

March 22, 2017

I am pleased to submit a revised proposal to purchase and develop the properties at:

1595 Washington Avenue, San Leandro
268 Parrott Street, San Leandro

A. *Purchase Price & Terms*

Purchase Price: \$1,150,000-

Buyer to have 90 days for due-diligence

Close of escrow to be 30 days at end of due-diligence

Seller to grant buyer 1-30-day extension for \$10,000-

Deposit of \$10,000- to be placed into escrow within 3 days of signed PSA agreement

Within 7 days seller to provide buyer with any plans, reports and any other documents
in sellers possession

Offer is subject to buyer getting minimum approval of 28 units

B. *Development Team Qualifications*

Developer

David Langon Construction
3189 Danville Blvd., Ste. 245
Alamo, CA 94507

(925) 946-1850

(510) 368-3263

Firm Overview

David Langon Construction has built a reputation for timeless design, enduring construction quality and community enhancement. The company currently specializes in moderate to medium density in-fill housing through redevelopment or vacant land. Each of our projects is unique by design, often setting a new standard in area housing trends and environmental planning.

At the heart of our business, we seek (1) strong communication with local planning agencies; (2) support of local residents; and (3) interest from qualified home buyers. Toward this pursuit, every new project must meet our high standards for:

Exceptional architectural design
Highest quality workmanship
Environmentally friendly building materials
Energy efficient technology
Approval by local agencies
Neighborhood support

The company has a primary goal to build high quality homes with exceptional design and value. Each project begins with a study of needs within the community in order to determine the most beneficial design suited to the context of the surround environment. Our past projects have succeeded in adding intrinsic value to local neighborhoods. Meanwhile, we have earned the respect of individual homeowners through superior design, long-lasting construction and our exemplary customer service.

David Langon Construction was founded in 1997 by David Langon. The company is guided by his 25-year history in residential building industry, ranging from small subdivisions to high end multi-million dollar custom homes. Today, with award-winning designs, a seasoned management team and newly capitalized investments, David Langon Construction is positioned for exciting growth and new projects.

Experience

San Leandro

Arbor Place – Two Blocks to BART

Toscani Place – (Exhibit A)

Rehab-Englander/Parrot Center

Current Development

(21) Units on Macarthur Boulevard

(3) Units on Castro

Castro Valley

Magnolia Apartments: 40 Unit Apartment Building (Exhibit B)

Current Development

* Mixed Use on Redwood Road: (13) Town Homes over 6,000 square feet of Commercial Space (Exhibit C)

* Mixed Use on Castro Valley Boulevard: (136) Units with 9,000 square feet of Retail Space (Exhibit D)

* Both are with (2) Blocks of Castro Valley BART

Lafayette

(9) Custom Lot Subdivision at Gloria Terrace

Newark

(6) Town Homes

Hayward

Lewelling: (14) Town Homes

Bartlett: (4) Single Family Homes

Penny Lane: (4) Single Family Homes

Walnut Creek

North Main: (12) Unit Apartments

Current Development

* Del Hombre: (19) Unit Condominium/Apartments – Across the Parking Lot from BART

References

City of San Leandro

Cynthia Battenberg

Elmer Penaranda

Alameda County

Phil Sawery Kubichek – Senior Planner

Ken Carbone – Vice Chair M.A.C.

Contra Costa County

Francisco Avila – Senior Planner

Financial Viability

David Langon will work with his group of equity partners to pay cash for property.

Would also like to have the option to use sale of other property to do a 1031 exchange.

C. *Project Proposal*

Project Description

David Langon Construction will continue with the concept originally started while working with the Redevelopment Agency in 2010 (see attached plans). We plan to build 21-22 Units over 3,500' of restaurant space (per the attached plans). This will be a For Sale Market Rate Luxury Condominium Project. The units will be 1, 2 and 3 Bedroom Energy Efficient Units, with state of the art amenities and features. The building will host a private fitness center, rooftop open space and outdoor amenities. It will include 2 moderate and 1 low income inclusionary units as well. The ground floor will be built to host a boutique bar and grill type restaurant with outdoor seating, which will serve breakfast, lunch and dinner. We have built several restaurants and invested financially

in them. As a result, we have restaurateurs and investors ready and can ensure that the restaurant will go in!

Project Rationale and Strategy

The fact that we are not just developers, but builders as well, will allow us to value engineer the design and then build with our in-house team of employees and subcontractors—with whom we have a twenty plus year relationship. This allows us to control costs and efficiency. With the rising cost of rents, there has been a lack of ownership for homeowners in the downtown area. Owners will be able to own these units for not much more than some are paying in rent. We want owners to be able plant roots in the City and have a of pride of ownership.

Sustainable Design

With its proximity to downtown shopping, supermarkets, public transportation, BART and jobs, the location alone will reduce the need for cars. The design will incorporate energy efficient methods to reduce energy and water consumption.

Development Team

The Development Team will be led by David Langon, with over 20 plus years' experience. He has built, developed and partnered with the City of San Leandro for the past 10 years.

The Design/Architect will be LCA Architects and the Civil Engineer will be apex Engineering, along with many other consultants—each bringing 20+ years in in-fill/mixed use development design. Our Marketing and Sales Team, will have input during the design phase in order to ensure unit layouts and design meet the need of current buyers.

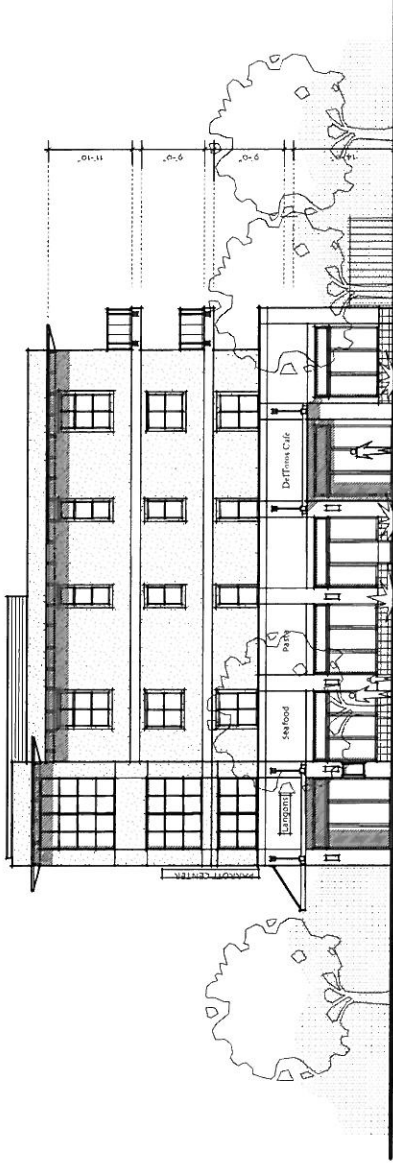
Project Timeline

Our goal is to secure entitlements and close escrow by the end of year 2017. Weather permitting and City Ordinance allowing, we will start construction in early 2018. Marketing and sales will begin in the summer of 2018, with project completion and move-in slated for early 2019.

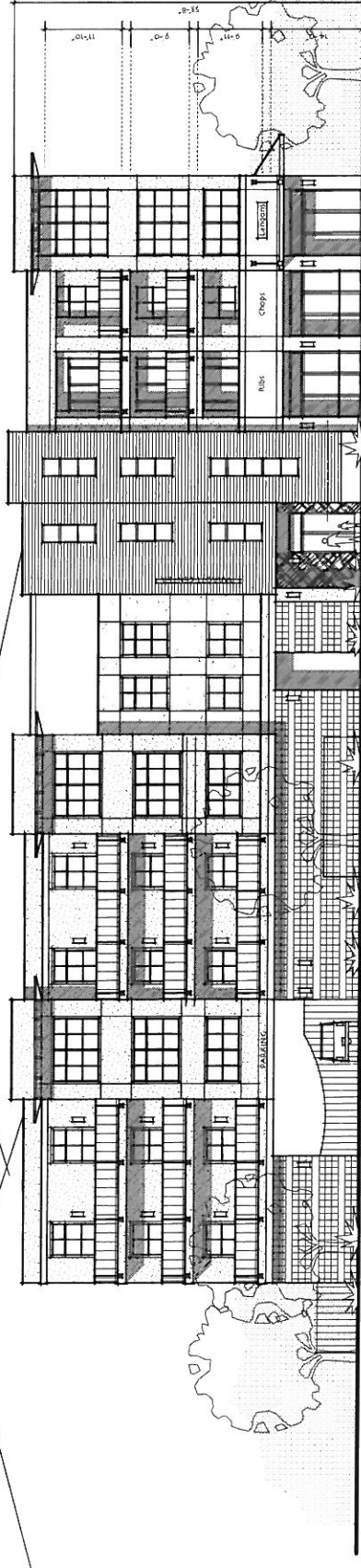
Let me know if you need more information? I look forward to hearing back from you!

A handwritten signature in black ink, appearing to read "D. Langon".

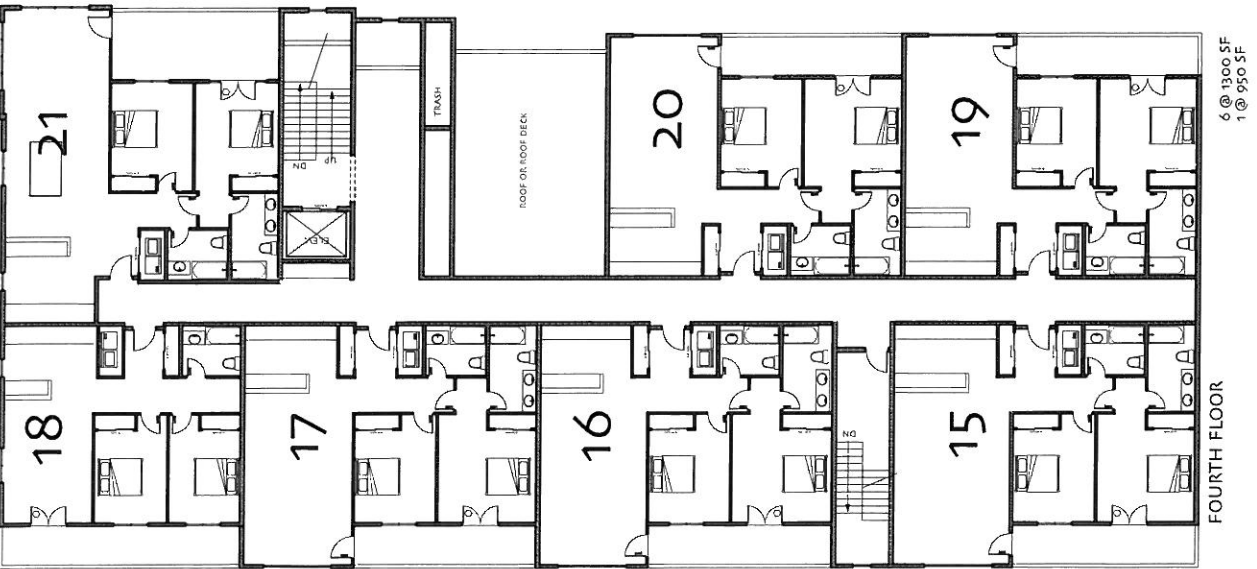
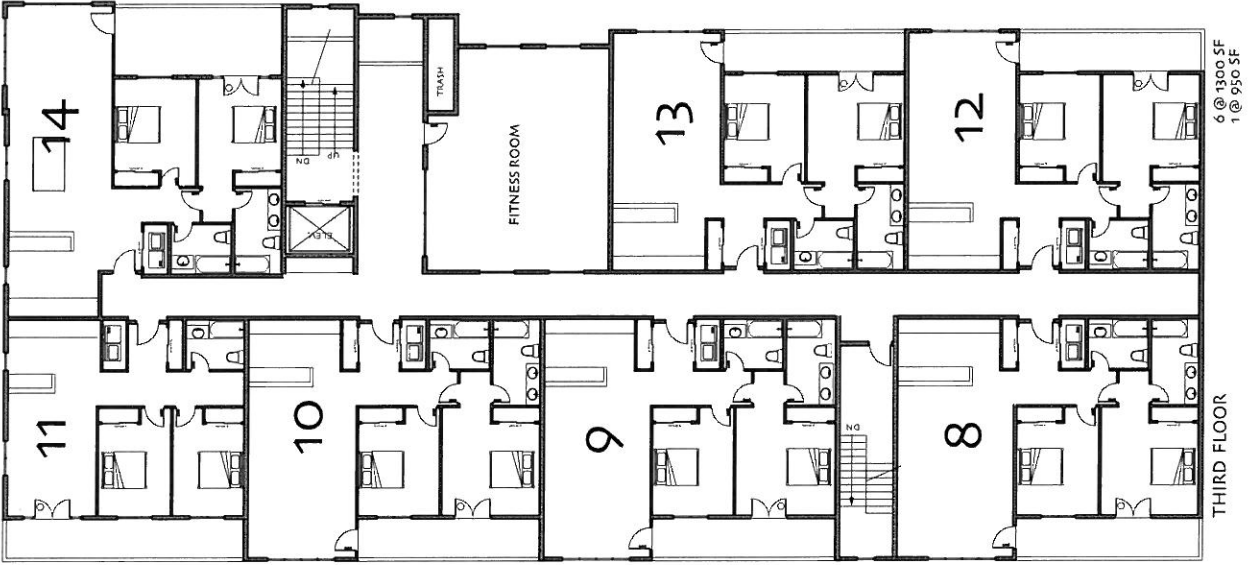
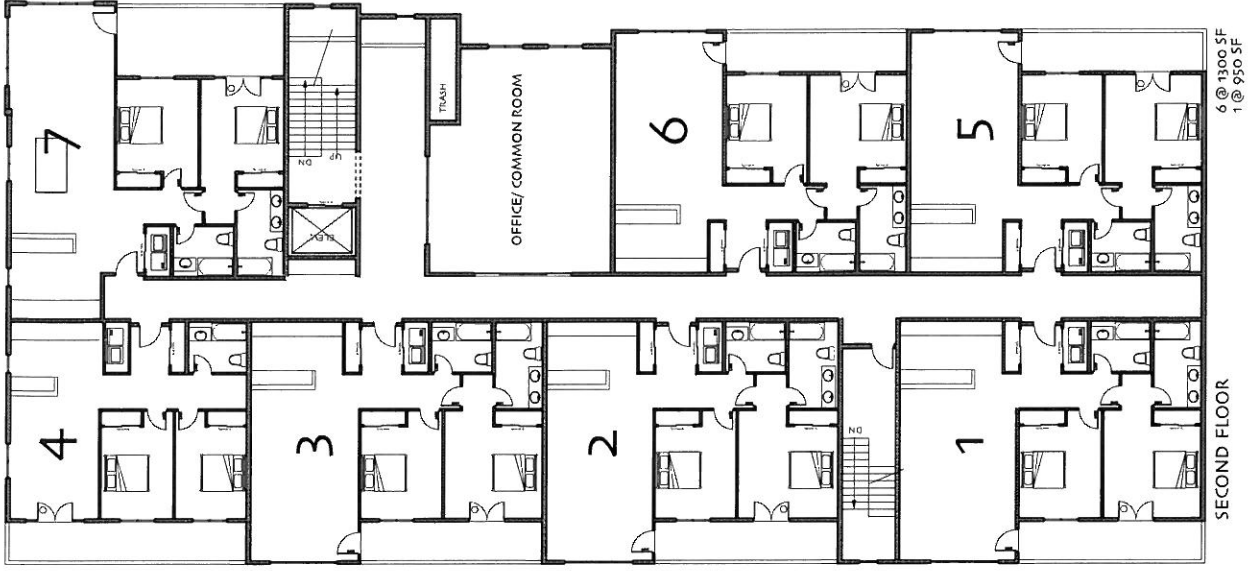
David Langon

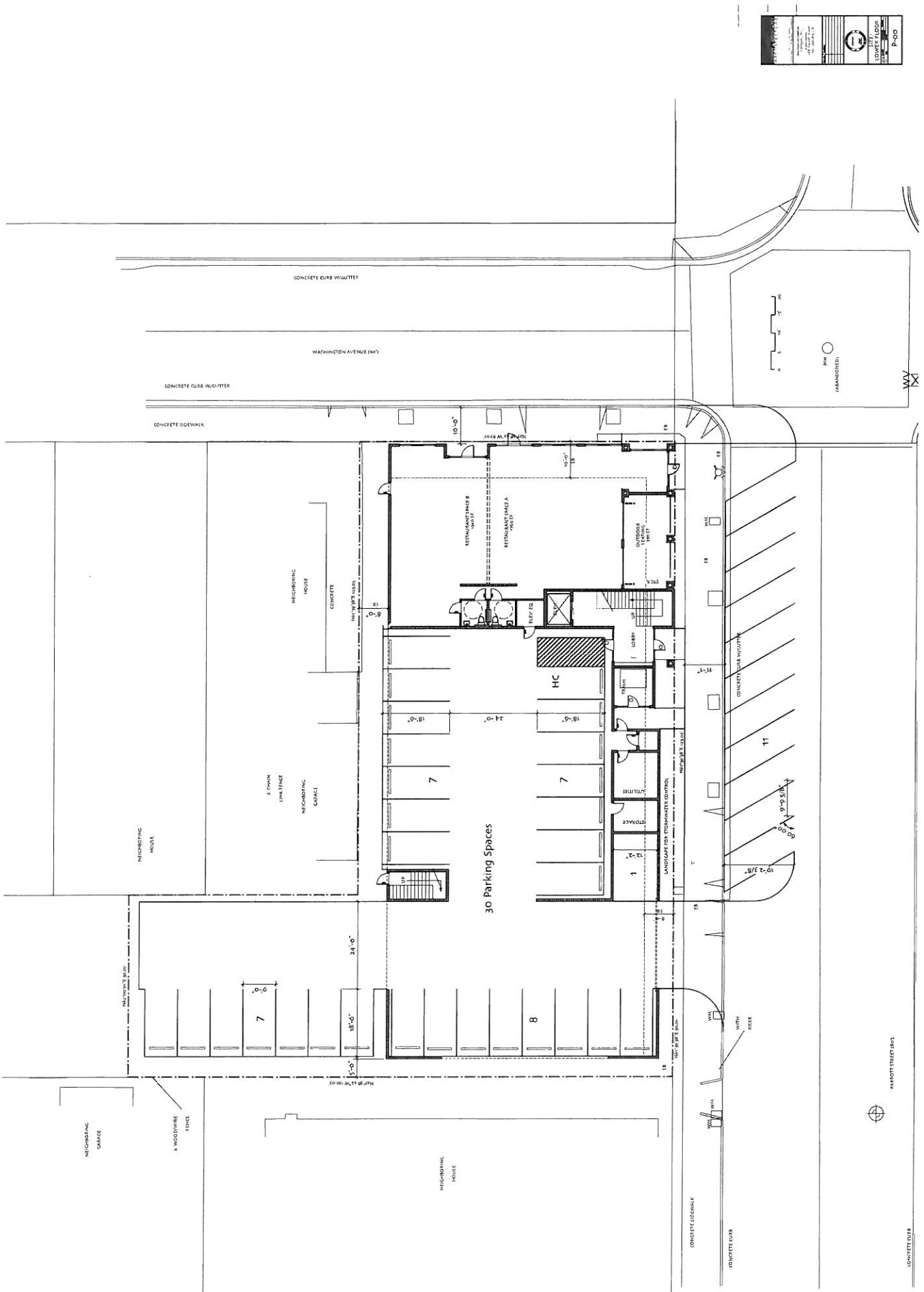


WASHINGTON AVENUE ELEVATION



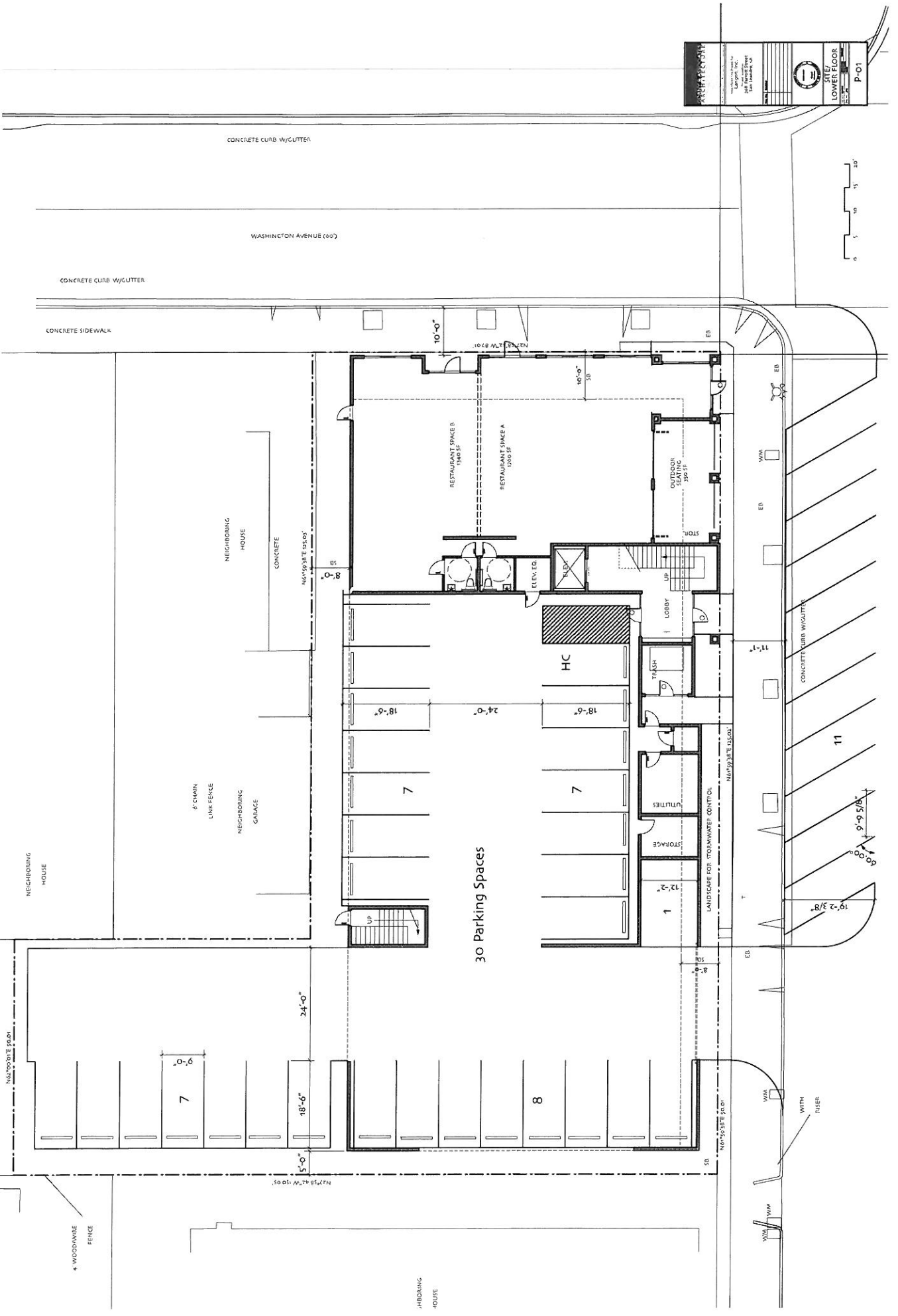
PARROTT STREET ELEVATION





SITE / LOWER FLOOR

 P-01



CONCRETE CURB W/GUTTER

WASHINGTON AVENUE (602)

CONCRETE CURB W/GUTTER

CONCRETE SIDEWALK

NEIGHBORING HOUSE

6' CHAIN LINK FENCE

NEIGHBORING GARAGE

NEIGHBORING HOUSE

30 Parking Spaces

NEIGHBORING HOUSE

4' WOODWARE FENCE

WITH RIBS

11

19'-2 3/8"

9'-9 5/8"

11'-1"

12'-2"

18'-6"

24'-0"

18'-6"

30'-0"

10'-0"

10'-0"

10'-0"

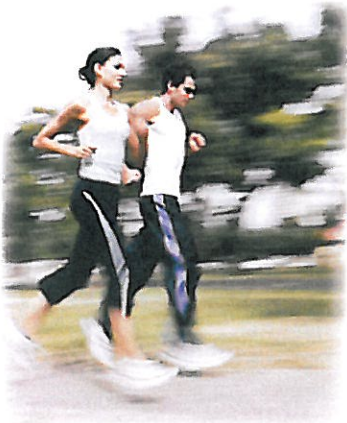
10'-0"

10'-0"

TOSCANI PLACE



This new development is the first of its type in San Leandro. Developer LANGON HOMES worked closely with the City Redevelopment Agency to bring these nine new homes to the local landscape. The highest regard was given to modern environmental design and planning trends to maximize the in-fill land use in context with the neighborhood, plus provide a high level of design aesthetics and state-of-the-art living for its residents.



Located in the heart of San Leandro, TOSCANI PLACE is one of the most convenient and trendsetting housing developments in the San Francisco East Bay area.

Each home includes three bedrooms and three full bathrooms, plus a dedicated live/work space with separate entrance on the ground floor. Every unit includes a two-car garage with automatic steel door, individually fenced private patio and separate utilities.

The architecture is characterized with Mediterranean-style tile roofs, energy-efficient windows, iron railings, designer colors and professional landscaping. The interior space offers a large living room, ceramic tile entry, natural wood cabinets, stainless steel kitchen appliances and granite counter tops.

Numerous amenities are also available for customization. Owners may choose from a substantial list of upgrades including paint accents, designer wood cabinets, large flat screen plasma TV, high-efficiency washer and dryer, designer window blinds and more.

TOSCANI PLACE is sure to provide homeowners with a perfect blend of contemporary sophistication and urban enjoyment.



CONCEPTUAL PERSPECTIVE VIEW
3765 CASTRO VALLEY BOULEVARD MIXED USE

JANUARY 30, 2017
LCA PROJECT #16064

