

INTERNATIONAL CAR WASH GROUP SALE-LEASEBACK

DBA. Goo Goo

- ❖ 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



1100 West High Avenue, New Philadelphia, OH 44663

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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

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Investment Highlights

PRICE: \$2,856,899 | CAP: 6.00% | RENT: \$171,414



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: \$2,856,899 | CAP: 6.00% | RENT: \$171,414



Property Description

Property	International Car Wash Group
Property Address	1100 West High Ave
City, State, ZIP	New Philadelphia , OH 44663
Year Built	2017
Building Size (SF)	3,361 SF
Lot Size	+/- 1.25 Acres
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$2,856,899
CAP Rate	6.00%
Annual Rent	\$171,414

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	\$171,414	\$14,284	-
Year 2	\$173,985	\$14,499	1.50%
Year 3	\$176,595	\$14,716	1.50%
Year 4	\$179,244	\$14,937	1.50%
Year 5	\$181,933	\$15,161	1.50%
Year 6	\$184,662	\$15,388	1.50%
Year 7	\$187,431	\$15,619	1.50%
Year 8	\$190,243	\$15,854	1.50%
Year 9	\$193,097	\$16,091	1.50%
Year 10	\$195,993	\$16,333	1.50%
Year 11	\$198,933	\$16,578	1.50%
Year 12	\$201,917	\$16,826	1.50%
Year 13	\$204,946	\$17,079	1.50%
Year 14	\$208,020	\$17,335	1.50%
Year 15	\$211,140	\$17,595	1.50%
Year 16	\$214,307	\$17,859	1.50%
Year 17	\$217,522	\$18,127	1.50%
Year 18	\$220,785	\$18,399	1.50%
Year 19	\$224,096	\$18,675	1.50%
Year 20	\$227,458	\$18,955	1.50%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for 1100 West High Avenue in New Philadelphia, Ohio. 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 \$171,414 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 3,361 rentable square feet and is situated on 1.25 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	\$171,414
Cap Rate	6.00%
Purchase Price	\$2,856,899
Loan Amount	\$1,856,985
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$123,229
Depreciable Basis for Improvements	80.00%
Useful Life	15
Federal Tax Rate	37.00%
Year 1 Depreciation	\$152,368
Potential Tax Savings	\$56,376

Standard Depreciation

Assumptions	
Asset Type	QSR
Ownership	Fee Simple
Rent	\$171,414
Cap Rate	6.00%
Purchase Price	\$2,856,899
Loan Amount	\$1,856,985
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$123,229
Depreciable Basis for Improvements	80.00%
Useful Life	39
Federal Tax Rate	37.00%
Year 1 Depreciation	\$58,603
Potential Tax Savings	\$21,683

Bonus Depreciation

Assumptions	
Asset Type	Car Wash
Ownership	Fee Simple
Rent	\$171,414
Cap Rate	6.00%
Purchase Price	\$2,856,899
Loan Amount	\$1,856,985
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$123,229
Depreciable Basis for Improvements	80.00%
Useful Life	1
Federal Tax Rate	37.00%
Year 1 Depreciation	\$2,285,519
Potential Tax Savings	\$845,642

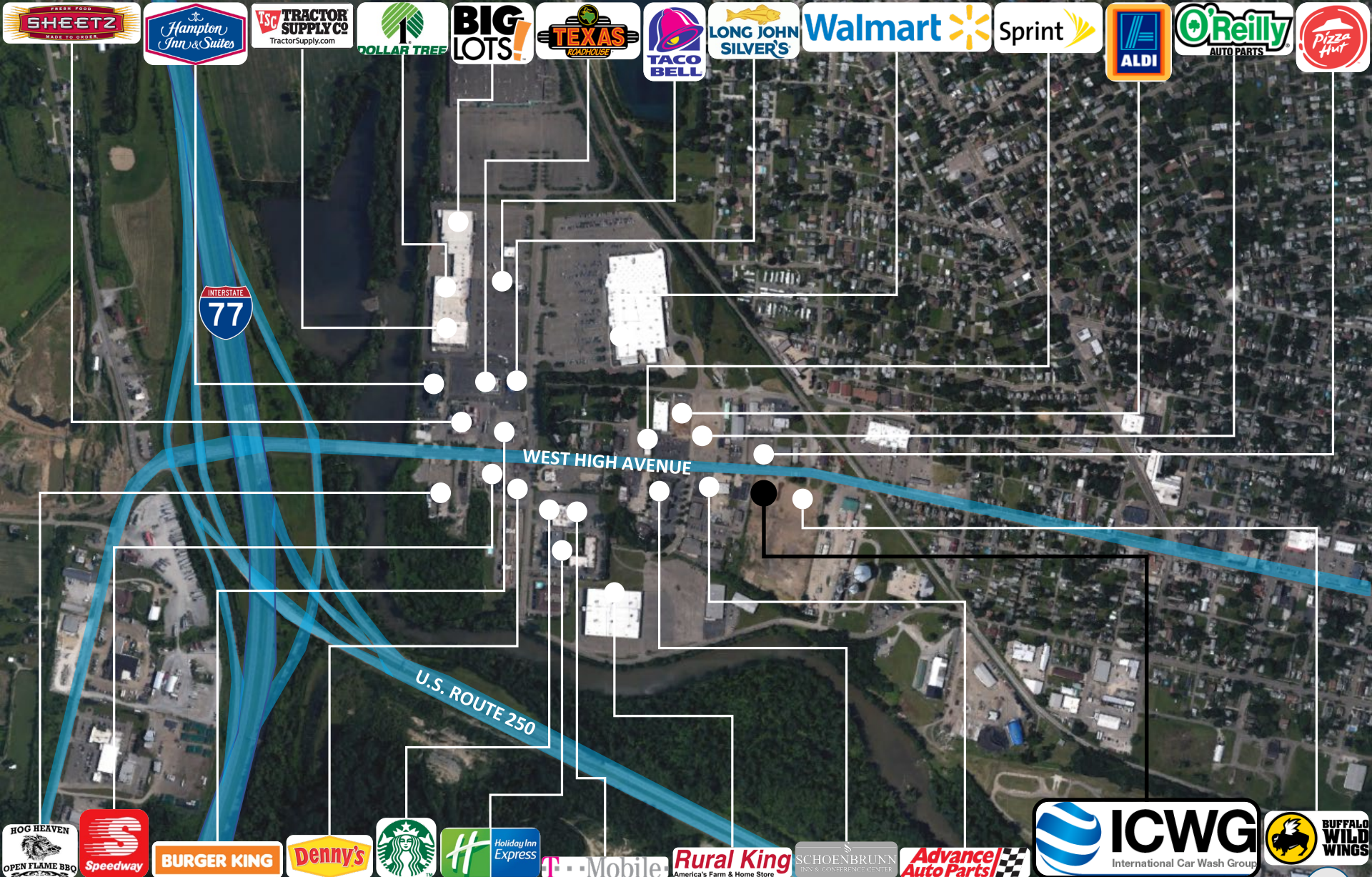
Ground Lease

Assumptions	
Asset Type	QSR
Ownership	Ground Only
Rent	\$171,414
Cap Rate	6.00%
Purchase Price	\$2,856,899
Loan Amount	\$1,856,985
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$123,229
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: 1100 West High Avenue – New Philadelphia, OH 44663





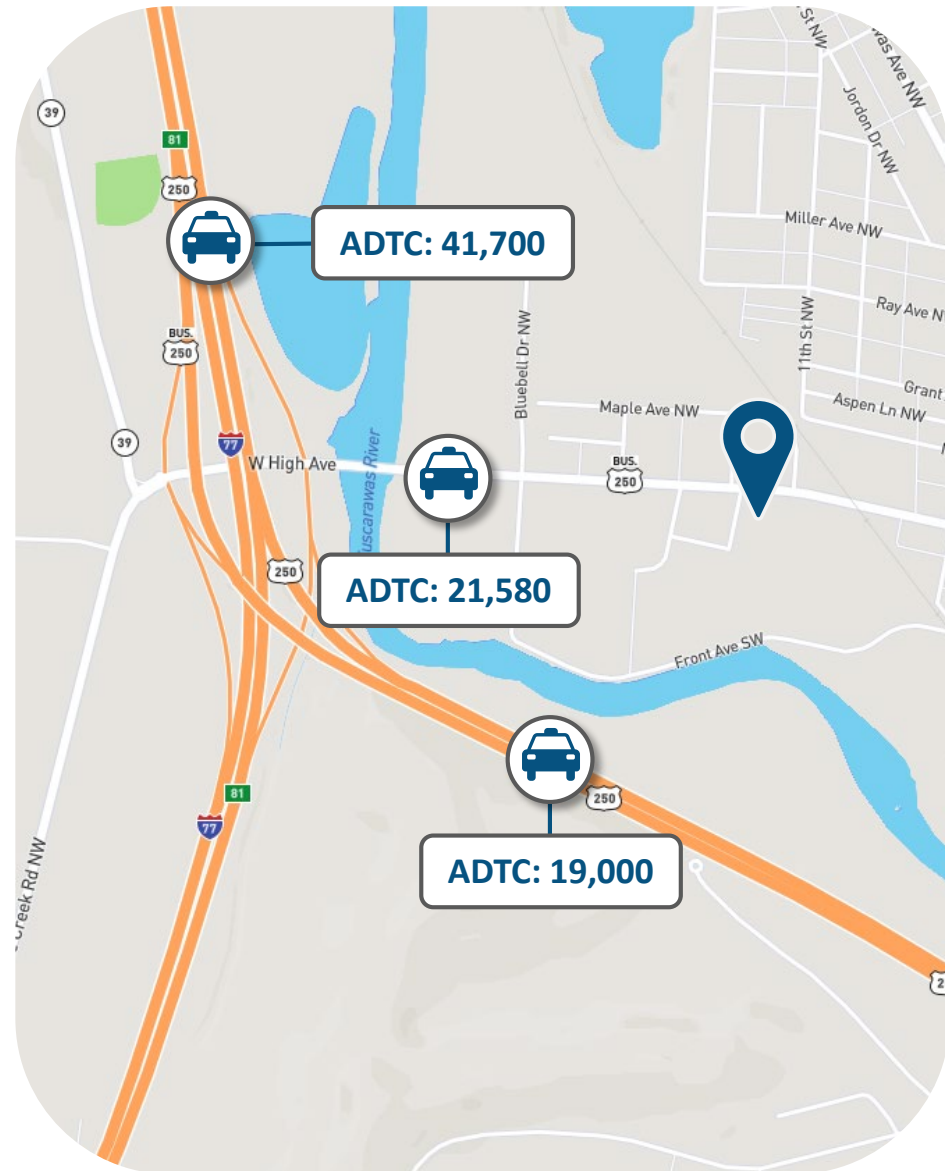
Location Overview

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The subject property benefits from being well-positioned in a dense urban infill consisting of national and local tenants, schools and multiple hospitality arrangements. Major national tenants include: Walmart, Aldi, Sheetz, Big Lots!, Dollar Tree, Advance Auto Parts, O'Reilly Auto Parts, Burger King, Taco Bell, as well as several others. Accommodations in the immediate area include: Holiday Inn Express & Suites, Hampton Inn, Best Western, Super 8 and more. This ICWG Car Wash also benefits from being situated within a five-mile radius of several academic institutions. The most notable is Kent State University at Tuscarawas, which has a combined total enrollment exceeding 2,100 students. Cleveland Clinic Union Hospital, a 100+ bed, general medical and surgical facility is located within two miles of the subject property.

The subject car wash is situated on West High Avenue, which boasts average daily traffic counts exceeding 21,580 vehicles respectively. West High Avenue intersects with Interstate-77 and U.S. Route 250, which brings an additional 41,700 and 19,000 vehicles into the immediate area on average daily. There are more than 37,867 individuals residing within a five-mile radius of the property and more than 71,632 individuals within a ten-mile radius.

New Philadelphia is a city in and the county seat of Tuscarawas County, OH and is situated approximately 70 miles from Cleveland and 100 miles from Columbus. As its name suggests, the city is laid out in the same grid style as Philadelphia, Pennsylvania. Even the primary streets – High Avenue and Broadway – are named after two original main streets in Philadelphia. Today, New Philadelphia has a thriving “Main Street” with many original buildings serving as home to locally owned businesses and shops, reflective of their pride in remembering the past while continuing to move forward. The city has one of the lowest crime rates in the state, and recently was voted number four in the “50 Safest Cities in Ohio”. Cleveland, a city located on the southern shore of Lake Erie, is the 51st largest city in the United States and is the 32nd largest metropolitan area. Cleveland's economy relies on diversified sectors such as manufacturing, financial services, healthcare (such as the Cleveland Clinic and University Hospitals), and biomedical. Cleveland's economy ranks 28th largest in the nation and is the largest economy of Ohio's metro areas with \$139 billion.





Property Photo





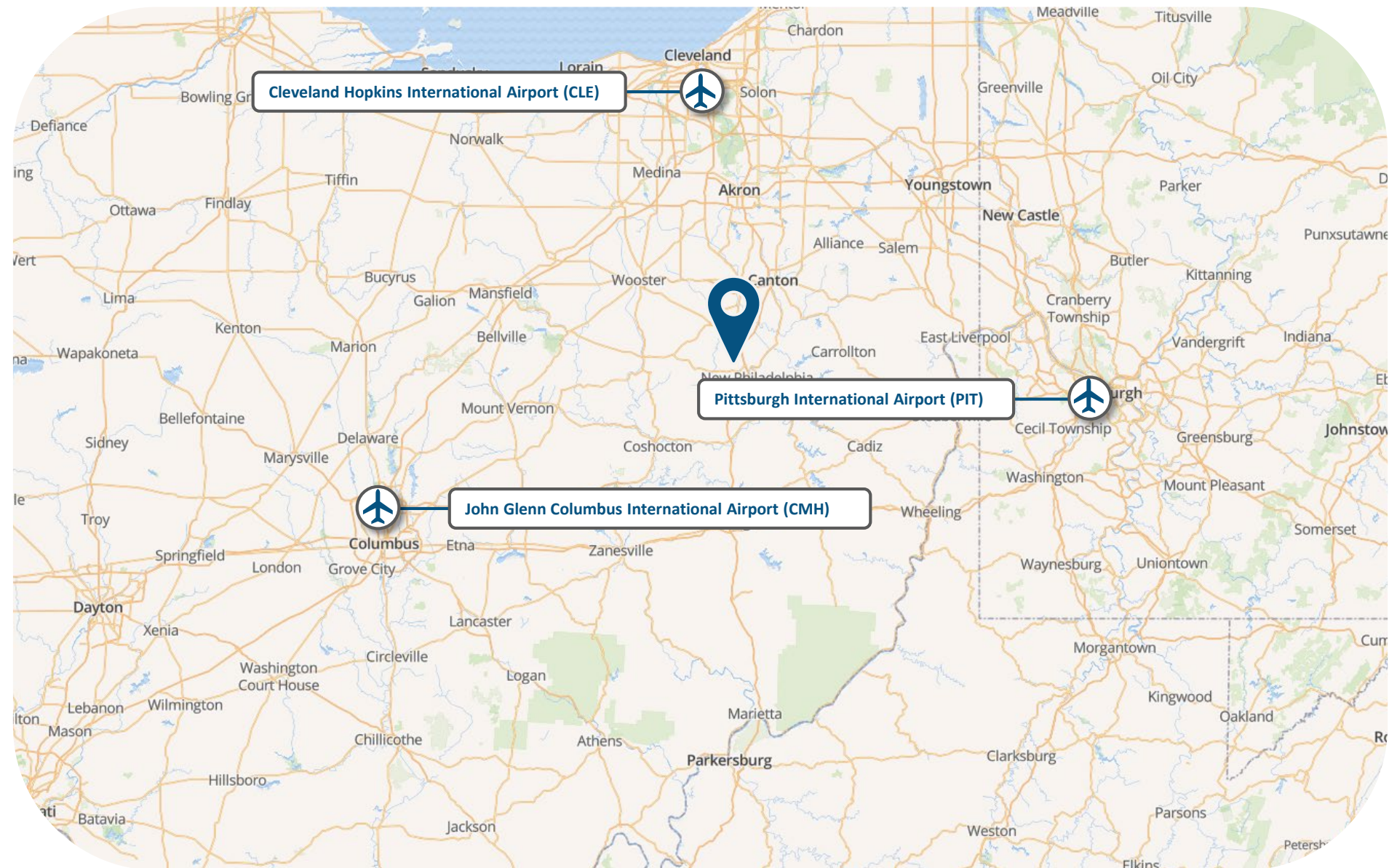
Surrounding Area Photos





Local Map

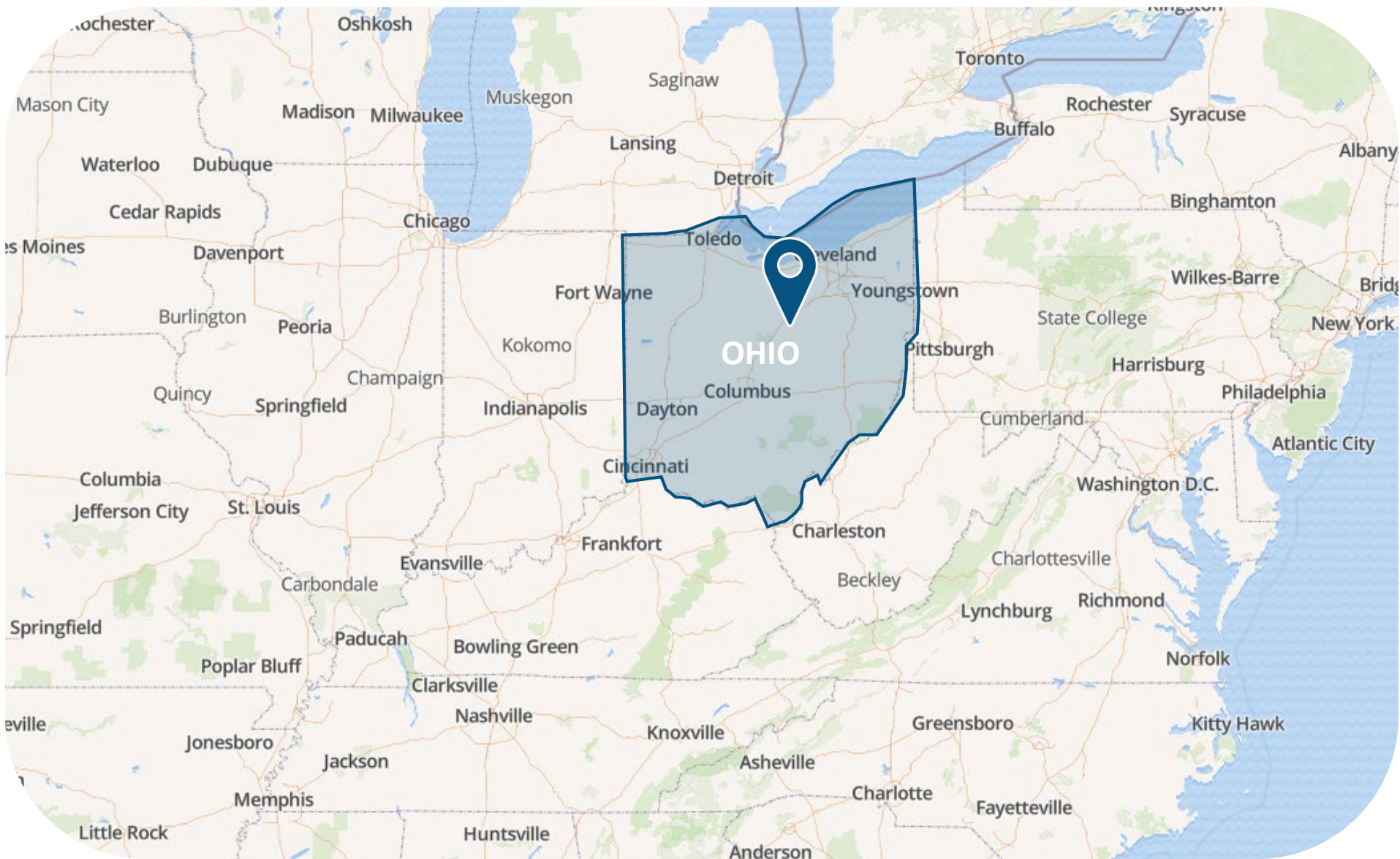
Property Address: 1100 West High Avenue – New Philadelphia, OH 44663





Regional Map

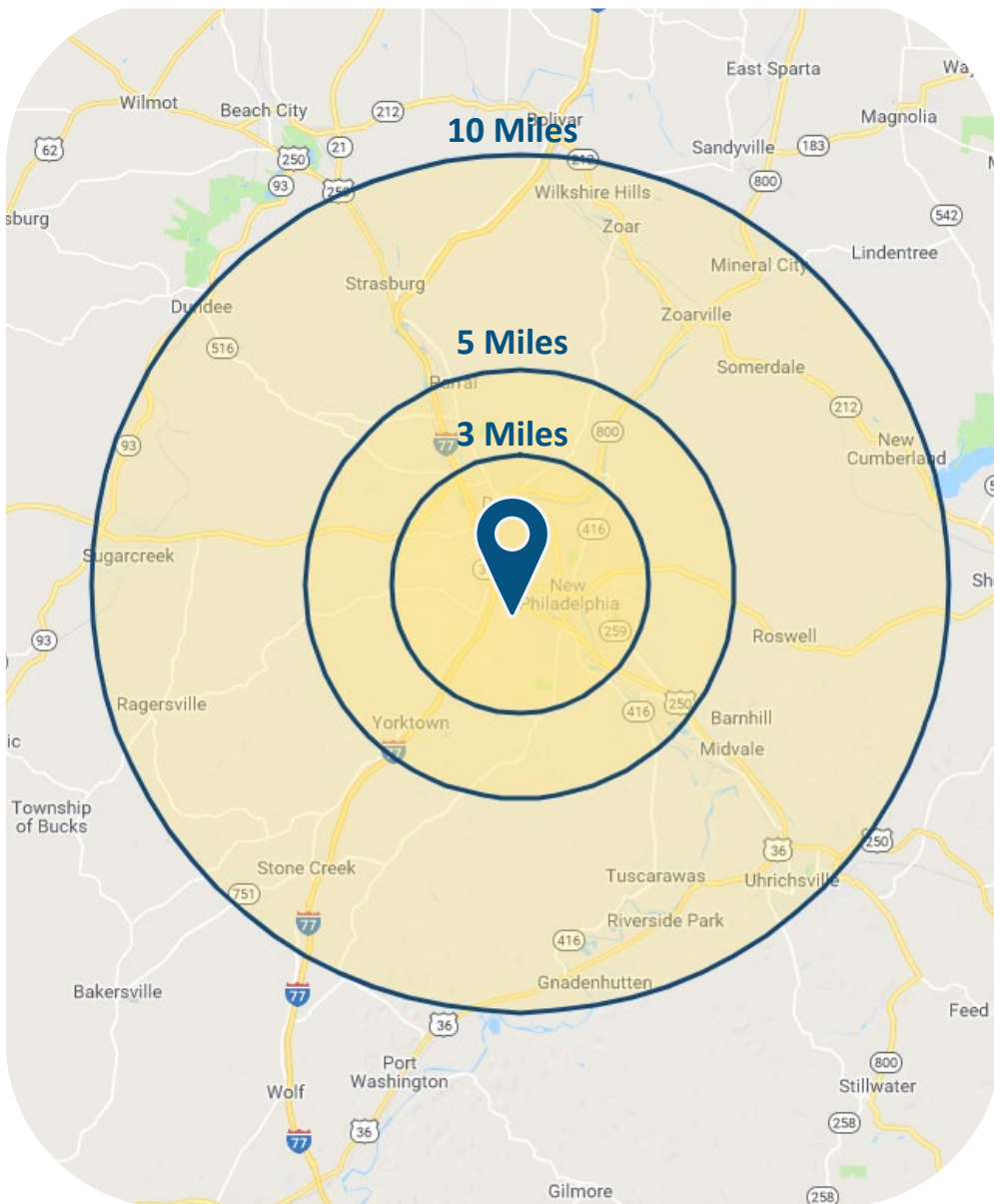
Property Address: 1100 West High Avenue – New Philadelphia, OH 44663





Demographics

Property Address: 1100 West High Avenue – New Philadelphia, OH 44663



POPULATION

	3 Miles	5 Miles	10 Miles
2022 Projection	28,649	38,131	72,369
2017 Estimate	28,645	37,867	71,632
2010 Census	28,733	37,981	71,465
2000 Census	28,371	37,367	70,042

INCOME

	3 Miles	5 Miles	10 Miles
Average	\$60,777	\$62,925	\$62,054
Median	\$47,675	\$49,884	\$49,546
Per Capita	\$25,589	\$26,232	\$25,253

HOUSEHOLDS

	3 Miles	5 Miles	10 Miles
2022 Projection	12,083	15,907	29,688
2017 Estimate	11,948	15,610	28,935
2010 Census	12,011	15,674	28,904
2000 Census	11,989	15,366	27,817

HOUSING

	3 Miles	5 Miles	10 Miles
2017	\$118,999	\$127,356	\$123,030

EMPLOYMENT

	3 Miles	5 Miles	10 Miles
2017 Daytime Population	33,252	44,079	72,619
2017 Unemployment	5.28%	5.19%	5.62%
2017 Median Time Traveled	20 Mins	21 Mins	22 Mins

RACE & ETHNICITY

	3 Miles	5 Miles	10 Miles
White	92.46%	93.65%	95.48%
Native American	0.56%	0.43%	0.26%
African American	1.32%	1.13%	0.87%
Asian/Pacific Islander	0.48%	0.52%	0.39%



Market Overview

City: New Philadelphia | County: Tuscarawas | State: Ohio

Cleveland, OH

Cleveland

is a major city in the U.S. state of Ohio, and the county seat of Cuyahoga County. The city has a population of 388,072, making it the 51st-largest city in the United States, and the second-largest city in Ohio. Greater Cleveland is ranked as the 32nd-largest metropolitan area in the U.S., with 2,055,612 people in 2016. The city anchors the Cleveland–Akron–Canton Combined Statistical Area, which had a population of 3,515,646 in 2010 and is ranked 15th in the United States. The city is located on the southern shore of Lake Erie, approximately 60 miles (100 kilometers) west of the Ohio-Pennsylvania state border. It was founded by European Americans in 1796 near the mouth of the Cuyahoga River. It became a manufacturing center due to its location on both the river and the lake shore, as well as being connected to numerous canals and railroad lines. Cleveland's economy relies on diversified sectors such as manufacturing, financial services, healthcare, and biomedical. Cleveland is also home to the Rock and Roll Hall of Fame. The city has many nicknames, the oldest of which in contemporary use being The Forest City. Cleveland is home to the corporate headquarters of many large companies such as Applied Industrial Technologies, Cliffs Natural Resources, Forest City Enterprises, NACCO Industries, Sherwin-Williams Company, and KeyCorp. NASA maintains a facility in Cleveland, the Glenn Research Center. Jones Day, one of the largest law firms in the U.S., was founded in Cleveland. Rockefeller University, which have been ranked among the top universities in the world.

Major Employers

Employer	Estimated # of Employees
Union Hospital Association	925
Childrens Hosp Med Ctr Akron	732
County of Tuscarawas	382
New Philadelphia Board Educatn	364
Disabled American Veterans	330
Ember Home Care	300
Marlite Inc	300
Walmart	300
Lauren Manufacturing LLC	288
McDonalds	278
Allied Machine & Engrg Corp	270



Marcus & Millichap

EXCLUSIVE NET-LEASE OFFERING

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