



BUSINESS REPORT

Date: **17th May 2024**

Business Reference: **36042**

About the Business:

Filling Station with diverse retail shops and residential property - liquidated

An opportunity to make a final offer on a 14Ha property that includes the following: Filling Station / butchery / Convenience store / Liquor store & Take-a-Way. Two beautiful houses are included - and it offers great potential. Note: Now liquidated - and that the due process needs to be followed to present final offers. Only available for cash buyers.

Filling Station with diverse retail shops and residential property - liquidated



Sector: **Property**

Asking Price:

R **9,000,000**

Monthly Profit:

R **0**

Asset Value:

R **10,000,000**

Stock Value:

R **0**

Yearly Net Profit :

R **0**



Business Report

How long has the business been established?

The filling station opened in 1998

The businesses in the complex were build later

Describe the Main house

Main house :

- * 381 m2
- * 4 Bedroom (AC & fan)
- * 3 full bathrooms
- * 2 Living rooms (AC & fan)
- * 2 Kitchens
- * 1 Extra Study / bedroom
- * Braai area & Lapa
- * Laundry room
- * Swimming pool
- * Fish pond
- * Large garden
- * Vegetable garden
- * 3 Boreholes (2 fully equipped)
- * Staff quarters - 174m2
- * 2 Garages , 2 Carports
- * Electrical fence with 2 gates

Describe the Cottage

- * 94 m2
- * 1 Bedroom
- * 2 Full bathrooms
- * 1 Office (fan)
- * Open plan living room & kitchen (AC & fan)
- * Braai area
- * Large garden

Describe the Filling station

- * Currently it is a VIVA branded filling station (future arrangements depend on the Business Rescue proses)
- * Forecourt with 3 Fuel Islands - each with 6 nozzle pumps
- * 1 Truck pump - 2 nozzle pumps
- * 5 Storage tanks - 25 000 litre each
- * Bathrooms
- * Office and store room
- * Sales of 114 000 litres per month were recorded in 2022 - to be verified
- * Borehole (not equipped)
- * Water tanks (2 x 10 000 litre)
- * Staff quarters
- * Generator
- * Compressor

How does the business operate on a daily basis?

The filling station is serving the public 24/7
The convenience store is open 24/7

The grocer / take-away / butchery and liquor store is open to the public from 7h30 to 17h weekdays / 7h30 to 13h on Saturdays / closed on Sundays

The current member and his wife is managing the business operation from a office that is located on site

How are the clients attracted to the business?

The complex is well visible alongside the R40 between Hoedspruit and Phalaborwa
The complex is also well supported by the local farming community , tourists passing by and lodge owners in the area looking for convenience groceries / fuel / meat / liquor
There are many mining trucks using this road traveling towards the coast / Gauteng / Burgersfort area / Polokwane and Zimbabwe

What competition exists?

There is no direct competition on the area
(closest is about 30km away)

What are the terms with the current fuel supplier ?

The business is at about 75% of the initial 10 year agreement
The fuel company - VIVA is one of the mayor creditors on the books of the Business Rescue Practitioner(BRP)
The buyer should sign a new agreement or have the option to negotiate with an alternative supplier

Are there up-to-date Management Accounts available?

Limited financial info is available - this should only serves as guideline for buyers to consider

How could the profitability of the business be improved?

Investment of capital info infrastructure
Truck stop facilities
Over-night chalets
There is a need for office space
Attract more franchises

Give a breakdown of staff/ functions/ length of service?

Note that the staff will be compensated in full before liquidation by the BRP
The staff would like to remain with the business - loyal and many has been with the business for years
The new owner should negotiate new terms with all staff

Do any have management potential?

There are staff with management skills

How involved is the Owner in running the business?

The current member is managing the complex together with his wife on a fulltime basis
The current member would consider to remain involved in the future

When does the current lease end?

No lease - all property and land incumbent in the transaction

Do you require a licence?

Yes

The new owner need to apply for licences with National Department of mineral and energy to operate the filling station - for his own account

The new owner might need to apply with the Liquor board for a new liquor licence to be issued - for his own account

Keep in mind that the current CC might be liquidated by the BRP at the conclusion of this transaction
But we suggest that a bona-fide buyer should enter into negotiations with the BRP to make constructive suggestions for the business plan that would be presented to the Creditors for their approval

What are the main assets of the business?

14ha Land

Property and Improvements

Strengths?

- * The property is positioned half-way between Hoedspruit and Phalaborwa on a busy main road
- * This is the one of only 2 stops in the area and the only with a garage.
- * These de-centralised business nodes with filling stations are specialised properties but fairly sought after.
- * Diversified income stream

Opportunities?

With a further capital investment , the opportunity to develop a dedicated truck stop can be explored
The larger farm house can be run as a guest house - or more cottages can be build to rent out as contractors accommodation or overnight lodging for travellers

What is the reason for the sale?

By instruction of the Business Rescue Practitioner

Why is this property a good investment?

This property is well located next to the R40 - between Hoedspruit and Phalaborwa
Diverse income potential - Filling station / convenience store / butchery / liquor store
Neat commercial and residential property
Sub division of commercial / residential portions is an option

Important information all interested buyers should take note of :

- * The BRP will only consider cash offers
- * Buyers should acquaint themselves with the assets that is on sale
- * Financial information available can not be verified - and should be considered as such
- * Proof of funds will be a pre-condition before Aldes can engage with interested buyers

The business rescue proses

- * Offers from pre-qualified buyers will be presented by Aldes to the BRP
- * The BPR will have the sole discretion to present such offers to the Creditors for consideration
- * Creditors will vote and need to accept the proposed business plan of the BRP
- * Only then the BRP will engage with the successful buyer to conclude the transaction
- * In the last stage , the appointed liquidator will conclude the transaction