

**OFFER FOR
EXCLUSIVE RIGHT TO NEGOTIATE A
MASTER DEVELOPMENT AGREEMENT**

(Date)

Douglas Guthrie, President & CEO
Housing Authority of the City of Los Angeles
2600 Wilshire Blvd., 3rd Floor
Los Angeles, CA 90057

Subject: OFFER FOR EXCLUSIVE RIGHT TO NEGOTIATE (“ERN”) A MASTER DEVELOPMENT AGREEMENT FOR RANCHO SAN PEDRO REVITALIZATION

Dear Mr. Guthrie:

The undersigned Developer hereby submits to the Housing Authority of the City of Los Angeles (“Authority”), an Offer to Negotiate Exclusively (the “Offer”) for a period of 90-days for the revitalization, in whole or in part, of the Rancho San Pedro site pursuant to our Proposal to the Authority in response to the Request for Proposals (RFP) No. HA-2017-97. We request that the Authority negotiate exclusively with us for a 90-day period, during which time we will seek to negotiate a Master Development Agreement (“MDA”) for the Revitalization of Rancho San Pedro.

This Offer is made subject to the following terms and conditions:

1. We will proceed diligently with our obligations under this Offer and our Proposal in response to the RFP. We also agree that if the negotiations do not result in an MDA or other agreement, we will submit to the Authority our findings and determinations regarding the Proposal.
2. We understand that negotiations may be extended beyond the 90-day period at the sole option of the Authority to enable the undersigned Developer and the Authority to reach an agreement. The Authority may extend this ERN for up to two (2) additional 90-day periods at its sole discretion.
3. We understand that the nature and type of development is subject to the approval by the Authority and may be subject to further approval by HUD. We further understand that we will be required to make full disclosure to the Authority of our principal’s officers, stockholders, etc., and all other pertinent information, including credit information, concerning the Developer and Its associates.
4. We further understand that we will be required to make full disclosure to the Authority of the methods of financing to be used in developing the various phases of the Revitalization.
5. The Authority shall cooperate fully with our professional associates by providing them with any information and assistance in connection with the preparation and execution of such drawings, plans and specifications reasonably within the capacity of the Authority to provide.
6. We also understand that the Authority reserves the right at any time to request additional information and data from the Developer and that the Authority particularly reserves the right to obtain further information, data and commitments to ascertain the capacity of Developer to carry out the

Revitalization expeditiously and in a financially sound manner. A reasonable time to obtain and submit such additional information will be provided by the Authority.

7. The revitalization plan for Rancho San Pedro shall be described in detail in the MDA, based on the Developer's Proposal and the RFP and the actual development shall conform to these objectives. All drawings, plans and specifications, and financing arrangements relative to the Revitalization of Rancho San Pedro shall be subject to the approval of the Authority.
8. We understand that if negotiations culminate in a MDA with the Authority, the agreement becomes final only after it has been considered and approved by the Authority's Board of Commissioners and reviewed and approved by HUD, if necessary, prior to the execution by the Authority. We further understand that the Authority, in entering into this period of exclusive negotiations, is not waiving any of its rights and retains its sole discretion to enter into other agreements or obligations regarding the revitalization of Rancho San Pedro following the expiration of the negotiating period.
9. We understand that by entering into the exclusive negotiations, the Authority is not waiving its discretionary approvals nor in any way guaranteeing that an MDA will necessarily result from the negotiations.
10. Our Proposal is in response to the Authority's RFP No. HA-2017-97, and all of its contents are hereby made a part of this Offer.
11. Neither party shall be legally bound or obligated unless and until a MDA is executed by both parties and all necessary approvals have been obtained.

Developer's Initials

Please indicate your acceptance of this Offer, after approval by the Board of Commissioners of the Authority, by signing in the space provided and returning the attached copy to us.

Sincerely,

Signature _____

Name/Title _____

Address _____

Telephone/Fax _____

This Proposal is hereby accepted as of the ____ day of _____,
2018, subject to the terms and conditions stated above.

THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

By: _____

Douglas Guthrie, President & CEO