

## MAJESTIC REALTY CO.

Since 2004, The Tioga Group, Inc. has provided Majestic Realty Co., with comprehensive consulting support on freight transportation and supply chain management topics. As a result, Majestic--a major regional integrated industrial developer based in City of Industry, CA--has gained a better understanding of prospective and current tenants' economics and motivations and also has developed a strong foundation upon which to expand geographically.

Specific consulting assignments have included the following:

- Negotiating assistance in understanding the tenants' tradeoffs between geographical locations, multiple locations, and freight rates.
- Preparation of cost/rate models for drayage, local delivery and long-haul motor carriers.
- Supplying cost/rate models for rail intermodal services in specific locales.
- Preparation of reports summarizing the freight transportation characteristics of over 20 metropolitan locations. These reports served as criteria for screening possible sites for new construction.
- Practical training for Majestic personnel to better understand tenants' considerations of alternate freight transportation modes and costs.
- Advice on strategies for coping with local land use and air quality regulations that impact operations and management of distribution centers.
- Analyses of the impact of higher diesel fuel costs on the number and location of distribution centers in the LA basin.

### Majestic Spectrum Development, Chino, CA

During this period, Majestic has expanded into five additional regions of the U.S. It has distinguished itself as having a good comprehension of the freight and logistics consequences of location and size decisions in given markets. It has successfully increased rental rates based on site location trade-offs with drayage costs. Majestic has better understood and managed the freight and logistics aspects of the rapidly evolving Southern California surface freight distribution business.

