



7th September 2020

By Email: daren.cenac@slaspa.com

Mr Daren Cenac
General Manager
SLASPA
P.O.Box 651,
Manoel Street,
Castries
Saint Lucia

Dear Mr. Cenac,

Further to your correspondence dated Thursday 6th August referencing the Request for Relief to Facilitate Recovery Efforts During and Post COVID-19, we have now had the opportunity to liaise with our members for their feedback to try and establish a way forward.

The following is the summary feedback from the tenants within the duty-free retail sector:

- We appreciate the offer of 100% rental waiver for the periods April/May and accept that offer.
- The 40% discount offer for rental at La Place Carenage is believed to be a hardship that will lead very swiftly to a collapse of business. We ask that SLASPA revisits this offer keeping the following as a central part of the discussion:
 - The direct economic impact of COVID-19 on cruise dependent businesses was felt as early as February. We request that SLASPA considers this in their deliberations. It is worth mentioning that other ports on the same ship itineraries as we are, moved very early on in the crisis to offer relief from March 2020 to their tenants.
 - Both airport and seaport stores remain closed. At the airport, the footfall to date does not justify reopening. The numbers going through the airport is inadequate to meet the cost of operations and there is no information to indicate that this will change in the short term.
 - At the sea port we are aware that we are not likely to see cruise ships before November. We ask that SLASPA considers seriously that following as it deliberates over cruise affected businesses:

- We have failed to collect any sales revenue since April and there is no basis for suggesting that we will begin to collect revenue at any satisfactory rate over the immediate 4-6 months.
- Available information suggests a return to cruising by November however, there is a serious possibility that there may be no ships at all for the rest of 2020. There is no evidence currently that will allow for any measure of sales projections.

SLASPA's offer of a 40% discount does not seem acceptable by your tenants who are members of the SLHTA. Many of these tenants have asserted that the assumption that they are in a position to pay 60% is unreasonable however, all of them seem interested in continuing their lease as conditions slowly normalize. Additional reprieves proposed by tenants who are members of the SLHTA include the following:

1. 100% Rental wavier for the period June to December. The Landlord through no fault of its own, is unable to facilitate the consumer traffic required that will allow for tenants to meet commitments for the period.
2. The Landlord is asked to adopt a medium to long term view that would align goals & objectives of the affected stakeholders. The tenants request a reduced rental to 40% of the normal for the period January 2021 to April 2021. A further 25% payable from May 2021 to October 2021.
3. That the measures above be applied to airport and seaport tenants within the inclusive of the duty-free retail sector, Destination Management companies and Food & Beverage Operators.

We would ask that you apprise the above and revert to us with any questions or feedback you may have.

Assuring you of our best attention at all times.

Yours sincerely



NOORANI M AZEEZ
Chief Executive Officer