

International Car Wash Group – Sale-Leaseback

dba. Car Wash USA

434 Germantown Pky, Cordova, TN 38018

- ❖ 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

Table of Contents

Investment Overview

- Investment Highlights & Overview
- Lease Summary
- Financial Overview
- Guarantor Overview

Property Overview

- Location Highlights
- Surrounding Aerial Map
- Location Overview
- Property Photos
- Surrounding Area Photos
- Local Map
- Regional Map

Demographics

- Population
- Income
- Employment



PRICE: \$3,120,000 | 6.25% CAP | RENT: \$195,000

PROPERTY DESCRIPTION

Property	Car Wash USA
Property Address	434 Germantown Pky
City, State ZIP	Cordova, TN 38018
Building Size (SF)	2,774
Lot Size (Acres)	+/- 0.75

THE OFFERING

Net Operating Income (NOI)	\$195,000
CAP Rate	6.25%
Purchase Price	\$3,120,000

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 434 Germantown Parkway in Cordova, Tennessee. 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 \$195,000 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 2,774 rentable square feet and is situated on 0.75 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 \$195,000

Base Term Rental Escalations 1.5% Annually Starting Year 2

RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent
Year 1	\$195,000	\$16,250
Year 2	\$197,925	\$16,494
Year 3	\$200,894	\$16,741
Year 4	\$203,907	\$16,992
Year 5	\$206,966	\$17,247
Year 6	\$210,070	\$17,506
Year 7	\$213,221	\$17,768
Year 8	\$216,420	\$18,035
Year 9	\$219,666	\$18,306
Year 10	\$222,961	\$18,580
Year 11	\$226,305	\$18,859
Year 12	\$229,700	\$19,142
Year 13	\$233,146	\$19,429
Year 14	\$236,643	\$19,720
Year 15	\$240,192	\$20,016
Year 16	\$243,795	\$20,316
Year 17	\$247,452	\$20,621
Year 18	\$251,164	\$20,930
Year 19	\$254,931	\$21,244
Year 20	\$258,755	\$21,563

CAP Rate 6.25%

Purchase Price \$3,120,000

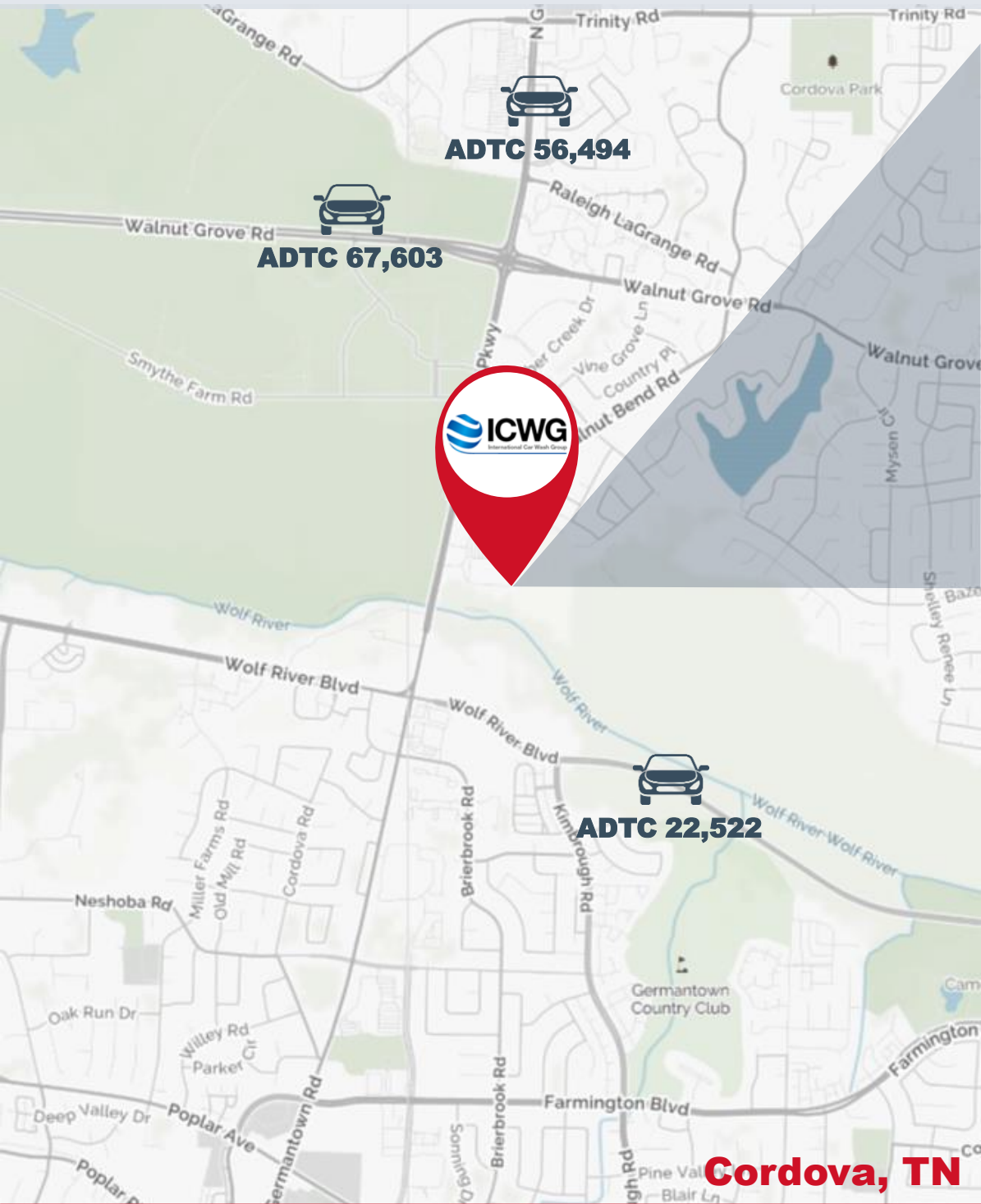
About International Car Wash Group

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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

- Surrounding Retailers Include: Walmart, CVS, Target, Kroger, Lowes, Office Depot, Walgreens, Chipotle, McAllister's Deli, Panera Bread, McDonald's, Subway, Chick-fil-A, Taco Bell, Waffle House, and More
- Strong Traffic Count | Germantown Parkway, Wolf River Road and Walnut Grove Road | 56,494, 22,522, and 67,603 Vehicles Per Day Respectively
- Robust Demographics | 163,741 Individuals Residing Within a Five-Mile Radius with an Average Household Income Exceeding \$109,000
- Memphis International Airport | Located Less Than 20 Miles From the Subject Property | Busiest Cargo Airport in the United States

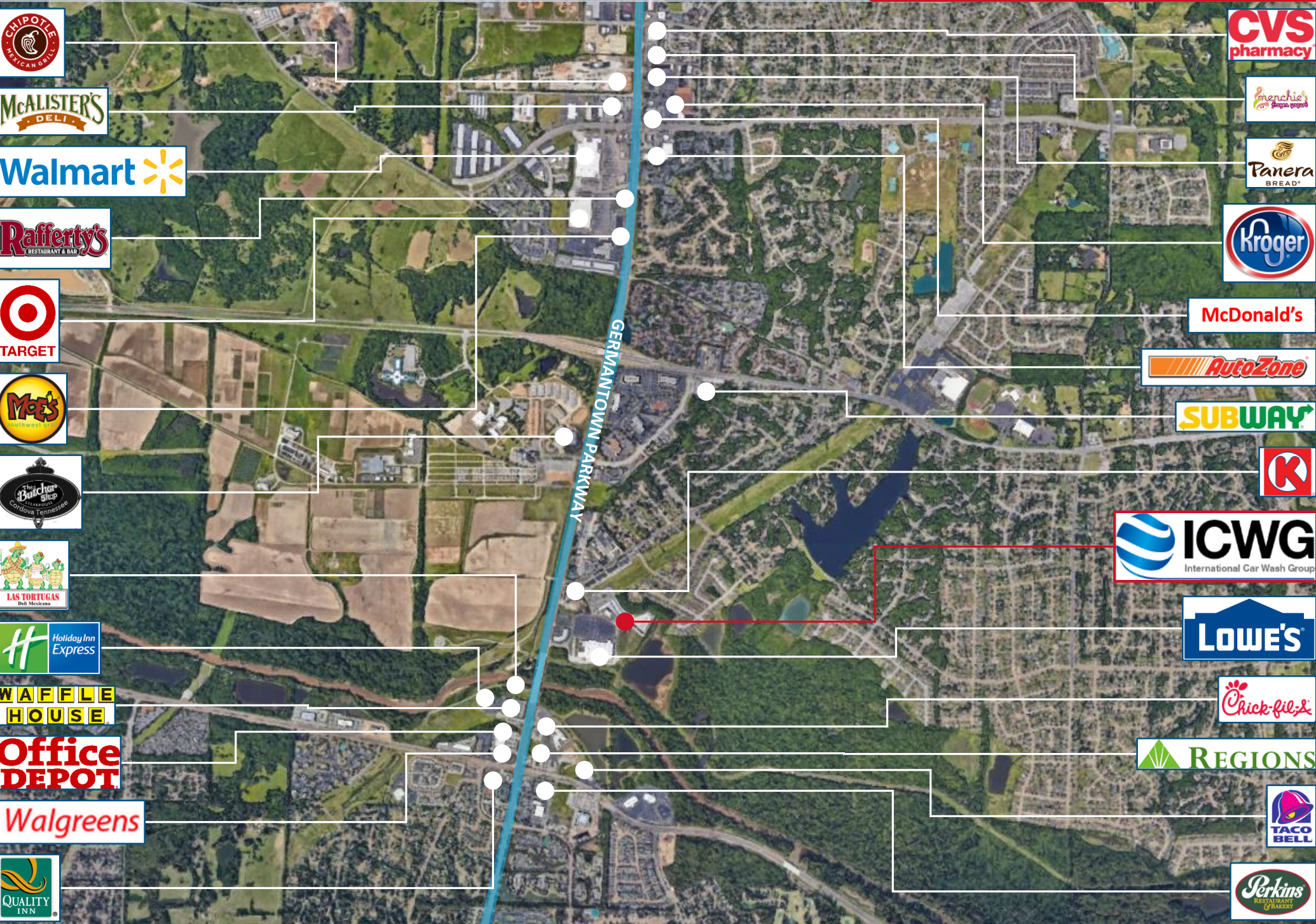
MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
ARS Investment Holdings LLC	7,700
Promus Operating Company Inc	7,140
Homewood Suites	5,843
American Pathology	5,005
Thomas & Betts International	5,000
Baptist Memorial Hospital	4,010
Methodist Le Bonheur Healthcare	3,906
TIN Inc	3,800
Carrier Corporation	3,415
International Paper	3,000
Accredo Health Incorporated	2,868
FedEx	2,699

* # of Employees based on 10 mile radius



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LOCATION OVERVIEW

The subject property is located at 434 Germantown Parkway in Cordova, Tennessee. Cordova is a community in Shelby County and lies just east of Memphis. The majority of Cordova has been annexed by the City of Memphis, and the two economies work together in tandem.

Surrounding Retail and Points of Interest

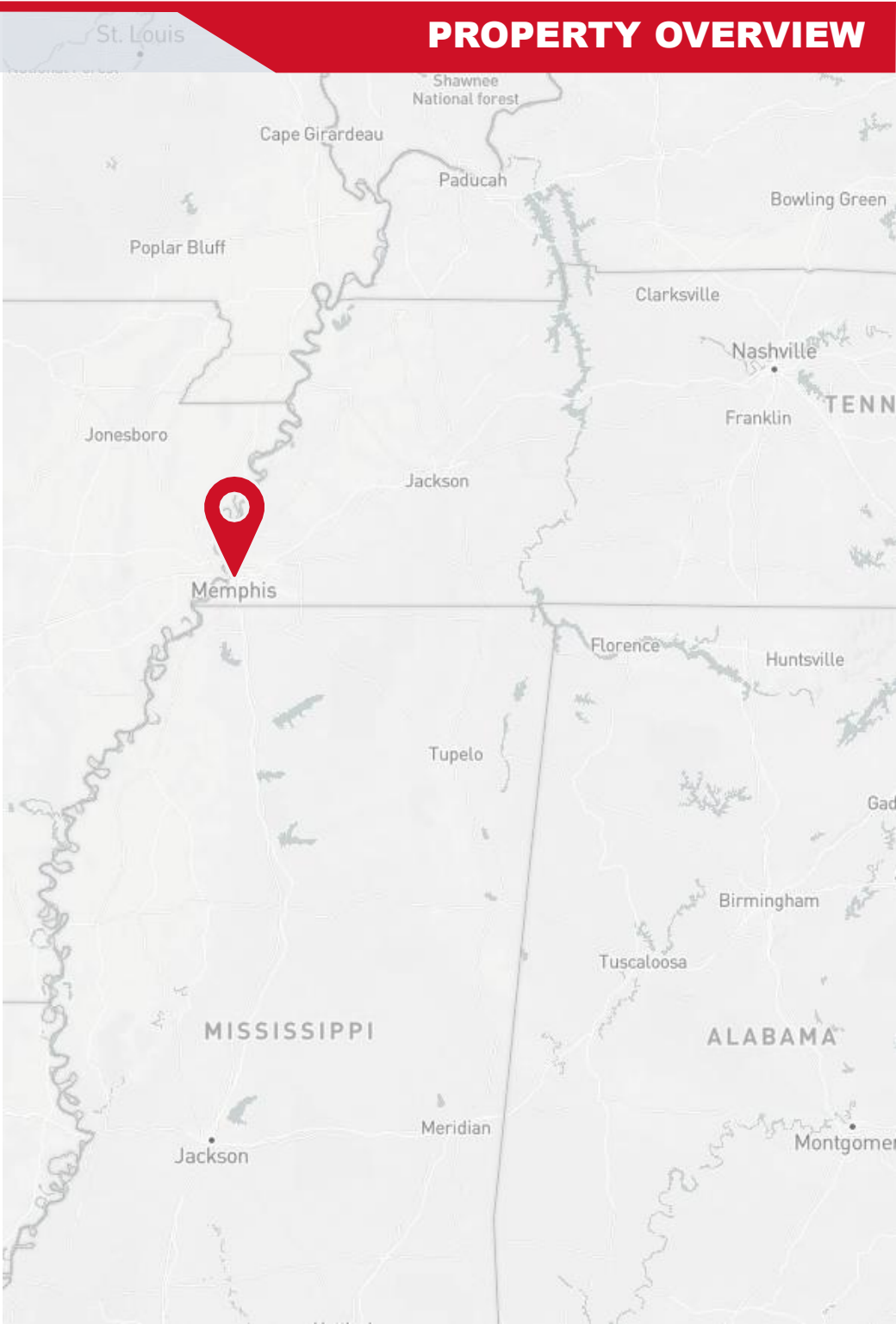
The subject property benefits from its close proximity to major national and local retailers which include: Walmart, CVS, Target, Kroger, Lowes, Office Depot, Walgreens, Chipotle, McAllister's Deli, Panera Bread, McDonald's, Subway, Chick-fil-A, Taco Bell, Moe's Southwest Grill, Waffle House, as well as many more. The subject property is also located five miles from Baptist Memorial Hospital – Memphis. Baptist Memorial is one of Tennessee's highest volume medical centers, located on an 80-acre campus that is also home to Baptist Memorial Hospital for Women, the Spence and Becky Wilson Baptist Children's Hospital, Baptist Memorial Restorative Care Hospital, Baptist Heart Institute, Baptist Women's Health Center and five physicians' office buildings.

Traffic Counts and Demographics

There are approximately 163,741 individuals residing within a five-mile radius of the property with an average household income exceeding \$109,000. The subject property also benefits from its location on Germantown Parkway which experiences average daily traffic counts of 56,494 vehicles. Germantown Parkway intersects with Wolf River Boulevard and Walnut Grove Road which bring in an additional 22,522 and 67,603 vehicles per day, respectively, to the immediate area.

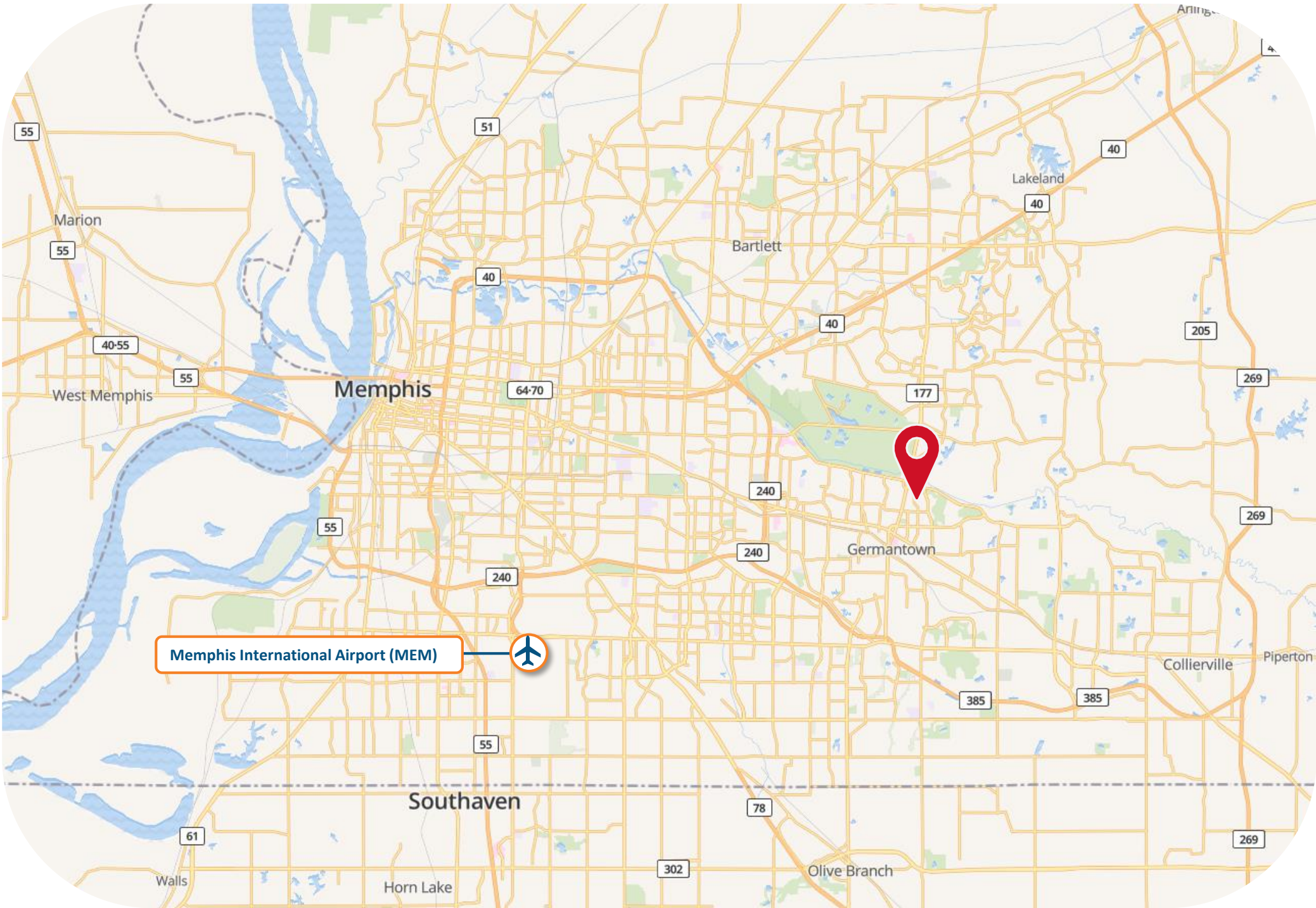
Memphis, Tennessee

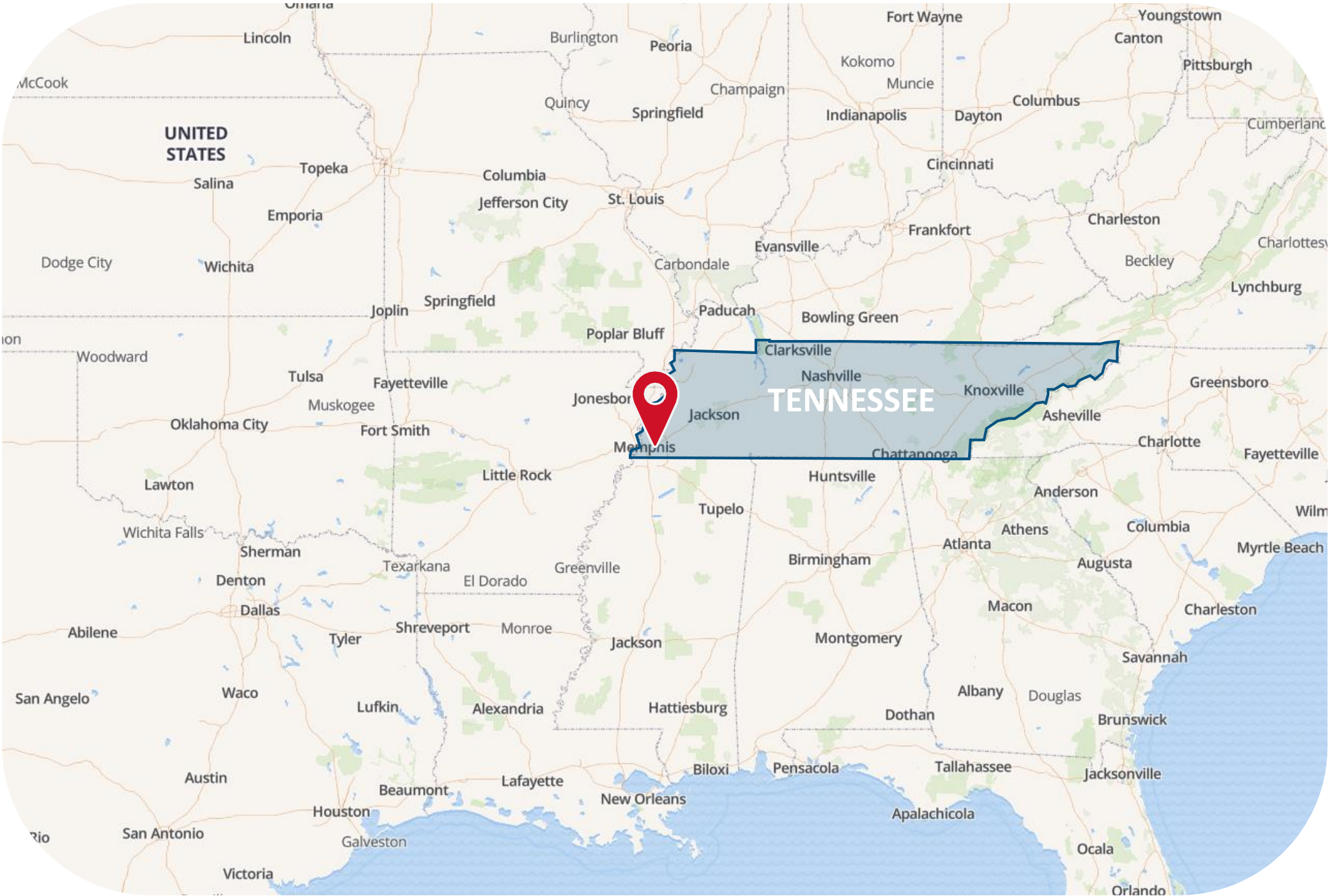
Memphis is the birthplace of Rock n' Roll and the home of the Blues. It's also home to the National Civil Rights Museum, Beale Street, the Memphis Rock and Soul Museum, the National Ornamental Metal Museum and Graceland, the second most visited residence in the United States. Memphis still has a vibrant music scene to this day, with live music each night on Beale Street and in most areas of the city. But music is not Memphis' only export; these days, most goods come through Memphis and its transportation and logistics infrastructure. Not only is the airport the second largest cargo airport in the world – a fact attributable to FedEx's "Super Hub" – but Memphis sits at a crossroads of what is called the four R's: Railroads, Runways, Roads, and the Mississippi River. The city is also home to several Fortune 500 companies, including AutoZone, International Paper, and FedEx, as well as St. Jude Children's Research Hospital and the Memphis Grizzlies. Every year, Beale Street and Downtown's Tom Lee Park are transformed into a sea of music, pork and people during the Memphis in May International Festival. This month long celebration draws tens of thousands of visitors every spring and features the world-famous Beale Street Music Festival, World Championship Barbecue Cooking Contest and several international events honoring a different foreign country every year.











DEMOGRAPHICS



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PROPERTY OVERVIEW



	3 Miles	5 Miles	10 Miles
POPULATION			
2022 Projection	60,956	176,419	629,555
2017 Estimate	57,142	163,741	599,117
2010 Census	55,783	158,528	580,512
2000 Census	51,302	137,822	518,501
INCOME			
Average	\$112,723	\$109,197	\$84,055
Median	\$81,959	\$73,280	\$57,285
Per Capita	\$46,674	\$43,299	\$31,934
HOUSEHOLDS			
2022 Projection	25,346	70,015	240,350
2017 Estimate	23,590	64,330	226,254
2010 Census	23,189	62,642	220,296
2000 Census	20,258	53,150	199,278
HOUSING			
2017	\$217,573	\$218,269	\$164,561
EMPLOYMENT			
2017 Daytime Population	55,233	167,454	590,020
2017 Unemployment	2.48%	2.96%	4.33%
2017 Median Time Traveled	24 Mins	24 Mins	24 Mins
RACE & ETHNICITY			
White	74.25%	63.49%	48.38%
Native American	0.03%	0.03%	0.04%
African American	15.91%	26.44%	41.20%
Asian/Pacific Islander	5.91%	5.24%	3.49%

confidentiality & disclaimer

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EXCLUSIVE NET-LEASE OFFERING

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