



16

CAR WASH



16

# EXECUTIVE SUMMARY

- Project is feasible with overall IRR of 25.1%
- Current B-G zoning should allow for use
- MPV Investors like idea of car wash
- Adjacent use is Speedway Gas Station
- High HH Income in market area
- Traffic counts of 18,000 daily (2016)





# PROJECT COSTS

Denver Car Wash		
Executive Summary		
June 15, 2018		
Project Description		
Location:	Denver Car Wash	
Property Size:	0.50 acres	
Analysis Start Date:	2018	
Sale Year:	10	
	100%	
Project Costs		
TOTAL LAND	\$	-
TOTAL PRE-DEVELOPMENT	\$	350,000
TOTAL CONSTRUCTION	\$	520,000
TOTAL FINANCE & ORGANIZATION	\$	10,000
TOTAL OTHER COSTS	\$	32,006
<b>Total Project Costs</b>	<b>\$</b>	<b>912,006</b>
Income & Expenses		
Potential Gross Income:	\$	206,976
Misc. Income:	\$	4,140
Less Vacancy Loss:	\$	-
Effective Gross Income:	\$	211,116
Less Operating Expenses:	\$	83,982
Less Management Fee:	\$	2,111
Total Expenses:	\$	86,093
<b>Net Operating Income:</b>	<b>\$</b>	<b>125,023</b>
Capital Structure		
Debt	70.00%	\$ 638,404
Equity	30.00%	\$ 273,602
<b>Total Capitalization</b>		<b>\$ 912,006</b>

# RETURNS

- Modeled conservatively at 0.005% (50bps) capture of 18,000 cars daily.

<i>Equity Partner IRR</i>	20.5%	<i>Equity Partner ROI Multiple</i>	3.48
<i>Project IRR</i>	25.1%	<i>Project ROI Multiple</i>	5.17
<i>Sponsor Partner IRR</i>	49.6%	<i>Sponsor Partner ROI Multiple</i>	37.20

- Project IRR of 25.1%
- Equity IRR of 20.5%
- Sponsor IRR of 49.6%

# MARKET SUMMARY

- Median household Income of \$83,950 in 2017 (3-mile).
- Average household income of \$113,352 (3-mile).
- Population of 12,893 in 2017 (3-mile).
- All metrics projected for growth in the future.

	1 mile	3 miles
<b>Population</b>		
2000 Population	1,488	7,253
2010 Population	2,116	11,058
2017 Population	2,475	12,893
2022 Population	2,763	14,145

	1 mile	3 miles	5 miles
<b>Median Household Income</b>			
2017 Median Household Income	\$79,642	\$83,950	\$86,798
2022 Median Household Income	\$85,112	\$90,257	\$94,658
2017-2022 Annual Rate	1.34%	1.46%	1.75%
<b>Average Household Income</b>			
2017 Average Household Income	\$99,487	\$113,352	\$127,261
2022 Average Household Income	\$109,227	\$124,465	\$139,087
2017-2022 Annual Rate	1.89%	1.89%	1.79%

# TRAFFIC COUNT

- 18,000 ADT according to NCDOT (HWY 16)
- Proforma modeled conservatively at > 0.005% capture



NCDOT\_AADT\_Stations NCDOT\_AADT\_Traffic\_Segmentation - NCDOT\_2016\_Traffic\_Segments\_Primitives

- NC Routes 10,000 - 19,999
- Secondary Routes 20,000 - 34,999

# ZONING

## 3. B-G | General Business

The B-G district provides locations of offices, service uses, and businesses retailing durable and convenience goods for the community as a whole. Located on arterials or collectors, such uses are accessible to and serve the entire community. Such uses shall be designed in such a manner so as to promote aesthetics, the safe and efficient movement of traffic and not unduly burden adjacent thoroughfares. Site design and buffering mitigate impacts of traffic, operations and scale on adjacent businesses and residential neighborhoods.

- **B-G Zoning should allow for car wash in Lincoln County.**
- **MPV Investors are checking with local municipality if they'll allow car wash on site.**

# COMPETITION

- **Adjacent Speedway does not have a car wash.**
- **Autobell, Sam's Express exist in local market.**
- **Market need for “fast wash”, especially at location off Hwy 16.**





# STATEMENT OF FEASIBILITY

- **Site is feasible for fast auto wash.**
- **Recommend pursuit of location.**
- **Ground lease is preferred by MPV (Owner).**

