

International Car Wash Group – Sale-Leaseback

dba. Car Wash USA

3405 Austin Peay Hwy, Memphis, TN 38128

- ❖ 20-Year Sale-Leaseback
- ❖ Corporate Guarantee
- ❖ #1 Car Wash Operator Globally

- ❖ Absolute Triple-Net (NNN) Lease
- ❖ More Than 900 Locations
- ❖ Accelerated Depreciation



Representative Photo

OFFERING MEMORANDUM

EXCLUSIVE NET-LEASE OFFERING

Marcus & Millichap

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- Population
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3405 Austin Peay Hwy, Memphis, TN 38128

PRICE: \$1,639,008 | 6.25% CAP | RENT: \$102,438**PROPERTY DESCRIPTION**

Property	Car Wash USA
Property Address	3405 Austin Peay Hwy
City, State ZIP	Memphis, TN 38128
Building Size (SF)	3,777
Lot Size (Acres)	+/- 0.79

THE OFFERING

Net Operating Income (NOI)	\$102,438
CAP Rate	6.25%
Purchase Price	\$1,639,008

LEASE SUMMARY

Property Name	Car Wash USA
Property Type	Net-Leased Car Wash
Ownership	Fee Simple
Guarantor	International Car Wash Group Ltd. (UK)
Rent Commencement	Close of Escrow
Lease Expiration	20 Years from Close of Escrow
Lease Term Remaining	20 Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant
Rental Increases	1.5% Annually Starting Year 2
Options to Renew	Four, Five-Year Tenant Renewal Options
Rental Increases in Options	1.5% Annually

HIGHLIGHTS

- **20-Year Triple-Net (NNN) Sale-Leaseback:** At Closing the Tenant Will Execute a Brand New 20-Year Absolute Triple-Net Lease. The Lease Will Have No Landlord Responsibilities and Four, Five-Year Tenant Renewal Options.
- **Corporate Guarantee:** The Lease is Subject to a Corporate Guarantee by International Car Wash Group Ltd. (UK) "ICWG" and the More Than 900 Locations Across Europe, Australia and the U.S.
- **The World's Largest Car Wash Company:** ICWG was Founded In 1965 and is Now the World's Largest Car Wash Operator, Washing More Than 35 Million Cars Every Year.
- **Favorable Industry Trends:** In the U.S., the Percentage of Drivers that Wash their Vehicle at a Professional Car Wash has Increased from 47% in 1994 to 72% in 2014.
- **Accelerated Depreciation:** This Property Qualifies for 15 Year Accelerated Depreciation



INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for 3405 Austin Peay Hwy in Memphis, TN. The tenant will enter into a brand new, 20-year triple-net (NNN) lease upon close of escrow with absolutely no landlord responsibilities. The base annual rent will be \$102,438 and will have 1.50% annual rental escalations through the base term as well as during the four, five-year tenant renewal options. The lease will have a corporate guarantee. International Car Wash Group operates more than 900 locations throughout the United States and Internationally. The property is 3,777 rentable square feet and is situated on 0.79 acres.

GUARANTOR OVERVIEW

ICWG is the world's largest car wash company currently operating in 14 countries around the globe, washing more than 35 million cars every year through a network of more than 900 locations. In August 2015, ICWG entered the U.S. market and now operates 135 locations, making it the country's second largest operator. ICWG is led by an experienced team of car wash and investment professionals committed to delivering value, both for their customers and investors. The team is focused on developing and growing ICWG through a combination of market expansion, continuous innovation and investment. The sites are committed to delivering unparalleled service with consistent wash quality to each customer.



ANNUALIZED OPERATING DATA

Initial Annual Rent \$102,438

Base Term Rental Escalations 1.5% Annually Starting Year 2

RENT SCHEDULE		
Lease Year	Annual Rent	Monthly Rent
Year 1	\$102,438	\$8,537
Year 2	\$103,975	\$8,665
Year 3	\$105,534	\$8,795
Year 4	\$107,117	\$8,926
Year 5	\$108,724	\$9,060
Year 6	\$110,355	\$9,196
Year 7	\$112,010	\$9,334
Year 8	\$113,690	\$9,474
Year 9	\$115,396	\$9,616
Year 10	\$117,127	\$9,761
Year 11	\$118,883	\$9,907
Year 12	\$120,667	\$10,056
Year 13	\$122,477	\$10,206
Year 14	\$124,314	\$10,359
Year 15	\$126,179	\$10,515
Year 16	\$128,071	\$10,673
Year 17	\$129,992	\$10,833
Year 18	\$131,942	\$10,995
Year 19	\$133,921	\$11,160
Year 20	\$135,930	\$11,328

CAP Rate 6.25%

Purchase Price \$1,639,008

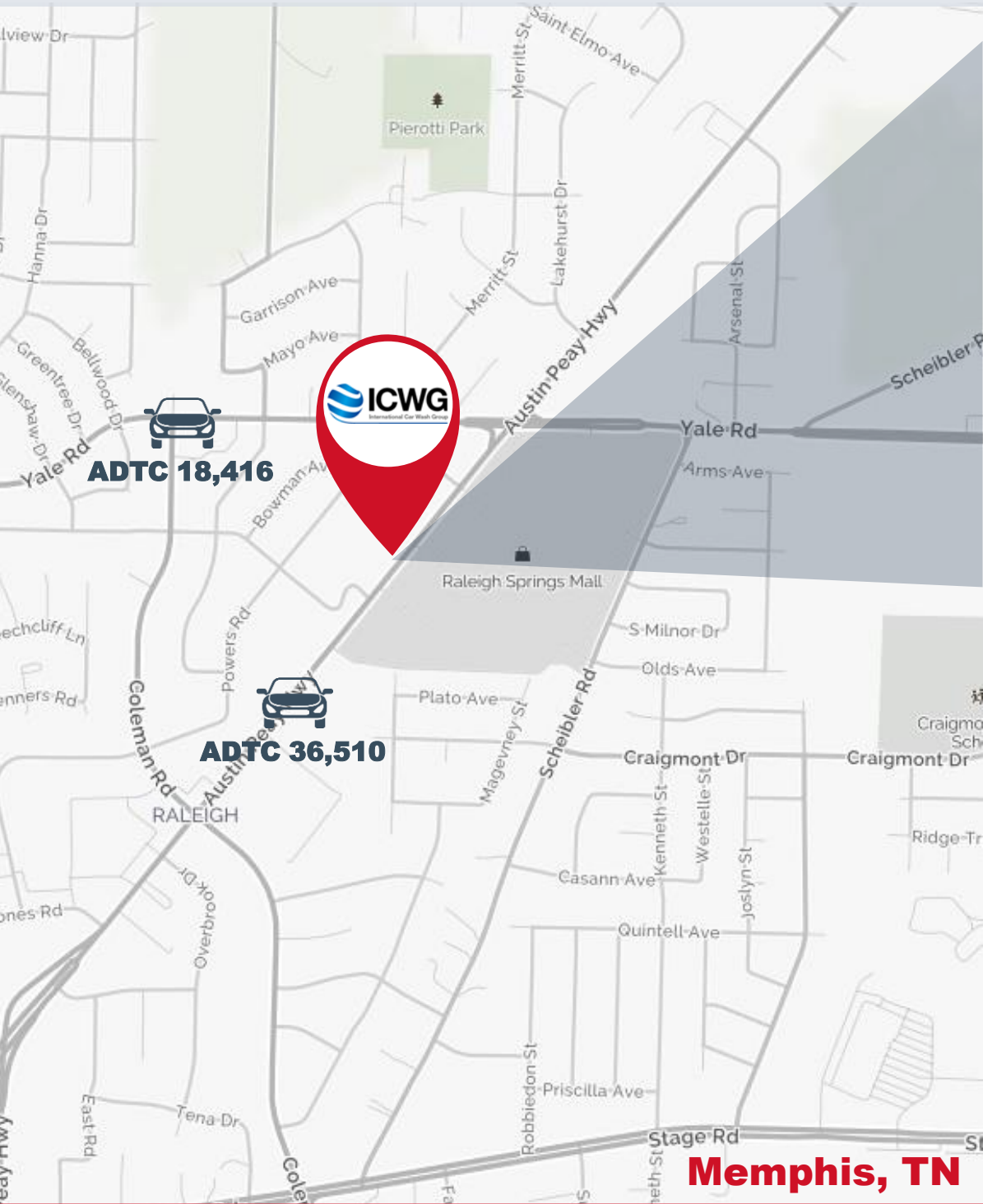
About International Car Wash Group

ICWG is the world's largest car wash company currently operating in 14 countries around the globe, washing more than 35 million cars every year through a network of more than 900 locations. In August 2015, ICWG entered the U.S. market and now operates 135 locations, making it the country's second largest operator. ICWG is led by an experienced team of car wash and investment professionals committed to delivering value, both for their customers and investors. The team is focused on developing and growing ICWG through a combination of market expansion, continuous innovation and investment. The sites are committed to delivering unparalleled service with consistent wash quality to each customer.

The Company has grown significantly in recent years through acquisitions, opening new sites in existing markets, investing in an extensive refurbishment program and expanding its international presence.



LOCATION HIGHLIGHTS



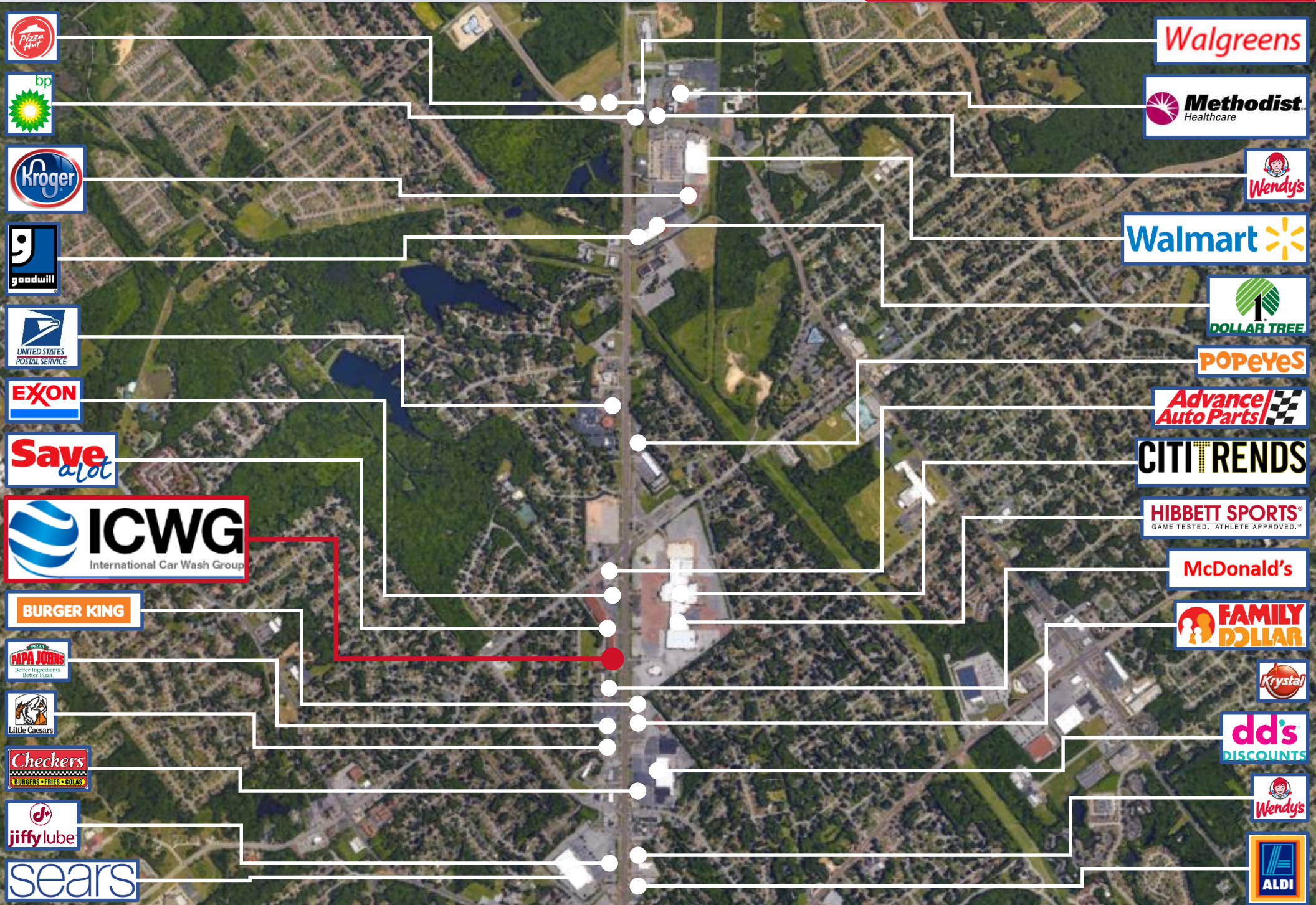
HIGHLIGHTS

- Located in a Dense Retail Corridor | Surrounding Retailers Include: Walmart, Dollar Tree, Sears, Burger King, McDonalds, Wendy’s, Save-A-Lot, Advance Auto Parts and Many More
- Strong Traffic Count | Austin Peay Highway Has Average Daily Traffic Counts of 36,510 Vehicles
- Methodist North Hospital | Located One Mile From the Subject Property | 246-Bed Facility
- Strong Demographics | Over 169,000 Individuals Residing Within a Five-Mile Radius
- Memphis International Airport | Located 20 Miles From the Subject Property | Busiest Cargo Airport in the United States

MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
American Pathology	5,005
Interstate Blood Bank Inc	1,250
Gca Services Group Inc	1,185
Verizon Bus Netwrk Svcs Inc	1,100
U-Haul	825
Methodist Le Bnheur Healthcare	803
ISS Facility Services Inc	600
Kroger	522
PMC Biogenix Inc	503
Sears Roebuck and Co	503
Walmart	402
Regulatory Affairs	400

* # of Employees based on 5 mile radius



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LOCATION OVERVIEW

This International Car Wash property is located at 3405 Austin Peay Highway in Memphis, Tennessee. Tennessee is a city in the southwestern corner of the U.S. state of Tennessee and the county seat of Shelby County. The city is located on the fourth Chickasaw Bluff, south of the confluence of the Wolf and Mississippi rivers. It is the second largest city in the State of Tennessee.

Surrounding Retail and Points of Interest

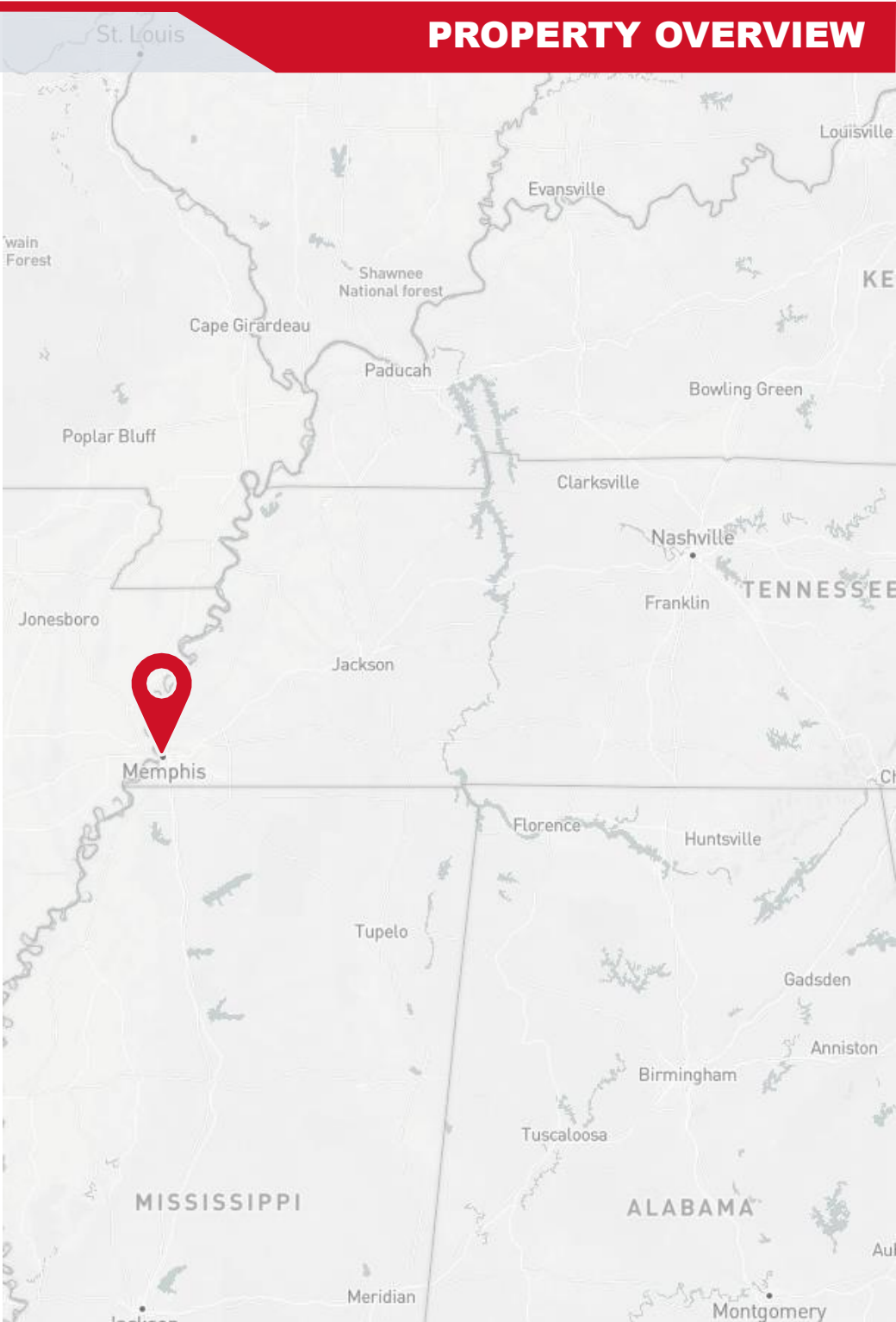
The subject property is well-positioned in a dense retail corridor benefitting from its close proximity to major national and local retailers. Major national tenants in the surrounding area include: Walmart, Dollar Tree, Family Dollar, Walgreens, Sears, Kroger, Exxon, McDonald's and many more. Methodist North Hospital, a 246-bed facility is located one mile from the subject property. There are five schools located within four miles from the subject property and has a combined total enrollment of over 4,000 students. Memphis International Airport is located 20 miles from this subject car wash property. Memphis International Airport is home to the FedEx Express global hub, which processes many of the company's packages. Nonstop FedEx destinations from Memphis include cities across the continental United States, Canada, Europe, the Middle East, Asia, and South America. From 1993 to 2009, Memphis had the largest cargo operations of any airport worldwide. however, it remains as the busiest cargo airport in the United States and in the Western Hemisphere.

Traffic Counts and Demographics

Memphis has a robust population with approximately 66,833 individuals residing within a three-mile radius of the subject property and approximately 169,112 individuals residing within a five-mile radius. The subject property is located on Austin Peay Highway which experiences average daily traffic counts of 36,510 vehicles. In addition, Yale Road brings in an additional 18,416 vehicles to the immediate area.

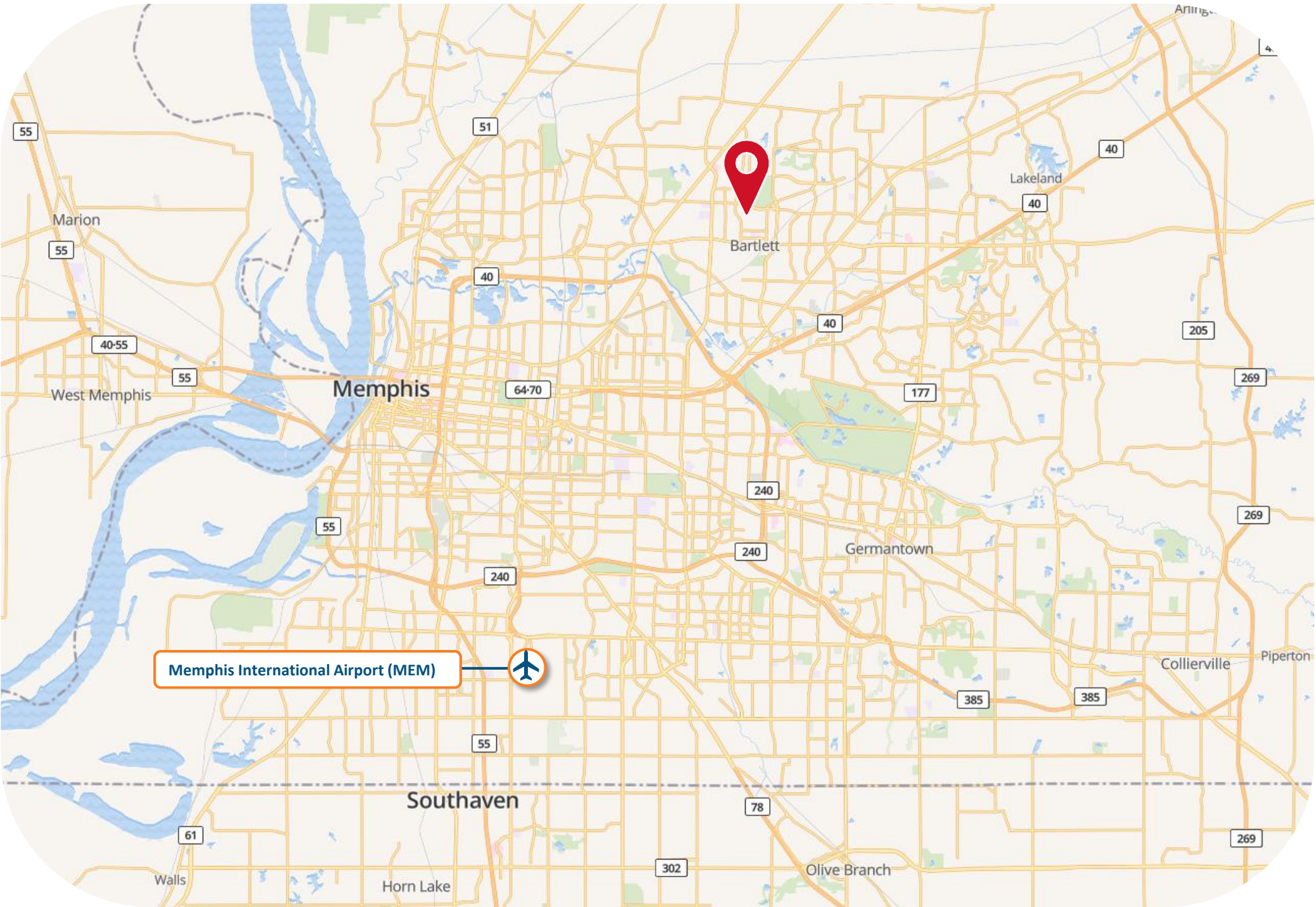
Memphis, Tennessee

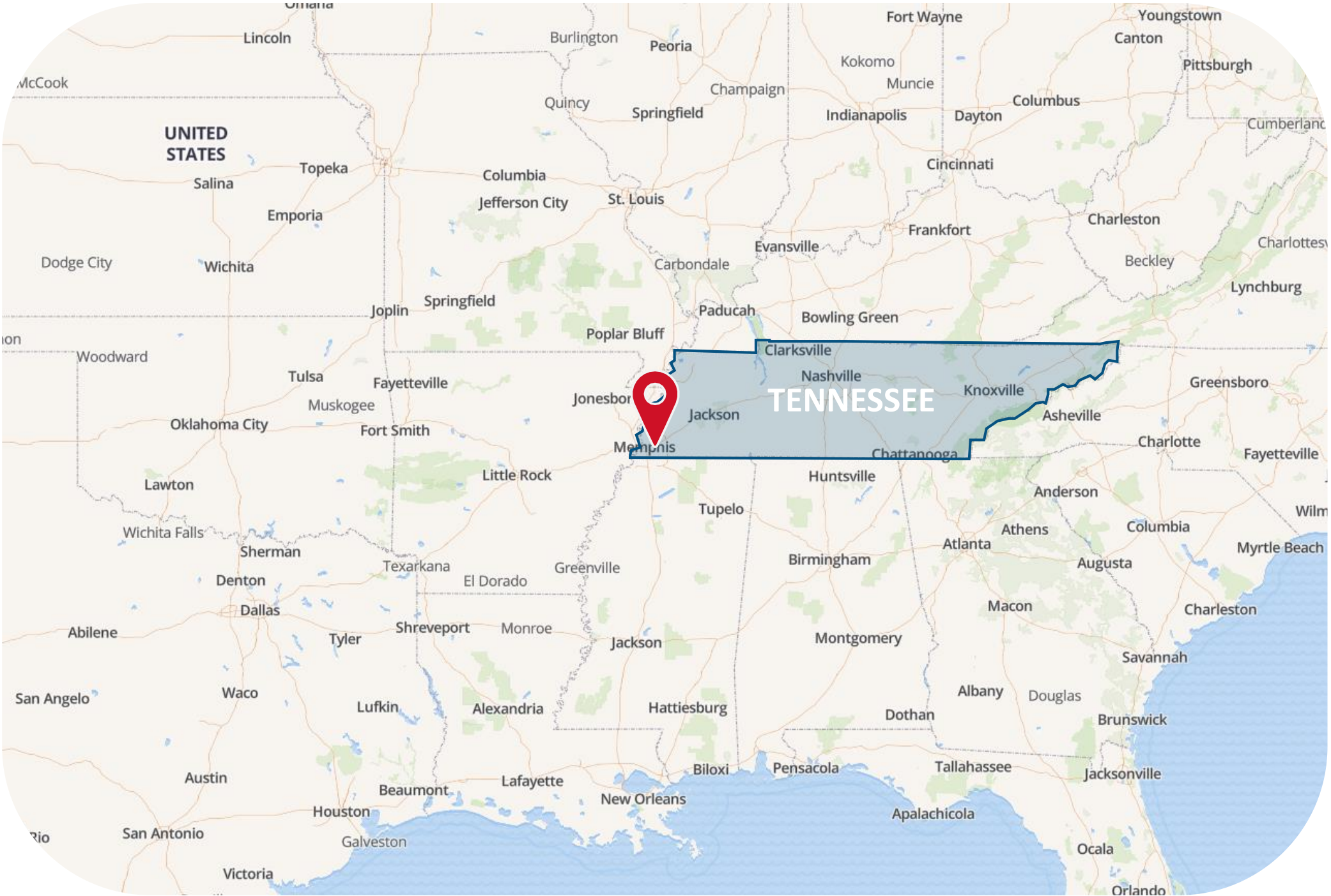
The city's central geographic location has been strategic to its business development. Located on the Mississippi River and intersected by five major freight railroads and two Interstate Highways, I-40 and I-55, Memphis is ideally located for commerce in the transportation and shipping industry. Its access by water was key to its initial development, with steamboats plying the Mississippi river. Railroad construction strengthened its connection to other markets to the east and west. Since the second half of the 20th century, highways and interstates have played major roles as transportation corridors. A third interstate, I-69, is under construction, and a fourth, I-22, has recently been designated from the former High Priority Corridor X. River barges are unloaded onto trucks and trains. The city is home to Memphis International Airport, the world's second busiest cargo airport. Memphis serves as a primary hub for FedEx Express shipping. As of 2015, Memphis was the home of three Fortune 500 companies: FedEx, International Paper and AutoZone.



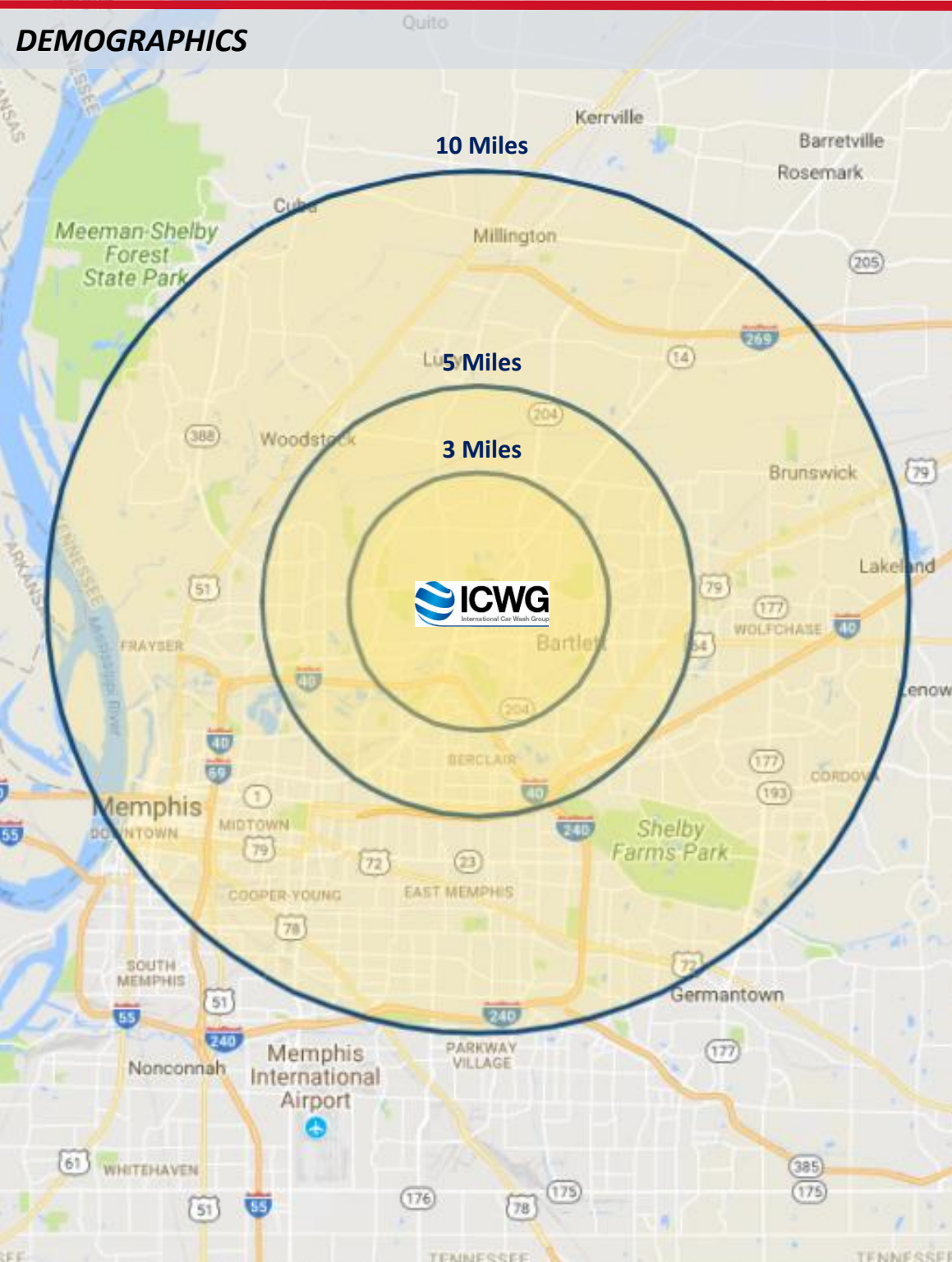








DEMOGRAPHICS



PROPERTY OVERVIEW



	3 Miles	5 Miles	10 Miles
POPULATION			
2022 Projection	67,254	170,677	554,596
2017 Estimate	66,833	169,112	545,197
2010 Census	65,668	165,915	532,625
2000 Census	64,434	163,488	526,910
INCOME			
Average	\$54,931	\$55,574	\$67,358
Median	\$41,097	\$41,046	\$44,373
Per Capita	\$19,880	\$20,072	\$26,528
HOUSEHOLDS			
2022 Projection	24,545	61,852	218,417
2017 Estimate	24,121	60,595	211,958
2010 Census	23,797	59,671	207,837
2000 Census	23,936	60,233	205,524
HOUSING			
2017	\$105,943	\$103,823	\$136,947
EMPLOYMENT			
2017 Daytime Population	44,015	130,161	590,003
2017 Unemployment	5.25%	5.18%	5.45%
2017 Median Time Traveled	25 Mins	25 Mins	24 Mins
RACE & ETHNICITY			
White	25.71%	36.45%	43.63%
Native American	0.07%	0.05%	0.04%
African American	65.38%	53.09%	47.66%
Asian/Pacific Islander	1.09%	1.60%	2.43%



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EXCLUSIVE NET-LEASE OFFERING

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