HAH PARKING

Smarter Parking.
Stronger Returns

HAH Parking Case Studies:

Transforming Parking Into HIGH-PERFORMING ASSETS

Real-world results from property owners across Charleston and beyond.

Case Study 1

Multi-Parcel Parking Lot Assemblage and Optimization

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OVERVIEW

Location: Downtown Charleston, SC

Asset Type: Parking Lot – 152 Spaces

Acquisition Price: $20.7M

KEY METRICS:

Going-in cap rate of 4%, current cap rate of 10.9%. Property is still owned, but if sold today at a 6% cap rate, the IRR is estimated at 21%.

SURROUNDING AREA:

The lot is situated within walking distance of numerous retail, office, and other commercial properties, as well as residential, student housing, municipal parks, and university grounds, driving demand for parking.

INVESTMENT THESIS

This location presented as an opportunity as it was comprised of multiple parcels that were then assembled into a single contiguous parcel, significantly enhancing the overall value. The fragmented nature of the lots presented a unique opportunity to streamline operations and create a more cohesive, higher-performing asset. Additionally, the existing parking revenue was well below its potential due to outdated management practices and ineffective pricing.

By implementing the HAH Parking software suite our team was able to drastically increase parking revenues, making the property an excellent long-term hold.

FINANCIAL PERFORMANCE

The financial performance of this property has been significant, with substantial growth in Net Operating Income (NOI) following operational enhancements. At acquisition in 2019, the NOI was $840,000 annually, but after implementing $50,000 in capital improvements for signage, lighting, and lot enhancements, the NOI rose dramatically to $1.9 million. Currently, the property is generating $2.2 million in NOI. These improvements reflect a considerable increase in the stabilized cap rate, reaching 10.9%. If the property were to be sold today at a below market rate of 6%, the exit valuation would be approximately $36M, and the estimated Internal Rate of Return (IRR) would be 21%.

	At Acquisition (2019)	Family (Stabilized)	Current (2024)
NOI	$840,000	$1.9 million	$2.2 million
Cap Rate	4%	9.4%	10.9%
Valuation (at 6% Cap Rate)*	N/A	N/A	$36.6 million
IRR*	-	-	18.26%

*Expressed as an estimate of unlevered IRR if property were to be sold today

Case Study 2

Commercial Property Parking Add-on

Location: Suburban, Charleston, SC

Asset Type: Commercial Building with multiple tenants and 42 Spaces

Acquisition Price: ~$4.6M

KEY METRICS:

Going-in cap rate of 7.5%, yet after parking monetization, the project was able to yield 10.2%. The property is still owned by the original developer, but if sold today at a below market rate of 6%, the value of the property would be approximately $7.8M.

SURROUNDING AREA:

The lot is situated within a dense commercial area of a suburban part of Charleston, walking distance to numerous neighborhoods, restaurants, bars and various shopping outlets.

INVESTMENT THESIS

This commercial property was an ideal acquisition as the project was priced, analyzed and approved based solely on its rental income potential from commercial tenants, with no consideration given to the 42 on site parking spaces and their potential revenue. This buyer acquired the property at an attractive price and once the parking was monetized, they were able to immediately increase the cap rate by more than 25%.

By implementing dynamic pricing and an optimized pricing structure, HAH Parking can quickly enhance the property's cash flow with minimal capital investment. The result was a strong going-in cap rate of 7.5%, which improved to 10.2% after parking monetization.

This approach not only improved cash flow but also positioned the property as a high-yield asset with multiple exit options, including sale or refinancing.

Case Study 2

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Commercial Property Parking Add-on

FINANCIAL PERFORMANCE

The property was purchased and renovated in 2017 for a total capital expense of approximately $4.6 million. After renovations, the stabilized Gross Potential Rent (GPR) reached approximately $380,000, and after accounting for vacancy and credit loss, the Net Revenue was estimated to be $345,000. In 2022, an additional revenue stream was added by monetizing the previously unutilized parking lot, generating $123,000 in parking revenue, which increased cash flow by 27%.

Prior to parking monetization, the property's stabilized cap rate was 7.5%. Following the implementation of parking monetization, the yield increased to an impressive 10.2%, showcasing the substantial impact of fully optimizing the property's income streams. Today the estimated value of the property, based upon an exit rate of 6%, would be approximately $7.8M after 8 years of operation.

	Before Monetization (2017-2021)	After Monetization (2022-Present)
Total Capital Expense	$4.6 million	-
GPR*	$380,000	$380,000
Net Rental Revenue (Post-Vacancy/ Credit Loss)*	$345,000	$345,000
Parking Revenue	N/A	$123,000
Total Revenue	$345,000	$468,000
Cap Rate	7.5%	10.2%

*Expressed as an estimate of unlevered IRR if property were to be sold today

Case Study 3

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Non Monetized Lot Case Study

Location: Beach Town, SC

Asset Type: Land purchased for the purpose of converting to a parking lot

Acquisition Price: $1.85 million

KEY METRICS:

The going-in cap rate was 0%, as the land was unused at acquisition. After approximately $45,500 in capital investment to convert the land into a functional parking lot, the cap rate post conversion reached 9.1%. The property was purchased in 2022, and if sold today at a below market cap rate of 6%, the valuation would be approximately $2.8 million.

SURROUNDING AREA:

The property is located in the downtown area of a beach town near Charleston, SC, within walking distance of numerous restaurants, bars, and shopping outlets, making it an ideal location for high parking demand.

INVESTMENT THESIS

At acquisition, the lot had 15 existing spaces, but after a modest capital investment of $45,500, our team at HAH Parking was able to expand the capacity to 25 parking spaces through our HAH Advantage program.

Located in a beach town with high seasonal traffic, the lot presented a clear opportunity for parking monetization. The property's proximity to popular restaurants, bars, and shopping outlets created consistent demand for parking, making it an ideal candidate for conversion. By acquiring the land, even at a then-current market price and implementing cost-effective improvements, our team was able to achieve a stabilized cap rate of 9.1%, making this a highly profitable asset with strong long-term potential.

Case Study 3

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Non Monetized Lot Case Study

FINANCIAL PERFORMANCE

In the first year following the acquisition of the property in 2022, the lot was rented to four food trucks, generating a total of $96,000 in revenue, which resulted in a 5.1% cap rate. In year two, the parking lot conversion was completed, generating $122,000 in parking revenue, with one food truck continuing to rent a space, contributing an additional $24,000. This brought the total revenue for year two to $146,000, reflecting a 7.9% cap rate.

In the third year, the parking lot continued to perform well, generating $144,000 in revenue from parking, plus $24,000 from the remaining food truck, for a total of $168,000. This brought the property's cap rate to 9.1%.

The property remains in the original developer's portfolio, but if sold today at a below market cap rate of 6%, it would be valued at approximately $2.8 million. This translates to a 21% Internal Rate of Return (IRR) over the three years of operation, highlighting the significant value created from the initial investment and conversion.

	Year 1 (2022)	Year 2 (2023)	Year 3 (2024)
Food Truck Revenue	$96,0000	$24,000	$24,000
Parking Revenue	$0	$122,00	$144,000
Total Revenue	$96,000	$146,000	$168,000
Cap Rate	5.1%	7.9%	9.1%
Valuation (at 6% Cap Rate)*	N/A	N/A	$2.8 million
IRR*	N/A	N/A	20.08%

*Expressed as an estimate of unlevered IRR if property were to be sold today

Ready to Unlock the Value of Your Lot

We've helped property owners increase NOI by 25–100% with no hardware, no upfront cost, and setup in days.

Book a call with our sales team

813-437-5773 sales@hahparking.com