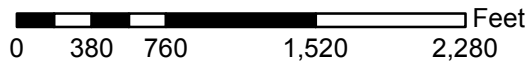


Cal Yacht Marina - Cabrillo, LLC.



Transmittal 1



Harbor Department
Planning & Economic Development
Map Produced 6/2013



ORDER NO.

An Order of the Board of Harbor Commissioners of the City of Los Angeles ("City") setting the Fixed Minimum Rent to be paid by CALIFORNIA YACHT MARINA - CABRILLO, LLC ("Tenant"), pursuant to Concession Agreement No. 791, for the five-year period between January 1, 2013 through December 31, 2017.

WHEREAS, Concession Agreement No. 791 provides that the compensation to be paid by Tenant shall be subject to readjustment in accordance with the procedures prescribed therein in Section 4(l); and

WHEREAS, City and Tenant have agreed upon the amount of fixed minimum rent ("Fixed Minimum Rent") for the five-year period from January 1, 2013 through December 31, 2017;

NOW, THEREFORE, IT IS HEREBY ORDERED by the Board of Harbor Commissioners of the City of Los Angeles as follows:

Section 1. For the period of January 1, 2013 through December 31, 2013, the Fixed Minimum Rent described in Section 4(a) of Concession Agreement No. 791 shall be \$959,566.24 per year (\$79,963.02 per month).

Section 2. Beginning January 1, 2014 through December 31, 2017, Fixed Minimum Rent shall be set by City annually for application commencing January 1 of each year and continuing for the subsequent twelve months. Tenant shall pay in advance to City for each and every month as rent for use of the premises one-twelfth (1/12) of the annual Fixed Minimum Rent determined as follows:

(i) Fixed Minimum Rent shall be seventy-five percent (75%) of the average total rent (Fixed Minimum Rent + Percentage Rent) owed over the last three years; or

(ii) In the circumstances where the annual Fixed Minimum Rent determined by the preceding paragraph is less than the prior year's annual Fixed Minimum Rent adjusted for inflation by application of the Consumer Price Index (i.e. Minimum Rent is subject to a CPI-adjusted floor), then the annual Fixed Minimum Rent shall equal the prior year's annual Fixed Minimum Rent adjusted for inflation by multiplying the prior year's annual Fixed Minimum Rent by the CPI of the current year and then dividing it by the CPI of the prior year (adjusted annual Fixed Minimum Rent = annual Fixed Minimum Rent x (CPI October 20CY_(CY=Current Year) ÷ CPI October 20PY_(PY=Prior Year))). CPI is the Consumer Price Index for All Items, All Urban Consumers ("CPI - U") for the Los Angeles-Riverside and Orange Counties, as published by the U.S. Department of Labor, Bureau of Labor Statistics as series CUURA421SAO for October of each year. If the publication of said index is discontinued, then a successor index selected by the Executive Director in his/her sole but reasonable discretion shall be substituted; or

(iii) In no event shall the Fixed Minimum Rent be lower than the Fixed Minimum Rent for the preceding year.

(iv) City shall not be deemed to have waived the right to collect the adjusted amount of Fixed Minimum Rent as provided in this Section if City fails to invoice Tenant accordingly or for any other reason.

Section 3. The percentage rates used to calculate Percentage Rents shall remain the same as it was immediately prior to this Order and shall continue to be paid through December 31, 2017.

Section 4. This Order shall be retroactive to January 1, 2013 and shall be effective upon execution by the Executive Director and Board Secretary after approval of the Board.

Section 5. Nothing herein is intended to modify or amend any provision of Concession Agreement No. 791. Each and every covenant, term and condition of which, as previously amended, shall be and remain in full force and effect.

Section 6. 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 _____.


JULIE W. HUERTA
Board Secretary

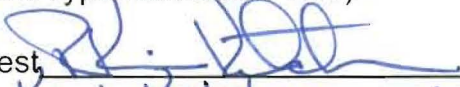
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Tenant hereby consents to the foregoing readjustment of Fixed Minimum Rent and agrees to pay to the Board of Harbor Commissioners of the City of Los Angeles the Fixed Annual Rent set forth herein during the one-year period beginning on January 1, 2013, and ending on December 31, 2017. Tenant agrees to pay the difference between the amount of any rent previously paid to City in 2013 and the amount of rent due per Section 1, above, within thirty (30) days of the effective date of this Order per Section 4, above.

CALIFORNIA YACHT MARINA - CABRILLO, LLC

Dated: May 13, 2013

By 
Gerald L. Thomas, member
(Print/Type Name and Title)

Attest 
R. Kevin Ketchum, member
(Print/Type Name and Title)

APPROVED AS TO FORM AND LEGALITY

May 16, 2013
CARMEN A. TRUTANICH, City Attorney

By 
Estelle M. Braaf, Deputy

**CA 791 - CALIFORNIA YACHT MARINA-CABRILLO LLC.
Compenstion Reset - Calendar Year 2013**

1) 75 percent of the average of the prior 3 years total rent

	YR	MAR		\$ Total Rent Paid	% Rent
	2010	\$ 900,480		\$ 1,290,080	\$ 389,600
	2011	\$ 906,600		\$ 1,202,077	\$ 295,477
	2012	\$ 931,608		\$ 1,159,354	\$ 227,746
Total				\$ 3,651,511	
Average				\$ 1,217,170	
New Calculated MAR		75%		\$ 912,877.87	

2) Previous year's (2012) MAR adjusted for inflation

$$\text{CPI Adjusted (Order 10-7056)} \frac{\text{PY Annual MAR}}{\$931,600} \times \frac{\text{CPI Oct 20CY}}{240.111\%} \div \frac{\text{CPI oct 20PY}}{233.049\%} = \text{Adj MAR} = \mathbf{\$959,829.94}$$

3) Previous year's MAR = \$931,600

2013 MAR = Greater of Methods 1, 2 and 3 = \$ 959,829.94 Annual MAR
or
\$ 79,986 Monthly MAR (rounded)

TRANSMITTAL 3