PBF Logistics LP
Form 10-Q
May 01, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark one)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended: March 31, 2019
Or
¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission File Number: 001-36446

PBF LOGISTICS LP
(Exact name of registrant as specified in its charter)

| | |
|---|---|
| DELAWARE | 35-2470286 |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |
| One Sylvan Way, Second Floor Parsippany, New Jersey | 07054 |
| (Address of principal executive offices) | (Zip Code) |

(973) 455-7500
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No o
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes þ No o
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer o | Accelerated filer þ | Non-accelerated filer o | Smaller reporting company o<br>Emerging growth company þ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the

Exchange Act. þ
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No þ
As of April 29, 2019, there were 62,001,349 common units outstanding.

PBF LOGISTICS LP

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EXPLANATORY NOTE

PBF Logistics LP (“PBFX” or the “Partnership”) is a Delaware limited partnership formed in February 2013. PBF Logistics GP LLC (“PBF GP” or “our general partner”) serves as the general partner of PBFX. PBF GP is wholly-owned by PBF Energy Company LLC (“PBF LLC”). PBF Energy Inc. (“PBF Energy”) is the sole managing member of PBF LLC, and as of March 31, 2019, owned 99.0% of the total economic interest in PBF LLC. In addition, PBF LLC is the sole managing member of PBF Holding Company LLC (“PBF Holding”), a Delaware limited liability company and affiliate of PBFX. PBF LLC owns 29,953,631 of PBFX’s common units constituting an aggregate 54.1% limited partner interest in PBFX, with the remaining 45.9% limited partner interest owned by public unitholders as of March 31, 2019.

Unless the context otherwise requires, references in this Quarterly Report on Form 10-Q (this “Form 10-Q”) to “Predecessor,” and “we,” “our,” “us,” or like terms, when used in the context of periods prior to the completion of certain acquisitions from PBF LLC, refer to PBF MLP Predecessor, our predecessor for accounting purposes (our “Predecessor”), which includes assets, liabilities and results of operations of certain crude oil, refined products, natural gas and intermediates transportation, terminaling and storage assets, previously operated and owned by certain of PBF Holding’s currently and previously held subsidiaries. As of March 31, 2019, PBF Holding, together with its subsidiaries, owns and operates five oil refineries and related facilities in North America. PBF Energy, through its ownership of PBF LLC, controls all of the business and affairs of PBFX and PBF Holding.

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References in this Form 10-Q to "PBF Logistics LP," "PBFX," the "Partnership" and "we," "our," "us," or like terms used in th context of periods on or after the completion of certain acquisitions from PBF LLC, refer to PBF Logistics LP and its subsidiaries.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Form 10-Q (including information incorporated by reference) contains certain "forward-looking statements," as defined in the Private Securities Litigation Reform Act of 1995, which involve risks and uncertainties. You can identify forward-looking statements because they contain words such as "believes," "expects," "may," "should," "seeks," "approximately," "intends," "plans," "estimates," or "anticipates" or similar expressions that relate to our strategy, plans or intentions. All statements we make relating to our estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates and financial results or to our expectations regarding future industry trends are forward-looking statements. In addition, we, through our senior management, from time to time, make forward-looking public statements concerning our expected future operations and performance and other developments. These forward-looking statements are subject to risks and uncertainties that may change at any time; therefore, our actual results may differ materially from those that we expected. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results.

Important factors that could cause actual results to differ materially from our expectations, which we refer to as "cautionary statements," are disclosed under "Item 1A. Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Form 10-Q; in our Annual Report on Form 10-K for the year ended December 31, 2018, which we refer to as our 2018 Form 10-K and in our other filings with the United States of America ("U.S.") Securities and Exchange Commission ("SEC"). All forward-looking information in this Form 10-Q and subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Some of the factors that we believe could affect our results include:

- our limited operating history as a separate public partnership;
- changes in general economic conditions;
- our ability to make, complete and integrate acquisitions from affiliates or third parties, and to realize the benefits from such acquisitions;
- our ability to have sufficient cash from operations to enable us to pay the minimum quarterly distribution;
- competitive conditions in our industry;
- actions taken by our customers and competitors;
- the supply of, and demand for, crude oil, refined products, natural gas and logistics services;
- our ability to successfully implement our business plan;
- our dependence on PBF Energy for a substantial majority of our revenues subjects us to the business risks of PBF Energy, which includes the possibility that contracts will not be renewed because they are no longer beneficial for PBF Energy;
- a substantial majority of our revenue is generated at PBF Energy's facilities, particularly at PBF Energy's Delaware City, Toledo and Torrance refineries, and any adverse development at any of these facilities could have a material adverse effect on us;
- our ability to complete internal growth projects on time and on budget;
- the price and availability of debt and equity financing;
- operating hazards and other risks incidental to handling crude oil, petroleum products and natural gas;

- natural disasters, weather-related delays, casualty losses and other matters beyond our control;
- interest rates;
- labor relations;
- changes in the availability and cost of capital;
- the effects of existing and future laws and governmental regulations, including those related to the shipment of crude oil by trains;
- changes in insurance markets impacting costs and the level and types of coverage available;
- the timing and extent of changes in commodity prices and demand for PBF Energy’s refined products and natural gas and the differential in the prices of different crude oils;
- the suspension, reduction or termination of PBF Energy’s obligations under our commercial agreements;
- disruptions due to equipment interruption or failure at our facilities, PBF Energy’s facilities or third-party facilities on which our business is dependent;
- incremental costs as a separate public partnership;
- our general partner and its affiliates, including PBF Energy, have conflicts of interest with us and limited duties to us and our unitholders, and they may favor their own interests to the detriment of us and our other common unitholders;
- our partnership agreement restricts the remedies available to holders of our common units for actions taken by our general partner that might otherwise constitute breaches of fiduciary duty;
- holders of our common units have limited voting rights and are not entitled to elect our general partner or its directors;
- our tax treatment depends on our status as a partnership for U.S. federal income tax purposes, as well as our not being subject to a material amount of entity level taxation by individual states;
- changes at any time (including on a retroactive basis) in the tax treatment of publicly traded partnerships, including related impacts on potential dropdown transactions with PBF LLC, or an investment in our common units;
- our unitholders will be required to pay taxes on their share of our taxable income even if they do not receive any cash distributions from us;
- the effects of future litigation; and
- other factors discussed elsewhere in this Form 10-Q.

We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this Form 10-Q may not in fact occur. Accordingly, investors should not place undue reliance on those statements.

Our forward-looking statements speak only as of the date of this Form 10-Q. Except as required by applicable law, including the securities laws of the U.S., we undertake no obligation to update or revise any forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing.

PART 1 - FINANCIAL INFORMATION

Item 1. Financial Statements

PBF LOGISTICS LP
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands, except unit data)

| | March 31, 2019 | December 31, 2018 |
|---|---|---|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | $ 16,446 | $ 19,908 |
| Accounts receivable - affiliates | 43,931 | 37,052 |
| Accounts receivable | 5,157 | 7,511 |
| Prepaids and other current assets | 4,610 | 4,598 |
| Total current assets | 70,144 | 69,069 |
| Property, plant and equipment, net | 861,617 | 862,117 |
| Goodwill | 6,332 | 6,332 |
| Other non-current assets | 19,154 | 18,835 |
| Total assets | $ 957,247 | $ 956,353 |
| | | |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Accounts payable - affiliates | $ 4,714 | $ 12,047 |
| Accounts payable and accrued liabilities | 65,622 | 50,972 |
| Deferred revenue | 2,895 | 2,960 |
| Total current liabilities | 73,231 | 65,979 |
| Long-term debt | 677,773 | 673,324 |
| Other long-term liabilities | 24,567 | 23,860 |
| Total liabilities | 775,571 | 763,163 |
| | | |
| Commitments and contingencies (Note 9) | | |
| | | |
| Equity: | | |
| Common unitholders (55,348,821 and 45,348,663 units issued and outstanding, as of March 31, 2019 and December 31, 2018, respectively) | 13,985 | 23,718 |
| Total PBF Logistics LP equity | 13,985 | 23,718 |
| Noncontrolling interest | 167,691 | 169,472 |
| Total equity | 181,676 | 193,190 |
| Total liabilities and equity | $ 957,247 | $ 956,353 |

See Notes to Condensed Consolidated Financial Statements.

PBF LOGISTICS LP
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in thousands, except unit and per unit data)

| | Three Months Ended March 31, | |
|---|---|---|
| | 2019 | 2018 |
| Revenue: | | |
| Affiliate | $71,332 | $ 60,864 |
| Third-party | 7,513 | 3,876 |
| Total revenue | 78,845 | 64,740 |
| | | |
| Costs and expenses: | | |
| Operating and maintenance expenses | 29,916 | 19,880 |
| General and administrative expenses | 6,010 | 4,291 |
| Depreciation and amortization | 8,721 | 6,643 |
| Total costs and expenses | 44,647 | 30,814 |
| | | |
| Income from operations | 34,198 | 33,926 |
| | | |
| Other expense: | | |
| Interest expense, net | (10,913) | (9,585) |
| Amortization of loan fees and debt premium | (449) | (363) |
| Accretion on discounted liabilities | (760) | — |
| Net income | 22,076 | 23,978 |
| Less: Net loss attributable to Predecessor | — | (1,279) |
| Less: Net income attributable to noncontrolling interest | 4,719 | 4,022 |
| Net income attributable to the partners | 17,357 | 21,235 |
| Less: Net income attributable to the IDR holder | — | 2,959 |
| Net income attributable to PBF Logistics LP unitholders | $17,357 | $ 18,276 |
| | | |
| Net income per limited partner unit: | | |
| Common units - basic | $0.35 | $ 0.43 |
| Common units - diluted | 0.35 | 0.43 |
| | | |
| Weighted-average limited partner units outstanding: | | |
| Common units - basic | 49,151,927 | 42,129,377 |
| Common units - diluted | 49,318,133 | 42,236,092 |

See Notes to Condensed Consolidated Financial Statements.

PBF LOGISTICS LP
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands)

| | Three Months Ended March 31, | |
|---|---|---|
| | 2019 | 2018 |
| Cash flows from operating activities: | | |
| Net income | $22,076 | $23,978 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 8,721 | 6,643 |
| Amortization of loan fees and debt premium | 449 | 363 |
| Accretion on discounted liabilities | 760 | — |
| Unit-based compensation expense | 964 | 834 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable - affiliates | (6,879) | 8,336 |
| Accounts receivable | 2,354 | 115 |
| Prepaids and other current assets | (12) | (598) |
| Accounts payable - affiliates | (3,385) | (2,984) |
| Accounts payable and accrued liabilities | 13,302 | 6,908 |
| Deferred revenue | (65) | (595) |
| Other assets and liabilities | (76) | (75) |
| Net cash provided by operating activities | 38,209 | 42,925 |
| | | |
| Cash flows from investing activities: | | |
| Expenditures for property, plant and equipment | (11,220) | (3,953) |
| Net cash used in investing activities | (11,220) | (3,953) |
| | | |
| Cash flows from financing activities: | | |
| Distributions to unitholders | (27,951) | (23,058) |
| Distributions to TVPC members | (6,500) | (5,000) |
| Contribution from parent | — | 1,131 |
| Proceeds from revolving credit facility | 16,000 | — |
| Repayment of revolving credit facility | (12,000) | (9,700) |
| Net cash used in financing activities | (30,451) | (36,627) |
| | | |
| Net change in cash and cash equivalents | (3,462) | 2,345 |
| Cash and cash equivalents at beginning of year | 19,908 | 19,664 |
| Cash and cash equivalents at end of period | $16,446 | $22,009 |
| | | |
| Supplemental disclosure of non-cash investing and financing activities: | | |
| Accrued capital expenditures | $1,247 | $414 |
| Contribution of net assets from PBF LLC | 259 | — |
| Units issued in connection with the IDR Restructuring | 215,300 | — |
| Assets acquired under operating leases | 482 | — |

See Notes to Condensed Consolidated Financial Statements.

PBF LOGISTICS LP
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT BARREL, UNIT AND PER UNIT DATA)

## 1. DESCRIPTION OF THE BUSINESS AND BASIS OF PRESENTATION

PBF Logistics LP ("PBFX" or the "Partnership") is a Delaware limited partnership formed in February 2013. PBF Logistics GP LLC ("PBF GP" or "our general partner") serves as the general partner of PBFX. PBF GP is wholly-owned by PBF Energy Company LLC ("PBF LLC"). PBF Energy Inc. ("PBF Energy") is the sole managing member of PBF LLC, and as of March 31, 2019, owned 99.0% of the total economic interest in PBF LLC. In addition, PBF LLC is the sole managing member of PBF Holding Company LLC ("PBF Holding"), a Delaware limited liability company and affiliate of PBFX. PBF LLC owns 29,953,631 PBFX common units constituting an aggregate 54.1% limited partner interest in PBFX, with the remaining 45.9% limited partner interest owned by public unitholders as of March 31, 2019.

PBFX engages in the receiving, handling, storage and transferring of crude oil, refined products, natural gas and intermediates. The Partnership does not take ownership of or receive any payments based on the value of the crude oil, products, natural gas or intermediates that it handles and does not engage in the trading of any commodities. PBFX's assets are integral to the operations of PBF Holding's refineries, and as a result, the Partnership continues to generate a substantial majority of its revenue from transactions with PBF Holding. Additionally, certain of PBFX's assets also generate revenue from third-party transactions.

On February 28, 2019, the Partnership closed on an Equity Restructuring Agreement (the "IDR Restructuring Agreement") with PBF LLC and PBF GP, pursuant to which PBFX's incentive distribution rights ("IDRs") held by PBF LLC were canceled and converted into 10,000,000 newly issued PBFX common units (the "IDR Restructuring"). Transaction costs related to the IDR Restructuring were $2,032 for the three months ended March 31, 2019 and were included in "General and administrative expenses" within the Partnership's condensed consolidated statement of operations. Subsequent to the closing of the IDR Restructuring, no distributions were made to PBF LLC with respect to the IDRs and the newly issued PBFX common units are entitled to normal distributions.

### Principles of Combination and Consolidation and Basis of Presentation

In connection with, and subsequent to, PBFX's initial public offering ("IPO"), the Partnership has acquired certain assets from PBF LLC (collectively referred to as the "Contributed Assets"). Such acquisitions completed subsequent to the IPO were made through a series of drop-down transactions with PBF LLC (collectively referred to as the "Acquisitions from PBF"). The assets, liabilities and results of operations of the Contributed Assets prior to their acquisition by PBFX are collectively referred to as the "Predecessor." The transactions through which PBFX acquired the Contributed Assets were transfers of assets between entities under common control. Accordingly, the accompanying condensed consolidated financial statements and related notes present the results of operations and cash flows of our Predecessor for all periods presented prior to the effective date of each transaction. The financial statements of our Predecessor have been prepared from the separate records maintained by PBF Energy and may not necessarily be indicative of the conditions that would have existed or the results of operations if the Predecessor had been operated as an unaffiliated entity. See the Annual Report on Form 10-K for the year ended December 31, 2018 (the "2018 Form 10-K") for additional information regarding the Acquisitions from PBF and the commercial agreements and amendments to other agreements with related parties executed in connection with these acquisitions.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with United States of America generally accepted accounting principles ("GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, PBFX has included all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the financial position and the results of operations and cash flows of PBFX for the periods presented. The results of operations for the three months ended March 31, 2019 are not necessarily indicative of the results that may be expected for the full year.

PBF LOGISTICS LP
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT BARREL, UNIT AND PER UNIT DATA)

The Predecessor generally did not historically operate its respective assets for the purpose of generating revenues independent of other PBF Energy businesses prior to PBFX’s IPO or for assets acquired in the Acquisitions from PBF, prior to the effective dates of each transaction, with the exception of the Paulsboro Lube Oil Terminal (as defined in Note 3 “Acquisitions” of the Notes to Condensed Consolidated Financial Statements). All intercompany accounts and transactions have been eliminated.

Recently Adopted Accounting Guidance

In February 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2016-02, “Leases (Topic 842)” (“ASU 2016-02”) to increase the transparency and comparability about leases among entities. Additional ASUs have been issued subsequent to ASU 2016-02 to provide supplementary clarification and implementation guidance for leases related to, among other things, the application of certain practical expedients, the rate implicit in the lease, lessee reassessment of lease classification, lessor reassessment of lease term and purchase options, variable payments that depend on an index or rate and certain transition adjustments. ASU 2016-02 and these additional ASUs are now codified as Accounting Standards Codification Standard 842 - “Leases” (“ASC 842”). ASC 842 supersedes the lease accounting guidance in Accounting Standards Codification 840 “Leases” (“ASC 840”), and requires lessees to recognize a lease liability and a corresponding lease asset for virtually all lease contracts. It also requires additional disclosures about leasing arrangements. The Partnership adopted ASC 842 effective January 1, 2019, using a modified retrospective approach. The adoption of ASC 842 resulted in the inclusion of less than $1,000 of operating leases recorded on the Partnership’s balance sheets, with operating lease right of use assets recorded in “Other non-current assets” and operating lease liabilities recorded in “Accounts payable and accrued liabilities” or “Other long-term liabilities” based on the future timing of lease payments. The adoption of ASC 842 did not materially impact the Partnership’s statements of operations or statements of cash flows. The Partnership’s condensed consolidated financial statements for the periods prior to the adoption of ASC 842 are not adjusted and are reported in accordance with the Partnership’s historical accounting policy. See Note 2 “Revenue” of the Notes to Condensed Consolidated Financial Statements for additional information about the impact of ASC 842 to the Partnership as a lessor.

In January 2017, the FASB issued ASU No. 2017-04, “Simplifying the Test for Goodwill Impairment” (“ASU 2017-04”) to provide updated guidance on goodwill impairment testing. Under ASU 2017-04, goodwill impairment analysis Step 2 would be eliminated. This step required a comparison of the implied fair value and carrying value of goodwill of the reporting unit. Subsequent to the effective date of ASU 2017-04, during the annual, or if applicable, interim goodwill impairment assessment, entities would perform the test by comparing the fair value of the reporting unit with the carrying value of the reporting unit. The impairment charge would be the excess amount of which carrying value is greater than fair value, with the total amount limited to the carrying value of goodwill. ASU 2017-04 is effective for goodwill impairment assessments beginning after December 15, 2019. Early adoption is permitted, and the Partnership adopted the new standard in its condensed consolidated financial statements and related disclosures effective January 1, 2019, which is expected to have an immaterial impact to the Partnership.

## 2. REVENUE

Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration the Partnership expects to be entitled to in exchange for those goods or services.

As noted in Note 11 “Segment Information” of the Notes to Condensed Consolidated Financial Statements, the Partnership’s business consists of two reportable segments: (i) Transportation and Terminaling and (ii) Storage.

PBF LOGISTICS LP
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT BARREL, UNIT AND PER UNIT DATA)

The following table provides information relating to the Partnership's revenues for each service category by segment for the periods presented:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2019 | 2018 |
| Transportation and Terminaling Segment | | |
| Terminaling | $32,353 | $27,051 |
| Pipeline | 18,627 | 18,489 |
| Other | 14,979 | 12,131 |
| Total | 65,959 | 57,671 |
| Storage Segment | | |
| Storage | 12,886 | 7,069 |
| Total | 12,886 | 7,069 |
| Total Revenue | $78,845 | $64,740 |

PBFX recognizes revenue by charging fees for crude oil and refined products terminaling, storing and pipeline services based on the greater of the contractual minimum volume commitment ("MVC"), as applicable, or the delivery of actual volumes transferred or stored based on contractual rates applied to throughput or storage volumes.

Minimum Volume Commitments

Transportation and Terminaling Segment

The Partnership's Transportation and Terminaling segment consists of product terminals, pipelines, crude unloading facilities and other facilities capable of handling barges and ships. Certain of these commercial agreements contain MVCs. Under these commercial agreements, if the Partnership's customer fails to transport its minimum throughput volumes during any specified period, the customer will pay the Partnership a deficiency payment equal to the volume of the deficiency multiplied by the contractual rate then in effect. The deficiency payment is initially recorded as deferred revenue on the Partnership's balance sheets for all contracts in which the MVC deficiency makeup period is contractually longer than a fiscal quarter.

Certain of the Partnership's customers may apply the amount of any such deficiency payments as a credit for volumes transported on the applicable pipeline or terminal system in excess of its MVC during the following quarters under the terms of the applicable agreement. The Partnership recognizes operating revenues for the deficiency payments when credits are used for volumes transported in excess of MVCs or at the end of the contractual period. If the Partnership determines, based on all available information, that it is remote that the Partnership's customer will utilize these deficiency payments, the amount of the expected unused credits will be recognized as operating revenues in the period when that determination is made. The use or recognition of the credits is recorded as a reduction to deferred revenue.

Storage Segment

The Partnership earns storage revenue under the crude oil and refined products storage contracts through capacity reservation agreements, where the Partnership collects a fee for reserving storage capacity for customers in its facilities. Customers generally pay reservation fees based on the level of storage capacity reserved rather than the actual volumes stored.

PBF LOGISTICS LP
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT BARREL, UNIT AND PER UNIT DATA)

As of March 31, 2019, future fees for MVCs to be received related to noncancelable commercial terminaling, pipeline and storage agreements were as follows:

| | |
|---|---|
| Remainder of 2019 | $85,525 |
| 2020 | 111,550 |
| 2021 | 111,293 |
| 2022 | 90,038 |
| 2023 | 87,549 |
| Thereafter | 173,287 |
| Total MVC payments to be received [1][2] | $659,242 |

(1) All fixed consideration from contracts with customers is included in the amounts presented above. Variable consideration that is constrained or not required to be estimated as it reflects our efforts to perform is excluded.
(2) Arrangements deemed implicit leases are excluded from this table.

Leases

Lessor Disclosure Following the Adoption of ASC 842

The Partnership has leased certain of its assets under lease agreements with terms generally up to 15 years, including leases of storage, terminaling and pipeline assets. Some leases include options to terminate or extend for one or more years. These options are included in the lease term when it is reasonably certain that the option will be exercised. The Partnership's agreements do not generally provide an option for the lessee to purchase the leased equipment at the end of the lease term. However, in connection with the affiliate lease agreement for the interstate natural gas pipeline at the PBF Holding's Paulsboro Refinery (the "Paulsboro Natural Gas Pipeline"), the Partnership granted a right of first refusal in favor of PBF LLC such that, the Partnership would be required to give PBF Holding the first opportunity to purchase the Paulsboro Natural Gas Pipeline at market value prior to selling to an unrelated third party if PBF Holding refused to purchase it.

At inception, the Partnership determines if an arrangement contains a lease and whether that lease meets the classification criteria of a finance or operating lease. As of March 31, 2019, all of the Partnership's leases have been determined to be operating leases. Some of the Partnership's lease arrangements contain lease components (e.g., MVCs) and non-lease components (e.g., maintenance, labor charges, etc.). The Partnership accounts for the lease and non-lease components as a single lease component.

Certain of the Partnership's lease agreements include MVCs that are adjusted periodically for an index or rate. The leases are initially measured using the projected payments adjusted for the index or rate in effect at the commencement date. The Partnership's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The Partnership expects to derive significant future benefits from its leased assets following the end of the lease term, as the remaining useful life would be sufficient to allow the Partnership to enter into new leases for such assets.

In the normal course of business, the Partnership enters into contracts with PBF Holding and its refineries whereby PBF Holding and its refineries lease certain of the Partnership's storage, terminaling and pipeline assets. The Partnership believes the terms and conditions under these leases are generally no less favorable to either party than those that could have been negotiated with unaffiliated parties with respect to similar services. The terms for these affiliate leases range from one to fifteen years. Leases with affiliates represent approximately 93% of the undiscounted future rental income from the Partnership’s leased assets. These lease arrangements accounted for $36,087 and $28,973 of the Partnership’s revenue for the three months ended March 31, 2019 and 2018, respectively.

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PBF LOGISTICS LP
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(IN THOUSANDS, EXCEPT BARREL, UNIT AND PER UNIT DATA)

Undiscounted Cash Flows

The table below presents the fixed component of the undiscounted cash flows to be received for each of the first five years and the total remaining years for the Partnership's operating leases as of March 31, 2019:

| | |
|---|---|
| Remainder of 2019 | $120,583 |
| 2020 | 160,528 |
| 2021 | 159,415 |
| 2022 | 149,212 |
| 2023 | 147,851 |
| Thereafter | 361,562 |
| Total undiscounted future cash to be received | $1,099,151 |

Assets Under Lease

The Partnership's assets subject to lease are included in "Property, plant and equipment, net" within the Partnership's condensed consolidated balance sheet. The table below quantifies by property, plant and equipment category the assets that are subject to lease as of March 31, 2019:

| | March 31, 2019 |
|---|---|
| Land | $98,337 |
| Pipelines | 314,784 |
| Terminals and equipment | 49,309 |
| Storage facilities | 197,974 |
| Construction in progress | 4,487 |
| | 664,891 |
| Accumulated depreciation | (57,044 ) |
| Net assets under lease | $607,847 |

Deferred Revenue

The Partnership records deferred revenues when cash payments are received or due in advance of performance, including amounts which are refundable. Deferred revenue was $2,895 and $2,960 as of March 31, 2019 and December 31, 2018, respectively. The decrease in the deferred revenue balance as of March 31, 2019 is primarily driven by the timing and extent of cash payments received in advance of satisfying the Partnership's performance obligations for the comparative periods.

The Partnership's payment terms vary by the type and location of our customer and the services offered. The period between invoicing and when payment is due is not significant (i.e., generally within two months). For certain services and customer types, the Partnership requires payment before the services are performed for the customer.

3. ACQUISITIONS

Third-Party Acquisitions

Knoxville Terminals Purchase

On April 16, 2018, the Partnership’s wholly-owned subsidiary, PBF Logistics Products Terminals LLC (“PLPT”), completed the purchase of two refined product terminals located in Knoxville, Tennessee (the “Knoxville

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Terminals Purchase”), which include product tanks, pipeline connections to the Colonial Pipeline Company and Plantation Pipe Line Company pipeline systems and truck loading facilities (the “Knoxville Terminals”) from Cummins Terminals, Inc. (“Cummins”).

The aggregate purchase price for the Knoxville Terminals Purchase was $58,000, excluding working capital. The consideration was financed through a combination of cash on hand and borrowings under the Partnership’s Revolving Credit Facility (as defined in Note 6 “Debt” of the Notes to Condensed Consolidated Financial Statements). The final purchase price and fair value allocation were completed as of December 31, 2018.

PBFX accounted for the Knoxville Terminals Purchase as a business combination under GAAP whereby the Partnership recognizes assets acquired and liabilities assumed at their estimated fair values as of the date of acquisition. Any excess consideration transferred over the estimated fair values of the identifiable net assets acquired is recorded as goodwill.

The total purchase consideration and the fair values of the assets and liabilities at the acquisition date were as follows:

| | Purchase Price |
|---|---|
| Gross purchase price | $58,000 |
| Working capital | 356 |
| Total consideration | $58,356 |

The following table summarizes the final amounts recognized for assets acquired and liabilities assumed as of the acquisition date:

| | Fair Value Allocation |
|---|---|
| Prepaids and other current assets | $ 356 |
| Property, plant and equipment | 45,768 |
| Intangibles* | 5,900 |
| Goodwill | 6,332 |
| Fair value of net assets acquired | $ 58,356 |

* Intangibles are included in “Other non-current assets” within the Partnership’s condensed consolidated balance sheets.

The Partnership’s condensed consolidated financial statements for the three months ended March 31, 2019 include the results of operations of the Knoxville Terminals subsequent to the Knoxville Terminals Purchase whereas the same period in 2018 does not include the results of operations of such assets. On an unaudited pro forma basis, the revenues and net income of PBFX assuming the acquisition had occurred on January 1, 2017, for the periods indicated, are shown below. The unaudited pro forma information does not purport to present what PBFX’s actual results would have been had the Knoxville Terminals Purchase occurred on January 1, 2017, nor is the financial information indicative of the results of future operations. The unaudited pro forma financial information includes the depreciation and amortization expense related to the acquisition and interest expense associated with the Knoxville Terminals Purchase financing.

| (Unaudited) | Three Months Ended March 31, |
|---|---|

| | 2018 |
|---|---|
| Pro forma revenues | $67,724 |
| Pro forma net income attributable to PBF Logistics LP unitholders: | 18,490 |

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East Coast Storage Assets Acquisition

On October 1, 2018, the Partnership closed the purchase of CPI Operations LLC ("CPI"), whose assets include a storage facility with multi-use storage capacity, an Aframax-capable marine facility, a rail facility, a truck terminal, equipment, contracts and certain other idled assets (collectively, the "East Coast Storage Assets") located on the Delaware River near Paulsboro, New Jersey (the "East Coast Storage Assets Acquisition"), which had been contemplated by an agreement dated as of July 16, 2018 between the Partnership and Crown Point International LLC ("Crown Point"). Additionally, the East Coast Storage Assets Acquisition includes an earn-out provision related to an existing commercial agreement with a third party, based on the results of restarting certain of the acquired idled assets (the "Contingent Consideration"), which are expected to be restarted in the fourth quarter of 2019.

The aggregate purchase price for the East Coast Storage Assets Acquisition was $126,989, including working capital and the Contingent Consideration, which was comprised of an initial payment at closing of $75,000 with a remaining balance of $32,000 payable one year after closing. The residual purchase consideration consists of the Contingent Consideration. The consideration was financed through a combination of cash on hand and borrowings under the Partnership's Revolving Credit Facility (as defined in Note 6 "Debt" of the Notes to Condensed Consolidated Financial Statements). The fair value allocation is subject to adjustment pending completion of the final purchase valuation, which was in process as of March 31, 2019.

PBFX accounted for the East Coast Storage Assets Acquisition as a business combination under GAAP whereby the Partnership recognizes assets acquired and liabilities assumed at their estimated fair values as of the date of acquisition.

The total purchase consideration and the estimated fair values of the assets and liabilities at the acquisition date were as follows:

| | Purchase Price |
|---|---|
| Gross purchase price* | $105,900 |
| Estimated working capital adjustments | (11) |
| Contingent Consideration ** | 21,100 |
| Total consideration | $126,989 |

* Includes $30,900 net present value payable of $32,000 due to Crown Point one year after closing, which is included in "Accounts payable and accrued liabilities" within the Partnership's condensed consolidated balance sheets.
** Contingent Consideration is included in "Other long-term liabilities" within the Partnership's condensed consolidated balance sheets.

The following table summarizes the estimated amounts recognized for assets acquired and liabilities assumed as of the acquisition date:

| | Fair Value Allocation |
|---|---|
| Accounts receivable | $436 |
| Prepaids and other current assets | 1,770 |
| Property, plant and equipment | 114,406 |
| Intangibles* | 13,300 |
| Accounts payable and accrued liabilities | (2,173) |
| Other long-term liabilities | (750) |

| | |
|---|---|
| Estimated fair value of net assets acquired | $ 126,989 |

* Intangibles are included in “Other non-current assets” within the Partnership’s condensed consolidated balance sheets.

The East Coast Storage Assets Acquisition includes consideration in the form of the Contingent Consideration. Pursuant to the agreement, the Partnership and Crown Point will share equally in the future operating profits of the restarted assets, as defined in the agreement, over a contractual term of up to three years starting in 2020. The

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Partnership recorded the Contingent Consideration based on its estimated fair value of $21,100 at the acquisition date, which was recorded in “Other long-term liabilities” within the Partnership’s condensed consolidated balance sheets.

The Partnership’s condensed consolidated financial statements for the three months ended March 31, 2019 include the results of operations of the East Coast Storage Assets subsequent to the East Coast Storage Assets Acquisition. The same period in 2018 does not include the results of operations of such assets. On an unaudited pro forma basis, the revenues and net income of PBFX assuming the acquisition had occurred on January 1, 2017, for the periods indicated, are shown below. The unaudited pro forma information does not purport to present what PBFX’s actual results would have been had the East Coast Storage Assets Acquisition occurred on January 1, 2017, nor is the financial information indicative of the results of future operations. The unaudited pro forma financial information includes the depreciation and amortization expense related to the acquisition and interest expense associated with the East Coast Storage Assets Acquisition financing.

| (Unaudited) | Three Months Ended March 31, 2018 |
|---|---|
| Pro forma revenues | $70,548 |
| Pro forma net income attributable to PBF Logistics LP unitholders: | 16,200 |

Acquisitions from PBF

The following Acquisition from PBF was a transaction between affiliate companies. As a result, the acquisition was accounted for as a transfer of assets between entities under common control under GAAP. The assets and liabilities of the Acquisition from PBF were transferred at their historical carrying value.

Development Assets Acquisition

On July 16, 2018, the Partnership entered into four contribution agreements with PBF LLC pursuant to which PBF Energy contributed to PBFX certain of its subsidiaries (the “Development Assets Contribution Agreements”). Pursuant to the Development Assets Contribution Agreements, the Partnership acquired from PBF LLC all of the issued and outstanding limited liability company interests of: Toledo Rail Logistics Company LLC (“TRLC”), whose assets consist of a loading and unloading rail facility located at PBF Holding’s Toledo Refinery (the “Toledo Rail Products Facility”); Chalmette Logistics Company LLC (“CLC”), whose assets consist of a truck loading rack facility (the “Chalmette Truck Rack”) and a rail yard facility (the “Chalmette Rosin Yard”), both of which are located at PBF Holding’s Chalmette Refinery; Paulsboro Terminaling Company LLC (“PTC”), whose assets consist of a lube oil terminal facility located at PBF Holding’s Paulsboro Refinery (the “Paulsboro Lube Oil Terminal”); and DCR Storage and Loading Company LLC (“DSLC”), whose assets consist of an ethanol storage facility located at PBF Holding’s Delaware City Refinery (the “Delaware Ethanol Storage Facility” and collectively with the Toledo Rail Products Facility, the Chalmette Truck Rack, the Chalmette Rosin Yard, and the Paulsboro Lube Oil Terminal, the “Development Assets”). The acquisition of the Development Assets closed on July 31, 2018 for total consideration of $31,586, consisting of 1,494,134 common units issued to PBF LLC (the “Development Assets Acquisition”).

Acquisition Expenses

PBFX incurred acquisition related costs of $121 and $483 for the three months ended March 31, 2019 and 2018, respectively, primarily consisting of consulting and legal expenses related to pending and non-consummated acquisitions. These costs are included in “General and administrative expenses” within the Partnership’s condensed consolidated statement of operations.

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## 4. PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net consisted of the following:

| | March 31, 2019 | December 31, 2018 |
|---|---|---|
| Land | $115,957 | $ 115,957 |
| Pipelines | 337,536 | 337,474 |
| Terminals and equipment | 277,877 | 259,441 |
| Storage facilities | 215,816 | 213,937 |
| Construction in progress | 7,937 | 20,439 |
| | 955,123 | 947,248 |
| Accumulated depreciation | (93,506 ) | (85,131 ) |
| Property, plant and equipment, net | $861,617 | $ 862,117 |

Depreciation expense was $8,596 and $6,643 for the three months ended March 31, 2019 and 2018, respectively.

## 5. INTANGIBLES

The Partnership's net intangible balance consisted of the following:

| | March 31, 2019 | December 31, 2018 |
|---|---|---|
| Customer contracts | $13,300 | $ 13,300 |
| Customer relationships | 5,900 | 5,900 |
| | 19,200 | 19,200 |
| Accumulated amortization | (520 ) | (395 ) |
| Total intangibles* | $18,680 | $ 18,805 |

* Intangibles are included in "Other non-current assets" within the Partnership's condensed consolidated balance sheets.

Amortization expense was $125 and $0 for the three months ended March 31, 2019 and 2018, respectively.

## 6. DEBT

Total debt was comprised of the following:

| | March 31, 2019 | December 31, 2018 |
|---|---|---|
| 2023 Notes | $525,000 | $ 525,000 |
| Revolving credit facility (a)(b) | 160,000 | 156,000 |
| Total debt outstanding | 685,000 | 681,000 |
| Unamortized debt issuance costs | (9,903 ) | (10,496 ) |
| Unamortized 2023 Notes premium | 2,676 | 2,820 |
| Net carrying value of debt | $677,773 | $ 673,324 |

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(a) PBFX had $4,110 outstanding letters of credit and $335,890 available under its $500,000 amended and restated revolving credit facility with Wells Fargo Bank, National Association, as administrative agent, and a syndicate of lenders (as amended, the "Revolving Credit Facility") as of March 31, 2019.

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(b) During the three months ended March 31, 2019, PBFX made repayments of $12,000 and borrowed $16,000 under the Revolving Credit Facility to fund capital expenditures and working capital requirements.

Fair Value Measurement

A fair value hierarchy (Level 1, Level 2, or Level 3) is used to categorize fair value amounts based on the quality of inputs used to measure fair value. Accordingly, fair values derived from Level 1 inputs utilize quoted prices in active markets for identical assets or liabilities. Fair values derived from Level 2 inputs are based on quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are either directly or indirectly observable for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

The estimated fair value of the Revolving Credit Facility approximates its carrying value, categorized as a Level 2 measurement, as this borrowing bears interest based upon short-term floating market interest rates. The estimated fair value of the Partnership's 6.875% Senior Notes due 2023 (the "2023 Notes"), categorized as a Level 2 measurement, was calculated based on the present value of future expected payments utilizing implied current market interest rates based on quoted prices of the 2023 Notes and was approximately $536,938 and $515,336 at March 31, 2019 and December 31, 2018, respectively. The carrying value and fair value of PBFX's debt, exclusive of unamortized debt issuance costs and unamortized premium on the 2023 Notes, was $685,000 and $696,938 as of March 31, 2019, respectively, and $681,000 and $671,336 as of December 31, 2018, respectively.

7. EQUITY

PBFX had 25,395,190 common units held by the public outstanding as of March 31, 2019. PBF LLC owns 29,953,631 of PBFX's common units constituting an aggregate of 54.1% of PBFX's limited partner interest as of March 31, 2019.

Share Activity

The partnership agreement authorizes PBFX to issue an unlimited number of additional partnership interests for the consideration and on the terms and conditions determined by PBFX's general partner without the approval of the unitholders. It is possible that PBFX will fund future acquisitions through the issuance of additional common units, subordinated units or other partnership interests.

The following table presents changes in PBFX common units outstanding:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2019 | 2018 |
| Balance at beginning of period | 45,348,663 | 41,900,708 |
| Vesting of phantom units, net of forfeitures | 158 | — |
| New units issued | 10,000,000 | — |
| Balance at end of period | 55,348,821 | 41,900,708 |

On February 28, 2019, as a result of the closing of the IDR Restructuring, PBFX's IDRs held by PBF LLC were canceled and converted into 10,000,000 newly issued PBFX common units.

Additionally, 233,993 of the Partnership's phantom units issued under the PBFX 2014 Long-Term Incentive Plan ("LTIP") vested and were converted into common units held by certain directors, officers and current and former employees of our general partner or its affiliates during the year ended December 31, 2018.

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Holders of any additional common units PBFX issues will be entitled to share equally with the then-existing common unitholders in PBFX's distributions of available cash.

Noncontrolling Interest

PBFX's wholly-owned subsidiary, PBFX Operating Company LP ("PBF Op Co"), holds a 50% controlling interest in Torrance Valley Pipeline Company LLC ("TVPC"), with the other 50% interest in TVPC held by TVP Holding Company LLC ("TVP Holding"), a subsidiary of PBF Holding. PBFX Op Co is the sole managing member of TVPC. PBFX, through its ownership of PBFX Op Co, consolidates the financial results of TVPC and records a noncontrolling interest for the economic interest in TVPC held by TVP Holding. Noncontrolling interest on the condensed consolidated statements of operations includes the portion of net income or loss attributable to the economic interest in TVPC held by TVP Holding. Noncontrolling interest on the condensed consolidated balance sheets includes the portion of net assets of TVPC attributable to TVP Holding.

Equity Activity

The following tables summarize the changes in the carrying amount of the Partnership's equity during the three months ended March 31, 2019 and 2018:

| | Common Units | Noncontrolling Interest | Total Equity |
|---|---|---|---|
| Balance at December 31, 2018 | $23,718 | $ 169,472 | $193,190 |
| Quarterly distributions to unitholders ($0.5050 per unit) | (28,313) | — | (28,313) |
| Distributions to TVPC members | — | (6,500) | (6,500) |
| Net income attributable to the partners | 17,357 | 4,719 | 22,076 |
| Unit-based compensation expense | 964 | — | 964 |
| Other | 259 | — | 259 |
| Balance at March 31, 2019 | $13,985 | $ 167,691 | $181,676 |

| | Net Investment | Common Units | IDR Holder | Noncontrolling Interest | Total Equity |
|---|---|---|---|---|---|
| Balance at December 31, 2017 | $ 10,665 | $(17,544) | $2,736 | $ 171,903 | $167,760 |
| Net loss attributable to the Development Assets | (1,279) | — | — | — | (1,279) |
| Contributions to the Development Assets | 1,131 | — | — | — | 1,131 |
| Quarterly distributions to unitholders (including IDRs) ($0.4850 per unit) | — | (20,618) | (2,736) | — | (23,354) |
| Distributions to TVPC members | — | — | — | (5,000) | (5,000) |
| Net income attributable to the partners | — | 18,276 | 2,959 | 4,022 | 25,257 |
| Unit-based compensation expense | — | 834 | — | — | 834 |
| Other | — | (11) | — | — | (11) |
| Balance at March 31, 2018 | $ 10,517 | $(19,063) | $2,959 | $ 170,925 | $165,338 |

Cash Distributions

PBFX's partnership agreement sets forth the calculation to be used to determine the amount and priority of cash distributions that the unitholders and general partner will receive.

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During the three months ended March 31, 2019, PBFX made a distribution payment as follows:

| | |
|---|---|
| Related Earnings Period: | Q4 2018 |
| Distribution date | March 14, 2019 |
| Record date | March 1, 2019 |
| Per unit | $0.5050 |
| To public common unitholders | $12,825 |
| To PBF LLC | 15,126 |
| Total distribution | $27,951 |

The allocation of total quarterly distributions to general and limited partners for the three months ended March 31, 2019 and 2018 is shown in the table below. The Partnership's distributions are declared subsequent to quarter end (distributions of $0.5100 and $0.4900 per unit declared for the three months ended March 31, 2019 and 2018, respectively); therefore, the table represents total estimated distributions applicable to the period in which the distributions are earned:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2019 | 2018 |
| IDR - PBF LLC (1) | $— | $2,959 |
| Limited partners' distributions: | | |
| Common | 31,952 | 20,847 |
| Total distributions | 31,952 | 23,806 |
| Total cash distributions (2) | $31,716 | $23,582 |

(1) Subsequent to the closing of the IDR Restructuring, the IDRs were canceled, no distributions were made to PBF LLC with respect to the IDRs and the newly issued PBFX common units are entitled to normal distributions.
(2) Excludes phantom unit distributions which are accrued and paid upon vesting.

## 8. NET INCOME PER UNIT

Earnings in excess of distributions are allocated to the limited partners based on their respective ownership interests. Payments made to PBFX's unitholders are determined in relation to actual distributions declared and are not based on the net income (loss) allocations used in the calculation of net income (loss) per unit.

Diluted net income per unit includes the effect of potentially dilutive units of PBFX's common units that consist of unvested phantom units. There were no anti-dilutive phantom units for the three months ended March 31, 2019 and 2018.

In addition to the common units, PBFX has also identified the IDRs (prior to the IDR Restructuring) as participating securities and used the two-class method when calculating the net income per unit applicable to limited partners that is based on the weighted-average number of common units outstanding during the prior period. On February 28, 2019, PBFX closed the IDR Restructuring, which canceled and converted PBFX's IDRs held by PBF LLC into 10,000,000 newly issued PBFX common units. Subsequently, no distributions were made to PBF LLC with respect to the IDRs and the newly issued PBFX common units are entitled to normal distributions.

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When calculating basic earnings per unit under the two-class method for a master limited partnership, net income for the current reporting period is reduced by the amount of available cash that has been or will be distributed to the limited partners and IDR holder (prior to the IDR Restructuring) for that reporting period. The following table shows the calculation of earnings less distributions:

| | Three Months Ended March 31, 2019 Limited Partner Common Units |
|---|---|
| Net income attributable to the partners: | |
| Distributions declared | $ 31,952 |
| Earnings less distributions | (14,595 ) |
| Net income attributable to the partners | $ 17,357 |
| | |
| Weighted-average units outstanding - basic | 49,151,927 |
| Weighted-average units outstanding - diluted | 49,318,133 |
| | |
| Net income per limited partner unit - basic | $ 0.35 |
| Net income per limited partner unit - diluted | $ 0.35 |

| | Three Months Ended March 31, 2018 | | |
|---|---|---|---|
| | Limited Partner Common Units | IDRs - PBF LLC | Total |
| Net income attributable to the partners: | | | |
| Distributions declared | $20,847 | $2,959 | $ |