

Alvarado Scrap Metal & Recycling

Presenter - Moz Malik

GENERAL INFORMATION

- Texas LLC- 2 Years Old
- 7 Yr Experience in Metals
- Projected Sales April-Dec \$5M Yard + \$3M Brokerage
- Registered With State of Texas- Metal Recycling Entity In Good Standing
- In Good Standing With TX DHS, TCEQ, DOT, EPA
- In Good Standing With All Tax Entities
- Project Commitment over next 18 months \$2.1M
 - Land Improvements
 - Equipment
 - Construction
 - Infrastructure

VALUE TO JOHNSON COUNTY

- Currently Employ 12
- 10 Immediate Hires on Permit
 - SOS and Pronto Temp Services, Cleburne TX
- 35 Full-Time Employees Within 8 Months + 10-15 Floaters (Temp)
- Tax Base
- Benefit to Johnson County Business
 - \$120,000 Advertising Budget
 - KCLE, Star Media Group, Cleburne Times
- Reliable Disposal of Scrap Metals
 - We pay 5% more than any advertised price. (BANNER TEST)
 - \$10,000 Committed To Community Programs working with TWC.
- International Business Customers visit our facility regularly- hotels, restaurants.

OUR BUSINESS MODEL

Scrap Metal and Recycling Center

BUSINESS UNITS

1. Scrap Metal- Ferrous 30%
 1. 70% Large Companies-mostly prepared material from XTO, Oil & Gas, Small Metal Processors, Municipalities
 2. 30% General Public

All Heavy Ferrous Material Exported. All Light Grades Sold Domestically.
2. Scrap Metal Non- Ferrous 30%
 1. 90% General Public
 2. 10% Small Business (Electricians, HVAC, Plumbing, Etc)

All Non-Ferrous Material Sold Locally
3. Pipes/Tanks - 40%

(Low-Grade Oil Field Pipe and Used Tanks)

 1. 95% Large Oil Companies
 2. 5% Small Companies

All Pipes and Tanks (Cut in 8 pieces) Exported

EXPORT- 70%

India , Taiwan, Korea

****Via Sea Containers, Load Mon-Sat 15-20 containers per week.**

DOMESTIC- 30%

Gerdau Ameristeel and Commercial Metals

****Gerdau limited to No.2 light metal + white goods ship 2x weekly.**

**** CMC limited to all non-ferrous, processed and placed in bins, shipped 2x weekly.**

POTENTIAL CONCERNS

Eyesore/Visibility To The Public

1. Existing business I-35 Sandpits remains on site.
2. No change to façade of building or any existing structure 400 + ft back.
3. Processing Area protected by adjacent property fence + location on property.
4. Adequate existing fencing per ordinance, 0 drive by processing visibility.

Environmental Hazards

1. No Salvage Cars/Trucks.
2. No Mercury Switches.
3. No anti-freeze, oils.
4. No batteries
5. Scrap engines drained/dry for scrap only.
6. No cardboard, paper products, plastics (ag/other)
7. No rubber products, junk tires.
8. No Stockpiling material
FIQO (Fast In-Quick Out)
36 Hour Processing Model

FUTURE PLANS/POTENTIAL OBSTACLES

1. Alvarado Scrap Metal and Recycling is committed to growing its business for the next 3-5 years. We have a capital expansion plan and budget based on anticipated growth.
2. In the event the City of Alvarado absorbs (annex) our property, we are confident we will be able to continue as a scrap yard. There is an existing facility with permit.
3. As 917 and I-35W continue to develop, the business may transition.
4. Possible conversion of yard to truck tire distribution center, based on current partnership Firefish Group/Crown Worldwide.
FIREFISH GROUP OWNS 50% OF ALVARADO SCRAP/WILL OWN PROPERTY
5. Currently have 2 warehouses Long Beach/Las Vegas, 100,000 sf + 80 employees.
6. Supply GCR, Goodyear, Southern Tire Mart 15k tires per month for recapping.
7. 2015- Vegas closes/DFW Opens. Our site is a logical choice. Central US Location. Continue supply + add new revenue center.