

Khayat Enterprises

Single Site #NR4886A

Grass Lake Road west at
Deep Lake Road
Lake Villa, IL

CONFIDENTIAL

September 11, 2018

Chris Khayat
Khayat Enterprises
850 Tower Road
Lake Villa, IL 60046



Single Site #: NR4886A

Lat. / Long: 42.441660
-88.062866

Dear Chris:

Attached you will find a summary of the additional scenario depicting gasoline, convenience store, quick service restaurant, diesel, and car wash projections, detailed projection analyses, and associated reports for your site at Grass Lake Road west at Deep Lake Road in Lake Villa, IL. The site was evaluated as a city street location and is currently undeveloped. The study was based on site-specific information supplied by you as reflected in the attached site plan and Site Recommendation Forms. Kalibrate has found that the trade area for this site, when offering gasoline and convenience store products, is 4-miles. During the survey, we found limited quick service restaurant competition within that 4-mile trade area, so it was necessary to extend the trade area to 5 ½ miles, where the gasoline and convenience store trade area remains at 4-miles.

The attached volume projections are based upon competition as it existed at the time of the survey, August 16th, 2018. If any existing competitive outlets are rebuilt or modernized, or new outlets are opened within the trading area, these projections could be negatively impacted. Please note the subject site's potential gasoline volume projection and retail diesel fuel volume projection were derived independently of each other. The retail diesel fuel volume projection does not include volume generated by commercial vehicles or diesel fuel sold from the high speed pumps. Please note the subject site's potential convenience store sales projection excludes revenues generated by lottery, any liquor other than beer, and money orders. The car wash, and quick service restaurant food offering volume projections were generated independent of the convenience store, and each other.

Please be advised that any deviation in the facility constructed compared to the attached site plan and Site Recommendation Forms may impact this site's estimated volume potentials. These estimated volume potentials have been developed in accordance with Kalibrate's established procedures and Kalibrate does not warrant that the estimated volume projections will be achieved. Kalibrate recommends that the developer and financial provider for the project perform their own financial analysis for the subject site.

Do you want to test additional strategies? Competitor changes? Demand changes? Kalibrate can run additional tactics for you at this location for \$300 per tactic.

We have enjoyed working with you on this study. If you have any questions, please call.

Sincerely,

Nick Ary
Kalibrate
Retail Network Planning Consultant

**Additional tactics
available for
\$300 each**

cc: M. Hillhouse – Kalibrate

Kalibrate

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Grass Lake Road west at Deep Lake Road
Lake Villa, IL

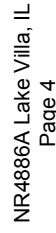
Single Site #: NR4886A
Lat. / Long: 42.441660
-88.062866

GASOLINE / CONVENIENCE STORE / QUICK SERVICE RESTAURANT / DIESEL / CAR WASH TACTICS

CASE	STRATEGY	GASOLINE ('000 gal/mo)		CONVENIENCE STORE (\$, '000/mo)		QUICK SERVICE RESTAURANT (\$, '000/mo)		DIESEL ('000 gal/mo)		CAR WASH (cars/mo)		PRICING STRATEGY
		BRAND	PROJ VOL	BRAND	SIZE (sq. ft.)	PROJ VOL	BRAND	BRAND	PROJ VOL	BRAND	PROJ VOL	
5	New Build	Mobil	193	Lake House Mkt	Over 5,000	139	Dunkin' Donuts	Mobil	14	Mobil	1920	Price in between Murphy and Base Case
												Y

CASE 5:

- Build a Mobil branded station with 6 pumps / 12 fueling positions of gasoline and 2 pumps / 3 fueling positions of diesel
- **Set the gasoline prices, split evenly in between, the nearby competitive Murphy USA (#12911) and the next lowest competitor**
- **Set the diesel price 2 cents per gallon (cpg) below the nearby competitive BP branded station (#20096)**
- Build a Lake House Market branded convenience store in a building over 5,000 sq. ft. in size, with 20 dedicated parking spaces and 26 cooler doors
- In the convenience store, build a Dunkin' Donuts branded quick service restaurant
- On the lot, build a Mobil branded long tunnel car wash
- Set the hours of operation to 24 hours a day, 7 days a week





Demographic Summary Report

Gas Brand: MOBIL	Address: GRASS LAKE RD / W @ DEEP LAKE RD	Outlet Number: 11801
C-Store Brand:	Suburb: LAKE VILLA	Client Number:
QSR Brand:	Latitude/Longitude: 42.441660 / -88.062866	Radius Selected: 5.50 miles

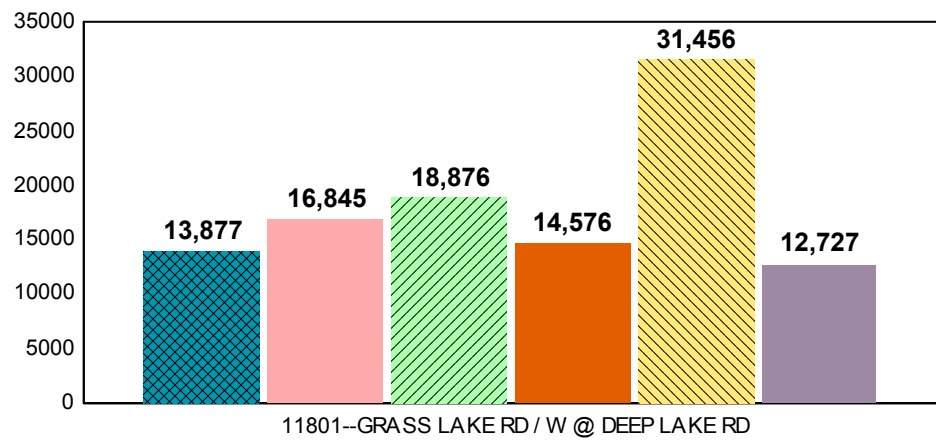
Local Area Demographics

NUMBER OF HOUSEHOLDS	36,651
MEDIAN HOUSEHOLD INCOME	86,510
POPULATION	108,357
NUMBER OF EMPLOYEES	26,420

Population by Age Range and Gender

Age	#	%
UNDER 10	13,877	12.8
10 TO 19	16,845	15.5
20 TO 34	18,876	17.4
35 TO 44	14,576	13.5
45 TO 64	31,456	29.0
OVER 64	12,727	11.7

Population by Age



Gender	#	%
MALE	54,187	50.0
FEMALE	54,170	50.0

#Under 10 #10 to 19 #20 to 34 #35 to 44 #45 to 64 #Over 64

Population by Ethnicity

	#	%
CAUCASIAN	73,988	69.4
AFRICAN AMERICAN	3,771	3.5
HISPANIC	22,743	21.3
ASIAN	5,718	5.4
OTHERS	350	0.3

Market: NR4886

Study Date: 8/16/2018

Run Date: 8/30/2018 4:27:57PM

Local Area Price - Fuels

Subject Outlet / Site Information

Brand Name: MOBIL

Client Number:

Address: GRASS LAKE RD / W @ DEEP LAKE RD

Outlet Number: 11801

Suburb: LAKE VILLA

Predominant
Grade Gas

Diesel

Brand Name	Outlet No.	Address	Type Operation	Gasoline Volume	Diesel Volume	C-Store Volume	Dist. from Subject Site	Petrol Mix	SELF	ATTD
MOBIL	11801	GRASS LAKE RD / W @ DEEP LAKE RD	UN CONST							
MURPHY USA	12911	467 RT 173 / W / DEEP LAKE RD	COMPANY	246	12		1.73	E 10	277.9	274.9
	11802	309 RT 173 / W / DEEP LAKE RD	CLOSED				1.77			
BP	20096	980 E GRAND AV / DEEP LAKE RD	JOBBER	104	6	42	1.81	E 10	297.9	273.9
CITGO	20084	MILWAUKEE AV / 400 E GRAND AV	JOBBER	86	5	121	1.86	E 10	295.9	276.9
SHELL	20085	31 S MILWAUKEE AV / GRAND AV	JOBBER	138		82	1.89	E 10	295.9	
CITGO	20087	41082 N HWY 83 / N / BEACH GROVE RD	JOBBER	88	5	42	1.99	E 10	297.9	275.9
	11803	AINSLEY DR / W @ 1456 S MAIN ST	CLOSED				2.14			
MARATHON	10002	24480 W GRASS LAKE RD / RTE 59	JOBBER	123	14	87	2.52	E 10	294.9	314.9
CLARK	20095	2041 E GRAND AV / N / SAND LAKE RD	JOBBER	86			2.70	E 10	294.9	
MOBIL	20094	2200 E GRAND AV / SAND LAKE RD	JOBBER	144	12	56	2.91	E 10	295.9	276.9
MARATHON	20097	36809 N HWY 83 / ENGLE DR	JOBBER	97		54	3.02	E 10	296.9	
MURPHY USA	11611	MONAVILLE RD / 2676 HWY 83	COMPANY	287	18	161	3.14	E 10 E 15	295.9	273.9
BP	12102	US RT 45 / 3200 SAND LAKE RD	JOBBER	186	9	122	3.78	E 10	299.9	305.9
BP	11804	1275 N HWY 83 / LAKE ST	JOBBER	124		67	5.27	E 10	296.9	
Number of Outlets:		15	Average	142	10	83			295.1	284.2

Market: NR4886
Study Date: 8/16/2018

Category: Case
Case Name: NR4886 Case 5 - Split price be
Report: 5

Study Date: 8/16/2018
Market: NR4886

Data Summary - Volumes - Gasoline

			Case Volumes			
Brand Name Address	Outlet No.	Product	Projected (,000 gal/mo)	Database (,000 gal/mo)	Change	% Change
MOBIL GRASS LAKE RD / W @ DEEP LAKE RD	11801	Gasoline	193	0	193	100.0
MURPHY USA 467 RT 173 / W / DEEP LAKE RD	12911	Gasoline	189	246	-57	-23.2
MARATHON 24480 W GRASS LAKE RD / RTE 59	10002	Gasoline	104	123	-19	-15.4
CITGO 41082 N HWY 83 / N / BEACH GROVE RD	20087	Gasoline	69	88	-19	-21.6
SHELL 31 S MILWAUKEE AV / GRAND AV	20085	Gasoline	120	138	-18	-13.0
MURPHY USA MONAVILLE RD / 2676 HWY 83	11611	Gasoline	271	287	-16	-5.6
BP 980 E GRAND AV / DEEP LAKE RD	20096	Gasoline	89	104	-15	-14.4
BP US RT 45 / 3200 SAND LAKE RD	12102	Gasoline	175	186	-11	-5.9
CITGO MILWAUKEE AV / 400 E GRAND AV	20084	Gasoline	75	86	-11	-12.8
MOBIL 2200 E GRAND AV / SAND LAKE RD	20094	Gasoline	133	144	-11	-7.6
CLARK 2041 E GRAND AV / N / SAND LAKE RD	20095	Gasoline	79	86	-7	-8.1
MARATHON 36809 N HWY 83 / ENGLE DR	20097	Gasoline	91	97	-6	-6.2

Category: Case
Case Name: NR4886 Case 5 - Split price be
Report: 5

Study Date: 8/16/2018
Market: NR4886

Data Summary - Volumes - C-Store

			Case Volumes			
Brand Name Address	Outlet No.	Product	Projected (\$,000/mo)	Database (\$,000/mo)	Change	% Change
LAKE HOUSE MARKET GRASS LAKE RD / W @ DEEP LAKE RD	11801	C-Store	139	0	139	100.0
CITGO MILWAUKEE AV / 400 E GRAND AV	20084	C-Store	94	121	-27	-22.3
MARATHON 24480 W GRASS LAKE RD / RTE 59	10002	C-Store	64	87	-23	-26.4
CIRCLE K 31 S MILWAUKEE AV / GRAND AV	20085	C-Store	64	82	-18	-22.0
QUIK MART 41082 N HWY 83 / N / BEACH GROVE RD	20087	C-Store	25	42	-17	-40.5
MURPHY USA MONAVILLE RD / 2676 HWY 83	11611	C-Store	147	161	-14	-8.7
TO GO US RT 45 / 3200 SAND LAKE RD	12102	C-Store	112	122	-10	-8.2
BP 980 E GRAND AV / DEEP LAKE RD	20096	C-Store	32	42	-10	-23.8
MOBIL 2200 E GRAND AV / SAND LAKE RD	20094	C-Store	49	56	-7	-12.5
MARATHON 36809 N HWY 83 / ENGLE DR	20097	C-Store	49	54	-5	-9.3
7-ELEVEN 803 W ROLLINS RD / LOTUS DR	20080	C-Store	98	102	-4	-3.9
7-ELEVEN 1280 N HWY 83 / LAKE ST	11805	C-Store	122	124	-2	-1.6

Category: Case
Case Name: NR4886 Case 5 - Split price be
Report: 5

Study Date: 8/16/2018
Market: NR4886

Data Summary - Volumes - QSR

Case Volumes

Brand Name Address	Outlet No.	Product	Projected (\$,000/mo)	Database (\$,000/mo)	Change	% Change
DUNKIN DONUT GRASS LAKE RD / W @ DEEP LAKE RD	11801	QSR	36	0	36	100.0
MCDONALDS 1275 N HWY 83 / LAKE ST	11804	QSR	109	122	-13	-10.7
DUNKIN DONUT US RT 45 / 3200 SAND LAKE RD	12102	QSR	29	41	-12	-29.3
7-ELEVEN 803 W ROLLINS RD / LOTUS DR	20080	QSR	11	14	-3	-21.4
7-ELEVEN 1280 N HWY 83 / LAKE ST	11805	QSR	15	17	-2	-11.8

Category: Case
Case Name: NR4886 Case 5 - Split price be
Report: 5

Study Date: 8/16/2018
Market: NR4886

Data Summary - Volumes - Diesel

			Case Volumes			
Brand Name Address	Outlet No.	Product	Projected (,000 gal/mo)	Database (,000 gal/mo)	Change	% Change
MOBIL GRASS LAKE RD / W @ DEEP LAKE RD	11801	Diesel	14	0	14	100.0
MURPHY USA 467 RT 173 / W / DEEP LAKE RD	12911	Diesel	8	12	-4	-33.3
MARATHON 24480 W GRASS LAKE RD / RTE 59	10002	Diesel	11	14	-3	-21.4
MURPHY USA MONAVILLE RD / 2676 HWY 83	11611	Diesel	16	18	-2	-11.1
MOBIL 2200 E GRAND AV / SAND LAKE RD	20094	Diesel	10	12	-2	-16.7

Category: Case
Case Name: NR4886 Case 5 - Split price be
Report: 5

Study Date: 8/16/2018
Market: NR4886

Data Summary - Volumes - Car Wash

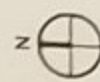
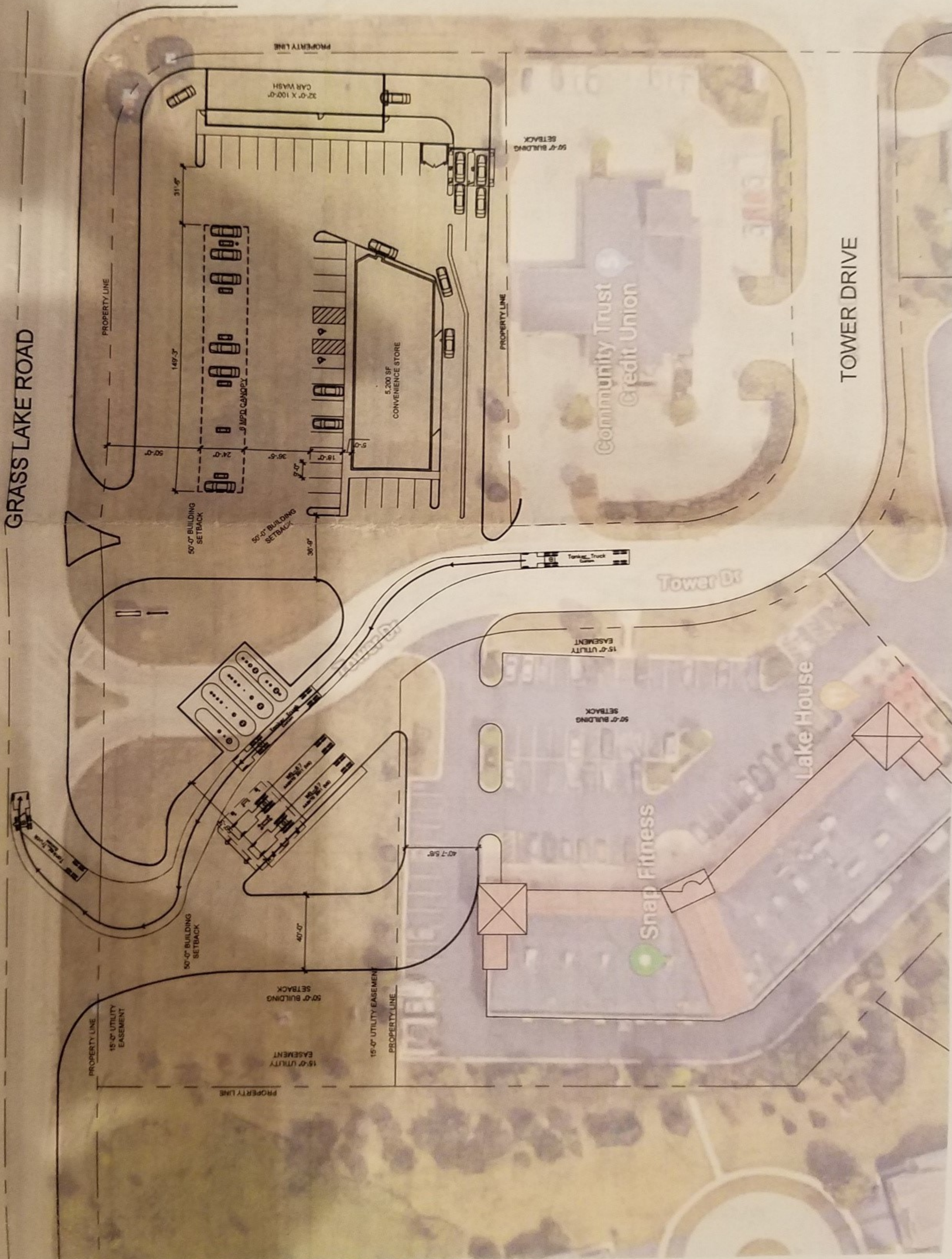
Case Volumes

Brand Name Address	Outlet No.	Product	Projected (cars/mo)	Database (cars/mo)	Change	% Change
MOBIL GRASS LAKE RD / W @ DEEP LAKE RD	11801	Car Wash	1920	0	1920	100.0
5 DOLLAR CW 309 RT 173 / W / DEEP LAKE RD	11802	Car Wash	3413	4250	-837	-19.7
MAIN ST CW AINSLEY DR / W @ 1456 S MAIN ST	11803	Car Wash	2820	3390	-570	-16.8
CIRCLE K 31 S MILWAUKEE AV / GRAND AV	20085	Car Wash	1701	2030	-329	-16.2
MOBIL 2200 E GRAND AV / SAND LAKE RD	20094	Car Wash	1226	1335	-109	-8.2

GRASS LAKE ROAD

DEEP LAKE ROAD

TOWER DRIVE



Single Site Analysis Site Recommendation / Tactic Form

1. OUTLET NUMBER 11801		BRAND SIGN M O B I L		LATITUDE 42° 15' N		LONGITUDE 88° 15' W	
ADDRESS CRASS LAKE RD / TOWER		SUBURB/CITY LAKE VILLAGE		STATE IL		COUNTRY USA	
OUTLET NAME		TYPE OPERATION LESSEE DEALER		JOBBER		COMPANY OWNED/FRANCHISEE OPERATED	
2. STRATEGY TYPE NEW BUILD		3. TYPE LOCATION CROSS STREET		4. SITE LOCATION INSIDE		5. TYPE OPERATION LESSEE DEALER	
6. LOT SIZE 100 FT OR LESS (30 M OR LESS)		7. OUTLET LANDSCAPING		8. TRAFFIC PRIMARY STREET		9. PUMPS PETROL/GASOLINE	
10. FUELING POSITIONS		11. PUMP PRICES		12. FORECOURT		13. HOURS OPEN	
14. CONVENIENCE STORE		15. QUICK SERVICE RESTAURANT		16. CAR WASH		17. AVERAGE SALES ESTIMATE	
18. Describe changes at competitive outlets that you feel will result if the tactic is implemented at this site.		19. Specify demographic changes planned for the area around the site. Attach another sheet if needed.		20. # of Multi or Single Unit Housing Changes		21. # of Housing Units	
22. Outlet Number		23. Competitive Reaction		24. First Street		25. Second Street	
26. Commercial		27. Industrial		28. School		29. Enrollment	