Retail Leasing Update

July 2018





Colliers Leasing Report By Stage

Industries										
Stage:	Prospects	Inquiries	Preview	Touring	LOI	Legal	Lease Out	Idle	Dead	Total
Restaurant: Quick-Service	1				6	3		53	18	
Restaurant: Fast Casual	7	1		1	3			27	15	
Restaurant: Full-Service	7		3	8	4	2		16	11	
Bar				5	1			17	5	
Sporting Goods									1	
Fitness						1		9	4	
Grocery								6	8	
Coffee					3	2		7	4	
Toy/Gift/Craft								4		
Health/Beauty								3	2	
Salon/Spa	6			1	1			4	4	
Electronics			1	1	1			4	2	
Services			2	2		1		10	13	
Specialty Retail	2		1	1				3	5	
Bookstore					1					
Apparel/Accessories								4	5	
Total	23	1	7	19	20	9		167	97	343
	50	9	12	27	18	8		116	89	329
					-	-		-	-	

Dead Because:	Chain	Opted Out	Proximity	Merch Plan	Not Qualified	Рор- Up	Competing Tenant	Total	
	1	66	7	9	11	2	1	97	July
	1	62	7	5	9	1	4	89	June

DEFINITION OF STAGE

Prospects:	Tenants Colliers has targeted and is reaching out to
Inquiry:	Comes through the website (registrants) + anyone who inquired prior to launch
Preview:	These people have been contacted through our Gmail and directed to a location in the center/invited to submit a proposal.
Touring:	Self-explanatory
LOI:	Trading paper
Legal:	Lease being drafted
Lease Out:	Lease negotiations
Dead Deal:	Tenant has been rejected, opted out, or deal died
Idle:	No communication after several attempts to reach to them, or TJPA not ready to reject tenant.

Colliers Progress Report By Stage

Deal Pipeline	ACTUAL/TARGET							
Stage	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	NOW	
LOI	25/13	20/13	0/8	0/1			20/35	
Negotiate		9/13	0/3	0/8	0/1		9/35	
Sign			0/13	0/13	0/8	0/1	0/35	

Quarterly actuals will fluctuate as deals are vetted

Store Opening Targets									
		Q2 2019	Q3 2019	Q4 2019	Q1 2020 Q2 2020				
Ground Floor	Pop Ups	7	9	8					
2nd Floor		6	2		1				
Rooftop	Pop Ups		2						
		13	13						
Total		Spaces	Spaces	8 Spaces	1 Space				
% Open (35)		39%	74%	97%	100%				

Assumes about 16 weeks of construction time on average

Colliers Update

- Actively touring over 19 interested parties
- Daily meetings with Lincoln & Turner to price out Tenant's construction
- 20 active LOI's and 9 lease negotiations in process
- Working with Lincoln to meet or exceed pro forma while maintaining the approved Tenant mix
- Working with Tenants to prepare for Pop-Up activation



Financial Summary

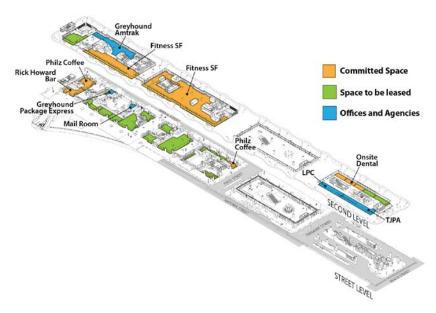
Proposed Tenant	Sq. Ft.	Suite #	Lease / Proforma Term In Years	Lease / Proforma Rent Over Term	Lease / Proforma TJPA Costs (T.I. + Shell)	Lease / Proforma Net Proceeds in Excess of Proforma
Fitness SF	34,508 Includes former Amtrak space	208 212	15/10	\$ 25,409,965 / \$18,098,814	\$6,450,800 / \$8,108,100	\$18,959,156 / \$9,990,714
OnSite Dental	3,475	216 218 220	10/10	\$2,987,773 / \$2,390,218	\$589,000 / \$1,353,750	\$2,398,773 / \$1,036,468
Philz Coffee	2,157	100	10/10	\$1,854,569 / \$1,298,198	\$595,700 / \$971,400	\$ 1,258,869 / \$326,798
Philz Coffee*	1,041	143	10/10	\$ 1,790,084 / \$1,790,084	\$ 394,100 / \$464,100	\$ 1,395,984 / \$1,325,984
Rick Howard Bar	2,300	103	15/10	\$2,780,537 / \$1,257,874	\$667,500 / \$960,000	\$2,113,037 / \$297,874
* Does not require	e Board Appro	val				

Lease Up Status – July 2018

	Total	Commit- ted to Date	Total	% Committed to Date / Total
Square Feet	100,000	43,481	43,481	43%
# Retail Spaces	35	8	8	23%
Annual Retail Rent	\$5.5M	\$2.2M	\$2.2M	40%

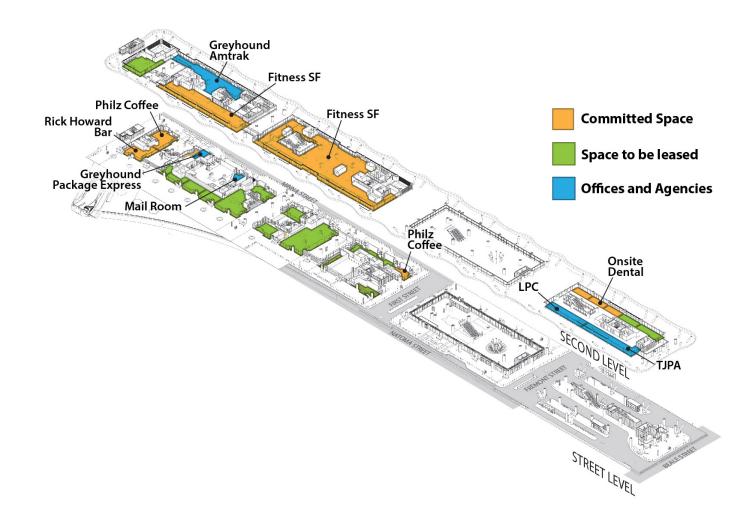
Highlights summary

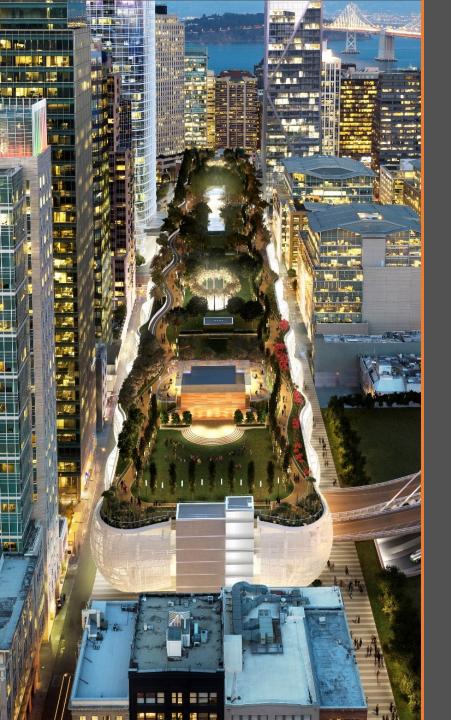
- Consistent with Board approved Merchandising Plan for personal services on the 2nd level and food service on the ground level
- Locally owned and operated
- Material terms and conditions agreed to through signed letters of intent in each case above proforma
- Of 8 spaces on the 2nd floor, Fitness SF and OnSite Dental are leasing 5 or 63%
- Fitness SF is 35% of the retail center providing an anchor that will draw foot traffic from planned 4,000 members
- Successfully in business in Bay Area for 10+ years providing stability for years



Recommendation

Authorize the Executive Director to complete negotiations and execute the leases





Questions?



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