



QUICK SCAN

# BizScore Report

Independent due-diligence analysis prepared for the buyer.



**SAFE**

Greenwood Convenience & Fuel is a well-documented, owner-operated Marathon-branded station with 4 years of uninterrupted revenue growth, modern infrastructure (6-year-old USTs, 5-year-old dispensers), a solid 9-year lease, and 3-month bank verification showing less than 1% variance. The \$485,000 asking price is supported by an independent valuation and falls within the industry SDE multiple range. Key open items: confirm the 2025 revenue acceleration (+10.9%) against the tax return when filed; obtain a CPA-prepared SDE reconciliation to explain the \$32,584 gap between computed and claimed SDE; clarify whether inventory (\$123,800) is included in the asking price; and have legal counsel review the related-party lease despite the disclosed arm's-length appraisal. Data quality is moderate — 2024 Schedule C, 2025 P&L, 3-month bank summary, lease, equipment list, and disclosure are physically in the package; full 24-month bank statements and 2025 tax return are not yet available.

| BUSINESS    | ASKING PRICE | LOCATION  |
|-------------|--------------|-----------|
| Gas Station | \$485,000    | Mason, OH |

# Executive Summary

Read this page first. Everything after is the supporting analysis.

**80/100 — SAFE.** Strong fundamentals. Proceed with standard due diligence. The asking price is in line with what this business earns. The analysis surfaced 3 high-severity concerns — resolve them before you sign anything.

| BIZSCORE SCORE ·<br>SAFE | OWNER TAKE-HOME<br>(SDE) | ASKING PRICE | PRICE ASSESSMENT | EBITDA   |
|--------------------------|--------------------------|--------------|------------------|----------|
| 80                       | \$146,416                | \$485,000    | FAIR             | \$69,416 |

## The biggest risks

**HIGH** Only one year of tax returns provided. The 2022–2023 revenue trend in the disclosure is seller-narrated, not IRS-verified. Two prior-year returns are missing.

**HIGH** Revenue jumped 10.9% in 2025 — triple the prior year's 2.1% growth and well above the seller's own 3.3% projection. Verify this acceleration is real.

**HIGH** The asking price looks reasonable on 2025 P&L (3.3x) but implies 4.4x on the most recent IRS-filed year (2024) — above the 2.0–3.5x typical range.

Plus 9 more in Section 2 — Red Flags.

## Biggest strength

The owner's letter cites an independent business valuation completed August 2025 by Midwest Business Valuation Associates, which valued the business at \$478,000 (mid-point). The asking price of \$485,000 is \$7,000 (1.5%) above that independent appraisal — effectively at the appraised value. The SDE (*Seller's Discretionary Earnings — what the owner personally takes home each year*)-multiple range (\$366,040–\$512,456, mid \$439,248) also supports the price, with \$485,000 sitting 10.4% above the SDE mid-point but within the high end of the range. Both methods point to a fair price, not an overreach.

### Do this first

**Request 2022 and 2023 Schedule C (the IRS form where a sole proprietor reports business profit) returns to verify the disclosed revenue trend (\$1,084,000 → \$1,118,000 → \$1,142,000) against IRS filings.**

## SECTION 1

# Financial Health

Owner take-home, EBITDA, expense ratios, and where the asking price sits against the multiples this kind of business actually trades at.

**Overall — Grade B (A–F scale)**

MEDIUM confidence

**Key concern:** 2025 revenue jumped +10.9% in the listing year — well above the prior 2-3% trend — and the seller's claimed SDE exceeds the computed figure by 22%; both gaps need CPA reconciliation before closing.

**Seller's Discretionary Earnings (SDE)**

MEDIUM confidence

SDE (Seller's Discretionary Earnings — what the owner actually takes home) is \$146,416, computed from 2025 net income of \$51,016 plus \$77,000 owner draw plus \$18,400 depreciation. The seller's disclosure states SDE of \$179,000 — a gap of \$32,584 (22%) above the computed figure. This is a medium concern: the gap likely reflects undocumented but potentially legitimate add-backs (*owner costs added back to profit because a new owner wouldn't pay them*) such as owner health insurance, personal vehicle, or phone expenses run through the business. Request a CPA-prepared SDE reconciliation itemizing all add-backs to bridge this gap before accepting the seller's figure.

**Net income:** \$51,016**Total SDE:** \$146,416**Add-backs:**

- Owner Draw: \$77,000 — Owner compensation drawn from the business — a new owner would pay themselves this or hire a manager. Sourced from 2025 P&L operating expenses.
- Depreciation: \$18,400 — Non-cash accounting expense — no check is written for depreciation. Sourced from 2024 Schedule C Line 13 because the 2025 P&L is cash-basis and omits non-cash items; 2024 figure used as best available proxy.

**EBITDA**

MEDIUM confidence

EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization — operating profit before accounting and financing decisions) is approximately \$69,416. Interest is \$0 per 2024 Schedule C Line 16b. Taxes are \$0 at the business level (sole proprietor pays personal income tax). Depreciation of \$18,400 from 2024 Schedule C Line 13. Amortization is not documented in any provided document. EBITDA is significantly lower than SDE because the owner draw is included in SDE but not EBITDA — expected for a sole-proprietor operation.

**Total EBITDA:** \$69,416

EBITDA of \$69,416 is \$77,000 below SDE of \$146,416 — the entire gap is owner compensation. Without the owner working full-time, profitability drops to \$69,416 before any replacement manager cost. A hired manager typically costs \$45,000-\$65,000/year, which would reduce EBITDA to near breakeven. Absentee buyers should model a manager salary into their projections.

Price-to-SDE Multiple

MEDIUM confidence

Price-to-SDE of 3.31x falls within the industry benchmark range of 2.0x-3.5x — the asking price is reasonable relative to computed SDE. An independent valuation (Midwest Business Valuation Associates, August 2025) placed the business at \$478,000 mid-point; the \$485,000 ask is \$7,000 above that figure. If the seller's claimed SDE of \$179,000 is accepted after reconciliation, the implied multiple drops to 2.71x. Price-to-EBITDA of 7.0x is at the high end of the 3x-8x range, reflecting the owner-operated nature of the business.

Price / SDE: 3.31×

Industry range: 2.0x-3.5x

Revenue Trend

MEDIUM confidence

Trend: Growing

- 2022: \$1,084,000
- 2023: \$1,118,000
- 2024: \$1,142,000
- 2025: \$1,266,905

Four-year series from seller disclosure (2022-2024) and 2025 P&L shows uninterrupted growth: \$1,084,000 to \$1,118,000 to \$1,142,000 to \$1,266,905. Growth accelerated sharply in 2025 (+10.9% vs prior 2-3% annual pace). Seller projected 2025 at \$1,180,000; actual P&L shows \$1,266,905 — \$86,905 above projection. The acceleration in the listing year warrants verification against the 2025 tax return when filed.

Expense Breakdown

MEDIUM confidence

| Category                  | Amount    | % Rev | Benchmark              | Status |
|---------------------------|-----------|-------|------------------------|--------|
| COGS (Fuel + Merchandise) | \$921,989 | 72.8% | 75-85%                 | BELOW  |
| Wages (Employees)         | \$84,000  | 6.6%  | 4-8%                   | WITHIN |
| Rent                      | \$48,000  | 3.8%  | 3-6%                   | WITHIN |
| Utilities                 | \$21,800  | 1.7%  | 1-3%                   | WITHIN |
| Credit Card Processing    | \$16,800  | 1.3%  | 1-2%                   | WITHIN |
| Insurance                 | \$11,200  | 0.9%  | 0.5-1.5%               | WITHIN |
| Maintenance & Repairs     | \$16,400  | 1.3%  | 0.5-2%                 | WITHIN |
| Owner Draw                | \$77,000  | 6.1%  | N/A — add-back for SDE | —      |

## SECTION 2

# Red Flags

Concerns surfaced by the analysis, ordered by severity. Each card has the plain-English headline, the technical finding, the source citation, and the next action.

## Risk summary

MEDIUM confidence

The most significant concerns are the 10.9% revenue acceleration in 2025 (RF001) against a backdrop of only one IRS-filed year for verification (RF003), and the valuation gap between the 2025 P&L multiple (3.3x, within range) and the 2024 tax-return multiple (4.4x, above range) (RF002). The deal has genuine strengths — modern USTs (*underground storage tank*), clean Phase I (*a standard environmental records inspection of the property — no soil testing*), strong bank verification for the 3 months provided, and transparent seller disclosures — but the buyer needs full-year 2025 bank statements and prior-year tax returns before committing.

**Overall risk:** MODERATE · Critical 0 · High 3 · Medium 7 · Low 2

**HIGH** · 3 flags

**Only one year of tax returns provided. The 2022–2023 revenue trend in the disclosure is seller-narrated, not IRS-verified. Two prior-year returns are missing.**

**HIGH** · Documentation · **RF003** · HIGH confidence

**Evidence:** Package includes 2024 Schedule C and 2025 P&L only. Seller's disclosure shows revenue back to 2022 (\$1,084,000) but no IRS-filed returns for 2022 or 2023 are in the package.

→ **Next step:** Request 2022 and 2023 Schedule C returns to verify the disclosed revenue trend (\$1,084,000 → \$1,118,000 → \$1,142,000) against IRS filings.

**Revenue jumped 10.9% in 2025 — triple the prior year's 2.1% growth and well above the seller's own 3.3% projection. Verify this acceleration is real.**

**HIGH** · Revenue Integrity · **RF001** · MEDIUM confidence

**Evidence:** 2025 P&L total revenue \$1,266,905; 2024 Schedule C gross receipts \$1,142,000. YoY growth = 10.9% vs seller-disclosed 3.3% projected growth and 2.1% actual 2024 growth.

→ **Next step:** Request monthly POS reports and fuel delivery invoices for all of 2025 to confirm the revenue acceleration is transaction-driven, not a recording change.

**The asking price looks reasonable on 2025 P&L (3.3x) but implies 4.4x on the most recent IRS-filed year (2024) — above the 2.0–3.5x typical range.**

**HIGH** · Deal Structure · **RF002** · MEDIUM confidence

**Evidence:** Asking price \$485,000; computed SDE \$146,416 (2025 P&L). Implied multiple = 3.31x SDE. However, 2024 tax-return-based SDE (net \$15,450 + owner draw \$77,000 + depreciation \$18,400) = ~\$110,850 — implying 4.37x on the IRS-filed year.

→ **Next step:** Ask seller's CPA for a formal SDE reconciliation bridging 2024 tax return to 2025 P&L to confirm which year best represents ongoing earnings.

**MEDIUM** · 7 flags

**Inventory valued at ~\$124k is not clearly included or excluded from the \$485k asking price. If excluded, total acquisition cost rises to ~\$609k.**

**MEDIUM** · Deal Structure · **RF008** · HIGH confidence

**Evidence:** Equipment & inventory list shows total inventory ~\$123,800 (including \$71,500 fuel). It is not stated whether this inventory is included in or excluded from the \$485,000 asking price.

→ **Next step:** Confirm in writing with seller/broker whether inventory (especially \$71,500 fuel) is included in or added to the \$485,000 asking price.

**The landlord is the seller's brother-in-law. Rent is appraised at-market, but a related-party lease warrants independent legal review before closing.**

**MEDIUM** · Legal · **RF009** · HIGH confidence

**Evidence:** Lease landlord is Park Family Holdings LLC, owned by seller's brother-in-law. Rent verified at-market by independent appraisal (June 2024), but related-party lease creates a conflict of interest risk post-sale.

→ **Next step:** Have buyer's attorney review the full lease and the landlord's written transfer commitment to confirm terms are enforceable at arm's length.

**The most experienced employee retires ~4 months after a likely close date. Replacement has under a year of experience. Operational continuity risk is real.**

**MEDIUM** · Deal Structure · **RF010** · HIGH confidence

**Evidence:** Key employee Maria Santos (12-year assistant manager) retiring March 2026 — approximately 4 months post-close if deal closes Q4 2025/Q1 2026. Replacement Jennifer Adams has 10 months experience.

→ **Next step:** Negotiate a 90-day post-close consulting arrangement with Maria Santos and verify Jennifer Adams's operational readiness during due diligence site visits.

**2025 actual revenue beat the seller's own projection by \$87k (7.4%). Bank verification covers only the last 3 months; the first 9 months are unverified by bank deposits.**

**MEDIUM** · Revenue Integrity · **RF004** · MEDIUM confidence

**Evidence:** 2025 P&L revenue \$1,266,905 vs seller-disclosed 2025 projection \$1,180,000 — actual exceeds projection by \$86,905 (7.4%). Bank statements cover only Sep–Nov 2025 (3 of 12 months).

→ **Next step:** Request full 12-month bank statements for 2025 (Jan–Aug currently unverified) to confirm the full-year revenue figure.

**Utilities are identical every month — no winter heating or summer AC variation. This is a budget-billed pattern or a smoothed estimate; verify against actual utility bills.**

**MEDIUM** · Expense Anomaly · **RF005** · MEDIUM confidence

**Evidence:** 2025 P&L utilities \$21,800 (\$1,816/month flat all 12 months). 2024 Schedule C utilities \$21,100. Utilities show zero seasonal variation across both years despite Ohio's heating/cooling climate.

→ **Next step:** Request 12 months of utility bills (AES Ohio / Columbia Gas) to confirm actual consumption matches the flat P&L figure.

**Employee wages are perfectly flat at \$7,000/month for all 12 months. Part-time hourly staff rarely produce this pattern — verify against payroll records.**

**MEDIUM** · Expense Anomaly · **RF006** · MEDIUM confidence

**Evidence:** 2025 P&L wages \$84,000 (\$7,000/month flat). Seller discloses 5 part-time employees plus owner. Flat hourly wages across all 12 months — no seasonal variation, no vacation coverage, no hours fluctuation.

→ **Next step:** Request 2025 payroll records or quarterly 941 filings to confirm actual wages paid match the P&L.

**Merchandise margin of 35% is at the top of the industry range. Slightly elevated margins can indicate understated COGS — worth confirming with supplier invoices.**

**MEDIUM** · Revenue Integrity · **RF007** · LOW confidence

**Evidence:** 2025 P&L inside/merch sales \$407,000 on COGS of \$263,994 = 35.1% gross margin. Industry benchmark for c-store inside sales is 25–35%. Margin is at the high end; verify against supplier invoices.

→ **Next step:** Request 3 months of merchandise supplier invoices to spot-check COGS against P&L cost of merchandise.

**LOW** · 2 flags

**New owner must invest \$22k–\$32k (net of Marathon credit) in a brand refresh by end of 2028. Disclosed proactively — budget accordingly.**

**LOW** · Physical Environmental · **RF011** · HIGH confidence

**Evidence:** Marathon brand refresh required by Dec 2028. Estimated cost \$30,000–\$40,000; Marathon credit up to \$8,000 pre-approved. Net buyer cost ~\$22,000–\$32,000 within ~3 years of purchase.

→ **Next step:** Confirm the \$8,000 Marathon refresh credit is transferable to new owner and get the requirement in writing from Marathon before closing.

**Lottery revenue is 5.6% of total — above the 4–5% industry norm. Seller disclosed this honestly. Any state lottery policy change would disproportionately affect this store.**

**LOW** · Revenue Integrity · **RF012** · HIGH confidence

**Evidence:** Lottery commission \$70,400 = 5.56% of total revenue. Seller discloses 5.8% lottery concentration, slightly above industry 4–5%. Seller flags this as a single-segment dependency.

→ **Next step:** Review Ohio Lottery retailer agreement terms and confirm lottery terminal is transferable to new owner without reapplication delay.



## SECTION 3

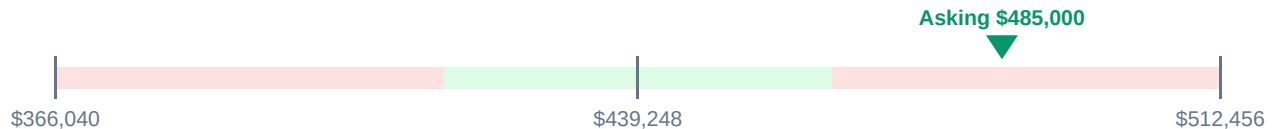
# Valuation

What this business is worth based on its earnings, and where the asking price falls on that range.

## Price Assessment — FAIR

MEDIUM confidence

### SDE-based valuation range



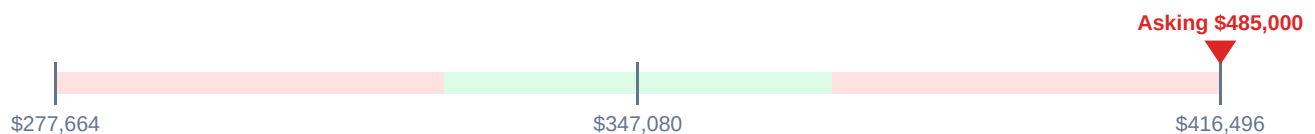
MEDIUM confidence

**Range:** \$366,040 – \$512,456 (mid \$439,248)

**Asking price:** \$485,000

**Where asking sits:** Within fair range

### EBITDA-based valuation range



**Range:** \$277,664 – \$416,496

### Negotiation insight

The \$123,800 inventory question is the most actionable lever: confirm whether inventory is included in \$485,000 or priced separately — if separate, negotiate a verified count at closing and deduct stale/expired items. Secondary lever: the 2028 Marathon brand refresh (\$22,000–\$32,000 net cost) is a known future capital requirement; buyer can reasonably request a modest price concession or seller credit to offset it. The independent appraisal at \$478,000 sets a credible floor — aggressive lowballing is unlikely to succeed given the documented valuation support.

# Limits of this analysis

What BizScore analyzed, what we couldn't analyze with the documents provided, and what we never analyze regardless of documents. Reading this is part of the report.

## Documents analyzed

8 documents analyzed

|                                   |                                 |
|-----------------------------------|---------------------------------|
| 01_pnl_statement_2025.pdf         | 04_equipment_inventory_list.pdf |
| 06_marathon_branded_agreement.pdf | 03_lease_summary.pdf            |
| 02_tax_return_schedule_c_2024.pdf | 05_sellers_disclosure.pdf       |
| 07_owner_personal_letter.pdf      | 08_bank_statement_summary.pdf   |

### Gaps in the documents provided

- Missing P&L line: Property taxes (\$7,100/year per lease summary — not a separate P&L line; may be in Licenses & Permits or Miscellaneous)
- Missing P&L line: Depreciation — omitted from cash-basis (*books that record money only when it actually moves*) P&L; 2024 Schedule C Line 13 shows \$18,400; captured in SDE/EBITDA add-backs
- Missing P&L line: Owner health insurance or benefits — not itemized; common sole-proprietor add-back

### Areas BizScore doesn't assess

Even with perfect documents, the following are outside what this analysis can tell you. Cover them with on-site visits, your attorney, your accountant, or by talking to the seller.

- Physical condition of equipment, the facility, or inventory — we did not visit the site.
- Employee morale, retention risk, or key-person dependency — we did not interview staff.
- Hidden litigation or undisclosed disputes not surfaced in the documents you provided.
- Real-time market dynamics — competitive shifts, margin or pricing changes, or local economic events since the document period.
- The seller's true motivation for selling beyond what they have stated.
- Customer concentration, supplier relationships, or contract terms beyond what appears in financial records.
- Pending regulatory changes or legislation not yet in force.

# What to do next

These are the highest-priority actions from across this report. Bring them to your attorney and accountant before you sign anything.

**HIGH** Request 2022 and 2023 Schedule C returns to verify the disclosed revenue trend (\$1,084,000 → \$1,118,000 → \$1,142,000) against IRS filings.

**HIGH** Request monthly POS reports and fuel delivery invoices for all of 2025 to confirm the revenue acceleration is transaction-driven, not a recording change.

**HIGH** Ask seller's CPA for a formal SDE reconciliation bridging 2024 tax return to 2025 P&L to confirm which year best represents ongoing earnings.

**MEDIUM** Confirm in writing with seller/broker whether inventory (especially \$71,500 fuel) is included in or added to the \$485,000 asking price.

**MEDIUM** Have buyer's attorney review the full lease and the landlord's written transfer commitment to confirm terms are enforceable at arm's length.

## Before you sign anything

Consult a licensed business attorney and a CPA in your state before signing a Letter of Intent or a purchase agreement. BizScore reports are research, not legal or financial advice.