

INTERNATIONAL CAR WASH GROUP SALE-LEASEBACK

DBA. Car Wash USA ❖

- ❖ 20-Year Sale-Leaseback
- ❖ 1.50% Annual Rental Increases
- ❖ #1 Car Wash Operator Globally

- ❖ Absolute Triple-Net (NNN) Lease
- ❖ Corporate Guarantee; More Than 900 Locations
- ❖ Qualifies for Bonus & Accelerated Depreciation



OFFERING MEMORANDUM



2089 West Main Street, Tupelo, MS 38801

Confidentiality and Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some

properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the

income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.



Table of Contents

Investment Highlights	4
Financial Analysis	5
Tenant Overview	6
Depreciation Benefits	7
Surrounding Area	8
Location Overview	9
Property Photo	10
Surrounding Area Photos	11
Local Map	12
Regional Map	13
Demographics	14
Market Overview	15





Investment Highlights

PRICE: \$1,196,707 | CAP: 5.50% | RENT: \$65,819



About the Investment

- ✓ **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
- ✓ **Corporate Guarantee:** The Lease will be subject to Corporate Guarantee by International Car Wash Group Ltd. (UK) "ICWG" and the More Than 900 Locations Across Europe, Australia and the U.S.
- ✓ **Accelerated Depreciation:** The Properties Qualify for 15-Year Accelerated Depreciation as well as Bonus Depreciation
- ✓ **Rental Increases:** The Lease will Include 1.50% Annual Rental Increases

About the Tenant / Brand

- ✓ 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
- ✓ In August 2015, ICWG Entered the U.S. Market and Now Operates More Than 150 U.S. Locations, Making It One of the Country's Largest Operators.
- ✓ 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.





Financial Analysis

PRICE: \$1,196,707 | CAP: 5.50% | RENT: \$65,819



Property Description

Property	International Car Wash Group
Property Address	2089 W Main St
City, State, ZIP	Tupelo, MS 38801
Year Built	2011
Building Size (SF)	4,360 SF
Lot Size	+/- 1.12 Acres
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$1,196,707
CAP Rate	5.50%
Annual Rent	\$65,819
Price / SF	\$274
Rent / SF	\$15.10

Lease Summary

Property Type	Net-Leased Car Wash
Guarantor	International Car Wash Group Ltd. (UK)
Original Lease Term	20 Years
Lease 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 Responsible
Rental Increases	1.50% Annually
Options to Renew	Four, Five -Year Tenant Renewal Options

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$65,819	\$5,485	-
Year 2	\$66,806	\$5,567	1.50%
Year 3	\$67,808	\$5,651	1.50%
Year 4	\$68,825	\$5,735	1.50%
Year 5	\$69,858	\$5,821	1.50%
Year 6	\$70,906	\$5,909	1.50%
Year 7	\$71,969	\$5,997	1.50%
Year 8	\$73,049	\$6,087	1.50%
Year 9	\$74,144	\$6,179	1.50%
Year 10	\$75,257	\$6,271	1.50%
Year 11	\$76,385	\$6,365	1.50%
Year 12	\$77,531	\$6,461	1.50%
Year 13	\$78,694	\$6,558	1.50%
Year 14	\$79,875	\$6,656	1.50%
Year 15	\$81,073	\$6,756	1.50%
Year 16	\$82,289	\$6,857	1.50%
Year 17	\$83,523	\$6,960	1.50%
Year 18	\$84,776	\$7,065	1.50%
Year 19	\$86,048	\$7,171	1.50%
Year 20	\$87,338	\$7,278	1.50%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for 2089 West Main Street in Tupelo, Mississippi. 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 \$65,819 and will be subject to 1.50% annual rental escalations throughout the base term as well as the four, five-year tenant renewal option periods. 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 4,360 rentable square feet and is situated on 1.12 acres.



Tenant Overview

About International Car Was 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 more than 150 locations, making it one of the country's largest operators. 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.

TENANT NAME

ICWG

FOUNDED

1965

COUNTRIES

14

LOCATIONS

900+

WEBSITE

ICWG.COM

HEADQUARTERS

**Centennial, CO &
London England**

Key Brands

ICWG entered the US in August 2015 and already has over 150 sites which makes us one of the major players in the market. The US sites operate under 3 key brands – Car Wash USA Express, Goo-Goo 3 Minute Express Wash and Supersonic in the state of Utah.

CARWASH USA

Acquired by ICWG in 2015, Car Wash USA Express now consists of over 60 sites covering Alabama, Arkansas, Colorado, Georgia, Ohio, Mississippi, Tennessee and Texas. It is currently the largest express exterior car wash in the Mid-South offering a wash that takes just 3 minutes, coupled with free vacuums.

GOO-GOO

Since 1945 Goo-Goo 3 Minute Express Wash has met the needs of the driving public by giving customers a quality carwash with fast, economical, great service. As one of the oldest car wash brands in the United States, Goo-Goo has led the way by developing the concept to meet the needs of the driving public for over 60 years. Acquired by ICWG in July 2017, there are over 50 express wash outlets in seven states primarily in the southern United States and Ohio.

SUPERSONIC

Supersonic Car Wash was founded in Ogden, Utah in 1959 and was Utah's only full service car wash at the time. Supersonic now has both full-service and express exterior locations in Salt Lake, Utah and Weber Counties. Acquired by ICWG in August 2015, Supersonic provides additional opportunities to grow within the state of Utah with a number of locations already identified.





Depreciation Benefits

Accelerated Depreciation

Assumptions	
Asset Type	Car Wash
Ownership	Fee Simple
Rent	\$65,819
Cap Rate	5.50%
Purchase Price	\$1,196,707
Loan Amount	\$777,859
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$51,619
Depreciable Basis for Improvements	80.00%
Useful Life	15
Federal Tax Rate	37.00%
Year 1 Depreciation	\$63,824
Potential Tax Savings	\$23,615

Standard Depreciation

Assumptions	
Asset Type	QSR
Ownership	Fee Simple
Rent	\$65,819
Cap Rate	5.50%
Purchase Price	\$1,196,707
Loan Amount	\$777,859
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$51,619
Depreciable Basis for Improvements	80.00%
Useful Life	39
Federal Tax Rate	37.00%
Year 1 Depreciation	\$24,548
Potential Tax Savings	\$9,083

Bonus Depreciation

Assumptions	
Asset Type	Car Wash
Ownership	Fee Simple
Rent	\$65,819
Cap Rate	5.50%
Purchase Price	\$1,196,707
Loan Amount	\$777,859
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$51,619
Depreciable Basis for Improvements	80.00%
Useful Life	1
Federal Tax Rate	37.00%
Year 1 Depreciation	\$957,365
Potential Tax Savings	\$354,225

Ground Lease

Assumptions	
Asset Type	QSR
Ownership	Ground Only
Rent	\$65,819
Cap Rate	5.50%
Purchase Price	\$1,196,707
Loan Amount	\$777,859
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$51,619
Depreciable Basis for Improvements	0.00%
Useful Life	0
Federal Tax Rate	37.00%
Year 1 Depreciation	\$0
Potential Tax Savings	\$0



Surrounding Area

Property Address: 2089 W Main Street, Tupelo, MS 38801





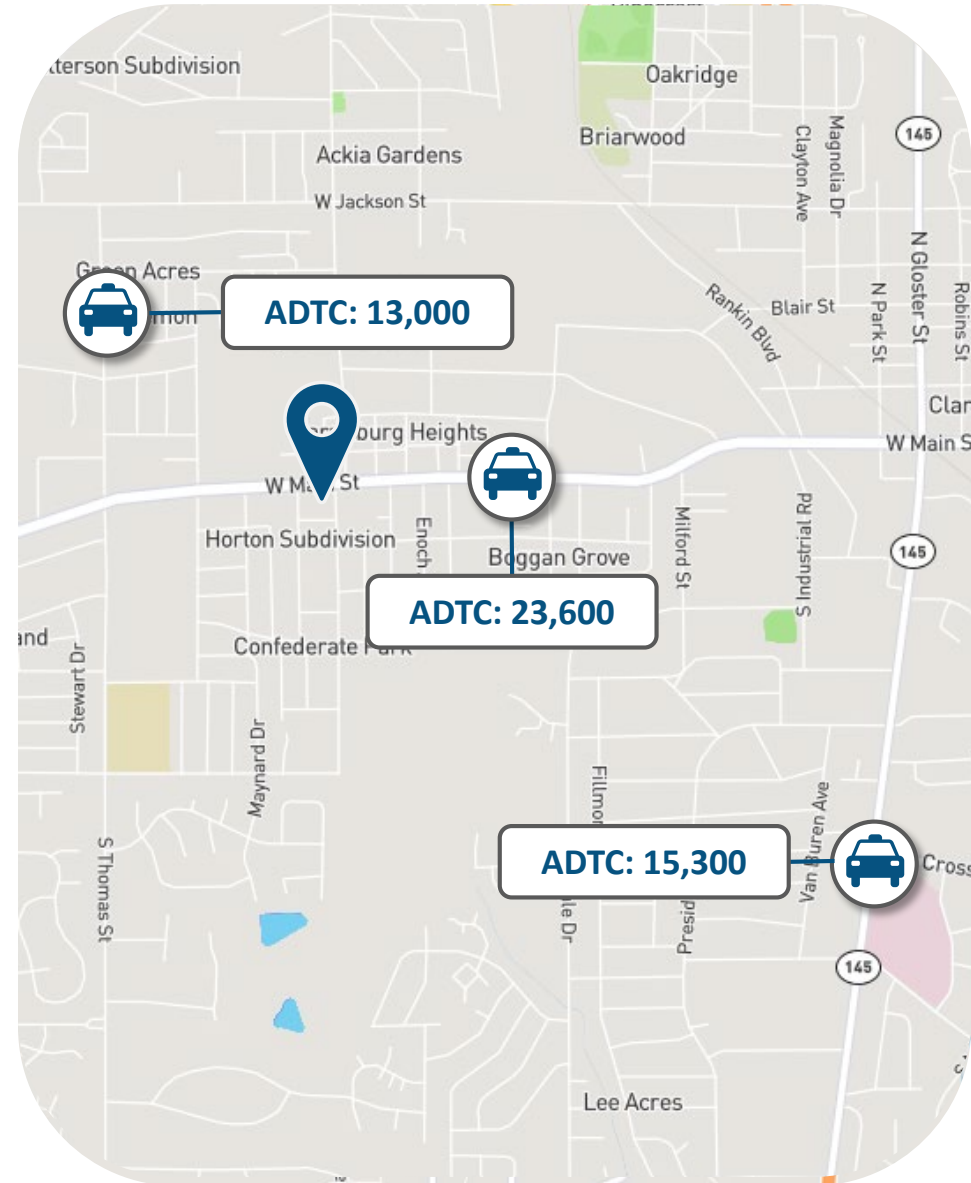
Location Overview

Property Address: 2089 West Main Street, Tupelo, MS 38801

The subject Car Wash benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants, shopping centers, and hospitality accommodations. Major national tenants in the area include: Walmart, Dollar General, Dollar Tree, Kroger, Walgreens CVS pharmacy, Pizza Hut, McDonald's, and many more. The property is also within close proximity of several hotel accommodations such as: Days Inn, SureStay by Best Western, Hilton Garden Inn, Courtyard by Marriott, Baymont by Wyndham, and more. The subject property also benefits from being located approximately five miles away from The University of Mississippi – Tupelo, which has a total enrollment exceeding 23,00 students. The subject investment property also benefits from being located less than three miles away from North Mississippi Medical Center, which has 640 licensed-beds.

The site is situated on West Main Street, which has an average daily traffic count of 23,600 vehicles. West Main Street intersects MS-145, which brings an additional 15,300 vehicles into the immediate area per day. There are approximately 42,877 individuals within a five-mile radius of this property and 72,251 individuals within a ten-mile radius.

Tupelo is the county seat and the largest city of Lee County, Mississippi and the seventh-largest city in the state. The city is situated in Northeast Mississippi, between Memphis, Tennessee and Birmingham, Alabama. Two of Mississippi's most important highways, Interstate-22 and Route-45, intersect in Tupelo. The city is recognized for its blooming commercial and industrial bases that rival those of other similar sized cities. The city is recognized around the world as the birthplace of Elvis Presley. Attractions include Elvis Presley Birthplace, Oren Dunn City of Museum, Tupelo Automobile Museum, and Tupelo Buffalo Park and Zoo. Tupelo offers excellent lodging facilities offering over 1,900 quality rooms. Additionally, there is an abundance of dining opportunities from upscale to blue-plate with over 160 restaurants in Tupelo, Mississippi. From the Mall at Barnes Crossing, the region's largest mall, to the specialty shops downtown and in Midtown, and throughout the city, Tupelo can match anyone's taste and desire for shopping. The furniture manufacturing industry thrives in Northeast Mississippi, which provides over 22,000 jobs, or almost 13% of the regions employment, producing \$2.2 billion worth of goods. The city is known as the upholstery capital of the world. Today, Tupelo is a model for economic and community development. Many other communities around the country have looked to and learned from all that Tupelo has accomplished.





Property Photo





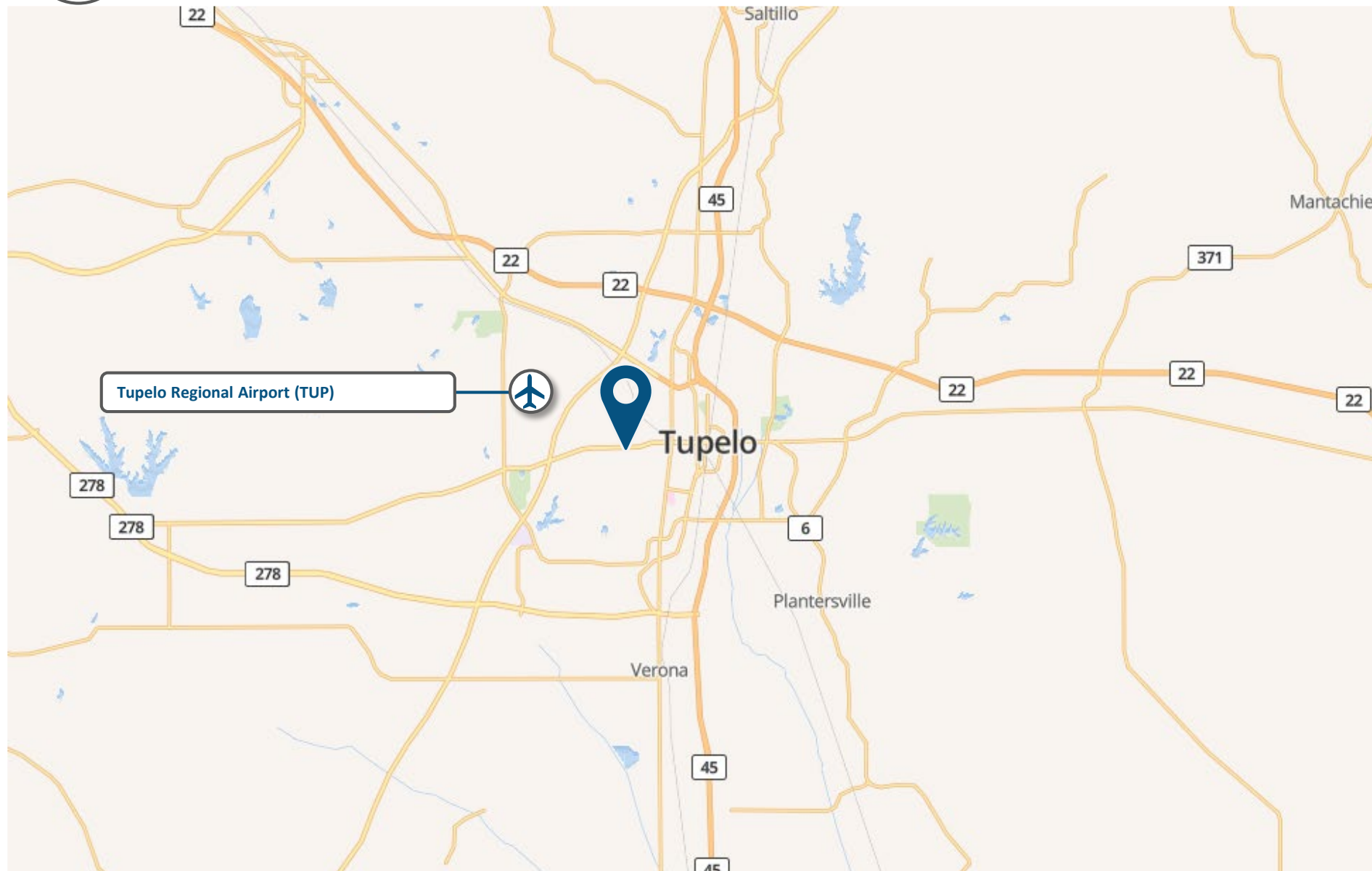
Surrounding Area Photos





Local Map

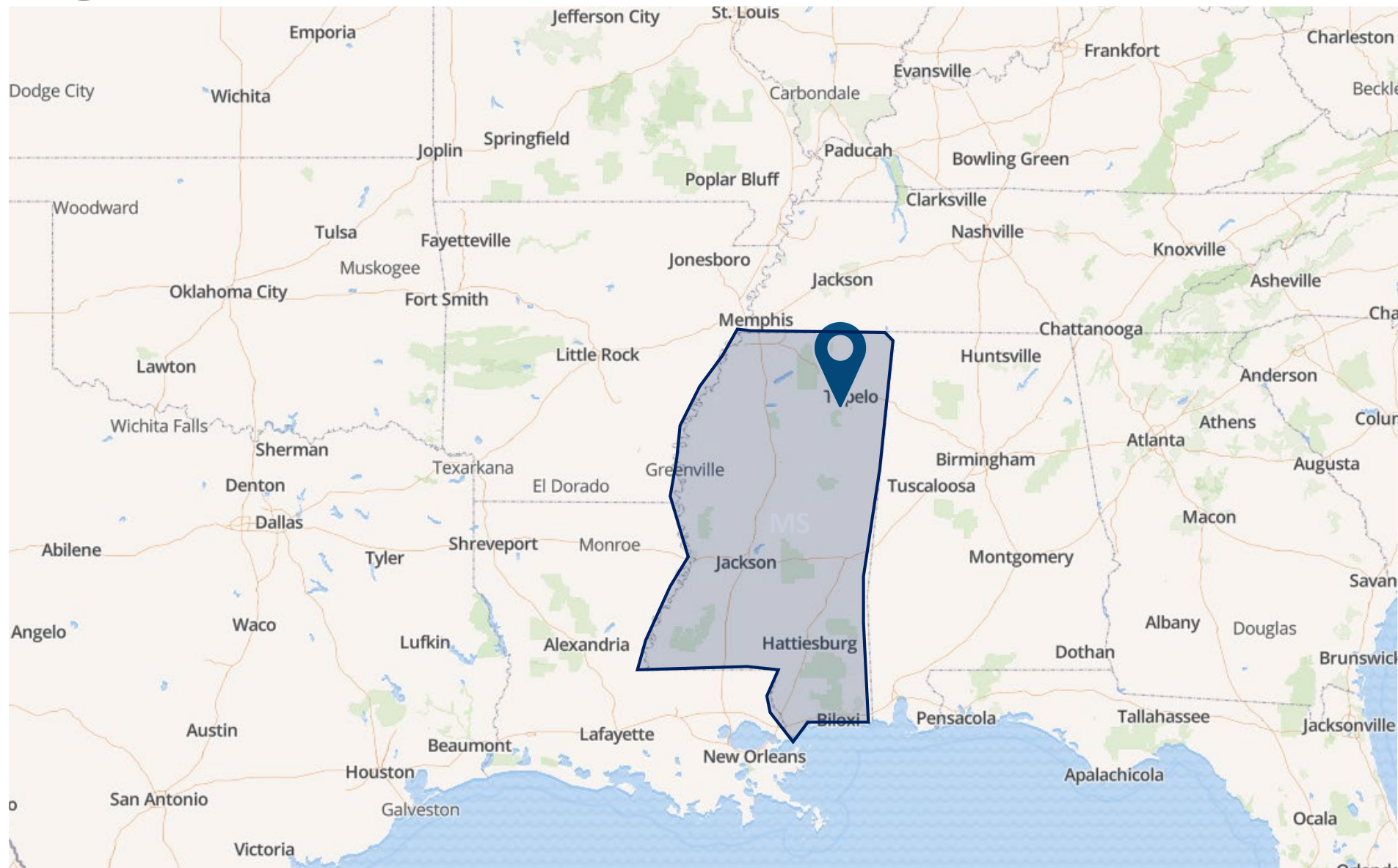
Property Address: 2089 West Main Street, Tupelo, MS 38801





Regional Map

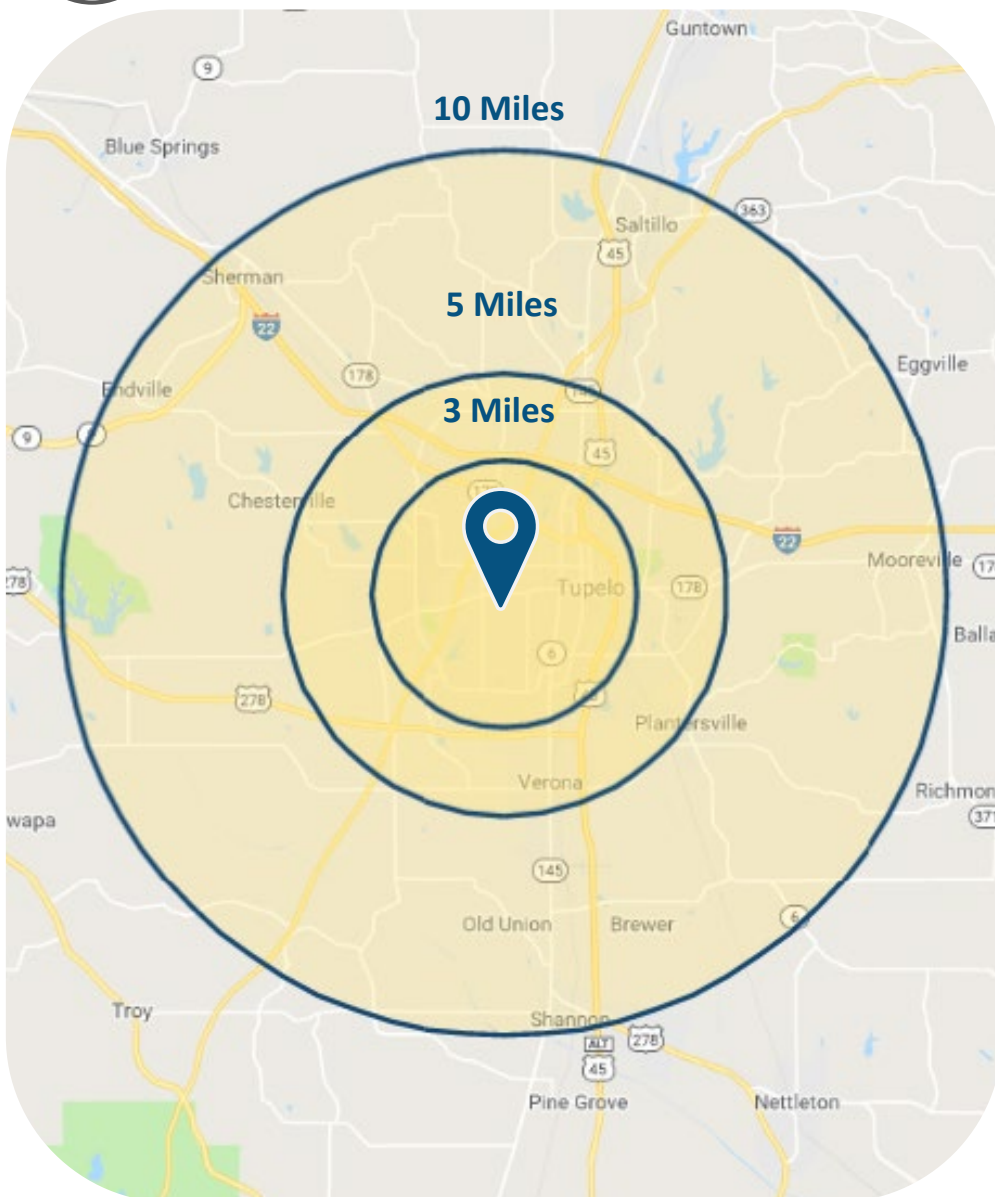
Property Address 2089 West Main Street, Tupelo, MS 38801





Demographics

Property Address: 2089 West Main Street, Tupelo, MS 38801



POPULATION

	3 Miles	5 Miles	10 Miles
2023 Projection	26,666	43,887	74,988
2018 Estimate	26,264	42,877	72,251
2010 Census	25,806	41,824	69,851
2000 Census	25,998	40,321	64,534

INCOME

	3 Miles	5 Miles	10 Miles
Average	\$65,821	\$68,863	\$66,099
Median	\$46,489	\$47,834	\$47,664
Per Capita	\$26,376	\$27,227	\$25,824

HOUSEHOLDS

	3 Miles	5 Miles	10 Miles
2023 Projection	10,761	17,448	29,476
2018 Estimate	10,489	16,842	28,107
2010 Census	10,361	16,483	27,241
2000 Census	10,343	15,733	24,980

HOUSING

	3 Miles	5 Miles	10 Miles
2018	\$128,561	\$136,669	\$129,048

EMPLOYMENT

	3 Miles	5 Miles	10 Miles
2018 Daytime Population	48,148	68,214	90,017
2018 Unemployment	4.53%	4.89%	5.02%
2018 Median Time Traveled	17 Mins	18 Mins	20 Mins

RACE & ETHNICITY

	3 Miles	5 Miles	10 Miles
White	54.52%	55.11%	63.26%
Native American	0.01%	0.01%	0.02%
African American	40.02%	39.75%	32.32%
Asian/Pacific Islander	1.43%	1.36%	1.11%



Market Overview

City: Tupelo | County: Lee | State: Mississippi

Tupelo, Mississippi

Tupelo

is a five time All-America City Award winner. Tupelo was the only city in the South to be name an All-American City five times. Tupelo is a dynamic city southern city easily accessible by Interstate 22 and Highway 45, and the historic Natchez Trace Parkway that criss-cross the city by land. Located in the center of the Mississippi Hills region, Tupelo can serve as the hub of a tour exposing you to music, world-class literary sites, Civil War history and American architecture. The city is recognized around the world as the birthplace of Elvis Presley. Attractions include Elvis Presley Birthplace, Oren Dunn City of Museum, Tupelo Automobile Museum, and Tupelo Buffalo Park and Zoo. Tupelo offers excellent lodging facilities offering over 1,900 quality rooms. Additionally, there is an abundance of dining opportunities from upscale to blue-plate with over 160 restaurants in Tupelo, Mississippi. From the Mall at Barnes Crossing, the region's largest mall, to the specialty shops downtown and in Midtown, and throughout the city, Tupelo can match anyone's taste and desire for shopping. There are five golf courses, four campgrounds, including the Elvis Presley Lake and Campground, and three parks with trails. Tupelo is the headquarters of the North Mississippi Medical Center, the largest non-metropolitan hospital in the United States, as well as the historic Natchez Trace Parkway, an All America Road and a national scenic byway. In addition, Tupelo is the first city to be electrified by the Tennessee Valley Authority.

Tupelo Regional Airport (TUP) serves as the main transportation hub for Northeast Mississippi. Tupelo is a major manufacturing, retail, and distribution center in Mississippi. The furniture manufacturing industry thrives in Northeast Mississippi, which provides over 22,000 jobs, or almost 13% of the regions employment, producing \$2.2 billion worth of goods. The city is known as the upholstery capital of the world. Today, Tupelo is a model for economic and community development. Many other communities around the country have looked to and learned from all that Tupelo has accomplished.

Major Employers

Employer	Estimated # of Employees
Hospital – North Mississippi Medical	4,030
North Mississippi Medical Center Inc.	3,944
Lane Furniture	1,701
Renasant Investment Corporation	1,073
Walmart	720
MTD Products Incorporated	700
Tupelo Furniture Market Incorporated	700
Philips Lighting Company	650
KI Incorporated	621
Mississippi Methodist	616
Bauhaus Furniture Group LLC	500



Marcus & Millichap

EXCLUSIVE NET LEASE OFFERING

Mickey Davis
Marcus & Millichap
Broker, Lic.# B-15586
P: 0633626



2089 W Main Street, Tupelo, MS 38801