

INTERNATIONAL CAR WASH GROUP SALE-LEASEBACK DBA. T5 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



OFFERING MEMORANDUM



6203 Lapalco Blvd, Marrero, LA 70072

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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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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: \$3,883,495 | CAP: 5.15% | RENT: \$200,000



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

- ✓ **NEW CONSTRUCTION – ANTICIPATED OPEN DATE AUGUST 2022**
- ✓ Dense Retail Corridor | Walmart, Walgreens, Lowe's, Big Lots, Home Depot, Dollar General, Winn Dixie, Firestone, Advance Auto Parts, McDonald's, Burger King, Wendy's, Sonic, Cane's, and Many More
- ✓ Strong Traffic Counts | Over 29,600 and 29,000 Vehicles Per Day Along Ames Blvd and Lapalco Blvd
- ✓ Positive Real Estate Fundamentals | Located Less Than Five-Miles from Downtown New Orleans

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: \$3,883,495 | CAP: 5.15% | RENT: \$200,000



Property Description

Property	International Car Wash Group
Property Address	6203 Lapalco Blvd
City, State, ZIP	Marrero, LA
Building Size (SF)	4,425
Lot Size	+/- 1.15 Acres
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$3,883,495
CAP Rate	5.15%
Annual Rent	\$200,000

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	\$200,000	\$16,667	-
Year 2	\$203,000	\$16,917	1.50%
Year 3	\$206,045	\$17,170	1.50%
Year 4	\$209,136	\$17,428	1.50%
Year 5	\$212,273	\$17,689	1.50%
Year 6	\$215,457	\$17,955	1.50%
Year 7	\$218,689	\$18,224	1.50%
Year 8	\$221,969	\$18,497	1.50%
Year 9	\$225,299	\$18,775	1.50%
Year 10	\$228,678	\$19,056	1.50%
Year 11	\$232,108	\$19,342	1.50%
Year 12	\$235,590	\$19,632	1.50%
Year 13	\$239,124	\$19,927	1.50%
Year 14	\$242,710	\$20,226	1.50%
Year 15	\$246,351	\$20,529	1.50%
Year 16	\$250,046	\$20,837	1.50%
Year 17	\$253,797	\$21,150	1.50%
Year 18	\$257,604	\$21,467	1.50%
Year 19	\$261,468	\$21,789	1.50%
Year 20	\$265,390	\$22,116	1.50%

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing in Marrero, LA. 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 \$200,000 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

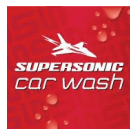
ICWG entered the US in August 2015 and already has over 150 sites which makes us one of the major players in the market. The US sites operate under 3 key brands – Car Wash USA Express, Goo-Goo 3 Minute Express Wash and Supersonic in the state of Utah.



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

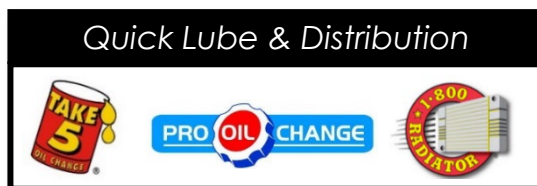
Driven Brands (“Driven”) announced its acquisition of International Car Wash Group (“ICWG”) has been completed. With the addition of ICWG, Driven now encompasses more than 4,000 locations across 15 countries and approximately \$3.8 billion in annual system-wide sales, making it the largest automotive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

<u>Facts on Driven:</u>	15 countries	4,000 brand locations	130 years of service	\$3.8 Billion system wide sales
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(1) https://www.prweb.com/releases/driven_brands_announces_acquisition_of_international_car_wash_group/prweb17304453.htm



Depreciation Benefits

Accelerated Depreciation

Assumptions	
Asset Type	Car Wash
Ownership	Fee Simple
Rent	\$200,000
Cap Rate	5.15%
Purchase Price	\$3,883,495
Loan Amount	\$2,524,272
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$167,510
Depreciable Basis for Improvements	80.00%
Useful Life	15
Federal Tax Rate	37.00%
Year 1 Depreciation	\$207,120
Potential Tax Savings	\$76,634

Bonus Depreciation

Assumptions	
Asset Type	Car Wash
Ownership	Fee Simple
Rent	\$200,000
Cap Rate	5.15%
Purchase Price	\$3,883,495
Loan Amount	\$2,524,272
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$167,510
Depreciable Basis for Improvements	80.00%
Useful Life	1
Federal Tax Rate	37.00%
Year 1 Depreciation	\$3,106,796
Potential Tax Savings	\$1,149,515

Standard Depreciation

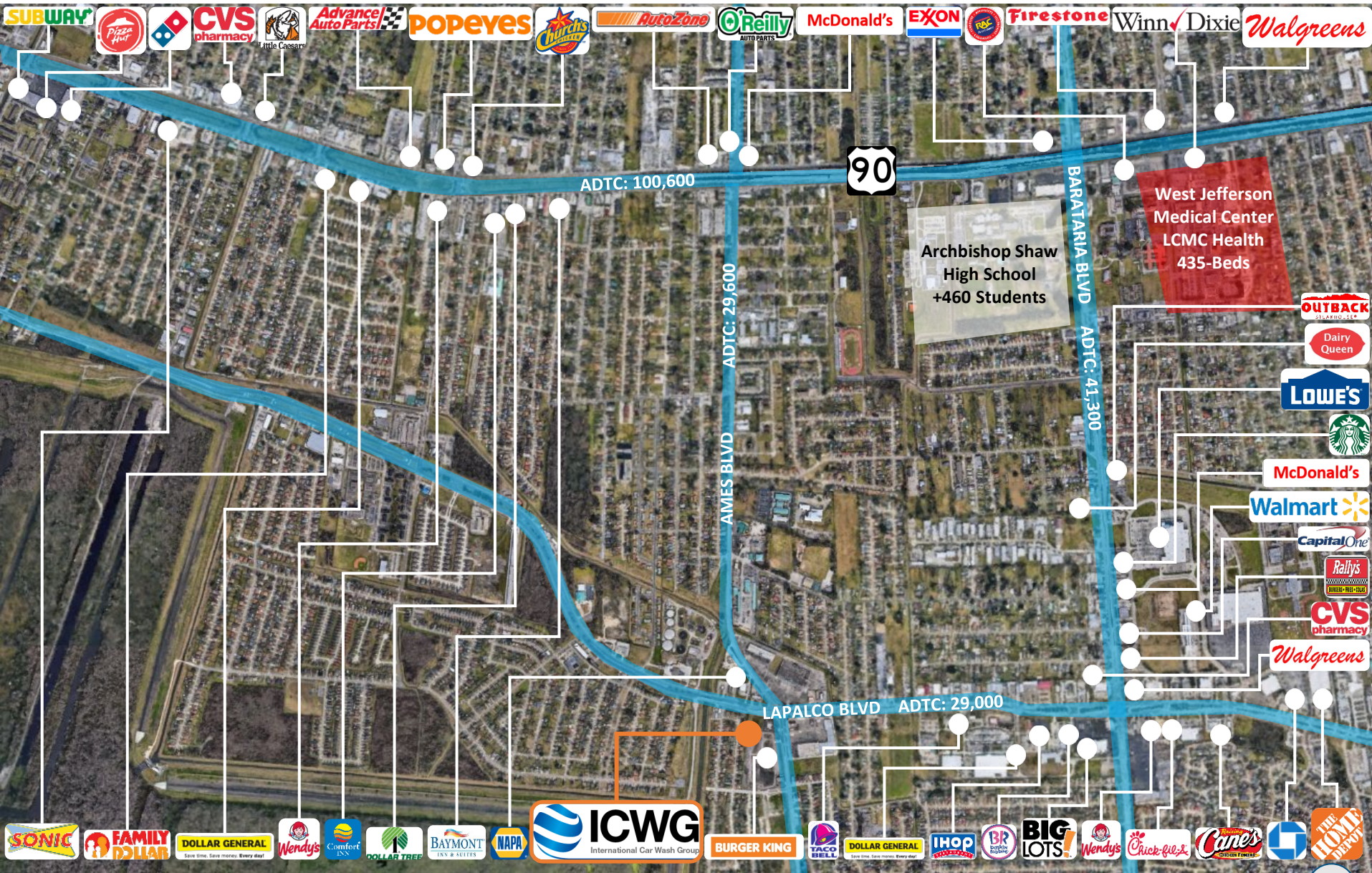
Assumptions	
Asset Type	QSR
Ownership	Fee Simple
Rent	\$200,000
Cap Rate	5.15%
Purchase Price	\$3,883,495
Loan Amount	\$2,524,272
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$167,510
Depreciable Basis for Improvements	80.00%
Useful Life	39
Federal Tax Rate	37.00%
Year 1 Depreciation	\$79,661
Potential Tax Savings	\$29,475

Ground Lease

Assumptions	
Asset Type	QSR
Ownership	Ground Only
Rent	\$200,000
Cap Rate	5.15%
Purchase Price	\$3,883,495
Loan Amount	\$2,524,272
LTV	65.00%
Interest Rate	4.45%
Amortization	25
Debt Service	\$167,510
Depreciable Basis for Improvements	0.00%
Useful Life	0
Federal Tax Rate	37.00%
Year 1 Depreciation	\$0
Potential Tax Savings	\$0



Surrounding Area



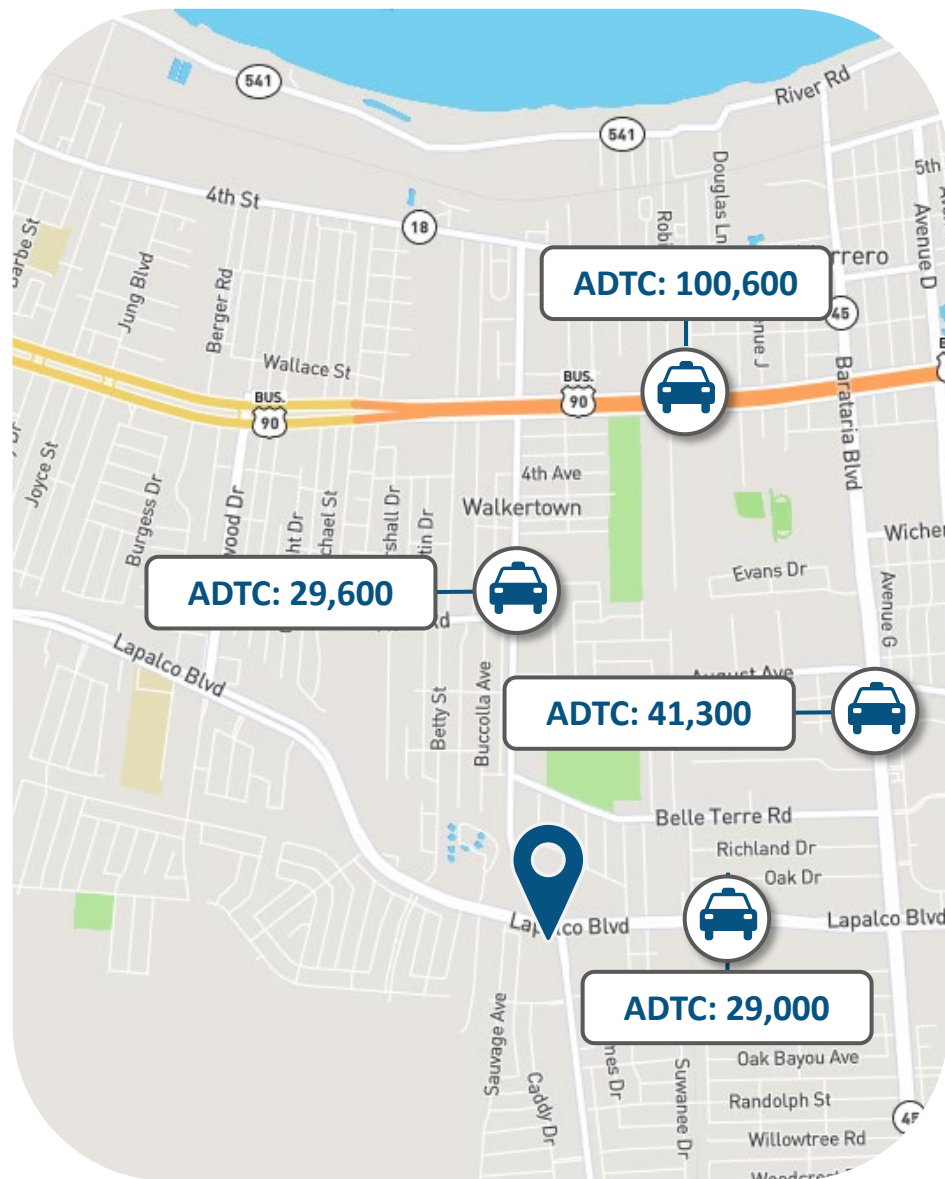


Location Overview

The site is situated just off the corner of Lapalco Boulevard and Ames Boulevard which experience average daily traffic counts of 29,000 and 29,600 vehicles. Ames Boulevard intersects just north of the property with Highway 90 and runs parallel to Barataria Blvd which bring an additional 100,600 and 41,300 vehicles into the immediate area on average daily. There are more than 75,400 individuals living within a three-mile radius and over 203,400 living within a five-mile radius. Furthermore, the property is surrounded by an affluent residential community with average household income exceeding \$81,300 within a five-mile radius.

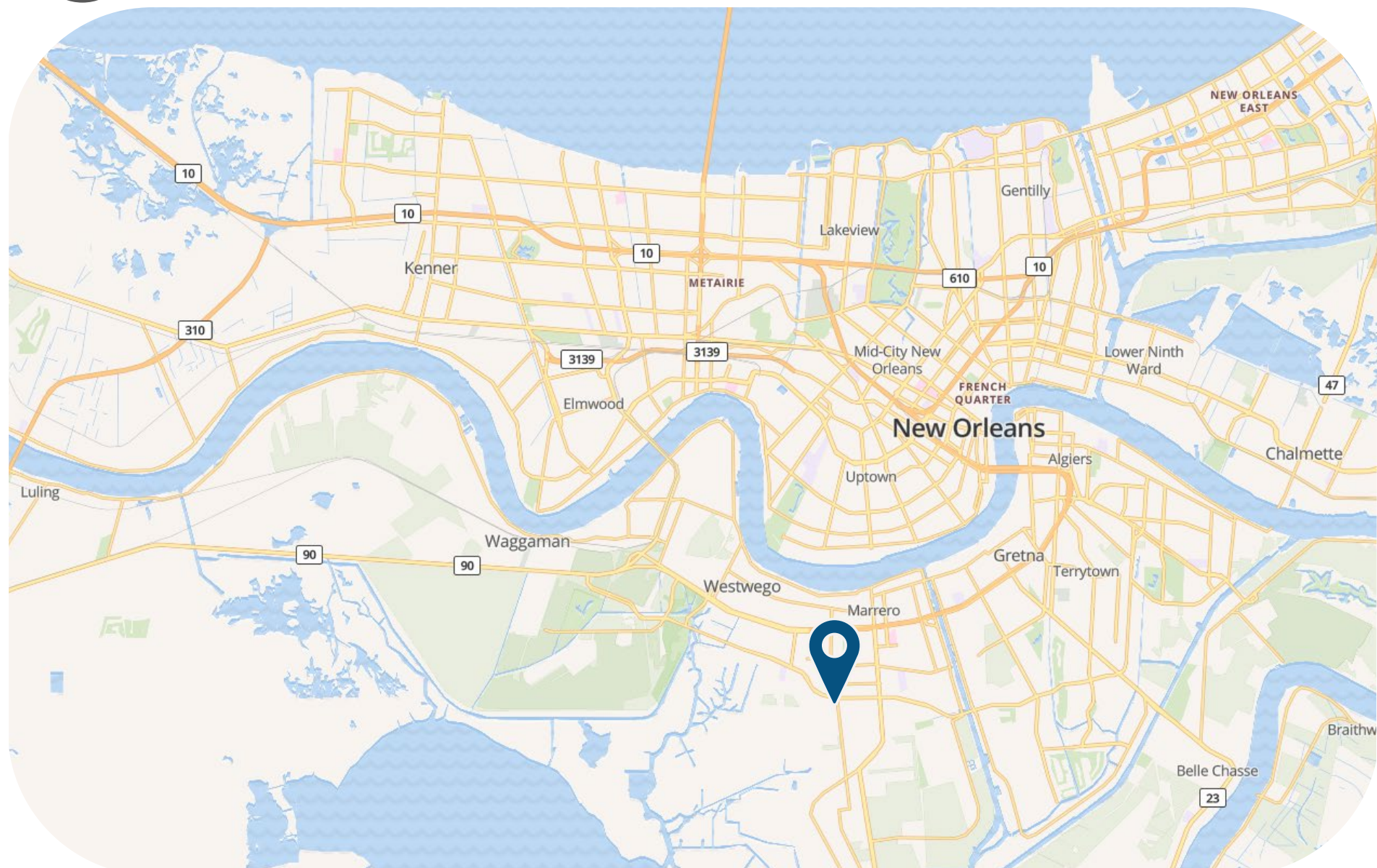
The subject Car Wash benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants. Major national tenants in the area include: Walmart, Walgreens, Lowe's, Big Lots, Home Depot, Dollar General, Winn Dixie, Firestone, Advance Auto Parts, McDonald's, Burger King, Wendy's, Sonic, Cane's, as well as many others. Hospitality accommodations within immediate proximity of the subject property include Comfort Inn, Baymont by Wyndham, Red Roof Inn, Best Western, and many more. The subject property further benefits from its immediate access to healthcare. West Jefferson Medical Center LCMC Health is located less than three miles from the subject property. The massive, state-of-the-art, facility has 435 staffed beds. Furthermore, the subject property is located less than two miles from Archbishop Shaw High School, which has an enrollment greater than 460 students.

Marrero is a census-designated place located in Jefferson Parish within the New Orleans, LA MSA, just west of the Intracoastal Canal on the Mississippi River. The city has a population greater than 32,000 residence. The city is eight miles away from New Orleans and ten miles away from Metairie. The area was initially referred to as "Amesville"; however, in 1916, Marrero was named after Louis H. Marrero to commemorate the Louisiana politician and his founding of the Marrero Land Company. Marrero is served by the Jefferson Parish Public School System, where 1 high school, 1 middle school and 4 elementary schools are located within the CDP limits. The city also features the Marrero Academy and the Gretna Academy. Top sights in the area include the Audubon Zoo, the Jean Lafitte National Historical Park and Preserve, and Magazine Street.





Local Map





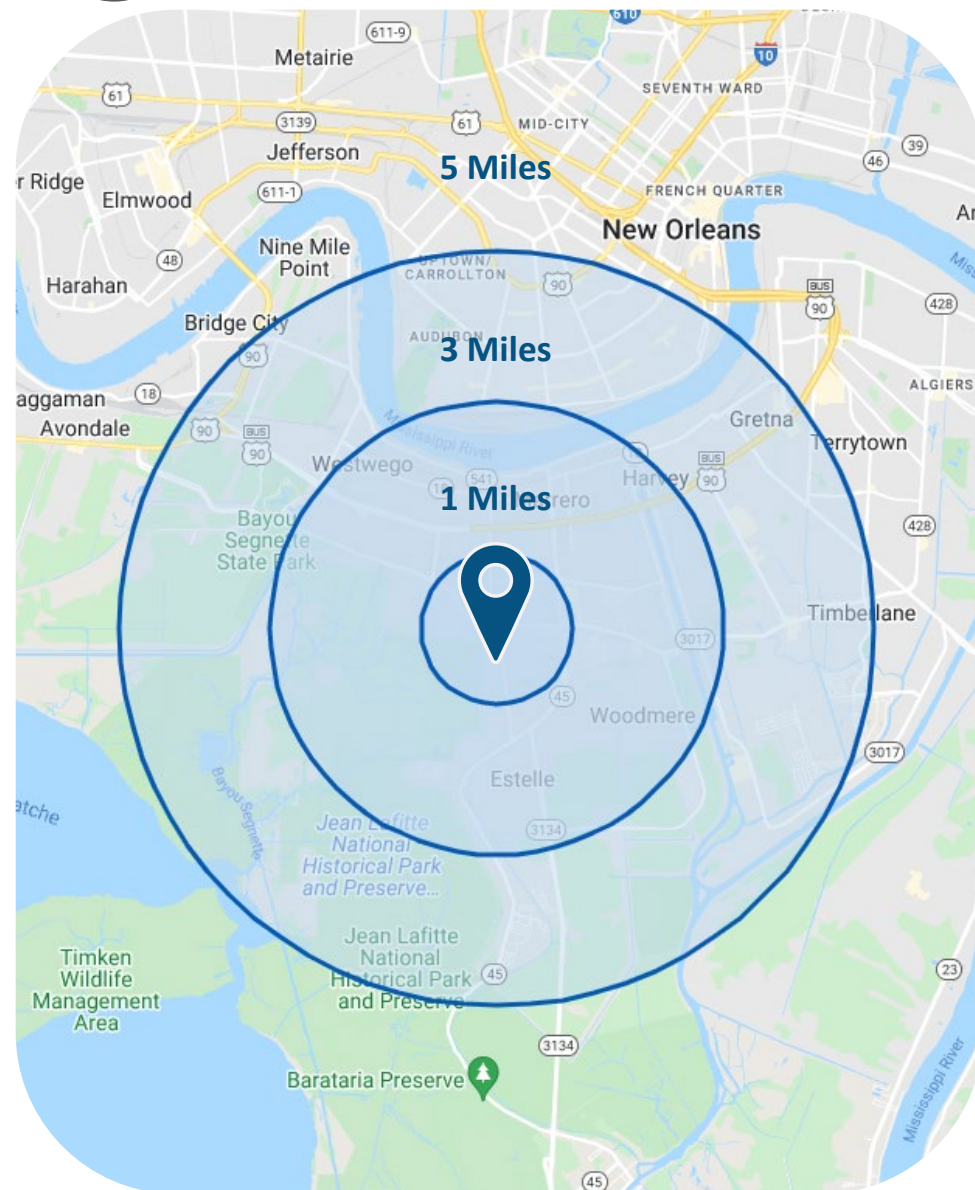
Regional Map





Demographics

1 Mile 3 Miles 5 Miles



POPULATION TRENDS

2010 Population	13,506	76,541	201,747
2021 Population	13,237	75,466	203,447
2026 Population Projection	13,079	74,637	201,053

POPULATION BY RACE (2021)

White	4,729	36,165	105,748
Black	7,852	33,653	83,807
American Indian/Alaskan Native	75	673	1,286
Asian	400	3,705	8,797
Hawaiian & Pacific Islander	7	32	100
Two or More Races	175	1,237	3,709
Hispanic Origin	795	6,561	19,496

HOUSEHOLD TRENDS

2010 Households	4,652	27,568	78,511
2021 Households	4,549	27,088	78,977
2026 Household Projection	4,492	26,765	77,931
Owner Occupied	3,276	19,178	43,319
Renter Occupied	1,216	7,587	34,613

AVERAGE HOUSEHOLD INCOME (2021)

\$54,885	\$65,205	\$81,383
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MEDIAN HOUSEHOLD INCOME (2021)

\$46,627	\$51,454	\$56,331
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HOUSEHOLDS BY HOUSEHOLD INCOME (2021)

< \$25,000	1,382	6,788	18,995
\$25,000 - 50,000	1,006	6,434	16,462
\$50,000 - 75,000	927	5,274	13,818
\$75,000 - 100,000	478	2,964	8,245
\$100,000 - 125,000	514	2,733	7,076
\$125,000 - 150,000	159	1,198	3,861
\$150,000 - 200,000	73	1,056	4,271
\$200,000+	9	642	6,250



Market Overview

New Orleans, LA

New Orleans is a major United States port, the largest city, and the center of the metropolitan area in the state of Louisiana. The population of the city is more than 390,000. The New Orleans metropolitan area (New Orleans–Metairie–Kenner Metropolitan Statistical Area) has a population of roughly 1,270,000 and is the 46th largest in the United States. New Orleans has one of the largest and busiest ports in the world, and metropolitan New Orleans is a center of maritime industry. The New Orleans region also accounts for a significant portion of the nation's oil refining and petrochemical production and serves as a white-collar corporate base for onshore and offshore petroleum and natural gas production.

New Orleans is a center for higher learning, with over 50,000 students enrolled in the region's eleven two- and four-year degree granting institutions. A top-50 research university, Tulane University, is located in New Orleans' Uptown neighborhood. Metropolitan New Orleans is a major regional hub for the health care industry and boasts a small, globally competitive manufacturing sector. Major employers are heavily concentrated in the government and education and health services sectors, including Louisiana State University Health, Tulane University, University of New Orleans and North Oaks Health System. The center city possesses a rapidly growing, entrepreneurial creative industries sector, and is renowned for its cultural tourism. Tourism is a staple of the city's economy. New Orleans' tourist and convention industry is a \$5.5 Billion industry that accounts for 40% of city tax revenues.

The heartbeat of Greater New Orleans is an economic engine built 300 years ago. Today, it is a popular destination for companies looking for a culturally rich market that attracts a strong workforce and offers low operating costs to reduce the financial burden of growth. The region has a long history of nurturing trade, energy, and manufacturing industries. And today, the Greater New Orleans region is one of the fastest growing technology hubs in the country. Our team is here to support companies that want to take advantage of low business costs and generous incentives, and to assist existing companies with growth strategies.



Marcus & Millichap

EXCLUSIVE NET LEASE OFFERING