

ORDER NO.

An Order of the Board of Harbor Commissioners of the City of Los Angeles ("City") fixing compensation to be paid by SAN PEDRO OWNERSHIP, INC. dba DOUBLETREE HOTEL SAN PEDRO ("Tenant"), pursuant to Permit No. 520, for the five-year period commencing January 24, 2012 and ending January 23, 2017.

WHEREAS, Permit No. 520 provides that the compensation to be paid by Tenant for each five-year period shall be subject to readjustment; and

WHEREAS, the Board of Harbor Commissioners and Tenant have agreed upon said compensation for the five-year period commencing January 24, 2012 and ending January 23, 2017;

NOW THEREFORE, it is hereby ordered by the Board of Harbor Commissioners of the City of Los Angeles as follows:

Section 1. The Fixed Minimum Rent to be paid by Tenant pursuant to Section 4(a) of Permit No. 520 as amended for the five-year period commencing January 24, 2012 and ending January 23, 2017 shall be Fourteen Thousand Two Hundred Twenty-seven Dollars (\$14,227) per month.

Section 2. The Percentage Rent to be paid by Tenant pursuant to Section 4(b) of Permit No. 520 as amended for the five-year period commencing January 24, 2012 and ending January 23, 2017 shall be the amount, if any, by which the cumulative total of the following percentages of the gross receipts exceeds the fixed minimum monthly rent payable by Tenant:

(a) 2.0% of Gross Receipts from hotel room rentals and food and beverage sales where the combined Gross Receipts for said items over the course of the year is between \$0 and \$4,999,999.99; or

(b) 2.5% of Gross Receipts from hotel room rentals and food and beverage sales where the combined Gross Receipts for said items over the course of the year is between \$5,000,000.00 and \$7,499,999.99; or

(c) 3.0% of Gross Receipts from hotel room rentals and food and beverage sales where the combined Gross Receipts for said items over the course of the year is between \$7,500,000.00 and \$8,999,999.99; or

(d) 3.5% of Gross Receipts from hotel room rentals and food and beverage sales where the combined Gross Receipts for said items over the course of the year is in excess of \$9,000,000; plus

(e) 10% of Gross Receipts from office rentals;

(f) 3% of Gross Receipts from other retail sales;

- (g) 10% of the rent paid to Tenant by yacht/boat brokers;
- (h) 10% of the rent paid to Tenant by vessel insurance brokerages;
- (i) 25% of any commissions or other compensation paid to Tenant for the right to install or operate coin-operated vending, service or game machines or devices, including telephones; and
- (j) 5% of Gross Receipts from any other revenue-generating activities conducted on the premises.

Section 3. Except as herein provided, each and every one of the covenants, terms and conditions of Permit No. 520, as previously amended, shall be and remain in full force and effect.

Section 4. The Board Secretary shall certify to the adoption of this Order by the Board of Harbor Commissioners of the City of Los Angeles.

I HEREBY CERTIFY that the foregoing Order was adopted by the Board of Harbor Commissioners of the City of Los Angeles at its meeting held _____.

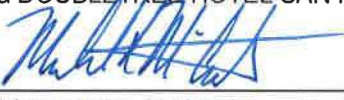
KORLA TONDREAU
Board Secretary

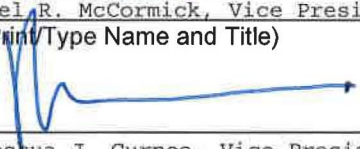
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The undersigned Tenant hereby consents to the foregoing readjustment of compensation and agrees to pay to the Board of Harbor Commissioners of the City of Los Angeles the amount set forth herein during the five-year period commencing January 24, 2012 and ending January 23, 2017.

SAN PEDRO OWNERSHIP, INC.
dba DOUBLETREE HOTEL SAN PEDRO

Dated: 11-20-2012

By 
Michael R. McCormick, Vice President
(Print/Type Name and Title)

Attest 
Joshua J. Gurnee, Vice President
(Print/Type Name and Title)

APPROVED AS TO FORM AND LEGALITY

11/27, 2012
CARMEN A. TRUTANICH, City Attorney

By 
HEATHER M. McCLOSKEY, Deputy

HMM/

San Pedro Ownership, LLC - DoubleTree Hotel



Permit 520



0 50 100 200 Feet

Harbor Department
Planning & Economic Development
Map Produced 11/2012



Doubletree Hotel

