

Property Summary

Preschool / Day Care Center (Property Included)

Asking Price: \$1,375,000

Offered exclusively by:
Jim King, ACP, CBI
Office: (301) 774-5900
Mobile: (410) 303-6378
3300 Olney Sandy Spring Road
Olney, MD 20832



Since 1985, this center has served the preschool and childcare needs of thousands of families.

- Licensed by the Maryland State Department of Education
- Age appropriate curriculum taught by experienced, certified staff.
- Open visitation policy, parents (and pre-approved individuals) are always welcome to drop in at any time.
- Secure, spacious classrooms and play area.
- Competitive rates



9751 Hawkins Creamery Road
Gaithersburg, MD 20882

Property Summary

Existing/Operating Preschool / Day Care Center Montgomery County, Maryland

Property Attributes:

Current Use:	Preschool with Offices and Play area Property is zoned residential with exception.
Description of Real Estate	Property consists of a brick rambler consisting of 1,579 square feet of living space with a full basement and attic which is being used exclusively for the business. In addition there is a detached, (connected to the brick rambler by way of a breezeway), two car garage which was professionally adapted for use as a classroom and a third "frame on slab" structure consisting of approximately 5,000 square feet divided into three separate classrooms. Land Use Code - Residential Property Class - R Property Use - Residential Building Use - Preschool/Day Care Center SDAT Tax Account No. 161203196136 2012 Property Taxes - \$7,949 Appraised Value - \$1,000,000
Licensed Capacity	92
Current Utilization	130 Enrolled (This utilization is possible by virtue of the fact that attendance is staggered over the hours the center is open)
Two years revenue (2012 and 2013 respectively)	\$799,501 & \$846,912
Asking Price Turnkey Business Assets (FF&E, Licenses, Goodwill) Real Estate (Appraised Value)	\$1,000,000

Aerial View



Highland Manor Ct.

Hawkins Creamery Road

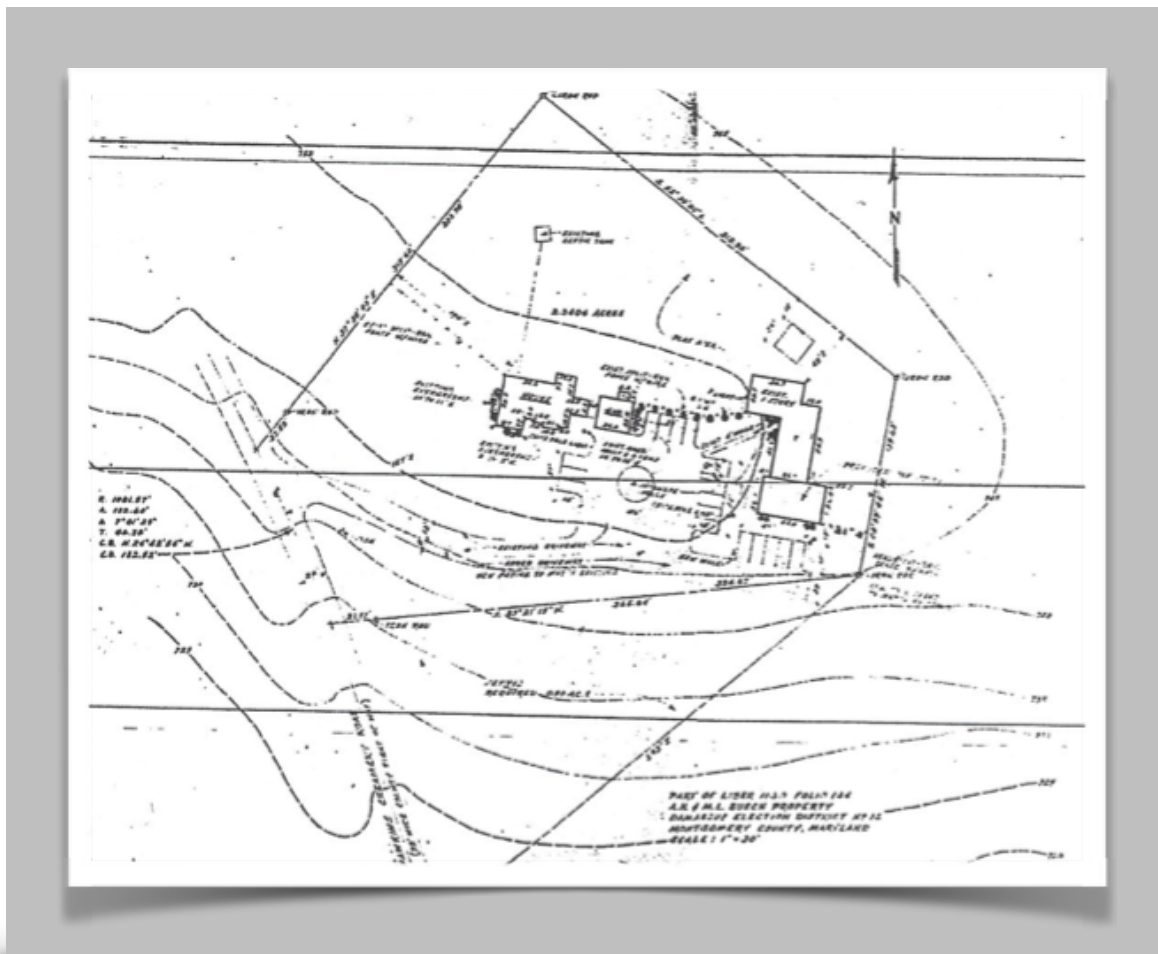
The larger aerial depiction above was obtained from BING Maps and appears untouched from its original appearance as acquired from their website on January 21, 2014. The smaller inset image which shows the subject property as it is situated in relation to Hawkins Creamery Road without surrounding properties is the authors rendering for the purposes of showing where the general property lines are situated. For an accurate depiction of the property lines an actual plat map is included in the succeeding pages.

Property Tax Record

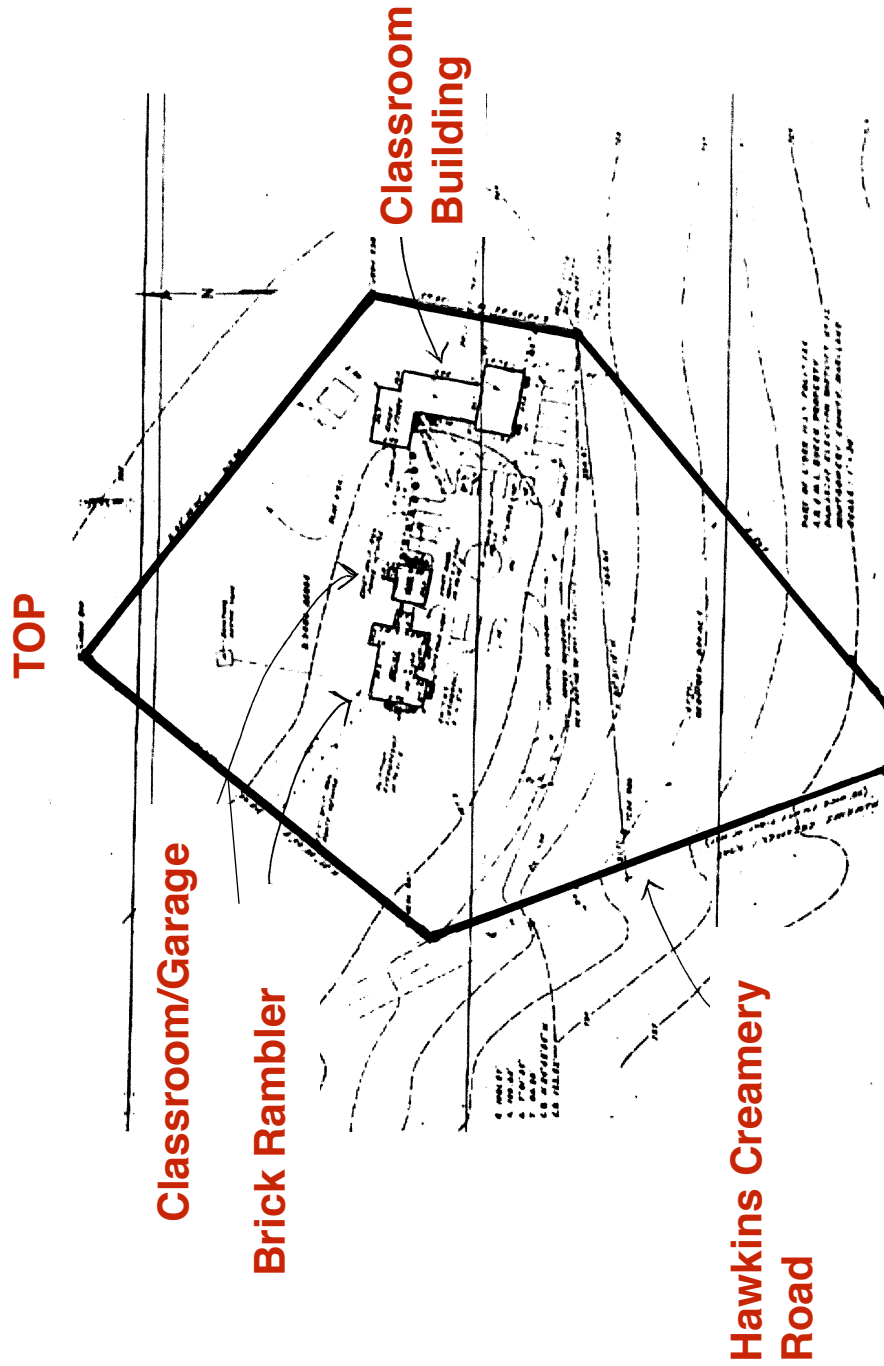
Search Result for MONTGOMERY COUNTY										New Search	
View Map			View GroundRent Redemption			View GroundRent Registration					
Account Identifier:		District - 12 Account Number - 03196136									
Owner Information											
Owner Name:		SCHWINGER PATRICIA A ET AL				Use:		RESIDENTIAL			
Mailing Address:		C/O PSJR PTNSHP 3060 RT 97 GLENWOOD MD 21738				Principal Residence:		NO			
						Deed Reference:		1) /14881/ 00059 2)			
Location & Structure Information											
Premises Address:		9751 HAWKINS CREAMERY RD GAITHERSBURG 20882-0000				Legal Description:		PROSPECT HILL RICHAR DSON RANGE			
Map:	Grid:	Parcel:	Sub District:	Subdivision:	Section:	Block:	Lot:	Assessment Year:	Plat No:		
FX41	0000	P295		0001				2013			
Special Tax Areas:						Town:		NONE			
						Ad Valorem:					
						Tax Class:		42			
Primary Structure Built		Above Grade Enclosed Area		Finished Basement Area		Property Land Area		County Use			
1955		4,920 SF				3.4800 AC		681			
Stories	Basement	Type	Exterior	Full/Half Bath	Garage	Last Major Renovation					
1.000000	YES	STANDARD UNIT	BRICK	3 full	1 Attached						
Value Information											
		Base Value		Value		Phase-in Assessments					
				As of		As of		As of			
				01/01/2013		07/01/2013		07/01/2014			
Land:		325,700		348,300							
Improvements		360,700		289,200							
Total:		686,400		637,500		637,500		637,500			
Preferential Land:		0						0			
Transfer Information											
Seller:		PATRICIA A SCHWINGER ETAL				Date:		05/19/1997		Price:	
Type:		NON-ARMS LENGTH OTHER				Deed1:		/14881/ 00059		Deed2:	
Seller:						Date:				Price:	
Type:						Deed1:				Deed2:	
Seller:						Date:				Price:	
Type:						Deed1:				Deed2:	
Exemption Information											
Partial Exempt Assessments:		Class		07/01/2013		07/01/2014					
County:		000		0.00							
State:		000		0.00							
Municipal:		000		0.00 0.00		0.00 0.00					
Tax Exempt:				Special Tax Recapture:							
Exempt Class:				NONE							
Homestead Application Information											
Homestead Application Status: No Application											

Report/Image obtained from Maryland Department of Assessment & Taxation Service website - Online Property Records

Plat



Due to the small scale of this image I have created a larger version with identifying labels on the succeeding page.



Appraisal Data

PURPOSE OF THE APPRAISAL
It is to estimate the current market value of the Subject Property.
DEFINITION OF MARKET VALUE
<p>The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.</p> <p>*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustments should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.</p>
CERTIFICATION
<p>I certify that, to the best of my knowledge and belief:</p> <ol style="list-style-type: none"> The statements of fact contained in this report are true and correct. The appraiser has not knowingly withheld any pertinent information. The reported analysis, opinions, and conclusions are limited only by the reported Assumptions and Limiting Conditions, and are my personal, unbiased professional analysis, opinions, and conclusions. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. My analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice. I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs the report, this certification must clearly specify which individuals did, and which individuals did not make a personal inspection of the appraised property). No one provided significant professional assistance to the person signing this report. (If there are exceptions, the name of each individual providing significant professional assistance must be stated). The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the perspective owners or occupants of the property appraised or of the properties in the vicinity of the property appraised. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analysis, opinions, and conclusions contained in this report). All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraiser whose signature appears on the appraisal report. No change of any item in the appraisal report shall be made by anyone other than the appraiser, and the appraiser shall have no responsibility for any such unauthorized change. This form has not been altered, except for the possible expansion of the analysis/comments areas. The appraiser has read and understands the instruction manual that accompanies this form. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
STATEMENT OF CONTINGENT AND LIMITING CONDITIONS
<p>This appraisal report is subject to the following Assumptions and Limiting Conditions.</p> <ol style="list-style-type: none"> The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The Appraiser has made no survey of the property. The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefor. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the Appraisal is connected), shall be used for any purposes by anyone but the client specified in the report, the borrower if appraisal fee paid by same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state of the District of Columbia, without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the Appraiser. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner. <p><input type="checkbox"/> See Attached</p> <p>Date: 09/17/2013</p> <p>Appraiser(s): <u>Wayne MacDONALD, SRA</u></p>

RECONCILIATION AND FINAL VALUE ESTIMATES

Cost Approach Indication	\$ _____
Income Approach Indication	\$ _____
Direct Sales Comparison Approach Indication	\$ 1,000,000

Reconciliation: SINCE THE MOST LIKELY PURCHASER IS AN OWNER-OCCUPIED, THE SALES COMPARISON APPROACH IS THE ONLY VALUE INDICATOR USED. THE INCOME APPROACH WHICH MORE CLOSELY FOLLOWS THE ACTIONS OF INVESTOR PURCHASERS, WAS NOT USED SINCE THE SUBJECT PROPERTY WOULD BE AN OWNER/USER. THE SUBJECT PROPERTY BEST USE IS FOR A DAY CARE/SCHOOL.

Conditions of Appraisal: THE SUBJECT VALUE IS BASED ON A DIRECT SALES COMPARISON APPROACH.

Effective Date of Valuation	8/6/2013
Value Estimate - Real Estate (As Repaired)	_____
Less Cost of Repairs or Additions	_____
Final Market Value "As Is" - Real Estate	1,000,000

Appraiser # 1 Signature <u><i>Wayne MacDonald</i></u> Name <u>WAYNE MacDonald, SRA</u>	Property Inspection Yes <input checked="" type="checkbox"/>	Date <u>09/17/2013</u>	Qualifications Attached Yes <input type="checkbox"/> No <input type="checkbox"/>
Appraiser # 2 Signature _____ Name _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>
Appraiser # 3 Signature _____ Name _____	Yes <input type="checkbox"/> No <input type="checkbox"/>	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>

Financial Data (Preliminary Adjusted Earnings Calculations)

PSJR_CCG_Damascus
Income Statement
For Calendar Years 2012 and 2013

	<u>2,013</u>	<u>2,012</u>
Income:		
Revenue	837,977	785,053
Registration Fees	8,010	13,283
Miscellaneous	925	1,165
Total Income	846,912	799,501
Expenses:		
Accounting Fees	4,852	3,720
Bank and Service Charges	2,945	392
Bus Insurance	0	1,088
Dues and Membership	0	410
Software	584	2,481
Continuing Education	1,560	2,465
FUTA	1,585	1,240
Field Trips	3,059 ¹	3,444 ¹
Workmen's Comp.	9,544	8,219
Classroom Supplies	51,887	43,713
Insurance	6,436	5,341
Interest	16,117 ²	19,472 ²
Miscellaneous	1,048	295
Repairs and Maintenance	23,413	21,485
Office Supplies	5,220	2,685
FICA	31,434	29,611
Publicity	1,580	3,015
Salary and Wages	472,685	445,274
Mileage	8,219	7,597
Staff Expense	1,232	1,189
SUTA	5,847	10,773
Principal on Mortgage	11,000 ³	12,796 ³
Bookkeeping	7,056	6,048
Telephone	3,245	3,988
Utilities	17,151	10,056
Property Taxes	8,936	8,046
Trash Pickup	2,317	1,776
Total Deductions	698,952	656,619
Net Income/(Loss)	<u>147,960</u>	<u>142,882</u>
Addbacks	30,176	35,712
Seller's Discretionary Earnings	<u>178,136</u>	<u>178,594</u>

Addback Explanation

- 1 Field Trips are not mandatory to operations
- 2 Interest is added back for this calculation as a prospective buyer will have their own occupancy costs to factor into purchase.
- 3 Mortgage is added back for the same reason as above regarding interest

Photographs



All three buildings from driveway



Brick Rambler with Garage Building



Front of Classroom Building



Front Entrance to Main Office



View from Far Right Corner of Property



View from Center Rear of Property



View of Play Yard in rear of Main Office



Office 1



Office 2 (view to Library)



Classroom 1 (Building 3)



Classroom 2 (Building 3)



Classroom 3 (Building 3)



For more information contact:

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