LAVISH AUTO STORE, LLC

Buy Here Pay Here Used Motor Vehicle Dealership
State of Georgia

Owner: Reginald Ransome
Prepared By: Reginald Ransome
Date: 5/20/26

1. Executive Summary

Lavish Auto Store, LLC is a Georgia-based Buy Here Pay Here (BHPH) used vehicle dealership owned and operated by Reginald Ransome. The dealership will provide reliable, affordable pre-owned vehicles priced between **$3,000 and $15,000**, while offering in-house financing to customers who may not qualify for traditional bank loans.

The Buy Here Pay Here model allows Lavish Auto Store LLC to function as both the seller and lender, generating revenue through vehicle markup, down payments, interest income, and recurring installment payments.

The business will operate under a controlled inventory model of 5-15 vehicles with disciplined underwriting and structured portfolio management.

2. Business Model – Buy Here Pay Here

Lavish Auto Store will operate under a BHPH structure, which includes:

- Retail sale of used vehicles
- In-house financing contracts (24-36 months)
- Required down payments (5-25%)
- Weekly, biweekly, or monthly payment schedules
- Interest income on installment contracts
- Repossession and resale procedures when necessary

Revenue Sources:

- Vehicle gross profit
- Down payments
- Interest income
- Late fees (where legally permitted)
- Extended warranties & GAP products

• Resale of repossessed vehicles

This model creates **recurring monthly cash flow** instead of relying solely on one-time sales profit.

3. Vehicle Acquisition Strategy

Vehicle Cost Range:
$3,000 – $15,000

Acquisition Sources:

• Dealer auctions (Manheim, ADESA, regional auctions)
• Wholesale suppliers
• Customer trade-ins

Inventory Strategy:

• Mix of lower-cost vehicles ($3,000–$6,000) for higher margin deals
• Mid-range vehicles ($7,000–$15,000) for larger contracts
• Focus on dependable, high-demand models

Initial Inventory Target:
20 vehicles

4. Market Analysis – Georgia

Georgia has strong demand for BHPH dealerships due to:

• Growing population
• High commuter dependency
• Limited public transportation outside metro areas
• Significant subprime credit market

Target Customer Profile:

• Credit scores below 620
• Bankruptcy history
• First-time buyers
• Self-employed individuals
• Individuals rebuilding credit

Reliable transportation is essential for employment in Georgia, creating consistent demand.

5. Startup Capital Requirement

Estimated Startup Budget:

Dealer License & Legal Setup – $3,000

$35,000 Georgia Surety Bond – $1,500
Garage Liability Insurance – $5,000
Commercial Lot Lease (3 months) – $12,000
Office Equipment & Dealer Software – $8,000
GPS & Starter Interrupt Devices – $8,000
Marketing & Branding – $5,000
Initial Inventory (20 vehicles avg $8,000) – $160,000
Working Capital Reserve – $25,000

Total Estimated Startup Capital:
$227,500

6. Revenue & Cash Flow Projections

Example Lower-Cost Vehicle:

Acquisition Cost: $3,500
Retail Price: $8,995
Down Payment: $1,500
Amount Financed: $7,495
Estimated Gross (including interest): $4,000–$6,000.

Example Mid-Range Vehicle:

Acquisition Cost: $8,000
Retail Price: $13,500
Down Payment: $2,000
Amount Financed: $11,500
Estimated Gross (including interest): $5,000–$7,000.

Projected Sales Volume:

8–10 vehicles per month

Projected Annual Gross Revenue:

$600,000+ depending on financing portfolio growth.

As contracts mature, recurring installment payments strengthen monthly cash flow.

7. Risk Management & Portfolio Control

Lavish Auto Store will implement strict underwriting standards:

- Minimum 5-25% down payments
- Employment & income verification
- GPS tracking on financed vehicles
- Starter interrupt devices
- Structured collections procedures
- Rapid repossession and reconditioning process

These measures protect capital and maintain portfolio performance.

8. Operations Plan

Owner-operated by Reginald Ransome with:

• 1 Sales Representative
• 1 Collections / Office Administrator
• Contracted mechanic & detailer

Business Hours: Monday – Saturday

Dealer management software will track:

• Installment contracts
• Payment schedules
• Insurance verification
• Collection activity
• Portfolio performance

9. Growth Strategy

Within 24–36 months, Lavish Auto Store plans to:

• Increase inventory to 20-30 vehicles
• Expand monthly sales volume
• Strengthen financing portfolio
• Explore opening a second Georgia location

10. Conclusion

Lavish Auto Store LLC's Buy Here Pay Here model provides a scalable, recurring revenue business structure within Georgia's strong used vehicle market. With disciplined purchasing between $3,000 and $15,000, structured underwriting, and portfolio management, the dealership is positioned for sustainable growth and long-term profitability.