

OFFERING MEMORANDUM



MESA, ARIZONA

QUALIFIES FOR
BONUS DEPRECIATION

ACTUAL PROPERTY

EXCLUSIVELY OFFERED BY:

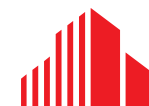
CHRIS HOLLENBECK

+1 602 224 4475 | AZ Lic #SA584876000
chris.hollenbeck@cushwake.com

SHANE CARTER

+1 602 224 4442 | AZ Lic #SA673156000
shane.carter@cushwake.com

NET LEASE INVESTMENTS



**CUSHMAN &
WAKEFIELD**

Private Capital Group

EXECUTIVE HIGHLIGHTS

INVESTMENT OVERVIEW

TENANT: Ultra Clean Express Car Wash
(DBA Rinse N Ride Car Wash)

GUARANTY: Corporate Guaranty

LOCATION: 1411 S Country Club Dr
Mesa, AZ 85210

LEASE TYPE: **Absolute NNN Lease**

YEAR BUILT: 2018

BUILDING SIZE: ±5,023 SF

LAND SIZE: ±1.19 AC (±51,929 SF)

RENT COMMENCEMENT: October 12, 2023

LEASE EXPIRATION: October 11, 2043

OPTIONS: Six (6) five (5) year options

RENT ADJUSTMENT: 10% increases every 5 years

APN: 139-47-026B & 139-47-026C

OFFERING TERMS

CURRENT NOI: **\$243,077**

PRICE: **\$4,227,426**

CAP: **5.75%**

RENT SCHEDULE:

TERM	YEARS	MONTHLY RENT	ANNUAL RENT	% INCREASE	CAP RATE
Primary	1-5	\$20,256.42	\$243,077.00	N/A	5.75%
Primary	6-10	\$22,282.06	\$267,384.70	10%	6.33%
Primary	11-15	\$24,510.26	\$294,123.17	10%	6.96%
Primary	16-20	\$26,961.29	\$323,535.49	10%	7.65%
Option 1	21-25	\$29,657.42	\$355,889.04	10%	8.42%
Option 2	26-30	\$32,623.16	\$391,477.94	10%	9.26%
Option 3	31-35	\$35,885.48	\$430,625.73	10%	10.19%
Option 4	36-40	\$39,474.03	\$473,688.31	10%	11.21%
Option 5	41-45	\$43,421.43	\$521,057.14	10%	12.33%
Option 6	46-50	\$47,763.57	\$573,162.85	10%	13.56%

INVESTMENT HIGHLIGHTS

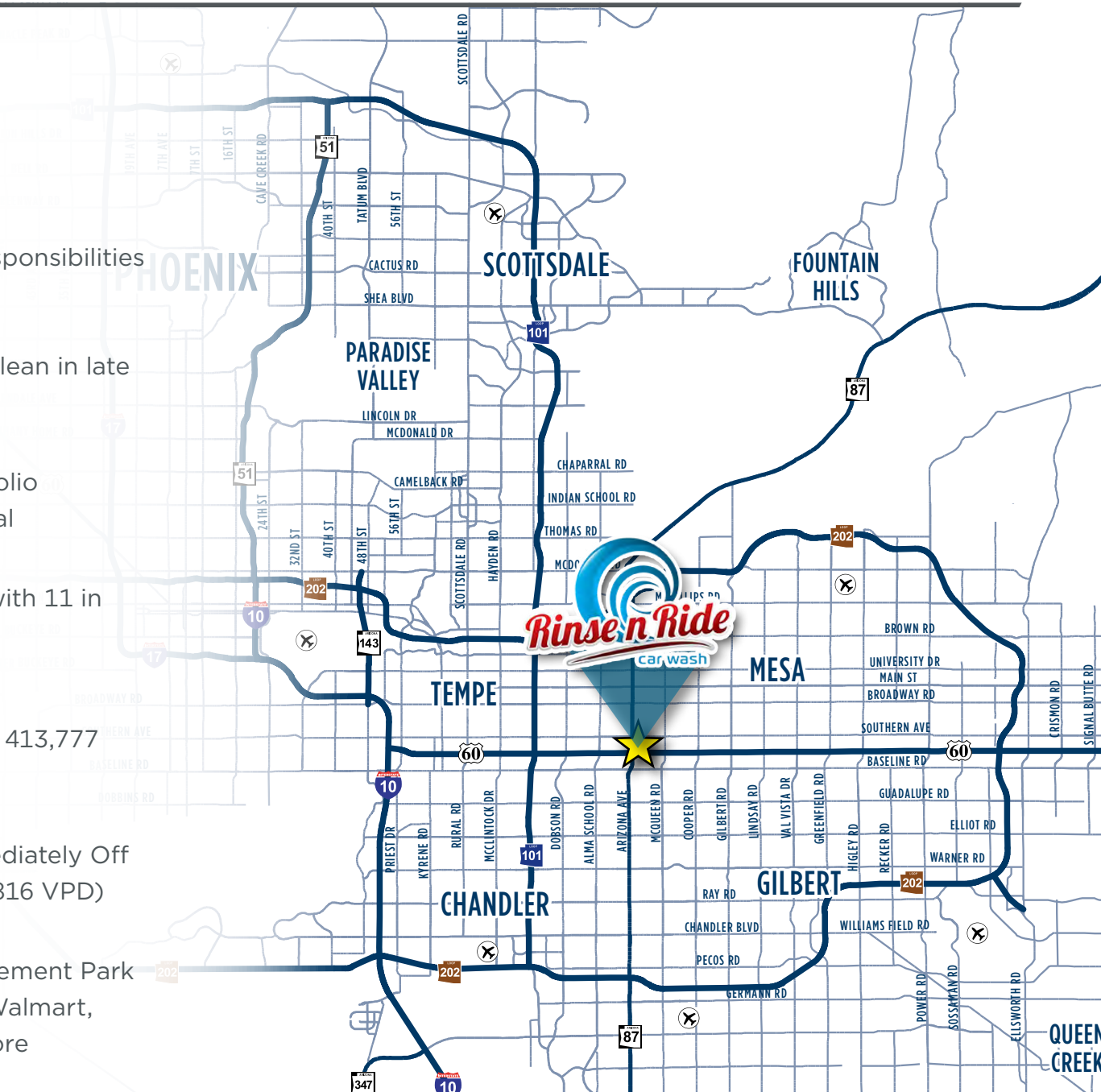
- Long term ± 18 year lease
- Strong Guaranty: Corporate
- Absolute NNN Lease - zero landlord responsibilities

TENANT HIGHLIGHTS

- Lindsay Goldberg (LG) acquired Ultra Clean in late 2021
- LG, founded in 2001 contains +60 portfolio companies and \$17B+ committed capital
- Ultra Clean currently has 21 locations, with 11 in development

LOCATION HIGHLIGHTS

- Densely populated trade area with over 413,777 residents in a 5 mile radius
- Frontage on Country Club Dr and Immediately Off the Superstition Freeway/US-60 ($\pm 241,816$ VPD)
- Located near Golfand Sunsplash Amusement Park and surrounded by national retailers - Walmart, Costco, Fry's, The Home Depot, and More



BONUS DEPRECIATION - SPECIAL TAX ADVANTAGE AFFORDED IRS SECTION 1250 PROPERTY (RINSE N RIDE CAR WASH ASSET)

BONUS DEPRECIATION - RINSE N RIDE MESA, AZ

Purchase Price	\$4,227,426
Cap Rate	5.75%
Cash Flow	\$243,077
100% Bonus Depreciation Year 1	\$3,823,186*
Year 1 Aggregate Tax Loss from Asset	\$3,580,109

*Cushman & Wakefield and its affiliates do not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction.

*Based on a deduction of the land value equal to \$20/SF.



ACTUAL PROPERTY
ULTRA CLEAN EXPRESS CAR WASH (DBA RINSE N RIDE CAR WASH) | MESA, ARIZONA

BONUS DEPRECIATION - NOW RETURNED TO 100%

Bonus depreciation is a powerful tax-saving strategy that offers businesses and investors significant financial benefits. It was introduced as part of the Tax Cuts and Jobs Act (TCJA) in 2017, aiming to stimulate economic growth and incentivize investments in qualifying assets. It has now been renewed for 2025 now that the BBB is signed into law.

What is Bonus Depreciation?

Depreciation is an accounting method used to allocate the cost of tangible assets over their useful lives. Bonus depreciation allows taxpayers to deduct a substantial portion of the asset's cost in the year of acquisition, providing an immediate tax benefit rather than spreading it over several years.

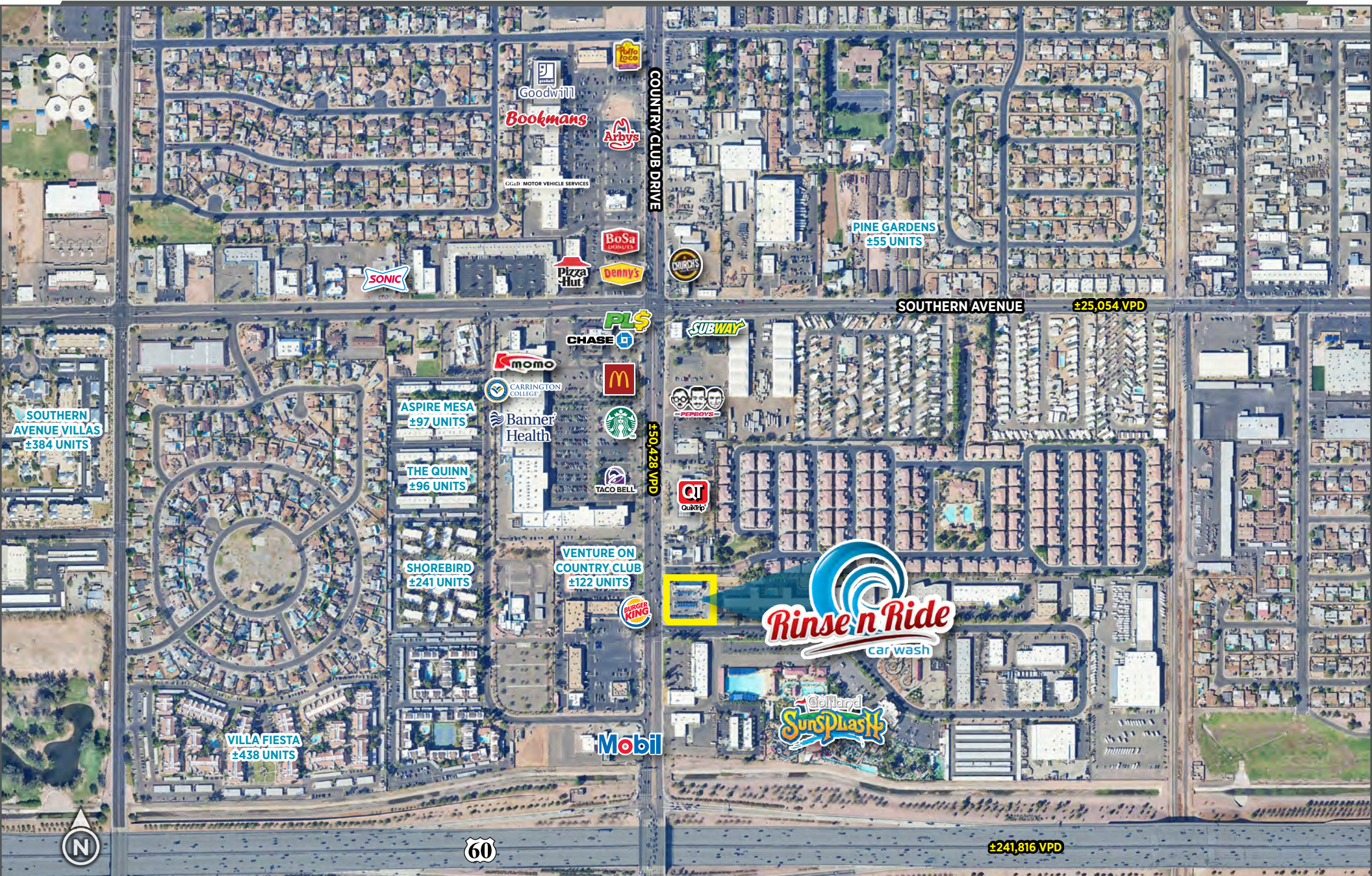
Key Features of Bonus Depreciation:

a. Restoration of 100% Bonus Depreciation: The new Big Beautiful Bill that was signed into law reinstates 100% bonus depreciation for qualified property acquired and placed in service between January 20, 2025, and December 31, 2029. This would allow businesses to fully expense eligible assets in the year they are placed in service, enhancing cash flow and investment incentives.

b. Increased Deduction: Under the TCJA, bonus depreciation was initially set at 100% for qualified assets acquired between September 27, 2017, and January 1, 2023. This allowed businesses to deduct the full cost of qualifying assets in the first year.

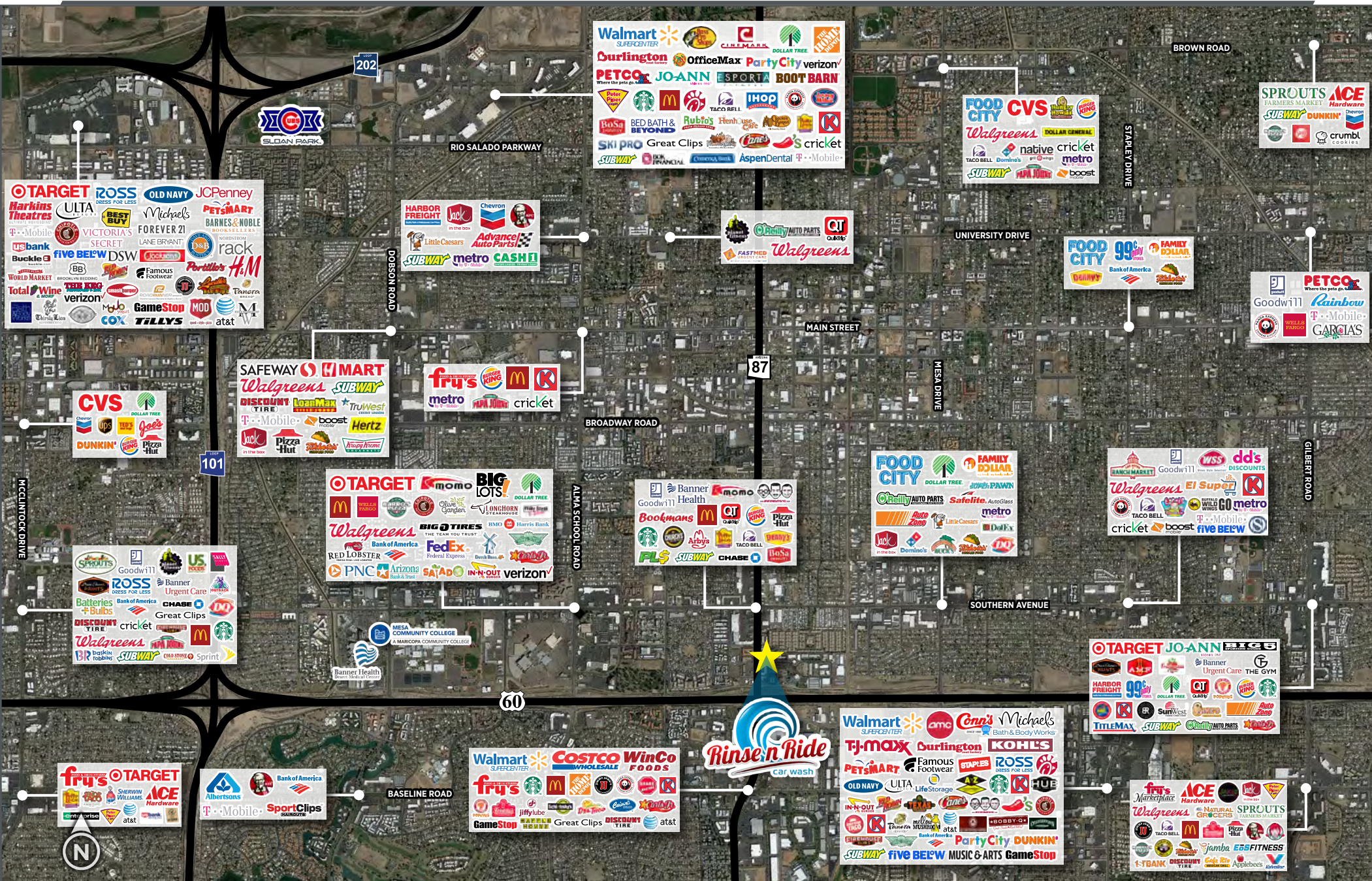
c. Qualified Assets: Bonus depreciation applies to tangible assets with a recovery period of 20 years or less, such as machinery, equipment, furniture, and certain improvements to buildings.

d. Used and New Assets: Unlike Section 179 expensing, bonus depreciation is available for both new and used assets, making it a valuable tool for businesses acquiring pre-owned equipment.



RETAIL MAP

PROPERTY OVERVIEW



Ultra Clean Express ("Ultra Clean") is a top-tier operator of express car wash facilities, with a strong presence in the Las Vegas and Phoenix metropolitan areas. The company currently operates 21 locations and has 11 additional sites in development, alongside ambitious plans for broader expansion. Ultra Clean oversees several brands, including 3 Minute Car Wash, Rinse N Ride, Sparkle, and Fast & Friendly, all under its umbrella.

Ultra Clean is distinguished by its highly efficient economic model, cutting-edge express exterior washing equipment, and a loyal customer base. The management team boasts extensive experience in both the car wash and multi-site service sectors, contributing to the company's consistent success. Ultra Clean's growth strategy focuses on increasing regional density within attractive markets in the Southwestern United States, aiming to solidify its presence and enhance service delivery.

Parent Company Overview

Lindsay Goldberg is a private equity firm founded in 2001, based in New York City. It partners with family-owned businesses, entrepreneurs, and management teams, focusing on long-term investments and collaborative relationships. The firm invests across diverse sectors like manufacturing, healthcare, and energy, aiming for sustainable growth and operational improvement. Notable investments include The United Family, Pritok Capital, and Schur Flexibles Group. Committed to responsible investing, Lindsay Goldberg integrates environmental, social, and governance (ESG) practices and supports charitable initiatives.

DEMOGRAPHICS

MARKET OVERVIEW



TOTAL POPULATION

	1 mile	3 miles	5 miles
2024	16,352	162,216	413,777
2029	16,197	166,615	422,484



TOTAL HOUSEHOLDS

	1 mile	3 miles	5 miles
2024	6,399	62,372	163,203
2029	6,440	65,376	169,882



AVERAGE HOUSEHOLD INCOME

	1 mile	3 miles	5 miles
2024	\$72,027	\$88,617	\$97,986
2029	\$86,498	\$104,747	\$114,475



DAYTIME POPULATION

	1 mile	3 miles	5 miles
2024	25,230	191,737	414,458



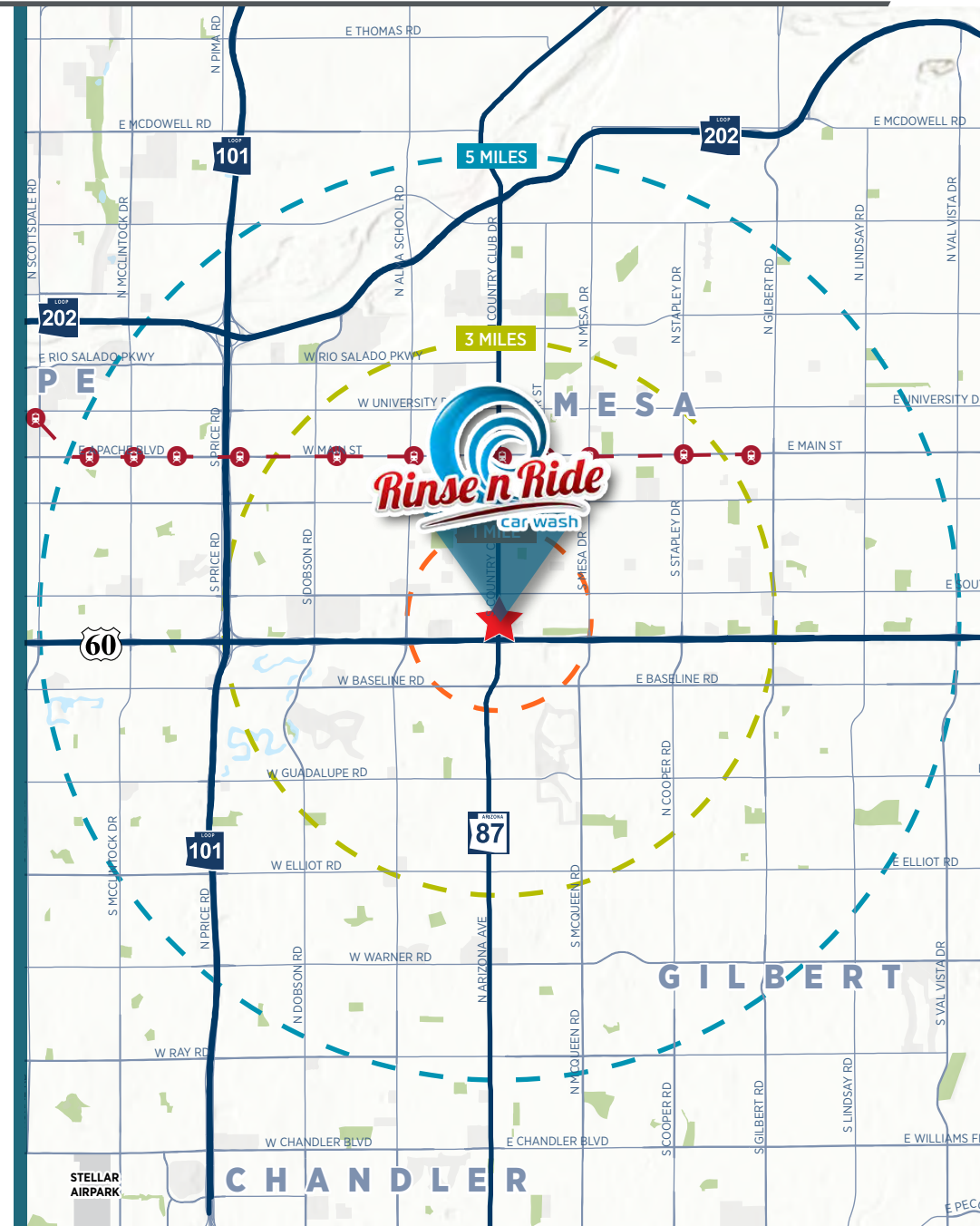
MEDIAN AGE

	1 mile	3 miles	5 miles
2024	31.3	33.7	34.3
2029	32.8	35.3	35.9



AVERAGE HOME VALUE

	1 mile	3 miles	5 miles
2024	\$487,604	\$451,889	\$476,530
2029	\$681,757	\$618,775	\$616,588



Population

Mesa is the third largest city in Arizona, after Phoenix and Tucson, and the 36th largest city in the U.S. Mesa is the central city of the East Valley of the Metro Phoenix area. It is bordered by Tempe on the west, the Salt River Pima-Maricopa Indian Community on the north, Chandler and Gilbert on the south and Apache Junction on the east.

Mesa stretches over 133 square miles and is larger than Miami, Minneapolis, Atlanta and St. Louis. Located in Maricopa County and just 15 miles east of Phoenix, Mesa is a community of over 517,302 residents. The average aged resident in the Mesa area is 36, with a median household income of \$67,337.

Employment

Mesa offers a competitive operating environment. Economic development priorities are guided by Mesa's targeted industries of opportunity: healthcare, education, aerospace/aviation, technology and tourism. Mesa has a diverse economy with multiple business districts including Downtown Mesa, Falcon District, Fiesta District, Superstition Freeway Corridor, Mesa Riverview and the Mesa Gateway area. All of Mesa's districts have the necessary infrastructure and attributes to help businesses succeed. Each also has a unique set of qualities that are especially suited for specific industry segments and business needs.

The Mesa Gateway area is home to a large number of international aerospace, defense, heavy industrial, manufacturing and technology companies as well as numerous educational institutions. The Mesa Gateway area hosts world-class players including Embraer, Cessna, Able Engineering, Nammo Talley and Orbital ATK. In the area you will also find ground-breaking technology companies such as the Arizona Center for Algae Technology and Innovation, the Cognitive Engineering Research Institute, Arizona Laboratories for Security & Defense Research (AZ Labs), Bridgestone Biorubber Process Research Center and the forthcoming Apple Global Command Center.

The Falcon District is home to a large cluster of world-class aerospace and defense companies on and surrounding Falcon Field Airport, as well as leading-edge, international players in the advanced manufacturing and business services sectors. The area boasts market leaders in aerospace, defense and aviation including The Boeing Company, MD Helicopters, Aeromaritime, GECO Inc., Heliponents, Marsh Aviation and CAE Oxford.

The Superstition Freeway Corridor runs from the edge of Tempe in the west to the Superstition Mountains in the east. The corridor is anchored by the US-60. Many of the nation's largest insurance firms fill regional headquarters with the tens of thousands of white-collar workers who live in the

east valley. Thirty large manufacturing firms and six mining companies provide a skilled labor force for firms looking to build anything from aftermarket ATV parts to military satellites. Large employers include Santander, Trane, United Solutions, Esurance, Komatsu Mining and National General Insurance.

Education

Mesa is home to an impressive array of top-rated educational institutions and collaborative partnerships that focus on producing a workforce that is technologically prepared and possesses a strong work ethic. More than 40,000 students are enrolled in higher education in Mesa at schools including Arizona State University (ASU) Polytechnic, Chandler-Gilbert Community College, Mesa Community College, A.T. Still University, Northern Arizona University-Mesa, Upper Iowa University, Wilkes University and Benedictine University to name a few.

Mesa Public Schools is the largest school district in Arizona, and the 61st largest in the country. It is recognized nationally for its superb educational programs and student achievements in academics, sports, creative and performing arts as well technical and career training. The K-12 education system in Mesa includes public, as well as a number of private and parochial school systems.



LOCATION & MARKET SUMMARY - MESA

AREA OVERVIEW

Considered a model for career and technical education by the U.S. Department of Education, the East Valley Institute of Technology (EVIT) provides students with hands-on, advanced skills and training in over 40 occupation-specific programs. EVIT is a public school district with two campuses that serve students from 10 East Valley school districts.

Lifestyle/Entertainment

Mesa is home to the largest arts and cultural complex in the Southwest. The national award-winning Mesa Arts Center, Mesa Amphitheater and the Mesa Convention Center, are all located in Mesa. Museums of note include the Arizona Museum of Youth, Mesa Historical Museum, Arizona Museum of Natural History and the Commemorative Air Force Museum. Archaeological sites include the Mesa Grande Ruins and the Park of the Canals. Mesa has three public libraries, is home to Symphony of the Southwest, Millennial Choirs and Orchestras, Southwest Shakespeare Company and many other theater and performing arts groups.

Mesa has dynamic athletic facilities including four recreation centers, eight specialty sports complexes, nine aquatics facilities, 20 tennis courts, 57 parks, 71 multi-purpose athletic fields and a myriad of sports throughout the city that cater the athletes young and old.

Since 1953 Mesa has been the spring training baseball home of the 2016 World Series Champions, the Chicago Cubs. In 2014, the Cubs moved into the newly constructed Sloan Park, located within Riverview Park. The Oakland A's also call Mesa home, where they play at HoHoKam Stadium, which for many years was the home of the Cubs.

Housing

Consistently ranked as a top city to live in, Mesa has quickly grown into a destination for individuals and families seeking both a high-quality and economical lifestyle.

This area has many shopping centers (including Mesa Riverview), spring-training venues, golf courses and affordable neighborhoods – such as Dobson Ranch, the area's biggest and most prominent community.



MAJOR MESA EMPLOYERS

Banner Health

The Boeing Company

Drivetime Automotive Group Inc

24-7 Intouch

AT&T

Santander Consumer Usa

Dexcom

Steward Health Care

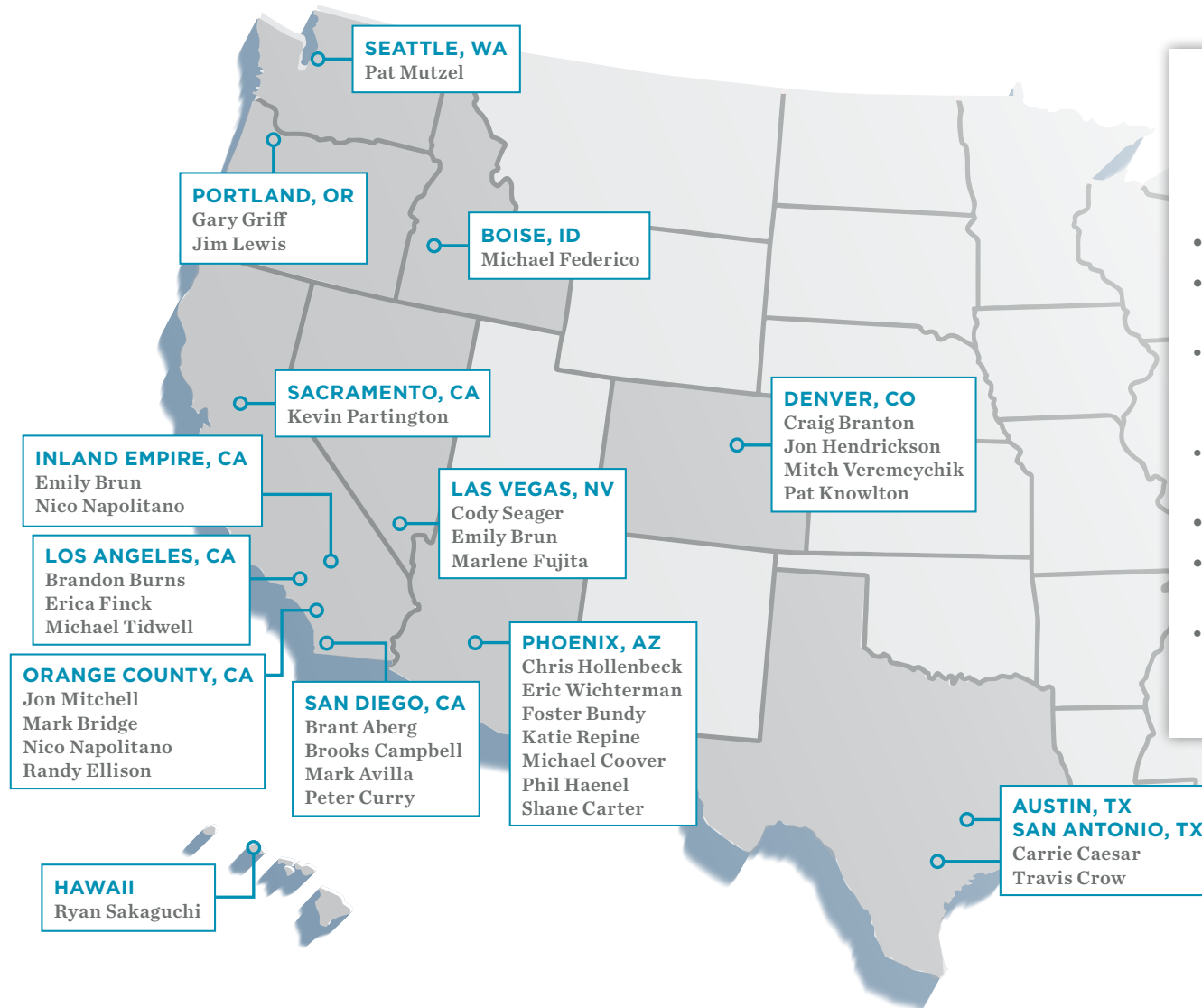
Maricopa County Community College

Empire Southwest LLC

Sources: Moody's Analytics; The Cromford Report; U.S. Census Bureau Census 2010 – ESRI Forecasts; 2019 MAG Employer Database; 2019 ARMLS and FBS, DMCA; Costar; 2016 Arizona Department of Education; Arizona State University – Degree Facts; Gilbert Public Schools; Chandler-Gilbert Community College; Golf Academy of America Chandler; Mesa Community College Graduation and Transfer Report; GPEC; Choose Mesa; City of Mesa; justjarl.com; downtownmesa.com; mesaaz.gov; businessinsider.com; integrityallstars; greenhomepest.com

PRIVATE CAPITAL GROUP, WESTERN REGION

ONE Team, FOURTEEN Markets

PRIVATE CAPITAL GROUP
WESTERN REGION

- **ONE** Team, **FOURTEEN** Markets
- **COHESIVE 33-BROKER TEAM**
Sourcing and Sharing Regional Capital
- Each Team is Based and **OPERATES EXCLUSIVELY IN THEIR OWN MARKET**
(No Outsiders or Rookies handle Marketing)
- Shared **WESTERN REGION BUYER DATABASE**
- **1031 EXCHANGE TRACKING**
- **BI-WEEKLY CALL**
Sharing Market Intel, Listings and Buyers
- Culture of **SHARING** and **SUPPORTING MEMBERS AND EACH OTHER'S CLIENTS**



EXCLUSIVELY OFFERED BY:

CHRIS HOLLENBECK

+1 602 224 4475 | AZ Lic #SA584876000

chris.hollenbeck@cushwake.com

SHANE CARTER

+1 602 224 4442 | AZ Lic #SA673156000

shane.carter@cushwake.com



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