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

May 25, 2021

ADVISORS IN:
Real Estate
Affordable Housing
Economic Development

BERKELEY
A. Jerry Keyser
Debbie M. Kern
David Doezema
Kevin Feeney

LOS ANGELES
Kathleen H. Head
James A. Rabe
Gregory D. Soo-Hoo
Kevin E. Engstrom
Julie L. Romey
Tim R. Bretz

SAN DIEGO
Paul C. Marra

Anthony Kim
2750 Artesia Boulevard #117
Redondo Beach, California 90278

Re: Maximum Sales Price Request

Dear Mr. Kim:

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 you own at 2750 Artesia Boulevard #117, Redondo Beach, California 90278.

The conditions imposed on the resale of the residence are presented in the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income], which is dated December 6, 2011 and was recorded on June 7, 2012 by the Los Angeles County Recorder as Instrument No. 2012-0850861. Under the terms and conditions included in Section 7 of the Agreement Containing Covenants, Restrictions and Option to Purchase [Moderate Income], the maximum sales price that you may receive for any type of Transfer of your 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 $187,375.

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.

Kathleen Head

UNIT RESALE PRICE DETERMINATION WORKSHEET

Owner's Name	Anthony Kim

Development	Breakwater Village
Unit Number	117
Assessor Parcel Number (APN)	4082012112

Income Level	Moderate
Number of Bedrooms	1

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	$151,803
Current Owner's Purchase Date (HCD Income 2012)	6/7/12
Area Median Income at Time of Owner's Purchase	$51,850
Area Median Income at Calculation Date (HCD Income 2021)	$64,000
Percentage Increase in Area Median Income	23.43%
Increased Base Value	$187,375
Increase in Value Due to Capital Improvements	$0
Increased Base Price	$187,375

Moderate Income Affordable Purchase Price	$324,400

Maximum Resale Price	$187,375
Calculation is Valid Through:	8/23/21

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	5/25/21

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.