

INTERNATIONAL CAR WASH GROUP SALE-LEASEBACK

- ❖ 20-Year Sale-Leaseback
- ❖ Corporate Guarantee
- ❖ #1 Car Wash Operator Globally
- ❖ Absolute Triple-Net (NNN) Lease
- ❖ More Than 900 Locations
- ❖ Accelerated Depreciation

Representative Photo



OFFERING MEMORANDUM



5015 Mud Lane, Louisville, KY

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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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SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.



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Investment Highlights

PRICE: \$2,945,455 | CAP: 5.50% | RENT: \$162,000



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

- ✓ **Built in 2021 | Brand New Construction**
- ✓ Average Daily Traffic Counts Over 44,000 In Front Of The Subject Property
- ✓ Dense Retail Corridor | Walmart, Kroger, Walgreens, Home Depot, CVS, Sonic Drive-In, Denny's, McDonald's, Starbucks, Burger King, Taco Bell, Jack in the Box, Twin Peaks, Chipotle and more
- ✓ Positive Real Estate Fundamentals | Located 15 Minutes South of Downtown Louisville

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: \$2,945,455 | CAP: 5.50% | RENT: \$162,000



Property Description

Property	International Car Wash Group
Property Address	5015 Mud Lane
City, State, ZIP	Louisville, KY
Building Size (SF)	+/- 3,850
Lot Size	+/- 1.00 Acres
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$2,945,455
CAP Rate	5.50%
Annual Rent	\$162,000

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	\$162,000	-	-
Year 2	\$164,430	\$13,703	1.50%
Year 3	\$166,896	\$13,908	1.50%
Year 4	\$169,400	\$14,117	1.50%
Year 5	\$171,941	\$14,328	1.50%
Year 6	\$174,520	\$14,543	1.50%
Year 7	\$177,138	\$14,761	1.50%
Year 8	\$179,795	\$14,983	1.50%
Year 9	\$182,492	\$15,208	1.50%
Year 10	\$185,229	\$15,436	1.50%
Year 11	\$188,008	\$15,667	1.50%
Year 12	\$190,828	\$15,902	1.50%
Year 13	\$193,690	\$16,141	1.50%
Year 14	\$196,595	\$16,383	1.50%
Year 15	\$199,544	\$16,629	1.50%
Year 16	\$202,538	\$16,878	1.50%
Year 17	\$205,576	\$17,131	1.50%
Year 18	\$208,659	\$17,388	1.50%
Year 19	\$211,789	\$17,649	1.50%
Year 20	\$214,966	\$17,914	1.50%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing in Louisville, KY. 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 \$162,000 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.



Tenant Overview

About International Car Wash Group

International Car Wash 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 950 locations. In August 2015, ICWG entered the U.S. market and now operates more than 200 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.

Key United States Brands

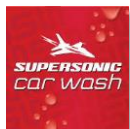
ICWG entered the US in August 2015 and already has over 150 sites which makes us one of the major players in the market. The US sites operate under 3 key brands – Car Wash USA Express, Goo-Goo 3 Minute Express Wash and Supersonic in the state of Utah.



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. 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. Acquired by ICWG in August 2015, Supersonic provides additional opportunities to grow within the state of Utah with a number of locations already identified.

FOUNDED:

1965

LOCATIONS:

950+

COUNTRIES:

14

WEBSITE:

ICWG.COM

HEADQUATERS:

Centennial, CO & London England



Driven Brands Announces Acquisition of International Car Wash Group

CHARLOTTE, N.C. – AUGUST 05, 2020

Driven Brands (“Driven”) announced its acquisition of International Car Wash Group (“ICWG”) has been completed. With the addition of ICWG, Driven now encompasses more than 4,000 locations across 15 countries and approximately \$3.8 billion in annual system-wide sales, making it the largest automotive aftermarket services company by location count in North America.

Driven is a portfolio company of Roark Capital and has completed more than 35 acquisitions over the past five years. In addition to ICWG, Driven’s portfolio includes Take 5 Oil Change, Meineke Car Care Centers, Automotive Training Institute, Maaco, CARSTAR, ABRA, Uniban, 1-800-Radiator & A/C and PH Vitrés d’Autos.

“We are excited to officially welcome ICWG to our growing family of brands,” said Jonathan Fitzpatrick, Chief Executive Officer of Driven Brands. “The team at ICWG should be incredibly proud of the company they’ve helped create, and we look forward to building on their success and accelerating long-term growth at ICWG.”

Driven Brands™, headquartered in Charlotte, NC, is the parent company of some of North America’s leading automotive service brands including Take 5 Oil Change, Meineke Car Care Centers, Automotive Training Institute, Maaco, CARSTAR, 1-800-Radiator & A/C in addition to several other reputable brands. As a result of the ICWG acquisition, Driven Brands has more than 4,000 centers across 15 countries, and combined, all businesses generate approximately \$3.8 billion in system-wide sales and service over 50 million vehicles annually.

Facts on Driven:

15
countries

4,000
brand locations

130
years of service

\$3.8 Billion
system wide sales

Repair & Maintenance

meineke
car care centers | On with life.

ECONO
LUBE 'N' TUNE & BRAKES

Quick Lube & Distribution



PRO OIL CHANGE



Paint & Collision

Maaco
America's BodyShop

CARSTAR

DRIVEN STYLE

(1) https://www.prweb.com/releases/driiven_brands_announces_acquisition_of_international_car_wash_group/prweb17304453.htm



Depreciation Benefits

Accelerated Depreciation

Assumptions	
Asset Type	Car Wash
Ownership	Fee Simple
Rent	\$135,800
Cap Rate	5.75%
Purchase Price	\$2,361,739
Loan Amount	\$1,535,130
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$101,871
Depreciable Basis for Improvements	80.00%
Useful Life	15
Federal Tax Rate	37.00%
Year 1 Depreciation	\$125,959
Potential Tax Savings	\$46,605

Bonus Depreciation

Assumptions	
Asset Type	Car Wash
Ownership	Fee Simple
Rent	\$135,800
Cap Rate	5.75%
Purchase Price	\$2,361,739
Loan Amount	\$1,535,130
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$101,871
Depreciable Basis for Improvements	80.00%
Useful Life	1
Federal Tax Rate	37.00%
Year 1 Depreciation	\$1,889,391
Potential Tax Savings	\$699,075

Standard Depreciation

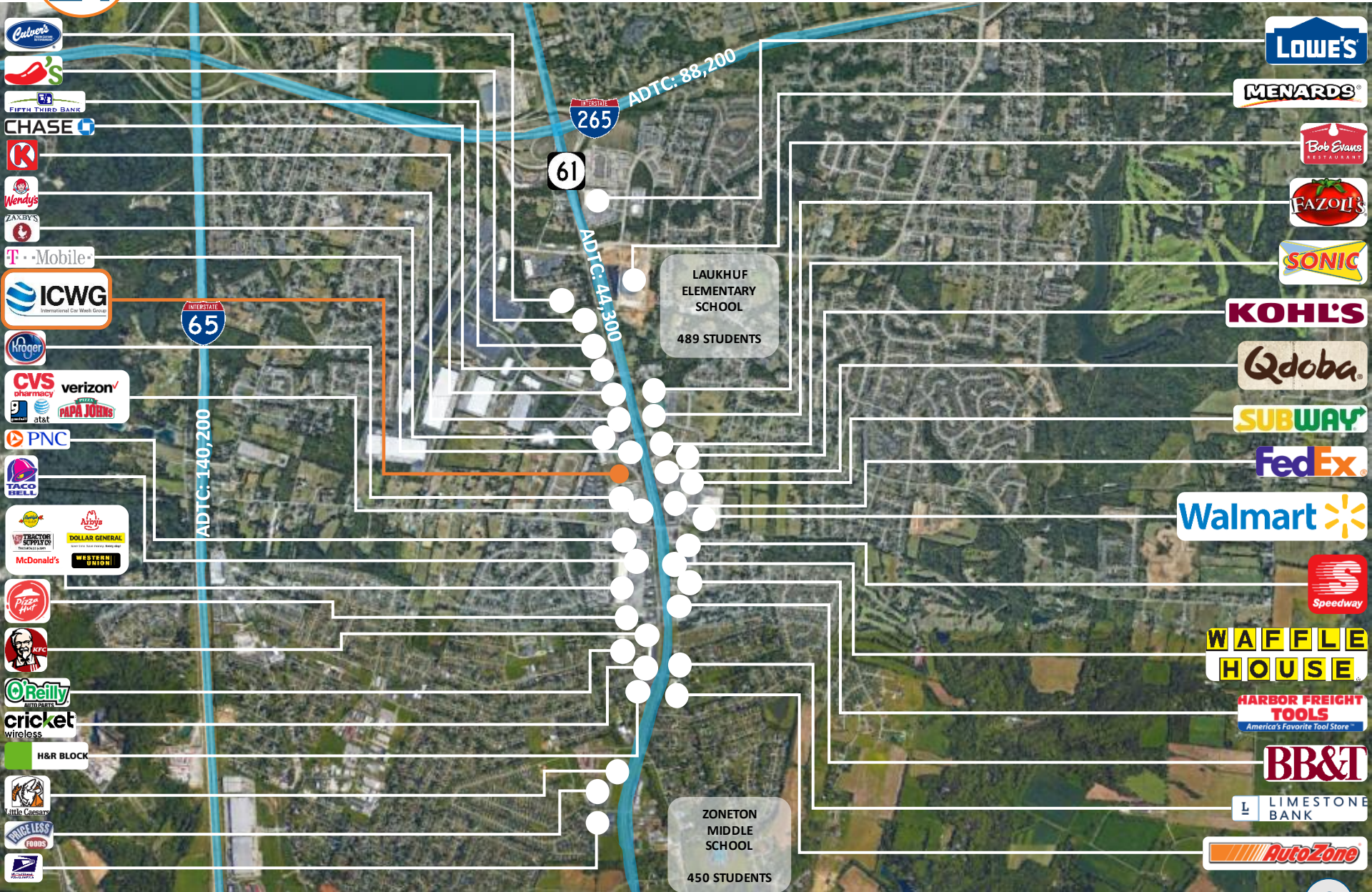
Assumptions	
Asset Type	QSR
Ownership	Fee Simple
Rent	\$135,800
Cap Rate	5.75%
Purchase Price	\$2,361,739
Loan Amount	\$1,535,130
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$101,871
Depreciable Basis for Improvements	80.00%
Useful Life	39
Federal Tax Rate	37.00%
Year 1 Depreciation	\$48,446
Potential Tax Savings	\$17,925

Ground Lease

Assumptions	
Asset Type	QSR
Ownership	Ground Only
Rent	\$135,800
Cap Rate	5.75%
Purchase Price	\$2,361,739
Loan Amount	\$1,535,130
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$101,871
Depreciable Basis for Improvements	0.00%
Useful Life	0
Federal Tax Rate	37.00%
Year 1 Depreciation	\$0
Potential Tax Savings	\$0



Surrounding Area



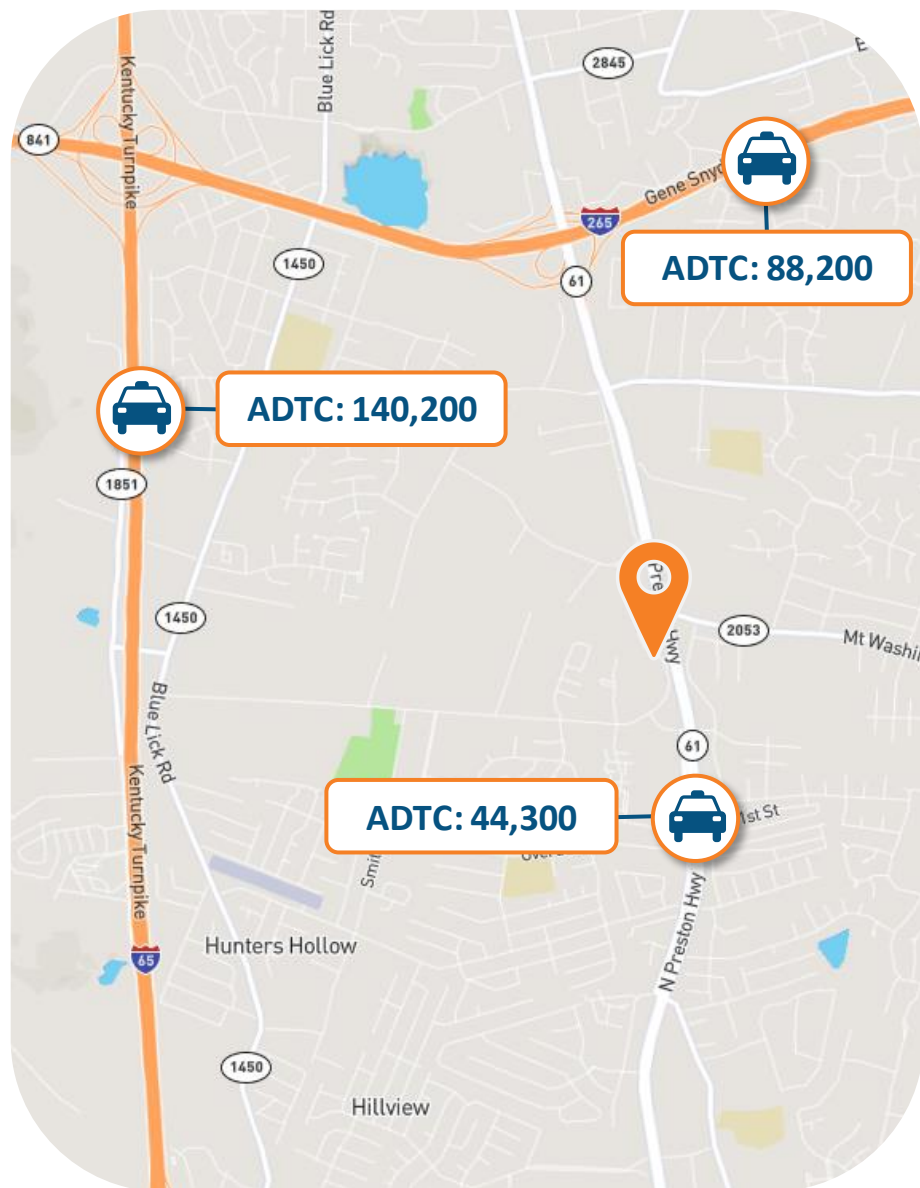


Location Overview

This International Car Wash Group investment property is located at 5015 Mud Lane in Louisville, Kentucky. Mud Lane is located directly off Kentucky Highway 61, which experiences 44,300 vehicles per day. Running perpendicular to Highway 61 is Interstate 265 which adds an additional 88,200 vehicles per day. Interstate 65 runs parallel to Highway 61, adding another 140,200 vehicles per day. There are over 104,000 people residing within a five-mile radius, and over 432,000 people residing within a ten-mile radius.

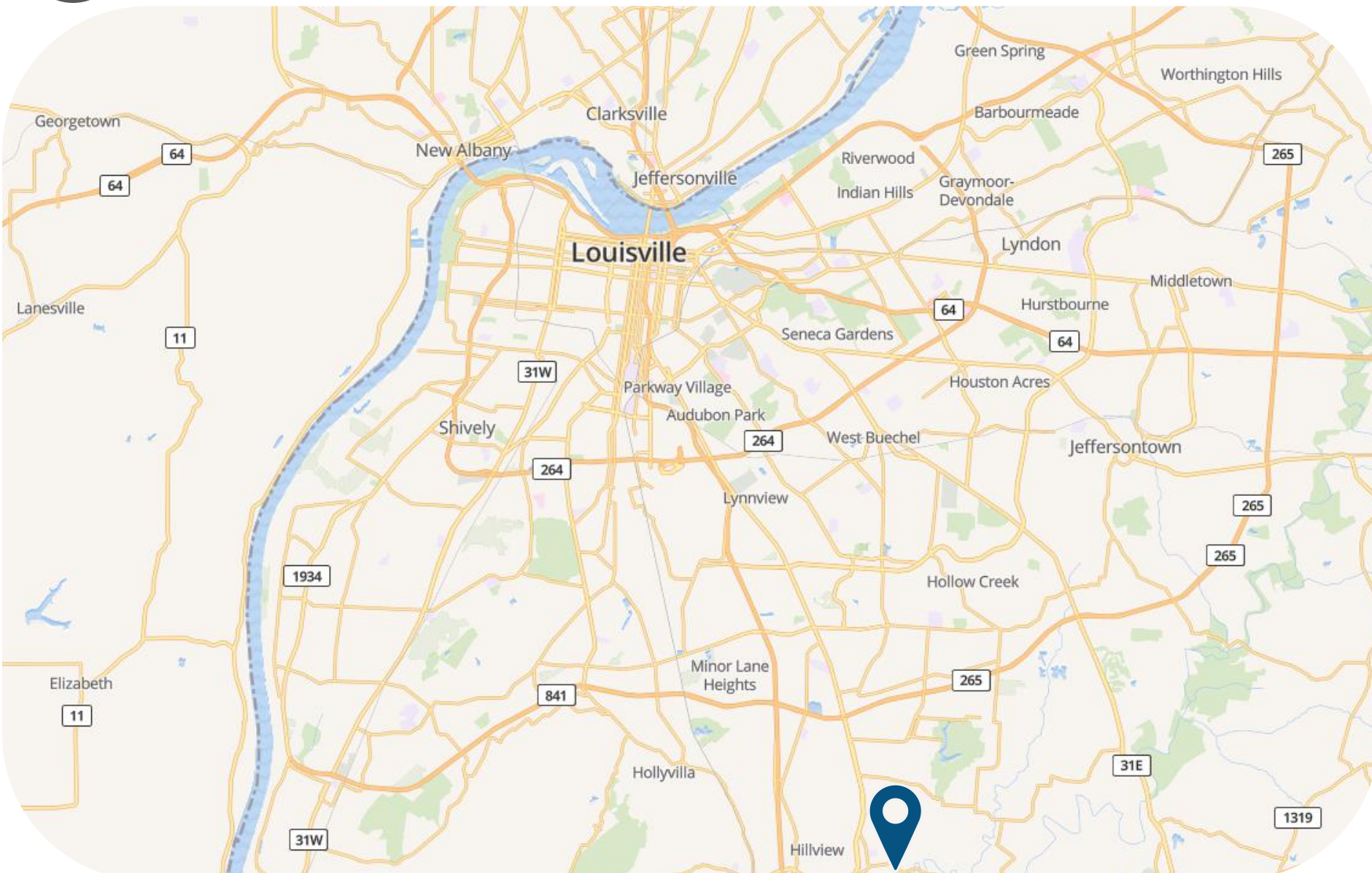
The subject property benefits from its strategic location in a dense retail corridor consisting of numerous national and local tenants. This subject property is minutes away from some of the nation's largest retail tenants, which include Walmart, Lowe's, Kohl's, Dollar General, Goodwill, Kroger, and many more. The subject property benefits from its proximity to academic institutions. There are two schools, an elementary school and middle school, both within two-miles of this property, with the total enrollment exceeding 930 students.

Louisville is the largest city in Kentucky, the 29th most populous city in the United States, and is in Jefferson County, Kentucky. Louisville is southeasterly situated along the Ohio River, which is the border between Kentucky and Indiana. Louisville's development has been influenced by its location on the Ohio River, which spurred its growth from an isolated camp site into a major shipping port and is now the seventh largest inland port in the United States. Louisville is home to 11 colleges and universities, the largest is the University of Louisville with a student population exceeding 22,600 students. The city rallies behind the Louisville Cardinals college basketball team as they compete in the Atlantic Coast Conference (ACC) and have won three national championships. Horse racing is also a major attraction as Churchill Downs is home to the Kentucky Derby, the largest sporting event in the state of Kentucky. Louisville Metro has 122 city parks covering more than 13,000 acres and are home to some of the most visited parks in the nation. Louisville International Airport is located less than 10-miles from the subject property and has flights to major cities around the world.



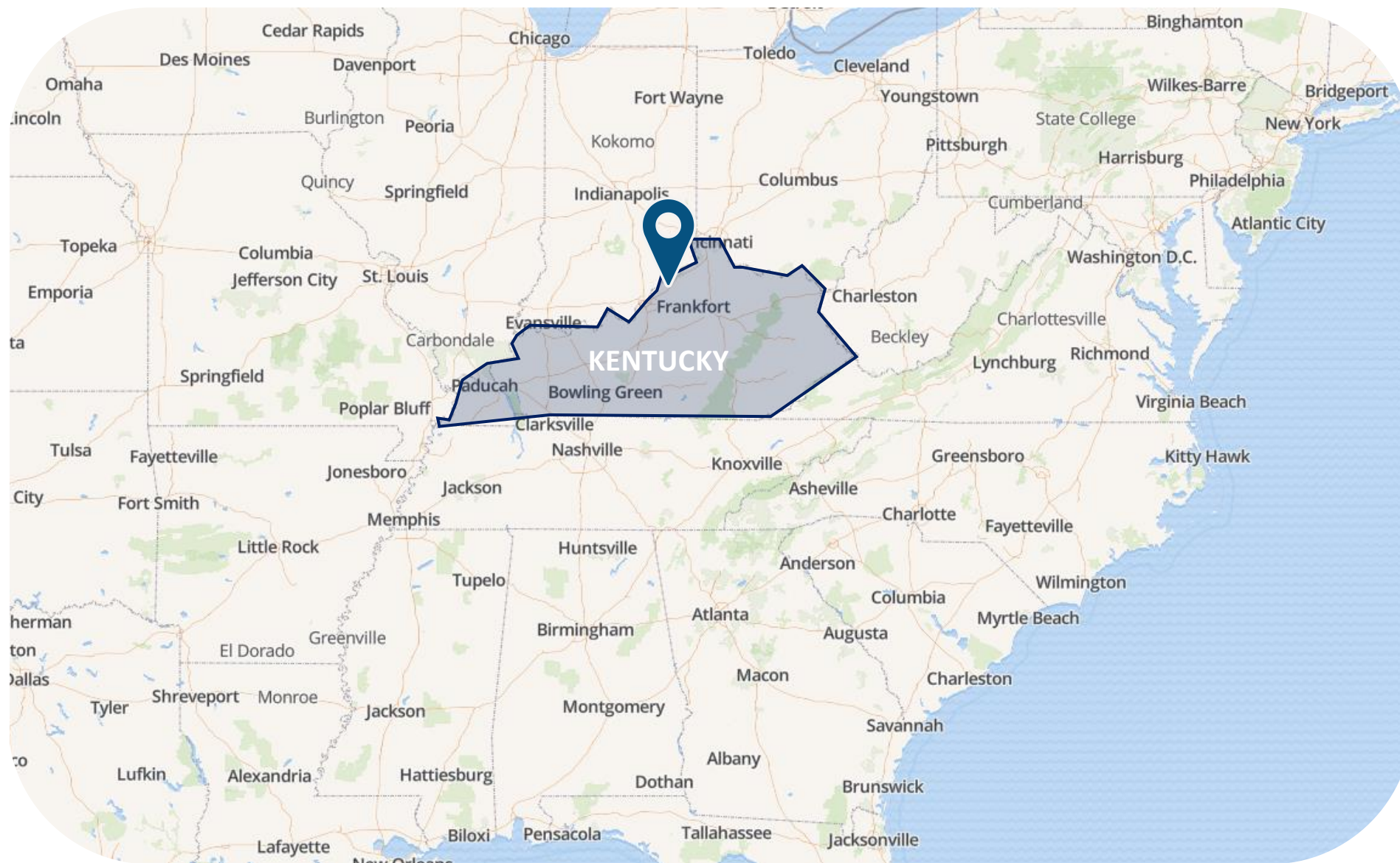


Local Map



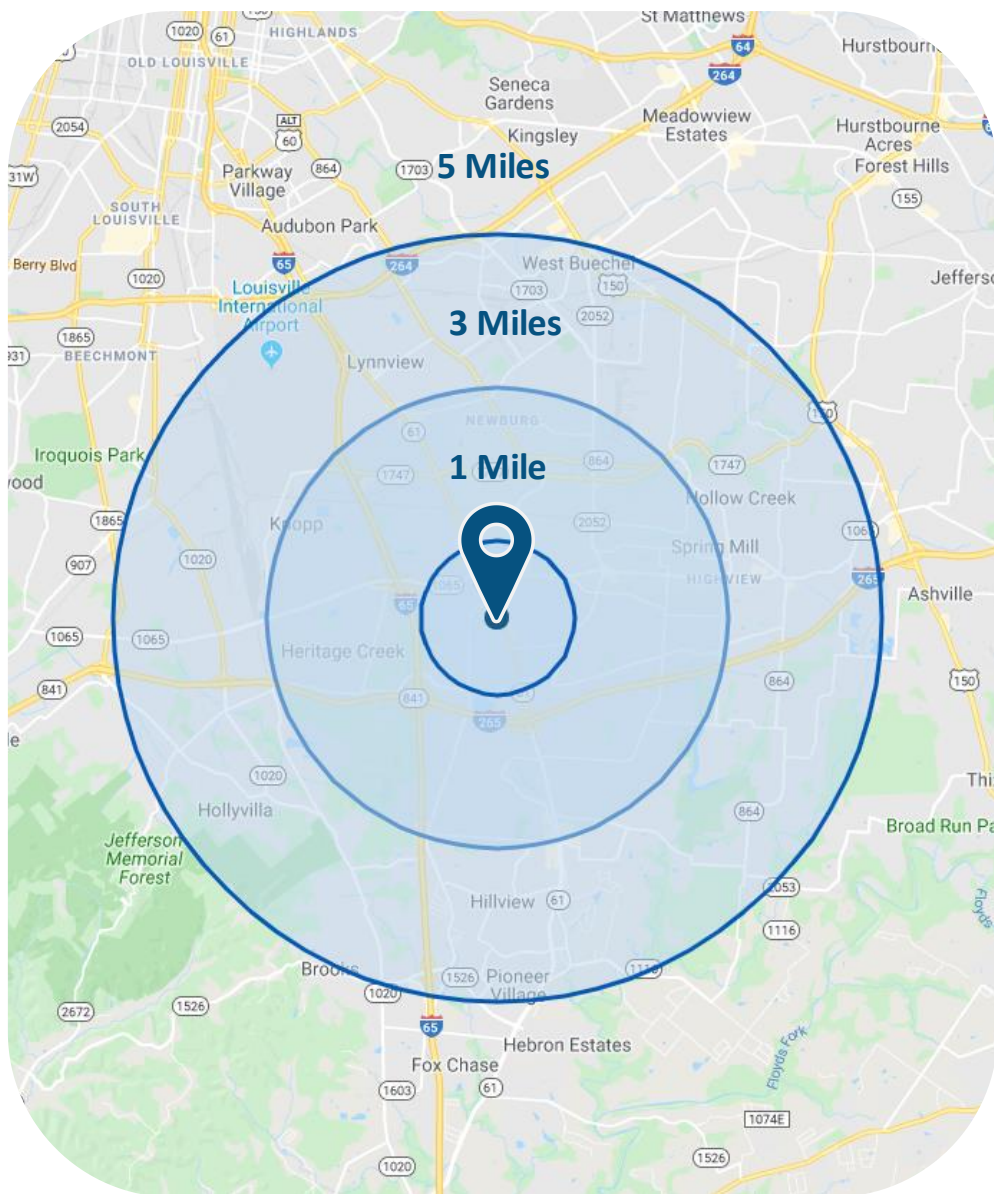


Regional Map





Demographics



POPULATION

	1 Mile	3 Miles	5 Miles
2023 Projection	12,327	72,111	166,007
2018 Estimate	12,033	68,729	158,463
2010 Census	11,824	65,954	151,251
2000 Census	10,614	60,377	136,316

INCOME

	1 Mile	3 Miles	5 Miles
Average	\$54,208	\$58,649	\$60,888
Median	\$47,059	\$49,988	\$50,716
Per Capita	\$21,923	\$22,902	\$24,158

HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2023 Projection	4,999	28,390	66,506
2018 Estimate	4,828	26,752	62,758
2010 Census	4,766	25,677	59,971
2000 Census	4,293	23,128	53,238

HOUSING

	1 Mile	3 Miles	5 Miles
2018	\$136,966	\$139,144	\$144,641

EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2018 Daytime Population	10,277	56,011	154,545
2018 Unemployment	4.67%	4.92%	4.99%
2018 Median Time Traveled	24 Mins	24 Mins	24 Mins

RACE & ETHNICITY

	1 Mile	3 Miles	5 Miles
White	77.27%	69.44%	72.01%
Native American	0.04%	0.05%	0.06%
African American	13.10%	20.61%	18.69%
Asian/Pacific Islander	1.61%	2.03%	2.20%



Market Overview

Louisville, Kentucky

Louisville is a city that combines heritage with innovation, authenticity with originality, and quirkiness with friendliness, in a way that's completely unique to the region. The city is an entirely different type of Southern. From boundary pushing twists on Southern cuisine that has made the city one of the "10 Best New Food Cities" in America to the one and only Urban Bourbon Experience, featuring the world's only, city-wide trail filled with award-winning micro-distilleries, exhibits and craft cocktail destinations. Then discover one-of-a-kind attractions like the legendary Churchill Downs, Louisville Slugger Museum & Factory, and the Muhammed Ali Center. Louisville today is home to dozens of companies and organizations across several industrial classifications. However, the underpinning of the city's economy since its earliest days has been the shipping and cargo industries. Its strategic location at the Falls of the Ohio, and its unique position in the central United States (within one day's road travel to 60 percent of the cities in the continental United States) make it a very practical location for the transfer of cargo along its route to other destinations. Additionally, the Louisville and Portland Canal and the Louisville and Nashville Railroad have been important links in water and rail transportation. Louisville is also a significant center of manufacturing, with two major Ford plants, and the headquarters of major home appliance factory, GE Appliances. The city is also a major center of the American whiskey industry, with about one-third of all bourbon in the nation coming from Louisville.



Marcus & Millichap

EXCLUSIVE NET LEASE OFFERING