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**VOLUME II  
RESEARCH APPENDIX**

**PREPARED FOR THE  
PORT OF LONG BEACH  
AND  
CITY OF LONG BEACH**

**PREPARED BY  
ECONOMICS RESEARCH ASSOCIATES  
IN ASSOCIATION WITH  
KOTIN, REGAN & MOUCHLY**

**JUNE 1992**

**ERA PROJECT NO. 10518**

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**Table A-1**

**LOS ANGELES/ORANGE COUNTIES  
POPULATION PROFILE**

**Population Growth Trends**

1980	9,410,000
1990	11,274,000
1992 (estimated)	11,628,000
1997 (projected)	12,527,000
<b>Average Annual Growth Rate</b>	
1980-1990	1.8%
1990-1997	1.5%

**1990 Population Characteristics**

Percent Male	50.0%
Percent Female	50.0%
Number of Households	3,817,000
Average Household Size	2.90
<b>Ethnic Composition</b>	
White	61.5%
Black	9.2
American Indian	0.5
Asian/Pacific Islander	10.7
Other	<u>18.1</u>
Total	100.0%
Hispanic Origin	34.7%

Source: Urban Decision Systems and Economics Research Associates.

**Table A-2**

**LOS ANGELES/ORANGE COUNTY  
AGE GROUP DISTRIBUTION**

<u>Age Category</u>	<u>Percent</u>
Less than 6 Years	9.7%
6 - 13	10.9
14 - 17	5.3
18 - 24	12.4
25 - 34	19.9
35 - 44	15.2
45 - 64	17.0
65+	<u>9.6</u>
Total	100.0%

**Median Age — 30.8**

**Source: Urban Decisions Systems and Economics Research Associates.**

**Table A-3**

**LOS ANGELES/ORANGE COUNTY  
INCOME DISTRIBUTION  
1990**

<u>Income Category</u>	<u>Percent</u>
Under \$10,000	13.9%
\$10,000-\$14,999	9.2
\$15,000-\$19,999	8.4
\$20,000-\$24,999	8.1
\$25,000-\$34,999	13.7
\$35,000-\$49,999	16.2
\$50,000+	<u>30.5</u>
Total	100.0%

**Median Household Income — \$32,437**

**Source: Urban Decisions Systems and Economics Research Associates.**

Table A-4 Selected Population and Housing Characteristics: 1990  
Long Beach city, California

The population counts set forth herein are subject to possible correction for undercount or overcount. The United States Department of Commerce is considering whether to correct these counts and will publish corrected counts, if any, not later than July 15, 1991. The user should note that there are limitations to many of these data. Please refer to the technical documentation provided with Summary Tape File 1A for a further explanation on the limitations of the data.

Total population	429,433	Total housing units	170,388
<b>SEX</b>		<b>OCCUPANCY AND TENURE</b>	
Male	216,685	Occupied housing units	158,975
Female	212,748	Owner occupied	65,117
		Percent owner occupied	41.0
		Renter occupied	93,858
<b>AGE</b>		Vacant housing units	11,413
Under 5 years	37,669	For seasonal, recreational, or occasional use	442
5 to 17 years	71,798	Homeowner vacancy rate (percent)	1.7
18 to 20 years	21,834	Rental vacancy rate (percent)	7.4
21 to 24 years	35,365		
25 to 44 years	153,939	Persons per owner-occupied unit	2.55
45 to 54 years	35,043	Persons per renter-occupied unit	2.65
55 to 59 years	13,552	Units with over 1 person per room	26,213
60 to 64 years	13,770		
65 to 74 years	26,000	<b>UNITS IN STRUCTURE</b>	
75 to 84 years	15,037	1-unit, detached	68,895
85 years and over	5,426	1-unit, attached	8,048
Median age	30.0	2 to 4 units	24,738
		5 to 9 units	20,039
Under 18 years	109,467	10 or more units	44,257
Percent of total population	25.5	Mobile home, trailer, other	4,411
65 years and over	46,463		
Percent of total population	10.8	<b>VALUE</b>	
<b>HOUSEHOLDS BY TYPE</b>		Specified owner-occupied units	51,168
Total households	158,975	Less than \$50,000	514
Family households (families)	93,913	\$50,000 to \$99,999	1,905
Married-couple families	65,502	\$100,000 to \$149,999	6,111
Percent of total households	41.2	\$150,000 to \$199,999	11,626
Other family, male householder	7,724	\$200,000 to \$299,999	19,334
Other family, female householder	20,687	\$300,000 or more	11,678
Nonfamily households	65,062	Median (dollars)	222,900
Percent of total households	40.9		
Householder living alone	49,008	<b>CONTRACT RENT</b>	
Householder 65 years and over	15,305	Specified renter-occupied units paying cash rent	91,945
Persons living in households	415,216	Less than \$250	4,578
Persons per household	2.61	\$250 to \$499	31,464
<b>GROUP QUARTERS</b>		\$500 to \$749	38,991
Persons living in group quarters	14,217	\$750 to \$999	12,268
Institutionalized persons	4,026	\$1,000 or more	4,644
Other persons in group quarters	10,191	Median (dollars)	551
<b>RACE AND HISPANIC ORIGIN</b>		<b>RACE AND HISPANIC ORIGIN OF HOUSEHOLDER</b>	
White	250,716	Occupied housing units	158,975
Black	58,761	White	110,397
Percent of total population	13.7	Black	20,220
American Indian, Eskimo, or Aleut	2,781	Percent of occupied units	12.7
Percent of total population	0.6	American Indian, Eskimo, or Aleut	992
Asian or Pacific Islander	58,266	Percent of occupied units	0.6
Percent of total population	13.6	Asian or Pacific Islander	13,787
Other race	58,909	Percent of occupied units	8.7
Hispanic origin (of any race)	101,419	Other race	13,579
Percent of total population	23.6	Hispanic origin (of any race)	24,783
		Percent of occupied units	15.6

**Table A-5**  
**LONG BEACH VISITOR MARKET**  
**1991**

<u>Overnight Visitors</u>	<u>Number</u>
Hotel/Motel Guests	744,000
Staying with Friends or Relatives	1,158,000
Campers	<u>13,000</u>
Subtotal	1,915,000
 Day Visitors	 <u>857,000</u>
Total Visitors	2,772,000

Source: CIC Research, Inc.

**Table A-6**  
**LONG BEACH**  
**VISITOR CHARACTERISTICS<sup>1</sup>**

<b>Average Length of Stay</b>	<b>3.1 nights</b>
1 - 3 Nights	55%
4 - 7 Nights	44
8 - 14 Nights	1
<b>Age Composition</b>	
Under 6 Years	2%
6 - 17	4
18 - 24	1
25 - 34	7
35 - 44	58
45 - 64	25
65+	<u>3</u>
<b>Total</b>	<b>100%</b>

**Median Age — 41**

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<sup>1</sup>Overnight visitors.

Source: CIC Research, Inc.

Table A-7

**LONG BEACH OVERNIGHT VISITORS  
VISITOR ORIGIN  
1991**

<u>Region</u>	<u>Percent</u>
Southern California	4%
Northern California	10
Mountain States	12
Other Western	7
East-North Central	17
West North-Central	6
South Atlantic	11
East-South Central	2
West-South Central	7
New England	6
Mid-Atlantic	9
Foreign	<u>9</u>
Total	100%

Source: CIC Research, Inc.



Table A-8

**LONG BEACH OVERNIGHT VISITORS  
DAILY EXPENDITURES**

<u>Daily Spending per Group</u>	<u>Overnight (percent)</u>
Less than \$20	4%
\$ 20-\$ 49	7
\$ 50-\$ 99	9
\$100-\$149	34
\$150+	<u>46</u>
Total	100%

  

Average Group Size	2.1
Average Daily Expenditure	
Per Group	\$153
Per Person	\$ 88

Source: CIC Research, Inc.

**Table A-9**  
**LONG BEACH OVERNIGHT VISITORS**  
**TRIP PURPOSE**  
**1991**

	<u>Percent</u>
Recreation Oriented	25%
Visiting Friends/Relatives	11
Business	19
Convention	44
Other	<u>1</u>
Total	100%

Source: CIC Research, Inc.

**Table A-10**  
**LOS ANGELES COUNTY VISITOR MARKET**  
**1990**

<u>Overnight Visitors</u>	<u>Number</u>
Hotel/Motel Guests	9,133,000
Staying with Friends or Relatives	<u>16,055,000</u>
Subtotal	25,188,000
 Day Visitors	 <u>30,132,000</u>
 Total Visitors	 55,320,000

Source: CIC Research, Inc.

**Table A-11**  
**LONG BEACH HOTEL INVENTORY<sup>1</sup>**

	<u>Number of Rooms</u>
Hyatt Regency	521
Marriott Long Beach Airport	311
Queen Mary	365
Ramada Renaissance	380
Sheraton	460
Viscount	194
Hilton Long Beach	397
Travelodge	200
Golden Sails Hotel	175
Holiday Inn Airport	231
Holiday Inn Downtown	224
Clarion Edgewater	249
Executive House Inn	260
Residence Inn	216
Ramada Inn Long Beach	143
Howard Johnson	134
Breakers	<u>242</u>
Total	4,702

<sup>1</sup>Includes hotel properties with 100+ rooms.

Source: Economics Research Associates.



**Table A-12**  
**AVERAGE DAILY RATE**  
**1982-1991**

<u>Year</u>	<u>Hotel Queen Mary<sup>1</sup></u>	<u>Long Beach Competitive Hotels</u>
1982	\$57	---
1983	62	---
1984	76	---
1985	74	---
1986	75	---
1987	77	\$78
1988	76	82
1989	82	85
1990	86	87
1991	88	86
1992 (year to date)	n.a.	87

n.a. means not available.

<sup>1</sup>1988-1991 Disney fiscal year.

Source: The Walt Disney Company; Port of Long Beach;  
Pannell Kerr Forster, and Economics Research Associates.

Table A-13

**AVERAGE ADMISSION PRICES AND LENGTH OF STAY  
AT SELECTED CALIFORNIA COMMERCIAL  
AND PUBLIC ATTRACTIONS**

<u>Attraction</u>	<u>Adult Admission</u>	<u>Length of Stay</u>	<u>Admission Price/Hour</u>
<b><u>Commercial Attractions—Averages</u></b>			
Theme Park	\$25.00	8.00	\$3.12
Large Water Park	17.00	5.00	3.40
Family Entertainment Center <sup>1</sup>	10.00	2.00	5.00
Movie	7.00	2.00	3.50
Urban Entertainment Center	12.00	3.00	4.00
<b><u>Public Attractions—Averages</u></b>			
Art Museum	\$ 5.00	1.75	\$2.86
Science Museum	5.50	2.00	2.75
Zoo	6.00	3.00	2.00
County Fair <sup>1</sup>	12.00	6.00	2.00
<b><u>Tourist-Oriented Attractions</u></b>			
Movieland Wax Museum	\$12.95	2.00	\$6.50
Ripley's Believe It or Not	6.95	1.00	6.95
Underwater World	10.00	1.25	8.00
Monterey Bay Aquarium	9.75	1.50	6.50
Queen Mary/Spruce Goose	17.95	2.50	7.18

<sup>1</sup> Average attraction expenditures (not including food and beverage expenditures).

Source: Economics Research Associates.

Table A-14

## QUEEN MARY/SPRUCE GOOSE USE SCREENING ANALYSIS

Uses	Location <sup>1</sup>	Physical Competibility	Demand	Operating Income Potential	City/Port Revenue Potential	Development Cost Modification Requirements	Compliance with Regulatory Guidelines	Consultants Rating	Public Acceptance	Weight A	Total Weight B	Weight C
<b>CONSULTANT RECOMMENDATIONS</b>												
<b>COMMERCIAL RECREATION/RETAIL</b>												
Casino	S	5	4	5	5	4	4	3	4	41	34	27
Card Club	S	4	4	5	5	5	4	3	1	38	31	24
Health Club	S	5	3	3	3	4	5	3	3	37	29	24
Sports Complex	SH											
- Tennis		4	3	2	1	4	5	2	5	33	26	23
- Exhibition		4	2	1	1	4	5	2	5	31	24	21
- Public Aquatics		3	3	1	1	3	5	2	5	30	23	21
Indoor Waterpark	SH	3	3	2	2	3	5	4	5	36	27	24
Family Entertainment Center	B											
- Bowling		2	3	2	2	3	5	1	3	27	21	18
- Ice/Roller Skating		2	3	2	2	3	5	1	3	27	21	18
- Mini-Golf		2	3	3	3	3	5	1	3	29	23	19
- Arcade		5	3	5	3	3	5	1	3	34	28	23
- Other												
Nighttime Entertainment Center	B	3	4	5	4	3	5	5	4	43	33	27
Golf Center/Driving Range	B	2	5	4	3	2	5	1	2	30	24	20
Festival Retail	B	3	3	5	4	3	5	5	4	42	32	26
Dinner Theater (nautical themed Medieval Times)	S	3	3	4	4	3	5	4	5	40	31	26
Environmental Theater	S	4	3	3	2	5	5	3	3	36	28	23
Special Format Theater (IMAX, etc.)	B	3	2	3	2	3	5	4	5	36	27	23
International Outlet Center	SH	3	3	4	3	3	4	3	3	33	26	21
Antique Emporium	S	4	3	4	3	4	4	3	3	35	28	23
Bars of the World	S	4	4	4	4	3	5	3	3	38	30	25
Adult Entertainment Club	S	4	3	3	3	3	4	2	2	30	24	20
<b>PUBLIC/CULTURAL FACILITIES</b>												
Aquarium	B	3	5	1	1	3	5	5	5	38	28	26
Museum (Maritime)	B	5	4	1	1	3	5	5	5	39	29	27
Museum - Children's Technical	S	4	4	1	1	2	5	3	4	32	24	22
Museum - Art	S	4	3	1	1	2	5	2	4	29	22	20
Amphitheater/Concert Venue	B	4	3	3	3	4	5	5	4	41	31	26
Legitimate Theater	S	3	2	2	2	4	5	2	3	30	23	19



Uses	Location <sup>1</sup>	Physical Compatibility	Demand	Operating Income Potential	City/Port Revenue Potential	Development Cost Modification Requirements	Compliance with Regulatory Guidelines	Consultants Rating	Public Acceptance	Weight A	Total Weight B	Weight C
<b>INSTITUTIONAL USES</b>												
Hospital	S	3	3	2	2	2	1	1	3	19	17	14
Church	B	3	3	1	1	5	1	1	2	19	17	14
Library (Maritime)	S	4	2	1	1	4	4	2	4	26	22	19
School/University	S	4	2	1	1	4	1	2	4	22	19	16
Prison	S	4	5	1	1	2	1	1	1	18	16	14
Court House	S	2	2	1	1	3	1	1	2	15	13	11
Mauseleum	S	2	4	3	2	2	1	1	1	18	16	13
Military Training School	S	4	2	1	1	4	3	2	3	25	20	17
Marine Research and Diver Training Center	S	4	1	1	1	4	3	2	3	24	19	16
<b>OFFICE AND COMMERCIAL</b>												
Public Offices	S	3	2	1	1	3	3	1	2	20	16	14
Port Offices	S	4	1	1	1	3	5	2	3	27	20	18
Self-Storage	S	2	3	4	2	3	3	2	2	26	21	17
Warehousing	S	3	3	4	2	4	3	2	2	28	23	18
<b>LODGING/CLUB</b>												
Private Club	S	5	4	4	2	4	1	4	2	31	26	21
Senior Housing	S	4	3	3	3	3	1	1	3	23	21	17
Congregate Care	S	3	3	3	3	2	1	1	3	21	19	15
Timeshare	S	3	5	3	2	4	4	2	4	33	27	23
Club Combination with Undivided Interest	SH	4	4	4	3	3	1	4	3	31	26	21
Homeless Shelter	S	5	5	1	1	5	1	1	2	23	21	18
<b>OPERATING OPTIONS</b>												
Upgraded Hotel	B/S/SH	3	1	2	1	1	5	3	3	27	19	17
Upgraded Conference Center	B	5	4	3	2	4	5	3	3	37	29	25
Stand Alone as is	S	5	2	1	1	1	5	1	1	23	17	16
Keep Hotel Component	S	5	2	1	1	1	5	1	2	24	18	17
Operate Partially	S	5	2	3	3	3	5	4	3	37	28	24
Mothball but keep as Icon	S	5	3	1	4	4	5	4	4	39	30	26
Operate as reduced tour only	S	4	3	3	3	4	5	5	4	41	31	26
Sink - Sub, Scuba Visits	S	5	4	4	3	3	4	4	2	37	29	24
<b>PROGRAMMATIC</b>												
Special Events	B	3	4	3	2	5	5	5	5	42	32	27
Ethnic Festivals	B	4	4	3	2	5	5	5	5	43	33	28

Uses	Location <sup>1</sup>	Physical Compatibility	Demand	Operating Income Potential	City/Port Revenue Potential	Development Cost Modification Requirements	Compliance with Regulatory Guidelines	Consultants Rating	Public Acceptance	Weight A	Total Weight B	Weight C
Submitted Proposals (Unique Options)										0	0	
Casey's Sports Park	SH	4	3	3	3	3	5	3	3	0	0	
International Themed Attraction	SH	2	2	2	2	1	2	3	3	35	27	23
Permanent World's Fair	SH	2	2	2	2	3	5	2	3	22	17	15
Renovate as Cruise Ship	S	1	3	1	1	1	5	1	3	28	21	18
Renaissance Festival Marketplace	B	4	4	4	4	2	5	5	4	22	16	15
Fantasyworlds Entertainment Complex	SH	1	1	2	2	1	2	1	3	42	32	27
Sports Arena/Stadium	B	4	3	1	1	2	5	3	3	16	13	11
Discovery Theme Park	SH	2	3	3	3	1	2	4	4	30	22	20
Amusement Park	SH	2	3	2	2	1	2	3	4	28	22	19
										24	19	17
Weightings												
	A	1.0	1.0	1.0	1.0	1.0	2.0	2.0	1.0			
	B	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0			
	C	1.0	1.0	0.5	0.5	0.5	1.0	1.0	1.0			

<sup>1</sup> B=both ship and shore; S=ship only; SH=shore only

Source: Economics Research Associates

Table A-15

COMPONENT MIX  
SELECTED ENTERTAINMENT CENTERS

<u>Entertainment Center/ Location</u>	<u>Food/Restaurant</u>		<u>Entertainment/ Attractions</u>		<u>Retail</u>		<u>Other</u>		<u>Total</u>
	<u>Total</u>	<u>Percent</u>	<u>Total</u>	<u>Percent</u>	<u>Total</u>	<u>Percent</u>	<u>Total</u>	<u>Percent</u>	
Church St. Station Orlando, FL	10,000 <sup>1</sup>	8%	40,000	30%	75,000	60%	---	---	125,000
Pleasure Island Orlando, FL	35,000	25	70,000	52	30,000	22	---	---	135,000
Dallas West End Dallas, TX	65,000	40	45,000	28	50,000	31	---	---	160,000
Fishmarket <sup>2</sup> Baltimore, MD	15,000	19	48,000	61	5,000	6	10,000	13%	78,000
City Walk <sup>3</sup> Universal City, CA	60,000	19	50,000	16	100,000	32	100,000 <sup>4</sup>	32	310,000

<sup>1</sup>Food only.

<sup>2</sup>Now closed.

<sup>3</sup>Under development.

<sup>4</sup>Office.

Source: Economics Research Associates.

**Table A-16**

**CHURCH STREET STATION  
CLUB SIZING**

<u>Club</u>	<u>Size (sq.ft.)</u>	<u>Capacity</u>	<u>Theme</u>
Orchid Garden Ballroom and Dessert Cafe	6,000	1,500	Ballroom '30s & '40s Dancing
Rosie O'Grady's	7,500	900	Showboat-Style Saloon— Audience participation
Cheyenne Saloon and Opera House	15,300	1,000+	Country Music
Apple Annie's	7,300	150	Bluegrass
Phineas Phogg's Balloon Works	4,100	410e	Disco/DJ

e = estimate.

Source: Church Street Station and Economics Research Associates.

Table A-17

COMPONENTS AND SIZING OF  
PLEASURE ISLAND

<u>Components</u>	<u>Approximate Sizing (square feet)</u>
<b><u>Nightclubs (6)</u></b>	70,000
<ul style="list-style-type: none"> <li>• XZFR Rock &amp; Roll Beach Club (live bands/dance club)</li> <li>• Mannequins (high-tech disco)</li> <li>• Cage (high-tech progressive rock— 170 video screens)</li> <li>• Adventurer's Club (audio-animatronics and live actors)</li> <li>• Comedy Warehouse (comedy)</li> <li>• Neon Armadillo Saloon (country western/pop)</li> </ul>	
<b><u>Retail and Ground Space</u></b>	30,000
<ul style="list-style-type: none"> <li>• 12 shops</li> </ul>	
<b><u>Restaurants</u></b>	35,000
<ul style="list-style-type: none"> <li>• Portobello Yacht Club (Italian)</li> <li>• Fireworks Factory (barbecue)</li> <li>• Empress Lilly (Riverboat—beef/seafood)</li> <li>• Merry Weather's (food court)</li> </ul>	
<b><u>Cinema Complex</u></b>	47,000
<ul style="list-style-type: none"> <li>• AMC—Ten Plex (2,900 seats)</li> </ul>	
<b>Total</b>	182,000

Source: The Walt Disney Company and Economics Research Associates.

Table A-18

COMPONENTS AND SIZING OF  
DALLAS WEST-END MARKETPLACE

<u>Components</u>	<u>Approximate Sizing (square feet)</u>
<u>Retail/Fast Food</u> <ul style="list-style-type: none"><li>• 3 Levels</li><li>• 70 Small Specialty Shops</li><li>• Small Food Court (12 fast food outlets)</li></ul>	118,000
<u>Entertainment</u> <ul style="list-style-type: none"><li>• Paragon</li><li>• Froggy Bottoms</li><li>• Bobbysox</li><li>• Roadside Saloon</li></ul>	21,200 <sup>1</sup>
<u>Other Features</u> <ul style="list-style-type: none"><li>• JFK Research Center</li><li>• Electronic Arcade (Tilt)</li><li>• Indoor Mini-Golf (36 holes)</li></ul>	17,800
<b>Total</b>	<b>157,000</b>

<sup>1</sup>Entire Dallas Alley Club Complex is 45,300 square feet (24,000 square feet in adjoining building not part of the marketplace).

Source: Dallas Alley, Dallas Marketplace, and Economics Research Associates.

**Table A-19**  
**DALLAS ALLEY CLUBS**  
**SIZING**

<u>Clubs</u>	<u>Size (sq.ft.)</u>	<u>Capacity</u>	<u>Theme</u>
Paragon	8,500	800	Euro-Tech Contemporary Dance Room
Froggy Bottoms	4,500	275	Rhythm and Blues
Roadside Saloon	4,000	225	Country Music
Bobbysox	4,200	300	'50s, '60s, '70s, DJ
Take 5	4,200	225	Top '40s Dance
Alley Oops	3,800	200	Sports Bar
Alley Cats	3,600	187	Dueling Pianos/Sing-A-Long
Tilt	<u>12,500</u>	1,200	Video Arcade
Total	45,300		

Source: Seville Quarter and Economics Research Associates.

Table A-20

SEVILLE QUARTER  
COMPONENTS AND SIZING

	<u>Size (sq.ft.)</u>	<u>Capacity</u>	<u>Theme</u>
<b><u>Clubs</u></b>			
Rosie O'Grady's	3,700	300	Dixieland & Motown
Lili Marlene's	1,400	110	Blues
Fast Eddie's	1,700	75-100	Billiard Parlor
Phineas Phogg's Balloon Work's	6,500 <sup>1</sup>	600	High Energy Room
Apple Annie's	2,700	250	Live Music—Rock & Roll to Sing-A-Long Country
End of the Alley Bar and Courtyard	6,000	n.a.	Reggae
<b><u>Restaurants</u></b>			
The Palace Oyster Bar	<u>2,300</u>	200	Restaurant
<b>Total</b>	<b>24,300<sup>2</sup></b>		

<sup>1</sup>2 levels.

<sup>2</sup>With courtyards and service areas approximately 30,000 square feet.

Source: Seville Quarter and Economics Research Associates.



Table A-21

COMPONENTS AND SIZING OF  
THE FISHMARKET<sup>1</sup>

<u>Components</u>	<u>Approximate Sizing (square feet)</u>
<b><u>Restaurants</u></b>	15,000
<ul style="list-style-type: none"> <li>• Charm City Diner</li> <li>• Fishmarket Grille</li> </ul>	
<b><u>Entertainment</u></b>	48,000
<ul style="list-style-type: none"> <li>• Rooftops (dancing)</li> <li>• Eubie's (live jazz and blues)</li> <li>• Liberty Bell (2,000-seat headliner)</li> <li>• Edgar Allan Pub (street entertainment)</li> <li>• Officer's Club (variety acts)</li> <li>• The Library (relaxing)</li> </ul>	
<b><u>Other Features</u></b>	15,000
<ul style="list-style-type: none"> <li>• Water Street Arcade (retail)</li> <li>• Grand Pavilion (entrance)</li> <li>• Crystal Court</li> <li>• Function Rooms (2)</li> </ul>	_____
<b>Total</b>	<b>78,000</b>

<sup>1</sup>The Fishmarket closed in July 1989.

Source: The Fishmarket and Economics Research Associates.

**Table A-22**

**ATTENDANCE CHARACTERISTICS OF  
SELECTED ENTERTAINMENT CENTERS**

<b>Name/Location</b>	<b>Pleasure Island Walt Disney World Orlando, FL</b>	<b>Church Street Station Orlando, FL</b>	<b>Dallas Alley Dallas, TX</b>	<b>Seville Quarter Pensacola, FL</b>
<b>Estimated Annual Visitation</b>	2,500,000e	1,500,000	800,000	250,000
<b>Tourist Market Size</b>	15,000,000	15,000,000	3,200,000	3,500,000
<b>Tourist Market Attendance</b>				
<b>Number</b>	2,000,000e	1,125,000	424,000	75,000
<b>Percent</b>	80.0%	75.0%	53.0%	30.0%
<b>Tourist Market Penetration</b>	13.3%	7.5%	13.2%	2.1%
<b>Resident Market Size</b>	1,100,000	1,100,000	2,600,000	349,000
<b>Resident Market Attendance</b>				
<b>Number</b>	500,000e	375,000	376,000	175,000
<b>Percent</b>	20.0%	25.0%	47.0%	70.0%
<b>Resident Market Penetration</b>	45.5%	34.1%	14.5%	50.1%

Source: Individual facilities and Economics Research Associates.

**Table 23**

**ENTERTAINMENT CENTER  
RESIDENT MARKET POPULATION PROFILE  
(0-15 Miles)**

**Population Growth Trends**

1980	2,643,000
1990	2,938,000
1992 (estimated)	2,997,000
1997 (projected)	3,150,000
<b>Average Annual Growth Rate</b>	
1980-1990	1.1%
1990-1997	1.0%

**1990 Population Characteristics**

Percent Male	50.1%
Percent Female	49.9%
Number of Households	976,600
Average Household Size	2.97
<b>Ethnic Composition</b>	
White	57.8%
Black	12.5
American Indian	0.6
Asian/Pacific Islander	12.2
Other	<u>16.9</u>
Total	100.0%
Hispanic Origin	30.3%

Source: Urban Decision Systems and Economics Research Associates.

**Table 24**

**ENTERTAINMENT CENTER  
RESIDENT MARKET AGE DISTRIBUTION  
(0-15 Miles)**

<u>Age Category</u>	<u>Percent</u>
Less than 6 Years	10.1%
6 - 13	11.5
14 - 17	5.4
18 - 24	12.1
25 - 34	19.5
35 - 44	14.6
45 - 64	17.6
65+	<u>9.2</u>
Total	100.0%

Median Age — 30.4

Source: Urban Decisions Systems and Economics Research Associates.

**Table A-26**

**COMMERCE CASINO COMPONENTS  
AND SIZING**

	<u>Square Feet</u>
<b>Facility Size</b>	130,000 ±
<b>Casino Space (177 tables)</b>	30,000
Poker	116
Asian Games	<u>61</u>
Total	177
<b>Restaurants</b>	
2 - Full Service (China Nine/Players)	
1 - Delicatessen	
1 - Coffee Shop	
<b>Entertainment</b>	
Ball Room (600 capacity) Las Vegas-Style Shows Tournaments	
Lounge—Live Entertainment	
<b>Gift Shop</b>	
<b>Beauty Shop</b>	

Source: Economics Research Associates.

**Table A-25**

**ENTERTAINMENT CENTER  
RESIDENT MARKET INCOME DISTRIBUTION  
(0-15 Miles)**

<u>Income Category</u>	<u>Percent</u>
Under \$10,000	13.5%
\$10,000-\$14,999	9.0
\$15,000-\$19,999	8.2
\$20,000-\$24,999	8.1
\$25,000-\$34,999	14.0
\$35,000-\$49,999	17.1
\$50,000+	<u>30.1</u>
Total	100.0%

**Median Household Income — \$33,044**

**Source: Urban Decisions Systems and Economics Research Associates.**

**Table 27**

**COMMERCE CASINO CARD GAMES**

**Poker Games**

- 7-Card Stud
- Texas Hold'em
- Omaha
- Draw
- Low Ball
- Pan
- Super Pan

**Asian Games**

- Asian Poker
- Paigow
- Asian Stud Poker

**Source: Economics Research Associates.**

**Table A-28**

**ANNUAL GROSS REVENUE  
SELECTED SOUTHERN CALIFORNIA  
CARD CLUBS  
1991**

	<u>Gross Revenue (000)</u>	<u>Number of Tables</u>	<u>Gross Revenue per Table (000)</u>
Commerce Casino/Card Club Commerce, CA	\$76,000	116 <sup>1</sup>	\$652
Bicycle Club Bell Gardens, CA	90,000e	170	529
Normandie Club & Eldorado Club Gardena, CA	36,000e	97	402e

e = estimate.

<sup>1</sup>As of April 1992 have 177 tables..

Source: City of Commerce and Economics Research Associates.





**Table A-29**  
**COMMERCE CASINO**  
**HISTORICAL GROSS REVENUE**

<u>Year</u>	<u>Total Casino Gross Revenue (000)</u>	<u>Number of Tables</u>	<u>Gross Revenue per Table (000)</u>
1984	\$11,631	116	\$100
1985	17,399	116	150
1986	15,335	116	132
1987	27,477	116	237
1988	42,688	116	368
1989	53,056	116	457
1990	65,255	116	562
1991	75,652	116	652

Source: City of Commerce and Economics Research Associates.

Table A-30

**CITY OF COMMERCE  
HISTORICAL REVENUES FROM COMMERCE CASINO  
1984-1991<sup>1</sup>**

<u>Year</u>	<u>Number of Tables</u>	<u>Revenues To City (000)</u>	<u>Percent Change</u>
1984	116	\$1,535	---
1985	116	2,297	49.6%
1986	116	2,024	(11.9)
1987	116	3,627	79.2
1988	116	5,635	55.4
1989	116	7,003	24.0
1990	116	8,614	23.0
1991	116	9,730	13.0

---

<sup>1</sup>Fiscal year.

Source: City of Commerce and Economics Research Associates.

Table A-31

**CITY OF GARDENA  
HISTORICAL REVENUES FROM CARD CLUBS**

<u>Year<sup>1</sup></u>	<u>Number of Tables</u>	<u>Revenues To City (000)</u>	<u>Percent Change</u>
1982	175	\$3,154	
1983	175	3,040	(3.6%)
1984	160	2,336	(23.2)
1985	120	2,207	(5.5)
1986	120	2,195	(0.5)
1987	120	2,989	36.2
1988	120	3,729	24.8
1989	97	3,942	5.7
1990	97	4,888	24.0
1991	97	4,979	1.9

<sup>1</sup>Fiscal year.

Source: City of Gardena and Economics Research Associates.

Table A-32

**CITY OF BELL GARDENS  
HISTORICAL REVENUE FROM BICYCLE CLUB  
1985-1991<sup>1</sup>**

<u>Year</u>	<u>Revenue To City (000)</u>	<u>Percent Change</u>
1985	\$1,440 <sup>2</sup>	--
1986	3,937	173.4%
1987	7,493	90.3
1988	8,699	16.1
1989	9,618	10.1
1990	10,404	8.2
1991	10,565	1.5

---

<sup>1</sup>Fiscal year.

<sup>2</sup>Partial year. Opened in November 1984.

Source: City of Bell Gardens and Economics Research Associates.

Table A-33

**PHYSICAL CHARACTERISTICS  
OF SELECTED SPECIALTY RETAIL CENTERS**

<u>Name/Location/Year Opened</u>	<u>Square Feet</u>	<u>Floors</u>	<u>Use by Floor</u>	<u>Former Use</u>	<u>Theme</u>	<u>Features</u>
The Cannery San Francisco, CA 1967	88,000	3	Mixed use: all levels	Rehabilitated fruit cannery	Small Italian market towns	Outside elevator; courtyard with performance area and food booths
Faneuil Hall Marketplace Boston, MA 1976	219,000 R 143,000 O 362,000	5, 5 & 2 (3 buildings)	1st & 2nd retail/restaurant; 3rd, 4th & 5th office	Rehabilitated town hall and farmers market	Festival marketplace	Original building facades; pushcarts
Ghirardelli Square San Francisco, CA 1964	145,000 R 12,000 O 157,000	4 (9 buildings)	Mixed use: all levels except for 3rd floors of office (2 buildings)	Rehabilitated chocolate factory	Turn-of-the-century San Francisco	Extensive use of brick & mahogany; gas lamps
Harborplace Baltimore, MD 1980	135,000	2 buildings	Mixed use: retail/restaurant	New construction	Harbor	Use of glass to provide open water viewing
Harbour Island Tampa, FL 1985	66,000 R	2+ 1 level of parking	Mixed use: including hotel, residential, office market	New construction	Waterfront	View of Tampa from island in the bay
Pier 39 San Francisco, CA 1978	198,000	2	Mixed use: both levels retail/restaurant	Ferry Terminal Market Building	San Francisco waterfront	Located on northernmost point of San Francisco Peninsula; views of marina, bay, and landmarks

Table A-33  
(Continued)

<u>Name/Location/Year Opened</u>	<u>Square Feet</u>	<u>Floors</u>	<u>Use by Floor</u>	<u>Former Use</u>	<u>Theme</u>	<u>Features</u>
South Street Seaport New York, NY 1983	233,000 R <u>60,000</u> O 293,000	3-5	Fulton Market: all food; Schermerhorn Row: 1st & 2nd retail, 3rd office; Museum Block: 1st & 2nd retail, 3rd, 4th & 5th office; Pier 17: retail & restaurant—3 levels	Renovated waterfront district; original buildings served as counting houses	Historic waterfront	Cobblestone pedestrian streets
Waterside Norfolk, VA 1983	110,000	2	Mixed use: retail/restaurant	Ferry terminal market building	Historic waterfront	Airy steel and glass structure with Victorian detailing
Bayside/Miami, FL/1987		2 in each building	North Pavilion predom- inantly retail; South Pavilion predominantly food	New construction	Waterfront festival marketplace	Located on Biscayne Bay; open-air pavilions; surrounds a 208-slip marina
	110,000					
	Retail 90,000					
	Fast food 25,000					
	Flowers/produce 6,500					
	Market food <u>3,500</u>					
	235,000					
Shoreline Village Long Beach, CA 1983	70,000	1	Retail shops	New construction	Maritime	1906 Carousel
Seaport Village San Diego, CA 1980	94,000	1	Retail specialty shops, fast food, restaurants	New construction	Historic Seaport Village	Waterfront Boardwalk, 100-year old Carousel, ponds, waterfall

Note: R means retail/restaurant, O means office.

Source: Individual centers and Economics Research Associates.

Table A-34

**ESTIMATED ANNUAL VISITATION  
OF SELECTED SPECIALTY RETAIL CENTERS  
1991  
(Thousands)**

<u>Name/Location</u>	<u>Total<sup>1</sup> Visitation (thousands)</u>	<u>Tourists (percent)</u>	<u>Residents<sup>2</sup> (percent)</u>
The Cannery San Francisco, CA	3,100	60%	40%
Faneuil Hall Marketplace Boston, MA	14,000	55	45
Ghirardelli Square San Francisco, CA	4,000	75	25
Harborplace Baltimore, MD	16,000	55	45
The Shops on Harbour Island Tampa, FL	1,000	n.a.	n.a.
Pier 39 San Francisco, CA	10,500	60	40
South Street Seaport New York, NY	13,000	50	50
Bayside Miami, FL	10,000	65	35
Shoreline Village Long Beach, CA	3,500	50* 15-30**	50* 70-85**
Seaport Village San Diego, CA	4,000	70* 50**	30* 50**

\*Summer \*\*Winter n.a. means not available

<sup>1</sup> Many centers do not make estimates or conduct patron surveys to determine visitation.

<sup>2</sup> Includes employee/office worker market segment.





Table A-35

GROSS SALES PER NET SQUARE FOOT OF SELECTED  
SPECIALTY RETAIL CENTERS  
1991

<u>Name/Location</u>	<u>Restaurant</u>	<u>Fast Food</u>	<u>Retail</u>	<u>Average</u>
The Cannery San Francisco, CA	\$185		\$255	\$205
Faneuil Hall Marketplace Boston, MA	550e	\$950e	650e	600e
Ghirardelli Square San Francisco, CA	540	---	300	410
Pier 39 San Francisco, CA	400	650	600	600
South Street Seaport New York, NY	425	800	660	525
Bayside Miami, FL	350e	650e	450e	400e
Shoreline Village Long Beach, CA		445	235	365e
Seaport Village San Diego, CA	376	461	430	415e

n.a. means not available.

e means estimated.

Source: Individual centers and Economics Research Associates.

Table A-36

**RESTAURANT PERFORMANCE  
AT SELECTED ROUSE CENTERS**

	<u>Annual Sales</u> <u>(thousands)</u>	<u>Area</u> <u>(sq.ft.)</u>	<u>Sales per</u> <u>Square Foot</u>
<b><u>Bayside</u></b>			
Jardin Brazilien	\$2,400	3,247	\$742
Las Tapas	3,200	7,522	427
Peacock Cafe	1,300	4,194	313
Sharkey's	1,100	5,866	187
<b><u>South Street Seaport</u></b>			
Roebling's	\$3,600	6,829	\$527
Gianni's	4,400	7,943	554
Sloppy Louie's	1,500	3,473	432
<b><u>Harborplace</u></b>			
Phillip's	\$8,500	11,896	\$715
City Limits	1,700	5,207	326
Bamboo House	1,200	2,995	401
<b><u>Faneuil Hall</u></b>			
City Side	\$2,800	4,870	\$575
Landmark Inn	3,800	12,644	301
Lily & Lily's	3,800	6,938	548
Seaside	3,500	8,614	406
<b>Average</b>	<b>\$3,100</b>	<b>6,600</b>	<b>\$460</b>

Source: The Rouse Company and Economics Research Associates.

Table A-37

OPERATING CHARACTERISTICS OF DINNER THEATERS

<u>Name/Location</u>	<u>Year Opened</u>	<u>Seats</u>	<u>Ticket Prices<sup>1</sup></u>	<u>Performance/ Week</u>	<u>Shows per Year</u>	<u>Average Run (run/ weeks)</u>
Griswold's Candlelight Pavilion Claremont, CA	1985	299	\$28.00-\$50.00	7	5	11-13
Elizabeth Howard's Curtain Call Theatre, Tustin, CA	1980	300	\$19.95-\$30.95	7	Varies	12-16
Medieval Times Buena Park, CA	1986	1,130	\$28.95-\$32.95	N.A.	N.A.	N.A.
Lawrence Welk Resort Theatre Escondido, CA	1982	330	\$26.00-\$36.00	8		10-11
Carousel Akron, OH	1973	1,130	\$27.50-\$30.50	8	4 to 5	8-10
Marriott's Lincolnshire Lincolnshire, IL	1978	862	\$30-theater only Dinner in hotel restaurant \$16-\$23	8	5	10-12
Candlelight Dinner Playhouse Chicago, IL	1959	572	\$42.95-\$45.95	8	3 to 4	12-16

N.A. means Not Applicable.

<sup>1</sup>Range indicates weekday/weekend.

Source: Individual surveyed dinner theaters and Economics Research Associates.

Table A-38

ATTENDANCE CHARACTERISTICS OF DINNER THEATERS

Name/Location	Griswold's Candlelight Pavilion/ Claremont, CA	Elizabeth Howard's Curtain Call/ Tustin, CA	Medieval Times/ Buena Park, CA	Lawrence Welk Resort Theatre/ Escondido, CA	Carousel/ Akron, OH	Marriott's Lincolnshire/ Lincolnshire, IL
Annual Capacity	109,000	109,000	---	137,000	470,000	358,000
Annual Attendance	75,000e	93,000	500,000	105,000	180,000	320,000
Mix						
Individual	60.0%	n.a.	70.0%	n.a.	50.0%	78.0%
Group	40.0%	n.a.	30.0%	n.a.	50.0%	22.0%
Resident Market Size	2,700,000	3,300,000	2,500,000	660,000	3,800,000	4,700,000
Percent of Attendance from Resident Market (estimate)	70.0%	70.0%	75.0%	50.0%	50.0%	85.0%
Market Penetration	1.9%	2.0%	15.0%	8.0%	2.4%	5.8%

n.a. means not available.

Source: Individual dinner theaters and Economics Research Associates.

Table A-39

GENERAL CHARACTERISTICS OF SELECTED MARITIME MUSEUMS

Name/Location	Los Angeles Maritime Museum Los Angeles, CA	San Diego Maritime Museum San Diego, CA	San Francisco Maritime National Historical Park San Francisco, CA	Mystic Seaport Museum Mystic, CT	USS Alabama Battleship Memorial Park Mobile, AL
Exhibit Area (sq.ft.)	25,000 (2 floors)	n.a.	3,000	n.a. Main Building (2 floors) 17 Acres	n.a.
Facilities	Converted Ferry Boat Terminal, Amateur Radio Station, Library	3 Historic Vessels	Maritime Museum, Library, Historic Vessels, Bookstore/Gift Shop at Hyde Street Pier	Museum, Bookstore, Restaurant, Shops, 3 Tall Ships Small Planetarium	Battleship and Submarine
Year Museum Established	1980	1951	1948		
Hours of Operation	Tuesday-Sunday 10am-5pm	Daily 9am-8pm	Daily 10am-5pm	May-October Daily 9am-5pm November-April Daily 9am-4pm	Daily 8am-Sunset
Admission Prices					
Adult	Donation of \$1.00	\$5.00	Museum free, Hyde Street Pier Vessels	\$14.00	\$5.00
Child	suggested	\$1.25	Adult: \$3.00 Child (12-17): \$1.00	\$ 8.75	\$2.50

**Table A-39  
(Continued)**

<b>Name/Location</b>	<b>South Street Seaport Museum New York, NY</b>	<b>Philadelphia Maritime Museum Philadelphia, PA</b>	<b>Vancouver Maritime Museum Vancouver, BC</b>	<b>Patriots Point Naval and Maritime Museum Mt. Pleasant, SC</b>
<b>Exhibit Area (sq.ft.)</b>	15,000 (3 floors)	10,000 2,000/Library	4,000 2,000/Library	n.a.
<b>Facilities</b>	3 Galleries, Children's Center, 5 Ships	4 Galleries, 120-seat Auditorium; Wooden Boat Exhibit & Workshop	Harbor, Museum, Gallery, St. Rock Tour Boat	5 Ships: Aircraft Carrier, Destroyer, Coast Guard Cutter, Nuclear-powered Cargo Ship: Gift Shop
<b>Year Museum Established</b>	1967	1961	1958	
<b>Hours of Operation</b>	Daily 10am-5pm	Monday-Saturday 10am-5pm Sunday 1pm-5pm	Daily 10am-5pm	March-September Daily 9am-6pm January-March/ October-December Daily 9am-5pm
<b>Admission Price</b>				
Adult	\$6.00 <sup>1</sup>	\$2.50	\$5.00	\$8.00
Child	\$3.00	\$1.00	\$2.50	\$4.00

<sup>1</sup>Boat Tour: Adult \$12; Child \$7.

Source: Economics Research Associates.

Table A-40

ATTENDANCE CHARACTERISTICS OF SELECTED MARITIME MUSEUMS

Name/Location	Los Angeles Maritime Museum Los Angeles, CA	San Diego Maritime Museum San Diego, CA	San Francisco Maritime National Historical Park San Francisco, CA	Mystic Seaport Museum Mystic, CT	USS Alabama Battleship Memorial Park Mobile, AL
Total Attendance	200,000	175,000	485,000 <sup>d</sup>	432,000 <sup>e</sup>	321,000
Percent Adults	60%	n.a.	60%	84%	90%
Percent Children	40%	n.a.	40%	16%	10%
Percent Residents	20%	35	30%	15%	15%
Percent Tourists	80%	65	70%	85%	85%
Number of Members	1,000	1,600	500	17,000	n.a.
Average Length of Stay (hours)	.75-2	n.a.	1	3.5.	n.a.



**Table A-40  
(Continued)**

<b>Name/Location</b>	<b>South Street Seaport New York, NY</b>	<b>Philadelphia Maritime Museum Philadelphia, PA</b>	<b>Vancouver Maritime Museum Vancouver, BC</b>	<b>Patriots Point Naval and Maritime Museum Mt. Pleasant, SC</b>
<b>Total Attendance</b>	100,000* 450,000**	90,000	100,000	290,000
<b>Percent Adults</b>	65%	56%	40%	90%
<b>Percent Children</b>	35%	44%	60%	10%
<b>Percent Residents</b>	n.a.	n.a.	40%	10%
<b>Percent Tourists</b>	n.a.	n.a.	60%	90%
<b>Number of Members</b>	5,000	850	600	n.a.
<b>Average Length of Stay (hours)</b>	1.5-3	.50-1	n.a.	3.5

\*Museum only. \*\*Including excursionary boat tours.

e means estimate. n.a. means not available.

'Reflects free admission.

Source: Economics Research Associates.

**Table A-41**

**MARITIME MUSEUMS  
TOURIST MARKET ATTENDANCE ANALYSES**

<b>Name/Location</b>	<b>Los Angeles Maritime Museum Los Angeles, CA</b>	<b>San Diego Maritime Museum San Diego, CA</b>	<b>San Francisco Maritime National Historical Park San Francisco, CA</b>	<b>USS Alabama Battleship Memorial Park Mobile, AL</b>	<b>Mystic Seaport Museum Mystic, CT</b>
<b>Annual Visitation</b>	200,000	175,000	485,000	321,000	432,000
<b>Tourist Market Attendance Number</b>	160,000	114,000	340,000	273,000	367,000
<b>Percent</b>	80%	65%	70%	85%	85%
<b>Tourist Market Size<sup>1</sup></b>	14,000,000	7,300,000	5,250,000	750,000	1,250,000 <sup>e</sup>
<b>Tourist Market Penetration</b>	1.1%	1.6%	6.5%	36.4%	29.4%

<sup>e</sup> = estimate.

<sup>1</sup>Recreation-oriented overnight visitors.

Source: Individual museums and Economics Research Associates.

**Table A-43**

**MARITIME MUSEUM  
RESIDENT MARKET AGE DISTRIBUTION  
(0-20 Miles)**

<u>Age Category</u>	<u>Percent</u>
Less than 6 Years	10.4%
6 - 13	11.7
14 - 17	5.6
18 - 24	12.9
25 - 34	19.8
35 - 44	14.1
45 - 64	16.5
65+	<u>9.0</u>
Total	100.0%

Median Age — 29.5

Source: Urban Decisions Systems and Economics Research Associates.

**Table A-44**

**MARITIME MUSEUM  
RESIDENT MARKET INCOME DISTRIBUTION  
(0-20 Miles)**

<u>Income Category</u>	<u>Percent</u>
Under \$10,000	14.6%
\$10,000-\$14,999	9.4
\$15,000-\$19,999	8.6
\$20,000-\$24,999	8.4
\$25,000-\$34,999	14.2
\$35,000-\$49,999	16.7
\$50,000+	<u>28.1</u>
Total	100.0%

**Median Household Income — \$31,218**

**Source: Urban Decisions Systems and Economics Research Associates.**

Table A-45

**BREAKDOWN OF ATTENDANCE AT SELECTED AQUARIUMS  
1991**

	<u>Monterey Bay Aquarium</u>	<u>National<sup>3</sup> Aquarium in Baltimore</u>	<u>New England Aquarium</u>	<u>Seattle Aquarium</u>	<u>Shedd Aquarium</u>	<u>Vancouver Aquarium</u>
Total Admission	1,781,000	1,524,000	1,263,000	630,000	2,100,000	810,000
Total Paid Admission	1,508,000 <sup>1</sup>	1,338,000	958,000	503,000 <sup>4</sup>	1,365,000 <sup>e</sup>	618,000
Total General Admission	1,407,000	1,192,000	854,000	464,000	n.a.	545,000
Total Members	158,000	57,000	75,000	18,000	n.a.	94,000
Total Group	67,000 <sup>2</sup>	243,000	104,000 <sup>2</sup>	39,000	430,000 <sup>e</sup>	73,000
Paid Admission as % of Total	85%	88%	76%	80%	65%	76%

Note: Except where otherwise noted, total paid attendance is equal to the sum of total paid general admission and total paid group admission.  
n.a. means not available.

<sup>1</sup>Also includes special events for which admission is charged.

<sup>2</sup>Paid group attendance only.

<sup>3</sup>1990 data.

<sup>4</sup>Excluding group attendance.

Source: Individual Aquariums and Economics Research Associates.

Table A-46

GENERAL ADMISSION PRICES  
AT SELECTED MAJOR AQUARIUMS  
1992

<u>Facility</u>	<u>Admission Price</u>
<b>Monterey Bay Aquarium</b>	
Adult	\$ 9.75
Senior (over 56 years)	7.25
Active Military	7.25
Students	7.25
Child (3-12 years)	4.50
<b>National Aquarium in Baltimore</b>	
Adult	\$11.50
Senior (over 60 years)	9.50
Active Military	8.75
Student (12-18 years)	8.75
Child (3-11 years)	7.50
<b>New England Aquarium</b>	
Adult	\$ 7.50
Senior	6.50
Child (3-11 years)	3.50
<b>Seattle<sup>1</sup></b>	
Adult	\$ 6.00
Youth (6-18 years)	3.50
Senior	3.50
Child (3-5 years)	1.00
<b>Shedd Aquarium</b>	
Aquarium & Oceanarium	
Adult	\$ 7.00
Senior	5.00
Child	5.00
Aquarium Only	
Adult	5.00
Senior	2.75
Child	0.50

**Table A-46  
(Continued)**

<u>Facility</u>	<u>Admission Price</u>
<b>Vancouver Aquarium (US\$)</b>	
Adult	\$ 7.10
Senior (over 65 years)	6.05
Youth (13-18 years)	6.05
Child (5-12 years)	4.38
<b>Mystic Marinelife Aquarium</b>	
Adult	\$ 8.50
Senior	7.50
Child (5-12 years)	5.00

**Note:** With the exception of Monterey Bay, all of the aquariums listed above have marine mammal demonstrations as part of their attraction content.

\*King County residents: Adult \$5.00/Youth \$2.75/Children \$0.50

**Source:** Individual Aquariums and Economics Research Associates.

**Table A-47**

**CHARACTERISTICS OF U.S. TIMESHARE RESORTS**

<b>Timeshare Resort</b>	<b>1,200</b>
<b>Timeshare Units</b>	<b>60,380</b>
<b>Average Units per Resort</b>	<b>50</b>
<b>Unit Mix</b>	
<b>Singles</b>	<b>18%</b>
<b>1 Bedrooms</b>	<b>33</b>
<b>2 Bedrooms</b>	<b>43</b>
<b>3+ Bedrooms</b>	<b><u>6</u></b>
<b>Total</b>	<b>100%</b>

**Source: Worldwide Resort Timesharing Industry, 1990.**



**Table A-48**

**AVERAGE WEEKLY PRICES OF  
TIMESHARE INTERVALS**

<u>Year</u>	<u>Weekly Price</u>	<u>Annual Increase</u>
1980	\$3,935	---
1981	4,755	20.8%
1982	5,337	12.2
1983	6,009	12.6
1984	6,750	12.3
1985	n.a.	n.a.
1986	6,750	0.0
1987	7,496	11.0
1988	7,000	(6.6)
1989	8,515	21.6
1990	8,750	2.8

Source: Economics Research Associates.

**Table A-49**

**DEMOGRAPHIC PROFILE OF  
U.S. TIMESHARE OWNERS**

<b>Annual Household Income</b>	
Less than \$20,000	2.8%
\$20,000-\$29,999	10.7
\$30,000-\$39,999	17.6
\$40,000-\$49,999	19.4
\$50,000-\$99,999	42.3
\$100,000+	<u>7.1</u>
<b>Total</b>	<b>100.0%</b>
<b>Median Household Income</b>	<b>\$49,700</b>
<b>Age of Head of Household</b>	
Under 35 Years	15.0%
35-44 Years	27.0
45-54 Years	24.2
55+ Years	<u>33.8</u>
<b>Total</b>	<b>100.0%</b>
<b>Median Age</b>	<b>47</b>
<b>Percent Married</b>	<b>86.4%</b>
<b>Percent with No Children at Home</b>	<b>63.2%</b>

**Source: Fractional Interest Purchasers: Who They Are, Why They Buy.**

**Table A-50**  
**BUYER MOTIVATIONS**  
**(U.S.)**

<b>Exchange Opportunity</b>	<b>81.2%</b>
<b>Save Money on Future Vacation Costs</b>	<b>59.2</b>
<b>Liked Resort/Amenities and/or Unit</b>	<b>57.6</b>
<b>Certainty of Quality Accommodations</b>	<b>31.9</b>
<b>Investment or Resale Potential</b>	<b>27.0</b>
<b>Opportunity to Own at Affordable Price</b>	<b>21.0</b>

**Source: Worldwide Resort Timesharing Industry, 1990.**

**Table A-51**

**CHARACTERISTICS OF SELECTED TIMESHARE RESORTS**

Name	Number of Units	Unit Type	Unit Size (sq.ft.)	Amenities
Vistana Resort Lake Buena Vista, Florida	740	2-bedroom condos (12- & 18-unit bldgs, 3 stories)	1,100 (new units) 1,280	Series of interlocking lakes, recreation center in each phase. Pools, Whirlpools, children's playground, units have view of lakes.
Marriott's Sabal Palms Orlando, Florida	80	2-bedroom	1,250	1 pool, 3 spas, recreation center. Full use of amenities of World Center resort. These include championship golf course, tennis, pro shops, 10 restaurants, health club.
Marriott's Royal Palms Orlando, Florida	123	2-bedroom	1,250	Pool, 2 Whirlpool spas, 2 tennis courts, exercise room, jogging trail, sauna. Full use of amenities at World Center resort.
Charter Club of Marco Beach Marco Island, Florida	82	2-bedroom condos	n.a.	All units face golf course, tennis courts, putting green, pool, Whirlpool spa, fitness facility.
The Ridge Stateline, Tahoe	204	2-bedroom condos (5 bldgs/8-11 stories)	—	45,000 sq.ft. clubhouse with restaurant/lounge, deli, concierge, retail shops, exercise room, racquetball, tennis, 2 pools, 5 saunas, 10 spas on property; private gondola to ski area.
Tamarack Beach Resort Carlsbad, California	54	1- & 2-bedroom condos	n.a.	Hot tubs, restaurant, gym, beach across street.

**Table A-51  
(Continued)**

<b>Name</b>	<b>Number of Units</b>	<b>Unit Type</b>	<b>Unit Size (sq.ft.)</b>	<b>Amenities</b>
Shell Winner Circle's Carlsbad Inn Carlsbad, California	133	1- & 2-bedroom condos (2 bldgs, 3 stories)	---	Across from beach. Beach cabana, pool, 3 Whirlpool spas, Jacuzzi, gym, 2 restaurants, 67-room hotel.
Lawrence Welk Resort Villas Escondido, California	286	2-bedroom (most in 8-plexes)	1,386	2 golf courses, dinner theater and restaurant, 140-room hotel, 3 recreation centers with pools, Jacuzzis.
The Whaler Kaanapali, Maui	43	Studio, 1- & 2-bedroom condos	1,118 (1 bd) 1,925 (2 bd)	Beach, tennis, pool, sauna, adjacent golf.
Makai Club Cottages/Makai Club Princeville, Kauai	18 cottages 40 condos	2-bedroom cottages 1-bedroom condos	1,800 750	Princeville golf course frontage. Pool, tennis.
Pahio at Ka'Eo Kai Princeville, Kauai	84	2-bedroom	2,100	Jacuzzi in units. Pools, tennis. Ocean and mountain views.
Port de Plaisance St. Maartens, Netherlands Antilles	88 (280 planned)	Studio, 1-, 2- and 3-bedroom condos	---	Casino (open in February), marina, pools, health and tennis spa.
Four Seasons Fairways The Algarve, Portugal	130	2- & 3-bedroom apartments	---	About 50% of units have golf course frontage. All have terraces/patio with indoor pools. Large clubhouse.
Quinta do Lago The Algarve, Portugal	---	1-, 2- & 3-bedroom apartments	---	Clubhouse with dining room and bar, health club and tennis courts.
XIV Resort Project Toba, Japan	414	---	---	Pools, health club, tennis complex, boating on bay.

Source: Economics Research Associates.

Table A-52

CHARACTERISTICS OF TIMESHARE RESORT PROJECTS

Name/Location	Type of Interval	Start of Sales	Number of Intervals		Pricing	Annual Maintenance Fee
			Offered	Sold		
Vistana Resort Lake Buena Vista, Florida	1 week Fixed or floating	1980	39,700	37,000	\$11,000 (average)	\$325
Marriott's Sabal Palms Orlando, Florida	1 week Floating	1986	4,080	4,080	\$11,800 (nonprime) \$14,800 (prime season)	\$315
Marriott's Royal Palms Orlando, Florida	1 week Floating	1988	6,273	6,273	\$11,800 (nonprime) \$14,800 (prime season)	\$315
Charter Club of Marco Beach Marco Island, Florida	1 week Fixed	1982	4,080	2,530	\$7,900 (nonprime) \$17,500 (prime season) \$12,000 (average)	\$390
The Ridge Stateline, Nevada	1 week Floating	1982	10,400	10,400	\$15,500 (low season) \$17,950 (high season)	n.a.
Tamarack Beach Resort Carlsbad, California	1 week Floating	1985	2,754	2,500+	\$14,990-\$17,990 (1 bd) \$17,990-\$21,990 (2 bd)	
Shell Winner Circle's Carlsbad Inn Carlsbad, California	1 week Fixed	1986	6,783	6,500e	\$ 8,900-\$16,900 \$12,000-\$13,000 (average)	\$251/\$295

**Table A-52  
(Continued)**

Name/Location	Type of Interval	Start of Sales	Number of Intervals		Pricing	Annual Maintenance Fee
			Offered	Sold		
Lawrence Welk Resort Villas Escondido, California	1 weeks Fixed	Late 1984	14,856	14,856	\$15,900	\$328
The Whaler Kaanapali, Maui	2 weeks Fixed	1975	2,193	2,193	\$31,002-\$45,000 (2 weeks)	\$800
Makai Club Cottages/Makai Club Princeville, Kauai	1 week Floating	1986	2,958	2,200	\$18,900/cottages \$13,500/condos	\$563 \$388
Pahio at Ka'Eo Kai Princeville, Kauai	1 week Fixed	1984	4,284	3,200	\$16,000-21,000	\$350
Port de Plaisance St. Maartens, Netherlands Antilles	1 week Fixed or floating	12/1990	4,400	n.a.	Low/High Season \$ 9,900/15,895 (studio) \$15,070/21,945 (1 bd) \$23,100/37,015 (2 bd)	n.a.
Four Seasons Fairways The Algarve, Portugal	1 week or 6- to 8-week package	1990e			\$13,500-24,000+	
Quinta do Lago Timeshares The Algarve, Portugal		1986e			\$13,200-35,000/high \$ 8,000-24,000/low	

n.a. means not available.

Source: Economics Research Associates.

Table A-53

ESTIMATED LABOR REQUIREMENTS AND COSTS  
SPRUCE GOOSE

<u>Position</u>	<u>Number</u>	<u>Total Compensation Amount</u>
General Manager	1	\$ 60,000
<b><u>Marketing</u></b>		
Director	1	45,000
Group Sales Manager	1	35,000
Advertising and Promoters Manager	1	35,000
<b><u>Finance/Accountant</u></b>		
Director	1	45,000
Bookkeeping	2	60,000
<b><u>Operations</u></b>		
Engineer	1	35,000
Attraction Attendance	3.0	
Retail sales and Clerks		
Food Service	10	131,000 <sup>1</sup>
Custodial	2	<u>30,000</u>
Subtotal Labor		\$462,000
Benefits (at 30%)		<u>139,000</u>
Total Labor		\$615,000

<sup>1</sup>\$5.00 per hour x 8 hours/day x 365 days/year.

Source: Economics Research Associates.



Assumptions-Option 1, Entertainment Center

**DATA INPUT**

Year 1 = 1

**ATTENDANCE (000)**

o First year 750  
 o Sixth year 860  
 o Eleventh year 900

**OPERATING RATIOS**

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
Total Operating Expenses (as a % of Gross Rev's)	80%	79%	78%	78%	78%	78%	78%	78%	78%	78%
Individual Operating Exp. (% of Total Op. Exp.)										
o Wages, Salaries	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%
o Advertising	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
o Maintenance	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%
o Op. supplies	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
o Utilities	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
o Contract Entertain.	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
o G & A	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
C.G.S. (% of line rev's)										
o Food	33%									
o Merchandise	45%									
o Alcohol	22%									
LAND LEASE FEE (% gross):	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**PER CAPITA EXPENDITURES**

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
Admissions	\$11.65	\$12.12	\$12.60	\$13.10	\$13.63	\$14.17	\$14.74	\$15.33	\$15.94	\$16.58
Food and Beverage	\$10.00	\$10.40	\$10.82	\$11.25	\$11.70	\$12.17	\$12.65	\$13.16	\$13.69	\$14.23
Merchandise	\$4.00	\$4.16	\$4.33	\$4.50	\$4.68	\$4.87	\$5.06	\$5.26	\$5.47	\$5.69
Dinner Theater	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>\$25.65</b>	<b>\$26.68</b>	<b>\$27.74</b>	<b>\$28.85</b>	<b>\$30.01</b>	<b>\$31.21</b>	<b>\$32.46</b>	<b>\$33.75</b>	<b>\$35.10</b>	<b>\$36.51</b>

**ATTENDANCE (000)**

Ent. Center	750	770	790	810	830	860	870	880	890	900
Museum & Tour										



**Assumptions Options 2, Entertainment Center/Card Club**

**DATA INPUT**

**Year 1 =** 1

**ATTENDANCE (000)**

o First year 750  
 o Sixth year 860  
 o Eleventh year 900

**OPERATING RATIOS**

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
<b>Total Operating Expenses (as a % of Gross Rev's)</b>	80%	79%	78%	78%	78%	78%	78%	78%	78%	78%
<b>Individual Operating Exp. (% of Total Op. Exp.)</b>										
o Wages, Salaries	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%	46.00%
o Advertising	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
o Maintenance	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%
o Op. supplies	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
o Utilities	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
o Contract Entertain.	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
o G & A	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<b>C.G.S. (% of line rev's)</b>										
o Food	33%									
o Merchandise	45%									
o Alcohol	22%									

CAPITAL GAINS TAX RATE:	20%										
INFLATION RATE:	4.00%										
Inflation Index	1.00	1.04	1.08	1.12	1.17	1.22	1.27	1.32	1.37	1.42	1.48
CAPITALIZATION RATE:	18.00%										
DEVELOPMENT COSTS:											
o Land (000)	\$2,500										
o Construction (000)	\$25,000										
Total (000)	\$27,500										
o Debt	60%										
o Equity	40%										
LOAN INTEREST RATE:	13.00%										
LOAN TERM (YEARS):	20										
DEPRECIATION PER. (YEARS):	15										
REINVESTMENT (% GROSS):	1.50%										
LOAN AMORTIZATION	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
Interest	\$2,134	\$2,109	\$2,079	\$2,046	\$2,009	\$1,966	\$1,917	\$1,861	\$1,798	\$1,726	\$1,644
Principal	\$188	\$211	\$240	\$273	\$311	\$354	\$403	\$459	\$522	\$594	\$676
<u>PER CAPITA EXPENDITURES</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>
Admissions	\$10.48	\$10.80	\$11.34	\$11.79	\$12.26	\$12.75	\$13.26	\$13.79	\$14.34	\$14.92	\$15.51
Food and Beverage	\$9.70	\$10.09	\$10.49	\$10.91	\$11.35	\$11.80	\$12.27	\$12.76	\$13.26	\$13.81	\$14.36
Merchandise	\$3.80	\$3.95	\$4.11	\$4.27	\$4.45	\$4.62	\$4.81	\$5.00	\$5.20	\$5.41	\$5.62
Dinner Theater	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	\$23.98	\$24.94	\$25.94	\$26.97	\$28.05	\$29.18	\$30.34	\$31.56	\$32.82	\$34.13	\$35.50
<u>ATTENDANCE</u>											
Ent. Center Att	750	770	790	810	830	860	870	880	890	900	900
Card Club Rev./Table	300	325	350	375	400	400	450	450	450	450	450

**ASSUMPTIONS - OPTION 3, AS IS**

<u>1. Attendance</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
Annual Attendance	800,000	776,000	752,720	737,666	730,289	722,986	715,756	708,599	701,513	694,498
% Change		-3.00%	-3.00%	-2.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%

2. Revenues

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
<b>a. Hotel</b>										
- Occupancy	50%	55%	60%	65%	65%	65%	65%	65%	65%	65%
- Roomnights	66,185	72,804	79,422	86,041	86,041	86,041	86,041	86,041	86,041	86,041
- Avg. Room Rate	\$82	\$82	\$84	\$85	\$87	\$90	\$92	\$95	\$98	\$101
- Room Revenue	\$5,427,170	\$5,969,887	\$6,642,856	\$7,340,356	\$7,487,163	\$7,711,778	\$7,943,131	\$8,181,425	\$8,426,868	\$8,679,674
					Other					
<b>b. Other</b>	Hotel	Food	Merchandise	Attraction	Other (avg 89-91)	Total				
- Per Capita (1991)	NA	\$19.92	\$4.27	\$13.04	\$4.65	NA				
- Inflation	3.00%	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
<b>- Per Capita Projections</b>										
Admissions	\$13.04	\$13.04	\$13.04	\$13.43	\$13.83	\$14.25	\$14.68	\$15.12	\$15.57	\$16.04
Food	\$20.52	\$21.13	\$21.77	\$22.42	\$23.09	\$23.79	\$24.50	\$25.23	\$25.99	\$26.77
Merchandise	\$4.40	\$4.53	\$4.67	\$4.81	\$4.95	\$5.10	\$5.25	\$5.41	\$5.57	\$5.74
Other	\$4.79	\$4.93	\$5.08	\$5.23	\$5.39	\$5.55	\$5.72	\$5.89	\$6.07	\$6.25

Other expenditures decline by \$0.70 to account for decrease in parking revenues. Assumes reduction in parking fee by \$2.50 x 85% auto arrivals/3 persons per auto = \$0.70 per capita. Non-admissions per capitas inflated to 1992 dollars. Other expenditures represent 89-91 average inflated.

- Year 1 per capitas	NA	\$20.52	\$4.40	\$7.82	\$4.09	NA
- Other Revenues	\$5,427,170	\$16,414,080	\$3,518,480	\$6,259,200	\$3,271,600	\$34,890,530

3. Direct Operating Expenses

Assumes 1/3 hotel labor expenses variable, based on changing occupancies. Adjusted for inflation.

Assumes non-labor expense 1/2 variable, based on changing occupancies. Adjusted for inflation.

**3. Direct Operating Expenses (Continued)**

b. Cost of Goods Sold - Assumes attraction industry standards for food and beverage and merchandise adjusted to reflect Disney historical figures.

	Percent
Food	30.00%
Merchandise	50.00%
Other	25.00%

c. Other Expenses - Assumes 1/2 all expenses variable. Based on change in gross revenues. Plus inflation.

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
Other Exp. Adj.	-5.00%	3.26%	3.44%	4.26%	3.99%	4.08%	4.08%	4.08%	4.08%	4.08%
Other Non-Labor Adj.	-5.00%									

**d. Total Direct Expenses**

Labor Expense	\$10,578,320	\$10,981,846	\$11,411,640	\$11,930,086	\$12,383,189	\$12,862,621	\$13,360,913	\$13,878,832	\$14,417,167	\$14,976,696
Non-Labor Expense	\$9,199,510	\$9,590,519	\$10,005,222	\$10,496,222	\$10,891,192	\$11,308,725	\$11,742,550	\$12,193,325	\$12,661,727	\$13,148,425

**4. Indirect Operating Expenses**

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
a. Undistr. Exp.										
G & A	\$1,468	\$1,512	\$1,557	\$1,604	\$1,652	\$1,702	\$1,753	\$1,805	\$1,859	\$1,915
Repairs & Mnt.	\$8,000	\$8,240	\$8,487	\$8,742	\$9,004	\$9,274	\$9,552	\$9,839	\$10,134	\$10,438
Credit Card	\$271	\$279	\$287	\$296	\$305	\$314	\$323	\$333	\$343	\$353
Utilities	\$2,477	\$2,551	\$2,628	\$2,707	\$2,788	\$2,872	\$2,958	\$3,047	\$3,138	\$3,232
Subtotal	\$12,216	\$12,582	\$12,960	\$13,349	\$13,749	\$14,162	\$14,586	\$15,024	\$15,475	\$15,939





b. Cost of Goods Sold - Assumes attraction industry standards for food and beverage and merchandise adjusted to reflect Disney historical figures.

	Percent
Food	30.00%
Merchandise	50.00%
Other	25.00%

c. Other Expenses - Assumes 1/2 all expenses variable. Based on change in gross revenues. Plus inflation.

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
Other Exp. Adj.	-5.00%	2.96%	2.95%	3.47%	3.98%	3.98%	3.99%	3.98%	3.99%	3.99%
Other Non-Labor Adj.	-5.00%									

d. Total Direct Expenses

Labor Expense	\$5,900,000	\$6,074,356	\$6,253,840	\$6,470,870	\$6,728,702	\$6,996,838	\$7,275,705	\$7,565,614	\$7,867,124	\$8,180,632
Non-Labor Expense	\$4,700,000	\$4,838,894	\$4,981,872	\$5,154,761	\$5,360,152	\$5,573,753	\$5,795,901	\$6,026,845	\$6,267,031	\$6,516,775

4. Indirect Operating Expenses

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>
a. Undiatr. Exp.										
G & A	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194	\$1,230	\$1,267	\$1,305
Repairs & Mnt.	\$4,853	\$4,999	\$5,149	\$5,303	\$5,462	\$5,626	\$5,795	\$5,969	\$6,148	\$6,332
Utilities	\$1,902	\$1,959	\$2,018	\$2,078	\$2,141	\$2,205	\$2,271	\$2,339	\$2,409	\$2,482
Subtotal	\$7,755	\$7,988	\$8,227	\$8,474	\$8,728	\$8,990	\$9,260	\$9,538	\$9,824	\$10,119

b. Allocated Expenses - Assume no corporate G & A allocation. Corporate G & A replaced with management contract at 4% gross revenues. Assume marketing consistent with attraction industry standards, or 6% to 9% gross, assume 7%.

	1991
G & A	\$2,514,000
Management Fee	\$0
Marketing	\$5,003,000
Subtotal	\$7,517,000

**QUEEN MARY**  
**OPTION 1 - ENTERTAINMENT CENTER**  
**4% INFLATION SCENARIO**  
**30 YEAR LEASE**

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- THE INFORMATION IN THIS REPORT IS PROVIDED FOR ILLUSTRATION PURPOSES ONLY. •
- THIS IS NOT A PROJECTION OF EXPECTED RESULTS. THE ATTACHED ASSUMPTIONS •
- STATEMENT BY KRM IS AN INTEGRAL PART OF THIS ANALYSIS •

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INVESTMENT ASSUMPTIONS		1992\$ Budget	Start Year	End Year	Number of employees	Resale Cycle
<b>Pre-Development Costs</b>						
Planning & Predevelopment		1,000,000	1992	1992		0 yrs
Infrastructure		0	1992	1992		0 yrs
Area Development		0	1992	1992		0 yrs
<b>Parking Structure</b>						
	# Spaces	Dev. Cost \$/Space				
Phase 1	0	\$0	1992	1992		0 yrs
Phase 2	0	\$0	1992	1992		0 yrs
Phase 3	0	\$0	1992	1992		0 yrs
<b>Entertainment Center Development</b>						
	Sq.Ft.	\$/Sq.Ft.				
Observ. Lounge - Music Club	4,600	\$101	464,500	1992	1992	0 yrs
Queen's Salon - Dinner Theater	6,400	\$75	482,000	1992	1992	0 yrs
Royal Salon & King's View - Sport Bar	4,000	\$131	525,000	1992	1992	0 yrs
Wedding Chapel & Vict. Room - Magic Club	3,300	\$117	386,000	1992	1992	0 yrs
Chelsea Cafe - Restaurant	2,000	\$151	302,000	1992	1992	0 yrs
Brittania Salon - Comedy Club	0	\$0	0	1992	1992	0 yrs
Veranda Grill - Music/Dance Club	4,000	\$101	402,500	1992	1992	0 yrs
Promenade Cafe Lounge - Rest.	4,100	\$147	603,850	1992	1992	0 yrs
Sir Winston Room - Restaurant	3,500	\$87	305,000	1992	1992	0 yrs
<b>Card Club</b>						
Brittania Salon - Card Club	0	\$0	0	1992	1992	0 yrs
<b>Other Improved Areas</b>						
Visitor Support Area - Misc.	13,000	\$4	54,000	1992	1992	0 yrs
Rehabilitation of Entertainment Center			867,713	2007	2007	0 yrs
<b>Deferred Maintenance</b>						
Phase 1			5,987,045	1992	1992	0 yrs
Phase 2			21,119,175	1993	1995	0 yrs
<b>Museum &amp; Tour Development</b>						
	Sq.Ft.	\$/Sq.Ft.				
Phase 1	15,000	\$13	200,000	1992	1992	0 yrs
Rehabilitation of Museum & Tour	15,000	\$13	200,000	2007	2007	0 yrs
Phase 3	0	\$0	0	1992	1992	0 yrs
<b>Retail Development</b>						
	Sq.Ft.	\$/Sq. Ft.				
Phase 1	11,000	\$8	90,000	1992	1992	0 yrs
Rehabilitation of Retail	11,000	\$8	90,000	2007	2007	0 yrs
Phase 3	0	\$0	0	1992	1992	0 yrs



## OPERATING ASSUMPTIONS

-----  
Utility Expenses

	Annual Cost
Telephone	\$92,000
Water	\$180,000
Gas	\$180,000
Electric	\$1,450,000

## Other Expenses

Property Taxes	500,000
Wages & Salaries	10,430,000
Advertising & Promotion	1,810,000
Maintenance & Repairs	4,853,000
Operating Supplies	680,000
Contract Entertainment	910,000
General & Administrative	1,310,000
Card Club Operating Expenses	0

Cost of Goods Sold Factor 28.2%

## GROUND LEASE ASSUMPTIONS

Percentage Rents (Gross Revenue)	
Minimum Rent	
Land Value/Foot	\$12.00
Land Area (Acres)	45
Lease Constant	10.0%

Entertainment Center/Retail	Card Club	Museum & Tour	Food & Beverage
5.0%	5.0%	5.0%	3.0%

## REVENUES

-----  
Entertainment Center

	Sales/Person
Dinner Theater	
Admissions/Meals & Alcohol	\$30.00
Museum & Tour	
Admissions	\$4.65
Other Clubs & Bars	
Admissions	\$11.65
Meals & Alcohol	\$10.00

## Card Club Revenues

	Percent Breakdown
Fees & Rake	0.00%*** Gaming Tax Rate Applicable
Food & Beverage	0.00%
Number of Card Tables	0

## Other Revenue Sources

	Sales/S.F
Retail Spending Per Square Foot	\$275.00
Hotel Rooms Available	0
Daily Rate Per Room	\$0
Occupancy Rate	0.0%
Annual Hotel Revenues	\$0

## INDUCED ASSUMPTIONS

## QUEEN MARY CENTER Employee &amp; Visitor Impacts to Long Beach

	Supported Rooms	Daily Rate	Annual Revenues	Additional Employees
Hotels	100	\$80	\$2,920,000	100
Retail Spending			\$1,460,000	15

## NON-FINANCIAL ASSUMPTIONS

# of Employees				
Entertainment Center/Restaurants	5/1000 sf			160
Museum & Tour	3/1000 sf			45
Card Club	4/table			0
Food/Beverage Carts				10
Retail	2/1000 sf			22
Ship Maintenance				50
Average Salary - Indirects				\$27,500
Inflation Rate				4.0%
City NPV Discount Rate				9.0%
Land Value Increase for Tax Assessment				4.00%
NPV Discount Rate for Unleveraged Cash Flow			18.0% &	20.0%
NPV Discount Rate for Leveraged Cash Flow			25.0% &	30.0%

## LOAN ASSUMPTIONS

Percentage of Capital Costs Funded	0.0%
Loan Interest Rate	10.0%

## TAX RATE ASSUMPTIONS

Long Beach Property Tax Portion	City 27.5%
County Property Tax Portion	47.8%
Hotel Bed Tax Rate	10.00%
Telephone - Utility Tax Rate	5.0%
Water - Utility Tax Rate	5.0%
Gas - Utility Tax Rate	5.0%
Electric - Utility Tax Rate	8.4%
Long Beach Gaming Tax Rate	0.0%
L.A. County Sales Tax Rate	0.25%
Long Beach Sales Tax Rate	1.00%
Long Beach Miscellaneous Taxes:	
Business License Fee	\$5,000
Business License Tax Per Employee	\$8.26 /per Employee

## INDIRECT IMPACT ASSUMPTIONS

Percentage Impact from Direct Spending	110.00%
Long Beach Economic Activity Impact Factor	20.00%
L.A. County Economic Activity Impact Factor	50.00%
Long Beach Indirect Tax Portion of Economic Activity	0.50%
L.A. County Indirect Tax Portion of Economic Activity	0.25%

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>Capital Spending</b>														
Pre-Development Costs	1,000	1,000	0	0	0	0	0	0	0	0	0	0	0	0
Parking Structure	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entertainment Center Development	3,471	3,471	0	0	0	0	0	0	0	0	0	0	0	0
Card Club	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Improved Areas	1,557	54	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	28,267	5,987	7,040	7,321	7,919	0	0	0	0	0	0	0	0	0
Museum & Tour Development	546	200	0	0	0	0	0	0	0	0	0	0	0	0
Retail Development	246	90	0	0	0	0	0	0	0	0	0	0	0	0
<b>Queen Mary Operational Spending</b>														
Retail Spending	259,875	0	3,025	3,146	3,272	3,403	3,539	3,680	3,828	3,981	4,140	4,306	4,478	4,657
Hotel Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Induced Economic Activity</b>														
Retail Spending	77,331	0	1,460	1,518	1,579	1,642	1,708	1,776	1,847	1,921	1,998	2,078	2,161	2,248
Hotel Spending	154,662	0	2,920	3,037	3,158	3,285	3,416	3,553	3,695	3,843	3,996	4,156	4,322	4,495
<b>Direct Economic Activity</b>														
Capital Improvements		10,802	7,040	7,321	7,919	0	0	0	0	0	0	0	0	0
Entertainment Center Admissions	624,926	0	11,853	11,993	12,620	13,282	13,979	14,851	15,489	16,157	16,857	17,591	18,193	18,819
Food & Beverage Sales	787,355	0	13,500	14,248	15,034	15,861	16,729	17,763	18,600	19,476	20,392	21,350	22,204	23,092
Card Club Fees & Rake	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Merchandise Sales	259,875	0	3,025	3,146	3,272	3,403	3,539	3,680	3,828	3,981	4,140	4,306	4,478	4,657
Hotel Room Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Utilization Factors</b>														
Entertainment Center Attendance		0	750,000	770,000	790,000	810,000	830,000	860,000	870,000	880,000	890,000	900,000	900,000	900,000
Dinner Theater Attendance		0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Museum & Tour Attendance		0	670,000	649,900	630,403	611,491	593,146	575,352	558,091	541,349	525,108	509,355	494,074	479,252
Card Club Revenue/Table		\$0	\$300,000	\$325,000	\$350,000	\$375,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Operating Expense Factors		0%	80%	79%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Capital Spending</b>														
Pre-Development Costs	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Parking Structure	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entertainment Center Development	3,471	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Improved Areas	1,557	0	0	1,503	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	28,267	0	0	0	0	0	0	0	0	0	0	0	0	0
Museum & Tour Development	546	0	0	346	0	0	0	0	0	0	0	0	0	0
Retail Development	246	0	0	156	0	0	0	0	0	0	0	0	0	0
<b>Queen Mary Operational Spending</b>														
Retail Spending	259,875	4,843	5,037	5,238	10,896	11,332	11,785	12,256	12,746	13,256	13,787	14,338	14,912	15,508
Hotel Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Induced Economic Activity</b>														
Retail Spending	77,331	2,338	2,431	2,528	2,629	2,735	2,844	2,958	3,076	3,199	3,327	3,460	3,598	3,742
Hotel Spending	154,662	4,675	4,862	5,056	5,259	5,469	5,688	5,915	6,152	6,398	6,654	6,920	7,197	7,485
<b>Direct Economic Activity</b>														
Capital Improvements	0	0	2,005	0	0	0	0	0	0	0	0	0	0	0
Entertainment Center Admissions	624,926	19,469	20,144	20,845	21,573	22,329	23,115	23,931	24,779	25,660	26,575	27,525	28,513	29,539
Food & Beverage Sales	787,355	24,015	24,976	25,975	27,014	28,095	29,219	30,387	31,603	32,867	34,182	35,549	36,971	38,450
Card Club Fees & Rake	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Merchandise Sales	259,875	4,843	5,037	5,238	10,896	11,332	11,785	12,256	12,746	13,256	13,787	14,338	14,912	15,508
Hotel Room Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Utilization Factors</b>														
Entertainment Center Attendance		900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Dinner Theater Attendance		200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Museum & Tour Attendance		464,874	450,928	437,400	424,278	411,550	399,203	387,227	375,611	364,342	353,412	342,810	332,525	322,550
Card Club Revenue/Table		\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Operating Expense Factors		78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%



	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>DIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$10,802	\$35,418	\$36,708	\$38,845	\$32,545	\$34,247	\$36,294	\$37,917	\$39,614	\$41,389	\$43,246	\$44,875	\$46,568
Jobs		0	403	403	403	403	403	403	403	403	403	403	403	403
Fiscal Revenues				\$143	\$149	\$155	\$161	\$167	\$174	\$181	\$188	\$196	\$204	\$212
Property Taxes	\$7,145	\$0	\$0	\$174	\$183	\$193	\$203	\$214	\$224	\$235	\$245	\$257	\$267	\$277
Sales Taxes	10,472	0	165	0	0	0	0	0	0	0	0	0	0	0
Hotel Bed Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	7,648	0	144	150	156	162	169	176	183	190	198	206	214	222
Business License Fees	450	0	8	9	9	9	10	10	11	11	11	12	12	13
<b>Total Fiscal Revenue</b>	<b>25,716</b>	<b>\$0</b>	<b>\$318</b>	<b>\$476</b>	<b>\$497</b>	<b>\$519</b>	<b>\$542</b>	<b>\$568</b>	<b>\$592</b>	<b>\$616</b>	<b>\$643</b>	<b>\$670</b>	<b>\$696</b>	<b>\$724</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$10,802	\$35,418	\$36,708	\$38,845	\$32,545	\$34,247	\$36,294	\$37,917	\$39,614	\$41,389	\$43,246	\$44,875	\$46,568
Jobs		0	403	403	403	403	403	403	403	403	403	403	403	403
Fiscal Revenues				\$249	\$259	\$269	\$280	\$291	\$302	\$315	\$327	\$340	\$354	\$368
Property Taxes	\$12,420	\$0	\$0	\$43	\$46	\$48	\$51	\$54	\$56	\$59	\$61	\$64	\$67	\$69
Sales Taxes	2,618	0	41	0	0	0	0	0	0	0	0	0	0	0
<b>Total Fiscal Revenue</b>	<b>15,038</b>	<b>\$0</b>	<b>\$41</b>	<b>\$292</b>	<b>\$304</b>	<b>\$317</b>	<b>\$330</b>	<b>\$344</b>	<b>\$358</b>	<b>\$373</b>	<b>\$388</b>	<b>\$404</b>	<b>\$420</b>	<b>\$437</b>
<b>INDUCED IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$0	\$4,380	\$4,555	\$4,737	\$4,927	\$5,124	\$5,329	\$5,542	\$5,764	\$5,994	\$6,234	\$6,483	\$6,743
Jobs		0	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues				\$15	\$16	\$16	\$17	\$18	\$18	\$19	\$20	\$21	\$22	\$22
Sales Taxes	\$773	\$0	\$15	\$304	\$316	\$328	\$342	\$355	\$369	\$384	\$400	\$416	\$432	\$450
Hotel Bed Taxes	15,466	0	292	0	0	0	0	0	0	0	0	0	0	0
<b>Total Fiscal Revenue</b>	<b>16,239</b>	<b>\$0</b>	<b>\$307</b>	<b>\$319</b>	<b>\$332</b>	<b>\$345</b>	<b>\$359</b>	<b>\$373</b>	<b>\$388</b>	<b>\$403</b>	<b>\$420</b>	<b>\$436</b>	<b>\$454</b>	<b>\$472</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$0	\$4,380	\$4,555	\$4,737	\$4,927	\$5,124	\$5,329	\$5,542	\$5,764	\$5,994	\$6,234	\$6,483	\$6,743
Jobs		0	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues				\$4	\$4	\$4	\$4	\$4	\$5	\$5	\$5	\$5	\$5	\$6
Sales Taxes	\$193	\$0	\$4	0	0	0	0	0	0	0	0	0	0	0
<b>Total Fiscal Revenue</b>	<b>\$193</b>	<b>\$0</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$5</b>	<b>\$5</b>	<b>\$5</b>	<b>\$5</b>	<b>\$5</b>	<b>\$6</b>
<b>INDIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$2,376	\$8,755	\$9,078	\$9,588	\$8,244	\$8,662	\$9,157	\$9,561	\$9,983	\$10,424	\$10,886	\$11,299	\$11,728
Jobs		26	96	99	105	90	94	100	104	109	114	119	123	128
Fiscal Revenues				\$45	\$48	\$41	\$43	\$46	\$48	\$50	\$52	\$54	\$56	\$59
Indirect Taxes	\$2,121	\$0	\$44	0	0	0	0	0	0	0	0	0	0	0
<b>L.A. COUNTY</b>														
Economic Activity		\$5,941	\$21,889	\$22,695	\$23,970	\$20,610	\$21,654	\$22,893	\$23,902	\$24,958	\$26,061	\$27,214	\$28,247	\$29,321
Jobs		65	239	248	261	225	236	250	261	272	284	297	308	320
Fiscal Revenues				\$60	\$60	\$52	\$54	\$57	\$60	\$62	\$65	\$68	\$71	\$73
Indirect Taxes	\$2,652	\$0	\$55	0	0	0	0	0	0	0	0	0	0	0

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>DIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$48,328	\$50,157	\$54,063	\$59,483	\$61,756	\$64,118	\$66,575	\$69,128	\$71,783	\$74,543	\$77,412	\$80,395	\$83,497
Jobs		403	403	403	436	436	436	436	436	436	436	436	436	436
Fiscal Revenues														
Property Taxes	\$7,145	\$220	\$229	\$238	\$248	\$258	\$268	\$279	\$290	\$301	\$313	\$326	\$339	\$352
Sales Taxes	10,472	289	300	312	379	394	410	426	443	461	480	499	519	540
Hotel Bed Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	7,648	231	240	250	260	270	281	293	304	316	329	342	356	370
Business License Fees	450	13	14	14	15	16	17	17	18	19	20	20	21	22
<b>Total Fiscal Revenue</b>	<b>25,716</b>	<b>\$753</b>	<b>\$783</b>	<b>\$815</b>	<b>\$902</b>	<b>\$938</b>	<b>\$976</b>	<b>\$1,015</b>	<b>\$1,056</b>	<b>\$1,098</b>	<b>\$1,142</b>	<b>\$1,187</b>	<b>\$1,235</b>	<b>\$1,284</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$48,328	\$50,157	\$54,063	\$59,483	\$61,756	\$64,118	\$66,575	\$69,128	\$71,783	\$74,543	\$77,412	\$80,395	\$83,497
Jobs		403	403	403	436	436	436	436	436	436	436	436	436	436
Fiscal Revenues														
Property Taxes	\$12,420	\$383	\$398	\$414	\$430	\$448	\$466	\$484	\$504	\$524	\$545	\$566	\$589	\$613
Sales Taxes	2,618	72	75	78	95	99	103	107	111	115	120	125	130	135
<b>Total Fiscal Revenue</b>	<b>15,038</b>	<b>\$455</b>	<b>\$473</b>	<b>\$492</b>	<b>\$525</b>	<b>\$546</b>	<b>\$568</b>	<b>\$591</b>	<b>\$614</b>	<b>\$639</b>	<b>\$665</b>	<b>\$691</b>	<b>\$719</b>	<b>\$748</b>
<b>INDUCED IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$7,013	\$7,293	\$7,585	\$7,888	\$8,204	\$8,532	\$8,873	\$9,228	\$9,597	\$9,981	\$10,380	\$10,795	\$11,227
Jobs		115	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$773	\$23	\$24	\$25	\$26	\$27	\$28	\$30	\$31	\$32	\$33	\$35	\$36	\$37
Hotel Bed Taxes	15,466	468	486	506	526	547	569	592	615	640	665	692	720	748
<b>Total Fiscal Revenue</b>	<b>16,239</b>	<b>\$491</b>	<b>\$511</b>	<b>\$531</b>	<b>\$552</b>	<b>\$574</b>	<b>\$597</b>	<b>\$621</b>	<b>\$646</b>	<b>\$672</b>	<b>\$699</b>	<b>\$727</b>	<b>\$756</b>	<b>\$786</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$7,013	\$7,293	\$7,585	\$7,888	\$8,204	\$8,532	\$8,873	\$9,228	\$9,597	\$9,981	\$10,380	\$10,795	\$11,227
Jobs		115	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$193	\$6	\$6	\$6	\$7	\$7	\$7	\$7	\$8	\$8	\$8	\$9	\$9	\$9
<b>Total Fiscal Revenue</b>	<b>\$193</b>	<b>\$6</b>	<b>\$6</b>	<b>\$6</b>	<b>\$7</b>	<b>\$7</b>	<b>\$7</b>	<b>\$7</b>	<b>\$8</b>	<b>\$8</b>	<b>\$8</b>	<b>\$9</b>	<b>\$9</b>	<b>\$9</b>
<b>INDIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$12,175	\$12,639	\$13,563	\$14,822	\$15,391	\$15,983	\$16,598	\$17,238	\$17,904	\$18,595	\$19,314	\$20,062	\$20,839
Jobs		133	138	148	162	168	174	181	188	195	203	211	219	227
Fiscal Revenues														
Indirect Taxes	\$2,121	\$61	\$63	\$68	\$74	\$77	\$80	\$83	\$86	\$90	\$93	\$97	\$100	\$104
<b>L.A. COUNTY</b>														
Economic Activity		\$30,437	\$31,597	\$33,906	\$37,054	\$38,478	\$39,958	\$41,496	\$43,096	\$44,759	\$46,488	\$48,286	\$50,155	\$52,098
Jobs		332	345	370	404	420	436	453	470	488	507	527	547	568
Fiscal Revenues														
Indirect Taxes	\$2,652	\$76	\$79	\$85	\$93	\$96	\$100	\$104	\$108	\$112	\$116	\$121	\$125	\$130

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>TOTAL IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$13,178	\$48,553	\$50,341	\$53,171	\$45,716	\$48,033	\$50,780	\$53,020	\$55,361	\$57,808	\$60,366	\$62,657	\$65,039
Jobs		26	613	616	622	607	612	617	621	626	631	636	640	645
Fiscal Revenues														
Property Taxes	\$7,145	\$0	\$0	\$143	\$149	\$155	\$161	\$167	\$174	\$181	\$188	\$196	\$204	\$212
Sales Taxes	11,246	0	180	189	199	209	220	232	243	254	265	277	288	300
Hotel Bed Taxes	15,466	0	292	304	316	328	342	355	369	384	400	416	432	450
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	7,648	0	144	150	156	162	169	176	183	190	198	206	214	222
Business License Fees	450	0	8	9	9	9	10	10	11	11	11	12	12	13
Indirect Taxes	2,121	0	44	45	48	41	43	46	48	50	52	54	56	59
<b>Total Fiscal Revenue</b>	<b>\$44,077</b>	<b>\$0</b>	<b>\$668</b>	<b>\$840</b>	<b>\$877</b>	<b>\$905</b>	<b>\$944</b>	<b>\$986</b>	<b>\$1,027</b>	<b>\$1,070</b>	<b>\$1,114</b>	<b>\$1,160</b>	<b>\$1,207</b>	<b>\$1,255</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$16,743	\$61,686	\$63,958	\$67,553	\$58,082	\$61,025	\$64,516	\$67,361	\$70,335	\$73,444	\$76,694	\$79,605	\$82,631
Jobs		65	756	765	779	742	753	767	778	789	801	814	825	837
Fiscal Revenues														
Property Taxes	\$12,420	\$0	\$0	\$249	\$259	\$269	\$280	\$291	\$302	\$315	\$327	\$340	\$354	\$368
Sales Taxes	2,811	0	45	47	50	52	55	58	61	63	66	69	72	75
Indirect Taxes	2,652	0	55	57	60	52	54	57	60	62	65	68	71	73
<b>Total Fiscal Revenue</b>	<b>\$17,883</b>	<b>\$0</b>	<b>\$100</b>	<b>\$353</b>	<b>\$368</b>	<b>\$373</b>	<b>\$389</b>	<b>\$406</b>	<b>\$423</b>	<b>\$440</b>	<b>\$459</b>	<b>\$478</b>	<b>\$497</b>	<b>\$516</b>

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>TOTAL IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$67,515	\$70,089	\$75,210	\$82,193	\$85,350	\$88,633	\$92,046	\$95,594	\$99,284	\$103,119	\$107,107	\$111,253	\$115,563
Jobs		650	655	665	712	719	725	732	739	746	753	761	769	778
Fiscal Revenues														
Property Taxes	\$7,145	\$220	\$229	\$238	\$248	\$258	\$268	\$279	\$290	\$301	\$313	\$326	\$339	\$352
Sales Taxes	11,246	312	324	337	405	422	438	456	474	493	513	533	555	577
Hotel Bed Taxes	15,466	468	486	506	526	547	569	592	615	640	665	692	720	748
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	7,648	231	240	250	260	270	281	293	304	316	329	342	356	370
Business License Fees	450	13	14	14	15	16	17	17	18	19	20	20	21	22
Indirect Taxes	2,121	61	63	68	74	77	80	83	86	90	93	97	100	104
<b>Total Fiscal Revenue</b>	<b>\$44,077</b>	<b>\$1,305</b>	<b>\$1,357</b>	<b>\$1,413</b>	<b>\$1,529</b>	<b>\$1,590</b>	<b>\$1,653</b>	<b>\$1,719</b>	<b>\$1,788</b>	<b>\$1,859</b>	<b>\$1,933</b>	<b>\$2,011</b>	<b>\$2,091</b>	<b>\$2,174</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$85,777	\$89,047	\$95,554	\$104,425	\$108,437	\$112,608	\$116,944	\$121,452	\$126,139	\$131,012	\$136,078	\$141,346	\$146,822
Jobs		849	862	887	955	970	987	1,003	1,021	1,039	1,058	1,077	1,098	1,119
Fiscal Revenues														
Property Taxes	\$12,420	\$383	\$398	\$414	\$430	\$448	\$466	\$484	\$504	\$524	\$545	\$566	\$589	\$613
Sales Taxes	2,811	78	81	84	101	105	110	114	119	123	128	133	139	144
Indirect Taxes	2,652	76	79	85	93	96	100	104	108	112	116	121	125	130
<b>Total Fiscal Revenue</b>	<b>\$17,883</b>	<b>\$537</b>	<b>\$558</b>	<b>\$583</b>	<b>\$624</b>	<b>\$649</b>	<b>\$675</b>	<b>\$702</b>	<b>\$730</b>	<b>\$759</b>	<b>\$789</b>	<b>\$820</b>	<b>\$853</b>	<b>\$887</b>

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>PRE-FINANCING CASH FLOW (\$000)</b>														
<b>Revenue</b>														
Admissions - Ent. Center	547,034	0	8,738	9,329	9,955	10,615	11,312	12,190	12,825	13,491	14,190	14,923	15,520	16,141
Admissions - Museum & Tours	102,415	0	3,116	3,143	3,171	3,198	3,227	3,255	3,284	3,313	3,342	3,371	3,401	3,431
Food & Beverage	469,557	0	7,500	8,008	8,545	9,111	9,710	10,463	11,008	11,580	12,180	12,810	13,322	13,855
Merchandise	259,875	0	3,025	3,146	3,272	3,403	3,539	3,680	3,828	3,981	4,140	4,306	4,478	4,657
Dinner Theater	317,798	0	6,000	6,240	6,490	6,749	7,019	7,300	7,592	7,896	8,211	8,540	8,881	9,237
Card Club Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(-) Cost of Goods Sold	(295,319)	0	(4,660)	(4,905)	(5,162)	(5,432)	(5,716)	(6,047)	(6,325)	(6,615)	(6,918)	(7,235)	(7,524)	(7,825)
<b>Net Revenues</b>	<b>1,401,360</b>	<b>0</b>	<b>23,718</b>	<b>24,961</b>	<b>26,269</b>	<b>27,644</b>	<b>29,091</b>	<b>30,841</b>	<b>32,211</b>	<b>33,645</b>	<b>35,145</b>	<b>36,715</b>	<b>38,078</b>	<b>39,495</b>
<b>Operating Expenses</b>														
Property Taxes	30,619	0	525	546	567	597	628	665	695	726	759	793	822	853
Wages & Salaries	609,167	0	10,443	10,853	11,278	11,868	12,489	13,235	13,827	14,445	15,092	15,769	16,362	16,979
Advertising & Promotion	105,942	0	1,816	1,888	1,961	2,064	2,172	2,302	2,405	2,512	2,625	2,742	2,846	2,953
Maintenance & Repair	291,341	0	4,995	5,191	5,394	5,676	5,973	6,330	6,613	6,909	7,218	7,542	7,825	8,120
Operating Supplies	39,728	0	681	708	735	774	814	863	902	942	984	1,028	1,067	1,107
Contract Entertainment	52,971	0	908	944	981	1,032	1,086	1,151	1,202	1,256	1,312	1,371	1,423	1,476
General & Administrative	75,323	0	1,291	1,342	1,394	1,467	1,544	1,637	1,710	1,786	1,866	1,950	2,023	2,099
Card Club Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	100,742	0	1,902	1,978	2,057	2,139	2,225	2,314	2,407	2,503	2,603	2,707	2,815	2,928
<b>Total Operating Expenses</b>	<b>1,305,833</b>	<b>0</b>	<b>22,561</b>	<b>23,449</b>	<b>24,367</b>	<b>25,617</b>	<b>26,931</b>	<b>28,497</b>	<b>29,760</b>	<b>31,079</b>	<b>32,460</b>	<b>33,903</b>	<b>35,184</b>	<b>36,516</b>
<b>Net Operating Income</b>	<b>95,527</b>	<b>0</b>	<b>1,157</b>	<b>1,512</b>	<b>1,902</b>	<b>2,027</b>	<b>2,160</b>	<b>2,344</b>	<b>2,452</b>	<b>2,566</b>	<b>2,686</b>	<b>2,812</b>	<b>2,894</b>	<b>2,979</b>
<b>Other Expenses</b>														
Card Club City Tax @ 0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ground Lease Payments	79,978	0	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352
<b>Adjusted Net Operating Income</b>	<b>15,550</b>	<b>0</b>	<b>(1,195)</b>	<b>(840)</b>	<b>(450)</b>	<b>(325)</b>	<b>(192)</b>	<b>(8)</b>	<b>100</b>	<b>214</b>	<b>334</b>	<b>460</b>	<b>542</b>	<b>627</b>
<b>Capital Costs</b>														
Pre-Development Costs	1,000	1,000	0	0	0	0	0	0	0	0	0	0	0	0
Leasehold Improvements	5,820	3,815	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	28,267	5,987	7,040	7,321	7,919	0	0	0	0	0	0	0	0	0
<b>Total Capital Costs</b>	<b>35,086</b>	<b>10,802</b>	<b>7,040</b>	<b>7,321</b>	<b>7,919</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-Financing Cash Flow</b>	<b>(19,537)</b>	<b>(10,802)</b>	<b>(8,235)</b>	<b>(8,161)</b>	<b>(8,369)</b>	<b>(325)</b>	<b>(192)</b>	<b>(8)</b>	<b>100</b>	<b>214</b>	<b>334</b>	<b>460</b>	<b>542</b>	<b>627</b>
<b>Cumulative Cash Flow</b>	<b>(10,802)</b>	<b>(19,037)</b>	<b>(27,198)</b>	<b>(35,568)</b>	<b>(35,893)</b>	<b>(36,085)</b>	<b>(36,093)</b>	<b>(35,994)</b>	<b>(35,780)</b>	<b>(35,446)</b>	<b>(34,986)</b>	<b>(34,444)</b>	<b>(33,817)</b>	<b>(33,190)</b>
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Free & Clear Cash (NOI/Cost)		0.00%	6.48%	6.01%	5.75%	6.13%	6.53%	7.08%	7.41%	7.76%	8.12%	8.50%	8.75%	9.01%
Adjusted NOI/Cost		0.00%	-6.70%	-3.34%	-1.36%	-0.98%	-0.58%	-0.03%	0.30%	0.65%	1.01%	1.39%	1.64%	1.90%
Internal Rate of Return	-3.85%													
Net Present Value @ 18.0%	(\$23,807)													
Net Present Value @ 20.0%	(\$23,089)													

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>PRE-FINANCING CASH FLOW (\$000)</b>														
<b>Revenue</b>														
Admissions - Ent. Center	547,034	16,787	17,458	18,157	18,883	19,638	20,424	21,241	22,090	22,974	23,893	24,849	25,843	26,876
Admissions - Museum & Tours	102,415	3,461	3,491	3,522	3,553	3,584	3,616	3,648	3,680	3,712	3,745	3,778	3,811	3,845
Food & Beverage	469,557	14,409	14,986	15,585	16,208	16,857	17,531	18,232	18,962	19,720	20,509	21,329	22,182	23,070
Merchandise	259,875	4,843	5,037	5,238	10,896	11,332	11,785	12,256	12,746	13,256	13,787	14,338	14,912	15,508
Dinner Theater	317,798	9,606	9,990	10,390	10,806	11,238	11,687	12,155	12,641	13,147	13,673	14,220	14,788	15,380
Card Club Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(-) Cost of Goods Sold	(295,319)	(8,138)	(8,464)	(8,802)	(10,691)	(11,118)	(11,563)	(12,025)	(12,506)	(13,007)	(13,527)	(14,068)	(14,631)	(15,216)
<b>Net Revenues</b>	<b>1,401,360</b>	<b>40,968</b>	<b>42,499</b>	<b>44,090</b>	<b>49,655</b>	<b>51,531</b>	<b>53,480</b>	<b>55,506</b>	<b>57,613</b>	<b>59,803</b>	<b>62,079</b>	<b>64,445</b>	<b>66,905</b>	<b>69,462</b>
<b>Operating Expenses</b>														
Property Taxes	30,619	886	919	954	1,088	1,130	1,173	1,218	1,265	1,313	1,364	1,416	1,470	1,527
Wages & Salaries	609,167	17,619	18,285	18,978	21,652	22,478	23,337	24,230	25,159	26,124	27,127	28,171	29,255	30,383
Advertising & Promotion	105,942	3,064	3,180	3,300	3,766	3,909	4,059	4,214	4,375	4,543	4,718	4,899	5,088	5,284
Maintenance & Repair	291,341	8,427	8,745	9,076	10,355	10,751	11,161	11,588	12,032	12,494	12,974	13,473	13,992	14,531
Operating Supplies	39,728	1,149	1,193	1,238	1,412	1,466	1,522	1,580	1,641	1,704	1,769	1,837	1,908	1,981
Contract Entertainment	52,971	1,532	1,590	1,650	1,883	1,955	2,029	2,107	2,188	2,272	2,359	2,450	2,544	2,642
General & Administrative	75,323	2,179	2,261	2,347	2,677	2,779	2,886	2,996	3,111	3,230	3,354	3,483	3,617	3,757
Card Club Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	100,742	3,045	3,167	3,294	3,425	3,562	3,705	3,853	4,007	4,168	4,334	4,508	4,688	4,875
<b>Total Operating Expenses</b>	<b>1,305,833</b>	<b>37,901</b>	<b>39,340</b>	<b>40,837</b>	<b>46,259</b>	<b>48,031</b>	<b>49,872</b>	<b>51,787</b>	<b>53,778</b>	<b>55,848</b>	<b>57,999</b>	<b>60,236</b>	<b>62,562</b>	<b>64,980</b>
<b>Net Operating Income</b>	<b>95,527</b>	<b>3,067</b>	<b>3,159</b>	<b>3,253</b>	<b>3,396</b>	<b>3,500</b>	<b>3,608</b>	<b>3,719</b>	<b>3,835</b>	<b>3,955</b>	<b>4,080</b>	<b>4,209</b>	<b>4,343</b>	<b>4,482</b>
<b>Other Expenses</b>														
Card Club City Tax @ 0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ground Lease Payments	79,978	2,352	2,352	2,352	2,477	2,571	2,668	2,769	2,874	2,983	3,097	3,215	3,337	3,465
<b>Adjusted Net Operating Income</b>	<b>15,550</b>	<b>715</b>	<b>806</b>	<b>901</b>	<b>919</b>	<b>930</b>	<b>940</b>	<b>950</b>	<b>961</b>	<b>972</b>	<b>983</b>	<b>994</b>	<b>1,006</b>	<b>1,017</b>
<b>Capital Costs</b>														
Pre-Development Costs	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Leasehold Improvements	5,820	0	0	2,005	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	28,267	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Capital Costs</b>	<b>35,086</b>	<b>0</b>	<b>0</b>	<b>2,005</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-Financing Cash Flow</b>	<b>(19,537)</b>	<b>715</b>	<b>806</b>	<b>(1,104)</b>	<b>919</b>	<b>930</b>	<b>940</b>	<b>950</b>	<b>961</b>	<b>972</b>	<b>983</b>	<b>994</b>	<b>1,006</b>	<b>1,017</b>
<b>Cumulative Cash Flow</b>	<b>(33,102)</b>	<b>(32,296)</b>	<b>(33,399)</b>	<b>(32,480)</b>	<b>(31,550)</b>	<b>(30,610)</b>	<b>(29,660)</b>	<b>(28,699)</b>	<b>(27,727)</b>	<b>(26,744)</b>	<b>(25,750)</b>	<b>(24,745)</b>	<b>(23,727)</b>	
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Free & Clear Cash (NOI/Cost)		9.27%	9.55%	9.27%	9.68%	9.98%	10.28%	10.60%	10.93%	11.27%	11.63%	12.00%	12.38%	12.77%
Adjusted NOI/Cost		2.16%	2.44%	2.57%	2.62%	2.65%	2.68%	2.71%	2.74%	2.77%	2.80%	2.83%	2.87%	2.90%
Internal Rate of Return	-3.85%													
Net Present Value @ 18.0%	(\$23,807)													
Net Present Value @ 20.0%	(\$23,089)													

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>LEVERAGED CASH FLOW (\$000)</b>														
<b>Recap:</b>														
Annual Pre-Financing Cash Flow		(10,802)	(8,235)	(8,161)	(8,369)	(325)	(192)	(8)	100	214	334	460	542	627
Development Financing														
(+ ) Draws	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(- ) Interest Payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(- ) Principal Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Dev. Financing (Repayment)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Operating Cash Flow (Equity)	(19,537)	(10,802)	(8,235)	(8,161)	(8,369)	(325)	(192)	(8)	100	214	334	460	542	627
Cumulative Cash Flow		(10,802)	(19,037)	(27,198)	(35,568)	(35,893)	(36,085)	(36,093)	(35,994)	(35,780)	(35,446)	(34,986)	(34,444)	(33,817)
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Debt Service Coverage		n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m
Cumulative Equity Investment		10,802	17,842	25,163	33,082	33,082	33,082	33,082	33,082	33,082	33,082	33,082	33,082	33,082
Return on Equity (NOCF/Equity)			-46.16%	-32.43%	-25.30%	-0.98%	-0.58%	-0.03%	0.30%	0.65%	1.01%	1.39%	1.64%	1.90%
Internal Rate of Return	-3.85%													
Net Present Value @ 25.0%	(\$21,353)													
Net Present Value @ 30.0%	(\$19,766)													

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>LEVERAGED CASH FLOW (\$000)</b>														
<b>Recap:</b>														
Annual Pre-Financing Cash Flow		715	806	(1,104)	919	930	940	950	961	972	983	994	1,006	1,017
Development Financing														
{+} Draws	0	0	0	0	0	0	0	0	0	0	0	0	0	0
{-} Interest Payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
{-} Principal Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Dev. Financing (Repayment)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Operating Cash Flow (Equity)	(19,537)	715	806	(1,104)	919	930	940	950	961	972	983	994	1,006	1,017
Cumulative Cash Flow		(33,102)	(32,296)	(33,399)	(32,480)	(31,550)	(30,610)	(29,660)	(28,699)	(27,727)	(26,744)	(25,750)	(24,745)	(23,727)
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Debt Service Coverage		n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m
Cumulative Equity Investment		33,082	33,082	35,086	35,086	35,086	35,086	35,086	35,086	35,086	35,086	35,086	35,086	35,086
Return on Equity (NOCF/Equity)		2.16%	2.44%	-3.15%	2.62%	2.65%	2.68%	2.71%	2.74%	2.77%	2.80%	2.83%	2.87%	2.90%
Internal Rate of Return														
Net Present Value @ 25.0%	-3.85%													
Net Present Value @ 25.0%	(\$21,353)													
Net Present Value @ 30.0%	(\$19,766)													



APPENDIX

**QUEEN MARY**  
**OPTION 2 - ENTERTAINMENT CENTER & CARD CLUB**  
**NO INFLATION SCENARIO**  
**30 YEAR LEASE**

Investment Assumptions	Page 2
Operating Assumptions	Page 3
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- THE INFORMATION IN THIS REPORT IS PROVIDED FOR ILLUSTRATION PURPOSES ONLY. •
- THIS IS NOT A PROJECTION OF EXPECTED RESULTS. THE ATTACHED ASSUMPTIONS •
- STATEMENT BY KRM IS AN INTEGRAL PART OF THIS ANALYSIS •

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INVESTMENT ASSUMPTIONS		1992\$ Budget	Start Year	End Year	Number of employees	Resale Cycle
<b>Pre-Development Costs</b>						
Planning & Predevelopment		1,000,000	1992	1992		0 yrs
Infrastructure		0	1992	1992		0 yrs
Area Development		0	1992	1992		0 yrs
<b>Parking Structure</b>						
	# Spaces	Dev. Cost \$/Space				
Phase 1	0	\$0	1992	1992		0 yrs
Phase 2	0	\$0	1992	1992		0 yrs
Phase 3	0	\$0	1992	1992		0 yrs
<b>Entertainment Center Development</b>						
	Sq.Ft.	\$/Sq.Ft.				
Observ. Lounge - Music Club	4,600	\$111	511,000	1992	1992	0 yrs
Queen's Salon - Dinner Theater	6,400	\$75	482,000	1992	1992	0 yrs
Royal Salon & King's View - Sport Bar	4,000	\$130	520,000	1992	1992	0 yrs
Wedding Chapel & Vict. Room - Magic Club	3,300	\$115	381,000	1992	1992	0 yrs
Chelsea Cafe - Restaurant	2,000	\$150	300,000	1992	1992	0 yrs
Brittania Salon - Comedy Club	0	\$0	0	1992	1992	0 yrs
Veranda Grill - Music/Dance Club	4,000	\$101	402,500	1992	1992	0 yrs
Promenade Cafe Lounge - Rest.	4,100	\$147	603,850	1992	1992	0 yrs
Sir Winston Room - Restaurant	3,500	\$87	305,000	1992	1992	0 yrs
<b>Card Club</b>						
Brittania Salon - Card Club	9,000	\$121	1,090,000	1992	1992	0 yrs
<b>Other Improved Areas</b>						
Visitor Support Area - Misc.	13,000	\$4	54,000	1992	1992	0 yrs
Rehabilitation of Entertainment Center			876,338	2007	2007	0 yrs
<b>Deferred Maintenance</b>						
Phase 1			5,987,045	1992	1992	0 yrs
Phase 2			21,119,175	1993	1995	0 yrs
<b>Museum &amp; Tour Development</b>						
	Sq.Ft.	\$/Sq.Ft.				
Phase 1	15,000	\$13	200,000	1992	1992	0 yrs
Rehabilitation of Museum & Tour	15,000	\$13	200,000	2007	2007	0 yrs
Phase 3	0	\$0	0	1992	1992	0 yrs
<b>Retail Development</b>						
	Sq.Ft.	\$/Sq. Ft.				
Phase 1	11,000	\$8	90,000	1992	1992	0 yrs
Rehabilitation of Retail	11,000	\$8	90,000	2007	2007	0 yrs
Phase 3	0	\$0	0	1992	1992	0 yrs

**OPERATING ASSUMPTIONS**

**Utility Expenses**

	Annual Cost
Telephone	\$92,000
Water	\$180,000
Gas	\$180,000
Electric	\$1,450,000

**Other Expenses**

Property Taxes	500,000
Wages & Salaries	9,970,000
Advertising & Promotion	1,730,000
Maintenance & Repairs	4,853,000
Operating Supplies	650,000
Contract Entertainment	870,000
General & Administrative	1,230,000
Card Club Operating Expenses	10,500,000

Cost of Goods Sold Factor 28.2%

**GROUND LEASE ASSUMPTIONS**

Percentage Rents (Gross Revenue)	
Minimum Rent	
Land Value/Foot	\$12.00
Land Area (Acres)	45
Lease Constant	10.0%

Entertainment Center/Retail	Card Club	Museum & Tour	Food & Beverage
5.0%	5.0%	5.0%	3.0%

**REVENUES**

**Entertainment Center**

	Sales/Person
Dinner Theater	
Admissions/Meals & Alcohol	\$30.00
Museum & Tour	
Admissions	\$4.65
Other Clubs & Bars	
Admissions	\$10.48
Meals & Alcohol	\$9.70

**Card Club Revenues**

	Percent Breakdown
Fees & Rake	80.00%*** Gaming Tax Rate Applicable
Food & Beverage	20.00%
Number of Card Tables	50

**Other Revenue Sources**

	Sales/S.F
Retail Spending Per Square Foot	\$261.25
Hotel Rooms Available	0
Daily Rate Per Room	\$0
Occupancy Rate	0.0%
Annual Hotel Revenues	\$0

**INDUCED ASSUMPTIONS**

**QUEEN MARY CENTER Employee & Visitor Impacts to Long Beach**

	Supported Rooms	Daily Rate	Annual Revenues	Additional Employees
Hotels	100	\$80	\$2,920,000	100
Retail Spending			\$1,460,000	15

**NON-FINANCIAL ASSUMPTIONS**

# of Employees			
Entertainment Center/Restaurants	5/1000 sf		160
Museum & Tour	3/1000 sf		45
Card Club	4/table		200
Food/Beverage Carts			10
Retail	2/1000 sf		22
Ship Maintenance			50
Average Salary - Indirects			\$27,500
Inflation Rate			0.0%
City NPV Discount Rate			9.0%
Land Value Increase for Tax Assessment			4.00%
NPV Discount Rate for Unleveraged Cash Flow		18.0% &	20.0%
NPV Discount Rate for Leveraged Cash Flow		25.0% &	30.0%

**LOAN ASSUMPTIONS**

Percentage of Capital Costs Funded	70.0%
Loan Interest Rate	10.0%

**TAX RATE ASSUMPTIONS**

Long Beach Property Tax Portion	City 27.5%
County Property Tax Portion	47.8%
Hotel Bed Tax Rate	10.00%
Telephone - Utility Tax Rate	5.0%
Water - Utility Tax Rate	5.0%
Gas - Utility Tax Rate	5.0%
Electric - Utility Tax Rate	8.4%
Long Beach Gaming Tax Rate	0.0%
L.A. County Sales Tax Rate	0.25%
Long Beach Sales Tax Rate	1.00%
Long Beach Miscellaneous Taxes:	
Business License Fee	\$5,000
Business License Tax Per Employee	\$8.26 /per Employee

**INDIRECT IMPACT ASSUMPTIONS**

Percentage Impact from Direct Spending	110.00%
Long Beach Economic Activity Impact Factor	20.00%
L.A. County Economic Activity Impact Factor	50.00%
Long Beach Indirect Tax Portion of Economic Activity	0.50%
L.A. County Indirect Tax Portion of Economic Activity	0.25%

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>Capital Spending</b>														
Pre-Development Costs	1,000	1,000	0	0	0	0	0	0	0	0	0	0	0	0
Parking Structure	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entertainment Center Development	3,505	3,505	0	0	0	0	0	0	0	0	0	0	0	0
Card Club	1,090	1,090	0	0	0	0	0	0	0	0	0	0	0	0
Other Improved Areas	930	54	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	27,106	5,987	7,040	7,040	7,040	0	0	0	0	0	0	0	0	0
Museum & Tour Development	400	200	0	0	0	0	0	0	0	0	0	0	0	0
Retail Development	180	90	0	0	0	0	0	0	0	0	0	0	0	0
<b>Queen Mary Operational Spending</b>														
Retail Spending	123,571	0	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874
Hotel Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Induced Economic Activity</b>														
Retail Spending	42,340	0	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460
Hotel Spending	84,680	0	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920
<b>Direct Economic Activity</b>														
Capital Improvements		11,926	7,040	7,040	7,040	0	0	0	0	0	0	0	0	0
Entertainment Center Admissions	327,633	0	10,976	11,092	11,211	11,332	11,457	11,688	11,713	11,740	11,769	11,800	11,729	11,661
Food & Beverage Sales	534,365	0	16,275	16,719	17,163	17,607	18,051	18,342	18,439	18,536	18,633	18,730	18,730	18,730
Card Club Fees & Rake	454,000	0	12,000	13,000	14,000	15,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Merchandise Sales	123,571	0	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874
Hotel Room Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Utilization Factors</b>														
Entertainment Center Attendance		0	750,000	770,000	790,000	810,000	830,000	860,000	870,000	880,000	890,000	900,000	900,000	900,000
Dinner Theater Attendance		0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Museum & Tour Attendance		0	670,000	649,900	630,403	611,491	593,146	575,352	558,091	541,349	525,108	509,355	494,074	479,252
Card Club Revenue/Table		\$0	\$300,000	\$325,000	\$350,000	\$375,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Operating Expense Factors		0%	80%	79%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Capital Spending</b>														
Pre-Development Costs	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Parking Structure	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entertainment Center Development	3,505	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club	1,090	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Improved Areas	930	0	0	876	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	27,106	0	0	0	0	0	0	0	0	0	0	0	0	0
Museum & Tour Development	400	0	0	200	0	0	0	0	0	0	0	0	0	0
Retail Development	180	0	0	90	0	0	0	0	0	0	0	0	0	0
<b>Queen Mary Operational Spending</b>														
Retail Spending	123,571	2,874	2,874	2,874	5,748	5,748	5,748	5,748	5,748	5,748	5,748	5,748	5,748	5,748
Hotel Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Induced Economic Activity</b>														
Retail Spending	42,340	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460
Hotel Spending	84,680	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920
<b>Direct Economic Activity</b>														
Capital Improvements	0	0	1,166	0	0	0	0	0	0	0	0	0	0	0
Entertainment Center Admissions	327,633	11,594	11,529	11,466	11,405	11,346	11,288	11,233	11,179	11,126	11,075	11,026	10,978	10,932
Food & Beverage Sales	534,365	18,730	18,730	18,730	18,730	18,730	18,730	18,730	18,730	18,730	18,730	18,730	18,730	18,730
Card Club Fees & Rake	454,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Merchandise Sales	123,571	2,874	2,874	2,874	5,748	5,748	5,748	5,748	5,748	5,748	5,748	5,748	5,748	5,748
Hotel Room Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Utilization Factors</b>														
Entertainment Center Attendance		900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Dinner Theater Attendance		200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Museum & Tour Attendance		464,874	450,928	437,400	424,278	411,550	399,203	387,227	375,611	364,342	353,412	342,810	332,525	322,550
Card Club Revenue/Table		\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Operating Expense Factors		78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>DIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$11,926	\$49,164	\$50,724	\$52,287	\$46,813	\$48,381	\$48,904	\$49,025	\$49,149	\$49,276	\$49,404	\$49,333	\$49,264
Jobs		0	603	603	603	603	603	603	603	603	603	603	603	603
Fiscal Revenues														
Property Taxes	\$7,145	\$0	\$0	\$143	\$149	\$155	\$161	\$167	\$174	\$181	\$188	\$196	\$204	\$212
Sales Taxes	6,579	0	191	196	200	205	209	212	213	214	215	216	216	216
Hotel Bed Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	4,188	0	144	144	144	144	144	144	144	144	144	144	144	144
Business License Fees	293	0	10	10	10	10	10	10	10	10	10	10	10	10
<b>Total Fiscal Revenue</b>	<b>18,206</b>	<b>\$0</b>	<b>\$346</b>	<b>\$493</b>	<b>\$503</b>	<b>\$514</b>	<b>\$524</b>	<b>\$534</b>	<b>\$541</b>	<b>\$549</b>	<b>\$558</b>	<b>\$566</b>	<b>\$574</b>	<b>\$582</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$11,926	\$49,164	\$50,724	\$52,287	\$46,813	\$48,381	\$48,904	\$49,025	\$49,149	\$49,276	\$49,404	\$49,333	\$49,264
Jobs		0	603	603	603	603	603	603	603	603	603	603	603	603
Fiscal Revenues														
Property Taxes	\$12,420	\$0	\$0	\$249	\$259	\$269	\$280	\$291	\$302	\$315	\$327	\$340	\$354	\$368
Sales Taxes	1,645	0	48	49	50	51	52	53	53	54	54	54	54	54
<b>Total Fiscal Revenue</b>	<b>14,065</b>	<b>\$0</b>	<b>\$48</b>	<b>\$298</b>	<b>\$309</b>	<b>\$320</b>	<b>\$332</b>	<b>\$344</b>	<b>\$356</b>	<b>\$368</b>	<b>\$381</b>	<b>\$394</b>	<b>\$408</b>	<b>\$422</b>
<b>INDUCED IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$0	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380
Jobs		0	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$423	\$0	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
Hotel Bed Taxes	8,468	0	292	292	292	292	292	292	292	292	292	292	292	292
<b>Total Fiscal Revenue</b>	<b>8,891</b>	<b>\$0</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$0	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380
Jobs		0	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$106	\$0	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
<b>Total Fiscal Revenue</b>	<b>\$106</b>	<b>\$0</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>
<b>INDIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$2,624	\$11,780	\$12,123	\$12,467	\$11,262	\$11,607	\$11,722	\$11,749	\$11,776	\$11,804	\$11,833	\$11,817	\$11,802
Jobs		29	129	132	136	123	127	128	128	128	129	129	129	129
Fiscal Revenues														
Indirect Taxes	\$1,748	\$0	\$59	\$61	\$62	\$56	\$58	\$59	\$59	\$59	\$59	\$59	\$59	\$59
<b>L.A. COUNTY</b>														
Economic Activity		\$6,560	\$29,449	\$30,307	\$31,167	\$28,156	\$29,019	\$29,306	\$29,373	\$29,441	\$29,511	\$29,581	\$29,542	\$29,504
Jobs		72	321	331	340	307	317	320	320	321	322	323	322	322
Fiscal Revenues														
Indirect Taxes	\$2,185	\$0	\$74	\$76	\$78	\$70	\$73	\$73	\$73	\$74	\$74	\$74	\$74	\$74

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>DIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$49,197	\$49,133	\$50,236	\$51,882	\$51,823	\$51,766	\$51,710	\$51,656	\$51,604	\$51,553	\$51,504	\$51,456	\$51,409
Jobs		603	603	603	636	636	636	636	636	636	636	636	636	636
Fiscal Revenues														
Property Taxes	\$7,145	\$220	\$229	\$238	\$248	\$258	\$268	\$279	\$290	\$301	\$313	\$326	\$339	\$352
Sales Taxes	6,579	216	216	216	245	245	245	245	245	245	245	245	245	245
Hotel Bed Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	4,188	144	144	144	144	144	144	144	144	144	144	144	144	144
Business License Fees	293	10	10	10	10	10	10	10	10	10	10	10	10	10
<b>Total Fiscal Revenue</b>	<b>18,206</b>	<b>\$591</b>	<b>\$599</b>	<b>\$609</b>	<b>\$647</b>	<b>\$657</b>	<b>\$667</b>	<b>\$678</b>	<b>\$689</b>	<b>\$701</b>	<b>\$713</b>	<b>\$725</b>	<b>\$738</b>	<b>\$752</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$49,197	\$49,133	\$50,236	\$51,882	\$51,823	\$51,766	\$51,710	\$51,656	\$51,604	\$51,553	\$51,504	\$51,456	\$51,409
Jobs		603	603	603	636	636	636	636	636	636	636	636	636	636
Fiscal Revenues														
Property Taxes	\$12,420	\$383	\$398	\$414	\$430	\$448	\$466	\$484	\$504	\$524	\$545	\$566	\$589	\$613
Sales Taxes	1,645	54	54	54	61	61	61	61	61	61	61	61	61	61
<b>Total Fiscal Revenue</b>	<b>14,065</b>	<b>\$437</b>	<b>\$452</b>	<b>\$468</b>	<b>\$492</b>	<b>\$509</b>	<b>\$527</b>	<b>\$545</b>	<b>\$565</b>	<b>\$585</b>	<b>\$606</b>	<b>\$628</b>	<b>\$650</b>	<b>\$674</b>
<b>INDUCED IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380
Jobs		115	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$423	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
Hotel Bed Taxes	8,468	292	292	292	292	292	292	292	292	292	292	292	292	292
<b>Total Fiscal Revenue</b>	<b>8,891</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380
Jobs		115	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$106	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
<b>Total Fiscal Revenue</b>	<b>\$106</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>
<b>INDIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$11,787	\$11,773	\$12,016	\$12,378	\$12,365	\$12,352	\$12,340	\$12,328	\$12,316	\$12,305	\$12,294	\$12,284	\$12,274
Jobs		129	128	131	135	135	135	135	134	134	134	134	134	134
Fiscal Revenues														
Indirect Taxes	\$1,748	\$59	\$59	\$60	\$62	\$62	\$62	\$62	\$62	\$62	\$62	\$61	\$61	\$61
<b>L.A. COUNTY</b>														
Economic Activity		\$29,468	\$29,432	\$30,039	\$30,944	\$30,912	\$30,880	\$30,850	\$30,820	\$30,791	\$30,763	\$30,736	\$30,710	\$30,684
Jobs		321	321	328	338	337	337	337	336	336	336	335	335	335
Fiscal Revenues														
Indirect Taxes	\$2,185	\$74	\$74	\$75	\$77	\$77	\$77	\$77	\$77	\$77	\$77	\$77	\$77	\$77



	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>TOTAL IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$14,550	\$65,324	\$67,227	\$69,134	\$62,455	\$64,369	\$65,006	\$65,155	\$65,306	\$65,460	\$65,617	\$65,530	\$65,446
Jobs		29	846	849	853	840	844	845	845	846	846	846	846	846
Fiscal Revenues														
Property Taxes	\$7,145	\$0	\$0	\$143	\$149	\$155	\$161	\$167	\$174	\$181	\$188	\$196	\$204	\$212
Sales Taxes	7,003	0	206	211	215	219	224	227	228	229	230	231	231	231
Hotel Bed Taxes	8,468	0	292	292	292	292	292	292	292	292	292	292	292	292
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	4,188	0	144	144	144	144	144	144	144	144	144	144	144	144
Business License Fees	293	0	10	10	10	10	10	10	10	10	10	10	10	10
Indirect Taxes	1,748	0	59	61	62	56	58	59	59	59	59	59	59	59
<b>Total Fiscal Revenue</b>	<b>\$28,845</b>	<b>\$0</b>	<b>\$711</b>	<b>\$861</b>	<b>\$872</b>	<b>\$877</b>	<b>\$889</b>	<b>\$899</b>	<b>\$907</b>	<b>\$915</b>	<b>\$923</b>	<b>\$932</b>	<b>\$940</b>	<b>\$948</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$18,486	\$82,993	\$85,411	\$87,834	\$79,349	\$81,780	\$82,590	\$82,778	\$82,971	\$83,166	\$83,366	\$83,255	\$83,149
Jobs		72	1,038	1,048	1,057	1,024	1,034	1,037	1,038	1,038	1,039	1,040	1,039	1,039
Fiscal Revenues														
Property Taxes	\$12,420	\$0	\$0	\$249	\$259	\$269	\$280	\$291	\$302	\$315	\$327	\$340	\$354	\$368
Sales Taxes	1,751	0	52	53	54	55	56	57	57	57	57	58	58	58
Indirect Taxes	2,185	0	74	76	78	70	73	73	73	74	74	74	74	74
<b>Total Fiscal Revenue</b>	<b>\$16,355</b>	<b>\$0</b>	<b>\$125</b>	<b>\$377</b>	<b>\$390</b>	<b>\$394</b>	<b>\$408</b>	<b>\$421</b>	<b>\$433</b>	<b>\$445</b>	<b>\$458</b>	<b>\$472</b>	<b>\$485</b>	<b>\$499</b>

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>TOTAL IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$65,364	\$65,285	\$66,632	\$68,640	\$68,568	\$68,498	\$68,430	\$68,364	\$68,300	\$68,238	\$68,178	\$68,120	\$68,063
Jobs		846	846	848	886	885	885	885	885	885	885	885	885	884
Fiscal Revenues														
Property Taxes	\$7,145	\$220	\$229	\$238	\$248	\$258	\$268	\$279	\$290	\$301	\$313	\$326	\$339	\$352
Sales Taxes	7,003	231	231	231	259	259	259	259	259	259	259	259	259	259
Hotel Bed Taxes	8,468	292	292	292	292	292	292	292	292	292	292	292	292	292
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	4,188	144	144	144	144	144	144	144	144	144	144	144	144	144
Business License Fees	293	10	10	10	10	10	10	10	10	10	10	10	10	10
Indirect Taxes	1,748	59	59	60	62	62	62	62	62	62	62	61	61	61
<b>Total Fiscal Revenue</b>	<b>\$28,845</b>	<b>\$956</b>	<b>\$965</b>	<b>\$975</b>	<b>\$1,016</b>	<b>\$1,025</b>	<b>\$1,036</b>	<b>\$1,046</b>	<b>\$1,057</b>	<b>\$1,069</b>	<b>\$1,081</b>	<b>\$1,093</b>	<b>\$1,106</b>	<b>\$1,120</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$83,045	\$82,944	\$84,655	\$87,207	\$87,115	\$87,026	\$86,940	\$86,856	\$86,775	\$86,696	\$86,620	\$86,545	\$86,474
Jobs		1,039	1,038	1,045	1,088	1,088	1,087	1,087	1,087	1,087	1,086	1,086	1,086	1,085
Fiscal Revenues														
Property Taxes	\$12,420	\$383	\$398	\$414	\$430	\$448	\$466	\$484	\$504	\$524	\$545	\$566	\$589	\$613
Sales Taxes	1,751	58	58	58	65	65	65	65	65	65	65	65	65	65
Indirect Taxes	2,185	74	74	75	77	77	77	77	77	77	77	77	77	77
<b>Total Fiscal Revenue</b>	<b>\$16,355</b>	<b>\$514</b>	<b>\$529</b>	<b>\$547</b>	<b>\$573</b>	<b>\$590</b>	<b>\$608</b>	<b>\$626</b>	<b>\$645</b>	<b>\$665</b>	<b>\$686</b>	<b>\$708</b>	<b>\$731</b>	<b>\$754</b>

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>PRE-FINANCING CASH FLOW (\$000)</b>														
<b>Revenue</b>														
Admissions - Ent. Center	266,716	9,432	9,432	9,432	9,432	9,432	9,432	9,432	9,432	9,432	9,432	9,432	9,432	9,432
Admissions - Museum & Tours	60,917	2,162	2,097	2,034	1,973	1,914	1,856	1,801	1,747	1,694	1,643	1,594	1,546	1,500
Food & Beverage	246,865	8,730	8,730	8,730	8,730	8,730	8,730	8,730	8,730	8,730	8,730	8,730	8,730	8,730
Merchandise	123,571	2,874	2,874	2,874	5,748	5,748	5,748	5,748	5,748	5,748	5,748	5,748	5,748	5,748
Dinner Theater	174,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Card Club Revenue	567,500	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
(-) Cost of Goods Sold	(153,531)	(4,964)	(4,964)	(4,964)	(5,775)	(5,775)	(5,775)	(5,775)	(5,775)	(5,775)	(5,775)	(5,775)	(5,775)	(5,775)
<b>Net Revenues</b>	<b>1,286,039</b>	<b>44,233</b>	<b>44,168</b>	<b>44,105</b>	<b>46,108</b>	<b>46,049</b>	<b>45,991</b>	<b>45,935</b>	<b>45,881</b>	<b>45,829</b>	<b>45,778</b>	<b>45,729</b>	<b>45,681</b>	<b>45,635</b>
<b>Operating Expenses</b>														
Property Taxes	15,746	527	525	524	575	574	573	572	571	570	569	568	567	566
Wages & Salaries	313,274	10,476	10,453	10,430	11,439	11,418	11,398	11,378	11,358	11,339	11,321	11,303	11,286	11,270
Advertising & Promotion	54,482	1,822	1,818	1,814	1,989	1,986	1,982	1,979	1,975	1,972	1,969	1,966	1,963	1,960
Maintenance & Repair	149,827	5,010	4,999	4,988	5,471	5,461	5,451	5,441	5,432	5,423	5,414	5,406	5,398	5,390
Operating Supplies	20,431	683	682	680	746	745	743	742	741	740	738	737	736	735
Contract Entertainment	27,241	911	909	907	995	993	991	989	988	986	984	983	981	980
General & Administrative	38,736	1,295	1,292	1,290	1,414	1,412	1,409	1,407	1,404	1,402	1,400	1,398	1,396	1,393
Card Club Operating Expenses	397,250	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Utilities	55,158	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902
<b>Total Operating Expenses</b>	<b>1,072,146</b>	<b>36,626</b>	<b>36,580</b>	<b>36,536</b>	<b>38,532</b>	<b>38,490</b>	<b>38,449</b>	<b>38,410</b>	<b>38,371</b>	<b>38,334</b>	<b>38,298</b>	<b>38,263</b>	<b>38,229</b>	<b>38,196</b>
<b>Net Operating Income</b>	<b>213,892</b>	<b>7,607</b>	<b>7,588</b>	<b>7,570</b>	<b>7,576</b>	<b>7,558</b>	<b>7,542</b>	<b>7,526</b>	<b>7,510</b>	<b>7,495</b>	<b>7,480</b>	<b>7,466</b>	<b>7,452</b>	<b>7,438</b>
<b>Other Expenses</b>														
Card Club City Tax @ 0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ground Lease Payments	68,215	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352
<b>Adjusted Net Operating Income</b>	<b>145,677</b>	<b>5,255</b>	<b>5,236</b>	<b>5,218</b>	<b>5,223</b>	<b>5,206</b>	<b>5,190</b>	<b>5,173</b>	<b>5,158</b>	<b>5,142</b>	<b>5,128</b>	<b>5,113</b>	<b>5,100</b>	<b>5,086</b>
<b>Capital Costs</b>														
Pre-Development Costs	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Leasehold Improvements	6,106	0	0	1,166	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	27,106	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Capital Costs</b>	<b>34,212</b>	<b>0</b>	<b>0</b>	<b>1,166</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-Financing Cash Flow</b>	<b>111,465</b>	<b>5,255</b>	<b>5,236</b>	<b>4,051</b>	<b>5,223</b>	<b>5,206</b>	<b>5,190</b>	<b>5,173</b>	<b>5,158</b>	<b>5,142</b>	<b>5,128</b>	<b>5,113</b>	<b>5,100</b>	<b>5,086</b>
<b>Cumulative Cash Flow</b>	<b>30,441</b>	<b>35,677</b>	<b>39,728</b>	<b>44,952</b>	<b>50,158</b>	<b>55,347</b>	<b>60,521</b>	<b>65,678</b>	<b>70,821</b>	<b>75,949</b>	<b>81,062</b>	<b>86,162</b>	<b>91,248</b>	
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Free & Clear Cash (NOI/Cost)		23.02%	22.96%	22.13%	22.14%	22.09%	22.04%	22.00%	21.95%	21.91%	21.86%	21.82%	21.78%	21.74%
Adjusted NOI/Cost		15.90%	15.84%	15.25%	15.27%	15.22%	15.17%	15.12%	15.08%	15.03%	14.99%	14.95%	14.91%	14.87%
Internal Rate of Return	16.45%													
Net Present Value @ 18.0%	(\$1,777)													
Net Present Value @ 20.0%	(\$3,579)													

QUEEN MARY CENTER - OPTION 2 (1992 - 2021) WITH 0% INFLATION

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>PRE-FINANCING CASH FLOW (\$000)</b>														
<b>Revenue</b>														
Admissions - Ent. Center	266,716	0	7,860	8,070	8,279	8,489	8,698	9,013	9,118	9,222	9,327	9,432	9,432	9,432
Admissions - Museum & Tours	60,917	0	3,116	3,022	2,931	2,843	2,758	2,675	2,595	2,517	2,442	2,368	2,297	2,229
Food & Beverage	246,865	0	7,275	7,469	7,663	7,857	8,051	8,342	8,439	8,536	8,633	8,730	8,730	8,730
Merchandise	123,571	0	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874	2,874
Dinner Theater	174,000	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Card Club Revenue	567,500	0	15,000	16,250	17,500	18,750	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
(-) Cost of Goods Sold	(153,531)	0	(4,554)	(4,609)	(4,663)	(4,718)	(4,773)	(4,855)	(4,882)	(4,910)	(4,937)	(4,964)	(4,964)	(4,964)
<b>Net Revenues</b>	<b>1,286,039</b>	<b>0</b>	<b>37,570</b>	<b>39,076</b>	<b>40,584</b>	<b>42,095</b>	<b>43,609</b>	<b>44,049</b>	<b>44,143</b>	<b>44,240</b>	<b>44,339</b>	<b>44,440</b>	<b>44,369</b>	<b>44,300</b>
<b>Operating Expenses</b>														
Property Taxes	15,746	0	502	501	500	506	512	521	523	526	528	530	529	528
Wages & Salaries	313,274	0	9,982	9,970	9,956	10,069	10,183	10,371	10,414	10,459	10,504	10,550	10,525	10,500
Advertising & Promotion	54,482	0	1,736	1,734	1,731	1,751	1,771	1,804	1,811	1,819	1,827	1,835	1,830	1,826
Maintenance & Repair	149,827	0	4,774	4,768	4,761	4,816	4,870	4,960	4,981	5,002	5,024	5,046	5,034	5,022
Operating Supplies	20,431	0	651	650	649	657	664	676	679	682	685	688	686	685
Contract Entertainment	27,241	0	868	867	866	876	885	902	906	909	913	917	915	913
General & Administrative	38,736	0	1,234	1,233	1,231	1,245	1,259	1,282	1,288	1,293	1,299	1,305	1,301	1,298
Card Club Operating Expenses	397,250	0	10,500	11,375	12,250	13,125	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Utilities	55,158	0	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902
<b>Total Operating Expenses</b>	<b>1,072,146</b>	<b>0</b>	<b>32,148</b>	<b>33,000</b>	<b>33,847</b>	<b>34,946</b>	<b>36,047</b>	<b>36,418</b>	<b>36,504</b>	<b>36,592</b>	<b>36,682</b>	<b>36,773</b>	<b>36,723</b>	<b>36,674</b>
<b>Net Operating Income</b>	<b>213,892</b>	<b>0</b>	<b>5,422</b>	<b>6,076</b>	<b>6,737</b>	<b>7,149</b>	<b>7,561</b>	<b>7,631</b>	<b>7,639</b>	<b>7,648</b>	<b>7,657</b>	<b>7,667</b>	<b>7,646</b>	<b>7,626</b>
<b>Other Expenses</b>														
Card Club City Tax @ 0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ground Lease Payments	68,215	0	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352
<b>Adjusted Net Operating Income</b>	<b>145,677</b>	<b>0</b>	<b>3,070</b>	<b>3,724</b>	<b>4,385</b>	<b>4,797</b>	<b>5,209</b>	<b>5,279</b>	<b>5,287</b>	<b>5,295</b>	<b>5,305</b>	<b>5,315</b>	<b>5,294</b>	<b>5,274</b>
<b>Capital Costs</b>														
Pre-Development Costs	1,000	1,000	0	0	0	0	0	0	0	0	0	0	0	0
Leasehold Improvements	6,106	4,939	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	27,106	5,987	7,040	7,040	7,040	0	0	0	0	0	0	0	0	0
<b>Total Capital Costs</b>	<b>34,212</b>	<b>11,926</b>	<b>7,040</b>	<b>7,040</b>	<b>7,040</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-Financing Cash Flow</b>	<b>111,465</b>	<b>(11,926)</b>	<b>(3,970)</b>	<b>(3,316)</b>	<b>(2,655)</b>	<b>4,797</b>	<b>5,209</b>	<b>5,279</b>	<b>5,287</b>	<b>5,295</b>	<b>5,305</b>	<b>5,315</b>	<b>5,294</b>	<b>5,274</b>
<b>Cumulative Cash Flow</b>		<b>(11,926)</b>	<b>(15,897)</b>	<b>(19,212)</b>	<b>(21,867)</b>	<b>(17,071)</b>	<b>(11,862)</b>	<b>(6,583)</b>	<b>(1,296)</b>	<b>3,999</b>	<b>9,304</b>	<b>14,619</b>	<b>19,913</b>	<b>25,187</b>
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Free & Clear Cash (NOI/Cost)		0.00%	28.59%	23.36%	20.39%	21.63%	22.88%	23.09%	23.12%	23.14%	23.17%	23.20%	23.14%	23.08%
Adjusted NOI/Cost		0.00%	16.18%	14.32%	13.27%	14.52%	15.76%	15.97%	16.00%	16.02%	16.05%	16.08%	16.02%	15.96%
Internal Rate of Return	16.45%													
Net Present Value @ 18.0%	(\$1,777)													
Net Present Value @ 20.0%	(\$3,579)													

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>LEVERAGED CASH FLOW (\$000)</b>														
Recap:														
Annual Pre-Financing Cash Flow		(11,926)	(3,970)	(3,316)	(2,655)	4,797	5,209	5,279	5,287	5,295	5,305	5,315	5,294	5,274
Development Financing														
(+ ) Draws	23,132	8,348	4,928	4,928	4,928	0	0	0	0	0	0	0	0	0
(- ) Interest Payments	(21,024)		(1,328)	(1,763)	(2,160)	(2,072)	(1,975)	(1,869)	(1,751)	(1,622)	(1,481)	(1,325)	(1,153)	(964)
(- ) Principal Repayment	(22,651)		(418)	(630)	(881)	(969)	(1,066)	(1,173)	(1,290)	(1,419)	(1,561)	(1,717)	(1,888)	(2,077)
Net Dev. Financing (Repayment)	(20,543)	8,348	3,182	2,534	1,887	(3,041)	(3,041)	(3,041)	(3,041)	(3,041)	(3,041)	(3,041)	(3,041)	(3,041)
Net Operating Cash Flow (Equity)	90,922	(3,578)	(788)	(781)	(768)	1,755	2,168	2,238	2,246	2,254	2,263	2,273	2,253	2,233
Cumulative Cash Flow		(3,578)	(4,366)	(5,147)	(5,916)	(4,160)	(1,992)	245	2,491	4,745	7,008	9,282	11,535	13,767
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Debt Service Coverage		n.m	1.76	1.56	1.44	1.58	1.71	1.74	1.74	1.74	1.74	1.75	1.74	1.73
Cumulative Equity Investment		3,578	5,690	7,802	9,914	9,914	9,914	9,914	9,914	9,914	9,914	9,914	9,914	9,914
Return on Equity (NOCF/Equity)			-13.85%	-10.02%	-7.75%	17.71%	21.87%	22.57%	22.65%	22.74%	22.83%	22.93%	22.72%	22.52%
Internal Rate of Return	23.84%													
Net Present Value @ 25.0%	(\$314)													
Net Present Value @ 30.0%	(\$1,248)													

LEVERAGED CASH FLOW (\$000)	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Recap:														
Annual Pre-Financing Cash Flow		5,255	5,236	4,051	5,223	5,206	5,190	5,173	5,158	5,142	5,128	5,113	5,100	5,086
Development Financing														
{+} Draws	23,132	0	0	0	0	0	0	0	0	0	0	0	0	0
{-} Interest Payments	(21,024)	(756)	(528)	(276)	0	0	0	0	0	0	0	0	0	0
{-} Principal Repayment	(22,651)	(2,285)	(2,513)	(2,765)	0	0	0	0	0	0	0	0	0	0
Net Dev. Financing (Repayment)	(20,543)	(3,041)	(3,041)	(3,041)	0	0	0	0	0	0	0	0	0	0
Net Operating Cash Flow (Equity)	90,922	2,213	2,195	1,010	5,223	5,206	5,190	5,173	5,158	5,142	5,128	5,113	5,100	5,086
Cumulative Cash Flow	-----	15,981	18,175	19,185	24,409	29,615	34,804	39,978	45,135	50,278	55,406	60,519	65,619	70,705
ECONOMIC RETURNS & INDICES														
Debt Service Coverage		1.73	1.72	1.72	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m
Cumulative Equity Investment		9,914	9,914	11,080	11,080	11,080	11,080	11,080	11,080	11,080	11,080	11,080	11,080	11,080
Return on Equity (NOCF/Equity)		22.33%	22.14%	9.11%	47.14%	46.99%	46.84%	46.69%	46.55%	46.41%	46.28%	46.15%	46.02%	45.90%
Internal Rate of Return	23.84%													
Net Present Value @ 25.0%	(\$314)													
Net Present Value @ 30.0%	(\$1,248)													

**QUEEN MARY**  
**OPTION 2 - ENTERTAINMENT CENTER & CARD CLUB**  
**4% INFLATION SCENARIO**  
**30 YEAR LEASE**

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- THE INFORMATION IN THIS REPORT IS PROVIDED FOR ILLUSTRATION PURPOSES ONLY. •
- THIS IS NOT A PROJECTION OF EXPECTED RESULTS. THE ATTACHED ASSUMPTIONS •
- STATEMENT BY KRM IS AN INTEGRAL PART OF THIS ANALYSIS •

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INVESTMENT ASSUMPTIONS			1992\$ Budget	Start Year	End Year	Number of employees	Resale Cycle
<b>Pre-Development Costs</b>							
Planning & Predevelopment			1,000,000	1992	1992		0 yrs
Infrastructure			0	1992	1992		0 yrs
Area Development			0	1992	1992		0 yrs
<b>Parking Structure</b>							
	# Spaces	Dev. Cost \$/Space					
Phase 1	0	\$0	0	1992	1992		0 yrs
Phase 2	0	\$0	0	1992	1992		0 yrs
Phase 3	0	\$0	0	1992	1992		0 yrs
<b>Entertainment Center Development</b>							
	Sq.Ft.	\$/Sq.Ft.					
Observ. Lounge - Music Club	4,600	\$111	511,000	1992	1992		0 yrs
Queen's Salon - Dinner Theater	6,400	\$75	482,000	1992	1992		0 yrs
Royal Salon & King's View - Sport Bar	4,000	\$130	520,000	1992	1992		0 yrs
Wedding Chapel & Vict. Room - Magic Club	3,300	\$115	381,000	1992	1992		0 yrs
Chelsea Cafe - Restaurant	2,000	\$150	300,000	1992	1992		0 yrs
Brittania Salon - Comedy Club	0	\$0	0	1992	1992		0 yrs
Veranda Grill - Music/Dance Club	4,000	\$101	402,500	1992	1992		0 yrs
Promenade Cafe Lounge - Rest.	4,100	\$147	603,850	1992	1992		0 yrs
Sir Winston Room - Restaurant	3,500	\$87	305,000	1992	1992		0 yrs
<b>Card Club</b>							
Brittania Salon - Card Club	9,000	\$121	1,090,000	1992	1992		0 yrs
<b>Other Improved Areas</b>							
Visitor Support Area - Misc.	13,000	\$4	54,000	1992	1992		0 yrs
Rehabilitation of Entertainment Center			876,338	2007	2007		0 yrs
<b>Deferred Maintenance</b>							
Phase 1			5,987,045	1992	1992		0 yrs
Phase 2			21,119,175	1993	1995		0 yrs
<b>Museum &amp; Tour Development</b>							
	Sq.Ft.	\$/Sq.Ft.					
Phase 1	15,000	\$13	200,000	1992	1992		0 yrs
Rehabilitation of Museum & Tour	15,000	\$13	200,000	2007	2007		0 yrs
Phase 3	0	\$0	0	1992	1992		0 yrs
<b>Retail Development</b>							
	Sq.Ft.	\$/Sq. Ft.					
Phase 1	11,000	\$8	90,000	1992	1992		0 yrs
Rehabilitation of Retail	11,000	\$8	90,000	2007	2007		0 yrs
Phase 3	0	\$0	0	1992	1992		0 yrs



**OPERATING ASSUMPTIONS**

Utility Expenses	Annual Cost
Telephone	\$92,000
Water	\$180,000
Gas	\$180,000
Electric	\$1,450,000

**Other Expenses**

Property Taxes	500,000
Wages & Salaries	9,970,000
Advertising & Promotion	1,730,000
Maintenance & Repairs	4,853,000
Operating Supplies	650,000
Contract Entertainment	870,000
General & Administrative	1,230,000
Card Club Operating Expenses	10,500,000

Cost of Goods Sold Factor 28.2%

**GROUND LEASE ASSUMPTIONS**

Percentage Rents (Gross Revenue)	
Minimum Rent	
Land Value/Foot	\$12.00
Land Area (Acres)	45
Lease Constant	10.0%

Entertainment Center/Retail	Card Club	Museum & Tour	Food & Beverage
----- 5.0%	----- 5.0%	----- 5.0%	----- 3.0%

**REVENUES**

**Entertainment Center**

Sales/Person

Dinner Theater	
Admissions/Meals & Alcohol	\$30.00
Museum & Tour	
Admissions	\$4.65
Other Clubs & Bars	
Admissions	\$10.48
Meals & Alcohol	\$9.70

**Card Club Revenues**

Percent  
Breakdown

Fees & Rake	80.00%***	*** Gaming Tax Rate Applicable
Food & Beverage	20.00%	
Number of Card Tables	50	

**Other Revenue Sources**

Sales/S.F

Retail Spending Per Square Foot	\$261.25
Hotel Rooms Available	0
Daily Rate Per Room	\$0
Occupancy Rate	0.0%
Annual Hotel Revenues	\$0

## INDUCED ASSUMPTIONS

-----  
QUEEN MARY CENTER Employee & Visitor Impacts to Long Beach

	Supported Rooms	Daily Rate	Annual Revenues	Additional Employees
Hotels	100	\$80	\$2,920,000	100
Retail Spending			\$1,460,000	15

## NON-FINANCIAL ASSUMPTIONS

# of Employees				
Entertainment Center/Restaurants	5/1000 sf			160
Museum & Tour	3/1000 sf			45
Card Club	4/table			200
Food/Beverage Carts				10
Retail	2/1000 sf			22
Ship Maintenance				50
Average Salary - Indirects				\$27,500
Inflation Rate				4.0%
City NPV Discount Rate				9.0%
Land Value Increase for Tax Assessment				4.00%
NPV Discount Rate for Unleveraged Cash Flow		18.0% &		20.0%
NPV Discount Rate for Leveraged Cash Flow		25.0% &		30.0%

## LOAN ASSUMPTIONS

Percentage of Capital Costs Funded	70.0%
Loan Interest Rate	10.0%

## TAX RATE ASSUMPTIONS

Long Beach Property Tax Portion	City 27.5%
County Property Tax Portion	47.8%
Hotel Bed Tax Rate	10.00%
Telephone - Utility Tax Rate	5.0%
Water - Utility Tax Rate	5.0%
Gas - Utility Tax Rate	5.0%
Electric - Utility Tax Rate	8.4%
Long Beach Gaming Tax Rate	0.0%
L.A. County Sales Tax Rate	0.25%
Long Beach Sales Tax Rate	1.00%
Long Beach Miscellaneous Taxes:	
Business License Fee	\$5,000
Business License Tax Per Employee	\$8.26 /per Employee

## INDIRECT IMPACT ASSUMPTIONS

Percentage Impact from Direct Spending	110.00%
Long Beach Economic Activity Impact Factor	20.00%
L.A. County Economic Activity Impact Factor	50.00%
Long Beach Indirect Tax Portion of Economic Activity	0.50%
L.A. County Indirect Tax Portion of Economic Activity	0.25%

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>Capital Spending</b>														
Pre-Development Costs	1,000	1,000	0	0	0	0	0	0	0	0	0	0	0	0
Parking Structure	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entertainment Center Development	3,505	3,505	0	0	0	0	0	0	0	0	0	0	0	0
Card Club	1,090	1,090	0	0	0	0	0	0	0	0	0	0	0	0
Other Improved Areas	1,572	54	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	28,267	5,987	7,040	7,321	7,919	0	0	0	0	0	0	0	0	0
Museum & Tour Development	546	200	0	0	0	0	0	0	0	0	0	0	0	0
Retail Development	246	90	0	0	0	0	0	0	0	0	0	0	0	0
<b>Queen Mary Operational Spending</b>														
Retail Spending	246,881	0	2,874	2,989	3,108	3,233	3,362	3,496	3,636	3,782	3,933	4,090	4,254	4,424
Hotel Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Induced Economic Activity</b>														
Retail Spending	77,331	0	1,460	1,518	1,579	1,642	1,708	1,776	1,847	1,921	1,998	2,078	2,161	2,248
Hotel Spending	154,662	0	2,920	3,037	3,158	3,285	3,416	3,553	3,695	3,843	3,996	4,156	4,322	4,495
<b>Direct Economic Activity</b>														
Capital Improvements		11,926	7,040	7,321	7,919	0	0	0	0	0	0	0	0	0
Entertainment Center Admissions	572,067	0	10,976	11,092	11,659	12,257	12,887	13,674	14,250	14,854	15,487	16,150	16,695	17,260
Food & Beverage Sales	982,531	0	16,275	17,388	18,564	19,805	21,117	22,316	23,331	24,392	25,501	26,659	27,725	28,834
Card Club Fees & Rake	837,053	0	12,000	13,520	15,142	16,873	18,718	19,466	20,245	21,055	21,897	22,773	23,684	24,631
Merchandise Sales	246,881	0	2,874	2,989	3,108	3,233	3,362	3,496	3,636	3,782	3,933	4,090	4,254	4,424
Hotel Room Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Utilization Factors</b>														
Entertainment Center Attendance		0	750,000	770,000	790,000	810,000	830,000	860,000	870,000	880,000	890,000	900,000	900,000	900,000
Dinner Theater Attendance		0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Museum & Tour Attendance		0	670,000	649,900	630,403	611,491	593,146	575,352	558,091	541,349	525,108	509,355	494,074	479,252
Card Club Revenue/Table		\$0	\$300,000	\$325,000	\$350,000	\$375,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Operating Expense Factors		0%	80%	79%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%

		(000'S)												
	30 YEAR TOTAL	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Capital Spending</b>														
Pre-Development Costs	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Parking Structure	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entertainment Center Development	3,505	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club	1,090	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Improved Areas	1,572	0	0	1,518	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	28,267	0	0	0	0	0	0	0	0	0	0	0	0	0
Museum & Tour Development	546	0	0	346	0	0	0	0	0	0	0	0	0	0
Retail Development	246	0	0	156	0	0	0	0	0	0	0	0	0	0
<b>Queen Mary Operational Spending</b>														
Retail Spending	246,881	4,601	4,785	4,976	10,351	10,765	11,196	11,643	12,109	12,593	13,097	13,621	14,166	14,733
Hotel Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Induced Economic Activity</b>														
Retail Spending	77,331	2,338	2,431	2,528	2,629	2,735	2,844	2,958	3,076	3,199	3,327	3,460	3,598	3,742
Hotel Spending	154,662	4,675	4,862	5,056	5,259	5,469	5,688	5,915	6,152	6,398	6,654	6,920	7,197	7,485
<b>Direct Economic Activity</b>														
Capital Improvements	572,067	0	0	2,020	0	0	0	0	0	0	0	0	0	0
Entertainment Center Admissions	17,848	17,848	18,458	19,092	19,750	20,433	21,143	21,880	22,646	23,441	24,267	25,126	26,018	26,944
Food & Beverage Sales	982,531	29,987	31,187	32,434	33,732	35,081	36,484	37,944	39,461	41,040	42,681	44,389	46,164	48,011
Card Club Fees & Rake	837,053	25,617	26,641	27,707	28,815	29,968	31,166	32,413	33,710	35,058	36,460	37,919	39,435	41,013
Merchandise Sales	246,881	4,601	4,785	4,976	10,351	10,765	11,196	11,643	12,109	12,593	13,097	13,621	14,166	14,733
Hotel Room Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Utilization Factors</b>														
Entertainment Center Attendance		900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Dinner Theater Attendance		200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Museum & Tour Attendance		464,874	450,928	437,400	424,278	411,550	399,203	387,227	375,611	364,342	353,412	342,810	332,525	322,550
Card Club Revenue/Table		\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Operating Expense Factors		78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>DIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$11,926	\$49,164	\$52,309	\$56,392	\$52,168	\$56,084	\$58,952	\$61,463	\$64,083	\$66,818	\$69,672	\$72,357	\$75,150
Jobs		0	603	603	603	603	603	603	603	603	603	603	603	603
Fiscal Revenues														
Property Taxes	\$7,145	\$0	\$0	\$143	\$149	\$155	\$161	\$167	\$174	\$181	\$188	\$196	\$204	\$212
Sales Taxes	12,294	0	191	204	217	230	245	258	270	282	294	307	320	333
Hotel Bed Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	7,648	0	144	150	156	162	169	176	183	190	198	206	214	222
Business License Fees	538	0	10	10	11	11	12	12	13	13	14	14	15	15
<b>Total Fiscal Revenue</b>	<b>27,625</b>	<b>\$0</b>	<b>\$346</b>	<b>\$507</b>	<b>\$532</b>	<b>\$559</b>	<b>\$586</b>	<b>\$613</b>	<b>\$639</b>	<b>\$666</b>	<b>\$694</b>	<b>\$723</b>	<b>\$752</b>	<b>\$782</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$11,926	\$49,164	\$52,309	\$56,392	\$52,168	\$56,084	\$58,952	\$61,463	\$64,083	\$66,818	\$69,672	\$72,357	\$75,150
Jobs		0	603	603	603	603	603	603	603	603	603	603	603	603
Fiscal Revenues														
Property Taxes	\$12,420	\$0	\$0	\$249	\$259	\$269	\$280	\$291	\$302	\$315	\$327	\$340	\$354	\$368
Sales Taxes	3,074	0	48	51	54	58	61	65	67	70	74	77	80	83
<b>Total Fiscal Revenue</b>	<b>15,493</b>	<b>\$0</b>	<b>\$48</b>	<b>\$300</b>	<b>\$313</b>	<b>\$326</b>	<b>\$341</b>	<b>\$355</b>	<b>\$370</b>	<b>\$385</b>	<b>\$401</b>	<b>\$417</b>	<b>\$434</b>	<b>\$451</b>
<b>INDUCED IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$0	\$4,380	\$4,555	\$4,737	\$4,927	\$5,124	\$5,329	\$5,542	\$5,764	\$5,994	\$6,234	\$6,483	\$6,743
Jobs		0	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$773	\$0	\$15	\$15	\$16	\$16	\$17	\$18	\$18	\$19	\$20	\$21	\$22	\$22
Hotel Bed Taxes	15,466	0	292	304	316	328	342	355	369	384	400	416	432	450
<b>Total Fiscal Revenue</b>	<b>16,239</b>	<b>\$0</b>	<b>\$307</b>	<b>\$319</b>	<b>\$332</b>	<b>\$345</b>	<b>\$359</b>	<b>\$373</b>	<b>\$388</b>	<b>\$403</b>	<b>\$420</b>	<b>\$436</b>	<b>\$454</b>	<b>\$472</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$0	\$4,380	\$4,555	\$4,737	\$4,927	\$5,124	\$5,329	\$5,542	\$5,764	\$5,994	\$6,234	\$6,483	\$6,743
Jobs		0	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$193	\$0	\$4	\$4	\$4	\$4	\$4	\$4	\$5	\$5	\$5	\$5	\$5	\$6
<b>Total Fiscal Revenue</b>	<b>\$193</b>	<b>\$0</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$5</b>	<b>\$5</b>	<b>\$5</b>	<b>\$5</b>	<b>\$5</b>	<b>\$6</b>
<b>INDIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$2,624	\$11,780	\$12,510	\$13,448	\$12,561	\$13,466	\$14,142	\$14,741	\$15,366	\$16,019	\$16,699	\$17,345	\$18,016
Jobs		29	129	136	147	137	147	154	161	168	175	182	189	197
Fiscal Revenues														
Indirect Taxes	\$3,184	\$0	\$59	\$63	\$67	\$63	\$67	\$71	\$74	\$77	\$80	\$83	\$87	\$90
<b>L.A. COUNTY</b>														
Economic Activity		\$6,560	\$29,449	\$31,276	\$33,621	\$31,402	\$33,664	\$35,355	\$36,853	\$38,416	\$40,047	\$41,748	\$43,362	\$45,041
Jobs		72	321	341	367	343	367	386	402	419	437	455	473	491
Fiscal Revenues														
Indirect Taxes	\$3,980	\$0	\$74	\$78	\$84	\$79	\$84	\$88	\$92	\$96	\$100	\$104	\$108	\$113

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>DIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$78,053	\$81,071	\$86,229	\$92,647	\$96,247	\$99,989	\$103,880	\$107,926	\$112,132	\$116,506	\$121,054	\$125,783	\$130,700
Jobs		603	603	603	636	636	636	636	636	636	636	636	636	636
Fiscal Revenues														
Property Taxes	\$7,145	\$220	\$229	\$238	\$248	\$258	\$268	\$279	\$290	\$301	\$313	\$326	\$339	\$352
Sales Taxes	12,294	346	360	374	441	458	477	496	516	536	558	580	603	627
Hotel Bed Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	7,648	231	240	250	260	270	281	293	304	316	329	342	356	370
Business License Fees	538	16	17	17	18	19	20	21	22	22	23	24	25	26
<b>Total Fiscal Revenue</b>	<b>27,625</b>	<b>\$813</b>	<b>\$846</b>	<b>\$880</b>	<b>\$967</b>	<b>\$1,006</b>	<b>\$1,046</b>	<b>\$1,088</b>	<b>\$1,131</b>	<b>\$1,176</b>	<b>\$1,224</b>	<b>\$1,272</b>	<b>\$1,323</b>	<b>\$1,376</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$78,053	\$81,071	\$86,229	\$92,647	\$96,247	\$99,989	\$103,880	\$107,926	\$112,132	\$116,506	\$121,054	\$125,783	\$130,700
Jobs		603	603	603	636	636	636	636	636	636	636	636	636	636
Fiscal Revenues														
Property Taxes	\$12,420	\$383	\$398	\$414	\$430	\$448	\$466	\$484	\$504	\$524	\$545	\$566	\$589	\$613
Sales Taxes	3,074	86	90	94	110	115	119	124	129	134	139	145	151	157
<b>Total Fiscal Revenue</b>	<b>15,493</b>	<b>\$469</b>	<b>\$488</b>	<b>\$507</b>	<b>\$541</b>	<b>\$562</b>	<b>\$585</b>	<b>\$608</b>	<b>\$632</b>	<b>\$658</b>	<b>\$684</b>	<b>\$711</b>	<b>\$740</b>	<b>\$769</b>
<b>INDUCED IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$7,013	\$7,293	\$7,585	\$7,888	\$8,204	\$8,532	\$8,873	\$9,228	\$9,597	\$9,981	\$10,380	\$10,795	\$11,227
Jobs		115	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$773	\$23	\$24	\$25	\$26	\$27	\$28	\$30	\$31	\$32	\$33	\$35	\$36	\$37
Hotel Bed Taxes	15,466	468	486	506	526	547	569	592	615	640	665	692	720	748
<b>Total Fiscal Revenue</b>	<b>16,239</b>	<b>\$491</b>	<b>\$511</b>	<b>\$531</b>	<b>\$552</b>	<b>\$574</b>	<b>\$597</b>	<b>\$621</b>	<b>\$646</b>	<b>\$672</b>	<b>\$699</b>	<b>\$727</b>	<b>\$756</b>	<b>\$786</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$7,013	\$7,293	\$7,585	\$7,888	\$8,204	\$8,532	\$8,873	\$9,228	\$9,597	\$9,981	\$10,380	\$10,795	\$11,227
Jobs		115	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$193	\$6	\$6	\$6	\$7	\$7	\$7	\$7	\$8	\$8	\$8	\$9	\$9	\$9
<b>Total Fiscal Revenue</b>	<b>\$193</b>	<b>\$6</b>	<b>\$6</b>	<b>\$6</b>	<b>\$7</b>	<b>\$7</b>	<b>\$7</b>	<b>\$7</b>	<b>\$8</b>	<b>\$8</b>	<b>\$8</b>	<b>\$9</b>	<b>\$9</b>	<b>\$9</b>
<b>INDIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$18,714	\$19,440	\$20,639	\$22,118	\$22,979	\$23,875	\$24,806	\$25,774	\$26,780	\$27,827	\$28,916	\$30,047	\$31,224
Jobs		204	212	225	241	251	260	271	281	292	304	315	328	341
Fiscal Revenues														
Indirect Taxes	\$3,184	\$94	\$97	\$103	\$111	\$115	\$119	\$124	\$129	\$134	\$139	\$145	\$150	\$156
<b>L.A. COUNTY</b>														
Economic Activity		\$46,786	\$48,600	\$51,597	\$55,294	\$57,448	\$59,686	\$62,014	\$64,435	\$66,951	\$69,568	\$72,289	\$75,118	\$78,060
Jobs		510	530	563	603	627	651	677	703	730	759	789	819	852
Fiscal Revenues														
Indirect Taxes	\$3,980	\$117	\$122	\$129	\$138	\$144	\$149	\$155	\$161	\$167	\$174	\$181	\$188	\$195

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>TOTAL IMPACTS</b>														
<b>-----</b>														
<b>LONG BEACH</b>														
<b>-----</b>														
Economic Activity		\$14,550	\$65,324	\$69,375	\$74,578	\$69,656	\$74,673	\$78,423	\$81,746	\$85,213	\$88,831	\$92,605	\$96,186	\$99,909
Jobs		29	846	854	864	854	864	871	878	885	892	899	906	914
Fiscal Revenues														
Property Taxes	\$7,145	\$0	\$0	\$143	\$149	\$155	\$161	\$167	\$174	\$181	\$188	\$196	\$204	\$212
Sales Taxes	13,067	0	206	219	233	247	262	276	288	301	314	328	341	355
Hotel Bed Taxes	15,466	0	292	304	316	328	342	355	369	384	400	416	432	450
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	7,648	0	144	150	156	162	169	176	183	190	198	206	214	222
Business License Fees	538	0	10	10	11	11	12	12	13	13	14	14	15	15
Indirect Taxes	3,184	0	59	63	67	63	67	71	74	77	80	83	87	90
<b>Total Fiscal Revenue</b>	<b>\$47,049</b>	<b>\$0</b>	<b>\$711</b>	<b>\$889</b>	<b>\$931</b>	<b>\$966</b>	<b>\$1,012</b>	<b>\$1,057</b>	<b>\$1,101</b>	<b>\$1,146</b>	<b>\$1,193</b>	<b>\$1,243</b>	<b>\$1,292</b>	<b>\$1,344</b>
<b>-----</b>														
<b>L.A. COUNTY</b>														
<b>-----</b>														
Economic Activity		\$18,486	\$82,993	\$88,140	\$94,750	\$88,497	\$94,872	\$99,636	\$103,858	\$108,263	\$112,859	\$117,654	\$122,203	\$126,933
Jobs		72	1,038	1,058	1,084	1,060	1,084	1,103	1,119	1,136	1,154	1,173	1,190	1,208
Fiscal Revenues														
Property Taxes	\$12,420	\$0	\$0	\$249	\$259	\$269	\$280	\$291	\$302	\$315	\$327	\$340	\$354	\$368
Sales Taxes	3,267	0	52	55	58	62	65	69	72	75	79	82	85	89
Indirect Taxes	3,980	0	74	78	84	79	84	88	92	96	100	104	108	113
<b>Total Fiscal Revenue</b>	<b>\$19,667</b>	<b>\$0</b>	<b>\$125</b>	<b>\$381</b>	<b>\$401</b>	<b>\$409</b>	<b>\$429</b>	<b>\$448</b>	<b>\$467</b>	<b>\$486</b>	<b>\$506</b>	<b>\$527</b>	<b>\$548</b>	<b>\$569</b>

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>TOTAL IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$103,780	\$107,804	\$114,453	\$122,653	\$127,429	\$132,395	\$137,559	\$142,928	\$148,510	\$154,315	\$160,350	\$166,626	\$173,151
Jobs		921	929	942	992	1,001	1,011	1,021	1,032	1,043	1,054	1,066	1,078	1,091
Fiscal Revenues														
Property Taxes	\$7,145	\$220	\$229	\$238	\$248	\$258	\$268	\$279	\$290	\$301	\$313	\$326	\$339	\$352
Sales Taxes	13,067	369	384	399	467	486	505	525	546	568	591	615	639	665
Hotel Bed Taxes	15,466	468	486	506	526	547	569	592	615	640	665	692	720	748
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	7,648	231	240	250	260	270	281	293	304	316	329	342	356	370
Business License Fees	538	16	17	17	18	19	20	21	22	22	23	24	25	26
Indirect Taxes	3,184	94	97	103	111	115	119	124	129	134	139	145	150	156
<b>Total Fiscal Revenue</b>	<b>\$47,049</b>	<b>\$1,398</b>	<b>\$1,453</b>	<b>\$1,514</b>	<b>\$1,630</b>	<b>\$1,695</b>	<b>\$1,762</b>	<b>\$1,833</b>	<b>\$1,906</b>	<b>\$1,982</b>	<b>\$2,061</b>	<b>\$2,144</b>	<b>\$2,229</b>	<b>\$2,318</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$131,851	\$136,964	\$145,411	\$155,830	\$161,898	\$168,207	\$174,767	\$181,588	\$188,681	\$196,055	\$203,723	\$211,697	\$219,987
Jobs		1,227	1,247	1,280	1,354	1,377	1,402	1,427	1,454	1,481	1,510	1,539	1,570	1,602
Fiscal Revenues														
Property Taxes	\$12,420	\$383	\$398	\$414	\$430	\$448	\$466	\$484	\$504	\$524	\$545	\$566	\$589	\$613
Sales Taxes	3,267	92	96	100	117	121	126	131	137	142	148	154	160	166
Indirect Taxes	3,980	117	122	129	138	144	149	155	161	167	174	181	188	195
<b>Total Fiscal Revenue</b>	<b>\$19,667</b>	<b>\$592</b>	<b>\$615</b>	<b>\$643</b>	<b>\$685</b>	<b>\$713</b>	<b>\$741</b>	<b>\$771</b>	<b>\$801</b>	<b>\$833</b>	<b>\$866</b>	<b>\$901</b>	<b>\$937</b>	<b>\$974</b>



	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>PRE-FINANCING CASH FLOW (\$000)</b>														
<b>Revenue</b>														
Admissions - Ent. Center	492,096	15,101	15,705	16,333	16,986	17,666	18,373	19,108	19,872	20,667	21,493	22,353	23,247	24,177
Admissions - Museum & Tours	102,415	3,461	3,491	3,522	3,553	3,584	3,616	3,648	3,680	3,712	3,745	3,778	3,811	3,845
Food & Beverage	455,471	13,977	14,536	15,118	15,722	16,351	17,005	17,685	18,393	19,129	19,894	20,689	21,517	22,378
Merchandise	246,881	4,601	4,785	4,976	5,170	5,366	5,564	5,764	5,966	6,170	6,376	6,583	6,791	7,000
Dinner Theater	317,798	9,606	9,990	10,390	10,806	11,238	11,687	12,155	12,641	13,147	13,673	14,220	14,788	15,380
Card Club Revenue	1,046,316	32,021	33,301	34,634	36,019	37,460	38,958	40,516	42,137	43,822	45,575	47,398	49,294	51,266
(-) Cost of Goods Sold	(287,682)	(7,948)	(8,266)	(8,596)	(10,400)	(10,816)	(11,248)	(11,698)	(12,166)	(12,653)	(13,159)	(13,685)	(14,233)	(14,802)
<b>Net Revenues</b>	<b>2,373,294</b>	<b>70,819</b>	<b>73,543</b>	<b>76,376</b>	<b>83,037</b>	<b>86,248</b>	<b>89,586</b>	<b>93,057</b>	<b>96,665</b>	<b>100,417</b>	<b>104,318</b>	<b>108,374</b>	<b>112,591</b>	<b>116,976</b>
<b>Operating Expenses</b>														
Property Taxes	29,139	843	875	908	1,036	1,075	1,116	1,159	1,203	1,249	1,297	1,346	1,398	1,452
Wages & Salaries	579,721	16,772	17,405	18,062	20,602	21,386	22,201	23,049	23,930	24,846	25,798	26,788	27,818	28,888
Advertising & Promotion	100,821	2,917	3,027	3,141	3,583	3,719	3,861	4,009	4,162	4,321	4,487	4,659	4,838	5,024
Maintenance & Repair	277,258	8,022	8,324	8,638	9,853	10,228	10,618	11,023	11,445	11,883	12,338	12,812	13,304	13,816
Operating Supplies	37,808	1,094	1,135	1,178	1,344	1,395	1,448	1,503	1,561	1,620	1,682	1,747	1,814	1,884
Contract Entertainment	50,411	1,458	1,513	1,571	1,791	1,860	1,931	2,004	2,081	2,161	2,243	2,329	2,419	2,512
General & Administrative	71,682	2,074	2,152	2,233	2,547	2,644	2,745	2,850	2,959	3,072	3,190	3,312	3,440	3,572
Card Club Operating Expenses	732,421	22,414	23,311	24,243	25,213	26,222	27,271	28,361	29,496	30,676	31,903	33,179	34,506	35,886
Utilities	100,742	3,045	3,167	3,294	3,425	3,562	3,705	3,853	4,007	4,168	4,334	4,508	4,688	4,875
<b>Total Operating Expenses</b>	<b>1,980,002</b>	<b>58,640</b>	<b>60,909</b>	<b>63,268</b>	<b>69,394</b>	<b>72,091</b>	<b>74,896</b>	<b>77,811</b>	<b>80,843</b>	<b>83,995</b>	<b>87,273</b>	<b>90,681</b>	<b>94,224</b>	<b>97,909</b>
<b>Net Operating Income</b>	<b>393,292</b>	<b>12,179</b>	<b>12,635</b>	<b>13,108</b>	<b>13,643</b>	<b>14,157</b>	<b>14,691</b>	<b>15,246</b>	<b>15,822</b>	<b>16,422</b>	<b>17,045</b>	<b>17,693</b>	<b>18,367</b>	<b>19,067</b>
<b>Other Expenses</b>														
Card Club City Tax @ 0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ground Lease Payments	118,688	3,467	3,600	3,738	4,141	4,301	4,468	4,641	4,821	5,008	5,203	5,405	5,615	5,834
<b>Adjusted Net Operating Income</b>	<b>274,604</b>	<b>8,712</b>	<b>9,035</b>	<b>9,370</b>	<b>9,502</b>	<b>9,855</b>	<b>10,223</b>	<b>10,605</b>	<b>11,001</b>	<b>11,414</b>	<b>11,843</b>	<b>12,288</b>	<b>12,751</b>	<b>13,233</b>
<b>Capital Costs</b>														
Pre-Development Costs	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Leasehold Improvements	6,959	0	0	2,020	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	28,267	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Capital Costs</b>	<b>36,226</b>	<b>0</b>	<b>0</b>	<b>2,020</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-Financing Cash Flow</b>	<b>238,378</b>	<b>8,712</b>	<b>9,035</b>	<b>7,350</b>	<b>9,502</b>	<b>9,855</b>	<b>10,223</b>	<b>10,605</b>	<b>11,001</b>	<b>11,414</b>	<b>11,843</b>	<b>12,288</b>	<b>12,751</b>	<b>13,233</b>
<b>Cumulative Cash Flow</b>	<b>51,139</b>	<b>60,174</b>	<b>67,524</b>	<b>77,026</b>	<b>86,882</b>	<b>97,104</b>	<b>107,709</b>	<b>118,710</b>	<b>130,124</b>	<b>141,967</b>	<b>154,255</b>	<b>167,007</b>	<b>180,240</b>	<b>193,973</b>
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Free & Clear Cash (NOI/Cost)		35.60%	36.94%	36.19%	37.66%	39.08%	40.55%	42.08%	43.68%	45.33%	47.05%	48.84%	50.70%	52.63%
Adjusted NOI/Cost		25.47%	26.41%	25.87%	26.23%	27.21%	28.22%	29.27%	30.37%	31.51%	32.69%	33.92%	35.20%	36.53%
Internal Rate of Return	21.26%													
Net Present Value @ 18.0%	\$4,719													
Net Present Value @ 20.0%	\$1,573													

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>PRE-FINANCING CASH FLOW (\$000)</b>														
Revenue														
Admissions - Ent. Center	492,096	0	7,860	8,392	8,955	9,549	10,176	10,965	11,537	12,136	12,765	13,425	13,962	14,520
Admissions - Museum & Tours	102,415	0	3,116	3,143	3,171	3,198	3,227	3,255	3,284	3,313	3,342	3,371	3,401	3,431
Food & Beverage	455,471	0	7,275	7,768	8,288	8,838	9,419	10,149	10,678	11,233	11,815	12,426	12,923	13,439
Merchandise	246,881	0	2,874	2,989	3,108	3,233	3,362	3,496	3,636	3,782	3,933	4,090	4,254	4,424
Dinner Theater	317,798	0	6,000	6,240	6,490	6,749	7,019	7,300	7,592	7,896	8,211	8,540	8,881	9,237
Card Club Revenue	1,046,316	0	15,000	16,900	18,928	21,091	23,397	24,333	25,306	26,319	27,371	28,466	29,605	30,789
(-) Cost of Goods Sold	(287,682)	0	(4,554)	(4,793)	(5,044)	(5,307)	(5,583)	(5,907)	(6,178)	(6,461)	(6,756)	(7,066)	(7,348)	(7,642)
<b>Net Revenues</b>	<b>2,373,294</b>	<b>0</b>	<b>37,570</b>	<b>40,639</b>	<b>43,896</b>	<b>47,351</b>	<b>51,016</b>	<b>53,592</b>	<b>55,855</b>	<b>58,217</b>	<b>60,681</b>	<b>63,252</b>	<b>65,677</b>	<b>68,198</b>
Operating Expenses														
Property Taxes	29,139	0	502	521	541	569	599	634	662	692	723	755	783	812
Wages & Salaries	579,721	0	9,982	10,368	10,768	11,326	11,913	12,618	13,177	13,763	14,376	15,016	15,579	16,164
Advertising & Promotion	100,821	0	1,736	1,803	1,873	1,970	2,072	2,194	2,292	2,394	2,500	2,612	2,709	2,811
Maintenance & Repair	277,258	0	4,774	4,959	5,150	5,417	5,697	6,034	6,302	6,582	6,875	7,182	7,451	7,731
Operating Supplies	37,808	0	651	676	702	739	777	823	859	898	938	979	1,016	1,054
Contract Entertainment	50,411	0	868	902	936	985	1,036	1,097	1,146	1,197	1,250	1,306	1,355	1,406
General & Administrative	71,682	0	1,234	1,282	1,331	1,400	1,473	1,560	1,629	1,702	1,778	1,857	1,926	1,999
Card Club Operating Expenses	732,421	0	10,500	11,830	13,250	14,764	16,378	17,033	17,714	18,423	19,160	19,926	20,723	21,552
Utilities	100,742	0	1,902	1,978	2,057	2,139	2,225	2,314	2,407	2,503	2,603	2,707	2,815	2,928
<b>Total Operating Expenses</b>	<b>1,980,002</b>	<b>0</b>	<b>32,148</b>	<b>34,320</b>	<b>36,609</b>	<b>39,310</b>	<b>42,170</b>	<b>44,308</b>	<b>46,190</b>	<b>48,153</b>	<b>50,202</b>	<b>52,340</b>	<b>54,359</b>	<b>56,458</b>
<b>Net Operating Income</b>	<b>393,292</b>	<b>0</b>	<b>5,422</b>	<b>6,319</b>	<b>7,287</b>	<b>8,041</b>	<b>8,846</b>	<b>9,284</b>	<b>9,666</b>	<b>10,064</b>	<b>10,479</b>	<b>10,912</b>	<b>11,318</b>	<b>11,740</b>
Other Expenses														
Card Club City Tax @ 0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ground Lease Payments	118,688	0	2,352	2,352	2,352	2,352	2,501	2,626	2,736	2,851	2,971	3,097	3,215	3,338
<b>Adjusted Net Operating Income</b>	<b>274,604</b>	<b>0</b>	<b>3,070</b>	<b>3,967</b>	<b>4,934</b>	<b>5,689</b>	<b>6,345</b>	<b>6,658</b>	<b>6,930</b>	<b>7,212</b>	<b>7,508</b>	<b>7,816</b>	<b>8,103</b>	<b>8,402</b>
Capital Costs														
Pre-Development Costs	1,000	1,000	0	0	0	0	0	0	0	0	0	0	0	0
Leasehold Improvements	6,959	4,939	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	28,267	5,987	7,040	7,321	7,919	0	0	0	0	0	0	0	0	0
<b>Total Capital Costs</b>	<b>36,226</b>	<b>11,926</b>	<b>7,040</b>	<b>7,321</b>	<b>7,919</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-Financing Cash Flow</b>	<b>238,378</b>	<b>(11,926)</b>	<b>(3,970)</b>	<b>(3,354)</b>	<b>(2,984)</b>	<b>5,689</b>	<b>6,345</b>	<b>6,658</b>	<b>6,930</b>	<b>7,212</b>	<b>7,508</b>	<b>7,816</b>	<b>8,103</b>	<b>8,402</b>
<b>Cumulative Cash Flow</b>		<b>(11,926)</b>	<b>(15,897)</b>	<b>(19,251)</b>	<b>(22,235)</b>	<b>(16,546)</b>	<b>(10,201)</b>	<b>(3,543)</b>	<b>3,387</b>	<b>10,599</b>	<b>18,107</b>	<b>25,922</b>	<b>34,026</b>	<b>42,427</b>
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Free & Clear Cash (NOI/Cost)		0.00%	28.59%	24.04%	21.30%	23.51%	25.86%	27.14%	28.26%	29.42%	30.63%	31.90%	33.09%	34.32%
Adjusted NOI/Cost		0.00%	16.18%	15.09%	14.43%	16.63%	18.55%	19.47%	20.26%	21.09%	21.95%	22.85%	23.69%	24.56%
Internal Rate of Return	21.26%													
Net Present Value @ 18.0%	\$4,719													
Net Present Value @ 20.0%	\$1,573													

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>LEVERAGED CASH FLOW (\$000)</b>														
Recap:														
Annual Pre-Financing Cash Flow		8,712	9,035	7,350	9,502	9,855	10,223	10,605	11,001	11,414	11,843	12,288	12,751	13,233
Development Financing	23,944	0	0	0	0	0	0	0	0	0	0	0	0	0
(+) Draws	(21,673)	(783)	(546)	(286)	0	0	0	0	0	0	0	0	0	0
(-) Interest Payments	(23,417)	(2,365)	(2,602)	(2,862)	0	0	0	0	0	0	0	0	0	0
(-) Principal Repayment														
Net Dev. Financing (Repayment)	(21,145)	(3,148)	(3,148)	(3,148)	0	0	0	0	0	0	0	0	0	0
Net Operating Cash Flow (Equity)	217,233	5,564	5,887	4,202	9,502	9,855	10,223	10,605	11,001	11,414	11,843	12,288	12,751	13,233
Cumulative Cash Flow		36,290	42,177	46,379	55,881	65,737	75,959	86,564	97,565	108,979	120,822	133,110	145,862	159,095
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Debt Service Coverage		2.77	2.87	2.98	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m
Cumulative Equity Investment		10,262	10,262	12,282	12,282	12,282	12,282	12,282	12,282	12,282	12,282	12,282	12,282	12,282
Return on Equity (NOCF/Equity)		54.22%	57.36%	34.21%	77.37%	80.25%	83.24%	86.35%	89.58%	92.94%	96.43%	100.05%	103.83%	107.75%
Internal Rate of Return	33.31%													
Net Present Value @ 25.0%	\$2,881													
Net Present Value @ 30.0%	\$836													

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>LEVERAGED CASH FLOW (\$000)</b>														
Recap:														
Annual Pre-Financing Cash Flow		(11,926)	(3,970)	(3,354)	(2,984)	5,689	6,345	6,658	6,930	7,212	7,508	7,816	8,103	8,402
Development Financing														
{+} Draws	23,944	8,348	4,928	5,125	5,543	0	0	0	0	0	0	0	0	0
{-} Interest Payments	(21,673)		(1,328)	(1,782)	(2,236)	(2,145)	(2,045)	(1,934)	(1,813)	(1,679)	(1,533)	(1,371)	(1,193)	(998)
{-} Principal Repayment	(23,417)		(418)	(637)	(912)	(1,003)	(1,103)	(1,214)	(1,335)	(1,469)	(1,615)	(1,777)	(1,955)	(2,150)
Net Dev. Financing (Repayment)	(21,145)	8,348	3,182	2,706	2,395	(3,148)	(3,148)	(3,148)	(3,148)	(3,148)	(3,148)	(3,148)	(3,148)	(3,148)
Net Operating Cash Flow (Equity)	217,233	(3,578)	(788)	(649)	(589)	2,541	3,197	3,510	3,781	4,064	4,360	4,668	4,955	5,254
Cumulative Cash Flow		(3,578)	(4,366)	(5,014)	(5,604)	(3,063)	134	3,644	7,426	11,490	15,850	20,518	25,473	30,726
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Debt Service Coverage		n.m	1.76	1.64	1.57	1.81	2.02	2.12	2.20	2.29	2.38	2.48	2.57	2.67
Cumulative Equity Investment		3,578	5,690	7,886	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262
Return on Equity (NOCF/Equity)			-13.85%	-8.23%	-5.74%	24.76%	31.15%	34.21%	36.85%	39.61%	42.48%	45.49%	48.29%	51.20%
Internal Rate of Return	33.31%													
Net Present Value @ 25.0%	\$2,881													
Net Present Value @ 30.0%	\$836													

APPENDIX

**QUEEN MARY**  
**OPTION 1 - ENTERTAINMENT CENTER**  
**NO INFLATION SCENARIO**  
**30 YEAR LEASE**

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- THE INFORMATION IN THIS REPORT IS PROVIDED FOR ILLUSTRATION PURPOSES ONLY. •
- THIS IS NOT A PROJECTION OF EXPECTED RESULTS. THE ATTACHED ASSUMPTIONS •
- STATEMENT BY KRM IS AN INTEGRAL PART OF THIS ANALYSIS •

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INVESTMENT ASSUMPTIONS		1992\$ Budget	Start Year	End Year	Number of employees	Resale Cycle
<b>Pre-Development Costs</b>						
Planning & Predevelopment		1,000,000	1992	1992		0 yrs
Infrastructure		0	1992	1992		0 yrs
Area Development		0	1992	1992		0 yrs
<b>Parking Structure</b>						
	# Spaces	Dev. Cost \$/Space				
Phase 1	0	\$0	1992	1992		0 yrs
Phase 2	0	\$0	1992	1992		0 yrs
Phase 3	0	\$0	1992	1992		0 yrs
<b>Entertainment Center Development</b>						
	Sq.Ft.	\$/Sq.Ft.				
Observ. Lounge - Music Club	4,600	\$101	464,500	1992	1992	0 yrs
Queen's Salon - Dinner Theater	6,400	\$75	482,000	1992	1992	0 yrs
Royal Salon & King's View - Sport Bar	4,000	\$131	525,000	1992	1992	0 yrs
Wedding Chapel & Vict. Room - Magic Club	3,300	\$117	386,000	1992	1992	0 yrs
Chelsea Cafe - Restaurant	2,000	\$151	302,000	1992	1992	0 yrs
Brittania Salon - Comedy Club	0	\$0	0	1992	1992	0 yrs
Veranda Grill - Music/Dance Club	4,000	\$101	402,500	1992	1992	0 yrs
Promenade Cafe Lounge - Rest.	4,100	\$147	603,850	1992	1992	0 yrs
Sir Winston Room - Restaurant	3,500	\$87	305,000	1992	1992	0 yrs
<b>Card Club</b>						
Brittania Salon - Card Club	0	\$0	0	1992	1992	0 yrs
<b>Other Improved Areas</b>						
Visitor Support Area - Misc.	13,000	\$4	54,000	1992	1992	0 yrs
Rehabilitation of Entertainment Center			867,713	2007	2007	0 yrs
<b>Deferred Maintenance</b>						
Phase 1			5,987,045	1992	1992	0 yrs
Phase 2			21,119,175	1993	1995	0 yrs
<b>Museum &amp; Tour Development</b>						
	Sq.Ft.	\$/Sq.Ft.				
Phase 1	15,000	\$13	200,000	1992	1992	0 yrs
Rehabilitation of Museum & Tour	15,000	\$13	200,000	2007	2007	0 yrs
Phase 3	0	\$0	0	1992	1992	0 yrs
<b>Retail Development</b>						
	Sq.Ft.	\$/Sq. Ft.				
Phase 1	11,000	\$8	90,000	1992	1992	0 yrs
Rehabilitation of Retail	11,000	\$8	90,000	2007	2007	0 yrs
Phase 3	0	\$0	0	1992	1992	0 yrs

**OPERATING ASSUMPTIONS**

-----	Annual
Utility Expenses	Cost
-----	-----
Telephone	\$92,000
Water	\$180,000
Gas	\$180,000
Electric	\$1,450,000
Other Expenses	
Property Taxes	500,000
Wages & Salaries	10,430,000
Advertising & Promotion	1,810,000
Maintenance & Repairs	4,853,000
Operating Supplies	680,000
Contract Entertainment	910,000
General & Administrative	1,310,000
Card Club Operating Expenses	0
Cost of Goods Sold Factor	28.2%

**GROUND LEASE ASSUMPTIONS**

-----	
Percentage Rents (Gross Revenue)	
Minimum Rent	
Land Value/Foot	\$12.00
Land Area (Acres)	45
Lease Constant	10.0%

-----	-----	-----	-----
Entertainment Center/Retail	Card Club	Museum & Tour	Food & Beverage
-----	-----	-----	-----
5.0%	5.0%	5.0%	3.0%

**REVENUES**

-----	
Entertainment Center	Sales/Person
-----	-----
Dinner Theater	
Admissions/Meals & Alcohol	\$30.00
Museum & Tour	
Admissions	\$4.65
Other Clubs & Bars	
Admissions	\$11.65
Meals & Alcohol	\$10.00
Card Club Revenues	Percent Breakdown
-----	-----
Fees & Rake	0.00%*** Gaming Tax Rate Applicable
Food & Beverage	0.00%
Number of Card Tables	0
Other Revenue Sources	Sales/S.F
-----	-----
Retail Spending Per Square Foot	\$275.00
Hotel Rooms Available	0
Daily Rate Per Room	\$0
Occupancy Rate	0.0%
Annual Hotel Revenues	\$0

**INDUCED ASSUMPTIONS****QUEEN MARY CENTER Employee & Visitor Impacts to Long Beach**

	Supported Rooms	Daily Rate	Annual Revenues	Additional Employees
Hotels	100	\$80	\$2,920,000	100
Retail Spending			\$1,460,000	15

**NON-FINANCIAL ASSUMPTIONS**

# of Employees				
Entertainment Center/Restaurants		5/1000 sf		160
Museum & Tour		3/1000 sf		45
Card Club		4/table		0
Food/Beverage Carts				10
Retail		2/1000 sf		22
Ship Maintenance				50
Average Salary - Indirects				\$27,500
Inflation Rate				0.0%
City NPV Discount Rate				9.0%
Land Value Increase for Tax Assessment				4.00%
NPV Discount Rate for Unleveraged Cash Flow			18.0% &	20.0%
NPV Discount Rate for Leveraged Cash Flow			25.0% &	30.0%

**LOAN ASSUMPTIONS**

Percentage of Capital Costs Funded	0.0%
Loan Interest Rate	10.0%

**TAX RATE ASSUMPTIONS**

Long Beach Property Tax Portion	City 27.5%
County Property Tax Portion	47.8%
Hotel Bed Tax Rate	10.00%
Telephone - Utility Tax Rate	5.0%
Water - Utility Tax Rate	5.0%
Gas - Utility Tax Rate	5.0%
Electric - Utility Tax Rate	8.4%
Long Beach Gaming Tax Rate	0.0%
L.A. County Sales Tax Rate	0.25%
Long Beach Sales Tax Rate	1.00%
Long Beach Miscellaneous Taxes:	
Business License Fee	\$5,000
Business License Tax Per Employee	\$8.26 /per Employee

**INDIRECT IMPACT ASSUMPTIONS**

Percentage Impact from Direct Spending	110.00%
Long Beach Economic Activity Impact Factor	20.00%
L.A. County Economic Activity Impact Factor	50.00%
Long Beach Indirect Tax Portion of Economic Activity	0.50%
L.A. County Indirect Tax Portion of Economic Activity	0.25%



	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>Capital Spending</b>														
Pre-Development Costs	1,000	1,000	0	0	0	0	0	0	0	0	0	0	0	0
Parking Structure	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entertainment Center Development	3,471	3,471	0	0	0	0	0	0	0	0	0	0	0	0
Card Club	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Improved Areas	922	54	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	27,106	5,987	7,040	7,040	7,040	0	0	0	0	0	0	0	0	0
Museum & Tour Development	400	200	0	0	0	0	0	0	0	0	0	0	0	0
Retail Development	180	90	0	0	0	0	0	0	0	0	0	0	0	0
<b>Queen Mary Operational Spending</b>														
Retail Spending	130,075	0	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025
Hotel Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Induced Economic Activity</b>														
Retail Spending	42,340	0	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460
Hotel Spending	84,680	0	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920
<b>Direct Economic Activity</b>														
Capital Improvements		10,802	7,040	7,040	7,040	0	0	0	0	0	0	0	0	0
Entertainment Center Admissions	369,183	0	11,853	11,993	12,135	12,280	12,428	12,694	12,731	12,769	12,810	12,853	12,782	12,714
Food & Beverage Sales	428,500	0	13,500	13,700	13,900	14,100	14,300	14,600	14,700	14,800	14,900	15,000	15,000	15,000
Card Club Fees & Rake	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Merchandise Sales	130,075	0	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025
Hotel Room Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Utilization Factors</b>														
Entertainment Center Attendance		0	750,000	770,000	790,000	810,000	830,000	860,000	870,000	880,000	890,000	900,000	900,000	900,000
Dinner Theater Attendance		0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Museum & Tour Attendance		0	670,000	649,900	630,403	611,491	593,146	575,352	558,091	541,349	525,108	509,355	494,074	479,252
Card Club Revenue/Table		\$0	\$300,000	\$325,000	\$350,000	\$375,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Operating Expense Factors		0%	80%	79%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Capital Spending</b>														
Pre-Development Costs	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Parking Structure	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Entertainment Center Development	3,471	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Improved Areas	922	0	0	868	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	27,106	0	0	0	0	0	0	0	0	0	0	0	0	0
Museum & Tour Development	400	0	0	200	0	0	0	0	0	0	0	0	0	0
Retail Development	180	0	0	90	0	0	0	0	0	0	0	0	0	0
<b>Queen Mary Operational Spending</b>														
Retail Spending	130,075	3,025	3,025	3,025	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050
Hotel Spending	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Induced Economic Activity</b>														
Retail Spending	42,340	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460	1,460
Hotel Spending	84,680	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920	2,920
<b>Direct Economic Activity</b>														
Capital Improvements		0	0	1,158	0	0	0	0	0	0	0	0	0	0
Entertainment Center Admissions	369,183	12,647	12,582	12,519	12,458	12,399	12,341	12,286	12,232	12,179	12,128	12,079	12,031	11,985
Food & Beverage Sales	428,500	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Card Club Fees & Rake	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Merchandise Sales	130,075	3,025	3,025	3,025	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050
Hotel Room Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Utilization Factors</b>														
Entertainment Center Attendance		900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Dinner Theater Attendance		200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Museum & Tour Attendance		464,874	450,928	437,400	424,278	411,550	399,203	387,227	375,611	364,342	353,412	342,810	332,525	322,550
Card Club Revenue/Table		\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Operating Expense Factors		78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%	78%

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>DIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$10,802	\$35,418	\$35,757	\$36,100	\$29,405	\$29,753	\$30,319	\$30,456	\$30,594	\$30,735	\$30,878	\$30,807	\$30,739
Jobs		0	403	403	403	403	403	403	403	403	403	403	403	403
Fiscal Revenues														
Property Taxes	\$7,145	\$0	\$0	\$143	\$149	\$155	\$161	\$167	\$174	\$181	\$188	\$196	\$204	\$212
Sales Taxes	5,586	0	165	167	169	171	173	176	177	178	179	180	180	180
Hotel Bed Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	4,188	0	144	144	144	144	144	144	144	144	144	144	144	144
Business License Fees	245	0	8	8	8	8	8	8	8	8	8	8	8	8
<b>Total Fiscal Revenue</b>	<b>17,164</b>	<b>\$0</b>	<b>\$318</b>	<b>\$463</b>	<b>\$471</b>	<b>\$479</b>	<b>\$487</b>	<b>\$496</b>	<b>\$504</b>	<b>\$512</b>	<b>\$520</b>	<b>\$529</b>	<b>\$537</b>	<b>\$545</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$10,802	\$35,418	\$35,757	\$36,100	\$29,405	\$29,753	\$30,319	\$30,456	\$30,594	\$30,735	\$30,878	\$30,807	\$30,739
Jobs		0	403	403	403	403	403	403	403	403	403	403	403	403
Fiscal Revenues														
Property Taxes	\$12,420	\$0	\$0	\$249	\$259	\$269	\$280	\$291	\$302	\$315	\$327	\$340	\$354	\$368
Sales Taxes	1,396	0	41	42	42	43	43	44	44	45	45	45	45	45
<b>Total Fiscal Revenue</b>	<b>13,816</b>	<b>\$0</b>	<b>\$41</b>	<b>\$290</b>	<b>\$301</b>	<b>\$312</b>	<b>\$323</b>	<b>\$335</b>	<b>\$347</b>	<b>\$359</b>	<b>\$372</b>	<b>\$385</b>	<b>\$399</b>	<b>\$413</b>
<b>INDUCED IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$0	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380
Jobs		0	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$423	\$0	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
Hotel Bed Taxes	8,468	0	292	292	292	292	292	292	292	292	292	292	292	292
<b>Total Fiscal Revenue</b>	<b>8,891</b>	<b>\$0</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$0	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380
Jobs		0	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$106	\$0	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
<b>Total Fiscal Revenue</b>	<b>\$106</b>	<b>\$0</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>
<b>INDIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$2,376	\$8,755	\$8,830	\$8,906	\$7,433	\$7,509	\$7,634	\$7,664	\$7,694	\$7,725	\$7,757	\$7,741	\$7,726
Jobs		26	96	96	97	81	82	83	84	84	84	85	84	84
Fiscal Revenues														
Indirect Taxes	\$1,172	\$0	\$44	\$44	\$45	\$37	\$38	\$38	\$38	\$38	\$39	\$39	\$39	\$39
<b>L.A. COUNTY</b>														
Economic Activity		\$5,941	\$21,889	\$22,075	\$22,264	\$18,582	\$18,773	\$19,085	\$19,160	\$19,236	\$19,313	\$19,392	\$19,353	\$19,315
Jobs		65	239	241	243	203	205	208	209	210	211	212	211	211
Fiscal Revenues														
Indirect Taxes	\$1,465	\$0	\$55	\$55	\$56	\$46	\$47	\$48	\$48	\$48	\$48	\$48	\$48	\$48

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>DIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$30,672	\$30,607	\$31,702	\$33,508	\$33,449	\$33,391	\$33,336	\$33,282	\$33,229	\$33,178	\$33,129	\$33,081	\$33,035
Jobs		403	403	403	436	436	436	436	436	436	436	436	436	436
Fiscal Revenues														
Property Taxes	\$7,145	\$220	\$229	\$238	\$248	\$258	\$268	\$279	\$290	\$301	\$313	\$326	\$339	\$352
Sales Taxes	5,586	180	180	180	211	211	211	211	211	211	211	211	211	211
Hotel Bed Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	4,188	144	144	144	144	144	144	144	144	144	144	144	144	144
Business License Fees	245	8	8	8	9	9	9	9	9	9	9	9	9	9
<b>Total Fiscal Revenue</b>	<b>17,164</b>	<b>\$553</b>	<b>\$562</b>	<b>\$571</b>	<b>\$611</b>	<b>\$621</b>	<b>\$631</b>	<b>\$642</b>	<b>\$653</b>	<b>\$665</b>	<b>\$677</b>	<b>\$689</b>	<b>\$702</b>	<b>\$716</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$30,672	\$30,607	\$31,702	\$33,508	\$33,449	\$33,391	\$33,336	\$33,282	\$33,229	\$33,178	\$33,129	\$33,081	\$33,035
Jobs		403	403	403	436	436	436	436	436	436	436	436	436	436
Fiscal Revenues														
Property Taxes	\$12,420	\$383	\$398	\$414	\$430	\$448	\$466	\$484	\$504	\$524	\$545	\$566	\$589	\$613
Sales Taxes	1,396	45	45	45	53	53	53	53	53	53	53	53	53	53
<b>Total Fiscal Revenue</b>	<b>13,816</b>	<b>\$428</b>	<b>\$443</b>	<b>\$459</b>	<b>\$483</b>	<b>\$500</b>	<b>\$518</b>	<b>\$537</b>	<b>\$556</b>	<b>\$576</b>	<b>\$597</b>	<b>\$619</b>	<b>\$642</b>	<b>\$665</b>
<b>INDUCED IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380
Jobs		115	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$423	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
Hotel Bed Taxes	8,468	292	292	292	292	292	292	292	292	292	292	292	292	292
<b>Total Fiscal Revenue</b>	<b>8,891</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>	<b>\$307</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380	\$4,380
Jobs		115	115	115	115	115	115	115	115	115	115	115	115	115
Fiscal Revenues														
Sales Taxes	\$106	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4
<b>Total Fiscal Revenue</b>	<b>\$106</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>	<b>\$4</b>
<b>INDIRECT IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$7,711	\$7,697	\$7,938	\$8,335	\$8,322	\$8,310	\$8,297	\$8,286	\$8,274	\$8,263	\$8,252	\$8,241	\$8,231
Jobs		84	84	87	91	91	91	91	90	90	90	90	90	90
Fiscal Revenues														
Indirect Taxes	\$1,172	\$39	\$38	\$40	\$42	\$42	\$42	\$41	\$41	\$41	\$41	\$41	\$41	\$41
<b>L.A. COUNTY</b>														
Economic Activity		\$19,278	\$19,243	\$19,845	\$20,838	\$20,806	\$20,774	\$20,744	\$20,714	\$20,685	\$20,657	\$20,630	\$20,604	\$20,578
Jobs		210	210	216	227	227	227	226	226	226	225	225	225	224
Fiscal Revenues														
Indirect Taxes	\$1,465	\$48	\$48	\$50	\$52	\$52	\$52	\$52	\$52	\$52	\$52	\$52	\$52	\$51

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>TOTAL IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$13,178	\$48,553	\$48,967	\$49,385	\$41,218	\$41,642	\$42,333	\$42,499	\$42,669	\$42,841	\$43,015	\$42,929	\$42,845
Jobs		26	613	613	614	598	599	600	601	601	601	602	602	601
Fiscal Revenues														
Property Taxes	\$7,145	\$0	\$0	\$143	\$149	\$155	\$161	\$167	\$174	\$181	\$188	\$196	\$204	\$212
Sales Taxes	6,009	0	180	182	184	186	188	191	192	193	194	195	195	195
Hotel Bed Taxes	8,468	0	292	292	292	292	292	292	292	292	292	292	292	292
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	4,188	0	144	144	144	144	144	144	144	144	144	144	144	144
Business License Fees	245	0	8	8	8	8	8	8	8	8	8	8	8	8
Indirect Taxes	1,172	0	44	44	45	37	38	38	38	38	39	39	39	39
<b>Total Fiscal Revenue</b>	<b>\$27,227</b>	<b>\$0</b>	<b>\$668</b>	<b>\$814</b>	<b>\$822</b>	<b>\$822</b>	<b>\$831</b>	<b>\$841</b>	<b>\$849</b>	<b>\$857</b>	<b>\$865</b>	<b>\$874</b>	<b>\$882</b>	<b>\$890</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$16,743	\$61,686	\$62,213	\$62,743	\$52,367	\$52,906	\$53,784	\$53,995	\$54,210	\$54,429	\$54,651	\$54,541	\$54,434
Jobs		65	756	758	760	720	722	725	726	727	728	729	728	728
Fiscal Revenues														
Property Taxes	\$12,420	\$0	\$0	\$249	\$259	\$269	\$280	\$291	\$302	\$315	\$327	\$340	\$354	\$368
Sales Taxes	1,502	0	45	45	46	46	47	48	48	48	48	49	49	49
Indirect Taxes	1,465	0	55	55	56	46	47	48	48	48	48	48	48	48
<b>Total Fiscal Revenue</b>	<b>\$15,387</b>	<b>\$0</b>	<b>\$100</b>	<b>\$349</b>	<b>\$360</b>	<b>\$362</b>	<b>\$373</b>	<b>\$386</b>	<b>\$398</b>	<b>\$411</b>	<b>\$424</b>	<b>\$437</b>	<b>\$451</b>	<b>\$465</b>

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>TOTAL IMPACTS</b>														
<b>LONG BEACH</b>														
Economic Activity		\$42,763	\$42,684	\$44,020	\$46,223	\$46,151	\$46,081	\$46,013	\$45,947	\$45,883	\$45,821	\$45,761	\$45,703	\$45,646
Jobs		601	601	604	642	641	641	641	641	641	641	641	641	640
Fiscal Revenues														
Property Taxes	\$7,145	\$220	\$229	\$238	\$248	\$258	\$268	\$279	\$290	\$301	\$313	\$326	\$339	\$352
Sales Taxes	6,009	195	195	195	225	225	225	225	225	225	225	225	225	225
Hotel Bed Taxes	8,468	292	292	292	292	292	292	292	292	292	292	292	292	292
Card Club Gaming Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utility Taxes	4,188	144	144	144	144	144	144	144	144	144	144	144	144	144
Business License Fees	245	8	8	8	9	9	9	9	9	9	9	9	9	9
Indirect Taxes	1,172	39	38	40	42	42	42	41	41	41	41	41	41	41
<b>Total Fiscal Revenue</b>	<b>\$27,227</b>	<b>\$898</b>	<b>\$907</b>	<b>\$917</b>	<b>\$959</b>	<b>\$969</b>	<b>\$979</b>	<b>\$990</b>	<b>\$1,001</b>	<b>\$1,013</b>	<b>\$1,025</b>	<b>\$1,037</b>	<b>\$1,050</b>	<b>\$1,064</b>
<b>L.A. COUNTY</b>														
Economic Activity		\$54,330	\$54,230	\$55,927	\$58,726	\$58,634	\$58,546	\$58,459	\$58,375	\$58,294	\$58,215	\$58,139	\$58,065	\$57,993
Jobs		727	727	734	778	778	777	777	777	776	776	776	775	775
Fiscal Revenues														
Property Taxes	\$12,420	\$383	\$398	\$414	\$430	\$448	\$466	\$484	\$504	\$524	\$545	\$566	\$589	\$613
Sales Taxes	1,502	49	49	49	56	56	56	56	56	56	56	56	56	56
Indirect Taxes	1,465	48	48	50	52	52	52	52	52	52	52	52	52	51
<b>Total Fiscal Revenue</b>	<b>\$15,387</b>	<b>\$480</b>	<b>\$495</b>	<b>\$512</b>	<b>\$539</b>	<b>\$556</b>	<b>\$574</b>	<b>\$592</b>	<b>\$612</b>	<b>\$632</b>	<b>\$653</b>	<b>\$674</b>	<b>\$697</b>	<b>\$720</b>

	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>PRE-FINANCING CASH FLOW (\$000)</b>														
Revenue														
Admissions - Ent. Center	296,493	0	8,738	8,971	9,204	9,437	9,670	10,019	10,136	10,252	10,369	10,485	10,485	10,485
Admissions - Museum & Tours	60,917	0	3,116	3,022	2,931	2,843	2,758	2,675	2,595	2,517	2,442	2,368	2,297	2,229
Food & Beverage	254,500	0	7,500	7,700	7,900	8,100	8,300	8,600	8,700	8,800	8,900	9,000	9,000	9,000
Merchandise	130,075	0	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025	3,025
Dinner Theater	174,000	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Card Club Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(-) Cost of Goods Sold	(157,518)	0	(4,660)	(4,716)	(4,773)	(4,829)	(4,886)	(4,970)	(4,998)	(5,027)	(5,055)	(5,083)	(5,083)	(5,083)
<b>Net Revenues</b>	<b>758,467</b>	<b>0</b>	<b>23,718</b>	<b>24,001</b>	<b>24,287</b>	<b>24,576</b>	<b>24,867</b>	<b>25,349</b>	<b>25,457</b>	<b>25,568</b>	<b>25,680</b>	<b>25,795</b>	<b>25,724</b>	<b>25,655</b>
Operating Expenses														
Property Taxes	16,539	0	525	525	524	530	537	547	549	552	554	557	556	554
Wages & Salaries	329,049	0	10,443	10,436	10,427	10,550	10,675	10,879	10,927	10,977	11,028	11,079	11,054	11,029
Advertising & Promotion	57,226	0	1,816	1,815	1,813	1,835	1,857	1,892	1,900	1,909	1,918	1,927	1,922	1,918
Maintenance & Repair	157,371	0	4,995	4,991	4,987	5,046	5,106	5,203	5,226	5,250	5,274	5,299	5,287	5,275
Operating Supplies	21,460	0	681	681	680	688	696	709	713	716	719	723	721	719
Contract Entertainment	28,613	0	908	907	907	917	928	946	950	955	959	963	961	959
General & Administrative	40,687	0	1,291	1,290	1,289	1,305	1,320	1,345	1,351	1,357	1,364	1,370	1,367	1,364
Card Club Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	55,158	0	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902
<b>Total Operating Expenses</b>	<b>706,102</b>	<b>0</b>	<b>22,561</b>	<b>22,547</b>	<b>22,529</b>	<b>22,774</b>	<b>23,020</b>	<b>23,423</b>	<b>23,519</b>	<b>23,618</b>	<b>23,718</b>	<b>23,820</b>	<b>23,769</b>	<b>23,720</b>
<b>Net Operating Income</b>	<b>52,365</b>	<b>0</b>	<b>1,157</b>	<b>1,454</b>	<b>1,758</b>	<b>1,802</b>	<b>1,847</b>	<b>1,926</b>	<b>1,938</b>	<b>1,950</b>	<b>1,963</b>	<b>1,976</b>	<b>1,955</b>	<b>1,935</b>
Other Expenses														
Card Club City Tax @ 0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ground Lease Payments	68,215	0	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352
<b>Adjusted Net Operating Income</b>	<b>(15,850)</b>	<b>0</b>	<b>(1,195)</b>	<b>(898)</b>	<b>(594)</b>	<b>(550)</b>	<b>(506)</b>	<b>(426)</b>	<b>(414)</b>	<b>(402)</b>	<b>(390)</b>	<b>(376)</b>	<b>(397)</b>	<b>(417)</b>
Capital Costs														
Pre-Development Costs	1,000	1,000	0	0	0	0	0	0	0	0	0	0	0	0
Leasehold Improvements	4,973	3,815	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	27,106	5,987	7,040	7,040	7,040	0	0	0	0	0	0	0	0	0
<b>Total Capital Costs</b>	<b>33,079</b>	<b>10,802</b>	<b>7,040</b>	<b>7,040</b>	<b>7,040</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-Financing Cash Flow</b>	<b>(48,929)</b>	<b>(10,802)</b>	<b>(8,235)</b>	<b>(7,938)</b>	<b>(7,634)</b>	<b>(550)</b>	<b>(506)</b>	<b>(426)</b>	<b>(414)</b>	<b>(402)</b>	<b>(390)</b>	<b>(376)</b>	<b>(397)</b>	<b>(417)</b>
<b>Cumulative Cash Flow</b>		<b>(10,802)</b>	<b>(19,037)</b>	<b>(26,975)</b>	<b>(34,609)</b>	<b>(35,159)</b>	<b>(35,665)</b>	<b>(36,090)</b>	<b>(36,505)</b>	<b>(36,907)</b>	<b>(37,297)</b>	<b>(37,673)</b>	<b>(38,070)</b>	<b>(38,487)</b>
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Free & Clear Cash (NOI/Cost)		0.00%	6.48%	5.84%	5.51%	5.65%	5.78%	6.03%	6.07%	6.11%	6.15%	6.19%	6.13%	6.06%
Adjusted NOI/Cost		0.00%	-6.70%	-3.61%	-1.86%	-1.72%	-1.58%	-1.33%	-1.30%	-1.26%	-1.22%	-1.18%	-1.24%	-1.31%
Internal Rate of Return	-100.00%													
Net Present Value @ 18.0%	(\$25,222)													
Net Present Value @ 20.0%	(\$24,159)													

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>PRE-FINANCING CASH FLOW (\$000)</b>														
<b>Revenue</b>														
Admissions - Ent. Center	296,493	10,485	10,485	10,485	10,485	10,485	10,485	10,485	10,485	10,485	10,485	10,485	10,485	10,485
Admissions - Museum & Tours	60,917	2,162	2,097	2,034	1,973	1,914	1,856	1,801	1,747	1,694	1,643	1,594	1,546	1,500
Food & Beverage	254,500	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Merchandise	130,075	3,025	3,025	3,025	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050	6,050
Dinner Theater	174,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Card Club Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(-) Cost of Goods Sold	(157,518)	(5,083)	(5,083)	(5,083)	(5,936)	(5,936)	(5,936)	(5,936)	(5,936)	(5,936)	(5,936)	(5,936)	(5,936)	(5,936)
<b>Net Revenues</b>	<b>758,467</b>	<b>25,589</b>	<b>25,524</b>	<b>25,461</b>	<b>27,572</b>	<b>27,513</b>	<b>27,455</b>	<b>27,400</b>	<b>27,345</b>	<b>27,293</b>	<b>27,242</b>	<b>27,193</b>	<b>27,145</b>	<b>27,099</b>
<b>Operating Expenses</b>														
Property Taxes	16,539	553	552	551	604	603	602	601	600	599	598	597	597	596
Wages & Salaries	329,049	11,005	10,982	10,959	12,023	12,001	11,981	11,961	11,941	11,923	11,904	11,887	11,870	11,853
Advertising & Promotion	57,226	1,914	1,910	1,906	2,091	2,087	2,084	2,080	2,077	2,074	2,070	2,067	2,064	2,061
Maintenance & Repair	157,371	5,263	5,252	5,241	5,750	5,740	5,730	5,720	5,711	5,702	5,693	5,685	5,677	5,669
Operating Supplies	21,460	718	716	715	784	783	781	780	779	778	776	775	774	773
Contract Entertainment	28,613	957	955	953	1,045	1,044	1,042	1,040	1,038	1,037	1,035	1,034	1,032	1,031
General & Administrative	40,687	1,361	1,358	1,355	1,487	1,484	1,481	1,479	1,477	1,474	1,472	1,470	1,468	1,466
Card Club Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	55,158	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902	1,902
<b>Total Operating Expenses</b>	<b>706,102</b>	<b>23,673</b>	<b>23,627</b>	<b>23,582</b>	<b>25,686</b>	<b>25,644</b>	<b>25,603</b>	<b>25,564</b>	<b>25,525</b>	<b>25,488</b>	<b>25,452</b>	<b>25,417</b>	<b>25,383</b>	<b>25,350</b>
<b>Net Operating Income</b>	<b>52,365</b>	<b>1,916</b>	<b>1,897</b>	<b>1,879</b>	<b>1,886</b>	<b>1,869</b>	<b>1,852</b>	<b>1,836</b>	<b>1,820</b>	<b>1,805</b>	<b>1,790</b>	<b>1,776</b>	<b>1,762</b>	<b>1,749</b>
<b>Other Expenses</b>														
Card Club City Tax @ 0.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ground Lease Payments	68,215	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352	2,352
<b>Adjusted Net Operating Income</b>	<b>(15,850)</b>	<b>(436)</b>	<b>(455)</b>	<b>(473)</b>	<b>(466)</b>	<b>(484)</b>	<b>(500)</b>	<b>(516)</b>	<b>(532)</b>	<b>(547)</b>	<b>(562)</b>	<b>(576)</b>	<b>(590)</b>	<b>(604)</b>
<b>Capital Costs</b>														
Pre-Development Costs	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Leasehold Improvements	4,973	0	0	1,158	0	0	0	0	0	0	0	0	0	0
Deferred Maintenance	27,106	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Capital Costs</b>	<b>33,079</b>	<b>0</b>	<b>0</b>	<b>1,158</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-Financing Cash Flow</b>	<b>(48,929)</b>	<b>(436)</b>	<b>(455)</b>	<b>(1,631)</b>	<b>(466)</b>	<b>(484)</b>	<b>(500)</b>	<b>(516)</b>	<b>(532)</b>	<b>(547)</b>	<b>(562)</b>	<b>(576)</b>	<b>(590)</b>	<b>(604)</b>
<b>Cumulative Cash Flow</b>	<b>(38,924)</b>	<b>(39,379)</b>	<b>(41,010)</b>	<b>(41,476)</b>	<b>(41,960)</b>	<b>(42,460)</b>	<b>(42,976)</b>	<b>(43,508)</b>	<b>(44,056)</b>	<b>(44,618)</b>	<b>(45,194)</b>	<b>(45,784)</b>	<b>(46,388)</b>	<b>(46,999)</b>
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Free & Clear Cash (NOI/Cost)		6.00%	5.94%	5.68%	5.70%	5.65%	5.60%	5.55%	5.50%	5.46%	5.41%	5.37%	5.33%	5.29%
Adjusted NOI/Cost		-1.37%	-1.43%	-1.43%	-1.41%	-1.46%	-1.51%	-1.56%	-1.61%	-1.65%	-1.70%	-1.74%	-1.78%	-1.82%
Internal Rate of Return	-100.00%													
Net Present Value @ 18.0%	(\$25,222)													
Net Present Value @ 20.0%	(\$24,159)													



	30 YEAR TOTAL	(000'S)												
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>LEVERAGED CASH FLOW (\$000)</b>														
Recap:														
Annual Pre-Financing Cash Flow		(10,802)	(8,235)	(7,938)	(7,634)	(550)	(506)	(426)	(414)	(402)	(390)	(376)	(397)	(417)
Development Financing														
(+ ) Draws	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(- ) Interest Payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(- ) Principal Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Dev. Financing (Repayment)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Operating Cash Flow (Equity)	(48,929)	(10,802)	(8,235)	(7,938)	(7,634)	(550)	(506)	(426)	(414)	(402)	(390)	(376)	(397)	(417)
Cumulative Cash Flow		(10,802)	(19,037)	(26,975)	(34,609)	(35,159)	(35,665)	(36,090)	(36,505)	(36,907)	(37,297)	(37,673)	(38,070)	(38,487)
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Debt Service Coverage		n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m
Cumulative Equity Investment		10,802	17,842	24,881	31,921	31,921	31,921	31,921	31,921	31,921	31,921	31,921	31,921	31,921
Return on Equity (NOCF/Equity)			-46.16%	-31.90%	-23.91%	-1.72%	-1.58%	-1.33%	-1.30%	-1.26%	-1.22%	-1.18%	-1.24%	-1.31%
Internal Rate of Return	-100.00%													
Net Present Value @ 25.0%	(\$21,890)													
Net Present Value @ 30.0%	(\$20,027)													

	30 YEAR TOTAL	(000'S)												
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>LEVERAGED CASH FLOW (\$000)</b>														
<b>Recap:</b>														
Annual Pre-Financing Cash Flow		(436)	(455)	(1,631)	(466)	(484)	(500)	(516)	(532)	(547)	(562)	(576)	(590)	(604)
Development Financing														
(+ ) Draws	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(- ) Interest Payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(- ) Principal Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Dev. Financing (Repayment)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Operating Cash Flow (Equity)	(48,929)	(436)	(455)	(1,631)	(466)	(484)	(500)	(516)	(532)	(547)	(562)	(576)	(590)	(604)
Cumulative Cash Flow		(38,924)	(39,379)	(41,010)	(41,476)	(41,960)	(42,460)	(42,976)	(43,508)	(44,056)	(44,618)	(45,194)	(45,784)	(46,388)
<b>ECONOMIC RETURNS &amp; INDICES</b>														
Debt Service Coverage		n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m	n.m
Cumulative Equity Investment		31,921	31,921	33,079	33,079	33,079	33,079	33,079	33,079	33,079	33,079	33,079	33,079	33,079
Return on Equity (NOCF/Equity)		-1.37%	-1.43%	-4.93%	-1.41%	-1.46%	-1.51%	-1.56%	-1.61%	-1.65%	-1.70%	-1.74%	-1.78%	-1.82%
Internal Rate of Return	-100.00%													
Net Present Value @ 25.0%	(\$21,890)													
Net Present Value @ 30.0%	(\$20,027)													

PROPOSAL LOG

COMPANY/INDIVIDUAL

IDEA

Triad	N/A
Hugh Clegg	Homeless shelter
Larry Braun	Casino/Off-Track/Bingo
Economics Research Associates	Aquarium/Casey's sport park
David Hoffman	Senior cruises
Newman Properties	Theme park, International outlet, amphitheater
Alfred Harrow	Permanent World's Fair Convention
Robert Lenzer	Cruise market as ship, cruise to nowhere
Mainer Hotel Corporation	Manage hotel
Carol Sharp, Prudential Realty	Renaissance Festival, retail
Hornblower	Manage property
Larry Taylor Properties	Film studio and theme park
German Reyer	Casino
Cynthia Shusters	Sports arena/stadium
Ned Middleton	Sink/Diving attraction
Knudson-McHugh Consulting	Theme park discovery
Amorlast Products Company	Management property
Fahaney & Carroll	N/A
Citizens Advisory Committee	Aquarium, High School, Icon
Robert Paternoster	Pacific Rim exposition/festival marketplace
Alan Coles	Scrap/new development at site, landmark
Queen City Bank	Lock up, auction contents
Christine Nordstrom	Open up shopping area, exotic gardens
Mrs. Frank Brown	Restore fittings/no boarding fee
Neil Moore	Gambling
Don Muchmore	Old Pike, no gate fee
Steve Westbrook	Gambling
Frank Rivera	Mall, Dances
Otto Westby	Lower price
John Flynn	Cruise terminal
Douglas Erhard	Amusement park, mall, timeshare/condos/murder mystery
Robert Skillstad	Card club/strip club

Darrell Stafford	Turn over to company, reduce prices, sell shares
L. Daigeaolt	Pike, gambling
Queen Mary Foundation	Swimming pool, restored, health club, card casino, entertainment center, multiplex theater, IMAX, gym, dinner theater, amphitheater
Harold Neibling	Mothball, build restaurant strip
Richfield Hotel Management Inc.	Manage hotel
Federal Construction Company	Manage
Russ Cugno	Marketing/management
G. Colman	Gambling, entertainment center, amphitheater
Lester Wolff	Lower fee once a month, champagne parties, advertising
Mary Tomlinson	Movie screenings, get big names who stayed, gambling
Aircraft Systems & Procedures	Fixed cruise ship experience, Catalina
Bernardo Teitel	Sea lab, Space lab, trans lab, computer lab
William Cwiklo	Revitalize, renovate, health club, private club, gaming
Steven Queen	N/A
Gina Rodegheir	Revitalize, maritime museum
Lee Halper	Fixed cruise ship experience
F.H. Gardner	College domn/school
PST Pacific Specialty Tours	N/A
Susan Rawlings	Amusement park
Cathey Pickney	Close hotel/ office space