



INSURANCE AUTO AUCTIONS, INC.
891 Ballardsville Road
Eminence, KY 40019



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**DISCLAIMER
STATEMENT:**

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group 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.

**EXECUTIVE
SUMMARY:**

The Boulder Group is pleased to exclusively market for sale a single tenant new Insurance Auto Auctions, Inc. property located in Eminence, Kentucky. The property is centrally located between Louisville, Cincinnati and Lexington. There are over 19 years remaining on the Insurance Auto Auctions, Inc. lease which expires on November 30, 2035. The lease features rare annual CPI rental escalations that are the equivalent to the greater of 3% and the lesser of 5%. This absolute triple net lease features no landlord responsibilities.

The 30 acre Insurance Auto Auctions, Inc. property is strategically located along Ballardsville Road which is the primary east-west thoroughfare in the trade area. The property is located less than 40 miles east of downtown Louisville. The property serves customers nationwide but in particular Louisville, Cincinnati and Lexington. The average annual household income within a 15 mile radius is in excess of \$80,000.

Since first opening the Eminence location in November 2015, IAAI has held salvage auctions every other week while selling over 200 vehicles per auction. However, due to the facilities success, they are soon to offer auctions weekly. The facility serves both dealer buyers and public buyers.

Insurance Auto Auctions, Inc. is one of the leading North American salvage auto auctions with the largest facility footprint, strong buyer base and high auction returns. The company operates 171 locations nationwide and is one of three business divisions of KAR Auction Services. KAR is a publicly traded company with a market capitalization in excess of \$5.5 billion.

**INVESTMENT
HIGHLIGHTS:**

- Long term lease with over 19 years remaining
- Rare annual rental escalations (between 3%-5%)
- Brand new facility built in 2015
- Absolute triple net lease with no landlord responsibilities
- Insurance Auto Auctions, Inc. is one of the leading North American salvage auto auction companies with 171 locations
- Insurance Auto Auctions, Inc. is a business division of KAR Auction Services which is a publicly traded company (NYSE: KAR) with a market capitalization in excess of \$5.5 billion
- Strategically positioned 39 miles from Louisville, 54 miles from Lexington and 68 miles from Cincinnati
- Average annual household incomes within a ten mile radius are approximately \$75,000
- Located along Ballardsville Road which is the trade area's primary east-west thoroughfare
- Tenant is increasing the number of auctions from bi-weekly to weekly

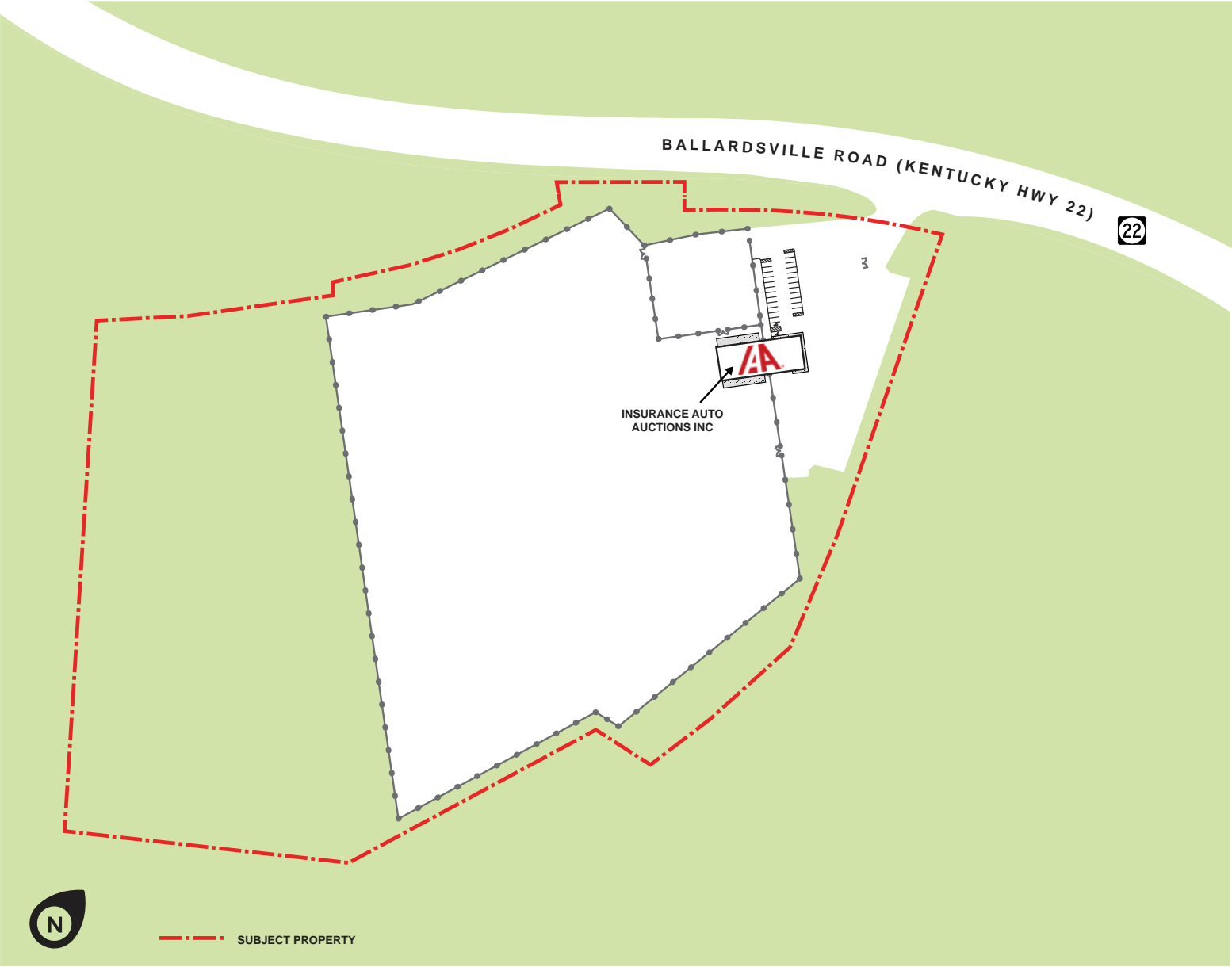
**PROPERTY
OVERVIEW:**

Price:	\$5,831,111
Cap Rate:	6.75%
Net Operating Income:	\$393,367
Rental Escalations:	Annual CPI (no less than 3% and not greater than 5%)
Renewal Options:	Three 5-Year*
Rent Commencement Date:	November 15, 2015
Lease Expiration Date:	November 30, 2035
Tenant:	Insurance Auto Auctions Inc.
Year Built	2015
Lease Type:	NNN – No Landlord Responsibilities
Building Size:	9,000 SF
Land Acreage:	30 Acres

**Rent for the first year of each renewal option is set at FMV. The remaining years of each option period have annual CPI rental escalations. The escalations shall be no less than 3%, nor greater than 5%.*











MARKET OVERVIEW:

Eminence is a city in Henry County, Kentucky. It is located approximately thirty miles east of Louisville, fifty-five miles west of Lexington and seventy miles south of Cincinnati. Eminence was incorporated in 1851 and is the highest point between Louisville and Lexington at 900 feet above sea level. It is the only “wet” city in Henry County and is located approximately twenty-five miles south of the Kentucky-Indiana boarder.



Eminence is the largest city in the county and is home to the loudspeaker manufacturing company, Eminence Speaker. Eminence is also home to The Highland Renaissance Festival, which runs from May to June.

DEMOGRAPHIC REPORT:

Population	5-Mile	10-Mile	15-Mile
Total Population	7,410	22,832	91,278
Total Households	2,874	8,597	31,650

Income	5-Mile	10-Mile	15-Mile
Median Household Income	\$42,121	\$56,351	\$59,264
Average Household Income	\$56,024	\$74,559	\$80,113

**TENANT
OVERVIEW:**

Insurance Auto Auctions, Inc. (IAAI) is one of the leading North American salvage auto auctions with the largest facility footprint, strong buyer base and high auction returns. With an exclusive focus on the automotive total-loss industry and over 150 corporate owned facilities across the United States and Canada, IAAI provides sellers and buyers with the best solution to process and acquire total-loss, recovered-theft, fleet lease, dealer trade-in and collision damaged rental vehicles.

The hybrid auction model, including live, internet and proxy bidding – combined with a mature buyer base and diverse inventory – produce exception returns on each sale. There are over 3.5 million vehicles deemed total-losses each year in the United States. Since 1982, this number has grown significantly, mostly due to vehicle manufacturing changes and improvements including air bags.

The company was founded in 1982 and since then has been one of the leaders in the salvage auto auction industry and worked to ensure the best value to buyers and returns to sellers.

IAAI is one of three business divisions of KAR Auction Services Inc. KAR is a publicly traded company with a market capitalization in excess of \$5.5 billion. KAR's two other business divisions include ADESA and Automotive Finance Corporation. ADESA is a wholesale, used-vehicle auction operation with 76 locations and a complete online service offering for auto dealers, manufacturers, banks, finance, fleet, lease and rental companies. Automotive Finance Corporation is a capital funding source with 118 offices that provides inventory financing and comprehensive business services primarily to independent used-vehicle dealers.

Website: www.iaai.com
 Locations: 171
 Year Founded: 1982
 Headquarters: Westchester, IL





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