

TCR

TRAMMELL CROW RESIDENTIAL

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crowholdings.com

January 17, 2017

Ms. Jennifer Ott
2263 Santa Clara Avenue, Room 130
Alameda, CA 94501

RE: Alameda Point Phase I

Dear Ms. Ott:

As you know, we hold an interest in Alameda Point Partners. We are a Trammell Crow Residential (“TCR”) entity. Alameda Point Partners (“APP”) is committed to the acquisition of the Phase I land, construction of improvements and development of the approved projects at Alameda Point. To date, it has activated the project via a number of public events. It has submitted plans for all of the vertical components and are actively working on park plans. It has assisted the City to insure timely ferry operation, including completion of the new terminal. It has committed to working closely with the City of Alameda in order to achieve the successful development of this project.

About Trammell Crow Residential

Trammell Crow Residential is the most recognized multi-family development firm in the United States, building on nearly four decades of success. In the past decade, TCR has started 69 projects with nearly 20,000 units and a total capitalization in excess of \$4.4 billion. Our multi-family portfolio highlights a wide range of development capabilities, from ultra-luxurious mid- and high-rise properties in infill locations to suburban garden-style properties in master planned communities with strict design guidelines.

About the Financial Commitment

The financial commitment to the project is outlined in the Financial Plan that has been submitted to the City. The following items are consistent with the Financial Plan.

<i>Source</i>	<i>Estimated Amount</i>
<i>Developer Equity</i>	<i>\$15,000,000</i>
<i>Infrastructure Loan</i>	<i>15,000,000</i>
<i>Sale of Block 6</i>	<i>21,000,000</i>
<i>Sale of Block 9</i>	<i>20,200,000</i>
<i>Sale of Block 11</i>	<i>24,000,000</i>
<i>Sale of Block 7</i>	<i>17,250,000</i>
<i>Sale of Block 1a</i>	<i>3,000,000</i>

To date, the developer has already funded over \$13 million to initiate design. At this time, we anticipate expending a total of \$16 million, *approximately 20 percent of the development budget for Phase I*, to support infrastructure costs prior to land conveyance.

Prior to land closing, APP will have executed an infrastructure loan for \$30.0 million and a PSA for Block 9 for \$20.2 million. We anticipate executing the PSA(s) for Blocks 6 and 7 later this year. We have a preliminary understanding with UDR for participating debt financing on Blocks 10 and 11. Alameda Point Partners intends to commence construction on infrastructure in Q2 2017.

Construction Financing

TCR successfully managed the economic downturn of the late 2000s, successfully repaying all of the loans in our portfolio, which at its peak totaled more than 70 multi-family properties and 25,000 units nationally. TCR emerged from the economic downturn with even stronger relationships with our numerous lenders. For this project, TCR is teaming up with the public REIT UDR to obtain infrastructure financing as well as construction financing on Block 10 and 11. Like TCR, UDR is a committed owner focusing on projects with long term value potential.

Equity Partner

Crow Holdings is the majority owner of TCR. Since 1998, Crow Holdings Capital – Real Estate has invested more than \$15 billion across eight funds, representing more than 300 real estate transactions, including more than 100 multi-family properties.

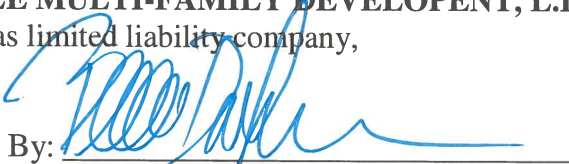
Conclusion

We are very excited about this potential opportunity. Based on Trammell Crow Residential’s successful development experience in Northern California, our understanding of the site, and our reliable access to capital, we believe our firm is exceptionally well positioned to successfully complete this transaction.

Please call me if you have any questions or require additional information.

Best regards,

MAPLE MULTI-FAMILY DEVELOPMENT, L.L.C.,
a Texas limited liability company,

By: 
Bruce Dorfman
Vice President