



FOR DELIVERY SERVICE PARTNERS

FLEET OWNERSHIP PLAYBOOK

A practical guide to reducing rental dependence, building vehicle equity and protecting route continuity.

THE DECISION IN ONE SENTENCE

Own vehicles when recurring demand, insurance, maintenance capacity and cash reserves are proven. Rent when flexibility is more valuable than equity.

SUPPLEMENT FIRST. PROVE THE MODEL. SCALE SECOND.

The goal is not simply to own vans.

The goal is reliable capacity at a better long-term economic position.

BUILT BY OPERATORS. POWERED BY COMMUNITY.

Planning guide only - not legal, tax, insurance or Amazon program advice. Confirm current requirements before buying vehicles.

Rent for flexibility. Own for control.

The right answer depends on demand duration, capital, maintenance capacity and operational discipline.

1 Compare the Tradeoffs

NEITHER OPTION IS FREE OF RISK

RENT / FLEX LEASE

BEST WHEN

- Demand is temporary, seasonal or uncertain.
- Preserving cash is more important than building equity.
- The business is not ready to manage repairs, titles and resale.

WATCH THE TRADEOFFS

- Availability can tighten during Peak and Prime.
- Daily rates, damage charges and fees can compound.
- Repair timing and vehicle configuration are less controllable.
- There is no residual asset after the rental ends.

OWNED FLEET

BEST WHEN

- Route demand is recurring and utilization is predictable.
- The DSP has capital, financing and a real maintenance plan.
- More control over uptime and replacement timing creates value.

WATCH THE TRADEOFFS

- Debt, insurance and registration continue even when a van sits.
- Major repairs and downtime become the owner's responsibility.
- Poor utilization can turn an asset into trapped capital.
- Administration must withstand accounting and compliance review.

AMAZON PROGRAM REALITY

DSPs procure their vehicles. Amazon offers a flexible lease through a third-party fleet provider, and existing vehicles may be used when they meet current program requirements.

CRN RECOMMENDATION

Do not replace every rental at once. Start with a supplemental owned fleet, prove uptime and economics, then scale.

What ten owned vehicles could build

This model extrapolates the CRN DSP Asset Plan. It is a planning scenario - not a guaranteed return.

2 Ten-Vehicle Operating Model

ILLUSTRATIVE RELATED-PARTY RENTAL MODEL

\$16,000

MONTHLY RENTAL REVENUE

\$10K-\$12.5K

MONTHLY EXPENSE RANGE

\$3.5K-\$6K

MONTHLY MARGIN RANGE

\$126K-\$216K

36-MONTH MARGIN RANGE

\$260,000

ESTIMATED ASSET VALUE

\$386K-\$476K

MARGIN + ASSET VALUE

WHAT THIS IS - AND IS NOT

This is an economic-position illustration, not cash savings. Financing structure, taxes, insurance, utilization, major repairs, downtime and resale condition can materially change the result.

Potential Tax Timing Benefit

UP TO 100%

Current federal law provides a permanent 100% additional first-year depreciation deduction for certain qualified property acquired after January 19, 2025. Vehicle classification, business use, passenger-vehicle limits and other requirements can change the result.

A deduction changes taxable income; it is not a dollar-for-dollar cash return. Model it with a qualified tax professional before purchase.

Keep the fleet business truly separate

A related vehicle company only works when the contracts, money, insurance and records are real.

3 Two Entities. One Controlled System.

DOCUMENT THE RELATIONSHIP LIKE ANY OTHER VENDOR

DSP OPERATING ENTITY

- Runs delivery operations and employs drivers.
- Receives compensation from Amazon.
- Rents approved vehicles under a written agreement.
- Maintains required operating insurance and controls.
- Pays documented rent through normal accounts payable.

VEHICLE-RENTAL LLC

- Purchases or finances and holds title to vehicles.
- Maintains registration, rental and physical-damage coverage.
- Invoices the DSP under a written master lease.
- Tracks inspections, mileage, utilization and repairs.
- Manages resale or approved external rental activity.

Keep These Records Separate

BANK ACCOUNTS

BOOKKEEPING

CONTRACTS

INVOICES

INSURANCE

TITLES & REGISTRATION

BEFORE THE FIRST PURCHASE

Confirm current station and Amazon vehicle requirements, obtain actual insurance quotes, and have a CPA and attorney review the entity and lease structure.

Ownership is earned through readiness

A large rental bill is not enough reason to buy. Every gate below should have a documented answer.

4 Ownership Readiness Check

CHECK YES ONLY WHEN THE EVIDENCE EXISTS

- | | |
|---|---------------|
| ☐ Recurring demand supports the vehicle beyond one short Peak window. | YES / NOT YET |
| ☐ The vehicle configuration meets current Amazon and station requirements. | YES / NOT YET |
| ☐ Financing, insurance and registration costs are quoted - not estimated. | YES / NOT YET |
| ☐ A maintenance vendor, downtime process and spare-vehicle plan are ready. | YES / NOT YET |
| ☐ Cash reserves can absorb a major repair without harming payroll. | YES / NOT YET |
| ☐ The lease, invoicing, banking and accounting structure is documented. | YES / NOT YET |
| ☐ Utilization, downtime, damage and cost per active day will be tracked. | YES / NOT YET |
| ☐ A sale, replacement or redeployment plan exists before purchase. | YES / NOT YET |

RED FLAG

If the model only works when every van is active every day and nothing major breaks, the model is not ready.

GREEN LIGHT

Proceed when recurring utilization, insurance, maintenance capacity, cash reserves and recordkeeping are all proven.

Move from rental reliance in stages

The safest ownership strategy creates evidence before it creates scale.

5 Four-Phase Fleet Transition

VALIDATE. PILOT. PROVE. SCALE.

01 VALIDATE

30 DAYS

Confirm vehicle requirements, demand duration, lender terms, insurance quotes, maintenance support and entity structure.

02 PILOT

2-3 VEHICLES

Run a small owned fleet through real routes. Track uptime, active days, damage, repairs, invoices and cash flow.

03 PROVE

60-90 DAYS

Compare actual cost per active day with rentals. Correct maintenance, documentation and utilization gaps.

04 SCALE

5+ VEHICLES

Add vehicles only after the pilot meets the operational and financial targets established before purchase.

SCALE RULE

Set the pilot targets before buying: utilization, uptime, cost per active day, maintenance reserve, documentation accuracy and cash flow. If the pilot misses a target, hold the fleet size and fix the system before adding another vehicle.

Build your actual fleet case

Replace assumptions with quotes, operating data and a named decision owner.

6 Your Fleet Decision

COMPLETE BEFORE AUTHORIZING A PURCHASE

TARGET OWNED VEHICLES

EXPECTED IN-SERVICE DATE

CURRENT MONTHLY RENTAL COST

EXPECTED MONTHLY RENTAL COST AVOIDED

PROJECTED DEBT / LEASE PAYMENT

INSURANCE + REGISTRATION

MAINTENANCE + DOWNTIME RESERVE

ADMINISTRATION + BOOKKEEPING

EXPECTED MONTHLY LEASE REVENUE

NET MONTHLY POSITION

CASH RESERVE AFTER PURCHASE

DECISION OWNER

REVIEW DATE

DECISION: PROCEED / HOLD / REVISE