

Around Transportation Service

Lender Overview – SBA Expansion Request

Business Name: Around Transportation Service

Location: Raleigh, North Carolina

Industry: Accessible / Non-Emergency Medical Transportation (NEMT)

Ownership: Family-owned, second-generation management

Years in Operation: 20+ years (founded 2004)

2024 Revenue: Approximately \$247,250

Company Snapshot

Around Transportation Service is a family-owned accessible transportation company serving Raleigh, North Carolina and surrounding communities. Since 2004, the company has provided wheelchair-accessible and ambulatory transportation for City of Raleigh riders and other mobility-limited passengers. In 2015, leadership transitioned to second-generation ownership, maintaining continuity while modernizing operations.

The company operates as a vendor supporting a City of Raleigh-related client, with trips assigned through a central dispatch system and performance monitored via on-time rates and complaint metrics. Around Transportation has developed a reputation for reliable, courteous service and low complaint rates, making it a trusted provider in the local accessible transportation network.

Expansion Overview

Current Fleet and Staff

- 2 wheelchair-accessible vans
- 4 employees (primarily drivers and support)

Expansion Goal

- Grow to a **10-vehicle fleet**:
 - 6 wheelchair-accessible vans total (add 4)
 - 4 ambulatory passenger vehicles (cars/SUVs)

- Expand staffing to approximately **12 drivers plus support**, primarily by hiring 8 additional drivers over the next 12–24 months.

Strategic Rationale

- Accept more trip volume from the existing City of Raleigh-related client
- Secure recurring transportation contracts with nursing homes, assisted living facilities, rehabilitation centers, and clinics
- Improve regional coverage and capacity while maintaining safety, accessibility, and service quality

Loan Request and Use of Funds

Requested SBA-Backed Loan Amount: Approximately **\$550,000**

(Within a \$500,000–\$600,000 target range, to be finalized with quotes and lender input.)

Estimated Use of Funds

Category	Purpose	Amount (Est.)
Vehicle Acquisition – Vans	4 wheelchair-accessible vans @ ~\$75,000 each	\$300,000
Vehicle Acquisition – Cars/SUVs	4 ambulatory vehicles @ ~\$30,000 each	\$120,000
Insurance & Registration	Initial premium increases, registration, tags, fees	\$25,000
Hiring & Training	Recruitment and training for ~8 new drivers	\$20,000

Initial Payroll Ramp-Up	Partial coverage of added driver wages during ramp-up	\$40,000
Fuel & Maintenance Buffer	Extra operating costs as fleet and volume ramp up	\$20,000
Technology & Dispatch Systems	Scheduling/dispatch tools and communication improvements	\$10,000
Working Capital Reserve	General cash flow cushion and contingencies	\$15,000
Total Estimated Use of Funds		\$550,000

Vehicle cost estimates are based on typical NEMT and accessible van pricing ranges, and non-vehicle line items are conservative placeholders that will be refined with formal quotes.

Market and Opportunity

Non-emergency medical transportation (NEMT) and accessible transportation are essential for seniors, individuals with disabilities, and patients needing recurring medical visits. In North Carolina, Medicaid and related programs emphasize transportation access as part of healthcare delivery, and Raleigh's growing, aging population continues to drive demand for safe, reliable accessible transportation services.

Around Transportation is already embedded in this environment as a City of Raleigh-related vendor. The requested financing will allow the company to expand a proven operating model, rather than test a new concept, by adding fleet capacity and staff to meet clearly identifiable demand.

Financial Highlights and Repayment Capacity

- 2024 revenue: **\$247,250** on a 2-vehicle fleet
- Post-expansion projections assume **conservative utilization**, with effective use of 6–8 vehicles initially (not all 10 at full capacity) and per-vehicle revenue assumptions below the current historical average.
- Revenue is expected to grow as additional vehicles are deployed and contracts with facilities are secured, with modelled revenue in the \$570,000–\$890,000 range over the first 3 years after expansion, depending on utilization ramp-up.
- Expense projections account for vehicle financing, increased insurance, driver payroll, fuel, maintenance, and overhead.

Under these conservative assumptions, the company’s financial projections are designed to achieve a **Debt Service Coverage Ratio (DSCR)** at or above typical SBA expectations (around **1.25×** or better) within 12–24 months of expansion, providing lenders with a reasonable margin of safety for loan repayment.

Key Strengths for Lenders

- 20+ years of continuous operation in accessible transportation
 - Family-owned, second-generation management with hands-on leadership
 - Established vendor relationship with a City of Raleigh-related client
 - Track record of reliable service and low complaint rates
 - Tangible assets (accessible vans and vehicles) securing a portion of the loan
 - Clear, phased expansion plan from 2 to 10 vehicles with realistic staffing and financial assumptions
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