



KEYSER MARSTON ASSOCIATES™
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

January 21, 2021

ADVISORS IN:
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Affordable Housing
Economic Development

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Roberty Freedman
1040 Manhattan Boulevard
Manhattan Beach, California 90266

Re: Maximum Sales Price Request – 2750 Artesia Boulevard, Unit #444

Dear Mr. Freedman:

The City of Redondo Beach Housing Authority (Housing Authority) has engaged Keyser Marston Associates, Inc. (KMA) to provide consulting services related to the affordable housing units located in the Breakwater Village project. The following letter is a response to your request for an assessment of the maximum allowable sales price for the Moderate-Income unit located at 2750 Artesia Boulevard #444, Redondo Beach, California 90278.

The conditions imposed on the resale of the residence are presented in the Addendum to Grant Deed, which was executed in 2011 when the unit was sold to Ms. Rose Emery. Under the terms and conditions included in Section 7 of the Addendum to Grant Deed, the maximum sales price that you may receive for any type of Transfer of the residence ("Resale Price") shall be the lesser of the following:

1. The Moderate Income Affordable Purchase Price at the time of Resale; or
2. The Increased Base Price plus the "Value of Capital Improvements" that have been approved by the City of Redondo Beach, if any.

The Unit Resale Determination Worksheet follows this letter. Based on the calculations included in the Worksheet, the Resale Price is based on the Increased Base Price. As of today's date, the maximum Resale Price is \$237,966.

The Resale Price provided to you will be valid for three months from the date of this letter. Should the Resale Price expire, a new Maximum Sales Price Request must be submitted. In that case a completed application (and fee payment, if applicable) should be submitted to the Housing Authority.

Sincerely,

Keyser Marston Associates, Inc.

A handwritten signature in cursive script, appearing to read "Kathleen Head".

Kathleen Head

UNIT RESALE PRICE DETERMINATION WORKSHEET

Owner's Name	Rose Emery
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Development	Breakwater Village
Unit Number	444
Assessor Parcel Number (APN)	4082012200

Income Level	Moderate
Number of Bedrooms	2

The Maximum Resale Price is equal to the Lesser of:

1. The Increased Base Price, and the
2. The Moderate Income Affordable Purchase Price.

Increased Base Price

Current Owner's Purchase Price	\$194,000
Current Owner's Purchase Date (HCD Income 2010)	2011
Area Median Income at Time of Owner's Purchase	\$56,700
Area Median Income at Calculation Date (HCD Income 2020)	\$69,550
Percentage Increase in Area Median Income	22.66%

Increased Base Value	\$237,966
Increase in Value Due to Capital Improvements	\$0

Increased Base Price	\$237,966
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Moderate Income Affordable Purchase Price	\$372,200
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Maximum Resale Price	\$237,966
Calculation is Valid Through:	4/21/21

After this date, if Owner has not entered into a purchase and sale agreement, the sales price will need to be recalculated to take into consideration any changes in the Area Median Income, HOA dues, etc. Please see below for additional information.

Prepared by Keyser Marston Associates, Inc.	Kathleen Head
Date the Calculation is Completed	1/21/21

The Maximum Sales Price is based on the formula included in the Addendum to Grant Deed recorded on the property with the County of Los Angeles. The formula takes into consideration the Area Median Income as determined by the State of California and makes allowances for utilities, HOA dues, taxes, PMI, homeowners insurance, etc. Additionally, calculations are subject to change at any time due to changes in the abovementioned information. Please check with the Housing Authority prior to entering into a purchase and sale agreement.