which is **more than 6.04%** of the total number enrolled in public schools. More than **1 million student names** are on charter school waiting lists. **5 million additional students** would attend a charter school if one were available.

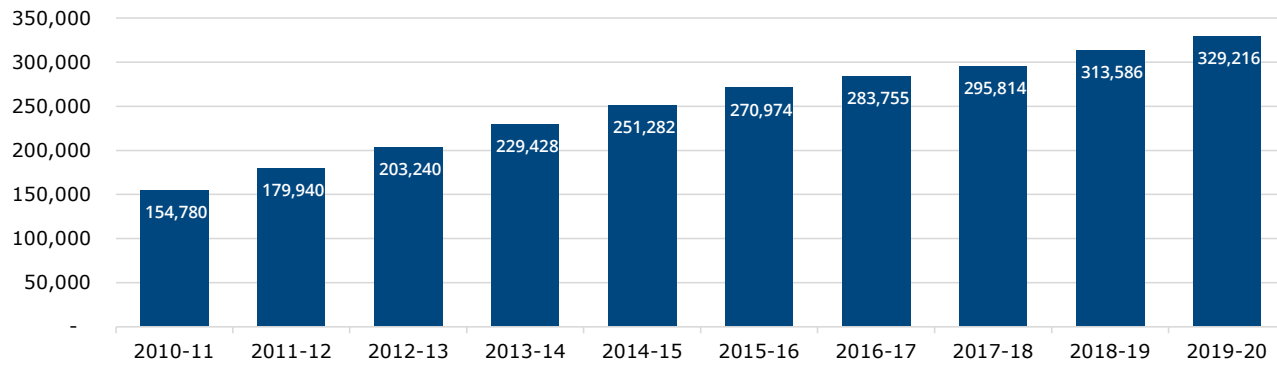


If current trends continue, charter schools will educate 20-40 percent of all U.S. public school students by 2035

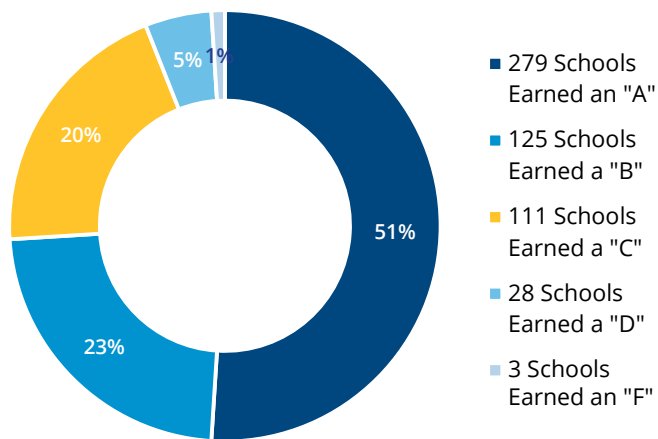


Florida Trends

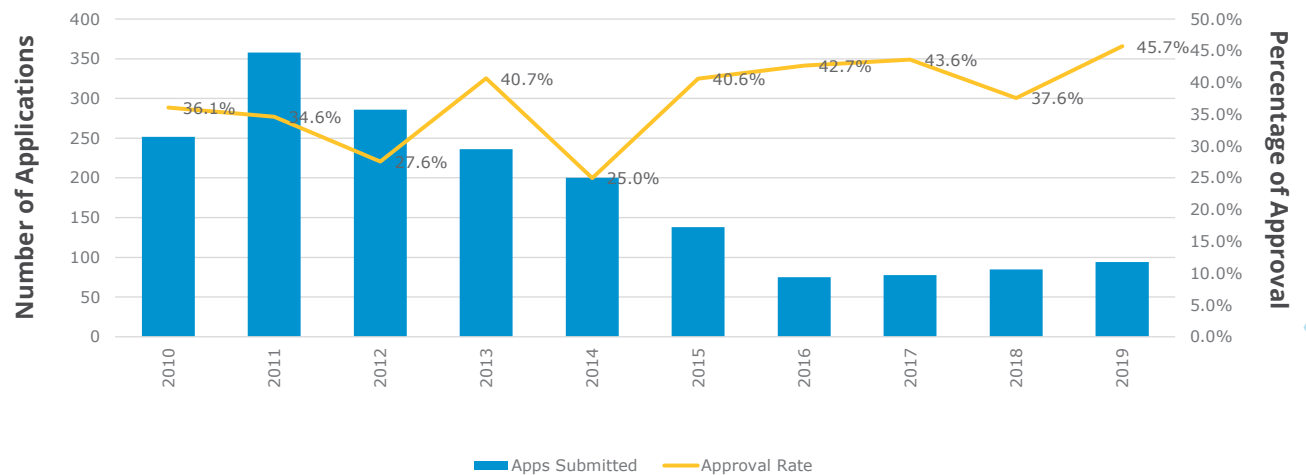
PK-12 Enrollment in Charter Schools | 2010-2011 to 2019-2020



2019 FL Charter School Grades

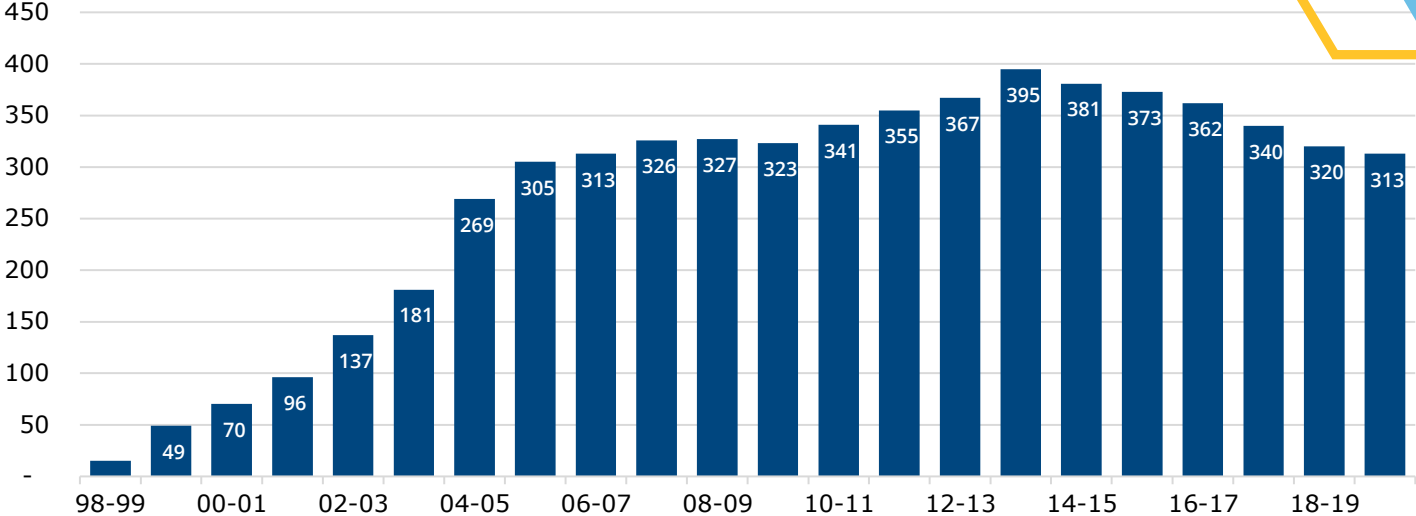


History of Charter School Application Approval Rate

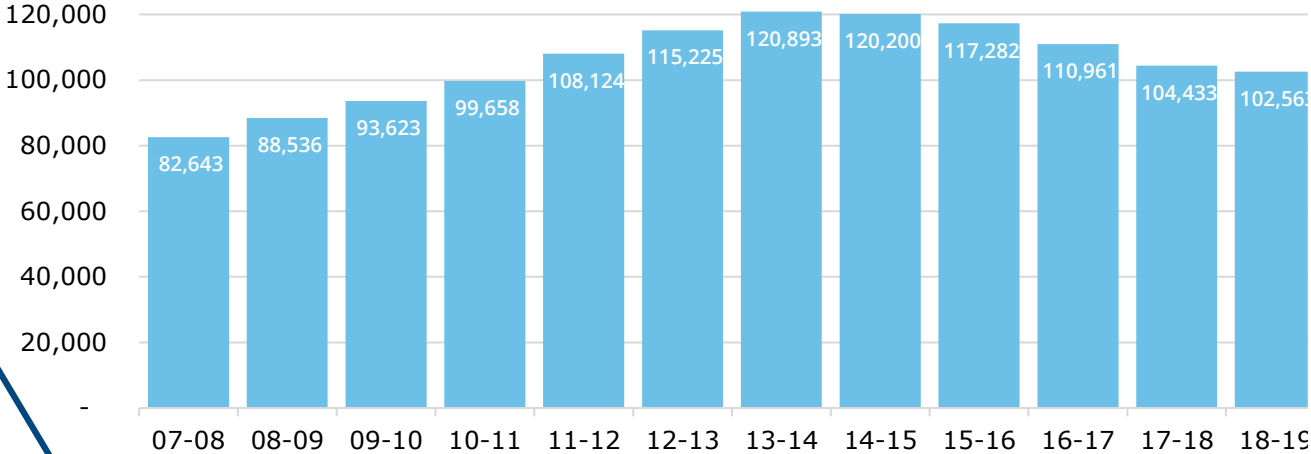


Ohio Trends

Number of Community Schools: Ohio | 1998-1999 to 2019-2020



Charter School Enrollment: Ohio | 2007-2008 to 2019-2020



“Governor DeWine said approximately \$2 billion from federal funding will be made available to school districts to ensure the plans and programs are attainable.”

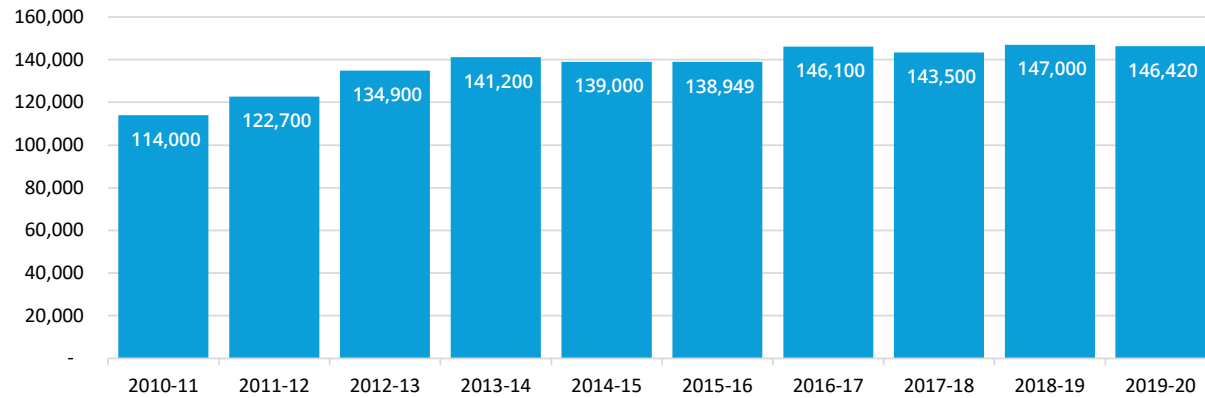
- Cleveland 19 News

Michigan Trends

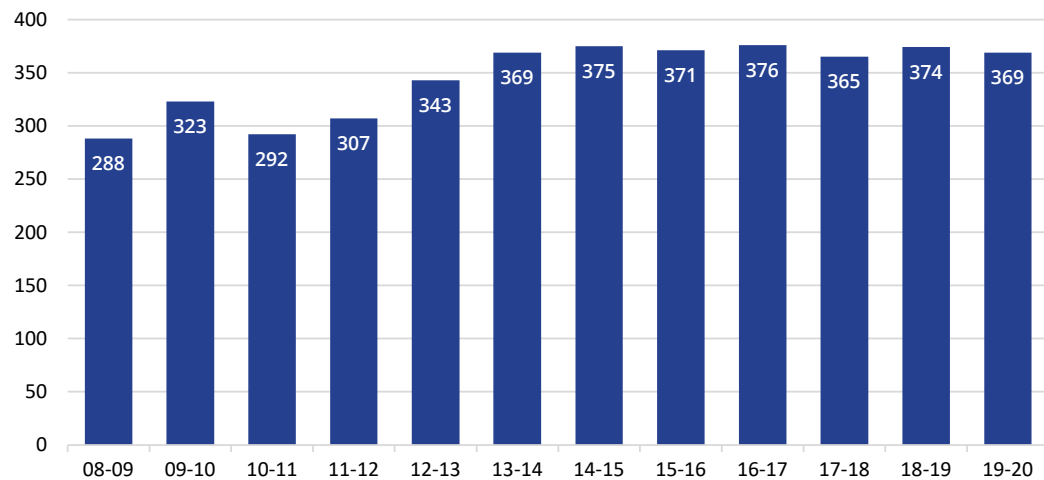
**“Our state’s children
deserve all of us working
together to help them
succeed and learn.”**

**- Robert Kimball, Chair of the Board
for the Michigan Council of Charter
School Authorizers.**

Enrollment in Charter Schools



Number of Community Schools





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