



Aziz Convenience Stores LLC, DIP

K E E N

A GORDON BROTHERS COMPANY

TRANSACTION SUMMARY

THE COMPANY

- Aziz Convenience Stores LLC was the largest privately-owned, independently branded convenience store/gas station chain in the Southern Texas market. The chain, headquartered in McAllen, TX, operated 28 convenience stores/gas stations.
- Despite having positive EBITDA, the company was unable to service its \$28 million indebtedness and owed back sales taxes of \$10 million. In Chapter 11, the company hired Keen to create an exit by simultaneously marketing the business and its assets for multiple alternative transaction structures including sale-leaseback of the store locations, sale of the business, joint-venture, recapitalization or refinance.

THE TRANSACTION

- Keen aggressively marketed the opportunity and secured a \$28,000,000+ Stalking Horse Contract with a Sunoco affiliate. Following a robust overbid auction, Sunoco won the business for \$41,600,000.
- Separate from the convenience store/gas station chain, Keen sold a 200-acres parcel and negotiated a private sale contract on an as-is basis with a very quick closing for \$5,000,000.



Sold
28 store, c-store/gas station
chain as a Going-Concern and
200-acre parcel,
Hidalgo County, TX,
\$46,600,000



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THE COMPANY

- Established in 1983, Aziz Convenience Stores LLC was a privately owned and operated, independently branded, chain of 28 convenience stores/gas stations, located in Southern Texas. Headquartered in McAllen, TX, the chain provides gas and classic convenience store type items. The chain was the largest independently branded convenience store/gas station chain in the market.

THE SITUATION

- Despite the Company's TTM EBITDA of \$3M, they filed Chapter 11 in the US Bankruptcy Court for the Southern District of Texas. Keen was retained to create an exit for the debtor by simultaneously marketing the business and its assets for multiple alternative transaction structures including sale-leaseback of the store locations, sale of the business, joint-venture, recapitalization or refinance. In addition to the 28 convenience stores/gas stations, Aziz owned a 200-acre undeveloped and unentitled parcel of land on the outskirts of Hidalgo County.

THE TRANSACTION

- Keen aggressively marketed the opportunity and secured a \$28,000,000+ Stalking Horse Contract with Susser Petroleum Property Company LLC d/b/a Sunoco. Keen then marketed the Stalking Horse Contract for overbid and, at an auction with active bidding, Susser secured the business for \$41,600,000.
- Separate from the convenience store/gas station chain, Keen aggressively marketed and identified a buyer for the 200-acres parcel and negotiated a private sale contract on an as-is basis with a very quick closing for \$5,000,000.



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REFERENCES

- Douglas J. Brickley (Jefferies LLC): (281) 774-2086 or dbrickley@Jefferies.com
- Matthew S. Okin, Esq. (Okin & Adams LLP): (713) 228-4101 or mokin@okinadams.com

Aziz Convenience Stores, DIP Marketing Plan

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ADVERTISING AND MARKETING BUDGET		Budget		
		# of Runs	Sub Total	\$23,510
Print Advertisements: Daily				
WSJ - Southwest - 2x3 ad, (Wed & Sat)	\$1,692	1	\$1,692	
Dallas Morning News - 2x3 ad Friday	\$1,468	2	\$1,468	
Houston Chronicle - 2x3 ad (Monday - Business/Commercial Real Estate Section)	\$616	1	\$616	
Fort Worth Star Telegram - 2x3 ad (Sunday)	\$900	1	\$900	
San Antonio Express-News- 2x3 ad (Weekly)	\$1,849	1	\$1,849	
Corpus Christi Caller Times - 2x3 (Sunday)	\$516	1	\$516	
Austin American Statesman - 2x3 (Sunday)	\$1,059	1	\$1,059	
La Manana - 2x3 ad (Wed & Sun)	\$256	1	\$256	
The Monitor - 2x3 (Sunday)	\$524	1	\$524	
Valley Town Crier - 2x3 (Weekly)	\$481	1	\$481	
Business				
Dallas Business Journal - one block	\$785	1	\$785	
Trade and Association Websites				
NACS - Online: Super Leaderboard Banner - 2-weeks	\$1,200	1	\$1,200	
Trade and Association eNewsletters				
National Real Estate Investor eNews - 44,000	\$1,529	1	\$1,529	
Texas Real Estate Business eNews - 4 Weeks	\$2,353	1	\$2,353	
Convenience Store News & Petroleum - Leaderboard (CSP Daily News) - 40,000 Circulation	\$1,080	1	\$1,080	
Convenience Store News - Leaderboard (Daily Newsletter)	\$2,500	1	\$2,500	
Estimated Production & Planning Costs	\$4,702		\$4,702	
Internet Marketing, Listings & Email Campaigns:				
		# of Runs	Sub Total	\$4,291
Keen Website - property will be listed on greatamerican.com/keen	x		\$0	
Loopnet - property listing via online database that provides nationwide coverage	x		\$0	
Loopnet - property will be "Spotlight" on Loopnet.com (per month)	\$70	4	\$280	
Loopnet - Option 3 (LoopNet News, Sponsored Property, Spotlight)	\$1,905	1	\$1,905	
Costar.com - property will be listed on this online database that provides nationwide coverage	x		\$0	
Costar.com - properties will be showcased on Costar's sister site Showcase.com (per month)	x	4	\$0	
Daily DAC - Deal Acquisition Central e-Newsletter. (no cost)	x		\$0	
Bizbuysell.com - opportunity will be listed on this website	\$70	3	\$210	
Businessbroker.net - opportunity will be listed on this website	\$250	1	\$250	
ePropertyPush.com - E-mail blast that is sent out to over 23,000 commercial brokers, investors and agents nationwide	\$119	2	\$238	
PropertyBlast.com - E-mail blast that is sent out to over 90,000 commercial brokers and agents nationwide.	\$159	2	\$318	
PropertySend.com - E-mail blast that is sent out to over 65,000 contacts (buyers, brokers, agents, owners and	\$129	2	\$258	
BigBoysBlast.com - E-mail blast that is sent out to over 8,000 investors and 115,000 brokers nationwide	\$150	2	\$300	
LandsOfAmerica.com - Monthly Listing Charge	\$83	4	\$332	
Landwatch.com - Monthly Listing Charge	\$50	4	\$200	
PropertyAuction.com - property listing via online database that provides nationwide coverage.	x		\$0	
Dataroom				
Secure Dataroom for Due Diligence Materials	\$900	1	\$900	
Signage				
4x5 - Double Sided Sign on 4x4 Posts Installed	\$750	1	\$750	
Email Campaign:				
		# of Runs		\$0
Email notices and reminders to be sent to custom targeted lists	\$0	5	\$0	
Miscellaneous:				
Estimated cost of Postage, FedEx, showings, etc.	\$500			
TOTAL ADVERTISING/MARKETING BUDGET				\$29,951