

THE MARINA AT DANA POINT

April 22, 2024

Dear Tenants,

The purpose of this letter is to notify our tenants that a slip rate increase will go into effect June 1, 2024.

The average rate increase is 7.9% with more modest rate increases for the smaller slips sizes. Below is a chart that shows the rates by slip size.

Our methodology on rates is consistent with our previous rate increase, which was implemented over two and half years ago:

- The Marina at Dana Point serves residents of Orange County and Riverside. Our extensive waitlists mirror our existing tenant base. (See the tenant location charts attached)
- The Marina at Dana Point is an Orange County asset serving local residents, and we compare ourselves to other marinas in Orange County. We believe that the average rate of these facilities is a market rate. (See the market rate comparison attached)
- We believe that the harbor should be utilized to its potential. We believe that slip rates should promote a full marina.
- As we continue to set rates at the low end of the market (39% to 62% below the market average), we are confident that we will continue to offer an attractive value proposition to local boaters even as DPHP manages the harbor during this period of construction.
- Being a small boat harbor with the majority of the slips being 28 ft or less, the rate increases are more modest for the smaller boat owners.

Bellingham Marine continues to bring on phases of new state-of-the-art boat slips, and we anticipate being approximately 50% complete with the marina slips within a year. While making these investments and creating what we believe will be the best marina in our market, if not the best destination on the coast, we are pleased to be able to communicate that the slip rates remain at the low end of our market.

Sincerely,

Joe Ueberroth

CC. Kelly Rinderknecht

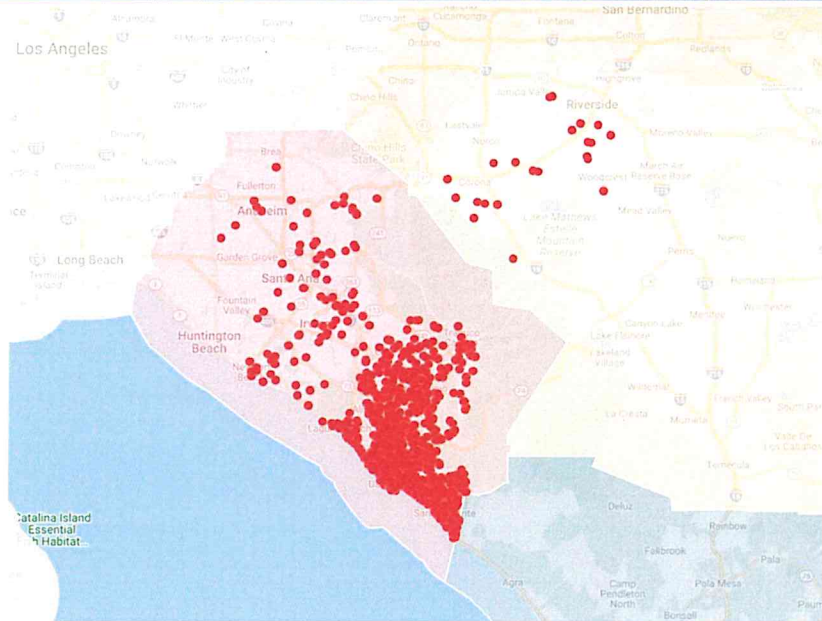
	Rate Per Foot*		Rate Per Month *		\$ Increase	% Increase
	2023	2024	2023	2024		
20 FT	\$ 13.50	\$ 14.15	\$ 270	\$ 283	\$ 13	4.81%
21 FT	\$ 17.15	\$ 18.15	\$ 360	\$ 381	\$ 21	5.83%
22 FT	\$ 18.15	\$ 19.20	\$ 399	\$ 422	\$ 23	5.79%
24 FT	\$ 18.70	\$ 19.80	\$ 449	\$ 475	\$ 26	5.88%
25 FT	\$ 18.75	\$ 19.95	\$ 469	\$ 499	\$ 30	6.40%
26 FT	\$ 19.35	\$ 20.60	\$ 503	\$ 536	\$ 33	6.46%
28 FT	\$ 21.35	\$ 22.78	\$ 598	\$ 638	\$ 40	6.70%
30 FT	\$ 24.60	\$ 26.27	\$ 738	\$ 788	\$ 50	6.79%
35 FT	\$ 26.00	\$ 28.57	\$ 910	\$ 1,000	\$ 90	9.88%
40 FT	\$ 33.45	\$ 37.20	\$ 1,338	\$ 1,488	\$ 150	11.21%
45 FT	\$ 34.10	\$ 38.10	\$ 1,535	\$ 1,715	\$ 180	11.73%
50 FT	\$ 35.35	\$ 39.45	\$ 1,768	\$ 1,973	\$ 205	11.60%
52 FT	\$ 35.35	\$ 40.00	\$ 1,838	\$ 2,080	\$ 242	13.15%
55 FT	\$ 39.90	\$ 45.35	\$ 2,195	\$ 2,494	\$ 300	13.66%
58 FT	\$ 42.00	\$ 48.38	\$ 2,436	\$ 2,806	\$ 370	15.18%
60+ FT	\$ 43.15	\$ 49.82	\$ 2,589	\$ 2,989	\$ 400	15.46%

* Slip rates billed based on the greater of the slip length or LOA of the vessel.

Dana Point Harbor

Tenant Location Breakdown

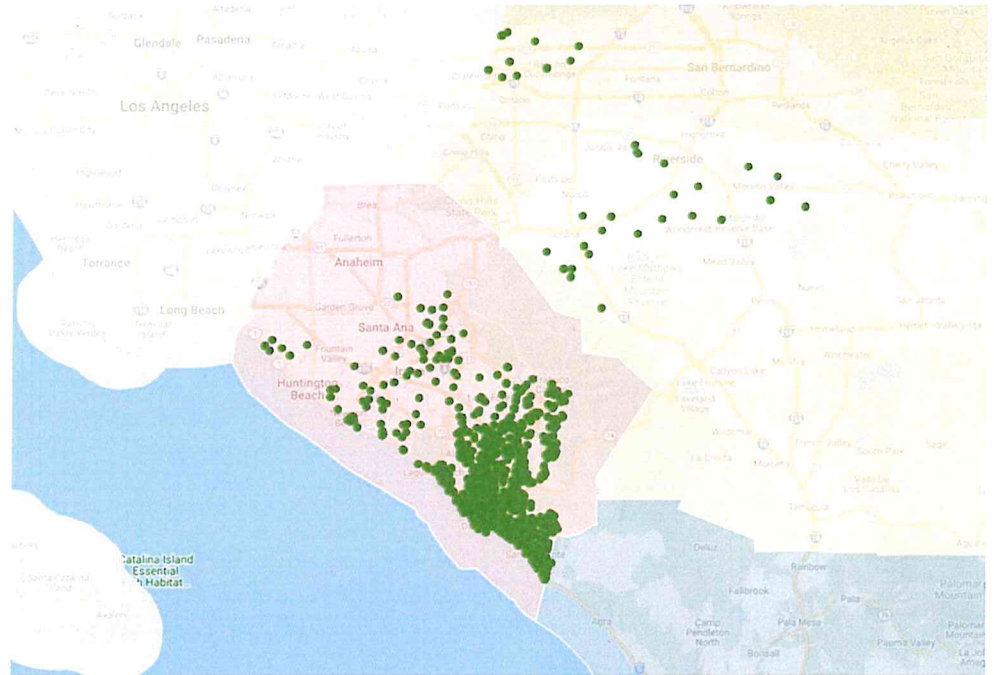
Tenants	
Dana Point	363
San Clemente	357
Laguna Niguel	236
San Juan Capistrano	163
Mission Viejo	90
Laguna Beach	89
Capistrano Beach	67
Ladera Ranch	40
Irvine	39
Laguna Hills	36
Aliso Viejo	34
Lake Forest	32
Rancho Santa Margarita	27
Newport Beach	25
Riverside	23
Santa Ana	23
Trabuco Canyon	21
Anaheim	15
Orange	10



Dana Point Harbor

Waitlist Location Breakdown

Waitlist	
San Clemente	402
Dana Point	365
Laguna Niguel	319
San Juan Capistrano	205
Laguna Beach	105
Mission Viejo	91
Ladera Ranch	72
Laguna Hills	56
Capistrano Beach	41
Aliso Viejo	38
Newport Beach	35
Riverside	33
Irvine	30
Coto de Caza	30
Trabuco Canyon	30
Rancho Santa Margarita	27
Santa Ana	21
Rancho Mission Viejo	20
Lake Forest	20
Rancho Cucamonga	18
Huntington Beach	10



OC Slip Rate Survey 2023

Location	MARINA	21'	25'	30'	35'	40'	45'	50'	55'	60'	65'+
NB	Balboa Marina	64.73	64.73	83.19	83.19	108.76	N/A	125.50	125.50	130.14	138.67
NB	Balboa Yacht Basin	32.23	32.38	37.29	42.59	50.09	51.27	60.59	N/A	70.65	80.95
NB	Bayshore Marina	64.73	64.73	83.19	83.19	108.76	N/A	N/A	N/A	130.14	138.67
NB	Bayside Marina	64.73	N/A	83.19	83.19	108.76	108.76	125.50	N/A	130.14	138.67
NB	Bayside Village	29.00	28.00	32.00	35.00	41.00	41.00	45.00	45.00	45.00	45.00
HB	Huntington Harbour Marina	N/A	18.00	23.33	24.29	26.25	27.78	32.00	N/A	39.17	39.33
NB	Lido Yacht Anchorage	34.75	34.75	40.00	48.50	56.75	56.75	66.00	66.00	74.00	84.50
NB	Newport Dunes	53.00	53.00	58.00	68.00	76.00	76.00	91.00	91.00	91.00	91.00
NB	Villa Cove Marina	64.73	N/A	83.19	N/A	N/A	108.76	N/A	N/A	N/A	138.67
HB	Sunset Aquatic	26.48	26.44	30.00	30.00	30.00	30.44	30.44	N/A	N/A	30.45

OC 2023 Average	48.26	40.25	55.34	55.33	67.37	62.60	72.00	81.88	88.78	92.59
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Dana Point 2024	\$ 18.15	\$ 19.95	\$ 26.27	\$ 28.57	\$ 37.20	\$ 38.10	\$ 39.45	\$ 45.35	\$ 49.82	\$ 49.82
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Below OC Average	-62.39%	-50.44%	-52.53%	-48.36%	-44.79%	-39.13%	-45.21%	-44.61%	-43.88%	-46.19%
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