Secured Truck & Trailer Parking Yard — Model Paper

A reusable economic model for the North Star Logistics Land Program. It describes the parking-floor use in general terms; the site report supplies the parcel-specific variables. All figures are planning ranges, not projections of return, and nothing here is an offer to sell a security.

This is the floor use in the program — the cheapest thing to prove and the downside case every logistics-land candidate is underwritten to first. If a site clears here, it works even if nothing better lands; a lease or a higher use only improves on it.

What this facility is

A secured outdoor yard for parking semi tractors, with trailers attached or dropped, on a hard-surfaced, fenced, gated, lit lot with controlled access. No building is required beyond an entrance and a small office or kiosk. Revenue is paid parking — nightly for transient trucks, monthly for contracted spaces.

Freight behavior it serves

Overnight and staging demand from carriers who lack their own yard: over-the-road drivers taking legally required rest, regional fleets staging loads, owner-operators without a home base, and dispatchers holding trailers between loads. The demand is dispatch-driven and app-driven — drivers find a yard through assignment, mapping, parking apps, a QR sign-up, or a direct lease, not by seeing it from the road. That is why the use tolerates set-back, low-visibility land.

Site requirements

Level ground (roughly 0–2% slope), enough acreage for striped rows and a truck turning path, a legal and drivable access point off the corridor, drainable soils or a workable stormwater plan, and a jurisdiction that will permit outdoor storage or truck parking. Full utilities are not required on day one — power for lighting and cameras, and a water and wastewater plan for a restroom, are usually enough. The governing test is total cost basis, not any single amenity.

Improvements

Clearing and grading; subgrade stabilization; a hard-surface base (gravel, or a cement-stabilized-sand base where local rock is scarce, in place of paving); an entrance apron and access drive; stormwater detention; perimeter fencing and gates; area lighting; and cameras with gate and license-plate capture. A conventional paved, general-contractor-managed yard runs materially higher than an owner-direct gravel yard; the North Star method builds owner-direct — materials bought and delivered at cost, labor and equipment hired separately, no general-contractor overhead-and-profit — which is the underwriting basis, not a hoped-for saving.

Income logic

Gross revenue is spaces × rate × occupancy. Density is taken at commercial striped-lot packing, not rest-area spacing: a 53-foot combination in double-loaded rows sharing a back-in aisle occupies roughly 1,290 square feet, so a gross acre carries about 18 combination spaces after entrance, office, detention, and perimeter. Basic secured parking is modeled near $200 per month per space; nightly transient rates convert to a comparable monthly figure at assumed occupancy. Gross revenue less the operating expense ratio is net operating income.

Operating assumptions

A yard is not free to run, and the model carries that across three cases rather than one:

Case	Expense ratio	Meaning
Target	~27%	Works only with automation, owner control, disciplined vendor pricing, good customer behavior
Base underwriting	~32–35%	The safer planning case for investor underwriting
Stress	~40%	Higher security, cleaning, taxes, insurance, repair, or utility load

Underwrite to the base case, not the target. A site that clears only at the 27% target is not ready for land capital; a site whose total basis clears the yield floor under the base operating case is. The yard is run as a controlled lot, not an open one — fixed cameras, gate camera, lighting, and periodic patrol as the base security posture, with a camera tower or sentinel unit added only where the risk requires it.

Valuation approach

Two tests. First, yield-on-cost: stabilized NOI ÷ total cost must clear the program's **12% floor** before land capital commits — iVerify identifies candidates, the 12% test decides which are built. Second, the required-rent test: at the stress operating case, back-solve the monthly rate the site needs to clear the floor and compare it to the modeled parking rate. Basic parking clears near $200/month on low-basis greenfield land; a rate of $400–490/month means the site is carrying frontage land the parking use cannot support — that rate belongs to a truck stop, fleet terminal, contractor yard with a service building, or a credit tenant, not to basic parking. Exit is a sale of the stabilized, income-producing asset at a market cap rate; a leased asset may trade tighter than an operator-run yard.

Buyer / tenant universe

Regional and over-the-road fleets, owner-operators, 3PLs and dispatch operations, contractor and industrial users needing secured outdoor storage, and yard-management operators. On exit: net-lease and outdoor-storage investors, industrial-outdoor-storage funds, and operators consolidating parking along a corridor.

Validation checklist

Before land capital moves: confirm achievable rate and occupancy against local evidence (not assumed); confirm the parcel drains and the surface section with a civil rough-order and a geotechnical read; confirm legal access and turning path off the corridor; confirm the jurisdiction permits the use; confirm utilities and the restroom water/wastewater plan; and confirm the total cost basis clears the 12% floor under the base operating case, not only the target.

Failure modes

Land basis too high for a parking-rate use (the frontage trap); wet or expansive soils that drive the base and drainage cost past the floor; no legal or drivable access; a jurisdiction that will not permit outdoor storage; rate or occupancy that does not hold once tested; and an open, uncontrolled lot — bad behavior destroys the business.

Site-specific variables — land basis, horizontal cost, utilities, access, local rents, and cap-rate evidence — live in the site report, not here.
