

**CURRENT RESTAURANT ENCROACHMENTS
SQ. FOOTAGE AND FEES
2022-2023**

**MARKET RENTAL RATE 2022 - INCREASE OVER 2 YEARS
NO HOURS OF OPERATION, YEAR ROUND**

Original - Appraisal Recommendation based on spreadsheets

| BUSINESS NAME | SQ. FOOTAGE | RENT/ MONTH @ \$5/sq. ft. OPEN AFTER MIDNIGHT | ANNUAL RATE | SQ. FOOTAGE | RENT/ SF/MONTH | RENT/ MONTH | ANNUAL RATE | DIFFERENCE | % INCREASE |
|--------------------------------------|-------------|--|---------------------|-------------|----------------|-------------|-------------------|------------|------------------|
| PERMANENT PIER PLAZA | | | | | | | | | |
| ALOHA SHARKEEZ | 390 | 1,950.00 | 23,400.00 | 390 | 5.67 | 2,211.30 | 26,535.60 | 3,135.60 | 13.40% |
| WATERMANS (FORMERLY BEACH CLUB) | 325 | 1,069.25 | 12,831.00 | 325 | 5.67 | 1,842.75 | 22,113.00 | 9,282.00 | 72.34% |
| ¹ HENNESSEY'S TAVERN | 975 | 4,875.00 Jul - Sep | 14,625.00 *3 months | 975 | 5.67 | 5,528.25 | 16,584.75 | 1,959.75 | 13.40% *3 months |
| ² PALMILLA COCINA TEQUILA | 267.6 | 1,338.00 | 16,056.00 | 267.6 | 5.67 | 1,517.29 | 18,207.50 | 2,151.50 | 13.40% |
| [•] PATRICK MOLLOY'S | 429 | 2,145.00 | 25,740.00 | 429 | 5.67 | 2,432.43 | 29,189.16 | 3,449.16 | 13.40% |
| AMERICAN JUNKIE | 780 | 3,900.00 | 46,800.00 | 780 | 5.67 | 4,422.60 | 53,071.20 | 6,271.20 | 13.40% |
| ³ THE LIGHTHOUSE | 390 | 1,950.00 Jul - Sep | 5,850.00 *3 months | 390 | 5.67 | 2,211.30 | 6,633.90 | 783.90 | 13.40% *3 months |
| GRAND TOTAL | | TOTAL | 145,302.00 | TOTAL | | 20,165.92 | 172,335.11 | 27,033.11 | 18.60% |

| BUSINESS NAME | SQ. FOOTAGE | CLOSED BEFORE MIDNIGHT AMT PAID @ \$2/SQ. FT. | SNACK SHOP AMT PAID @ \$1/SQ. FT. | ANNUAL RATE | SQ. FOOTAGE | RENT/ SF/MONTH | RENT/ MONTH | ANNUAL RATE | DIFFERENCE | % INCREASE | RATE DIFF. | OVER 2 YRS. | YEAR 1 | | | | 2 YEARS | | | |
|---|-------------|--|--------------------------------------|---------------------|-------------|----------------|-------------|-------------------|------------|----------------|------------|-------------|--------------|-------------------------|------------------------|-------------------|--------------|-------------------------|------------------------|-------------|
| | | | | | | | | | | | | | RENT/ SF/MO. | RENT BASED ON YR. ROUND | RENT BASED ON INCREASE | ANNUAL RATE | RENT/ SF/MO. | RENT BASED ON YR. ROUND | RENT BASED ON INCREASE | ANNUAL RATE |
| [•] HENNESSEY'S TAVERN (CLOSED BEFORE MIDNIGHT @ \$2/SQ. FT.) | 975 | 1,950.00 Oct - June | | 17,550.00 *9 months | 975 | 5.67 | 5,528.25 | 49,754.25 | 32,204.25 | 183.50% | 3.67 | 1.84 | 3.84 | 17,550.00 | 16,102.13 | 33,652.13 | 5.67 | 17,550.00 | 32,204.25 | 49,754.25 |
| [•] THE LIGHTHOUSE (CLOSED BEFORE MIDNIGHT @ \$2/SQ. FT.) | 390 | 780.00 Oct - June | | 7,020.00 *9 months | 390 | 5.67 | 2,211.30 | 19,901.70 | 12,881.70 | 183.50% | 3.67 | 1.84 | 3.84 | 7,020.00 | 6,440.85 | 13,460.85 | 5.67 | 7,020.00 | 12,881.70 | 19,901.70 |
| ⁵ CAFÉ BONAPARTE (FORMERLY DOWNTOWN BAKERY) SNACK SHOP | 341 | | 341.00 | 4,092.00 | 341 | 5.67 | 1,933.47 | 23,201.64 | 19,109.64 | 467.00% | 4.67 | 2.34 | 3.34 | 13,646.82 | 13,646.82 | 13,646.82 | 5.67 | 23,201.64 | 23,201.64 | |
| PLAYA HERMOSA FISH & OYSTER CO | 326 | 652.00 | | 7,824.00 | 326 | 5.67 | 1,848.42 | 22,181.04 | 14,357.04 | 183.50% | 3.67 | 1.84 | 3.84 | 15,002.52 | 15,002.52 | 15,002.52 | 5.67 | 22,181.04 | 22,181.04 | |
| ² PALMILLA COCINA TEQUILA | 189.6 | 379.20 | | 4,550.40 | 189.6 | 5.67 | 1,075.03 | 12,900.38 | 8,349.98 | 183.50% | 3.67 | 1.84 | 3.84 | 8,725.39 | 8,725.39 | 8,725.39 | 5.67 | 12,900.38 | 12,900.38 | |
| ⁶ LORETO PLAZA/TOWER 12 (rate increased 1/1/2023)- Separate contract | 884 | 2,934.88 | | 35,218.56 | 884 | 3.32 | 2,934.88 | 35,218.56 | 0.00 | 0.00% | - | - | 3.32 | 35,218.56 | 35,218.56 | 35,218.56 | 3.32 | 35,218.56 | 35,218.56 | |
| BREW'S HALL (formerly Mediterraneo/Rebel Republic) | 390 | 780.00 | | 9,360.00 | 390 | 5.67 | 2,211.30 | 26,535.60 | 17,175.60 | 183.50% | 3.67 | 1.84 | 3.84 | 17,947.80 | 17,947.80 | 17,947.80 | 5.67 | 26,535.60 | 26,535.60 | |
| [•] OAKBERRY ACAI (Formerly ITA Italian Street Food (and Hooked Poke Market) Snack Shop) | 143 | | 143.00 | 1,716.00 | 143 | 5.67 | 810.81 | 9,729.72 | 8,013.72 | 467.00% | 4.67 | 2.34 | 3.34 | 5,722.86 | 5,722.86 | 5,722.86 | 5.67 | 9,729.72 | 9,729.72 | |
| [•] SILVIO'S BRAZILIAN BBQ | 390 | 780.00 | | 9,360.00 | 390 | 5.67 | 2,211.30 | 26,535.60 | 17,175.60 | 183.50% | 3.67 | 1.84 | 3.84 | 17,947.80 | 17,947.80 | 17,947.80 | 5.67 | 26,535.60 | 26,535.60 | |
| GREENSPOT (Formerly Greenbelt and Chop Shop) | 260 | 520.00 | | 6,240.00 | 260 | 5.67 | 1,474.20 | 17,690.40 | 11,450.40 | 183.50% | 3.67 | 1.84 | 3.84 | 11,965.20 | 11,965.20 | 11,965.20 | 5.67 | 17,690.40 | 17,690.40 | |
| ⁵ JUICED (FORMERLY THE FRESH SPOT) SNACK SHOP | 130 | | 130.00 | 1,560.00 | 130 | 5.67 | 737.10 | 8,845.20 | 7,285.20 | 467.00% | 4.67 | 2.34 | 3.34 | 5,202.60 | 5,202.60 | 5,202.60 | 5.67 | 8,845.20 | 8,845.20 | |
| TOTAL | | | | 104,490.96 | | | | 252,494.09 | 148,003.13 | 141.64% | | | | | | 178,492.53 | | | 252,494.09 | |

| BUSINESS NAME | SQ. FOOTAGE | AMT PAID @ \$1/SQ. FT. | ANNUAL RATE | SQ. FOOTAGE | RENT/ SF/MONTH | RENT/ MONTH | ANNUAL RATE | DIFFERENCE | % INCREASE | RATE DIFF. | OVER 2 YRS. | YEAR 1 | | | | 2 YEARS | | | |
|---|-------------|------------------------|------------------|-------------|----------------|-------------|-------------------|------------|----------------|------------|-------------|--------------|-------------------------|------------------------|-------------------|--------------|-------------------------|------------------------|-------------|
| | | | | | | | | | | | | RENT/ SF/MO. | RENT BASED ON YR. ROUND | RENT BASED ON INCREASE | ANNUAL RATE | RENT/ SF/MO. | RENT BASED ON YR. ROUND | RENT BASED ON INCREASE | ANNUAL RATE |
| PERMANENT NON-PIER PLAZA | | | | | | | | | | | | | | | | | | | |
| [•] BOTTLE INN | 570 | Varies | 2,850.00 | 570 | 4.83 | 2,753.10 | 33,037.20 | 30,187.20 | 1059.20% | 3.83 | 1.92 | 2.92 | 19,938.60 | 19,938.60 | 19,938.60 | 4.83 | 33,037.20 | 33,037.20 | |
| BARNACLES BAR & GRILL | 200 | 200.00 | 2,400.00 | 200 | 4.83 | 966.00 | 11,592.00 | 9,192.00 | 383.00% | 3.83 | 1.92 | 2.92 | 6,996.00 | 6,996.00 | 6,996.00 | 4.83 | 11,592.00 | 11,592.00 | |
| GOOD STUFF | 480 | 480.00 | 5,760.00 | 480 | 4.83 | 2,318.40 | 27,820.80 | 22,060.80 | 383.00% | 3.83 | 1.92 | 2.92 | 16,790.40 | 16,790.40 | 16,790.40 | 4.83 | 27,820.80 | 27,820.80 | |
| MARTHA'S 22 ND. ST. GRILL (OWNED BY BOTTLE INN) | 913.5 | 913.50 | 10,962.00 | 913.5 | 4.83 | 4,412.21 | 52,946.46 | 41,984.46 | 383.00% | 3.83 | 1.92 | 2.92 | 31,954.23 | 31,954.23 | 31,954.23 | 4.83 | 52,946.46 | 52,946.46 | |
| MICKEY'S ITALIAN DELI | 384 | 384.00 | 4,608.00 | 384 | 4.83 | 1,854.72 | 22,256.64 | 17,648.64 | 383.00% | 3.83 | 1.92 | 2.92 | 13,432.32 | 13,432.32 | 13,432.32 | 4.83 | 22,256.64 | 22,256.64 | |
| PAISANO PIZZA & PASTA | 50 | 50.00 | 600.00 | 50 | 4.83 | 241.50 | 2,898.00 | 2,298.00 | 383.00% | 3.83 | 1.92 | 2.92 | 1,749.00 | 1,749.00 | 1,749.00 | 4.83 | 2,898.00 | 2,898.00 | |
| THE BEACH HOUSE (square footage adjusted 4/1/2019)- Separate contract | 480 | 480.00 | 5,760.00 | 480 | 4.83 | 2,318.40 | 27,820.80 | 22,060.80 | 383.00% | 3.83 | 1.92 | 2.92 | 16,790.40 | 16,790.40 | 16,790.40 | 4.83 | 27,820.80 | 27,820.80 | |
| THE GREEN STORE | 312 | 312.00 | 3,744.00 | 312 | 4.83 | 1,506.96 | 18,083.52 | 14,339.52 | 383.00% | 3.83 | 1.92 | 2.92 | 10,913.76 | 10,913.76 | 10,913.76 | 4.83 | 18,083.52 | 18,083.52 | |
| TOTAL | | | 36,684.00 | | | | 196,455.42 | 159,771.42 | 435.53% | | | | | | 118,564.71 | | | 196,455.42 | |

| BUSINESS NAME | SQ. FOOTAGE | AMT PAID @ \$1/SQ. FT. | ANNUAL RATE | SQ. FOOTAGE | RENT/ SF/MONTH | RENT/ MONTH | ANNUAL RATE | DIFFERENCE | % INCREASE | RATE DIFF. | OVER 2 YRS. | YEAR 1 | | | | 2 YEARS | | | |
|---|-------------|------------------------|-----------------|-------------|----------------|-------------|-----------------|------------|----------------|------------|-------------|--------------|-------------------------|------------------------|-----------------|--------------|-------------------------|------------------------|-------------|
| | | | | | | | | | | | | RENT/ SF/MO. | RENT BASED ON YR. ROUND | RENT BASED ON INCREASE | ANNUAL RATE | RENT/ SF/MO. | RENT BASED ON YR. ROUND | RENT BASED ON INCREASE | ANNUAL RATE |
| PERMANENT EAST OF HERMOSA AVENUE | | | | | | | | | | | | | | | | | | | |
| JAVA MAN | 112 | 112.00 | 1,344.00 | 112 | 4.00 | 448.00 | 5,376.00 | 4,032.00 | 300.00% | 3.00 | 1.50 | 2.50 | 3,360.00 | 3,360.00 | 3,360.00 | 4.00 | 5,376.00 | 5,376.00 | |
| TOTAL | | | 1,344.00 | | | | 5,376.00 | 4,032.00 | 300.00% | | | | | | 3,360.00 | | | 5,376.00 | |

Notes:

- ¹ Open after Midnight July - September only
- ² Two different fees - Additional Patio not open after Midnight
- ³ Open after Midnight July - September only
- ⁴ Encroachment rate varies: Jan-Mar \$0 (patio closed), Apr-Jun \$855 (half of patio), Jul-Sep \$1,710 (full patio), Oct-Dec \$285 (half of patio-one month)
- ⁵ Snack Shop Rate (CC:6/12/07)
- ⁶ Monthly fee based on 884 Sq Ft*\$3.32/Sq Ft (Tower 12 rent/sf \$6.64 x 50%). The rent will increase as the rent of the underlying lease between Pierside and Tower 12 increases.
- ⁷ Owner would like to start on 02/15/2023

| | |
|-----------------------------|--------|
| MARKET RATE FEE | |
| ON PIER PLAZA LOCATIONS | \$5.67 |
| ON NON-PIER PLAZA LOCATIONS | \$4.83 |
| ON EAST OF HERMOSA AVENUE | \$4.00 |

* Various hours of operation, not year round

**Summary - Increase over 2 years
Current/Market Rental Rate
Encroachment Fees**

| Open After Midnight | Current Rate/sq. ft. | Appraisal Proposed Rate/sq. ft. |
|----------------------------|-----------------------------|--|
| Permanent Pier Plaza | \$5.00 | \$5.67 |

| All Closed Before Midnight | Current Rate/sq. ft. | Appraisal Proposed Rate/sq. ft. | Increase Over Two Years | |
|-----------------------------------|-----------------------------|--|--------------------------------|----------------|
| | | | Year 1 | 2 years |
| Permanent Pier Plaza | \$2.00 | \$5.67 | \$3.84 | \$5.67 |
| Permanent Snackshop | \$1.00 | \$5.67 | \$3.34 | \$5.67 |
| Permanent Non Pier Plaza | \$1.00 | \$4.83 | \$2.92 | \$4.83 |
| Permanent East of Hermosa Ave | \$1.00 | \$4.00 | \$2.50 | \$4.00 |
| Temporary Pier Plaza | \$1.50 | \$5.67 | \$3.59 | \$5.67 |
| Temporary Non Pier Plaza | \$1.50 | \$4.83 | \$3.17 | \$4.83 |
| Temporary East of Hermosa Ave | \$1.50 | \$4.00 | \$2.75 | \$4.00 |

Current Guidelines
May lease for less than 12 months.
Closing time before or after
midnight affects rate.

Recommended
Must Lease 12 months.
Closing time not considered.