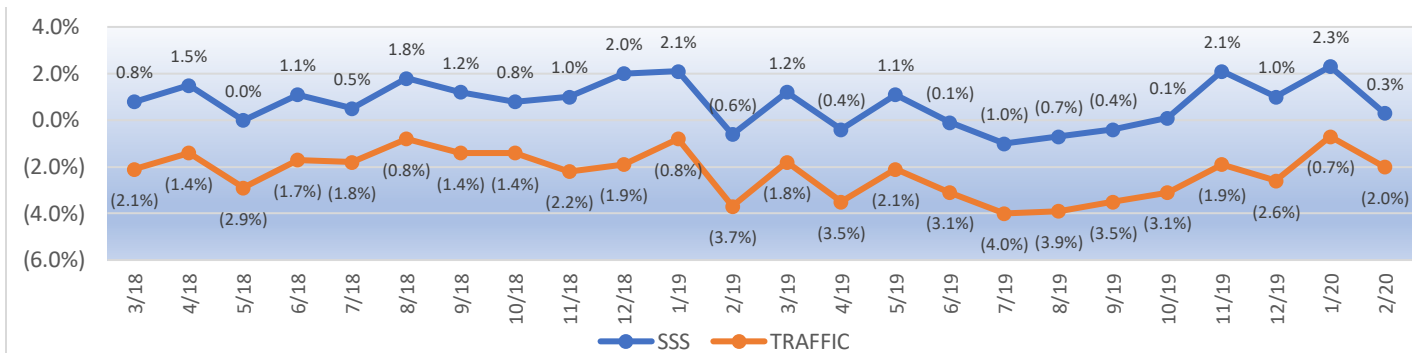


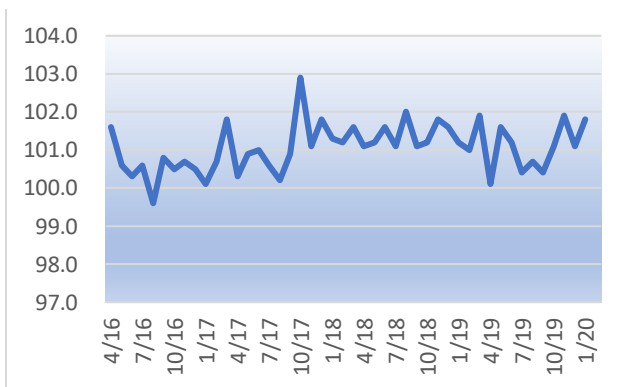
SAME STORE SALES & TRAFFIC



Source: Compass RCR and TDn2K

RESTAURANT PERFORMANCE INDEX

101.8 +0.7%

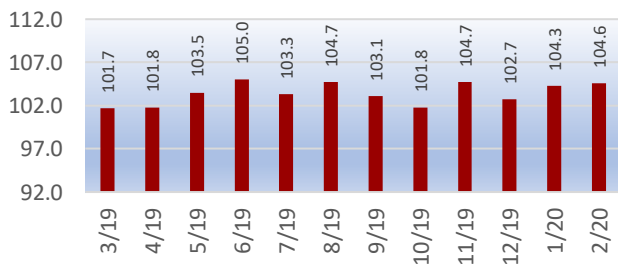


Source: National Restaurant Association and Compass RCR

<b>Current Situation Index:</b>	<b>101.6</b> ↑ <b>+1.1%</b>
\$ Same Store Sales:	66% Reported increase over December 2018
👤 Customer Traffic:	51% Reported increase over December 2018
🏗️ Capital spending:	52% Capital expenditures increased in last 3 months
<b>Expectations Index:</b>	<b>102.0</b> ↑ <b>0.2%</b>
\$ Sales outlook:	63% Expect higher sales in next 6 months
🏗️ Capital spending:	61% Plan to make capital expenditures in next 6 months
📊 Economy:	23% Expect economic conditions to improve during next 6 months

SMALL BUSINESS OPTIMISM INDEX

104.6 +0.3 points



TOP CONCERNS: Even though this is Feb. Report; we are including the growing concern over the Coronavirus outbreak.

- **Operators express growing concern over Coronavirus**
- **Retaining and recruiting quality employees** – 97%; more reasonable solutions materialize.
- **Labor and related expenses** – 90%; pressure continues as new wages increases and regulations take effect.

Graph Source: NFIB and Compass RCR

CONSUMER OPTIMISM: As of 3/13/20: 95.9 February 2020: 101.0 Decline directly attributable to Coronavirus

CORONAVIRUS CONCERNS:

Outbreak is beginning to impact all aspects of daily life with many restaurants in more dense population centers (NYC, San Francisco, Seattle, Philadelphia, Baltimore and LA) reporting substantial cancellations in reservations & reduction of walk-in traffic. Retail is beginning to see a reduction in foot traffic as consumers are shunning public gathering places with self-imposed “social distancing.” A growing list of businesses, centers of education, entertainment & government closures along with conference cancellations will have an economic impact – how long/to what degree is hard to tell. CDC and WHO predict a 30-day recovery once peak is reached. We agree with CDC/WHO and urge people to not panic; be sensible and smart in daily activities.