

Bid Comparison Checklist for Convenience Store Appraisal Orders

The following is a list of relevant questions you should ask any appraisal firm before engaging an assignment for a retail petroleum facility. Convenience stores are very different from most other commercial real estate and frankly many appraisers don't get it. Does yours? Bold face criteria are critical success factors for development of credible market value opinions. Of course there are many other technical requirements for a credible appraisal, but in our experience these are the ones most often over looked when appraising retail petroleum facilities.

Appraisal Criteria:	USPAP/FIRREA Required	PetroVal, Inc 770-736-6112		
Total Asset of the Business to include real estate, tangible personal property, and intangible personal property identified and value premises defined	YES	YES		
Detailed Retail Petroleum Industry Overview	YES	YES Value added		
25 page unrelated regional overview	NO ¹	NO		
2-4 pages of relevant regional data	YES	YES		
Micro-market Data Includes Relevant Competitor Data and Valuation Factors	YES	YES		
Feasibility Study for Proposed Construction	YES	YES		
Proper Identification and Separate Valuation of All Equipment	YES	YES		
Improved Sales Verified with Relevant Gross Profit Data from the Business	YES	YES		
Gallonage Multiplier Used in the analysis (This type of analysis is misleading ²)	NO	NO		
Hose Multiplier Used in the Analysis (This type of analysis is misleading)	NO	NO		
Valuation of the Total Assets of the Business based on Economic Data from the Subject	YES	YES		
Reasonable Segregation of the Real Estate, Equipment, and Business Values	YES	YES 3 methods		
Use of a Document Request Form which Requests the Correct Information Going In	YES	YES		
How Many Retail Petroleum Properties Have They Appraised?		9,500+		
Overall Appraiser Reliability/Competence				
Fee Quoted		\$	\$	\$
Turn Time		Days	Days	Days

PetroVal is a service-oriented firm that strives to make competitive bids through operational efficiencies created by specialization. If not the absolute lowest bid, take the difference between PetroVal's bid and the lowest bid and divide that by your loan amount. Is the savings worth it? Feeling lucky or more like prudent banker?

¹ PetroVal does not pad its reports with unnecessary blather and extraneous information that has no bearing on value

² These are unfortunately widely used techniques that can result in too low a value estimate (you lose a good deal) or too high a value estimate (you get a bad deal from the start).