

CAR WASH BUSINESS FOR SALE WITH PROPERTY

G' MORNING CAR WASH

605 GRAY AVENUE, SASKATOON, SASKATCHEWAN, CANADA, S7N 3Y5

Asking Price: \$2,790,000 (Asset Sale)

Please Contact Us For More Information!



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Executive Summary

❖ Name of Business:	GOOD MORNING CAR WASH
❖ Address:	605 GRAY AVENUE, SASKATOON, SASKATCHEWAN, S7N 3Y5
❖ Legal Description:	Parcel 131878446
❖ Features:	Well Maintained 8 Bay Car Wash Business with Land and Building
❖ Sale Type:	Asset Sale (Business, Land, Building & Equipment)
❖ Lot Size:	15,290 SF or 0.35 Acres (110 SF X 139 SF)
❖ Building Size:	6,196 SF (Main 92 SF x 60 SF + Garage 26 SF x 26 SF)
❖ Zoning:	1L1 – Light Industrial
❖ Current Owner Since:	April 1, 2009
❖ Operation Hour:	8 AM ~ 9:30 PM From Monday to Sunday
❖ Guest Payment:	65 Sec/\$1
❖ Gross Revenue:	\$483,546 (3 years average 2016 to 2018)
❖ Net Income:	Ranging \$290,000 to \$360,000 Per Annum (Approx.) depending on owner team's involvement to daily operation

❖ **REALTOR'S REMARK (Important! Please read.)**

1. Car Wash business with property in a metropolitan city like Saskatoon is rarely available.
2. **Stability & Profitability:** Very steady and profitable business opportunity! Please check out the financial performance summary in this brochure.
3. **Location and Clientele:** Nature of car wash business is that they always have the same repeating customers, so the location is very important. Good Morning car wash is located close to many newly established upper middle class residential subdivisions which means that it's got a solid market with no competition.
4. **Easy Operation:** minimum number of employees (Just need 1 staff at any given time)
5. **Land Value:** Unlike other car wash located in rural area or smaller town, the real estate value of Good Morning car wash is much higher since it is located in a major city, Saskatoon. The current fair market value of the land of Good Morning car wash is easily over \$1,000,000 when the land value of other car washes are usually mere one tenth if not less. Furthermore, the land value in a big city appreciates over time unlike the smaller town.
6. **Reasonable Pricing:** So excluding the land value, we're asking only 3.7 times of the annual gross revenue when the other car washes in rural area or smaller town usually ask for at least 6 to 8 times of their annual revenue.
7. Current owner has been continuously upgrading the equipment and facility by repair and replacement of just about all equipment and building facilities since its inception in 2009.
8. Financial statements available for the qualified buyers

Income Summary

Income Summary

Good Morning Car Wash

	2018 Ended March 31	2017 Ended March 31	2016 Ended March 31
Revenue			
Car Wash Sales	482,003	481,423	487,213
Cost of Sales	9,873	19,773	11,612
Gross Profit	472,130	461,650	475,601
EXPENSES			
Advertising and promotion	-	240	-
Employee benefits	1,819	1,262	313
Insurance	8,122	9,922	10,124
Interest and bank charges	5,294	5,654	5,174
Interest on Long Term Debt	4,165	5,482	6,947
Interest on Shareholder's Loan	-	-	881
Meal & Entertainment	567	227	5,675
Office	3,377	3,393	4,594
Professional Fees	5,834	5,656	3,519
Property Tax	9,757	8,407	8,602
Rental	10,500	4,812	-
Repair & Maintenance	15,008	22,618	15,653
Salaries and Wages	68,465	69,950	69,860
Sub-contracts	27	2,163	810
Utilities	62,141	52,577	47,181
Vehicles	5,699	7,460	1,132
Total Expenses	200,775	199,823	180,465
Operating Net Income	271,356	261,827	295,136
Net Income (EBITDA)	292,314	281,971	310,581

(Before Income Taxes, Debt Service, Amortization & Owner's Salary or Personal Expenses)

Remark

1. The above figures were constructed based upon the CRA reported financial statements provided by the current owner.
2. All expenses marked in bold represent personal expenses.
3. Rental expense: owner's residence rental expense in Saskatoon. Owner sold their residence in Saskatoon and moved to Vancouver in middle of 2016
4. Sub-Contracts expense: Wage expense to cover their absence for the family vacation.
5. Please note that the U-hual income was removed since it's not a part of the sale.
6. Property Tax expense was reduced by 35% with an assumption that the property tax after the subdivision of the lot would be reduced to about 65% of the current property tax amount.
7. **The above wages and salaries expense is based on when hiring staffs from opening to closing. This business only requires only one staff at any given time so if owner team involve and work as staffs, owner's net income could be increased by about \$70,000 per year on top of the net income specified above.**

PROPERTY PHOTO



PROPERTY PHOTO



Dear Customer
Please Read Carwash Rules Before Washing.

- If you have any problem, please let us know first. This is a self-carwash, it is at your own risk to use the equipment. We are not responsible for any damage.
- Use CAD\$1,\$2 coins only. Please do not use any foreign or bent coins. If coin machine breaks, you must pay for the repair fee.
- We don't accept vehicles with too much mud. Let us know if your vehicle has lots of mud, then we will put you on timer. If not, We will charge extra(minimum \$20).

1 Do not use brush without foam, or when light is off.
2 Do not bring personal chemicals unless you are on timer. We have chemicals for Bug / Motor / Tire clean. If your car is dirty, turn Bug / Motor / Tire switch on to apply and then spray with soap.
3 Bucket and Hand wash are allowed only when you are on Timer.
4 Only use the dryer to dry the exterior of your car and the floor mats after being washed.
Do not use vacuum on WET floor mats.
5 If you don't pay for your time wash. We will charge you 1hour price. Surveillance camera is on at all time.

Steps to follow for a best wash
1 Step - Vacuum
2 Step - Soap/Spray Wash
3 Step - Bug/Motor/Tire
4 Step - Foam
5 Step - Line
6 Step - Wax
7 Step - Spot free
8 Step - Dryer

We offer the best quality equipments and products to customer. We will try our best to be a good carwash. We appreciate your cooperation. Thank you.

G* Morning Car Wash



MAP





Confidentiality Agreement

In connection with the possible purchase (the "Proposed Transaction") by you, Metro Edge Realty will furnish you proprietary information on the following businesses: (This information may include: financial condition, operations and prospects of the company)

Good Morning Car Wash

605 GRAY AVENUE, SASKATOON, SASKATCHEWAN, CANADA, S7N 3Y5

In consideration of obtaining such information, you hereby agree as follows:

1. All proprietary information furnished by us or Metro Edge Realty to you will be confidential. "Proprietary Information" does not include any information that is, or becomes, readily available to the public or is already in your possession.
2. Unless otherwise agreed in writing, you will not disclose or reveal any proprietary information for five (5) years from this date to anyone other than employees or your representatives actively and directly evaluating the information for any purpose in connection with the Proposed Transaction.
3. If you decide that you do not wish to pursue the Proposed transaction, you must promptly advise us of this fact and deliver to us all the proprietary information furnished to you without keeping copies, summaries, analysis or extracts thereof.
4. Although you understand that we and Metro Edge Realty have included in the proprietary information certain information which we consider to be relevant for the purpose of your investigation of the Proposed Transaction, Metro Edge Realty cannot make any representation or warranty as to its accuracy or completeness.
5. For purposes on this Proposed Transaction, you hereby confirm that JOHN YUN of Metro Edge Realty shall be acting as your agent.

Accepted:

Client's Signature

Realtor's Signature

Name (print)

Name (print)

Home Address

Office Name & Address

Phone Number & Email Address

Phone Number & Email Address

Date

Date