

MAACO COLLISION REPAIR

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM



38141 S Gratiot Ave, Clinton Township, MI 48036

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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.

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Table of Contents

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





Investment Highlights

PRICE: \$1,629,630 | CAP: 6.75% | RENT: \$110,000



About the Investment

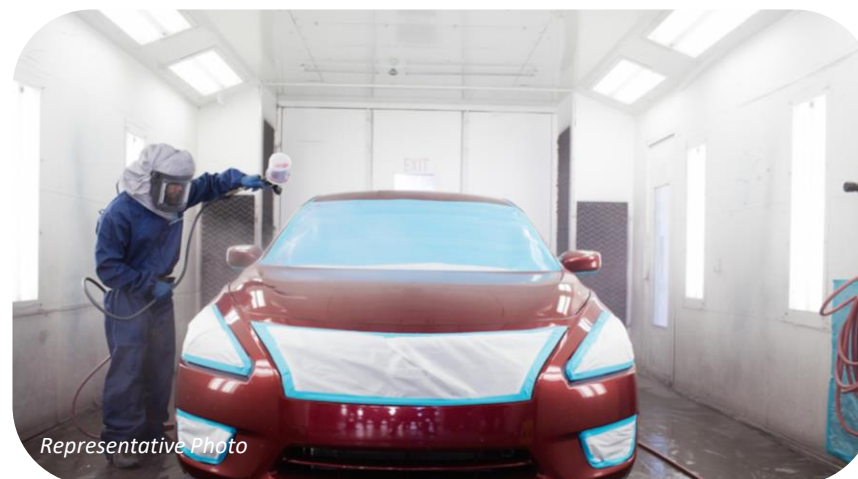
- ✓ 20-Year Absolute Triple Net (NNN) Lease; Passive Investment Offering a Long-Term Security of Cash Flow
- ✓ Growing Franchisee that Could Lead to a Credit Increase in the Future
- ✓ Strong Hedge Against Inflation | Attractive Annual Rental Increases of 2.0%

About the Location

- ✓ Dense Retail Corridor | Boston Market, Papa John's, Jimmy John's, CVS, Bank of America, Tim Hortons, Walgreens, Subway, McDonalds, Wendy's, Burger King and Many More
- ✓ Features High Visibility & Ease of Access on S Gratiot Ave
- ✓ Strong Traffic Counts | S Gratiot Road | Average 50,360 Vehicles Per Day
- ✓ Compelling Location Fundamentals | Located Approximately Fifteen Miles from Downtown Detroit

About Maaco

- ✓ Operates 500+ Locations Across the U.S. & Canada
- ✓ Has Serviced 20 Million+ Cars Since 1972
- ✓ Named the #1 Automotive Franchise Numerous Times by Entrepreneur in its Annual Franchise 500 Ranking
- ✓ Constantly Expanding and Looking to Grow





Financial Analysis

PRICE: \$1,629,630 | CAP: 6.75% | RENT: \$110,000



PROPERTY DESCRIPTION

Property	Maaco Collision Repair
Property Address	38141 S Gratiot Ave
City, State ZIP	Clinton Township, MI 48036
Building Size	12,509 SF
Lot Size	+/- 3.06 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$1,629,630
CAP Rate	6.75%
Annual Rent	\$110,000
Price / SF	\$130
Rent / SF	\$8.79

LEASE SUMMARY

Property Type	Net-Leased Automotive
Ownership Type	Private
Tenant	SRAG of Troy, LLC (9-Units)
Original Lease Term	20 Years
Lease Commencement	August 29, 2017
Lease Expiration	May 31, 2038
Lease Term Remaining	18 Years
Lease Type	Absolute Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rent Escalations	2.0% Annually
Options to Renew	One (1), Ten (10) Year Option

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Current	\$110,000	\$9,167	-
Year 3	\$112,200	\$9,350	2.00%
Year 4	\$114,444	\$9,537	2.00%
Year 5	\$116,733	\$9,728	2.00%
Year 6	\$119,068	\$9,922	2.00%
Year 7	\$121,449	\$10,121	2.00%
Year 8	\$123,878	\$10,323	2.00%
Year 9	\$126,355	\$10,530	2.00%
Year 10	\$128,883	\$10,740	2.00%
Year 11	\$131,460	\$10,955	2.00%
Year 12	\$134,089	\$11,174	2.00%
Year 13	\$136,771	\$11,398	2.00%
Year 14	\$139,507	\$11,626	2.00%
Year 15	\$142,297	\$11,858	2.00%
Year 16	\$145,143	\$12,095	2.00%
Year 17	\$148,046	\$12,337	2.00%
Year 18	\$151,006	\$12,584	2.00%
Year 19	\$154,027	\$12,836	2.00%
Year 20	\$157,107	\$13,092	2.00%



Concept Overview



About Maaco Collision Repair & Auto Painting:

As America's #1 Bodyshop, Maaco has serviced more than 20 million cars since 1972. Our 500 plus independently owned and operated franchises have restored the safety and beauty of vehicles for more than 40 years. Whether it's automotive paint or collision services that you need, Maaco is here to help you transform your car and help you turn the car you drive, back into the car you love. We work with all insurance companies and guarantee our work with nationwide warranties. Maaco has trademarked the term 'North America's Bodyshop.' The franchises provide auto paint and auto body repair services for over 500,000 vehicles a year, more than any other paint and body repairer. Maaco has been named the #1 automotive franchise numerous times by Entrepreneur in its Annual Franchise 500 ranking.

Maaco History:

Ten years before MAACO's founding, Martino had launched AAMCO Transmissions with partner Robert Morgan. He created both names by using the first letters from his name (Anthony A. Martino). In 1967, with close to 500 stores in operation, Martino sold AAMCO to Morgan. In 1972, Martino opened a pilot auto painting center in Wilmington, Delaware. He chose the name MAACO (Martino, Anthony A. and Co.) to instill confidence in potential franchisees who knew of AAMCO's success. The new company grew quickly, with close to 200 franchises open in less than five years.

Driven Brands Acquisition of Maaco:

In October, 2008, Driven Brands of Charlotte, N.C., a holding company which owns Meineke Car Care Centers, Inc. as well as Econo Lube and other auto service related concerns, purchased Maaco outright from Martino's family after his death in January 2008.



General Information

Founded	1972
Website	https://www.maaco.com/
Headquarters:	Charlotte, NC
Number of Locations	500+ Across U.S. & Canada



- North America's Body shop
- 500+ Locations
- Serviced 20 Million+ Cars Since 1972
- #1 Ranked Automotive Franchise Numerous Times by Entrepreneur in Annual Franchise 500 Ranking

MAACO is North America's #1
Auto Painting & Collision Repair Shop
We help you turn the car you drive back into the car you love!



Tenant Overview



ABOUT HERITAGE PARTNERS GROUP

Who We Are

Heritage Partners Group is an investment and operations platform that partners with the world's most enduring consumer brands.

We are committed to embracing the strategic initiatives of our brand partners, and our best-in-class operations executives bring an unparalleled level of experience and expertise to the management and growth of our organization. We invest in growth using patient financial capital with a non-prescriptive time horizon, but we consider human capital to be by far our most valuable asset. We strive to hire, train and empower the most talented and motivated people on the planet while building an organization where people love to work, every day.

Our Name

As our name implies, we have a tremendous amount of respect for the heritage of the businesses, communities and family capital sources that we partner with. We aim to create significant value for these stakeholders by combining the legacies we inherit with our innovative, disciplined approach and the Heritage philosophy: ownership, accountability and integrity.

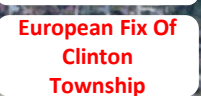
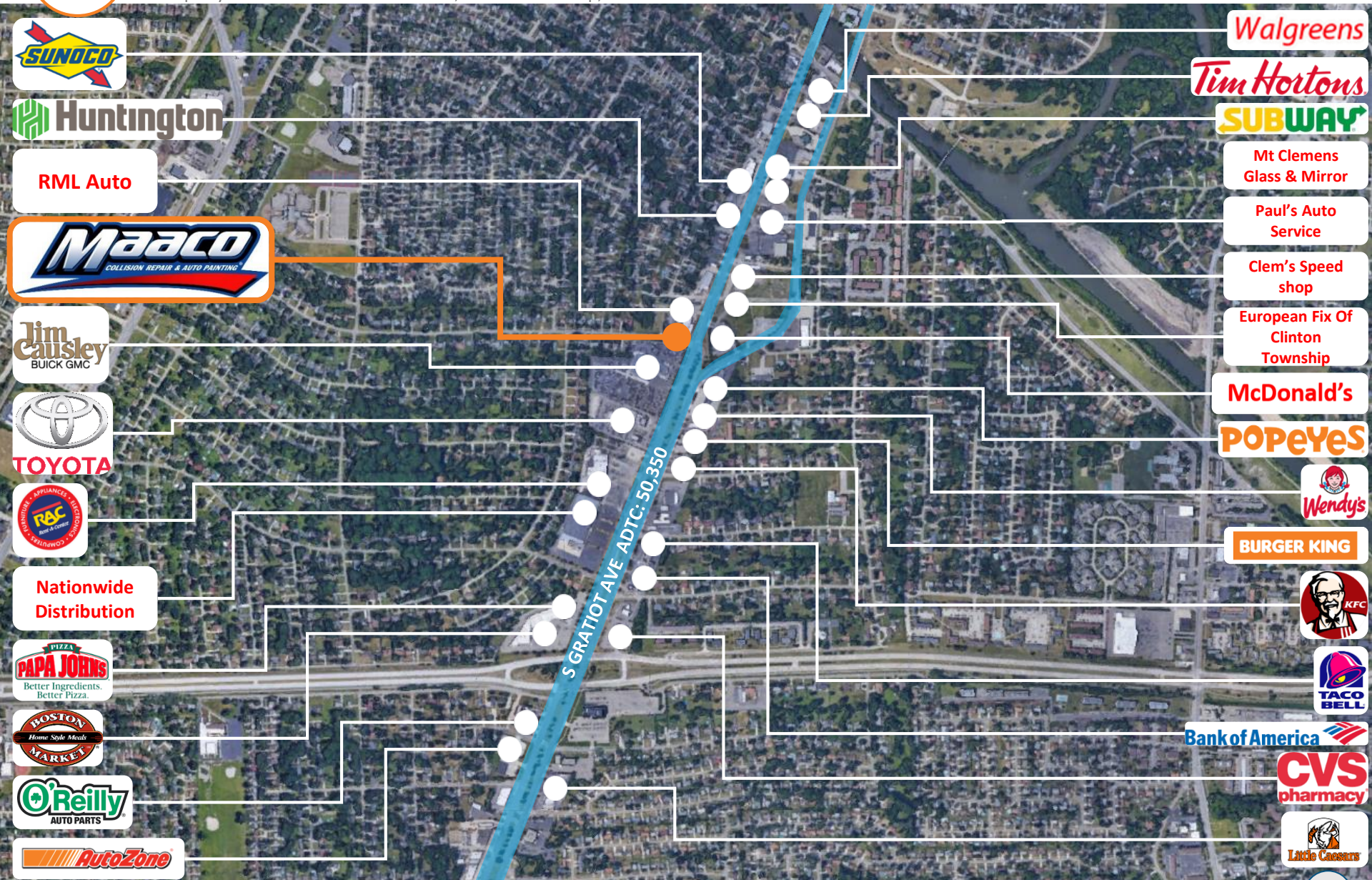
A True Partnership Philosophy Defines Success





Surrounding Area

Property Address: 38141 S Gratiot Ave, Clinton Township, MI 48036





Property Photo





Surrounding Area Photos





Location Overview

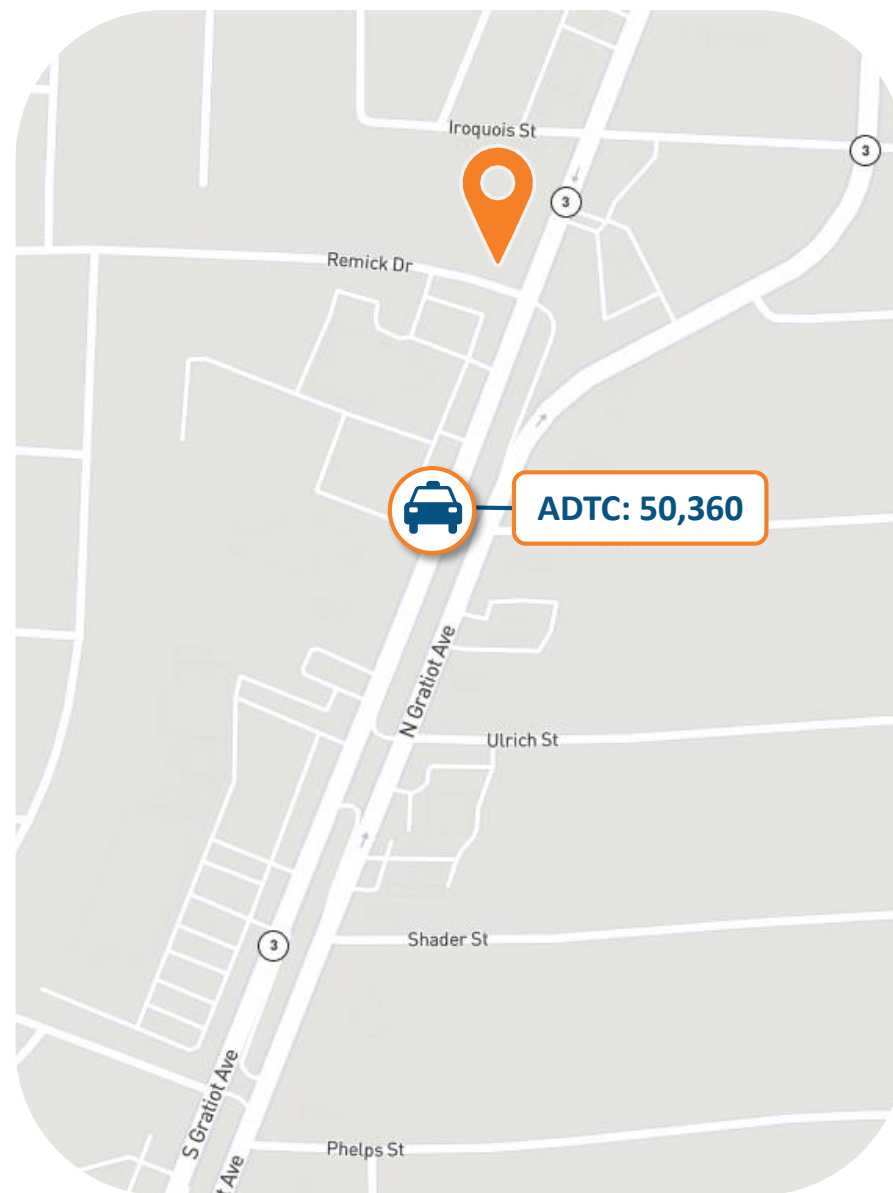
Property Address: 38141 S Gratiot Ave, Clinton Township, MI 48036



This Maaco investment property is situated on S Gratiot Ave, which experiences average daily traffic counts exceeding 50,360 vehicles. There are more than 95,164 individuals residing within a three-mile radius of the property and over 222,701 individuals within a five-mile radius. The site is situated in an affluent community, which an average income of over \$65,680 within a three-mile radius and \$69,740 within a five-mile radius.

The subject property is strategically positioned in a dense retail corridor benefiting from its proximity to major national and local tenants. Major national tenants located in the surrounding area include: Rent-A-Center, Taco Bell, H&R Block, Boston Market, Metro PCS, Papa John's, Jimmy John's, CVS, Bank of America, Tim Hortons, Walgreens, Sunoco, Subway, McDonalds, Wendy's Burger King, and KFC, as well as many others. Less than a mile down the road is a regional shopping center comprised of Lowe's, AMC Theatres, Rite Aid, and many more. This subject property is also located approximately 7 miles from Macomb Community college, a multi-campus community college with nearly 60,000 students enrolled. The McLaren Macomb Hospital, a 259-bed, short term acute care center, is located roughly a mile from the subject property. The Selfridge Air National Guard facility is approximately eight miles away.

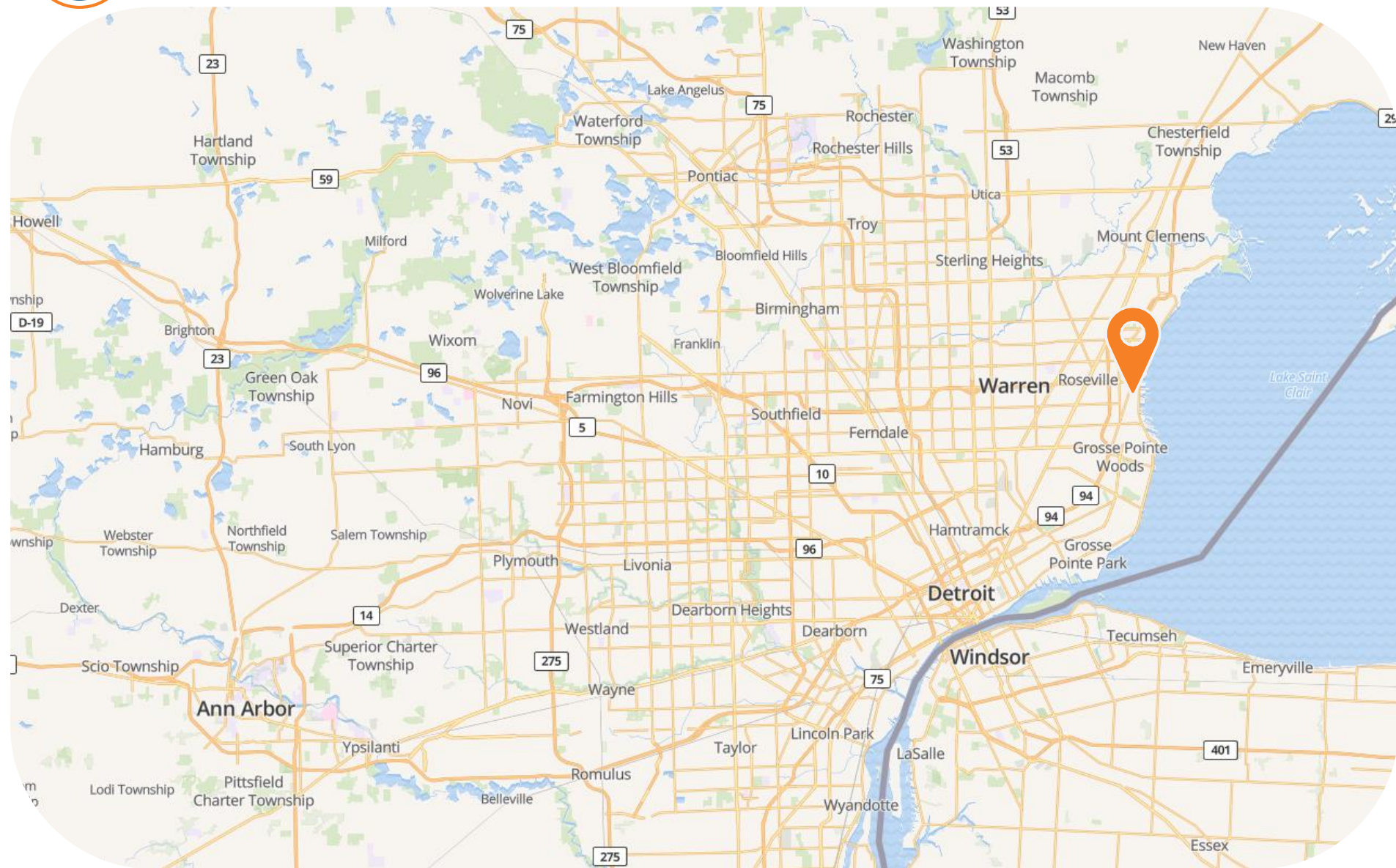
Clinton Township is a charter township of Macomb County in Michigan. It is a part of Metro Detroit. The township is socioeconomically diverse, a mix of middle-class communities including many upscale and exclusive areas that many notable people, such as Eminem, call home. Clinton Township is home to many parks, notably George Memorial Park. Clinton Township is the most populous township in the state of Michigan. With over 100,000 residents, Clinton Township is Michigan's tenth largest municipality. Despite its size, Clinton Township offers residents a wealth of tight-knit residential neighborhoods with all the amenities families require. Located less than 20 miles from Detroit, Clinton Township is in close proximity to multiple automobile manufactures. Most notably, GM, Ford, and Fiat employ over 20,000 workers collectively in the immediate area.





Local Map

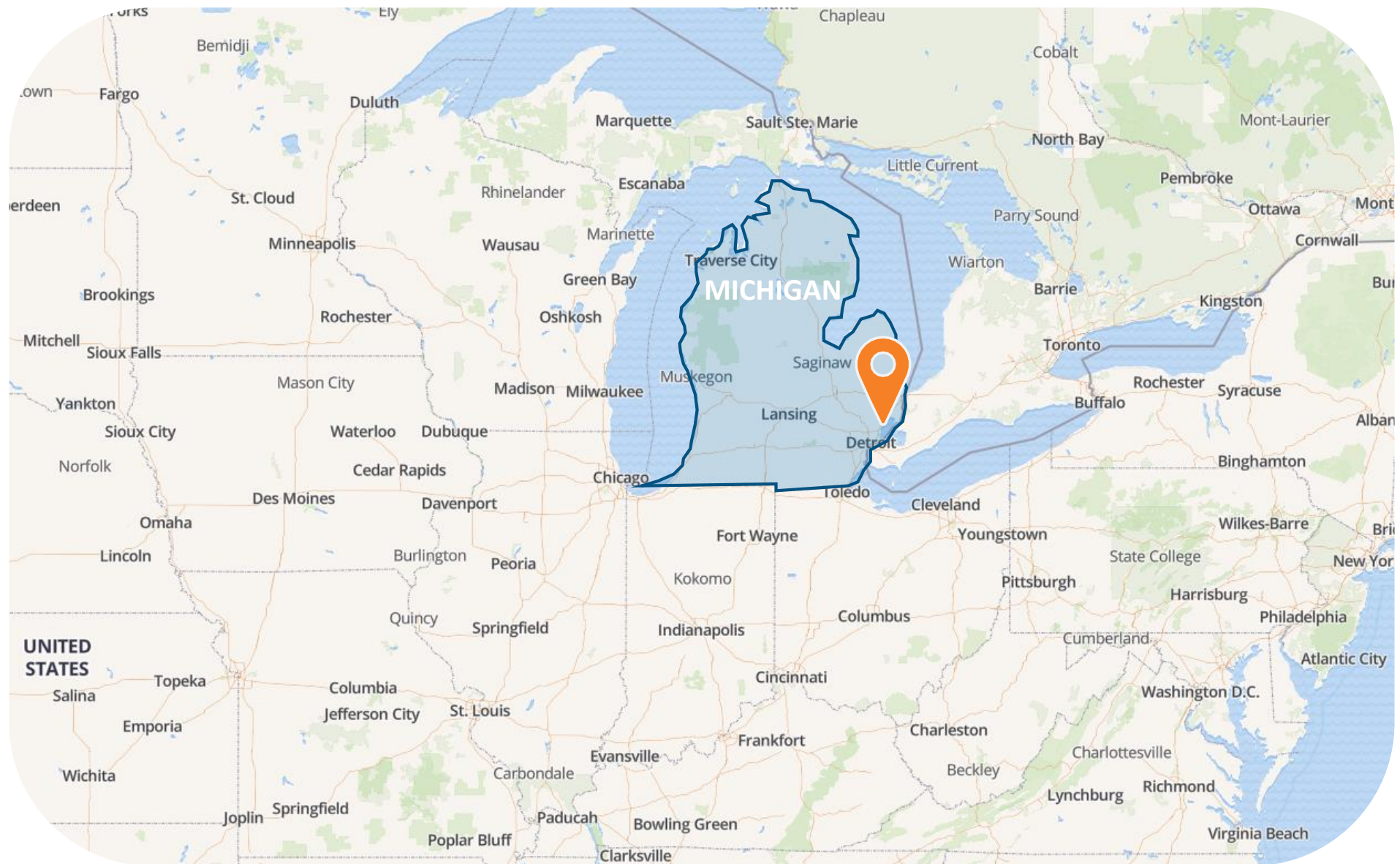
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Regional Map

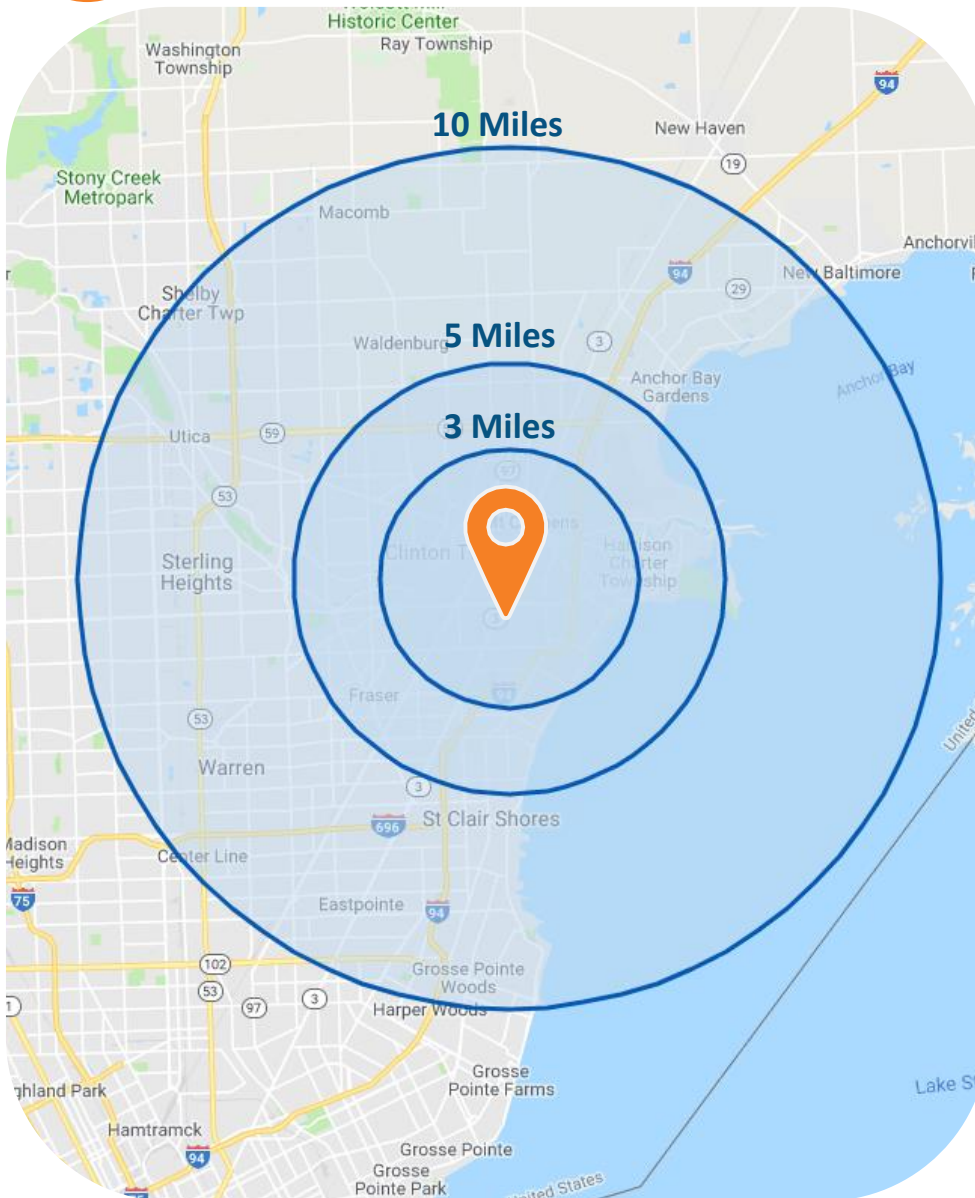
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Demographics

Property Address: 38141 S Gratiot Ave, Clinton Township, MI 48036



POPULATION

	3 Miles	5 Miles	10 Miles
2023 Projection	95,164	222,701	738,248
2018 Estimate	93,961	217,343	713,774
2010 Census	90,789	208,087	688,019
2000 Census	92,129	204,631	655,052

INCOME

	3 Miles	5 Miles	10 Miles
Average	\$65,682	\$69,946	\$74,686
Median	\$50,464	\$55,092	\$59,321
Per Capita	\$27,887	\$29,612	\$30,019

HOUSEHOLDS

	3 Miles	5 Miles	10 Miles
2023 Projection	40,228	94,323	297,226
2018 Estimate	39,471	91,513	285,923
2010 Census	38,099	87,647	275,392
2000 Census	38,045	84,529	260,487

HOUSING

	3 Miles	5 Miles	10 Miles
2018	\$144,297	\$160,076	\$162,059

EMPLOYMENT

	3 Miles	5 Miles	10 Miles
2018 Daytime Population	79,562	193,228	652,985
2018 Unemployment	6.13%	5.25%	4.71%
2018 Median Time Traveled	29 Mins	29 Mins	29 Mins

RACE & ETHNICITY

	3 Miles	5 Miles	10 Miles
White	72.18%	78.51%	79.46%
Native American	0.06%	0.03%	0.03%
African American	21.96%	15.75%	13.40%
Asian/Pacific Islander	1.61%	2.04%	3.69%



Market Overview

City: Clinton Township | County: Macomb | State: Michigan

Detroit, Michigan

Detroit is the largest and most populous city in the U.S. state of Michigan, the largest American city on the United States–Canada border, and the seat of Wayne County. The city is a major port on the Detroit River and the Detroit Metropolitan Airport is among the most important hubs in the United States. The City of Detroit anchors the second-largest economic region in the Midwest, behind Chicago, and the thirteenth-largest in the United States. Several major companies are based in the city including three Fortune 500 companies. The most heavily representative sectors are automotive manufacturing, finance, technology, and health care. Major companies in the city include General Motors, Quicken Loans, Ally Financial and Little Caesars. In the 2010s, several initiatives were taken by Detroit's citizens and new inhabitants to improve the cityscape by renovating and revitalizing neighborhoods. Downtown Detroit has held an increased role as a cultural destination in the 21st century, with the restoration of several historic theatres and entertainment venues, high-rise renovations, new sports stadiums and a riverfront revitalization project. Detroit's diverse culture has had both local and international influence, particularly in music, with the city giving rise to the genres of Motown and techno, and playing an important role in the development of jazz, hip-hop, rock, and punk music. The erstwhile rapid growth of Detroit left a globally unique stock of architectural monuments and historic places, and since the 2000s conservation efforts managed to save many architectural pieces and allowed several large-scale revitalizations, including the restoration of several historic theatres and entertainment venues, high-rise renovations, new sports stadiums, and a riverfront revitalization project.

Major Employers

Employer	Estimated # of Employees
General Motors	14,670
US Army Grrsn-Detroit Arsenal	5,400
Macolm Intermediate School District	5,003
Americas Back Office	3,501
Ford	2,814
Adminstative Employer Services Inc	2,800
Sterling Hts Assembly Plant	2,603
Gdls	2,300
Walmart	2,105
Plumbrook Family Medicine	2,000
St Joseph Mercy of Macomb	1,700
Kroger	1,681

Marcus & Millichap

NNN
PRO GROUP

OFFERING MEMORANDUM

