

OFFERING MEMORANDUM

CALIBER COLLISION

HERNANDO
MISSISSIPPI

New 2020 Ground Up Construction

Marcus & Millichap
NNN DEAL GROUP



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WHY BUY A CALIBER COLLISION?

WHY BUY A CALIBER COLLISION?

- ❖ Caliber is the largest and one of the most profitable players in the industry with auto insurance driven contracts as a steady feeder of inventory
- ❖ Recession, e-commerce and pandemic resistant offering a stable market demand, as long as there are cars on the road, there will be a need for body work
- ❖ Caliber has ever growing partnerships with various local and nationally known auto dealerships
- ❖ Repeatedly out performs competitors across key performance metrics
- ❖ Brand recognition, thereby creating a level of consumer confidence

CRITICAL LINK BETWEEN INSURANCE CARRIERS & CALIBER CUSTOMERS

- ❖ Insurance companies control approximately 80% of all industry volume, and customer repair experience drives policy retention
- ❖ Insurance carriers offer guaranteed work satisfaction on repairs, Caliber's network supports guaranteed work, reinforcing client retention and consumer satisfaction
- ❖ The marriage between Caliber's mission supports a continued marriage between them and insurance partners

INVESTMENT HIGHLIGHTS

New corporate guaranteed 15 year NNN lease with 10% rent bumps.

Sleep at night passive investment opportunity for a buyer who wishes to obtain a long term NNN lease that has no landlord obligations, and is e-commerce resistant.

Offering brand new 2020 construction

Marcus & Millichap
NNN DEAL GROUP

**ABSOLUTE
NNN**

**New 15 Year Absolute
Net Lease (Zero Landlord
Responsibilities) Featuring
10% Rental Increases
Every 5 Years.**

abra®

**ABRA Merger with Caliber
Collision, created a Leading
Collision Repair Chain of
more than 1,200 locations in
37 States, operated under
the Caliber Brand. ABRA is
a Leading Vehicle Damage
Repair Provider in the U.S.**

HELLMAN & FRIEDMAN

**Dominant Leadership:
Hellman & Friedman,
Private Equity Firm with Over
\$25 Billion of Total Assets,
they are majority
owners after merger.**



**Rent bumps
hedge against inflation.**



**Densely populated
growing region. Population
density exceeds 26,451
residents within 5-miles
from the site.**

INVESTMENT SUMMARY

463 E COMMERCE ST, HERNANDO, MS 38632

PRICE: \$4,796,725

CAP: 5.75%

RENT: \$275,811

OVERVIEW

Price	\$4,796,725
Gross Leasable Area (GLA)	14,718 SF
Lot Size (approx.)	2.84 Acres
Net Operating Income	\$275,811
CAP Rate	5.75%
Year Built	2020

ANNUALIZED OPERATING DATA

Lease Term	Annual Rent
1-5	\$275,811
6-10	\$303,392
11-15	\$333,731
Option 1	\$367,104
Option 2	\$403,815

LEASE ABSTRACT

Lease Type	NNN
Lease Term	15 Years
Lease Start	11/1/2020 est
Lease Expiration	11/1/2035 est
Renewal Options	2x5
Increases	10% Every 5-Years
Landlord Obligation	None At All

INVESTMENT HIGHLIGHTS

- ◆ New Construction (Projected Nov. 2020) Freestanding Building located in Hernando, Mississippi
- ◆ Corporately Guaranteed 15-Year Lease with 2, 5-Year Options and 10% Bumps every 5 years
- ◆ No Landlord Responsibilities: Tenant responsible for making all repairs to the building and site, as well as directly paying all CAM, Tax and Insurance
- ◆ Premium Site on E Commerce Street (25,000 ADT) just off of Interstate 55 (47,000 ADT)
- ◆ Over 1,100 collision centers in 37 states and the District of Columbia



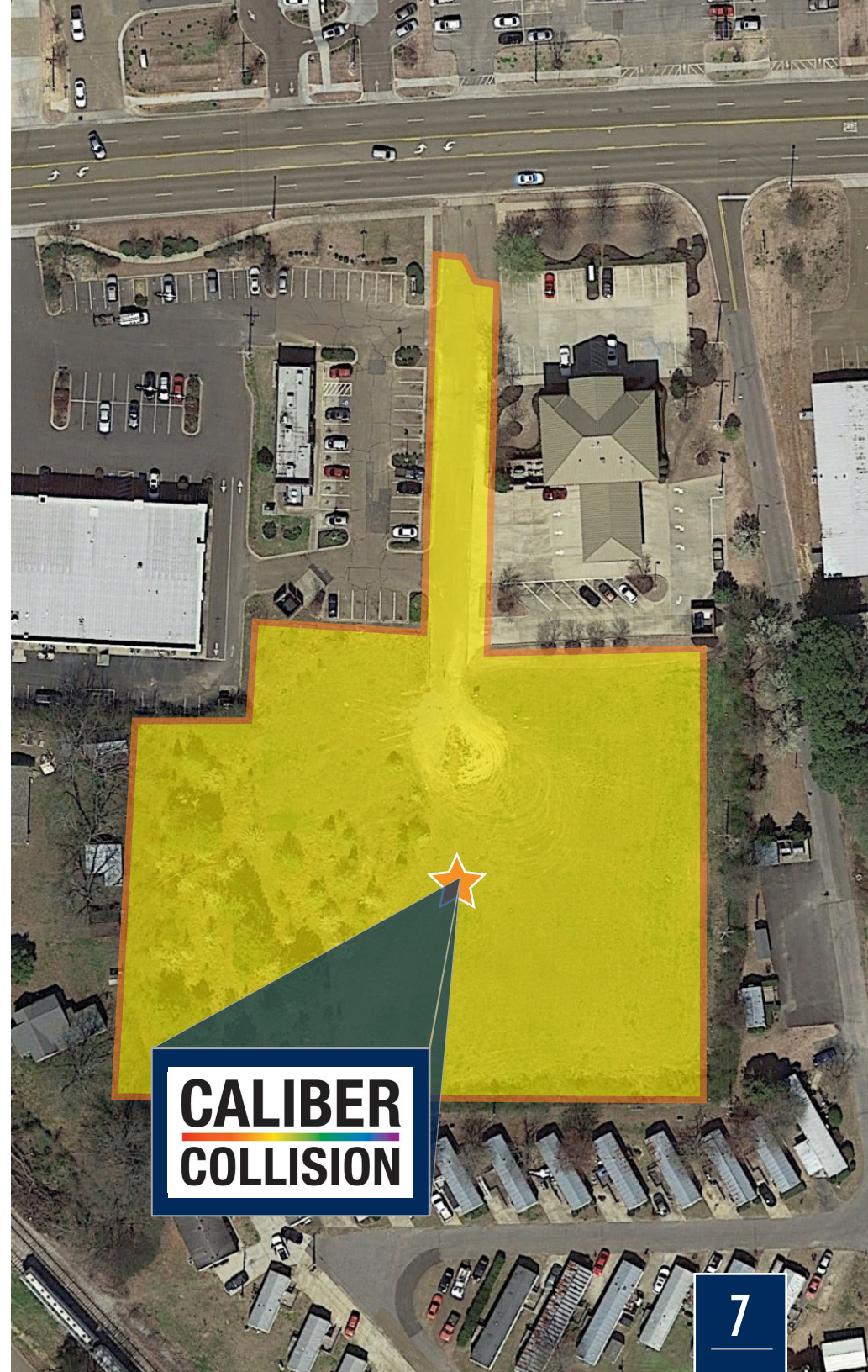
26,451
TOTAL
POPULATION
WITHIN 5-MILE
RADIUS



\$91,381
AVERAGE
HOUSEHOLD
INCOME WITHIN
5-MILE RADIUS



25,000 VPD - E COMMERCE ST
8,200 VPD - I-55





McDonald's



Kroger



Walgreens



NAPA

at&t

Walmart
Supercenter

SUBWAY

E COMMERCE ST - 25,000 VPD

I-55 - 8,200 VPD

The UPS Store

WAFFLE
HOUSE

CALIBER
COLLISION

COMMUNITY BANK



SONIC



DOLLAR TREE

GNC



SUPERCUTS



Hamilton Self
Storage

U-HAUL



TENANT SUMMARY

CALIBER COLLISION

OMERS has been the parent company for Caliber Collision since 2013. Once the merger with Abra took place in February 2019, Hellman & Friedman became the majority ownership, with Omer being minority shareholder.

OMERS Private Equity (Toronto, Canada & Lewisville, Texas): A Worldwide company. OMERS Private Equity has been making private equity investments since 1987 on behalf of OMERS, one of Canada's largest pension plans with in excess of \$60.8 billion of assets. They manage over \$6.5 billion of investments globally. Being part of a pension fund has its advantages. It affords the ability to focus on investing in businesses for long-term value creation rather than near-term earnings. Capital is readily available eliminating the need to fundraiser. It also provides the opportunity to leverage the relationships of the other investment entities and resources of OMERS.

OMERS bought Caliber Collision repair services in November 2013. Caliber is one of the largest independent provider of auto collision repair services in the United States with a network of 157 collision centers located in California, Texas, Arizona, Nevada, Oklahoma, and Colorado. The Company has approximately 3,700 employees and repairs more than 450,000 vehicles annually.

OMERS Administrative Corp – Standard & Poor's AA+ Rated
Moody's Rated B2

CALIBER COLLISION



LEWISVILLE, TX
HEADQUARTERS

1997

FOUNDED

1,200

LOCATIONS

PRIVATE

OWNERSHIP

AUTOMOTIVE

INDUSTRY

\$4 Bil

ANNUAL REVENUE (EST)

**MARK
SANDERS**

PRESIDENT/COO

AMERICA'S LARGEST COLLISION REPAIR COMPANY

CALIBER COLLISION CENTERS

Caliber Collision Centers is the largest collision repair company in America with more than 1,200 I-CAR Gold Class Professional certified collision repair centers across 37 states. Caliber is consistently ranked among the highest in customer satisfaction in the industry and backs all repair work with a written, lifetime warranty available at any of its repair centers. The company repairs more than 450,000 vehicles annually. Caliber Collision has undergone rapid recent growth by aggressively acquiring various local autobody repair shops. Caliber Collision has developed strategic partnerships with 57 car dealerships throughout the U.S. in addition to 34 insurance carriers, which include AAA, GEICO, Farmers, Liberty Mutual, Allstate, and USAA.

- ❖ **Caliber has strategic partnerships with 57 car dealerships throughout the US**
- ❖ **Caliber has contracted with 34 insurance carriers**

 **1,200**
LOCATIONS IN
39 STATES

 **\$4+ Billion**
APPROXIMATE
ANNUAL
REVENUE IN
2019

 **450,000+**
VEHICLES
REPAIRED
ANNUALLY

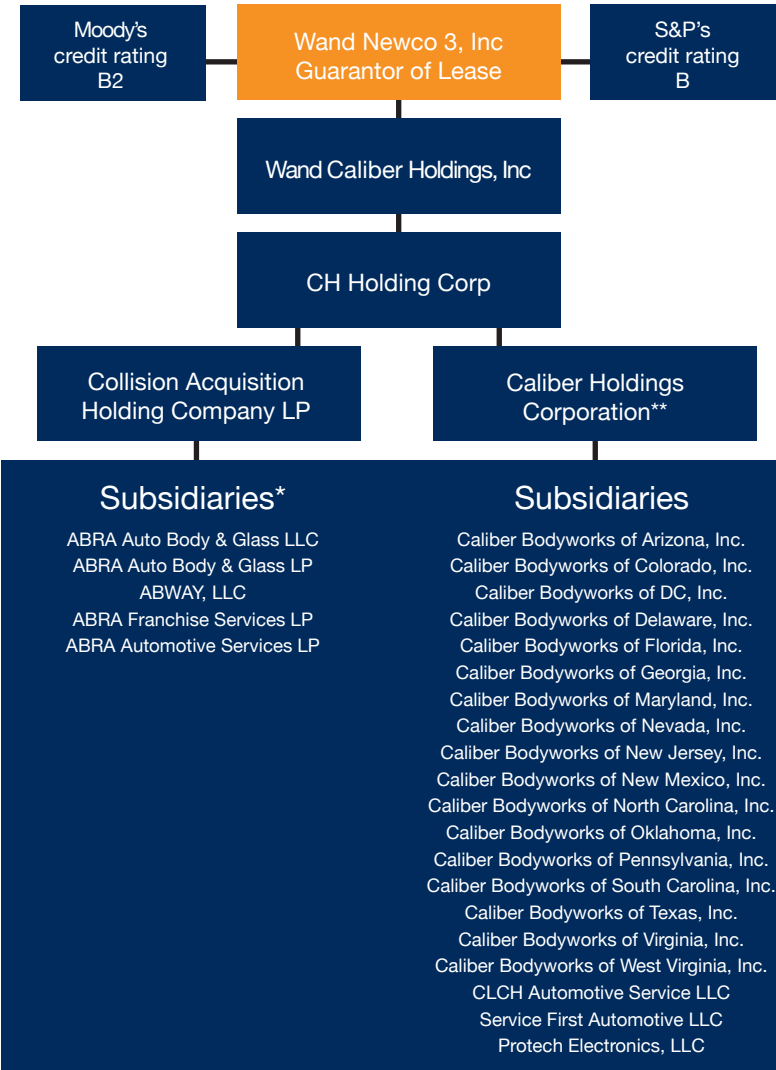
 **ABSOLUTE
INTERNET
PROOF
INVESTMENT**

 **QUALIFIES
FOR
ACCELERATED
DEPRECIATION**

#1
**NATION'S
LARGEST
COLLISION
REPAIR
COMPANY**

 **GROWING
MULTI-
BILLION
DOLLAR
INDUSTRY**

OWNERSHIP BREAKDOWN



* Omers minority shareholder

** Hellman & Friedman - majority ownership via merger with Abra 2/2019

HELLMAN & FRIEDMAN

“CALIBER MAJORITY OWNERSHIP VIA MERGER WITH ABRA”

HELLMAN & FRIEDMAN

- ❖ One of the most experienced and successful investment organizations in the private equity industry
 - ❖ Founded in 1984, H&F has raised over \$35 billion of committed capital and invested in more than 80 companies
 - ❖ H&F is currently investing out of its seventh fund with more than \$8.9 billion of committed capital
 - ❖ Offices in San Francisco, New York and London with more than ~50 investment professionals
- ❖ Investment philosophy focused on businesses with strong, defensible franchises and predictable revenue and earnings growth which generate attractive returns on the capital
- ❖ Strong investment experience across distribution and consumer-oriented businesses
 - ❖ Acquired Grocery Outlet with 3rd generation Read family Co-CEOs in October 2014

HELLMAN & FRIEDMAN



SAN FRANCISCO, CA

HEADQUARTERS

1984

FOUNDED

58

NO. OF COMPANIES
OWNED IN PORTFOLIO

PRIVATE

OWNERSHIP

\$25 BILLION

TOTAL ASSETS

HF.COM

WEBSITE

MACRS DEPRECIATION (MODIFIED ACCELERATED COST RECOVERY SYSTEM)

COST SEGREGATION BENEFITS

Cost segregation identifies personal property (generally 5- or 7-year recovery), land improvements (generally 15-year recovery), and other short-lived properties that have been erroneously classified as building property (39- or 27.5-year recovery), which can result in cost savings.

- ◆ MACRS allows for greater accelerated depreciation over longer time periods
- ◆ Deduct greater amounts during the first few years of an asset's life, and relatively less later
- ◆ Any property that is being depreciated can elect the MACRS accounting and do a cost segregation
- ◆ Take advantage of the new 100% bonus depreciation rules that started in 2018
- ◆ Greatly reduce recapture on projects with rehab, renovation or capital expenditures

Subject property qualifies for tax savings via accelerated depreciation via cost segregation.

Call today to see if cost segregation is right for you!

KIMBERLY LOCHRIDGE

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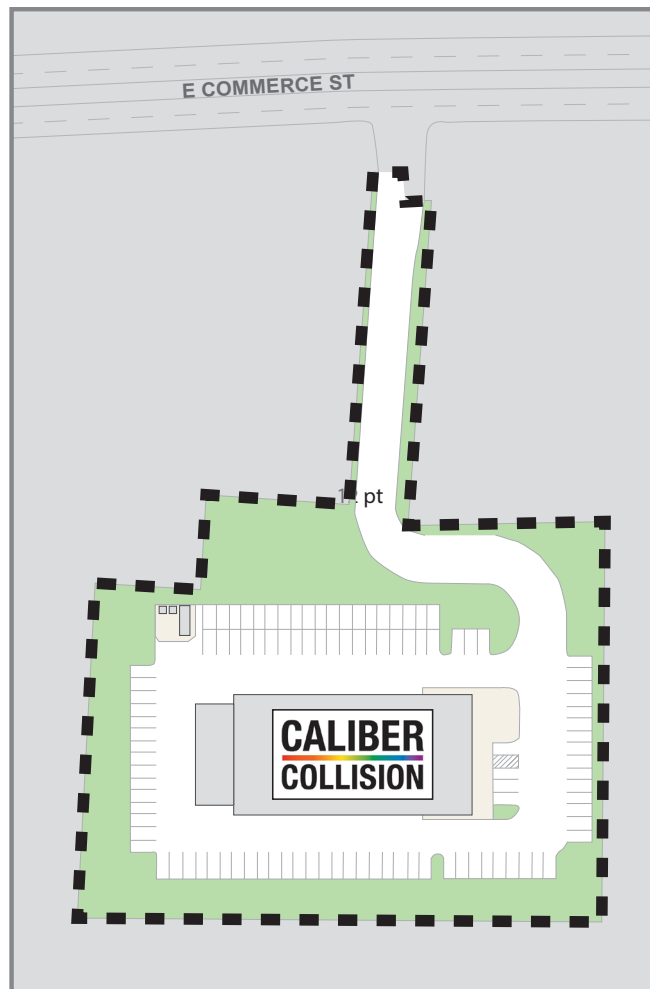
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SITE PLAN



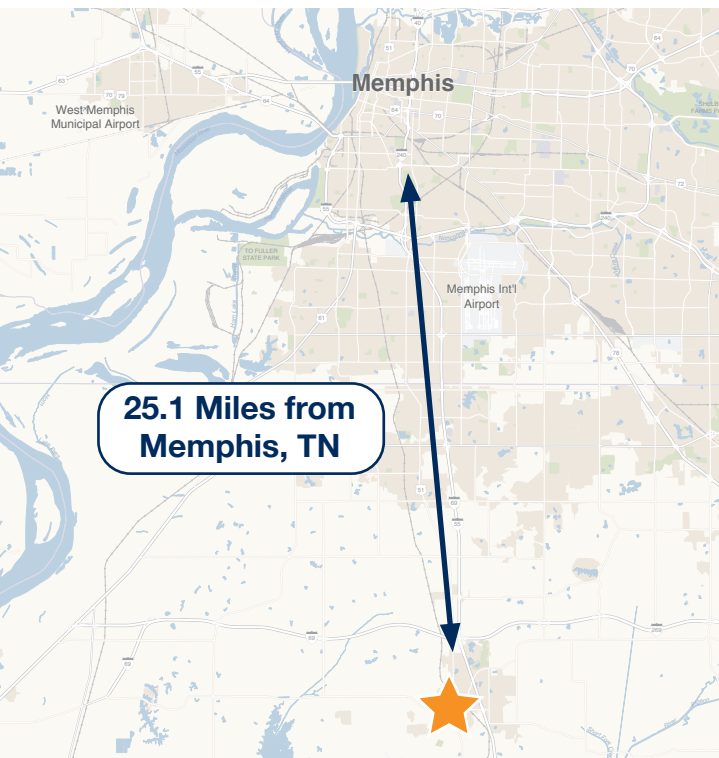
LOCATION OVERVIEW

HERNANDO, MISSISSIPPI

Hernando is a city in DeSoto County, Mississippi. It serves as the county seat of DeSoto County and is part of the Memphis metropolitan area. It is a prospering community and only 26 miles south of downtown Memphis. Three busy freeways, Interstate 30, Interstate 69, and Highway 51, all run through the city making transportation easy and accessible. The city's ease of living and accessibility make it a great place for any business to flourish.

There are various attractions that bring visitors to the streets of Hernando. One of the best things to do in the city is to visit Cedar Hill Farm. This 120-acre farm has seasonal events and attractions that offer a full day of entertainment. Being one of the best things to do to escape from the busy city, Cedar Hill Farm attracts visitors from miles away to enjoy the quiet and peace of country life. The farm hosts various events and opportunities that attract thousands of visitors each year. Another popular attraction in the area is Conger Park. This large public area has a playground and a large pavilion, perfect for a picnic with the family. Conger park also has two tennis courts and multiple walking trails surrounding a tranquil scenery that allows an ideal atmosphere for anyone to enjoy. The historic Town Square of Hernando is the place to be during any weekend. With upscale eateries and shops, there is something for everyone to enjoy. Local favorites include the steakhouse, which serves exotic drinks and is sure to promise a good time.

Hernando has experienced a rapid population increase, growing 118% from 1990 to 2000 and 107% from 2000-2010. The tax rate is also the lowest in DeSoto County and one of the lowest in the whole state of Mississippi. The city also benefits from business incentive programs, such as different tax credits and sales tax discounts on goods such as construction materials and equipment. Hernando also has schools located in the DeSoto County School District, which is above the national average. All schools in Hernando scored an "A" in the accountability model by the State Department of Education. The county also has the lowest unemployment rate in the state of Mississippi and employment manufacturing is extremely high. Hundreds of thousands of workers are extremely close to Hernando, which makes finding workers for any business an ease. Whether you are simply passing through Hernando on any of its freeways or visiting, the city's vibrant attractions and robust economic foundations make it an exemplary place to embark on your next business venture.



MAJOR EMPLOYERS HERNANDO, MS

Desoto County Mississippi	400
County of Desoto	200
Howmet Aerospace Inc	135
Desoto County School District	120
Coles Tool Works Inc	110
Walmart Inc	100
Sxp Schulz Xtruded Products LP	99
Desoto County School District	91
Whitfield Electric Company	88

LOCATION HIGHLIGHTS

HERNANDO, MISSISSIPPI "AN ENERGY EFFICIENT CITY"



Conveniently located directly
off I-55



Minimal national auto body
competition in the region



Located in the heart of
Hernando which is the center
of Desoto County



Affluent region where
average household income
exceeds \$89,024



DEMOGRAPHICS / HERNANDO, MS



26,451

Total Population
Within 5-Mile Radius



\$91,381

Average Household Income
Within 5-Mile Radius



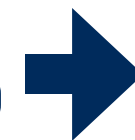
\$79,430

Median Household Income
Within 5-Mile Radius



9,678

Total Households Within
5-Mile Radius



124.4%

From 2000

**CALIBER
COLLISION**

POPULATION	1 MILE	3 MILES	5 MILES
2025 Projection	5,895	19,257	26,451
2020 Estimate	5,396	17,622	24,212
Growth 2020 - 2025	9.24%	9.28%	9.25%
2000 Census	2,766	8,460	12,123
2010 Census	4,551	14,873	20,425
Growth 2000 - 2010	64.52%	75.80%	68.47%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2025 Projections	2,207	7,125	9,678
2020 Estimate	2,003	6,469	8,790
Growth 2020 - 2025	10.18%	10.15%	10.10%
2000 Census	969	3,035	4,312
2010 Census	1,688	5,453	7,411
Growth 2000 - 2010	74.23%	79.69%	71.87%

HOUSEHOLDS BY INCOME (2020 Est.)	1 MILE	3 MILES	5 MILES
\$200,000 or More	4.35%	4.61%	4.50%
\$150,000 - \$199,999	8.07%	8.76%	8.73%
\$100,000 - \$149,999	21.57%	22.40%	22.77%
\$75,000 - \$99,999	15.94%	16.96%	17.01%
\$50,000 - \$74,999	15.56%	15.15%	15.45%
\$35,000 - \$49,999	11.52%	11.42%	11.23%
\$25,000 - \$34,999	8.09%	7.61%	7.55%
\$15,000 - \$24,999	7.03%	6.30%	6.31%
\$10,000 - \$14,999	3.53%	3.15%	2.97%
Under \$9,999	4.35%	3.65%	3.48%
2020 Est. Average Household Income	\$87,623	\$91,140	\$91,381
2020 Est. Median Household Income	\$74,881	\$79,041	\$79,430
2020 Est. Per Capita Income	\$32,705	\$33,568	\$33,267

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
2020 Estimated Population by Age	5,396	17,622	24,212
Under 4	6.3%	5.9%	5.7%
5 to 14 Years	14.5%	14.5%	14.4%
15 to 17 Years	4.3%	4.5%	4.5%
18 to 19 Years	2.6%	2.5%	2.4%
20 to 24 Years	6.1%	5.5%	5.4%
25 to 29 Years	6.2%	5.5%	5.5%
30 to 34 Years	6.4%	6.0%	5.9%
35 to 39 Years	7.3%	7.3%	7.2%
40 to 49 Years	13.9%	14.5%	14.6%
50 to 59 Years	12.8%	13.0%	13.4%
60 to 64 Years	5.6%	5.8%	5.9%
65 to 69 Years	4.5%	4.9%	4.9%
70 to 74 Years	3.8%	4.2%	4.2%
Age 75+	5.8%	6.0%	6.0%
2020 Median Age	37.5	38.9	39.3
2020 Population 25 + by Education Level	3,576	11,838	16,358
Elementary (0-8)	3.36%	2.60%	2.56%
Some High School (9-11)	7.78%	6.19%	6.03%
High School Graduate (12)	26.87%	25.29%	25.37%
Some College (13-15)	24.18%	25.63%	25.61%
Associates Degree Only	10.26%	10.44%	10.56%
Bachelors Degree Only	16.95%	18.48%	18.55%
Graduate Degree	9.63%	10.54%	10.48%



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CALIBER COLLISION

**HERNANDO
MISSISSIPPI**

Lior Regenstreif

**SENIOR MANAGING DIRECTOR INVESTMENTS
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