

Global Childcare Property Report

JANUARY
2021
UK EDITION



UK Childcare 2020 – Trading in a Pandemic



by **PAUL J MILLER**
Chief Executive Officer

This year will be remembered in history for the Covid-19 pandemic, a virus which spread rapidly with devastating consequences throughout the globe. Every country on every continent suffered catastrophic social and economic damage and a tragic loss of life.

Redwoods Dowling Kerr started 2020 in strong form with a significant number of completions taking place in the first quarter of the year before the lockdown took effect on the 23rd March. This sudden halt to our lives caused stock markets to tumble and consumer confidence to disappear. The world we live in would change dramatically and our day-to-day lives were impacted by restrictions many of which remain in force today.

To mitigate the impact to businesses, Rishi Sunak launched an unprecedented set of stimulus policies designed to protect businesses and support jobs. Initially available for a period of two months, these policies are still in existence at the time of writing which demonstrates the impact of the virus on businesses, jobs and livelihoods. An attempt to reawaken the economy was shelved as the second

wave hit and further stimulus will be needed as we progress through 2021. The measures announced by Mr Sunak would not have been possible without the intervention of the Bank of England, who during 2020 announced two tranches of quantitative easing and reduced interest rates to 0.1%. The total cost of the measures announced by the Government are expected to exceed £400bn and take the levels of borrowing to over 100% of GDP.

Businesses did not have a play book for the consequences of the Covid-19 outbreak and there were no manuals advising what to do. In addition, there was a distinct lack of communication from the Government, as their main priority was focusing on the NHS and stopping the spread of the virus. The vast majority of businesses were forced to retreat and create survival and protection plans to try and navigate a path through the crisis.

At Redwoods Dowling Kerr we took the decision early on that our best path through the crisis was to focus our activities on supporting our clients and increasing our efforts progressing deals and generating interest, wherever possible,



RDK MARKET SHARE*
76%



TOTAL VALUE OF OFFERS RECEIVED
Over £174m



SPLIT SALES
54% Leasehold
46% Freehold

through the lockdown period. Therefore, we invested in our staff and technology whilst we prioritised our clients and their transactions to ensure that they were best placed to agreed deals and to close their deals once the restrictions eased. One of our key actions was to resist the mass furlough option and maintain our client and buyers' services. We introduced virtual business appraisals for potential clients who wished to sell to ensure we were still able to take on new instructions; and we rolled out Microsoft Teams to our operational staff which enabled video conferencing to take place with clients, buyers, solicitors and accountants. The team at RDK felt the best way we could help our clients was to continue to pursue the sale they desired and to be available for support and advice should clients and buyers require it.

*Based on NMT published competitor sales

SOLD DURING THE PANDEMIC



On the 1st June when the restrictions were eased, we immediately returned a number of staff to our head office, introduced new and robust social distance working practices and invested heavily in staff protection measures. All our staff share a common goal, to assist and support our clients with their transactions and complete deals in the shortest possible time frame. It is well known that time kills deals and we made sure that the impact of the lockdown did not affect our transaction pipelines.

In addition to assisting our clients we also expanded our communication and service strategy with the launch of the Redwoods Dowling Kerr webinar series. We recognised early on that the childcare sector wanted support on a range of topics ranging from the Government schemes available, to reducing their overheads and to hearing what other providers were doing. Our webinars are free to access and enabled providers to receive information and ask questions directly to accountants, corporate lawyers, employment experts, funding brokers and corporate operators. In addition to the webinars we also launched an energy saving review service aimed at reducing operating costs. During the period May – December 2020 we have helped 20 companies reduce costs and delivered in excess of £100k per annum of energy savings to nursery owners who chose to have their existing energy policies

reviewed.

Additionally, Andrew and I both independently wrote to our local MP's to raise important issues which we felt were affecting the childcare sector and stifling the growth prospects for the UK, post-lockdown. We also wrote regarding the commercial funding market and requested that Mr Sunak reviewed the performance of the leading UK banks and their ability to provide competitive funding products suitable for growing businesses. We both received letters to confirm that our comments have been noted and that work is taking place with the British Business Bank to encourage a more open approach to commercial lending.

Remarkably given all of the challenges faced by our clients and ourselves in 2020, we delivered a total of 43 nursery deals which comprised of 60 settings. This is testimony to the efforts of our team who as always have been fantastic throughout this period. We are proud of what has been achieved with many highlights. One such highlight deal which completed in September 2020 was the sale of Childs-Play, a five-setting group based in Blackpool. Sold off an asking price of £5.5m, the sale of Childs-Play was launched prior to lockdown. The deal to acquire was negotiated during lockdown with the due diligence progressing throughout the period of

restrictions. Our team, the seller and the buyers worked diligently during unprecedented conditions to agree and conclude this deal, but this is just one of many which our team have successfully delivered during and after the initial lockdown restrictions.

In the main, the strong multiples which we delivered for our clients held firm during Q3 and Q4 with a number of new deals agreed during this period which are forecast to complete early next year.

As we look forward to 2021, we do so with a positive mindset. We hope the challenges of 2020 are behind us and with the roll out of the vaccination program we will see further easing of restrictions, increases in the levels of office-based workers and a general return to pre-Covid life. The Childcare sector is resilient and remains a market where there are opportunities.

We expect demand for childcare provision to increase and occupancy rates to return to levels seen at the start of 2020. Demand for new nursery acquisitions remains strong with an increasing mix of corporate, regional groups and new entrants registering their interest to acquire in 2021. Our expectations for 2021 are:

- **Q1 will be a strong quarter for completed transactions** – some delayed from early 2020 reawakened during Q4 2020
- **It will be a record year for childcare transactions**, increase in corporate acquisitions of small groups and high-value single setting nurseries
- Childcare provision is seen as Covid-resilient – this will encourage new entrants to acquire

Finally we would like to thank Josh O'Neil for contributing an article on the current trends in the market. Whilst this is not our experience we do think it is useful to give an appreciation of what is happening generally which puts into context the performance of the Redwoods Dowling Kerr team. **We would like to take this opportunity to wish all readers a safe and successful 2021.**

At Redwoods Dowling Kerr we took the decision early on that our best path through the crisis was to focus our activities on supporting our clients and increasing our efforts on progressing deals, wherever possible, through the lockdown period.

UK Childcare Importance of Buyer Intelligence



by **ANDREW K STEEN**
Sales and Marketing Director

WHAT IS BUYER INTELLIGENCE?

Buyer Intelligence is the process of researching, assessing, validating and determining the pool of buyers who are considered appropriate to the business opportunity which you are wishing to sell. If the goal is to sell a childcare business for the maximum possible price, then it is highly unlikely that approaching first-time buyers will deliver the required goal. Likewise, if a client is in distress and requires a quick sale, then it is unlikely that marketing the business to buyers who require bank funding will enable the short completion timescales to be achieved. Ultimately, buyer intelligence is about sourcing the right pool of buyers who are suitable for the goals of the sale which you are seeking to achieve.

At Redwoods Dowling Kerr we have a significant database of buyers who are seeking to acquire childcare businesses, the total number of these buyers is in excess of 10,000 and all them are registered directly with ourselves, have signed a non-disclosure agreement and in theory are ready to buy a childcare business – But are they? In short, the answer is no. Each buyer is an individual or an organisation with a specific goal.

Number of new
Childcare NDA's in 2020

1598

Number of Childcare
Buyer Meetings

1190

Some want opportunities on a national basis or to acquire childcare businesses local to their area. Others want to buy a flagship nursery to launch a buy-and-build strategy. There are a multitude of drivers and motivations for each type of buyer which needs to be understood.

WHY IS BUYER INTELLIGENCE IMPORTANT?

Maximising Deal Price

A robust buyer intelligence strategy will deliver a pool of buyers who are ready, willing and able to acquire your childcare business. Adopting a corporate sales process should create a bidding environment with often two or three rounds of sealed bids taking place. This increases your deal price.

Deal Structure

Often a client will want a certain type of deal structure which is aligned to their sale price requirements. They may also have additional sale objectives which are non-financial based in relation to the staff, children, reputation of the nursery etc. Following the corporate sales process which aims to deliver healthy competition, should

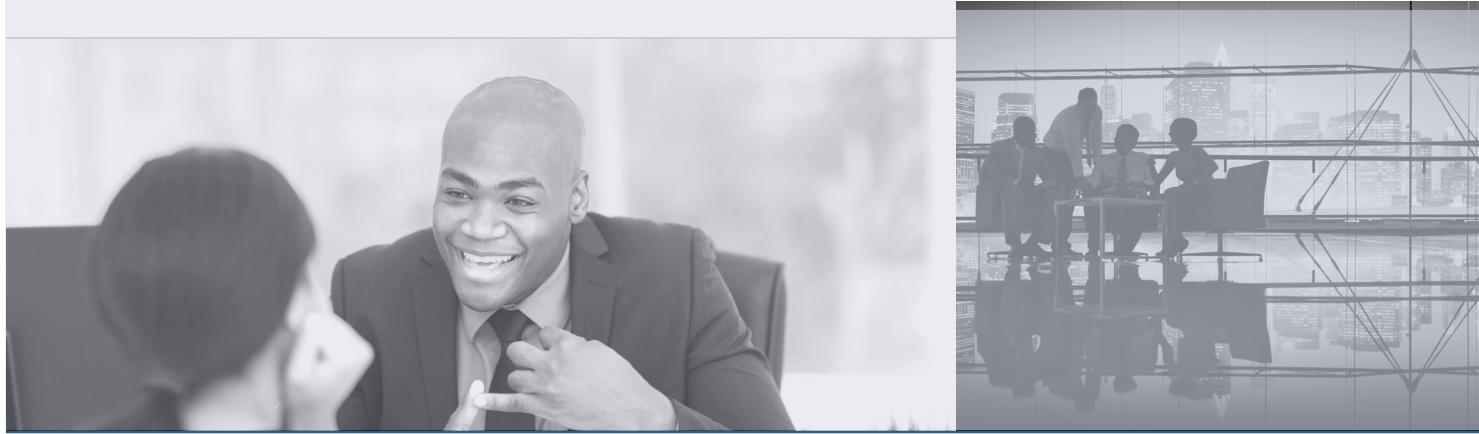
encourage favourable deal structures which suit the seller's goals.

Confidentiality

Using buyer Intelligence and ensuring that the target pool is known to the broker ensures that the non-disclosure agreements are adhered to and that confidentiality is protected. When brokering the sale of a childcare business it is imperative for all concerned that the process is managed in a discreet, professional and confidential manner.

Marketing Strategies

Intelligence on the buyers enables a broker to segment and target appropriate buyers and run multiple confidential marketing campaigns to different types of acquirers. This increases the success rates of the campaigns as the marketing message is specific to those buyer types. This in turn increases buyer interest which enlarges the prospective pool.



Transaction Costs

A targeted approach reduces wasted time in terms of viewings, vendor meetings and legal costs. Time kills deals and dead deals cause cost for all parties involved. Buyer Intelligence reduces the potential for dead deals as the competition amongst the buyers encourages deals to be concluded in a timely and speedy manner.

WHAT IS RDK INTELLIGENCE?

RDK Intelligence is the name given to our bespoke internal buyer processes which determine the target buyer pools we create for our corporate sales. Redwoods Dowling Kerr are specialists in the sale of childcare businesses and we take this specialism and we adopt a corporate finance approach to our Corporate Sales to determine buyer pools. This is RDK Intelligence, **an unrivalled knowledge of who the right buyers of childcare businesses are for all sizes, locations and vendor goals.**

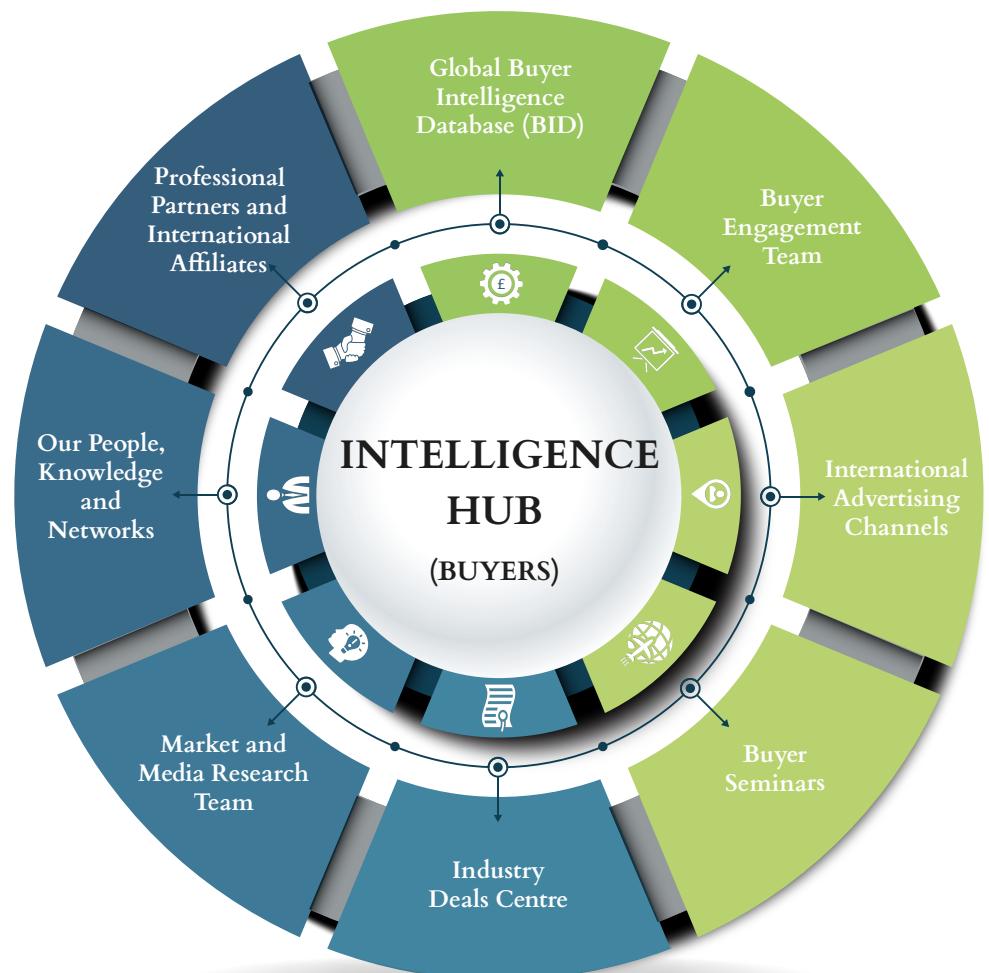
We use our wealth of experience to determine who the optimal buyers are, and we are unique in our approach.

We believe passionately in what we do, and we will look to adopt a strategy which works best for our clients. Our commitment is not to:

- Approach a favoured panel of “usual suspects”
- “List and Hope” – advertise the business for sale and hope to find the perfect buyer
- Received buyer enquiries, pass on the enquiry and leave for the seller to sort

At Redwoods Dowling Kerr we use our intelligence, we use RDK Intelligence:

- Internal Process designed to create relevant segmented buyer pools
- Differential marketing strategies aimed at maximising the success of type of buyer pool
- We offer our clients different research packages and options; our clients are integral to the process – we offer a tailored approach aimed at delivering their sale objectives
- Optimise Deal Price & Structure – create competitive bidding which drives the optimal deal



UK Childcare Barbarians at the Baby Gates

Private equity's influence in the childcare sector is growing – and the coronavirus crisis will catalyse this trend



VIEWPOINT

by JOSH O'NEIL
Editor, Educationinvestor
Global

When the government forced childcare centres to close as the pandemic reached an initial peak in March, private equity-backed nursery operators turned inwards to focus on preserving cash and limiting the financial fallout of Covid-19. Survival – not expansion – was the strategic imperative.

Some six weeks later, when local economies were unlocked and nurseries reopened, demand for childcare had depleted. Many white-collar parents working from home decided they could juggle career duties and childcare, saving hundreds of vital pounds a week in anticipation of a deep recession. Some parents lost jobs. Others' incomes were reduced.

As a result, childcare providers' cash flows were constrained. With less places occupied but overheads unchanged, many operators – particularly smaller ones in less affluent areas, and those with pre-pandemic financial woes – had begun running deficits.

Subsequently, in the second quarter, pockets of distress had formed.

Private equity-owned childcare providers were not immune to Covid-19; they, too, suffered blows to their balance sheets. But buyout groups by nature are well positioned to capitalise on distress and more able to weather bouts of economic turbulence.

Downward pressure on profits across the sector reduced price-to-earnings multiples at which nursery businesses were trading. To private equity houses, such a scenario presented a window of opportunity to buy up companies – perhaps at a discount – consolidating positions in the process.

Several did exactly this in the second half of the year, through transactions facilitated by sector-specialist brokers like Redwoods Dowling Kerr.

In September, Ann Education, a new player bankrolled by Chinese private capital, acquired A Step Ahead Nurseries, giving the entrant a UK toehold on which to build.

To private equity houses, such a scenario presented a window of opportunity to buy up companies at a discount, consolidating positions in the process.

In October, MiChild Group, which is backed by private equity, bought Childs-Play, a cluster of settings in Blackpool, lifting its number of sites to 18. That same month, Syonva Capital-backed Chatsworth Schools bought three sites in Oxfordshire.

Weeks later, in November, French nursery operator La Maison Bleue, which is financed by TowerBrook Capital Partners, bought Sunhill Daycare Nurseries Group, expanding its UK arm, The Old Station Nursery Group, to more than 30 settings.



La Maison Bleue is not the only French private equity-owned operator vying for market share in the UK. Grandir, which belongs to private equity giant Eurazeo, through its UK entity Kiddi Caru Day Nurseries has this year hoovered up several nursery businesses in pursuit of a buy-and-build strategy.

Meanwhile, Little Garden Day Nurseries, a London-based platform owned by August Equity, a mid-market buyout firm, is on the cusp of closing several deals and aims to acquire more than 100 settings over its five-year holding period. Apiary Capital, whose platform Bertram Nursery Group targets the north of England and Scotland, is also plotting further expansion. Business Growth Fund-backed Kids Planet is scaling quickly up north, too.

Then, there are the strategies of the bulge-bracket providers to consider. Babilou, headquartered in France but which operates more than 1,000 settings worldwide, is freshly capitalised following its €1.5 billion takeover in August by Antin Infrastructure Partners, a private equity firm. It may well have ambitions to tap the UK market in due course.

Even with a vaccine on the horizon, fundamental changes to demand for childcare provision are tricky to forecast accurately. Shifts in working patterns ushered in by the pandemic may be permanent. Unemployment will almost certainly rise further. Both of these factors could alter demand levels for some time – and operators in certain regions will feel the pinch more than others. Bright Horizons, the UK's second-largest nursery operator, has said that occupation will not recover to pre-pandemic levels until the tail end of next year.

Many mom-and-pop providers will be unable to survive this long. They will be pushed towards insolvency. Or, into the hands of larger, private equity-backed players, which, thanks to ultra-low interest rates, have continued access to cheap debt – an integral component in leveraged buyouts.

Private equity investors will always see opportunity amid economic uncertainty. It is what they are paid to do. Armed with a mandate to acquire and hundreds of millions of pounds in the bank, private equity houses can be expected to continue to absorb both cash-strapped and financially healthy childcare providers next year and beyond, expanding their footprints in the UK market.

Case Study Project Francesca

- Group of 5 Settings in Lancashire
- Project Sale Launched May 2020
- Offer Accepted May 2020
- Completion October 2020

Despite the unprecedented levels of disruption Covid-19 has brought to all sectors throughout 2020, the team at Redwoods Dowling Kerr continued our excellent working relationship with a renowned childcare operator taking the industry by storm.

In October 2020 Redwoods Dowling Kerr completed the sale of Childs-Play, a group of five renowned day nursery settings based in Blackpool, sold off an asking price of £5.5m with the sale being agreed during the lockdown period.

The settings have a combined capacity of 359 places and all are well-established with vibrant and colourful decors, creating a stimulating environment for the children. They offer various

play and educational resources such as activity rooms, outdoor play areas and a variety of learning environments.

The nursery's owners Sarah and David Sloane wished to discuss the sale of Childs-Play and due to having five setting across Blackpool and an excellent reputation, our clients wanted a highly confidential sales process, which we delivered.

Jenna Caldwell, Director of Childcare and Education for Redwoods Dowling Kerr, headed up the team responsible for the sale of Childs-Play to create a strong business sales strategy. The internal marketing team produced a high-quality Information Memorandum which was marketed and ensured strict confidentiality and minimal disruption. **The sale completed in less than five months and during the pandemic.**

The buyer was MiChild Group, a first-class business operator who have extensive plans to become the UK's leading childcare provider.

The Group has purchased 18 settings since its incorporation, all of them through Redwoods Dowling Kerr and is owned by Founder and CEO Joel Selvadurai, a computer scientist who is on a mission to implement digital transformation to non-technology nurseries with the aim of changing thousands of children's lives in the process.

Speaking exclusively to Redwoods Dowling Kerr, Mr Selvadurai said:

"I saw a significant opportunity to implement digital transformation in non-technology businesses and I saw the childcare industry as one such sector which could benefit from that change. What really interested me was that not only could you undergo a digital transformation, but the knock-on effect would generate high profits and improve the lives of thousands of children in the future."

"Many of our settings are in deprived areas, but that opportunity was extremely enticing and we went for it at a pace of knots and we've been tremendously successful in a short space of time. It has changed the industry and we have plans to become the biggest childcare provider in the UK by 2023."



MiChild Nursery Purchase Timeline



Mr Selvadurai places great emphasis on the quality of staff joining MiChild when acquiring settings, a significant factor in purchasing Childs-Play.

He said: "Childs-Play is an incredible centre of excellence; I am absolutely amazed at the speed they understood everything. They've embraced the technology we implement and use it to run the business more efficiently. I could not have hoped for a better addition to our team."

The excellent team at RDK brokered four deals with MiChild throughout 2020, including the sales of three large nursery groups totalling 14 settings across the North West. We have developed an excellent relationship with MiChild and Mr Selvadurai believes this will continue for the foreseeable future.

He said: "**Working with Redwoods Dowling Kerr is great and I know we are going to complete tons and tons of deals in 2021.**"

"You can't be a serious buyer if you are not signed up with Redwoods Dowling Kerr. They are a well-known broker and obviously it was a great step forward to sign up with them.

"We always keep RDK involved with our funding strategies and they are aware that we have the capabilities to purchase settings that they believe we are interested in – this speeds up the whole process and we are able to complete deals on time as a result.

"The team has exceptional brokers and it is amazing how they work under pressure and how level-headed they are between parties discussing large sums of money.

"We have worked with Sarah Ellison on several deals and she manages to balance everything well and manages to keep everyone calm and find a solution. We love working with her and she's a credit to the firm."

Having been extremely active in the market during the pandemic, Mr Selvadurai has advised any buyer looking to acquire to use loan schemes introduced by the Government as a result of Covid-19 and look at what the future holds for the nursery.

He said: "We funded Project Francesca through a Government loan scheme because it gives buyers relief from interest and capital repayments for a year. It is a sensible way to finance deals in an uncertain time.

"I would also highly recommend that you sign up with RDK because they are experts in what they do. If you put those together and use Redwoods Dowling Kerr, then you will do very well."

Case Study Milky Way Day Nursery

- Childcare Day Nursery
- Deal progressed during lockdown
- Located in the East Midlands
- Completion September 2020

MILKY WAY DAY NURSERY: THE VENDOR'S PERSPECTIVE

Redwoods Dowling Kerr completed the sale of Milky Way Day Nursery back in September 2020. The nursery is based in Leicester and has an excellent reputation amongst parents in its region and was sold to a family run operator after being on the market for six months. Milky Way Day Nursery was founded by Audra Taylor in 2004 with the goal of making a difference to children's lives in the area. Now enjoying her deserved retirement, we spoke to Audra to collect her thoughts on the sales process.

AUDRA'S JOURNEY WITH MILKY WAY DAY NURSERY

We founded the nursery 16 years ago and it was a domestic property beforehand, so it had a homely environment to it. I have managed previous nurseries before and having my own was something I wanted to do. Over the years we built up our reputation and our occupancy levels became full on a regular basis. The staff are dedicated in delivering excellent childcare and providing the best environment for them to learn. I've thoroughly enjoyed the positive relationships with the parents throughout my time and seeing the children grow as individuals has been amazing.

INSTRUCTING REDWOODS DOWLING KERR

Throughout my time in the industry and managing Milky Way I have always been aware of Redwoods Dowling Kerr. The reputation the company has in the childcare industry is good and I know it's a long-standing business, so I had no doubt about looking into using RDK when I knew I was going to sell Milky Way. It's safe to say I certainly made the right decision.

REASON FOR SALE AND PROCESS WITH RDK

My husband owned an engineering business and he retired a few years before me, so it made





"In my opinion I would sign up with Redwoods Dowling Kerr because they fully understand the sector and the level of service is first-class."

sense for me to sell Milky Way and enjoy our retirement together. I've never sold a business before so I didn't know how the process would work. It's a huge thing selling a business, it's like selling your life away so it was a great feeling that Redwoods Dowling Kerr proved their excellence. The process was fantastic, I worked with Kim Emsley and she was amazing. Whether it was early in the morning or late at night, Kim was always available and very reassuring through everything. The service was professional, reliable and RDK found an excellent buyer to carry on the success of Milky Way.

RECOMMENDING REDWOODS DOWLING KERR

The best thing about Redwoods Dowling Kerr was having my personal sales negotiator allocated to Milky Way. It was very reassuring that someone was dedicated in selling my nursery and Kim was so efficient. The company certainly had my best interests at heart and Kim was a joy to work with, I can't thank her enough. The level of service I received was outstanding and it clearly shows the company has an excellent ethos across the board. I highly recommend RDK to anyone looking to buy or sell.

ADVICE FOR BUSINESS OWNERS

I've never been through this process before so it was important that I signed up with a sector specific broker to help me. In my opinion I would sign up with Redwoods Dowling Kerr because they fully understand the sector and the level of service is first-class.

PLANS FOR THE FUTURE

Obviously the Covid-19 pandemic has altered everybody's plans, but once we go back to some sort of normality, I would like to work in childcare again as a Counsellor. I'd also like to go on several holidays with my husband. We both like Jamaica, so we would love to go back there.

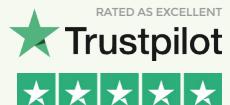
SOLD



- Located in the East Midlands
- Deal progressed during lockdown
- Completed September 2020

The Buyer commented;

"My experience with Redwood Dowling Kerr was very good, as it always is. All the staff are very efficient and I dealt a lot with Kim as she was the negotiator for the business, who was excellent and I highly recommend her. Any queries I had were handled very quickly and Kim helped me regularly which I accredited and it helped the deal move forwards. From the team overall, it was a brilliant process and I'm more than happy with the level of service I received throughout. On completion, it was a great relief to get it through after everything and now we are excited to be able to move forward. I was glad when I was able to liaise with the vendor too. We have settled in nicely with the staff, who are very approachable and working hard. I would happily recommend Redwoods Dowling Kerr and I would like to add that I have only ever bought through them. I currently have five settings in my portfolio, and all of them were purchased through RDK."



A Selection of Trustpilot reviews



"Right from the first contact with RDK it was evident that this was a company that was professional, knew their field inside out and actually cared about myself and my business. I would ONLY recommend RDK to sell a business especially in my field."

North Bushy & Abbots Langley



"The experience with RDK was very good, and they were very knowledgeable and had a thorough understanding of the sale process. We are both extremely excited and really looking forward to getting started with our business."

Beeches Day Nursery

"I had the most amazing experience with Redwoods. I only ever looked at starting from scratch but RDK made me realise so many positives to taking over and this nursery was the most perfect match for me. I am so thankful that I found your company."

Willowbrook Nursery

"Over the years I have attended network meetings of nursery owners and I am in touch with quite a few, I would have no hesitation in recommending RDK to them in selling their businesses in the future.
Thank you once again for all that you have done."

Smart Start Day Nursery



"We are currently in the process of acquiring a nursery. The team responds to queries very quickly and is knowledgeable, interested and always friendly and courteous.

Thank you"

Confidential Sale



There is nothing bad to say about this company. Despite the challenging time that we faced, I have managed to sell my company. Redwoods always provided the support. They always answered the phone, emails and provided updates. Thank you and well done."

Bizzy Bees

Excellent



Based on 221 reviews on  Trustpilot



"RDK has been supportive right from the onset when booking viewing appointments till date. They are always on the end of the phone when needed, giving guidance and updates all the way.
Thank you"

Colourbox Day Nursery



"I used RDK to sell our nursery. I felt they were a very professional company and I really appreciated having one person as our name contact. The level of service is very good and if I was unsure about anything at all I could always call and get advice. Thank you"

Kids Kapers Day Nursery

"I have used Redwoods to successfully sell 2 nurseries. The team has guided and supported us professionally through the process each time. Staff are very knowledgeable and work hard to ensure a sale goes through smoothly, communication is excellent. I would highly recommend the company."

Confidential Sale

"RDK have definitely been the correct choice for us. We felt it was a team effort with them being the expert. The solicitor they put us in touch with has also been wonderful and things progress very straightforwardly.
I can't speak highly enough about the team at RDK."

Confidential Sale



"We found RDK persistent and determined to ensure that everything possible was done to make the transaction happen. The team was a great help.
Thank you"

Tots & Teens



"Excellent service from RDK during the sale of my nursery. They kept regular contact, always returned messages and kept positive and upbeat when things got tough."

Pebbles Kindergarten

A Selection of Sold Corporate Sales Before & During The Pandemic 2020



SOLD

Portswold

GROUP OF THREE NURSERY SETTINGS SOLD BY REDWOODS DOWLING KERR

Lead Negotiator of the sale, Natasha Satterthwaite, commented;
“Both parties have always been a pleasure to deal with throughout the transaction.
“I have the confidence that Hopscotch will be able to bring the business back to its maximum potential.
“I’d like to wish them both the best of luck in the future.”



SOLD

Beal Vale

NORTH WEST GROUP OF 5, NETWORK NURSERIES LIMITED SOLD TO THE MICHILD GROUP

The vendors, Barbara Johnson and Brenda Wolstenholme commented on the sale;
“The RDK experience was a whirlwind of communication, data sharing, telephone calls, explanations in a very short space of time. Under pressure the RDK team did not let us down and retained control and essential guidance through the process. The level of service was excellent.”



SOLD

The Hillside Nursery

DOMALO CHILDCARE ACQUIRED BY GROWING NURSERY GROUP

Delighted with the sale of the business, The vendor commented;
“We have enjoyed building this small chain of nurseries over the last 26 years and are proud of the reputation we have acquired locally.
“We are pleased that Sarah at RDK has found a suitable buyer and has progressed the sale to a successful conclusion despite the global pandemic.”



PARK LANE KIDS LIMITED SOLD BY REDWOODS DOWLING KERR

Delighted with the sales completion the vendor commented;
“I found Redwoods to have the highest presence online and in industry magazines.
“The initial appraisal was very relaxed and complimentary, I knew I wanted to sell whilst the business was on a high, so decided now was the time.
“I would always recommend using Redwoods specifically Natasha.”

A Selection of Sold Corporate Sales Before & During The Pandemic 2020



SHROPSHIRE GROUP SALE FACILITATED BY REDWOODS DOWLING KERR

The Vendor, Jackie Hedges, commented;

"We have thoroughly enjoyed caring for all the children over the years and working alongside our dedicated and caring team. Busy Bees share our mission to ensure every child's happiness, wellbeing and progress is prioritised. I am in no doubt that Squiggles is in safe hands and we wish them all the very best for the future."



ANNIE'S NEST ACQUIRED BY FAMILY RUN OPERATOR

The vendor commented on sale commented;

"I am very grateful for you and Redwoods Dowling Kerr team's help. Wish you much happiness and success in future. The sale allows us to look at all new life plans."



FORMER NURSERY SOLD TO PHOENIX LEARNING AND CARE GROUP

Roger and Lesley Bates commented;

"The experience with RDK has been fine; we know the sale took time to complete but that was down to the current pandemic, and they always kept us informed with any updates, which was great.

"We were looking for a buyer who was genuine and we felt Redwoods Dowling Kerr took care of this and we are very pleased with the buyer."



EDGBASTON NURSERY SCHOOL IS ACQUIRED BY STORAL LEARNING LIMITED

Varun Chanrai, Managing Director at Storal Learning Limited commented;

"Thank you to Sarah Ellison and the whole Redwoods Dowling Kerr team again for introducing us to another great nursery. They were instrumental and very helpful throughout the deal process."

A Selection of Sold Corporate Sales Before & During The Pandemic 2020



BOLTON DAY NURSERY SOLD BY REDWOODS DOWLING KERR

Vendor commented:

“Redwoods Dowling Kerr is very professional company. It was good working with Sarah, our personal contact, who obviously knows a lot about buying and selling nurseries.

“The level of service has been very good, and I felt that if I was unsure about anything I could ring and be talked through the next steps and I would most definitely recommend RDK to anyone.”



NELLY'S DAY NURSERY SOLD TO FAMILY-RUN OPERATORS

Senior Sales Negotiator, Sarah Ellison, said:

“It has been a pleasure working with Karen again after selling her first nursery in 2014. This is Karen’s final setting so now she can look forward to a well-deserved retirement after over 15 years in childcare.

“The nursery was sold to an expanding family-run operator, who have bought several nurseries through Redwoods Dowling Kerr.”



BRIGHT SKIES DAY NURSERY LIMITED SOLD BY REDWOODS DOWLING KERR

The Buyer said:

“The experience with Redwoods Dowling Kerr has been great, Sarah has been very good throughout the process and extremely supportive.

“She was always happy to help me, and I am relieved that the deal has been completed. Thank you to everyone at RDK and I would 100% recommend to anyone looking to purchase a business through them.”



SERENDIPITY DAY NURSERY LTD ACQUIRED BY INDUSTRY OPERATOR

The buyer commented

“I would just like to say thank you to Sarah Ellison who looked after me extremely well during my purchase. She was able to answer any questions straightaway in addition to being incredibly informative throughout. The level of service that I received was absolutely superb and I would highly recommend Redwoods Dowling Kerr and Sarah. I will come back to Sarah and Redwoods when I look to purchase another nursery.”

A Selection of Our current opportunities for sale



PROJECT SAINT

South West, England

Bids Invited
Freehold
Ref: 47773

Fee income of £900k with an adjusted EBITDA of £263k for the year ending December 2019.

A day nursery with current capacity for 150 children with the opportunity to increase to in excess of 220 available.

Based over three large buildings.

Rated 'Good' by Ofsted.



PROJECT IVORY

North West, England

Offers Invited
A Group
Ref: 47685

Combined income of £991k with an EBITDA of £218k for the year ending August 2019.

A group of four childcare settings, comprising of three freehold and one leasehold

Combined capacity for 307 children from birth to 8 years of age

All settings rated 'Good' by Ofsted.



PROJECT FIJI

Scotland

Offers Invited
Freehold
Ref: 47957

Fee income of £635k with an adjusted EBITDA of £189k for the year ending 31st March 2020.

Well-appointed day nursery, with capacity for 96 children from birth to 5 years of age.

Highly qualified team of management & nursery practitioners in place.

Rated 'Very Good' by Care Inspectorate.



PROJECT CAPRI

Wales

Offers Invited
Freehold
Ref: 47863

Fee income of £1.1m with an adjusted EBITDA of £197k for the year ending 31st July 2019.

Award winning nursery, capacity for 120 children with attendance circa 90.

Expansive facilities including a large renovated property, modular buildings, outdoor facilities, 2 minibuses and 2.5 acres of land.

CIW Report: Available on request

A Selection of Our current opportunities for sale

FOR SALE

Project Asha

PROJECT ASHA North West, England

Bids Invited
Freehold
Ref: 47220

Fee income of £871k with an adjusted EBITDA of £230k for the year ending September 2019.

A delightful family run children's day nursery, with capacity for 113 children from birth to 10 years of age.

The nursery includes substantial property and is unique in the amount of land it offers within the sale.

Rated 'Outstanding' by Ofsted.

FOR SALE

PROJECT BUTTERFLY Information Memorandum

PROJECT BUTTERFLY East, England

Bids Invited
Leasehold
Ref: 45940

Fee income of £788k with an adjusted EBITDA of £359k for the year ending March 2019.

A group of three day nurseries, with a combined capacity for 114 children aged from birth to 5 years of age/birth to 8 years of age.

Potential for further growth and development.

Rated 'Good' by Ofsted.

FOR SALE

Project Hades

PROJECT HADES South West, Wales

Offers Invited
Leasehold
Ref: 46444

Fee income of £988k with an adjusted EBITDA of £266k for the year ending January 2020.

Highly desirable day nursery, with capacity for 100 plus children aged from birth to 12 years of age.

Desirable location with an enviable reputation. Minimal local competition and scope to expand.

Rated 'Excellent' by Care Inspectorate Wale.

FOR SALE

Project Sunburst

PROJECT SUNBURST Scotland

Offers Invited
Freehold & Leasehold
Ref: 39517

Fee income of £650k with an adjusted EBITDA of £211k for the year ending September 2019.

Well-established nursery with capacity for 87 children.

Large detached property and outdoor area. Qualified management team in place.

Rated 'Very Good' by Care Inspectorate.

A Selection of Our current opportunities for sale

FOR SALE

Project Mali

PROJECT MALI
East Midlands, England

Bids Invited

Leasehold

Ref: 48033

Fee income of £800k with an impressive EBITDA of £270k plus, for the year ending August 2019.

Exceptional children's day nursery with a popular out of school/holiday club.

Capacity for 178 children providing professional, quality childcare from birth through to 5 years of age.

Rated 'Good' by Ofsted.

FOR SALE

Project Vesta

PROJECT VESTA
West Midlands, England

Offers Invited

Freehold

Ref: 47317

Fee income of £489k with an impressive EBITDA in excess of £199k for the year ending August 2019.

A charming children's day nursery with capacity for 68 children from birth through to 5 years of age.

Compliment of long standing, qualified staff members in place.

Excellent reputation.

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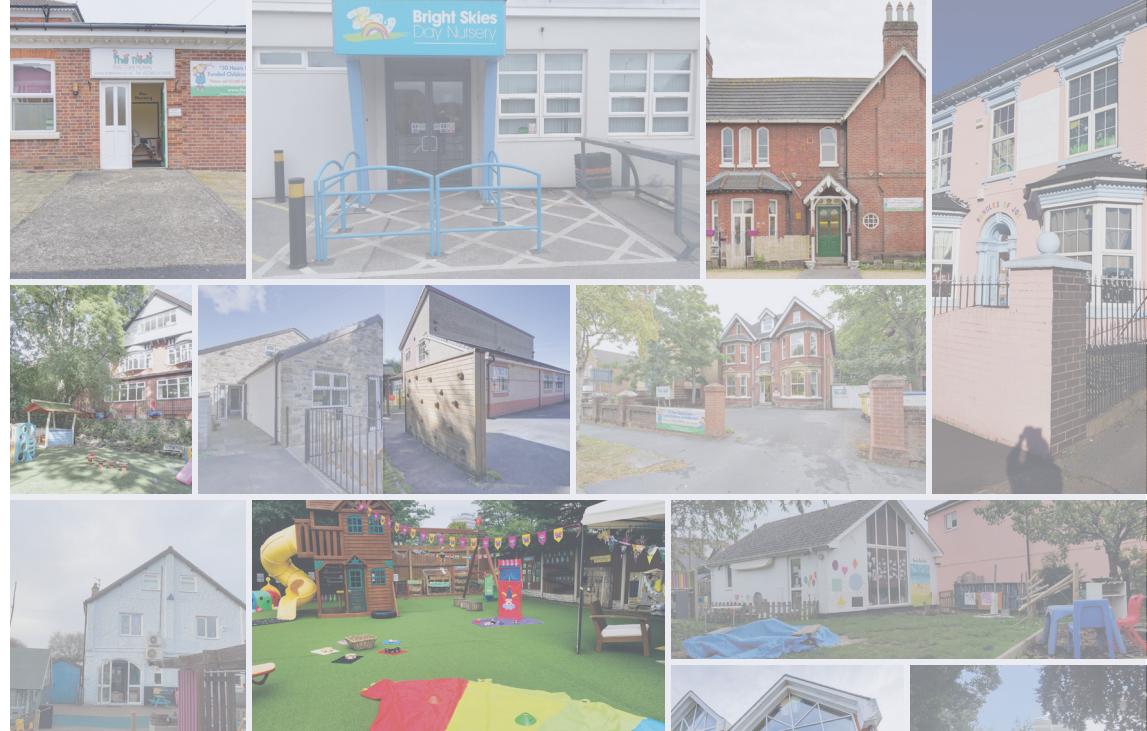
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