Confidential
Executive Summary
IMB, Inc.
dba: Mercedes-Benz of Irvine

All information in this summary was provided by the dealer/seller. The financial data used for the summary includes dealer financial statements from year-end 2014 through year-end 2017 plus Year-to-Date March 2018

DISCLAIMER

This Confidential Informational Memorandum (the "Memorandum") has been prepared by National Business Brokers, Inc. ("NBB"), solely for informational purposes from materials and information supplied to NBB by Mercedes-Benz or Irvine (collectively, the "Company"). This Memorandum is being furnished through NBB in its capacity as the Company's exclusive authorized agent, solely for use by parties considering the Company as a candidate for investment.

The information presented has been prepared to assist interested parties in making their own evaluation of the Company and does not purport to be all-inclusive or to present all of the information that a prospective investor may desire. While the information contained herein is believed to be accurate, NBB has not independently verified any of the information presented herein and no representation or warranty is made by either NBB or the Company as to the accuracy, reliability or completeness of this Memorandum. In all cases, interested parties should conduct their own investigation and analysis of the Company and the data set forth in this Memorandum. NBB and the Company expressly disclaim any and all liability for any representations (whether expressed or implied) presented in, or any omissions from, this Memorandum or any other written or oral communication transmitted to the recipient in the course of the recipient's evaluation of the Company.

This Memorandum includes certain statements, estimates and projections provided by the Company that reflect management's views regarding the anticipated future financial performance of the Company. Such statements, estimates and projections reflect various assumptions concerning anticipated results. As these assumptions may or may not prove to be correct, there can be no assurances that any projected results are attainable or will be realized. No representations are made as to the accuracy of such statements, estimates or projections.

The Company reserves the right to negotiate with one or more parties at any time and to enter into a definitive agreement with any party or parties without prior notice to the recipient. The Company also reserves the right to terminate, at any time, the further participation of any party in the analysis, review and proposal process and to modify, at any time, any procedure relating to such process without disclosing any reason therefore. In furnishing this Memorandum, NBB and the Company do not undertake any obligation to provide the recipient with access to any additional or updated information or to conduct any further discussions or negotiations.

The Company intends to conduct its business in the ordinary course, but reserves the right to take any action, whether or not in the ordinary course of business, which it deems necessary or prudent in the conduct of its business.

By accepting this Memorandum, the recipient acknowledges and agrees, in accordance with the terms of a previously executed Non-Disclosure Agreement, that all information contained herein is of a confidential nature, that recipient will treat it in a confidential manner and that recipient will not, directly or indirectly, disclose or permit its agents or affiliates to disclose any of such information. Without limiting the generality of the foregoing, the recipient will not reproduce this Memorandum, in whole or in part, and will use this Memorandum solely for purposes of evaluating the recipient's interest in acquiring or investing in the Company and, if the recipient does not wish to pursue this matter, it will return this Memorandum to NBB at the address shown below as soon as practicable, together with any other material relating to the Company that the recipient may have received from NBB or the Company. Any proposed actions by the recipient that are inconsistent in any manner with the foregoing will require the prior written consent of NBB or the Company.

NBB will act as the contact on behalf of the Company. The Company should not be contacted directly. Please direct all inquiries regarding the Company to Brady Schmidt at 949-910-2060 or Gary Mull 949-433-1272.

Summary

The dealer principal is Rick Mercedes who owns 51% of the stock. John Benz owns 25% and Chuck Peterson owns the remaining 24% of the stock.

Ownership

The dealer principal is Rick Mercedes who owns 51% of the stock. John Benz owns 25% and Chuck Peterson owns the remaining 24% of the stock.

Franchise

Mercedes-Benz and Sprinter

Snapshot & Overview

The dealership was established in the current location since 2003. Current ownership since 2011.

Unique characteristics of the dealership

- Complimentary Coffee, Lattes, Cappuccinos and Smoothie bar by a barista
- Dealership has a live phone receptionist, not automated phones
- Several Employees have been with the store for over 20 and 30 years

Major events in the life of the dealership

- Remodel in 2018
- Winning Best of the Best 3 times from Mercedes and Being named 2015 Best Place to Work from Mercedes
- Bringing in a professional soccer team to Irvine in 2018

Dealership strengths

- Brand Recognition
- High CSI
- Excellent Staff
- Image Compliant
- One of the best markets in the country for Sprinter vans

Dealership weaknesses

- Net to sales is almost an entire point lower than the Mercedes national average
- Significant opportunity in increasing fixed coverage
- F&I is 65% is from reserve – major opportunity in higher percentage of sell through of products
- Gross to Net is lower than the average Mercedes store nationally and expenses are higher than the average Mercedes dealer

Units Sold at Retail

3/2018 new units sold	232
3/2018 used units sold	185
3/2018 Total new & used units sold at retail	417
2017 new units sold	1,030
2017 used units sold	680
2017 Total new & used units sold at retail	1,710
2016 new units sold	967
2016 used units sold	641
2016 Total new & used units sold at retail	1,608
2015 new units sold	970
2015 used units sold	625
2015 Total new & used units sold at retail	1,595

2014 new units sold	753
2014 used units sold	616
2014 Total new & used units sold at retail	1,369

Current Inventories (as of 3/31/2018)

Parts and accessories	$860,602
Gas, oil, grease and tires	$1,156
Work in process and sublet repairs	$6,115

Used Vehicle Inventory (as of 3/31/2018)

Units in inventory	79
Valued at	$2,277,315
Amount floored	$1,739,193
Units 60 days	8

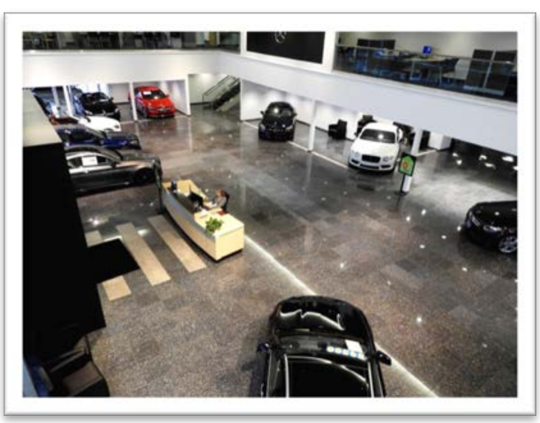
Internet Web Address

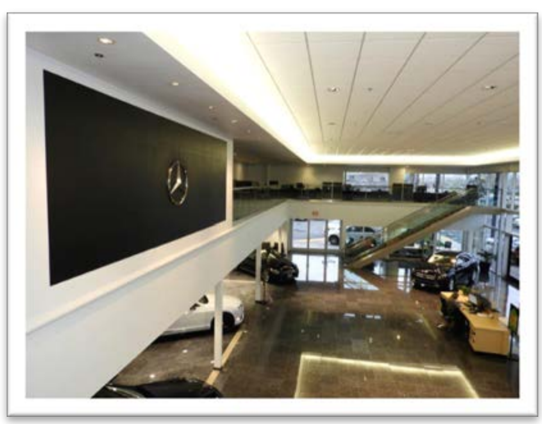
www.mbofIrvine.com

Real Property and Improvements (7055 North Palm Avenue, Irvine, CA 93650)

Acreage of land used by the dealership	**5.31** acres
Acreage of land available for expansion	0
Number of buildings	1
Square feet of main building	56,331 sq. ft.
The showroom can display	16 vehicles
The entire dealership can store	300+ vehicles

Seller is in the process of buying the real estate. Once purchased, the seller will sell the real property and improvements for appraised value. The most recent appraisal, dated 2018, set the value at $16,250,000. The Seller may also be open to negotiating a lease with a purchase option included as well.





Service Area

- Total service area is 9,282 sq. ft.
- 32 service bays
- 29 hoists, all of which are above ground
- Hourly labor rate for customer pay is $189.00
- Hourly labor rate for warranty work is $144 for Mercedes and $140 for Sprinter

Typical Employee Structure

Total number of employees	**104**
Number of supervisors/managers	11
Number of vehicle salespeople	13
Number of parts & service salespeople	11
Number of technicians	26
Number of clerical employees	13
Number of miscellaneous employees	30
Family members employed in the dealership	1
The employees do not belong to a labor union	

Primary Area of Responsibility

Area Population (as per 2016 US Census Bureau)

City of Irvine	522,053
County of Irvine	974,861

Dealership's CSI and SSI

	CSI	SSI
Current Year	987	967
Previous Year	992	960

Dealership's Planning Volume

PV for current year	851
PV for previous year	830

Working Capital (as of 3/31/2018)

Current working capital	$3,099,900
DORA Required Working Capital	$2,956,000

Snapshot of Financial Data

Gross Sales of all Departments (Page 2, Line 1):

3/2018	$25,840,423
2017	$105,604,505
2016	$99,657,713
2015	$90,437,269
2014	$79,734,258

Gross Profit of all Departments (Page 2, Line 2):

3/2018	$2,056,588
2017	$7,408,155
2016	$8,002,320
2015	$7,270,598
2014	$7,605,137

Computer System & Software

Dealership owns 75 Dell Units with 175 Ports

Telephone & Paging System

Dealership owns a Telecom phone system

Adjusted Net Profit

	Adjusted Net Profit
March, 31, 2018	$468,035
December 31, 2017	$2,746,085
December 31, 2016	$3,078,681
December 31, 2015	$2,891,001
December 31, 2014	$2,901,945

Adjustment to Earning Detail

	2014	2015	2016	2017
Net profit on dealer statement	$2,038,771	$2,012,158	$2,127,944	$1,883,133
Discretionary expenses				
Owner's salary and bonus	$410,649	$455,682	$452,623	$452,072
Add backs:				
One time non-recurring expense	$5,000	$0	$189,500	$52,036
Depreciation on equipment	$220,372	$229,067	$152,802	$105,094
Reinsurance Income	$225,000	$212,000	$153,000	$169,000
Interest other than flooring	$55,005	$36,077	$27,946	$46,492
VIP Demo's	$0	$0	$43,500	$57,750
Rent adjusted to reflect RMV*	$-52,852	$-54,973	$-68,634	$-19,492
Adjusted Net Profit	**$2,901,945**	**$2,890,011**	**$3,078,681**	**$2,746,085**
*6.5% rate of current FMV of real property, assuming value increase of 3% per year				

Asking Price (Asset Sale)

Furniture, fixtures and equipment	$1,150,000
Parts and accessories inventory (as of 3/31/2018)	$860,602
Goodwill/covenant not to compete	$26,500,000
Total Asking Price*	**$28,510,602**

* **Plus** real property and improvements
* **Plus** used cars, work in process and other miscellaneous inventories