

WESTERN PA CHILD CARE
12 Dakota Drive Emlenton, PA 16373



Prepared by:

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NEWMARK

EXECUTIVE SUMMARY

Martin Perry and Kevin Spence, Newmark Knight Frank, have the privilege to present this lender-directed sale of a well-maintained, fully secure, 60,000 SF juvenile treatment center in Butler County, PA.

Built in 2005, Western PA Child Care is a single story, 99-bed facility located on fifteen (15) acres in Emlenton, PA. It experienced a long history of high occupancy and strong, consistent net income. The center was hit hard during the pandemic and closed due to COVID. The lender continues to retain on-site maintenance staff to keep the facility in good order.

This unique opportunity allows the Buyer to acquire fee simple interest of a turnkey facility, licensed by PA Department of Human Services, at well below replacement cost. There is also additional acreage at the site for expansion of the existing facility or adaptive reuse.



PROPERTY OVERVIEW

Property Address: 12 Dakota Drive
County, State: Butler County, PA
Municipality: Emlenton, PA
Parcel Number(s): Lot & Block: 020-1F45-3BA-0000
Total Acreage: 15.04 acres
GLA: 59,566 SF
Total Parking Spaces: 88 (surface parking)

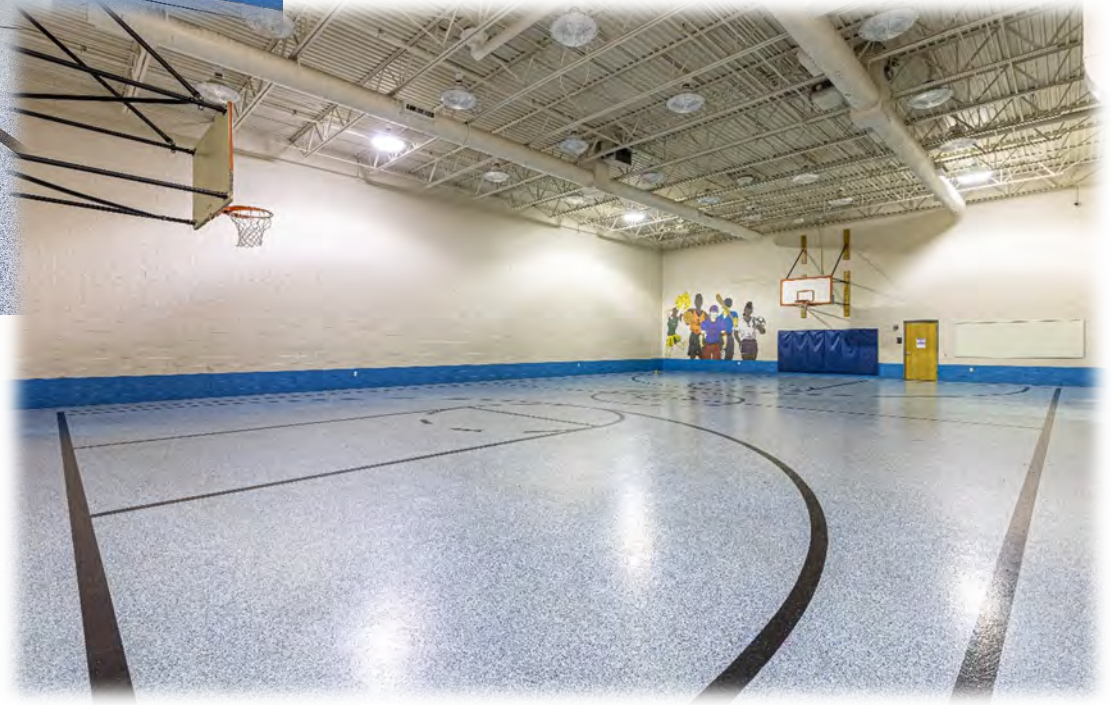
Property Type: 99-bed, Juvenile Treatment Center - Licensed by PA Department of Human Services
Number of Buildings/Stories: One/single-story
Year Built: 2005, expanded in 2008
Occupancy: Vacant
Property Condition: Excellent
Roof: Flat, rubber membrane



PROPERTY AERIAL



GYM



COMMERCIAL KITCHEN



COMMERCIAL KITCHEN



CLASSROOMS



SECURITY



SECURED RESIDENTIAL UNITS



SECURED RESIDENTIAL UNITS



VALUATION

WPACC Operating Statement					4-year Average
	2012	2013	2014	2015	
Income	11,886,129	11,260,259	11,358,999	11,064,294	11,392,420
Operating Expenses					
Personnel	5,989,372	6,111,531	6,139,089	6,037,413	6,069,351
Communications	116,218	61,753	60,239	81,507	79,929
Supplies	177,695	189,313	183,559	236,158	196,681
Travel & Transportation	85,583	92,613	97,027	84,823	90,012
Maintenance	57,896	67,890	64,506	73,063	65,838
Subcontractor:					
Food Service	646,902	516,580	487,782	518,370	542,408
Medical Provider	440,033	369,893	396,089	407,695	403,428
Psychologist	6,360	5,760	4,560	5,760	5,610
Cleaning					
Building Utilities	129,452	152,320	159,221	176,841	154,459
Dues and Subscriptions	7,040	7,597	7,753	7,518	7,477
Copier Invoice		29,675	29,082	29,760	22,129
Insurance:					
Liability	116,801	150,944	150,347	153,752	142,961
Workers' Comp.	381,246	399,782	375,147	310,653	366,707
Auto	20,355	39,010	26,269	26,711	28,086
Real Estate Taxes	51,876	56,676	61,406	60,966	57,731
Professional Fees:					
Legal *	98,521	130,750	130,750	162,996	130,754
Accounting	64,303	83,000	48,492	58,188	63,496
Professional Consulti	95,646	76,779	165,322	117,071	113,704
Bad Debt Expense	21,737	15,463	105,992	166,640	77,458
Other	8,711	5,573	10,166	4,172	7,156
Total Expense	8,515,747	8,562,903	8,702,796	8,720,058	8,625,376
Net Operating Income	3,370,383	2,697,356	2,656,202	2,344,236	2,767,044
Census (avg # of beds)	97	93	93	92	93
Occupancy (99 bed capaci	98%	94%	94%	93%	94%

* High legal fees for 2013 and 2014 were normalized to historical averages.

Stabilized Valuation	
NOI	2,767,044
Cap rate	10.0%
Value	27,670,441
Incl. RE tax add-back:	
NOI	2,767,044
Add back RE taxes	57,731
Revised NOI	2,824,775
Cap Rate	10.0%
Value	28,247,752

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