RA7

Oak Springs Investors LLC
4063 Birch Street, Suite 140
Newport Beach, CA 92660

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HNP DIVISION

March 2, 2005

Mr. Felix Reliford
Housing and Neighborhood Preservation
City of Milpitas
Milpitas City Hall
455 East Calaveras Blvd.
Milpitas, CA 95035

Dear Felix:

As we discussed on the telephone we are working on another project in Milpitas on South Main Street near the intersection of Main and Montague Expressway. We have been working with James Lindsay and Staci Pereira on the plans for a one hundred fifty three unit for-sale townhome community. The project is within the boundaries of the Redevelopment District and thus there will be the required twenty percent (thirty-one) required affordable units. James Lindsay referred me to you to discuss RDA financial assistance for our buyers of the affordable homes.

It would certainly be quite simple to structure something along the lines of the MOU and OPA that we all worked out for the Parc Place project. I have taken the liberty of attaching a schedule applying the Parc Place formulas to the Main Street Property. This would require assistance from the RDA in the amount of $2,072,714 through the use of the silent second program. In this instance all the assistance would be provided to the homebuyers when they close escrow with none of the assistance going to the developer. This should make for a very clean structure for everyone.

We believe the entitlements should be in place by the end of July 2005 thus it is crucial to start work on this assistance request.

I look forward to seeing on March 9, 2005 to review this proposal.

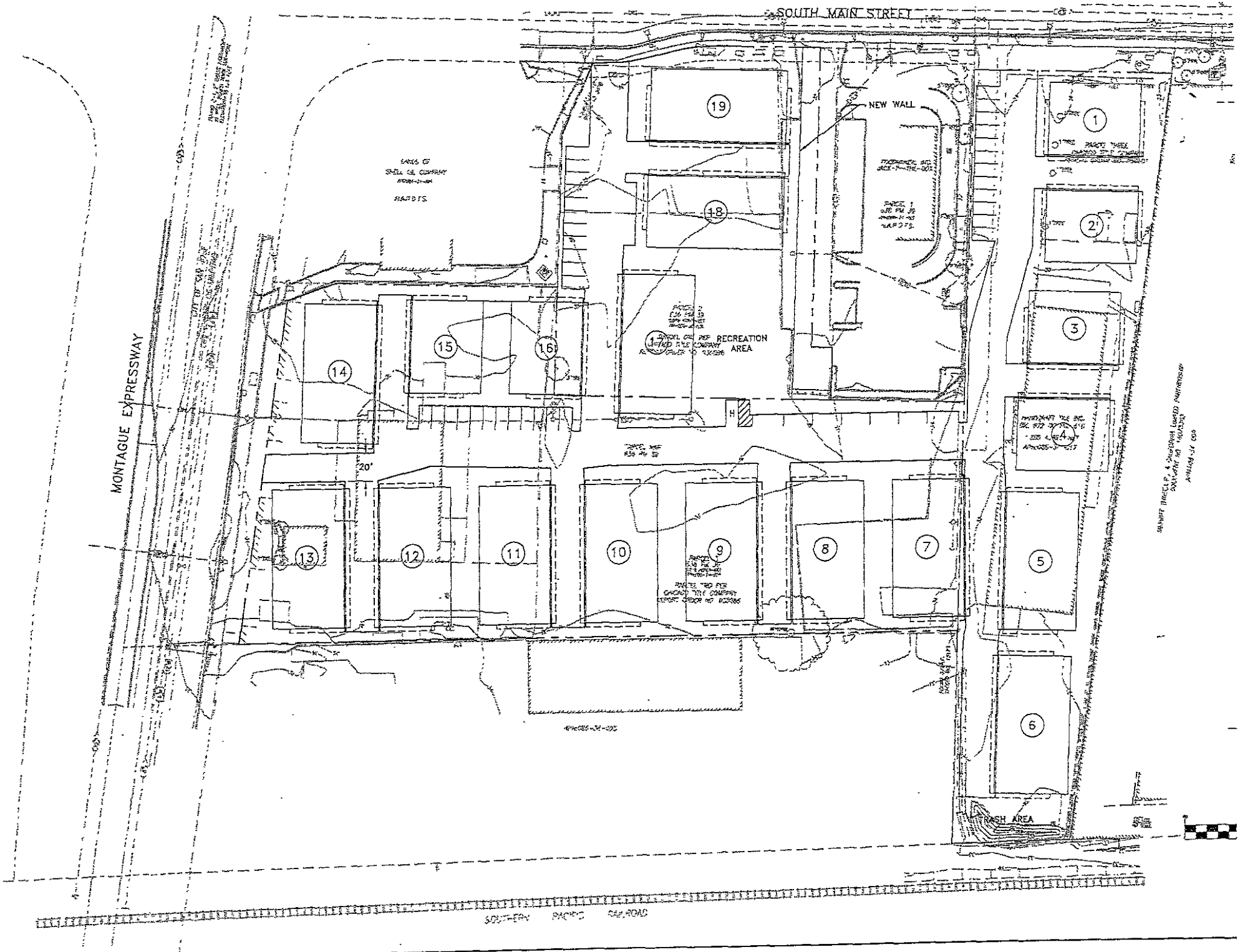
As always we look forward to working with you again to increase the affordable housing stock in Milpitas.

Sincerely,

E. James Murar
Oak Springs Investors, LLC

City of Milpitas Redevelopment Agency
Assistance for Affordable Housing

Income Level	Parc Place Units	Parc Place Percent	Parc Place Assistance Each Unit	Parc Place Total Assistance	Main Street Units	Main Street Percent	Main Street Assistance Each Unit	Main Street Total Assistance
Very Low	18	31.03%	173,978	3,131,604	10	32.26%	173,978	1,739,780
Low	6	10.34%	110,978	665,876	3	9.68%	110,978	332,934
Moderate	34	58.62%	0	0	18	58.06%	0	0
Total	58	100.00%	65,474	3,797,480	31	100.00%	66,862	2,072,714


SOUTH MAIN STREET
MONTAGUE EXPRESSWAY
SOUTHERN PACIFIC RAILROAD
NEW WALL
RECREATION AREA
TRASH AREA
20'
1
2
3
4
5
6
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8
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