



Petro **REPORT**®
EVALUATION REPORTS

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PetroREPORT[®]

EVALUATION REPORTS

Evaluation Reports

For Convenience Stores and Gas Stations

\$499 NATIONWIDE • 72 HOURS

Whether you need the market values of one convenience store or 1,000, **PetroREPORT[®]** is the answer. This is the fastest, most cost-efficient valuation service available for convenience store and gas stations properties, allowing you to quickly obtain documented evaluation reports that meet the FDIC *Interagency Guidelines for Evaluation and Appraisal Reports*.

Save up 70% of the time and cost of producing traditional appraisal reports. Tested in hundreds of convenience store market value appraisals. Software licensing also available through **PetroMARK[®]**.

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THE NATION'S LARGEST
SERVICE PROVIDER

of on-line evaluation reports
for gas station and convenience
store properties.

**MEETS FDIC INTERAGENCY
GUIDELINES FOR APPRAISALS
AND EVALUATIONS**



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3 Easy Steps

Step 1

Download the Property & Operations Survey. This is a form-fillable PDF.

Step 2

Email or fax the form to the store operator or owner. Have them return to you:

- (a) Completed form
- (b) Digital photographs of the exterior, fuel service, street, and interior.
- (c) Copy of last property tax statement from assessor's office

Step 3

Email these items to us at: reb@cstorevalue.com

Your completed Evaluation report will be Emailed to you as a PDF within 6 to 72 hours.

Your Evaluation Report examines the physical and location characteristics of your store along with the earnings potential and property transaction data to develop a credible and sophisticated estimate of value. Values are reported for both:

1. The fee simple market value under typical management as a going concern.
2. Shutdown value (orderly liquidation value).

These reports are 18 to 20 pages.

Economic earnings projections for typical management are made for :

- Gross Sales
- Fuel Gallonage
- Gross Profit
- EBITDA
- NOI to Real Estate



Most appraisers across the nation charge an average of \$2,000 to \$6,000 for a commercial property appraisal report. An Evaluation Report is a better choice for you when a full appraisal is not needed.

Evaluation Reports include the estimated value of

(a) the **Real Estate** (site, store building, canopy, dispensers, USTs),

(b) the **Equipment** (moveable personal property),

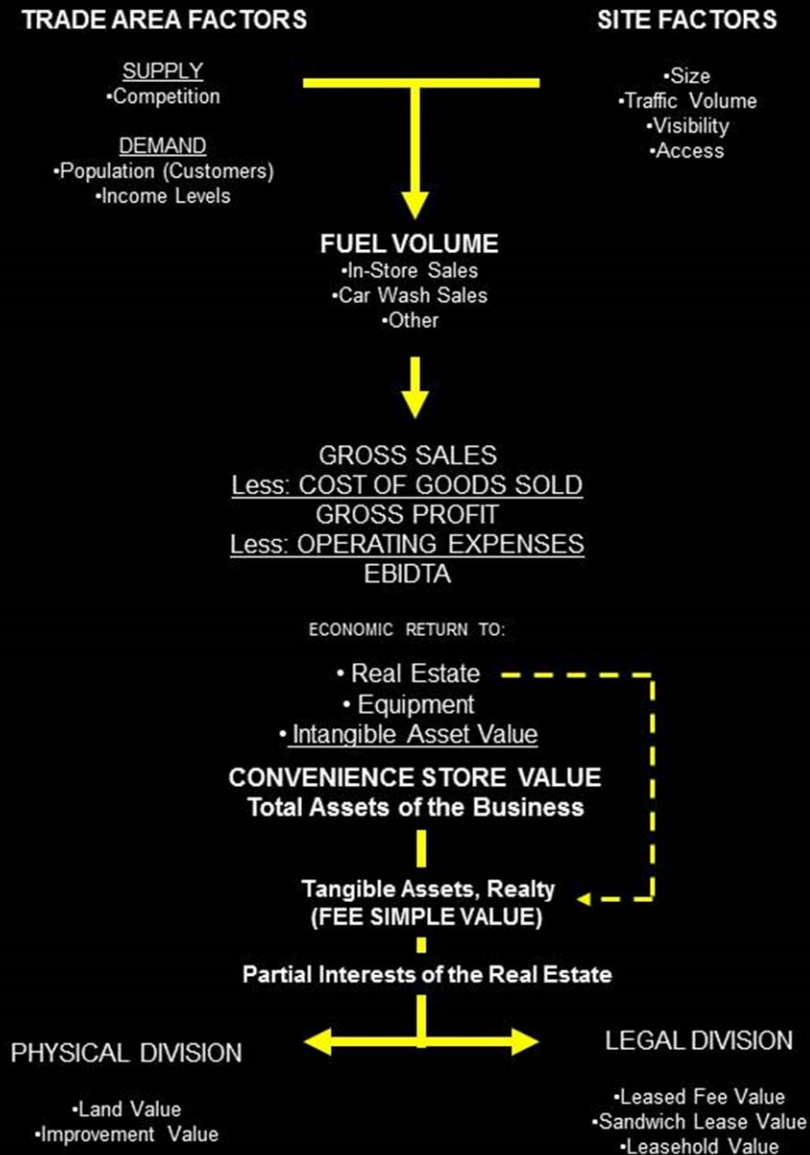
(c) and **Business Value** (intangible assets).

UNDER TYPICAL MANAGEMENT (FEE SIMPLE VALUE)



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How Retail Property Value is Created



The primary method of valuation is a capitalization of EBITDA income approach. This method is recommended by the Appraisal Institute's *Convenience Stores and Retail Fuel Properties: Essential Appraisal Issues* and International Valuation Standards (IVS Guidance Note 13 and SR 232). Additional support for the valuation estimate includes a summary cost approach and local peer group NAICS 4471 sale transaction summaries. These **Evaluation Reports** include projections under typical management (fee simple value) for:

- a) Annual gallonage
- b) In-store sales
- c) Gross profit
- d) Adjusted EBITDA
- e) NOI to real estate

WE DO NOT: With c-stores and gas stations, real estate usually comprises about 90% of the value of the going concern. Most appraisers subtract the cost approach value of the real estate from the EBITDA capitalization, which makes the real estate value a constant and leaves intangible asset value residual. This is not good appraisal practice and is simply an expression of the cost approach two times for the highest-value asset of the business.

WE DO: Our **Evaluation Reports** leave the value of the real estate residual in the capitalized income approach so that the real estate's location strengths and weaknesses as measured by earnings potential are reflected in the value estimate. The **Evaluation Reports** consider and adjust the real estate value for:

- Supply and demand in the trade area (3-minute drive-time)
- Hypermarket competition
- Resident population demographics

Most appraisers do not consider or adjust for these important characteristics, even in higher costing state-certified appraisals. Our Evaluation Reports and Automated Summary Appraisals are often more accurate and reliable than many other vendors' expensive state-certified appraisal reports because we follow industry-recommended valuation procedure of using a capitalization of earnings income approach for this specialized type of property. All reports include valuations of : **Real Estate Equipment Business Value**

"We've been very successful so far and your evaluation reports have been a big part of our success." - Property Tax Appeal, International Convenience Store Chain



Meets FDIC Interagency Guidelines for Appraisals and Evaluations

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