do your HomeworkH



An investment guide for a successful carwash!

A PROVEN INDUSTRY WITH A PROVEN PARTNER



The Industry: Carwashing has proven to be an excellent investment for over 50 years. The vehicles we purchase today are a reflection of ourselves as well as a major investment - and we want to keep them clean.

Because we lead busy lives, we allow professionals to wash our cars, trucks and SUV's. These professionals are achieving profits of up to 60% on their investment. They are reinvesting in multiple sites, exploring cross marketing profit centers and reaping the rewards of an entirely cash business; with no receivables, no franchise fees and little labor.

The Partner: PECO Car Wash Systems has been involved with conveyorized tunnel carwashing since 1966. As a distributor of carwash equipment in our early years, we knew what it took to make a manufacturer a great company to do business with. We have strived to elevate that level of Standard since we began manufacturing 20 years ago.



Today PECO is recognized as an industry-leading manufacturer of Soft Cloth, Hybrid and Touch-Free tunnel car wash systems.

An investment guide for

A MEASUREMENT OF INVESTMENT POTENTIAL



Investment Components:

Revenue - No other carwash investment can produce the revenue of a conveyorized tunnel. Tunnels can wash more cars per hour (more than 200 at some high volume exterior sites) than any self-serve bay, rollover or touchless automatic. In fact, a tunnel can wash more cars than two or three rollovers or automatics combined.

Overhead - Depending on the type of wash you build, full-service vs. exterior or flex-serve, will depend on the amount of overhead you can expect. Obviously the full serve market is more labor intensive do to interior cleanings. Exterior washes, where popular, operate with fewer employees and turn out cars at a faster rate.

Profit - The lower the overhead and higher the revenue, the greater the profit. No other car wash investment can generate as much revenue on as little overhead. By reducing the labor and operation cost and increasing the cars washed per hour, PECO Car Wash Systems produces some of the most profitable carwashes in the world.

Return on Investment (ROI) - Because of the amount of cars PECO tunnels can wash, the return on investment is greater than self-serve bays and rollovers. The addition of complementing profit centers such as oil change, c-store and gas can speed up the return process as well if properly designed.



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THE RIGHT LOCATION ESSENTIAL FOR SUCCESS

The Site: As in any real estate investment, location is the primary consideration when finding a suitable site to build on. The success of a location will depend on the following characteristics:

- Lot size and layout- The size of the lot should be in proportion to the size of the building you can construct with turning radius, set-backs, easements, and local building stipulations in mind. An architect is critical for helping layout your wash during this phase.
- Full Service carwashes tend to require more land because of the additional profit centers and vacuum/detail areas. Exterior or express tunnels can use smaller or narrower lots, but you must have enough room for vending areas like coin-op vacuums, shampooers, fragrance machines and vending machines.
- The most desirable carwash building position is parallel to the street. Although land costs are more expensive for frontage, the exposure you have is your best advertising. Buildings that are perpendicular to the street tend to have deeper lots and require less road frontage.
- The following characteristics help determine how many cars you will wash and therefore how large of a facility you may need to produce clean cars:
 - CompetitionProximity to retail business
- Traffic countPopulation
- Traffic speed
- Room for additional profit centers

Your local PECO representative has the knowledge to evaluate potential sites for a successful carwash.

Building/Utility Requirements: Carwash buildings are typically constructed from block, brick and mortar. Other materials such as wood and steel siding may be used but tend to be less durable and look dated before their time. An attractive building with a lot of glass and good lighting will attract people to your wash.

City sewer and fresh water are musts for the successful carwash, however, some areas of the country and many outlying areas rely on the need to recycle water. This requires the use of filtration systems and special underground storage tanks to assist in the processing of recycled water.

Electricity is a major utility in carwashes and varies extensively due to equipment content and size of tunnel. Typical 3- phase voltage is 460/230 or 208. The higher voltage tends to make electrical installation easier and less expensive.

Carwashes often use hot water for prep guns, chemical solutions, floor heat and wash water. Natural gas is required for boiler systems to generate such water.

Your local PECO dealer can assist you with answers to the variety of questions regarding the utilities and building issues that will arise.

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SNF 120 Specifications	
System Type:	Hybrid
· Cars Per hour:	150 cph
· Conveyor Length:	120' - Rear Wheel Push
Minimum Building Size:	95′ (29m) long x 25′ (7.6m) wide x
	12'(3.66m) high
· Recommended Lot Size:	200′ (61m) long x 90′ (27.4m) wide
Single Phase Electrical:	120vac @ 60hz -
	(6) 15A Dedicated Circuit
Three Phase Electrical:	208v @ 60hz - 520FLA
	230v @ 60hz - 460FLA
	460v @ 60hz - 230FLA
· Water Usage:	Fresh Water: System - 149gpm @ 40psi
	Vehicle-60gpm @ 100cph
· Compressed Air:	27 Delvd. SCFM @ 175 PSI

SNF 90 Specifications

 System Type: 	Soft Cloth
· Cars Per hour:	100 cph
 Conveyor Length: 	90' - Rear Wheel Push
 Minimum Building Size: 	65' (19.8m) long x 25' (7.6m) wide x
	12'(3.66m) high
· Recommended Lot Size:	150' (45.7m) long x 90' (27.4m) wide
 Single Phase Electrical: 	120vac@60hz-
	(5) 15A Dedicated Circuit
· Three Phase Electrical:	208v @ 60hz - 225FLA
	230v @ 60hz - 202FLA
	460v @ 60hz - 101FLA
· Water Usage:	Fresh Water: System - 54gpm @ 40psi
	Vehicle-28gpm @ 80cph
· Compressed Air:	27 Delvd. SCFM @ 175 PSI

T-120 Specifications

 System Type: 	Touch Free
· Cars Per hour:	100 cph
 Conveyor Length: 	120' - Rear Wheel Push
 Minimum Building Size: 	95' (29m) long x 25' (7.6m) wide x
	12'(3.66m) high
Recommended Lot Size:	200' (61m) long x 90' (27.4m) wide
Single Phase Electrical:	120vac @ 60hz -
	(6) 15A Dedicated Circuit
Three Phase Electrical:	208v @ 60hz - 425FLA
	230v @ 60hz - 385FLA
	460v @ 60hz - 195FLA
· Water Usage:	Fresh Water: System - 129gpm @ 40psi
	Vehicle-87gpm @ 60cph
	Recommended:4" pipe@ 40psi
Compressed Air:	18 Delvd. SCFM @ 175 PSI

Note: All specifications are subject to change and can vary due to site considerations.





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PETROLEUM / C-STORE LAYOUT

SNF 50 Specifications	
System Type:	Soft Cloth
Cars Per hour:	60 cph
Conveyor Length:	50' - Rear Wheel Push
Minimum Building Size:	30' (9.14m) long x 25' (7.6m) wide x 12'(3.66m) high
Recommended Lot Size:	200' (61m) long x 200' (61m) wide
Single Phase Electrical:	120vac @ 60hz - (3) 15A Dedicated Circuit
Three Phase Electrical:	208v @ 60hz - 217FLA 230v @ 60hz - 200FLA 460v @ 60hz - 100FLA
Water Usage:	Fresh Water: System - 35gpm @ 40psi Vehicle-23 gpm @ 60cph
Compressed Air:	18 Delvd. SCFM @ 175 PSI

SNF 100 Specifications

· System Type:	Hybrid
Cars Per hour:	130 cph
Conveyor Length:	100' - Rear Wheel Push
Minimum Building Size:	75′ (22.8m) long x 25′ (7.6m) wide x 12′(3.66m) high
Recommended Lot Size:	200' (61m) long x 200' (61m) wide
Single Phase Electrical:	120vac @ 60hz -
	(6) ISA Dedicated Circuit
Three Phase Electrical:	208v @ 60hz - 360FLA
	230v @ 60hz - 320FLA
	460v@60hz-160FLA
Water Usage:	Fresh Water: System - 102gpm @ 40ps Vehicle-52gpm @ 80cph
Compressed Air:	27 Delvd. SCFM @ 175 PSI

T-85 Specifications

· System Type:	louch Free
· Cars Per hour:	60 cph
· Conveyor Length:	85' - Rear Wheel Push
· Minimum Building Size:	60' (18.29m) long x 25' (7.6m) wide x
	12'(3.66m) high
· Recommended Lot Size:	200' (61m) long x 200' (61m) wide
 Single Phase Electrical: 	120vac @ 60hz -
	(6) 15A Dedicated Circuit
Three Phase Electrical:	208v @ 60hz - 425FLA
	230v @ 60hz - 385FLA
	460v @ 60hz - 195FLA
· Water Usage:	Fresh Water: System - 129gpm @ 40psi
	Vehicle-87gpm @ 60cph
	Recommended:4" pipe@ 40psi
Compressed Air:	18 Delvd. SCFM @ 175 PSI



Note: All specifications are subject to change and can vary due to site considerations.

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SNF 90 Specifications	
· System Type:	Soft Cloth
· Cars Per hour:	100 cph
 Conveyor Length: 	90' - Rear Wheel Push
 Minimum Building Size: 	65' (19.8m) long x 25' (7.6m) wide x
	12'(3.66m) high
· Minimum Lot Size:	200' (61m) long x 200' (61m) wide
 Single Phase Electrical: 	120vac @ 60hz -
	(5) 15A Dedicated Circuit
· Three Phase Electrical:	208v @ 60hz - 225FLA
	230v @ 60hz - 202FLA
	460v @ 60hz - 101FLA
· Water Usage:	Fresh Water: System - 54gpm @ 40psi
	Vehicle-28gpm @ 80cph
Compressed Air:	27 Delvd. SCFM @ 175 PSI
	SNF 90 Specifications • System Type: • Cars Per hour: • Conveyor Length: • Minimum Building Size: • Minimum Lot Size: • Single Phase Electrical: • Three Phase Electrical: • Water Usage: • Compressed Air:

SNF 100 Specifications

 System Type: 	Hybrid
· Cars Per hour:	130 cph
· Conveyor Length:	100' - Rear Wheel Push
• Minimum Building Size:	75′ (22.8m) long x 25′ (7.6m) wide x 12′(3.66m) high
· Recommended Lot Size:	250′ (76.2m) long x 200′ (61m) wide
Single Phase Electrical:	120vac @ 60hz -
	(6) 15A Dedicated Circuit
· Three Phase Electrical:	208v @ 60hz - 360FLA
	230v @ 60hz - 320FLA
	460v @ 60hz - 160FLA
· Water Usage:	Fresh Water: System - 102gpm @ 40psi
	Vehicle-52gpm @ 80cph
Compressed Air:	27 Delvd. SCFM @ 175 PSI

T-120 Specifications

 System Type: 	Touch Free
· Cars Per hour:	100 cph
 Conveyor Length: 	120' - Rear Wheel Push
• Minimum Building Size:	95′ (29m) long x 25′ (7.6m) wide x 12′(3.66m) high
Recommended Lot Size:	300' (91.4m) long x 200' (61m) wide
Single Phase Electrical:	120vac @ 60hz -
	(6) 15A Dedicated Circuit
Three Phase Electrical:	208v @ 60hz - 425FLA
	230v @ 60hz - 385FLA
	460v @ 60hz - 195FLA
Water Usage:	Fresh Water: System - 129gpm @ 40psi
	Vehicle-87gpm @ 60cph
	Recommended:4" pipe@ 40psi
Compressed Air:	18 Delvd. SCFM @ 175 PSI



Note: All specifications are subject to change and can vary due to site considerations.



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INCREASE PROFIT

Automated Entry Systems:

Automated entry systems are the latest in carwash technology. Their primary purpose is to reduce overhead and increase the average wash price. By eliminating the cashier and prep labor, you reduce operating costs. By accepting major credit cards and centralizing the payment process you can keep better track of revenue. In addition, studies show that when paying by credit cards, customers are more likely to choose a better wash package than if paying with cash. These systems have a greater start-up cost but will yield greater profits and a shorter return on investment.

- Reduce labor Cost
- Create better financial accountability
- Increase profit
- Promote higher level wash packages
- Faster return on investments

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STEP BY STEP PROCEDURE TO DESIGN AND BUILD A TUNNEL CARWASH

- 1) Understand that this type of project can start out at nearly 1 million dollars and go up from there. Contact a quality equipment manufacturer or dealer.
- 2) Find a location with the following characteristics: High traffic volume, retail and shopping near by. Average speed limit of 45 mph or less. Little or no direct competition. Perform a site study.
- 3) Check zoning and verify utilities. Make sure sewer is available.
- 4) Establish budget from personal finances, lending sources etc.
- 5) Survey property and get soil borings, environmental reports etc.
- 6) Begin architectural drawings.
- 7) Complete civil drawings.
- 8) Contract with equipment supplier. At this point your chosen equipment supplier will help with site plan and assist you at city meetings.
- 9) Submit for site plan approval.
- 10) Complete architectural drawings.
- 11) Apply for building permits.
- 12) Disperse for subcontractor cost proposals/finalize construction costs.
- 13) Excavate for footings and foundation.
- 14) Building and site construction.
- **15)** Equipment installation.
- 16) Final inspection.
- 17) Open for business.

17 STEPS TO SUCCESS

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A COMPLETE SOLUTION

PROFORMA - Full Service Wash

Site Information			
Traffic Count	8,000/day		
Projected Percentage Of Vehicles to Use Wash	0.6383%		
Average open Days Projected	320		
Projected Gross Vehicle Volume per Day	243/day		
Total Projected Vehicles Washed Per Year	77,621		
Car Wash Sales			
Wash Packages % Sold Price/Car Cars/Year	Revenue		
Package 1 (Best Wash) 5% \$19.00 3.881	\$73,740		
Package 2 (Better Wash) 17% \$15.00 13,196	\$197,934		
Package 3 (Good Wash) 60% \$11.00 46.573	\$512,300		
Package 4 (Express Wash) 18% \$7.00 13,972	\$97,802		
Trucks Additional Cost 38% \$1.00 29,496	\$29,496		
Discounted Washes (coupons) 10%	(\$88,178)		
Other Sales			
Impulse Items / Vending	\$76,068		
Average Revenue Per Vehicle \$11.58 Gross Sales	\$899 165		
	<i>\\\</i>		
Direct Cost			
Labor / Payroll Tax on-line \$2.86/car	\$222,518		
Supplies / Impulse Items Cost \$.36/car	\$73,584		
Utilities - Gas/Electricity/Water & Sewer \$.43/car	\$42,377		
Operating Cost			
Management Cost / Cashier/Bonus	\$132,631		
Insurances / Claims	\$32,610		
Equipment / Building Maintenance	\$16,724		
Office / General Operating Expenses	\$31,468		
Advertising	\$13,000		
Property Taxes	\$22,700		
Average Cost Per Vehicle \$9.53 Direct & Operating Cost	\$587,612		
5			
Equipment Cost / Building Cost			
Iotal Cost Down Pmt Financed	Cost/Year		
Equipment Loan Expense \$350,000 \$70,000 \$280,000	\$54,059		
Building/Land Expense \$1,225,000 \$245,000 \$980,000	\$98,365		
Gross Annual Revenue (\$899,165) - Gross Annual Cost (\$740	0,036)		

Cash Flow Yearly Profit = \$159,129 Full Return On Investment Less Than 10 Years Gross Annual Revenue (\$899,165)

Gross Annual Cost (\$740,036)

Cash Flow Yearly Profit \$159,129

> 100% Return On Investment In Less Than 10 Years



Proforma calculations are largely dependent on regional information. Please consult your PECO dealer for a more accurate depiction of proforma for your region.



SNF100 Soft-n-Foamy Car Wash System - Hybrid (over 150 cars per hour)



PROFORMA QUESTIONNAIRE

Site Questions
Average Daily Traffic Count in front of Car Wash Site
Property Cost at site
Carwash Equipment Cost (Estimate)
Building Cost (Estimate)
City
State
Name of Wash

Pricing Questions

Package 1 Price (Best Wash)price \$	% of sales
Package 2 Price (Better Wash)price \$	% of sales
Package 3 Price (Good Wash)	% of sales
Package 4 Price (Express)price \$	% of sales
Additional Truck Price	% of sales

....is this price for full-size trucks only? (__) or all trucks including vans and suvs (__) number of self serve vacuum cleaners used at Carwash Site

Optional Site Questions

Carwash Street Speed Limit (mph)mph
Is there a traffic light within 300 feet of the Site?
Is there a Fast Food restaurant withing 600 feet of the site? (y/n)
Is there a Strip Mall within Site?
Is there a Major Mall within a mile radius of site?
There are no Fast food restaurants within 2500 feet of site? (y/n)
Most of the traffic on this road is morning and evening traffic?(y/n)
Is there another exterior/full service car wash within a mile? (y/n)
There are no other exterior/full service car washes within 4 miles?(y/n)
Is the site location between a business district and a residential district? (y/n)
Is there a Self-Serve, Gas station or oil change on the site?
Is this a stand alone car wash site?



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