

CONFIDENTIAL OFFERING MEMORANDUM

Johnny's Auto Clinic

Business + Real Estate Opportunity

\$4,200,000 Combined Offering

717 Capitol Dr, San Pedro, CA 90731

Est. 1992 · 3,840 SF · 0.26 AC · SBA Eligible · Seller Financing Available

Exclusively Offered By

The Innate Group, Inc.

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Auto Clinic



Established Automotive Operation with Embedded Real Estate Value

An established automotive operating platform combined with increasingly scarce coastal Los Angeles owner-user real estate.

Johnny's Auto Clinic has been operating since 1992. This offering combines the operating business, transferable infrastructure, and the underlying real estate in a single transaction. The business can be purchased without the real estate, however the real estate is not available to be acquired separately.

For a qualified operator, this is a control-of-location acquisition. The customer base, operating systems, and physical asset are already in place. A buyer steps into an established platform, not a startup.

Additionally, conveyed with the real estate (not the business) is a palm-tree-style cell tower, currently vacant but previously generating over \$36k of passive income annually, with room to expand. Buyer to verify all tower rights, leaseability, permitting, carrier interest, and expansion potential.

Est. 1992

34 Years Operating

3,840 SF

Building

0.26 AC

Site

\$1,400,000

Business Price

\$2,800,000

Real Estate Value

Why This Opportunity Stands Apart

Six structural advantages that define this offering.

34 Years of Continuous Operation

In operation since 1992, established customer goodwill, market recognition, and operating history that cannot be manufactured.

Real Estate Control

Buyer can acquire both the operating business and the underlying owner-user real estate in a single transaction. Business is available for purchase independently. The real estate can only be acquired as a combined transaction.

Transferable Infrastructure

Website, phone number, Google presence, customer database, vendor relationships, and expected employee retention all transfer with the business.

Specialty Credibility + Broad Capability

Johnny's Auto Clinic has long had enthusiast credibility throughout Southern California. The facility services a full range of import and domestic vehicles.

SBA Eligible + Seller Financing

Multiple acquisition structures available. SBA financing eligible. Seller financing may be considered for qualified buyers.

No Customer Concentration

Revenue distributed across a broad retail customer base with no known single-customer dependency.

Operational Platform Overview

This M-1 zoned facility services a broad range of import and domestic vehicles with historical depth in European makes. Buyer acquires an established operating platform with existing customer flow, vendor relationships, online presence, and transferable goodwill.



General Repair & Maintenance



European, Import & Domestic Service



Driveline & Cooling



Scheduled Maintenance



Diagnostics & Electrical



Suspension & Brakes



Front-End & Alignment



MINI Specialty Work



Transferable assets include customer database, phone number, website, Google presence, vendor relationships, and expected employee retention.

Hours

Mon-Fri 7:30am-8:00pm · Sat 7:30am-4:30pm

Bays

11 Service Bays (Four Rows of Three Minus One)

Location

717 Capitol Dr, San Pedro

Full-Service Repair with Specialized MINI Capabilities

Johnny's Auto Clinic is a broad-based import and domestic repair shop with the added ability to service MINI vehicles and other specialty needs. The business serves a full range of customer vehicles, and its MINI expertise is one differentiator among several, not its primary identity. A new operator can maintain the current specialty focus, expand it, or emphasize the shop's wider repair capabilities.

Vendor Relationships Transfer

Established accounts with OEM Factory Parts, World Pac, SSF, IMC, and other suppliers are transferable to a qualified buyer.

Broad Service Reputation

Known for reliable import and domestic repair services with specialty capability available when needed.

Vendor Relationships

OEM Factory Parts, World Pac, SSF, IMC, and more; all accounts transfer.

Specialty Service Capabilities

MINI diagnostics, performance installs, and specialty parts sourcing complement a full-service repair operation.

Operational Flexibility

Maintain the current balance, expand deeper into European/import work, or reposition around the broader shop mix. The infrastructure supports all three.

parts & service

They Fix It Right!



Quick, professional repairs that come with a warranty ...and a smile.

by Peter D. DuPre
photos courtesy
Johnny's Auto Clinic

If there is one thing that every Mini owner needs, it is a good mechanic and repair shop within a reasonable driving distance.

If there is one thing that classic and new Mini owners alike can agree upon, it is that it takes a repair shop with specialized knowledge to repair them properly. Of course, many new MINI owners simply take their vehicles to their dealer, a time-consuming and expensive proposition. As for owners of classic Minis, it is a bit more complicated, repair shops for these cars are few and far between, so unless you really have expertise as a DTE, getting repairs made can be problematic. And what if you own one or two of each? Then your time is spent between the MINI dealer and some distant repair facility for the classic.

Well, if you live in the Los Angeles area, at least, getting both new and classic Minis repaired is easy. Simply drive over to San Pedro and visit Johnny's Auto Clinic. The auto repair technicians at this specialty repair shop have vast experience fixing both new

and classic Minis.

The shop, owned by John DeGrolomo, or Johnny as everybody calls him, has been repairing, customizing and hopping up cars since 1992 at his own shop, and servicing Minis since 2002. John and his staff of 8 technicians and two service writers know and love these plucky little cars. In fact, Johnny himself owns a number of Minis, including a 2005 MINI Cabrio Project Truck, 2003 Cooper S and a Classic Mini. His cabrio was featured in Issue 19 (see, Black Beauty, pg30).



Blitten By The Bug

Although Johnny started out as a Ford Lincoln Mercury specialist, back in the early '80s he got bitten by the European car bug in the late 1990s, and says he "...dove head first into the European market in 2000." He purchased a BMW X-5 in 2001, liked the engineering, and then got turned on by the MINI in 2002.

Being a mechanic/technician, of course he did his

MC2

36 MC2 Magazine www.mc2magazine.com

Specialty capability adds depth, while the core business remains a full-service import and domestic repair shop.

Rare Coastal Los Angeles Automotive Owner-User Opportunity

Functional automotive owner-user real estate in coastal Los Angeles is becoming increasingly difficult to replace.

The real estate at 717 Capitol Dr is not available separately from the business. Coastal Los Angeles owner-occupied automotive properties are constrained by zoning limitations, entitlement barriers, and limited available sites. New supply is not coming.

Illustrative Lease Economics

If sold separately, proposed rent would be approximately \$17,000/month — anchoring the embedded value of the real estate and the owner-user economics of a combined acquisition.

No Lease Renewal Risk w/ Land Purchase
 As the land owner, occupancy is permanent. No term expiration or renewal negotiation.

No Rent Escalation w/ Land Purchase
 No annual rent increases eroding margin when you buy the land, operating costs are stabilized in the near term and drop once you've paid off the financing and own the real estate free and clear.

Long-Term Appreciation
 Coastal Los Angeles automotive-zoned land continues to appreciate.

Passive Income Generation
 A cell tower on the property (currently vacant and conveyed with the real-estate, not the business) can generate rental income annually with room to add a second row of antennas.

Multi-Generational Asset Value
 Ownership creates long-term equity and operating stability.



Address	717 Capitol Dr, San Pedro, CA 90731
Building SF	±3,840 SF
Lot Size	±0.26 AC
Parking	18 Spaces
Year Built	1969
Renovated	1997 (Roof in 2021)
Zoning	M-1 (Limited Industrial or Light Manufacturing)
Traffic Counts	High-Traffic Coastal Corridor
Location	San Pedro / South Bay



Why Owner-Operators Win Through Ownership of the Property

For operators currently leasing space, ownership changes the economics of the business long-term.

Leasing Another Shop

Annual rent burn — no equity created

Landlord controls your occupancy

Lease renewal risk at every term

No participation in property appreciation

Buying Johnny's

Build equity while operating

Control the location permanently

Fixed occupancy cost — no escalation

Capture long-term real estate appreciation

This is a transition from tenant-operator to owner-user.

Positioned in a Supply-Constrained Automotive Market

Independent automotive operators with strong reputations are benefiting from aging vehicles, higher dealership service costs, and a clear shift toward trusted independents. This 34-year-established shop is positioned to capture that demand.

Aging Vehicle Fleet

The average U.S. vehicle age now exceeds 12 years, sustaining demand for independent repair and maintenance.

Rising Dealership Service Costs

As OEM costs rise, consumers are choosing independent operators with transparent pricing and faster turnaround.

Consumer Shift Toward Trusted Independents

Established shops benefit from strong retention and referral networks that are hard to displace.

Scarcity of Automotive-Zoned Properties

Coastal Los Angeles has limited automotive-zoned owner-user sites, and new supply is unlikely.

\$124,528

5-Mile Avg. Household Income

\$93,322

5-Mile Median Household Income

\$575.6M

1-Mile Consumer Buying Power

\$4.7B

3-Mile Consumer Buying Power

\$9.5B

5-Mile Consumer Buying Power

11.9K VPD

W Capitol Dr / N Gaffey St Traffic

19.1K VPD

N Gaffey St / Gatun St Traffic

Multiple Paths for Future Expansion

The following opportunities are available from day one — none require significant capital investment or facility changes.

Revenue Expansion

- Rebrand to broaden appeal.
- Add fleet, commercial, and ADAS-adjacent services.
- Expand import and domestic volume.

Throughput Optimization

- Optimize bay scheduling to increase revenue per lift.
- Add a service advisor to improve ticket size.
- Improve upsell conversion.

Fleet & Commercial Accounts

- Build a fleet outreach list in San Pedro, Harbor, and South Bay.
- Fleet accounts generate recurring, predictable revenue.
- Keep marketing costs minimal.

Digital Marketing

- Run targeted Google Ads on high-intent keywords: brakes, diagnostics, oil change, suspension.
- Build a systematic review generation process.

Customer Retention

- Activate the customer database with service reminders and seasonal promotions.
- Use email and text campaigns for high-ROI, low-cost outreach.

Upside driven by operator execution — not capital investment.

Financial & Operational Snapshot

Financial documentation provided to qualified buyers following NDA execution.

BUSINESS

Field	Detail
Annual Gross Revenue	Provided During Diligence
SDE / EBITDA	Provided During Diligence
Payroll / Headcount	Provided During Diligence
Major Equipment List	Provided During Diligence

PROPERTY & OPERATIONS

Field	Detail
Inventory Value	Minimal
Work in Progress	Minimal
Deferred Maintenance	None Reported
Building / Roof	Renovated 1997 Roofing and Wood Panels Redone in 2021
CUP / Nonconforming Use	Metal awnings and coverings were added without permits
Hours	Mon-Fri 7:30am-8:00pm · Sat 7:30am-4:30pm
Bays	11

Seller to provide finalized financial documentation during buyer diligence. All figures subject to verification.

Offering Structure

The preferred transaction is a combined sale of the operating business and underlying real estate to a qualified owner-user.

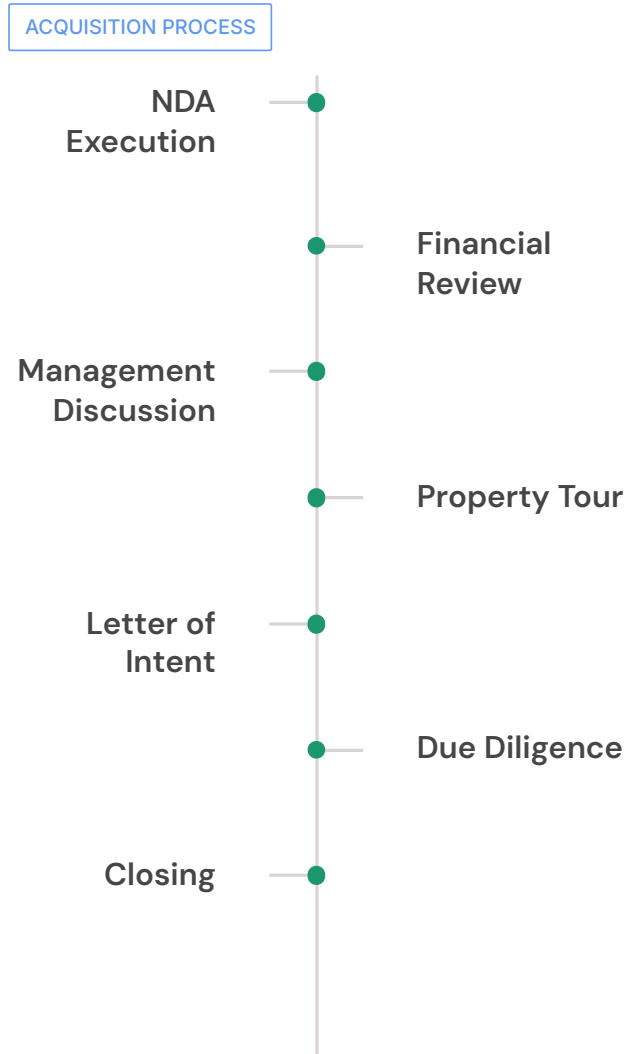
Preferred Structure — Combined Sale

Business Asking Price	\$1,400,000
Real Estate Value	\$2,800,000
Combined Asking Price	\$4,200,000
Land-Only Sale	Not Available
Financing	SBA Available
Seller Financing	Available — Qualified Buyers
Confidentiality	NDA Required

Alternative — Business-Only Lease Structure

Business-only structures may be considered selectively. Under a business-only scenario, proposed monthly rent would be approximately \$17,000/month. Combined sale of the business and real estate to a qualified owner-user is preferred.

Additional information available to qualified parties following NDA execution.



Offering Memorandum — Confidentiality Notice

Acceptance of this Offering Memorandum constitutes agreement to the terms of confidentiality outlined below.

Accuracy & Reliability

This OM has been prepared by The Innate Group, Inc. based on information from sources deemed reliable. No warranty is made as to its accuracy and it is subject to correction, change of price, or withdrawal without notice.

Confidentiality & Distribution

This OM is delivered to a limited number of qualified parties. Recipients agree not to copy, reproduce, or distribute this OM without prior written consent from The Innate Group.

Scope of Information

This OM does not constitute a complete summary of the property or all related documents. Prospective buyers are expected to conduct independent due diligence on all matters they deem appropriate.

Financial Projections

All financial projections are based on assumptions subject to material variation. They should not be relied upon as guarantees of future performance.

Additional Access & Rights Reserved

Additional information and site access will be made available to qualified prospective purchasers. The Innate Group reserves the right to withdraw this offering at any time without notice.

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