

INTERNATIONAL CAR WASH GROUP SALE-LEASEBACK

DBA. Car Wash USA

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

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



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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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Investment Highlights

PRICE: \$2,935,984 | CAP: 5.75% | RENT: \$168,819



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 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.
- ✓ **Accelerated Depreciation:** This Property Qualifies for 15 Year Accelerated Depreciation

About the Location

- ✓ Dense Retail Corridor | Kroger, Dollar General, Dollar Tree, Hertz Car Rental, AutoZone Auto Parts, Starbucks, McDonald's, Zaxby's Chicken Fingers & Buffalo Wings, Burger King, Baskin Robbins and More.
- ✓ Affluent Suburban Community | Average Household Income Exceeds \$111,000 within a One-Mile Radius
- ✓ Positive Real Estate Fundamentals | Within Twenty Miles of Downtown Memphis, TN
- ✓ Strong Academic Presence | Cordova High School | Located Three-Miles from the Subject Property | Total Enrollment Exceeding 2,330 Students

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 135 locations, making it the country's second largest operator.
- ✓ 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: \$2,935,984 | CAP: 5.75% | RENT: \$168,819



Property Description

Property	International Car Wash Group
Property Address	10003 Macon Rd
City, State, ZIP	Cordova, TN 38016
Building Size (SF)	3,704
Lot Size	+/- 1.65 Acres
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$2,935,984
CAP Rate	5.75%
Annual Rent	\$168,819
Rent / SF	\$45.58

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	1.5% Annually
Options to Renew	Four (4), Five (5) Year Options

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation
Year 1	\$168,819	\$14,068	-
Year 2	\$171,351	\$14,279	1.50%
Year 3	\$173,922	\$14,493	1.50%
Year 4	\$176,530	\$14,711	1.50%
Year 5	\$179,178	\$14,932	1.50%
Year 6	\$181,866	\$15,156	1.50%
Year 7	\$184,594	\$15,383	1.50%
Year 8	\$187,363	\$15,614	1.50%
Year 9	\$190,173	\$15,848	1.50%
Year 10	\$193,026	\$16,086	1.50%
Year 11	\$195,921	\$16,327	1.50%
Year 12	\$198,860	\$16,572	1.50%
Year 13	\$201,843	\$16,820	1.50%
Year 14	\$204,871	\$17,073	1.50%
Year 15	\$207,944	\$17,329	1.50%
Year 16	\$211,063	\$17,589	1.50%
Year 17	\$214,229	\$17,852	1.50%
Year 18	\$217,442	\$18,120	1.50%
Year 19	\$220,704	\$18,392	1.50%
Year 20	\$224,015	\$18,668	1.50%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for 10003 Macon Road in Cordova, 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 \$168,819 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 3,704 rentable square feet and is situated on 1.65 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 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.

TENANT NAME

ICWG

COUNTRIES

14

WEBSITE

ICWG.COM

FOUNDED

2014

LOCATIONS

890+

HEADQUARTERS

**Centennial,
Colorado**

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.



Roark Capital Group Acquires International Car Wash Group

Atlanta, GA (October 4, 2017) – Roark Capital Group, an Atlanta-based private equity firm focused on multi-unit consumer businesses, announced today that its affiliate has closed on the previously announced acquisition of UK-based International Car Wash Group from TDR Capital LLP.

ICWG is the largest car wash operator in the world, washing more than 35 million cars every year through more than 900 locations in 14 countries across Europe, the United States, and Australia. Founded in Germany in 1965, the Company has solidified its position as the international market leader, developing an extensive network of more than 750 car wash locations across Europe and more than 100 car wash locations in the U.S. ICWG's focus on express-service style operations appeals to a broad base of consumers seeking a quick and high-quality wash at an affordable price.

Ezra Field, Senior Managing Director and Chief Investment Officer at Roark, said, "ICWG's quick conveyor car wash model provides high-quality washes at an affordable price point that is attractive to today's consumers who demand convenience and value."

Roark focuses on franchised and multi-unit business models in the retail, restaurant, consumer and business services sectors. Since inception, affiliates of Roark have invested in 61 franchise/multi-unit brands which collectively generate \$25 billion in annual system revenues from 28,000 locations in 50 states and 78 countries. Roark's current brands include Anytime Fitness, Arby's, Atkins Nutritionals, Batteries Plus Bulbs, CKE Restaurants (the owner of Carl's Jr. and Hardee's), Corner Bakery, Driven Brands (the owner of Maaco, Meineke, CARSTAR, 1-800-Radiator and Take 5 Oil Change), Drybar, FOCUS Brands (the owner of Auntie Anne's Pretzels, Carvel Ice Cream, Cinnabon, McAlister's Deli, Moe's Southwest Grill, and Schlotzsky's), Great Expressions Dental Centers, Il Fornaio, Jimmy John's, Jim 'N Nick's, Massage Envy, Miller's Ale House, Naf Naf Grill, Orangetheory Fitness, Pet Retail Brands (the owner of Pet Supermarket and Pet Valu), Primrose Schools and Waxing the City. For more information, please visit www.roarkcapital.com.



Depreciation Benefits

Accelerated Depreciation

Assumptions	
Asset Type	Car Wash
Ownership	Fee Simple
Rent	\$168,819
Cap Rate	5.75%
Purchase Price	\$2,935,984
Loan Amount	\$1,908,389
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$126,640
Depreciable Basis for Improvements	80.00%
Useful Life	15
Federal Tax Rate	37.00%
Year 1 Depreciation	\$156,586
Potential Tax Savings	\$57,937

Standard Depreciation

Assumptions	
Asset Type	QSR
Ownership	Fee Simple
Rent	\$168,819
Cap Rate	5.75%
Purchase Price	\$2,935,984
Loan Amount	\$1,908,389
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$126,640
Depreciable Basis for Improvements	80.00%
Useful Life	39
Federal Tax Rate	37.00%
Year 1 Depreciation	\$60,225
Potential Tax Savings	\$22,283

Bonus Depreciation

Assumptions	
Asset Type	Car Wash
Ownership	Fee Simple
Rent	\$168,819
Cap Rate	5.75%
Purchase Price	\$2,935,984
Loan Amount	\$1,908,389
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$126,640
Depreciable Basis for Improvements	80.00%
Useful Life	1
Federal Tax Rate	37.00%
Year 1 Depreciation	\$2,348,787
Potential Tax Savings	\$869,051

Ground Lease

Assumptions	
Asset Type	QSR
Ownership	Ground Only
Rent	\$168,819
Cap Rate	5.75%
Purchase Price	\$2,935,984
Loan Amount	\$1,908,389
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$126,640
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: 10003 Macon Road, Cordova, TN



DOLLAR GENERAL

Save time. Save money. Every day!

MACON ROAD

ADTC: 12,452

McDonald's

SUPER CUTS

AutoZone

RIO AZUL



SONIC



BURGER KING



Hertz





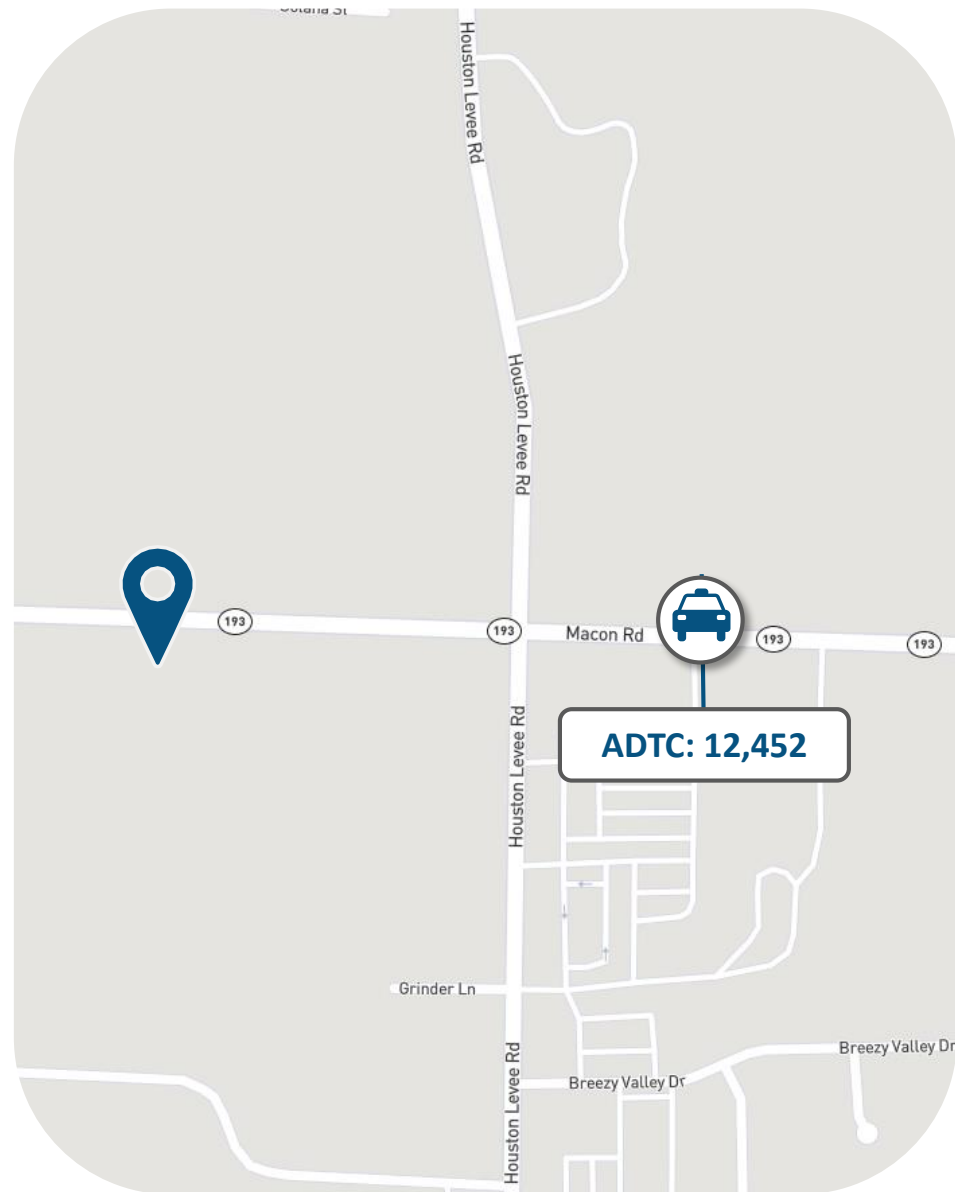
Location Overview

Property Address: 10003 Macon Road, Cordova, TN

The subject Car Wash benefits from being well-positioned in the main retail corridor of the a mainly residential area surrounded by national and local tenants, shopping centers, and academic institutions. Major national tenants in the immediate area include: Kroger, Dollar General, Dollar Tree, Hertz Car Rental, AutoZone Auto Parts, Starbucks, McDonald's, Zaxby's Chicken Fingers & Buffalo Wings, Burger King, Baskin Robbins, and more. The subject property benefits from being situated within a five-mile radius of several academic institutions. Most notable of these being Cordova High School where more than 2,330 students are enrolled.

The site is situated on Macon Road, which has an average daily traffic count of 12,452 vehicles. There are approximately 34,363 individuals within a three-mile radius of this property and 97,259 individuals within a five-mile radius. The subject Car Wash benefits from being situated in an affluent suburban community. The average household income within a one-mile radius exceeds \$111,000.

Cordova is a community in Shelby County, Tennessee. Cordova lies east of Memphis, north of Germantown, south of Bartlett, and northwest of Collierville. The majority of Cordova has been annexed by the City of Memphis. Memphis is a city located in Shelby County, Tennessee. Memphis is the largest city on the Mississippi River, the second most populous city in Tennessee, and the 25th largest city in the United States. Greater Memphis is the 42nd largest metropolitan area in the United States. Memphis is the anchor of West Tennessee and the greater Mid-South region. 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, Memphis is ideally located for commerce in the transportation and shipping industry. Memphis is also the home of founders and pioneers of various American music genres, including Memphis soul, blues, gospel, rock n' roll, rap, and country music. Beale Street is a national historical landmark and shows the impact Memphis has had on American blues. This is a site that many visitors and natives come to Memphis to explore, as there are many restaurants, shops, museums and other landmarks located along the legendary street.





Property Photo





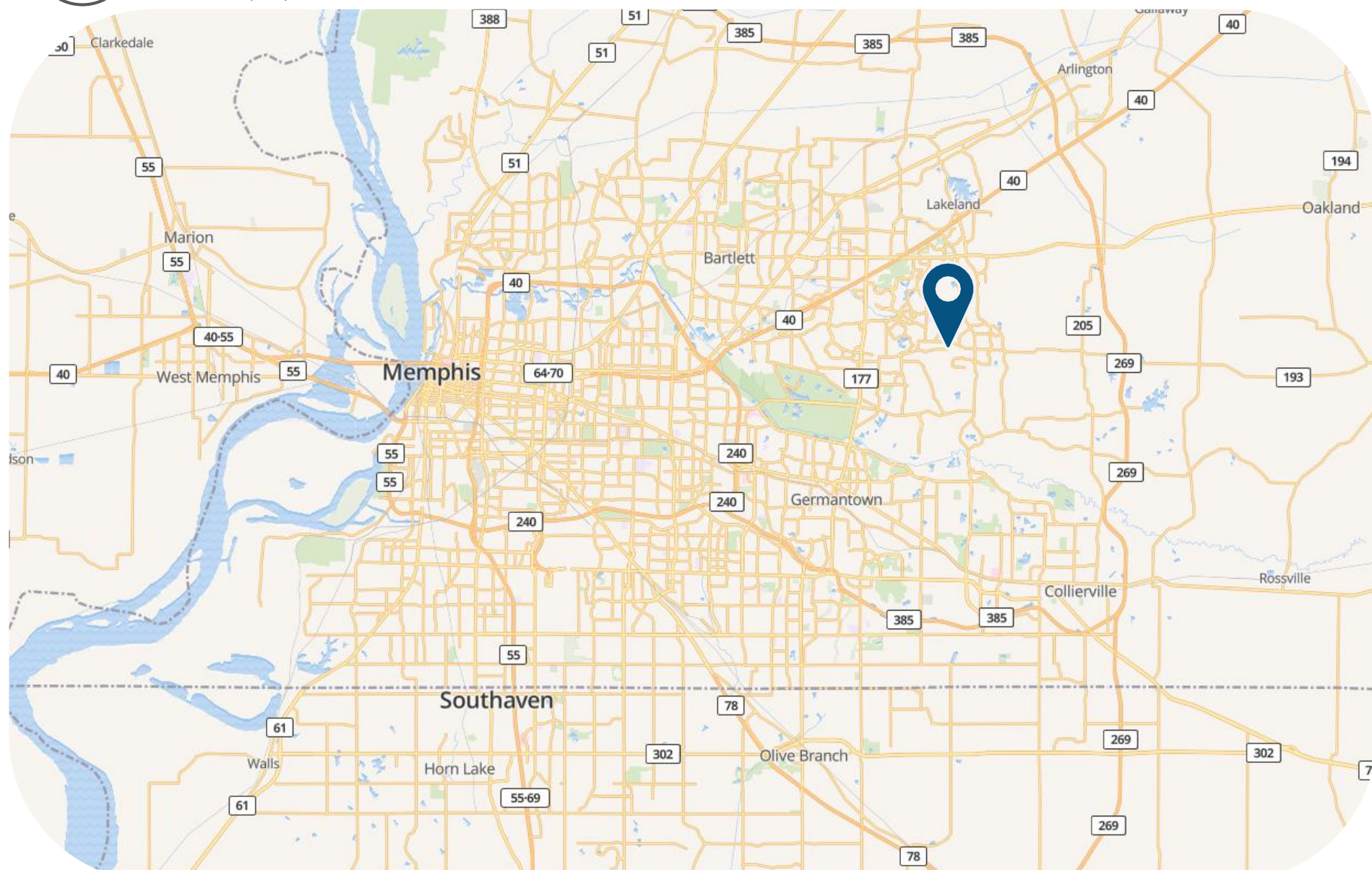
Surrounding Area Photos





Local Map

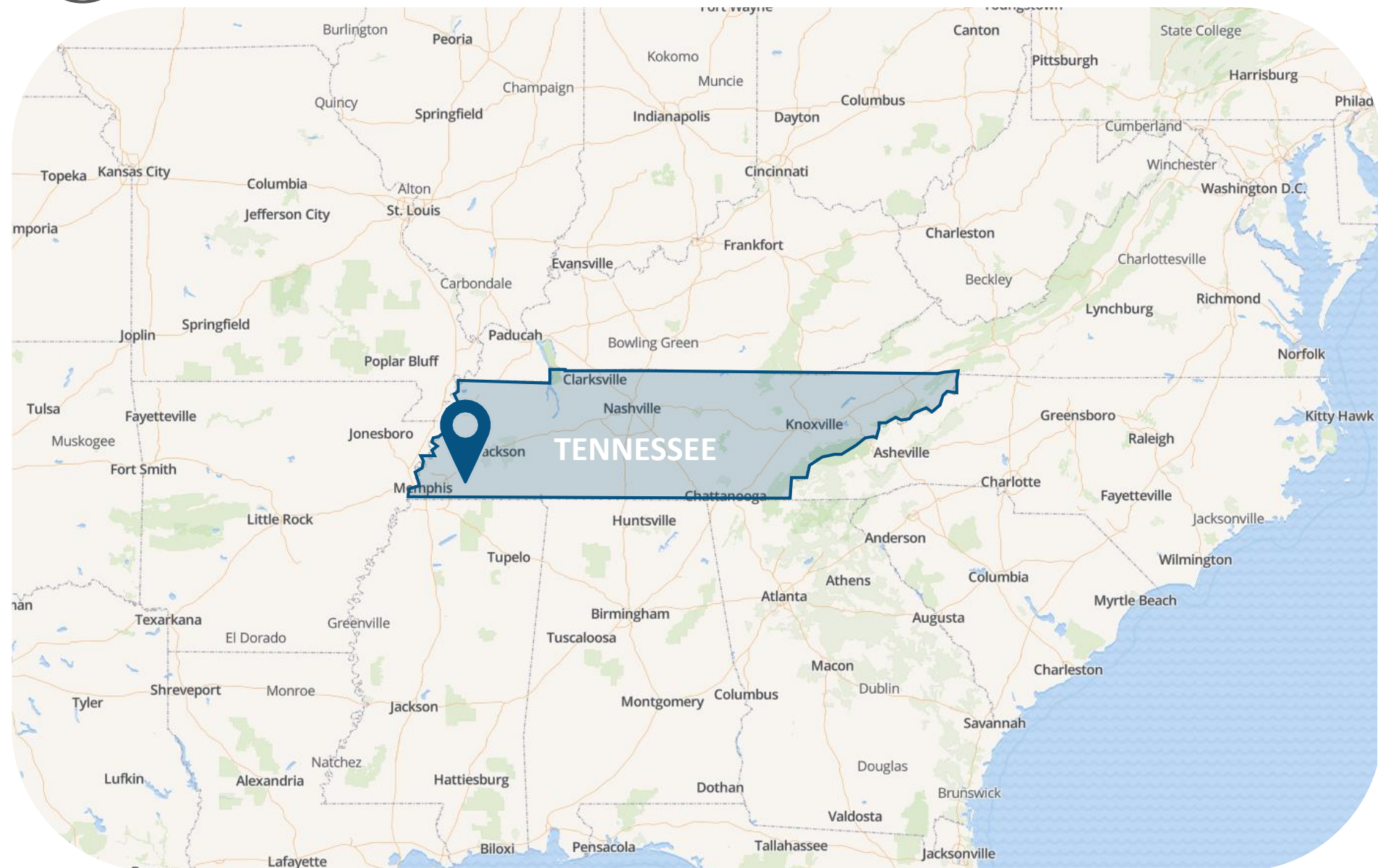
Property Address: 10003 Macon Road, Cordova, TN





Regional Map

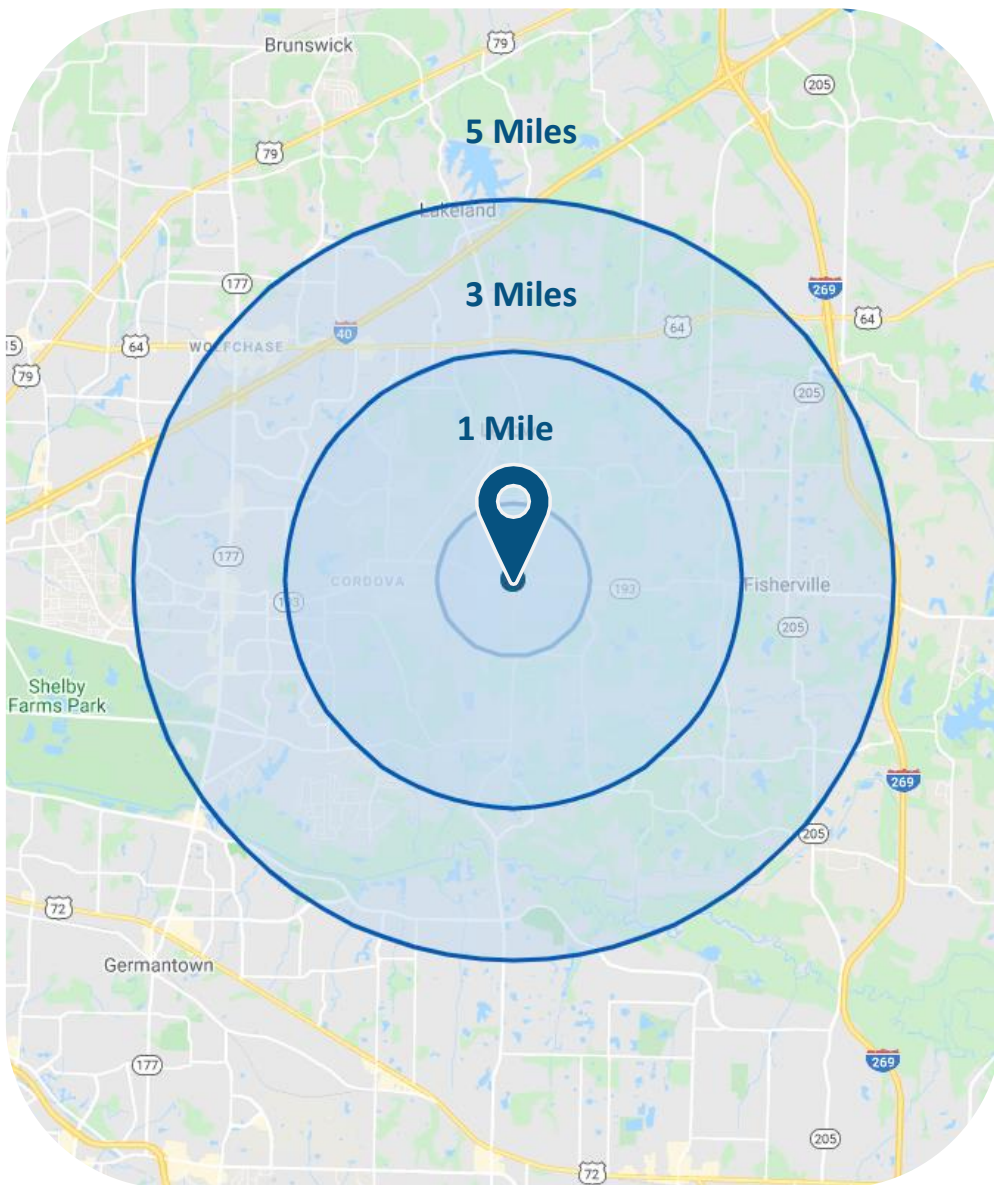
Property Address: 10003 Macon Road, Cordova, TN





Demographics

Property Address: 10003 Macon Road, Cordova, TN



POPULATION

	1 Mile	3 Miles	5 Miles
2023 Projection	11,566	41,762	110,198
2018 Estimate	9,104	34,363	97,259
2010 Census	7,867	31,185	91,531
2000 Census	2,448	15,444	64,841

INCOME

	1 Mile	3 Miles	5 Miles
Average	\$111,416	\$109,179	\$105,741
Median	\$79,191	\$82,415	\$77,924
Per Capita	\$40,868	\$40,619	\$41,300

HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2023 Projection	4,343	15,886	43,452
2018 Estimate	3,335	12,776	37,917
2010 Census	2,919	11,711	36,129
2000 Census	855	5,507	25,003

HOUSING

	1 Mile	3 Miles	5 Miles
2018	\$221,991	\$197,684	\$193,061

EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2018 Daytime Population	4,689	19,601	67,713
2018 Unemployment	2.96%	2.36%	2.19%
2018 Median Time Traveled	31 Mins	29 Mins	28 Mins

RACE & ETHNICITY

	1 Mile	3 Miles	5 Miles
White	52.19%	50.82%	59.55%
Native American	0.03%	0.03%	0.03%
African American	39.35%	38.46%	29.99%
Asian/Pacific Islander	3.97%	5.66%	5.43%



Market Overview

City: Cordova | County: Shelby | State: Tennessee

Memphis, TN

Memphis is a city in the southwestern corner of the U.S. state of Tennessee. It is the seat of Shelby County and the major commercial and industrial center of western Tennessee. Memphis is one of the principal wholesale and retail cities in the South, and its economic influence extends into neighboring states. It is also a leading educational and medical center. The city is located on the 4th Chickasaw Bluff, south of the confluence of the Wolf and Mississippi rivers. The 2017 city population was 652,236, making Memphis the 25th largest city in the United States. Greater Memphis is the 42nd largest metropolitan area in the United States, with a population of 1,348,260 in 2017. This makes Memphis the second largest metropolitan area in Tennessee, surpassed only by metropolitan Nashville, which has overtaken Memphis in recent years.

The city's central location has led to much of 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. The city is home to Memphis International Airport, the world's second busiest cargo airport (following Hong Kong), which serves as the primary hub for FedEx Express shipping and was a secondary hub for Delta Air Lines after it merged with Northwest Airlines in 2008. Memphis is the home of three Fortune 500 companies: FedEx, AutoZone, and International Paper. Additionally, Memphis is a well-known music center and has been the home of several famous "sounds." Elvis Presley, whose popularity made rock and roll a national phenomenon in the 1950s, began his recording career in Memphis at Sun Records, otherwise known as the "Birthplace of Rock and Roll."





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EXCLUSIVE NET LEASE OFFERING

