



SOUTHPORT ATLANTIC

January 8, 2018

VALUATION OF PORT OF SAN FRANCISCO “DRY DOCK #2”

HISTORY

Dry Dock #2 was built in 1970 by the Bethlehem Steel Corporation at their San Francisco Yard. According to information in our files the design of Dry Dock #2 was controlled by two factors (1) it could be enlarged in both beam and length should there be an increase in ship size served by the San Francisco shipyard and (2) self-docking features could be eliminated due to the builder's past good experience with cathodically protected structures. As there were no building basins or building slips existing in the San Francisco area that could build Dry Dock #2 in one piece it was decided to build in four (4) equal quarters, each being 400' by 93'. The sections were end launched from building slips and join together afloat. The method of joining was not described. It is our understanding that Dry Dock #2 was designed to be ocean towable in two sections.

PHYSICAL DESCRIPTION

Dry Dock #2 is currently described as follows:

Original design lifting capacity:	65,000 LT
Original design lifting capacity (18" freeboard):	59,000 LT
Last certified lifting capacity:	55,800 LT
Current rated lifting capacity:	Not known
Length of pontoon:	800'-0"
Length overall:	900'-0"
Breadth overall:	186'-0"
Breadth between wingwalls:	150'-0"
Height of wingwalls above keel:	66'-0"
Pontoon depth:	20'-0"
Design draft over pontoon deck:	41'-9"

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Maximum submergence draft:	59'-6"
Light weight (about):	15,200 LT
Cranes :	1 x 60 t (original)
	1 x 50 t (new 2009)

GENERAL DESCRIPTION

Dry Dock #2 has an 18' wide buoyancy chamber that runs the full length down the centerline of the pontoon and safety decks are located port and starboard at a height of 58'-6" in each wingwall. The buoyancy chamber is divided into five (5) compartments of varying length longitudinally. Watertight transverse bulkheads run from the buoyance chambers to the safety decks are located at 40' intervals down the length of the dock. These subdivide the pontoon and wingwalls into forty (40) ballast compartments, twenty (20) on each side.

Dry Dock #2 was designed with forty (40) each Fairbanks-Morse mixed flow pumps, Allis Chalmers twenty-four inch (24") butterfly valves and Philadelphia Gear electric operators.

Power to Dry Dock #2 is supplied from shore with emergency power supplied by an onboard 100 KW diesel generator located on the west wingwall.

VALUE

It is our opinion that if Dry Dock #2 can obtain a certified lifting capacity of about 55,000 LT it would have a Market Value of about \$6,000,000 (United States Dollars Six Million) for a sale between a willing seller and a willing buyer.

VALUATION SUPPORT

Southport Atlantic is active in the sale, purchase and the ordering of newbuilding floating drydocks and last year we represented the owners in the sale of the "Avondale" drydock located at Avondale (New Orleans), Louisiana. The drydock which was built in 1975 had a rated lifting capacity of 81,000 LT, 900' pontoon length and width between wingwalls of 220'. The drydock was built in nine (9) sections and joined afloat. The drydock always operated in fresh water and prior to be taken out of service (the shipyard closed) was undergoing replacement of the pontoon deck plating. The drydock sold to offshore buyers after being on the market for almost two (2) years for region \$8.0 million

The value placed on Dry Dock #2 is not only based on the sale of the Avondale drydock but also on historical drydock data that we have maintained over the last thirty-five (35) years reporting the availability and sale of drydocks.

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TERMS OF VALUATION

The valuation of Dry Dock #2 as set forth above is solely a statement of our opinion of the fair and reasonable market values of Dry Dock #2 as of today's date and should not be taken to apply to any other date. No assurance can be given that such a valuation can be sustained or realized in an actual transaction. In giving such opinion we have assumed in all respects the accuracy of the information concerning the characteristics of Dry Dock #2 as set forth above. Our opinion is based in part on information supplied to us by Dry Dock #2's owners or obtained by us from such other sources as we deem appropriate. We assume no responsibility whatsoever for the accuracy of such information concerning Dry Dock #2. We note that some of the information available to us may be inaccurate or out-of-date. We have not conducted an inspection of Dry Dock #2 or its records, if they exist. We assume that Dry Dock #2 is in the condition noted in the information supplied to us by its owners. This valuation letter is solely for the purpose of expressing our opinion as to Dry Dock #2's value in the conditions as stated in this valuation letter and it is understood that we express no opinion as to the actual condition of Dry Dock #2 in any respect. Nothing contained in this valuation letter constitutes any representation or warranty as to condition, value or any other fact or matter, and no one is entitled to rely on any statement or matter contained in this valuation letter as a representation or warranty made by us. All persons are cautioned to conduct such independent investigation as they may deem necessary in order to determine the accuracy of any statement, matters or opinion set forth in this valuation letter. This valuation letter has been provided solely for the use of the Port of San Francisco and it is not for circulation or publication without our written consent and no responsibility can be accepted to any other person.

Howard F. Yaffe
On behalf of Southport Atlantic

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