



CAR WASH ADVISORY™

INDUSTRY UPDATE

Q2

DATE

07-2024

Car Wash Advisory™ is your premier sell-side investment bank specializing in the dynamic car wash sector. With a blend of industry expertise, financial acumen, and strategic insight, we are dedicated to maximizing the value of your car wash business and guiding you through every step of the selling process.

 **2019**
Year
Founded

 **\$824M**
Transaction
Value

 **1,280+**
Strategic
Relationships

 **1,355+**
Financial
Relationships

 **100%**
Client
Satisfaction



SELL YOUR CAR WASH

At Car Wash Advisory™, we work alongside our customers to find them the best offer based on their end goal. What's more, is that we're not just looking for a percentage of the sale. If we think that your car wash has room to grow before an even more profitable sale, we'll help you get on the track to a higher return on your investment. Car Wash Advisory™ works to help sell car wash businesses of different sizes. From a single location car wash to massive multi-location car washes, we can be of assistance.

[Get A Free Valuation](#)



RAISE CAPITAL FOR CAR WASHES

At Car Wash Advisory™, we're experts in the field of car wash financing. From building new locations to improving your equipment, just about anything you could need to raise money for your car wash business is on the table at Car Wash Advisory™. We'll confidentially provide options for raising capital based on your situation, whether it's a percentage of the business or taking out a standard loan. If we think there are better ways for you to improve your car wash business and grow, we'll give you the advice and information necessary to make your plan happen

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ACTIVITY HIGHLIGHTS

MOST ACTIVE BUYER



COMPLETES 8 TRANSACTIONS

LARGEST TRANSACTION



INVESTS IN



NEWEST FINANCIAL ENTRANT(S)



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Precedent Transactions

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Purchasing Company	Selling Company	Acquisition Date	Primary State	Site Count
Whistle Express Car Wash	Thomas Car Wash	01-10-2024	Kentucky	3
Whistle Express Car Wash	Clean Wave Car Wash	02-06-2024	Indiana	3
Whistle Express Car Wash	The Car Wash Company	02-06-2024	Kentucky	1
Flagstop Car Wash	Green Clean Express Wash	02-26-2024	Virginia	3
Express Wash Concepts	Cosmo's Car Wash	03-01-2024	Michigan	2
Whistle Express Car Wash	Detrick's Car Wash	03-05-2024	South Carolina	2
Whistle Express Car Wash	Splash Car Wash (NC)	03-05-2024	North Carolina	1
El Car Wash	Sweetwater Car Wash	03-14-2024	Florida	1
El Car Wash	Suncoast Express Wash	03-14-2024	Florida	1
WhiteWater Express Car Wash	Spout Car Wash	04-01-2024	Texas	2
Whistle Express Car Wash	Rainforest Car Wash	04-15-2024	Ohio	5
Undisclosed	The Sudsy Bucket Auto Wash	05-01-2024	New York	1
Mr. Magic Car Wash	Coates Car Care	06-05-2024	Ohio	6
Riptide Car Wash	Miles Auto Spa	06-12-2024	Tennessee	4
Whistle Express Car Wash	Fins Car Wash	07-01-2024	North Carolina	15

Current Market Synopsis

"Over the past six months, the M&A activity in the car wash industry has experienced a notable but expected slowdown. Several factors have contributed to this deceleration including unimproving high interest rates, a relatively nascent stage unconsolidated pipeline, and general uncertainty due to the questionable performance of both currently public and private industry leaders alike. Due to these thematically underlying forces, strategic platforms are "refocusing" on same store growth more than ever, as well as de-prioritizing M&A more than ever (with a few exceptions including institutionally backed mid-to-large size players that have received a significant influx of capital over the past few quarters, most notably being Whistle Express (formerly Magnolia Brands). It is also evident that economic uncertainties have made financing deals more challenging and costly, forcing greater discipline and conviction among buyers. As a result, the pace of transactions has decelerated, with fewer deals being finalized compared to the previous periods of robust activity. Despite this slowdown, we anticipate that market activity will rebound as economic conditions stabilize and confidence returns due to the new influx of investors, who share a similar sentiment to Car Wash Advisory in recognizing the large amount of white space still untapped across the country.


The most recent example of new entrants' interest in the car wash space is the KKR investment in Quick Quack. Established in 2004 and headquartered in Roseville, California, Quick Quack Car Wash operates over 230 locations across five states. This move aligns with a growing interest in the car wash industry, following similar acquisitions by Oaktree Capital (Whistle Express – formerly Magnolia Wash Holdings) and Warburg Pincus (El Car Wash) in recent years. KKR's \$850 million investment will equip Quick Quack with the necessary resources for expansion across the country, including a program to offer equity to its workforce—a model KKR has successfully implemented in other portfolio companies. This strategy and sentiment highlight a commitment to long term involvement in the sector due to the belief of growth potential.

This trend not only underscores the sector's attractiveness but also signals a period of significant evolution and opportunity in the coming months. Although the general sentiment is that the market has cooled down, there are still a plethora of new entrants looking to partner with the right people to build out their own consolidation model; they key is knowing where to look and how to position oneself in this ever-changing landscape."



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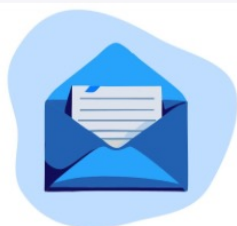
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