



Chevron BUSINESS & REAL ESTATE

800 5TH STREET | GONZALES, CA 93926

OFFERING MEMORANDUM

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MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES



- ① CONVENIENCE STORE: 2,236 SF
- ② BURGER QUEEN QSR: 1,234 SF
- ③ OFFICE: 2,458 SF
- TOTAL: 5,928 SF

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PROVEN BUSINESS OFFERING

- **Top-Performing Location w/ Liquor:** The site's strategic position off Highway-101, with zero immediate competition and the hard liquor license, results in the rare opportunity to acquire an industry-leading gas station with an accompanying 3,692 square feet of commercial real estate paying annual rent of \$92,400.
- **Trailing 12-Month (T12) EBITDA:** (July 1, 2021, to June 30, 2022) is a staggering \$1,100,000 from total sales of \$9,220,000.
- **Strategic Location & Competitive Advantage:** The operating location benefits from a unique position at a highway signalized intersection with no competing C&G at either on or off-ramp. The site is located across from McDonald's and Starbucks, an ideal pitstop for travelers on Hwy-101.
- **Diversified Income:** The new business owner will have peace of mind in operating a business with multiple sources of income from fuel sales, convenience store sales (w/ liquor), and passive commercial real estate.
- **New Drive-Thru Opportunity:** There are two (2) LOIs from national tenants to construct a brand-new build-to-suit fast food drive-thru on the existing parcel. The LOIs received would increase the annual rent from commercial estate from \$92,400 to \pm \$200,000. The addition of a new drive-thru (at no cost to the Landlord), would generate an immediate \pm \$2,000,000 in value for the new owner, calculated by dividing the annual rent from the fast food of \$100,000 by a 5.00% cap rate = \$2,000,000. The additional value created by the drive-thru is not factored into the asking price, so the upside potential is entirely upon the new operator to engage and make happen.

INVESTMENT HIGHLIGHTS

- **Highway Location** - 80,000 vehicles per Day
- **High Margins & Zero Competition** - Nearest gas station is 2.3 miles away allowing owner to charge higher margins
- **Retail Synergy & Location** - Across from McDonald's and Starbucks and is the closest and only gas station in Gonzales catering to Gonzales High School
- **Immediate Upside Potential** - A national drive-thru burger chain submit an LOI to construct a site on property at no cost to Landlord (new operator must complete the process themselves after closing – see broker for a copy of the LOI details)
- **California Economy** - #1 in the U.S. (\$3.0 trillion in Gross State Product) and #5 world economy



An aerial photograph of a Chevron gas station and its surrounding environment. The gas station, with its blue and white canopy, is located on a street corner. To the left of the station is a large, brown-roofed building, possibly a warehouse or a small business. The parking lot is paved and contains several cars. In the background, a residential neighborhood with houses and trees is visible, followed by a range of brown, arid mountains under a clear blue sky. A tall water tower stands out in the distance. The entire image is overlaid with a semi-transparent blue filter.

FINANCIAL OVERVIEW

CHEVRON | GONZALES, CA

SALES & INCOME

	2021 Jan - Nov (excludes December)	Trailing 12-Month Financials July 1, 2021 - June 30, 2022		
	2021	July - December 2021	January - June 2022	Total
Fuel Sales	\$5,011,084	\$3,427,599	\$3,322,700	\$6,750,299
Store Sales	\$1,596,149	\$937,648	\$871,177	\$1,808,825
CA Lottery Income	\$587,973	\$285,424	\$277,671	\$563,095
Interest Income	\$12	\$120	\$85	\$205
Other Income	\$77,250	\$49,200	\$49,200	\$98,400
Total Income	\$7,272,468	\$4,699,991	\$4,520,833	\$9,220,824
Cost of Goods Sold				
-Fuel	-\$4,480,723	-\$3,066,648	-\$3,046,419	-\$6,113,067
-Beverages (Beer, Soda, Drinks)	-\$814,048	-\$430,824	-\$398,130	-\$828,954
-Store	-\$507,273	-\$184,492	-\$173,047	-\$357,539
-Lottery	-\$540,310	-\$267,176	-\$261,671	-\$528,847
Gross Profit	\$930,114	\$750,851	\$641,566	\$1,392,417
Total Expenses	-\$458,165	-\$281,562	-\$265,575	-\$547,137
Net Income	\$471,949	\$469,289	\$375,991	\$845,280
+ Interest Expense	\$108,000	\$69,203	\$69,203	\$138,406
+ Depreciation	\$15,000	\$5,000	\$11,000	\$16,000
+ Automobile Expense	\$6,480	\$4,320	\$3,680	\$8,000
+ Rental Income	\$92,400	\$46,200	\$46,200	\$92,400
EBITDA	\$693,829			\$1,100,086

PRICING MATRIX: EBITDA MULTIPLE + COMMERCIAL REAL ESTATE

(1) Chevron Business & Real Estate

10.15% Cap Rate (9.80 EBITDA of \$1,100,000)

\$10,850,000

Note: there are two (2) leasing offers from drive-thru restaurant operators to construct a new drive-thru on the lot. The total rent would increase approximately \$100,000, thus increasing the real estate valuation by \$2,000,000 at a 5.00% cap rate.

RENT ROLL

Tenant	Annual Rent
Burger Queen (\$2,000/month)	\$24,000
Taco Bell Billboard (\$2,000/month)	\$24,000
FMG (\$1,000/month)	\$12,000
Calistar (\$1,350/month)	\$16,200
Mahena Tax Services (\$1,350/month)	\$16,200
TOTAL RENT	\$92,400





CENTRAL PARK

GONZALES
HIGH SCHOOL

5TH STREET

US - 101
±20,000 VPD



SUBJECT PROPERTY



**PISONI FAMILY
VINEYARDS**

METZER FARMS

**HANDLEY RANCH
QUARRY**

**GONZALES
HIGH SCHOOL**

**cricket™
wireless**

**ACE
Hardware**



5TH STREET

**US - 101
±20,000 VPD**

SUBJECT PROPERTY





TENANT OVERVIEW

CHEVRON | GONZALES, CA



» **COMPANY NAME**
CHEVRON CORP.



» **OWNERSHIP**
PRIVATE



» **YEAR FOUNDED**
1879



» **INDUSTRY**
GAS STATION



» **HEADQUARTERS**
SAN RAMON, CA



» **WEBSITE**
CHEVRON.COM

Chevron Corporation is an American multinational energy corporation. One of the successor companies of Standard Oil, it is headquartered in San Ramon, California, and is active in more than 180 countries. Chevron is engaged in every aspect of the oil, natural gas, and geothermal energy industries, including hydrocarbon exploration and production; refining, marketing, and transport; chemicals manufacturing and sales; and power generation. Chevron is one of the world's largest oil companies; as of 2017, it ranked nineteenth on the Fortune 500 list of the top US closely held and public corporations and sixteenth on the Fortune Global 500 list of the top 500 corporations worldwide. It was also one of the Seven Sisters that dominated the global petroleum industry from the mid-1940s to the 1970s.



AREA OVERVIEW

CHEVRON | GONZALES, CA

GONZALES CALIFORNIA

Gonzales, a city in Monterey County, California, is located 16 miles southeast of Salinas in the heart of the Salinas Valley. The city is approximately 120 miles south of San Francisco, 70 miles south of San Jose, and 35 miles southeast of Monterey Bay. The combination of climate, soil, terrain, and water has made the Salinas Valley one of the state's most productive agricultural regions for well over a century. Historic buildings still stand in downtown Gonzales and contribute to the city's small town charm that is enjoyed by residents and visitors. Living in Gonzales offers residents a sparse suburban feel and most residents own their own home.

#1

CULTURE OF HEALTH PRIZE - 2019
ROBERT WOOD JOHNSON FOUNDATION

6.3%

POPULATION GROWTH
SINCE 2020

\$523,700

MEDIAN
HOME VALUE



DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2027 Estimate	8,290	8,834	27,604
2022 Population	8,389	8,951	27,865
2010 Census	8,390	9,010	27,508
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2027 Estimate	1,941	2,090	6,618
2022 Population	1,964	2,119	6,674
2010 Census	1,968	2,141	6,552
INCOME	1-MILE	3-MILE	5-MILE
2022 Avg HH Income	\$85,711	\$84,604	\$85,113

GONZALES ECONOMY

Cattle and grain raising dominated the area until the 1890s when Swiss immigrants founded dairies. In the 1920s dairy farming gave way to vegetable crops which thrived in the rich soils and advancements in irrigation, machinery, and transportation. The region experiences a Mediterranean climate with warm, dry summers.

Gonzales is nicknamed the “Wine Capital of Monterey County” due to the importance of wine cultivation in the area. Wineries located here include Constellation Brands, Robert Talbott, Pisoni Vineyards, Boekennoogen Winery McIntyre Vineyards, Mer Soleil and Salinas Valley Vineyards.

MAJOR EMPLOYERS





ATTRACTIONS

PINNACLES NATIONAL PARK

Pinnacles National Park is located in a mountainous area east of Salinas Valley in Central California. The park's namesakes are the eroded leftovers of the western half of an extinct volcano. Pinnacles is managed by the National Park Service and the majority of the park is protected as wilderness. The park features foot trails, rock formations that attract rock climbers and caves that house at least 13 species of bats.

ARROYO SECO RIVER

Arroyo Seco is a major tributary of the Salinas River in Central California. About 40 miles long, it drains a rugged area of the Coast Ranges east of Big Sur before flowing through the agricultural Salinas Valley. The river runs by campgrounds and the Arroyo Seco trailhead offers access to the popular area of the river known as the Gorge. The Gorge is notable for the long string of swimming holes with crystal clear water flowing through narrow rock walls.



CONFIDENTIALITY & DISCLAIMER STATEMENT

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By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



Chevron OPERATIONS SALE

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