

Background Information on Petro-Tech's Cook Road Project

Background

Island Energy distributes heating oil and diesel fuel and provides heating and cooling services on the Island. The company is owned by Jay McMann and Brian McBride and has offices and a storage facility located at 44 Evelyn Way in Vineyard Haven (the "EW Property").

In late 2011, Petro-Tech, another entity owned by Jay and Brian, purchased Parcel 22-C-5.1 on Cook Road in Vineyard Haven (the "CR Property") through the Cook Road Realty Trust. The CR Property is directly behind the EW Property, sharing a 78+/- common boundary.

The Project

Petro-Tech is now applying for permission to construct a 50' x 60', two-story building on the CR Property (the "Building"). The 3,000 square-foot first floor will have a 20' x 30' office in one corner and the balance will be used as a commercial garage. The garage will have a recessed pit which will enable mechanics to perform oil changes and repair work more easily. The recessed pit will have standard safety features, including waste oil collection and ventilation.

There will be a 1,500 square foot mezzanine apartment over half of the first floor of the Building.

New stormwater drains will be installed behind and in front of the Building (see plot plan for location).

The CR Property has six direct abutters in total, five commercial and one residential (Parcel 8-K-1.1). The residential abutter is Daniel Vignolo, who owns a local company called Island Copper. Petro-Tech has developed a good relationship with Daniel over the last year, during which they shared the costs of clearing and upgrading the portion of Cook Road that separates their lots. Petro-Tech has discussed this project with him and assured him that it will 1) cover the side of the Building facing his lot with shingles and 2) plant a reasonable amount of shrubbery/etc. on that side of the Building for aesthetic purposes.

Uses of the Building

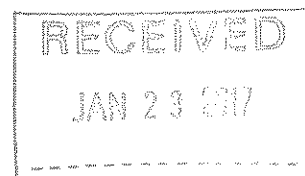
The first floor office and garage space will be leased to MV Fabrication, a local commercial vehicle repair business. This business currently operates out of a much smaller facility located on a property adjacent to the CR Property. MV Fabrication does oil changes, brake repair and other routine maintenance on commercial vehicles; it does no repair work on cars. We estimate that approximately 10 customers per day will enter and exit the CR Property.

The mezzanine apartment will be rented to employees of Island Energy or MV Fabrication.

Access Alternatives for the CR Property

Once the project is completed, there will be three alternatives for accessing the CR Property (see attached map):

Alternative 1



- Turn from State Road onto Cook Road and proceed to the CR Property.
- Currently, this is the primary alternative used by customers of MV Fabrication.

Alternative 2

- Turn from State Road onto Evelyn Way, turn left onto Lyle Lane, turn left onto Cook Road, and proceed to the CR Property.
- The work to establish this alternative was completed in September 2016.
- In the future, this alternative could be used more frequently by customers of MV Fabrication.

Alternative 3

- Entry to the CR Property via a ramp on the EW Property.
- Island Energy has obtained a building permit to construct this ramp. The ramp will have reinforced concrete walls and be no more than 6' high at its highest point.
- Once the ramp is completed, this alternative will only be used by vehicles (primarily cars) associated with Island Energy. Approximately five vehicles per week would use the ramp to access the CR Property.

