

2019

USED CAR FACTS

PREPARED BY

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TEAM**

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a year's overview

WHERE WE ARE NOW

The following 8-pages detail the reasons TT (TeslaTaxi.com.au) believe that 'buying an M3' in 2019/2020 is a ZERO risk investment.

We hope to illustrate the reasons that our 50x 'founding members' in QLD decided to each but more than one car, and use the 'www. TeslaTaxi.com.au' web-site to secure 'day-rental' bookings to cover 150% of the loan payments on the cars.

An M3 for \$75,000-AUD will cost \$280 per week on a 5-year 4.89% (CBA) loan, and generate a minimum of \$450 of income for 'day rentals' f only 3~4-days per week.

This means, several of our 'club' members are buying 2x cars, to rent one 4-days a week, and the other 3-days per week - and have a 'net' positive 'income' of more than \$300 after the payments on BOTH loans (and, one car will be at home to use 100% of the time)

Some of our members are buying 6x cars and placing 5x with 'car managers' (people that charge and clean the cars + deal with the customers that want to rent them) - a 'TT car manager' will typically ask the 'car owner' for 10% of the gross rental value to perform these services.

In the event that TT has 'more supply than demand

(an unlikely scenario) - the 'investor ' (car owner) may want to sell the car on the second hand market to pay out the loan. The following pages make the case that;

Selling a Tesla for MORE than NEW value is likely (for many reason detailed below) &

Keeping the Tesla for a small time (say Q1-2023) will be a huge benefit to the owner (from earnings from the 'Tesla Network' to be 'on-line' in Australia 'soon'...

The other key point to mention her is this:

Tesla can only produce 5%~20% of global demand (i.e. more people want to buy a Tesla than the QTY that Tesla can build)

FACTS:

USA M3 'pre-orders' at time of production was more than 450,000 cars - Production in 2018 was less than 300,000 cars total for all of 2018.

Tesla-China will only be able to 'lift' Global production to 800,000 cars per year (total for US + China) - Global pre-orders are estimated to be more than 900,000 cars as of Q3-2019 (and pre-orders will increase at 150% of productions capacity for the next 5-years - many estimators say...)



2019

WHAT IS THE REAL VALUE OF A TESLA

It is commonly known that the vehicle is a depreciating asset. In fact, there are many business equipment items such as computers and print/copy machines that fall under this category, however for the purpose of this article we will concentrate on the vehicle.

The Australian Taxation office defines this as “An asset that has a limited effective life and can reasonably be expected to decline in value over the time it is used”

“On average, new vehicles depreciate by 19% during their first year on the road, and it's standard to expect a further drop of 15% in the second and third years. However, not all vehicles depreciate at the same rate”. Canstar rates the Toyota Corolla as the vehicle with the lowest depreciation rate of 27-36% (1)

OVER 215,000

Used cars are for sale in
Australia alone!

Continued...

This means for a ZR hybrid CVT you will pay \$31,870. Which will be worth \$6055 less 1 year later (\$25815), and a further \$3872 the following year (\$21943)

Over 3 years this is over a 30% decline in value equalling approximately a loss of \$10k. After 10 Years a vehicle is expected to be worth 10% of its original value. Meaning the top of the line Hybrid toyota Corolla from 2019 will be worth a little more than \$3000 in 2029. (2)

This news is nothing new - What's the point?

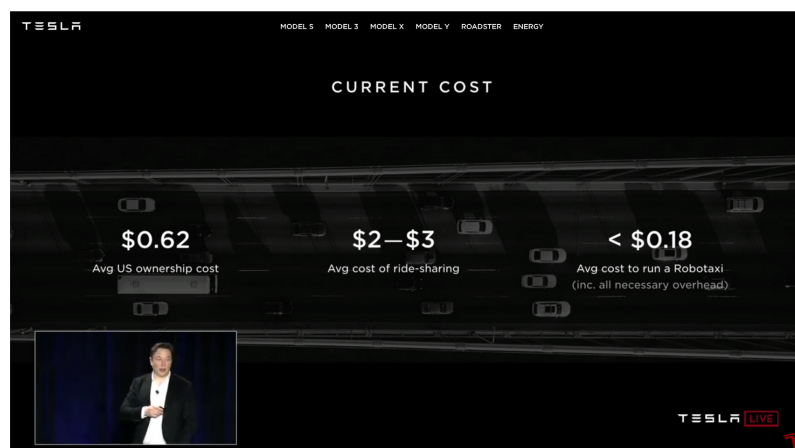
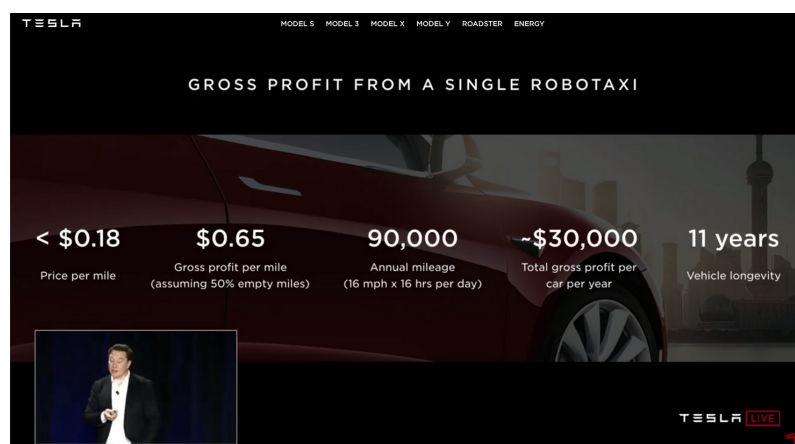
There is a vehicle manufacturer that is about to reverse these statistics completely - Tesla.

Tesla vehicles holds more than 70% of their value after 3-years. (this actually may be closer to 95% for the new Model 3). Furthermore, with the revolutionary autonomous driving software being rolled out with every new Tesla, the projections for the vehicle value may increase by a maximum of 130% (with the lifetime 'Self Drive' license). Compare this to Toyota's family car - The Camry which is worth approximately 45% of its purchase value after 3 years.

It is hard to grasp this concept - that which was determined a depreciating asset will now become an asset. **This point needs to be accentuated.**



*As time passes your vehicle loses value
(non-Tesla related vehicle)*



Elon Musk announces the projected earnings a Model 3 will make for its owner at Tesla Autonomy Day.

How does a vehicle become an asset?

Now we must consider the **Full Self Driving** capabilities of the Tesla vehicle and the future plans to overtake the entire ride-share/taxi industry once they have full regulatory approval to do so. This is closer to becoming a reality than the general public are aware of. This is because Tesla own 99% of the Full Self Drive data and the current fleet of Tesla vehicles on the road are continuously gathering this data and expanding their 'neural network of autonomous driving' (in other words: Artificial Intelligence). Furthermore, with the release of the Model 3 at a starting price of \$35000 USD, this means more cars on the road equates to a faster rate of data collection.

THIS IS KNOWN AS AN EXPONENTIAL CURVE

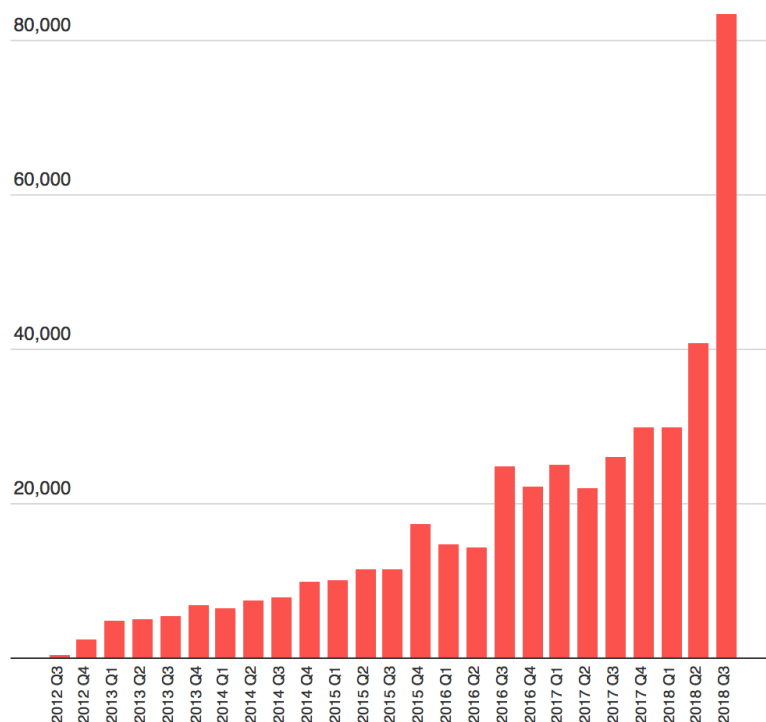
Tesla have unveiled their plans to deliver 6600 Model 3s per quarter and have estimated to have over 1 million Tesla vehicles on the road with the Full Self Drive hardware. Already 3 years ahead of the nearest competitor. the rate of this data that Tesla are collecting will grow exponentially.

The Cambridge dictionary defines an asset as the following:

"An item of property owned by a person or company, regarded as having value and available to meet debts, commitments, or legacies"



Tesla Quarterly Deliveries



Source: [Tesla](#) | [CleanTechnica](#)

Teslas exponential growth

The past predicts

THE FUTURE

The last time we have witnessed an exponential curve like this was with the invention of the iPhone. Apple is now the biggest company in the world being the first to be valued at over \$1 Trillion (3)

There were 1.46 million iPhones sold in 2007,

There were 46 million iPhones sold in 2010.

There have been 150.2 million iPhones sold in 2013

216 million units worldwide in 2017 (4)

Industries continue to

BE OVER- TURNED

Every industry over the last decade has been completely overturned by technology.

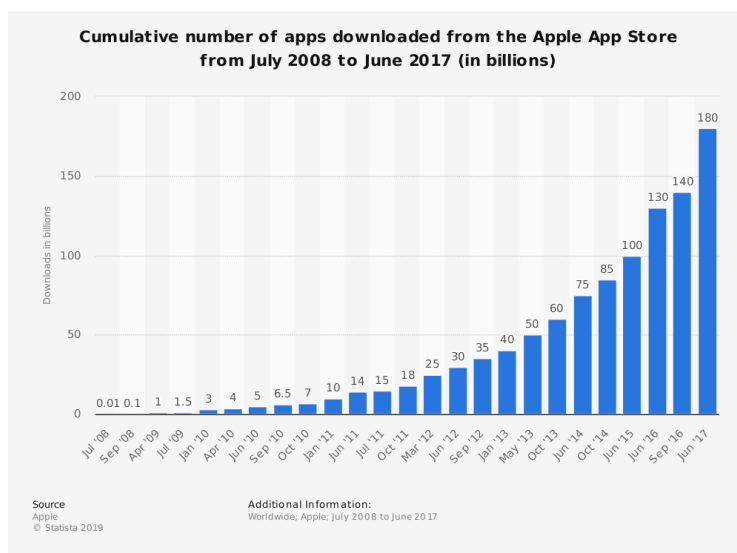
AirBnb disrupted the Hotel and Accommodation sector.

Alibaba revolutionized retail manufacturing.

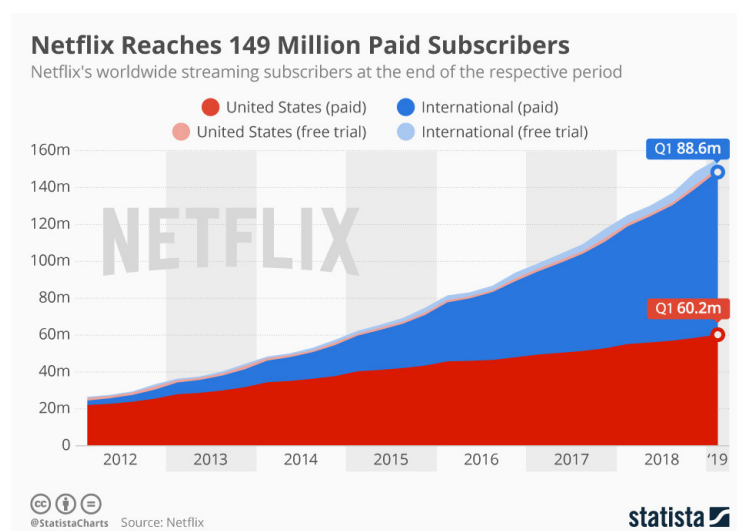
Amazon completely disrupted distribution and eCommerce.

Uber has disrupted the taxi service industry. *Well, only for now...*

Apples exponential growth curve over 10 years



Netflix's exponential growth over 7 years



2019 to 2020

Tesla realise this exponential growth effect and we expect that this is why there are so many added bonuses for so little investment with the current Model 3. However, it is anticipated that once Elon Musk has at least 9 months of data, Tesla will no longer provide the FSD License for free. This makes sense because of profit earning potential for the owner of ROBOTAXI. Whilst it still may be some years before the ROBO TAXI service is available in Australia, the FSD License will by then, already have a yearly premium attached to it.

This is evident with the 'Lifetime Free Fuel' offer that Tesla made available to anyone purchasing a Model S. This offer of course is no longer available for new purchases, but for any owner and future owner of the Model S the free fuel for life offer still stands. We predict the FSD license will be the same.

Bottom line. Get the *Full Self Drive* licence while it's still free. Past has shown that Elon Musk rewards the early adopter.



MORE STATISTICS

ON USED CARS IN AUSTRALIA

In Australia there are over 213000 cars available on the second hand car market according to carsales.com.au

There are currently...

11500 Mercedes Benz
24700 Toyota's
16000 Ford's
9000 Hyundai's

All with the standard depreciation rate applied to their sale price.

There are currently 40 Tesla's available to purchase second hand. Why?



2019

WHAT IS THE REAL VALUE OF A TESLA?

In summary, when the vehicle has the ability to earn income. By definition it becomes an asset. An Item of property (the car) owned by a person or company (YOU or TESLA) regarded as having value (95%+ of purchase cost) is available (to the taxi fleet) to meet debt (earn \$30k net profit per year to pay back the vehicle purchase loan)

Currently you can reserve your Tesla Model 3 for \$1500 risk free (meaning Tesla will refund your \$1500 if you decide not to proceed with the order once the manufacturing is ready to commence in your location)

THE TIME IS NOW!

For more information about how to turn your vehicle into an appreciating asset with our Tesla Taxi fleet, please visit our registration page by clicking on the live link below

Registration

Conclusion

WHERE WILL YOU BE?

We hope that the facts detailed in the proceeding 8-pages bring the reader to the same conclusion at the authors of this document:

Buying a Tesla M3 is a 'no lose' investment, you can rent the car for more than it's payments and you will pay more to buy the car in 2-years time that you can pay to get it now!

Also, the fact that in 2023 you will then be able to let the 'Tesla Network' turn your car in to a 'robo-taxi' to generate \$35,000~\$60,000-AUD NET-Profits for more than 8-years 'left' in life of the 12-year, 1.5M KM life span of the car...

Basic maths (TCO/TPO[Total Profit of Ownership]); Loan cost \$280 per week, Net profit to rent car for only 50% of dasy: \$150 per week for years 0~5 (net 52x \$150 = \$7,800 profit per year), then, for years 6~12, your profits will be ~\$45,000 per year (or 7x \$45k = \$315,000)

So, 5x \$7,800 = \$39,000 + \$315,000 == \$354,000-AUD over 12-years - or \$29,500 PER YEAR! (all AFTER paying the costs to buy and run the car!!!) - to put it more simply, if you have a \$60k PA job and you buy 2x M3 (\$1500 each total 'up-front cost') - then, if you say just \$20,000 PA profit per car, your \$60k 'job' instantly becomes a \$100K-PA job for only adding 2~3HRs per week to your 'work load' to self manage your rentals per week.

-Why is this such a good deal / 'no brainer' investment?

A: Tesla needs you now! (they will NOT need you in 2-years when they have the QTY of cars needed for TN to function...

Feel free to email; -- if any details included in this document are not compelling enough to convince you of the above facts.

Foot-Note: The 'director' of TT was 'planning and working' on this 'phasing in' of FSD cars from Q1-2015 - this is not a 'new' idea...

