

July 14, 2015

TO: MCWD Board of Managers

FROM: LASALLE MANAGEMENT GROUP, LTD.

RE: ***EXPLANATION OF MANAGEMENT REPORT***

The income table that is included in the monthly management report has been included since the acquisition of Hopkins Cold Storage and is meant to be read both horizontally and vertically.

On the horizontal plane you can see the year to date Operating Income, the year to date budgeted revenue, and the difference between the two expressed in both raw dollars and as a percentage difference. You can also see the same information for the operating expenses (including property taxes), and the net operating income. You can see that all the numbers add up on the horizontal plan. For example: for the year to date we have an Operating Income of \$691,355 and a budgeted, or projected, Operating Income of \$611,346, which created a variance of \$80,009 ($\$691,355 - \$611,346 = \$80,009$), or 13.09%.

On the vertical plane we subtract the Operating Expenses from the Operating Income to give us our Net Operating Income (essentially, our bottom line). In the first column you have our actual Net Operating Income and in the second column you have our budgeted Net Operating Income. The next two columns represent our cash variance and our percentage variance.

I was not at the past meeting, and do not know the exact nature of the confusion, but I suspect it came from the percentage variance of the Net Operating Income, which reads (303.91%) for the June financials. The negative percentage is a function of the fact that, at this point in the year, we were anticipating a loss in Net Operating Income and therefore have a negative number in the budgeted section of the Net Operating Income. In the format for the letter we have inserted a Microsoft Excel spreadsheet to be certain that we don't make an arithmetic error. Thus, we are not able to modify the number that goes into any of the variances (those numbers are the result of the numbers entered into the first two columns). Because you get a percentage variance by dividing the actual income by the budgeted income (the actual formula is $(A*100)/B$), when we have one negative number the result is a negative percentage. This occurs even though we are having a positive result. It is a quirk in our software, which I can correct if the board desires.



MEMORANDUM

June 22, 2015

TO: HOPKINS COLD STORAGE
FROM: LASALLE MANAGEMENT GROUP, LTD.
RE: **MAY 2015 MANAGEMENT REPORT**

Please find below a summary of the financial status of the Hopkins Cold Storage facility. This report is updated monthly and includes year to date numbers.

Item	YTD Actual	YTD Budget	\$ Variance	% Variance
Income	569,107	509,455	59,652	11.71
Operating Exp. & Taxes	548,770	544,243	4,527	0.83
Net Operating Income	20,337	-34,788	55,125	(158.46)

A summary of the monthly financial activity for the property is as follows:

Our income levels are strong, again outperforming the budget. The building's occupancy remains high.

The large operating expense in this month's report (and in its budget) was property taxes.

Demand for cold storage space appears to remain strong and our income levels reflect that. We are looking to fill the remaining unused space in the building.

I have confirmed that there were no unusual property maintenance expenses in the month of May. The only security or tenant issue that came up in the month of May was a driver who, on two occasions, drove his truck on the lawn of the building doing some damage to the lawn. The second time the driver committed the act we got his license plate number. He has entered an agreement to make restitution to the building. All of the May income came from rents and related expenses (CAM).

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Database: CBRE STANDARD
 ENTITY: EJG001

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Check # Entity	Check Date Reference	Check Pd	Vendor/Alternate Address ID P.O. Number	Vendor Name Account Number	Invoice Number	Invoice Date	Due Date	Invoice Amount	Discount Amount	Check Amount
1892 EJG001	5/6/2015 4/11-4/24/15 bidg engr	05/15	CBTE01 10540105410084E	CBRE TECHNICAL SERVICES LLC 5560-000	TS0091029P	4/24/2015	4/24/2015	1,867.62	0.00	1,867.62
							<i>Check Total:</i>	<i>1,867.62</i>	<i>0.00</i>	<i>1,867.62</i>
1893 EJG001	5/6/2015 4/15/15 plumbing r/m	05/15	CX7077 LARRYGATEMAN	ROM INC 5530-000	37959	4/15/2015	4/15/2015	3,215.00	0.00	3,215.00
							<i>Check Total:</i>	<i>3,215.00</i>	<i>0.00</i>	<i>3,215.00</i>
1894 EJG001	5/6/2015 2015 1st half RE tax	05/15	CZ0883	HENNEPIN COUNTY TREASURER 5910-000	40002-0515	4/30/2015	5/15/2015	149,256.32	0.00	149,256.32
							<i>Check Total:</i>	<i>149,256.32</i>	<i>0.00</i>	<i>149,256.32</i>
1895 EJG001	5/6/2015 4/7-4/8/15 defrost BILLB.	05/15	GARE05	GARTNER REFRIGERATION AND 6295-000	47496	4/21/2015	5/21/2015	2,103.00	0.00	2,103.00
							<i>Check Total:</i>	<i>2,103.00</i>	<i>0.00</i>	<i>2,103.00</i>
1896 EJG001	5/14/2015 4/30/15 install curbs	05/15	ALR003	ALLWEATHER ROOF INC 5510-000	51596	4/30/2015	4/30/2015	889.64	0.00	889.64
							<i>Check Total:</i>	<i>889.64</i>	<i>0.00</i>	<i>889.64</i>
1897 EJG001	5/14/2015 3/24-4/23/15 gas	05/15	CENPO1 9234714-5	CENTERPOINTE ENERGY 5120-000	7145-0415	4/24/2015	5/22/2015	637.55	0.00	637.55
							<i>Check Total:</i>	<i>637.55</i>	<i>0.00</i>	<i>637.55</i>
1898 EJG001	5/14/2015 Carried to 1899	05/15	CIHO02	CITY OF HOPKINS 5130-000	1502-0515	3/9/2015	5/20/2015	0.00	0.00	0.00
							<i>Check Total:</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
1899 EJG001	5/14/2015 3/9-4/9/15 water/sewer	05/15	CIHO02 17-015920-02	CITY OF HOPKINS 5130-000	2002-0515	5/5/2015	5/20/2015	6.59	0.00	6.59
								0.37	0.00	0.37
								1.98	0.00	1.98
								4.12	0.00	4.12
								8.74	0.00	8.74

Unused - Continued Check

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Database: CBRE STANDARD
 ENTITY: EJG001

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EJG001		3/9-4/30/15	water/sewer	42-200275-02		5130-000		7502-0515	5/5/2015	5/20/2015	2,413.21	0.00	2,413.21
EJG001		3/9-4/9/15	water/sewer	17-015915-02		5130-000		1502-0515	3/9/2015	5/20/2015	26.49	0.00	26.49
								Check Total:			2,461.50	0.00	2,461.50
1900		5/14/2015	05/15	DF2694		MAPLESCAPES LLC							
EJG001		4/29/15	landscape r/m			5690-000		41183	4/29/2015	5/27/2015	520.28	0.00	520.28
								Check Total:			520.28	0.00	520.28
1901		5/14/2015	05/15	GARE06		GARTNER REFRIGERATION AND							
EJG001		5/4/15	HVAC P/M cont			5410-000		15292	5/4/2015	5/14/2015	12,858.00	0.00	12,858.00
EJG001		4/2/15	ammonia charge			5420-000		47614	5/4/2015	6/3/2015	8,530.00	0.00	8,530.00
EJG001		4/14/15	repl dock filters			5420-000		47618	5/4/2015	6/3/2015	131.00	0.00	131.00
								Check Total:			21,519.00	0.00	21,519.00
1902		5/14/2015	05/15	MIDE01		MINNESOTA DEPT OF LABOR AND IND							
EJG001		4/29/15	state boiler fee			5850-000		ABR01161421	4/29/2015	4/29/2015	230.00	0.00	230.00
								Check Total:			230.00	0.00	230.00
1903		5/14/2015	05/15	VD121444		XCEL ENERGY							
EJG001		3/26-4/26/15	elec	51-0372606-9		5110-000		6069-0415	4/27/2015	5/22/2015	16.79	0.00	16.79
								Check Total:			16.79	0.00	16.79
1904		5/14/2015	05/15	VD121444		XCEL ENERGY							
EJG001		3/26-4/25/15	elec	51-03729616-1		5110-000		6161-0415	4/27/2015	5/22/2015	207.29	0.00	207.29
								Check Total:			207.29	0.00	207.29
1905		5/14/2015	05/15	VD209118		XCEL ENERGY							
EJG001		3/26-4/26/15	elec	51-0319325-7		5110-000		3257-0415	4/27/2015	5/22/2015	35,079.37	0.00	35,079.37
								Check Total:			35,079.37	0.00	35,079.37
1906		5/14/2015	05/15	VD251283		PARAMOUNT PAINTING INC							
EJG001		4/27/15	exterior prep/pair			5580-000		3329	4/27/2015	4/27/2015	5,065.00	0.00	5,065.00
								Check Total:			5,065.00	0.00	5,065.00

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Check #	Entity	Check Date	Check Pd Reference	Vendor/Alternate Address ID P.O. Number	Vendor Name Account Number	Invoice Number	Invoice Date	Due Date	Invoice Amount	Discount Amount	Check Amount
1907	EJG001	5/21/2015	05/15 4/25-5/08/15 bldg engr	CBTE01 10540105410084	CBRE TECHNICAL SERVICES LLC 5560-000	TS0092112P	5/9/2015	5/9/2015	1,934.32	0.00	1,934.32
								Check Total:	1,934.32	0.00	1,934.32
1908	EJG001	5/21/2015	05/15 5/4/15 water treatment	CV6693	METRO WATER CONDITIONING INC 5420-000	85376	5/4/2015	6/3/2015	1,211.30	0.00	1,211.30
								Check Total:	1,211.30	0.00	1,211.30
1909	EJG001	5/21/2015	05/15 5/15 lawn maint	DF2694	MAPLESCAPES LLC 5640-000	41204	5/1/2015	5/29/2015	475.23	0.00	475.23
								Check Total:	475.23	0.00	475.23
1910	EJG001	5/21/2015	05/15 5/15 cleaning	HAMA01	HARVARD MAINTENANCE INC 5210-000	732015	5/1/2015	5/1/2015	327.31	0.00	327.31
								Check Total:	327.31	0.00	327.31
1911	EJG001	5/21/2015	05/15 5/1/15 pest control	VD209413	PLUNKETT'S PEST CONTROL INC 5620-000	4076100	5/1/2015	5/1/2015	389.41	0.00	389.41
								Check Total:	389.41	0.00	389.41
1912	EJG001	5/21/2015	05/15 6/1-6/30/15 monitor FLS	VD251723	TYCO INTEGRATED SECURITY 5710-000	24250332	5/9/2015	6/1/2015	983.35	0.00	983.35
								Check Total:	983.35	0.00	983.35
1913	EJG001	5/28/2015	05/15 5/9-5/22/15 bldg engr	CBTE01 10540105410084	CBRE TECHNICAL SERVICES LLC 5560-000	TS0093005P	5/22/2015	5/22/2015	1,450.74	0.00	1,450.74
								Check Total:	1,450.74	0.00	1,450.74
1914	EJG001	5/28/2015	05/15 5/13/15 water treatment	CZ2786	FREMONT INDUSTRIES INC 5420-000	851849	5/13/2015	5/13/2015	2,478.91	0.00	2,478.91
								Check Total:	2,478.91	0.00	2,478.91
1915	EJG001	5/28/2015	05/15 4/20-4/21/15 adj rm #5 te	GARE05	GARTNER REFRIGERATION AND 5420-000	47748	5/15/2015	6/14/2015	131.00	0.00	131.00

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EJG001	4/23/15	repl solenoid valv	5430-000	5430-000	47757	5/15/2015	6/14/2015	653.20	0.00	653.20
EJG001	4/22/15	repl dock filters	5420-000	5420-000	47758	5/15/2015	6/14/2015	463.88	0.00	463.88
<i>Check Total: 1,248.08</i>										
1916	5/28/2015	05/15	HAMA01	HARVARD MAINTENANCE INC	732952	4/30/2015	4/30/2015	2,976.88	0.00	2,976.88
EJG001	4/30/15	defrost/chg Supe	6295-000	6295-000	732952	4/30/2015	4/30/2015	2,976.88	0.00	2,976.88
<i>Check Total: 2,976.88</i>										
1917	5/28/2015	05/15	PREL13	PREMIER ELECTRICAL CORP	62315	4/30/2015	4/30/2015	1,189.00	0.00	1,189.00
EJG001	4/30/15	install heat tape	5520-000	5520-000	62315	4/30/2015	4/30/2015	1,189.00	0.00	1,189.00
<i>Check Total: 1,189.00</i>										
AP052115	5/21/2015	05/15	CENPOI	CENTERPOINTE ENERGY	7087-0415	4/23/2015	4/23/2015	779.44	0.00	779.44
EJG001	3/23-4/21/15	gas	5120-000	5120-000	7087-0415	4/23/2015	4/23/2015	779.44	0.00	779.44
<i>Check Total: 779.44</i>										
<i>Blake Road Building Total:</i>								238,512.33	0.00	238,512.33
<i>Grand Total:</i>								238,512.33	0.00	238,512.33



MEMORANDUM

July 14, 2015

TO: MCWD BOARD OF MANAGERS

FROM: LASALLE MANAGEMENT GROUP, LTD.

RE: ***JUNE 2015 MANAGEMENT REPORT***

Please find below a summary of the financial status of the Hopkins Cold Storage facility. This report is updated monthly and includes year to date numbers.

Item	YTD Actual	YTD Budget	\$ Variance	% Variance
Income	691,355	611,346	80,009	13.09
Operating Exp. & Taxes	609,209	651,631	(42,422)	(6.51)
Net Operating Income	82,146	-40,285	122,431	(303.91)

A summary of the monthly financial activity for the property is as follows:

Demand for cold storage space remains very high. As you can see we are outperforming our budgeted income substantially. I anticipate this revenue continuing to perform at a high level.

The extremely low Operating expenses this month are due mostly to a very low energy bill, which is due to the fact that when budgeting we estimated the yearly expense and divided by twelve. It is likely that we will see a large operating expense in later financials when more expensive months come later in the year.

We have secured an extension with EA Sween. Given the certainty of that extension, we should be even more confident of keeping the income level high as we can begin the process of entering into longer term leases with our tenants.

I have confirmed that there were no unusual property maintenance expenses in the month of June. There were no security or tenant issues in the month of June. All of the June income came from rents and related expenses (CAM).

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Vendor/Alternate Address ID P.O. Number	Vendor Name Account Number	Invoice Invoice Number	Invoice Date	Due Date	Invoice Amount	Discount Amount	Check Amount
00000640	Mickman Brothers, Inc. 1025-000	011261__00001	5/27/2015	5/27/2015	2,000.00	0.00	2,000.00
				<i>Check Total:</i>	2,000.00	0.00	2,000.00
CW3161 ne 952938-0065667	CENTURYLINK 5570-000	80065-0515	5/16/2015	6/6/2015	185.64	0.00	185.64
				<i>Check Total:</i>	185.64	0.00	185.64
DF2694	MAPLESCAPES LLC 5690-000	41346	5/21/2015	6/18/2015	198.46	0.00	198.46
				<i>Check Total:</i>	198.46	0.00	198.46
CENPOI 9234714-5	CENTERPOINTE ENERGY 5120-000	7145-0515	5/26/2015	6/23/2015	230.09	0.00	230.09
				<i>Check Total:</i>	230.09	0.00	230.09
CW2731 roE	MINNESOTA ROADWAYS COMPANY 5690-000	72261	5/28/2015	6/8/2015	1,550.00	0.00	1,550.00
				<i>Check Total:</i>	1,550.00	0.00	1,550.00
VD121444	XCEL ENERGY						
51-0372606-9	5110-000	6069-0515	5/27/2015	6/23/2015	16.90	0.00	16.90
51-0372616-1	7110-000	6161-0515	5/28/2015	6/24/2015	154.69	0.00	154.69
				<i>Check Total:</i>	171.59	0.00	171.59
VD209118	XCEL ENERGY						
51-0319325-7	5110-000	3257-0515	5/28/2015	6/24/2015	35,686.14	0.00	35,686.14
				<i>Check Total:</i>	35,686.14	0.00	35,686.14
VD229436	SUPERIOR STRIPING INC 5690-000	37220	5/29/2015	5/29/2015	521.00	0.00	521.00
				<i>Check Total:</i>	521.00	0.00	521.00
CBTE01	CBRE TECHNICAL SERVICES LLC						

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10540105410084	5560-000	TS0094125P	6/5/2015	6/5/2015	1,917.65	0.00	1,917.65
				<i>Check Total:</i>	1,917.65	0.00	1,917.65
CIHO02	CITY OF HOPKINS			Unused - Continued Check			
	5130-000	1502-0615	6/1/2015	6/22/2015	0.00	0.00	0.00
				<i>Check Total:</i>	0.00	0.00	0.00
CIHO02	CITY OF HOPKINS						
pr 17-015920-02	5130-000	2002-0615	6/1/2015	6/22/2015	5.44	0.00	5.44
pr 17-015923-02	5130-000	2302-0615	6/1/2015	6/22/2015	0.31	0.00	0.31
pr 17-015935-02	5130-000	3502-0615	6/1/2015	6/22/2015	9.63	0.00	9.63
we 42-200272-00	5130-000	7200-0615	6/1/2015	6/22/2015	8.74	0.00	8.74
ver 42-200275-02	5130-000	7502-0615	4/9/2015	6/22/2015	2,895.23	0.00	2,895.23
pr 17-015915-02	5130-000	1502-0615	6/1/2015	6/22/2015	24.51	0.00	24.51
				<i>Check Total:</i>	2,943.86	0.00	2,943.86
CW2731	MINNESOTA ROADWAYS COMPANY						
	5690-000	72320	6/4/2015	6/15/2015	540.00	0.00	540.00
				<i>Check Total:</i>	540.00	0.00	540.00
DF2694	MAPLESCAPES LLC						
	5640-000	41406	6/1/2015	6/29/2015	475.23	0.00	475.23
				<i>Check Total:</i>	475.23	0.00	475.23
GARE05	GARTNER REFRIGERATION AND						
	5410-000	15331	6/3/2015	6/13/2015	12,858.00	0.00	12,858.00
	5430-000	47903	6/3/2015	7/3/2015	131.00	0.00	131.00
	5420-000	47905	6/3/2015	7/3/2015	133.50	0.00	133.50
m	5430-000	47906	6/3/2015	7/3/2015	398.50	0.00	398.50
	5420-000	47907	6/3/2015	7/3/2015	267.00	0.00	267.00
				<i>Check Total:</i>	13,788.00	0.00	13,788.00
HAMA01	HARVARD MAINTENANCE INC						
	5210-000	737393	6/1/2015	6/1/2015	327.31	0.00	327.31

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Vendor/Alternate Address ID P.O. Number	Vendor Name Account Number	Invoice Number	Invoice Date	Due Date	Invoice Amount	Discount Amount	Check Amount	
					<i>Check Total:</i>	327.31	0.00	327.31
VD209413	PLUNKETTS PEST CONTROL INC							
	5620-000	4187913	6/1/2015	6/1/2015	531.01	0.00	531.01	
					<i>Check Total:</i>	531.01	0.00	531.01
VD251723	TYCO INTEGRATED SECURITY							
LS	5710-000	24448094	6/6/2015	7/1/2015	983.35	0.00	983.35	
					<i>Check Total:</i>	983.35	0.00	983.35
CBTE01	CBRE TECHNICAL SERVICES LLC							
10540105410084	5560-000	TS0094993P	6/19/2015	6/19/2015	1,961.08	0.00	1,961.08	
					<i>Check Total:</i>	1,961.08	0.00	1,961.08
CENPOI	CENTERPOINTE ENERGY							
	5120-000	7087-0515	5/22/2015	5/22/2015	358.91	0.00	358.91	
					<i>Hand Check</i>			
					<i>Check Total:</i>	358.91	0.00	358.91
					<i>Blake Road Building Total:</i>	64,369.32	0.00	64,369.32
					<i>Grand Total:</i>	64,369.32	0.00	64,369.32