From: Jonathan Farkas <[redacted]>
To: jeevacation@gmail.com
Subject: Fwd: Stocks
Date: Wed, 17 Oct 2018 20:42:33 +0000

From: [redacted]
To: [redacted]
Sent: 10/17/2018 2:35:48 PM Eastern Standard Time
Subject: RE: Stocks

No things are great

Clifford Sosin

CAS Investment Partners

(212) 804-7660

[redacted]

From: Jonathan Farkas <[redacted]>
Sent: Wednesday, October 17, 2018 10:07 AM
To: Clifford Sosin <[redacted]>
Subject: Re: Stocks

anything new on carvana

In a message dated 9/6/2018 10:57:59 AM Eastern Standard Time, [redacted] writes:

> Hahah.
>
> Stocks are funny

The company is doing great. Stocks do crazy things.

On Sep 6, 2018, at 10:54 AM, Jonathan Farkas <[redacted]> wrote:

Your killing me Cliff I told everyone you are a genius your making my bombardier look good it goes nowhere but as a plane maker it doesn't crash

Sent from my iPhone

On Sep 5, 2018, at 3:33 PM, Clifford Sosin <[redacted]> wrote:

Meh

Stocks do these things

Just pretend you never saw it reach 67

On Sep 5, 2018, at 3:26 PM, Jonathan Farkas <[redacted]> wrote:

your killing me Cliff i am not selling but OMG

In a message dated 1/24/2018 1:45:09 PM Eastern Standard Time, [redacted] writes:

Here is what we own..

AHT LN – this is sunbelt rentals… same idea as URI but I think better managed.   Trades for 14x profits, growing profits per share in high teens to 20% plus pays a dividend, so (while a volatile stock) the business compounds value in the 20% range over time and should do so for a long time

HLF – you know (our second largest position)

WRLD – our largest position. Very cheap, trades for ~11x 2017 profits. Has $25 per share of excess capital to be returned soon. Based on same store loan growth, lower tax rates, repurchase, new store openings expect substantial profit growth and profit per share growth over next 5 yrs. Wouldn't be surprised to see $30-40 of EPS in 2023 with a long growth runway thereafter.

CMPR – this is the old Vistaprint business. We've discussed it in the past. Optimistic that the co can make $15-20 per share in five years or so and continue growing from there at a high rate for a long time thereafter.

CACC – this is the subprime lender we've discussed in the past. Earns 35% ROEs, growing 20% per year should have a high rate of growth for a long time. Trades for ~12.5x profits

FOGO – think it trades for less than 10x the ongoing profits of the current restaurants. Opening more restaurants at 10% per year on very good economics. Long runway.

HIIQ – write-up attached.

As always, we are looking at these businesses over a multiyear period and fully expect stocks to bounce up and down wildly in the intermediate term but are optimistic that as a group, they'll do well over time. Always happy to update you as my thinking evolves or if I come up with anything new!

Best

Cliff

Clifford Sosin

CAS Investment Partners, LLC

[redacted]