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May 11, 2020

Steve Reilly, Senior Vice President
Land Advisors Organization
156 Diablo Road, Suite 340
Danville, CA 94526
c/o Steve Reilly via email (realproperty@pw.cccounty.us)

Re: The Residential Portion of the Oak Park Properties Specific Plan/PUD which consist of approximately 4.8 acres of Land approved for 34 Single Family Homes located at 1750 Oak Park Boulevard, City of Pleasant Hill, Contra Costa County California, APN: 149-271-014 ("Property").

Dear Mr. Reilly:

This letter sets forth the general terms and conditions upon which Landsea Homes ("Buyer") would purchase the Property from **the County of Contra Costa, a political subdivision of the State of California** ("Seller"), subject to the drafting and execution of a mutually acceptable Purchase and Sale Agreement and Escrow Instructions ("PSA") embodying, among others, the following terms:

1. **Property.** The Property shall include all government approvals and permits; all maps, plans, drawings, surveys and experts' and consultants' reports; all improvements on, in or about the Property; all easements and similar property rights; and all utility and public service rights and commitments.
2. **Purchase Price.** The "Purchase Price" for the Property shall be **\$12,100,000.**
3. **Payment of Purchase Price.** At Close of Escrow, as defined below, Buyer shall pay, in cash, an amount equal to the Purchase Price, plus Buyer's share of closing costs.
4. **Escrow.** Within three (3) business days after the date that a PSA is executed by the Buyer and Seller (Agreement Date), an "Escrow" shall be opened by First American Title ("Escrow Holder").
5. **Deposit.** Within three (3) business days of the opening of Escrow, Buyer shall deposit into Escrow the amount of **One Hundred Twenty Thousand Dollars (\$120,000)** (the "First

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Deposit”). The First Deposit shall be placed in an interest-bearing account for the benefit of Buyer and will remain refundable to Buyer. If at any time prior to the expiration of the Feasibility Period (as defined below) Buyer determines that its purchase of the Property is not feasible, the First Deposit will be immediately returned to Buyer. Upon approval of Due Diligence (as defined below), Buyer shall deposit into Escrow an additional **Six Hundred Five Thousand Dollars (\$605,000)** (the “Second Deposit”). Upon approval of Due Diligence, the First and Second Deposits shall become non-refundable and be immediately released from Escrow to Seller. All deposits shall be applicable to the Purchase Price at the Close of Escrow. All Deposits shall remain in escrow and only released upon material breach or close of escrow.

6. **Close of Escrow.** In the event of Buyer’s approval of Due Diligence, Close of escrow for Buyer’s purchase of the Property (“Close of Escrow”) shall occur on the later of (i) fifteen days after Buyer’s issuance of the Feasibility Approval Notice, (ii) seven days after Buyers receipt of the Notice of Completion confirming that the Demolition/Site Preparation is complete or (iii) fifteen days following approval of the Tentative Map and expiration of all appeal period with no action being taken. Notwithstanding the foregoing the Outside Closing Date shall be December 31, 2020 unless Buyer and Seller have executed a mutually agreeable Amendment to the Purchase and Sale Agreement as the case may require.
7. **Feasibility Period.** No later than three (3) business days after the execution of this Letter of Intent, Seller shall deliver to Buyer, all surveys, maps, plans, contracts, records, permits, correspondence and other documents related to the Property and the construction of any improvements on or about the Property, together with a preliminary title report issued by First American Title (the “Title Company”), and copies of all underlying documents referenced therein as exceptions (collectively, “Development Documents”). Buyer shall have until **60 days** (“Feasibility Period”) to review, in Buyer’s sole discretion, the condition and suitability of the Property for Buyer’s intended use, including but not limited to development costs, financial and market feasibility, condition of title, and the physical condition of the Property (“Due Diligence”).
8. **Closing Costs and Escrow Fees.** Upon Close of Escrow, Seller shall pay documentary transfer taxes and recording fees. Buyer shall pay for the premium for Buyer’s ALTA Owner’s title insurance policy, and any endorsements thereto reasonably required by Buyer, issued by Title Company. All other escrow charges shall be borne equally by Buyer and Seller pursuant to the **Contra Costa** County customary practice. Current, non-delinquent real property taxes and assessments shall be prorated between Buyer and Seller as of the date of Close of Escrow, assuming a thirty (30) day month.
9. **Assumptions.**
 - a) Seller to deliver the site with all existing buildings cleared and rough graded.
 - b) Buyer acknowledges and agrees that the impact fees listed in the Oak Park VDR for the Pleasant Hill Park and Recreation in lieu fee and the City of Pleasant Hill Traffic Impact Fee are estimates only. The Purchase price will be adjusted up or down based on the actual final fees imposed. For example, if the final fee imposed

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is \$100,000 higher than the estimate, the Purchase Price will be decreased by \$100,00. If the final fee imposed is \$100,000 lower than the estimate, the Purchase Price will be increased by \$100,000.

- c) Buyer has used seller-provided estimates for all Building Permits and Impact Fees. The Purchase Price shall be adjusted based on any variance between the estimated fees and actual final fees imposed.
- d) Per Seller’s request, attached to this Letter of Intent is Buyer’s completed Exhibit A “Oak Park Offer Assumptions”.

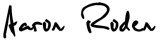
10. Closing Conditions. Buyer acknowledges review of the draft Purchase and Sale Agreement and specifies the following additional closing conditions.

- a) Seller has obtained all necessary agency permits. Specifically, Seller shall have secured Section 404 Clean Water Act, Section 401 water quality certification from the RWQCB and Section 1600 of the California Fish and Game Code permits such that Buyer may proceed unimpeded in the residential development of the Property.
- b) Prior to Close of Escrow and per the Property’s approved Mitigation Monitoring and Reporting Program, Seller shall have caused that requirements MM CUL-1a and MM CUL-1b have been satisfied and that no further action will be required by Buyer in order to proceed with the development.
- c) All tenant leases have been terminated and all tenants and equipment have vacated the Property.

11. Non-Binding. The parties expressly agree that this letter is not a purchase contract or otherwise binding upon either party. This letter will not provide any right to purchase or sell the Property and merely provides a summary of negotiations to this date. Except as set forth in the following sentence, this letter constitutes an expression of interest only regarding the terms and conditions on which Buyer would purchase the Property from Seller and shall not be deemed to create a binding obligation between Buyer and Seller unless and until a definitive PSA embodying the terms hereof, and any other terms acceptable to the parties in their sole discretion, is executed by both Buyer and Seller.

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Respectfully,

DocuSigned by:

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Aaron Roden
Director of Land Acquisition
Landsea Homes

The above is confirmed and agreed on this ____ day of _____, 2020.

ACCEPTED AND AGREED

By: _____

It's: _____

Date: _____

Cc: Josh Santos

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EXHIBIT A

OAK PARK OFFER ASSUMPTIONS

Avg. Home Revenue:	\$1,339,147
Assumed Sales Velocity Per Month:	3.00 sales per month
Vertical Direct Construction Per Sq.Ft.:	\$105.00 / Sq.Ft.
In Tract Improvement Costs:	\$3,897,453 (\$114,631 per lot)
Other On-Lot Costs:	\$136,000 (\$4,000 per lot)
Common Area Landscaping Costs:	\$390,000 (\$11,471 per lot)
Estimated Builder Permit and Impact Fees:	\$1,481,860 (\$43,584 per lot)
Soft Costs:	18.00% of Revenue
Assumed Effective Tax Rate:	1.205%