



SITE SELECTION QUESTIONS & ANSWERS

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Of the 5 Phases of site selection you highlighted, is there a specific phase retailers often overlook or spend less time on than they should?

- It is not really that it is a phase they overlook, it is some of the steps inside of the phase that get overlooked. We see many retailers blow past the Financing portion thinking that pre-pays will cover things, but in reality you do not get those until the first gallon is pumped. If you are a larger retailer, financing may be an afterthought, but with most retailers you need to start this process early in Phase 4 to ensure you allow the 60-90 day process to get clearance for any financial needs. If you are looking at SBA, plan for 4-6 months to obtain that financing. Be advised that a new development line of credits require a greater upfront capital outlay, i.e. lower debt to value ratio.

What are common areas site Pro Formas tend to be off and why?

- We see that many times they underestimate expenses and allow for scope creep and change orders to rule to entire development. It is okay for quick add ons or enhancements to the site, but be very mindful because those are just more dollars out of the project that will take more time to recover. In addition, we often see that governmental and environmental due diligence could have a major impact on Pro Formas, be very mindful of this possibility and contingency.

Does WEnd Consulting have Due Diligence checklists for new sites as well as for existing M&A sites a retailer might purchase?

- Absolutely, we work directly with many retailers to provide this punch list and guidance to ensure items are not missed or overlooked. I can be reached out to directly to obtain a copy of what we use to check off all of the due diligence.

Does WEnd Consulting use, for site selection, cell traffic data such as safegraph or placer.ai?

- Cell traffic data is a relatively new data point that we have been looking at to see if this has any impact on either the IMST/Kalibrate studies. We are looking to analysis this data impact, plus or minus, on the Pro Formas and against the expected gallons and inside sales.

Any other closing thoughts?

- Though the process seems simple to execute, do know that we recommend that you work through each phase and come back to each of the steps to ensure you are staying on track. This is something that many people fail in any project they embark on. Engage others out there to ensure you are getting the best advise and avoid some of the pitfalls that others in you space may have fit.