

Attachment B to Agenda File No. 2015-1645

CURRENT LEASE INFORMATION SUMMARY

Lessee:	San Diego Refrigerated Services, Inc.		
Location:	Warehouse B, Tenth Avenue Marine Terminal, San Diego 92101		
Area:	Approximately 433,965 square feet		
Use:	<p>To provide refrigerated and freezer warehouse services for the handling, shipping, receiving, delivery and storage of chilled and/or frozen food commodities imported/exported by waterborne vessel and the Lessor's Tenth Avenue Marine Terminal.</p> <p><u>Maritime/domestic ratio of 80/20</u> 80% of Lessee's total annual metric tonnage shall be imported and/or exported by waterborne vessel through Lessor's Tenth Avenue Marine Terminal.</p> <p>Refrigerated and freezer warehouse services for domestic chilled and/or frozen food commodities not transported by waterborne vessel, shall not exceed 20%.</p>		
Term:	25 Years – July 1, 2000 – June 30, 2020 July 1, 2020 – June 30, 2025 (5-year Option Extension)		
Option Extension:	Lessee must exercise Option Extension 90 days before expiration of initial term, and meet the cumulative 1,000,000 Metric Ton (MT) wharfage requirement.		
Annual Flat Rent:	Year 1 & 2	July 2000 – June 2002	\$100,000
	Year 3 & 4	2002 – 2004	\$150,000
	Year 5 & 6	2004 – 2006	\$175,000
	Year 7 & 8	2006 – 2008	\$225,000
	Year 9 & 10	2008 – 2010	\$250,000
	Year 11 & 12	2010 – 2012	\$275,000
	Year 13 & 14	2012 – 2014	\$300,000
	Year 15 & 16	2014 – 2016	\$325,000
	Year 17 & 18	2016 – 2018	\$350,000
	Year 19 & 20	2018 – 2020	\$375,000
	Year 21 & 22	2020 – 2022	\$400,000
	Year 23 & 24	2022 – 2024	\$425,000
	Year 25	2024 – 2025	\$450,000
Minimum Annual Guarantee (MAG):	Year 1	50,000 MT	\$1.50 per MT
	Year 2	50,000 MT	\$2.00 per MT
	Year 3	50,000 MT	\$2.00 per MT
	Year 4	50,000 MT	\$3.00 per MT
	Year 5	50,000 MT	\$3.00 per MT
	Year 6	50,000 MT	\$3.00 per MT
	Years 7-25	50,000 MT	Current Tariff
Revenue Sharing:	0 - 50,000 MT	Lessee 40%	Lessor 60%
	50,001 – 100,000 MT	Lessee 50%	Lessor 50%
	100,001 – 150,000 MT	Lessee 55%	Lessor 45%
	150,001 and above	Lessee 60%	Lessor 40%
Security Deposit:	\$100,000		
Lease Guaranty:	Personal Guaranty - Edward F. Plant		

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PROPOSED LEASE INFORMATION SUMMARY

Lessee:	San Diego Refrigerated Services, Inc.	
Location:	Warehouse B, Tenth Avenue Marine Terminal, San Diego 92101	
Area:	Approximately 433,965 square feet	
Use:	<p>To provide refrigerated and freezer warehouse services for the handling, shipping, receiving, delivery, processing and/or storage of chilled and/or frozen food commodities, perishable, and/or non-perishable general cargo and non-strategic military cargo (as defined under US Department of Transportation, Maritime Administration, National Shipping Authority Port Planning Order No. CASD 18) imported/exported by waterborne vessel at the Lessor's Tenth Avenue Marine Terminal.</p> <p>The maritime/domestic ratio of 80/20 must remain in place through the duration of the lease term.</p>	
Term:	12 Years, 1 month December 1, 2015 – December 31, 2027.	
Option Extension:	<p>One, 5-year option (January 1, 2028 – December 31, 2032) and One, 4-year option (January 1, 2033 – December 31, 2036)</p> <p>Lessee must exercise Option Extension 5 months prior to expiration of immediately preceding term.</p>	
Lease Termination:	Lessee shall have the right to terminate proposed lease effective December 31, 2016 by giving written notice to Lessor on or before January 31, 2016.	
Annual Flat Rent:	December 1, 2015 – November 30, 2016	\$300,000
	December 1, 2016 – Remainder of the Lease	\$475,000
CPI Adjustments:	Every three (3) years through the end of the lease term (including all option extensions) based upon the real change as established by the Consumer Price Index for Los Angeles, Riverside, Orange and San Bernardino Counties and no minimum or maximum. However, the annual flat rent shall never be less than \$475,000.	
Revenue Sharing:	Revenue sharing of 50/50 between Lessor and Lessee will be applied on wharfage revenue received and collected by Lessor, and only on cargo that is handled, shipped, received, delivered, processed, and/or stored by Lessee within the cold storage facility. Revenue sharing shall not be applied to other Lessor's revenue derived from base rent or dockage fees paid to Lessor by other Lessor's lessees or other uses of the TAMT. Revenue sharing shall be payable by rent credit or check and shall be applied on both imported and exported Lessee's maritime cargoes. Lessor has rights to annual audits of tonnage entering said leasehold.	
Lessor Leasehold Preparation:	Lessor shall re-install a leasehold boundary fence by August 31, 2015. Lessor shall also maintain a separate water meter for both Warehouse B and the attached restrooms.	
Security Deposit:	\$100,000	
Lease Guaranty:	Two Party - Edward F. Plant and Frank E. Plant, III	