

For Sale

Gas Station and Convenience Store

Cap Rate on NOI = 19.27% (on 2019 Projected Income)

8551 East Road, Redwood Valley, CA 95470



Location: 8551 East Road, Redwood Valley, CA 95470 APN# 163-082-18 - (123 miles North of San Francisco)

Price/ Terms: \$1,250,000. All cash to Seller at Close of Escrow

The Station: Lot is: 20,456 +/-Sq.Ft., Building size is: 1,750 +/-Sq.Ft. Consistent Income Performer - "Redwood Valley Station & Country Store" A JEWEL of a gas station within Redwood Valley, just a few minutes North of Ukiah, California. Well maintained, clean, Pride of Ownership – just one of 2 gas stations in the Township of Redwood Valley. It also has thriving convenience store, in addition it sells Beer and Wine.

Area: Rural area, unincorporated, just minutes North of Ukiah off of HWY 101, East side of HWY 101. Large residential population with few commercial buildings or services for the community. Major fire in 2017 destroyed several dozen east side homes in Redwood Valley.

Zoning: County of Mendocino – Commercial (C1:12K)

For more info on this property, contact:

Peter Schlereth, Owner/ Broker 707.539.9300

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Db: PCS-7 Commercial Real Estate - CA DRE License# 00882531

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Fuel Tanks on Property:

- 2 Standard Welding – 8,500 gallon doubled walled - fiberglass tanks
- 500 gallon, above ground tank - Red Diesel Tank
- 250 gallon, above ground tank – Kerosene
- 1,100 gallon, above ground tank - Propane

NCWQCB:

There is a file with the North Coast Water Quality Control Board, Santa Rosa Office, whereby the site had been monitored because of the new underground tanks that were installed – this is standard operating procedure to see if the new tanks leak. There has been no contamination found on-site. Site installation contractor has applied to NCWQCB to remove monitoring stations. Site is clean.

Improvements to property within the past 5 years:

New central ac/heat, paint inside and out, floors in store & bathroom, new toilet, new shelves, new Cabinets & counter tops in store food bar/coffee area, 200 amp transfer switch in tire shop hooked up to main breaker - generator ready.

Gas pump upgrades

- ❖ New 2,200 +/- sq.ft. concrete slab & 2,600 +/- sq.ft. Overhead Awning with led lighting
- ❖ 2 New Gilbarco 700 3+1 pumps, 4 dispensers, w/ turbine pumps in all tanks, all grades
- ❖ New fuel lines, new electrical lines & electrical equipment to pumps.

Why buy this property?

- 1) Absolute turn-key successful & profitable business, have to change nothing. Presently \$17,200. per month = \$206,400 is taken out this past year.
- 2) Station has a 50 year track record of success!
- 3) Unique business opportunity, very few gas stations on the market in Sonoma, Mendocino, Marin counties for sale - EVERYONE needs gas!
- 4) Gas station values appreciate, do not depreciate, when maintained and kept updated.
- 5) Property and store are clean, organized with upgrades, remodeled with improvements
- 6) Easy business to own, requires very little time from owners, have a 14 year veteran Manager and a 7 year assistant Manager who can hire, fire, train & supervise employees
- 7) Rent is paid on the station each month to the Owner. Rent has never gone down. Rent has increased based upon net income – increasing within the past year. Tax benefit? Of course!

BANK LOANS

There are no loans to assume.

Lou Steinberg, an Independent mortgage broker, states: This station qualifies for SBA financing.



AREAS to consider for EXPANSION – for greater profit:

- a) Add above ground lift in shop and advertise more for tire sales, add a dedicated shop mechanic and start offering tune ups and brake jobs
- b) Close tire shop - use space to create a Beer cave, offering a lot more imports and micro brews (Big beer drinkers in RV) currently limited in space, could add 30 +/- additional beer lines.
- c) Close tire shop - convert space to a drive through only cappuccino coffee shop, current food permit allows for coffee shop
- d) Would add a 2nd cash register – because there are so many people waiting to check out at times.

ANNUAL GALLONS OF FUEL SOLD - Margins

For past 17.5 years annual fuel sales have averaged around 575,000 gallons of gas and #2 diesel

Propane sales: Have been averaging 65,000 gallons per year

Gas Sales: Have been averaging 45,880 gallons per month = 550,000 gallons annually

2018 profit on gas, regular, plus, supreme and diesel was \$0.40 cents per gallon

2019 profit on gas, regular, plus, supreme and diesel is \$0.44 cents per gallon

2019 profit on Propane, \$1.00 per gallon

2019 profit on Kerosene, \$1.00 per gallon

2019 profit on Red Diesel, \$0.50 per gallon

Margins on fuel & propane sales for Unbranded Stations typically average \$0.25 per gallon

INSIDE SALES CONSIST OF:

ALL NON FUEL SALES, grocery taxed, grocery not taxed, alcohol, beverages, tobacco, car care, etc.

Average non fuel sales is approx. \$45,000. Per month

Tire shop generates about \$50,000 a year in revenue, on P&L, consisting of labor + tire sales.

Tire shop is owned by the Owner – operated by the employees.

Inventory at Closing: Selling price of \$1,250,000. Includes: Real Property, Business, Good Will & ABC License, **Inventory on hand is not included.** California inventory specialist will be on-site on day of escrow closing to report current inventory, (at Seller’s expense). Sale to buyer of inventory will be at wholesale cost, average is estimated to be +/- \$35-40K. Fuel on hand on day of closing can be obtained by running a report from computer that monitors fuel levels, buyer to pay wholesale cost for all fuels on hand.

Special Note: Viewing/ Showing this property:

Employees do not know the station is for sale. Do not ask them any questions. If you do visit the property, just view it – as you are purchasing something – be a customer. You will not be allowed to see the back rooms. We can schedule a showing – please call this office for details. Will supply financial information, upon registering with this Broker + signing a Non-Disclosure Agreement.