

MAVIS DISCOUNT TIRE

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM



4318 Waters Avenue, Savannah, GA 31404

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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.

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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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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.

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Table of Contents

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





Investment Highlights

PRICE: \$3,787,826 | CAP: 5.75% | RENT: \$217,800



About the Investment

- ✓ Long Term 20-Year Lease with 15-Years Remaining
- ✓ Absolute Triple Net (NNN) Lease with Zero Landlord Responsibilities
- ✓ Attractive Rental Increases of Ten Percent (10%) Every Five (5) Years
- ✓ Four (4) Tenant Renewal Periods of Five (5) Years Each

About the Location

- ✓ Dense Urban Infill | Walgreens, CVS Pharmacy, McDonald's, Wendy's, Wells Fargo, BB&T, Bank of America, O'Reilly Auto Parts, and Many More
- ✓ Memorial Health University Medical Center | One Half Mile From the Subject Property | 612 Beds | Region's Only Level I Trauma Center | Region's Only Children's Hospital | Savannah Campus of Mercer University School of Medicine
- ✓ Candler Hospital | Approximately One Mile From the Subject Property | 330 Beds | Specialty Services Include The Heart Hospital, The Institute for Advanced Bone & Joint Surgery and the Institute of Neurosciences
- ✓ Less than Three Miles from Savannah State University | 4,470+ Students
- ✓ Located in Savannah | An Industrial Center and Integral Atlantic Seaport

About the Tenant / Brand

- ✓ Mavis Discount Tire, founded in 1949 by Marion and Victor Sorbaro, is headquartered in Millwood, New York
- ✓ Mavis Discount Tire is one of the largest independent tire and service providers in the US, operating more than 760 fully-equipped service centers across 14 states
- ✓ Offers tires from over 20 major brands and provides repair and maintenance services, including: brakes, alignments, suspension, shocks, struts, oil changes, battery replacement and exhaust work
- ✓ Acquired Cole Muffler Brake in 2008, Somerset Tire (STS) in 2015, Kauffman Tire in 2018 and merged with Express Oil and Tire Engineers in 2018, enabling Mavis Discount Tire to keep pace with changing market demands and conditions



We will not be undersold! Think you've seen a lower price?
Call Us Now at 1-800-487-2284

Instore Installation vs. Buying On-line/Mail Order

Buying from other on-line tire companies might seem like a great deal at first, but tires need to be properly installed & balanced. By the time you pay for shipping, mounting, balancing, new valve stems, etc. you may not be getting the deal you thought you were.

Call us before buying on-line: 1-800-487-2284





Financial Analysis

PRICE: \$3,787,826 | CAP: 5.75% | RENT: \$217,800



PROPERTY DESCRIPTION

Property	Mavis Discount Tire
Property Address	4318 Waters Ave
City, State, ZIP	Savannah, GA 31404
Estimated Building Size	20,000
Lot Size	+/- 0.87 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$3,787,826
CAP Rate	5.75%
Annual Rent	\$217,800*

LEASE SUMMARY

Property Type	Net-Leased Auto Parts
Tenant / Guarantor	Savannah Tires / Express Oil Change, LLC
Ownership Type	Corporate
Original Lease Term	20.0 Years
Lease Commencement	March 16, 2015
Lease Expiration	March 31, 2035
Lease Term Remaining	15.1 Years
Lease Type	Absolute Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	10% Every 5 Years
Options to Renew	Four (4), Five (5)-Year Option Periods

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 5	\$198,000	\$16,500	-
Year 6	\$217,800	\$18,150	10.00%
Year 7	\$217,800	\$18,150	-
Year 8	\$217,800	\$18,150	-
Year 9	\$217,800	\$18,150	-
Year 10	\$217,800	\$18,150	-
Year 11	\$239,580	\$19,965	10.00%
Year 12	\$239,580	\$19,965	-
Year 13	\$239,580	\$19,965	-
Year 14	\$239,580	\$19,965	-
Year 15	\$239,580	\$19,965	-
Year 16	\$263,538	\$21,962	10.00%
Year 17	\$263,538	\$21,962	-
Year 18	\$263,538	\$21,962	-
Year 19	\$263,538	\$21,962	-
Year 20	\$263,538	\$21,962	-

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Mavis Discount Tire located at 4318 Waters Ave in Savannah, Georgia. The site consists of roughly 20,000 rentable square feet of building space on estimated 0.87 acre parcel of land.

This Mavis Discount Tire is subject to a 20-year Absolute Triple-Net (NNN) lease, which commenced on March 16, 2015. The annual rent is \$217,800 and is scheduled to increase by ten (10%) percent every five (5) years. There are four (4), five (5)-year tenant renewal options.



Tenant Overview



About Mavis Discount Tire

Mavis Discount Tire is one of the largest independent tire and service providers in the US. In addition to its core offering of tires from over 20 major brands, Mavis also provides repair and maintenance services including brakes, alignments, suspension, shocks, struts, oil changes, battery replacement and exhaust work. Mavis, founded in 1949 by Marion and Victor Sorbaro, is headquartered in Millwood, NY. Mavis continues to grow with the acquisition of Cole Muffler Brake in 2008, Somerset Tire (STS) in 2015, and Kauffman Tire in 2018. Its recent merger with Express Oil and Tire Engineers in 2018 allows it to keep pace with changing market demands and conditions. Today, over 500 bright, clean, fully equipped service centers can be found across 13 states.

Price Match

If you see an ad for tires at a lower price, submit it to the Mavis Price Buster Squad. After telling us the tire size and brand, you'll jump to a page where you can tell us about a competitive ad. A Mavis Price Buster will respond within one hour during business hours.

Mavis Discount Tire 30-Day Price Guarantee

If within 30 days of your purchase you find the same tire (same size, brand, model and construction) for a lower price, we will refund the difference plus 5%. And rest assured, all tires sold by Mavis come with a full manufacturer's warranty, plus this no-hassle Mavis Return policy: We will gladly accept the return or exchange of original-condition, uninstalled tires purchased from MavisTire.Com (excl. special order items) within 30 days of purchase. No questions asked.



Representative Photo



BFGoodrich



Bridgestone



Continental



Cooper



Dunlop



Firestone



Fuzion



General



Goodyear



Hankook



Kelly



Michelin



Pirelli



Uniroyal



Yokohama



Tenant Overview: In Recent News

Golden Gate Capital Buys Mavis Discount Tire



ONCAP has agreed to sell its equity interest in Mavis Discount Tire to Express Oil Change & Tire Engineers (Express), a Golden Gate Capital portfolio company. The combined company creates one of the largest independent automotive service platforms in the US. Golden Gate Capital acquired a majority equity interest in Express in June 2017 from Carousel Capital.

Mavis Discount Tire, a portfolio company of ONCAP since October 2014, is one of the largest independent tire and service providers in the US with more than 430 service centers across New York, New Jersey, Pennsylvania, Connecticut, Massachusetts, Georgia and Florida. In addition to its core offering of tires from over 20 major brands, Mavis also provides repair and maintenance services including brakes, alignments, suspension, shocks, and exhaust. Mavis, which was founded in 1972 by Marion and Victor Sorbaro, is headquartered in Millwood, NY (www.mavistire.com). Express Oil Change & Tire Engineers is one of the largest independent automotive service platforms in the US. The company provides quick oil changes, automotive maintenance and repair, and tire sales and services and has approximately 400 company-owned and franchise locations in 19 states. Express was founded in 1979 and is headquartered in Birmingham, AL (www.expressoil.com).

The combined company will operate more than 830 locations in 24 states across the East Coast, South and

Midwest. The merged company will be led by Mavis' current Co-Chief Executive Officers, David and Stephen Sorbaro, and both of them will be significant shareholders. Express' Chief Executive Officer, Ricky Brooks, will become Executive Chairman.

"For years we have observed both Mavis' and Express' tireless dedication to their customers and operational excellence and we're elated to have the opportunity to partner with the Sorbaros and Ricky," said Josh Cohen, a Managing Director at Golden Gate Capital. "Uniting these strong, recognized brands will combine best practices and result in an acceleration of their current industry-leading growth." Golden Gate will continue to back the company as it seeks to acquire additional automotive service providers in the combined company's core and contiguous markets.

"We are thrilled to partner with Express and Golden Gate Capital to create a leading company in the auto service industry in terms of service center footprint, financial strength and service quality," said David Sorbaro, Co-Chief Executive Officer of Mavis Discount Tire. "Express is the ideal partner as we continue to expand our footprint nationally. We're grateful for ONCAP's support throughout its ownership, and Stephen and I look forward to continuing to provide customers at Mavis and Express with the very best auto care in the industry."

ONCAP is the mid-market private equity platform of Onex Corporation which makes private equity investments through the Onex Partners and the ONCAP families of funds. Onex has more than \$25 billion of assets under management and is based in Toronto with additional offices in New York, New Jersey and London (www.onex.com).

"During our ownership David and Stephen did a fantastic job expanding on their world-class platform," said Evan Hershberg, a Managing Director at ONCAP. "We're proud of what we accomplished together and we wish Mavis, Express and Golden Gate Capital continued success."

Golden Gate Capital targets companies across a range of industries and transaction types, including going-privates, corporate divestitures, recapitalizations, and public equity investments. The firm has approximately \$15 billion of capital under management and is based in San Francisco (www.goldengatecap.com).

Jefferies is the financial advisor to Mavis and is leading the financing group which includes Antares Capital, KKR Capital Markets, Angel Island Capital and Cowen.

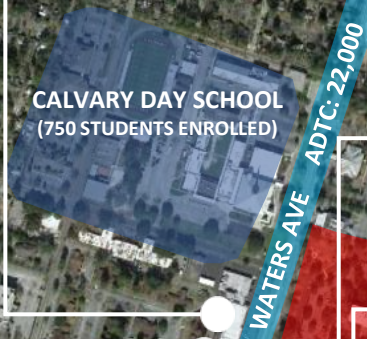
This transaction is expected to close before June 30, 2018.

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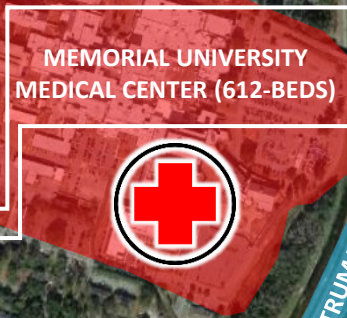
Surrounding Area

Property Address: 4318 Waters Ave, Savannah, GA 31404



CALVARY DAY SCHOOL
(750 STUDENTS ENROLLED)

WATERS AVE ADTC: 22,000

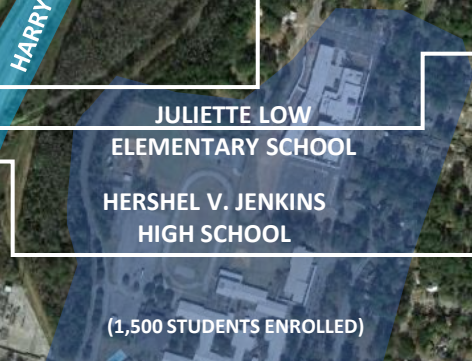


MEMORIAL UNIVERSITY
MEDICAL CENTER (612-BEDS)

HARRY TRUMAN PKWY
ADTC: 24,000



CANDLER HOSPITAL
(330-BEDS)



JULIETTE LOW
ELEMENTARY SCHOOL

HERSHEL V. JENKINS
HIGH SCHOOL

(1,500 STUDENTS ENROLLED)



Location Overview

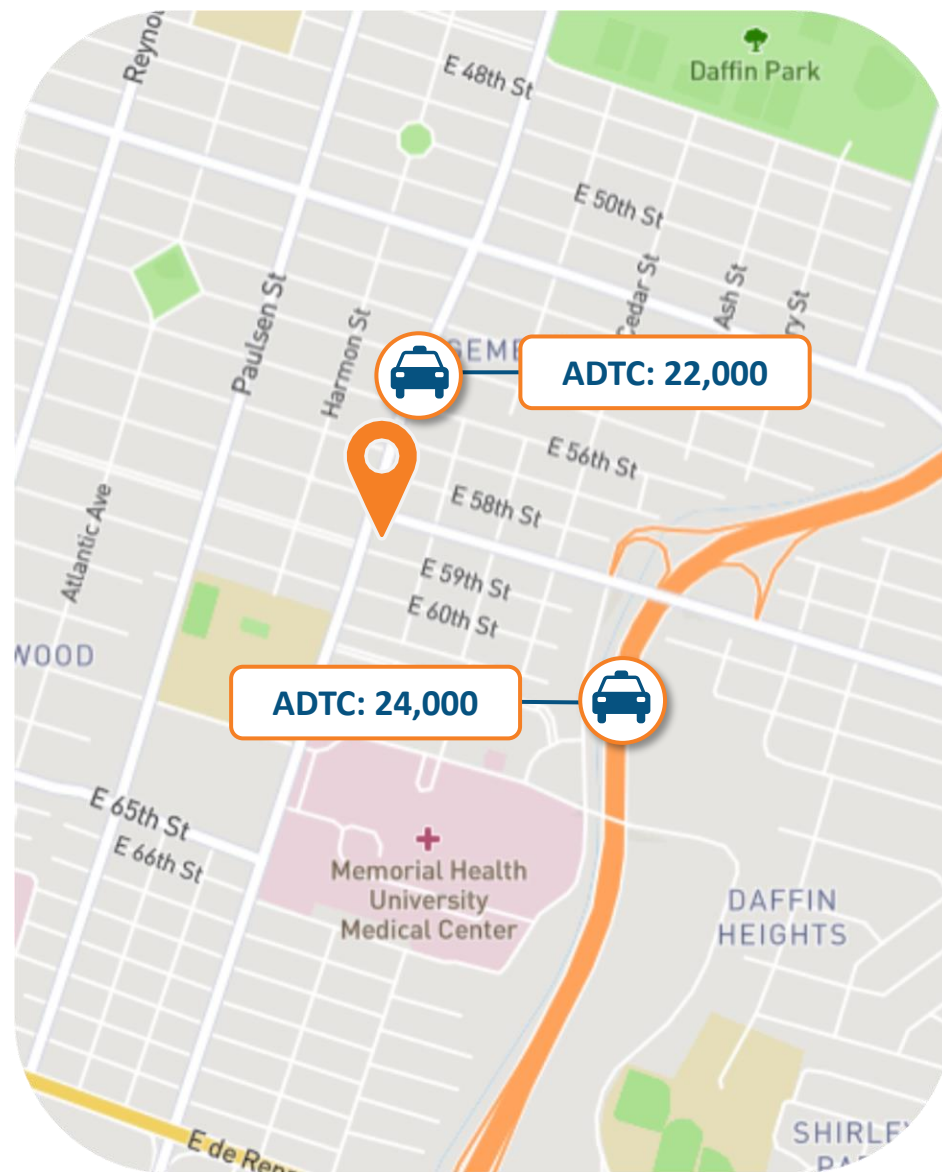
Property Address: 4318 Waters Ave, Savannah, GA 31404



The subject investment property features high visibility and ease of access along Waters Avenue. Waters Avenue experiences average daily traffic counts of 22,000 vehicles per day. Waters Avenue runs parallel to Harry Truman Parkway, which brings an additional 24,000 vehicles to the immediate surrounding area per day. There are more than 92,500 individuals residing within a three-mile radius of the subject property and more than 146,500 individuals within a five-mile radius.

This Mavis Discount Tire is well-positioned in the center of a highly dense urban infill, minutes outside of Downtown Savannah. Many national and local tenants surround the subject property, as well as shopping centers, large medical facilities, and academic institutions. Major national tenants in the immediate area include: Walgreens, CVS Pharmacy, McDonald's, Wendy's, Wells Fargo, BB&T, Bank of America, O'Reilly Auto Parts, in addition to many others. The site sits less than three miles from Savannah State University, which boasts a total enrollment exceeding 4,470 students. The 330-bed Candler Hospital lies approximately one mile southwest of the subject property and features The Heart Hospital, The Institute for Advanced Bone & Joint Surgery and the Institute of Neurosciences. Memorial Health University Medical Center, a 612-bed medical facility, is less than one mile from the subject property. This facility includes the region's only Level I Trauma Center, as well as the region's only children's hospital. Memorial Healthy University Medical Center is also home to the Savannah campus of Mercer University School of Medicine.

Savannah is the fifth-largest city and third-largest metropolitan area in Georgia. It is an industrial center and an important Atlantic seaport. Savannah's downtown area, which includes the Savannah Historic District and the Savannah Victorian Historic District, is one of the largest National Historic Landmark Districts in the United States and attracts millions of visitors each year. Companies in Savannah flourish thanks, in part, to the city's superior infrastructure and logistics. Logistics Today named Savannah "the most logistic friendly city in the nation" three years in a row, and Area Development Magazine Named Savannah "Top 5 for Best Cities with Port-related Intermodal Sites." Savannah is ideally located at the crossroads of I-16 and I-95, and 80 percent of the United States population can be reached within a two-day drive. The Port of Savannah is the fourth-largest and second-busiest port in the nation, as well as the fastest-growing. With a strong manufacturing base, excellent port, rail, and highway access, a strong workforce development program and the only large deep-water industrial terminal complex with significant in-place infrastructure, Savannah is perfectly positioned to continue its track record of strong growth. While residents and visitors enjoy its rich historical tradition, Savannah continues to improve its business environment, infusing the area with advantages that benefit its major industries: manufacturing, distribution, tourism, military, port operations, health care, and its growing presence of innovative technology firms and entrepreneurs. The Savannah region continues to be an ideal choice for any relocating business, individual or family.



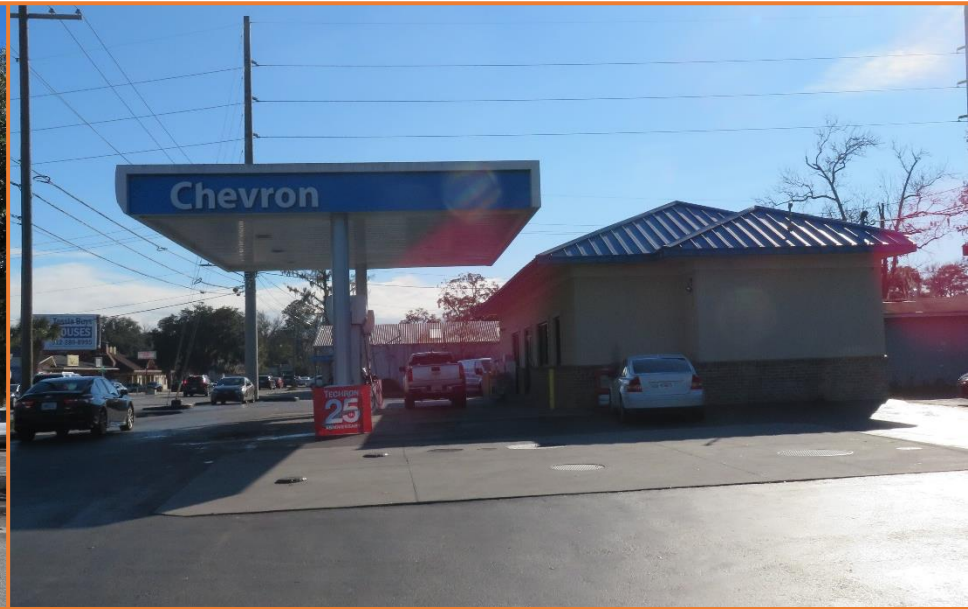


Property Photo





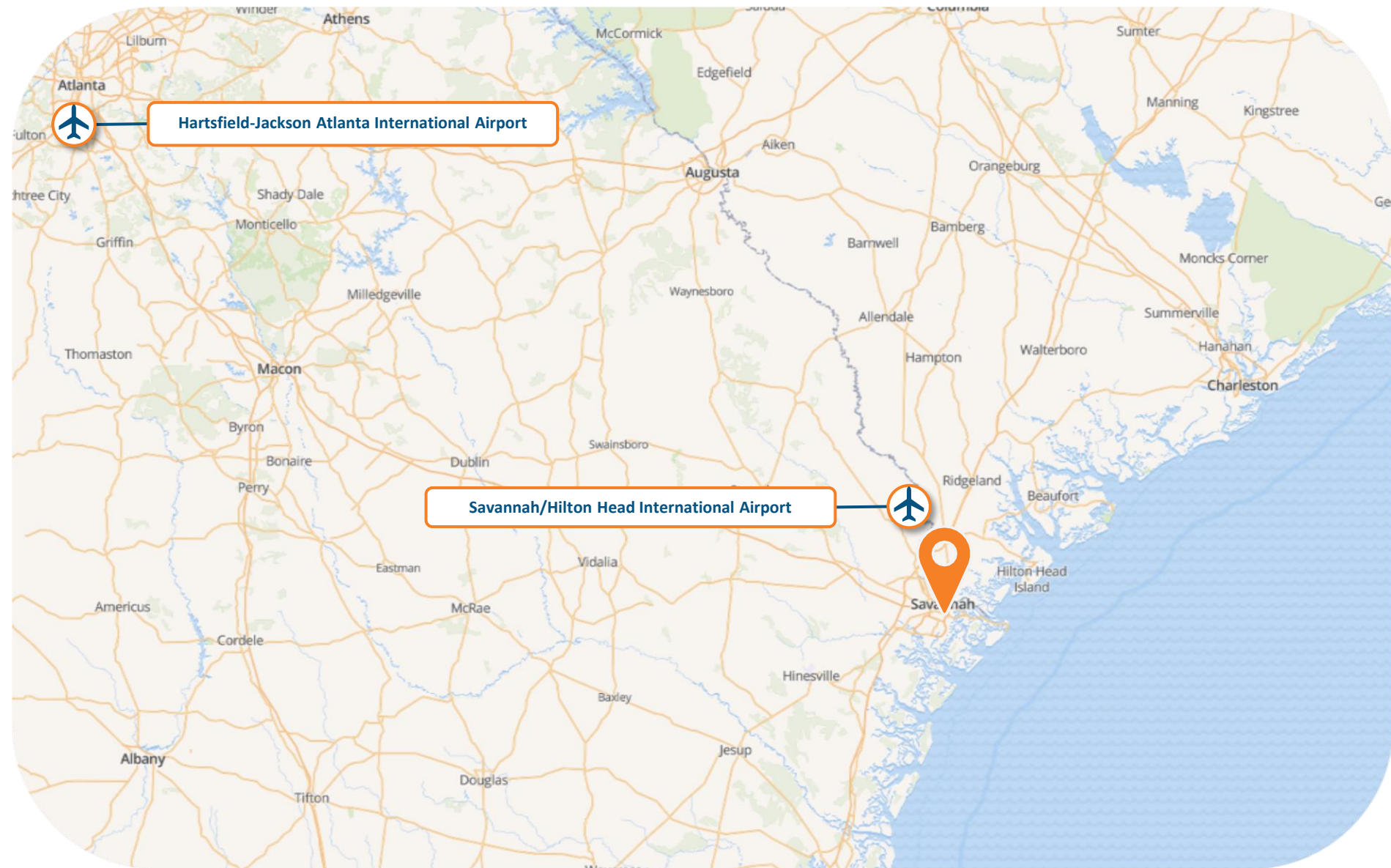
Surrounding Area Photos





Local Map

Property Address: 4318 Waters Ave, Savannah, GA 31404

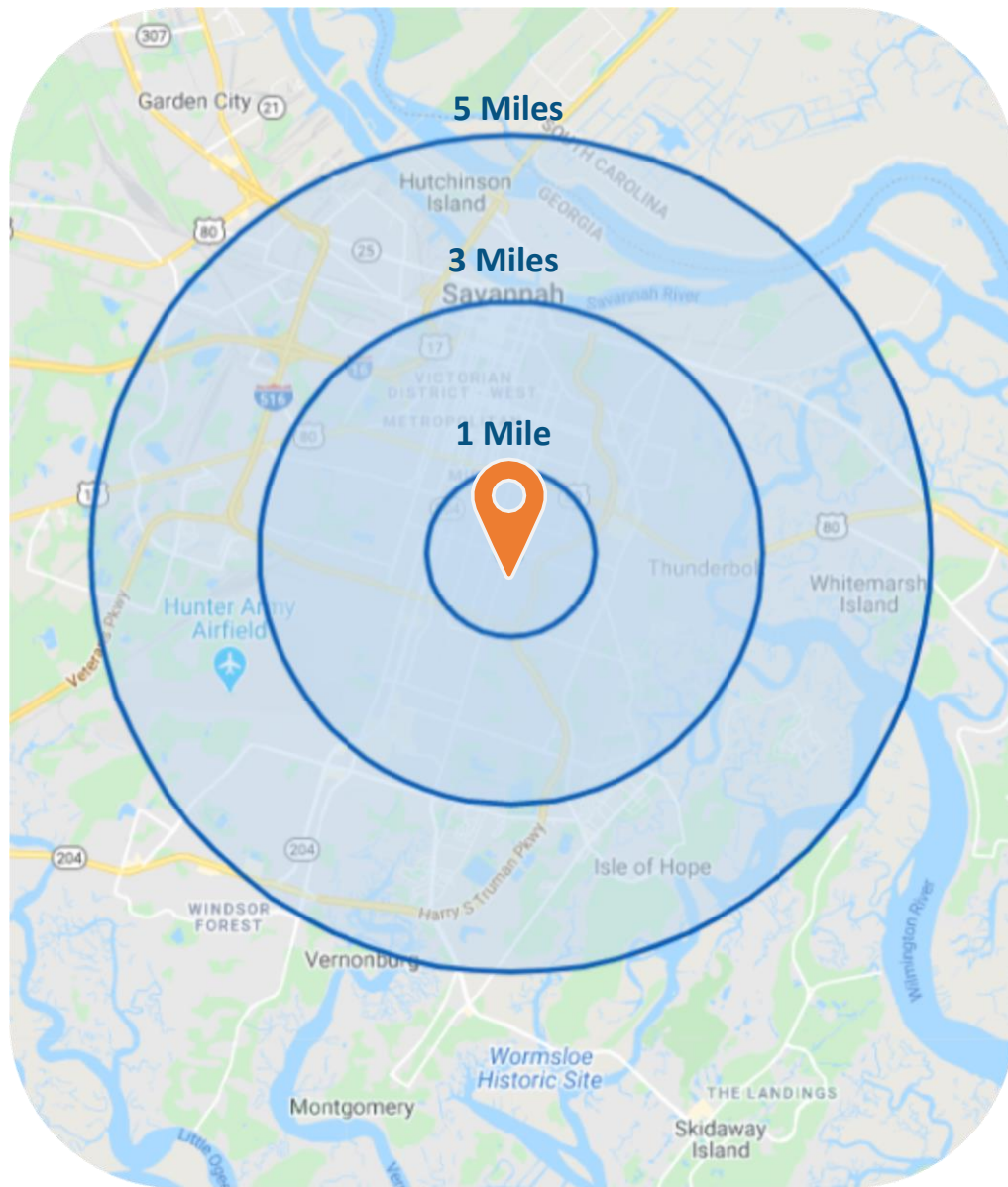






Demographics

Property Address: 4318 Waters Ave, Savannah, GA 31404



POPULATION

	1 Mile	3 Miles	5 Miles
2023 Projection	11,904	91,889	147,188
2018 Estimate	12,124	92,123	146,633
2010 Census	11,647	87,035	138,363
2000 Census	12,097	89,262	139,362

INCOME

Average	\$75,458	\$59,524	\$63,720
Median	\$52,606	\$37,023	\$40,879
Per Capita	\$33,042	\$23,877	\$25,363

HOUSEHOLDS

2023 Projection	5,218	36,122	57,526
2018 Estimate	5,253	35,739	56,369
2010 Census	5,060	33,917	53,352
2000 Census	5,415	35,014	53,857

HOUSING

2018	\$201,236	\$155,707	\$161,390
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EMPLOYMENT

2018 Daytime Population	21,719	154,875	227,688
2018 Unemployment	5.38%	7.54%	7.08%
2018 Median Time Traveled	20 Mins	21 Mins	21 Mins

RACE & ETHNICITY

White	59.10%	35.40%	38.19%
Native American	0.01%	0.10%	0.13%
African American	36.73%	59.21%	55.15%
Asian/Pacific Islander	1.24%	1.82%	2.15%



Market Overview

City: Savannah | County: Chatham | State: Georgia

Savannah, Georgia

Savannah is the oldest city in the U.S. state of Georgia and the county seat of Chatham County. A strategic port city in the American Revolution and during the American Civil War, Savannah is today an industrial center and an important Atlantic seaport. Each year Savannah attracts millions of visitors to its cobblestone streets, parks, and notable historic buildings. These buildings include the birthplace of Juliette Gordon Low (founder of the Girl Scouts of the USA), the Georgia Historical Society (the oldest continually operating historical society in the South), the Telfair Academy of Arts and Sciences (one of the South's first public museums), the First African Baptist Church (one of the oldest African-American Baptist congregations in the United States), Temple Mickve Israel (the third-oldest synagogue in the U.S.), and the Central of Georgia Railway roundhouse complex (the oldest standing antebellum rail facility in the U.S.).

The Port of Savannah, manufacturing, the military, and tourism have become Savannah's four major economic drivers in the twenty-first century. Lodging, dining, entertainment, and visitor-related transportation account for over \$2 billion in visitors' spending per year and employ over 17,000. The Port of Savannah, home to the largest single-terminal container facility of its kind in North America, is comprised of two modern, deep water terminals: Garden City Terminal and Ocean Terminal. The Garden City Terminal is the fourth-busiest container handling facility in the United States, encompassing more than 1,200 acres and moving millions of tons of containerized cargo annually. Home to Gulfstream Aerospace, the largest aerospace manufacturer in the Southeast, Savannah is also home to more than 30 aerospace suppliers, making it a growing aerospace supplier cluster. Savannah was named a Top-Ten Aircraft Supplier Location by Southern Business & Development Magazine.



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